

## **To Our Shareholders**

The Board of Directors of Oversea-Chinese Banking Corporation Limited (“OCBC”) reports the following:

### **Unaudited Financial Results for the Half Year Ended 30 June 2022**

For the half year ended 30 June 2022, the Group reported net profit after tax was S\$2.84 billion. Details of the financial results are in the accompanying Unaudited Condensed Interim Financial Statements.

### **Ordinary Dividend**

An interim tax exempt dividend of 28 cents per share (2021: 25 cents tax exempt) has been declared for the first half year 2022. The interim dividend payout will amount to an estimated S\$1,258 million (2021: S\$1,126 million) or approximately 44% of the Group’s net profit after tax of S\$2.84 billion for 1H22.

### **Closure of Books**

The record date is 15 August 2022. Please refer to the separate announcement titled “Notice of Books Closure and Payment of Interim One-Tier Tax Exempt Dividend on Ordinary Shares for the Financial Year Ending 31 December 2022” released by the Bank today.

### **Scrip Dividend Scheme**

The Oversea-Chinese Banking Corporation Limited Scrip Dividend Scheme, which was approved by the Shareholders of the Bank at the Extraordinary General Meeting on 8 June 1996, will not be applicable to the interim dividend.

Peter Yeoh  
Secretary

Singapore, 3 August 2022

More details on the results are available on the Bank’s website at [www.ocbc.com](http://www.ocbc.com)

**Oversea-Chinese Banking Corporation Limited  
and its Subsidiaries**

**Unaudited Condensed Interim Financial Statements**  
For the Half Year ended 30 June 2022



Incorporated in Singapore  
Company Registration Number: 193200032W

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## CONTENTS

### Unaudited Condensed Interim Financial Statements

Unaudited Consolidated Income Statement	2
Unaudited Consolidated Statement of Comprehensive Income	3
Unaudited Balance Sheets	4
Unaudited Statement of Changes in Equity – Group	5
Unaudited Statement of Changes in Equity – Bank	7
Unaudited Consolidated Cash Flow Statement	8
Notes to the Unaudited Condensed Interim Financial Statements	9

<b>Other Information Required by Listing Rule Appendix 7.2</b>	25
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### **Attachment: Confirmation by the Board**

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONSOLIDATED INCOME STATEMENT

For the half year ended 30 June 2022

S\$ million	Note	GROUP	
		1H 2022	1H 2021
Interest income		4,164	3,711
Interest expense		(961)	(809)
<b>Net interest income</b>	3	<b>3,203</b>	2,902
Profit from life insurance <sup>(1)</sup>	4	649	627
Premium income from general insurance		104	97
Fees and commissions (net)	5	999	1,148
Dividends		57	48
Net trading income		492	528
Other income	6	18	136
<b>Non-interest income</b>		<b>2,319</b>	2,584
<b>Total income</b>		<b>5,522</b>	5,486
Staff costs		(1,613)	(1,486)
Other operating expenses	7	(845)	(801)
<b>Total operating expenses</b>		<b>(2,458)</b>	(2,287)
<b>Operating profit before allowances and amortisation</b>		<b>3,064</b>	3,199
Amortisation of intangible assets		(52)	(51)
Allowances for loans and other assets	8	(116)	(393)
<b>Operating profit after allowances and amortisation</b>		<b>2,896</b>	2,755
Share of results of associates, net of tax		499	422
<b>Profit before income tax</b>		<b>3,395</b>	3,177
Income tax expense		(475)	(413)
<b>Profit for the period</b>		<b>2,920</b>	2,764
<b>Profit attributable to:</b>			
Equity holders of the Bank		2,837	2,661
Non-controlling interests		83	103
		<b>2,920</b>	2,764
<b>Earnings per share (S\$)</b>			
Basic		0.63	0.59
Diluted		0.63	0.59

<sup>(1)</sup> Comprised premium and investment income of S\$4,558 million (1H21: S\$9,543 million) and insurance claims, commission and other expenses of S\$3,909 million (1H21: S\$8,916 million) for the Group. Refer to Note 4.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half year ended 30 June 2022

S\$ million	GROUP	
	1H 2022	1H 2021
<b>Profit for the period</b>	<b>2,920</b>	<b>2,764</b>
<b>Other comprehensive income:</b>		
<b>Items that may be reclassified subsequently to income statement:</b>		
Financial assets, at FVOCI <sup>(1)</sup>		
Fair value losses for the period	<b>(2,007)</b>	<b>(382)</b>
Reclassification of (gains)/losses to income statement		
– on disposal	<b>126</b>	<b>(98)</b>
– on impairment	<b>3</b>	<b>6</b>
Tax on net movements	<b>229</b>	<b>64</b>
Cash flow hedges	<b>(4)</b>	<b>(#)</b>
Currency translation on foreign operations	<b>(59)</b>	<b>45</b>
Other comprehensive income of associates	<b>(115)</b>	<b>160</b>
<b>Items that will not be reclassified subsequently to income statement:</b>		
Currency translation on foreign operations	<b>(12)</b>	<b>(10)</b>
Equity instruments, at FVOCI <sup>(1)</sup> , net change in fair value	<b>(203)</b>	<b>79</b>
Defined benefit plans remeasurements	<b>1</b>	<b>#</b>
Own credit	<b>1</b>	<b>1</b>
<b>Total other comprehensive income, net of tax</b>	<b>(2,040)</b>	<b>(135)</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>880</b>	<b>2,629</b>
<b>Total comprehensive income attributable to:</b>		
Equity holders of the Bank	<b>918</b>	<b>2,545</b>
Non-controlling interests	<b>(38)</b>	<b>84</b>
	<b>880</b>	<b>2,629</b>

<sup>(1)</sup> Fair value through other comprehensive income.

