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If you have sold or transferred all your shares in Asia Financial Holdings Limited, you should at once hand this circular and the enclosed proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

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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)

PROPOSALS RELATING TO RE-ELECTION OF DIRECTORS, GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of Asia Financial Holdings Limited to be held at 16th Floor, Worldwide House, 19 Des Voeux Road Central, Hong Kong on Wednesday, 20th May 2015 at 12:00 noon is set out on pages 17 to 21 of this circular.

If you are unable to attend and vote at the annual general meeting, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the completed proxy form to the principal place of business of the Company at 16th Floor, Worldwide House, 19 Des Voeux Road Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting thereof should you so wish.

20th April 2015

* for identification purposes only

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
1. Introduction	3
2. Re-election of Directors	4
3. General Mandates to Issue Shares and Repurchase Shares	5
4. Annual General Meeting	6
5. Voting by Poll	6
6. Recommendation	7
Appendix I – Directors Proposed for Re-election	8
Appendix II – Explanatory Statement	14
Notice of Annual General Meeting	17

DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions have the following meanings:

“2015 AGM”	the annual general meeting of the Company to be held at 16th Floor, Worldwide House, 19 Des Voeux Road Central, Hong Kong on Wednesday, 20th May 2015 at 12:00 noon, to consider and, if appropriate, to approve the Resolutions or any adjournment thereof;
“AGM Notice”	the notice of the 2015 AGM set out on pages 17 to 21 of this circular;
“Asia Insurance”	Asia Insurance Company, Limited, a wholly owned subsidiary of the Company;
“Board”	the board of Directors of the Company;
“Bye-laws”	the Bye-laws of the Company as may be amended from time to time;
“Company”	Asia Financial Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its Subsidiaries;
“Hong Kong” or “HKSAR”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	10th April 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

DEFINITIONS

“Resolution(s)”	the ordinary resolution(s) to be proposed for consideration by Shareholders at the 2015 AGM as set out in the AGM Notice;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of Shares in issue;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong; and
“%”	per cent.

LETTER FROM THE BOARD



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)

Executive Directors:

CHAN Yau Hing Robin, G.B.S., LL.D., J.P. (*Chairman*)

CHAN Bernard Charnwut, G.B.S., J.P. (*President*)

TAN Stephen

WONG Kok Ho

Registered Office:

Clarendon House

Church Street

Hamilton HM 11

Bermuda

Non-executive Directors:

SOPHONPANICH Choedchu

NG Song Hin

CHAN Yeow Toh

YAMAGUCHI Yoshihiro

TANAKA Junichi

Head Office and

Principal Place of Business:

16th Floor

Worldwide House

19 Des Voeux Road Central

Hong Kong

Independent Non-executive Directors:

CHOW Suk Han Anna

MA Andrew Chiu Cheung

SIAO Chi Lam Kenneth

WONG Yu Hong Philip, G.B.S.

LAI KO Wing Yee Rebecca, J.P.

20th April 2015

Dear Shareholders,

**PROPOSALS RELATING TO RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES
AND REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the proposals relating to the re-election of Directors, the granting of general mandates to issue Shares and repurchase Shares, and to seek your approval of the proposed resolutions relating to these matters at the 2015 AGM.

* for identification purposes only

LETTER FROM THE BOARD

2. RE-ELECTION OF DIRECTORS

2.1 Re-election of Directors

The Board currently consists of 14 Directors, namely Dr. CHAN Yau Hing Robin, Mr. CHAN Bernard Charnwut, Mr. TAN Stephen, Mr. WONG Kok Ho, Mr. SOPHONPANICH Choedchu, Mr. NG Song Hin, Ms. CHAN Yeow Toh, Mr. YAMAGUCHI Yoshihiro, Mr. TANAKA Junichi, Ms. CHOW Suk Han Anna, Mr. MA Andrew Chiu Cheung, Mr. SIAO Chi Lam Kenneth, Dr. WONG Yu Hong Philip and Mrs. LAI KO Wing Yee Rebecca.

In accordance with Bye-law 87(2) of the Bye-laws of the Company, Mr. CHAN Bernard Charnwut, Mr. TAN Stephen, Mr. NG Song Hin, Ms. CHAN Yeow Toh, Ms. CHOW Suk Han Anna, Mr. MA Andrew Chiu Cheung and Mrs. LAI KO Wing Yee Rebecca will retire from office by rotation and, being eligible, will offer themselves for re-election at the 2015 AGM.

