



HONG LEONG FINANCE

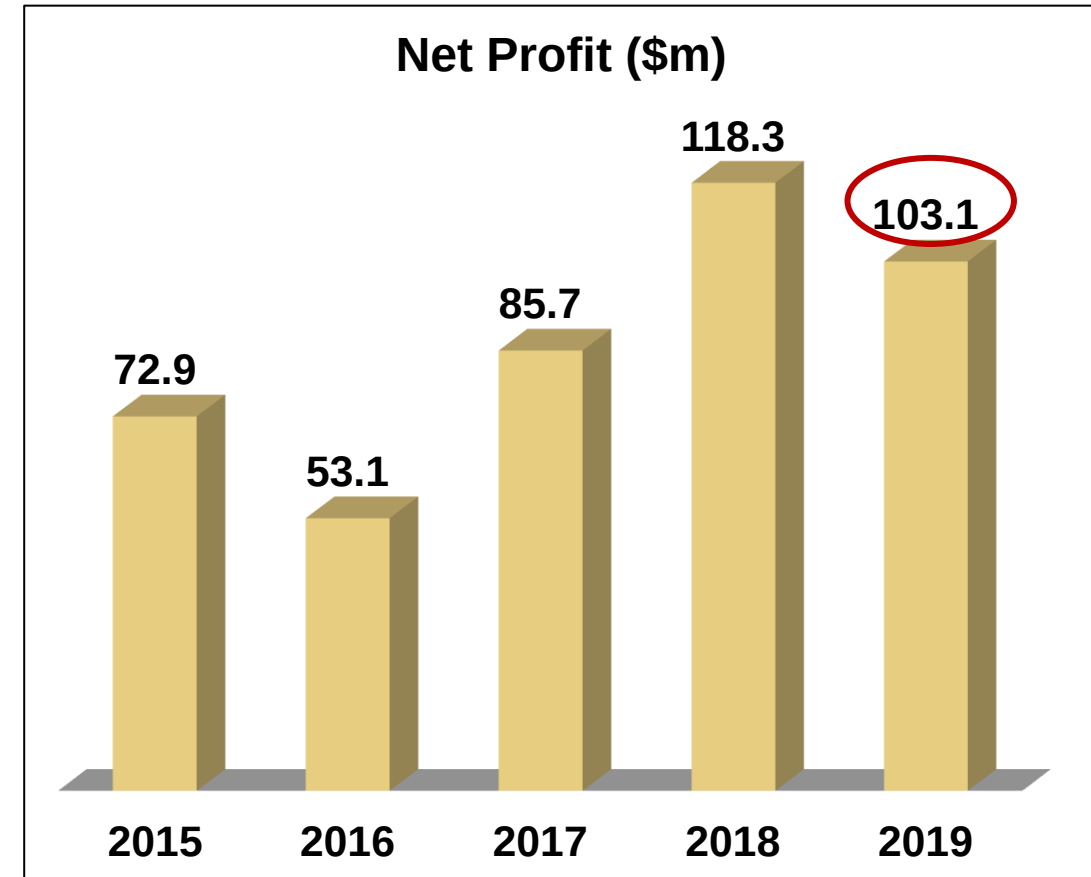
60th Annual General Meeting Performance Highlights 2019 25 June 2020

The SME Specialist

Financial Performance 2019

Net attributable profit of \$103.1m, decline by 12.9% from a record high profit reported a year ago

	2019 (\$m)	2018 (\$m)	YoY (%)
Net interest income	201.7	212.1	(4.9)
Non interest income	14.0	16.0	(12.0)
Operating income	215.7	228.1	(5.4)
Operating expenses	(90.2)	(88.2)	2.3
Operating profit before allowances	125.5	139.9	(10.2)
Allowances	(1.6)	2.2	(>100)
Income tax expense	(20.8)	(23.8)	(12.3)
Net attributable profit	103.1	118.3	(12.9)