<sup>(2)</sup> # represents amounts less than S\$0.5 million.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED BALANCE SHEETS

As at 30 June 2022

S\$ million	Note	GROUP		BANK	
		30 June 2022	31 December 2021	30 June 2022	31 December 2021
<b>EQUITY</b>					
<b>Attributable to equity holders of the Bank</b>					
Share capital	10	18,057	18,040	18,057	18,040
Other equity instruments		1,696	1,198	1,696	1,198
Capital reserves		784	782	564	559
Fair value reserves		(915)	848	(763)	(25)
Revenue reserves		33,199	31,795	16,553	15,825
		52,821	52,663	36,107	35,597
<b>Non-controlling interests</b>		1,598	1,675	–	–
<b>Total equity</b>		54,419	54,338	36,107	35,597
<b>LIABILITIES</b>					
Deposits of non-bank customers	11	348,821	342,395	224,782	221,213
Deposits and balances of banks	11	12,411	8,239	9,184	6,708
Due to subsidiaries		–	–	32,699	28,250
Due to associates		309	431	202	230
Trading portfolio liabilities		515	393	515	393
Derivative payables		13,617	9,070	12,097	7,656
Other liabilities		7,922	7,163	2,096	1,906
Current tax payables		991	905	456	458
Deferred tax liabilities		2,283	2,832	136	154
Debt issued	12	18,205	20,115	17,559	19,657
		405,074	391,543	299,726	286,625
Life insurance fund liabilities		95,369	96,306	–	–
<b>Total liabilities</b>		500,443	487,849	299,726	286,625
<b>Total equity and liabilities</b>		554,862	542,187	335,833	322,222
<b>ASSETS</b>					
Cash and placements with central banks		33,321	27,919	25,845	22,863
Singapore government treasury bills and securities		13,447	11,112	12,407	10,106
Other government treasury bills and securities		22,368	26,159	8,185	9,710
Placements with and loans to banks		26,131	25,462	16,067	17,516
Loans to customers	13	294,480	286,281	198,626	189,401
Debt and equity securities		30,721	34,015	18,315	20,031
Assets held for sale		4	11	#	1
Derivative receivables		14,325	9,267	12,683	7,812
Other assets		6,564	6,334	2,397	2,339
Deferred tax assets		387	280	111	88
Associates		6,524	6,170	2,226	2,262
Subsidiaries		–	–	35,869	37,018
Property, plant and equipment		3,513	3,506	761	735
Investment property		793	801	474	473
Goodwill and other intangible assets		4,773	4,774	1,867	1,867
		457,351	442,091	335,833	322,222
Life insurance fund investment securities and other assets		97,511	100,096	–	–
<b>Total assets</b>		554,862	542,187	335,833	322,222
<b>Net asset value per ordinary share – S\$</b>		11.37	11.46	7.66	7.66
<b>OFF-BALANCE SHEET ITEMS</b>					
Contingent liabilities		16,278	16,651	11,984	12,299
Commitments		180,698	171,641	105,365	98,563
Derivative financial instruments		1,169,057	1,044,314	960,880	820,026

(1) # represents amounts less than S\$0.5 million.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED STATEMENT OF CHANGES IN EQUITY - GROUP

For the half year ended 30 June 2022

S\$ million	Attributable to equity holders of the Bank				Total	Non-controlling interests	Total equity
	Share capital and other equity	Capital reserves <sup>(1)</sup>	Fair value reserves	Revenue reserves			
<b>Balance at 1 January 2022</b>	<b>19,238</b>	<b>782</b>	<b>848</b>	<b>31,795</b>	<b>52,663</b>	<b>1,675</b>	<b>54,338</b>
<b>Total comprehensive income for the financial period</b>							
Profit for the financial period	-	-	-	2,837	2,837	83	2,920
<b>Other comprehensive income</b>							
<b>Items that may be reclassified subsequently to income statement:</b>							
Financial assets, at FVOCI							
Fair value losses for the financial period	-	-	(1,892)	-	(1,892)	(115)	(2,007)
Reclassification of (gains)/losses to income statement							
- on disposal	-	-	118	-	118	8	126
- on impairment	-	-	3	-	3	-	3
Tax on net movements	-	-	210	-	210	19	229
Cash flow hedges	-	-	-	(4)	(4)	-	(4)
Currency translation on foreign operations	-	-	-	(59)	(59)	-	(59)
Other comprehensive income of associates	-	-	11	(126)	(115)	-	(115)
<b>Items that will not be reclassified subsequently to income statement:</b>							
Currency translation on foreign operations	-	-	-	-	-	(12)	(12)
Equity instruments, at FVOCI, net change in fair value	-	-	(213)	31	(182)	(21)	(203)
Defined benefit plans remeasurements	-	-	-	1	1	-	1
Own credit	-	-	-	1	1	-	1
<b>Total other comprehensive income, net of tax</b>	<b>-</b>	<b>-</b>	<b>(1,763)</b>	<b>(156)</b>	<b>(1,919)</b>	<b>(121)</b>	<b>(2,040)</b>
<b>Total comprehensive income for the financial period</b>	<b>-</b>	<b>-</b>	<b>(1,763)</b>	<b>2,681</b>	<b>918</b>	<b>(38)</b>	<b>880</b>
<b>Transactions with owners, recorded directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Transfers	-	(#)	-	#	-	-	-
Perpetual capital securities issued	499	-	-	-	499	-	499
Buy-back of shares held as treasury shares	(153)	-	-	-	(153)	-	(153)
Dividends and distributions	-	-	-	(1,283)	(1,283)	(39)	(1,322)
DSP reserve from dividends of unvested	-	-	-	6	6	-	6
Share-based payments for staff costs	-	5	-	-	5	-	5
Shares issued to non-executive directors	1	-	-	-	1	-	1
Shares transferred to DSP Trust	-	(6)	-	-	(6)	-	(6)
Shares vested under DSP Scheme	-	104	-	-	104	-	104
Treasury shares transferred/sold	168	(101)	-	-	67	-	67
<b>Total contributions by and distributions to owners</b>	<b>515</b>	<b>2</b>	<b>-</b>	<b>(1,277)</b>	<b>(760)</b>	<b>(39)</b>	<b>(799)</b>
<b>Balance at 30 June 2022</b>	<b>19,753</b>	<b>784</b>	<b>(915)</b>	<b>33,199</b>	<b>52,821</b>	<b>1,598</b>	<b>54,419</b>
Included in the balances:							
Share of reserves of associates	-	-	184	3,486	3,670	-	3,670

<sup>(1)</sup> Including regulatory loss allowance reserve of S\$444 million at 1 January 2022 and S\$444 million at 30 June 2022.

