



# UOB Group

Resilient portfolio with diversified  
business drivers

March 2024

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# 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 400 branches in 18 countries and territories.

Note: Financial statistics as at 31 December 2023

1. USD 1 = SGD 1.31867 as at 31 December 2023
2. Average for 4Q23
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 FY23

■ Gross loans	: SGD321b	(USD244b <sup>1</sup> )
■ Customer deposits	: SGD385b	(USD292b <sup>1</sup> )
■ Loan / Deposit ratio	: 82.2%	
■ Net stable funding ratio	: 120%	
■ All-currency liquidity coverage ratio	: 157% <sup>2</sup>	
■ Common Equity Tier 1 ratio	: 13.4%	
■ Leverage ratio	: 6.9%	
■ Return on equity <sup>3 4</sup>	: 14.2%	
■ Return on assets <sup>4</sup>	: 1.19%	
■ Net interest margin	: 2.09%	
■ Non-interest income / Total income	: 30.5%	
■ Cost / Income <sup>4</sup>	: 41.5%	
■ 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

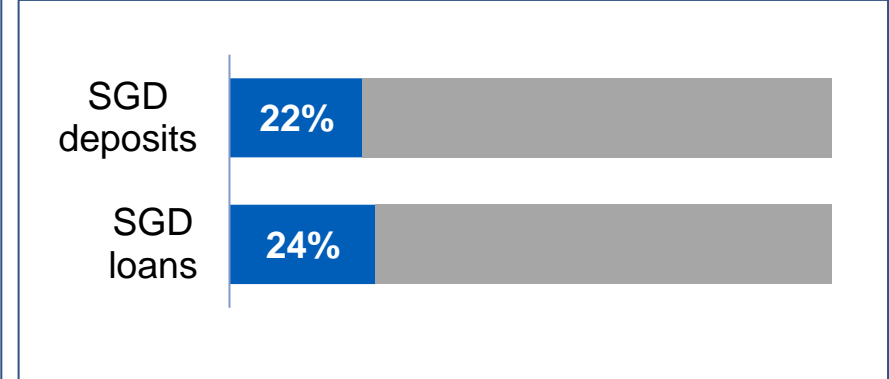
- Strong player in Singapore dollar treasury instruments

## 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

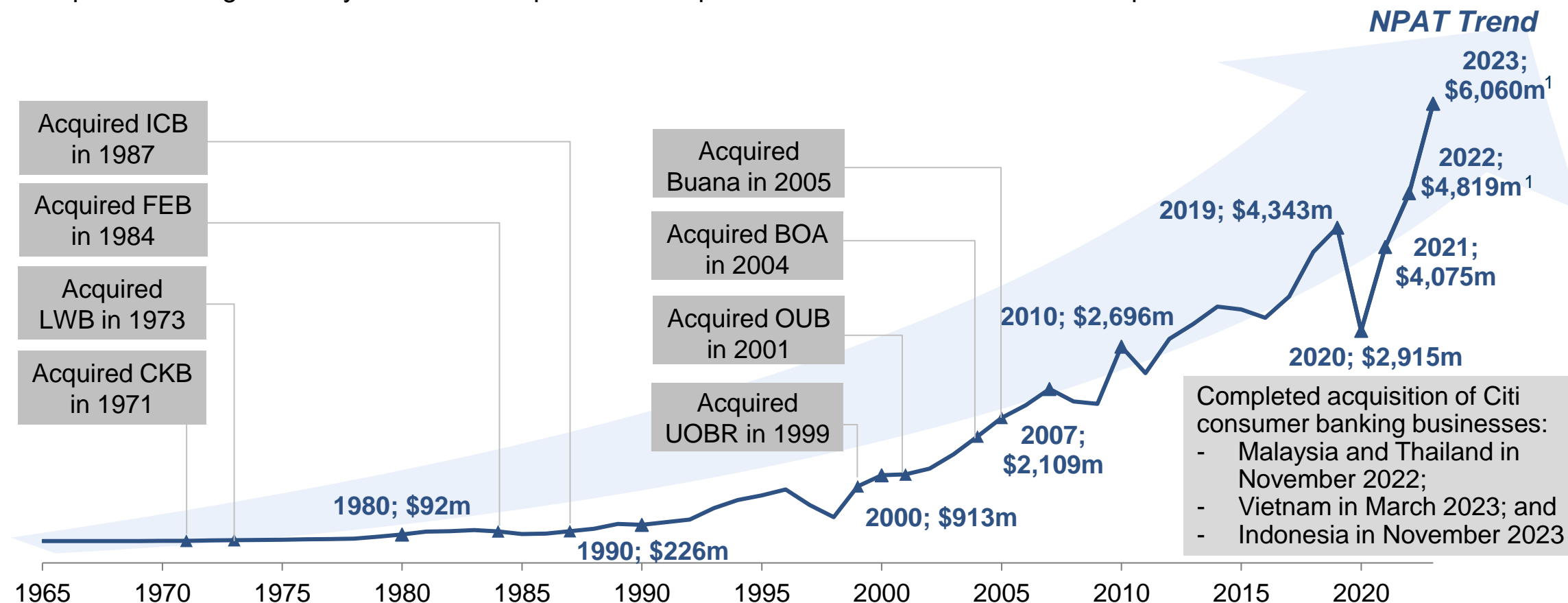
## Sizeable domestic market share



Source: UOB, MAS (data as of 31 Dec 2023)

# 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

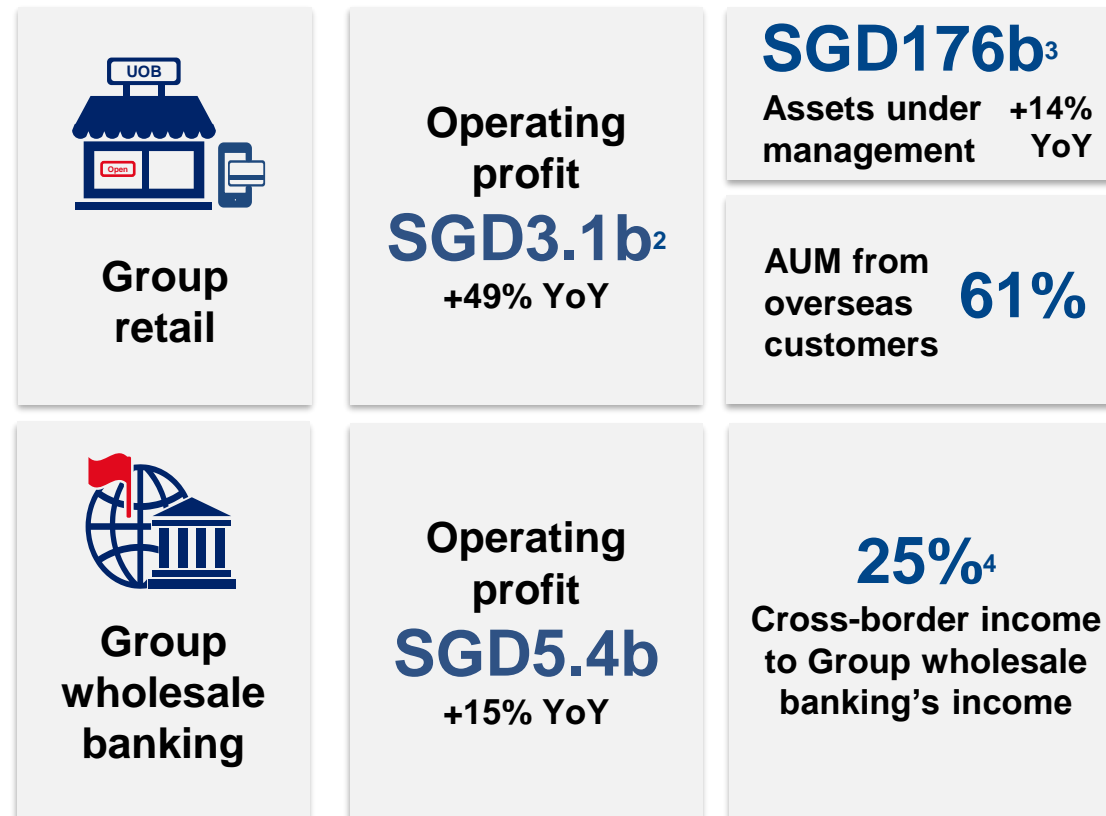


## Extensive regional footprint



- 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

## FY23 performance by segment



1. Comprise Mainland China, Hong Kong SAR and Taiwan
2. Excluding one-off expenses
3. Refers to Privilege Banking, Privilege Reserve and Private Bank – including acquisition of Citigroup Malaysia, Indonesia, Thailand and Vietnam
4. As of Dec-2023

# UOB Sydney – Overview



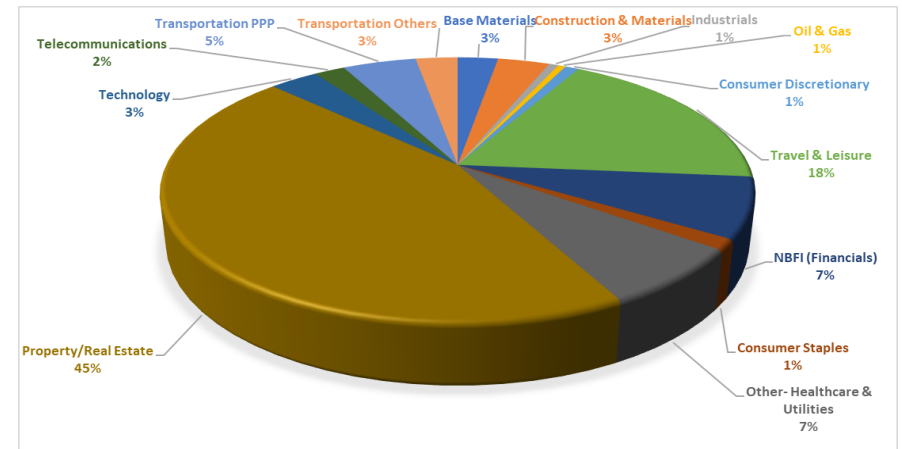
## Long-term commitment to Australia

- Australian operations are a key component of UOB Group’s regional strategy
- UOB Group obtained an Australian merchant banking license in 1986 and a full branch license in 1993
- Key management personnel banking experience ranges from 20 to 40 years
- Wholesale banking focus
- Positioned to benefit from increased commercial links between Australian and Southeast Asian economies

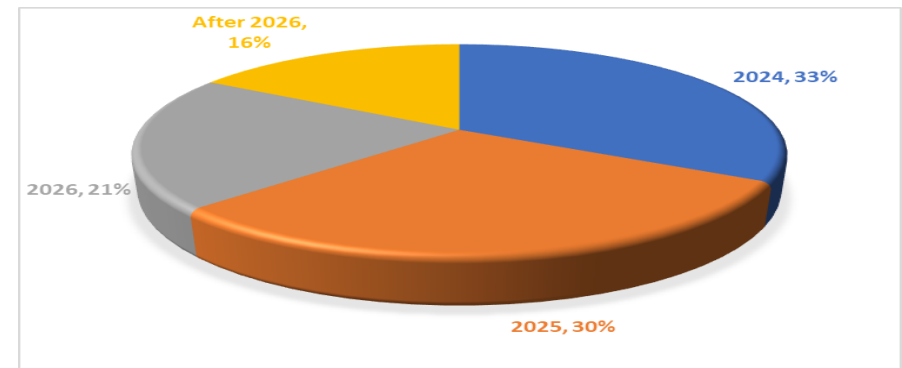
## High Quality Balance Sheet

- Well diversified loan book and funding mix
- Active in local funding markets and able to utilise inter-group funding
- Holds substantial high-quality liquid assets and repo-eligible securities

### Gross Loan Outstanding by Industry



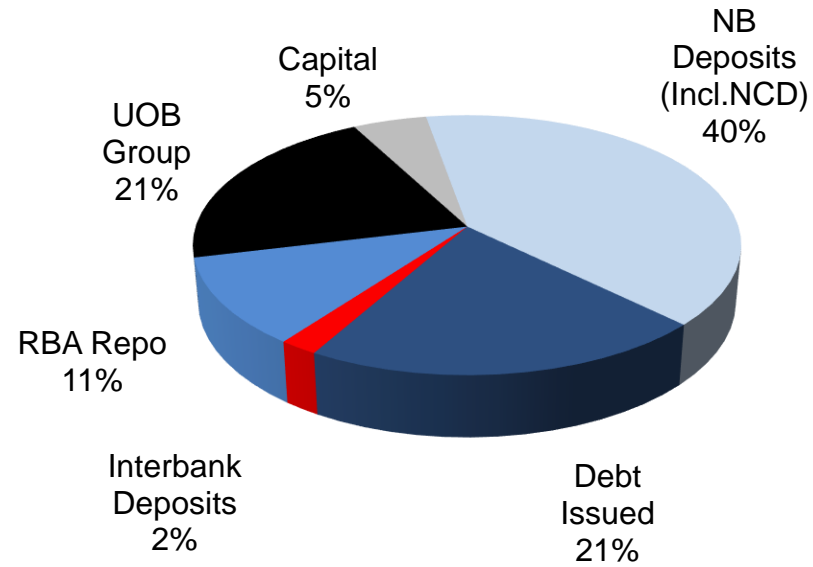
### Gross Loan Outstanding by Maturity



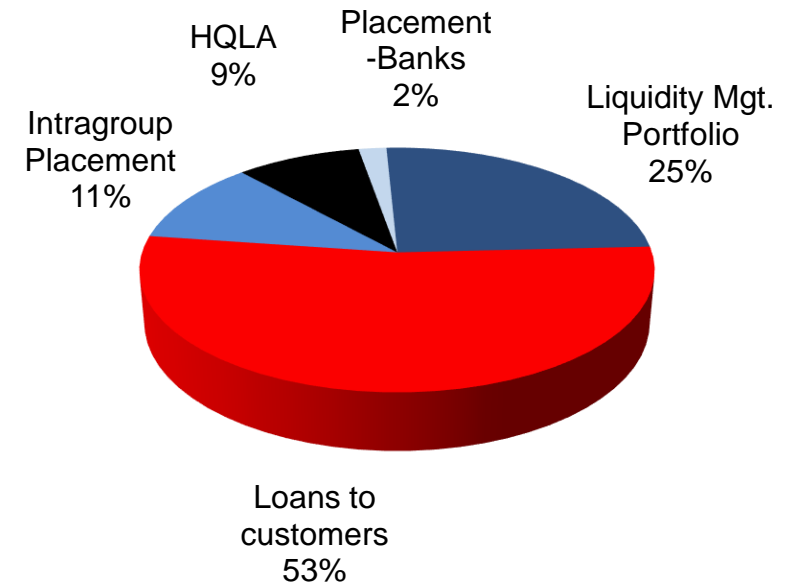
# UOB Sydney – Balance Sheet Summary



## Funding Mix



## Total Assets



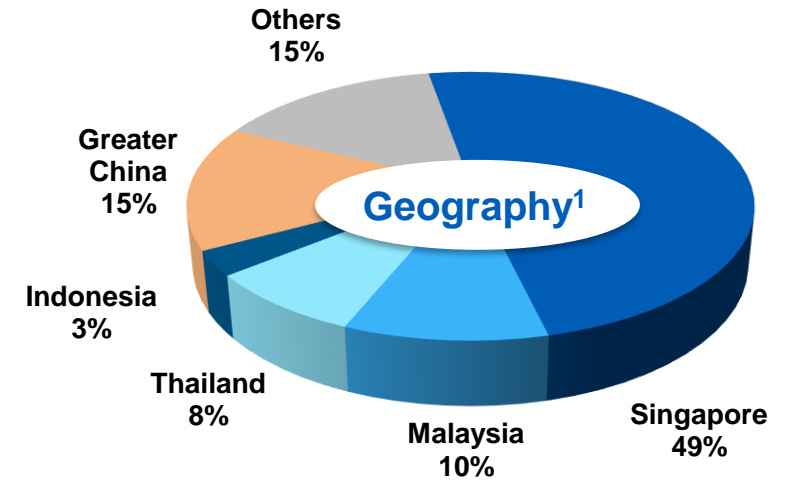
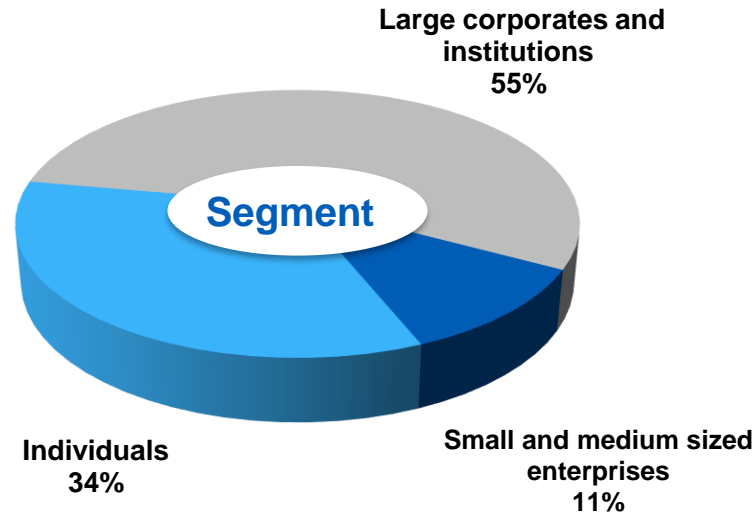
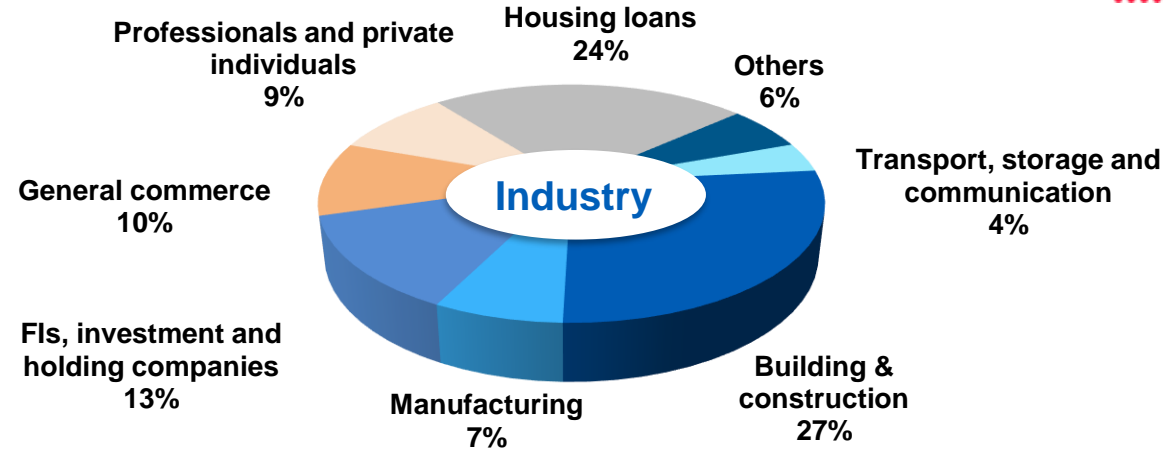
Total Assets:

