PRIVATE & CONFIDENTIAL

HONG LEONG FINANCE LIMITED

Co. Reg. No. 196100003D
(Incorporated in the Republic of Singapore)

Minutes of the 61st Annual General Meeting ("**AGM**" or the "**Meeting**") of HONG LEONG FINANCE LIMITED ("**HLF**" or the "**Company**") held on Thursday, 29 April 2021 at 11.00 a.m. by way of electronic means via 'live' audio-visual webcast and 'live' audio-only stream.

AGM Attendance:

Board of Directors

Present	:	Mr Kwek Leng Beng (Chairman and Managing Director)
Present via video-conference	:	Mr Po'ad bin Shaik Abu Bakar Mattar (Lead Independent Director, Chairman of the Audit Committee)
		Mr Bertie Cheng (Independent Director, Chairman of the Board Risk Committee, Chairman of the Nominating Committee)
		Mr Ter Kim Cheu (Independent Director, Chairman of the Board Sustainability Committee)
		Mr Peter Chay Fook Yuen (Independent Director, Chairman of the Remuneration Committee, Chairman of the Hong Leong Finance Share Option Scheme 2001 Committee)
		Mr Chng Beng Hua (Independent Director)
		Mr Raymond Lim Siang Keat (Independent Director)
		Mr Tan Tee How (Independent Director)
		Ms Tan Siew San (Independent Director)
		Mr Christian de Charnace (Independent Director)
		Mr Kwek Leng Peck (Non-executive Non-independent Director)
		Mr Kwek Leng Kee (Non-executive Non-independent Director)
		Mr Kevin Hangchi (Non-executive Non-independent Director)

Senior Management		
Present	:	Mr Ang Tang Chor (President)
Attended via 'live' webcast		Mr Leong Chee Wah, Senior Vice President (Risk Management and Credit Control)
		Ms Joan Yeo, Chief Financial Officer
		Mr Jeffrey Toh, Senior Vice President (Corporate & Consumer Business)
		Ms Peh Guat Hong, Senior Vice President (Corporate & Consumer Business)
		Mr Benjamin Ng, Senior Vice President (Special Duties)
		Mr David Thong, Senior Vice President (Operations)
		Mr Andrew Low, Senior Vice President (Human Resources)
Company Secretaries	:	Ms Joanne Yeo Swee Gim Ms Jaslin Ng Siew Ping
Auditors	:	KPMG LLP Mr Ian Hong Mr Alex Peck

The full attendance list of shareholders and observers who attended the AGM via 'live' audio-visual webcast and audio conference is separately maintained by the Company Secretary.

CHAIRMAN'S WELCOME

Mr Kwek Leng Beng, the Executive Chairman of the Board of Directors ("**Board**") of the Company, welcomed the shareholders to the AGM of the Company. He informed shareholders that the AGM had been convened and was being held by electronic means via 'live' audio-visual webcast and 'live' audio-only stream in accordance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

There being a requisite quorum, he called the Meeting to order and introduced Mr Ang Tang Chor, President of the Company, who was present in person with him at the site of the webcast. He also introduced the other members of the Board who were participating in the Meeting remotely via video-link-ups. The Chairman informed the Meeting that Mr Chng Beng Hua, Mr Bertie Cheng, Mr Po'ad Mattar and Mr Raymond Lim would be stepping down from the Board upon the conclusion of the Meeting. On behalf of the Board, the Chairman formally placed on record its sincere appreciation to these Directors for their invaluable service to the Company during their tenure as Directors.

The Chairman informed the Meeting that the Company Secretaries, together with the representatives of the Company's external auditors, KPMG LLP ("**KPMG**"), were also in attendance online at the Meeting.

Shareholders accessing the Meeting via electronic means would be recorded in the minutes of the Meeting as having attended the Meeting.

NOTICE

The Notice convening the Meeting ("**AGM Notice**"), which had been made available to all shareholders by electronic means via publication on the Company's website and on the SGX website, was taken as read.

QUESTIONS AND ANSWERS

The Chairman further informed the Meeting that the Company had not received any questions from shareholders in advance of the AGM.

PRESENTATION BY THE PRESIDENT

The Chairman called upon the President to brief the shareholders on the Group's financial performance for the financial year ended 31 December ("**FY**") 2020. The President provided the update by way of a slides presentation, a copy of which annexed to these minutes as Annexure A was released via SGXNET after the Meeting on 29 April 2021, and has also been uploaded onto the Company's corporate website.

