



Third Quarter 2023 Results Highlights

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10 November 2023



Agenda

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Notes:

- Certain comparative figures have been restated to conform with the current period's presentation;
- Amounts less than S\$0.5m are shown as "0";
- "nm" denotes not meaningful;
- "na" denotes not applicable;
- Figures may not sum to stated totals because of rounding.



01

Financial Highlights



Robust 3Q23 performance

Group Net Profit	S\$1.81b	+21% YoY
		+6% QoQ

Banking Operations Net Profit	S\$1.66b	+21% YoY
		+7% QoQ

EPS <i>(annualised)</i>	S\$1.58	+22% YoY
		+5% QoQ
ROE <i>(annualised)</i>	14.0%	+2.1 ppt YoY
		+0.5 ppt QoQ



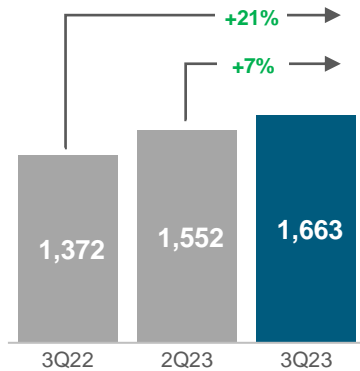
	YoY	QoQ
Total Income		
S\$3.43b	+13%	-1%
Net Interest Income (NII)	+17%	+3%
Non-Interest Income (Non-II)	+4%	-9%
Operating Expenses		
S\$1.34b	+5%	+1%
Net Interest Margin		
2.27%	+21bps	+1bp
Credit Costs		
17bps	+3bps	-14bps
Customer Loans		
S\$298b <i>(in constant currency terms)</i>	+1%	+1%
Customer Deposits		
S\$369b	+5%	-1%
NPL Ratio		
1.0%	-0.2ppt	-0.1ppt
CET1 CAR		
14.8%	+0.4ppt	-0.6ppt
All-ccy LCR		
159%	+6ppt	-5ppt

- Higher Group net profit lifted ROE to 14.0%
- Total income up 13% YoY
- NII rose YoY from asset growth and NIM uplift
- Non-II higher YoY, supported by rise in fee income to highest level in past 4 quarters
- CIR improved YoY to 39.1%
- Credit costs at 17bps (annualised)
- Loans up 1%, asset quality resilient with NPL ratio down to pre-pandemic levels
- Deposits lower QoQ from proactive rebalancing of balance sheet
- Funding, liquidity and capital positions remained healthy

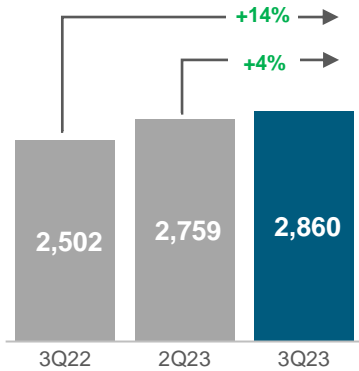
3Q23 Financial highlights

Banking

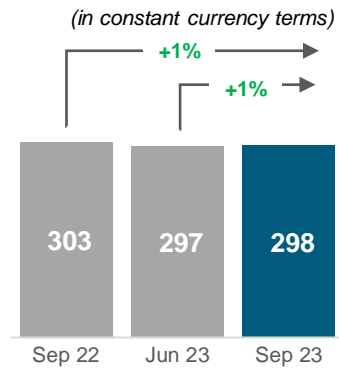
Net Profit (S\$m)



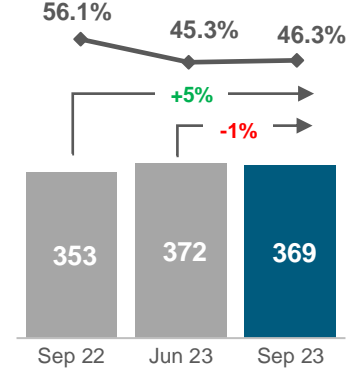
NII and Fee Income (S\$m)



Customer Loans (S\$b)

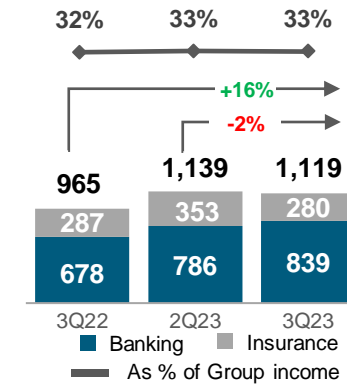


Customer Deposits (S\$b) and CASA ratio

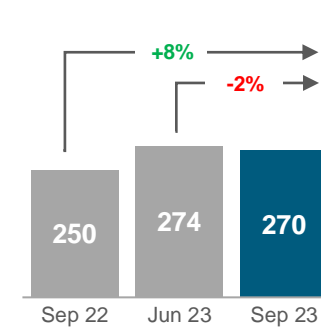


Wealth Management

WM Income (S\$m) ^{1/}

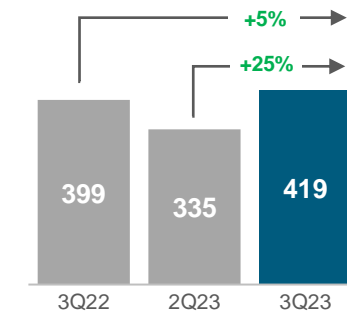


WM AUM (S\$b)

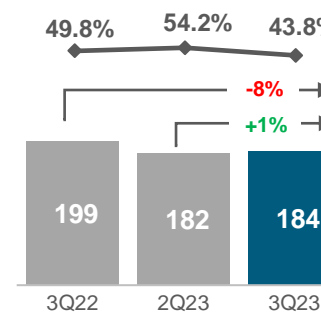


Insurance

Total Weighted New Sales (S\$m)



New Business Embedded Value (S\$m) and Margin



- Robust operating performance across key business pillars
- Banking operations results underpinned by record NII
- WM income up YoY; AUM rose 8% YoY to S\$270b, driven by net new money inflows
- Insurance TWNS rose QoQ and YoY on higher sales in Singapore; NBEV up QoQ

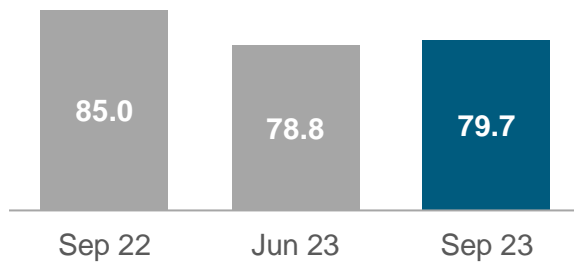


^{1/} Wealth Management income comprises the consolidated income from insurance, private banking, premier private client, premier banking, asset management and stockbroking.

Strong balance sheet position

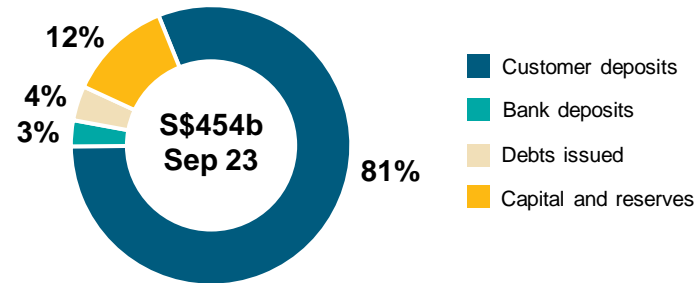
Loans-to-Deposits Ratio

Group LDR (%)



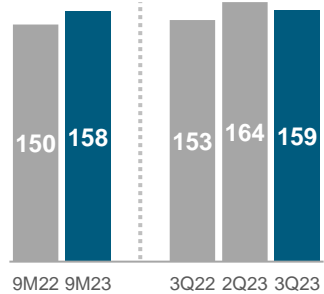
Funding

Composition (%)

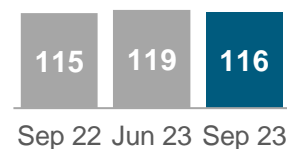


Liquidity

All-ccy LCR (%)



NSFR (%)

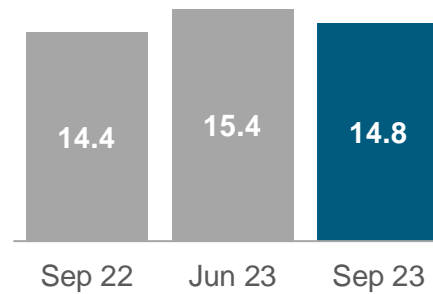


Leverage ratio (%)



