



UOB Group

Resilient earnings with strong balance sheet

May 2023

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Private and Confidential

Agenda

1. Overview of UOB Group
2. Macroeconomic Outlook
3. Strong UOB Fundamentals
4. Our Growth Drivers
5. Latest Financials

Overview of UOB Group

UOB Overview



Founding

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

Expansion

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

Note: Financial statistics as at 31 March 2023

1. USD 1 = SGD 1.329638 as at 31 March 2023
2. Average for 1Q23
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 1Q23

■ Gross loans	: SGD316b	(USD238b ¹)
■ Customer deposits	: SGD374b	(USD281b ¹)
■ Loan / Deposit ratio	: 83.3%	
■ Net stable funding ratio	: 121%	
■ All-currency liquidity coverage ratio	: 154% ²	
■ Common Equity Tier 1 ratio	: 14.0%	
■ Leverage ratio	: 7.0%	
■ Return on equity ^{3 4}	: 14.9%	
■ Return on assets ⁴	: 1.25%	
■ Net interest margin	: 2.14%	
■ Non-interest income / Total income	: 31.6%	
■ Cost / Income ⁴	: 40.9%	
■ Non-performing loan ratio	: 1.6%	
■ Credit Ratings		

	Moody's	S&P	Fitch
Issuer rating (Senior unsecured)	Aa1	AA-	AA-
Outlook	Stable	Stable	Negative
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

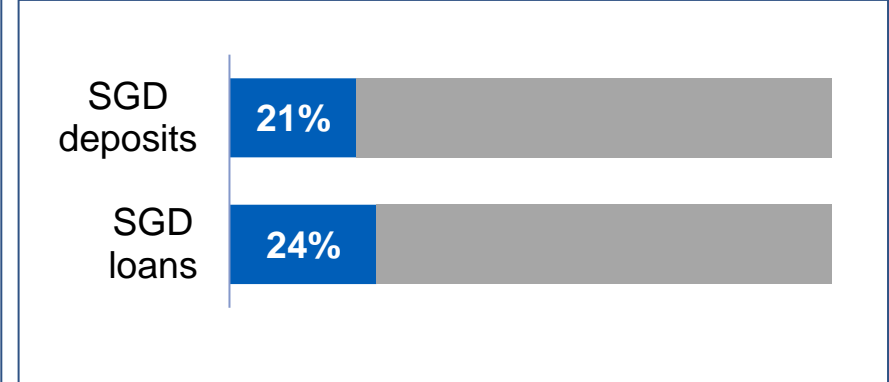
- Strong player in Singapore dollar treasury instruments

UOB Group's recognition in the industry

<p>Best Retail Bank¹, 2022 Best SME Bank², 2022</p>	<p>Best Bank¹, 2022</p>	<p>Domestic Retail Bank of the Year¹, 2022</p>
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Source: Company reports
1. In Singapore 2. In Singapore and Asia Pacific

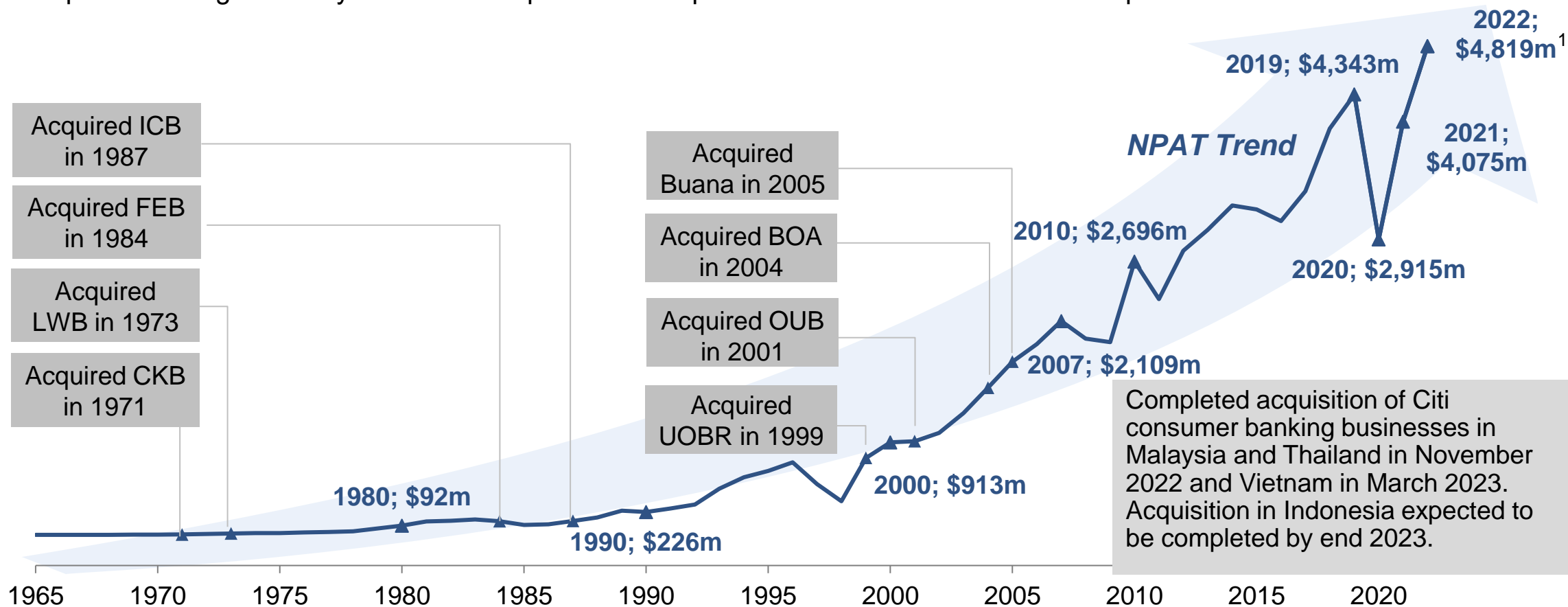
Sizeable domestic market share



Source: UOB, MAS (data as of 31 Mar 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

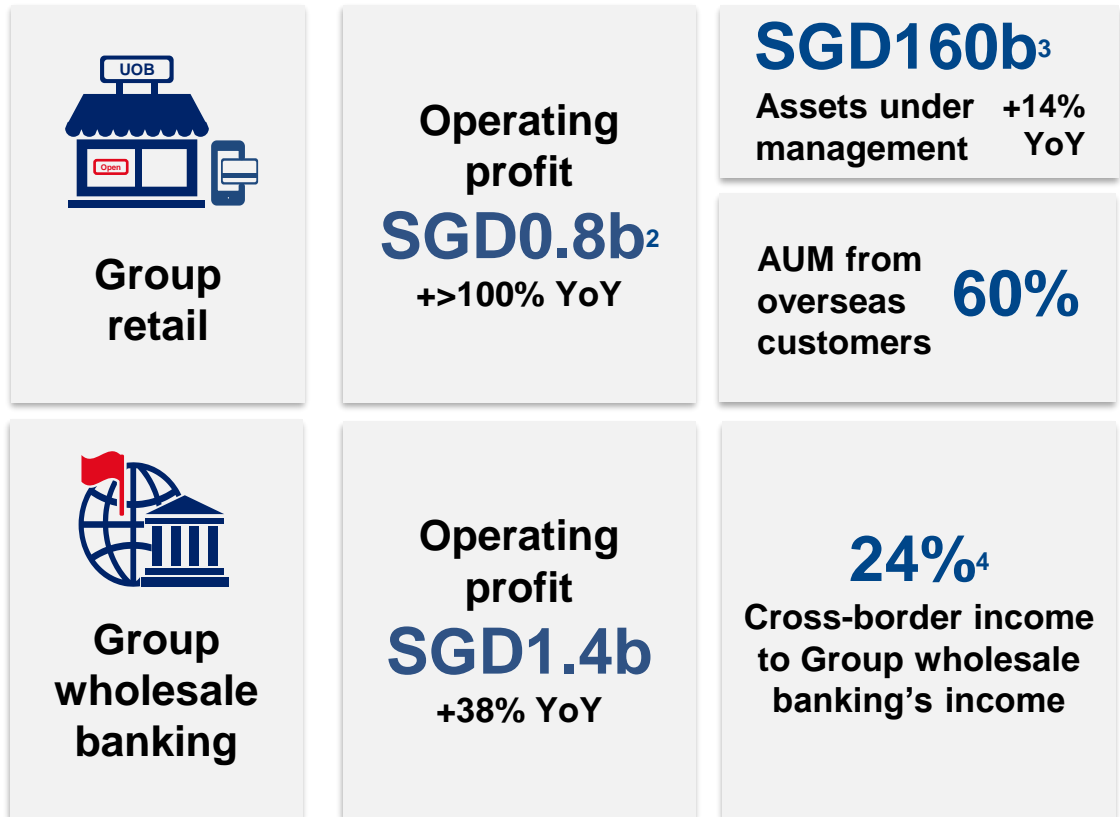


Extensive regional footprint with ~500 offices



- 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

1Q23 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 and Thailand
4. As of Feb-2023

Why UOB?

Stable management



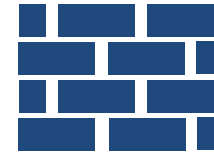
- Proven track record in steering the bank through various global events and crises
- Stability of management team ensures consistent execution of strategies

Integrated regional platform



- Entrenched domestic presence and deep local knowledge to address the needs of our targeted segments
- Truly regional bank with full ownership and control of regional subsidiaries

Strong fundamentals



- Sustainable revenue channels as a result of carefully-built core businesses
- Strong capital and reserves, sound liquidity position and resilient asset quality – testament of solid foundation built on the premise of basic banking

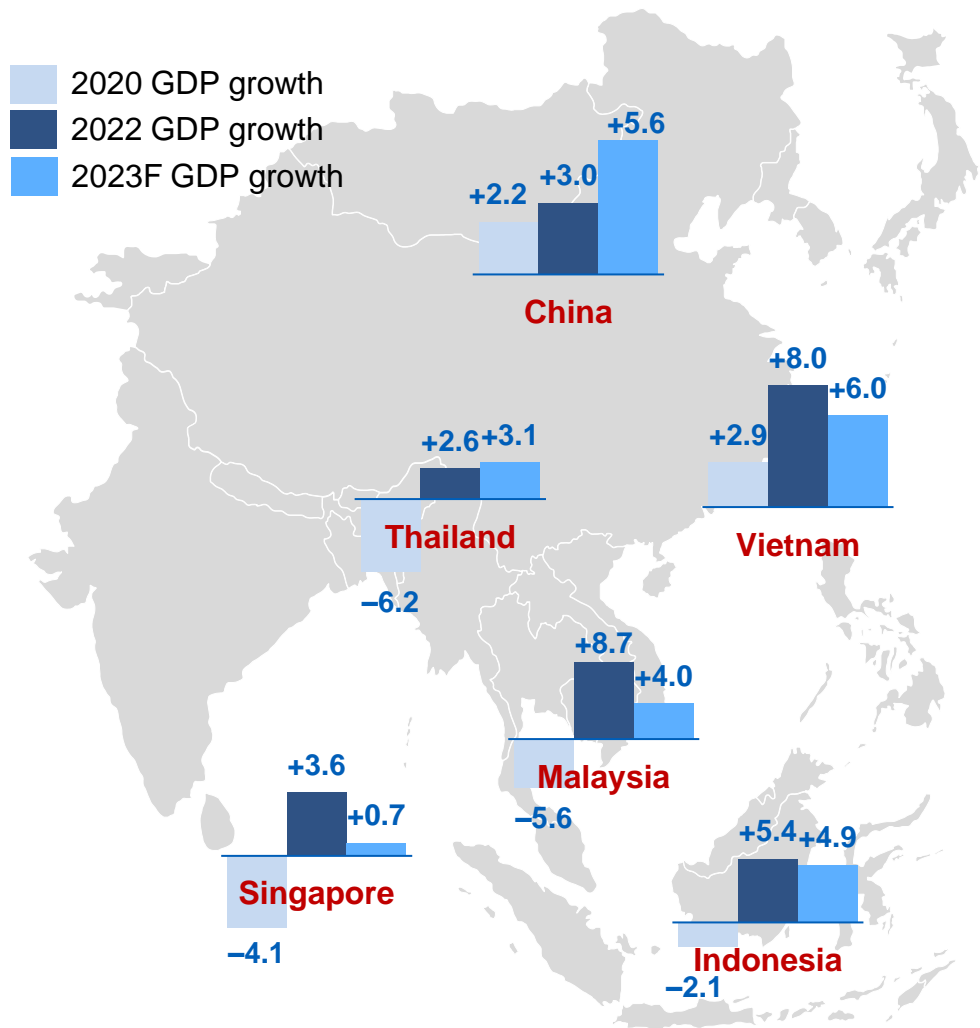
Balance growth with stability



- 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

Macroeconomic Outlook

Growth Seen Holding Up Across Asian Economies in 2023 Amid Growing External Risks



