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亞洲金融集團(控股)有限公司\*  
ASIA FINANCIAL HOLDINGS LIMITED  
Incorporated in Bermuda with limited liability

(Stock Code: 662)

## ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

### RESULTS

The board of directors (the "Board") of Asia Financial Holdings Limited (the "Company" or "Asia Financial") announces the results of the Company and its subsidiaries (collectively known as the "Group") for the year ended 31st December, 2022 as follows:

#### Consolidated Statement of Profit or Loss

Year ended 31st December, 2022

	Notes	2022 HK\$'000	2021 HK\$'000 (Restated)#
REVENUE	3	<u>2,085,174</u>	<u>1,916,355</u>
Gross premiums		1,986,058	1,784,844
Reinsurers' share of gross premiums		<u>(708,039)</u>	<u>(649,097)</u>
Net insurance contracts premiums revenue		1,278,019	1,135,747
Gross claims paid		(728,919)	(813,693)
Reinsurers' share of gross claims paid		258,886	362,674
Gross change in outstanding claims		(181,854)	(141,927)
Reinsurers' share of gross change in outstanding claims		<u>50,523</u>	<u>18,328</u>
Net claims incurred		(601,364)	(574,618)
Change in provision for unexpired risks		(10,000)	-
Commission income		163,676	151,652
Commission expense		<u>(513,661)</u>	<u>(439,175)</u>
Net commission expense		(349,985)	(287,523)
Management expenses for underwriting business		<u>(134,217)</u>	<u>(103,368)</u>
Underwriting profit		182,453	170,238

# Details of the restatement are set out in note 1.2 to the announcement.

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## Consolidated Statement of Profit or Loss (continued)

Year ended 31st December, 2022

	Notes	2022 HK\$'000	2021 HK\$'000 (Restated)#
Dividend income		208,964	292,311
Realised gain/(loss) on investments		(101,477)	40,694
Unrealised gain/(loss) on investments		(67,468)	76,958
Interest income		81,852	53,637
Other income and gains/(losses), net		(31,931)	29,755
		<u>272,393</u>	<u>663,593</u>
Operating expenses		(149,604)	(172,319)
Finance costs	4	(130)	(85)
		<u>122,659</u>	<u>491,189</u>
Share of profits or losses of joint ventures		83,456	27,661
Share of profits or losses of associates		23,821	197,701
		<u>107,277</u>	<u>225,362</u>
<b>PROFIT BEFORE TAX</b>	5	<b>229,936</b>	716,551
Income tax expense	6	(30,025)	(39,080)
		<u>199,911</u>	<u>677,471</u>
<b>PROFIT FOR THE YEAR</b>		<b>199,911</b>	<b>677,471</b>
Attributable to:			
Equity holders of the Company		199,911	677,618
Non-controlling interests		-	(147)
		<u>199,911</u>	<u>677,471</u>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>	8		
Basic and diluted			
- For profit for the year		<u>HK21.3 cents</u>	<u>HK71.9 cents</u>

# Details of the restatement are set out in note 1.2 to the announcement.

## Consolidated Statement of Comprehensive Income

Year ended 31st December, 2022

	2022 HK\$'000	2021 HK\$'000 (Restated)#
<b>PROFIT FOR THE YEAR</b>	<u>199,911</u>	<u>677,471</u>
<b>OTHER COMPREHENSIVE INCOME</b>		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Share of other comprehensive income of joint ventures	(110,933)	(11,825)
Share of other comprehensive income of associates	(91,932)	14,470
Exchange differences on translation of foreign operations	<u>(340)</u>	<u>1,242</u>
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	<u>(203,205)</u>	<u>3,887</u>
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	149,235	(1,367,296)
Income tax effect	<u>42,335</u>	<u>140,560</u>
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	<u>191,570</u>	<u>(1,226,736)</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>	<u>(11,635)</u>	<u>(1,222,849)</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>188,276</u>	<u>(545,378)</u>
ATTRIBUTABLE TO:		
Equity holders of the Company	188,276	(546,371)
Non-controlling interests	<u>-</u>	<u>993</u>
	<u>188,276</u>	<u>(545,378)</u>

# Details of the restatement are set out in note 1.2 to the announcement.

# Consolidated Statement of Financial Position

31st December, 2022

	Notes	31st December, 2022 HK\$'000	31st December, 2021 HK\$'000 (Restated)#	1st January, 2021 HK\$'000 (Restated)#
<b>ASSETS</b>				
Property, plant and equipment		187,249	188,702	194,232
Investment properties		243,100	264,100	257,500
Interests in joint ventures		587,347	637,436	515,444
Interests in associates		793,668	870,874	676,692
Due from associates		256,872	256,872	257,997
Held-to-collect debt securities at amortised cost		1,187,614	1,124,206	1,040,910
Equity investments designated at fair value through other comprehensive income ("FVOCI")		5,424,390	5,275,155	6,698,935
Pledged deposits		295,808	295,808	313,357
Loans and advances and other assets		256,237	165,468	153,702
Financial assets at fair value through profit or loss		1,796,491	1,677,659	1,341,716
Insurance receivables	9	231,788	215,444	231,385
Reinsurance assets		1,651,379	1,593,696	1,531,060
Cash and bank balances		2,728,885	2,873,685	2,800,240
Total assets		<u>15,640,828</u>	<u>15,439,105</u>	<u>16,013,170</u>
<b>EQUITY AND LIABILITIES</b>				
Equity attributable to equity holders of the Company				
Issued capital	10	936,588	939,966	946,620
Reserves		9,523,419	9,385,165	10,084,401
Proposed final dividend		32,759	98,623	65,970
		<u>10,492,766</u>	<u>10,423,754</u>	<u>11,096,991</u>
Non-controlling interests		-	-	54,881
Total equity		<u>10,492,766</u>	<u>10,423,754</u>	<u>11,151,872</u>
Liabilities				
Insurance contracts liabilities		4,499,512	4,208,542	3,935,104
Insurance payables	11	129,768	199,287	169,375
Due to associates		4,222	4,222	4,222
Other liabilities		285,933	328,282	304,552
Tax payable		33,753	33,280	69,637
Deferred tax liabilities		194,874	241,738	378,408
Total liabilities		<u>5,148,062</u>	<u>5,015,351</u>	<u>4,861,298</u>
Total equity and liabilities		<u>15,640,828</u>	<u>15,439,105</u>	<u>16,013,170</u>

# Details of the restatement are set out in note 1.2 to the announcement.

## Notes

### 1.1 Changes in Accounting Policies and Disclosures

The Group has adopted the following revised Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) for the first time for the current year's financial statements.

