



HONG LEONG FINANCE

63rd Annual General Meeting Performance Highlights 2022 27 April 2023

SME Specialist since 1961



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Financial Performance 2022

	2022	2021	Y-o-Y
	(\$m)	(\$m)	(%)
Net interest income	242.2	178.0	36.1
Non interest income	16.5	11.4	44.2
Operating income	258.7	189.4	36.6
Operating expenses	(98.8)	(87.4)	13.1
Operating profit before allowances	159.9	102.0	56.7
Allowances	(2.8)	(0.1)	>100
Income tax expense	(26.2)	(17.1)	53.2
Net attributable profit	130.9	84.8	54.3

EPS: 29.21 cents (2021: 18.95 cents)



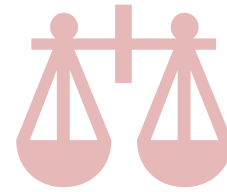
Record net profit at \$130.9m, up 54.3% y-o-y, on the back of expanded NIM at 1.8% driven by strong loan growth and uplift of loan & asset yields outpacing higher cost of deposit. CIR improved 8% to 38%.



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Balance Sheet Position

	Dec 2022 (\$b)	Dec 2021 (\$b)	Y-o-Y (%)
Total Assets	14.3	13.0	10.2
Total Liabilities	12.2	11.0	11.3
Net Assets	2.1	2.0	4.0
Total Equity	2.1	2.0	4.0

