



# UOB Group

## Resilient performance with healthy balance sheet

Jul 2024

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# Agenda

1. Overview of UOB Group

2. Strong UOB Fundamentals

3. Appendix

A. Macroeconomic Outlook

B. Our Sustainable Development Target

C. Our Growth Drivers

D. Latest Financials

# 1. Overview of UOB Group

# UOB Overview



## Founding

Founded in August 1935 by a group of Chinese businessmen and Datuk Wee Kheng Chiang, grandfather of the present UOB Group CEO, Mr. Wee Ee Cheong.

## Expansion

UOB has grown over the decades organically and through a series of strategic acquisitions. It is today a leading bank in Asia with an established presence in the Southeast Asia region. The Group has a global network of around 500 branches and offices in 19 countries and territories.

Note: Financial statistics as at 31 March 2024

1. USD 1 = SGD 1.350074 as at 31 March 2024

2. Average for 1Q24

3. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions

4. Excluding one-off expenses

## Key Statistics for 1Q24

■ Gross loans	: SGD323b	(USD239b <sup>1</sup> )
■ Customer deposits	: SGD388b	(USD288b <sup>1</sup> )
■ Loan / Deposit ratio	: 82.0%	
■ Net stable funding ratio	: 121%	
■ All-currency liquidity coverage ratio	: 160% <sup>2</sup>	
■ Common Equity Tier 1 ratio	: 13.9%	
■ Leverage ratio	: 7.0%	
■ Return on equity <sup>3 4</sup>	: 14.0%	
■ Return on assets <sup>4</sup>	: 1.22%	
■ Net interest margin	: 2.02%	
■ Non-interest income / Total income	: 32.9%	
■ Cost / Income <sup>4</sup>	: 41.9%	
■ Non-performing loan ratio	: 1.5%	
■ Credit Ratings		

	Moody's	S&P	Fitch
Issuer rating (Senior unsecured)	Aa1	AA–	AA–
Outlook	Stable	Stable	Stable
Short-term rating	P-1	A-1+	F1+

# A leading Singapore bank; Established franchise in core market segments



### Group Retail

- Best Retail Bank in Singapore
- Strong player in credit cards and private residential home loan business

### Group Wholesale Banking

- Best SME Bank in Singapore
- Seamless access to regional network for our corporate clients

### Global Markets

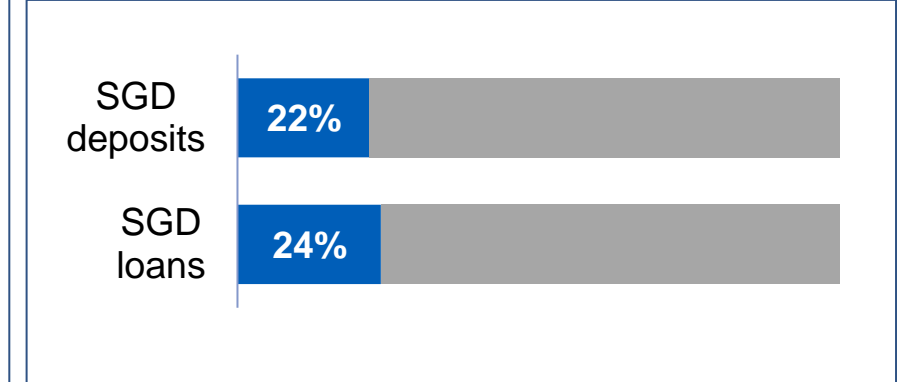
- Strong player in Singapore dollar treasury instruments

## UOB Group's recognition in the industry

 <p>Best Retail Bank<sup>1</sup>, 2023 Best SME Bank<sup>2</sup>, 2023</p>	 <p>Best Bank<sup>1</sup>, 2023</p>	 <p>Domestic Retail Bank of the Year<sup>1</sup>, 2023</p>
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Source: Company reports  
1. In Singapore 2. In Asia Pacific

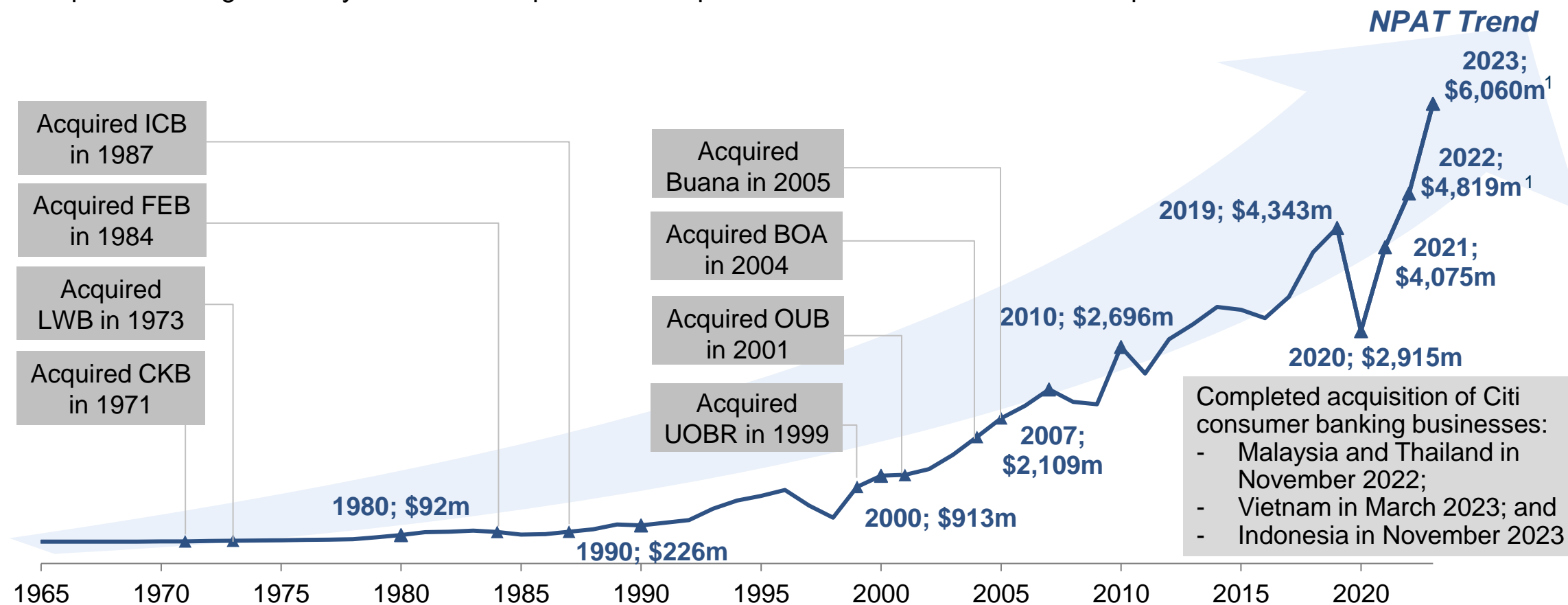
## Sizeable domestic market share



Source: UOB, MAS (data as of 31 Mar 2024)

# Proven track record of execution

- UOB Group’s management has a proven track record in steering the Group through various global events and crises
- Stability of management team ensures consistent execution of strategies
- Disciplined management style which underpins the Group’s overall resilience and sustained performance



1. Excluding one-off expenses

Note: Bank of Asia Public Company Limited (“BOA”), Chung Khiaw Bank Limited (“CKB”), Far Eastern Bank Limited (“FEB”), Industrial & Commercial Bank Limited (“ICB”), Lee Wah Bank Limited (“LWB”), Overseas Union Bank Limited (“OUB”), Radanasin Bank Thailand (“UOBR”)

# Comprehensive regional banking franchise

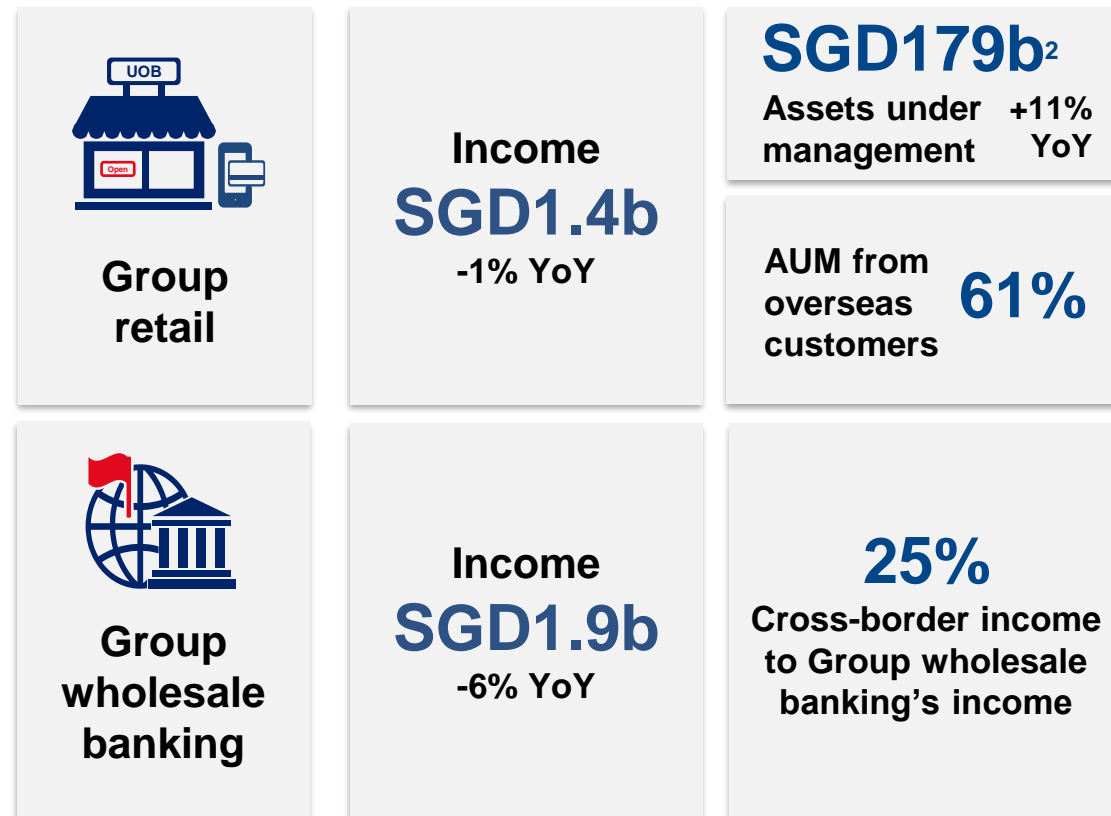


## Extensive regional footprint



- Most diverse regional franchise among Singapore banks; effectively full control of regional subsidiaries
- Integrated regional platform improves operational efficiencies, enhances risk management and provides faster time-to-market and seamless customer service
- Organic growth strategies in emerging / new markets of China and Indo-China

## 1Q24 performance by segment

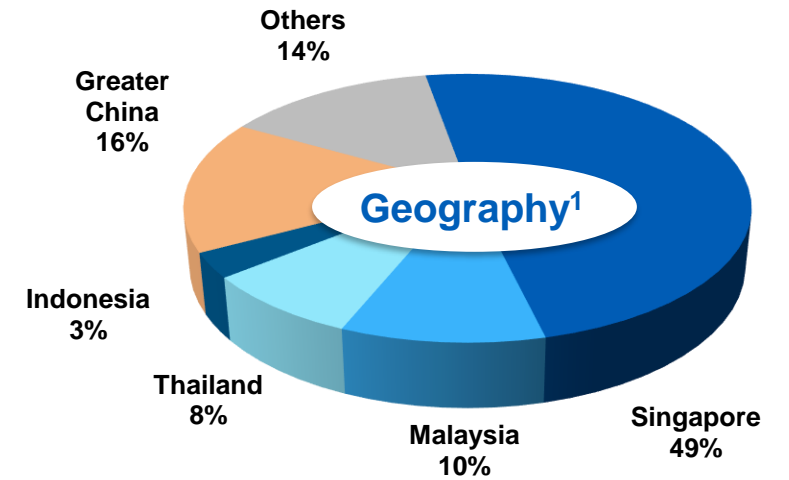
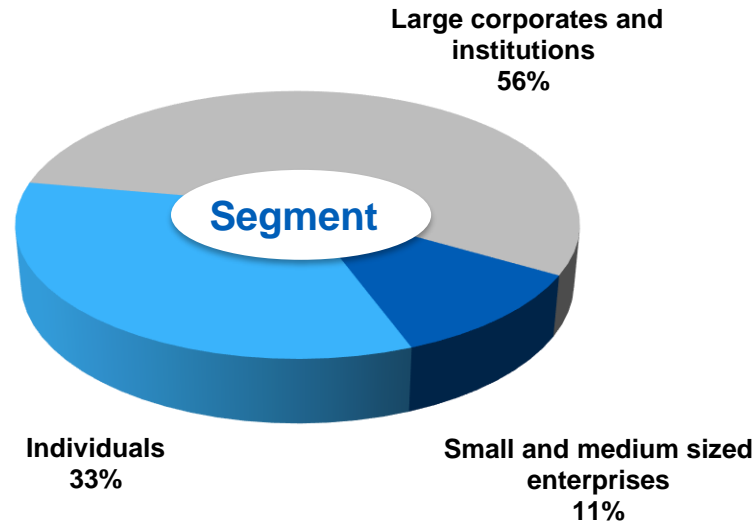
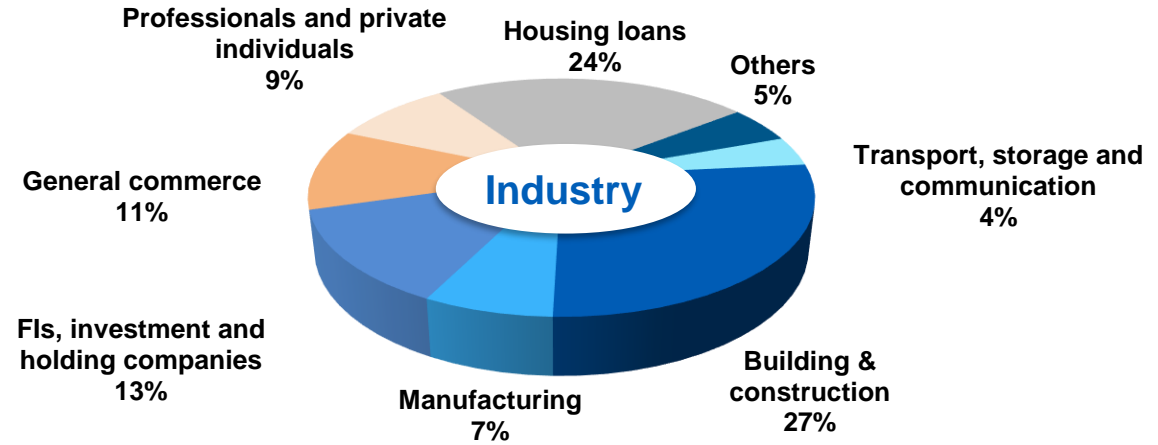


1. Comprise Mainland China, Hong Kong SAR and Taiwan  
 2. Refers to Privilege Banking, Privilege Reserve and Private Bank – including acquisition of Citigroup Malaysia, Indonesia, Thailand and Vietnam

## 2. Strong UOB Fundamentals



# Diversified loan portfolio



Note:

(1) Loans are classified based on where credit risks reside, represented by country of incorporation/operation for non-individuals and residence for individuals.