Capital

CET1 CAR (%)



- Strong credit ratings of Aa1 from Moody's and AA- from both Fitch and S&P
- Diversified and stable funding base, with customer deposits above 80%
- All regulatory ratios well above requirements, reflecting healthy funding, liquidity and capital positions

02

Group Net Profit



Record Group net profit of S\$5.40b for 9M23

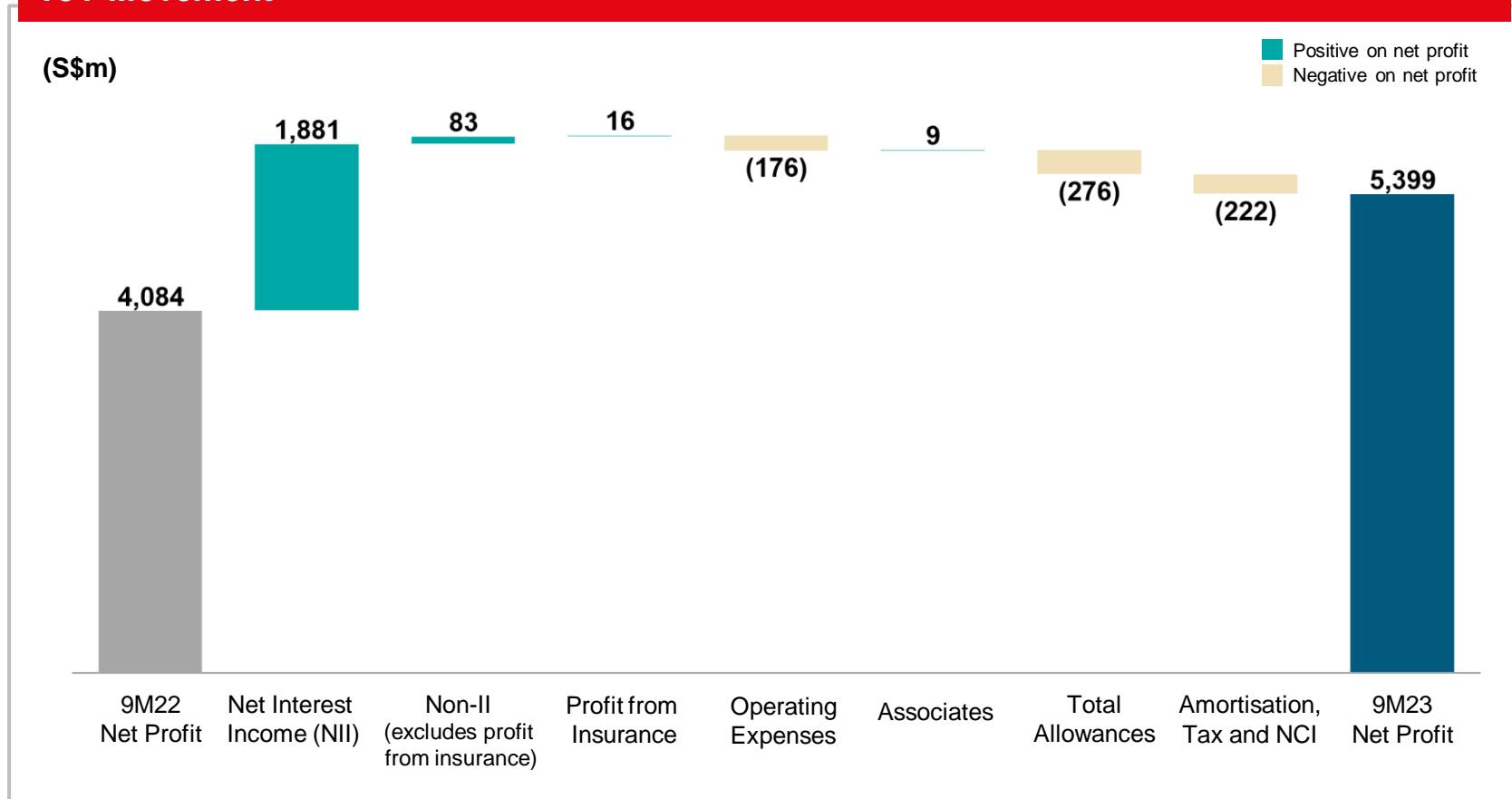
(S\$m)	Group Performance ^{1/}					Banking Operations Performance				
	9M23	YoY	3Q23	YoY	QoQ	9M23	YoY	3Q23	YoY	QoQ
Total Income	10,234	+24%	3,429	+13%	-1%	9,272	+23%	3,149	+15%	+2%
Operating Expenses	3,913	+5%	1,340	+5%	+1%	3,733	+8%	1,280	+9%	+2%
Operating Profit	6,321	+40%	2,089	+19%	-2%	5,539	+37%	1,869	+19%	+1%
Allowances	546	+103%	184	+20%	-27%	529	+99%	181	+18%	-28%
Net Profit	5,399	+32%	1,810	+21%	+6%	4,891	+29%	1,663	+21%	+7%



^{1/} Singapore Financial Reporting Standard (International) ("SFRS(I)") 17 *Insurance Contracts* replaced SFRS(I) 4 *Insurance Contracts* and is effective for annual periods beginning on or after 1 January 2023. Great Eastern Holdings ("GEH") has adopted SFRS(I) 17 on 1 January 2023. The Group's insurance results are prepared under SFRS(I) 17 basis and comparatives have been restated accordingly.

9M23 net profit crossed S\$5b mark for the first time

YoY Movement



9M23 | YoY +32%

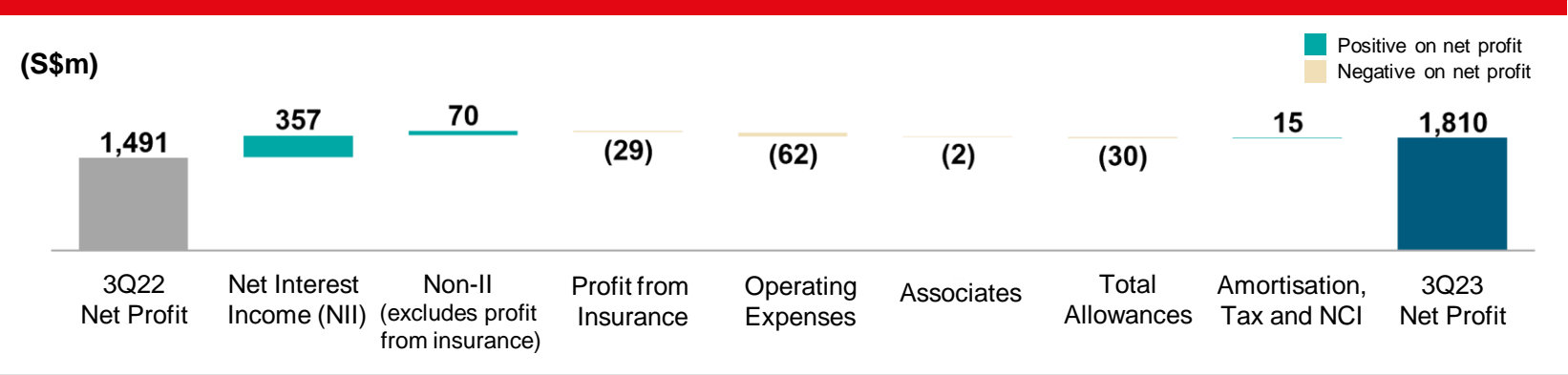
- Total income at record high, surpassed S\$10b mark
- NII up 35% from asset growth and NIM expansion
- Non-II up 3% mainly from higher trading income, gains from sale of investment securities and increase in insurance profit
- Positive operating jaws drove improvement in CIR to 38.2%
- Allowances higher from increased allowances for impaired and non-impaired assets