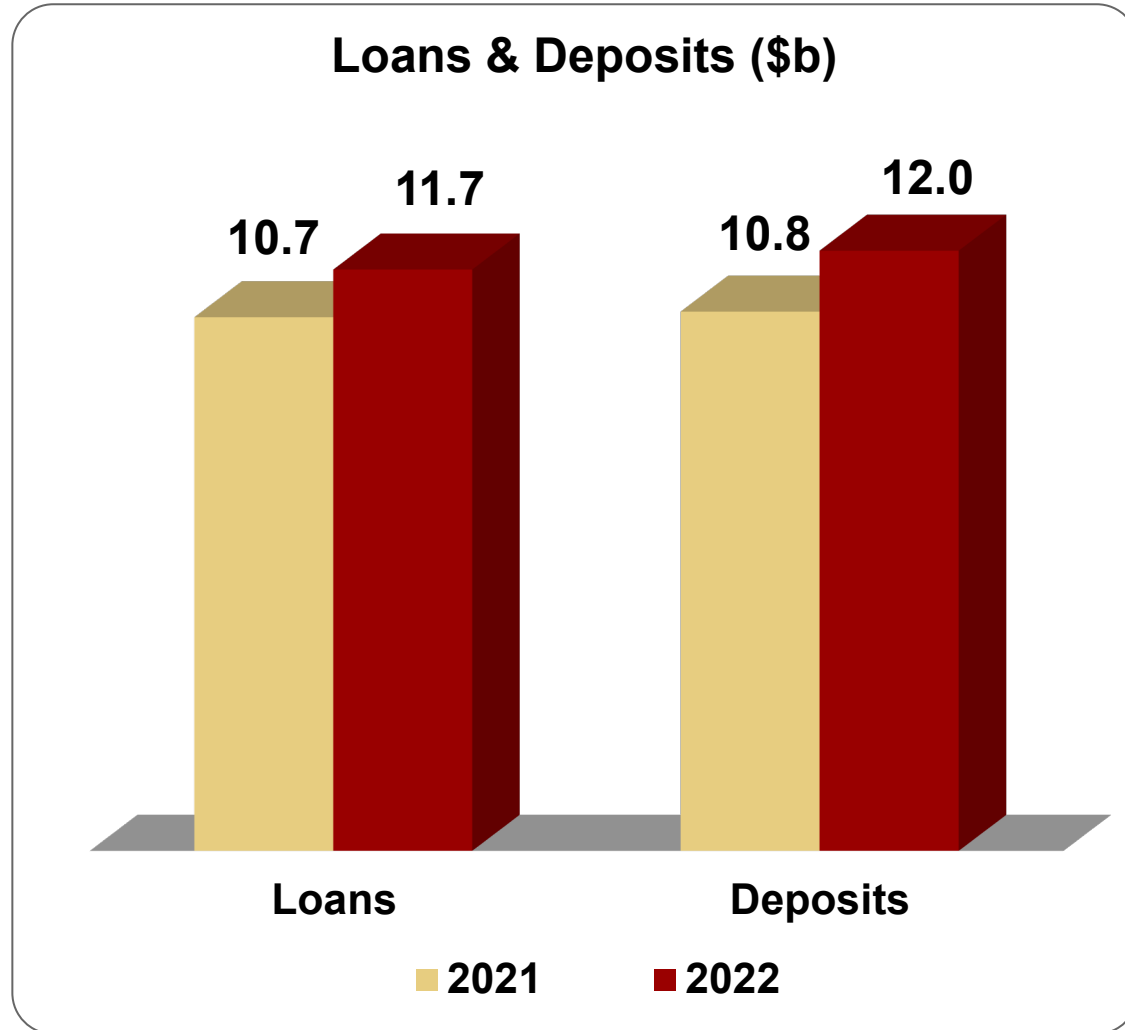


Balance Sheet remain resilient supported by strong capital and liquidity buffers; Capital Adequacy Ratio(CAR:16.1%) and Minimum Liquid Asset Ratio(MLA:19.5%) well above regulatory requirements;

Net assets value per share at \$4.55 (Dec 2021: \$4.38);



Customer Loans and Deposits



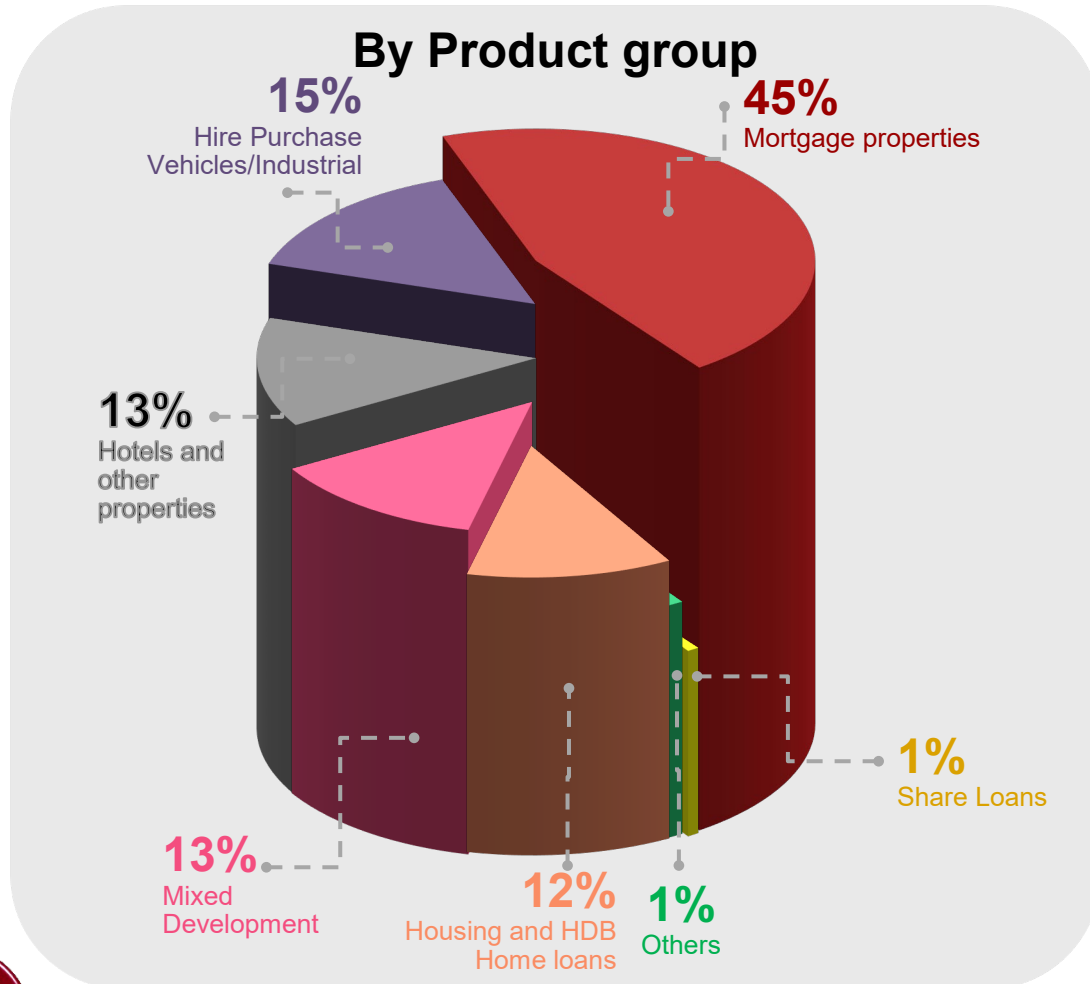
Total loans rose by 8.9% on broad based business growth