VOTING

The Chairman thanked shareholders who had taken the effort to submit their proxy forms to cast their votes for the resolutions as contained in the Notice of the Meeting and informed that each of the resolutions would be taken as duly tabled, proposed and seconded for voting. As the Chairman had been appointed as proxy for these shareholders, he had voted on all the resolutions in accordance with their specific instructions.

The Company had appointed Trusted Services Pte Ltd as the polling agent and TS Tay Public Accounting Corporation as the independent scrutineers. All proxy votes cast had been reviewed by the polling agent and verified by the scrutineers.

The Chairman proceeded to announce the results of the votes cast for each of the resolutions contained in the Notice of the Meeting.

ORDINARY BUSINESS:

1. DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER ("FY") 2020 AND THE AUDITOR'S REPORT THEREON

1.1 The Annual Report 2020 of the Company ("**AR**") had been published on the Company's website and on the SGX website.

1.2 IT WAS RESOLVED:

That the Directors' Statement and Audited Financial Statements of the Company and its subsidiaries (the "**Group**") for the financial year ended 31 December 2020 together with the Auditor's Report thereon be and are hereby received.

The detailed voting results for the above resolution were as follows:

Total Number of Shares represented by Votes Cast	No. of Shares FOR	% FOR	No. of Shares AGAINST	% AGAINST
250,087,718	250,082,718	100.00	5,000	0.00

The Chairman declared the resolution carried.

2. FINAL DIVIDEND

IT WAS RESOLVED:

That a final one-tier tax exempt dividend of 5.5 cents per share in respect of the year ended 31 December 2020 as recommended by the Directors be and is hereby declared for payment on 25 May 2021 to the shareholders registered on 10 May 2021.

The detailed voting results for the above resolution were as follows:

Total Number of Shares represented by Votes Cast	No. of Shares FOR	% FOR	No. of Shares AGAINST	% AGAINST
250,090,418	250,085,418	100.00	5,000	0.00

The Chairman declared the resolution carried.

3. DIRECTORS' FEES

IT WAS RESOLVED:

That the Directors' Fees of $1,681,533 for FY 2020 be and are hereby approved.

The detailed voting results for the above resolution were as follows:

Total Number of Shares represented by Votes Cast	No. of Shares FOR	% FOR	No. of Shares AGAINST	% AGAINST
250,090,418	248,792,418	99.48	1,298,000	0.52

The Chairman declared the resolution carried.

4. RE-ELECTION/ELECTION OF DIRECTORS

4.1 The Chairman informed the Meeting that in accordance with the Company's Constitution, Mr Kwek Leng Peck, Mr Kwek Leng Kee, Mr Raymond Lim and himself were due to retire by rotation at the AGM. Mr Kwek Leng Peck, Mr Kwek Leng Kee and himself had offered themselves for re-election. Mr Raymond Lim would not be seeking re-election and as mentioned earlier, would step down from the Board after the conclusion of the Meeting.

Mr Christian de Charnace, who was appointed in 2020, was also retiring at the AGM in accordance with the Company's Constitution and being eligible, had offered himself for election.

Information on the Directors seeking election/re-election could be found in the AR and the AGM Notice. The Nominating Committee had recommended their election/re-election as Directors.

4.2 IT WAS RESOLVED:

That Mr Kwek Leng Beng who is due to retire at this Meeting, be and is hereby re-elected as a Director of the Company.

The detailed voting results for the above resolution were as follows:

Total Number of Shares represented by Votes Cast	No. of Shares FOR	% FOR	No. of Shares AGAINST	% AGAINST
243,471,811	241,934,158	99.37	1,537,653	0.63

The Chairman declared the resolution carried.

4.3 IT WAS RESOLVED:

That Mr Kwek Leng Peck who is due to retire at this Meeting, be and is hereby re-elected as a Director of the Company.

The detailed voting results for the above resolution were as follows:

Total Number of Shares represented by Votes Cast	No. of Shares FOR	% FOR	No. of Shares AGAINST	% AGAINST
249,573,059	248,169,657	99.44	1,403,402	0.56

The Chairman declared the resolution carried.

4.4 IT WAS RESOLVED:

That Mr Kwek Leng Kee who is due to retire at this Meeting, be and is hereby re-elected as a Director of the Company.