Each of Ms. CHOW Suk Han Anna, Mr. MA Andrew Chiu Cheung and Mrs. LAI KO Wing Yee Rebecca, being an independent non-executive director, has given to the Company his/her annual written confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board considers that all of them are independent.

Pursuant to Code Provision A.4.3 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, any further appointment of independent non-executive director serving more than 9 years should be subject to a separate resolution to be approved by shareholders. Ms. CHOW Suk Han Anna and Mr. MA Andrew Chiu Cheung are independent non-executive directors serving the Company for more than 9 years. Separate resolutions will be proposed for their re-election at the 2015 AGM. The Board considered that Ms. CHOW Suk Han Anna and Mr. MA Andrew Chiu Cheung have demonstrated their independent views and judgements in the Company's matters. They remain independent notwithstanding the length of their services. The Board believes that they are able to continue to fulfil their roles as independent non-executive directors and thus recommends Ms. CHOW Suk Han Anna and Mr. MA Andrew Chiu Cheung for re-election at the 2015 AGM.

Brief biographical details of the above mentioned Directors proposed to be re-elected at the 2015 AGM are set out in Appendix I to this circular.

LETTER FROM THE BOARD

2.2 Nomination by Shareholders

In accordance with Bye-law 89 of the Bye-laws, if a Shareholder wishes to nominate a person to stand for election as a director at the 2015 AGM, notice of his intention to propose such person for election as a director and the notice executed by the nominated candidate of his/her willingness to be elected together with that candidate's information as required to be disclosed under Rule 13.51(2) of the Listing Rules which must be validly served to the Secretary of the Company at 16th Floor, Worldwide House, 19 Des Voeux Road Central, Hong Kong during the period from 21st April 2015 to 30th April 2015 (both dates inclusive).

Upon receiving a valid nomination, the Company will publish an announcement or issue and despatch a supplementary circular to Shareholders containing the details of the candidate(s) proposed as soon as practicable on or about 5th May 2015.

3. GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

At the annual general meeting of the Company held on 7th May 2014, approvals were given by the Shareholders for the granting of, inter alia, a general mandate to the Directors to issue Shares up to a maximum of 20% of the issued share capital of the Company at the date of passing the relevant resolution and a general mandate to the Directors to repurchase Shares up to a maximum of 10% of the issued share capital of the Company at the date of passing the relevant resolution. These general mandates will lapse at the conclusion of the 2015 AGM. As at the Latest Practicable Date, the issued share capital of the Company comprised 1,019,200,000 Shares. On the basis that no further Shares will be issued prior to the 2015 AGM, the Directors would be authorised under the Share Issue Mandate (as defined below) to issue Shares up to a limit of 203,840,000 Shares.

Resolutions will therefore be proposed at the 2015 AGM to renew these general mandates. The relevant resolutions, in summary, are:

- to grant to the Directors a general and unconditional mandate to allot, issue and deal with additional Shares not exceeding 20% of the Company's issued share capital as at the date of the resolution for the period until the conclusion of the next annual general meeting of the Company (or such earlier period as stated in the resolution) (the "Share Issue Mandate");
- to grant to the Directors a general and unconditional mandate to exercise all the powers of the Company to purchase an amount of Shares not exceeding 10% of the Company's issued share capital as at the date of the resolution for the period until the conclusion of the next annual general meeting of the Company (or such earlier period as stated in the resolution) (the "Share Repurchase Mandate"); and

LETTER FROM THE BOARD

- conditional upon the passing of the Resolutions to grant the Share Issue Mandate and the Share Repurchase Mandate, to extend the Share Issue Mandate by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority given pursuant to the Share Repurchase Mandate, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the resolution.

The Directors believe that the relevant mandates afford the Directors the flexibility and discretion when the Directors consider it desirable to issue and allot or repurchase Shares.

An explanatory statement as required by the Listing Rules to be sent to the Shareholders in connection with the proposed Share Repurchase Mandate is set out in Appendix II to this circular. The explanatory statement contains information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant Resolution at the 2015 AGM.

4. ANNUAL GENERAL MEETING

The AGM Notice is set out on pages 17 to 21 of this circular. Resolutions in respect of the re-election of Directors, the granting to the Directors the Share Issue Mandate and the Share Repurchase Mandate will be proposed at the 2015 AGM.