- AUD 23bn as at 31 Dec 2023 (Dec 2022: AUD 22bn)



## 2. Strong UOB Fundamentals

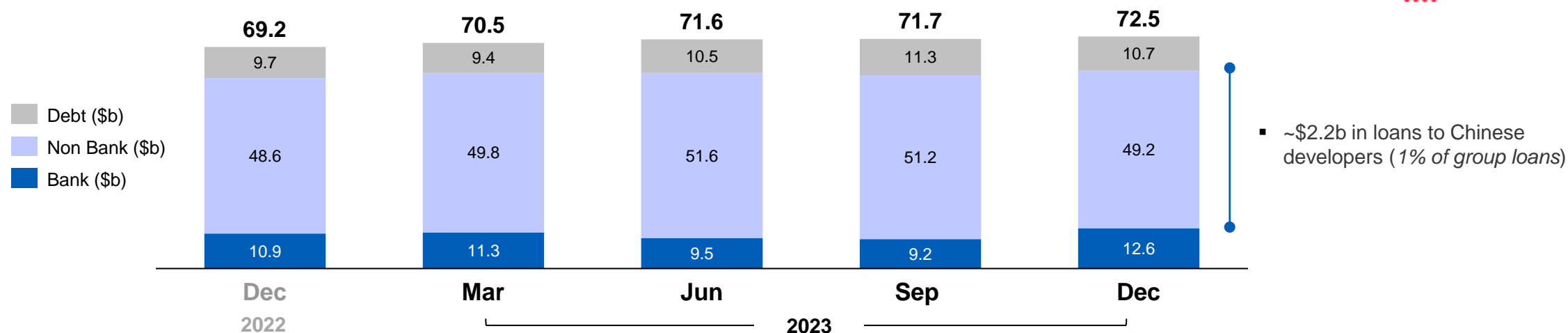
# Diversified loan portfolio



Note: Financial statistics as at 31 December 2023

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

# Exposure to Greater China



## As at 31 Dec 2023:

### Mainland China exposure

(\$25.0b or 5% of total assets)

### Hong Kong SAR exposure

(\$41.6b or 8% of total assets)

#### Bank exposure (\$9.0b)

- ~35% of total exposure to Mainland China, with top 5 domestic banks and 3 policy banks accounting for ~80% of total bank exposure
- ~99% with <1 year tenor; trade accounts for ~10% of total bank exposure

#### Non-bank exposure (\$11.4b)

- Client base include top-tier state-owned enterprises, large local corporates and foreign investment enterprises
- ~70% denominated in RMB and ~60% with <1 year tenor
- NPL ratio at 0.9%

#### Bank exposure (\$1.0b)

- ~95% are to foreign banks

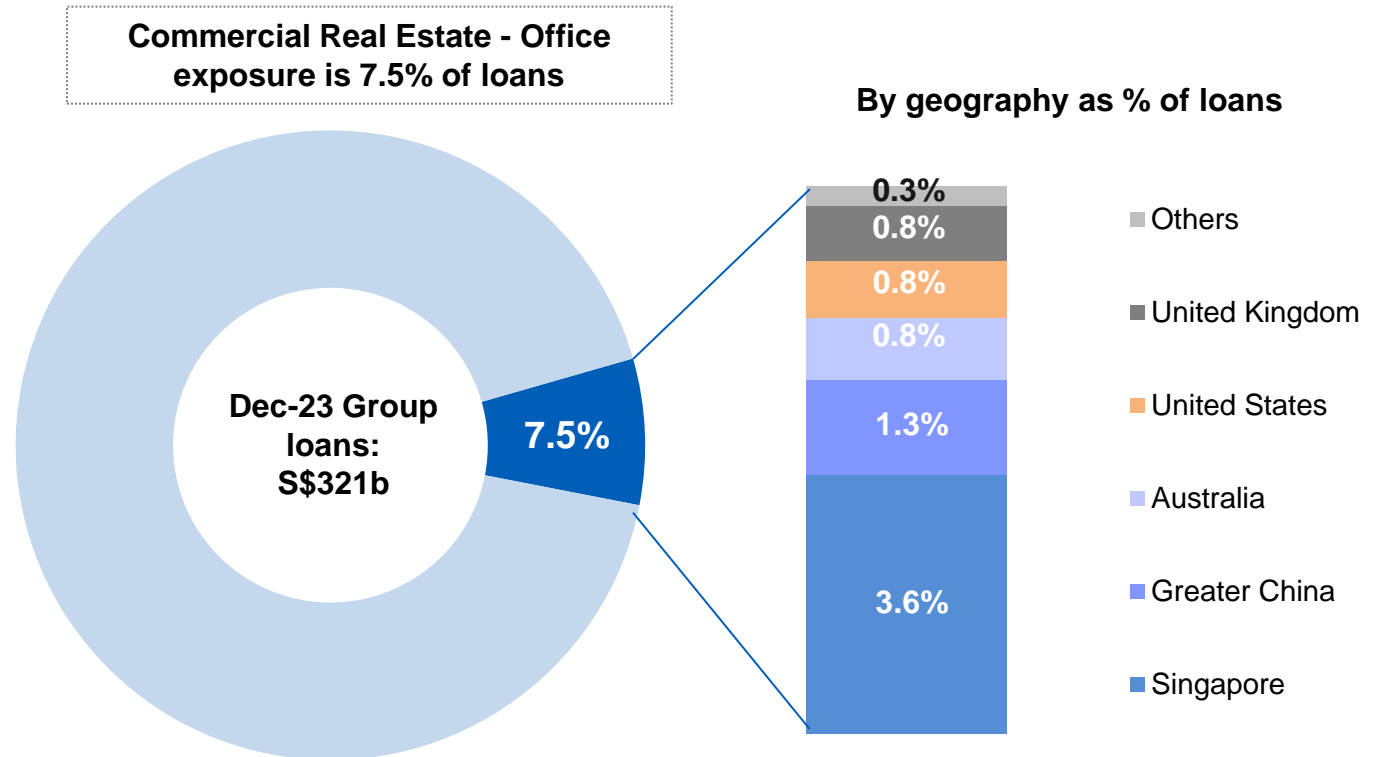
#### Non-bank exposure (\$35.1b)

- Exposure mainly to corporate and institutional clients
- ~65% with <1 year tenor
- NPL ratio at 1.3%

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

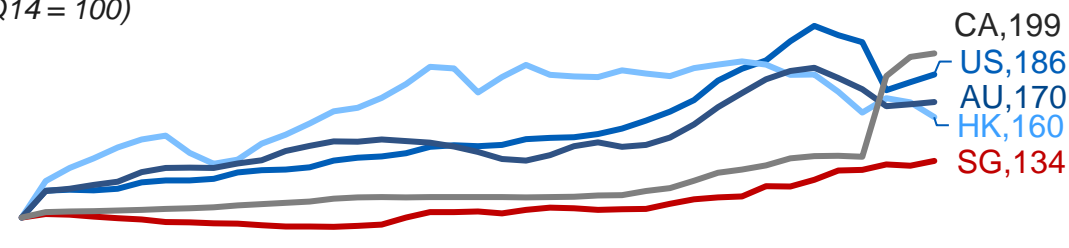
- Almost half of office exposure is in Singapore
- Overseas exposure backed by strong sponsors
- Largely secured by class-A office properties
- Average LTV around 50%



# Singapore mortgages remain a low-risk asset class

## Low risk of housing bubble due to cooling measures

(1Q14 = 100)



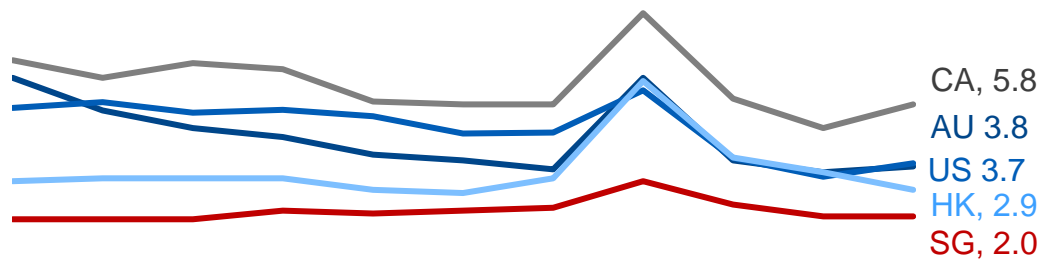
1Q14 1Q15 1Q16 1Q17 1Q18 1Q19 1Q20 1Q21 1Q22 1Q23

Based on latest property price data as of 3Q23

Sources: CEIC, UOB Economic-Treasury Research

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

(Unemployment, %)



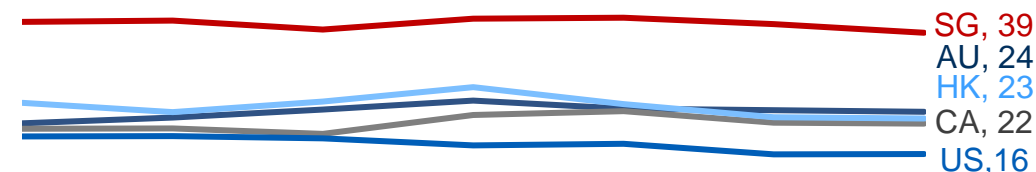
2013 2015 2017 2019 2021 2023

Sources: Macrobond, UOB Economic-Treasury Research

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

## High national savings rate

(% of GDP)

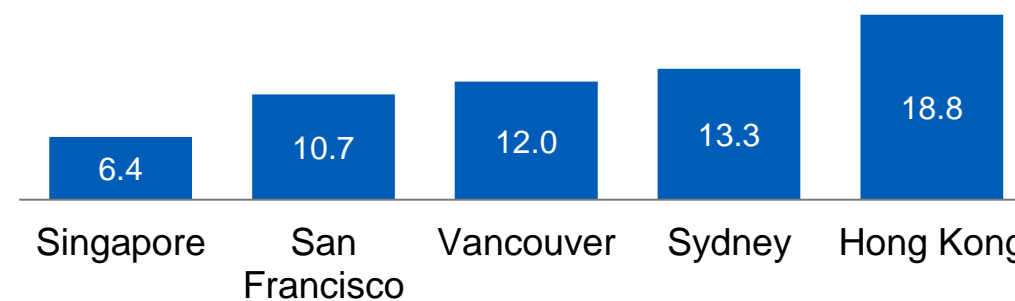


2018 2019 2020 2021 2022 2023F 2024F

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

# 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+**

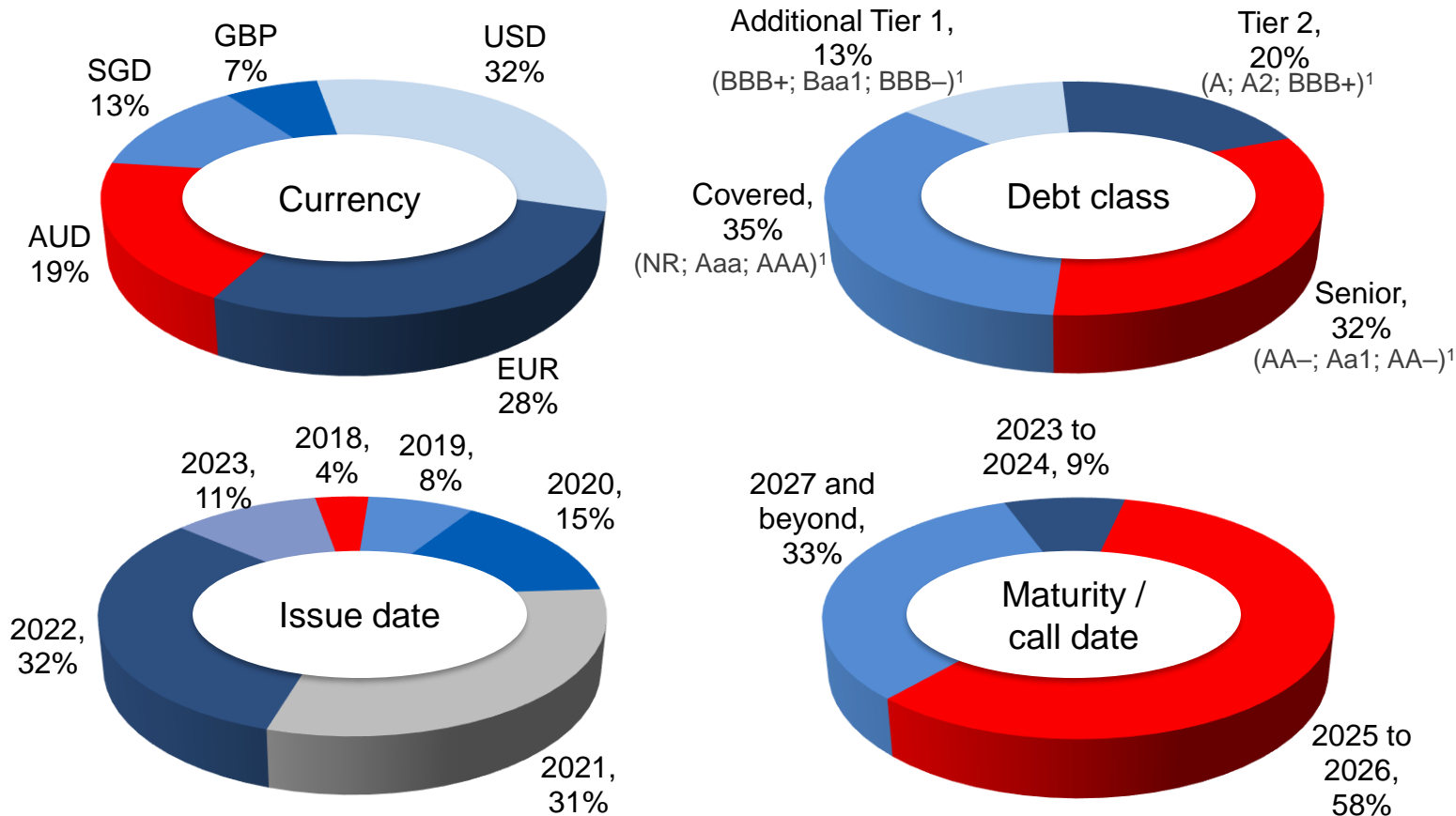
- Well-established market position, strong funding and prudent management record
- Will maintain its capitalisation and asset quality while pursuing regional growth

**FitchRatings**

**AA- / F1+**

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

## A regular issuer in key debt capital markets globally



Source: Credit rating agencies

**Note:** The pie charts represent outstanding UOB's public rated issuances as of 31 Dec 23; 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