The detailed voting results for the above resolution were as follows:

Total Number of Shares represented by Votes Cast	No. of Shares FOR	% FOR	No. of Shares AGAINST	% AGAINST
248,495,339	247,194,990	99.48	1,300,349	0.52

The Chairman declared the resolution carried.

4.5 IT WAS RESOLVED:

That Mr Christian de Charnace who is due to retire at this Meeting, be and is hereby elected as a Director of the Company.

The detailed voting results for the above resolution were as follows:

Total Number of Shares represented by Votes Cast	No. of Shares FOR	% FOR	No. of Shares AGAINST	% AGAINST
250,090,418	250,051,122	99.98	39,296	0.02

The Chairman declared the resolution carried.

5. RE-APPOINTMENT OF AUDITORS

The Meeting noted that the Audit Committee had recommended the re-appointment of KPMG as Auditors of the Company and KPMG had expressed their willingness to accept re-appointment. The Company had also obtained the approval of the Monetary Authority of Singapore for the proposed re-appointment of KPMG.

IT WAS RESOLVED:

That KPMG LLP, Public Accountants and Chartered Accountants, be and are hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next AGM and that the Directors be authorised to fix their remuneration.

The detailed voting results for the above resolution were as follows:

Total Number of Shares represented by Votes Cast	No. of Shares FOR	% FOR	No. of Shares AGAINST	% AGAINST
250,090,418	250,048,322	99.98	42,096	0.02

The Chairman declared the resolution carried.

SPECIAL BUSINESS:

ORDINARY RESOLUTIONS

6. AUTHORITY FOR DIRECTORS TO ISSUE SHARES AND/OR MAKE OR GRANT OFFERS, AGREEMENTS OR OPTIONS PURSUANT TO SECTION 161 OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE AND THE LISTING MANUAL OF SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

6.1 The Chairman informed the shareholders that the resolution under item 6 of the AGM Notice related, *inter alia*, to the grant of authority for Directors to issue shares and/or make or grant Instruments that might require shares to be issued up to a number not exceeding 100% of the Company's total number of issued shares, with a limit of 10% for any issue of shares not made on a *pro rata* basis to shareholders. This authority would expire at the next AGM of the Company, unless revoked or varied at a general meeting.

6.2 IT WAS RESOLVED:

That authority be and is hereby given to the Directors to:

(a) (i) issue shares in the capital of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

(b) (notwithstanding the authority conferred by this Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Ordinary Resolution is in force,

provided that:

(1) the aggregate number of shares to be issued pursuant to this Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Ordinary Resolution but excluding shares which may be issued pursuant to any adjustments effected under any relevant Instrument) does not exceed 100% of the total number of issued shares of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Ordinary Resolution but excluding shares which may be issued pursuant to any adjustments effected under any relevant Instrument) does not exceed 10% of the total number of issued shares of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited ("**SGX-ST**")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares of the Company shall be based on the total number of issued shares of the Company at the time this Ordinary Resolution is passed, after adjusting for:

(i) new shares arising from the conversion or exercise of any convertible securities or share options which are outstanding or subsisting at the time this Ordinary Resolution is passed; and

(ii) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Ordinary Resolution, the Company shall comply with the provisions of the Listing Manual of SGX-ST for the time being in force (unless such compliance has been waived by SGX-ST) and the Constitution for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Ordinary Resolution shall continue in force until the conclusion of the next annual general meeting ("**AGM**") of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

The detailed voting results for the above resolution were as follows:

Total Number of Shares represented by Votes Cast	No. of Shares FOR	% FOR	No. of Shares AGAINST	% AGAINST
250,090,418	248,764,273	99.47	1,326,145	0.53

The Chairman declared the resolution carried.

7. AUTHORITY FOR DIRECTORS TO OFFER AND GRANT OPTIONS TO ELIGIBLE PARTICIPANTS UNDER THE HONG LEONG FINANCE SHARE OPTION SCHEME 2001 (THE "SOS") OTHER THAN PARENT GROUP EMPLOYEES AND PARENT GROUP NON-EXECUTIVE DIRECTORS AND TO ISSUE SHARES IN ACCORDANCE WITH THE PROVISIONS OF THE SOS

7.1 The Chairman informed the Meeting that the resolution under item 7 related to the grant of authority for Directors to offer and grant options to eligible participants under the SOS other than Parent Group Employees and Parent Group Non-Executive Directors.

7.2 Shareholders who were eligible to participate in the SOS and were not Parent Group Employees and Parent Group Non-Executive Directors had abstained from voting on this resolution.