A proxy form for use at the 2015 AGM is enclosed with this circular. If you are unable to attend or vote at the 2015 AGM, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the completed proxy form to the principal place of business of the Company at 16th Floor, Worldwide House, 19 Des Voeux Road Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2015 AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the 2015 AGM or any adjourned meeting thereof should you so wish.

5. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting (including the 2015 AGM) must be taken by poll. The Chairman of the 2015 AGM will demand, pursuant to Bye-law 66 of the Bye-laws of the Company, that all Resolutions set out in the AGM Notice be decided by poll.

After the conclusion of the 2015 AGM, the results of the poll will be published on the HKExnews website at www.hkexnews.hk and the Company's website at www.afh.hk.

LETTER FROM THE BOARD

6. RECOMMENDATION

Having considered the reasons set out herein, the Directors consider that the proposed Resolutions for the re-election of Directors and for granting to the Directors the Share Issue Mandate and the Share Repurchase Mandate are in the interests of the Company and the Shareholders as a whole and accordingly recommend the Shareholders to vote in favour of such Resolutions to be proposed at the 2015 AGM.

Yours faithfully,
For and on behalf of the Board
CHAN Yau Hing Robin
Chairman

The biographical details of the Directors proposed to be re-elected at the 2015 AGM according to the Bye-laws of the Company are set out below.

Mr. CHAN Bernard Charnwut, G.B.S., J.P., aged 50, is an executive director and the President of the Company and Asia Insurance. Mr. Chan is a member of the remuneration committee, the nomination committee and the compliance committee of the Company and also the Chairman of AFH Charitable Foundation Limited. Mr. Chan has been working for the Group for 25 years. He graduated from Pomona College in California, U.S.A. In addition to directorships in other subsidiaries of the Company, Mr. Chan is a non-executive director of City e-Solutions Limited, an independent non-executive director of Yau Lee Holdings Limited, Chen Hsong Holdings Limited and China Resources Enterprise, Limited, all of which are listed on the Stock Exchange. On 5th June 2014, Mr. Chan resigned as a non-executive director of New Heritage Holdings Ltd. (currently known as LVGEM (China) Real Estate Investment Company Limited) which is listed on the Stock Exchange. Save as disclosed above, Mr. Chan did not hold any directorship in any other public listed companies in the last three years.

Mr. Chan is currently a director of PICC Life Insurance Company Limited, a director of Claremont Capital Holdings Ltd which is the controlling shareholder of the Company and an adviser to Bangkok Bank Public Company Limited, Hong Kong Branch. Mr. Chan has been elected a Deputy to The National People's Congress of the People's Republic of China since January 2008. He has also been appointed as a non-official member of the Executive Council of the HKSAR since July 2012. Mr. Chan was awarded the Gold Bauhinia Star by the Government of the HKSAR in 2006. He is the Chairman of the Advisory Committee on Revitalisation of Historic Buildings, the Standing Committee on Judicial Salaries and Conditions of Service, the Committee on Reduction of Salt and Sugar in Food, the Steering Committee on Restored Landfill Revitalisation Funding Scheme and Hong Kong-Thailand Business Council. He is also a trustee of Pomona College, California U.S.A. and serves as the Chairperson of The Hong Kong Council of Social Service.

Mr. Chan is the son of Dr. CHAN Yau Hing Robin, the brother of Mr. TAN Stephen and the nephew of Mr. SOPHONPANICH Choedchu. As at the Latest Practicable Date, Mr. Chan has interests in 1,382,334 Shares of the Company within the meaning of Part XV of the SFO.

Mr. Chan has entered an employment contract with the Company with no specific term of service but is subject to retirement by rotation and eligible for re-election at annual general meeting in accordance with the Bye-laws of the Company. The total director's fee of Mr. Chan as a director of the Company and Asia Insurance, a member of the compliance committee, the remuneration committee and the nomination committee, for the year ended 31st December 2014, was HK\$160,000 which was reviewed by the remuneration committee of the Company on an annual basis and proposed by the Board for approval by the Shareholders at the annual general meeting of the Company. Other than the director's fee, Mr. Chan received other emoluments of HK\$5,398,365, including salaries, allowances and discretionary bonus, which were determined according to the Group's remuneration policy with reference to his position, his level of responsibilities and the Group's performance and profitability.

