

OTHERS (I) MULTI-CURRENCY PERPETUAL NOTES PROGRAMME FOR THE ISSUANCE OF SENIOR NOTES, TIER 2 SUBORDINATED NOTES AND ADDITIONAL TIER 1 CAPITAL SECURITIES OF UP TO RM25.0 BILLION (OR ITS EQUIVALENT IN OTHER CURRENCIES) IN NOMINAL VALUE; AND (II) COMMERCIAL PAPERS PROGRAMME FOR THE ISSUANCE OF COMMERCIAL PAPERS OF UP TO RM3.0 BILLION IN NOMINAL VALUE

HONG LEONG FINANCIAL GROUP BERHAD

Type	Announcement
Subject	OTHERS
Description	<p>(I) MULTI-CURRENCY PERPETUAL NOTES PROGRAMME FOR THE ISSUANCE OF SENIOR NOTES, TIER 2 SUBORDINATED NOTES AND ADDITIONAL TIER 1 CAPITAL SECURITIES OF UP TO RM25.0 BILLION (OR ITS EQUIVALENT IN OTHER CURRENCIES) IN NOMINAL VALUE; AND</p> <p>(II) COMMERCIAL PAPERS PROGRAMME FOR THE ISSUANCE OF COMMERCIAL PAPERS OF UP TO RM3.0 BILLION IN NOMINAL VALUE</p>

We wish to announce that Hong Leong Investment Bank Berhad ("**HLIB**"), on behalf of Hong Leong Financial Group Berhad ("**HLFG**"), had on 2 November 2017 lodged with Securities Commission Malaysia (i) a multi-currency perpetual notes programme for the issuance of senior notes ("**Senior Notes**"), Tier 2 subordinated notes ("**Sub-Notes**") and Additional Tier 1 capital securities ("**Capital Securities**") of up to RM25.0 billion (or its equivalent in other currencies) in nominal value ("**Notes Programme**"); and (ii) a commercial papers programme for the issuance of commercial papers ("**CPs**") of up to RM3.0 billion in nominal value ("**CP Programme**"). The combined limit of the Notes Programme and the CP Programme shall be RM25.0 billion (or its equivalent in other currencies) in nominal value.

Proceeds from issuances under the Notes Programme and CP Programme shall be utilised, without limitation, to on-lend to HLFG's subsidiaries, for investment into HLFG's subsidiaries, for working capital, general investment and other corporate purposes and/or if required, the refinancing of any existing financing obligations of HLFG and/or any existing Senior Notes, Sub-Notes, Capital Securities and/or CPs issued under the Notes Programme and/or CP Programme.

The Notes Programme has been assigned an AA1 rating for issuances of Senior Notes, AA2 rating for issuances of Sub-Notes and A1 for issuances of Capital Securities, by RAM Rating Services Berhad ("**RAM**"). The CP Programme has been assigned a P1 rating by RAM.

The Sub-Notes are intended to qualify as Tier 2 capital for HLFG pursuant to the *Capital Adequacy Framework (Capital Components)* issued by Bank Negara Malaysia ("**BNM**") on 4 August 2017 and as updated from time to time ("**New CA Framework**"). The Capital Securities are intended to qualify as Additional Tier 1 capital for HLFG pursuant to the New CA Framework. Approval from BNM for the establishment of the Notes Programme was obtained on 15 September 2017 (upon terms and conditions therein contained).

HLFG's consolidated Common Equity Tier 1 capital ratio, Tier 1 capital ratio and Total capital ratio as at 30 June 2017 is 10.004%, 10.516% and 12.235% respectively. The ratios are computed in full compliance with the New CA Framework.

HLIB is the Principal Adviser, Lead Arranger and Lead Manager for the Notes Programme and CP Programme.

This announcement is dated 2 November 2017.

Company Name	HONG LEONG FINANCIAL GROUP BERHAD
Stock Name	HLFG
Date Announced	02 Nov 2017
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