Tourism Rebound In Asia To Support Consumption Demand Amid Weaker Trade

	Persons, million	Latest YTD mn pax	2022 mn pax	2021 mn pax	2020 mn pax	2019 mn pax
Hong Kong	0 2 4 6 8 10	4.4	0.6	0.1	3.6	55.9
Thailand		4.3	11.2	0.4	6.7	39.9
Japan		3.0	3.8	0.2	4.1	31.9
Singapore		2.9	6.3	0.3	2.7	19.1
Vietnam		2.7	3.7	0.2	3.8	18.0
Indonesia		1.4	5.5	1.6	4.1	16.1
South Korea		0.9	3.2	1.0	2.5	17.5
Taiwan region		0.6	0.9	0.1	1.4	11.9

Legend: Latest YTD (light blue), 2022 (red)

Source: Global Economics & Markets Research

Source: UOB Global Economics & Markets Research forecasts

Fed's monetary policy tightening likely to reach terminal rate in May

	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23F	3Q23F	4Q23F
US 10-Year Treasury	1.74	1.47	1.49	1.51	2.34	3.01	3.83	3.87	3.47	3.80	3.70	3.50
US Fed Funds	0.25	0.25	0.25	0.25	0.50	1.75	3.25	4.50	5.00	5.25	5.25	5.25
SG 3M SIBOR	0.44	0.43	0.43	0.44	0.79	1.91	3.17	4.25	4.19	4.33	4.33	4.33
SG 3M SOR	0.36	0.24	0.21	0.36	0.95	2.06	3.28	4.21	4.09	4.13		
SG 3M SORA	0.23	0.13	0.13	0.19	0.27	0.76	1.97	3.10	3.54	3.94	4.25	4.27
MY Overnight Policy Rate	1.75	1.75	1.75	1.75	1.75	2.00	2.50	2.75	2.75	3.00	3.00	3.00
TH 1-Day Repo	0.50	0.50	0.50	0.50	0.50	0.50	1.00	1.25	1.75	1.75	1.75	1.75
ID 7-Day Reverse Repo	3.50	3.50	3.50	3.50	3.50	3.50	4.25	5.50	5.75	5.75	5.75	5.75
CH 1-Year Loan Prime Rate	3.85	3.85	3.85	3.80	3.70	3.70	3.65	3.65	3.65	3.65	3.65	3.65

Fed officials scaled back rate hike expectations this year due to the financial sector turmoil, but they still raised their benchmark Fed Funds Target Rate (FFTR) by 25-bps to a range of 4.75% to 5.00% in Mar, as they sought to balance the risk of a credit crunch against inflation data which remained elevated. We expect the Fed to hike a final 25-bps to 5.00-5.25% at the upcoming May FOMC. We expect no rate cuts this year and this terminal rate of 5.25% to last through 2023.

The Monetary Authority of Singapore (MAS), in its scheduled monetary policy statement (MPS) release on 14 Apr (2023) kept policy unchanged after five preceding rounds of policy tightening since Oct 2021. The MAS provided a downbeat assessment for growth, and now sees both upside and downside risks to inflation (versus just upside risks previously). We now expect the current tightening cycle to have ended and the MAS to maintain this pause in the next Oct meeting.

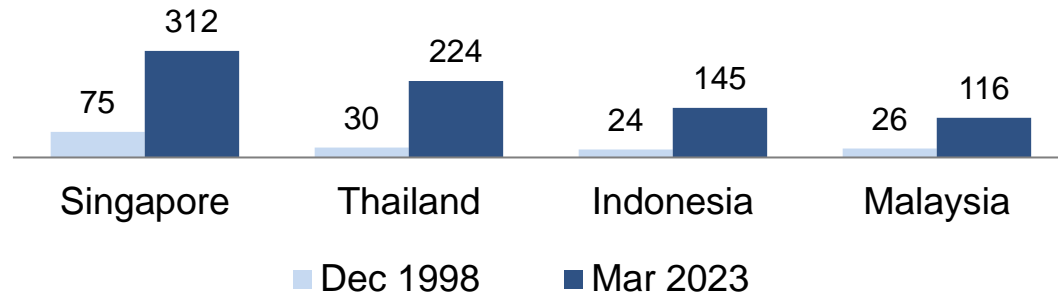
Asian central banks have raised interest rates at a more moderate pace than the Fed, and many have either entered into a pause or on the cusp of peak rates in the current cycle by 1H 2023. Economic activities have shown signs of slowdown, following multi-year high inflation and interest rates, but GDP growth across the region will likely stay positive in 2023.

Macro resilience across key Southeast Asian markets



Significantly Higher Foreign Reserves

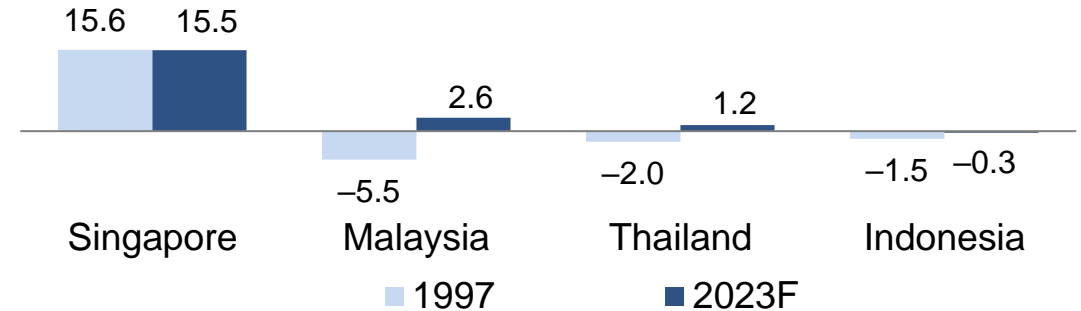
(USD billion)



Sources: World Bank, International Monetary Fund

Improved Current Account Balances

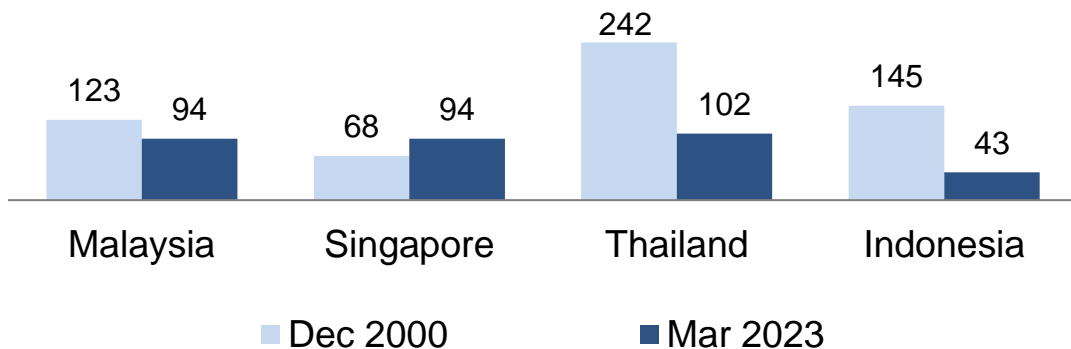
(% of GDP)



Source: International Monetary Fund

Lower Debt to Equity Ratio

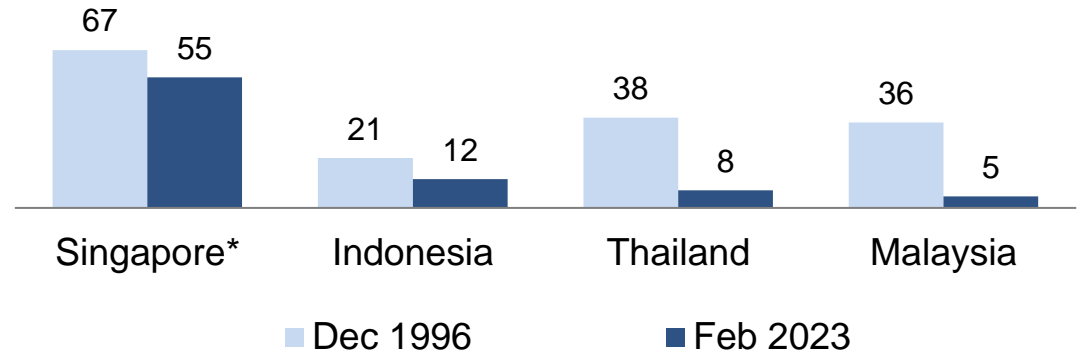
(%)



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

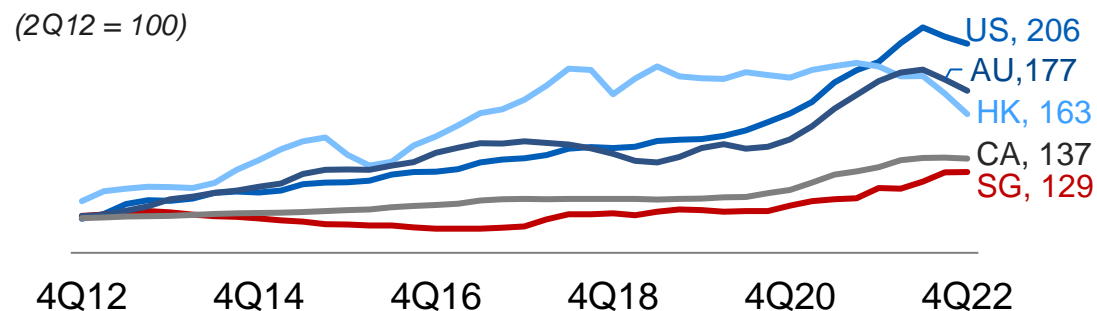
(%)



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

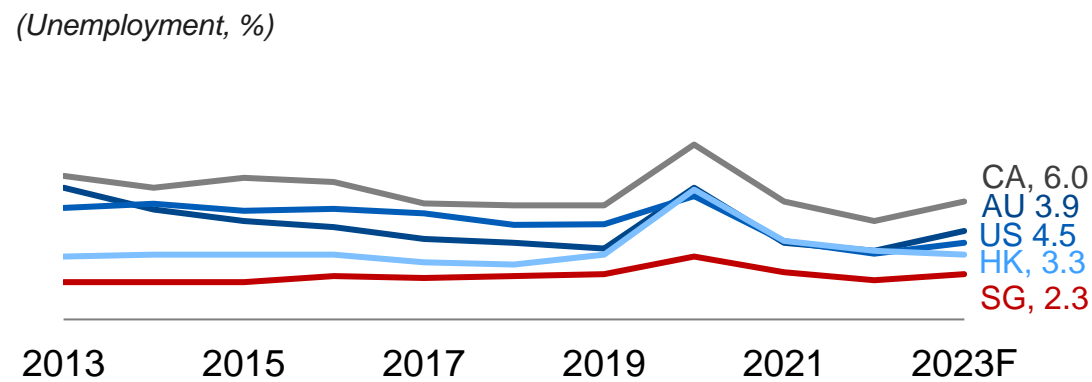
Singapore mortgages remain a low-risk asset class

Low risk of housing bubble due to cooling measures



Sources: CEIC, UOB Economic-Treasury Research

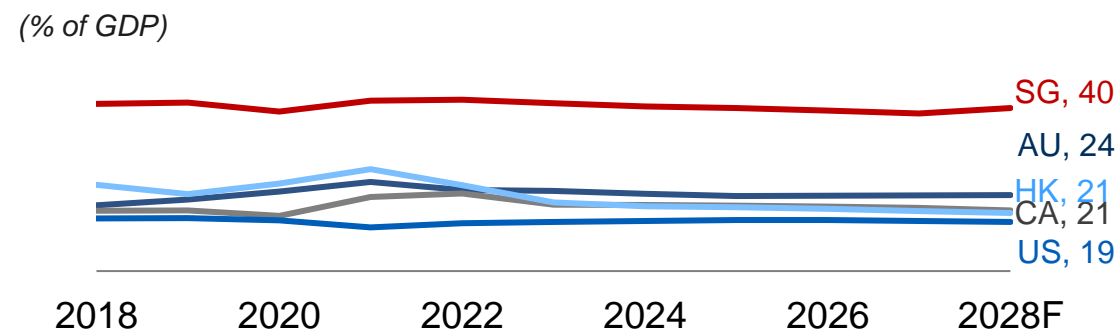
Low unemployment underscores housing affordability and support for mortgage servicing