# Why UOB?

## Stable management



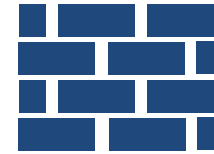
- Proven track record in steering the bank through various global events and crises
- Stability of management team ensures consistent execution of strategies

## 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 13.4% as at 31 December 2023
- Diversified funding and sound liquidity, with 82.2% 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

Appendix A: Macroeconomic Outlook

Appendix B: Sustainability

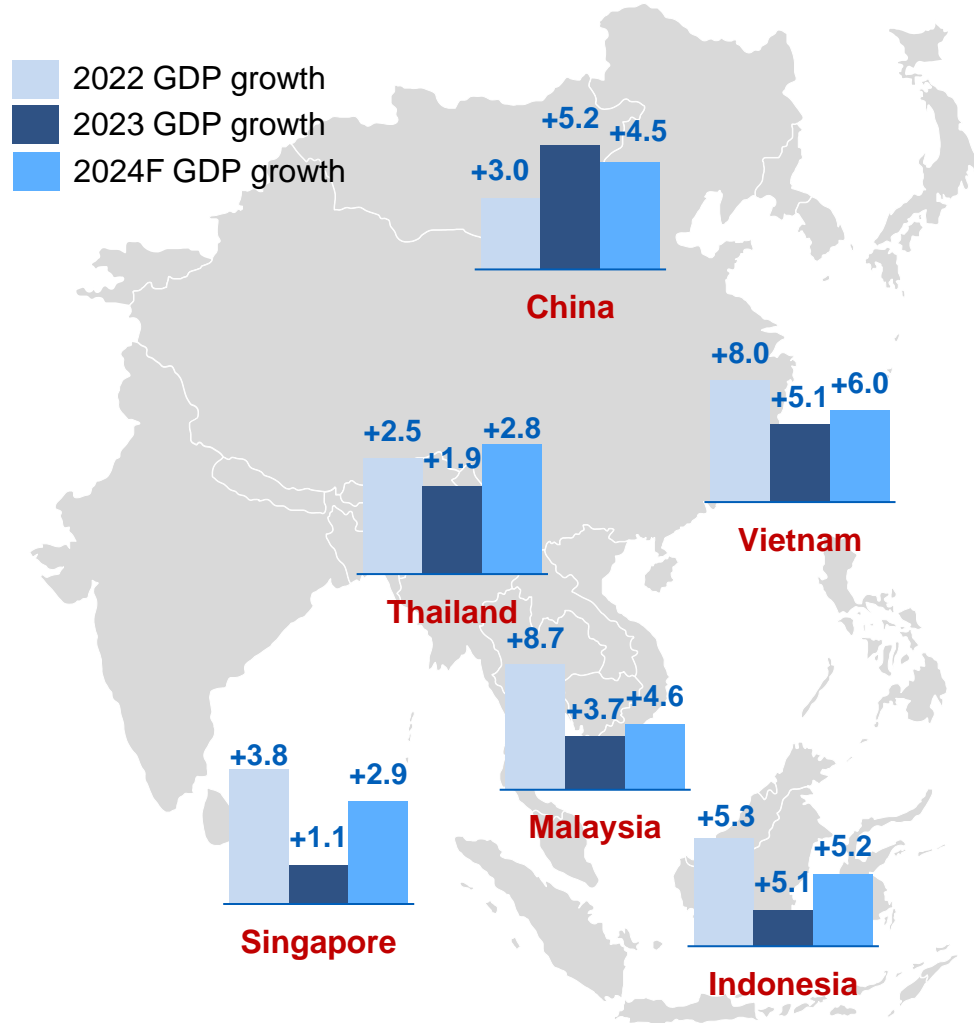
Appendix C: Growth Drivers

Appendix D: Latest Financials



# Appendix A: Macroeconomic Outlook

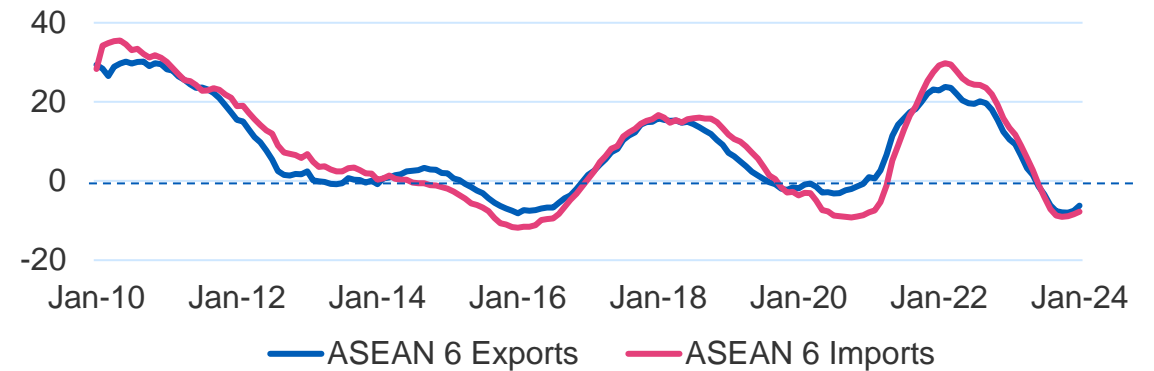
# ASEAN Economic Growth To Stay Resilient As External Trade Cycle Bottomed



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

	Asia: Inbound Visitor Arrivals, Annual					
	Persons, million	2023	2022	2021	2020	2019
	0 4 8 12 16 20 24 28 32	mn pax	mn pax	mn pax	mn pax	mn pax
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		14.47	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		5.67	0.9	0.1	1.4	11.9

Source: UOB Global Economics & Markets Research

## Fed to Begin Rate Cuts Mid-2024

	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24F	2Q24F	3Q24F	4Q24F
US 10-Year Treasury	2.34	3.01	3.83	3.87	3.47	3.84	4.57	3.88	4.10	3.80	3.70	3.60
US Fed Funds	0.50	1.75	3.25	4.50	5.00	5.25	5.50	5.50	5.50	5.25	5.00	4.75
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	3.65	3.67	3.61	3.47
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	6.00	6.00	6.00
CH 1-Year Loan Prime Rate	3.70	3.70	3.65	3.65	3.65	3.55	3.45	3.45	3.35	3.20	3.20	3.20

Developed market central banks are maintaining a data-dependent approach in their monetary policies. In Asia, expectation of Fed rate cuts from mid-2024 would also provide greater monetary policy maneuverability amid consideration of domestic growth and inflation, FX stability and geopolitical uncertainty. The PBOC has frontloaded a 25bps cut to the 5Y LPR and 50bps cut to banks' RRR in Feb and is likely to ease further to stabilise China's growth this year.

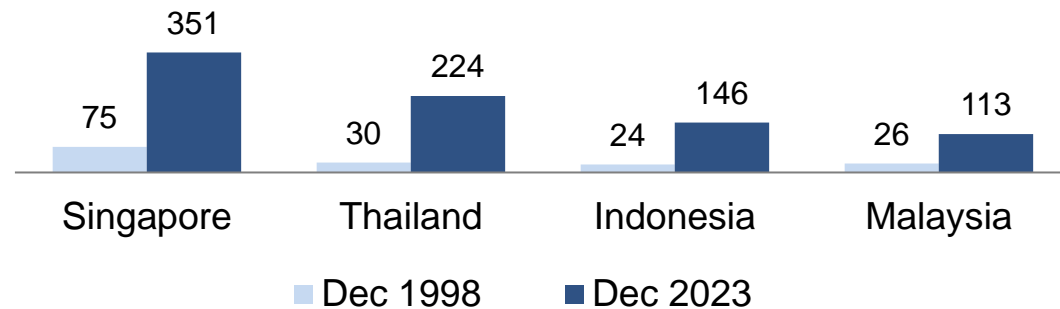
We expect the Fed to maintain this terminal FFTR level (5.25-5.50%) till mid-2024 when we price in 75bps of rate cuts for 2024 (i.e. three 25bps cuts in Jun 2024, 3Q 2024 and 4Q 2024). It is the combination of slower growth and stabilising inflation that drives the thinking of our Fed outlook in 2024. While a US soft landing remains our central scenario, we do not expect an aggressive series of Fed cuts to counteract the prior aggressive hike cycle.

MAS kept its policy settings unchanged in Jan 2024 for the third consecutive meeting after five rounds of tightening since Oct 2021. Our base case calls for monetary policy normalisation via a slight slope reduction (50bps) to an estimated 1.0% p.a. in Apr 2024, although we see a risk that normalisation could be delayed. Although 2024 full-year core inflation is likely to remain above the historical average on administered policy adjustments, the core inflation profile is closer to equilibrium on an ex-GST basis.

# Macro resilience across key Southeast Asian markets

## Significantly Higher Foreign Reserves

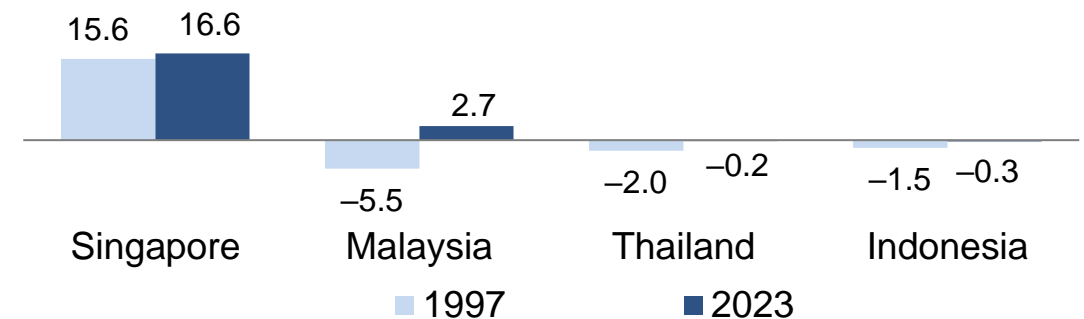
(USD billion)



Sources: World Bank, International Monetary Fund

## Improved Current Account Balances

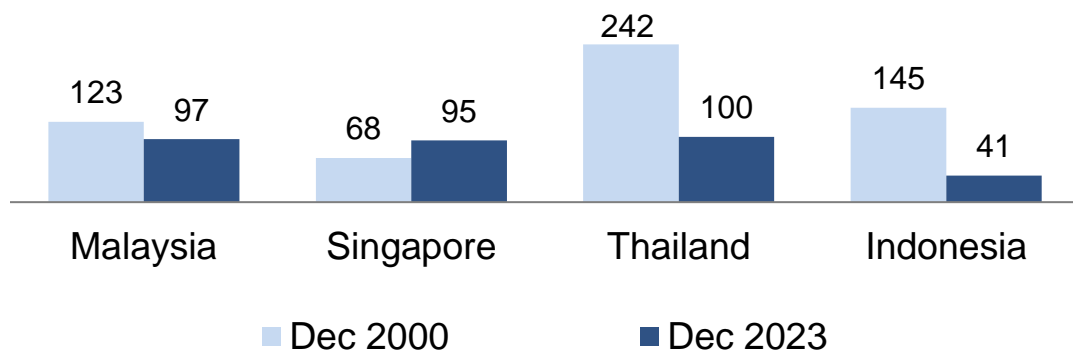
(% of GDP)



Source: International Monetary Fund

## Lower Debt to Equity Ratio

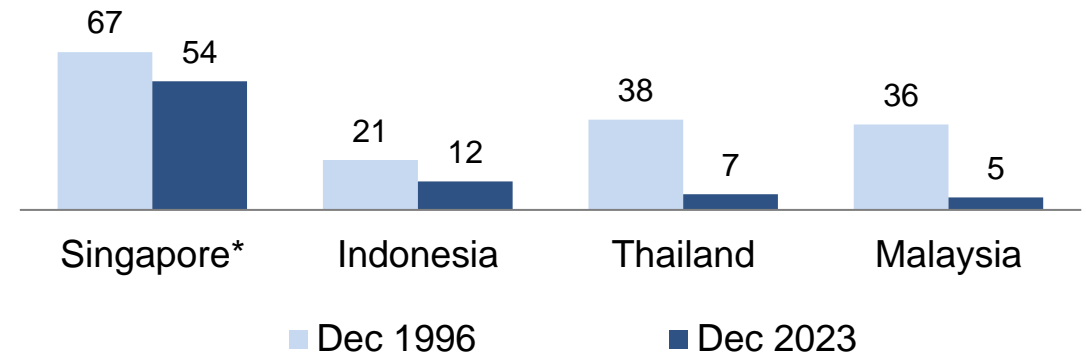
(%)



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

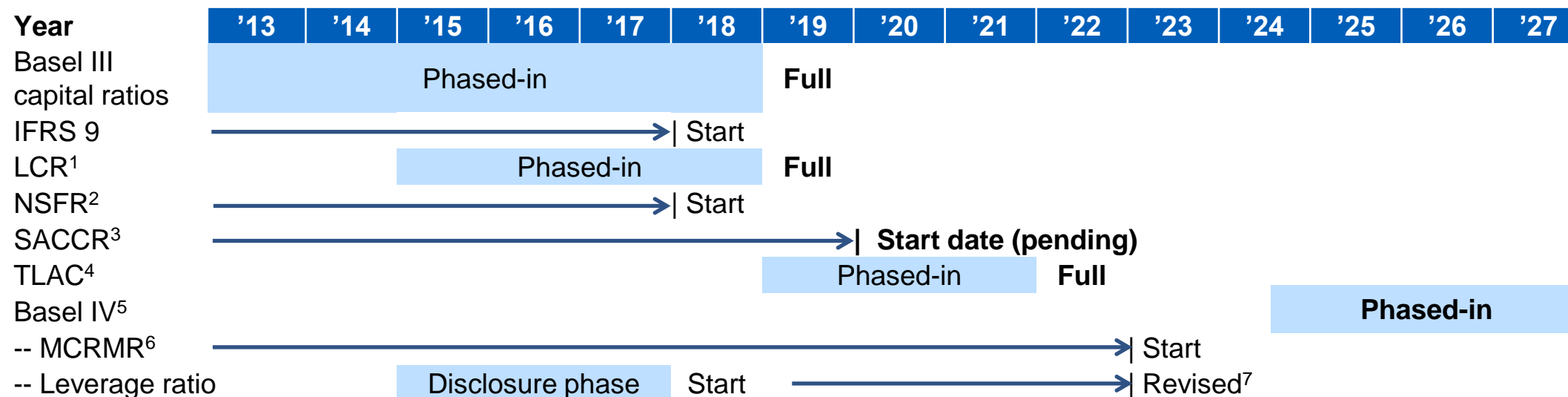
## Lower Foreign Currency Loan Mix

(%)



\* 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. ”

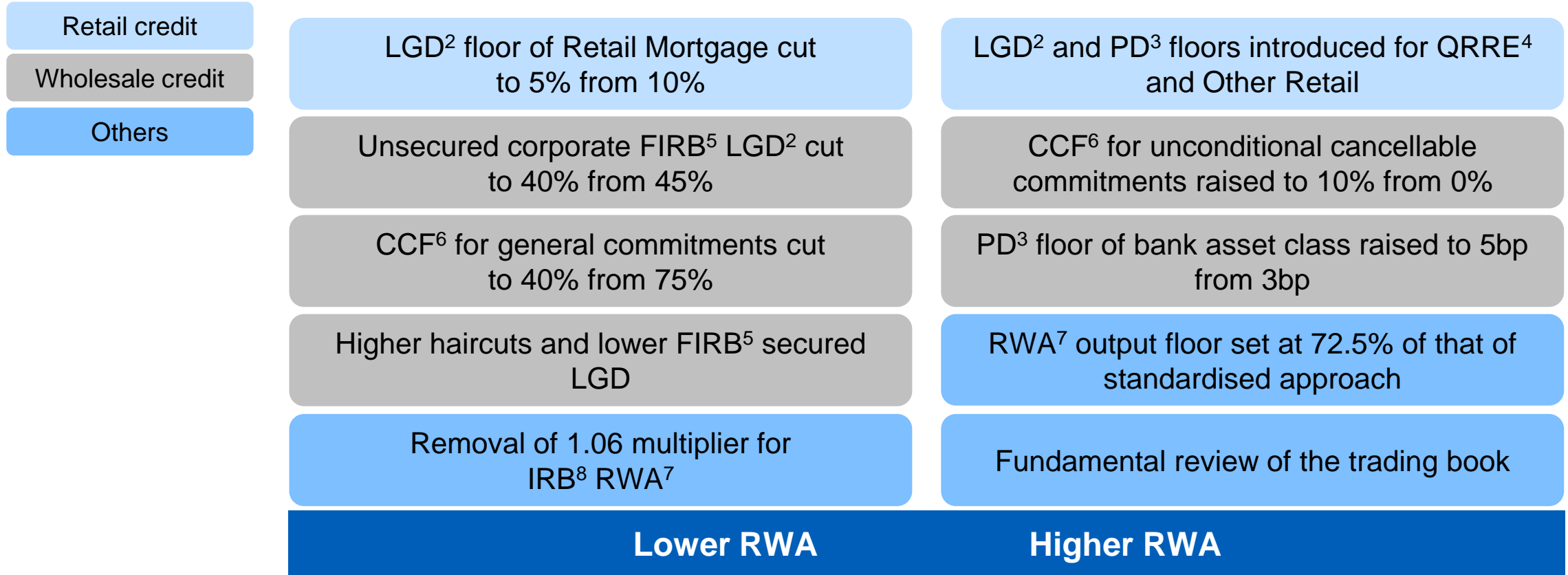
– Media Release, Monetary Authority of Singapore, 7 April 2020