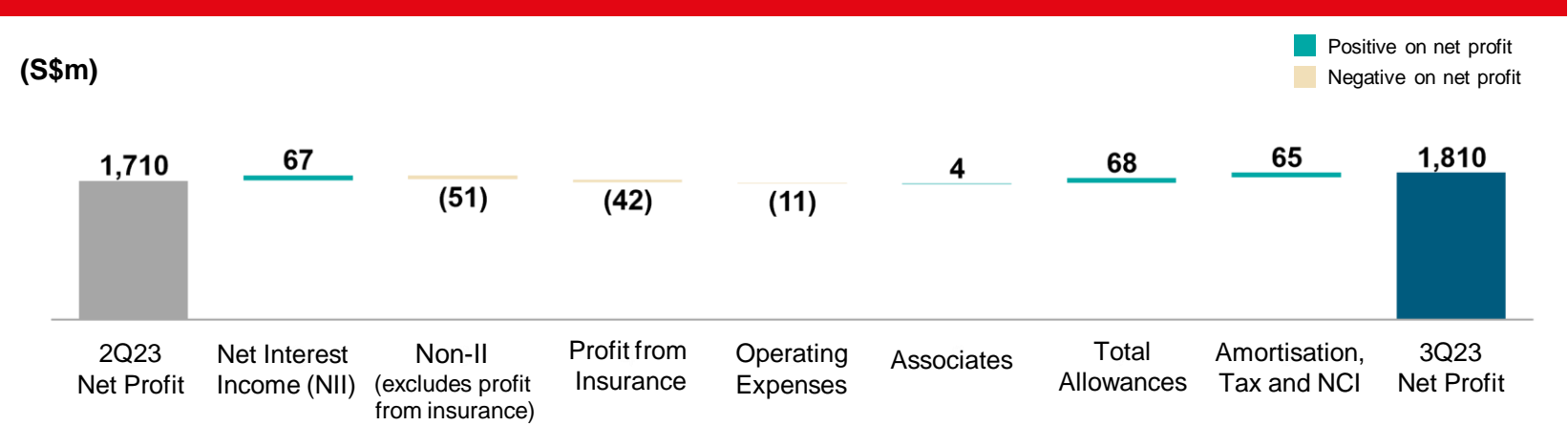
Note: The Group's insurance results are prepared under SFRS(I) 17 basis and comparatives have been restated.

3Q23 net profit up 21% YoY and 6% QoQ to S\$1.81b

YoY Movement



QoQ Movement



3Q23

YoY +21%
QoQ +6%

YoY

- Total income rose 13% from record NII and increase in non-II
- CIR improved to 39.1% as income growth outpaced the increase in expenses

QoQ

- Net profit up largely driven by higher NII and a decline in allowances



Note: The Group's insurance results are prepared under SFRS(I) 17 basis and comparatives have been restated.

03

Group Performance Trends

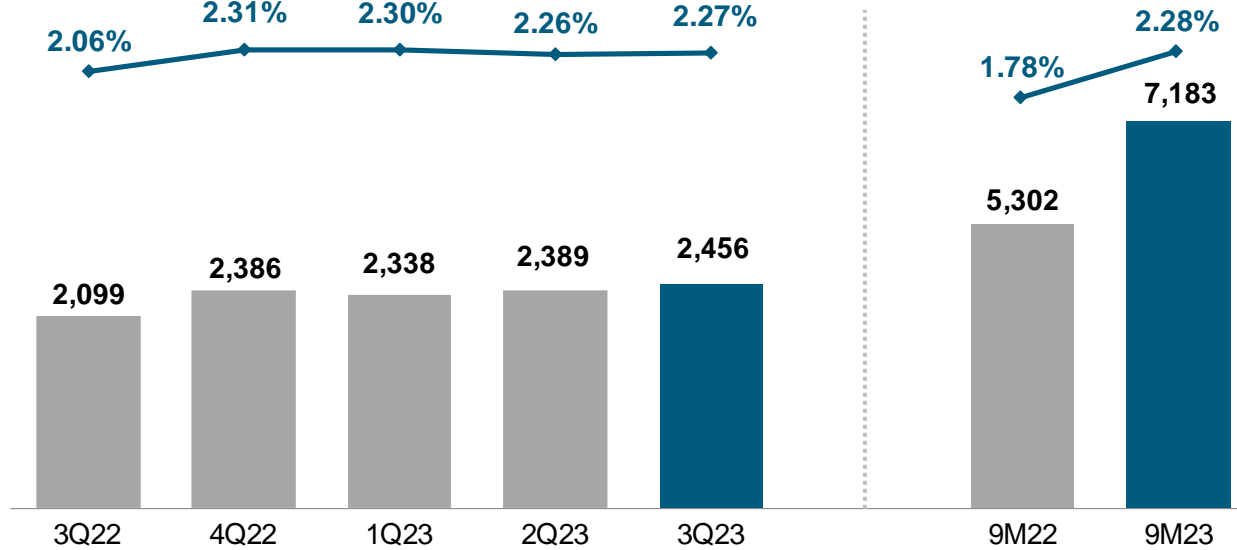


3Q23 and 9M23 NII at new high

Net Interest Margin



Net Interest Income (S\$m)



9M23		3Q23	
YoY	+35%	YoY	+17%
		QoQ	+3%

- 9M23 NII up YoY and crossed S\$7b for the first time, lifted by 6% asset growth and 50bps NIM expansion in a rising interest rates environment
- 3Q23 NII up YoY to record high, NIM up 21bps YoY and 1bp QoQ

Volume and Rate Analysis (S\$m)

