

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixty-Second Annual General Meeting (the "Meeting") of HONG LEONG FINANCE LIMITED (the "Company") will be convened and held by way of electronic means on Friday, 29 April 2022 at 11.00 a.m. for the following purposes:

## **A) ORDINARY BUSINESS:**

1. To receive the Directors' Statement and Audited Financial Statements for the year ended 31 December ("FY") 2021 and the Auditors' Report thereon.
2. To declare a final one-tier tax exempt dividend of 8.25 cents per share for FY 2021 ("Final Dividend").
3. To approve Directors' Fees of \$1,463,808 for FY 2021 (FY 2020: \$1,681,533).
4. To elect/re-elect the following Directors retiring in accordance with the Company's Constitution and who, being eligible, offer themselves for election/re-election as Directors of the Company:
  - (a) Mr Kevin Hangchi
  - (b) Mr Peter Chay Fook Yuen
  - (c) Mr Tan Tee How
  - (d) Mr Clarence Yeo Gek Leong (appointed on 1 January 2022)

*Detailed information on the Directors who are proposed to be elected/re-elected can be found under the sections on 'Board of Directors' and 'Additional Information on Directors Seeking Election/Re-election at the 62<sup>nd</sup> Annual General Meeting' of the Annual Report 2021.*

5. To re-appoint KPMG LLP as Auditors and to authorise the Directors to fix their remuneration.

## **B) SPECIAL BUSINESS:**

To consider and, if thought fit, to pass, with or without any modifications, the following resolutions, of which Resolutions 6 and 7 will be proposed as Ordinary Resolutions, and Resolution 8 will be proposed as a Special Resolution:

6. 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,

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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 50% 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.
7. 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.
8. That the new Constitution of the Company submitted to this Meeting and, for the purpose of identification, subscribed to by the Company Secretary, be and is hereby approved and adopted as the new Constitution of the Company in substitution for, and to the exclusion of, the existing Constitution of the Company.

## **C) TO TRANSACT ANY OTHER ORDINARY BUSINESS**

BY ORDER OF THE BOARD

Yeo Swee Gim, Joanne  
Ng Siew Ping, Jaslin  
Company Secretaries  
Singapore, 30 March 2022

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## Explanatory Notes:

1. With reference to item 2 of the Ordinary Business above, the Share Transfer Books and Register of Members will be closed from 5.00 p.m. on 11 May 2022 up to (and including) 12 May 2022. Registrable transfers received up to 5.00 p.m. on 11 May 2022 will be registered to determine shareholders' entitlement to the Final Dividend. If approved at the Meeting, it will be paid on 27 May 2022.
2. With reference to item 3 of the Ordinary Business above, the Directors' Fees of \$1,463,808 for FY 2021 will be payable upon approval of the shareholders at the Meeting. The structure of fees payable to Directors for FY 2021 can be found on page 41 of the Annual Report 2021.
3. With reference to item 4(a) above (under the heading "Ordinary Business"), Mr Kevin Hangchi will, upon re-election as a Director of the Company, remain as chairman of the Board Sustainability Committee ("BSC") and a member of the Board Risk Committee ("BRC"). Detailed information on Mr Hangchi is found on pages 19 and 168 to 173 of the Annual Report 2021.
4. With reference to item 4(b) above (under the heading "Ordinary Business"), Mr Peter Chay Fook Yuen will, upon re-election as a Director of the Company, remain as the Lead Independent Director, the chairman of the Audit Committee ("AC"), Remuneration Committee ("RC"), the Hong Leong Finance Share Option Scheme 2001 Committee ("SOSC"), and a member of the BRC and the Nominating Committee ("NC"). Mr Chay is considered independent by the Board. Detailed information on Mr Chay is found on pages 19 and 168 to 173 of the Annual Report 2021.
5. With reference to item 4(c) above (under the heading "Ordinary Business"), Mr Tan Tee How will, upon re-election as a Director of the Company, remain as chairman of the BRC, a member of the AC and the Executive Committee ("Exco"). Mr Tan is considered independent by the Board. Detailed information on Mr Tan is found on pages 20 and 168 to 173 of the Annual Report 2021.
6. With reference to item 4(d) above (under the heading "Ordinary Business"), Mr Clarence Yeo Gek Leong will, upon election as a Director of the Company, remain as a member of the AC, Exco, RC, SOSC and BSC. Mr Yeo is considered independent by the Board. Detailed information on Mr Yeo is found on pages 21 and 168 to 173 of the Annual Report 2021.
7. With reference to item 5 above (under the heading "Ordinary Business"), the re-appointment of KPMG as the Company's Auditors is subject to and conditional upon the approval of the Monetary Authority of Singapore pursuant to Section 41 of the Finance Companies Act 1967.
8. The Ordinary Resolution set out in item 6 of the Special Business above, if passed, will empower the Directors of the Company from the date of the Meeting until the next AGM (unless such authority is revoked or varied at a general meeting) to issue shares and/or make or grant Instruments that might require shares to be issued up to a number not exceeding 50% of the Company's total number of issued shares, of which up to 10% may be issued other than on a *pro rata* basis to shareholders. The aggregate number of shares which may be issued under this Ordinary Resolution will be calculated based on the total number of issued shares of the Company at the time that this Ordinary Resolution is passed, after adjusting for 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 any subsequent bonus issue, consolidation or subdivision of shares.