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

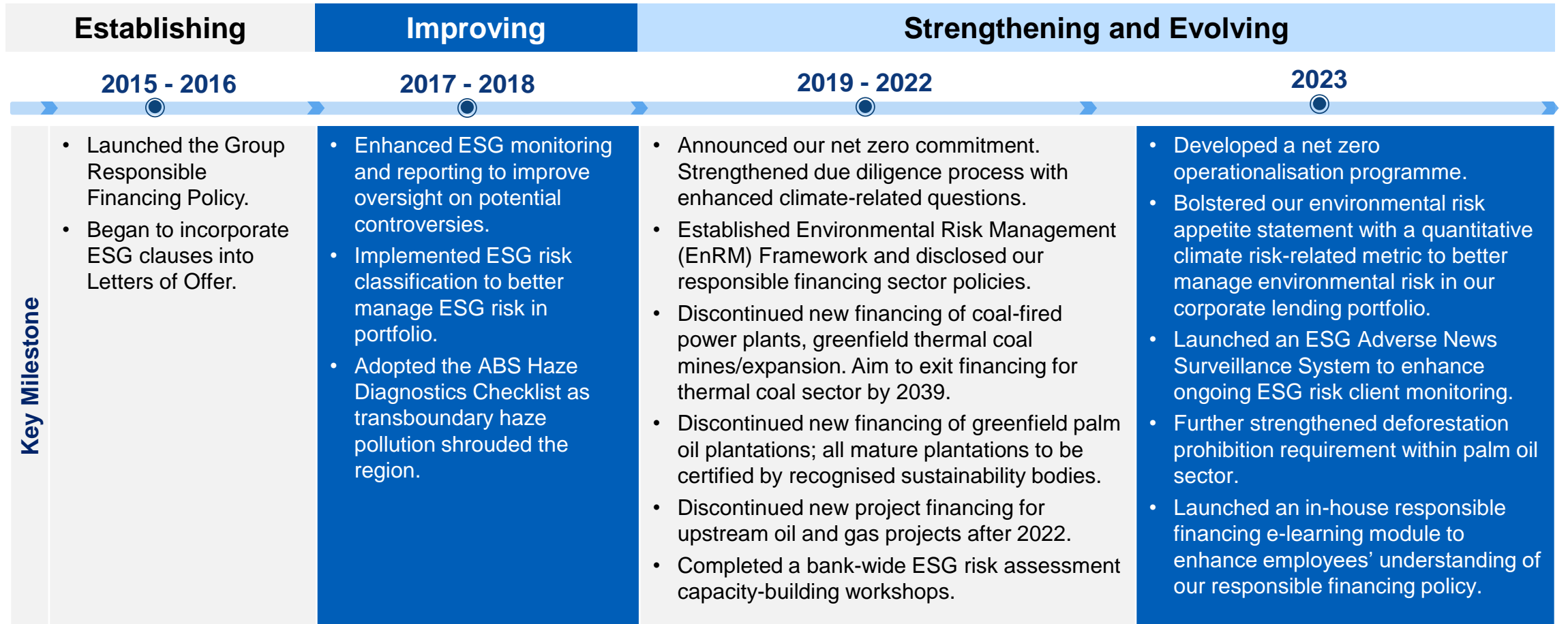
3. According to the regulations, capital surcharge for Indonesia D-SIBs are classified into four buckets based on the tier 1 capital (Bucket 1 – 1%, Bucket 2 – 1.5%, Bucket 3 – 2%, Bucket 4 – 2.5%)

# Appendix B: Sustainability



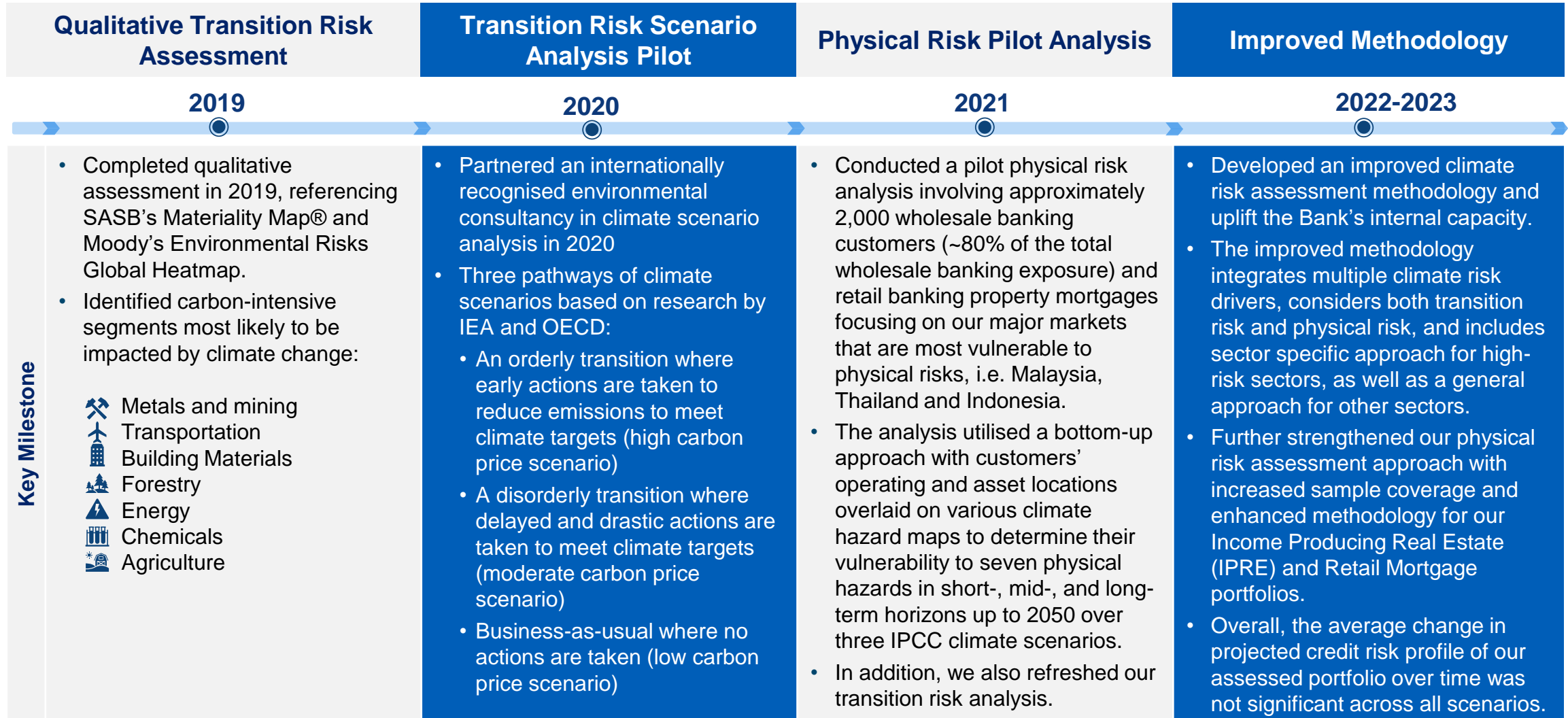
# UOB's responsible financing journey: pragmatic and progressive

## Overview of UOB Group's Responsible Financing Journey



\* Green Finance Industry Taskforce

# TCFD Implementation - Climate Scenario Analysis

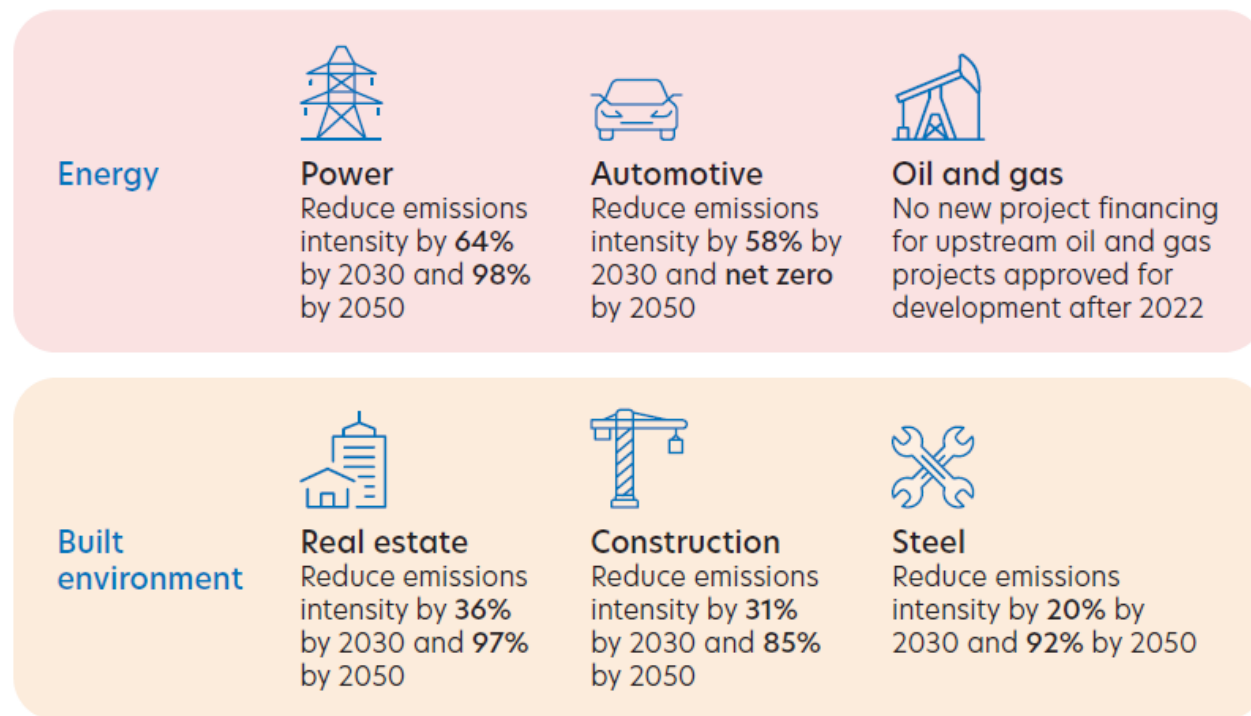


# In October 2022, we announced our commitment to achieving net zero by 2050, with a focus on 6 priority sectors



● Energy ● Built environment

## Net zero targets and commitments for six sectors



Covers **~60%** of our corporate lending portfolio

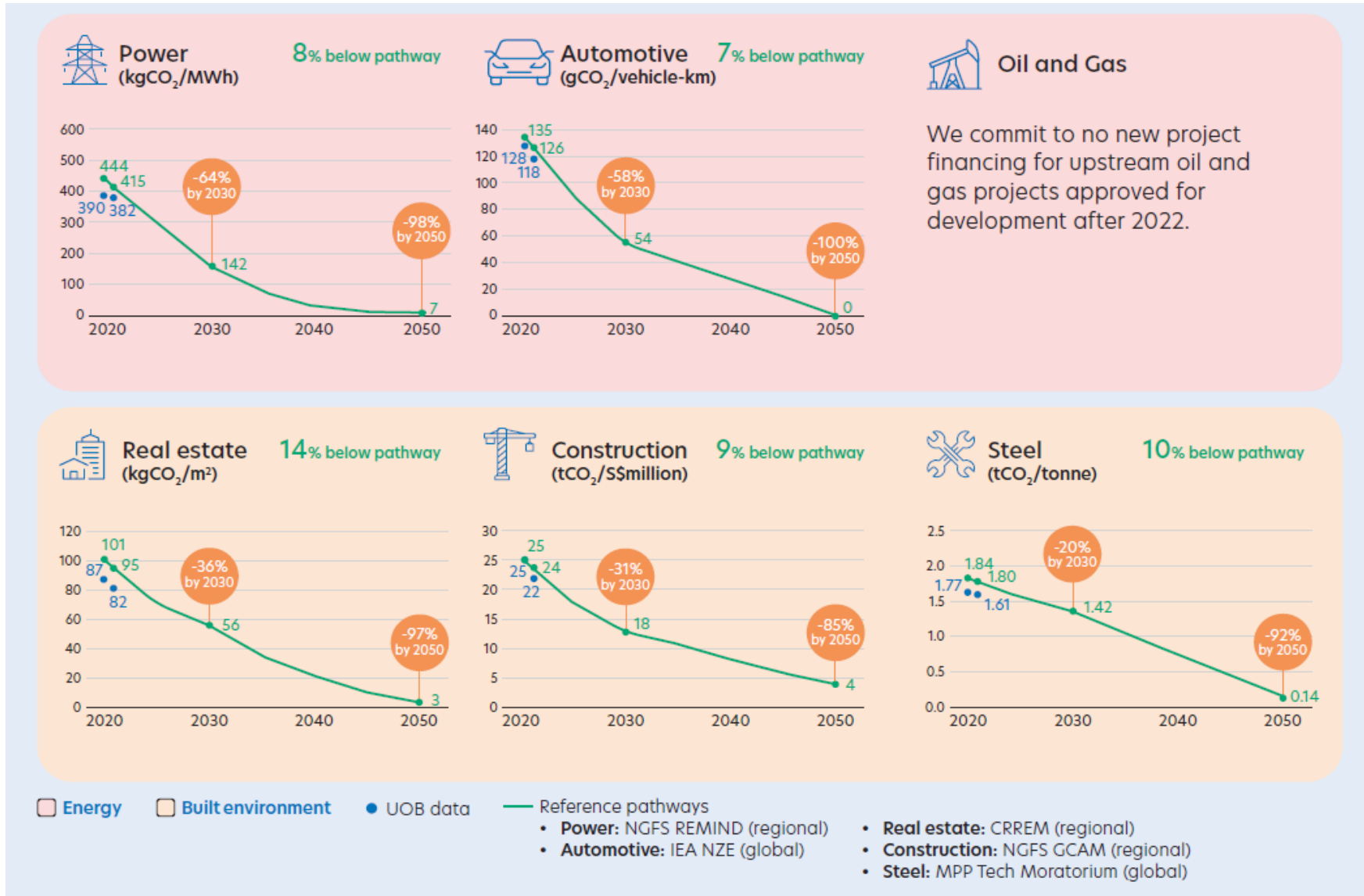
We focused on two significant, high-emitting ecosystems, **energy** and **built environment**, spanning 6 sectors based on:

- 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)

Source: 1) [Our World in Data](#)

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



# Appendix C: Growth Drivers

# Our growth drivers

Realise full potential of our integrated platform	Sharpen regional focus	Reinforce fee income growth	Long-term growth perspective
---------------------------------------------------	------------------------	-----------------------------	------------------------------



- 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

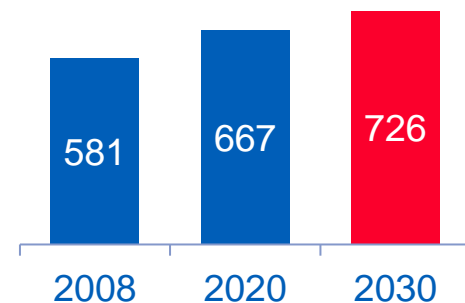


- Disciplined approach in executing growth strategy, balancing growth with stability
- Focus on risk adjusted returns; ensure balance sheet strength and robust capital through economic cycles

# Southeast Asia's immense long-term potential

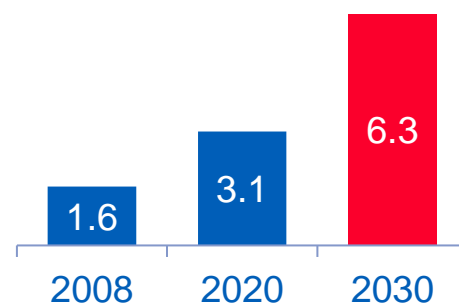
## Population

(Million persons)



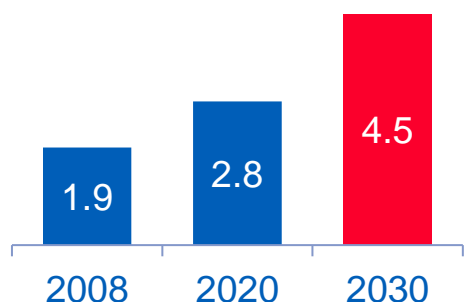
## GDP<sup>1</sup>

(USD trillion)