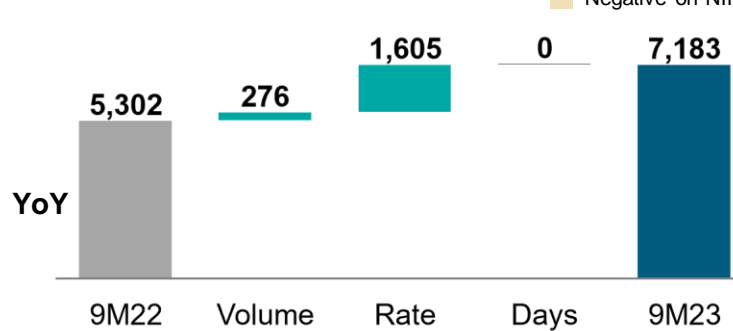
3Q23



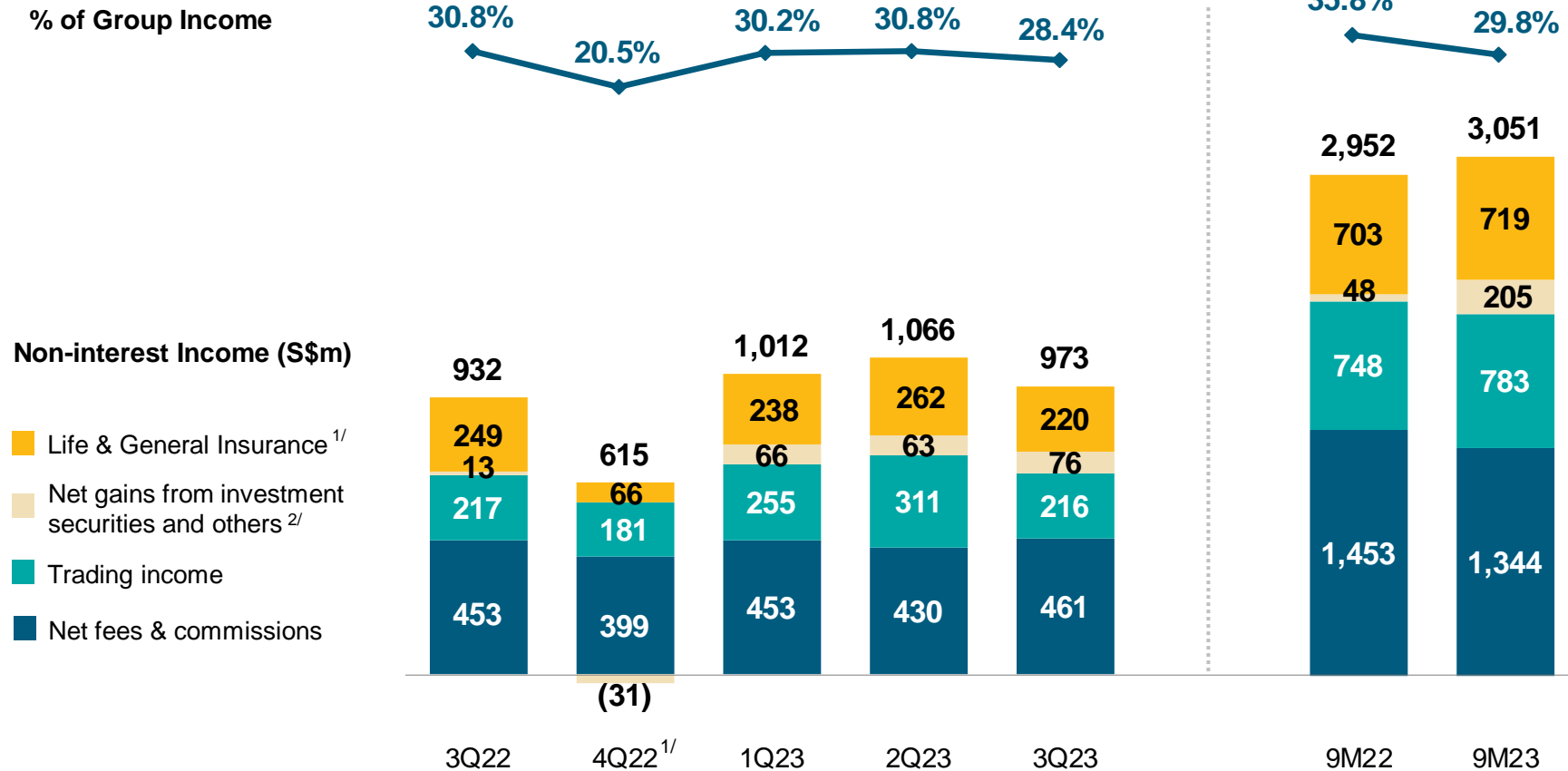
QoQ



9M23



3Q23 and 9M23 non-II up YoY



9M23		3Q23	
YoY	+3%	YoY	+4%
		QoQ	-9%

- 9M23 non-II higher as the increase in trading income, net gains from disposal of investment securities and rise in insurance profit compensated for lower fee income
- 3Q23 non-II up YoY, led by higher fee income and improved investment performance, which offset lower insurance income



Note: The Group's insurance results are prepared under SFRS(I) 17 basis and comparatives have been restated unless otherwise stated.

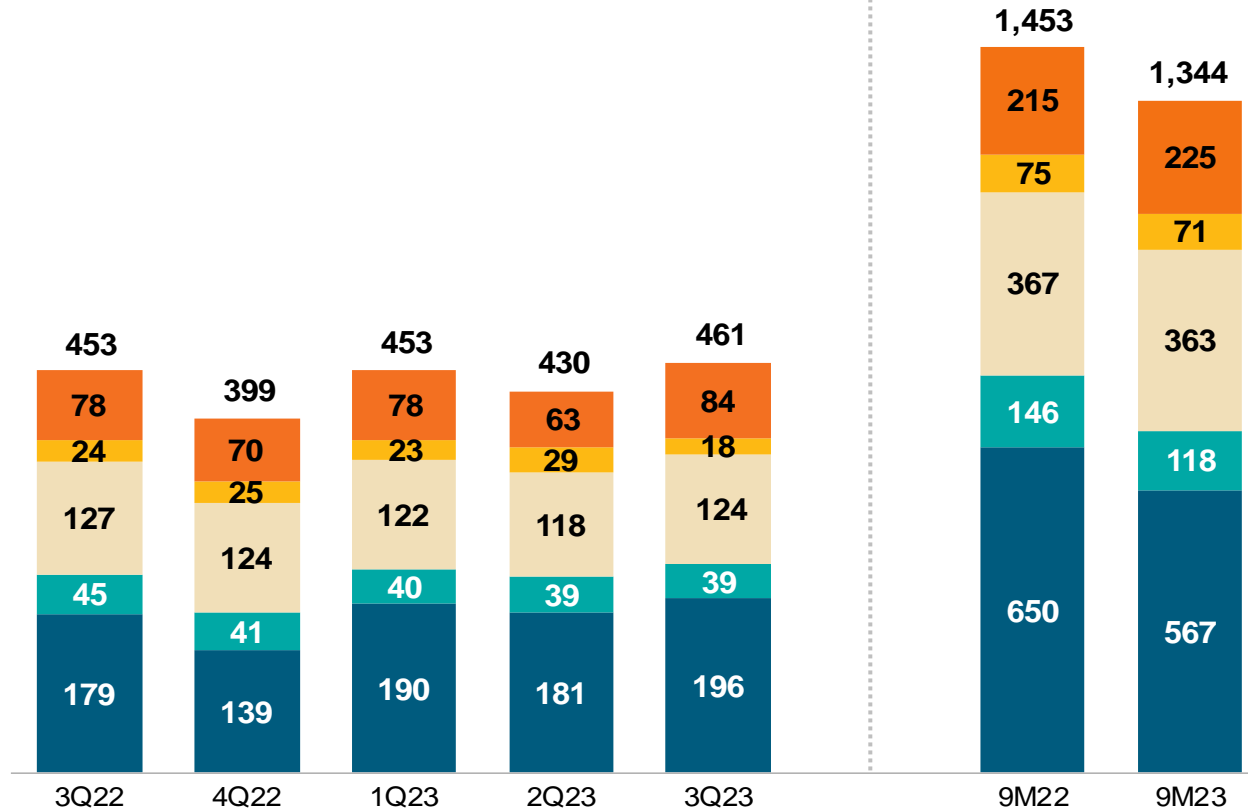
1/ Insurance results for 4Q22 are not restated and are reported based on previous SFRS(I) 4.

2/ "Others" include disposal of properties, rental income and property-related income.

3Q23 fee income highest in last four quarters

Net Fees & Commissions (S\$m)

- Others ^{2/}
- Investment Banking
- Loan, Trade, Guarantees & Remittances
- Brokerage & Fund Management
- Wealth Management ^{1/}



9M23		3Q23	
YoY	-7%	YoY	+2%
		QoQ	+7%

- 3Q23 fee income above last quarter, lifted by higher wealth, credit card and trade-related fees
- QoQ rise in wealth management fees led by increased customer activities



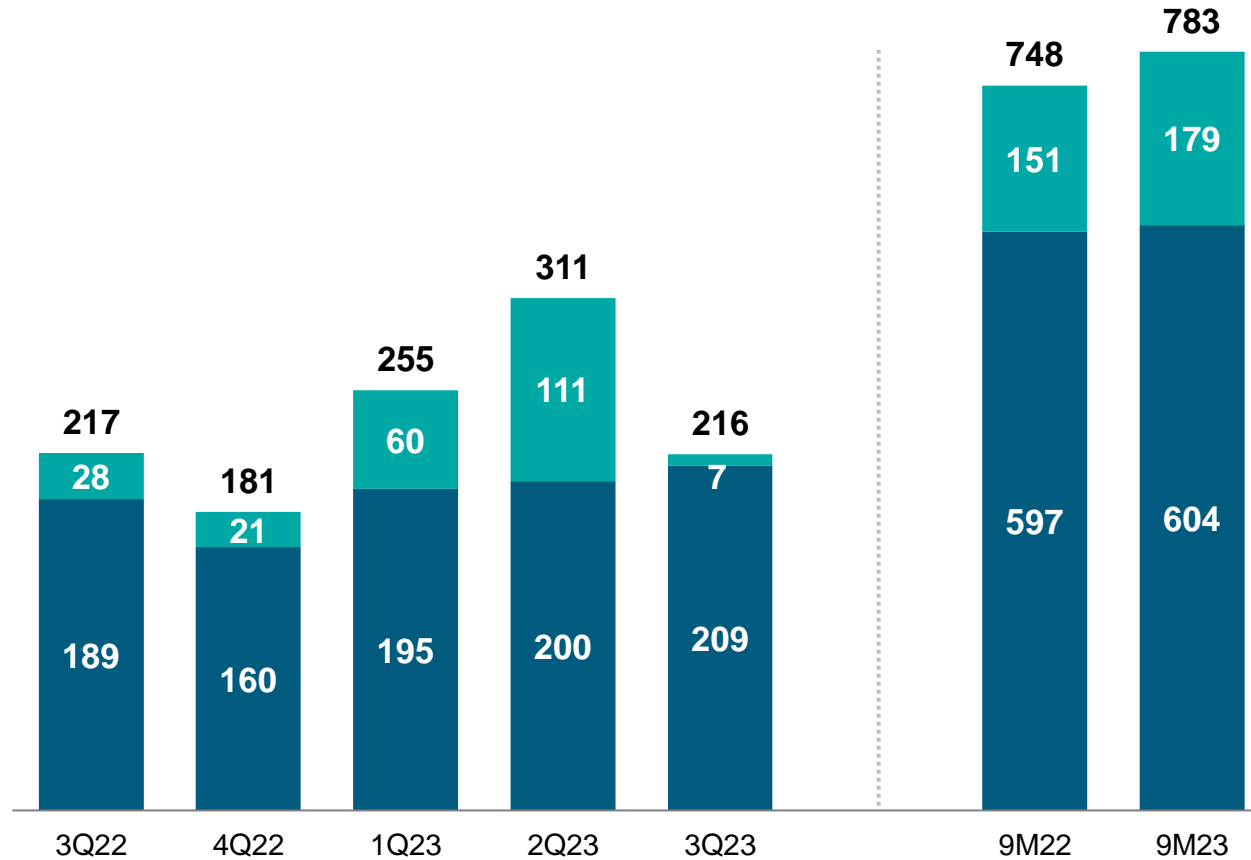
1/ Wealth management comprises mainly income from private banking, and sales of unit trusts, bancassurance products, structured deposits and other treasury products to consumer customers.