Amendments to HKFRS 3	<i>Reference to the Conceptual Framework</i>
Amendments to HKAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use</i>
Amendments to HKAS 37	<i>Onerous Contracts - Cost of Fulfilling a Contract</i>
<i>Annual Improvements to HKFRSs 2018-2020</i>	Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41

The nature and the impact of the revised HKFRSs are described below:

#### Amendments to HKFRS 3 *Reference to the Conceptual Framework*

The Group has applied the amendments prospectively to business combinations that occurred on or after 1st January, 2022. As there were no business combinations during the year, the amendments did not have any impact on the financial position and performance of the Group.

#### Amendment to HKAS 16 *Property, Plant and Equipment: Proceeds before Intended Use*

Amendments to HKAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items as determined by HKAS 2 *Inventories*, in profit or loss. The Group has applied the amendments retrospectively to items of property, plant and equipment made available for use on or after 1st January, 2021. Since there was no sale of items produced prior to the property, plant and equipment being available for use, the amendments did not have any impact on the financial position or performance of the Group.

#### Amendment to HKAS 37 *Onerous Contracts - Cost of Fulfilling a Contract*

Amendments to HKAS 37 clarify that for the purpose of assessing whether a contract is onerous under HKAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The Group has applied the amendments prospectively to contracts for which it has not yet fulfilled all its obligations at 1st January, 2022 and no onerous contracts were identified. Therefore, the amendments did not have any impact on the financial position or performance of the Group.

## Notes (continued)

### 1.1 Changes in Accounting Policies and Disclosures (continued)

#### Annual Improvements to HKFRSs 2018-2020 Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41

Details of the amendments that are applicable to the Group are as follows:

HKFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Group has applied the amendment prospectively from 1st January, 2022. As there was no modification or exchange of the Group's financial liabilities during the year, the amendment did not have any impact on the financial position or performance of the Group.

HKFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying HKFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying HKFRS 16.

## Notes (continued)

### 1.2 Restatement

#### (i) Correction of classification from equity investments designated at fair value through other comprehensive income ("FVOCI") to interests in associates

In prior periods, the Group classified its investments in PT Asian International Investindo, Robina Manila Hotel Ltd. and Yangon Hotel Holdings Ltd. as equity investments designated at fair value through other comprehensive income. In substance, the Group has taken, and continues to take, the role of a passive investor since inception. Management had no intention, and had not exercised, its rights to participate in the financing or operating policies of these investees. However, in accordance with HKAS 28, the Group is deemed to have, in form, significant influence and therefore these investees should be classified as interests in associates. This has been corrected as a prior period adjustment and the effect of which is summarised below:

Consolidated statement of financial position as at 31st December, 2021:

	As previously stated HK\$'000	Adjustment HK\$'000	Restated HK\$'000
Interests in associates	611,513	259,361	870,874
Due from associates	255,015	1,857	256,872
Held-to-collect debt securities at amortised cost	1,126,063	(1,857)	1,124,206
FVOCI	5,489,020	(213,865)	5,275,155
Retained earnings	5,099,436	251,513	5,350,949
Fair value reserve	2,771,843	(202,392)	2,569,451
Exchange reserve	30,496	(5,639)	24,857
Deferred tax liabilities	239,724	2,014	241,738

Consolidated statement of financial position as at 1st January, 2021:

	As previously stated HK\$'000	Adjustment HK\$'000	Restated HK\$'000
Interests in associates	427,519	249,173	676,692
Due from associates	256,140	1,857	257,997
Held-to-collect debt securities at amortised cost	1,042,767	(1,857)	1,040,910
FVOCI	6,850,964	(152,029)	6,698,935
Retained earnings	4,585,945	239,323	4,825,268
Fair value reserve	3,958,703	(143,648)	3,815,055
Exchange reserve	11,016	(3,123)	7,893
Deferred tax liabilities	373,816	4,592	378,408

**Notes** (continued)

**1.2 Restatement** (continued)

Consolidated statement of profit or loss:

	For the year ended 31st December, 2021 Increase/(decrease) in profits HK\$'000
Dividend from unlisted investments	(8,287)
Share of results of associates	20,991
Income tax	(514)

The restatements did not have any net impact on the operating, investing and financing cash flows.

(ii) The effect of the restatement on the Group's basic and diluted earnings per share for the year ended 31st December, 2021 is as follows:

	For the year ended 31st December, 2021 HK Cents
Basic and diluted earnings per share	70.7
Adjustments from classification from FVOCI to interests in associates	1.2
Restated	71.9

**Notes** (continued)

**2. Operating Segment Information**

**(a) Operating segments**

The following tables present revenue, profit and certain asset and liability information for the Group's operating segments.