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9. The Ordinary Resolution set out in item 7 of the Special Business above, if passed, will empower the Directors to offer and grant options in accordance with 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 issue from time to time such number of shares of the Company pursuant to the exercise of such options under the SOS subject to such limit as prescribed in the SOS. (see note below on voting restrictions)

Voting restrictions pursuant to Rule 859 of the Listing Manual of SGX-ST:

*Please note that a shareholder who is eligible to participate in the SOS (other than as a director and/or employee of Hong Leong Investment Holdings Pte. Ltd. and its subsidiaries (but not including the Company)) should abstain from voting at the Meeting in respect of the Ordinary Resolution set out in item 7 in relation to the SOS, and accordingly should not appoint the Chairman of the Meeting to vote on his/her/its behalf.*

10. The Special Resolution set out in item 8 of the Special Business above, if passed, will allow for the adoption of the new Constitution which takes into account, *inter alia*, relevant legislative amendments and updates to listing rules, which were introduced since the Company's existing Constitution was last amended. The new Constitution will consist of the provisions of the existing Constitution, and incorporate various amendments as detailed in the Letter to Shareholders dated 30 March 2022 ("Letter to Shareholders"). Please refer to the said Letter for more details.

## Meeting Notes:

1. The Meeting is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice will not be sent to members, instead, this Notice will be made available to members by electronic means via publication on the Company's website at the URL <https://www.hlf.com.sg/investor-relations/agm.php>. This Notice will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
2. Alternative arrangements relating to the attendance at the Meeting via electronic means (including arrangements by which the Meeting can be electronically accessed via 'live' audio-visual webcast or 'live' audio-only stream), submission of questions to the Chairman of the Meeting in advance of the Meeting, addressing of substantial and relevant questions at the Meeting and voting by appointing the Chairman of the Meeting as proxy at the Meeting, are set out in the accompanying Company's announcement dated 30 March 2022. The announcement may be accessed at the Company's website at the URL <https://www.hlf.com.sg/investor-relations/agm.php> and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
3. **Due to the current COVID-19 situation in Singapore, a member will not be able to attend the Meeting in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Meeting if such member wishes to exercise his/her/its voting rights at the Meeting.** The accompanying Proxy Form for the Meeting may be downloaded from the Company's website at the URL <https://www.hlf.com.sg/investor-relations/agm.php>, and also from the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to the voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 19 April 2022.

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4. The Chairman of the Meeting, as proxy, need not be a member of the Company.
5. The form appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:
  - (i) if submitted by post, be lodged with the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902; or
  - (ii) if submitted electronically, via email to the Company's Share Registrar at [gpe@mncsingapore.com](mailto:gpe@mncsingapore.com),

in either case, at least 72 hours before the time for holding the Meeting.

A member who wishes to submit an instrument of proxy must complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

**Due to the current COVID-19 situation in Singapore, members are strongly encouraged to submit completed proxy forms electronically via email.**

6. The Annual Report 2021 and Letter to Shareholders are available on the Company's website at the URL <https://www.hlf.com.sg/ar.html> and may also be accessed on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Members may request for printed copies of the Annual Report 2021 and the Letter to Shareholders by completing and submitting the online Request Form at <https://www.hlf.com.sg/investor-relations/annual-reports.php> no later than 6 April 2022.

## **Personal Data Privacy:**

By (a) submitting a form appointing the Chairman of the Meeting as proxy to attend, speak and vote at the Meeting and/or any adjournment thereof, or (b) submitting details for the registration to observe the proceedings of the Meeting via a 'live' audio-visual webcast or a 'live' audio-only stream (via telephone) or (c) submitting any question prior to the Meeting in accordance with this Notice, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

- (i) processing and administration by the Company (or its agents or service providers) of the appointment of the Chairman of the Meeting as proxy for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Meeting (including any adjournment thereof);
- (ii) processing of the registration for purpose of granting access to members (or their corporate representatives in the case of members which are legal entities) to observe the proceedings of the Meeting and providing them with any technical assistance where necessary;
- (iii) addressing relevant and substantial questions from members received before the Meeting and if necessary, following up with the relevant members in relation to such questions; and
- (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines by the relevant authorities.