

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



(Stock Code: 662)

CONNECTED TRANSACTION SUPPLEMENTARY ANNOUNCEMENT

The board of directors (the “Directors”) of Asia Financial Holdings Limited (the “Company”) wishes to announce the following supplementary information related to the repurchase 11,571,827 shares (1.163%) of the Company’s issued shares from the Cosmic International Inc. (“Cosmic”) on the Stock Exchange of Hong Kong (the “Exchange”) at a price of HK\$4.80 per share on 7th July 2016. The total consideration is approximately HK\$55,544,770.00.

The Company is an investment holding company with its major subsidiary engaged in general insurance business while Cosmic is a securities investment holding company controlled by our ex-director Mr. Ng Song Hin. The repurchase price (HK\$4.80) was a market price traded at the Exchange on that date.

The book value of the 1.163% repurchased shares was approximately HK\$79,699,560.00 as at 31st December 2015 and its valuation (market price) as at 31st December 2015 was approximately HK\$34,715,481.00. The net profit attributed to these repurchased shares were approximately HK\$4.63 million and HK\$2.39 million (before taxation) and HK\$4.15 million and HK\$2.11 million (after taxation) as at 31st December 2014 and 31st December 2015 respectively.

The reason for entering into the repurchase is to improve the market valuation of the Company’s shares. This is exercised under a general mandate granted by the shareholders in the 2016 Annual General Meeting (“2016 AGM”). The Directors of the Company, including the independent non-executive directors, considered that the repurchase price was fair and reasonable and was exercised in the interest of the Company and the shareholders as a whole.

The original acquisition cost of repurchased shares to Cosmic was approximately HK\$21,986,470.00. As the repurchase was exercised based on the general mandate and the shares brought back will be cancelled afterward, it will neither be subject to a statement from any director who has material interest in it nor it will be required any shareholder's approval for the repurchase.

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

Hong Kong, 11th July 2016

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. SOPHONPANICH Choedchu, Ms. CHAN Yeow Toh, Mr. TANAKA Junichi and Mr. YAMAMOTO Takao; and the independent non-executive directors are 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.

* *For identification purpose only*