<sup>(2)</sup> # represents amounts less than S\$0.5 million.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED STATEMENT OF CHANGES IN EQUITY - GROUP

For the half year ended 30 June 2022

S\$ million	Attributable to equity holders of the Bank					Total	Non-controlling interests	Total equity
	Share capital and other equity	Capital reserves <sup>(1)</sup>	Fair value reserves	Revenue reserves				
<b>Balance at 1 January 2021</b>	19,031	1,229	1,358	28,004	49,622	1,554	51,176	
<b>Total comprehensive income for the financial period</b>								
<b>Profit for the financial period</b>	–	–	–	2,661	2,661	103	2,764	
<b>Other comprehensive income</b>								
<b>Items that may be reclassified subsequently to income statement:</b>								
Financial assets, at FVOCI								
Fair value losses for the financial period	–	–	(360)	–	(360)	(22)	(382)	
Reclassification of (gains)/losses to income statement								
- on disposal	–	–	(90)	–	(90)	(8)	(98)	
- on impairment	–	–	5	–	5	1	6	
Tax on net movements	–	–	59	–	59	5	64	
Cash flow hedges	–	–	–	(#)	(#)	–	(#)	
Currency translation on foreign operations	–	–	–	45	45	–	45	
Other comprehensive income of associates	–	–	38	122	160	–	160	
<b>Items that will not be reclassified subsequently to income statement:</b>								
Currency translation on foreign operations	–	–	–	–	–	(10)	(10)	
Equity instruments, at FVOCI, net change in fair value	–	–	37	27	64	15	79	
Defined benefit plans remeasurements	–	–	–	#	#	#	#	
Own credit	–	–	–	1	1	–	1	
<b>Total other comprehensive income, net of tax</b>	–	–	(311)	195	(116)	(19)	(135)	
<b>Total comprehensive income for the financial period, net of tax</b>	–	–	(311)	2,856	2,545	84	2,629	
<b>Transactions with owners, recorded directly in equity</b>								
<b>Contributions by and distributions to owners</b>								
Transfers	–	(429)	–	429	–	–	–	
Buy-back of shares held as treasury shares	(190)	–	–	–	(190)	–	(190)	
Dividends and distributions	–	–	–	(359)	(359)	(28)	(387)	
Share-based payments for staff costs	–	6	–	–	6	–	6	
Shares issued in lieu of ordinary dividends	376	–	–	(376)	–	–	–	
Shares issued to non-executive directors	#	–	–	–	#	–	#	
Shares issued under Share Option Scheme	1	–	–	–	1	–	1	
Shares transferred to DSP Trust	83	(87)	–	–	(4)	–	(4)	
Shares vested under DSP Scheme	–	72	–	–	72	–	72	
Treasury shares transferred/sold	81	–	–	–	81	–	81	
<b>Total contributions by and distributions to owners</b>	351	(438)	–	(306)	(393)	(28)	(421)	
Changes in interests in a subsidiary that do not result in loss of control	–	–	–	(1)	(1)	(#)	(1)	
<b>Total changes in interests in subsidiaries</b>	–	–	–	(1)	(1)	(#)	(1)	
<b>Balance at 30 June 2021</b>	19,382	791	1,047	30,553	51,773	1,610	53,383	
Included in the balances:								
Share of reserves of associates	–	–	85	2,638	2,723	–	2,723	

(1) Including regulatory loss allowance reserve of S\$874 million at 1 January 2021 and S\$444 million at 30 June 2021. S\$430 million was transferred from regulatory loss allowance reserve to revenue reserves during the half year ended 30 June 2021.

(2) # represents amounts less than S\$0.5 million.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.



OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED STATEMENT OF CHANGES IN EQUITY - BANK

For the half year ended 30 June 2022

S\$ million	Share capital and other equity	Capital reserves <sup>(1)</sup>	Fair value reserves	Revenue reserves	Total equity
<b>Balance at 1 January 2022</b>	19,238	559	(25)	15,825	35,597
Profit for the financial period	–	–	–	2,033	2,033
Other comprehensive income	–	–	(738)	(28)	(766)
<b>Total comprehensive income for the period</b>	–	–	(738)	2,005	1,267
Perpetual capital securities issued	499	–	–	–	499
Buy-back of shares held as treasury shares	(153)	–	–	–	(153)
Dividends and distributions	–	–	–	(1,283)	(1,283)
DSP reserve from dividends of unvested shares	–	–	–	6	6
Share-based payments for staff costs	–	5	–	–	5
Shares issued to non-executive directors	1	–	–	–	1
Treasury shares transferred/sold	168	–	–	–	168
<b>Balance at 30 June 2022</b>	19,753	564	(763)	16,553	36,107
<b>Balance at 1 January 2021</b>	19,031	994	300	14,560	34,885
Profit for the financial period	–	–	–	1,315	1,315
Other comprehensive income	–	–	(118)	5	(113)
<b>Total comprehensive income for the period</b>	–	–	(118)	1,320	1,202
Transfers	–	(430)	–	430	–
Buy-back of shares held as treasury shares	(190)	–	–	–	(190)
Dividends and distributions	–	–	–	(359)	(359)
Shares issued in lieu of ordinary dividends	376	–	–	(376)	–
Share-based payments for staff costs	–	6	–	–	6
Shares issued to non-executive directors	#	–	–	–	#
Shares issued under Share Option Scheme	1	–	–	–	1
Shares transferred to DSP trust	83	–	–	–	83
Treasury shares transferred/sold	81	–	–	–	81
<b>Balance at 30 June 2021</b>	19,382	570	182	15,575	35,709

<sup>(1)</sup> Including regulatory loss allowance reserve of S\$444 million at 1 January 2022 (1 January 2021: S\$874 million) and S\$444 million at 30 June 2022 (30 June 2021: S\$444 million). S\$430 million was transferred from regulatory loss allowance reserve to revenue reserves during the half year ended 30 June 2021.

<sup>(2)</sup> # represents amounts less than S\$0.5 million.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

**OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES**

**UNAUDITED CONSOLIDATED CASH FLOW STATEMENT**

*For the half year ended 30 June 2022*

<b>S\$ million</b>	<b>1H 2022</b>	<b>1H 2021</b>
<b>Cash flows from operating activities</b>		
Profit before income tax	3,395	3,177
Adjustments for non-cash items:		
Allowances for loans and other assets	116	393
Amortisation of intangible assets	52	51
Change in hedging transactions, fair value through profit or loss securities and debt issued	152	(96)
Depreciation of property and equipment and interest expense on lease liabilities	208	207
Net loss/(gain) on disposal of government, debt and equity securities	78	(60)
Net gain on disposal of property and equipment	(49)	(36)
Share-based costs	43	34
Share of results of associates, net of tax	(499)	(422)
Items relating to life insurance fund		
Surplus before income tax	690	667
Surplus transferred from life insurance fund	(649)	(627)
Operating profit before change in operating assets and liabilities	3,537	3,288
Change in operating assets and liabilities:		
Deposits of non-bank customers	6,307	1,952
Deposits and balances of banks	4,173	390
Derivative payables and other liabilities	5,773	(5,887)
Trading portfolio liabilities	122	(136)
Restricted balances with central banks	98	(91)
Government securities and treasury bills	631	1,791
Fair value through profit or loss securities	474	(4,059)
Placements with and loans to banks	(669)	5,535
Loans to customers	(8,405)	(7,899)
Derivative receivables and other assets	(4,698)	3,970
Net change in other assets and liabilities of life insurance fund	149	2,339
Cash provided by operating activities	7,492	1,193
Income tax paid	(530)	(452)
<b>Net cash provided by operating activities</b>	<b>6,962</b>	<b>741</b>
<b>Cash flows from investing activities</b>		
Dividends from associates	4	12
Purchases of debt and equity securities	(5,537)	(6,002)
Purchases of life insurance fund investment securities	(16,630)	(22,231)
Purchases of property and equipment	(189)	(191)
Proceeds from disposal of debt and equity securities	7,376	5,932
Proceeds from disposal of life insurance fund investment securities	16,522	20,316
Proceeds from disposal of property and equipment	67	43
<b>Net cash provided by/(used in) investing activities</b>	<b>1,613</b>	<b>(2,121)</b>
<b>Cash flows from financing activities</b>		
Changes in non-controlling interests	–	(1)
Buy-back of shares held as treasury shares	(153)	(190)
Dividends and distributions paid	(1,322)	(387)
Net redemption of other debt issued	(2,930)	(2,192)
Repayment of lease liabilities	(43)	(47)
Proceeds from treasury shares transferred/sold under the Bank's employee share schemes	67	82
Redemption of subordinated debt issued	–	(400)
Issue of subordinated note	1,042	–
Net proceeds from issue of perpetual capital securities	499	–
<b>Net cash used in financing activities</b>	<b>(2,840)</b>	<b>(3,135)</b>
<b>Net change in cash and cash equivalents</b>	<b>5,735</b>	<b>(4,515)</b>
Net currency translation adjustments	(235)	137
Cash and cash equivalents at 1 January	22,710	22,078
<b>Cash and cash equivalents at 30 June</b>	<b>28,210</b>	<b>17,700</b>

*The accompanying notes form an integral part of these unaudited condensed interim financial statements.*

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

*For the half year ended 30 June 2022*

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These notes form an integral part of the unaudited condensed interim financial statements.

The unaudited condensed interim financial statements were authorised by the Board of Directors on 2 August 2022.

**1. General**

Oversea-Chinese Banking Corporation Limited (the Bank) is incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The address of the Bank's registered office is 63 Chulia Street, #10-00 OCBC Centre East, Singapore 049514.

The unaudited condensed interim financial statements relate to the Bank and its subsidiaries (together referred to as the Group) and the Group's interests in associates. The Group is principally engaged in the business of banking, life insurance, general insurance, asset management, investment holding, futures and stockbroking.

**2. Basis of preparation**

**2.1 Statement of compliance**

The unaudited condensed interim financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)) 1-34 Interim Financial Reporting, and do not include all of the information required for full annual financial statements. These unaudited condensed interim financial statements are to be read in conjunction with the financial statements as at and for the year ended 31 December 2021.

**2.2 Basis of presentation**

The unaudited condensed interim financial statements are presented in Singapore Dollar, rounded to the nearest million unless otherwise stated. # represents amounts less than S\$0.5 million. The unaudited condensed interim financial statements have been prepared under the historical cost convention, except as disclosed in the financial statements as at and for the year ended 31 December 2021.

**2.3 Use of estimates and judgements**

The preparation of unaudited condensed interim financial statements in conformity with SFRS(I) requires management to exercise its judgement, use estimates and make assumptions in the application of accounting policies on the reported amounts of assets, liabilities, revenues and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from these estimates.

In preparing these unaudited condensed interim financial statements, the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those applied in the financial statements as at and for the year ended 31 December 2021, except for the following additions.

**Impairment of financial assets**

In determining whether the credit risk of the Group's financial exposures has increased significantly since initial recognition, the Group considers quantitative and qualitative information such as the Group's historical credit assessment experience and available forward-looking information. Expected credit losses (ECL) estimates are based on probability-weighted forward-looking economic scenarios. The parameters used in ECL measurement (probability of default, loss given default and exposure at default) incorporates forward-looking information. The determination of the forward-looking economic scenarios and incorporation of forward-looking information into ECL measurement requires management to exercise judgement based on its assessment of current macroeconomic conditions.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

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2. Basis of preparation (continued)

2.3 Use of estimates and judgements (continued)

**Impairment of financial assets** (continued)

Allowances for non-credit-impaired loans to customers

As of 30 June 2022, the forward-looking scenarios used in the ECL model have been updated from those as of 31 December 2021, which reflects the latest macroeconomic view. For the year ended 31 December 2021, post-model adjustments were made to reflect the risks arising from certain segments of the portfolio that continue to be affected by the current COVID-19 situation as well as the continued macroeconomic uncertainty. These post-model adjustments were reviewed and approved in accordance with the Group's ECL framework, and include:

- In 2021, the Group continued to offer various loan reliefs, such as payment holidays and moratoriums to customers as part of a broader set of COVID-19 support measures. Such loan reliefs, payment holidays and moratoriums have the effect of delaying customer defaults even though customers who took up such relief package may be of higher risk. Therefore, post-model adjustments were made to reflect higher risk of default of such customers.
- In 2021, post-model adjustments were also made to more accurately reflect the continued weakness of certain industries and segments due to either travel restrictions or geopolitical events.
- Stages 1 and 2 ECL are modelled based on a central baseline forecast with its upper and lower bound to represent forecasting ranges. However, the central forecast with its upper/lower range may not factor in significant emerging risks and macroeconomic events that are expected but uncertain in terms of impact and timing. Such events have the potential to trigger a recession but are not adequately captured in existing forecasts. Therefore, in 2021, the Group added an additional scenario in the computation of ECL. As such events are global in nature, these are modelled as a top-down post-model adjustment.

As of 30 June 2022, the Group has assessed that the post-model adjustments made as of 31 December 2021 remains applicable but updated for the latest relevant information.

Allowances for credit-impaired loans to customers

In respect of credit-impaired exposures, management judgement and estimation are applied in, amongst others, identifying impaired exposures, estimating the related recoverable cash flows and where applicable, determining collateral values and timing of realisation. Judgements and assumptions in respect of these matters have been updated to reflect the latest relevant information as of 30 June 2022.

The Group's allowances for credit-impaired loans to customers are disclosed in Note 13.

# OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

## NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

### 2. Basis of preparation (continued)

#### 2.4 Significant accounting policies

The following new/revised financial reporting standards and interpretations were applied with effect from 1 January 2022:

SFRS(I)	Title
Various	Annual Improvements to SFRS(I)s 2018-2020
SFRS(I) 3 (Amendments)	Reference to the Conceptual Framework
SFRS(I) 1-16 (Amendments)	Property, Plant and Equipment – Proceeds before Intended Use
SFRS(I) 1-37 (Amendments)	Onerous Contracts – Cost of Fulfilling a Contract

The initial application of the above standards (including their consequential amendments) and interpretations did not have any material impact on the Group's condensed interim financial statements.