# Strong investment grade credit ratings



**MOODY'S**  
INVESTORS SERVICE

**Aa1 / P-1**

- Capital good by global standards
- Deposit-funded and liquid balance sheet
- Traditional banking presence in Singapore, Malaysia and other markets

**S&P Global**

Ratings

**AA- / A-1+**

- Well-established market position, strong funding and prudent management record
- Will maintain its capitalisation and asset quality while pursuing regional growth

**FitchRatings**

**AA- / F1+**

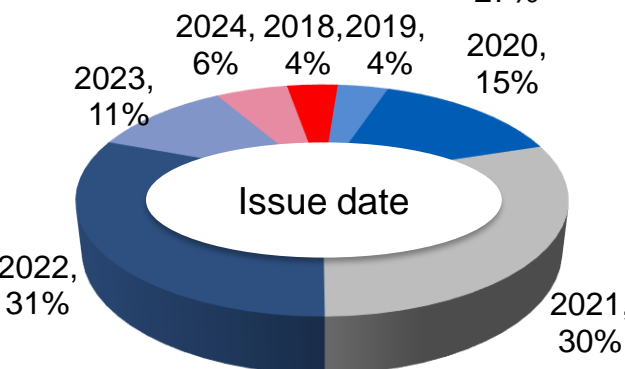
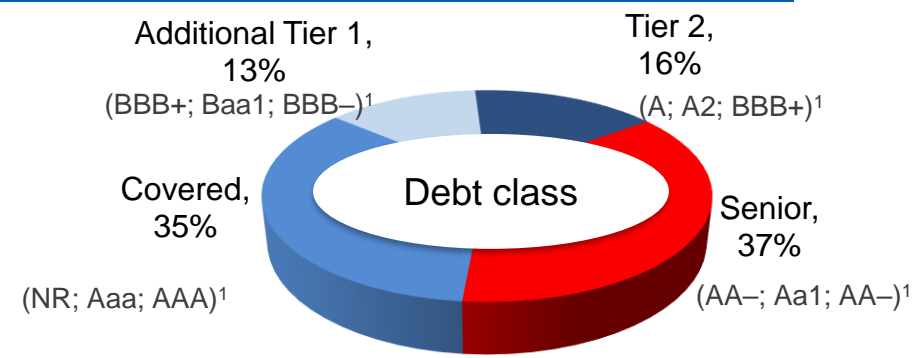
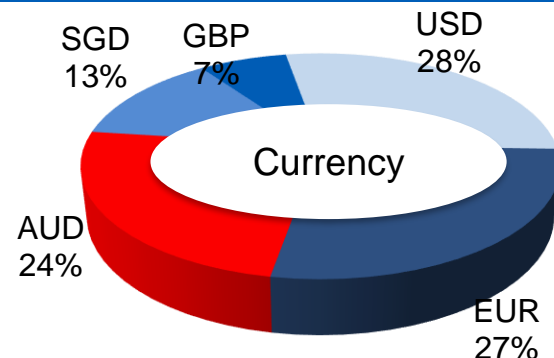
- Sound capital and high loan-loss buffers
- Disciplined funding strategy, supported by its strong domestic franchise

Source: Credit rating agencies

**Note:** The pie charts represent outstanding UOB's public rated issuances as of 8 May 24; for more details, please refer to <https://www.uobgroup.com/investor-relations/capital-and-funding-information/group-securities.html>

1. The issuance ratings are by Fitch Ratings, Moody's Investors Service and S&P Global Ratings, respectively

## A regular issuer in key debt capital markets globally



Developing UOB presence in the domestic RMB bond market			
Issue Date	Issuing entity	Issuance Type	Amount (CNY bn)
Apr 2018	UOB China	Onshore Senior	1.0
Mar 2019	UOB Group	Panda	2.0
Nov 2019	UOB China	Onshore Tier 2	1.0
Aug 2022	UOB China	Onshore Senior	1.0

# Why UOB?

## Stable management



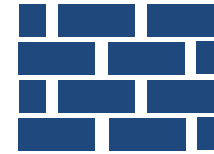
- Proven track record in steering the bank through various global events and crises
- Stability of management team ensures consistent execution of strategies

## Integrated regional platform



- Truly regional bank with full ownership and control of regional subsidiaries
- Entrenched domestic presence and deep local knowledge to address the needs of our targeted segments
- Continued investment in talent and technology to build capabilities in a disciplined manner

## Strong fundamentals



- Strong Common Equity Tier 1 capital adequacy ratio of 13.9% as at 31 March 2024
- Diversified funding and sound liquidity, with 82.0% loan/deposit ratio
- Strengthened coverage, with general allowance on loans (including RLAR) covering 0.9% of performing loans

## Balance growth with stability



- Over 50% of Group's earnings from home market of Singapore (AAA sovereign rating)
- Continue to diversify portfolio, strengthen balance sheet, manage risks and build core franchise for the future
- Maintain long-term perspective to growth for sustainable shareholder returns

# Appendix

A. Macroeconomic Outlook

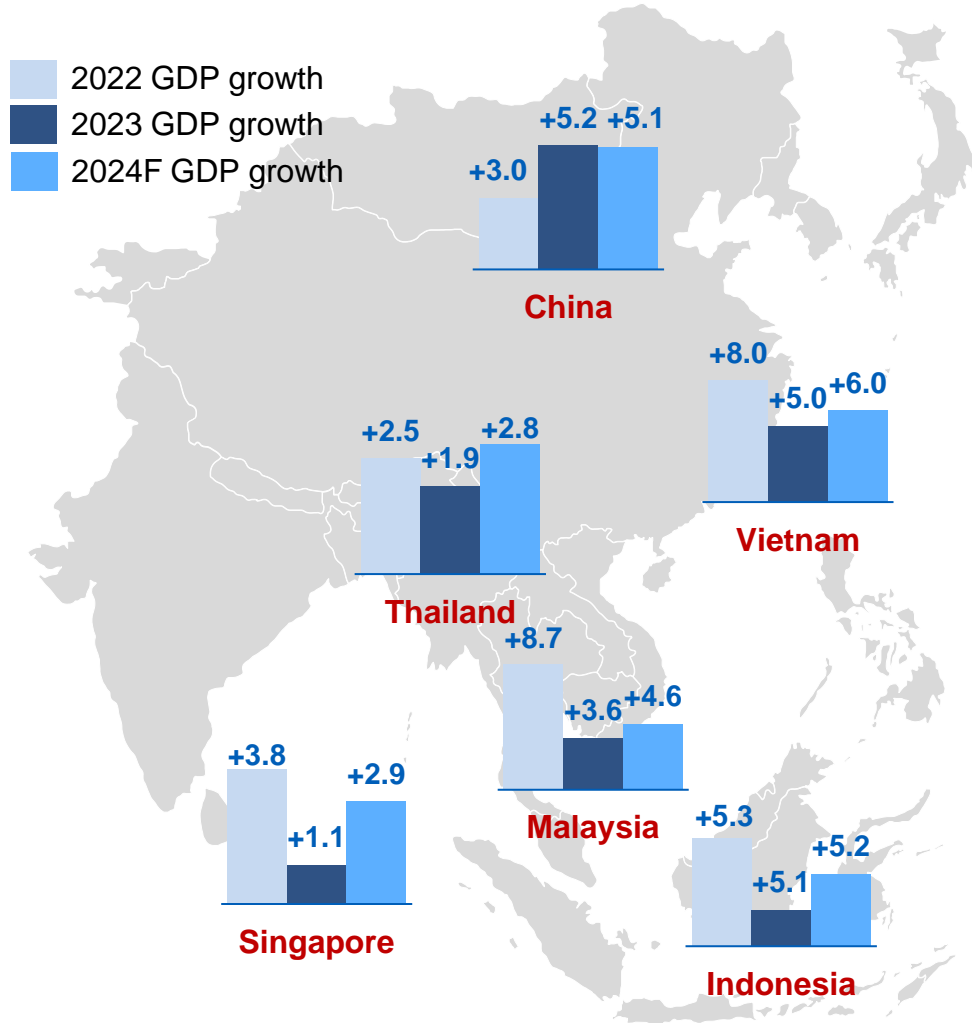
B. Our Sustainable Development Target

C. Our Growth Drivers

D. Latest Financials

# A. Macroeconomic Outlook

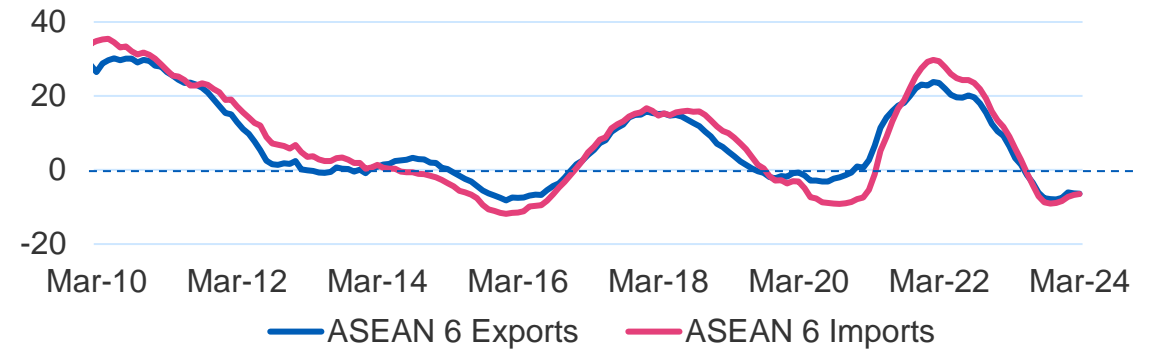
# ASEAN Economic Growth To Stay Resilient As External Trade Cycle Bottomed



Source: UOB Global Economics & Markets Research forecasts

## External Trade Cycle Has Likely Bottomed

ASEAN6: Trade Performance (12-month moving average)



Source: Macrobond, UOB Global Economics & Markets Research

## Tourism Recovery An Added Boost To Consumption

	Persons, million					2023 mn pax	2022 mn pax	2021 mn pax	2020 mn pax	2019 mn pax
	0	4	8	12	16					
Hong Kong						34.00	0.6	0.1	3.6	55.9
Thailand						28.15	11.1	0.4	6.7	39.9
Japan						25.07	3.8	0.2	4.1	31.9
Malaysia						20.14	10.1	0.1	4.3	26.1
Singapore						13.61	6.3	0.3	2.7	19.1
Vietnam						12.60	3.7	0.2	3.8	18.0
Indonesia						11.68	5.9	1.6	4.1	16.1
South Korea						11.03	3.2	1.0	2.5	17.5
Taiwan region						6.49	0.9	0.1	1.4	11.9

Source: UOB Global Economics & Markets Research

## We Still Expect The Fed To Cut Rates In Late 3Q



	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24F	4Q24F
US 10-Year Treasury	2.34	3.01	3.83	3.87	3.47	3.84	4.57	3.88	4.20	4.40	4.20	4.10
US Fed Funds	0.50	1.75	3.25	4.50	5.00	5.25	5.50	5.50	5.50	5.50	5.25	5.00
SG 3M SIBOR	0.79	1.91	3.17	4.25	4.19	4.09	4.06					
SG 3M SOR	0.95	2.06	3.28	4.21	4.09	4.23						
SG 3M SORA	0.27	0.76	1.97	3.10	3.54	3.64	3.71	3.71	3.68	3.64	3.35	3.15
MY Overnight Policy Rate	1.75	2.00	2.50	2.75	2.75	3.00	3.00	3.00	3.00	3.00	3.00	3.00
TH 1-Day Repo	0.50	0.50	1.00	1.25	1.75	2.00	2.50	2.50	2.50	2.50	2.50	2.50
ID 7-Day Reverse Repo	3.50	3.50	4.25	5.50	5.75	5.75	5.75	6.00	6.00	6.25	6.25	6.25
CH 1-Year Loan Prime Rate	3.70	3.70	3.65	3.65	3.65	3.55	3.45	3.45	3.45	3.45	3.20	3.20

Fed rate cut expectations have been delayed and dampened since early 2024, because of resilient US growth overlaid with sticky inflation. But the US slowdown may now be in sight while still aligned with a soft landing scenario. We expect the Fed to cut rates in 2H2024, but the uncertain downward path of inflation will restrain the Fed's hand again in the Jul FOMC, keeping it in a wait-and-see mode until policymakers "gained greater confidence that inflation is moving sustainably toward 2 percent" even as other major central banks (such as the BOC, ECB and SNB) have started to cut. Our view remains for the Fed to ease monetary policy only in late 3Q (i.e. two 25-bps cuts, one each in Sep 24 and Dec 24).

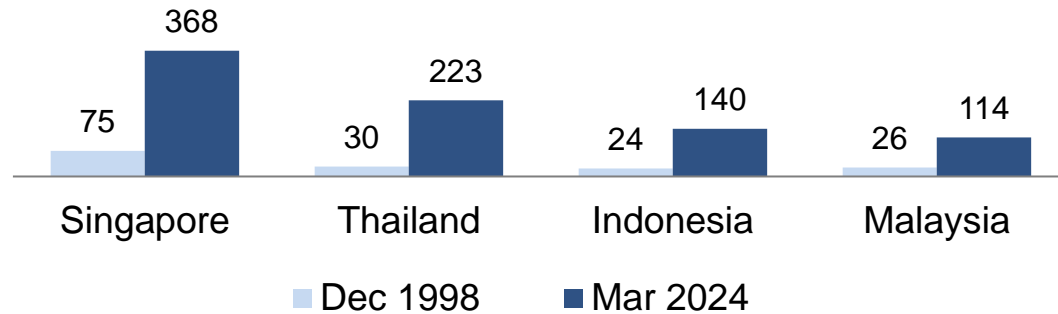
In comparison, most Asian central banks may prefer a wait-and-see approach to their rate cut cycle, especially with regards to the uncertain start to Fed's rate cut cycle and the associated risks to their domestic currencies and capital outflows if the rate differentials with the US widen further. At the forefront of the monetary policy cycle in Asia is of course PBOC and the beginning of Fed's rate cut cycle (which we expect to be in Sep), would create the space for further monetary policy easing by the PBOC, with the 1Y loan prime rate (LPR) likely to fall to 3.20% by end-4Q24 (current 3.45%).

We assess that a normalization of MAS monetary policy via a slight slope reduction (by 50bps) could occur as early as the Jul 2024 MPS on the basis of a continued transmission of imported disinflation into Singapore's core inflation and a softening of domestic cost pressures, anchored by the restraining effect from a gradual appreciation of the S\$NEER on a still positive slope of the S\$NEER policy band.

# Macro resilience across key Southeast Asian markets

## Significantly Higher Foreign Reserves

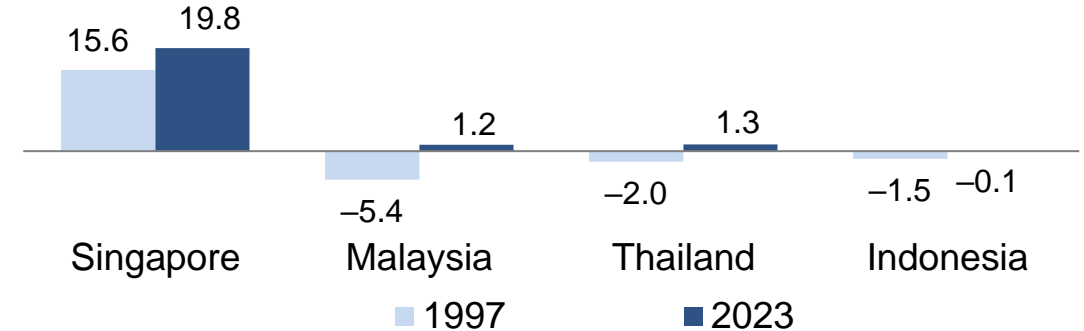
(USD billion)



Sources: World Bank, International Monetary Fund

## Improved Current Account Balances

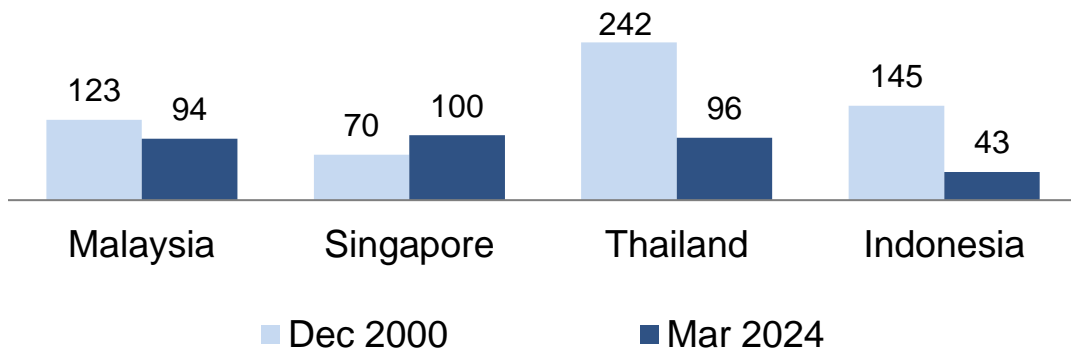
(% of GDP)



Source: International Monetary Fund

## Lower Debt to Equity Ratio

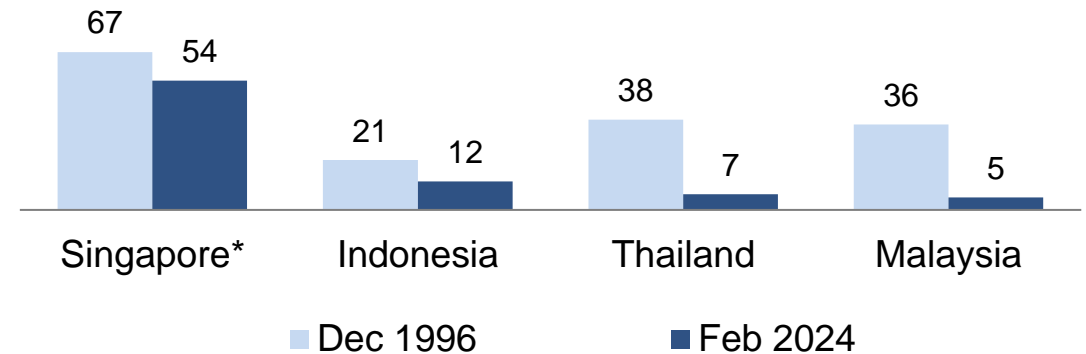
(%)



Total debt to equity ratio = total ST and LT borrowings divided by total equity, multiplied by 100; sources: MSCI data from Bloomberg

## Lower Foreign Currency Loan Mix

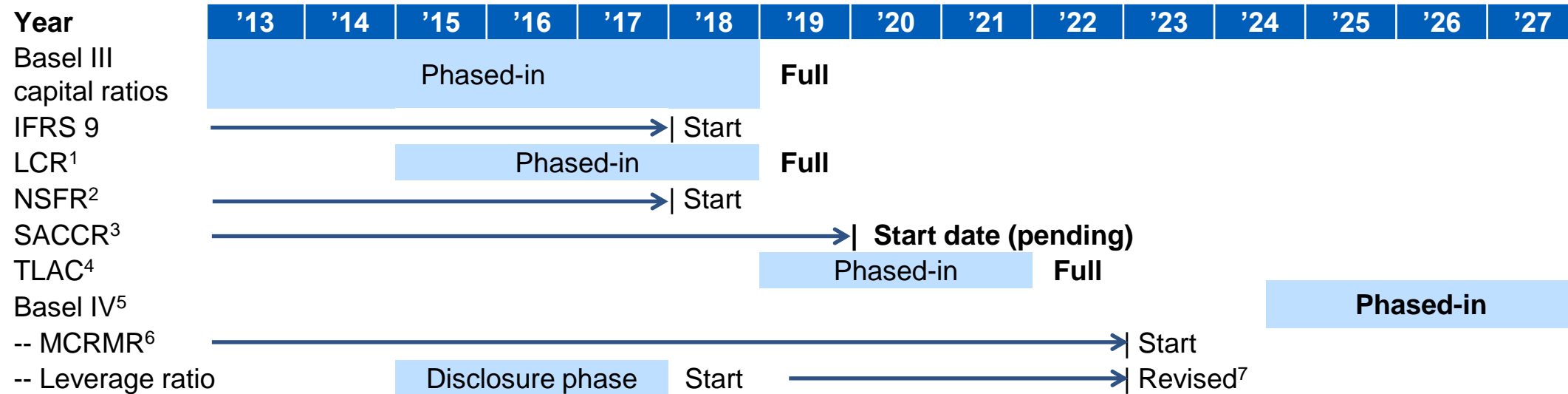
(%)