7.3 IT WAS RESOLVED:

That approval be and is hereby given to the Directors to offer and grant options in accordance with the provisions of the Hong Leong Finance Share Option Scheme 2001 (the "**SOS**") to eligible participants under the SOS other than Parent Group Employees and Parent Group Non-Executive Directors (each as defined under the terms of the SOS) and to allot and issue from time to time such number of shares of the Company as may be required to be issued pursuant to the exercise of the options granted under the SOS, provided that the aggregate number of shares to be issued pursuant to the SOS shall not exceed 15% of the total number of issued shares of the Company from time to time.

The detailed voting results for the above resolution were as follows:

Total Number of Shares represented by Votes Cast	No. of Shares FOR	% FOR	No. of Shares AGAINST	% AGAINST
240,711,357	235,701,714	97.92	5,009,643	2.08

The Chairman declared the resolution carried.

As there was no other business, the Meeting was declared closed at 11.15 a.m.

Read and signed as correct

(Signed by Mr Kwek Leng Beng)

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Chairman

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SME Specialist since 1961

Annexure A

61st Annual General Meeting
Performance Highlights 2020
29 April 2021

The Banker TOP 1000 WORLD BANKS 2020

The Banker TOP 100 ASEAN BANKS 2020

ASIAN BANKING & FINANCE RETAIL BANKING AWARDS 2020 ASEAN Best Finance Company

60 YEARS ANNIVERSARY

Your Trusted Financier

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Financial Performance 2020

	2020 ($m)	2019 ($m)	YoY (%)
Net interest income	146.8	201.7	(27.2)
Non interest income	11.9	14.0	(14.9)
Operating income	**158.7**	**215.7**	**(26.4)**
Operating expenses	(76.3)	(90.2)	(15.4)
Operating profit before allowances	**82.4**	**125.5**	**(34.3)**
Allowances	(7.7)	(1.6)	>100
Income tax expense	(10.8)	(20.8)	(48.2)
Net attributable profit	**63.9**	**103.1**	**(38.0)**

Net attributable profit at $63.9m, down 38.0% driven by compressed earning and conservative build up of general loan loss allowances on impact of sustained low interest rates and economic disruption caused by the Covid-19 pandemic.

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Balance Sheet Position

	Dec 20 ($m)	Dec 19 ($m)
Total Assets	13,365	14,461
Total Liabilities	11,447	12,547
Net Assets	***1,918***	***1,914***
Total Equity	**1,918**	**1,914**