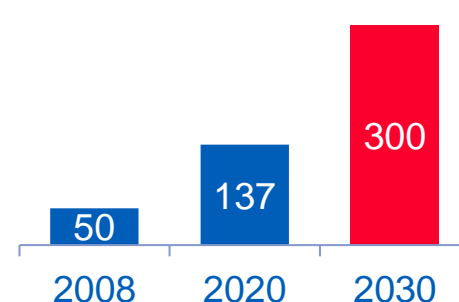
## Trade<sup>2</sup>

(USD trillion)



## FDI<sup>3</sup>

(USD billion)

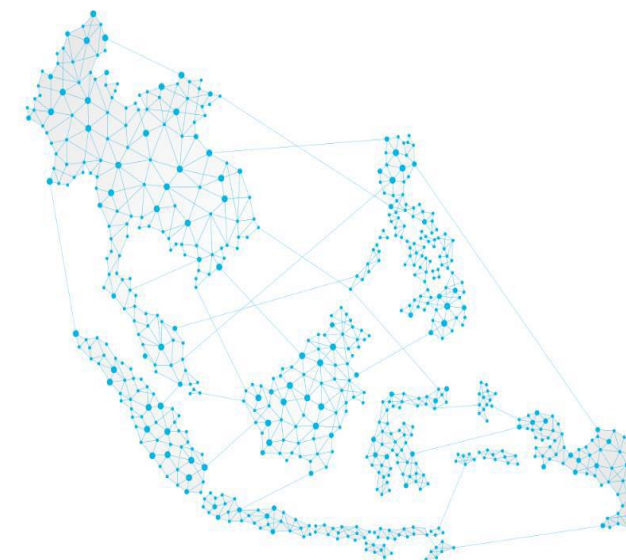


## Southeast Asia's immense growth prospects...

- 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

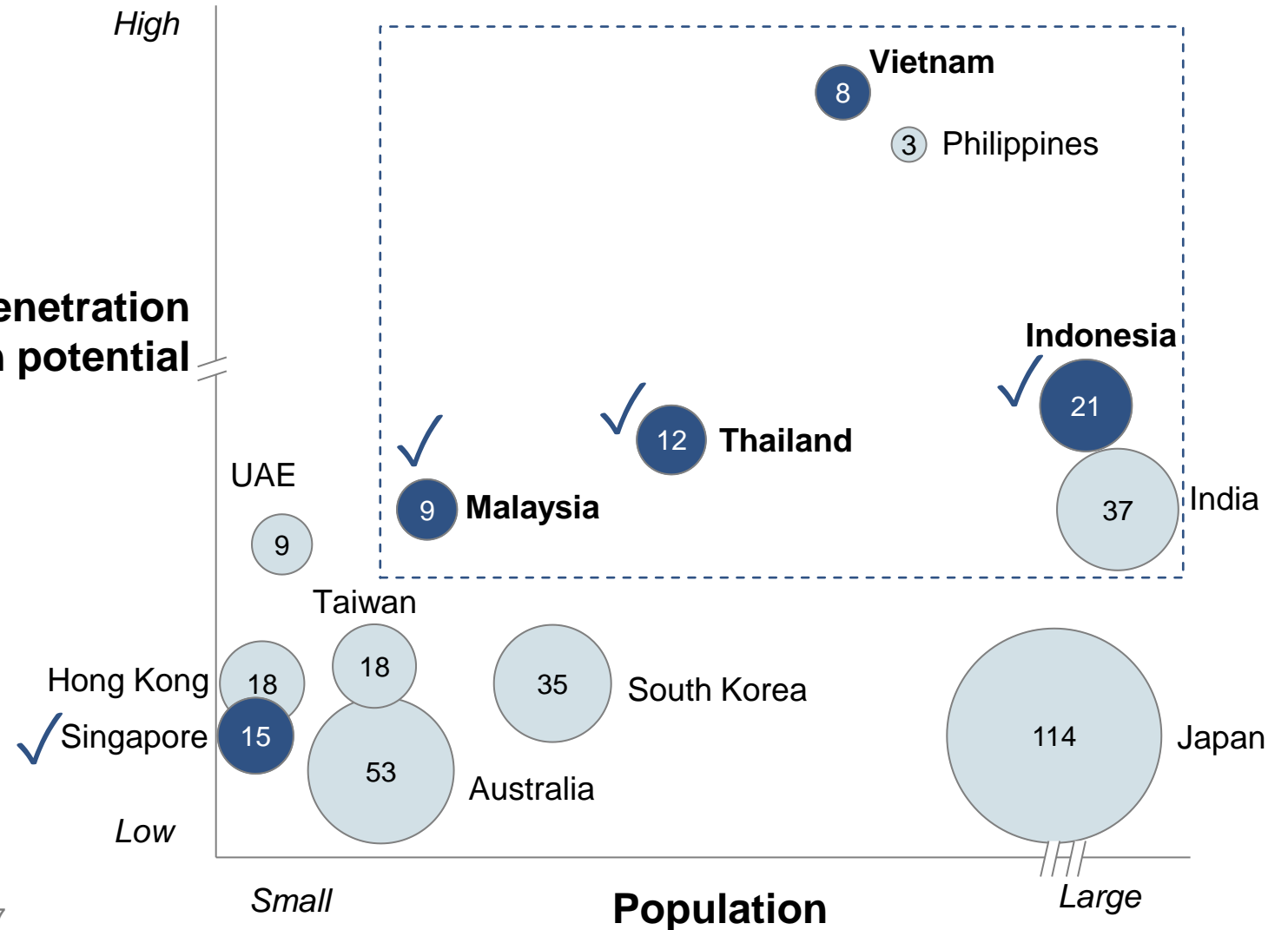
2019 retail banking pool sizes

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**



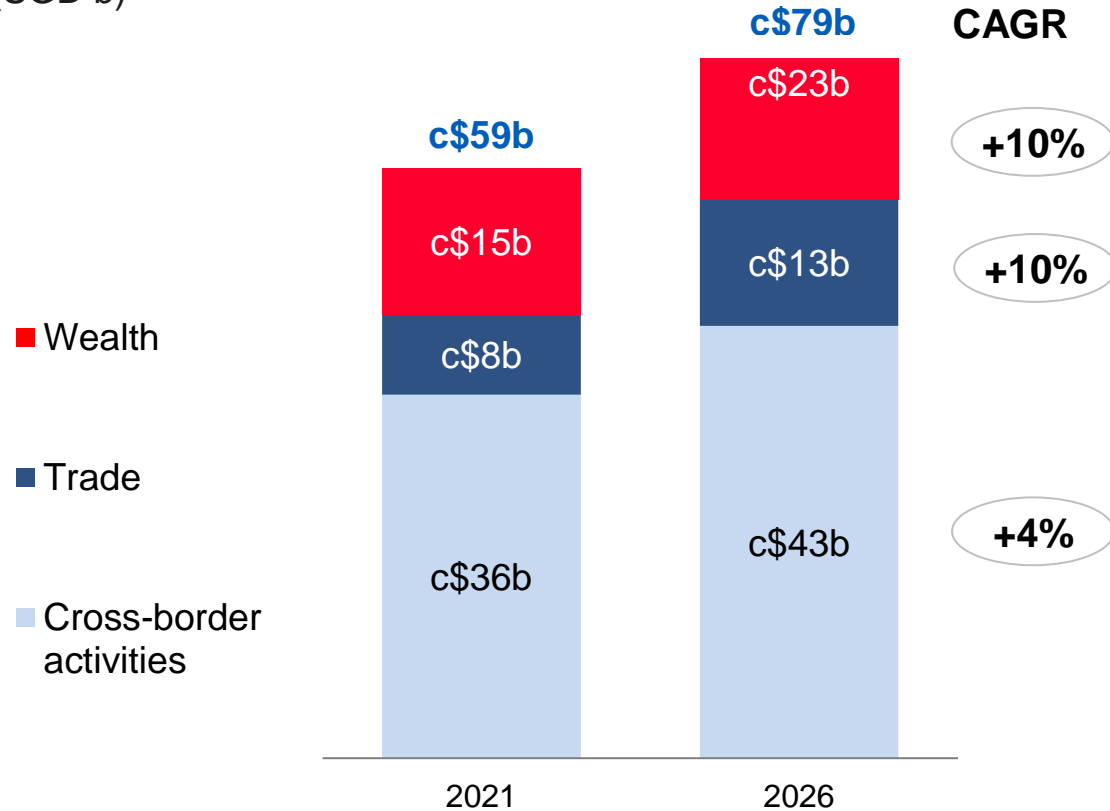
Note: UAE and Japan's retail banking market size as of 2017  
 Source: BCG banking pools (2019), World Bank (2017)



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

## Industry's potential connectivity revenue

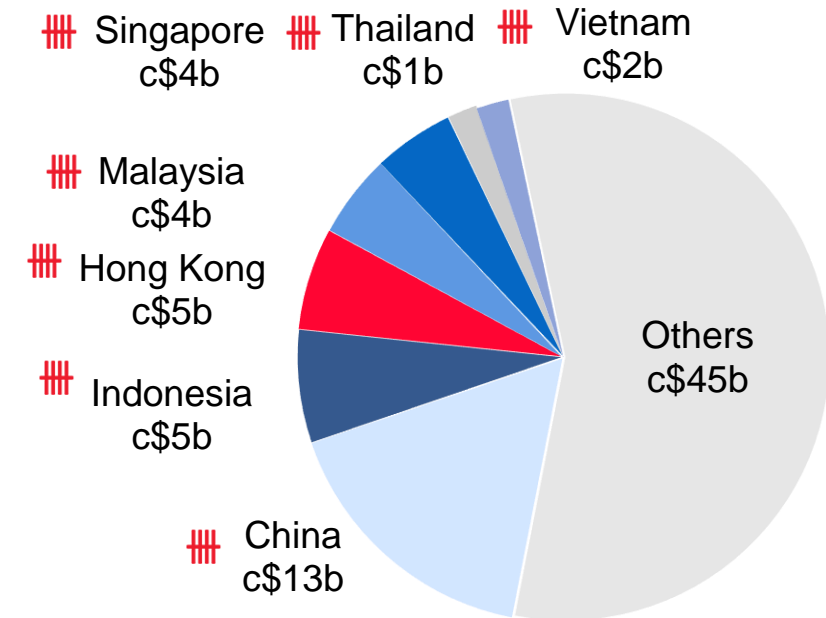
(SGD b)



## 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

Scale UOB TMRW across ASEAN to digitally acquire at low cost

**>8m**

Retail customers, 76% are digitally enabled

**Close to 1m**

New-to-bank customers acquired in 2023  
▲ 14% YoY  
53% digitally acquired



### Deepen Engagement with Eco-system Partnerships

Leverage combined regional franchise in growing the number of multi-markets partnerships to drive customer engagement and lifetime value

**45**

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

**S\$125m**

Another record-high quarterly credit card fees in 4Q23, ▲ 21% QoQ



### Leverage data insights to drive Omni-channel Offerings

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

**S\$176b**

Assets under management (AUM)<sup>1,2</sup>  
▲ 14% YoY

**~2x**

Higher average revenue generation 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



**+9%**

Cross border income <sup>1</sup>;  
Formed 25% of GWB income

**+43%**

Suppliers and distributors within Financial Supply Chain Management (FSCM) solution <sup>1</sup>



### Sector Specialisation

Building capabilities for greater diversification and risk mitigation



**+13%**

Global Financial Institutions Group (FIG) income<sup>1</sup>

**+10%**

Income from Non-Real Estate & Hospitality and Non-FIG sectors <sup>1</sup>



### Deepening Digitalisation

For secure and efficient transactions



**+83%**

Cashless payments to businesses in the region<sup>2</sup>

**+15%**

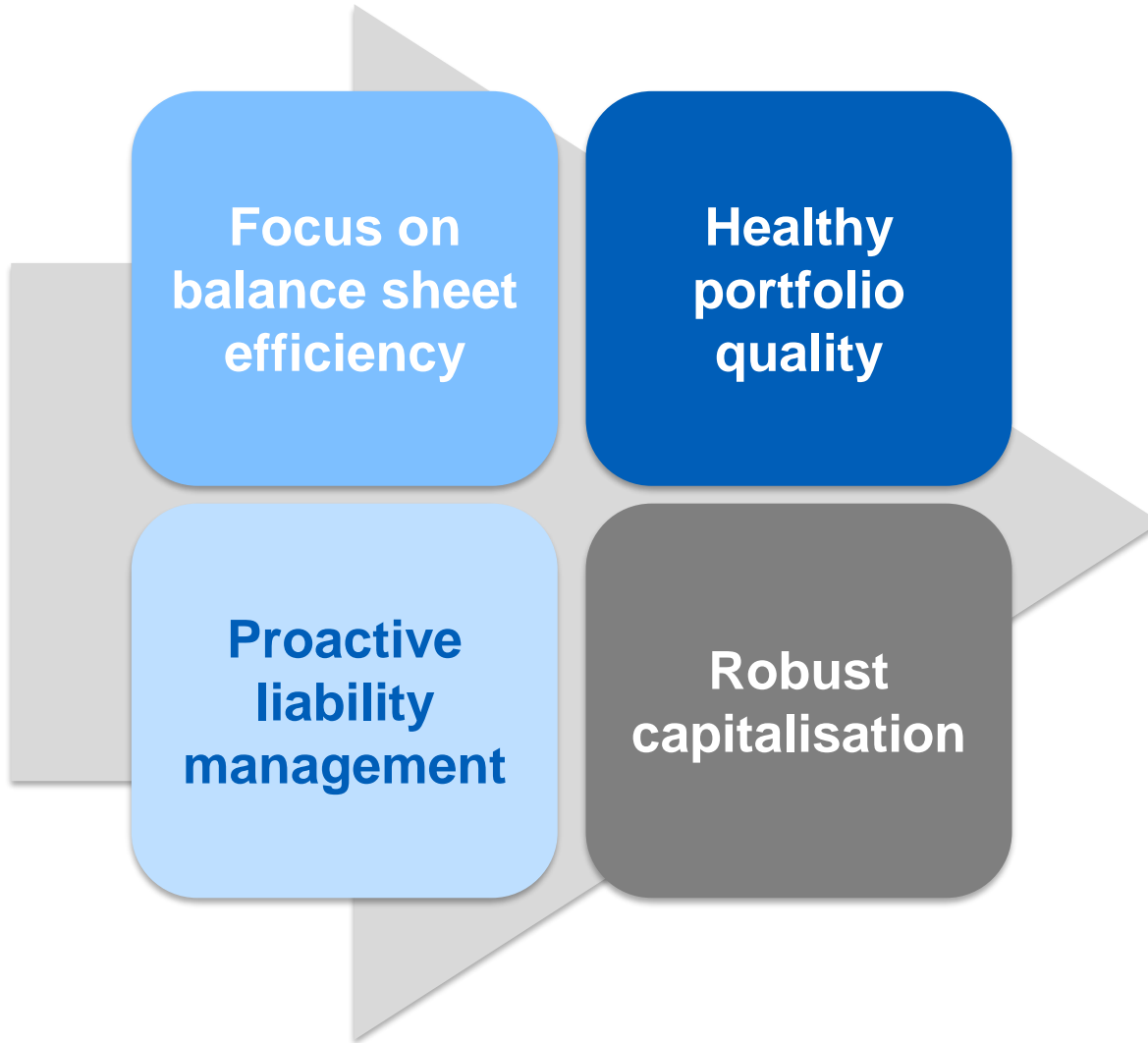
Digital banking transactions by businesses across the Group <sup>3</sup>



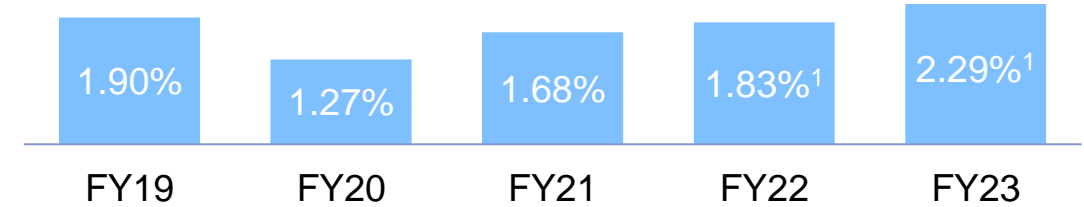
1. 2023 year on year growth. 2. Refers to payments made on Corporate PayNow, DuitNow and PromptPay in Singapore, Malaysia and Thailand. 3. Refers to digital banking transactions via UOB Infinity/BIBPlus