Sources: Macrobond, UOB Economic-Treasury Research

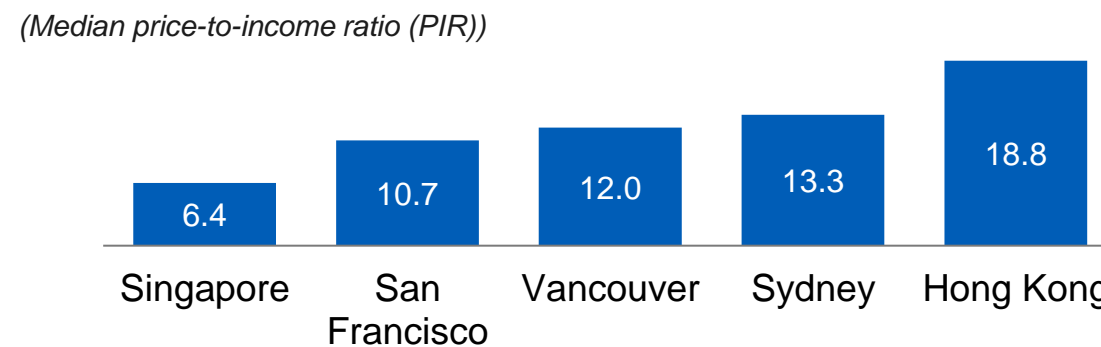
Note: AU: Australia; CA: China; HK: Hong Kong; SG: Singapore; US: United States

High national savings rate



Sources: IMF, UOB Economic-Treasury Research

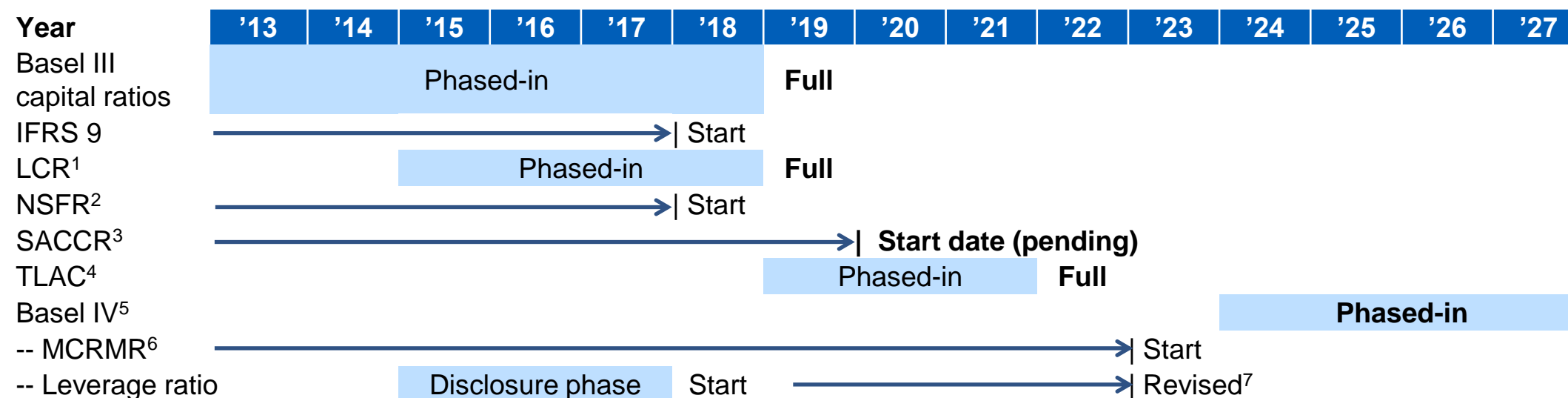
Singapore private residential housing stays affordable as median price-to-income ratio remains low



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

Global regulators delayed capital rules by a year



“ 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: 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

Basel III across the region

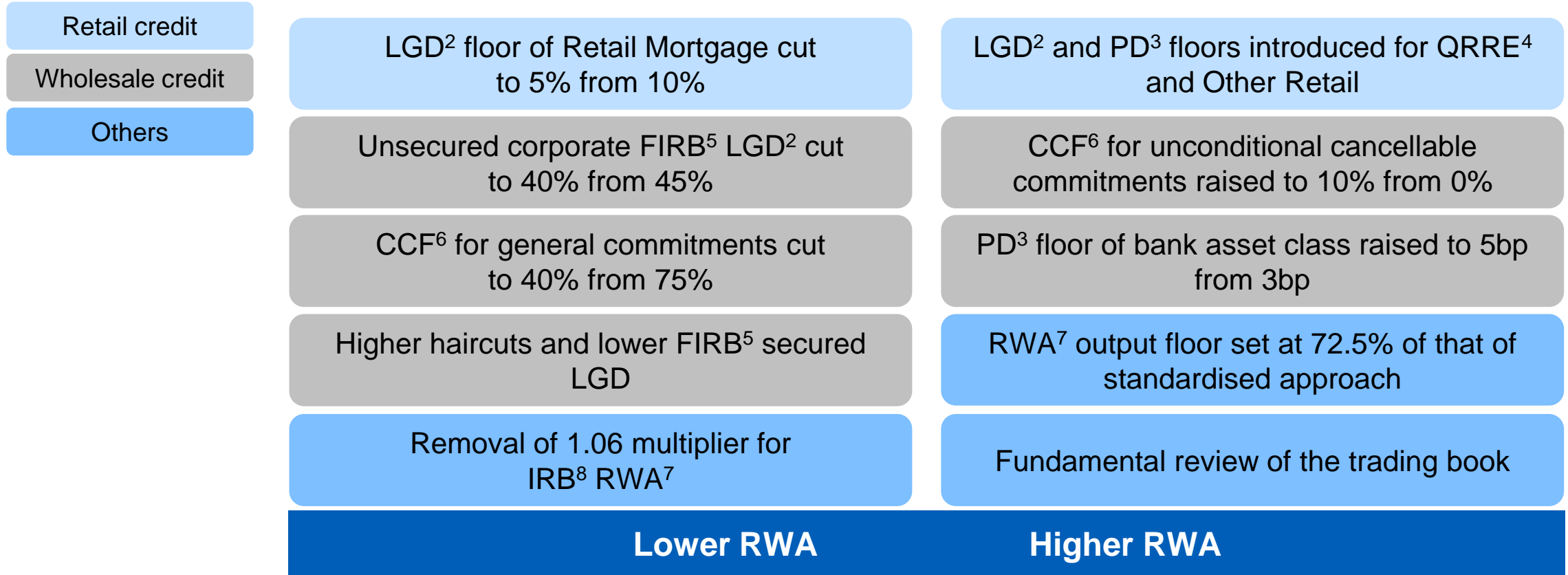
	BCBS	Singapore	Malaysia	Thailand	Indonesia
Minimum CET1 CAR	4.5%	6.5% ¹	4.5%	4.5%	4.5%
Minimum Tier 1 CAR	6.0%	8.0% ¹	6.0%	6.0%	6.0%
Minimum Total CAR	8.0%	10.0% ¹	8.0%	8.5%	8.0%
Capital Conservation Buffer	2.5%	2.5%	2.5%	2.5%	2.5%
Countercyclical Buffer ²	n/a	0%	0%	0%	0%
D-SIB Buffer	n/a	2.0%	1.0%	1.0%	1.0%–2.5% ³
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%)

Impact of Basel IV¹ 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

Strong UOB Fundamentals

Strong UOB fundamentals

Strong management with proven track record



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

Consistent and focused financial management



- Responsible yet prudent approach in extending loan relief to customers
- Continued investment in talent and technology to build capabilities in a disciplined manner
- More than 50% of Group earnings from home market of Singapore (AAA sovereign rating)

Disciplined management of balance sheet strengths



- Strong Common Equity Tier 1 capital adequacy ratio of 14.0% as at 31 March 2023
- Diversified funding and sound liquidity, with 83.3% loan/deposit ratio
- Strengthened coverage, with general allowance on loans (including RLAR) covering 1.0% of performing loans

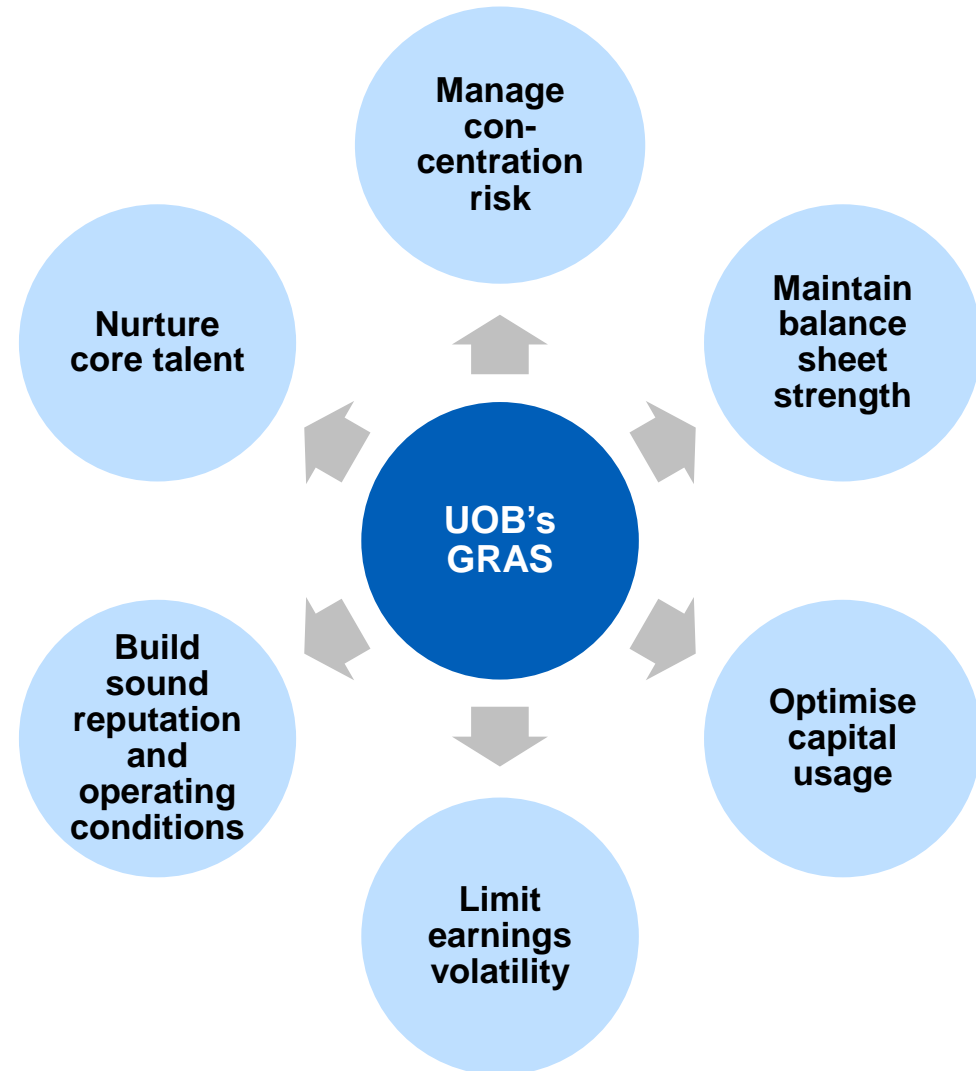
Delivering on regional strategy



- Holistic regional bank, with full control of overseas subsidiaries
- Focus on profitable niche segments and intra-regional flows
- Entrenched domestic presence and deep local knowledge to address needs of our targeted segments