\* Foreign currency loans in 1996 approximated by using total loans of Asia Currency Units; sources: Central banks



# Singapore to implement Basel IV<sup>5</sup> by mid-2024



“ Retained earnings are one of the major sources of ... highest quality capital that banks hold. They have to earn a decent return for intermediating credit, otherwise they will do less of it. ”

– Mr Ravi Menon, Managing Director, Monetary Authority of Singapore, 20 April 2017

“ While the reforms are necessary to strengthen the banking system over the long term, they will require banks to make considerable operational adjustments which they would be hard pressed to make under current challenging conditions. ”

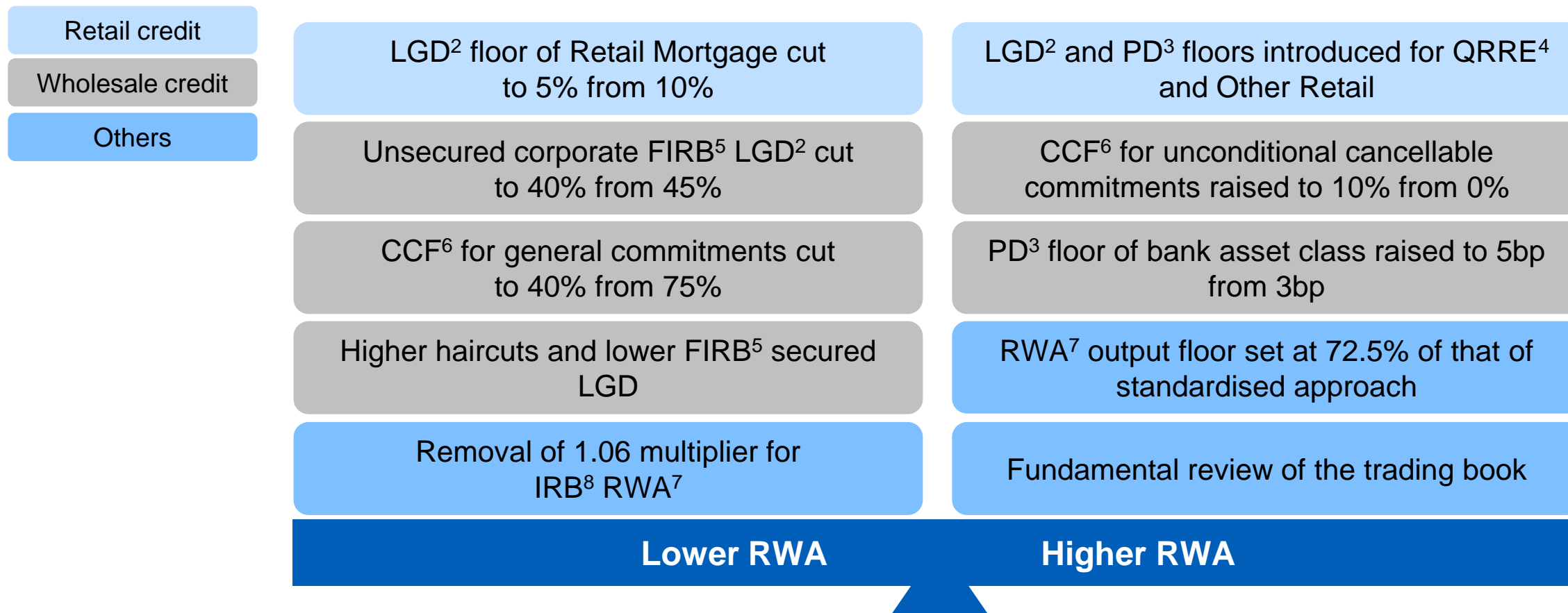
– Media Release, Monetary Authority of Singapore, 7 April 2020

Source: BCBS

1. Liquidity Coverage Ratio
2. Net Stable Funding Ratio
3. Standardised Approach for measuring Counterparty Credit Risk exposure (MAS has not announced implementation date)
4. Total Loss Absorbing Capacity (not applicable to Singapore banks)

5. Basel IV (Final Basel III reforms): Revised standards for credit risk, market risk, operational risk, leverage ratio, output floor and related disclosure requirements
6. Minimum Capital Requirements for Market Risk replaced Fundamental Review of the Trading Book
7. Revised definition on exposure measure

# Impact of Basel IV<sup>1</sup> likely to be manageable



Source: BCBS

1. Basel IV: Reducing variation in risk-weighted assets
2. Loss given default
3. Probability of default
4. Qualifying revolving retail exposures

5. Foundation internal rating-based approach
6. Credit conversion factor
7. Risk weighted assets
8. Internal rating-based approach

## Basel III across the region

	BCBS	Singapore	Malaysia	Thailand	Indonesia
Minimum CET1 CAR	4.5%	6.5% <sup>1</sup>	4.5%	4.5%	4.5%
Minimum Tier 1 CAR	6.0%	8.0% <sup>1</sup>	6.0%	6.0%	6.0%
Minimum Total CAR	8.0%	10.0% <sup>1</sup>	8.0%	8.5%	8.0%
Capital Conservation Buffer	2.5%	2.5%	2.5%	2.5%	2.5%
Countercyclical Buffer <sup>2</sup>	n/a	0%	0%	0%	0%
D-SIB Buffer	n/a	2.0%	1.0%	1.0%	1.0%–2.5% <sup>3</sup>
Minimum Leverage Ratio	3.0%	3.0%	3.0%	3.0%	3.0%
Minimum LCR	100%	100%	100%	100%	100%
Minimum NSFR	100%	100%	100%	100%	100%

Source: Regulatory notifications

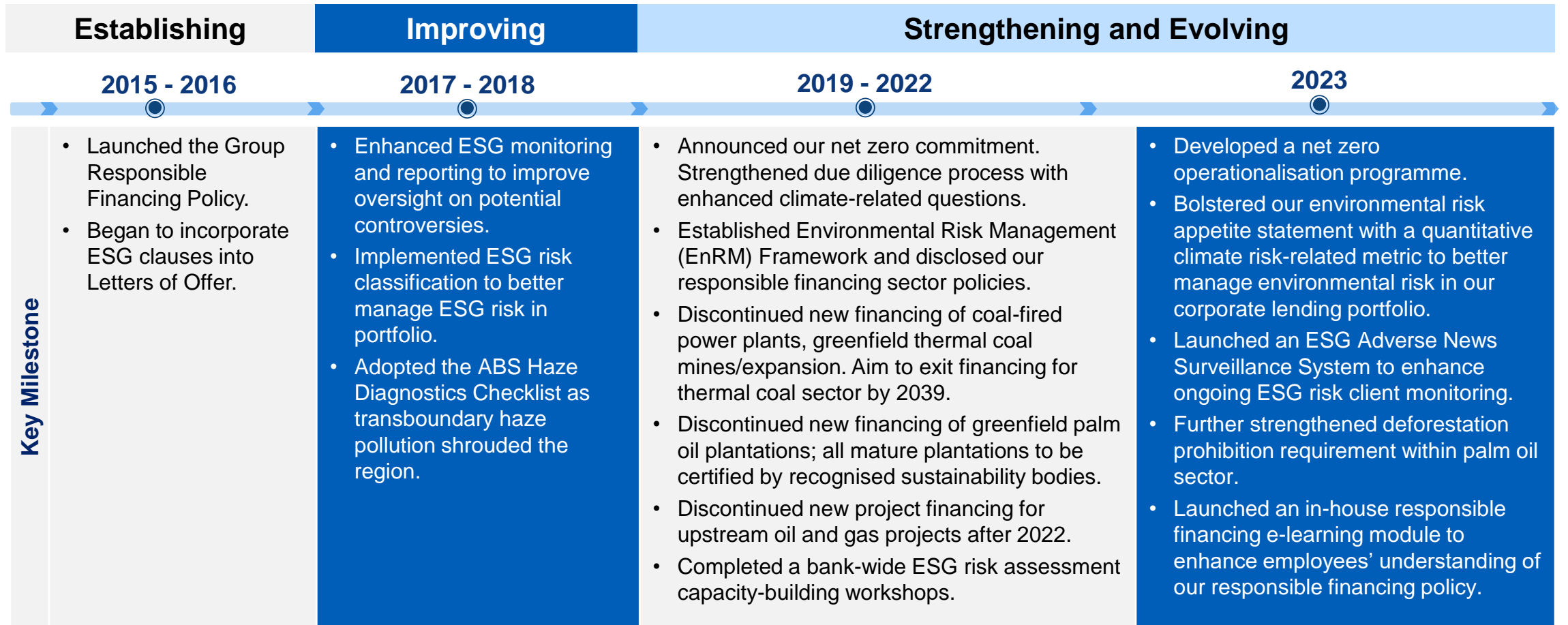
1. Includes 2% for D-SIB (domestic-systemically important banks) buffer for the three Singapore banks
2. Each regulator determines its own level of countercyclical capital buffer

3. According to the regulations, capital surcharge for Indonesia D-SIBs are classified into four buckets based on the tier 1 capital (Bucket 1 – 1%, Bucket 2 – 1.5%, Bucket 3 – 2%, Bucket 4 – 2.5%)

## B. Our Sustainable Development Target

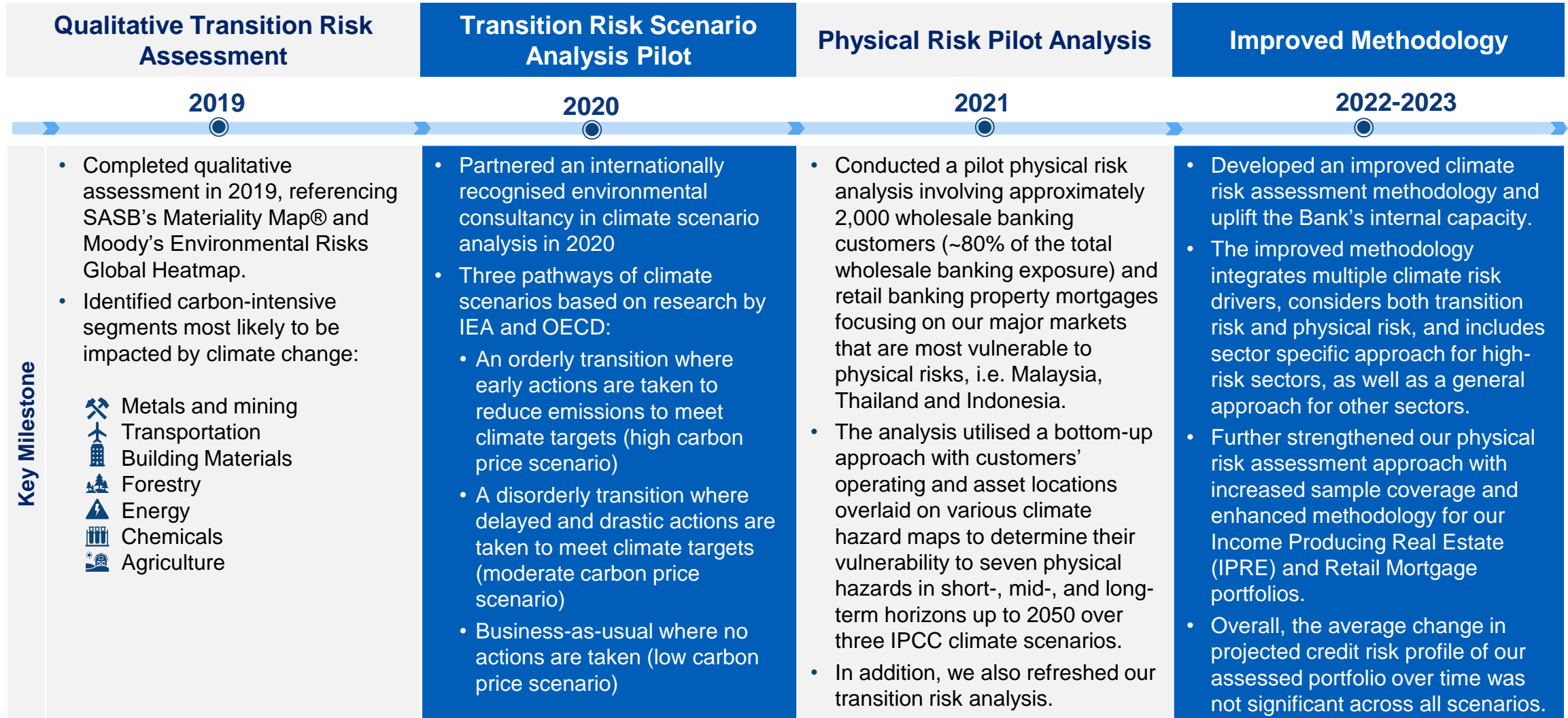
# UOB's responsible financing journey: pragmatic and progressive