On 2nd April 2002, the Takeovers and Mergers Panel of the Securities and Futures Commission had announced a public censure on Asia Financial (Assets Management) Limited (“AFAM”) for its breach of Rule 26.1 of the Takeovers Code when Mr. Chan was a director of AFAM. AFAM ceased its business on 15th April 2002 and was dissolved by members’ voluntary winding up on 12th December 2007.

Mr. TAN Stephen, aged 61, has been an executive director of the Company since 30th May 2006 and has been working for the Group for 28 years. He is a member of the compliance committee of the Company. In addition to directorships in other subsidiaries of the Company, Mr. Tan also sits on the boards of AFH Charitable Foundation Limited, Bank Consortium Trust Company Limited, Hong Kong Life Insurance Limited and The Chinese General Chamber of Commerce. Mr. Tan is an independent non-executive director of Pioneer Global Group Limited and China Motor Bus Company, Limited, both of which are listed on the Stock Exchange. Save as disclosed above, Mr. Tan did not hold any directorship in any other public listed companies in the last three years.

Mr. Tan serves as the Vice President of Hong Kong Chiu Chow Chamber of Commerce, the Chairman of the Cantonese Opera Development Fund Investment Committee of the HKSAR, the Incumbent Honorary President of Chiu Yang Residents Association Limited and the Manager of Chiu Yang Primary School of Hong Kong. Mr. Tan is a voting member of Tung Wah Group of Hospitals Advisory Board, a founding member of both Hong Kong-Thailand Business Council and Hong Kong-Korea Business Council, a trustee of Outward Bound Trust of Hong Kong, a member of Rotary Club of The Peak and a founding member of Opera Hong Kong Limited. Mr. Tan had been a member of the finance subsector of the Election Committee, and is also a member of the Mega Events Fund Assessment Committee and an honorary adviser of the Hong Kong Baseball Association. Mr. Tan was educated in the U.S.A. and holds a bachelor’s degree in Business Administration from Rutgers University, and a master’s degree in Business Administration from St. John’s University.

Mr. Tan is the son of Dr. CHAN Yau Hing Robin, the brother of Mr. CHAN Bernard Charnwut and the nephew of Mr. SOPHONPANICH Choedchu. As at the Latest Practicable Date, Mr. Tan did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is an employment contract between Mr. Tan and the Company with a contract period of 3 years commencing 1st January 2014. Mr. Tan is subject to retirement by rotation and eligible for re-election at annual general meeting in accordance with the Bye-laws of the Company. The total director’s fee of Mr. Tan as a director of the Company and a member of the compliance committee, for the year ended 31st December 2014, was HK\$80,000 which was reviewed by the remuneration committee of the Company on an annual basis and proposed by the Board for approval by the Shareholders at the annual general meeting of the Company. Other than the director’s fee, Mr. Tan also received other emoluments of HK\$3,865,824, including salaries, allowances and discretionary bonus, which were determined according to the Group’s remuneration policy with reference to his position, his level of responsibilities and the Group’s performance and profitability.

Mr. NG Song Hin, aged 81, has been a non-executive director of the Company since October 1990 and has been with the Group for over 30 years. Mr. Ng was educated in Australia. He is the Chairman of Ng Song Choon & Brothers Sdn. Bhd., Kinta Realty Sdn. Bhd., KIB Development Sdn. Bhd. and Ikatan Bina Sdn. Bhd. in Malaysia. He is also a director of Pen Apparel Sdn. Bhd. and Imperial Garments Sdn. Bhd. in Malaysia. He was the President of the Malaysian Textiles Manufacturers Association from 1979 to 1981.

Mr. Ng did not hold any directorship in any other public listed companies in the last three years. He does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Ng was deemed to be interested in 11,571,827 Shares of the Company within the meaning of Part XV of the SFO that were held through his controlled corporation, namely Cosmic International Inc., which was 40% held by him.

Mr. Ng has received a letter of appointment from the Company for a term of 2 years commencing 9th May 2013 and he is subject to retirement by rotation and eligible for re-election at annual general meeting in accordance with the Bye-laws of the Company. Mr. Ng, if elected at the 2015 AGM, will have a new two-year service term with the Company until the conclusion of the Company's annual general meeting in 2017. The director's fee of Mr. Ng for the year ended 31st December 2014 was HK\$60,000 which was reviewed by the remuneration committee of the Company on an annual basis and proposed by the Board for approval by the Shareholders at the annual general meeting of the Company.