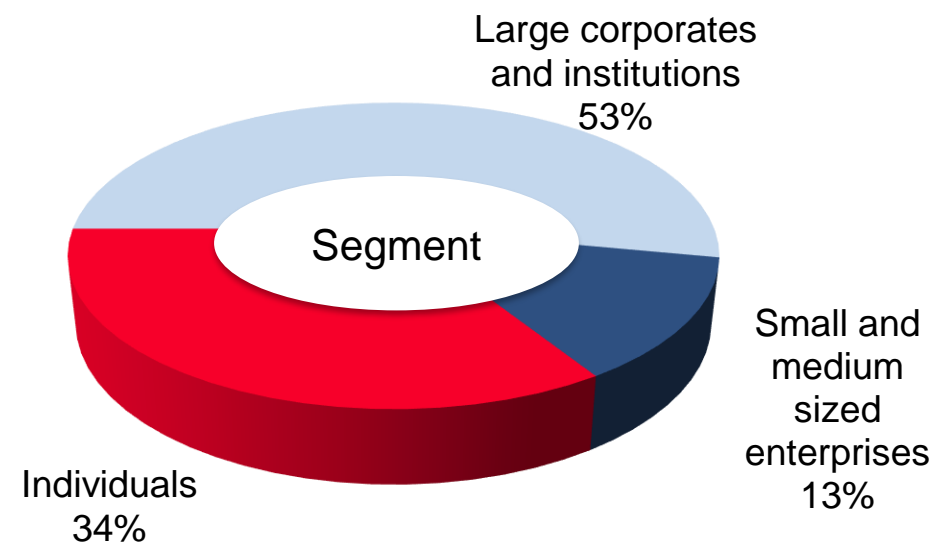
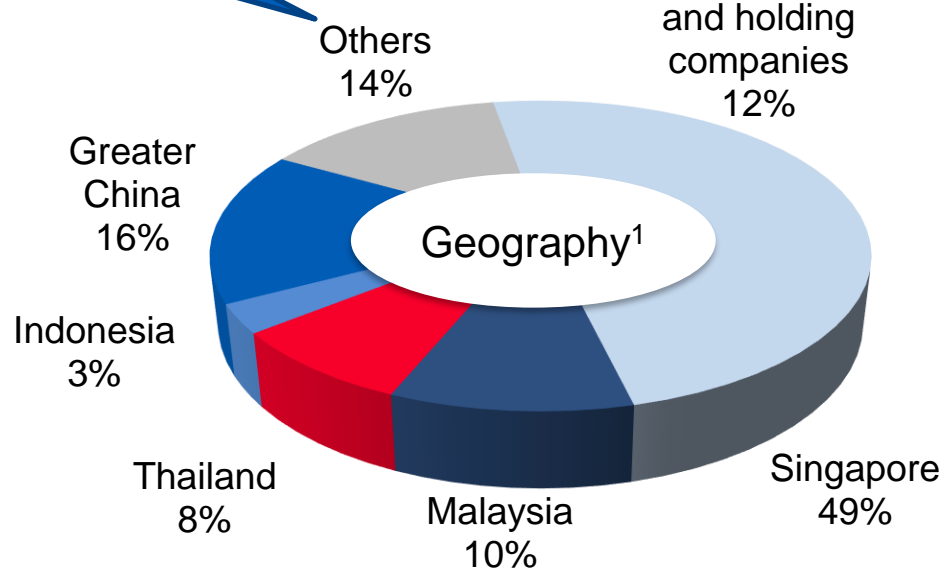
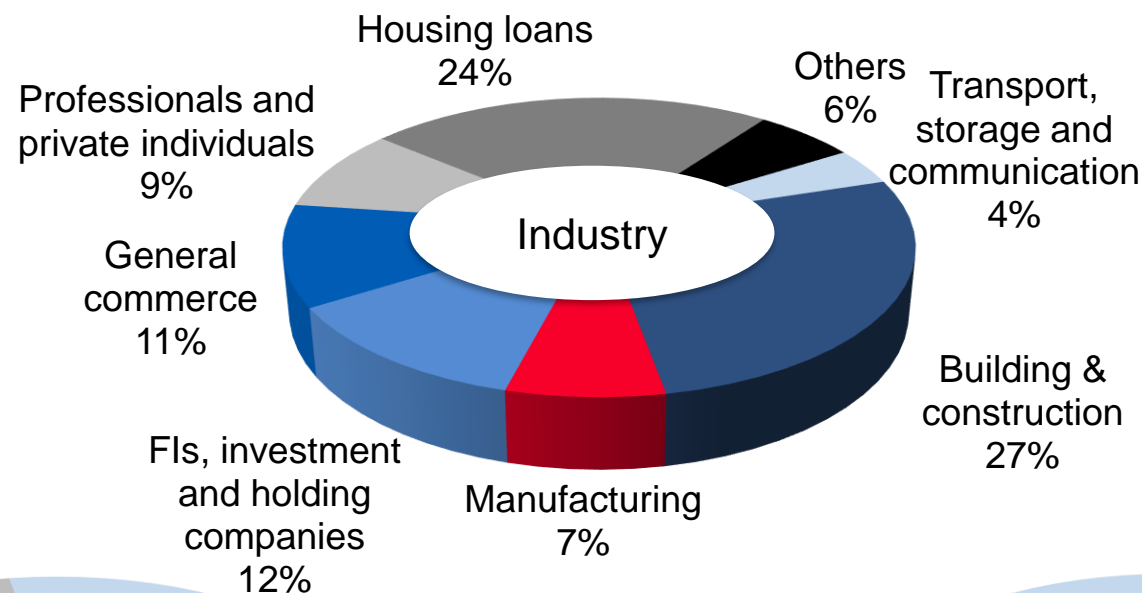
Managing risks for stable growth

- Prudent approach has been key to delivering sustainable returns over the years
- Institutionalised framework through Group Risk Appetite Statement (GRAS):
 - Outlines risk and return objectives to guide strategic decision-making
 - Comprises 6 dimensions and 14 metrics
 - Entails instilling prudent culture as well as establishing policies and guidelines
 - Invests in capabilities, leverage integrated regional network to ensure effective implementation across key markets and businesses



Diversified loan portfolio

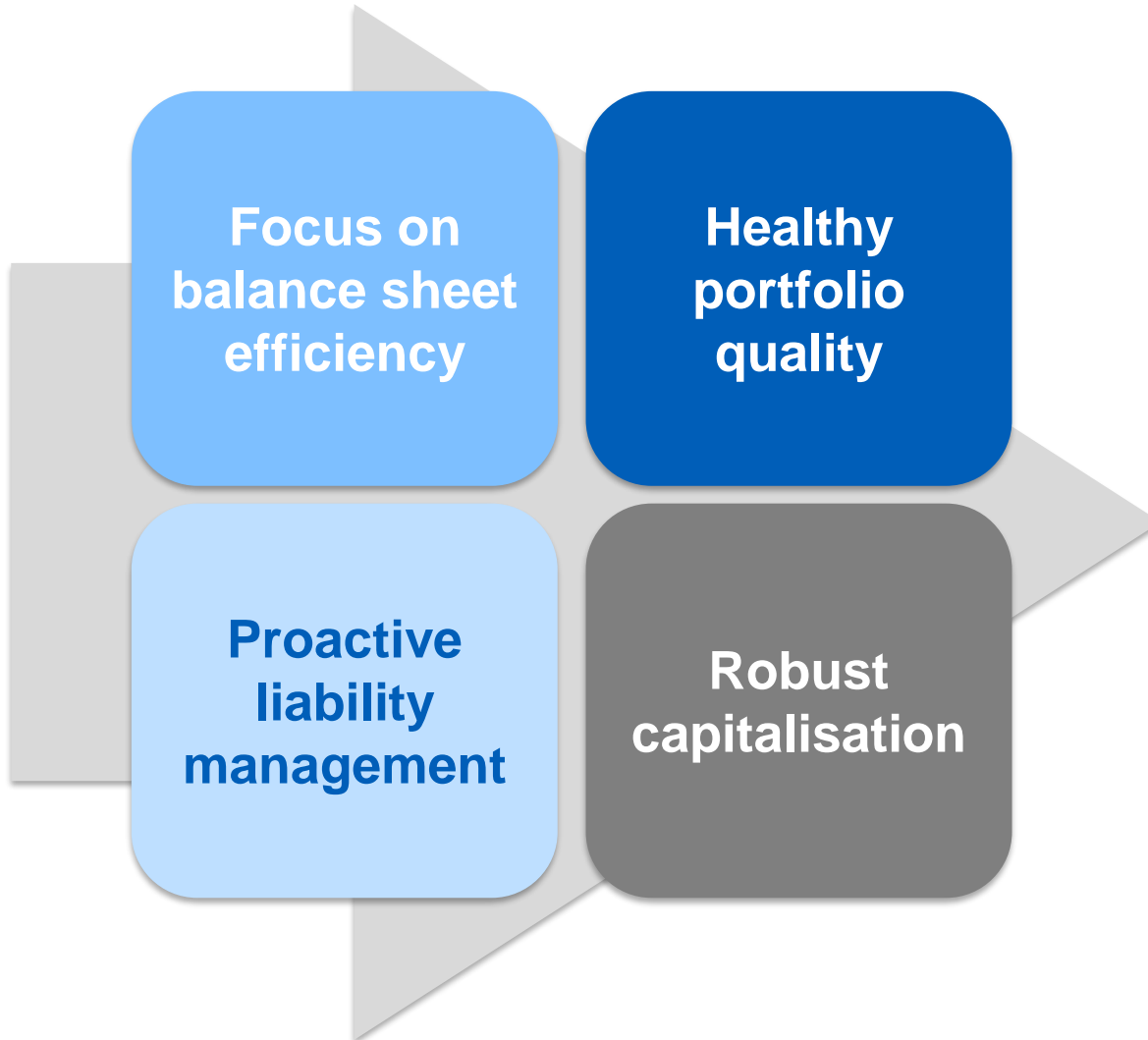
Exposure to office property in developed markets (ex-SG & HK) at ~2% of group loans



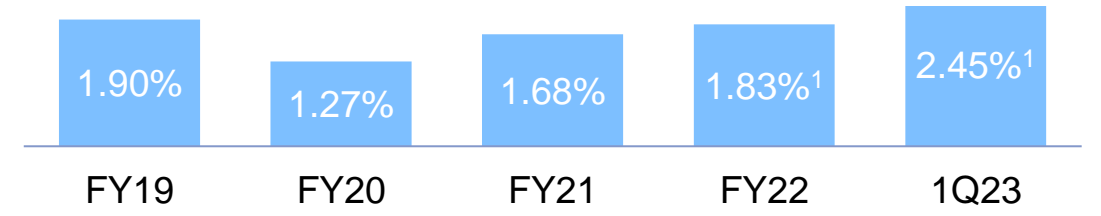
1, Loans by geography are classified according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals)

Note: Financial statistics as at 31 Mar 2023

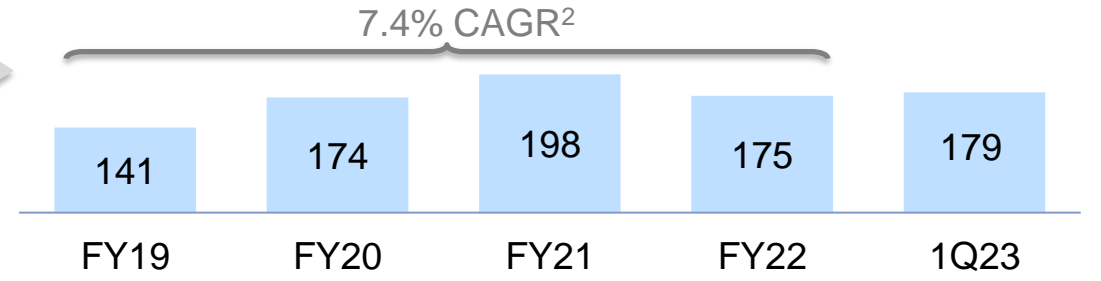
Disciplined balance sheet management



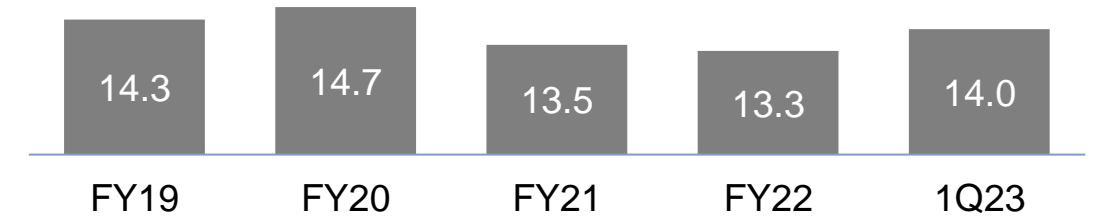
Return on risk-weighted assets



Current Account Saving Account Balances (SGD b)



Common Equity Tier 1 ratio (%)

