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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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

A notice convening the 2019 AGM of Asia Financial Holdings Limited to be held at 16th Floor, Worldwide House, 19 Des Voeux Road Central, Hong Kong on Thursday, 23rd May 2019 at 12:00 noon is set out on pages 16 to 20 of this circular.

If you are unable to attend and vote at the 2019 AGM, 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 or the Company's Hong Kong Branch Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible and in any event by 12:00 noon on 21st May 2019 (Hong Kong time), being at least 48 hours before the time appointed for holding the 2019 AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the 2019 AGM or any adjourned meeting thereof should you so wish.

18th April 2019

* for identification purposes only

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DEFINITIONS

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

“2019 AGM”	the annual general meeting of the Company to be held on Thursday, 23rd May 2019 at 12:00 noon at 16th Floor, Worldwide House, 19 Des Voeux Road Central, Hong Kong, to consider and, if appropriate, to approve the Resolutions or any adjournment thereof
“AGM Notice”	the notice of the 2019 AGM set out on pages 16 to 20 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
“close associate(s)”	has the meaning ascribed under the Listing Rules
“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
“controlling shareholder(s)”	has the meaning as ascribed under the Listing Rules
“core connected person(s)”	has the meaning as ascribed under the Listing Rules
“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

DEFINITIONS

“Latest Practicable Date”	10th April 2019, 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
“Resolution(s)”	the ordinary resolution(s) to be proposed for consideration by Shareholders at the 2019 AGM as set out in the AGM Notice
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$1.00 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	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.M., 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:

KAWAUCHI Yuji

IDE Kentaro

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

LAI KO Wing Yee Rebecca, J.P.

SHUEN LEUNG Lai Sheung Loretta

18th April 2019

To the Shareholders

Dear Shareholders,

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

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 2019 AGM.

* for identification purposes only

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

The Board currently consists of 10 Directors, namely Dr. CHAN Yau Hing Robin, Mr. CHAN Bernard Charnwut, Mr. TAN Stephen, Mr. WONG Kok Ho, Mr. KAWAUCHI Yuji, Mr. IDE Kentaro, Ms. CHOW Suk Han Anna, Mr. MA Andrew Chiu Cheung, Mrs. LAI KO Wing Yee Rebecca and Mrs. SHUEN LEUNG Lai Sheung Loretta.

In accordance with Bye-law 87(2) of the Bye-laws, Mr. TAN Stephen, Ms. CHOW Suk Han Anna (“Ms. Chow”), Mr. MA Andrew Chiu Cheung (“Mr. Ma”) and Mrs. LAI KO Wing Yee Rebecca (“Mrs. Lai”) will retire by rotation at the 2019 AGM and all of them, being eligible, will offer themselves for re-election except Mr. Ma who will not stand for re-election due to his other commitments and to devote more time to his personal affairs, and he will retire as independent non-executive Director of the Company with effect from the conclusion of the 2019 AGM.

The Company has received from each independent non-executive Director an annual written confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee at its meeting in March 2019 reviewed and assessed each independent non-executive Director’s annual confirmation of independence and affirmed all independent non-executive Directors, including Ms. Chow and Mrs. Lai, remaining independent.

Ms. Chow has served on the Board as independent non-executive Director for more than 9 years. The Nomination Committee considered that during her years of services with the Company, Ms. Chow has demonstrated her ability to provide independent view and judgement in the Company’s affairs. She has met the independence guidelines as set out in Rule 3.13 of the Listing Rules and kept remaining independent notwithstanding the length of her services. The Board believes that Ms. Chow is able to continue to fulfil her role as independent non-executive Director and thus recommends her to be re-elected at the 2019 AGM.

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 2019 AGM, notice of his/her 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 23rd April 2019 to 2nd May 2019 (both dates inclusive).

LETTER FROM THE BOARD

Brief biographical details of the above mentioned Directors proposed to be re-elected at the 2019 AGM are set out in Appendix I to this circular. If a valid notice from a Shareholder to propose a person to stand for election as a Director at the 2019 AGM was received, the Company would publish an announcement or issue and despatch a supplementary circular to inform Shareholders of the details of the candidate proposed.

GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

At the annual general meeting of the Company held on 16th May 2018, 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 number of issued shares 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 number of issued shares of the Company at the date of passing the relevant resolution. These general mandates will lapse at the conclusion of the 2019 AGM. As at the Latest Practicable Date, the issued share capital of the Company comprised 972,304,000 Shares. On the basis that no further Shares will be issued prior to the 2019 AGM, the Directors would be authorised under the Share Issue Mandate (as defined below) to issue Shares up to a limit of 194,460,800 Shares.

Resolutions will therefore be proposed at the 2019 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 number of Shares in issue 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 repurchase an amount of Shares not exceeding 10% of the number of Shares in issue 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
- 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 number of Shares 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 number of Shares in issue at the date of the resolution.

LETTER FROM THE BOARD

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 2019 AGM.

ANNUAL GENERAL MEETING

The AGM Notice is set out on pages 16 to 20 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 2019 AGM.