2/ "Others" includes credit card fees, service charges and other fee and commission income.

3Q23 trading income steady YoY

Trading Income (S\$m)

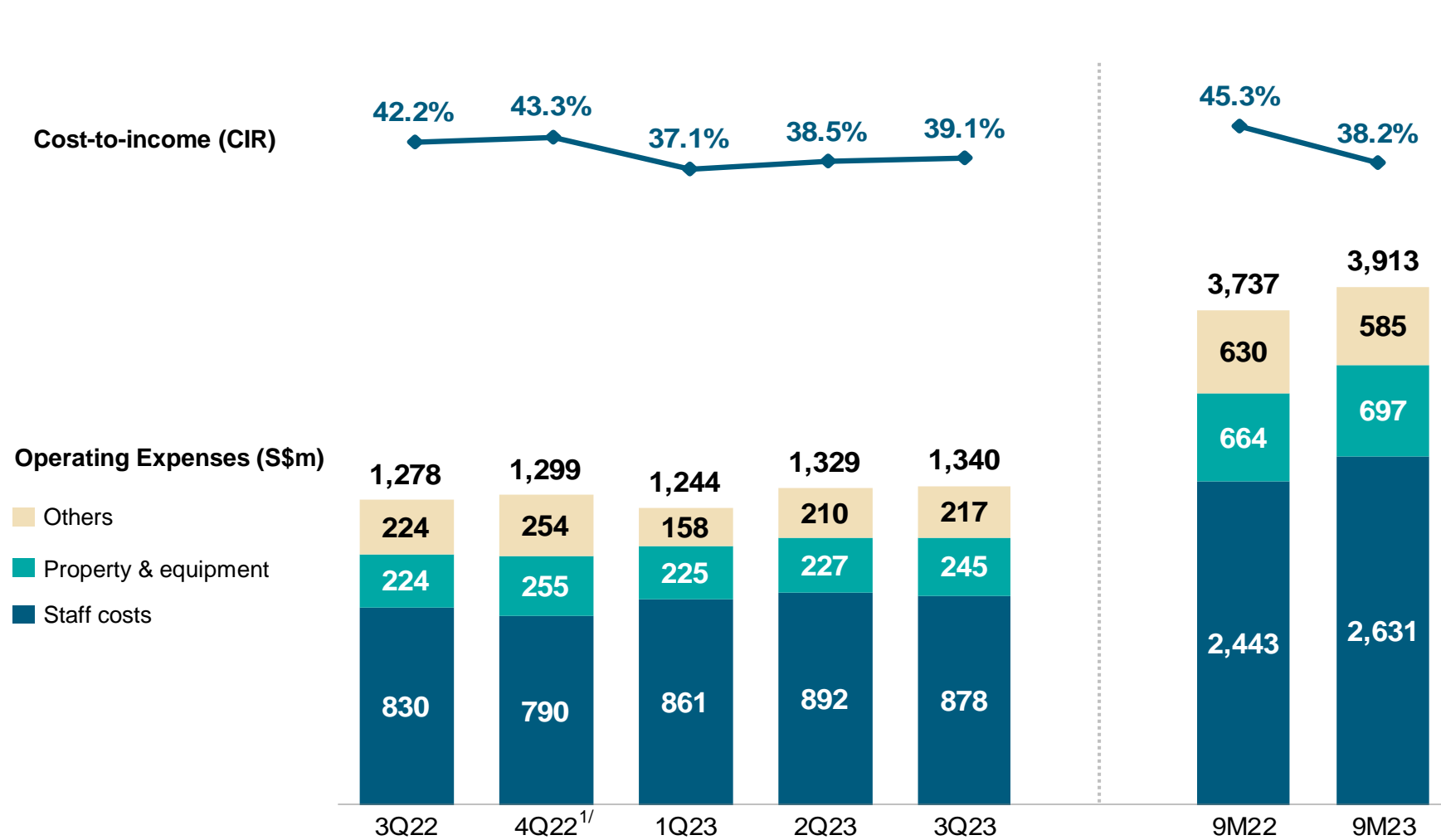
■ Non-Customer Flow
■ Customer Flow



9M23 YoY +5% | 3Q23 YoY unchanged QoQ -30%

- 9M23 trading income higher YoY from increase in both customer and non-customer flow income
- 3Q23 trading income mainly comprised of customer flow income, which was up YoY and QoQ

Expenses well controlled



9M23		3Q23	
YoY	+5%	YoY	+5%
		QoQ	+1%

- 9M23 operating expenses rose YoY mainly due to deepening investments in our franchise across talent and technology
- 9M23 and 3Q23 CIR improved YoY to below 40% on positive operating jaws



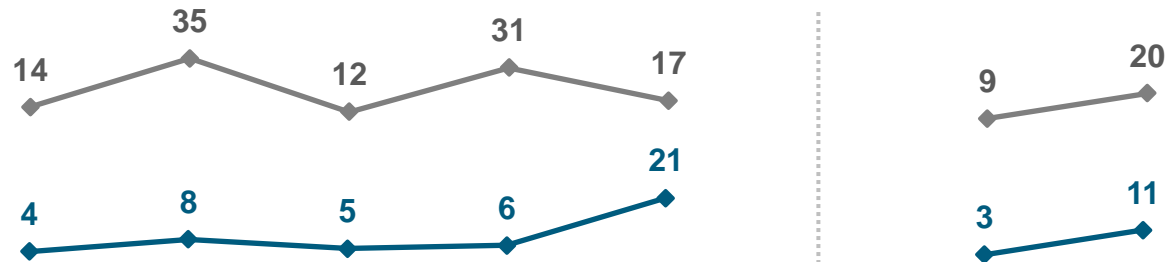
Note: The Group's insurance results are prepared under SFRS(I) 17 basis and comparatives have been restated unless otherwise stated.
 1/ Insurance results for 4Q22 are not restated and are reported based on previous SFRS(I) 4.