The accounting policies applied by the Group in the unaudited condensed interim financial statements are the same as those applied by the Group in its financial statements as at and for the year ended 31 December 2021, except for the new/revised financial reporting standards and interpretations as set out above.

There are a number of new/revised financial reporting standards in issue but not yet effective. They are not expected to have a significant impact on the Group's financial statements when adopted except for SFRS(I) 17 *Insurance Contracts*. SFRS(I) 17 is effective from 1 January 2023.

### 3. Net interest income

S\$ million	GROUP	
	1H 2022	1H 2021
<b>Interest income</b>		
Loans to customers	3,262	2,879
Placements with and loans to banks	315	248
Other interest-earning assets	587	584
	<b>4,164</b>	<b>3,711</b>
<b>Interest expense</b>		
Deposits of non-bank customers	(790)	(674)
Deposits and balances of banks	(54)	(31)
Other borrowings	(117)	(104)
	<b>(961)</b>	<b>(809)</b>
<b>Net interest income</b>	<b>3,203</b>	<b>2,902</b>

### 4. Profit from life insurance

S\$ million	GROUP	
	1H 2022	1H 2021
Premium income	10,321	8,639
Investment income	(5,763)	904
Net claims, surrenders and annuities	(5,352)	(3,959)
Net change in life insurance fund contract liabilities	2,143	(3,736)
Commission and others	(700)	(1,221)
<b>Profit from life insurance</b>	<b>649</b>	<b>627</b>

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

5. Fees and commissions (net)

S\$ million	GROUP	
	1H 2022	1H 2021
<b>Gross fee and commission income</b>		
Brokerage	59	79
Credit card	158	141
Fund management	62	63
Guarantees	8	7
Investment banking	51	57
Loan-related	86	85
Service charges	40	40
Trade-related and remittances	148	134
Wealth management <sup>(1)</sup>	537	690
Others	25	22
	<b>1,174</b>	<b>1,318</b>
<b>Fee and commission expense</b>	<b>(175)</b>	<b>(170)</b>
<b>Fees and commissions (net)</b>	<b>999</b>	<b>1,148</b>

<sup>(1)</sup> Includes trust and custodian fees.

6. Other income

S\$ million	GROUP	
	1H 2022	1H 2021
Disposal of investment securities	(78)	60
Disposal of properties	49	37
Rental and property-related income	36	33
Others	11	6
<b>Other income</b>	<b>18</b>	<b>136</b>

7. Other operating expenses

S\$ million	GROUP	
	1H 2022	1H 2021
<b>Property and equipment</b>		
Depreciation	206	205
Maintenance and rental	74	71
Others	160	143
	<b>440</b>	<b>419</b>
Other operating expenses	405	382
<b>Total other operating expenses</b>	<b>845</b>	<b>801</b>

8. Allowances for loans and other assets

S\$ million	GROUP	
	1H 2022	1H 2021
Allowances/(write-back):		
Impaired loans	32	283
Impaired other assets	5	(#)
Non-impaired loans	77	104
Non-impaired other assets	2	6
<b>Allowances for loans and other assets</b>	<b>116</b>	<b>393</b>

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

9. Dividends/distributions

S\$ million	GROUP	
	1H 2022	1H 2021
Ordinary dividends:		
2020 final tax exempt dividend of 15.9 cents	–	712
2021 final tax exempt dividend of 28 cents	1,260	–
Distributions for other equity instruments:		
4.0% perpetual capital securities	20	20
3.0% perpetual capital securities	3	3
<b>Total dividends and distributions</b>	<b>1,283</b>	<b>735</b>

10. Share capital

Shares (million)	GROUP	
	30 Jun 2022	31 Dec 2021
<b>Issued ordinary shares</b>		
At 1 January	4,515	4,476
Shares issued in lieu of ordinary dividends	–	32
Shares issued to non-executive directors	#	#
Deferred Share Plan	–	7
Share Option Scheme	–	#
At 30 June/ 31 December	4,515	4,515
<b>Treasury shares</b>		
At 1 January	(23)	(2)
Share buyback	(13)	(34)
Share Option Scheme	4	7
Share Purchase Plan	4	6
Treasury shares transferred to DSP Trust	8	–
At 30 June/ 31 December	(20)	(23)
<b>Total ordinary shares and treasury shares</b>	<b>4,495</b>	<b>4,492</b>
<b>Issued share capital (S\$ million)</b>	<b>18,057</b>	<b>18,040</b>

<sup>(1)</sup> # represents less than 500,000 shares.

Pursuant to the share purchase mandate approved at the annual general meeting held on 22 April 2022, the Bank purchased a total of 13 million ordinary shares in the half year ended 30 June 2022. The ordinary shares were purchased by way of open market acquisitions at prices ranging from S\$11.29 to S\$12.64 per share and the total consideration paid was S\$153 million (including transaction costs).

As at 30 June 2021, the number of treasury shares was 10 million, out of the total number of ordinary shares and treasury shares of 4,505 million.

As at 30 June 2022, the number of options outstanding under the OCBC Share Option Scheme 2001 was 21 million (30 June 2021: 27 million) and the number of acquisition rights outstanding under the OCBC Employee Share Purchase Plan was 13 million (30 June 2021: 15 million).

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

11. Deposits and balances of non-bank customers and banks

S\$ million	GROUP	
	30 Jun 2022	31 Dec 2021
<b>Deposits of non-bank customers</b>		
Fixed deposits	101,053	91,338
Savings deposits	80,154	78,566
Current account	132,174	138,077
Others	35,440	34,414
	<b>348,821</b>	<b>342,395</b>
<b>Deposits and balances of banks</b>	<b>12,411</b>	<b>8,239</b>
<b>Total deposits</b>	<b>361,232</b>	<b>350,634</b>

12. Debt issued

S\$ million	GROUP	
	30 Jun 2022	31 Dec 2021
<b>Unsecured</b>		
Subordinated debt	3,698	2,730
Fixed and floating rate notes	3,081	2,771
Commercial papers	6,203	8,668
Structured notes	2,654	2,425
<b>Secured</b>		
Covered bonds	2,569	3,521
	<b>18,205</b>	<b>20,115</b>
<b>Debt issued by maturity</b>		
Within one year	10,343	12,586
Over one year	7,862	7,529
	<b>18,205</b>	<b>20,115</b>

13. Loans to customers

S\$ million	GROUP	
	30 Jun 2022	31 Dec 2021
<b>Gross loans</b>	<b>297,920</b>	<b>289,716</b>
<b>Allowances</b>		
Impaired loans	(1,473)	(1,535)
Non-impaired loans	(1,967)	(1,900)
<b>Net loans</b>	<b>294,480</b>	<b>286,281</b>



OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

14. Segment information

14.1 Business segments

S\$ million	Global Consumer/ Private Banking	Global Wholesale Banking	Global Treasury and Markets	Insurance	Others	Group
<b>Half year ended 30 June 2022</b>						
Net interest income	974	1,604	449	52	124	3,203
Non-interest income	915	482	195	699	28	2,319
<b>Total income</b>	<b>1,889</b>	<b>2,086</b>	<b>644</b>	<b>751</b>	<b>152</b>	<b>5,522</b>
Operating profit before allowances and amortisation	635	1,353	467	583	26	3,064
Amortisation of intangible assets	(7)	–	–	(24)	(21)	(52)
Allowances for loans and other assets	41	(91)	(2)	(5)	(59)	(116)
<b>Operating profit after allowances and amortisation</b>	<b>669</b>	<b>1,262</b>	<b>465</b>	<b>554</b>	<b>(54)</b>	<b>2,896</b>
Share of results of associates, net of tax	–	–	–	–	499	499
<b>Profit before income tax</b>	<b>669</b>	<b>1,262</b>	<b>465</b>	<b>554</b>	<b>445</b>	<b>3,395</b>
<b>Other information:</b>						
Capital expenditure	68	3	1	31	129	232
Depreciation	42	6	1	4	153	206
<b>Half year ended 30 June 2021</b>						
Net interest income	839	1,332	490	49	192	2,902
Non-interest income	1,081	458	152	878	15	2,584
<b>Total income</b>	<b>1,920</b>	<b>1,790</b>	<b>642</b>	<b>927</b>	<b>207</b>	<b>5,486</b>
Operating profit before allowances and amortisation	702	1,120	481	777	119	3,199
Amortisation of intangible assets	(7)	–	–	(24)	(20)	(51)
Allowances for loans and other assets	13	(147)	1	(2)	(258)	(393)
<b>Operating profit after allowances and amortisation</b>	<b>708</b>	<b>973</b>	<b>482</b>	<b>751</b>	<b>(159)</b>	<b>2,755</b>
Share of results of associates, net of tax	–	–	–	–	422	422
<b>Profit before income tax</b>	<b>708</b>	<b>973</b>	<b>482</b>	<b>751</b>	<b>263</b>	<b>3,177</b>
<b>Other information:</b>						
Capital expenditure	28	8	1	65	110	212
Depreciation	48	6	1	4	146	205

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

14. Segment information (continued)

14.1 Business segments (continued)

S\$ million	Global Consumer/ Private Banking	Global Wholesale Banking	Global Treasury and Markets	Insurance	Others	Group
<b>At 30 June 2022</b>						
Segment assets	135,254	189,721	102,505	109,038	41,305	577,823
Unallocated assets						387
Elimination						(23,348)
<b>Total assets</b>						<b>554,862</b>
Segment liabilities	172,895	155,871	68,578	96,623	26,550	520,517
Unallocated liabilities						3,274
Elimination						(23,348)
<b>Total liabilities</b>						<b>500,443</b>
<b>Other information:</b>						
Gross non-bank loans	109,613	186,205	1,264	3	835	297,920
NPAs	1,064	2,896	–	2	7	3,969
<b>At 31 December 2021</b>						
Segment assets	131,443	184,050	94,832	110,950	39,960	561,235
Unallocated assets						280
Elimination						(19,328)
<b>Total assets</b>						<b>542,187</b>
Segment liabilities	167,679	151,384	59,917	97,356	27,104	503,440
Unallocated liabilities						3,737
Elimination						(19,328)
<b>Total liabilities</b>						<b>487,849</b>
<b>Other information:</b>						
Gross non-bank loans	109,972	177,670	1,274	3	797	289,716
NPAs	1,184	3,143	–	4	7	4,338

**14. Segment information** *(continued)*

**14.1 Business segments** *(continued)*

OCBC Group's businesses are presented in the following customer segments and business activities: Global Consumer/Private Banking, Global Wholesale Banking, Global Treasury and Markets and Insurance.

**Global Consumer/Private Banking**

Global Consumer/Private Banking provides a full range of products and services to individual customers. At Global Consumer Banking, the products and services offered include deposit products (checking accounts, savings and fixed deposits), consumer loans (housing loans and other personal loans), credit cards, wealth management products (unit trusts, bancassurance products and structured deposits) and brokerage services. Private Banking caters to the specialised banking needs of high net worth individuals, offering wealth management expertise, including investment advice and portfolio management services, estate and trust planning, and wealth structuring.

**Global Wholesale Banking**

Global Wholesale Banking serves institutional customers ranging from large corporates and the public sector to small and medium enterprises. The business provides a full range of financing solutions including long-term project financing, short-term credit, working capital and trade financing, as well as customised and structured equity-linked financing. It also provides customers with a broad range of products and services such as cash management and custodian services, capital market solutions, corporate finance services and advisory banking, and treasury products.

**Global Treasury and Markets**

Global Treasury and Markets is responsible for the management of the Group's asset and liability interest rate positions, engages in foreign exchange activities, money market operations, fixed income and derivatives trading, and offers structured treasury products and financial solutions to meet customers' investment and hedging needs. Income from treasury products and services offered to customers of other business segments, such as Global Consumer/Private Banking and Global Wholesale Banking, is reflected in the respective business segments.

**Insurance**

The Group's insurance business, including its fund management activities, is undertaken by the Bank's subsidiary Great Eastern Holdings Limited and its subsidiaries, which provide both life and general insurance products to its customers mainly in Singapore and Malaysia.

**Others**

Others comprise mainly property holding, investment holding and items not attributable to the business segments described above.

Where there are material changes in the organisational structure and management reporting methodologies, segment information for prior periods is reclassified to allow comparability.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

14. Segment information (continued)

14.2 Geographical segments

	1H 2022	1H 2021
	S\$ million	S\$ million
<b>Total income</b>		
Singapore	3,121	3,130
Malaysia	820	834
Indonesia	487	471
Greater China	755	744
Other Asia Pacific	119	132
Rest of the World	220	175
	<b>5,522</b>	<b>5,486</b>
<b>Operating profit before allowances and amortisation</b>		
Singapore	1,664	1,775
Malaysia	563	576
Indonesia	253	257
Greater China	350	378
Other Asia Pacific	82	100
Rest of the World	152	113
	<b>3,064</b>	<b>3,199</b>
<b>Profit before income tax</b>		
Singapore	1,671	1,555
Malaysia	610	513
Indonesia	181	185
Greater China	741	750
Other Asia Pacific	79	55
Rest of the World	113	119
	<b>3,395</b>	<b>3,177</b>
	30 Jun 2022	31 Dec 2021
	S\$ million	S\$ million
<b>Total assets</b>		
Singapore	326,831	317,491
Malaysia	65,231	66,997
Indonesia	21,217	20,954
Greater China	90,323	88,031
Other Asia Pacific	19,092	18,631
Rest of the World	32,168	30,083
	<b>554,862</b>	<b>542,187</b>

The geographical segment analysis is based on the location where assets or transactions are booked. The geographical information is stated after elimination of intra-group transactions and balances.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

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**15. Fair values of financial instruments**

**15.1 Valuation governance framework**

The Group has an established governance framework with respect to the measurement of fair values, which includes formalised processes for the review and validation of fair values independent of the businesses entering into the transactions.