Ms. CHAN Yeow Toh, aged 59, has been a non-executive director of the Company and Asia Insurance since 28th June 2007. From 1st November 2004 to 28th June 2007, Ms. Chan was an alternate director to Tan Sri Frank Wen King TSAO who was during the said period a non-executive director of the Company and Asia Insurance. Ms. Chan is currently a director of IMC Development & Management Limited and a director of a number of other companies in Hong Kong and overseas. She is a fellow member of The Institute of Chartered Secretaries & Administrators, the United Kingdom, and The Malaysian Association of Company Secretaries. Ms. Chan was the Company Secretary of IMC Holdings Limited from 1990 until 2002 when it was delisted from the Stock Exchange. She was also the Chairman of Suntec City Management Pte. Ltd. from July 2005 to December 2009.

Ms. Chan did not hold any directorship in any other public listed companies in the last three years. She does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Ms. Chan did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

Ms. Chan has received a letter of appointment from the Company for a term of 2 years commencing 9th May 2013 and she is subject to retirement by rotation and eligible for re-election at annual general meeting in accordance with the Bye-laws of the Company. Ms. Chan, if elected at the 2015 AGM, will have a new two-year service term with the Company until the conclusion of the Company's annual general meeting in 2017. The total director's fee of Ms. Chan as a director of the Company and Asia Insurance, for the year ended 31st December 2014, was HK\$100,000 which was reviewed by the remuneration committee of the Company on an annual basis and proposed by the Board for approval by the Shareholders at the annual general meeting of the Company.

Ms. CHOW Suk Han Anna, aged 67, has been an independent non-executive director of the Company since 27th September 2004. Ms. Chow is the chairman of both the nomination committee and the compliance committee, and a member of both the audit committee and the remuneration committee of the Company. She is also an independent non-executive director of Asia Insurance. Ms. Chow was admitted as a solicitor of the Supreme Court of England and of Hong Kong respectively in 1973 and she has been in legal practice in Hong Kong since 1973. Ms. Chow was a partner of Messrs. Peter C. Wong, Chow and Chow from 1st April 1989 to 30th September 2012 and has since 1st October 2012 become a consultant of the firm. She was appointed as a Notary Public by the Faculty Office of Archbishop of Canterbury in 1984 and as a China-Appointed Attesting Officer by the Ministry of Justice, The People's Republic of China in 1991 and has been practicing as a Notary Public and an attesting officer since the said years respectively. Ms. Chow was appointed as a chairman and a member of a number of public services committees of the Government of the HKSAR. She was a chairman of the Appeal Tribunal under Building Ordinance (Cap.123) and the Railway Objections Hearing Panel under the Transport Bureau respectively. She was a member of the Vetting Committee for the Professional Services Development Assistance Scheme under the Commerce and Economic Development Bureau, ICAC Complaints Committee, the Administrative Appeals Board, Inland Revenue Review Board, the Criminal Injuries Compensation Board and the Law Enforcement Injuries Compensation Board respectively. She served on the Inland Revenue Review Board as a deputy chairman from 1998 to 2007. She had also been a member of the Solicitors Disciplinary Tribunal Panel of the Law Society. Ms. Chow is also a director of a number of charitable organizations, namely Chi Lin Nunnery, Poh Yea Ching Shea Limited and Chi Hong Ching Yuen Limited. She was a trustee of The D.H. Chen Foundation from 1st December 1998 and became the Honorary Secretary of The D.H. Chen Foundation on 1st January 2010. She resigned as both a trustee and the Honorary Secretary of the foundation on 1st June 2012. Ms. Chow is the honorary legal advisor to The Federation of Medical Societies of Hong Kong, and a director and the honorary secretary to the Association of China-Appointed Attesting Officers Limited.

Ms. Chow did not hold any directorship in any other public listed companies in the last three years. She does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Ms. Chow has interests in 41,559 Shares of the Company within the meaning of Part XV of the SFO.