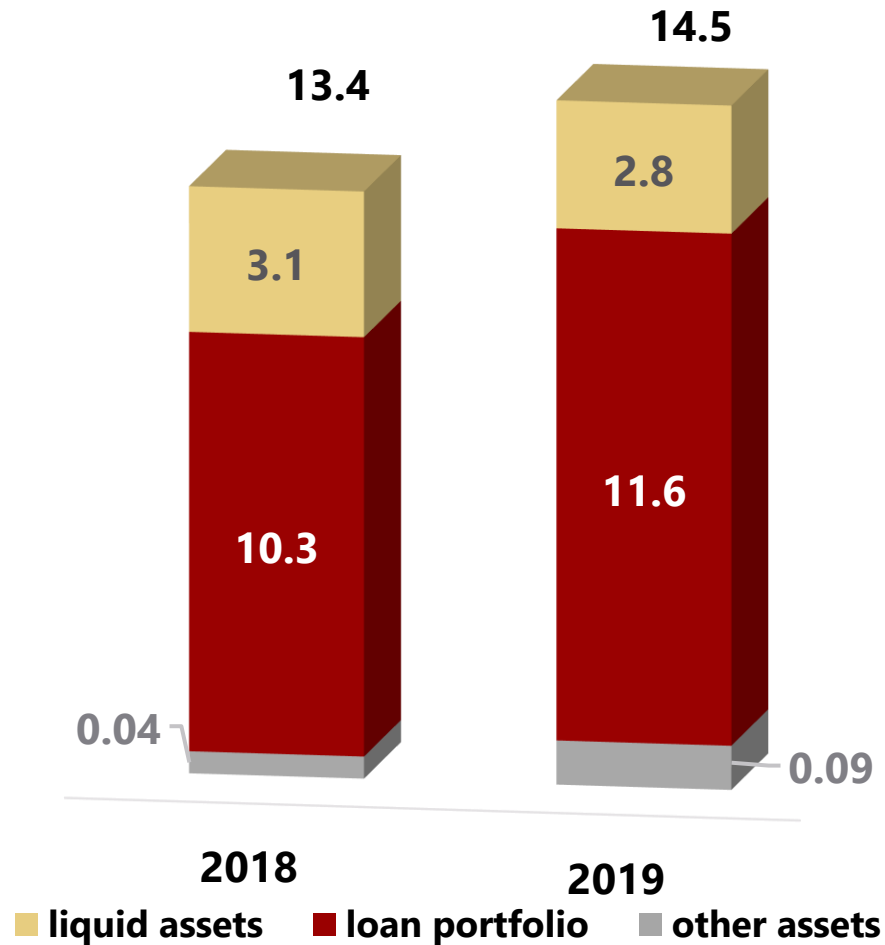


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Balance Sheet Position

Total Assets (\$b)