	Insurance 2022 HK\$'000	Corporate 2022 HK\$'000	Eliminations 2022 HK\$'000	Consolidated 2022 HK\$'000
<b>Segment revenue:</b>				
External customers	2,085,174	-	-	2,085,174
Other revenue, income and gains, net	40,140	49,800	-	89,940
Intersegment	8,847	-	(8,847)	-
<b>Total</b>	<u>2,134,161</u>	<u>49,800</u>	<u>(8,847)</u>	<u>2,175,114</u>
<b>Segment results</b>	<u>126,817</u>	<u>(4,158)</u>	<u>-</u>	<u>122,659</u>
<b>Share of profits or losses of:</b>				
Joint ventures	53,572	29,884	-	83,456
Associates	21,331	2,490	-	23,821
<b>Profit before tax</b>				<b>229,936</b>
<b>Income tax expense</b>	<b>(16,007)</b>	<b>(14,018)</b>	<b>-</b>	<u><b>(30,025)</b></u>
<b>Profit for the year</b>				<u><b>199,911</b></u>

	Insurance 2021 HK\$'000 (Restated)	Corporate 2021 HK\$'000	Eliminations 2021 HK\$'000	Consolidated 2021 HK\$'000 (Restated)
<b>Segment revenue:</b>				
External customers	1,916,355	-	-	1,916,355
Other revenue, income and gains, net	145,476	347,879	-	493,355
Intersegment	7,354	-	(7,354)	-
<b>Total</b>	<u>2,069,185</u>	<u>347,879</u>	<u>(7,354)</u>	<u>2,409,710</u>
<b>Segment results</b>	<u>228,906</u>	<u>262,283</u>	<u>-</u>	<u>491,189</u>
<b>Share of profits or losses of:</b>				
Joint ventures	(5,406)	33,067	-	27,661
Associates	24,755	172,946	-	197,701
<b>Profit before tax</b>				<b>716,551</b>
<b>Income tax expense</b>	<b>(7,702)</b>	<b>(31,378)</b>	<b>-</b>	<u><b>(39,080)</b></u>
<b>Profit for the year</b>				<u><b>677,471</b></u>

## Notes (continued)

### 2. Operating Segment Information (continued)

#### (a) Operating segments (continued)

	Insurance HK\$'000	Corporate HK\$'000	Consolidated HK\$'000
<b>31st December, 2022</b>			
Segment assets	7,663,900	6,595,913	14,259,813
Interests in joint ventures	464,227	123,120	587,347
Interests in associates	299,090	494,578	793,668
<b>Total assets</b>	<b>8,427,217</b>	<b>7,213,611</b>	<b>15,640,828</b>
<b>Segment liabilities</b>	<b>4,653,291</b>	<b>494,771</b>	<b>5,148,062</b>
31st December, 2021(Restated)			
Segment assets	7,272,990	6,657,805	13,930,795
Interests in joint ventures	523,020	114,416	637,436
Interests in associates	309,497	561,377	870,874
<b>Total assets</b>	<b>8,105,507</b>	<b>7,333,598</b>	<b>15,439,105</b>
<b>Segment liabilities</b>	<b>4,464,273</b>	<b>551,078</b>	<b>5,015,351</b>

#### (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 represents gross premiums net of discounts, from the direct and reinsurance businesses underwritten during the year.

### 4. Finance Costs

	2022 HK\$'000	2021 HK\$'000
Interest on lease liabilities	<u>130</u>	<u>85</u>

**Notes** (continued)**5. Profit before Tax**

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

	<b>2022</b> <b>HK\$'000</b>	2021 HK\$'000 (Restated)
Auditor's remuneration	<b>(4,051)</b>	(3,831)
Depreciation	<b>(15,684)</b>	(13,402)
Employee benefit expense (including directors' remuneration):		
Wages and salaries	<b>(170,306)</b>	(188,061)
Pension scheme contributions	<b>(7,039)</b>	(5,924)
Less: Forfeited contributions	<b>176</b>	174
Net pension scheme contributions	<b>(6,863)</b>	(5,750)
Total employee benefit expense	<b><u>(177,169)</u></b>	<u>(193,811)</u>
Expenses relating short-term leases and leases of low-value assets	<b>(98)</b>	(180)
Realised gain/(loss) on:		
- disposal of financial assets at fair value through profit or loss, net	<b>(101,772)</b>	44,825
- redemption/call-back of held-to-collect debt securities at amortised cost	<b>214</b>	(4,131)
- disposal of interest in a joint venture	<b>81</b>	-
Total realised gain/(loss) on investments	<b><u>(101,477)</u></b>	<u>40,694</u>
Unrealised gain/(loss) on financial assets at fair value through profit or loss, net	<b>(67,468)</b>	76,958
Changes in expected credit losses for:		
Insurance receivables	<b>(9,159)</b>	2,327
Held-to-collect debt securities at amortised cost	<b>(25)</b>	181
Interest income	<b>81,852</b>	53,637
Gain/(loss) on disposal/write-off of items of property, plant and equipment*	<b>87</b>	(35)
Gross rental income*	<b>6,742</b>	7,032
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties	<b>(508)</b>	(209)
Change in fair value of investment properties*	<b>(21,000)</b>	6,600
Subsidies from Government*	<b>4,074</b>	932
Foreign exchange gain/(loss), net*	<b>(26,625)</b>	9,934

## Notes (continued)

### 5. Profit before Tax (continued)

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

	<b>2022</b> <b>HK\$'000</b>	2021 HK\$'000 (Restated)
Dividend income from:		
Listed investments	<b>59,839</b>	60,118
Unlisted investments	<b><u>149,125</u></b>	<u>232,193</u>
Total dividend income	<b><u>208,964</u></b>	<u>292,311</u>

\* These amounts were included in "Other income and gains/(losses), net" in the consolidated statement of profit or loss.

### 6. Income Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2021: 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.