Ms. Chow has received a letter of appointment from the Company for a term of 2 years commencing 9th May 2013 and she is subject to retirement by rotation and eligible for re-election at annual general meeting in accordance with the Bye-laws of the Company. Ms. Chow, if elected at the 2015 AGM, will have a new two-year service term with the Company until the conclusion of the Company's annual general meeting in 2017. The total director's fee of Ms. Chow as director of the Company and Asia Insurance, the chairman of both the nomination committee and the compliance committee, and a member of both the audit committee and the remuneration committee, for the year ended 31st December 2014, was HK\$200,000 which was reviewed by the remuneration committee of the Company on an annual basis and proposed by the Board for approval by the Shareholders at the annual general meeting of the Company.

Mr. MA Andrew Chiu Cheung, aged 73, has been an independent non-executive director of the Company since 3rd September 2004. Mr. Ma is the chairman of the audit committee and a member of the remuneration committee, the nomination committee and the compliance committee of the Company. He is also an independent non-executive director of Asia Insurance. Mr. Ma is a founder and former director of AMA CPA Limited and is presently a director of Mayee Management Limited. Mr. Ma has more than 30 years' experience in the fields of accounting, auditing and finance. He received his bachelor's degree in economics from the London School of Economics and Political Science (University of London) in England. Mr. Ma is a fellow member of The Institute of Chartered Accountants in England & Wales, The Hong Kong Institute of Certified Public Accountants, The Hong Kong Institute of Directors and The Taxation Institute of Hong Kong.

Mr. Ma is currently an independent non-executive director of several listed companies in Hong Kong, including Asiaray Media Group Limited, China Resources Power Holdings Company Limited, Chong Hing Bank Limited and C.P. Pokphand Co. Ltd. Mr. Ma resigned as an independent non-executive director of Tanrich Financial Holdings Limited on 27th January 2015 and Beijing Properties (Holdings) Limited on 3rd December 2014. Both companies are listed on the Stock Exchange. On 12th November 2013, he also retired as an independent non-executive director of Asian Citrus Holdings Limited which is listed on the Stock Exchange, AIM of the London Stock Exchange and PLUS Markets. Save as disclosed above, Mr. Ma did not hold any directorship in any other public listed companies in the last three years.

Mr. Ma does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Ma did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

Mr. Ma has received a letter of appointment from the Company for a term of 2 years commencing 9th May 2013 and he is subject to retirement by rotation and eligible for re-election at annual general meeting in accordance with the Bye-laws of the Company. Mr. Ma, if elected at the 2015 AGM, will have a new two-year service term with the Company until the conclusion of the Company's annual general meeting in 2017. The total director's fee of Mr. Ma as a director of the Company and Asia Insurance, the chairman of the audit committee, and a member of the remuneration committee, the compliance committee and the nomination committee, for the year ended 31st December 2014, was HK\$190,000 which was reviewed by the remuneration committee of the Company on an annual basis and proposed by the Board for approval by the Shareholders at the annual general meeting of the Company.

Mrs. LAI KO Wing Yee Rebecca, J.P., aged 56, has been an independent non-executive director of the Company since 3rd December, 2012. Mrs. Lai is the chairman of the remuneration committee and a member of the audit committee, the nomination committee and the compliance committee of the Company. She is also an independent non-executive director of Asia Insurance. Mrs. Lai is the Registrar and Student Affairs Officer of China Graduate School of Theology. She obtained her Bachelor of Arts (Hons) degree from University of Hong Kong, Master of Business Administration from the Chinese University of Hong Kong and Master of Christian Studies (Counselling) from China Graduate School of Theology. Mrs. Lai has over 25 years' experience in the civil service. Her last position with the Government of the HKSAR in 2006 was the Permanent Secretary for the Civil Service. She currently is a Court member of City University of Hong Kong.

Mrs. Lai did not hold any directorship in any other public listed companies in the last three years. She does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mrs. Lai did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

Mrs. Lai has received a letter of appointment from the Company for a term of 2 years commencing 9th May 2013 and she is subject to retirement by rotation and eligible for re-election at annual general meeting in accordance with the Bye-laws of the Company. Mrs. Lai, if elected at the 2015 AGM, will have a new two-year service term with the Company until the conclusion of the Company's annual general meeting in 2017. The total director's fee of Mrs. Lai as a director of the Company and Asia Insurance, the chairman of the remuneration committee, and a member of the audit committee, the compliance committee and the nomination committee, for the year ended 31st December 2014, was HK\$190,000 which was reviewed by the remuneration committee of the Company on an annual basis and proposed by the Board for approval by the Shareholders at the annual general meeting of the Company.