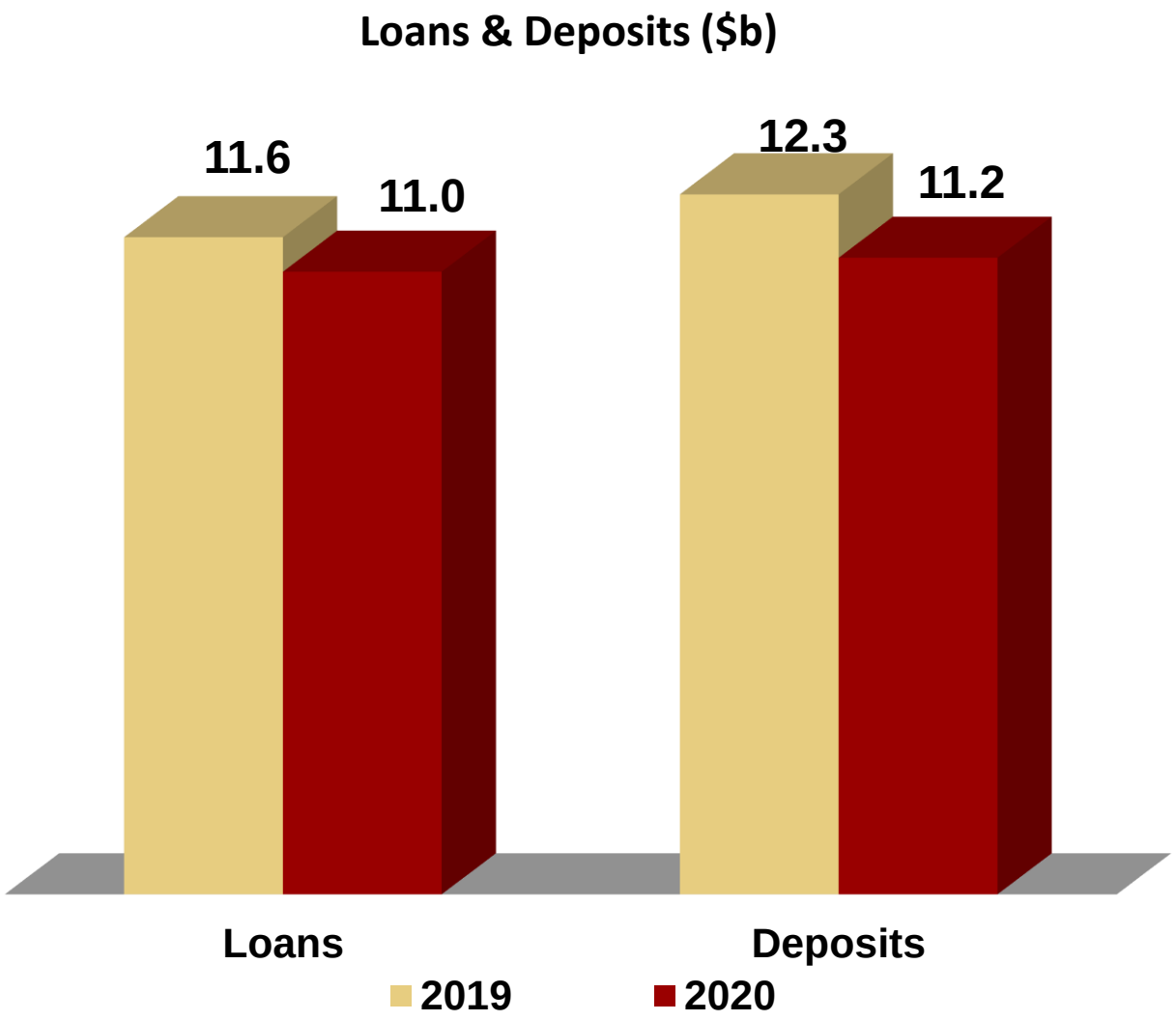
- Balance Sheet remain resilient supported by strong capital and liquidity buffers; Capital Adequacy Ratio and Minimum Liquid Asset Ratio well above regulatory requirements;
- Net assets value per share at $4.29 (Dec 2019: $4.28);



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Customer Loans and Deposits



- Total loans scaled down by 5.2% on the backdrop of slower business momentum triggered by the global lockdown and restriction;
- Total deposits base pared down by 9.0% to optimize loan funding and manage cost of fund;

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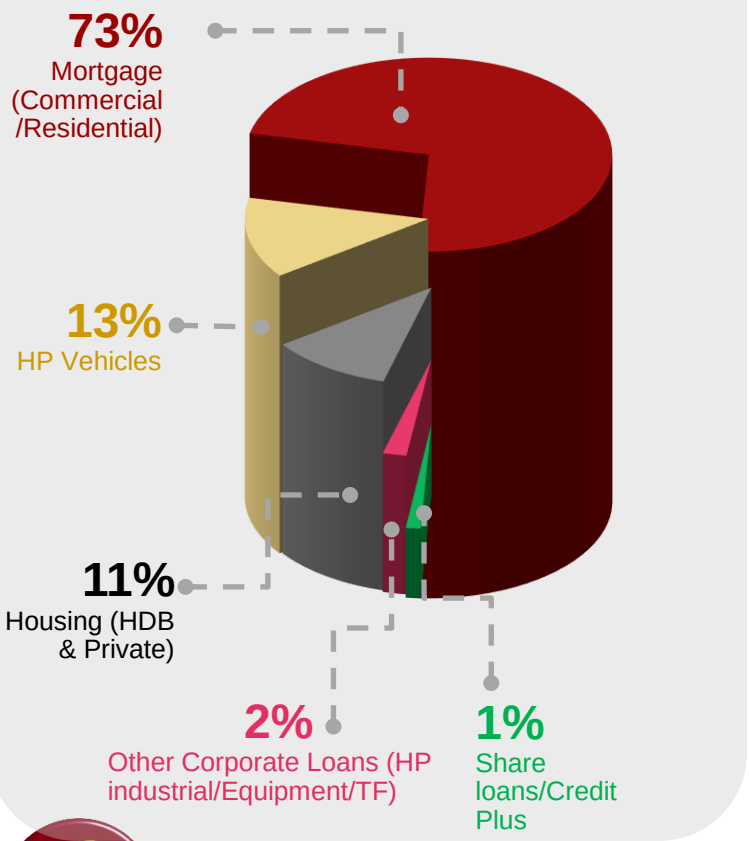
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Composition of Loans