	<b>2022</b> <b>HK\$'000</b>	2021 HK\$'000 (Restated)
Current - Hong Kong		
Charge for the year	<b>6,381</b>	17,050
Over provision in prior years	<b>(969)</b>	(19,562)
Current – Elsewhere		
Charge for the year	<b>29,245</b>	38,220
Over provision in prior years	<b>(103)</b>	(518)
Deferred	<b><u>(4,529)</u></b>	<u>3,890</u>
Total tax charge for the year	<b><u>30,025</u></b>	<u>39,080</u>

**Notes** (continued)

**7. Dividends**

	<b>2022</b> <b>HK\$'000</b>	2021 HK\$'000
Interim – HK1.5 cents (2021: HK4.0 cents) per ordinary share	<b>14,070</b>	37,642
Proposed final – HK3.5 cents (2021: HK10.5 cents) per ordinary share	<u><b>32,759</b></u>	<u>98,623</u>
	<u><b>46,829</b></u>	<u>136,265</u>

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 equity holders of the Company in the statement of financial position.

**8. Earnings Per Share Attributable to Ordinary Equity Holders of the Company**

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK\$199,911,000 (2021 restated profit: HK\$677,618,000) and the weighted average number of ordinary shares of 938,209,000 (2021: 941,843,000) in issue during the year.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31st December, 2022 and 2021 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during the years ended 31st December, 2022 and 2021.

**Notes** (continued)

**9. Insurance Receivables**

	<b>2022</b> <b>HK\$'000</b>	2021 HK\$'000
Amounts due in respect of:		
Direct underwriting	<b>148,372</b>	110,542
Reinsurance accepted	<b><u>100,839</u></b>	<u>113,166</u>
	<b>249,211</b>	223,708
Less: Impairment allowance	<b><u>(17,423)</u></b>	<u>(8,264)</u>
	<b><u><u>231,788</u></u></b>	<u><u>215,444</u></u>

The Group grants credit terms of three months to six months on billed policies. The past settlement history of these receivables indicates that certain debtors settle in arrears subsequent to the credit period, which may also involve settlement subsequent to 12 months from the end of the reporting period.

The Group's insurance receivables relate to a large number of diversified customers, and therefore, there is no significant concentration of credit risk. Insurance receivables are non-interest-bearing.

An aging analysis of the insurance receivables based on the issuance date of policies, as at the end of the reporting period, is as follows:

	<b>2022</b> <b>HK\$'000</b>	2021 HK\$'000
Three months or less	<b>202,853</b>	193,996
Six months or less but over three months	<b>33,655</b>	24,156
One year or less but over six months	<b>11,977</b>	4,787
Over one year	<b><u>726</u></b>	<u>769</u>
	<b>249,211</b>	223,708
Less: Impairment allowance	<b><u>(17,423)</u></b>	<u>(8,264)</u>
	<b><u><u>231,788</u></u></b>	<u><u>215,444</u></u>

**Notes** (continued)

**9. Insurance Receivables** (continued)

The movements in the loss allowance for impairment of insurance receivables are as follows:

	<b>2022</b> <b>HK\$'000</b>	2021 HK\$'000
At beginning of year	<b>8,264</b>	10,591
Impairment loss/(write back of impairment loss) (note 5)	<u><b>9,159</b></u>	<u>(2,327)</u>
	<u><b>17,423</b></u>	<u>8,264</u>

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, insurance receivables are written off if past due for more than one year and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's insurance receivables using a provision matrix:

As at 31st December, 2022

	<b>Current</b>	<b>Past due</b>			<b>Total</b>
		<b>Less than 1 month</b>	<b>1 to 3 months</b>	<b>Over 3 months</b>	
Expected credit loss rate	<b>0.70%</b>	<b>5.21%</b>	<b>22.28%</b>	<b>90.76%</b>	<b>6.99%</b>
Gross carrying amount (HK\$'000)	<b>202,853</b>	<b>17,676</b>	<b>15,979</b>	<b>12,703</b>	<b>249,211</b>
Expected credit losses (HK\$'000)	<b>1,413</b>	<b>921</b>	<b>3,560</b>	<b>11,529</b>	<b>17,423</b>

As at 31st December, 2021

	<b>Current</b>	<b>Past due</b>			<b>Total</b>
		<b>Less than 1 month</b>	<b>1 to 3 months</b>	<b>Over 3 months</b>	
Expected credit loss rate	0.32%	4.48%	22.05%	93.23%	3.69%
Gross carrying amount (HK\$'000)	193,996	16,255	7,901	5,556	223,708
Expected credit losses (HK\$'000)	613	729	1,742	5,180	8,264

## Notes (continued)

### 10. Share Capital

	2022 HK\$'000	2021 HK\$'000
Authorised:		
1,500,000,000 (2021: 1,500,000,000) ordinary shares of HK\$1 each	<u>1,500,000</u>	<u>1,500,000</u>
Issued and fully paid:		
936,588,000 (2021: 939,966,000) ordinary shares of HK\$1 each	<u>936,588</u>	<u>939,966</u>

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	Share capital HK\$'000
At 1st January, 2021	946,620,000	946,620
Shares repurchased and cancelled	<u>(6,654,000)</u>	<u>(6,654)</u>
At 31st December, 2021 and 1st January, 2022	<b>939,966,000</b>	<b>939,966</b>
Shares repurchased and cancelled (Note)	<u><b>(3,378,000)</b></u>	<u><b>(3,378)</b></u>
At 31st December, 2022	<u><b>936,588,000</b></u>	<u><b>936,588</b></u>

Note:

At 31st December, 2021, 698,000 shares with cost of HK\$2,497,000 were classified as treasury shares, and were subsequently cancelled in January 2022. During the year ended 31st December, 2022, a subsidiary of the Company repurchased 2,798,000 ordinary shares of the Company of HK\$1 each on the Stock Exchange at prices ranging from HK\$3.01 to HK\$3.60 per share at a total consideration of HK\$9,409,000 (including expenses and dividend). Out of which, 2,680,000 repurchased shares were cancelled.