## Overview of UOB Group's Responsible Financing Journey



\* Green Finance Industry Taskforce

# TCFD Implementation - Climate Scenario Analysis

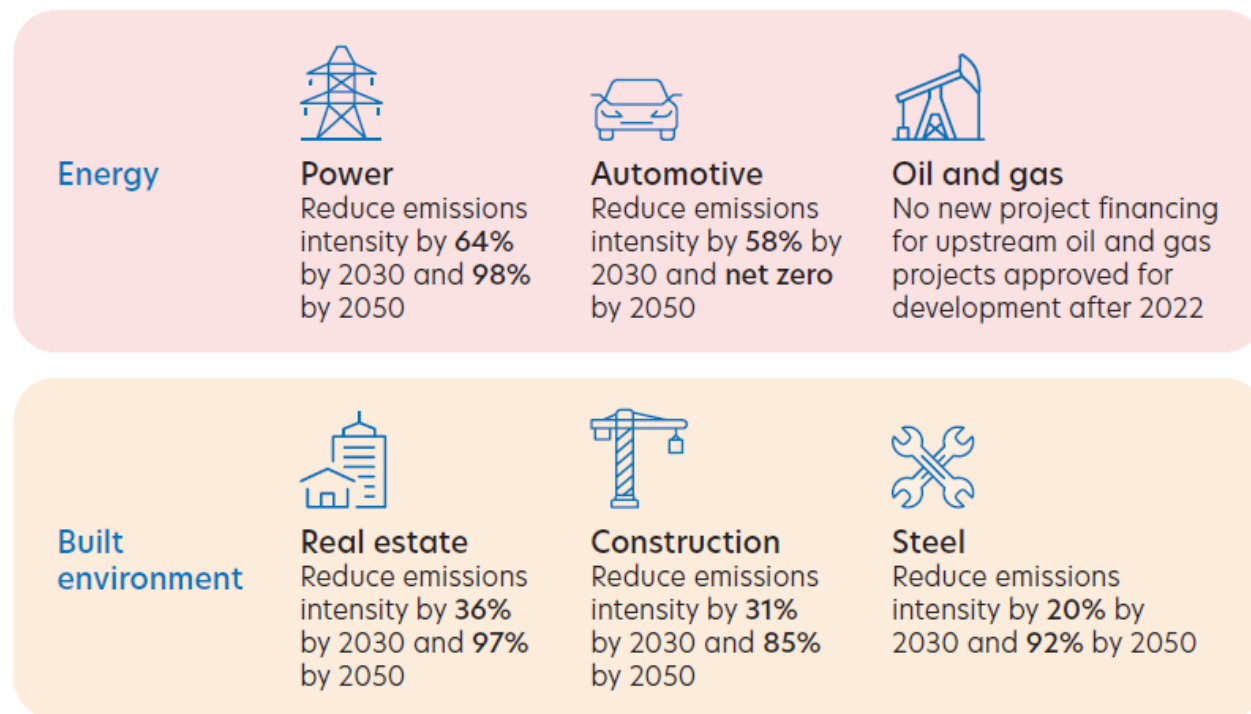


# In October 2022, we announced our commitment to achieving net zero by 2050, with a focus on 6 priority sectors



● Energy ● Built environment

## Net zero targets and commitments for six sectors



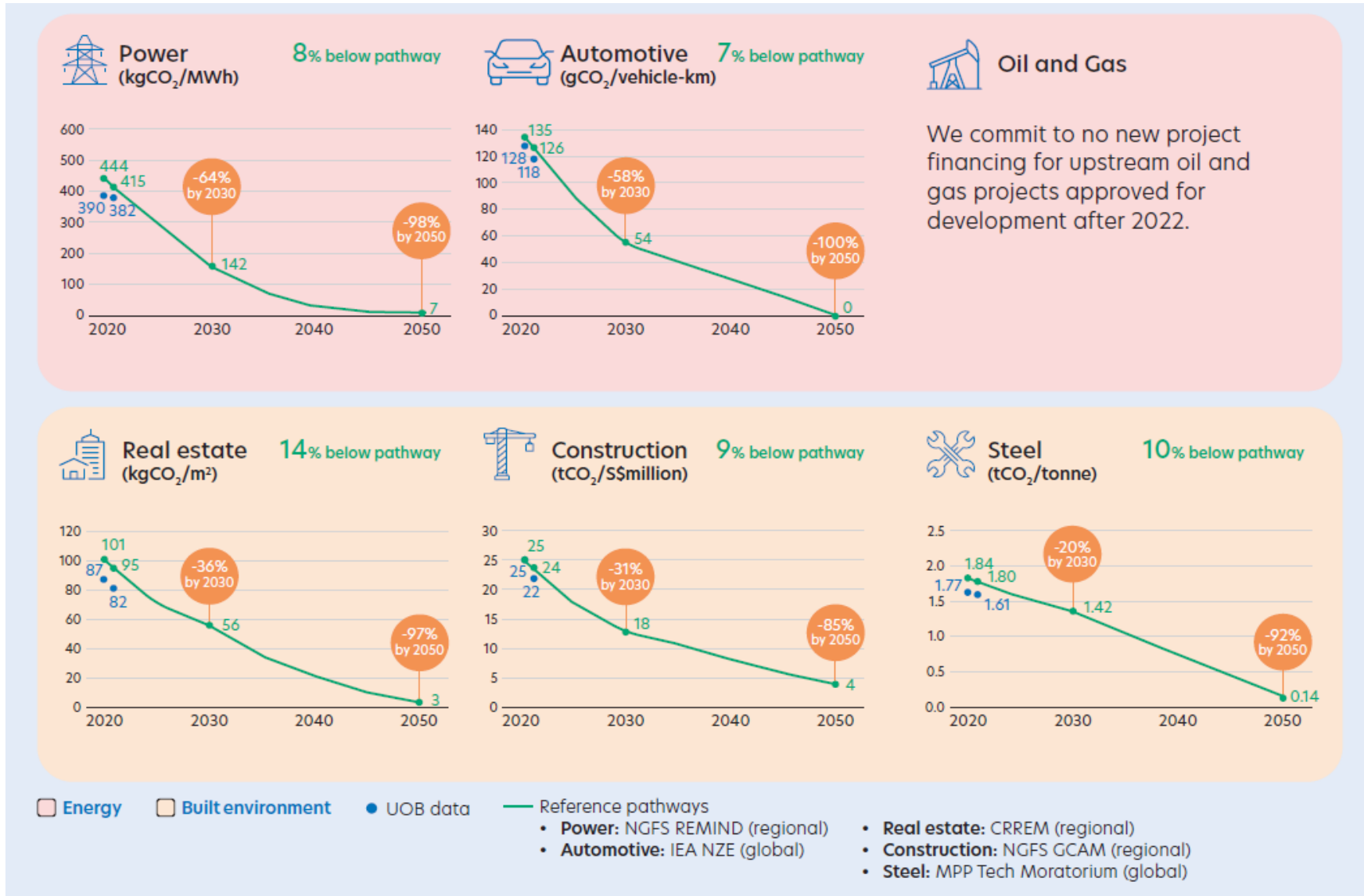
Covers ~60% of our corporate lending portfolio

We focused on two significant, high-emitting ecosystems, **energy** and **built environment**, spanning 6 sectors based on:

- Significant contributors to GHG emissions regionally: ~73% of global emissions<sup>1</sup>
- Material to UOB's corporate lending portfolio: ~60% of total corporate lending portfolio

Our commitments were defined in line with guidance by the Net Zero Banking Alliance (NZBA) and the Glasgow Financial Alliance for Net Zero (GFANZ)

# One year on, we are progressing across all priority sectors, and are at least 7% below the reference pathways





# C. Our Growth Drivers

# Our growth drivers

Realise full potential of our integrated platform	Sharpen regional focus	Reinforce fee income growth	Long-term growth perspective
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- Provides us with ability to serve expanding regional needs of our customers
- Improves operational efficiency, enhances risk management, seamless customer experience and faster time to market



- Global macro environment remains uncertain but the region's long-term fundamentals continue to remain strong
- Region is our growth engine in view of growing intra-regional flows and rising consumer affluence, leveraging digitalisation and partnerships



- Grow fee income to offset competitive pressures on loans and improve return on risk weighted assets
- Increase client wallet share size by intensifying cross-selling efforts, focusing on service quality and expanding range of products and services

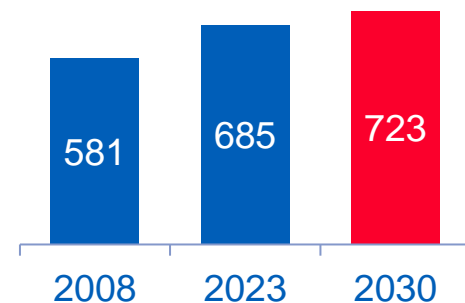


- Disciplined approach in executing growth strategy, balancing growth with stability
- Focus on risk adjusted returns; ensure balance sheet strength and robust capital through economic cycles

# Southeast Asia's immense long-term potential

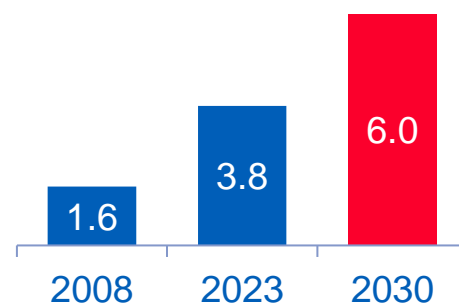
## Population

(Million persons)



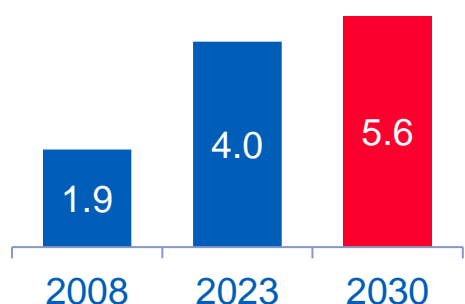
## GDP<sup>1</sup>

(USD trillion)



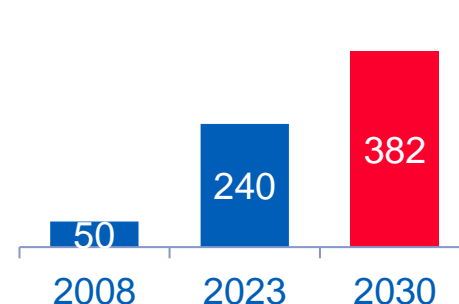
## Trade<sup>2</sup>

(USD trillion)



## FDI<sup>3</sup>

(USD billion)

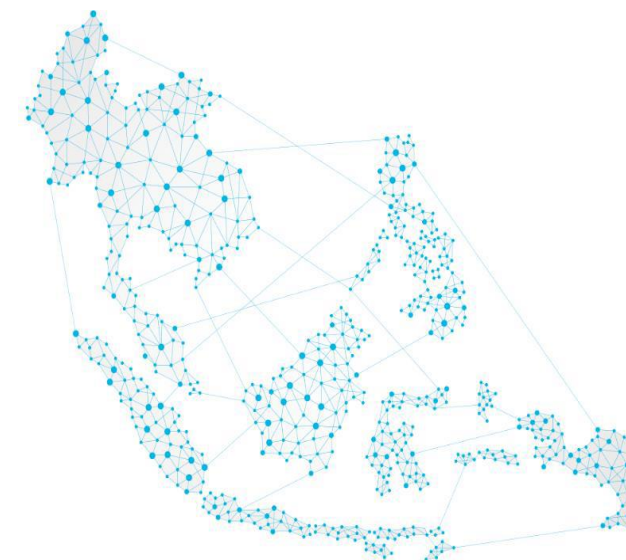


## Southeast Asia's immense growth prospects...

- Third largest population globally, after China and India
- Young demographics, with 382 million below 35 years old
- Fifth largest economic bloc globally by GDP<sup>1</sup>
- Fourth largest trading group globally
- Third largest recipient of inward FDI<sup>3</sup> globally

## ... that UOB is uniquely placed to capture

- Most diverse regional franchise among Singapore banks
- Full effective control of regional subsidiaries and integrated platform



1. Gross domestic product 2. Comprises exports and imports 3. Foreign direct investments  
Source: Macrobond, UOB Global Economics and Markets Research

# Strong retail presence in high potential regional markets



2022 retail banking pool sizes



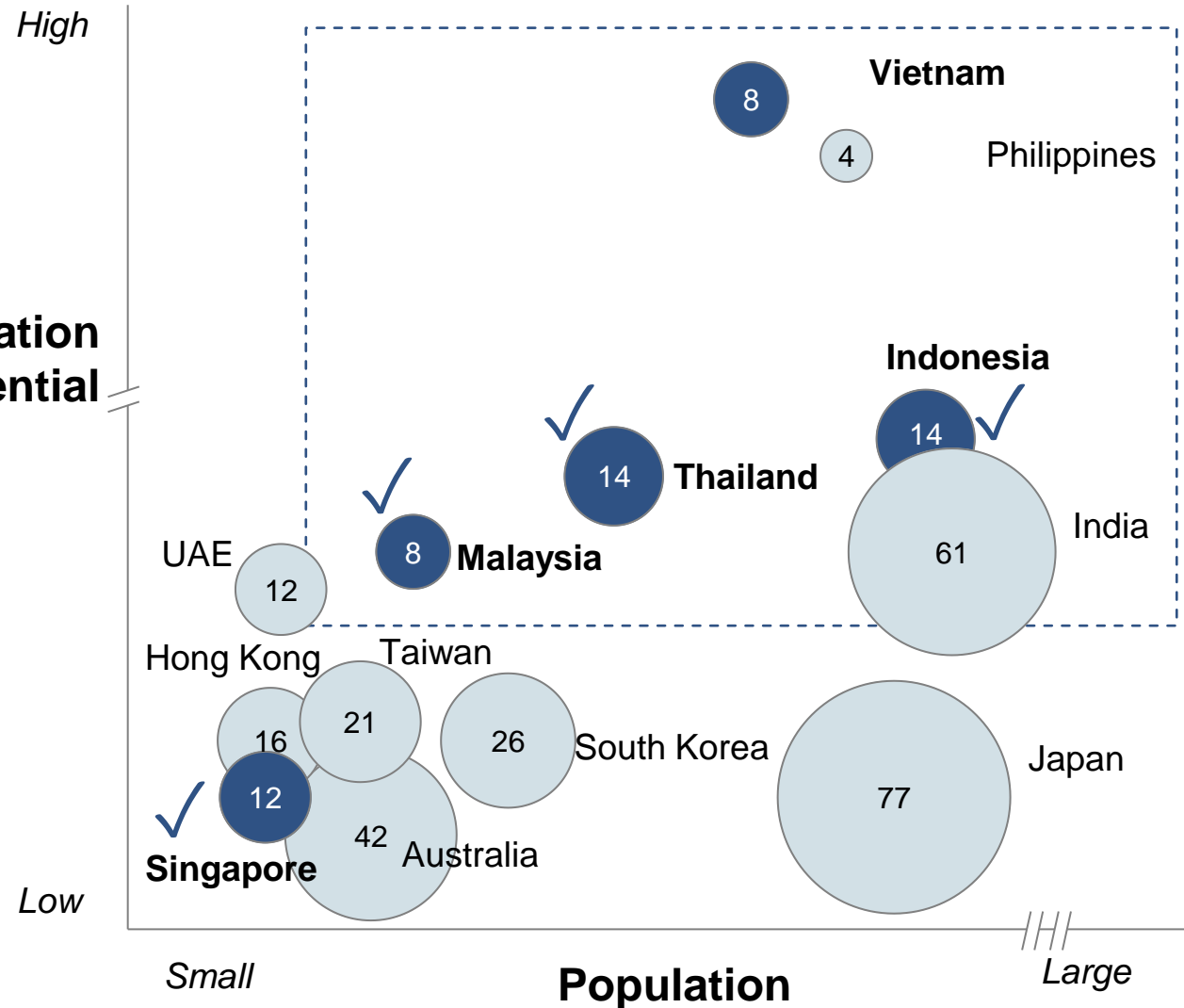
USD b



Denotes UOB's core markets in Southeast Asia

✓ **TMRW** by UOB was launched in Thailand, Indonesia, Singapore and Malaysia.

**Banking penetration growth potential**

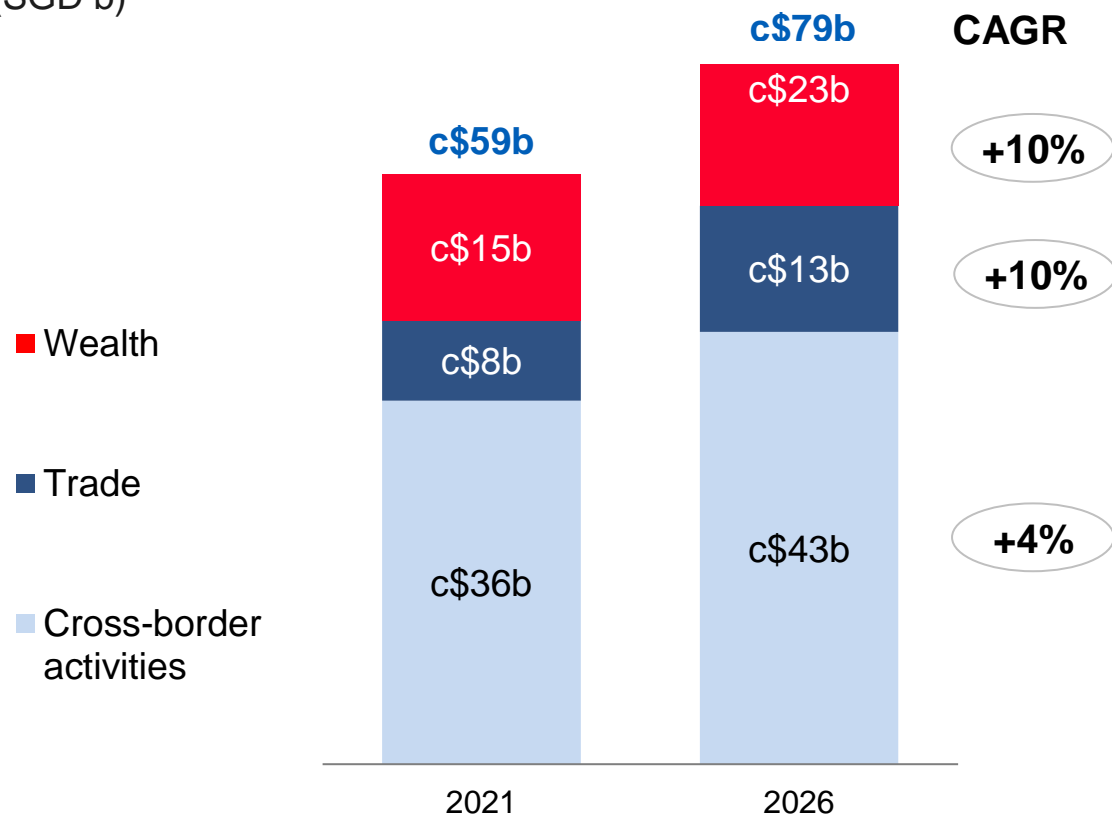


Source: BCG banking pools (2022), World Bank (2022)

# Revenue potential from 'connecting the dots' in the region

## Industry's potential connectivity revenue

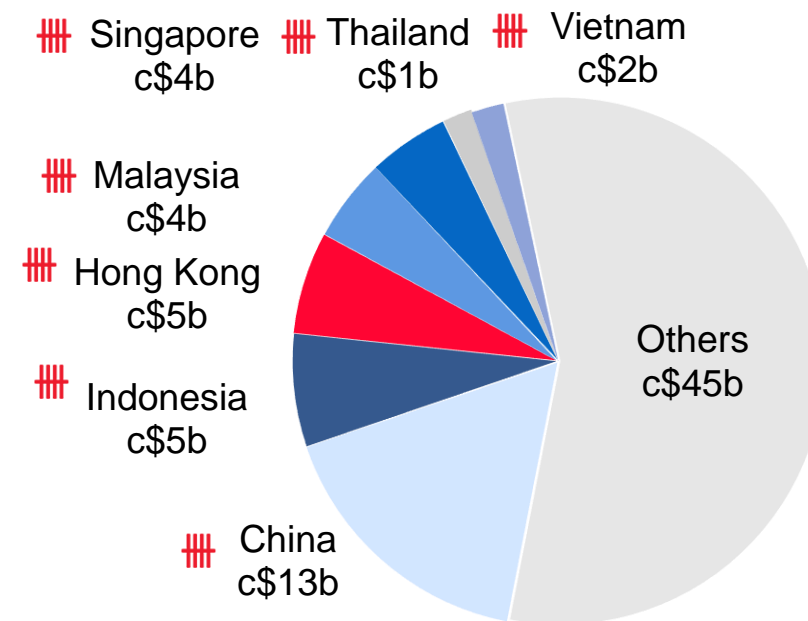
(SGD b)



## Industry's potential connectivity revenue (2026)

(SGD b)

Markets where UOB has a presence



Note: 'Trade' and 'cross-border activities' capture both inbound and outbound flows of Southeast Asia, with 'trade' comprising exports and imports while 'cross-border activities' comprising foreign direct investments and M&A. 'Wealth' captures offshore and onshore assets booked in Singapore as a wealth hub. Incorporating BCG analysis, these are converted into banking revenue potential

Source: Boston Consulting Group's analysis, Boston Consulting Group Global Banking Revenue pool