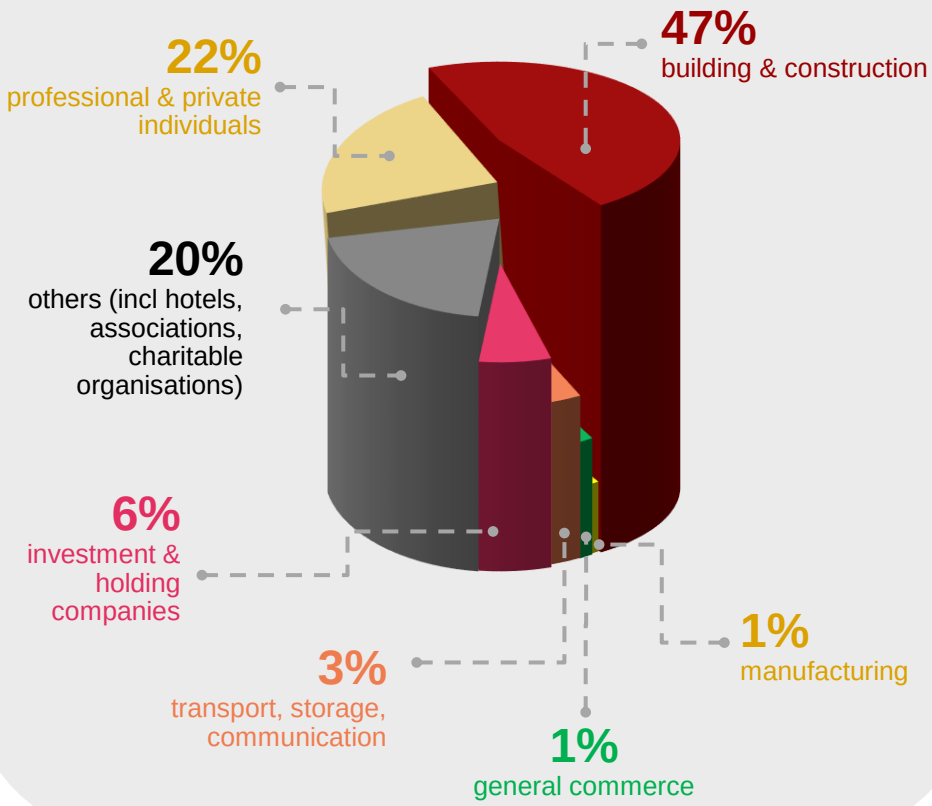
Focus on key pillars of business with limited exposures to sectors significantly impacted by pandemic; Loan portfolios largely collateralized.

