



HONG LEONG FINANCE

The SME Specialist

64th Annual General Meeting

Financial Highlights 2023

25 April 2024



豐隆金融有限公司

HONG LEONG
FINANCE

HONG LEONG FINANCE LIMITED

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Financial Performance 2023

	2023 (\$m)	2022 (\$m)	Y-o-Y (%)
Net interest income	202.2	242.2	(16.5)
Non interest income	10.1	16.5	(38.8)
Operating income	212.3	258.7	(17.9)
Operating expenses	(104.9)	(98.8)	6.1
Operating profit before allowances	107.4	159.9	(32.8)
Allowances	4.6	(2.8)	(>100)
Income tax expense	(18.6)	(26.2)	(28.9)
Net attributable profit	93.4	130.9	(28.7)


- ❖ 2023 net profit at \$93.4 million driven by total operating income of \$212.3 million at net interest margin of 1.5%.
- ❖ Lower net profit on high base of record performance in 2022, driven by higher funding cost on higher deposit base at market rates.

EPS: 20.82 cents (2022: 29.21 cents)



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Balance Sheet Position

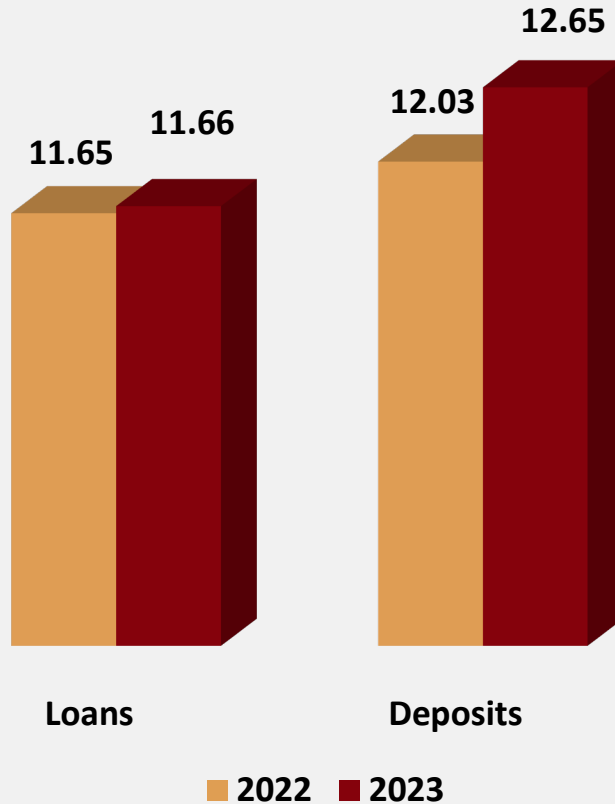
	2023 (\$b)	2022 (\$b)	Y-o-Y (%)
Total Assets	15.0	14.3	4.8
Total Liabilities	12.9	12.2	5.4
Net Assets/ Equity	2.1	2.1	1.0

- ❖ Strong balance sheet with robust capital adequacy ratio and minimum liquid asset well above regulatory requirements to support lending activities and liquidity buffer.
- ❖ Stable funding base, comprising 84% from customer deposits and 14% from equity.
- ❖ Net assets value per share at \$4.59 (Dec 2022: \$4.55).



Customer Loans and Deposits

Loans & Deposits (\$b)