The Market Risk Management (MRM) function within the Group Risk Management Division (GRM) is responsible for the model validation process. Financial models are used to price financial instruments and to calculate value-at-risk (VaR). MRM ensures that the models used are fit for their intended purposes through internal independent validation and periodic review. MRM sources market rates independently for risk measurement and valuation.

The Treasury Financial Control and Advisory – Valuation Control function within the Group Finance Division is responsible for the establishment of the overall valuation control framework. This includes, but is not limited to, reviewing and recommending appropriate valuation adjustment methodologies, independent price testing, and identifying valuation gaps.

Valuation policies are formulated and reviewed annually by the Valuation Control function, and approved by the Market Risk Management Committee, the Group Chief Executive Officer (CEO) and Board Risk Management Committee (BRMC). Valuation adjustments are applied to account for input parameter uncertainties, known model deficiencies and other factors that may affect valuation. The main valuation adjustments are described below.

Bid Offer Adjustments

When the position is marked at mid-price, bid offer adjustment is applied to account for close out cost.

Model Adjustments

Model adjustments are applied when there are inherent limitations in the valuation models used by the Bank.

Day 1 Profit or Loss Adjustments

Day 1 profit or loss adjustments are applied when the valuation technique involves the use of significant inputs which are not readily observable. The difference between the fair value at initial recognition and the transaction price is deferred as an adjustment.

The Day 1 profit or loss adjustments are released to the income statement when the significant inputs become observable, when the transaction is derecognised or amortised over the life of the transaction.

Credit Valuation Adjustments

Credit valuation adjustments are applied to account for the expected losses due to counterparty default on derivative positions.

Collateral Valuation Adjustments

Collateral valuation adjustments are applied when a derivative is denominated and discounted using a curve in the same currency but is collateralised in another currency.

Parameter Uncertainty Adjustments

These valuation adjustments mainly include adjustments for illiquid prices or internal methodologies used to derive model inputs.

The Group's internal audit provides independent assurance on the respective divisions' compliance with the policy.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

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**15. Fair values of financial instruments** (continued)

**15.2 Fair values**

Financial instruments comprise financial assets, financial liabilities and off-balance sheet financial instruments. The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. For financial assets and liabilities not carried at fair value on the financial statements, the Group has determined that their fair values were not materially different from the carrying amounts at the reporting date. The carrying amounts and fair values of financial instruments of the Group are described below.

**Financial assets**

Fair values of cash and balances with central banks, placements with banks, interest and other short term receivables are expected to approximate their carrying amounts due to their short tenor or frequent re-pricing.

Securities held by the Group, comprising government securities and debt and equity securities are substantially carried at fair value on the balance sheet.

Non-bank customer loans are mainly carried at amortised cost on the balance sheet, net of allowances for impaired and non-impaired loans. The Group deems that the carrying amounts of non-bank loans approximate their fair values as substantially all the loans are subject to frequent re-pricing.

**Financial liabilities**

Fair value of certain financial liabilities, which include mainly customer deposits with no stated maturity, interbank borrowings and borrowings under repurchase agreements, are expected to approximate their carrying amounts due to their short tenor. For non-bank customer term deposits, contractual or derived cash flows are discounted at market rates as at reporting date to estimate the fair values, which approximate the carrying amounts.

The fair values of the Group's subordinated term notes and covered bonds are determined based on quoted market prices and independent broker offer prices. For other debts issued which are usually short term, the fair values approximate the carrying amounts.

**15.3 Fair value hierarchy**

The Group determines the fair values of its financial assets and liabilities using various measurements. The different levels of fair value measurements are as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable market data either directly (i.e. as prices) or indirectly (i.e. derived from observable market data). The valuation techniques that use market parameters as inputs include, but are not limited to, yield curves, volatilities and foreign exchange rates; and
- Level 3 – inputs for the valuation that are not based on observable market data.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

15. Fair values of financial instruments (continued)

15.3 Fair value hierarchy (continued)

The following table summarises the Group's assets and liabilities measured at fair values subsequent to initial recognition by level of the fair value hierarchy:

S\$ million	GROUP							
	30 Jun 2022				31 Dec 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Recurring fair value measurements</b>								
<b>Financial assets measured at fair value</b>								
Placements with and loans to banks	909	8,672	–	9,581	2,194	5,673	–	7,867
Debt and equity securities	21,401	5,714	3,336	30,451	24,813	7,699	1,172	33,684
Loans to customers	–	–	17	17	–	2	47	49
Derivative receivables	105	13,168	1,051	14,324	42	8,413	812	9,267
Government treasury bills and securities	30,835	4,615	–	35,450	30,834	6,090	–	36,924
Life insurance fund investment securities and other assets	54,705	21,833	2,980	79,518	60,879	23,489	2,552	86,920
<b>Total</b>	<b>107,955</b>	<b>54,002</b>	<b>7,384</b>	<b>169,341</b>	<b>118,762</b>	<b>51,366</b>	<b>4,583</b>	<b>174,711</b>
<b>Non-financial assets measured at fair value</b>								
Life insurance fund investment properties	–	–	1,799	1,799	–	–	1,884	1,884
Asset held for sale	–	–	75	75	–	–	–	–
Associate	–	–	101	101	–	–	95	95
<b>Total</b>	<b>–</b>	<b>–</b>	<b>1,975</b>	<b>1,975</b>	<b>–</b>	<b>–</b>	<b>1,979</b>	<b>1,979</b>
<b>Financial liabilities measured at fair value</b>								
Derivative payables	207	12,607	803	13,617	168	8,262	640	9,070
Trading portfolio liabilities	515	–	–	515	393	–	–	393
Debt issued	–	1,066	–	1,066	–	1,092	–	1,092
Life insurance fund financial liabilities	24	450	–	474	3	106	–	109
<b>Total</b>	<b>746</b>	<b>14,123</b>	<b>803</b>	<b>15,672</b>	<b>564</b>	<b>9,460</b>	<b>640</b>	<b>10,664</b>