# Consumers

- Tapping on rising affluence and growing digitalisation in Southeast Asia



## Scale Acquisition with Digital

Boost UOB TMRW's capabilities to target quality customers and drive synergies

**8.1m**

Retail customers, 78% are digitally enabled

**>200k**

New-to-bank customers acquired in 1Q24 >50% digitally acquired



## Deepen Engagement with Eco-system Partnerships

Leverage our regional franchise in growing multi-markets partnerships to drive customer engagement and lifetime value

**54**

Strategic multi-markets partnerships to cater for our customers growing lifestyle needs

**+11%**

Year on year growth in credit card fees



## Leverage data insights to drive Omni-channel Offerings

Embrace data insights to digitalise customer experiences & processes; repurpose branches for more advisory needs

**S\$179b**

Assets under management (AUM)<sup>1,2</sup> ▲ 11% YoY

**~40%**

Higher average product holdings by omni-channel customers vs other customers

1. Of which 61% are from customers overseas. 2. Refers to Privilege Banking, Privilege Reserve and Private Bank.

# Wholesale customers

- Growing regional franchise, capturing cross-border opportunities



## Strengthening Connectivity

Across our ASEAN footprint and global network



**25%**  
Cross border income as % of  
GWB income



**+5%**  
Anchor customers within Financial  
Supply Chain Management solution<sup>1</sup>



## Sector Specialisation

Building capabilities for  
greater diversification  
and risk mitigation



**+9%**  
Hospitality income<sup>1</sup>



**+13%**  
Healthcare income<sup>1</sup>



## Deepening Digitalisation

For secure and  
efficient transactions



**+52%**  
Cashless payments to  
businesses in the region<sup>1,2</sup>



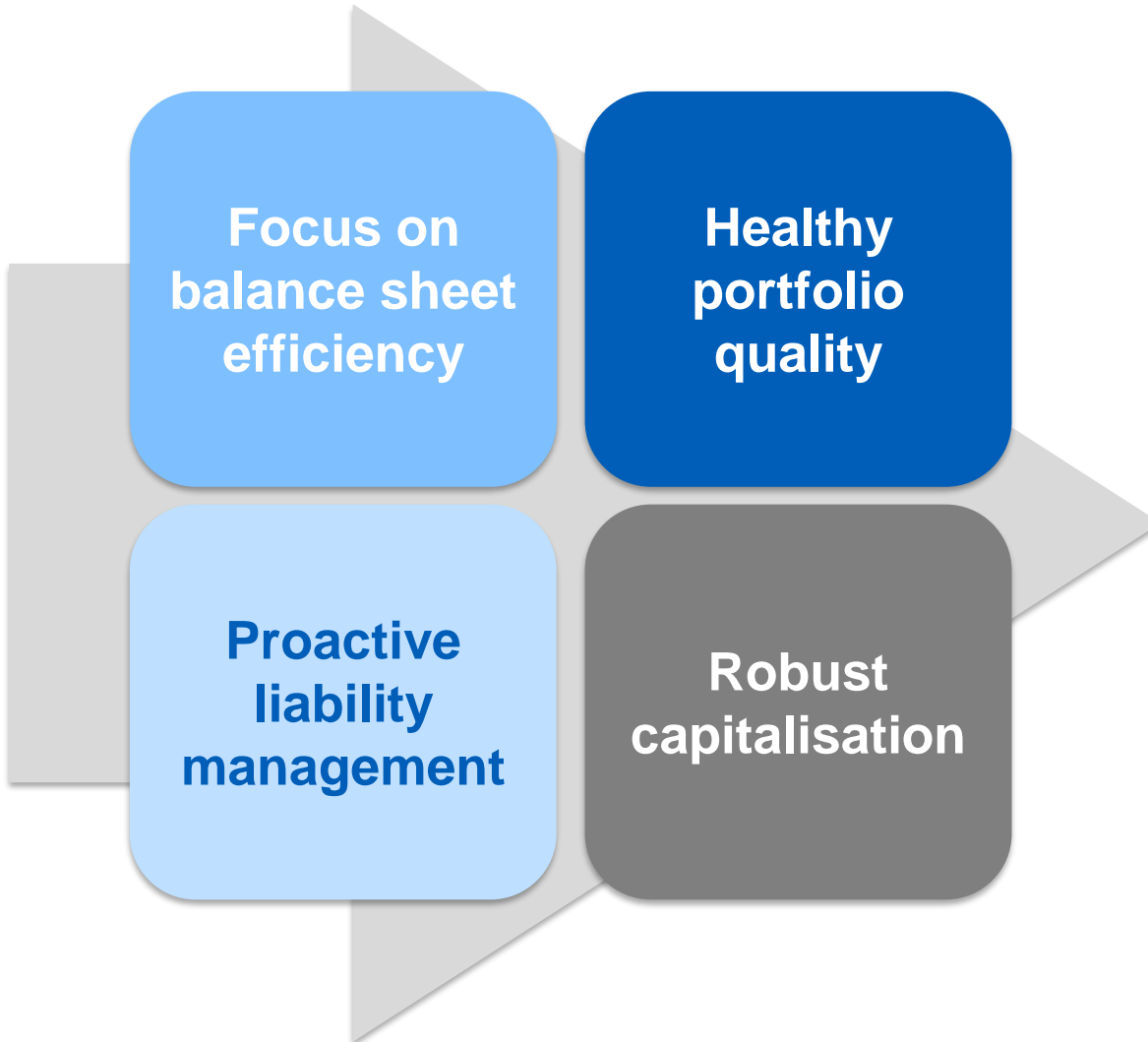
**+26%**  
Digital banking transactions by  
businesses across the Group<sup>1,3</sup>

1. Year on year growth. 2. Refers to payments made on Corporate PayNow, DuitNow and PromptPay in Singapore, Malaysia and Thailand.  
3. Refers to digital banking transactions via UOB Infinity/BIBPlus

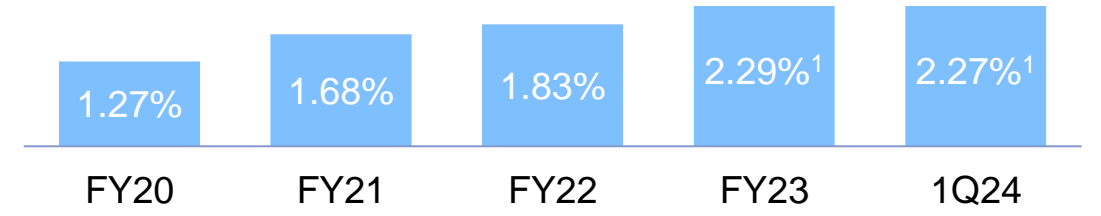
# D. Latest Financials



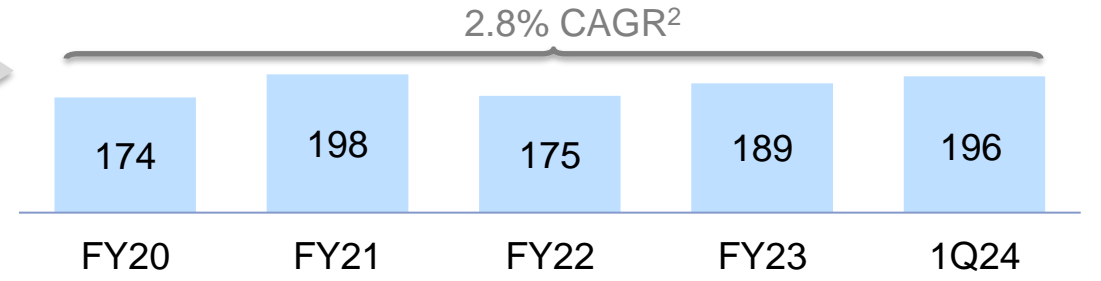
# Disciplined balance sheet management



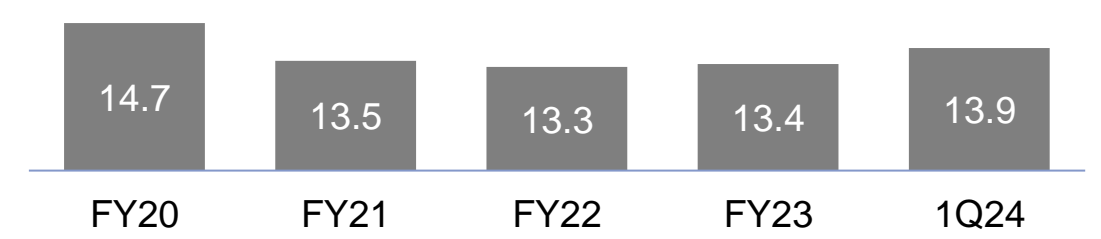
## Return on risk-weighted assets



## Current Account Saving Account Balances (SGD b)



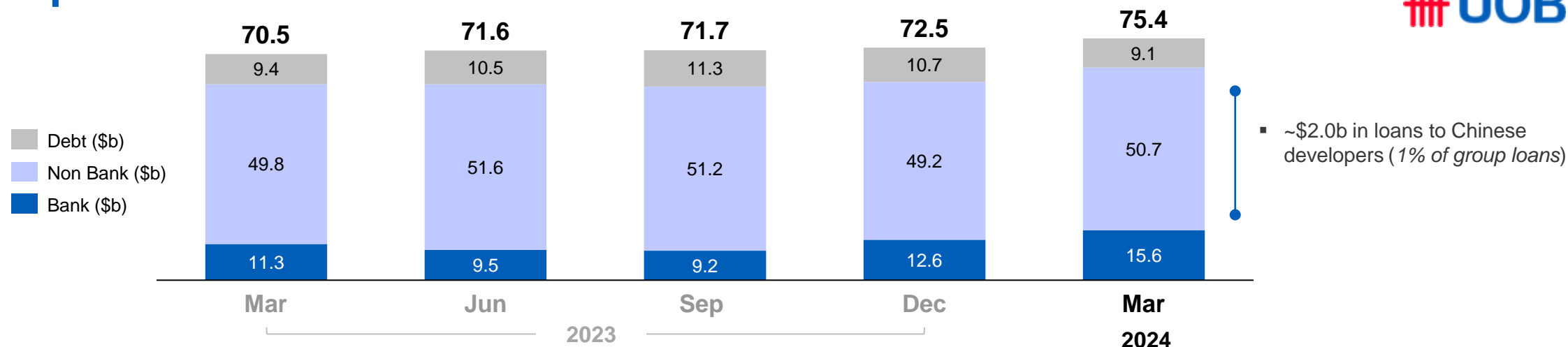
## Common Equity Tier 1 ratio (%)



Notes

- 1. Excluding one-off expenses
- 2. Compound annual growth rate over 3 years (FY20 to FY23)

# Exposure to Greater China



## As at 31 Mar 2024:

### Mainland China exposure

(\$27.1b or 5% of total assets)

### Hong Kong SAR exposure

(\$42.5b or 8% of total assets)

#### Bank exposure (\$12.2b)

- ~ 45% of total exposure to Mainland China, with top 5 domestic banks and 3 policy banks accounting for ~ 80% of total bank exposure
- ~ 100% with <1 year tenor; trade accounts for ~5% of total bank exposure

#### Non-bank exposure (\$11.8b)

- Client base include top-tier state-owned enterprises, large local corporates and foreign investment enterprises
- ~70% denominated in RMB and ~65% with <1 year tenor
- NPL ratio at 1.1%

#### Bank exposure (\$1.1b)

- ~80% are to foreign banks

#### Non-bank exposure (\$36.0b)

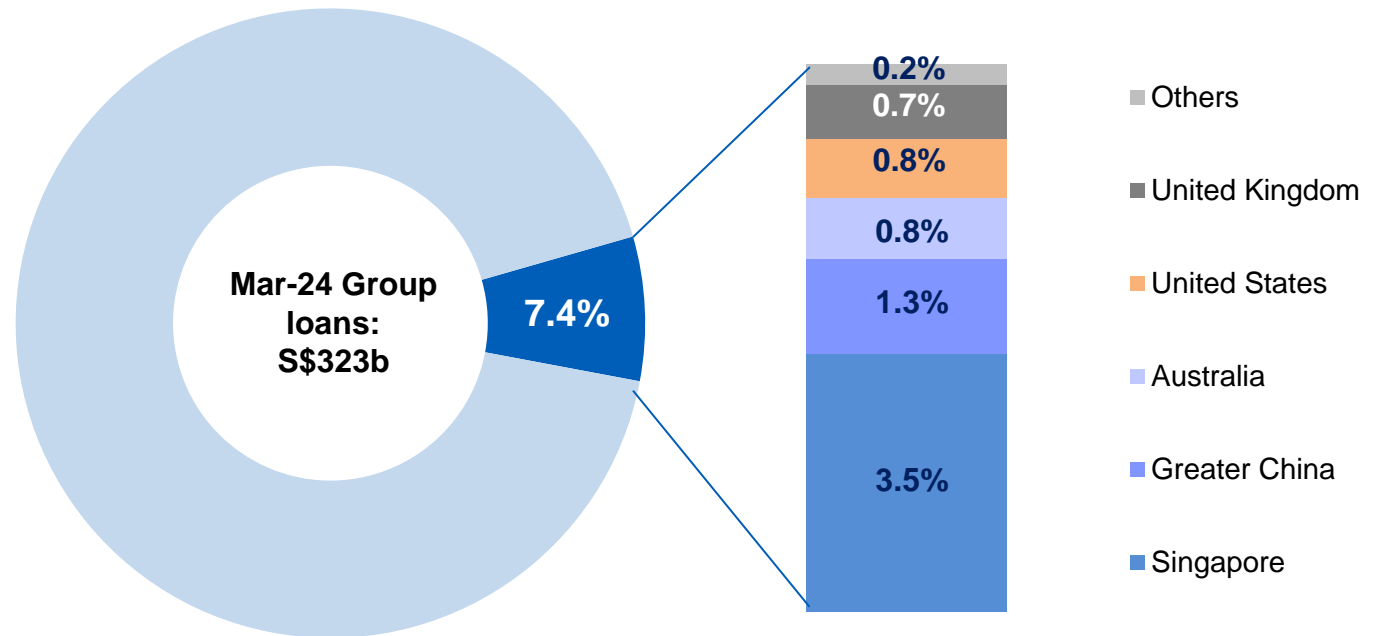
- Exposure mainly to corporate and institutional clients
- ~65% with <1 year tenor
- NPL ratio at 1.6%

Note: Classification is according to where credit risks reside, largely represented by the borrower's country of incorporation/operation for non-individuals and residence for individuals

# Exposure to Commercial Real Estate - Office

- Almost half of office exposure is in Singapore
- Overseas exposure backed by strong sponsors
- Largely secured by class-A office properties
- Average LTV around 50%

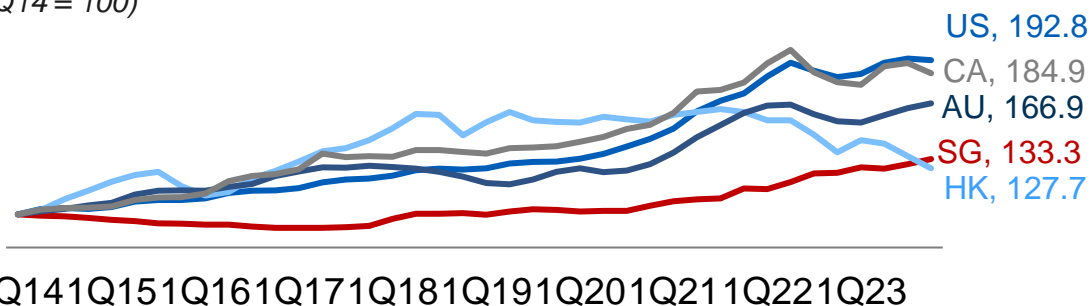
Commercial Real Estate - Office exposure is 7.4% of loans



# Singapore mortgages remain a low-risk asset class

## Low risk of housing bubble due to cooling measures

(1Q14 = 100)



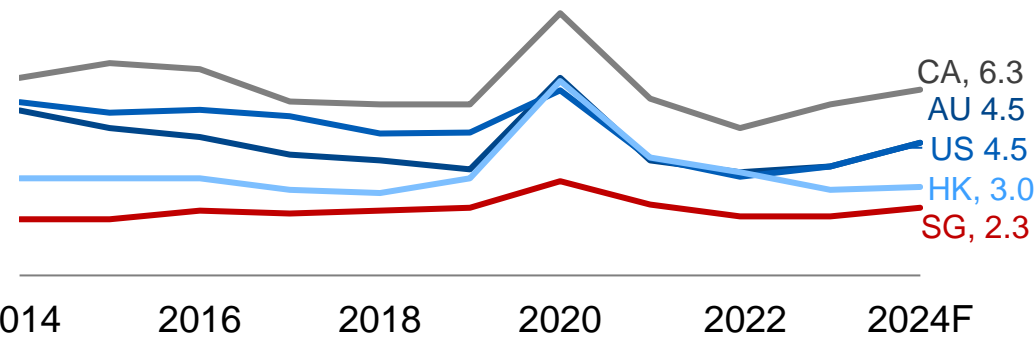
1Q14 1Q15 1Q16 1Q17 1Q18 1Q19 1Q20 1Q21 1Q22 1Q23

Based on latest property price data as of 4Q23

Sources: CEIC, UOB Economic-Treasury Research

## Low unemployment underscores housing affordability and support for mortgage servicing

(Unemployment, %)



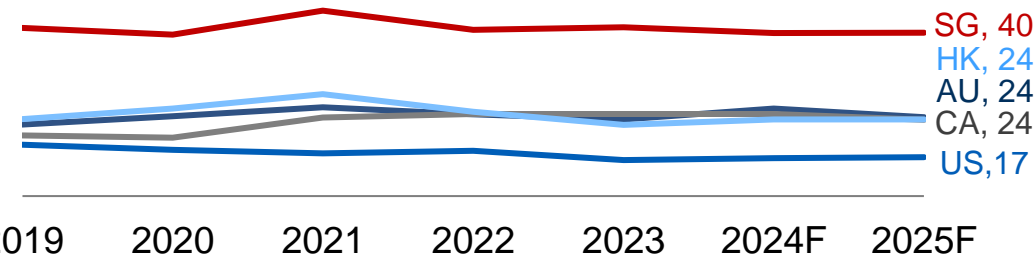
2014 2016 2018 2020 2022 2024F

Sources: Macrobond, UOB Economic-Treasury Research

Note: AU: Australia; CA: Canada; HK: Hong Kong; SG: Singapore; US: United States

## High national savings rate

(% of GDP)

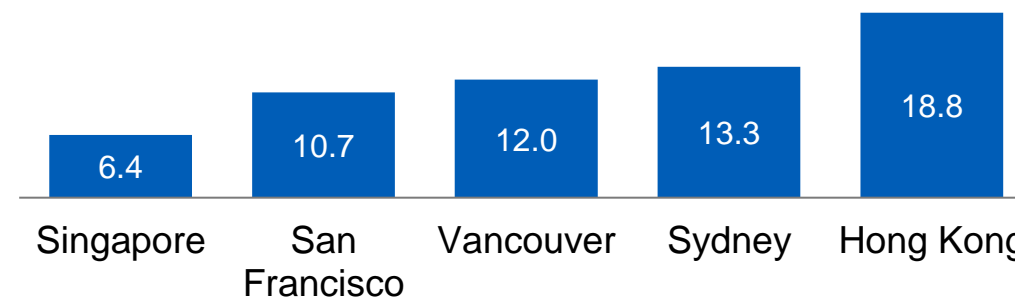


2019 2020 2021 2022 2023 2024F 2025F

Sources: IMF, UOB Economic-Treasury Research

## Singapore private residential housing stays affordable as median price-to-income ratio remains low

(Median price-to-income ratio (PIR))



As of 3Q22, based on 2023 edition of Urban Reform Institute report  
Singapore's PIR calculated based on condominium price of S\$1.41m and medium monthly household income of S\$18.5k.