The premium of HK\$8,120,000 paid on the repurchase of such shares was debited to the retained profits account and an amount of HK\$3,378,000 was transferred from retained profits of the Company to the capital redemption reserve, as set out in the consolidated statement of changes in equity.

The remaining 118,000 shares with cost of HK\$408,000 were classified as treasury shares at 31st December, 2022 and were subsequently cancelled in January 2023.

Subsequent to the end of the reporting period, the Group repurchased and cancelled 486,000 ordinary shares of the Company from the market at prices ranging from HK\$3.47 to HK\$3.49 per share at a total amount of HK\$1,696,000 (including expenses). As at the date of this announcement, the number of issued shares of the Company is 935,984,000.

**Notes** (continued)

**11. Insurance Payables**

An aging analysis of the insurance payables based on the invoice date, as at the end of the reporting period, is as follows:

	<b>2022</b> <b>HK\$'000</b>	2021 HK\$'000
Three months or less	<b>94,508</b>	147,247
Six months or less but over three months	<b>25,897</b>	17,515
One year or less but over six months	<b>1,726</b>	8,423
Over one year	<u><b>7,637</b></u>	<u>26,102</u>
Total	<u><b>129,768</b></u>	<u>199,287</u>

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Asia Financial Holdings Limited (“Asia Financial”, “The Group” or “The Company”) recorded a net profit attributable to shareholders of HK\$199.9 million in 2022, representing a 70.5% decrease compared with the same period in 2021. The main contributing factors were lower valuations in portfolio investments, and overall decrease in contributions from our joint ventures and associates. This was slightly offset by underwriting profits from our core insurance business.

In spite of the coronavirus pandemic and its associated economic impact, our core businesses showed reassuring resiliency. With a solid and mature core insurance business, our current underwriting revenue and profits remain stable and growing. We are fortunate to enjoy customer confidence in the marketplace, due to our long-term and unwavering commitment to the Hong Kong and Macau insurance markets. This will be an asset to us as we continue to face challenges on the path to global economic recovery.

Asia Financial’s prospects for 2023 will continue to be affected by geopolitical conflict, elevated inflation, rising interest rates, and their unpredictable impact on the performance of global equity markets and on global economies in general. Despite potential economic headwinds, we remain cautiously optimistic about the outlook for our businesses. We will continue with our conservative but flexible core investment approach in the pursuit of long-term growth in shareholder value.

### **Economic Background**

2022 was a turbulent year for the global economy. According to the January 2023 data released by the IMF, the estimated global GDP growth slowed to 3.4% in 2022 as compared to 5.9% in 2021. Geopolitical conflict, energy crises, and supply chain disruptions contributed to rising inflation, compounding damage from the COVID-19 pandemic. The broad economic slowdown was exacerbated by rising interest rates and withdrawal of fiscal and monetary policy accommodation.

Although the US economy grew by about 2.0% in 2022, US stock markets were weak. Registering their biggest one-year percentage declines in 14 years, the S&P 500 was down 19% and the NASDAQ down 33% versus the year before. There is uncertainty surrounding the economy as it faces multiple challenges such as high inflation, rising interest rates and growing concerns about corporate profits and economic growth.

Hong Kong’s economy contracted about 3.5% in 2022, hampered by stringent pandemic curbs, rising interest rates and falling home and stock prices. The Hang Seng Index and H-Share Index declined about 15% and 19% respectively compared to the previous year.

China’s economy grew by 3% in 2022, one of its worst years on record due to coronavirus curbs and lockdowns. The China CSI 300 Index lost 22%. However, it is expected that China’s economic recovery will gather pace with the removal of coronavirus curbs and its reopening to the world.

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### Management Approach and Future Prospects

The global and regional economic picture in 2023 remains uncertain and difficult to predict due to underlying risks. Asia Financial's prospects for 2023 will continue to be affected by the global economic environment. We expect volatility in markets due to risks of inflationary pressure, rising interest rates, tapering of stimulus, and increased geopolitical tensions. We will be closely monitoring risks and maintain a prudent portfolio investment strategy accordingly.

Despite potential economic headwinds, we remain cautiously optimistic about the outlook for our businesses. We will continue with our conservative but flexible core investment approach in the pursuit of long-term growth in shareholder value.

The current outlook for our insurance operations is positive; our strong distribution network and market positioning supports our ability to perform well despite the challenging economic conditions and a crowded market. We will continue to review and optimize our mix of business segments. We are also further developing our distribution capacity and product range to meet the demands of our customers.

At this time of global challenge in our industry and the world, our company's reputation and stability are an advantage in an uncertain and volatile marketplace. The region is undergoing a major transformation involving the rise of large middle classes, ageing societies and greater use of market-based solutions to demographic and other policy challenges. In this changing environment, Asia Financial is well-positioned for steady and successful growth.

This is the long-term environment on which Asia Financial's management focuses. We aim to continue building on our interests in livelihood-related service industries such as insurance, retirement, health and property development, focused on Hong Kong and Greater China. Our investment spheres fit well with our traditional expertise and networks of clients and partners, and as a whole are 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.

### Key Financial and Business Performance Indicators

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

Profit attributable to equity holders of the Company:	HK\$199.9 million	-70.5%
Earnings per share:	HK21.3 cents	-70.4%
Final dividend per share:	HK3.5 cents	-66.7%
Total dividend per share:	HK5.0 cents	-65.5%
Equity attributable to equity holders of the Company:	HK\$10,492.8 million	+0.7%
Total Assets:	HK\$15,640.8 million	+1.3%
Return on equity:	1.9% (6.3% for 2021)	

## **MANAGEMENT DISCUSSION AND ANALYSIS** (continued)

### **Earnings and Dividends**

For the year ended 31st December, 2022, the Group recorded net profit attributable to shareholders of HK\$199.9 million, representing a 70.5% decrease compared with the previous year. The main contributing factors were lower valuations in portfolio investments, and overall decrease in contributions from our joint ventures and associates. This was slightly offset by underwriting profits from our core insurance business.