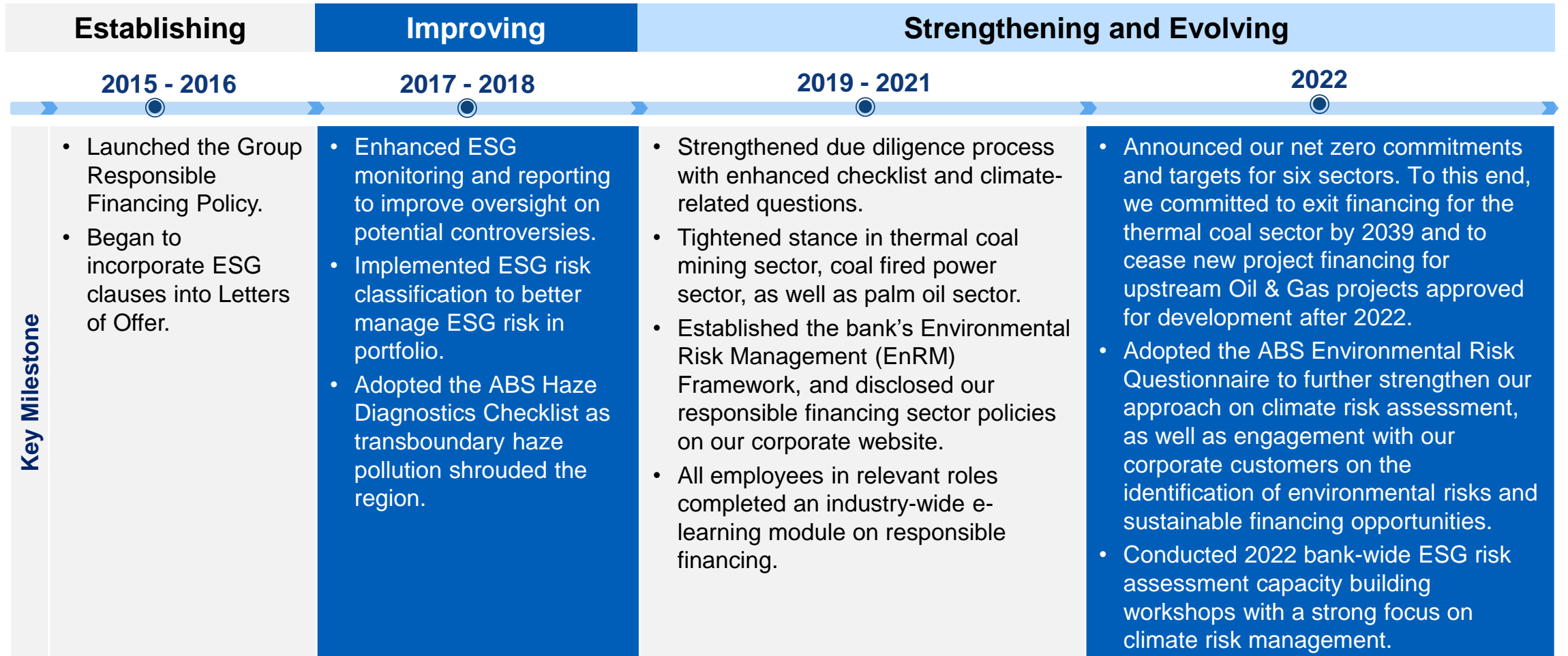


Notes

- 1. Excluding one-off expenses
- 2. Compound annual growth rate over 3 years (FY19 to FY22)

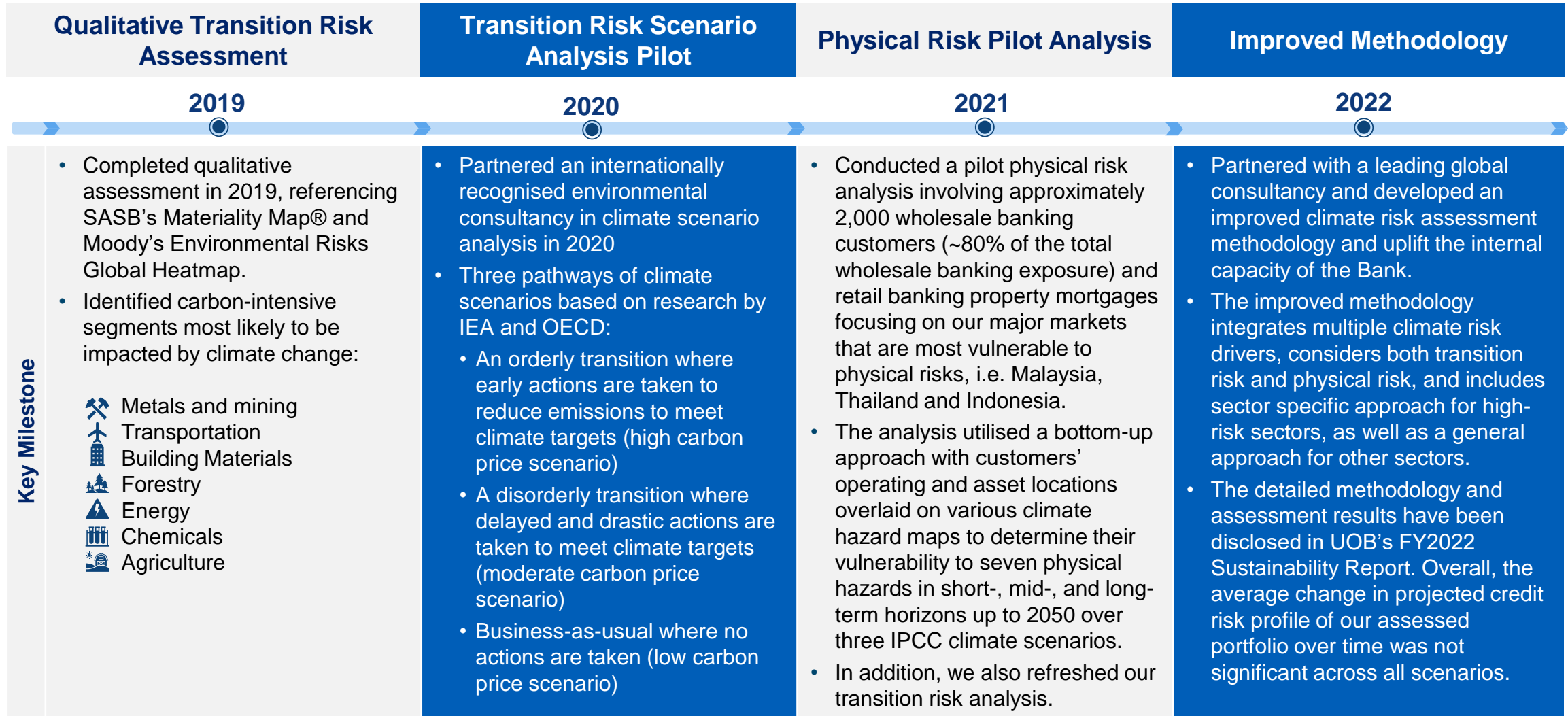
UOB's responsible financing journey: pragmatic and progressive

Overview of UOB Group's Responsible Financing Journey



* Green Finance Industry Taskforce

TCFD Implementation - Climate Scenario Analysis



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-	UOB	a1	41% ¹	1.3% ¹	83%
Aa1	AA-	AA-	OCBC	a1	43%	1.3%	83%
Aa1	AA-	AA-	DBS	a1	38%	1.4%	79%
A3	A-	A+	HSBC	a3	38%	1.5%	60%
A3	BBB+	A	SCB	baa1	61%	0.7%	56%
A2	A-	AA-	BOA	a3	62%	1.1%	54%
A3	BBB+	A	Citi	baa1	62%	0.8%	48%
Aa3	AA-	A+	CBA	a2	44%	0.8%	103%
Aa3	AA-	A+	NAB	a2	45%	0.7%	120%
Aa1	AA-	AA-	RBC	a2	51%	0.7%	68%
Aa2	AA-	AA-	TD	a1	50%	0.9%	72%
A3	A-	n.r.	CIMB	baa2	47%	1.0%	88%
A3	A-	n.r.	MBB	a3	46%	0.9%	92%

1. Excluding one-off expenses

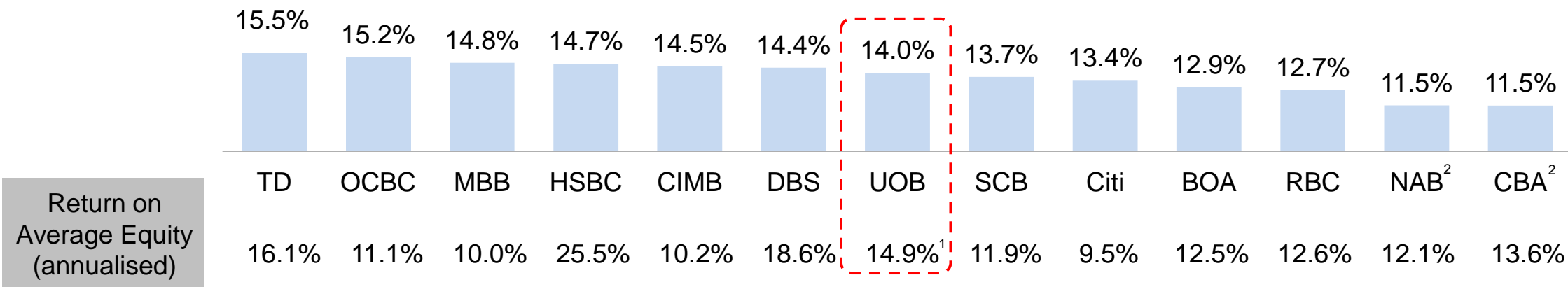
Source: Company reports, Credit rating agencies (updated as of 03 May 2023)

Financial data based on period ended 31 Mar 23, except for CIMB/MBB/OCBC (31 Dec 22), CBA (Half-year ended 31 Dec 22), NAB (Full-year ended 30 Sep 22), & RBC/TD (period ended 31 Jan 23)

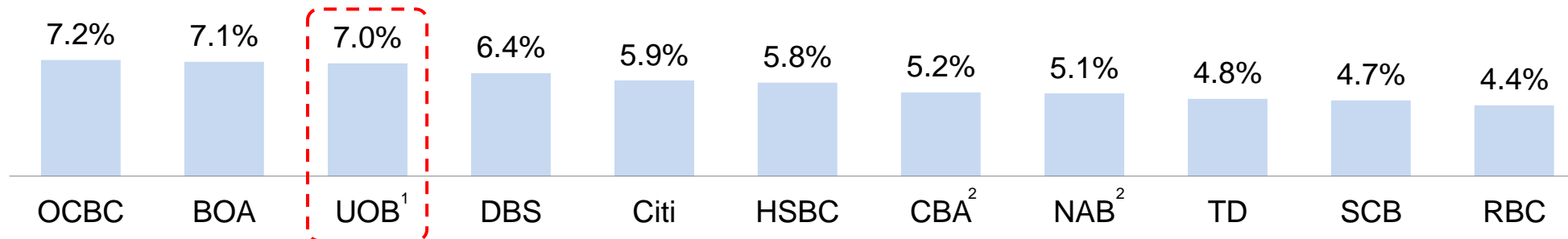
Capital and leverage ratios



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 18.5% (31 Dec 22) and 16.89% (30 Sep 22)

Source: Company reports

Financial data based on period ended 31 Mar 23, except for CIMB/MBB/OCBC (31 Dec 22), CBA (Half-year ended 31 Dec 22), NAB (Full-year ended 30 Sep 22), & RBC/TD (period ended 31 Jan 23)

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+

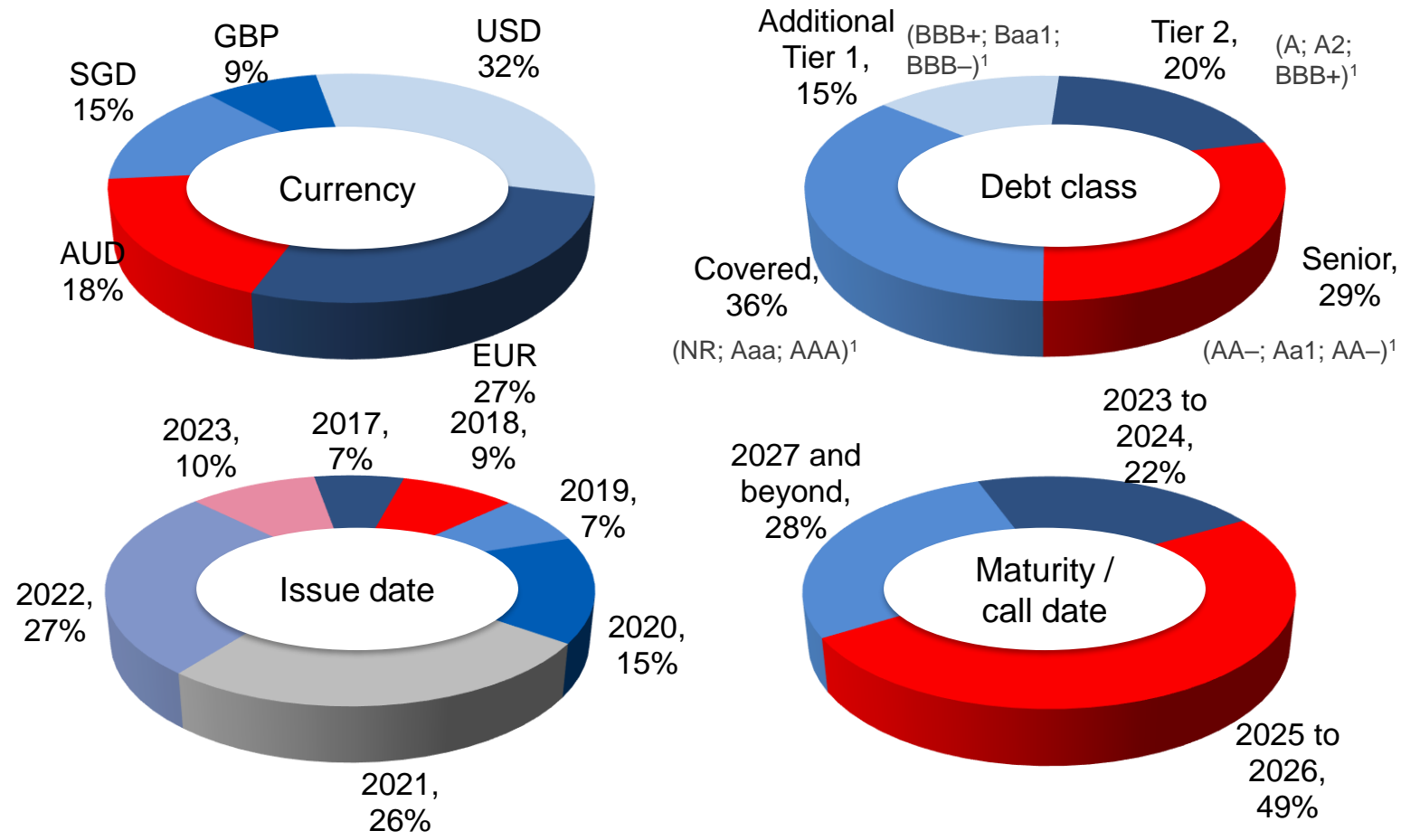
- Well-established market position, strong funding and prudent management record
- Will maintain its capitalisation and asset quality while pursuing regional growth