Sources: Singapore Statistics, Urban Reform Institute, Frontier Centre for Public Policy, UOB Economic-Treasury Research

# Comparison against peers



			Standalone Strength	Cost Management	Returns	Liquidity	
Moody's	S&P	Fitch		Moody's baseline credit assessment	Costs/income ratio	Return on average assets (annualised)	Loan/deposit ratio
Aa1	AA-	AA-	<b>UOB</b>	a1	42% <sup>1</sup>	1.2% <sup>1</sup>	82%
Aa1	AA-	AA-	<b>OCBC</b>	a1	37%	1.6%	80%
Aa1	AA-	AA-	<b>DBS</b>	a1	37% <sup>1</sup>	1.6% <sup>1</sup>	78%
A3	A-	A+	<b>HSBC</b>	a3	39%	1.4%	59%
A3	BBB+	A	<b>SCB</b>	baa1	54%	0.7%	54%
A1	A-	AA-	<b>BOA</b>	a2	67%	0.8%	53%
A3	BBB+	A	<b>Citi</b>	baa1	67%	0.6%	50%
Aa3	AA-	A+	<b>CBA</b>	a2	44%	0.8%	106%
Aa3	AA-	A+	<b>NAB</b>	a2	46%	0.7%	121%
Aa1	AA-	AA-	<b>RBC</b>	a2	62%	0.7%	69%
Aa2	AA-	AA-	<b>TD</b>	a1	57%	0.8%	77%
A3	A-	n.r.	<b>CIMB</b>	baa1	47%	1.0%	89%
A3	A-	n.r.	<b>MBB</b>	a3	49%	1.0%	92%

1. Excluding one-off expenses

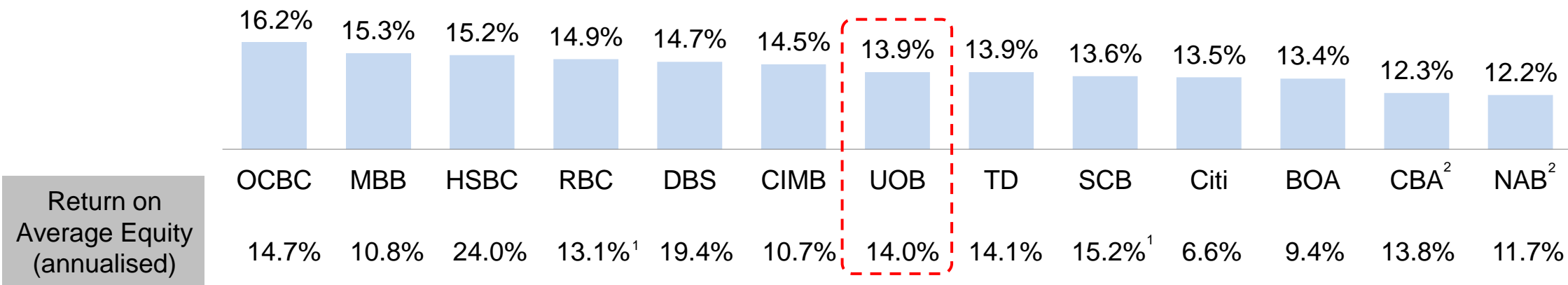
Source: Company reports, Credit rating agencies (updated as of 10 May 2024)

Financial data based on period ended 31 Dec 23, except for RBC/TD (period ended 31 Oct 23), NAB (30 Sep 23)

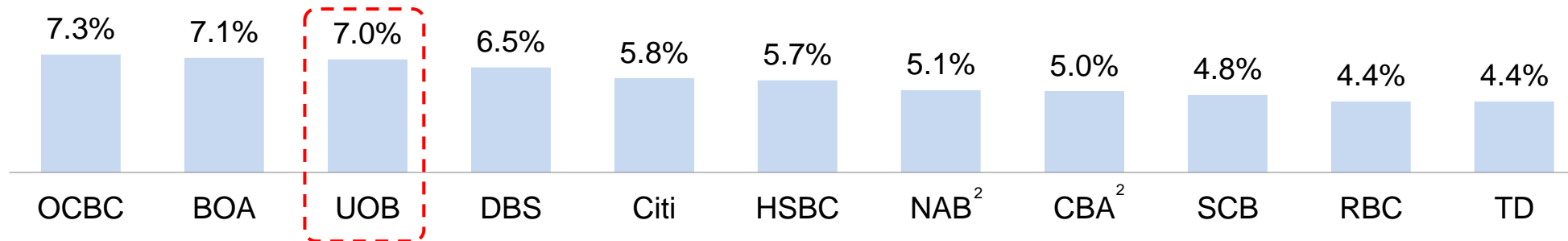
# Capital and leverage ratios



## Reported Common Equity Tier 1 CAR



## Reported Leverage Ratio



1. Excluding one-off expenses

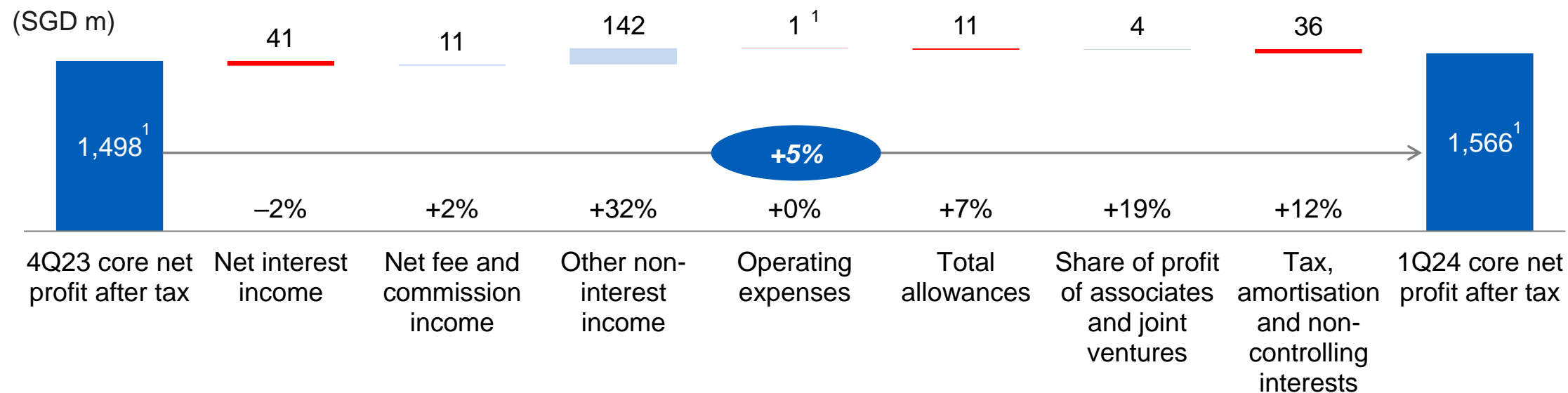
2. CBA's and NAB's common equity Tier 1 CARs based on APRA's standards; their respective internationally comparable ratio was 19.0% (31 Dec 23) and 17.5% (31 Mar 24)

Source: Company reports

Financial data based on period ended 31 Mar 24, except for RBC/TD (period ended 31 Jan 24), CBA, CIMB and Maybank (31 Dec 23)

# 1Q24 financial overview

## Core Net Profit After Tax Movement, 1Q24 vs 4Q23



Key Indicators	1Q24	4Q23	QoQ Change	1Q23	YoY Change
Net interest margin (%) <sup>1</sup>	2.02	2.02	-	2.14	-0.12% pt
Non-interest income / Income (%)	32.9	29.5	+3.4% pt	31.6	+1.3% pt
Cost / Income ratio (%) <sup>2</sup>	41.9	43.2	-1.3% pt	40.9	+1.0% pt
Return on equity (%) <sup>1, 2, 3</sup>	14.0	13.8	+0.2% pt	14.9	-0.9% pt

1. Computed on an annualised basis

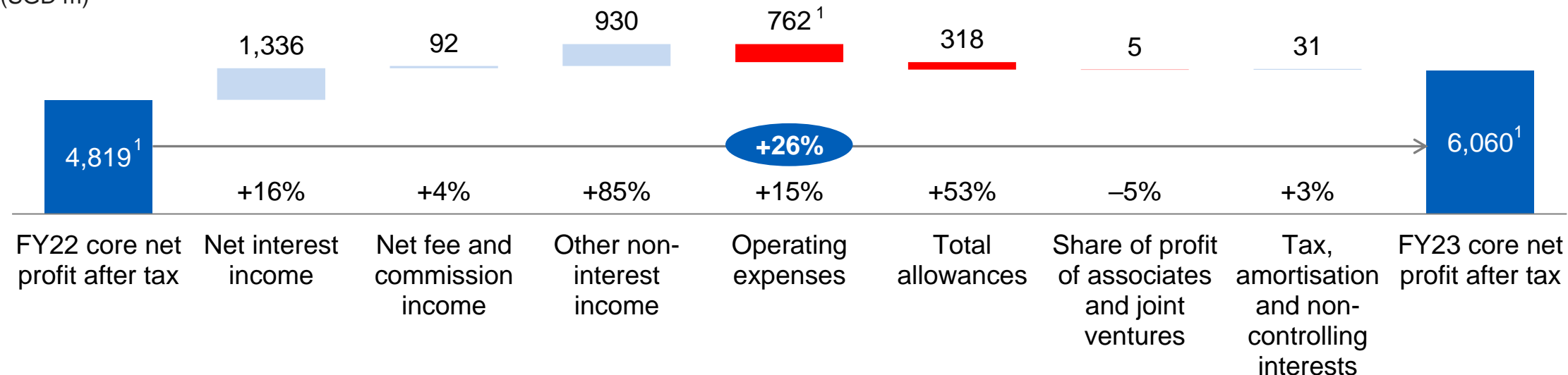
2. Excluding one-off expenses

3. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions

# FY23 financial overview

## Core Net Profit After Tax Movement, FY23 vs FY22

(SGD m)



Key Indicators	FY23	FY22	YoY Change
Net interest margin (%) <sup>2</sup>	2.09	1.86	+0.23% pt
Non-interest income / Income (%)	30.5	27.9	+2.6% pt
Cost / Income ratio (%) <sup>1</sup>	41.5	43.3	-1.8% pt
Return on equity (%) <sup>1, 2, 3</sup>	14.2	11.9	+2.3% pt

1. Excluding one-off expenses

2. Computed on an annualised basis

3. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions



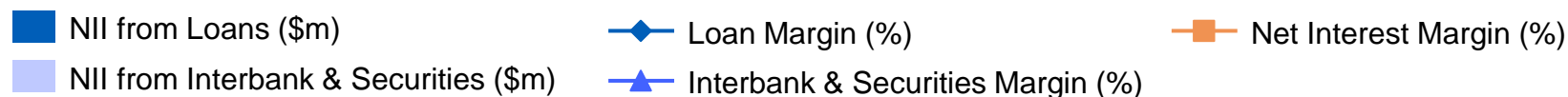
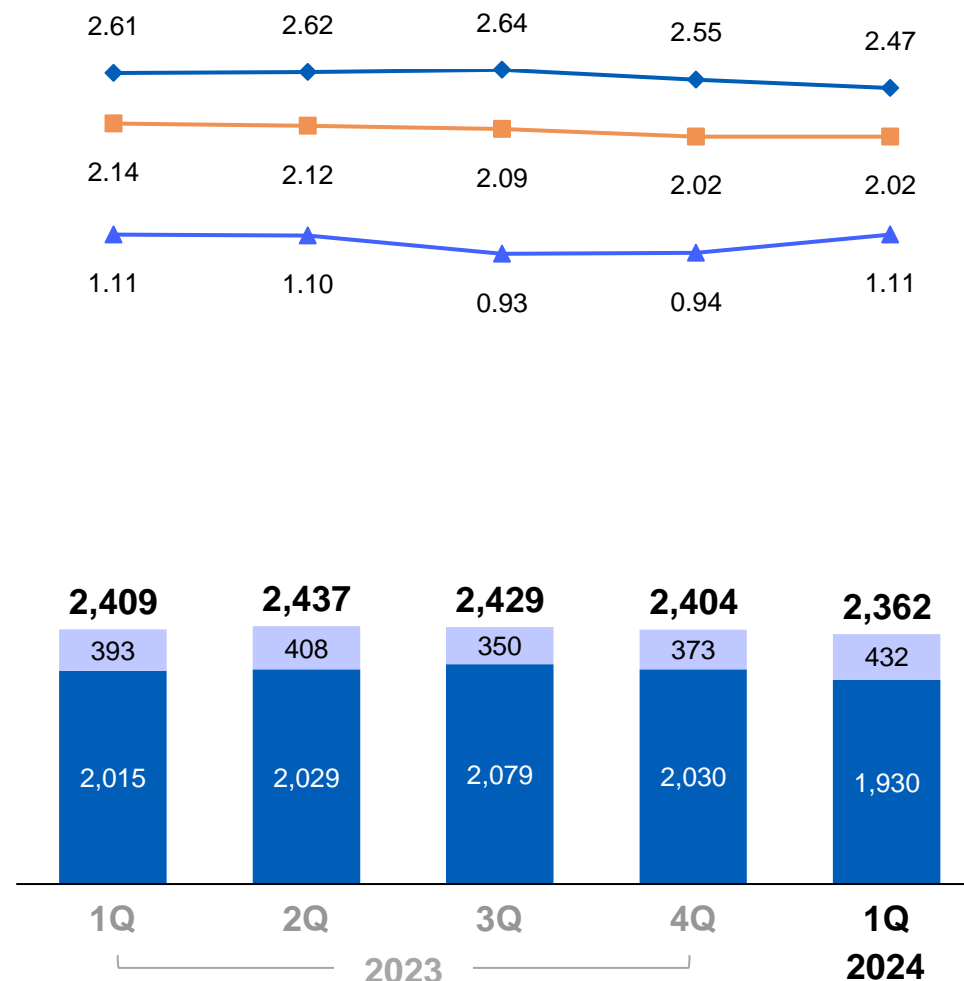
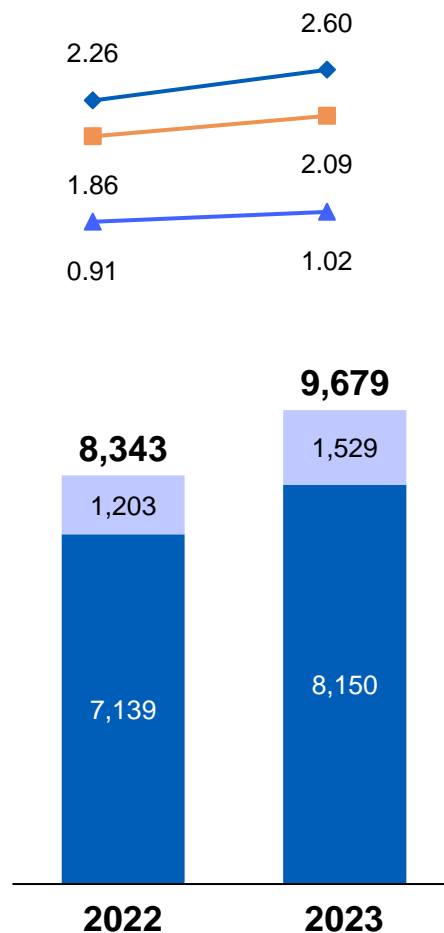
## Performance by Geography

- Broad based growth across Singapore, ASEAN-4 and North Asia on constant currency basis