The Group's earnings per share for the year 2022 were HK21.3 cents. The Board had declared an interim dividend of HK1.5 cents in August 2022 and proposed a final dividend of HK3.5 cents, making a total dividend for the year of HK5.0 cents per share.

### **Capital Structure**

The Group finances its own working capital requirement through funds generated from operations.

### **Liquidity, Financial Resources and Gearing Ratio**

Cash and bank balances as at 31st December, 2022 amounted to HK\$2,728,885,000 (2021: HK\$2,873,685,000).

The Group had no bank borrowing as at 31st December, 2022.

No gearing ratio was calculated as the Group had no net current debt as at 31st December, 2022. The gearing ratio was based on net current debt divided by total capital plus net current debt. Net current debt includes current portion of insurance contract liabilities, insurance payables, amounts due to associates and other liabilities, less cash and bank balances and financial assets at fair value through profit or loss. Capital represents equity attributable to equity holders of the Company.

The Group's liquidity position remains strong and the Group has sufficient financial resources to satisfy its commitment and working capital requirements.

### **Charge on Assets**

As at 31st December, 2022 Asia Insurance Company, Limited ("Asia Insurance") charged assets with a carrying value of HK\$126,954,000 (2021: HK\$126,670,000) in favour of a cedant to secure the performance of Asia Insurance's obligations to the cedant under certain pecuniary loss reinsurance contracts.

### **Contingent Liabilities**

As at 31st December, 2022, the Group had no material contingent liabilities.

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### Business Review

#### Insurance

Wholly owned subsidiary, Asia Insurance Company, Limited (“Asia Insurance”) achieved net profit attributable to shareholders of HK\$195.8 million in 2022, a 21.5% decrease compared with the same period in 2021.

Despite the pandemic’s impact on our clients’ businesses, our turnover for 2022 rose by 8.9% over the same period in 2021, an extraordinary testimony to our company’s service, reputation and client confidence. This represents the 5th consecutive year of record high results.

Asia Insurance has been successful in its growth and diversification strategy of developing new business channels, new products and new business partners. We maintained most of our existing profitable businesses, while adding new business from diverse sectors such as reinsurance, online and property insurance.

Underwriting profit increased by 7.8% over the same period in 2021. Our fundamental underwriting profit trend remains healthy and stable, and we remain among the top performers in the Hong Kong insurance industry, with a S&P rating of A. (All the above figures are before elimination of group transactions.)

The reasonable increase in Asia Insurance’s costs in 2022 was in line with budget and with the company’s continued business expansion and investment in user and backend systems. Asia Insurance further augmented its distribution network through new agents and brokers and online digital channels. We developed and launched additional online platforms with banking and insurance partners, driving digital transformation. There was no significant exposure to catastrophe during the period.

The outlook for Asia Insurance’s core underwriting activities in both Hong Kong and Macau looks positive though challenging for 2023 and beyond. We see risks and issues brought by a highly competitive market and regional economic uncertainties, including an elevated client cost-consciousness and possible contraction in their businesses.

Looking ahead, we anticipate potential opportunities arising from the central government's “Greater Bay Area” plan to further integrate Pearl River Delta regions. Additionally, in the wake of COVID-19 both individuals and corporates are increasingly aware of the need for insurance coverage, a trend that will add traction to our core business and support our market growth.

In anticipation of future trends in client needs and market conditions, Asia Insurance is actively developing significant innovations to our product range, upgrading employee skills, and enhancing systems and distribution capacity.

We will continue to utilize our risk management expertise to focus on balanced growth from quality business with disciplined underwriting, and to optimize the mix of business segments while spreading risk. We are confident that our strengths in these areas will ensure continued healthy underwriting profitability.

## **MANAGEMENT DISCUSSION AND ANALYSIS** (continued)

### **Business Review** (continued)

#### Insurance (continued)

In general, Asia Insurance expects to continue to build on its status as a leader in Hong Kong's general insurance market with an outstanding reputation for service and professionalism.

We recorded both realised and unrealised losses in our investments. Joint ventures and associates in the insurance segment yielded an overall profit in 2022. BC Reinsurance Limited, Hong Kong Life Insurance Limited and Professional Liability Underwriting Services Limited enjoyed stable profit.

PICC Life Insurance Company Limited ("PICC Life"), in which Asia Financial has a 5% stake, continues to take advantage of its opportunities as a company with a nationwide license to return sizeable dividends to its shareholders. The company maintains a healthy position in the China market, with a substantial network of offices.

The outlook for next year's investments remain uncertain. We will maintain a sensible and watchful approach towards portfolio management.

#### Other Portfolio Investment

Trading investments posted declines in 2022 due to downturns in major stock markets. We calibrated our portfolio in line with market changes, and will continue to monitor and adjust to continuing market fluctuations. Dividend income from long-term strategic investments was stable.

Our portfolio will remain focused on high-quality equities and fixed-income investments, and our approach will be long term rather than reactive to year-on-year fluctuations in market valuations. We will continue to place the highest priority on preservation of shareholder value. At the same time, we remain alert to potential new long-term opportunities arising from major developments in the global environment and changes in consumer trends post-COVID-19.

#### Health Care and Wellness

Our 4.7% holding in Bumrungrad Hospital Public Company Limited ("Bumrungrad") in Bangkok is our largest listed equity investment. For 2022, the stock price was up 50.4% in Thai Baht terms, and 44.7% in Hong Kong dollar terms to be among our best performing trading investments.

Bumrungrad's success in attracting patients internationally through the delivery of high-quality medical services is likely to continue. Since Thailand was open to foreign travellers the entire year, tourism and medical tourism continues to recover. The outlook for medical tourism remains positive for next year, and Bumrungrad is well positioned to benefit from the rebound in this environment.

