



HONG LEONG FINANCE

62nd Annual General Meeting Performance Highlights 2021 29 April 2022

SME Specialist since 1961



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Financial Performance 2021

	2021	2020	Y-o-Y
	(\$m)	(\$m)	(%)
Net interest income	178.0	146.8	21.2
Non interest income	11.4	11.9	(4.1)
Operating income	189.4	158.7	19.3
Operating expenses	(87.4)	(76.3)	14.5
Operating profit before allowances	102.0	82.4	23.7
Allowances	(0.1)	(7.7)	(99.2)
Income tax expense	(17.1)	(10.8)	58.4
Net attributable profit	84.8	63.9	32.7

EPS: 18.95 cents (2020: 14.28 cents)



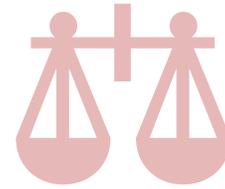
Net attributable profit at \$84.8m, grew 32.7% y-o-y, on the back of improved net interest margin driven by stepped-up effort in managing the cost of fund and lower loan loss allowances.



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Balance Sheet Position

	Dec 2021 (\$b)	Dec 2020 (\$b)	Y-o-Y (%)
Total Assets	13.0	13.4	(3.1)
Total Liabilities	11.0	11.5	(4.0)
Net Assets	2.0	1.9	2.3
Total Equity	2.0	1.9	2.3

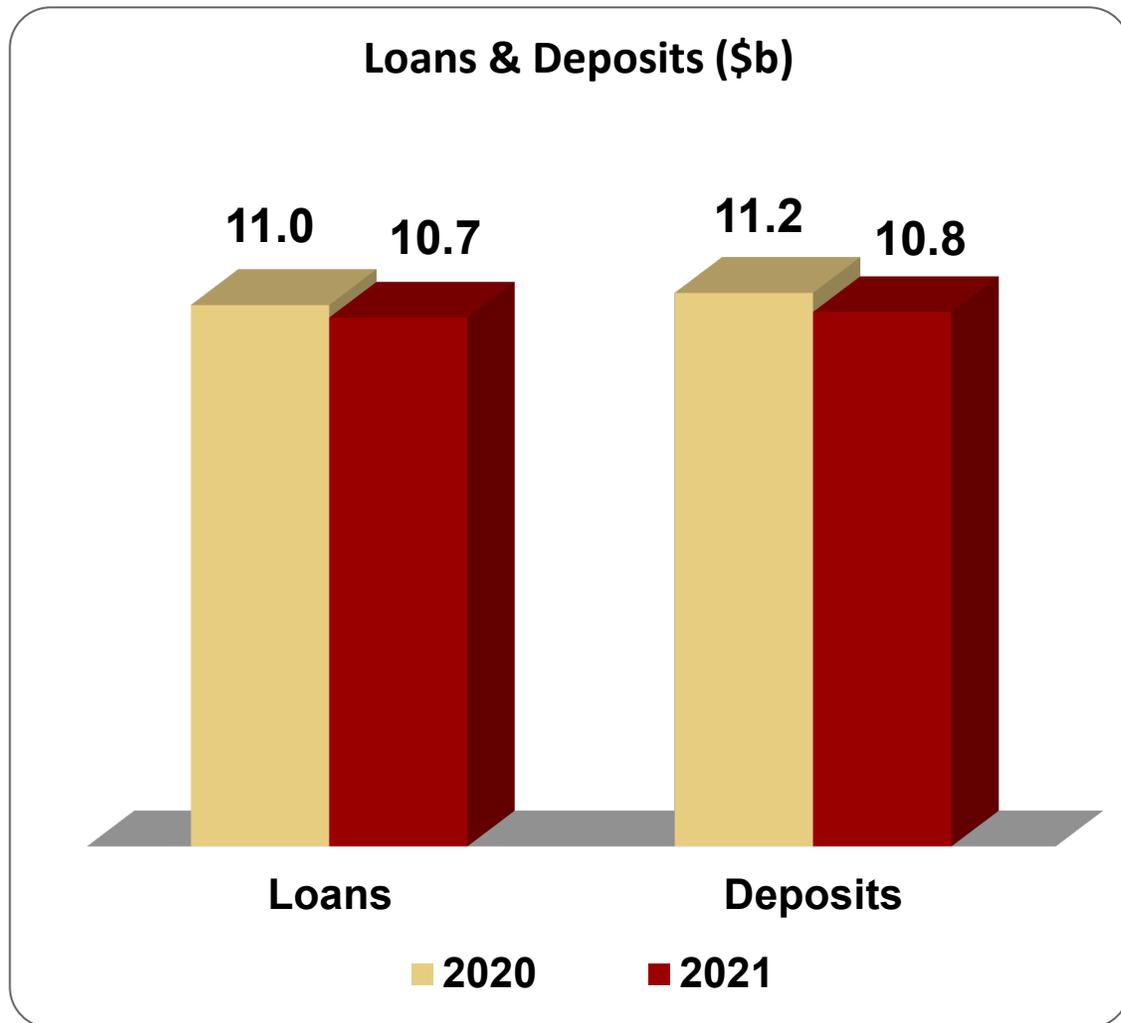


Balance Sheet remain resilient supported by strong capital and liquidity buffers; Capital Adequacy Ratio and Minimum Liquid Asset Ratio well above regulatory requirements;