Save as disclosed above, there is no information required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules in respect of the above Directors proposed for re-election and there are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of the above Directors.

This appendix serves as an explanatory statement as required by the Listing Rules to provide requisite information for you to consider whether to vote for or against the resolution to be proposed at the 2015 AGM in relation to the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,019,200,000 Shares. Subject to the passing of the relevant Resolution and on the basis that no further Shares are issued or repurchased prior to the 2015 AGM, the Company would be allowed under the Share Repurchase Mandate to repurchase a maximum of 101,920,000 Shares during the period ending on the earliest of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

2. REASONS FOR REPURCHASE

The Directors believe that the Share Repurchase Mandate affords the Company the flexibility and ability in pursuing the best interests for the Company and its Shareholders. Such purchases may, depending on market conditions and funding arrangements at the time, be beneficial to the Shareholders by enhancing the net assets and/or earnings per share and will only be made when the Directors believe that such a purchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASE

The Company is empowered by its Memorandum of Association and Bye-laws to repurchase its Shares. Bermuda law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant Shares, or funds of the Company that would otherwise be available for dividend or distribution or the proceeds of a new issue of Shares made for such purpose. Repurchase will be funded entirely from the funds legally available for the purpose in accordance with the Memorandum of Association and Bye-laws of the Company and the applicable laws of Bermuda, Hong Kong and the Listing Rules. The amount of premium payable on a repurchase may only be paid out of either funds of the Company that would otherwise be available for dividend or distribution or out of the share premium account of the Company. Under Bermuda law, the Shares so repurchased will be treated as cancelled but the aggregate amount of authorised share capital will not be reduced.

The Directors do not propose to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or gearing position which in the opinion of the Directors are from time to time appropriate for the Company. However, there may be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31st December 2014) in the event that the proposed share repurchases are to be carried out in full at any time during the proposed repurchase period.

4. SHARES REPURCHASE MADE BY THE COMPANY

The Company did not repurchase any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

5. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
April 2014	3.260	3.000
May 2014	3.200	3.090
June 2014	3.390	3.150
July 2014	3.350	3.160
August 2014	3.480	3.280
September 2014	3.400	3.090
October 2014	3.270	3.100
November 2014	3.330	3.150
December 2014	3.360	3.220
January 2015	3.370	3.240
February 2015	3.330	3.160
March 2015	3.400	3.200

6. UNDERTAKING

The Directors of the Company have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed Share Repurchase Mandate in accordance with the Listing Rules and all applicable laws of Bermuda and Hong Kong.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Share Repurchase Mandate if such is approved by the Shareholders.

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Share Repurchase Mandate is approved by the Shareholders.

7. HONG KONG CODE ON TAKEOVERS AND MERGERS

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of a repurchase of Shares, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Dr. CHAN Yau Hing Robin, Chairman of the Company together with his associates, held approximately 57.46% of the issued share capital of the Company. Based on such interests and assuming that no further Shares are issued or repurchased prior to the 2015 AGM and in the event that the Directors exercise in full the power to repurchase Shares, the proportionate interests of Dr. CHAN Yau Hing Robin and his associates in the Company would be increased to approximately 63.85% of the issued share capital of the Company and such increase would not give rise to an obligation to make a mandatory offer pursuant to Rule 26 of the Takeovers Code.

The Directors are not aware of any consequences which would arise under the Takeovers Code as consequence of any purchase pursuant to the Shares Repurchase Mandate.

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Asia Financial Holdings Limited (the “Company”) will be held at 16th Floor, Worldwide House, 19 Des Voeux Road Central, Hong Kong on Wednesday, 20th May 2015 at 12:00 noon for the following purposes:

1. To receive and consider the audited Financial Statements, the Reports of the Directors and the Auditors for the year ended 31st December 2014.
2. To declare a final dividend for the year ended 31st December 2014.
3. To re-elect Directors.
 - (a) Mr. CHAN Bernard Charnwut
 - (b) Mr. TAN Stephen
 - (c) Mr. NG Song Hin
 - (d) Ms. CHAN Yeow Toh
 - (e) Ms. CHOW Suk Han Anna
 - (f) Mr. MA Andrew Chiu Cheung
 - (g) Mrs. LAI KO Wing Yee Rebecca
4. To fix the Directors’ fees and the fees payable to the members of certain Board committees for the year ending 31st December 2015.
5. To re-appoint Ernst & Young as the Auditors and authorise the Directors to fix their remuneration.