Sound loan quality with NPL ratio remained stable at 1.0%

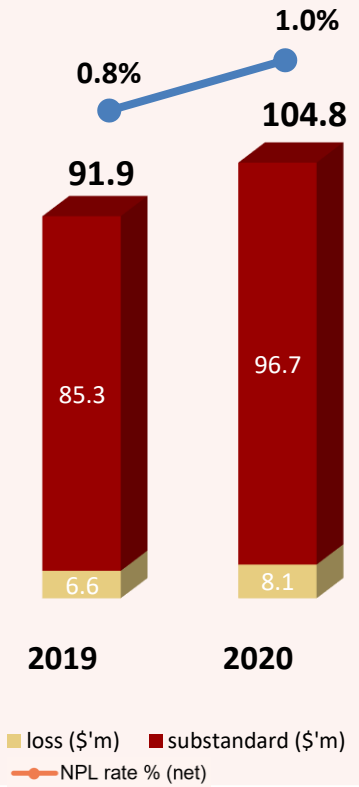
By Product



By Sector



NPL



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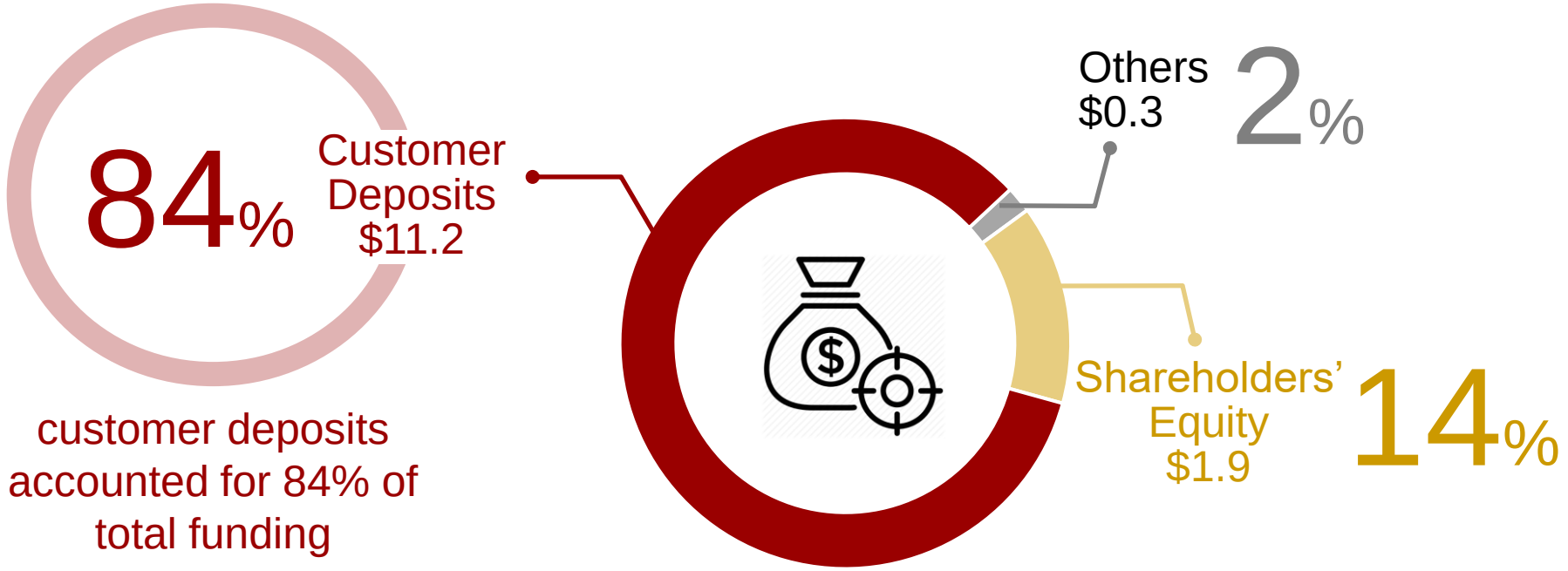
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Sources of Fund

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

($b)



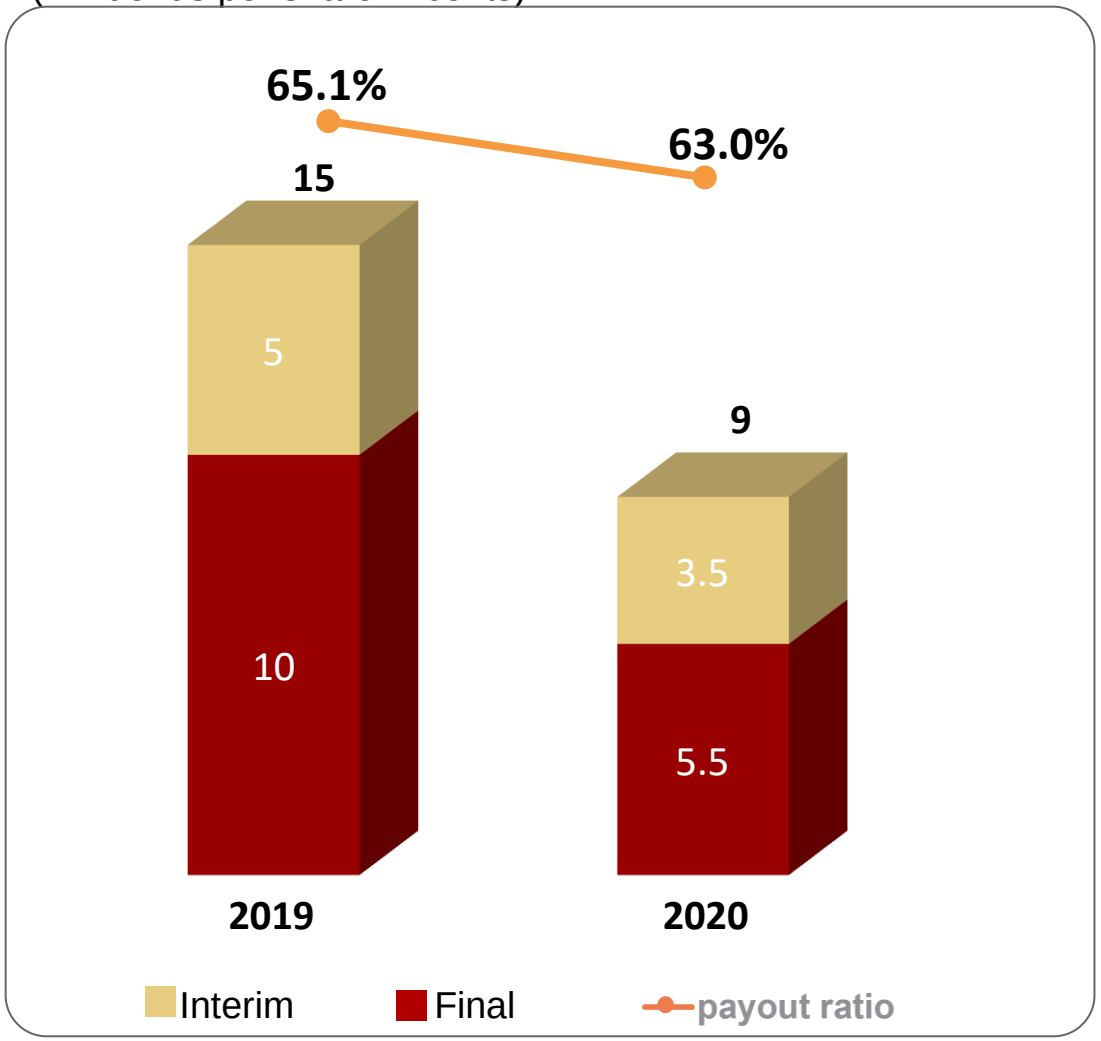
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Distribution of Dividends