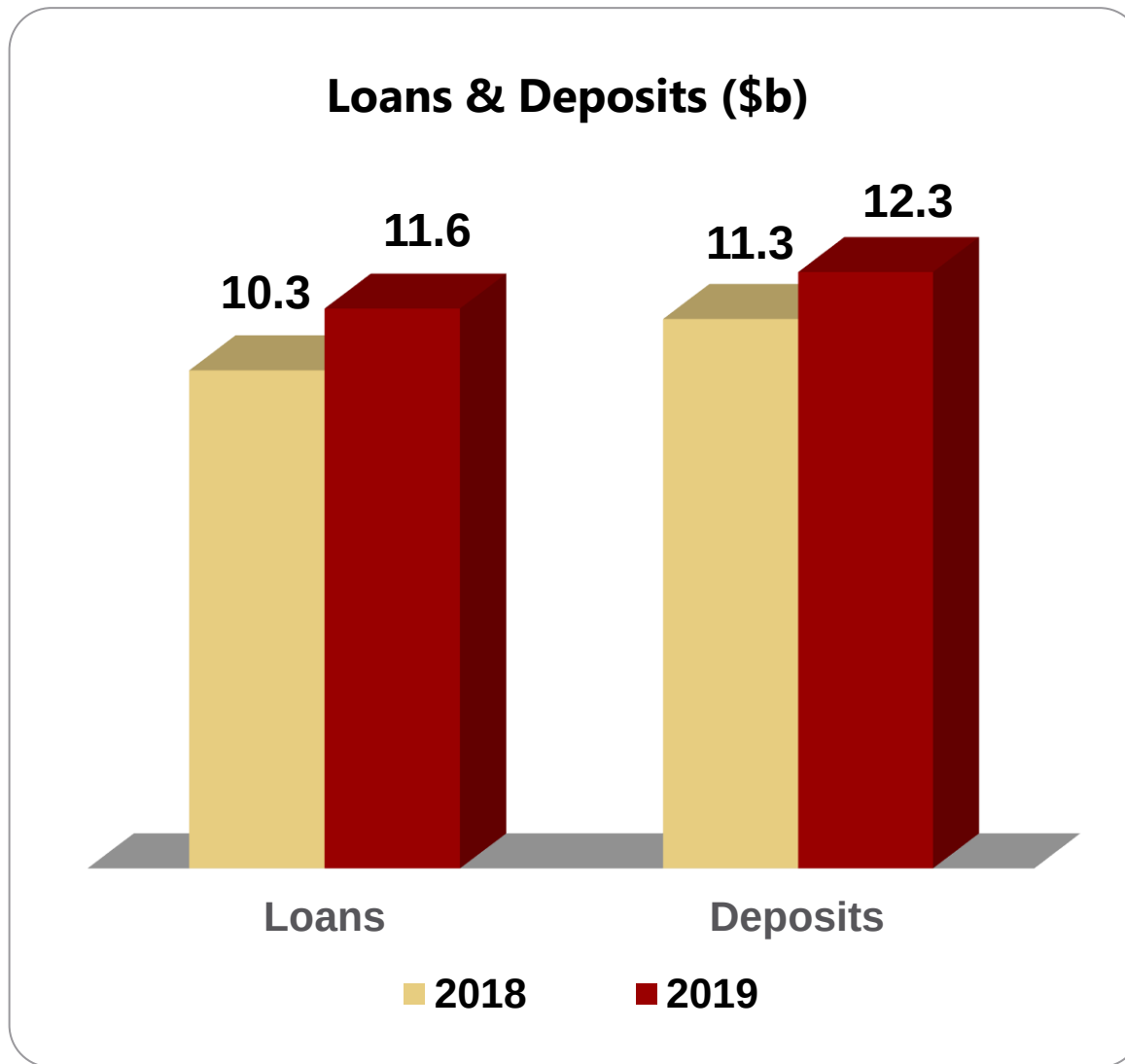
- Balance sheet growth at 8% with net assets per share rose to \$4.28
- Sound capital base and liquidity position, regulatory ratios well above requirements
- Strong general loan allowance reserves in compliance with regulatory requirement



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Customer Loans and Deposits



- Strong loan growth of 12.4%
- Deposit base increased by 8.5% to support net funding requirements