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 17 Apr 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

Our Growth Drivers

Our growth drivers

Realise full potential of our integrated platform



- 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

Sharpen regional focus



- 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

Reinforce fee income growth



- 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

Long-term growth perspective

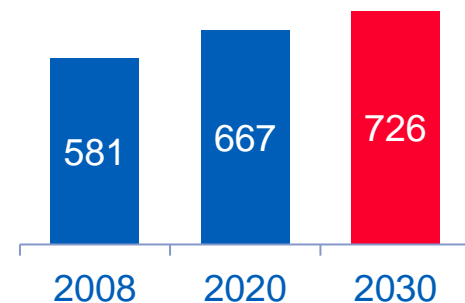


- Disciplined approach in executing growth strategy, balancing growth with stability
- Focus on risk adjusted returns; ensure balance sheet strength and robust capital through economic cycles

Southeast Asia's immense long-term potential

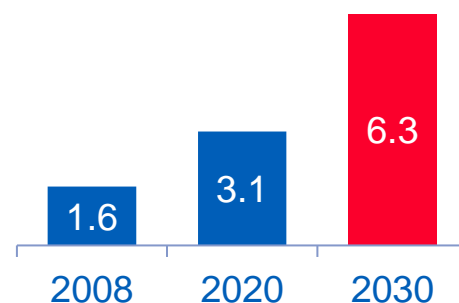
Population

(Million persons)



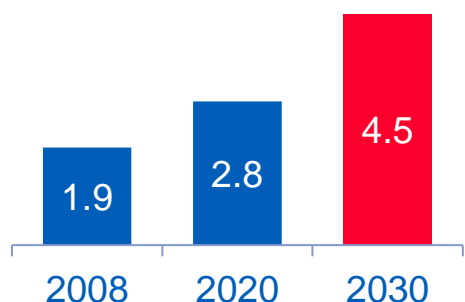
GDP¹

(USD trillion)



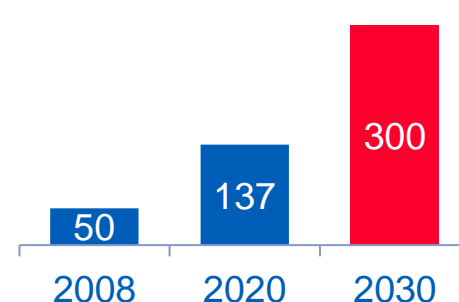
Trade²

(USD trillion)



FDI³

(USD billion)

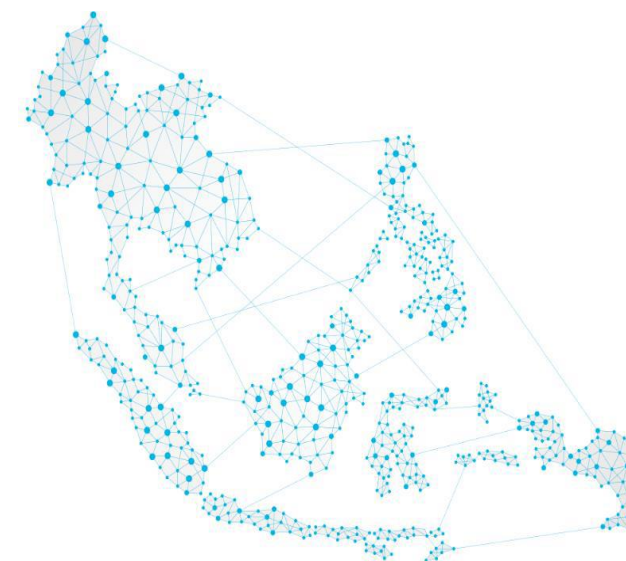


Southeast Asia's immense growth prospects...

- Third largest population globally, after China and India
- Young demographics, with 382 million below 35 years old
- Fifth largest economic bloc globally by GDP¹
- Fourth largest trading group globally
- Third largest recipient of inward FDI³ 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



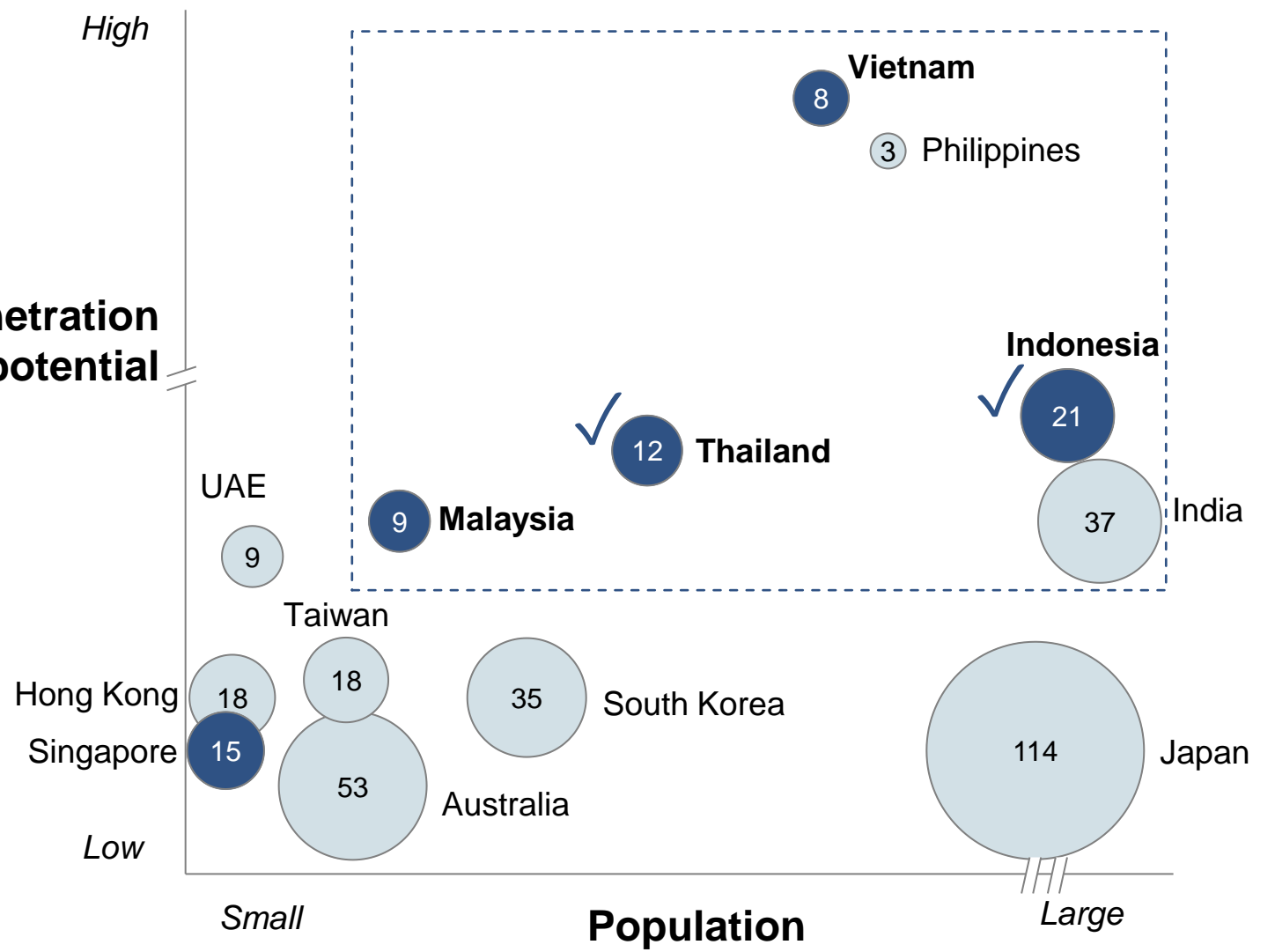
2019 retail banking pool sizes

● USD b

● Denotes UOB's core markets in Southeast Asia

✓ **TMRW** by UOB was launched in Thailand (March 2019) and Indonesia (August 2020)

Banking penetration growth potential

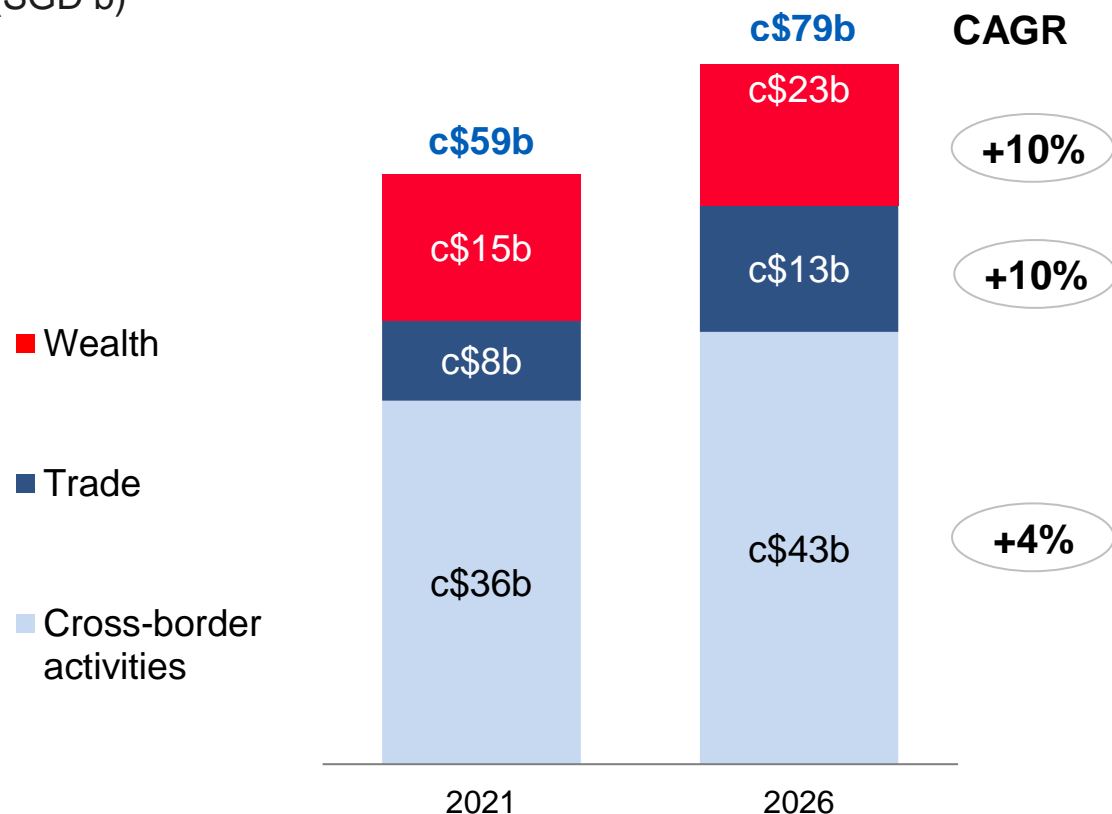


Note: UAE and Japan's retail banking market size as of 2017
 Source: BCG banking pools (2019), World Bank (2017)