# Appendix D: Latest Financials

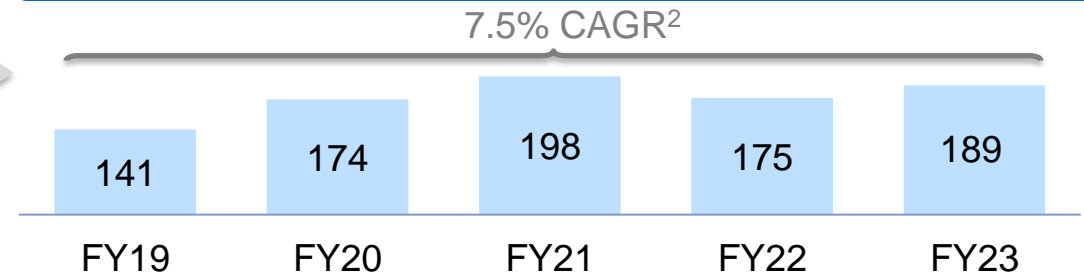
# Disciplined balance sheet management



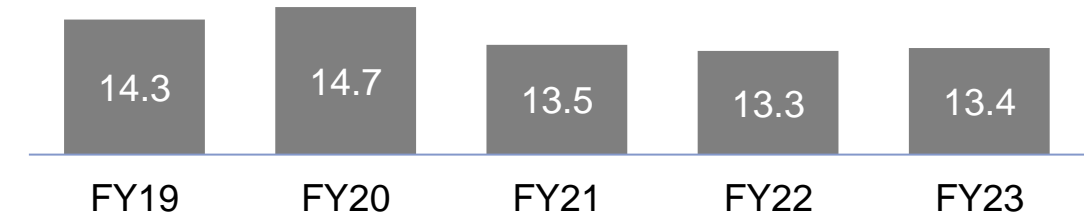
## Return on risk-weighted assets



## Current Account Saving Account Balances (SGD b)



## Common Equity Tier 1 ratio (%)



Notes

- 1. Excluding one-off expenses
- 2. Compound annual growth rate over 4 years (FY19 to FY23)

# 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	39%	1.5%	81%
Aa1	AA-	AA-	<b>DBS</b>	a1	40% <sup>1</sup>	1.4% <sup>1</sup>	78%
A3	A-	A+	<b>HSBC</b>	a3	49%	0.8%	58%
A3	BBB+	A	<b>SCB</b>	baa1	63%	0.4%	53%
A1	A-	AA-	<b>BOA</b>	a2	67%	0.8%	54%
A3	BBB+	A	<b>Citi</b>	baa1	72%	0.4%	51%
Aa3	AA-	A+	<b>CBA</b>	a2	44%	0.8%	106%
Aa3	AA-	A+	<b>NAB</b>	a2	44%	1.4%	120%
Aa1	AA-	AA-	<b>RBC</b>	a2	60%	0.7%	69%
Aa2	AA-	AA-	<b>TD</b>	a1	53%	0.8%	77%
A3	A-	n.r.	<b>CIMB</b>	baa2	47%	1.0%	89%
A3	A-	n.r.	<b>MBB</b>	a3	49%	1.0%	92%

1. Excluding one-off expenses

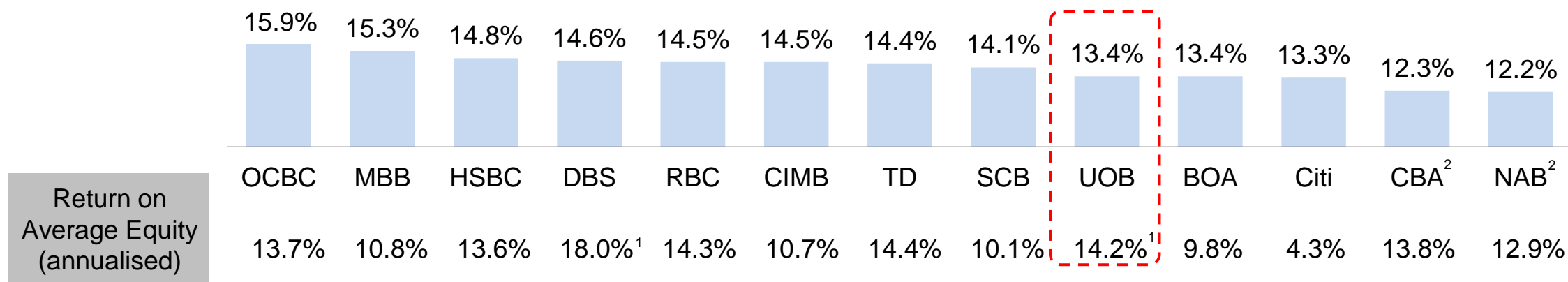
Source: Company reports, Credit rating agencies (updated as of 22 Feb 2024)

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

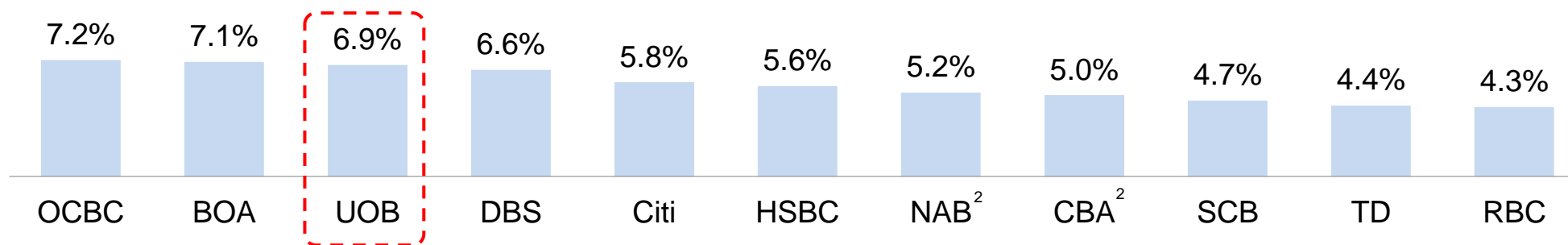
# Capital and leverage ratios



## Reported Common Equity Tier 1 CAR



## Reported Leverage Ratio



1. Excluding one-off expenses

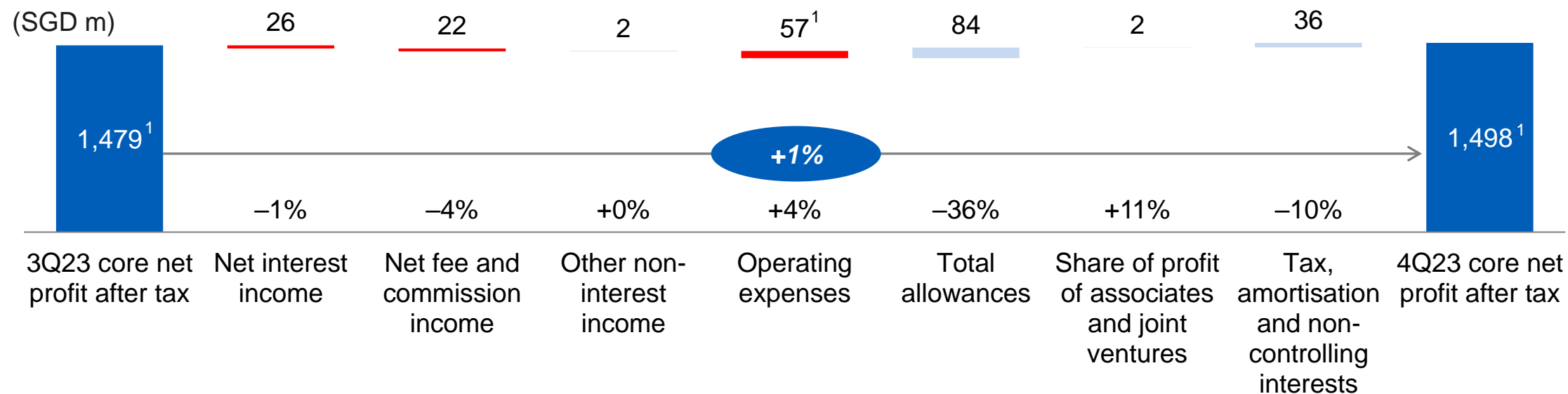
2. CBA's and NAB's common equity Tier 1 CARs based on APRA's standards; their respective internationally comparable ratio was 19.0% (31 Dec 23) and 17.8% (30 Sep 23)

Source: Company reports

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

# 4Q23 financial overview

## Core Net Profit After Tax Movement, 4Q23 vs 3Q23



Key Indicators	4Q23	3Q23	QoQ Change	4Q22	YoY Change
Net interest margin (%) <sup>2</sup>	2.02	2.09	-0.07% pt	2.22	-0.20% pt
Non-interest income / Income (%)	29.5	29.7	-0.2% pt	23.1	+6.4% pt
Cost / Income ratio (%) <sup>1</sup>	43.2	41.0	+2.2% pt	42.6	+0.6% pt
Return on equity (%) <sup>1, 2, 3</sup>	13.8	13.9	-0.1% pt	13.8	-

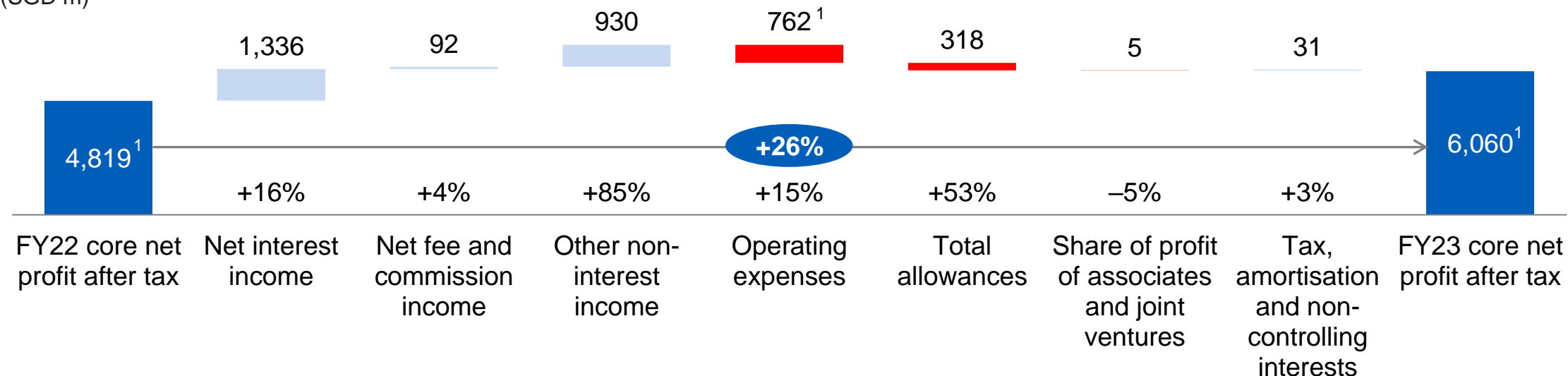
1. Excluding one-off expenses  
 2. Computed on an annualised basis  
 3. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions



# 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

## FY23 Performance by Geography

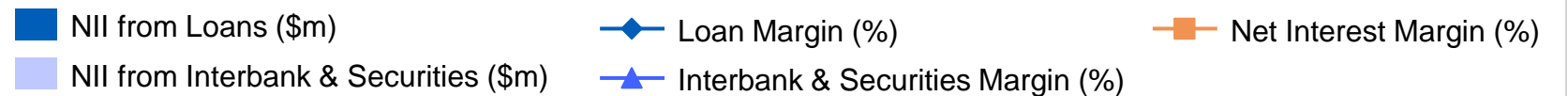
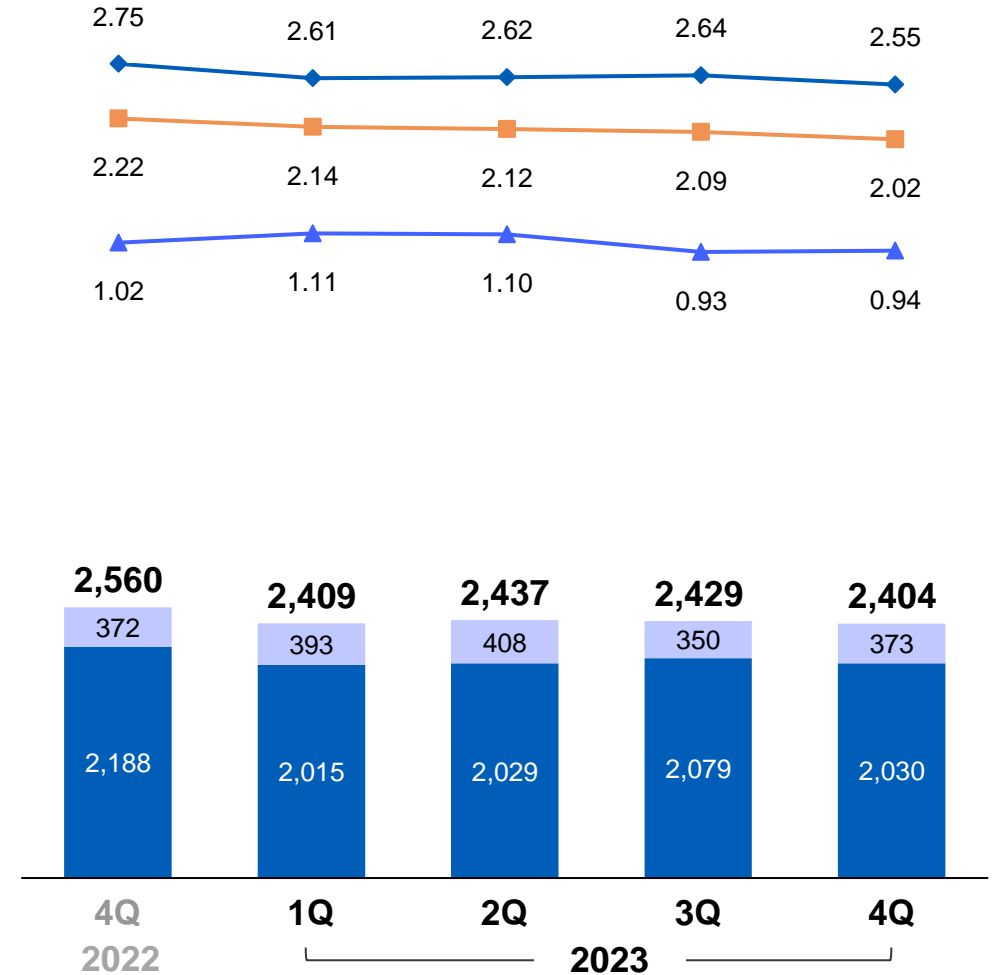
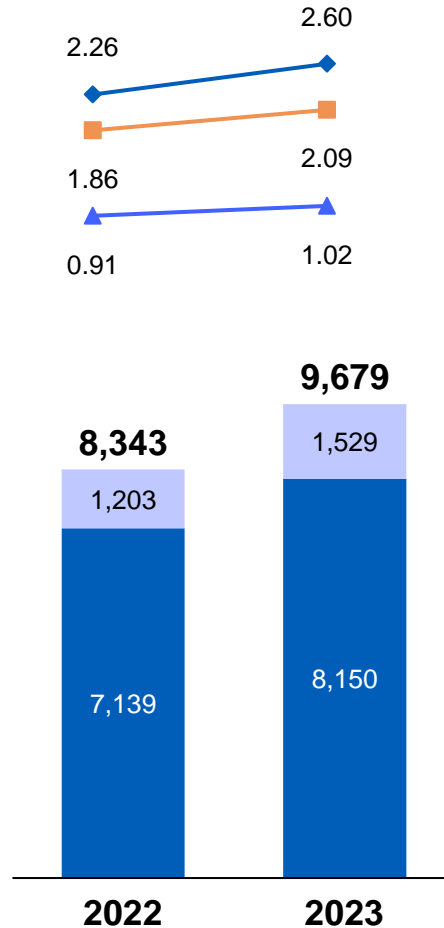
- Performance improved across most markets
- ASEAN-4 benefited from Citi consolidation
- Well connected overseas franchise continue to provide customers support on cross border activities
- Overseas contribution at 43% of Group operating profit

Core operating profit <sup>(1)</sup>	2023	2022	YoY	4Q23	3Q23	QoQ
	\$m	\$m	+/(-)%	\$m	\$m	+/(-)%
Singapore	4,657	3,824	22	1,052	1,188	(11)
<b>ASEAN-4</b>	<b>1,770</b>	<b>1,419</b>	<b>25</b>	<b>470</b>	<b>389</b>	<b>21</b>
Malaysia	873	744	17	277	184	51
Thailand	700	425	64	163	173	(6)
Indonesia	186	233	(20)	31	34	(8)
Vietnam	11	17	(36)	(2)	(2)	(6)
<b>North Asia</b>	<b>716</b>	<b>670</b>	<b>7</b>	<b>162</b>	<b>211</b>	<b>(23)</b>
Greater China	643	626	3	147	186	(21)
Others	73	44	66	15	25	(38)
<b>Rest of the world</b>	<b>1,011</b>	<b>645</b>	<b>57</b>	<b>253</b>	<b>253</b>	<b>0</b>
<b>Total</b>	<b>8,154</b>	<b>6,559</b>	<b>24</b>	<b>1,937</b>	<b>2,041</b>	<b>(5)</b>
<b>Overseas contribution (%) <sup>(1)</sup></b>	<b>42.9</b>	<b>41.7</b>	<b>1.2</b>	<b>45.7</b>	<b>41.8</b>	<b>3.9</b>