(Dividends per share in cents)



- Interim dividend of 3.5 cents per share of $15.7m (2019: $22.3m) was paid on 9 Sept 2020;
- Proposed final dividend of 5.5 cents per share approximately $24.6m (2019: $44.8m) will be payable on 25 May 2021;
- Total dividend payout of 9 cents in line with MAS guidance.

^Dividend for 2020 is in line with Monetary Authority of Singapore's call for FCs to cap the total dividends per share(DPS) at 60% of 2019's DPS

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AWARDS AND ACCOLADES

ASEAN FINANCE COMPANY OF THE YEAR

HLF continued to be recognised at the Asian Banking & Finance Retail Banking Awards, with its seventh consecutive win as ASEAN Finance Company of the Year. The title honours outstanding Asian financial institutions that have responded well to challenges and introduced meaningful and innovative initiatives to the ever-transforming industry.

TOP 1000 WORLD BANKS & TOP 100 ASEAN BANKS

HLF was ranked among the Top 1000 World Banks and Top 100 ASEAN Banks by The Banker for the third consecutive year for its robust Tier 1 capital, a recognition of the company's financial strength.

TOP 100 SINGAPOREAN BRANDS

HLF was once again listed among the Top 100 Singaporean Brands for the third year running, with its brand value quadrupling from US$14 million to US$64 million.



2019 – 2020 AWARDS

2020 Awards

- **Top 1000 World Banks 2020**
  The Banker
- **Top 100 ASEAN Banks 2020**
  The Banker
- **ASEAN Finance Company 2020**
  Asian Banking & Finance Retail Banking Awards
- **Singapore Exchange Regulation Fast Track 2019 – 2020**
  Singapore Exchange Fast Track
- **Top 100 Singaporean Brands 2020**
  Brand Finance
- **Excellence in Programmatic Marketing – Silver 2020**
  Marketing Excellence Awards
- **Global Top Contributor Award 2019**
  Porsche Financial Services

2019 Awards

- **Top 1000 World Banks 2019**
  The Banker
- **Top 100 ASEAN Banks 2019**
  The Banker
- **ASEAN Finance Company & Best Mortgage Loan Singapore 2019**
  Asian Banking & Finance Retail Banking Awards
- **Most Transparent Company (Finance – Runner-Up) 2019**
  SIAS Investors' Choice Awards
- **Top 100 Most Valuable Brands in Singapore 2019**
  Brand Finance
- **Excellent Service Award 2019**
  The Association of Banks in Singapore
- **Global Top Contributor Award 2018**
  Porsche Financial Services



Thank You!

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