Revenue potential from ‘connecting the dots’ in the region

Industry’s potential connectivity revenue

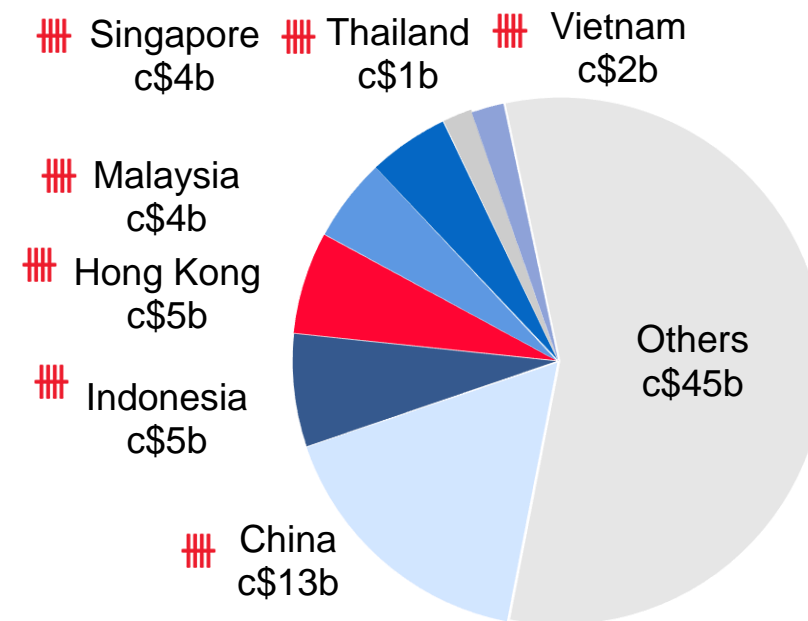
(SGD b)



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

>7m

Retail customers
77% are digitally enabled

>225k

New to bank customers acquired in 1Q23,
59% 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

40

Strategic multi-markets partnerships, amongst >1,000 in-country partnerships

2x

Credit card fees almost doubled year on year



Leverage data insights to drive Omni-channel Offerings

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

S\$160b

Assets under management (AUM)^{1,2}
▲ 14% YoY

~3x

Higher average revenue generation by omni-channel vs traditional customers

1. Of which 60% 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



+19%

Cross border income¹;
Formed 24% of GWB income

+30%

Suppliers and distributors² within
Financial Supply Chain
Management (FSCM) solution



Sector Specialisation

Building capabilities for
greater diversification
and risk mitigation



+41%

Income from Non-Real Estate &
Hospitality and Non-FIG sectors¹

+23%

Global Financial Institutions
Group (FIG) income¹



Deepening Digitalisation

For secure and
efficient transactions



+114%

Cashless payments to
businesses in the region³

+13%

Digital banking transactions by
businesses across the Group⁴

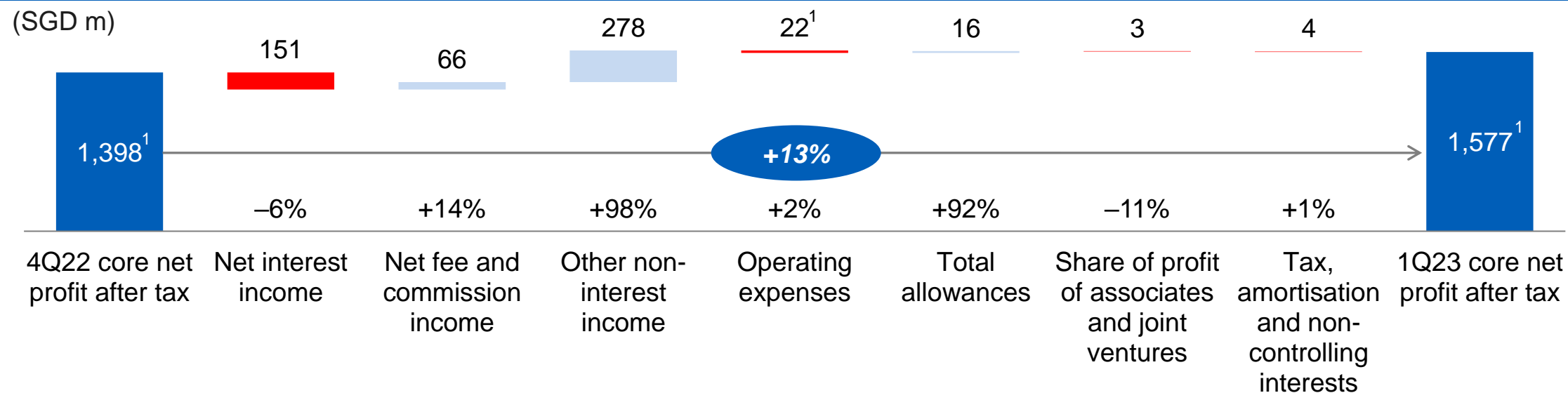


1. Year on year growth for Feb-23 YTD. 2. As of Feb-23. 3. Refers to payments made on Corporate PayNow, DuitNow and PromptPay in Singapore, Malaysia and Thailand. 4. Refers to digital banking transactions via UOB Infinity/BIBPlus

Latest Financials

1Q23 financial overview

Core Net Profit After Tax Movement, 1Q23 vs 4Q22



Key Indicators	1Q23	4Q22	QoQ Change	1Q22	YoY Change
Net interest margin (%) ²	2.14	2.22	-0.08% pt	1.58	+0.56% pt
Non-interest income / Income (%)	31.6	23.1	+8.5% pt	28.5	+3.1% pt
Cost / Income ratio (%) ¹	40.9	42.6	-1.7% pt	44.8	-3.9% pt
Return on equity (%) ^{1, 2, 3}	14.9	13.8	+1.1% pt	8.8	+6.1% pt

1. Excluding one-off expenses

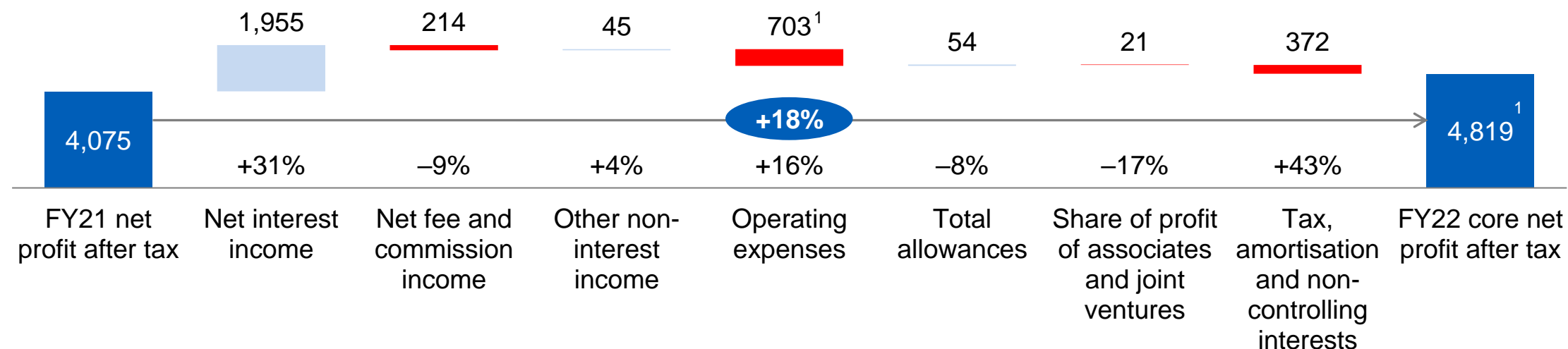
2. Computed on an annualised basis

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

2022 financial overview

Core Net Profit After Tax Movement, 2022 vs 2021

(SGD m)



Key Indicators	2022	2021	YoY Change
Net interest margin (%)	1.86	1.56	+0.30% pt
Non-interest income / Income (%)	27.9	34.7	-6.8% pt
Cost / Income ratio (%) ¹	43.3	44.1	-0.8% pt
Return on equity (%) ^{1,2}	11.9	10.2	+1.7% pt

1. Excluding one-off expenses

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

Performance by Geography

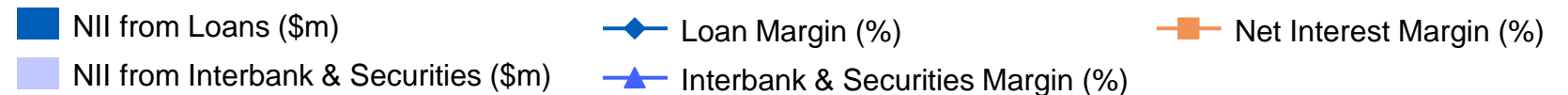
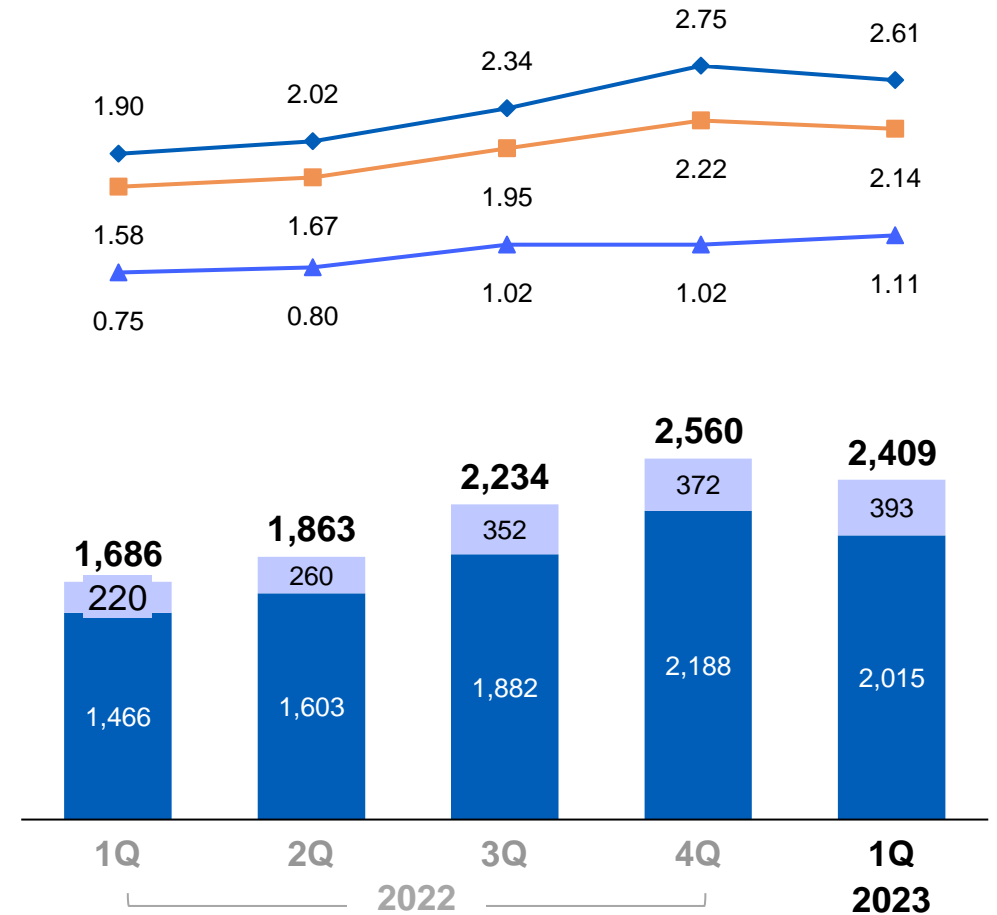
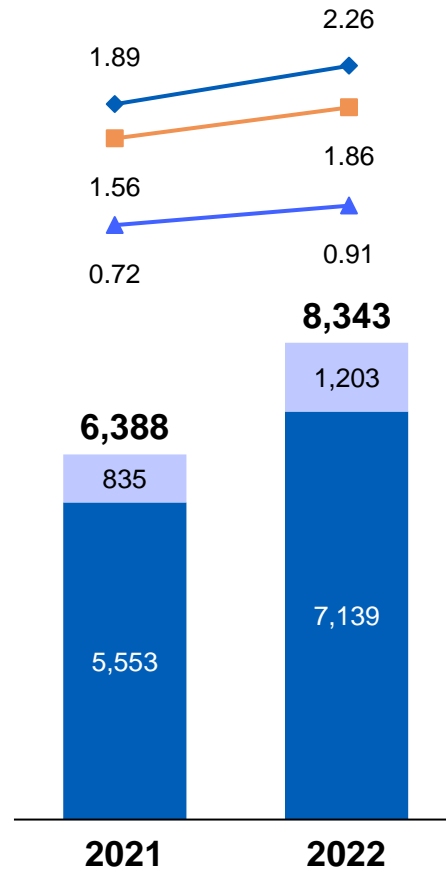
- Continued momentum in quarterly growth across Singapore, ASEAN-4 and the developed markets
- Well connected overseas franchise, coupled with uplift from Citi consolidation; overseas contribution at 41% to Group operating profit