(1) Excluding one-off expenses

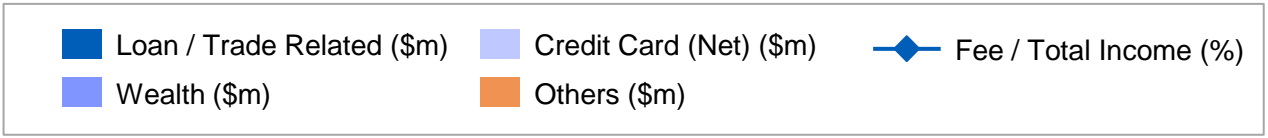
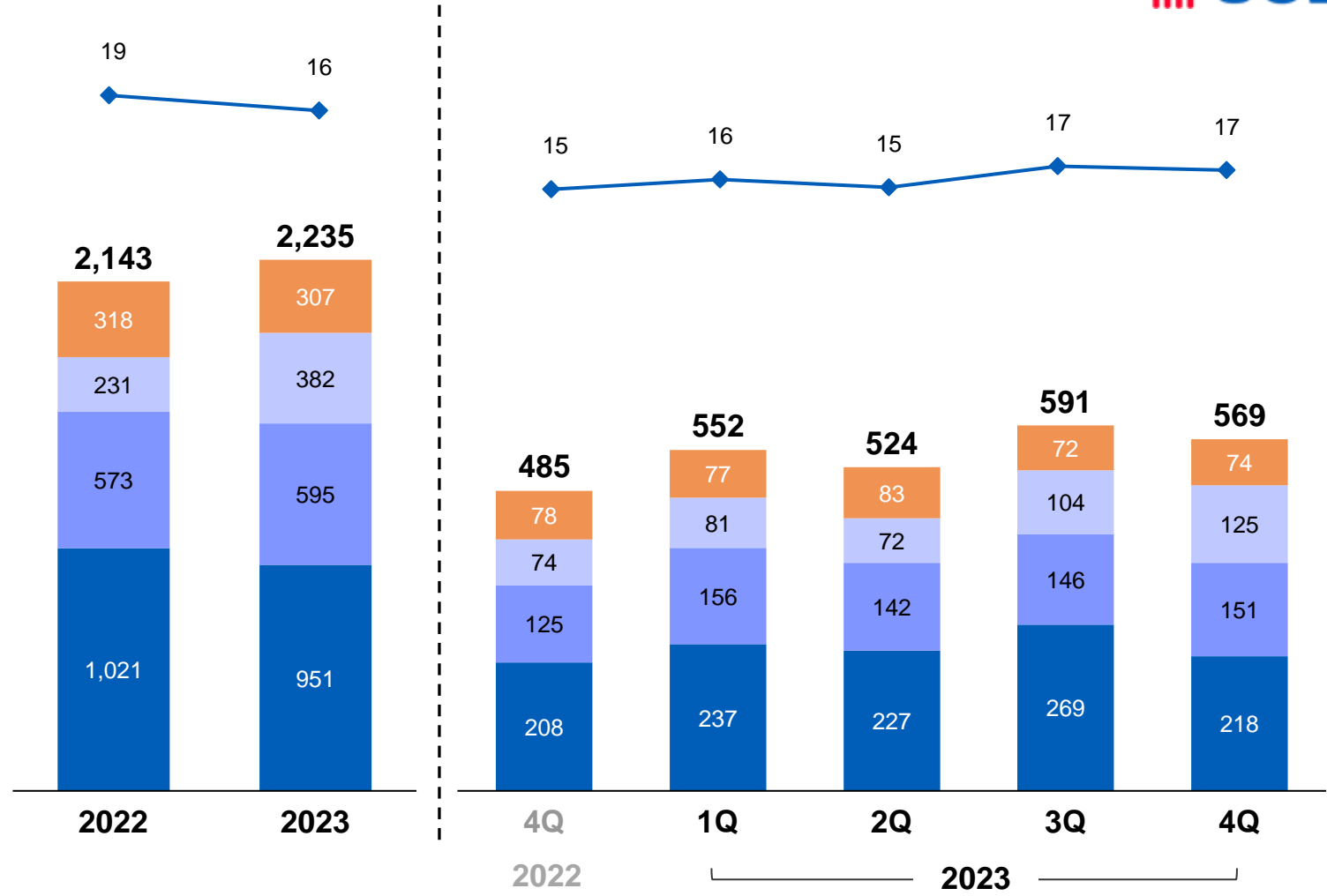
# Net Interest Income and Margin

- Higher NII and NIM YoY from higher interest rate environment
- 4Q23 NIM moderated to 2.02% mainly from loan margin compression due to competition for high quality credits



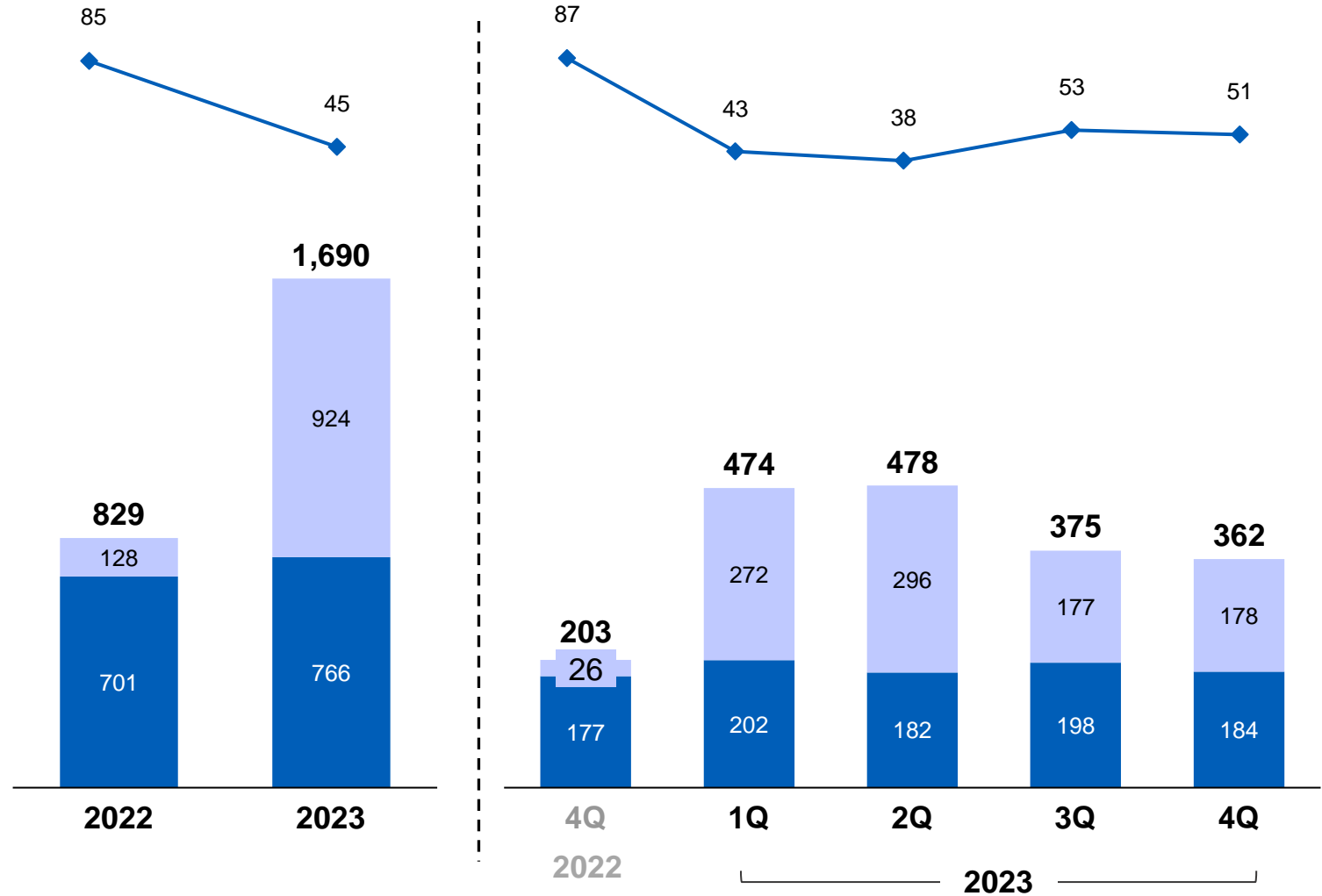
## Fee Income

- 4Q23 credit card fees continued strong momentum to register a new high, boosted by higher card spending on an enlarged regional franchise
- Wealth fees saw modest recovery
- Loan-related fees eased amid cautious corporate sentiments



## Trading & Investment Income

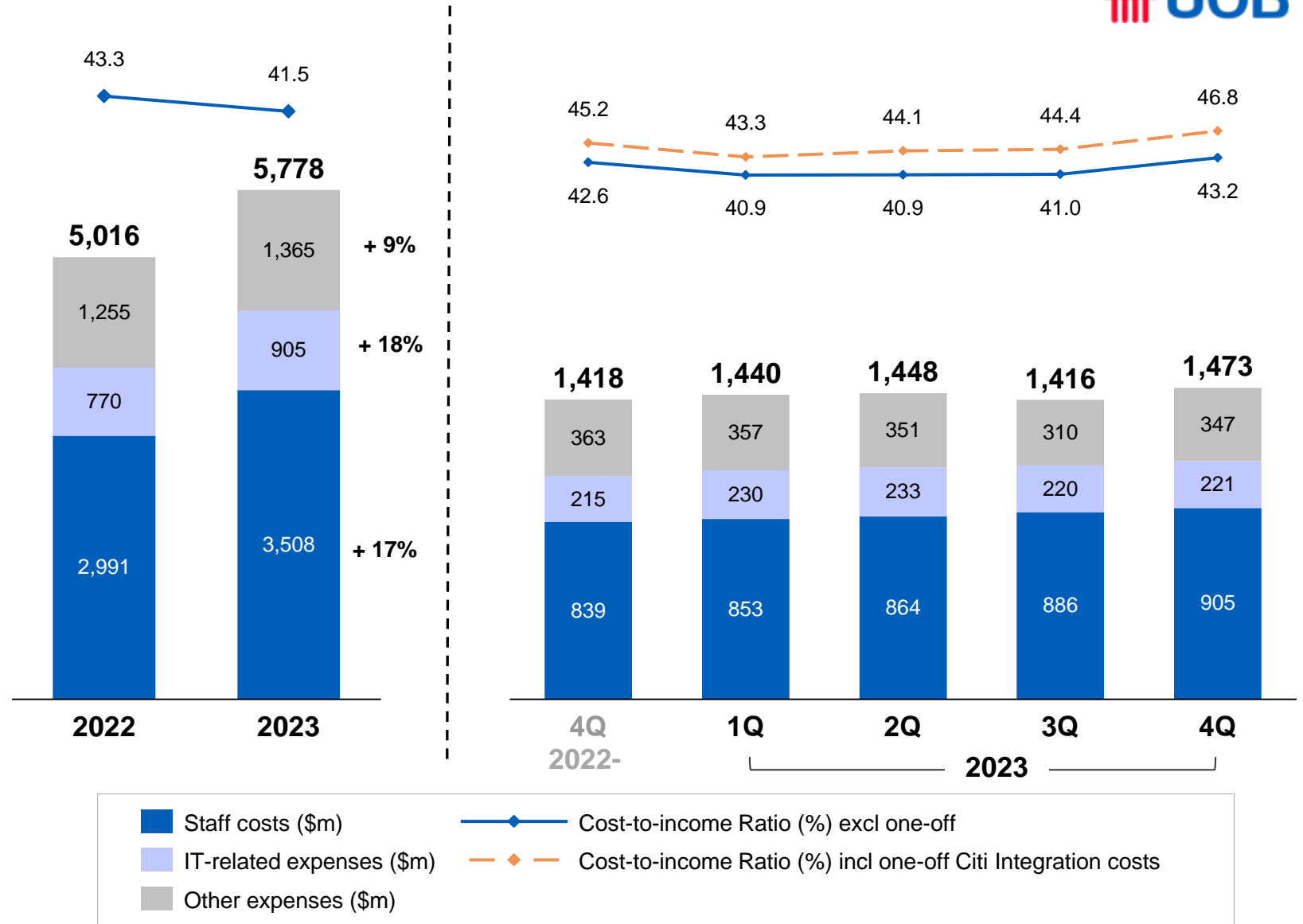
- Customer-related treasury income sustained momentum
- Trading and liquidity management activities continued to deliver good performance



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

## Core Expenses and Cost / Income Ratio (1)

- FY23 CIR improved to 41.5% on the back of strong income growth and disciplined spending
- Broad-based expense growth to support strategic initiatives



(1) Excluding one-off expenses

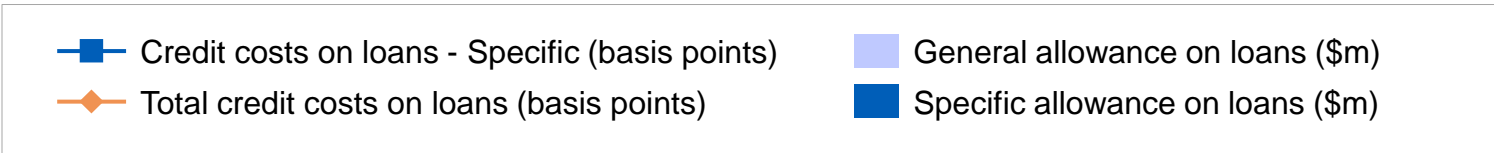
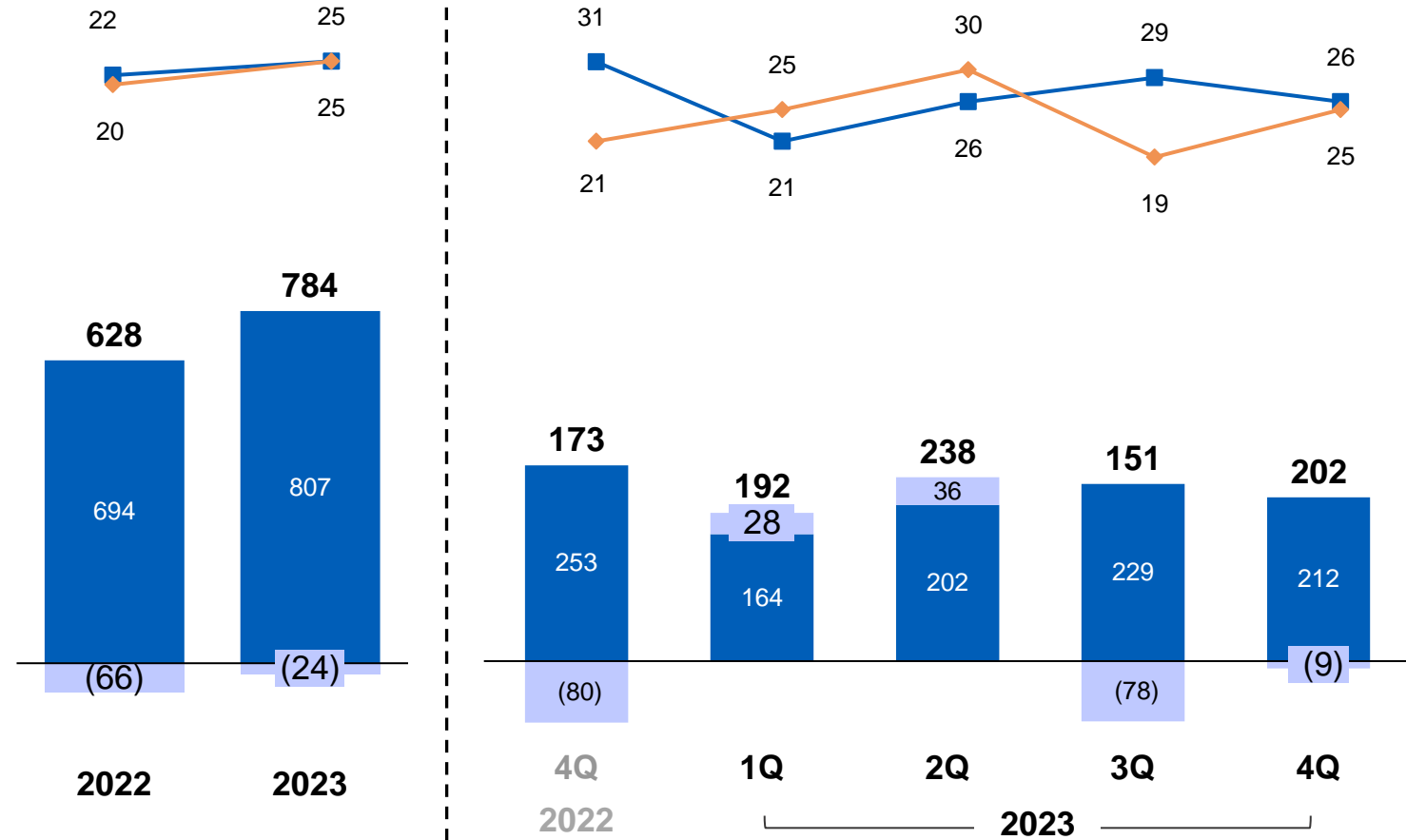
## Non-Performing Assets