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### Business Review (continued)

#### Pension and Asset Management

The Group's holding in Bank Consortium Holding Limited ("BCH"), one of our joint ventures, generated lower but stable profits in 2022, in spite of the economic situation. Bank Consortium Trust Company Limited ("BCT"), a wholly owned subsidiary of BCH, remains one of the major providers of Mandatory Provident Fund services in Hong Kong.

#### Property Development

The Group's interests in real estate are focused on Shanghai and represent 4.2% of our total assets. The main project is a residential and commercial complex in Jiading District in Shanghai, in which we have a 27.5% stake. Its Phase 3 was developed in four stages.

We realised steady profits from this project for Stages One to Three and expected Stage Four to follow the same successful trajectory. Instead, due to extended COVID-19 lockdowns and curbs in Shanghai, we were unable to realise sales of Stage Four in 2022. We remain optimistic for 2023 as there is still demand among lifestyle-conscious young urbanites for design-forward housing complexes like Jiading.

Looking ahead, the outlook for China's property market should improve from 2022, though confidence remains fragile amid weak economic recovery and uncertainty in the market.

We obtained government approval for the master plan of a new 60,000 sqm mixed-use development on a 21,000 sqm piece of land in Qingpu district conveniently located close to the Shanghai Hongqiao International Airport. The stylish mixed-use development comprises a 70% residential and 30% commercial mix. Foundation work is expected to commence the first half of 2023.

#### Securities Investments Representing More than 5% of Total Assets

As at 31st December, 2022, two securities investments each represented above 5% of the Group's total assets:

Holding	No. of shares (in thousand)	Fair value as at 31st December, 2022 (HK\$'million)	% of total Group assets	Realised and unrealised gain/(loss) (HK\$'million)	Dividends received (HK\$'million)
PICC Life	1,288,055	2,750	17.6%	(370)	96
Bumrungrad Hospital	37,399	1,791	11.5%	549	27

Both investments are primarily long-term strategic holdings.

## **MANAGEMENT DISCUSSION AND ANALYSIS** (continued)

### **Impact of the COVID-19 Pandemic**

#### Effect on our operations, and relative risk and uncertainties

Challenges caused by the pandemic and its resultant economic and business volatility had an impact on our overall 2022 performance. Although many of our insurance business customers are SMEs who were particularly vulnerable during the pandemic, our bottom line was affected to a manageable extent.

The performance of our investment portfolio in 2022 was influenced by COVID-19 indirectly, plus other external factors.

#### Measures taken to manage the effects of COVID-19 pandemic

Our Company's traditionally watchful and cautious approach to investment has enabled us to successfully weather market volatility in periods of economic stress. This investment management strategy helped us to navigate successfully through the difficulties of 2022, and we anticipate it will continue to do so in the future.

In terms of direct exposure to the COVID-19 pandemic, in 2022 we took robust measures to protect the health and safety of our staff and our clients, and encouraged vaccination of our staff. We established systematic health protocols and guidelines, minimised the risk of business disruption by preparing detailed contingency plans, and expanded digital and software capacity to enable us to shift business activity online when necessary.

### **Compliance with Laws and Regulations**

The Group takes active steps to ensure compliance with all relevant laws and regulations in all jurisdictions in which it operates, and recognizes the risks of non-compliance. It dedicates sufficient resources and personnel to ensure such compliance, and to maintaining adequate liaison and communication with regulatory authorities. We believe that risks attached to non-compliance are low.

### **Principal Risks and Uncertainties**

The Group's principal risks are exposed to a variety of key risks including credit risk, equity price risk, insurance risk, interest rate risk, liquidity risk, foreign exchange risk, market risk and operation risk. Details of the aforesaid key risks and mitigation measures are elaborated in the note of "Financial Risk Management Objectives and Policies" to the consolidated financial statements of the Group in the 2022 annual report.

## **MANAGEMENT DISCUSSION AND ANALYSIS** (continued)

### **Stakeholders**

Asia Financial understands and respects the importance of its relationships with employees, customers, suppliers, investors, regulators, members of the communities in which we operate, and other stakeholders whose actions can affect the company's performance and value.

### Employees

The Company recognizes the vital role that skilled and motivated staff play in its success. Our human resources policy is therefore to encourage, recognize and reward good performance through appropriate training, appraisal and remuneration practices. The Company is confident of its ability to attract skillful and qualified staff and believes that risks attached to over-reliance on key personnel are moderate.

### Customers

The Company's main clients are insurance policyholders. Delivery of excellent customer service and choice products are key reasons for our consistent underwriting profitability. Diversification of our client base and avoidance of over-dependency on core clients are among our risk management practices.

### Shareholders

The Company is committed to creating value for our shareholders. This aim is fundamental to all our operations and investment activities.

### **Employees and Remuneration Policy**

The total number of employees of the Group as at 31st December, 2022 was 329 (31st December, 2021: 314). 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. The Group also offers various training and induction programmes to its employees.

The remuneration policy of the Group is formulated and recommended by the Remuneration Committee of the Company for the Board's approval. The Remuneration Committee's responsibilities include reviewing and approving the management's remuneration proposals, and making recommendations to the Board on adjustments to remuneration packages payable to directors, senior management and employees of the Group.

## ANNUAL GENERAL MEETING

The Annual General Meeting (the "AGM") of the Company will be held on Friday, 19th May, 2023. Notice of the AGM will be published and despatched to the shareholders on or about Tuesday, 18th April, 2023.

## FINAL DIVIDEND

The Board has resolved to recommend to the shareholders the payment of a final dividend of HK3.5 cents (2021: HK10.5 cents) per share which, together with the interim dividend of HK1.5 cents (2021: HK4.0 cents) per share, will make a total dividend of HK5.0 cents (2021: HK14.5 cents) per share for the year ended 31st December, 2022. The proposed final dividend will be paid in cash to those shareholders whose names are on the Register of Members of the Company on Wednesday, 31st May, 2023 and the dividend warrants will be despatched to shareholders on or about Friday, 9th June, 2023.