During the financial period, the Group transferred financial assets from Level 2 to Level 1 as prices became observable arising from increased market activity. Financial assets were also transferred from Level 1 to Level 2 when quoted prices become unobservable arising from reduced market activity.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

15. Fair values of financial instruments (continued)

15.3 Fair value hierarchy (continued)

Valuation techniques and unobservable inputs for Level 3 instruments

GROUP S\$ million	Fair value at 30 Jun 2022	Classification	Valuation techniques	Unobservable inputs
<b>Financial assets</b>				
Equity securities	3,336	FVTPL/FVOCI	Net asset value/ Multiples/Discounted cash flows	Value of net asset/ Earnings and multiples/Cash flows and discount rate
Loans to customers	17	FVTPL	Discounted cash flows	Cash flows and discount rate
Derivative receivables	1,051	FVTPL	Option pricing model Derivatives pricing	Volatility/Correlation Long dated rate
Life insurance fund investment securities and other assets	2,980	FVTPL/FVOCI	Net asset value	Value of net asset
<b>Total</b>	<b>7,384</b>			
<b>Financial liabilities</b>				
Derivative payables	803	FVTPL	Option pricing model Derivatives pricing	Volatility/Correlation Long dated rate
<b>Total</b>	<b>803</b>			

Movements in Level 3 financial assets and liabilities

GROUP S\$ million	Debt and equity securities	Loans to customers	Derivative receivables	Life insurance fund investment securities and other assets	Total
<b>Financial assets measured at fair value</b>					
At 1 January 2022	1,172	47	812	2,552	4,583
Purchases	178	-	42	443	663
Settlements/disposals	(27)	(23)	(28)	(227)	(305)
Transfers in to Level 3	1,987 <sup>(1)</sup>	-	-	-	1,987
Gains/(losses) recognised in					
- profit or loss	48	(7)	214	213	468
- other comprehensive income	(22)	#	11	(1)	(12)
At 30 June 2022	3,336	17	1,051	2,980	7,384
Unrealised gains/(losses) included in profit or loss for assets held at the end of the period	48	15	741	204	1,008

<sup>(1)</sup> Relates to transfers from Level 2 to Level 3 due to use of inputs not based on market observable data.



OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

15. Fair values of financial instruments (continued)

15.3 Fair value hierarchy (continued)

Movements in Level 3 financial assets and liabilities (continued)

GROUP S\$ million	Debt and equity securities	Loans to customers	Derivative receivables	Life insurance fund investment securities and other assets	Total
<b>Financial assets measured at fair value</b>					
At 1 January 2021	1,214	89	102	1,967	3,372
Purchases	11	–	42	541	594
Settlements/disposals	(14)	(26)	(8)	(243)	(291)
Transfers in to Level 3	20 <sup>(1)</sup>	–	226 <sup>(1)</sup>	–	246
Gains/(losses) recognised in					
- profit or loss	(68)	(16)	449	288	653
- other comprehensive income	9	(#)	1	(1)	9
At 31 December 2021	1,172	47	812	2,552	4,583
Unrealised (losses)/gains included in profit or loss for assets held at the end of the period	(68)	(16)	738	274	928

<sup>(1)</sup> Relates to transfers from Level 2 to Level 3 due to use of inputs not based on market observable data.

GROUP S\$ million	2022		2021	
	Derivative payables	Total	Derivative payables	Total
<b>Financial liabilities measured at fair value</b>				
At 1 January	640	640	69	69
Issues	72	72	144	144
Settlements/disposals	(120)	(120)	(80)	(80)
Transfers in to Level 3	–	–	226 <sup>(1)</sup>	226
Losses/(gains) recognised in				
- profit or loss	200	200	281	281
- other comprehensive income	11	11	(#)	(#)
At 30 June/ 31 December	803	803	640	640
Unrealised gains/(losses) included in profit or loss for liabilities held at the end of the period	(702)	(702)	(542)	(542)

<sup>(1)</sup> Relates to transfers from Level 2 to Level 3 due to use of inputs not based on market observable data.

## NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2022

## 15. Fair values of financial instruments (continued)

## 15.3 Fair value hierarchy (continued)

## Movements in Level 3 non-financial assets

GROUP S\$ million	2022				2021		
	Life insurance fund investment properties	Asset held for sale	Associate	Total	Life insurance fund investment properties	Associate	Total
<b>Non-financial assets measured at fair value</b>							
At 1 January	1,884	–	95	1,979	1,767	–	1,767
Purchases/transfers	(75)	75	9	9	39	–	39
Transfers in to Level 3	–	–	–	–	–	97 <sup>(1)</sup>	97
Gains/(losses) recognised in							
- profit or loss	(#)	–	(3)	(3)	84	(2)	82
- other comprehensive income	(10)	–	–	(10)	(6)	–	(6)
At 30 June/31 December	1,799	75	101	1,975	1,884	95	1,979

<sup>(1)</sup> Relates to transfers from Level 2 to Level 3 due to use of inputs not based on market observable data.

## **Other Information Required by Listing Rule Appendix 7.2**

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## OTHER INFORMATION

### 1. Review

The balance sheets of Oversea-Chinese Banking Corporation Limited (the Bank) and its subsidiaries (the Group) as at 30 June 2022 and the consolidated income statement, consolidated statement of comprehensive income, statement of changes in equity for Group and Bank and consolidated cash flow statement for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

### 2. Review of the performance of the Group for the six-month period ended 30 June 2022

Please refer to the “Media Release” section.

### 3. Dividend information

Please refer to “Letter to Shareholders”.

### 4. Interested person transactions

The Bank has not obtained a general mandate from shareholders for Interested Person Transactions pursuant to Rule 920(1) of the Listing Manual.

### 5. Undertaking from directors and executive officers

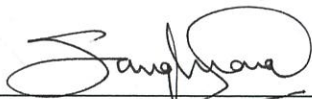
The Bank has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual pursuant to Rule 720(1) of the Listing Manual.

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**CONFIRMATION BY THE BOARD**

We, Ooi Sang Kuang and Chua Kim Chiu, being directors of Oversea-Chinese Banking Corporation Limited (“the Bank”), do hereby confirm on behalf of the Board of Directors of the Bank, that to the best of our knowledge, nothing has come to our attention which may render the unaudited financial results of the Bank and of the Group for the half year ended 30 June 2022 to be false or misleading.

On behalf of the Board of Directors



Ooi Sang Kuang  
Chairman



Chua Kim Chiu  
Director

2 August 2022