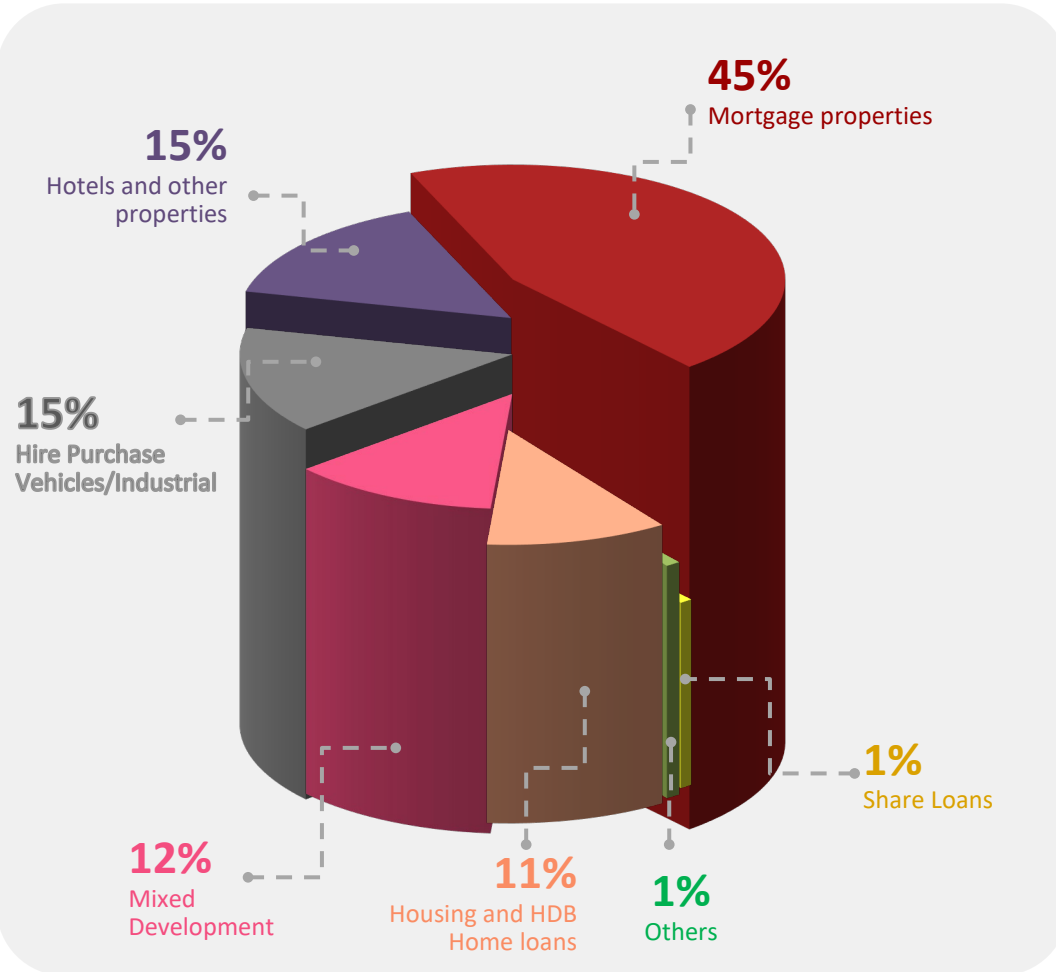


- ❖ Stable Loans portfolios, growth moderated at 0.1%.
- ❖ Strong deposits base, grew by 5.1% with well diversified customer base.
- ❖ Enhanced LDR at 92%.