Total deposits base increased by 11.3% to support net funding and liquidity requirements

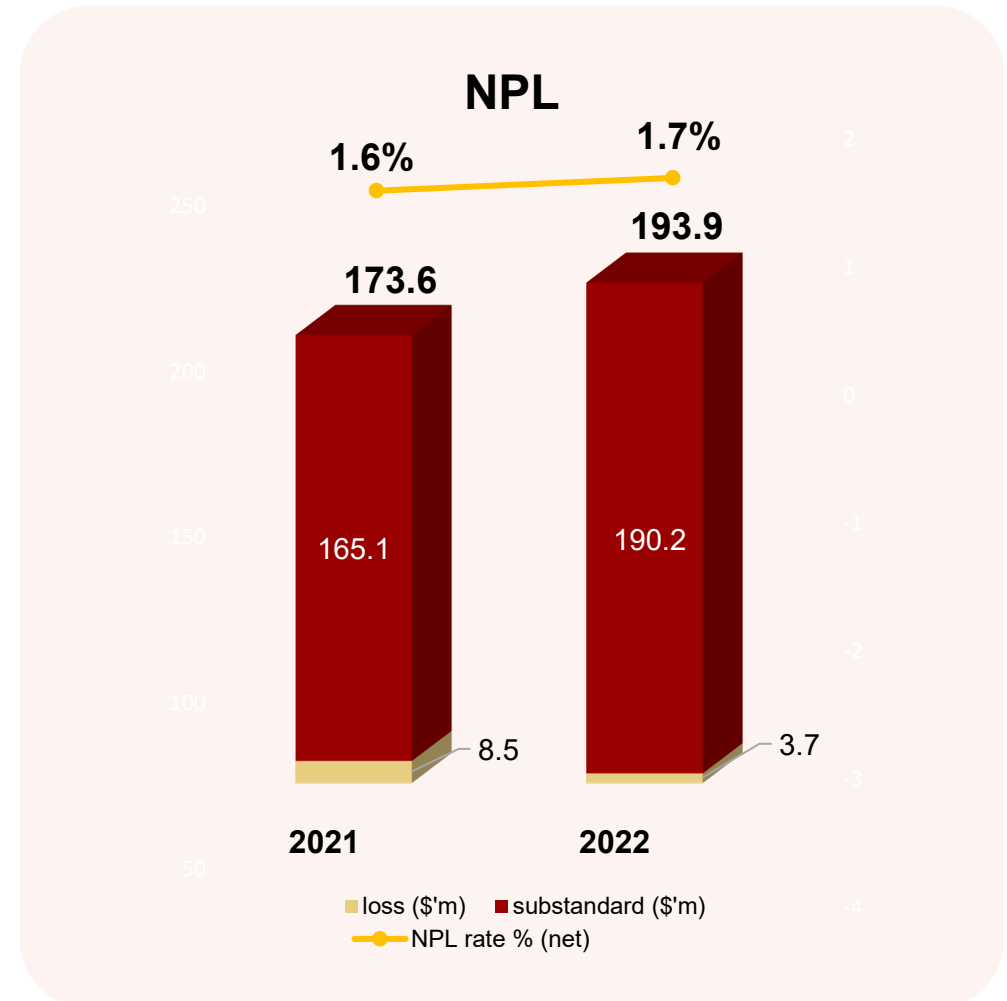


Composition of Loans

- ❖ Key pillars of business remain strong
- ❖ Loan portfolios largely collateralized



NPL ratio at 1.7%, of which secured NPL at 98.1%.