	1Q24 \$m	4Q23 \$m	QoQ +/(-)%	QoQ (Constant Rate) +/(-)%	1Q23 \$m	YoY +/(-)%	YoY (Constant Rate) +/(-)%
<b>Total Income</b>							
Singapore	1,958	1,891	4	4	2,052	(5)	(5)
<b>ASEAN-4</b>	<b>928</b>	934	(1)	1	948	(2)	3
Malaysia	364	366	(0)	1	388	(6)	0
Thailand	379	390	(3)	(1)	375	1	5
Indonesia	159	154	3	4	163	(3)	1
Vietnam	26	25	4	5	22	19	24
<b>North Asia</b>	<b>362</b>	302	20	20	266	36	38
Greater China	330	277	19	19	243	36	37
Others	31	25	24	26	23	35	43
<b>Rest of the world</b>	<b>275</b>	283	(3)	(3)	258	7	6
<b>Total</b>	<b>3,523</b>	3,410	3	4	3,524	(0)	1

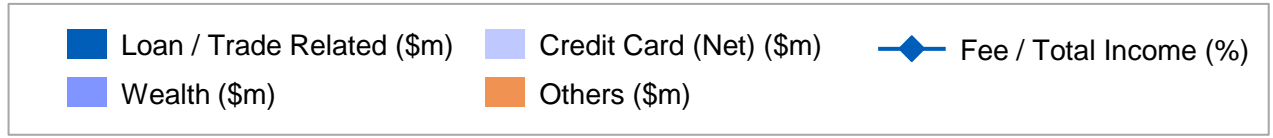
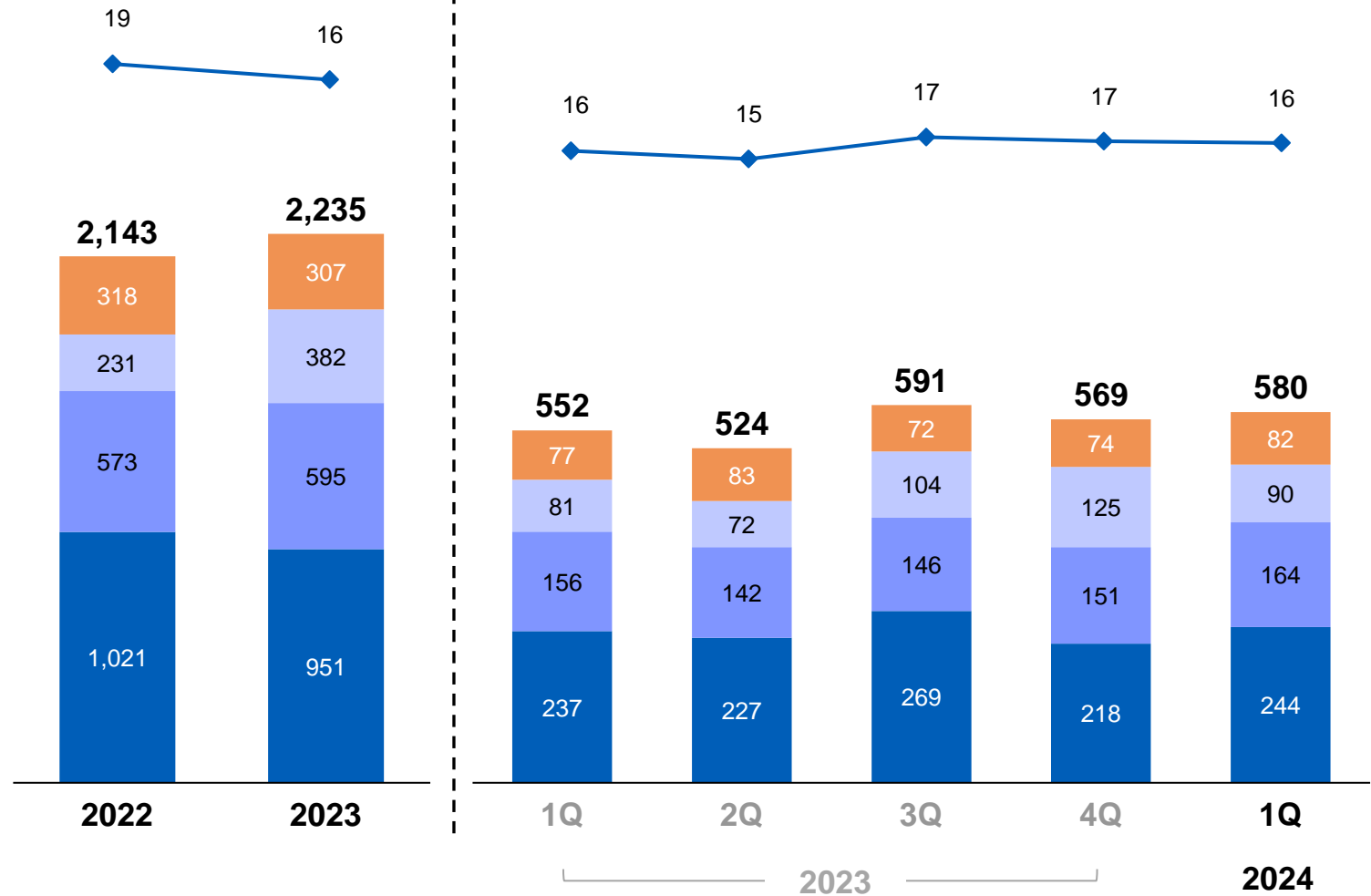
# Net Interest Income and Margin

- 1Q24 NII eased 2% mainly due to a shorter quarter
- NIM stabilised at 2.02%, with active balance sheet management



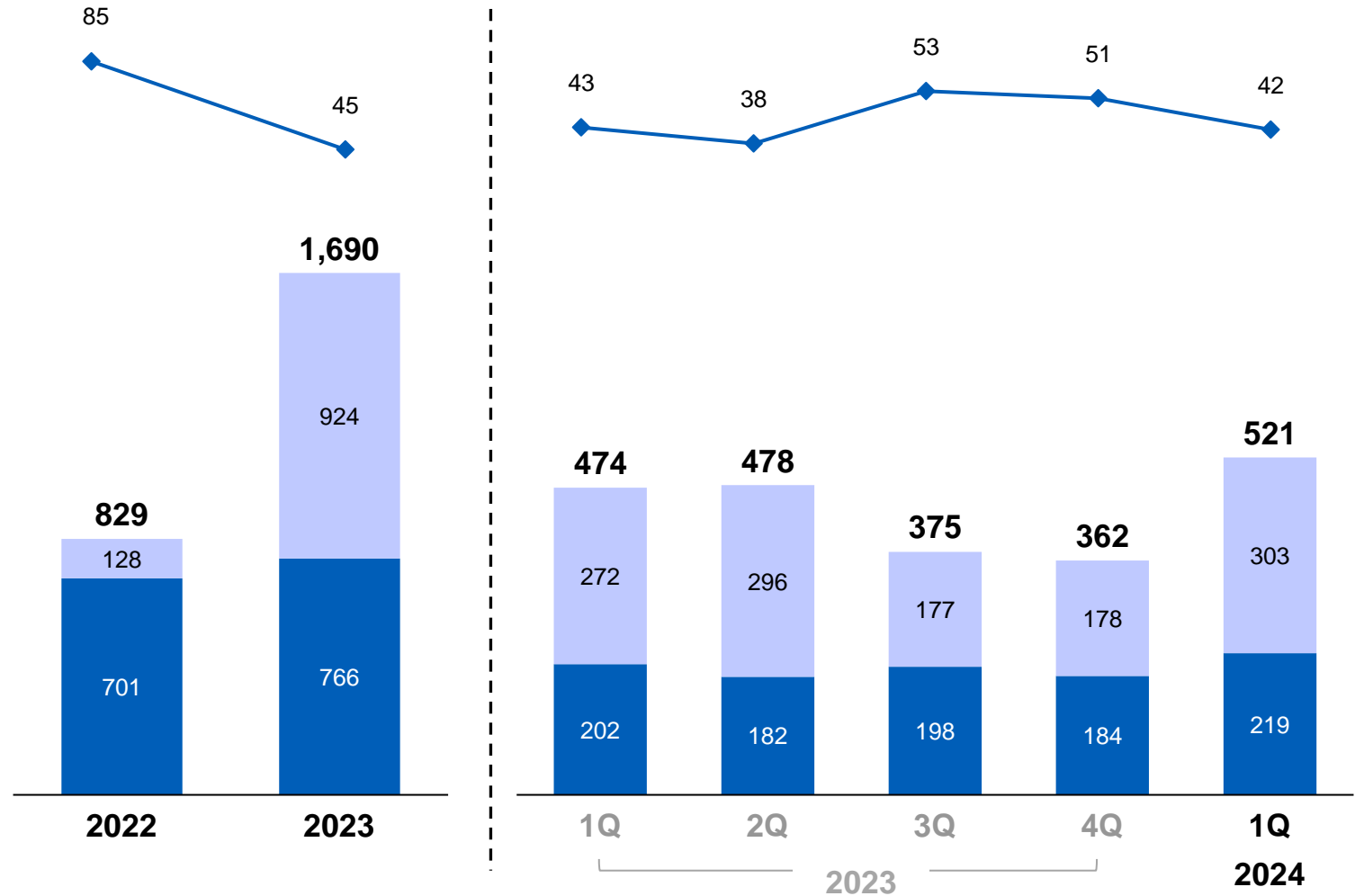
# Fee Income

- Good performance in loan-related fees and pickup in wealth
- Credit card fees normalised from last quarter's seasonal high



# Trading & Investment Income

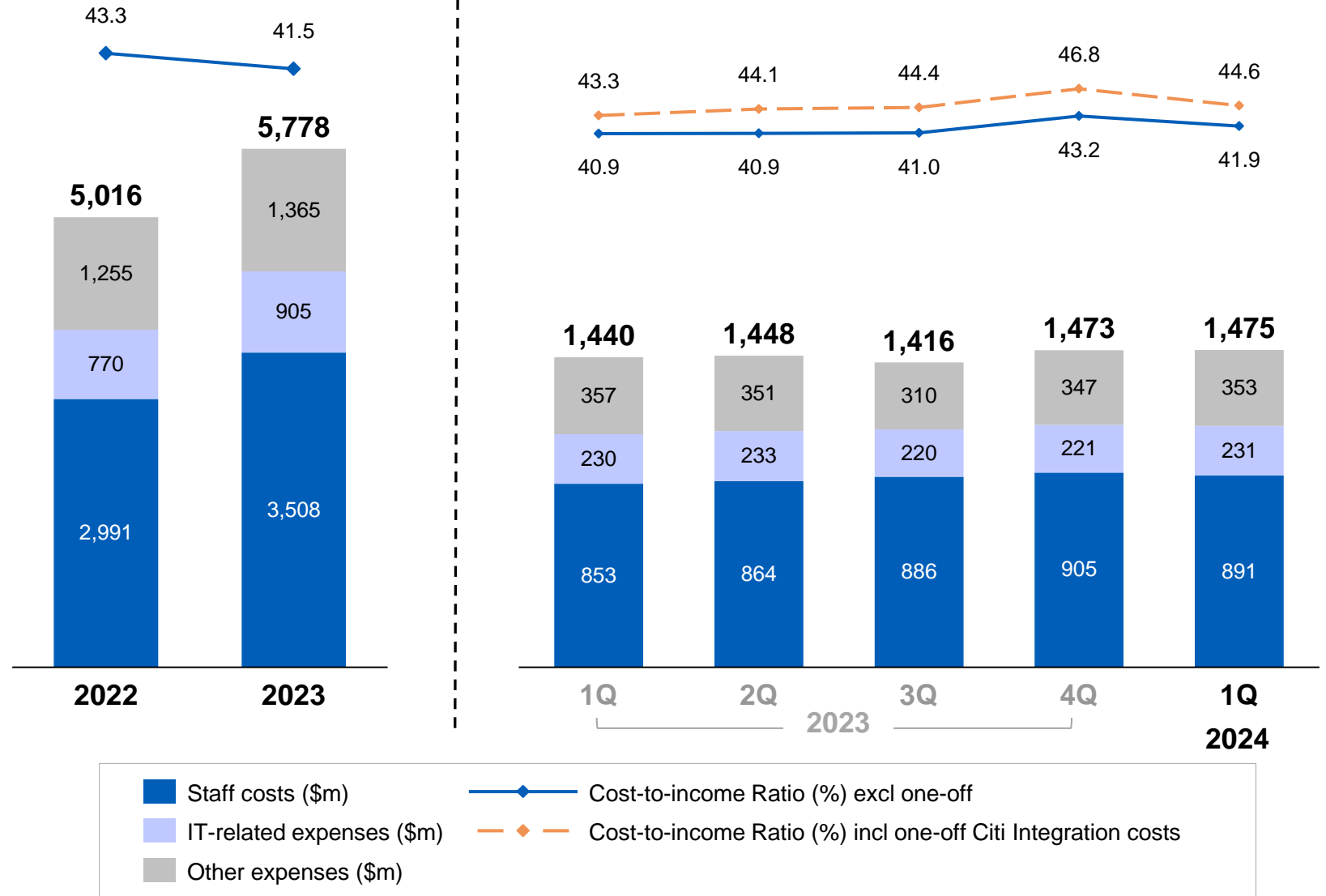
- Record customer-related treasury income from increased retail bond sales and strong hedging demands
- Robust performance from trading and liquidity management activities



■ Customer Related (\$m) 
 ■ Others (\$m) 
 ◆ Customer related / T&I (%)

# Core Expenses and Cost / Income Ratio <sup>(1)</sup>

- 1Q24 core CIR improved to 41.9% on the back of enlarged income base
- Expense growth mainly to support franchise and strategic priorities



(1) Excluding one-off expenses

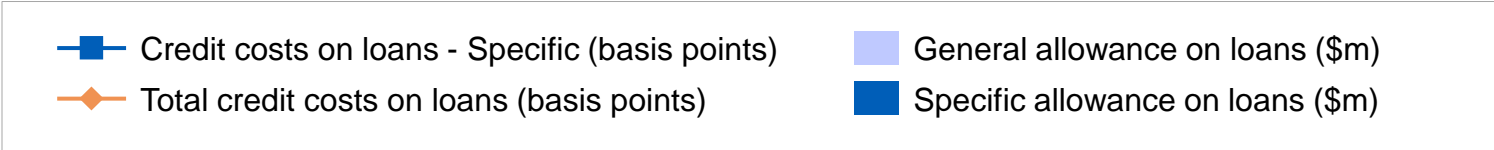
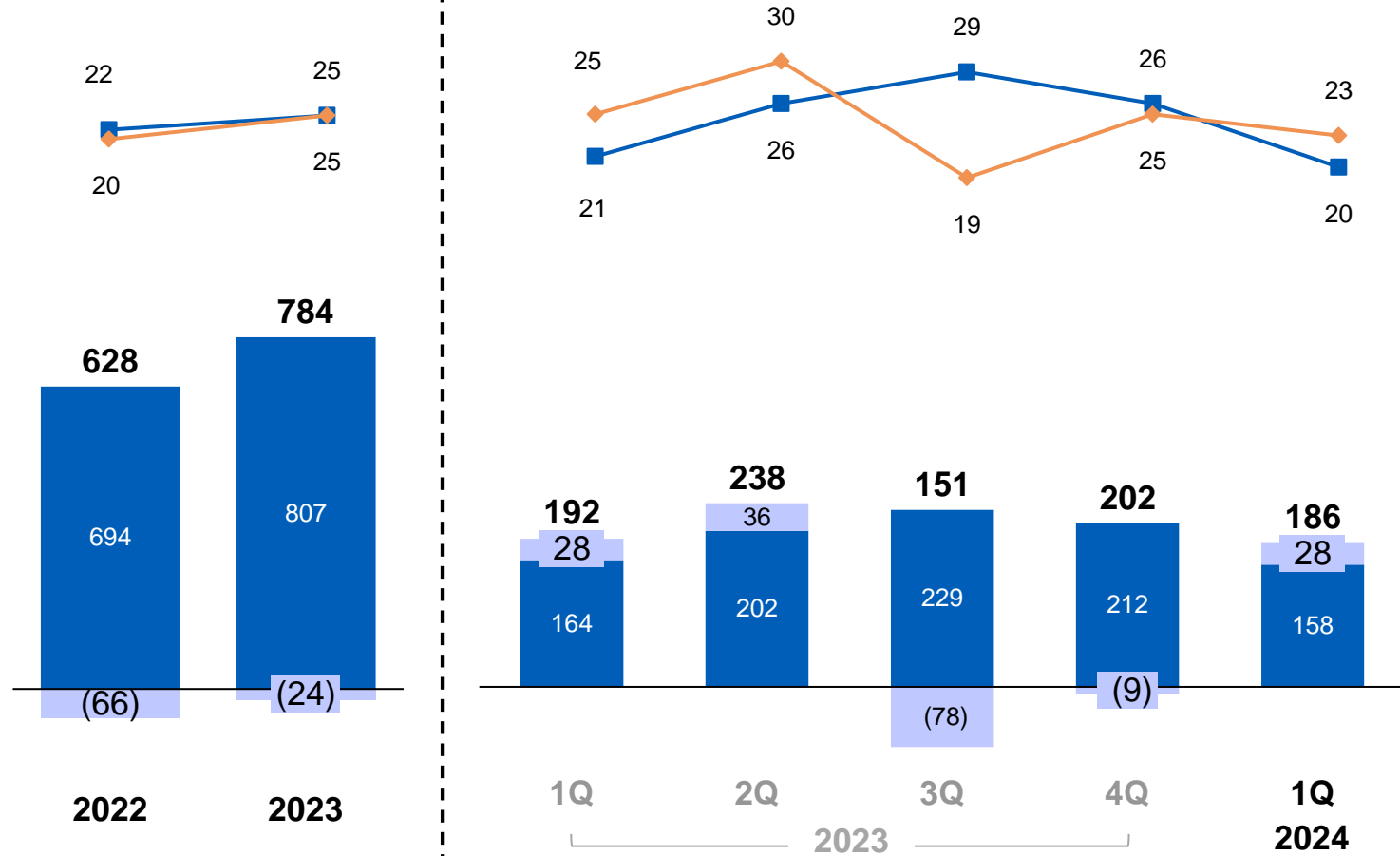
## Non-Performing Assets