* for identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

To consider as special business and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions:

Ordinary Resolutions

6. “**THAT** the Directors be and are hereby granted an unconditional general mandate to repurchase issued shares in the capital of the Company in accordance with all applicable laws and subject to the following conditions:
- (a) such mandate should not extend beyond the Relevant Period (defined in subparagraph (c) below);
 - (b) the aggregate nominal amount of share capital purchased or agreed conditionally or unconditionally to be purchased by the Directors of the Company pursuant to this resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution; and
 - (c) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law of Bermuda to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
7. “**THAT** the Directors be and are hereby granted an unconditional general mandate to allot, issue and otherwise deal with additional shares in the capital of the Company and to make or grant offers, agreements, warrants and options in respect thereof, subject to the following conditions:
- (a) such mandate should not extend beyond the Relevant Period (defined in subparagraph (c) below) save that the Directors may during the Relevant Period make or grant offers, agreements, warrants and options which might require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors, otherwise than pursuant to (i) a Rights Issue (as defined in sub-paragraph (c) below), (ii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company, or (iii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution; and
- (c) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law of Bermuda to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

8. “**THAT** conditional upon the passing of the Resolutions 6 and 7 set out in the notice of this meeting, the general mandate granted to the Directors to allot, issue and otherwise deal with additional shares pursuant to Resolution 7 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 6 set out in the notice convening this meeting, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this resolution.”

By Order of the Board
Asia Financial Holdings Limited
LAU Chi Tak
Company Secretary

Hong Kong, 20th April 2015

Notes:

- (1) Any member entitled to attend and vote at the above meeting is entitled to appoint another person as proxy to attend and, on a poll, vote in his/her stead. A proxy need not be a member of the Company.
- (2) To be valid, a proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company’s principal place of business at 16th Floor, Worldwide House, 19 Des Voeux Road Central, Hong Kong not less than 48 hours before the time appointed for holding the above meeting or adjourned meeting (as the case may be).
- (3) For the purposes of ascertaining shareholders’ right to attend and vote at the above meeting, and entitlement to the final dividend, the register of members of the Company will be closed for the following periods:
- (i) For ascertaining shareholders’ right to attend and vote at the above meeting:
- | | |
|--|----------------------------|
| Latest time to lodge transfers | 4:30 p.m. on 15th May 2015 |
| Book close dates (both days inclusive) | 18th to 20th May 2015 |
| Record date | 20th May 2015 |
- (ii) For ascertaining shareholders’ entitlement to the final dividend:
- | | |
|--|----------------------------|
| Ex-dividend date for final dividend | 27th May 2015 |
| Latest time to lodge transfers | 4:30 p.m. on 28th May 2015 |
| Book close dates (both days inclusive) | 29th May to 2nd June 2015 |
| Record date for final dividend | 2nd June 2015 |

During the above closure periods, no transfer of shares will be effected. To be eligible to attend and vote at the above meeting, and to qualify for the proposed final dividend, 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 abovementioned latest time.

NOTICE OF ANNUAL GENERAL MEETING

- (4) With regard to agenda item 4 in this notice, the board of directors (the “Board”) of the Company recommends to the shareholders the fees payable to the Directors who serve on the Board and certain Board committees (including the Audit Committee, the Compliance Committee, the Nomination Committee and the Remuneration Committee) of the Company, at the levels as shown in the table below. Such fees payable to the Directors will be calculated, if applicable, in proportion to the period of service in the case of any Director who has not served the entire period during the relevant financial year.

	Fee for Director	
	<i>(per annum)</i>	
	Chairman	Member
	<i>HK\$</i>	<i>HK\$</i>
The Board	80,000	60,000
Each Board committee	30,000	20,000

- (5) Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, all resolutions set out in this notice will be decided by poll at the above meeting.
- (6) If Typhoon Signal No. 8 or above, or a Black Rainstorm Warning Signal is in effect any time after 9:00 a.m. on the date of the above meeting, the meeting will be postponed. The Company will post an announcement on the Company’s website (www.afh.hk) and the HKExnews website (www.hkexnews.hk) to notify shareholders of the date, time and place of the rescheduled meeting.