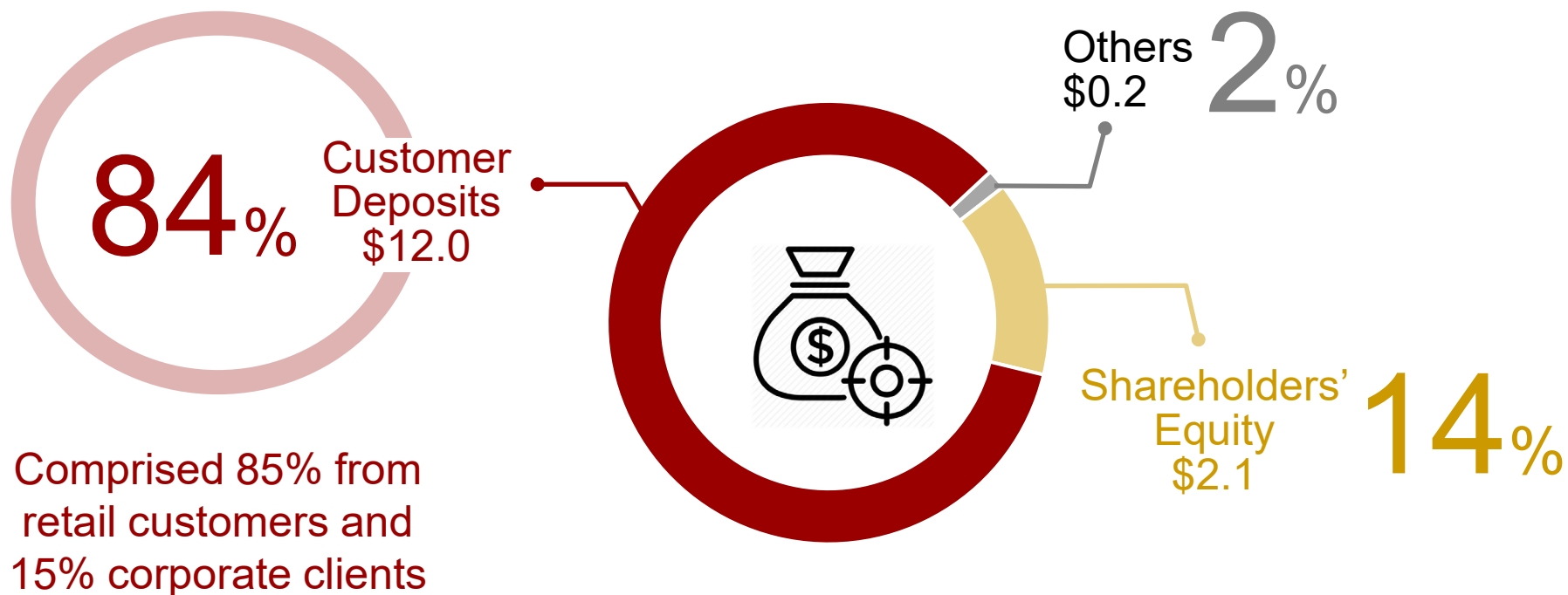


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Sources of Fund

Stable and well-diversified customer deposit base and enhanced shareholders' equity