A proxy form for use at the 2019 AGM is enclosed with this circular. If you are unable to attend or vote at the 2019 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 or the Company's Hong Kong Branch Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible and in any event by 12:00 noon on 21st May 2019 (Hong Kong time), being at least 48 hours before the time appointed for holding the 2019 AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the 2019 AGM or any adjourned meeting thereof should you so wish.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting (including the 2019 AGM) must be taken by poll. The Chairman of the 2019 AGM will demand, pursuant to Bye-law 66 of the Bye-laws, that all Resolutions set out in the AGM Notice be decided by poll.

After the conclusion of the 2019 AGM, the poll results will be published on the HKExnews website (www.hkexnews.hk) and the Company's website (www.afh.hk).

LETTER FROM THE BOARD

RECOMMENDATION

Having considered the reasons set out herein, the Directors consider that the proposed Resolutions for 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 the Resolutions to be proposed at the 2019 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 2019 AGM are set out below:

Mr. TAN Stephen, aged 65, has been an executive director of the Company since 30th May 2006 and has been working for the Group for 32 years. He is a member of the compliance committee of the Company. In addition to directorships in other subsidiaries of the Company, Mr. Tan sits on the boards of AFH Charitable Foundation Limited, Bank Consortium Trust Company Limited and Hong Kong Life Insurance Limited. Mr. Tan is also 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 a Standing Committee Member of The Chinese General Chamber of Commerce, the Vice President of Hong Kong Chiu Chow Chamber of Commerce, the Incumbent Honorary President of Chiu Yang Residents Association of Hong Kong Limited, the Manager of Chiu Yang Primary School of Hong Kong and the Supervisor of Chiu Yang Por Yen Primary School. 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 charter member of The Rotary Club of The Peak and a founding member of Opera Hong Kong Limited. Mr. Tan is also a voting member of Hong Kong Sinfonietta Limited and the 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 and the brother of Mr. CHAN Bernard Charnwut. 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 2017. Mr. Tan has no fixed term of director's service with the Company but is subject to retirement by rotation and eligible for re-election at the annual general meeting in accordance with the Bye-laws of the Company. For the year ended 31st December 2018, Mr. Tan received total annual director's fee of HK\$100,000 for being a director of the Company and a member of the compliance committee and also other emoluments of HK\$4,303,600, including salaries, allowances and discretionary bonus, which were determined according to the Group's remuneration policy with reference to his position, qualifications, experience, level of responsibilities and the Group's performance and profitability. His director's fee and other emoluments were reviewed by the remuneration committee which recommended the same to the Board for approval. The directors' and committeees' fees were proposed by the Board and approved by the Shareholders at the Company's annual general meeting in 2018.

Ms. CHOW Suk Han Anna, aged 71, has been an independent non-executive director of the Company since 27th September 2004. Ms. Chow is the chairperson of both the nomination committee and the compliance committee, and a member of the audit committee, the remuneration committee and the risk 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. The firm has since 1st February 2016, changed its name to Guantao and Chow. 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 chairperson and a member of a number of public services committees of the Government of the HKSAR. She was a chairperson 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 received a letter of appointment from the Company for a term of 2 years commencing 24th May 2017 and is subject to retirement by rotation and eligible for re-election at the annual general meeting in accordance with the Bye-laws of the Company. Ms. Chow, if elected at the 2019 AGM, would have a new two-year service term with the Company until the conclusion of the Company's annual general meeting in 2021. For the year ended 31st December 2018, Ms. Chow received total annual director's fee of HK\$290,000 for being a director of the Company and Asia Insurance, the chairman of both the nomination committee and the compliance committee, and a member of the audit committee, the remuneration committee and the risk committee. Her director's and committees' fees were reviewed by the remuneration committee which recommended the same to the Board for approval. The directors' and committees' fees were proposed by the Board and approved by the Shareholders at the Company's annual general meeting in 2018.

Mrs. LAI KO Wing Yee Rebecca, J.P., aged 60, has been an independent non-executive director of the Company since 3rd December 2012. Mrs. Lai is the chairperson of both the remuneration committee and the risk 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 Director of Education Initiatives 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. Mrs. Lai 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 nor does she have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Mrs. Lai received a letter of appointment from the Company for a term of 2 years commencing 24th May 2017 and is subject to retirement by rotation and eligible for re-election at the annual general meeting in accordance with the Bye-laws of the Company. Mrs. Lai, if elected at the 2019 AGM, would have a new two-year service term with the Company until the conclusion of the Company's annual general meeting in 2021. For the year ended 31st December 2018, Mrs. Lai received total annual director's fee of HK\$290,000 for being a director of the Company and Asia Insurance, the chairman of both the remuneration committee and the risk committee, and a member of the audit committee, the compliance committee and the nomination committee. Her director's and committees' fees were reviewed by the remuneration committee which recommended the same to the Board for approval. The directors' and committees' fees were proposed by the Board and approved by the Shareholders at the Company's annual general meeting in 2018.

Save as disclosed above, there is no other information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules in respect of all the above Directors nor are there other matters that need to be brought to the attention of the Shareholders in respect of their re-election.