- Stable asset quality with NPL ratio at 1.5%. New NPA formation more than offset by recoveries and write-offs
- Credit portfolio well-collateralized with SP/NPA stable at 32%

(\$m)	2022	2023			
	4Q	1Q	2Q	3Q	4Q
<b>NPAs at start of period</b>	5,037	5,127	5,150	5,192	5,011
<u>Non-individuals</u>					
New NPAs	395	301	364	267	389
Less:					
Upgrades and recoveries	322	80	137	298	288
Write-offs	121	218	65	150	218
	<u>4,989</u>	<u>5,130</u>	<u>5,312</u>	<u>5,011</u>	<u>4,894</u>
Individuals	(27)	13	(120)	0	38
<b>NPAs at end of period</b>	<u>4,962</u>	<u>5,143</u>	<u>5,192</u>	<u>5,011</u>	<u>4,932</u>
Add: Citi acquisition	165	7			14
<b>NPAs at end of period including Citi</b>	<u>5,127</u>	<u>5,150</u>	<u>5,192</u>	<u>5,011</u>	<u>4,946</u>
<b>NPL Ratio (%)</b>	1.6	1.6	1.6	1.6	<b>1.5</b>
<b>Specific allowance/NPA (%)</b>	34	32	33	34	<b>32</b>

# Total Allowance on Loans

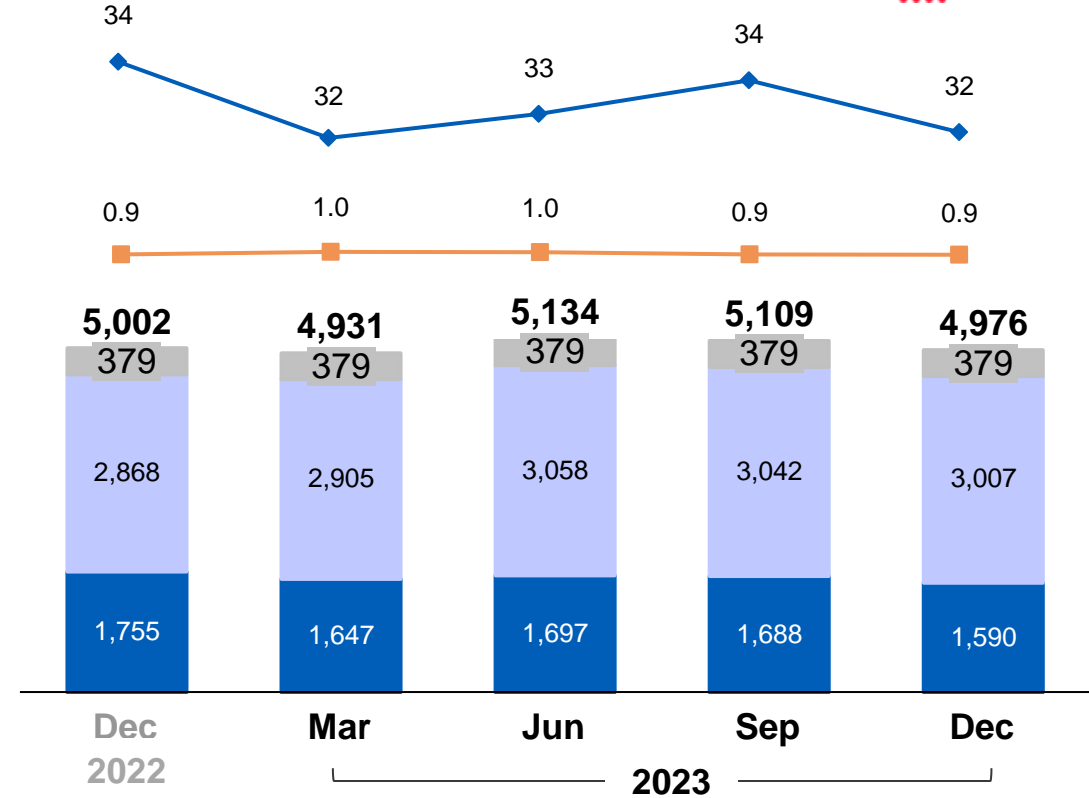
- FY23 credit costs at 25bps were within expectation





## Allowance Coverage

- Reserve buffer remained adequate with prudent coverage for performing loans at 0.9%
- Sound NPA coverage at 101% or 209% taking collateral into account



<b>NPA coverage (%) <sup>(2)</sup></b>	98	96	99	102	<b>101</b>
<b>Unsecured NPA coverage (%) <sup>(2)</sup></b>	207	212	209	205	<b>209</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 2% YoY on constant currency basis

	Dec-23 \$b	Sep-23 \$b	Dec-22 \$b	QoQ +/(-)%	YoY +/(-)%
Singapore	158	155	160	2	(2)
<b>ASEAN-4</b>	<b>69</b>	<b>67</b>	<b>69</b>	<b>3</b>	<b>1</b>
Malaysia	32	32	33	(1)	(5)
Thailand	25	24	23	7	8
Indonesia	10	10	10	2	(4)
Vietnam	2	2	2	7	31
<b>North Asia</b>	<b>54</b>	<b>56</b>	<b>52</b>	<b>(3)</b>	<b>4</b>
Greater China	49	51	49	(4)	1
Others	5	4	3	3	54
<b>Rest of the world</b>	<b>40</b>	<b>40</b>	<b>39</b>	<b>1</b>	<b>4</b>
<b>Total</b>	<b>321</b>	<b>318</b>	<b>320</b>	<b>1</b>	<b>0</b>
<i>At constant FX basis</i>	<i>321</i>	<i>317</i>	<i>316</i>	<i>1</i>	<i>2</i>

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 5% YoY, alongside improved CASA ratio at 48.9%

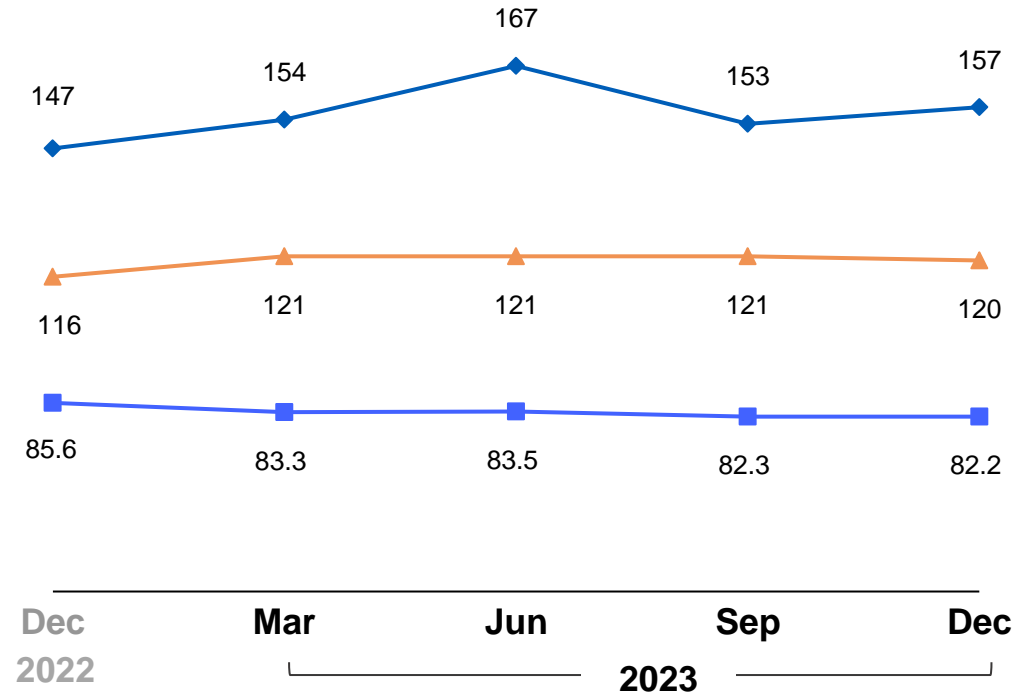
	Dec-23 \$b	Sep-23 \$b	Dec-22 \$b	QoQ +/(-)%	YoY +/(-)%
Singapore	264	262	249	1	6
<b>ASEAN-4</b>	<b>73</b>	<b>72</b>	<b>71</b>	<b>2</b>	<b>3</b>
Malaysia	34	34	34	0	1
Thailand	27	26	26	5	4
Indonesia	10	10	10	3	4
Vietnam	2	2	1	(8)	49
<b>North Asia</b>	<b>24</b>	<b>25</b>	<b>21</b>	<b>(2)</b>	<b>14</b>
Greater China	24	24	21	(2)	14
Others	0	0	0	(21)	29
<b>Rest of the world</b>	<b>24</b>	<b>24</b>	<b>28</b>	<b>1</b>	<b>(13)</b>
Total Customer Deposits	385	382	369	1	5
Wholesale funding <sup>(1)</sup>	71	67	68	7	5
Total funding	457	448	436	2	5
<b>CASA/Deposit Ratio (%)</b>	<b>48.9</b>	<b>48.2</b>	<b>47.5</b>	<b>0.7</b>	<b>1.4</b>

Note:

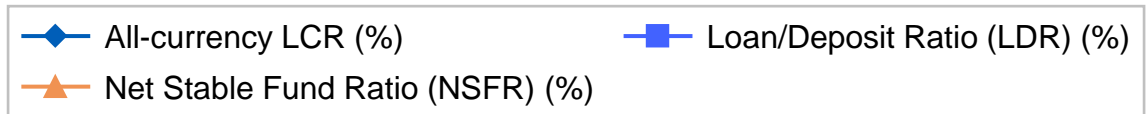
(1) Comprising debt issuances, perpetual capital securities and interbank liabilities.

## Liquidity Ratios

- Liquidity remained ample with LCR at 157% and NSFR at 120%

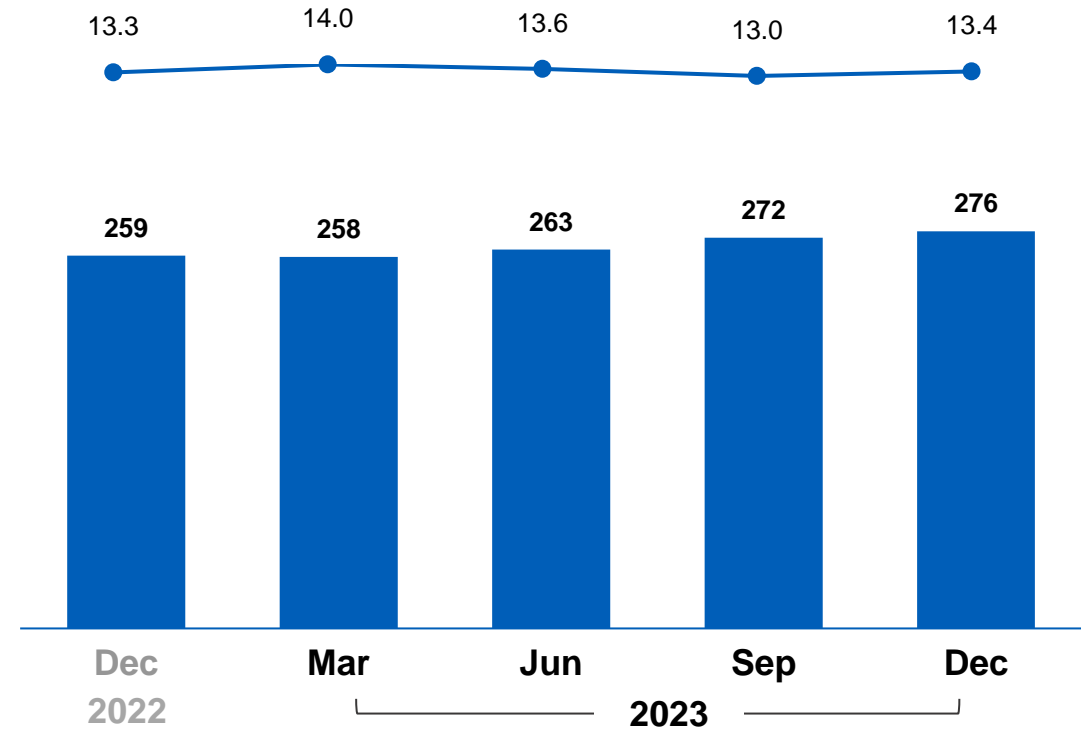


USD LDR (%)	60.0	60.7	62.9	60.7	56.5
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## Capital

- Healthy CET1 ratio at 13.4%

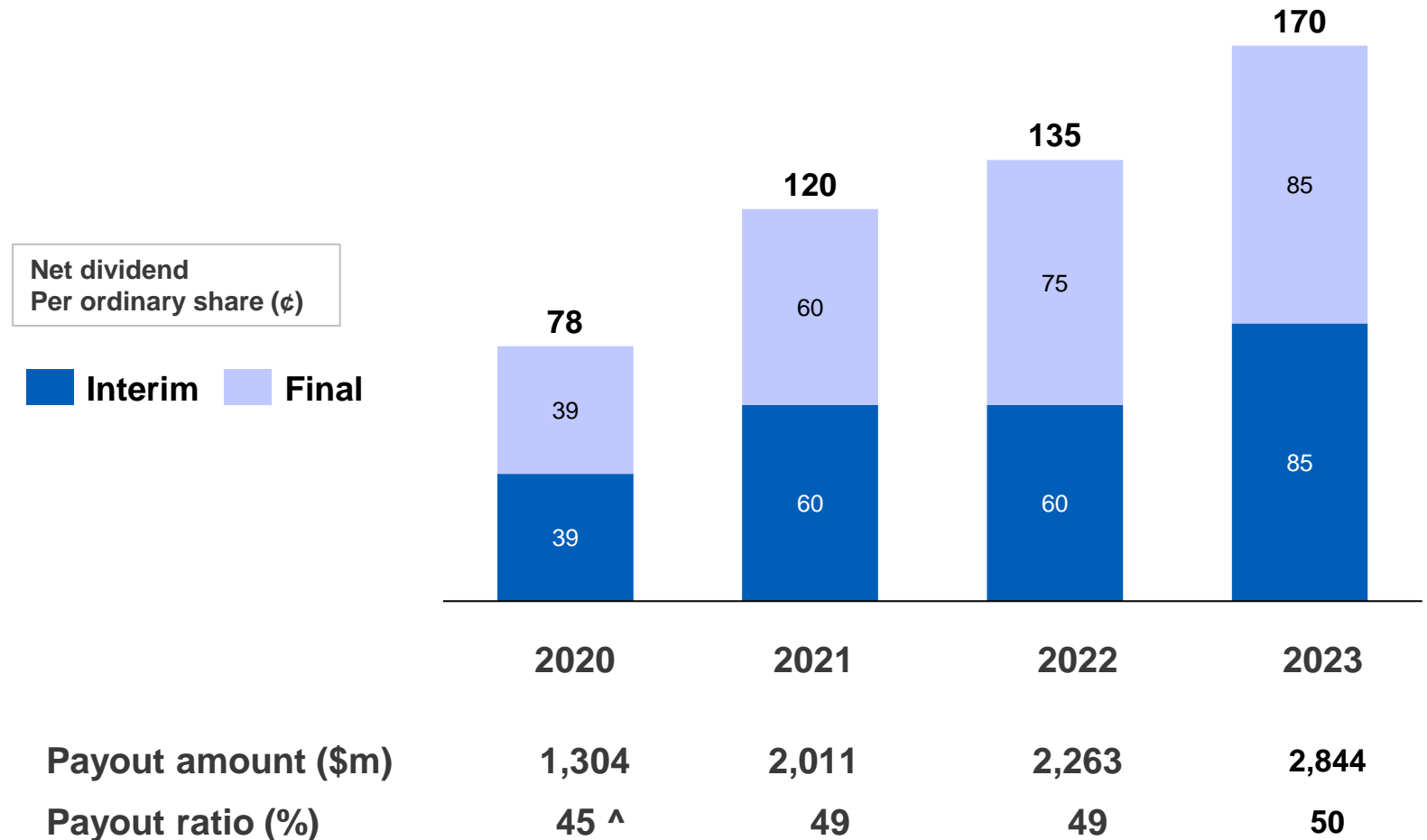


Leverage ratio (%)	6.6	7.0	7.0	6.8	6.9
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## Dividends

- 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.



**Right By You**