3Q23 allowances up 20% YoY, down 27% QoQ

Credit costs (bps) ^{1/}

— Total

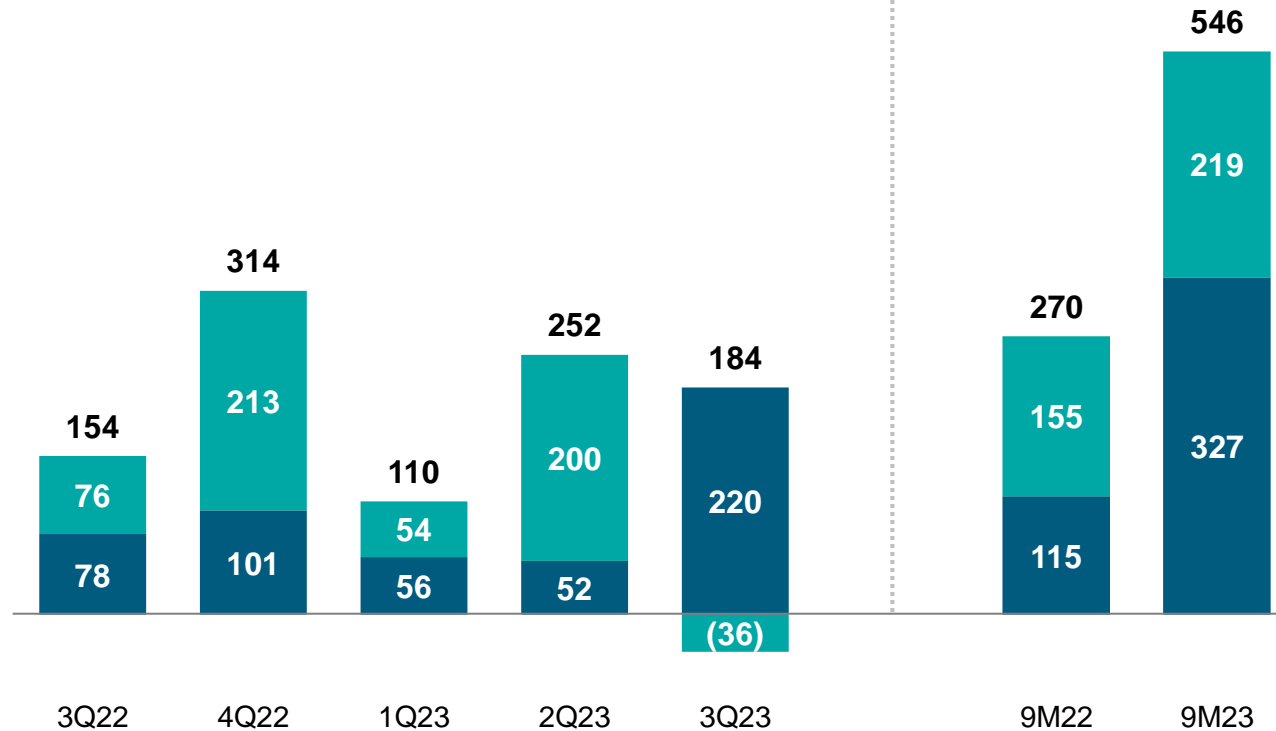
— Impaired



Allowances (S\$m)

■ Allowances for non-impaired assets

■ Allowances for impaired assets



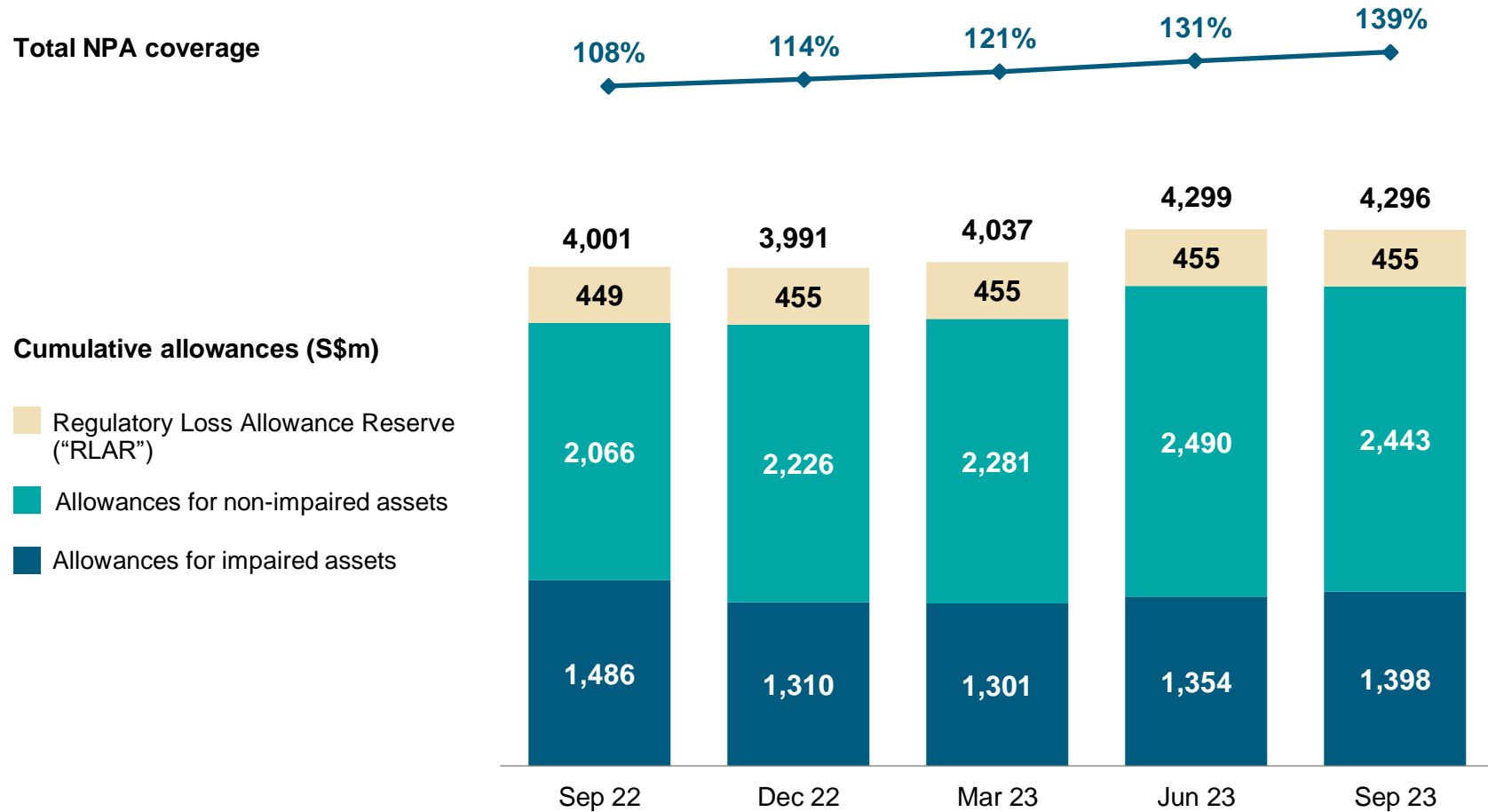
9M23	3Q23
YoY +103%	YoY +20%
	QoQ -27%

- 9M23 credit costs at an annualised 20bps
- 3Q23 allowances lower QoQ, from S\$36m write-back in allowances for non-impaired assets, as compared to 2Q23's S\$200m charge
- 3Q23 write-back included migration of allowances for non-impaired assets prudently set aside in previous quarters, to allowances for impaired assets of S\$220 million this quarter



^{1/} Credit costs refer to allowances for loans as a percentage of average loans, on annualised basis.

NPA coverage ratio higher at 139%



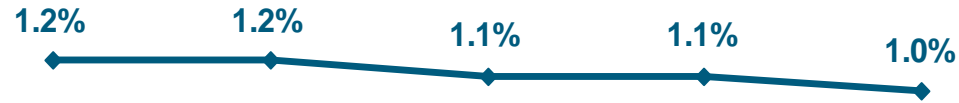
Sep 23 | YoY +7%
QoQ unchanged

■ NPA coverage ratio continued to rise higher, attributed to lower NPAs



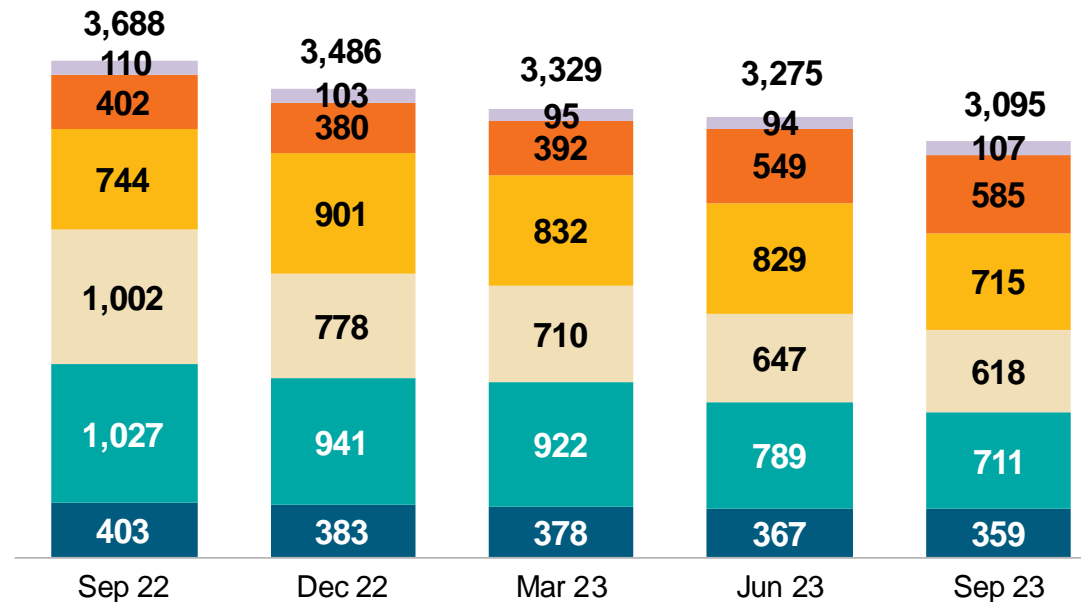
Portfolio quality resilient, NPL ratio at 1.0%

NPL ratio



Non-performing Assets (\$m)

- Debt securities / Contingent liabilities
- Rest of the World NPLs
- Greater China NPLs
- Indonesia NPLs
- Malaysia NPLs
- Singapore NPLs



Sep 23 | YoY -16%
QoQ -6%

- NPL ratio of 1.0% at pre-pandemic levels
- YoY and QoQ decrease in NPAs driven by declines across key markets of Singapore, Malaysia, Indonesia and Greater China



Note: NPAs by geography are based on where the credit risks reside.