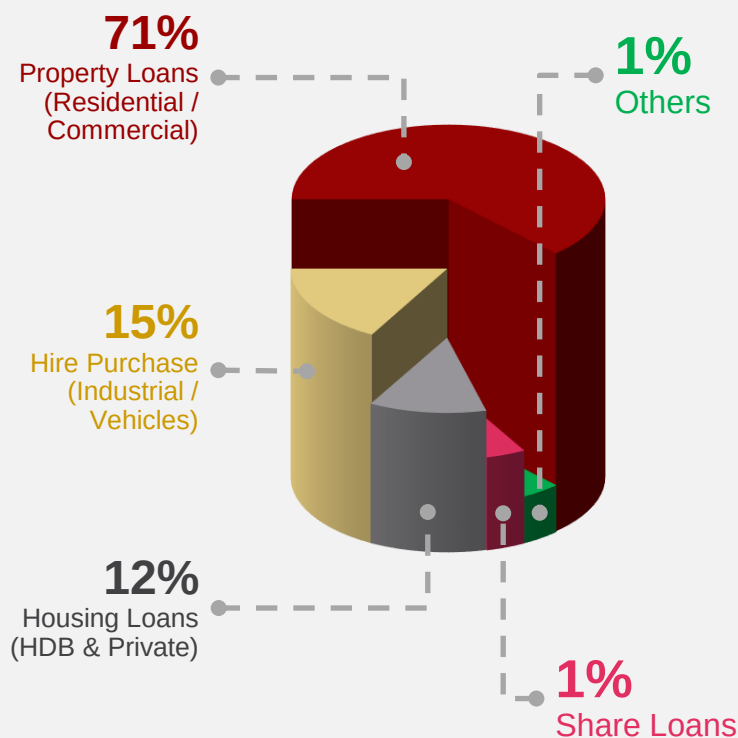


Composition of Loans

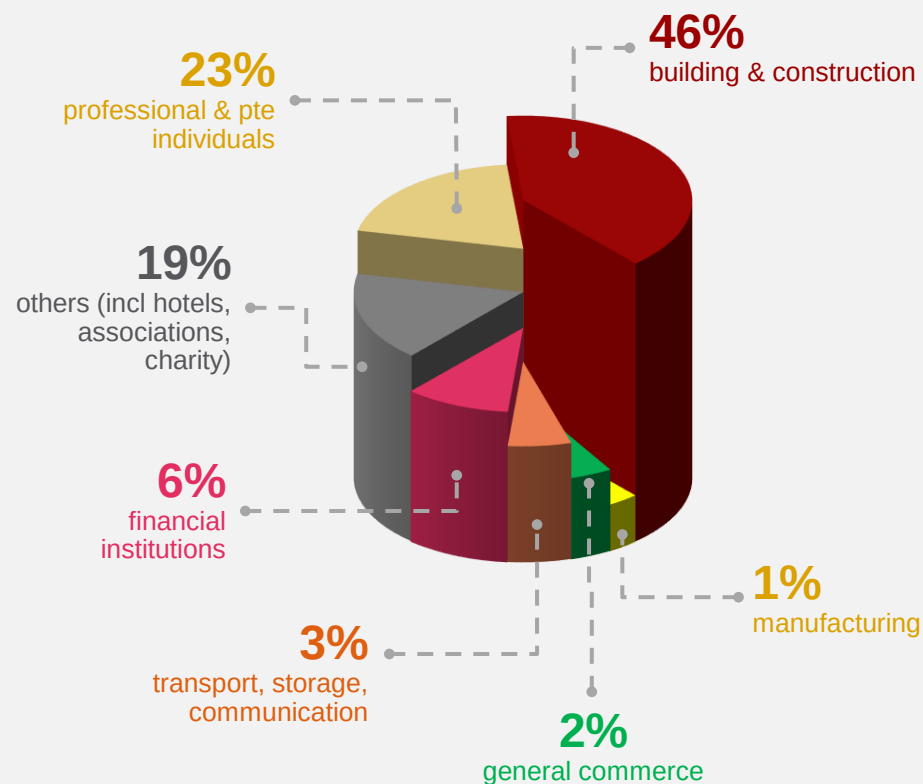
Well diversified loan portfolios; limited exposures to aviation, travel and oil & gas sectors