Net assets value per share at \$4.38 (Dec 2020: \$4.29);



Customer Loans and Deposits



Total loans declined by 2.3% on lower net loan



Total deposits base managed down by 3.5% to optimize loan funding



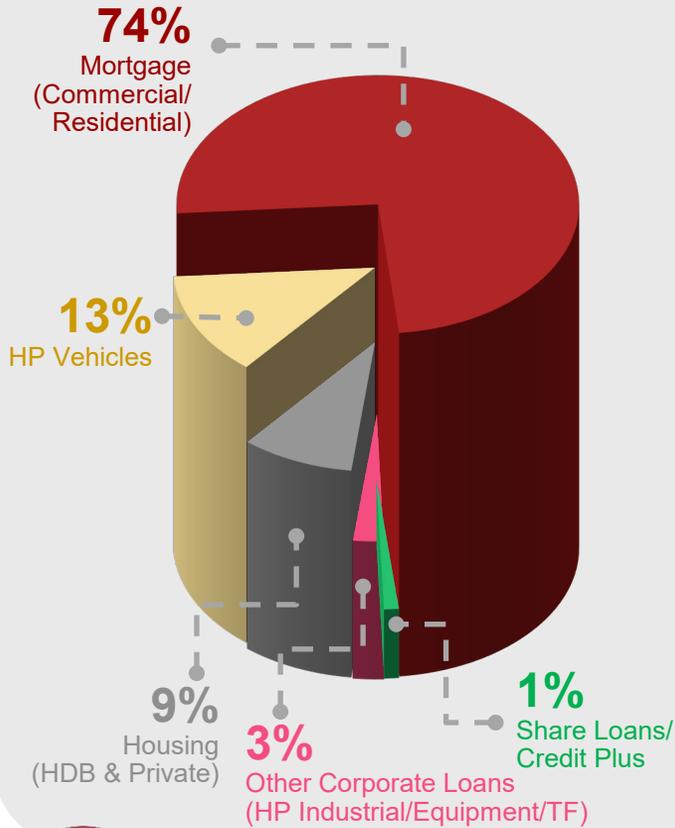
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Composition of Loans

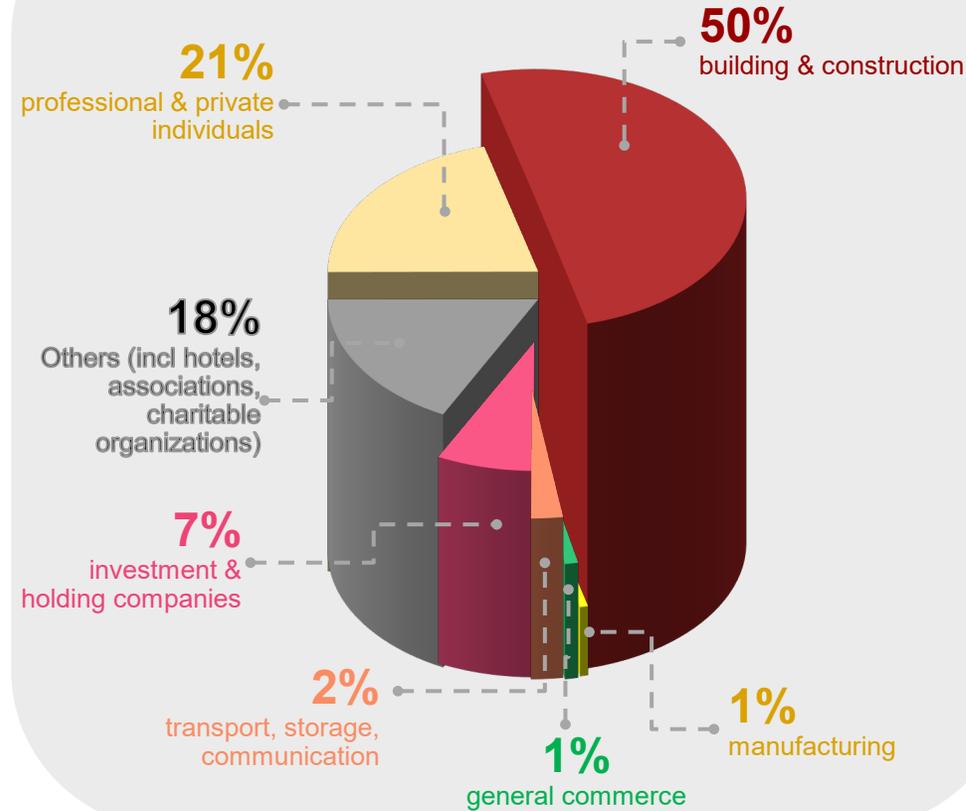
Key pillars of business remain strong with limited exposures to sectors significantly impacted by pandemic; Loan portfolios largely collateralized.