- Stable asset quality with lower new NPA formation. NPL ratio unchanged at 1.5%
- Credit portfolio well-collateralised with SP/NPA at 32%

(\$m)	2023				2024
	1Q	2Q	3Q	4Q	1Q
<b>NPAs at start of period</b>	5,127	5,150	5,192	5,011	4,946
<u>Non-individuals</u>					
New NPAs	301	364	267	389	249
Less:					
Upgrades and recoveries	80	137	298	288	183
Write-offs	218	65	150	218	34
	<u>5,130</u>	<u>5,312</u>	<u>5,011</u>	<u>4,894</u>	<u>4,979</u>
Individuals	13	(120)	0	38	72
<b>NPAs at end of period</b>	5,143	5,192	5,011	4,932	5,051
Add: Citi acquisition	7			14	
<b>NPAs at end of period including Citi</b>	<u>5,150</u>	<u>5,192</u>	<u>5,011</u>	<u>4,946</u>	<u>5,051</u>
<b>NPL Ratio (%)</b>	1.6	1.6	1.6	1.5	<b>1.5</b>
<b>Specific allowance/NPA (%)</b>	32	33	34	32	<b>32</b>

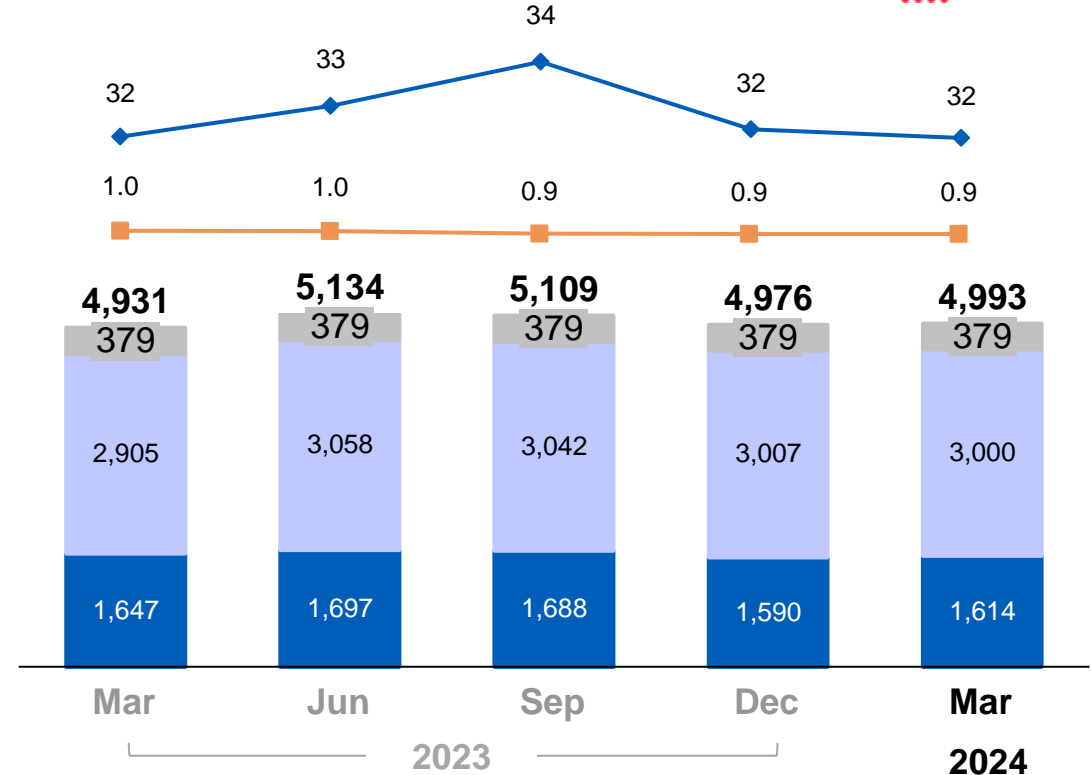
# Total Allowance on Loans

- Total credit costs improved to 23bps from decline in specific allowance on lower NPL formation



# Allowance Coverage

- Reserve buffer remained adequate with prudent coverage for performing loans at 0.9%
- Healthy NPA coverage at 99% or 204% taking collateral into account



<b>NPA coverage (%)<sup>2</sup></b>	96	99	102	101	<b>99</b>
<b>Unsecured NPA coverage (%)<sup>2</sup></b>	212	209	205	209	<b>204</b>

■ General allowance on loans include RLAR/Performing loans (%)    
 ◆ Specific allowance/NPA (%)  
■ Specific allowance (\$m)    
 ■ General allowance (\$m)    
 ■ RLAR (\$m)<sup>1</sup>

Notes:

- (1) Regulatory loss allowance reserve (RLAR) is a non-distributable reserve appropriated through retained earnings to meet MAS Notice No. 612 Credit Files, Grading and Provisioning requirements.
- (2) Includes RLAR as part of total allowance.



## Gross Loans

- Loans grew 1% QoQ and 3% YoY on constant currency basis
- Loans growth largely from selective good credits and trade

	Mar-24 \$b	Dec-23 \$b	Mar-23 \$b	QoQ +/(-)%	YoY +/(-)%
Singapore	157	158	155	(1)	1
<b>ASEAN-4</b>	<b>69</b>	69	68	(1)	0
Malaysia	31	32	33	(1)	(5)
Thailand	25	25	24	(3)	4
Indonesia	10	10	10	4	4
Vietnam	2	2	2	2	8
<b>North Asia</b>	<b>55</b>	54	53	2	3
Greater China	51	49	50	3	2
Others	4	5	4	(11)	10
<b>Rest of the world</b>	<b>43</b>	40	39	6	10
<b>Total</b>	<b>323</b>	321	316	0	2
<i>At constant FX basis</i>	323	321	313	1	3

Note: Loans are classified based on where credit risks reside, represented by country of incorporation/operation for non-individuals and residence for individuals.

## Total Funding

- Customer deposits up 1% QoQ and 4% YoY
- Healthy growth in CASA and CASA ratio surpassed 50% mark

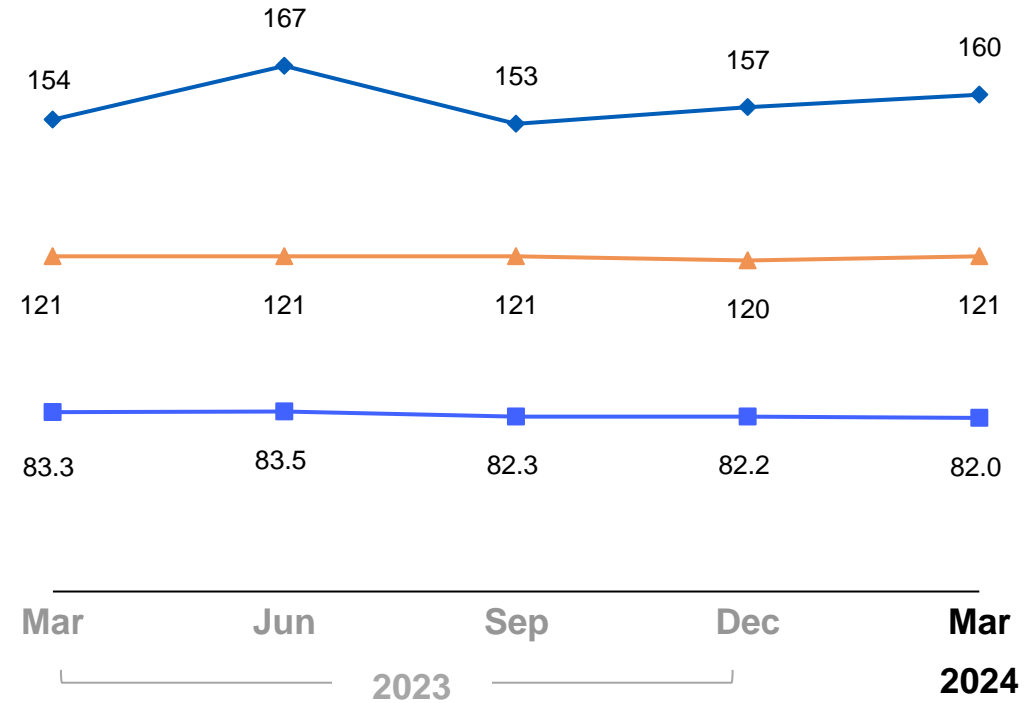
	Mar-24 \$b	Dec-23 \$b	Mar-23 \$b	QoQ +/(-)%	YoY +/(-)%
Singapore	267	264	254	1	5
<b>ASEAN-4</b>	<b>74</b>	<b>73</b>	<b>73</b>	<b>1</b>	<b>1</b>
Malaysia	34	34	34	0	2
Thailand	27	27	26	1	3
Indonesia	10	10	11	3	(4)
Vietnam	2	2	2	8	4
<b>North Asia</b>	<b>23</b>	<b>24</b>	<b>22</b>	<b>(2)</b>	<b>6</b>
Greater China	23	24	22	(3)	5
Others	0	0	0	53	47
<b>Rest of the world</b>	<b>24</b>	<b>24</b>	<b>25</b>	<b>2</b>	<b>(3)</b>
Total Customer Deposits	388	385	374	1	4
Wholesale funding <sup>1</sup>	60	71	60	(16)	(1)
Total funding	448	457	435	(2)	3
<b>CASA/Deposit Ratio (%)</b>	<b>50.6</b>	<b>48.9</b>	<b>47.9</b>	<b>1.7</b>	<b>2.7</b>

Note:

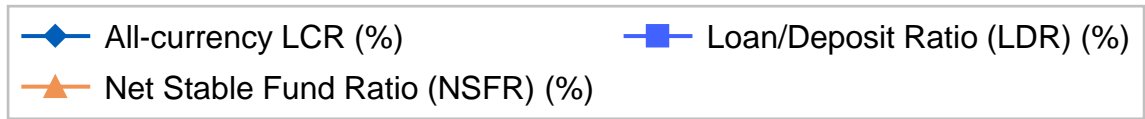
(1) Comprising debt issuances, perpetual capital securities and interbank liabilities.

# Liquidity Ratios

- Liquidity and funding positions remained comfortably above regulatory requirements

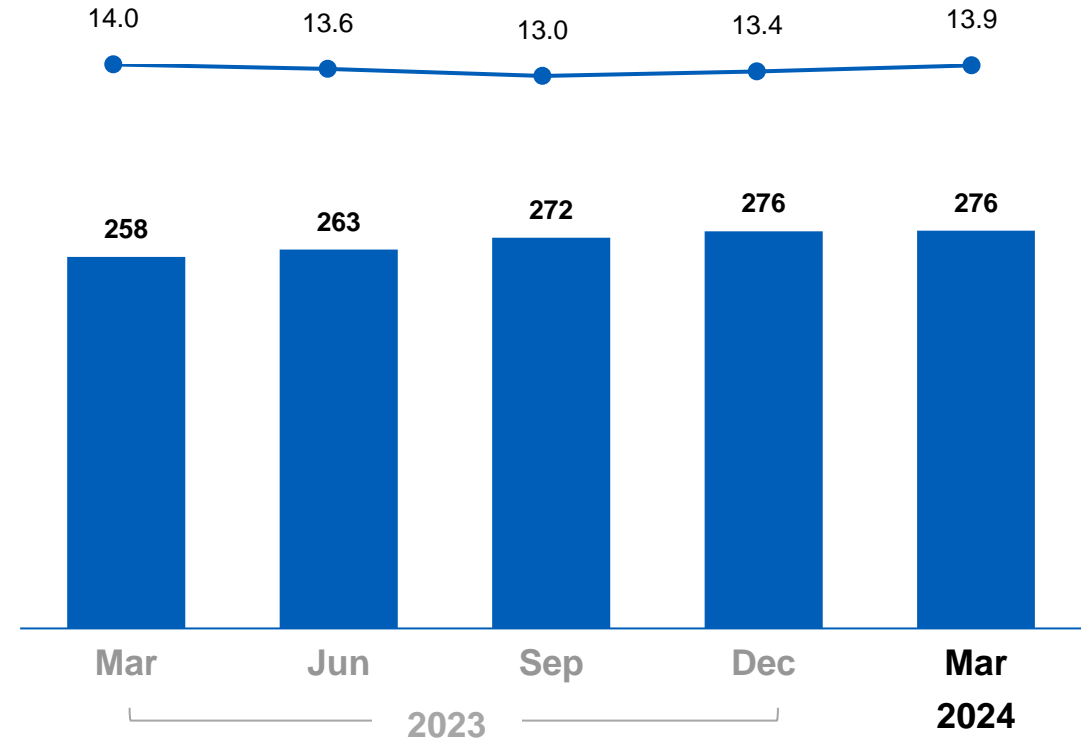


USD LDR (%)	60.7	62.9	60.7	56.5	59.7
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# Capital

- CET1 ratio rose to 13.9% from profit accretion while RWA remained stable

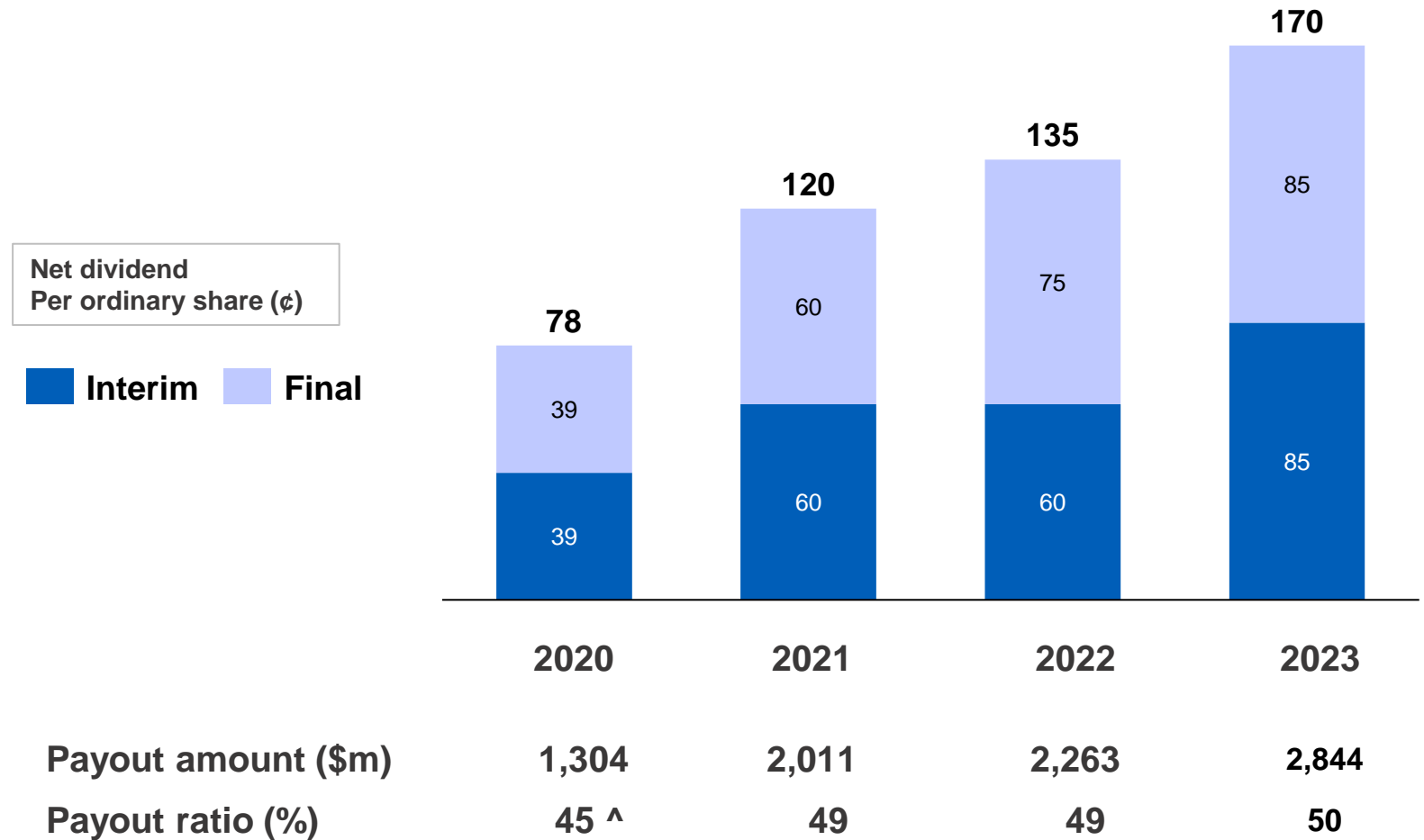


Leverage ratio (%)	7.0	7.0	6.8	6.9	7.0



## Dividends

- Committed to consistent and sustainable returns to shareholders
- Proposed final dividend of 85 cents per share



<sup>^</sup> Dividend for 2020 is in line with Monetary Authority of Singapore's call for banks to cap the total dividends per share (DPS) at 60% of 2019's DPS.



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