

Group Chief Executive Officer Remarks

3 August 2022



OCBC Financial Results



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Looking Ahead

❑ **Growth in Asia remains positive**

- Expect continued economic growth in our key markets but at a slower rate
- Improving unemployment rates in the region
- Reopening of borders and lifting of Covid-19 restrictions boosting economic activities
- Accommodative fiscal and monetary policies and easing of lockdowns in China

❑ **Cautious on near-term headwinds in operating environment**

- Geopolitical conflicts and supply chain bottlenecks slowing global growth
- Recessionary risks from tightening monetary policies to curb inflation
- Potential rise in default rates from weakening of asset quality as interest rates rise
- Ongoing uncertainty from emergence of new Covid-19 variants

Confident of Our Forward Prospects

- ❑ **Positive on FY22 outlook**
 - Growth in net interest income from rising interest rates expected to offset near-term pressure on non-interest income
 - Loan growth on track for mid-single digit percentage
 - Continue to be disciplined on discretionary spending
 - Credit costs expected to be on low end of guidance
- ❑ **Proactively monitoring and stress testing loan portfolio, asset quality remains resilient**
- ❑ **Progressing well on sustainability agenda, sustainable financing commitments grew to S\$37 billion as at Jun 2022**
- ❑ **Diversified franchise provides resiliency through cycles**
- ❑ **Flexibility to navigate uncertainty and strategic priorities with strong capital and balance sheet position**