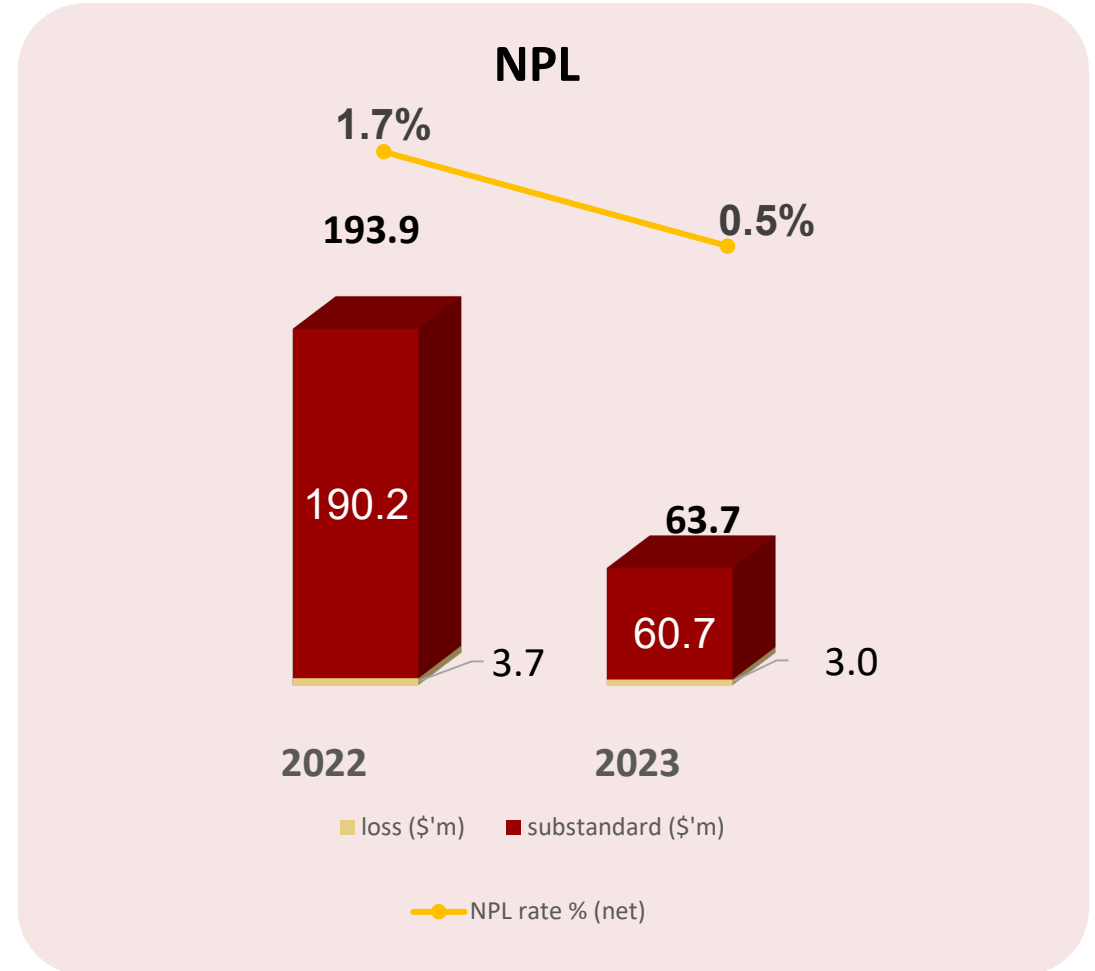


Loans Portfolio

- ❖ Key pillars of business remain strong
- ❖ Loan portfolios largely collateralized



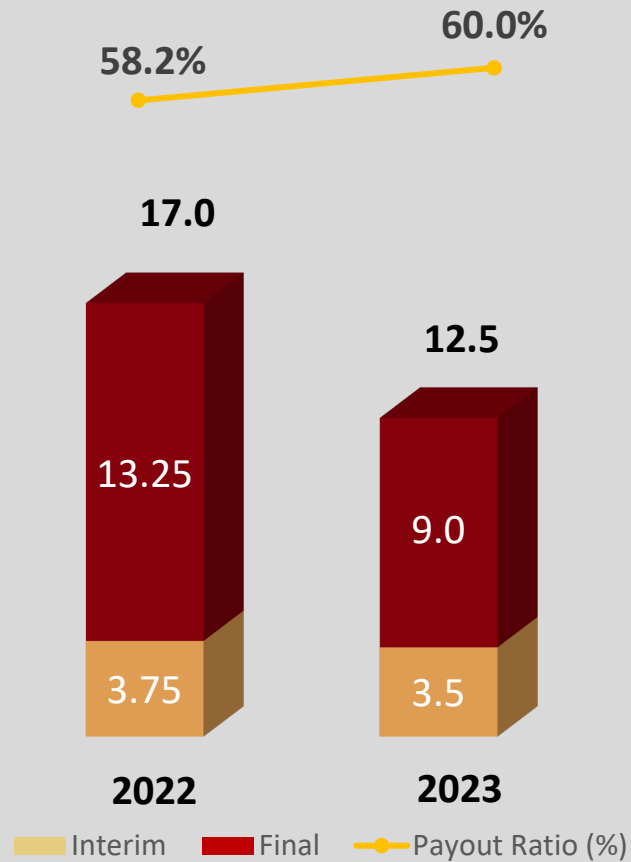
NPL ratio decreased to a low of 0.5%, of which secured NPL at 95.2%



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Dividends Distribution

(Dividends per share in cents)



Committed to sustainable returns to shareholders

1 Sep 2022
Interim dividend of 3.75 cents per share of \$16.8m

26 May 2023
Final dividend of 13.25 cents per share of \$59.4m

31 Aug 2023
Interim dividend of 3.5 cents per share of \$15.7m

24 May 2024
Proposed final dividend of 9 cents per share approximately \$40.4m



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AWARDS AND ACCOLADES 2023

TOP 1000
WORLD BANKS

TOP 100
ASEAN BANKS

**BEST
PERFORMING
BANK IN
SINGAPORE**

The Banker



**MARKET
LEADERS
IN SINGAPORE**

CORPORATE BANKING &
SME BANKING (NOTABLE)

Euromoney

**ASEAN
FINANCE
COMPANY
OF THE YEAR**

Asian Banking & Finance

**TOP 100
SINGAPOREAN
BRAND**

Brand Finance



**SINGAPORE
GOVERNANCE AND
TRANSPARENCY
INDEX**

NUS Business School's
Centre for Governance
and Sustainability and
The Business Times

**EXCELLENCE
IN SEARCH
MARKETING
(SILVER)**

Marketing-Interactive

THANK YOU



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