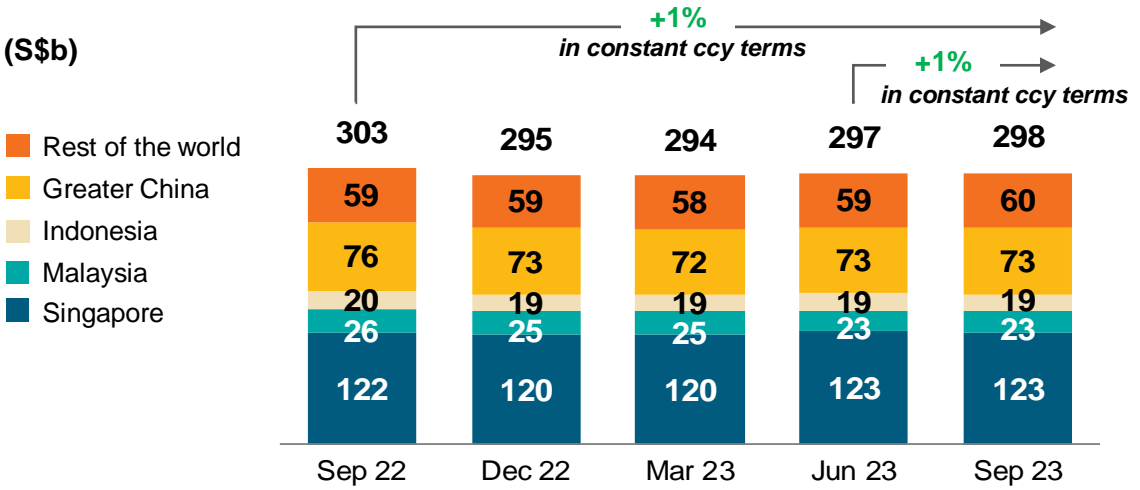
NPAs lower YoY and QoQ

S\$m	3Q22	2Q23	3Q23	9M22	9M23
At start of period	3,969	3,329	3,275	4,338	3,486
Corporate/ Commercial Banking and Others					
New NPAs	304	184	146	495	371
Net recoveries/ upgrades	(310)	(159)	(197)	(614)	(514)
Write-offs	(44)	(50)	(115)	(143)	(185)
	(50)	(25)	(166)	(262)	(328)
Consumer Banking/ Private Banking	(211)	(37)	6	(310)	(45)
Foreign currency translation	(20)	8	(20)	(78)	(18)
At end of period	<u>3,688</u>	<u>3,275</u>	<u>3,095</u>	<u>3,688</u>	<u>3,095</u>

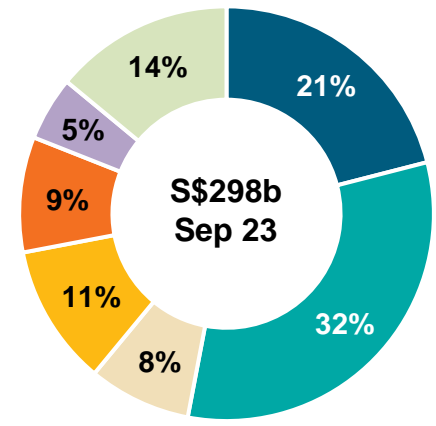
- 9M23 NPAs down YTD, mainly due to higher recoveries/ upgrades

Loans up YoY and QoQ to S\$298b

Loans by Geography^{1/}

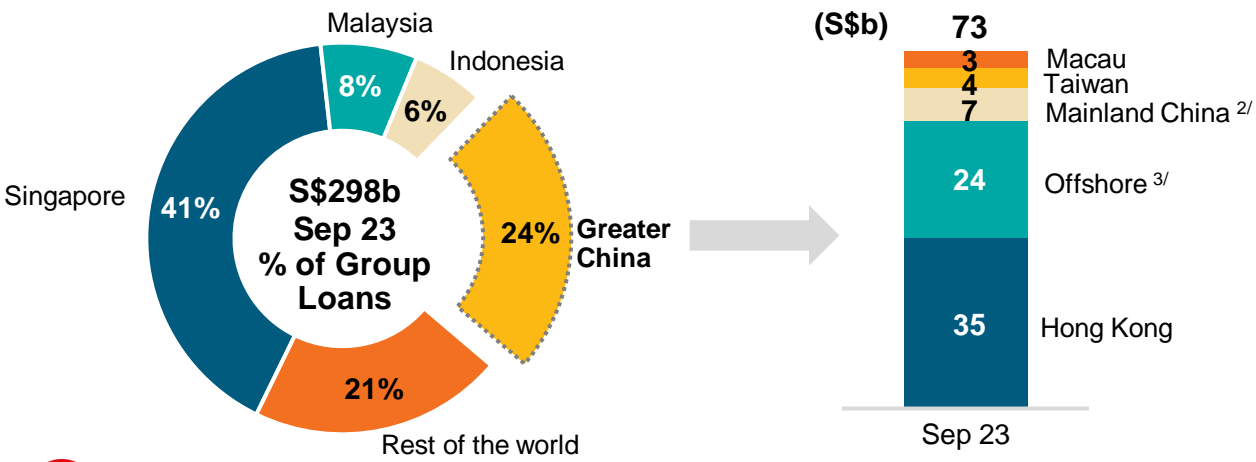


Loans by Industry



Period	YoY	QoQ
Sep 23	-2%	+0.3%

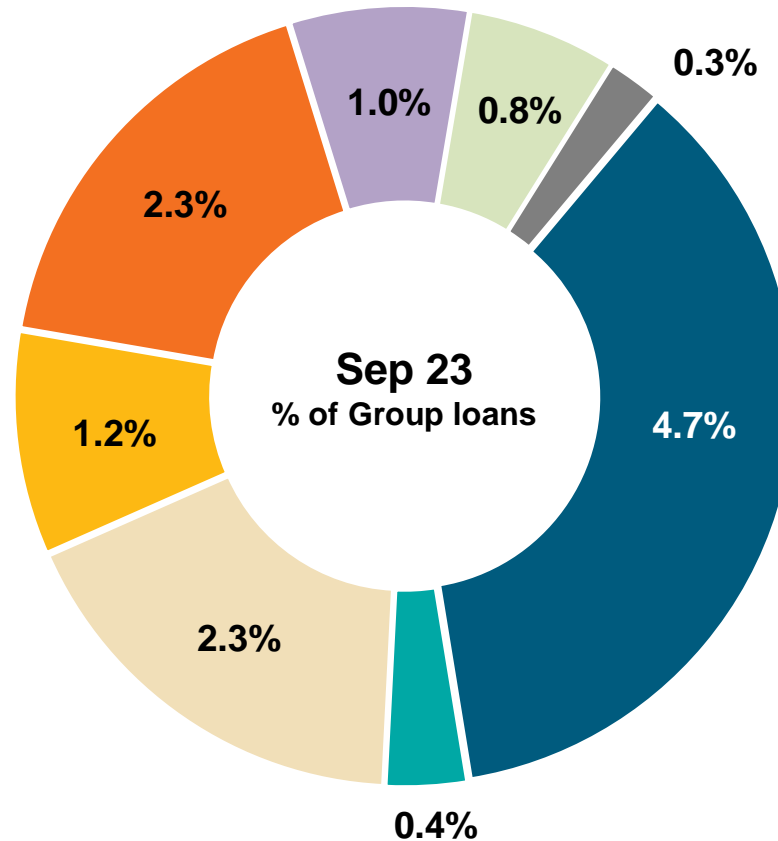
- Corporate, SME and Consumer/Private Banking comprise 55%, 9% and 36% of loan book respectively
- Sustainable financing loans up 28% YoY and comprised 12% of Group loans



1/ Loans by geography are based on where the credit risks reside.
 2/ Loans booked in Mainland China, where credit risks reside.
 3/ Loans booked outside of Mainland China, but with credit risks traced to China.

