

HONG LEONG FINANCE LIMITED

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

Minutes of the 60th Annual General Meeting (“**AGM**” or the “**Meeting**”) of HONG LEONG FINANCE LIMITED (“**HLF**” or the “**Company**”) held on Thursday, 25 June 2020 at 3.00 p.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 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)

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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

Legal Advisor

: Allen & Gledhill LLP
Mr Alvin Zhuang

Independent Scrutineers

: TS Tay Public Accounting Corporation
Mr Andrew Teoh

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.

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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 the Company Secretaries, together with the representatives of the Company's external auditors, KPMG LLP ("**KPMG**"), and the Company's Legal Advisors, Allen & Gledhill LLP, 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 SGXNET, was taken as read.

QUESTIONS AND ANSWERS

The Chairman further informed the Meeting that the Company had published its responses to all the substantial and relevant questions submitted by shareholders in advance of the AGM, on its corporate website and on the SGXNET earlier that day, a copy of which is annexed to these minutes as Annexure A.

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 2019. The President provided the update by way of a slides presentation, a copy of which was released via SGXNET after the Meeting on 25 June 2020, and has also been uploaded onto the Company's corporate website and is annexed to these minutes as Annexure B.

On navigating the current COVID-19 crisis, the President assured Shareholders that the Company continues to ensure strong liquidity, strong internal controls as well as maintain tight control on operational expenses and costs.

The well-being of both staff and customers is an important priority during the current period. When DORSCON Orange was first announced in February 2020, the Company closed 14 branches, and following the implementation of the Circuit Breaker, the Company operated with only 8 branches. He informed Shareholders that the Company would soon be re-opening 6 branches and two SME Centres, bringing the total number of opened branches and SME centres to 14 and 7 respectively. All necessary safe distancing measures such as temperature taking, crowd control, staggered working and lunch hours for staff would be put in place for the safety and well-being of both staff and customers.

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To enable the Company to continue to service its loans and deposits customers well, the Company had implemented some new business initiatives such as allowing customers to place deposits online through PayNow. The Company also supports the SMEs by providing them with working capital loans or temporary bridging loans which are supported by the Monetary Authority of Singapore (“MAS”) and Enterprise Singapore. Updates on the Company’s performance would be announced in August 2020 when the Company releases its financial results for the half year ended 30 June 2020.

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”) 2019 AND THE AUDITOR’S REPORT THEREON**

1.1 The Annual Report 2019 of the Company (“AR”) had been published on the Company’s website and on the SGXNET.

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 2019 together with the Auditor’s Report thereon be and are hereby received and adopted.

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
258,632,201	258,629,201	100.00	3,000	0.00

The Chairman declared the resolution carried.

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2. FINAL DIVIDEND

IT WAS RESOLVED:

That a final one-tier tax exempt dividend of 10 cents per share in respect of the year ended 31 December 2019 as recommended by the Directors be and is hereby declared for payment on 16 July 2020 to the shareholders registered on 3 July 2020.

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
258,655,611	258,652,611	100.00	3,000	0.00

The Chairman declared the resolution carried.

3. DIRECTORS' FEES

IT WAS RESOLVED:

That the Directors' Fees of \$1,516,466 for FY 2019 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
258,655,611	258,652,611	100.00	3,000	0.00

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 Kevin Hangchi, Mr Chng Beng Hua and Mr Ter Kim Cheu were due to retire by rotation at the AGM and being eligible, had offered themselves for re-election. Mr Peter Chay Fook Yuen, Mr Tan Tee How and Ms Tan Siew San, who were appointed in 2019, were also retiring at the AGM and being eligible, had offered themselves for election. Information on the Directors seeking re-election could be found in the AR and the AGM Notice. The Nominating Committee had recommended their re-election/election as Directors.

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4.2 IT WAS RESOLVED:

That Mr Kevin Hangchi 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
258,183,502	256,802,853	99.47	1,380,649	0.53

The Chairman declared the resolution carried.

4.3 IT WAS RESOLVED:

That Mr Chng Beng Hua 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
258,655,611	257,274,962	99.47	1,380,649	0.53

The Chairman declared the resolution carried.

4.4 IT WAS RESOLVED:

That Mr Ter Kim Cheu 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
258,655,611	257,274,962	99.47	1,380,649	0.53

The Chairman declared the resolution carried.

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4.5 IT WAS RESOLVED:

That Mr Peter Chay Fook Yuen 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
258,655,611	256,848,661	99.30	1,806,950	0.70

The Chairman declared the resolution carried.

4.6 IT WAS RESOLVED:

That Mr Tan Tee How 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
258,655,611	258,596,445	99.98	59,166	0.02

The Chairman declared the resolution carried.

4.7 IT WAS RESOLVED:

That Ms Tan Siew San 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
258,655,611	258,594,002	99.98	61,609	0.02

The Chairman declared the resolution carried.

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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 MAS 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
257,362,611	257,337,108	99.99	25,503	0.01

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

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- (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
258,655,611	258,630,108	99.99	25,503	0.01

The Chairman declared the resolution carried.

Minutes of the 60th Annual General Meeting held on 25 June 2020 – cont'd**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
249,452,457	241,626,010	96.86	7,826,447	3.14

The Chairman declared the resolution carried.

8. EXTENSION OF THE SOS

8.1 The Chairman informed the Meeting that the resolution under item 8 related to the extension of the duration of the SOS for a further period of 10 years from 31 January 2021 to 30 January 2031.

8.2 Shareholders who were eligible to participate in the SOS together with the Directors and companies under the Company's holding company, Hong Leong Investment Holdings Pte Ltd (“HLIH”) that held shares in the Company had abstained from voting on this resolution.

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8.3 IT WAS RESOLVED:

That approval be and is hereby given, pursuant to Rule 16.1 of the rules of the SOS, for the extension of the duration of the SOS for a further period of 10 years from 31 January 2021 to 30 January 2031.

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
43,936,699	36,166,418	82.31	7,770,281	17.69

The Chairman declared the resolution carried.

As there was no other business, the Meeting was declared closed at 3.20 p.m.

Read and signed as correct

(Signed by Mr Kwek Leng Beng)

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Chairman