Sound loan quality with NPL ratio remained at 0.8%

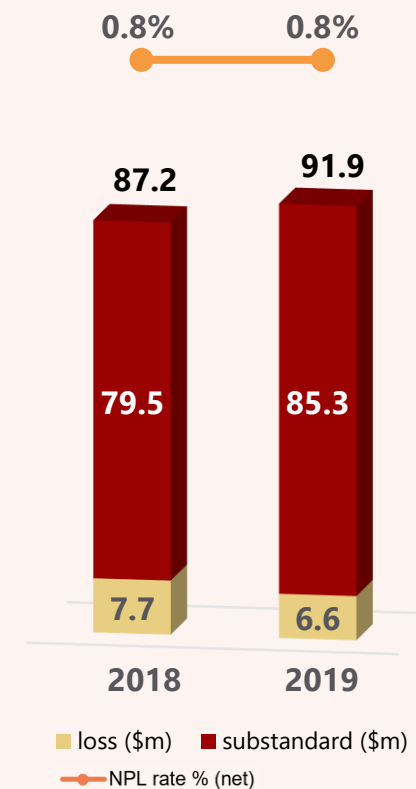
By Product



By Sector



NPL

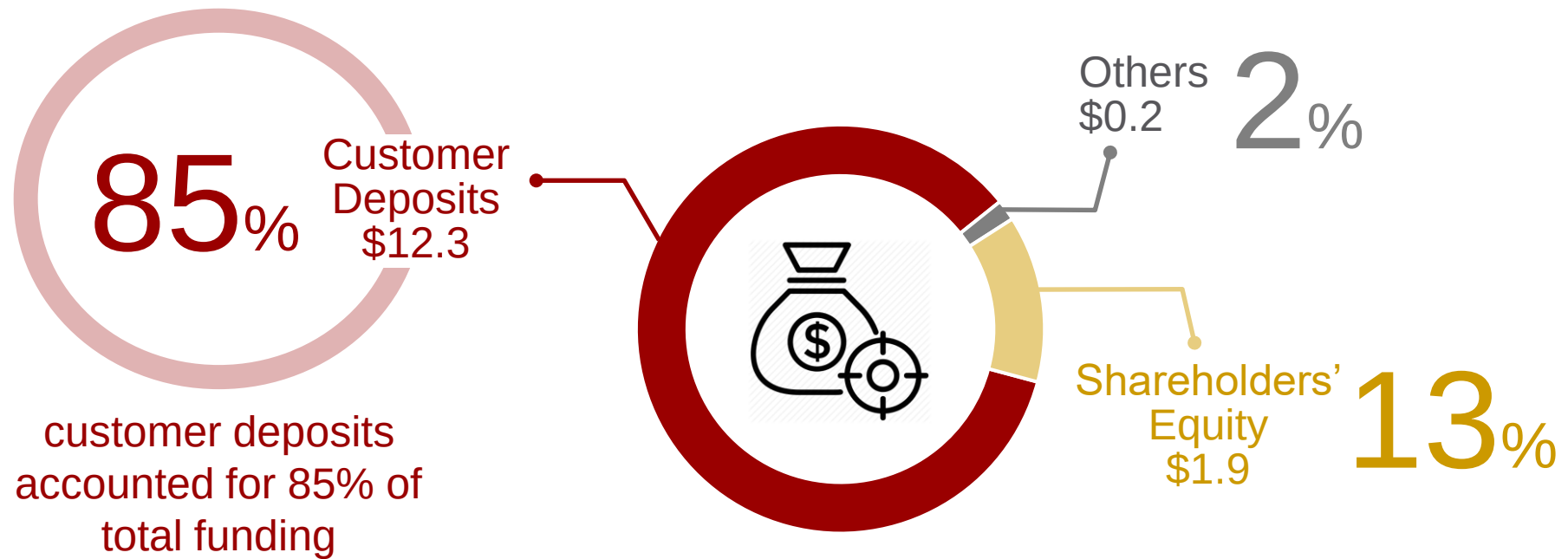


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Sources of Fund

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

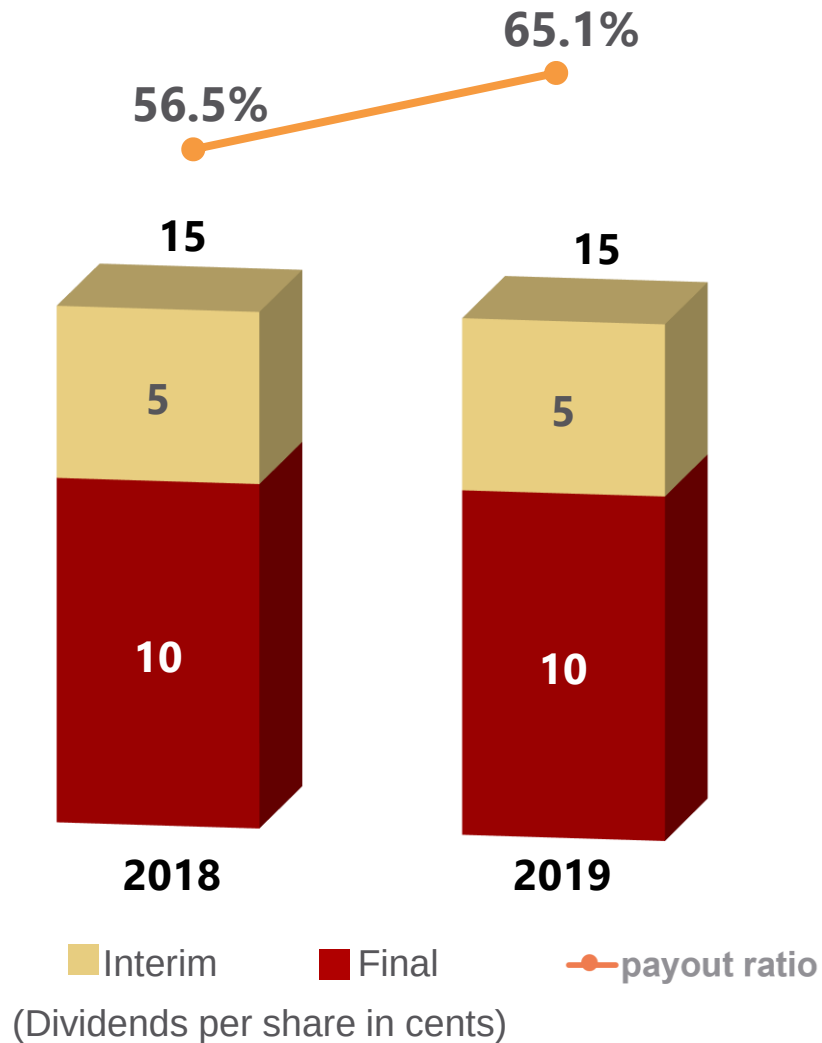
(\$b)



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Distribution of Dividends



- Interim dividend of 5 cents per share totalling \$22.3m paid on 11 September 2019
- Proposed final dividend of 10 cents per share approximately \$44.8m will be payable on 16 July 2020, bring FY19 total dividends to 15 cents per share



2018 – 2019 AWARDS

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
- Hong Leong Finance is on Singapore Exchange Regulation (SGX) Fast Track 2019-2020
SGX Fast Track
- Most Transparent Company Finance – Runner-Up, 2019
SIAS Investors' Choice Awards

- Singapore's Top 100 Brands 2019
Brand Finance
- Excellent Service Award 2019
The Association of Banks in Singapore
- 2018 Global Top Contributor Award
Porsche Financial Services

2018 AWARDS

- Top 1000 World Banks 2018
The Banker
- Top 100 ASEAN Banks 2018
The Banker

- ASEAN Finance Company and Mortgage & Home Loan Singapore 2018
Asian Banking & Finance Retail Banking Awards
- Fastest-Growing Company Award 2018
The Edge Singapore – Billion Dollar Club
- Most Transparent Company Finance – Runner-Up, 2018
SIAS Investors' Choice Awards
- Excellent Service Award 2018
The Association of Banks in Singapore
- 2017 Global Top Contributor Award
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Thank You!



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