Commercial Real Estate (“CRE”) Office Sector loans

Loans to CRE Office sector accounted for 13% of Group loans



- Resilient portfolio, largely secured with average LTV between 50% and 60%
- Two-thirds of CRE office loans in key markets of Singapore, Malaysia, Indonesia and Greater China
- Lending to developed markets^{3/} comprised 4% of total loans, largely to network customers with strong sponsors



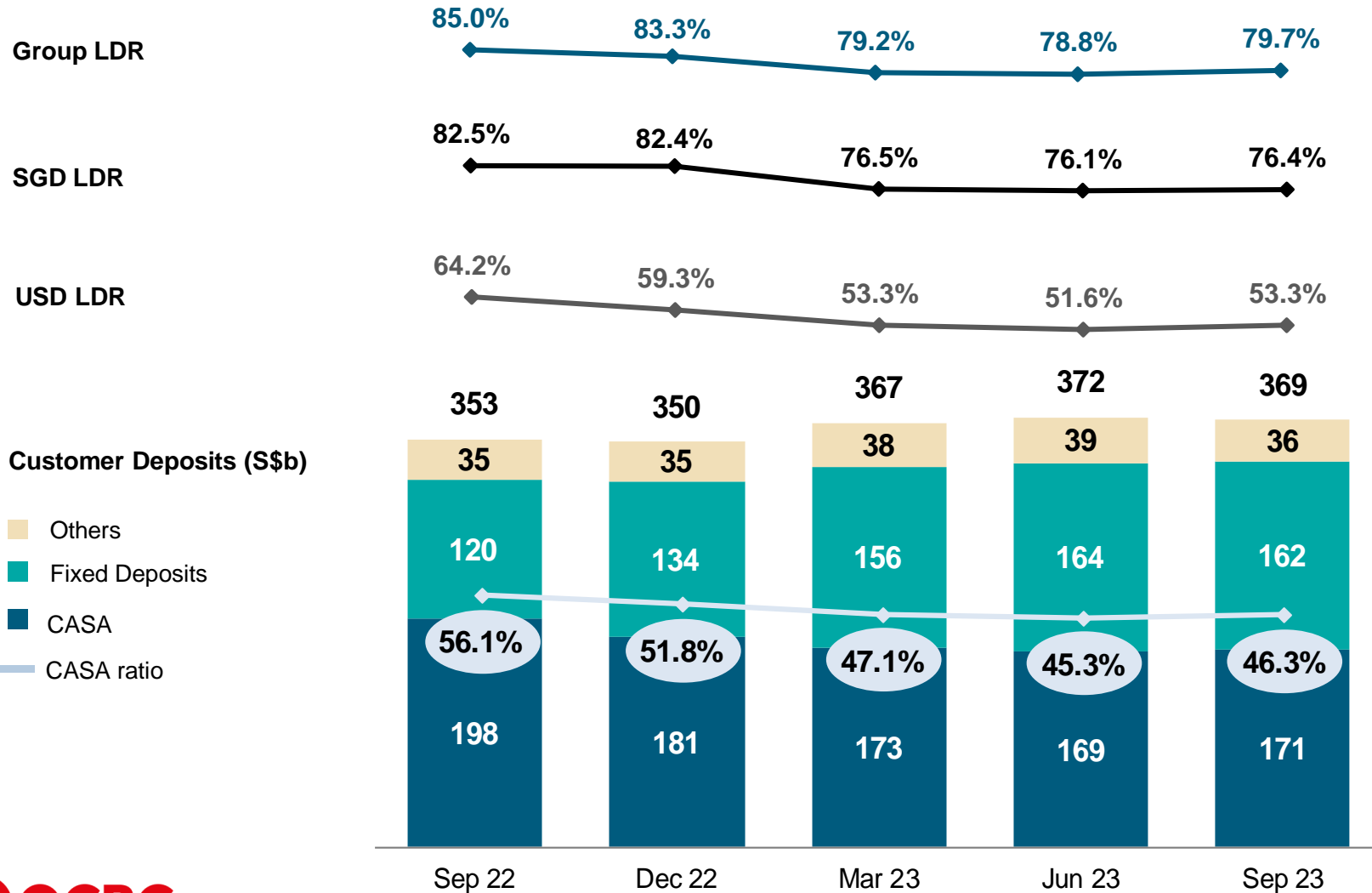
Note: Based on where the credit risks reside.

1/ Loans booked in China, where credit risks reside.

2/ Loans booked outside of China, but with credit risks traced to China.

3/ Includes Australia, United Kingdom and the United States.

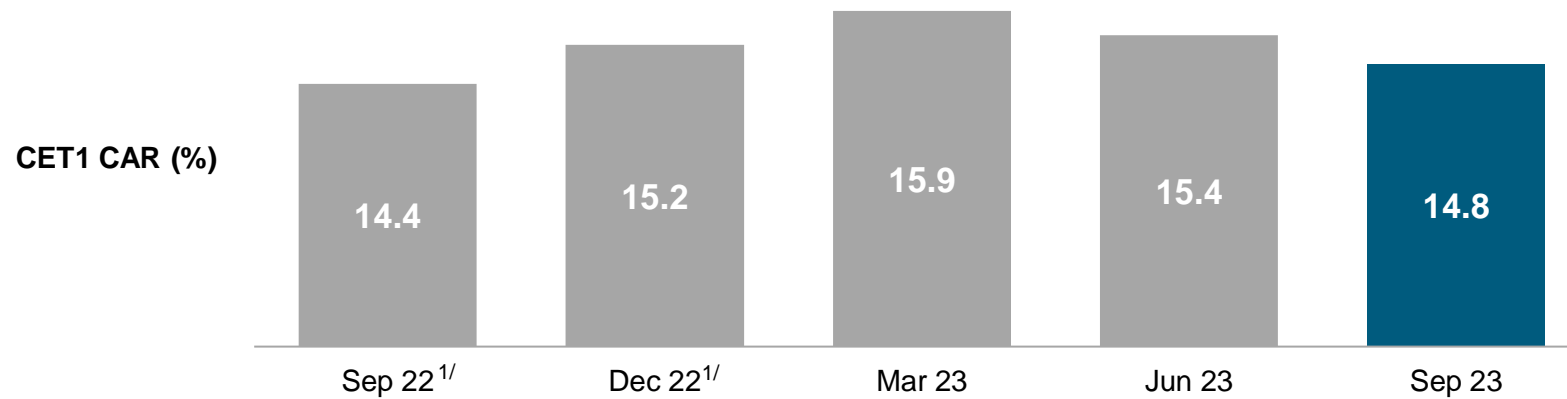
Deposits lower QoQ from decline in fixed deposits



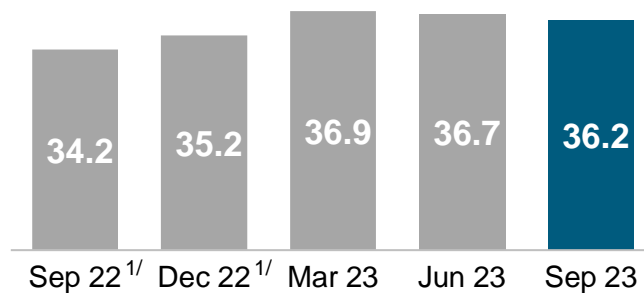
Sep 23	YoY	+5%
	QoQ	-1%

- Group continued to proactively manage balance sheet
- CASA balances rose 1% QoQ
- Fixed deposits and certificates of deposit were ran down in 3Q23

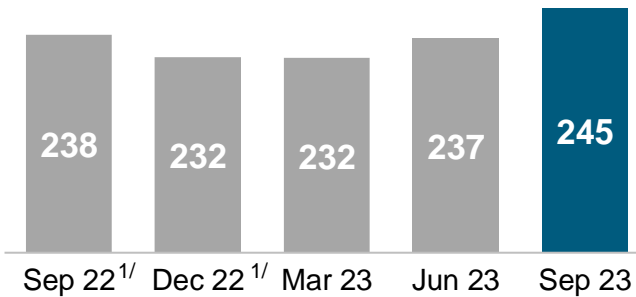
Strong capital position



CET1 Capital (S\$b)



RWA (S\$b)



Sep 23 | YoY +0.4ppt
QoQ -0.6ppt

- CET1 CAR reduced QoQ as 3Q23 profit accretion was offset by payment of 1H23 interim dividend and higher RWA
- Robust capital position maintained, provides strong foundation for growth and buffer for uncertainties

Thank you

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