NPL ratio at 1.6%, of which secured NPL at 95.1%.

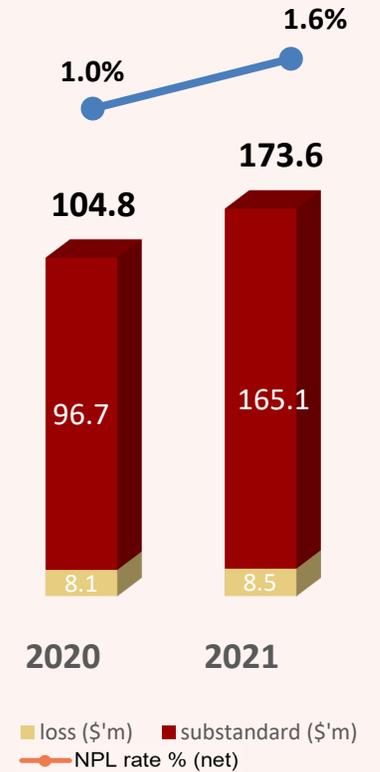
By Product



By Sector



NPL

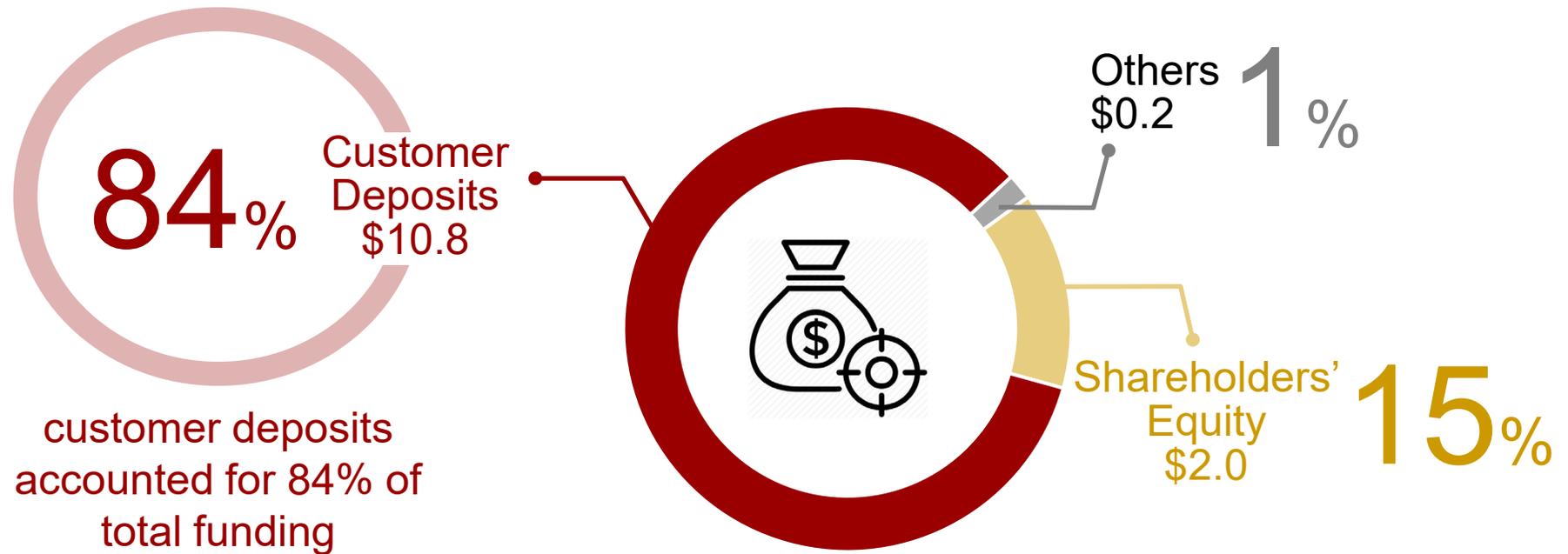


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Sources of Fund

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

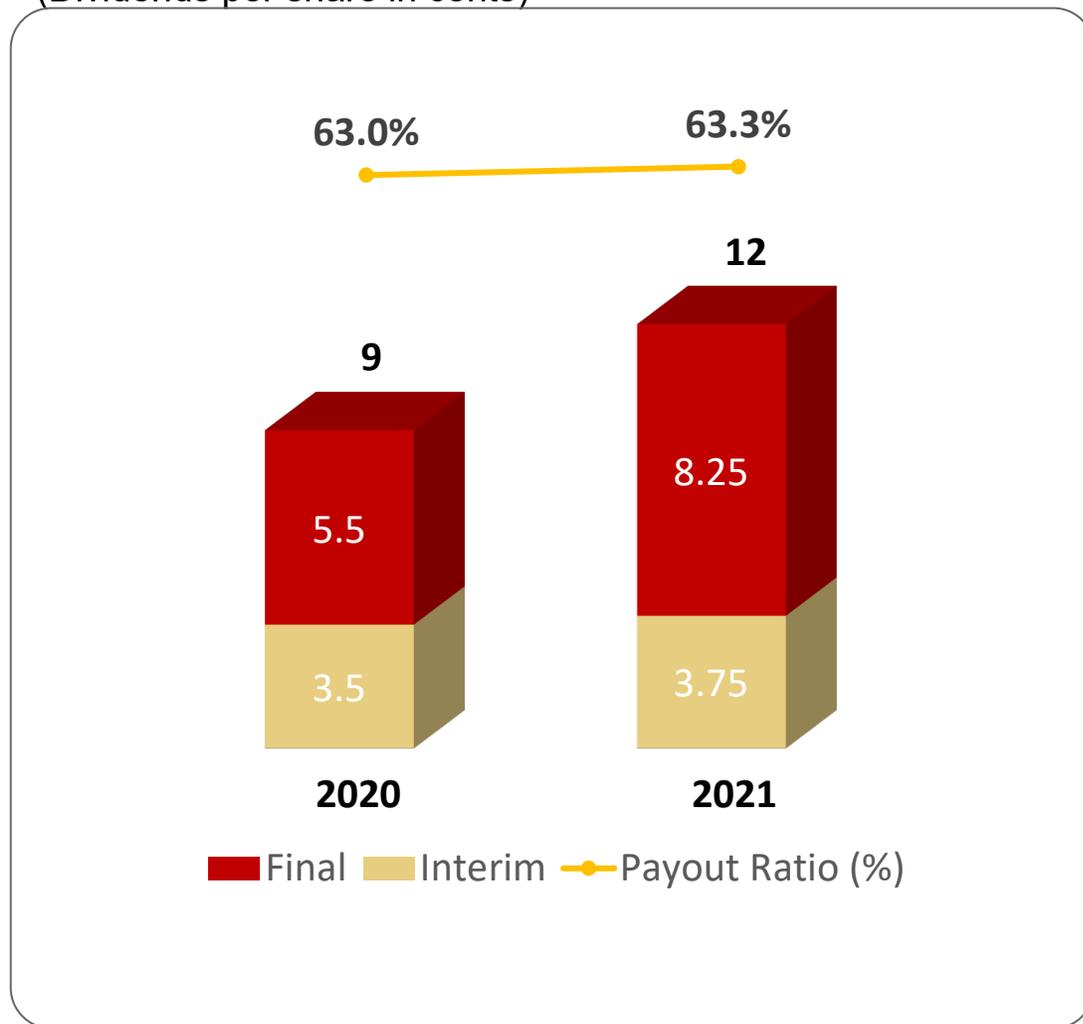
(\$b)



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Distribution of Dividends

(Dividends per share in cents)



9 Sep 2020
Interim dividend of 3.5 cents per share of \$15.7m

25 May 2021
Final dividend of 5.5 cents per share of \$24.6m

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

27 May 2022
Proposed final dividend of 8.25 cents per share approximately \$36.9m



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AWARDS AND ACCOLADES



ASEAN FINANCE COMPANY OF THE YEAR

HLF was crowned ASEAN Finance Company of the Year for the eighth consecutive year. This good track record is a testament to HLF's success in introducing outstanding products and services that met customer's needs and adapting with the evolving technology and financial landscape.

BEST-PERFORMING BANK IN SINGAPORE

HLF took the top spot for 'Best-Performing Banks in Singapore 2021' by The Banker for its top scores in Asset Quality, Soundness and Leverage. The Company was also ranked among The Banker's Top 1000 World Banks and Top 100 ASEAN Banks for the fourth year running.

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.

2021 AWARDS

Top 1000 World Banks 2021
The Banker

Top 100 ASEAN Banks 2021
The Banker

Best-Performing Banks in Singapore 2021
The Banker

ASEAN Finance Company 2021
Asian Banking & Finance Retail Banking Awards

Top 100 Singaporean Brands 2021
Brand Finance

Excellence in Search Marketing (Finalist) 2021
Marketing Excellence 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

Top 100 Singaporean Brands 2020
Brand Finance

Excellence in Programmatic Marketing – Silver 2020
Marketing Excellence Awards



Thank you!



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