## CLOSURE OF REGISTER OF MEMBERS

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

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

Latest time to lodge transfers	4:30 p.m. on 15th May, 2023
Book close dates (both days inclusive)	16th May, 2023 to 19th May, 2023
Record date	19th May, 2023
AGM	19th May, 2023

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

Ex-dividend date for final dividend	24th May, 2023
Latest time to lodge transfers	4:30 p.m. on 25th May, 2023
Book close dates (both days inclusive)	29th May, 2023 to 31st May, 2023
Record date for final dividend	31st May, 2023

All transfers accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong Branch Share 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, 2022, a subsidiary of the Company repurchased a total of 2,798,000 ordinary shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at an aggregate purchase price of approximately HK\$9,387,000 (excluding expenses) which was paid wholly out of retained profits. Such repurchased shares were cancelled during the year and after the end of the year. Details of the ordinary shares repurchased on the Stock Exchange during the year are as follows:

Month of repurchase	Number of ordinary shares repurchased	Price per share		Aggregate purchase price (excluding expenses) HK\$'000
		Highest HK\$	Lowest HK\$	
March 2022	612,000	3.60	3.50	2,172
April 2022	58,000	3.45	3.40	199
June 2022	504,000	3.49	3.38	1,739
July 2022	92,000	3.40	3.36	311
August 2022	46,000	3.42	3.39	157
September 2022	416,000	3.33	3.15	1,368
October 2022	220,000	3.14	3.01	672
November 2022	732,000	3.25	3.01	2,362
December 2022	<u>118,000</u>	3.53	3.39	<u>407</u>
	<u>2,798,000</u>			<u>9,387</u>

Subsequent to the end of the year and up to the date of this announcement, a total of 486,000 ordinary shares of the Company were repurchased on the Stock Exchange at an aggregate purchase price of approximately HK\$1,691,000 (excluding expenses) which was paid wholly out of retained profits. Such repurchased shares were cancelled on 10th February, 2023. Details of the ordinary shares repurchased on the Stock Exchange after the end of the year are as follows:

Month of repurchase	Number of ordinary shares repurchased	Price per share		Aggregate purchase price (excluding expenses) HK\$'000
		Highest HK\$	Lowest HK\$	
January 2023	<u>486,000</u>	3.49	3.47	<u>1,691</u>
	<u>486,000</u>			<u>1,691</u>

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES**

(continued)

As a result of the above share repurchases, the issued share capital of the Company was accordingly reduced by the par value of the aforesaid repurchased ordinary shares which were cancelled during the year and after the end of the year. As at the date of this announcement, the number of issued ordinary shares of the Company is 935,984,000 shares.

The purchase of the Company's shares during the year and after the end of the year was effected by the directors, pursuant to the mandate from shareholders received at the annual general meetings held in 2021 and 2022 respectively. The directors believe that the above share repurchases were exercised in the best interests of the Company and its shareholders and that such share repurchases would lead to an enhancement of the net asset value and/or earnings per share of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares during the year ended 31st December, 2022 and up to the date of this announcement.

## **CORPORATE GOVERNANCE CODE**

The Company has applied the principles and complied with all the applicable code provisions set out in the Corporate Governance Code ("CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited throughout the year ended 31st December, 2022, except a deviation from CG Code C.2.1 which stipulates, inter alia, that the roles of chairman and chief executive should be separate and should not be performed by the same individual and that the division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

The Company has appointed a President instead of a Chief Executive. The division of responsibilities between the Chairman and President of the Company has been clearly established and set out in writing. The roles of Chairman and President has been separated until the passing away of Dr. CHAN Yau Hing Robin, the late Chairman of the Company. Mr. CHAN Bernard Charnwut ("Mr. Bernard Chan") has been appointed as Chairman from 20th April, 2022 and since then concurrently acts as Chairman and President of the Company.

The Board considers that such deviation will not impair the balance of power and authority as it is ensured by the operations and governance of the Board which comprises experienced and high calibre individuals.

## **CORPORATE GOVERNANCE CODE (continued)**

In allowing the two positions to be occupied by the same person, the Board has considered that both positions require in-depth knowledge and considerable experience of the Group's business. Based on the experience and qualification of Mr. Bernard Chan, the Board believes that the vesting of two roles to Mr. Bernard Chan will continue to provide the Group with stable and consistent leadership and continue to allow for effective and efficient planning and implementation of long term business strategies and is beneficial to the Company and in the interests of its shareholders. The Board will review the structure from time to time and shall adjust the situation when suitable circumstance arises.

## **REVIEW OF RESULTS**

The Audit Committee of the Company has met the auditor of the Company, Ernst & Young, and reviewed and agreed with the auditor the Group's results for the year ended 31st December, 2022.

## **PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT**

This results announcement is published on the Company's website at [www.afh.hk](http://www.afh.hk) and the HKExnews website at [www.hkexnews.hk](http://www.hkexnews.hk). The 2022 annual report will be despatched to the shareholders and available at the same websites on or about Tuesday, 18th April, 2023.

By Order of the Board  
**Asia Financial Holdings Limited**  
**CHAN Bernard Charnwut**  
*Chairman & President*

Hong Kong, 27th March, 2023

*As at the date of this announcement, the executive directors of the Company are Mr. CHAN Bernard Charnwut (Chairman & President), Mr. TAN Stephen, Mr. WONG Kok Ho; the non-executive directors are Mr. KAWAUCHI Yuji, Mr. OGURA Satoru; and the independent non-executive directors are Mrs. LAI KO Wing Yee Rebecca, Mr. AU YANG Chi Chun Evan and Ms. NGAN Edith Manling.*

\* For identification purpose only