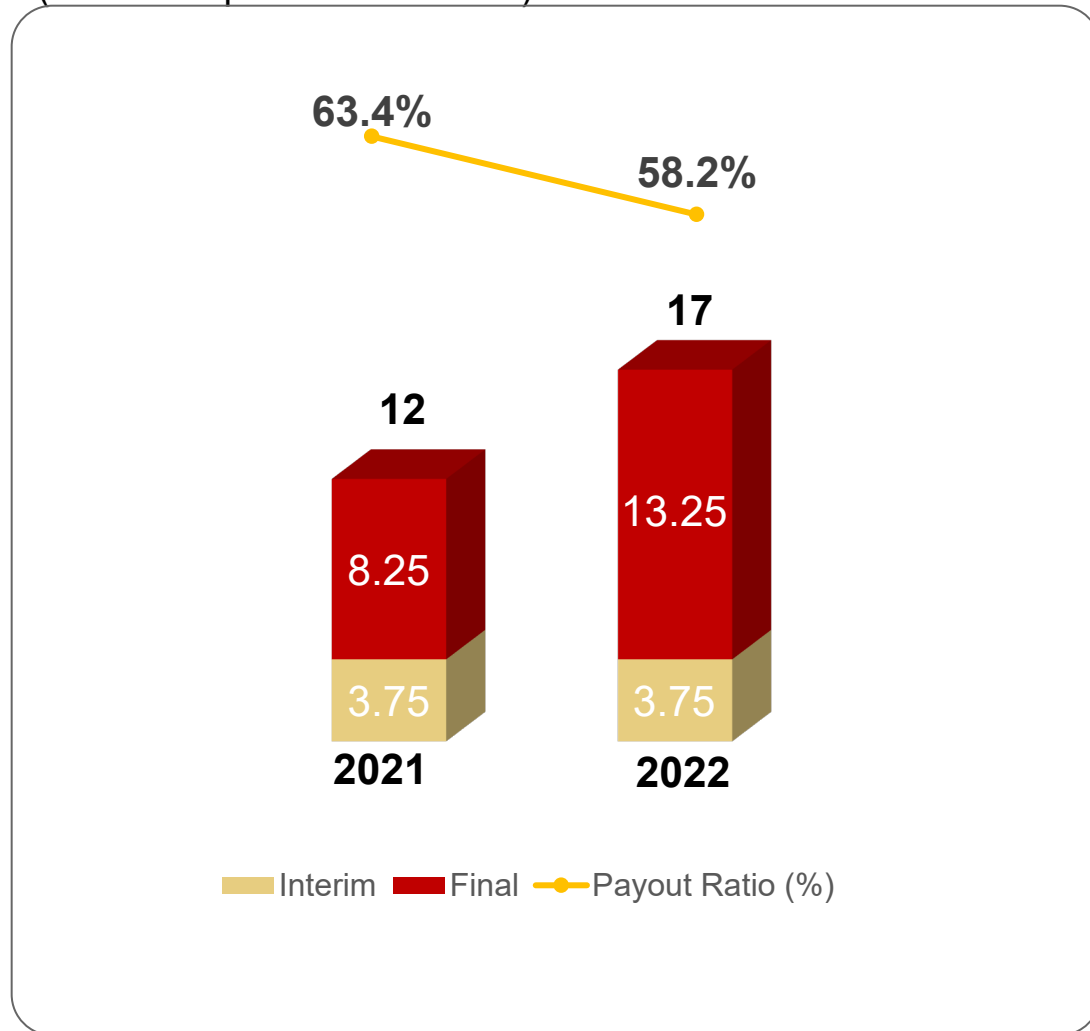
(\$b)



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Distribution of Dividends

(Dividends per share in cents)



8 Sep 2021
Interim dividend of 3.75 cents per share of \$16.8m

27 May 2022
Final dividend of 8.25 cents per share of \$37.0m

1 Sep 2022
Interim dividend of 3.75 cents per share of \$16.8m

26 May 2023
Proposed final dividend of 13.25 cents per share approximately \$59.4m



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AWARDS AND ACCOLADES 2022

TOP 1000
WORLD BANKS

TOP 100
ASEAN BANKS

**BEST-
PERFORMING**
BANK IN
SINGAPORE

The Banker

**MARKET
LEADERS**
IN SINGAPORE

NOTABLE RANKING
IN CORPORATE
BANKING & SME
BANKING

Euromoney

**ASEAN
FINANCE
COMPANY
OF THE YEAR**

Asian Banking & Finance

**TOP ASEAN
ASSET CLASS**
PUBLICLY LISTED
COMPANIES

Asian Development Bank and
Association of Southeast Asian
Nations Capital Markets Forum

TOP 80
SINGAPORE
GOVERNANCE
AND TRANSPARENCY
INDEX

NUS Business School's Centre for
Governance and Sustainability
and The Business Times



TOP 100
SINGAPOREAN
BRANDS

Brand Finance

EXCELLENCE
IN SEARCH
MARKETING
(BRONZE)

Marketing-Interactive



2021 AWARDS

Top 1000 World Banks
The Banker

Top 100 ASEAN Banks
The Banker

**Best-Performing Bank
in Singapore**
The Banker

Asean Finance Company
Asian Banking & Finance

Top 100 Singaporean Brands
Brand Finance

**Excellence in Search Marketing
(Finalist)**
Marketing-Interactive



Thank you!



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