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 2019 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 972,304,000 Shares. Subject to the passing of the relevant Resolution and on the basis that no further Shares are issued or repurchased prior to the 2019 AGM, the Company would be allowed under the Share Repurchase Mandate to repurchase a maximum of 97,230,400 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 REPURCHASES

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 repurchases 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 repurchases will benefit the Company and its Shareholders as a whole.

3. FUNDING OF REPURCHASES

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. Repurchases pursuant to the Share Repurchase Mandate 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 2018) in the event that the proposed share repurchases are to be carried out in full at any time during the proposed repurchase period.

4. 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 2018	4.960	4.600
May 2018	5.340	4.800
June 2018	5.870	5.040
July 2018	5.100	4.700
August 2018	5.200	4.640
September 2018	4.950	4.750
October 2018	4.800	4.210
November 2018	4.700	4.210
December 2018	4.700	4.270
January 2019	4.700	4.280
February 2019	4.800	4.600
March 2019	4.650	4.400
April 2019 (up to the Latest Practicable Date)	4.700	4.500

5. SHARES REPURCHASES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, a total of 3,662,000 Shares were repurchased by a subsidiary of the Company on the Stock Exchange, details of which are as follows:

Date of repurchase	Number of Shares repurchased	Highest purchase price per Share HK\$	Lowest purchase price per Share HK\$
2nd October 2018	308,000	4.80	4.75
3rd October 2018	900,000	4.76	4.76
9th October 2018	138,000	4.54	4.54
10th October 2018	132,000	4.54	4.54
11th October 2018	74,000	4.50	4.33
12th October 2018	24,000	4.41	4.41
15th October 2018	36,000	4.36	4.36
16th October 2018	14,000	4.37	4.25
19th October 2018	162,000	4.31	4.31
31st October 2018	30,000	4.21	4.21
5th December 2018	156,000	4.60	4.57
11th January 2019	70,000	4.35	4.28
15th January 2019	68,000	4.46	4.40
16th January 2019	190,000	4.45	4.45
17th January 2019	382,000	4.45	4.45
22nd February 2019	166,000	4.69	4.66
1st April 2019	370,000	4.56	4.50
4th April 2019	94,000	4.58	4.58
9th April 2019	348,000	4.65	4.55
		<u>3,662,000</u>	

The Shares repurchased in October 2018, December 2018, January 2019 and February 2019 were subsequently cancelled but those Shares repurchased in April 2019 have not yet cancelled. The issued share capital of the Company was accordingly reduced by the par value of the aforesaid repurchased Shares upon their cancellation.

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, 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 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. TAKEOVERS CODE

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 60.1% 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 2019 AGM and in the event that the Directors exercise in full the power to repurchase Shares, the proportionate interests of Dr. Chan and his associates in the Company would be increased to approximately 66.8% of the issued share capital of the Company. Such an 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 Thursday, 23rd May 2019 at 12:00 noon for the following purposes:

1. To receive and consider the audited Financial Statements, the Report of the Directors and the Independent Auditor’s Report for the year ended 31st December 2018.
2. To declare a final dividend for the year ended 31st December 2018.
3. To re-elect Directors.
 - (a) Mr. TAN Stephen
 - (b) Ms. CHOW Suk Han Anna
 - (c) 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 2019.
5. To re-appoint Ernst & Young as the Auditor and authorise the Directors to fix the 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 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;
 - (b) the aggregate number of shares 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 subparagraph (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 number of shares 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.

NOTICE OF ANNUAL 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).”

7. “**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 number of shares 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 number of shares 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.”

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 6 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate number of shares repurchased by the Company under the authority granted pursuant to Resolution 7 set out in the notice convening this meeting, provided that such extended amount shall not exceed 10% of the aggregate number of the issued shares of the Company at the date of passing of this resolution.”

By Order of the Board
Asia Financial Holdings Limited
WONG Ka Kong Adam
Company Secretary

Hong Kong, 18th April 2019

Notes:

- (1) Any member entitled to attend and vote at the above meeting is entitled to appoint another person as his/her 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 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 or the Company’s Hong Kong Branch Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, as soon as possible and in any event by 12:00 noon on 21st May 2019 (Hong Kong time), being at least 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 17th May 2019
Book close dates (both days inclusive)	20th to 23rd May 2019
Record date	23rd May 2019

- (ii) For ascertaining shareholders’ entitlement to the final dividend:

Ex-dividend date for final dividend	27th May 2019
Latest time to lodge transfers	4:30 p.m. on 28th May 2019
Book close dates (both days inclusive)	29th to 31st May 2019
Record date for final dividend	31st May 2019

NOTICE OF ANNUAL GENERAL MEETING

During the above closure periods, no transfer of shares will be registered. To be eligible to attend and vote at the above meeting, and to qualify for the final dividend, all properly completed transfer forms 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.

- (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, the Remuneration Committee and the Risk 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 HK\$	Member HK\$
The Board	90,000	70,000
Each Board committee	40,000	30,000

- (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 force at or at any time after 9:00 a.m. on the date of the above meeting, the meeting will be postponed or adjourned. 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.