	1Q23 \$m	4Q22 \$m	QoQ +/(-)%	1Q22 \$m	YoY +/(-)%
Core operating profit ⁽¹⁾					
Singapore	1,233	1,204	2	697	77
ASEAN-4	465	401	16	319	46
Malaysia	224	195	15	171	31
Thailand	171	135	27	100	72
Indonesia	64	67	(4)	45	42
Vietnam	6	5	17	3	>100
North Asia	153	170	(10)	147	4
Greater China	137	162	(15)	130	5
Others	16	8	87	16	(4)
Rest of the world	232	138	69	139	67
Total	2,083	1,912	9	1,301	60
Overseas contribution (%) ⁽¹⁾	40.8	37.0	3.8	46.4	(5.6)

(1) Excluding one-off expenses

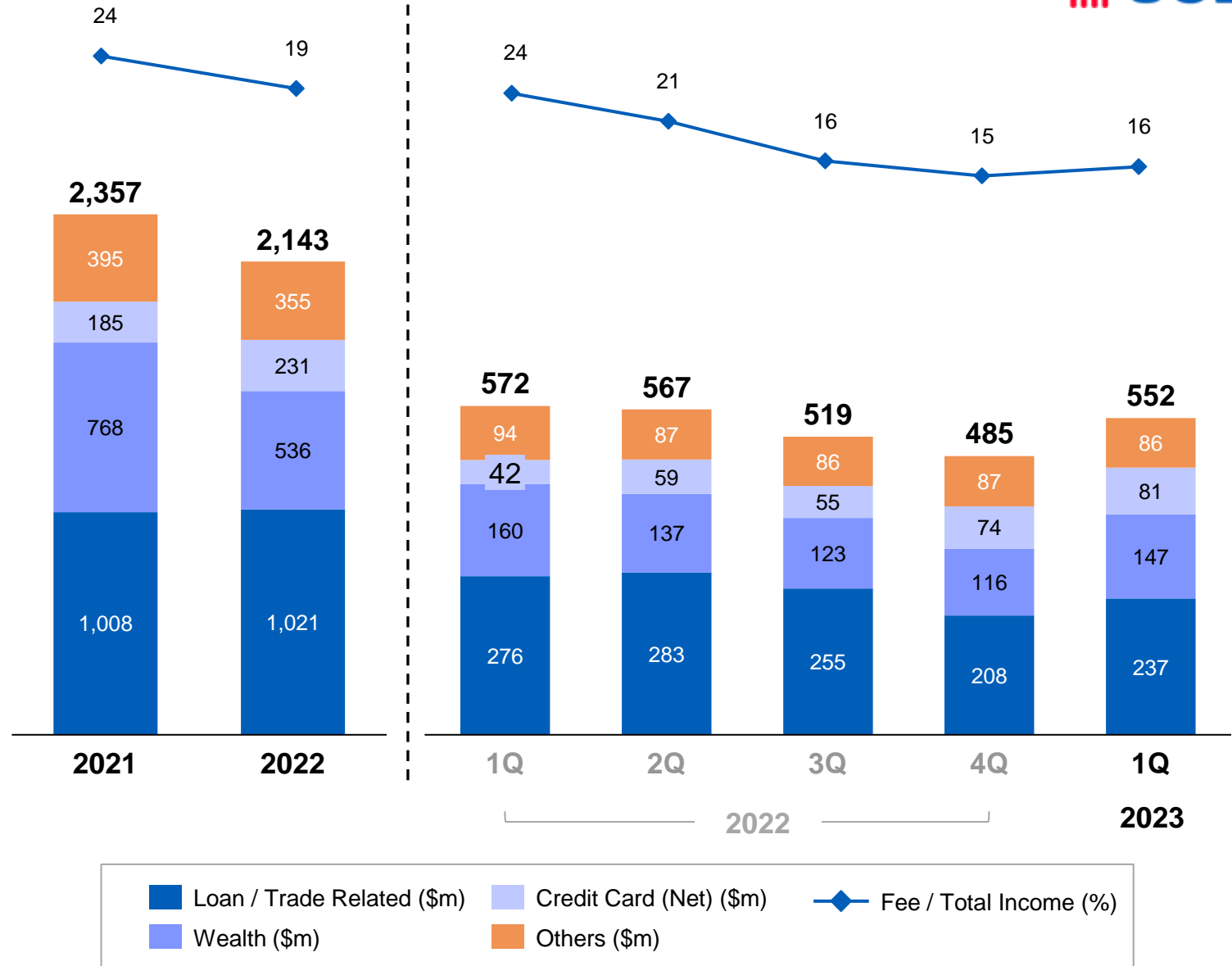
Net Interest Income and Margin

- 1Q23 NII eased 6%, partly due to a shorter quarter, as well as lower net interest margin
- NIM moderated to 2.14% from liquidity surplus placed into high quality assets and increase in funding costs



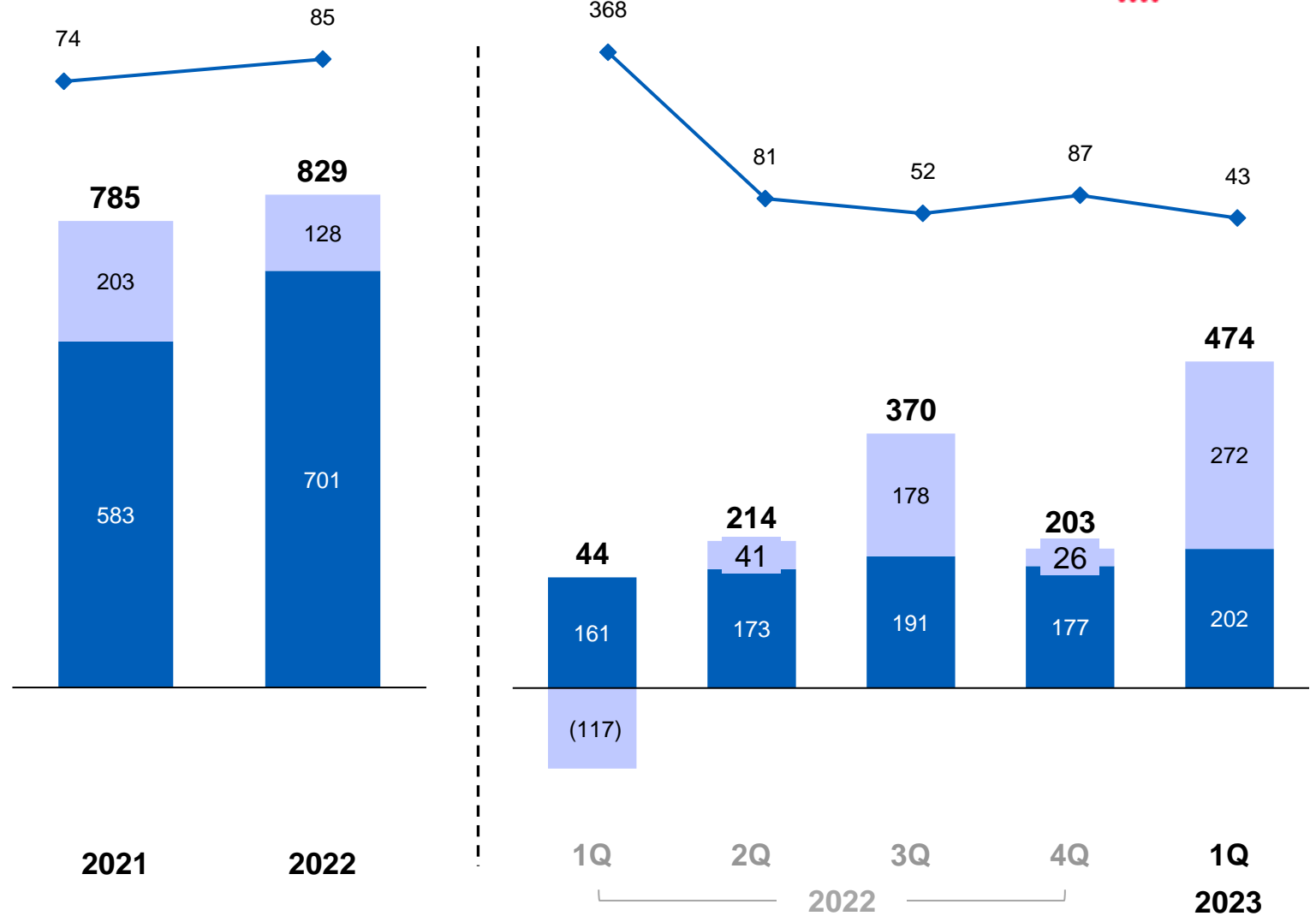
Fee Income

- Net fee income rose 14% QoQ
- Wealth management fees recovered from improved investor sentiments
- Loan-related fees rebounded while credit card fees sustained momentum despite seasonally softer quarter



Trading & Investment Income

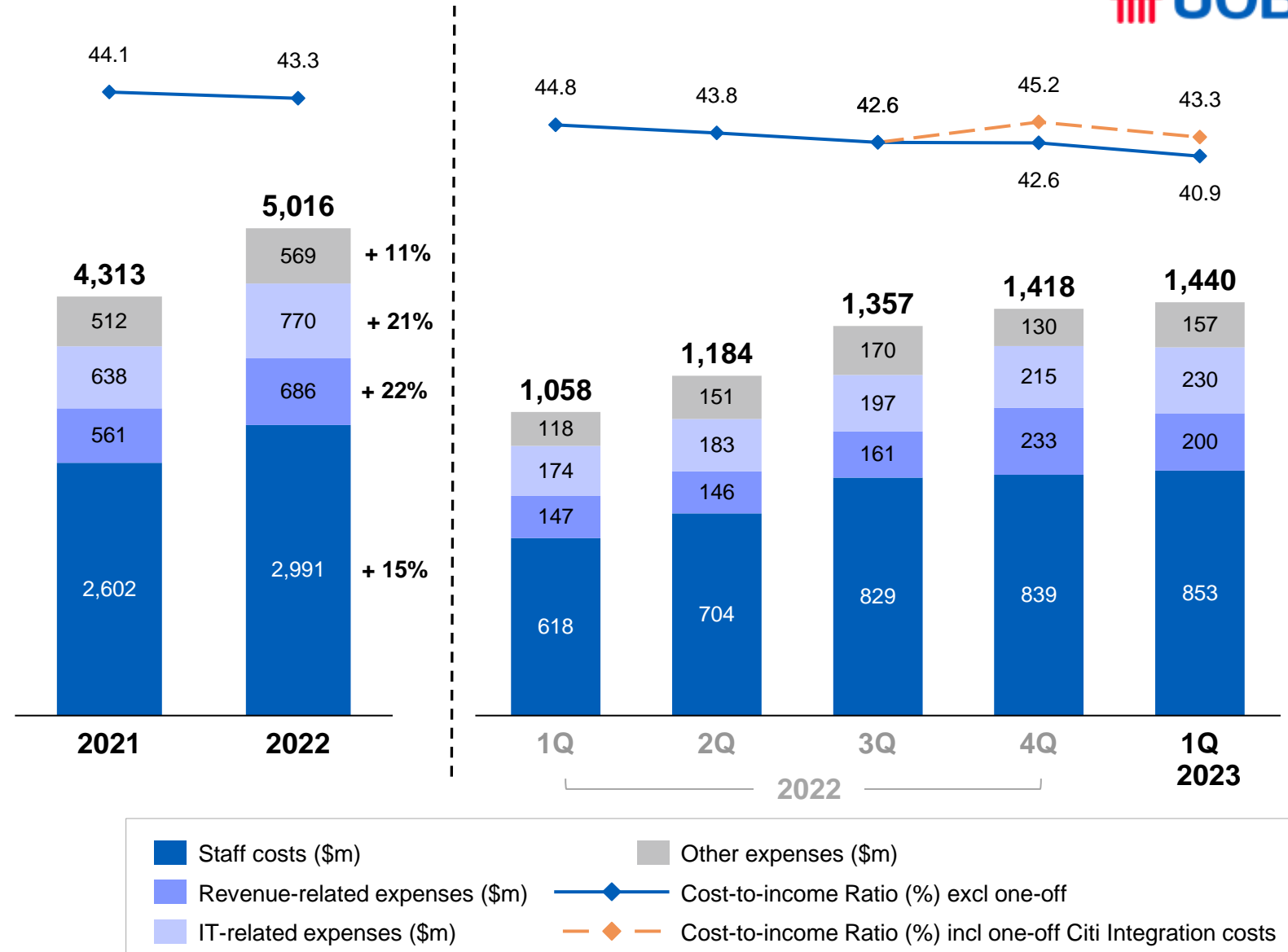
- Customer-related treasury income at new high, supported by hedging demand
- Good performance from trading and liquidity management activities



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

Core Expenses and Cost / Income Ratio (1)

- CIR improved to 40.9% on the back of strong income growth and disciplined spending
- Continued focus on investments to enhance capabilities to drive strategic initiatives



(1) Excluding one-off expenses

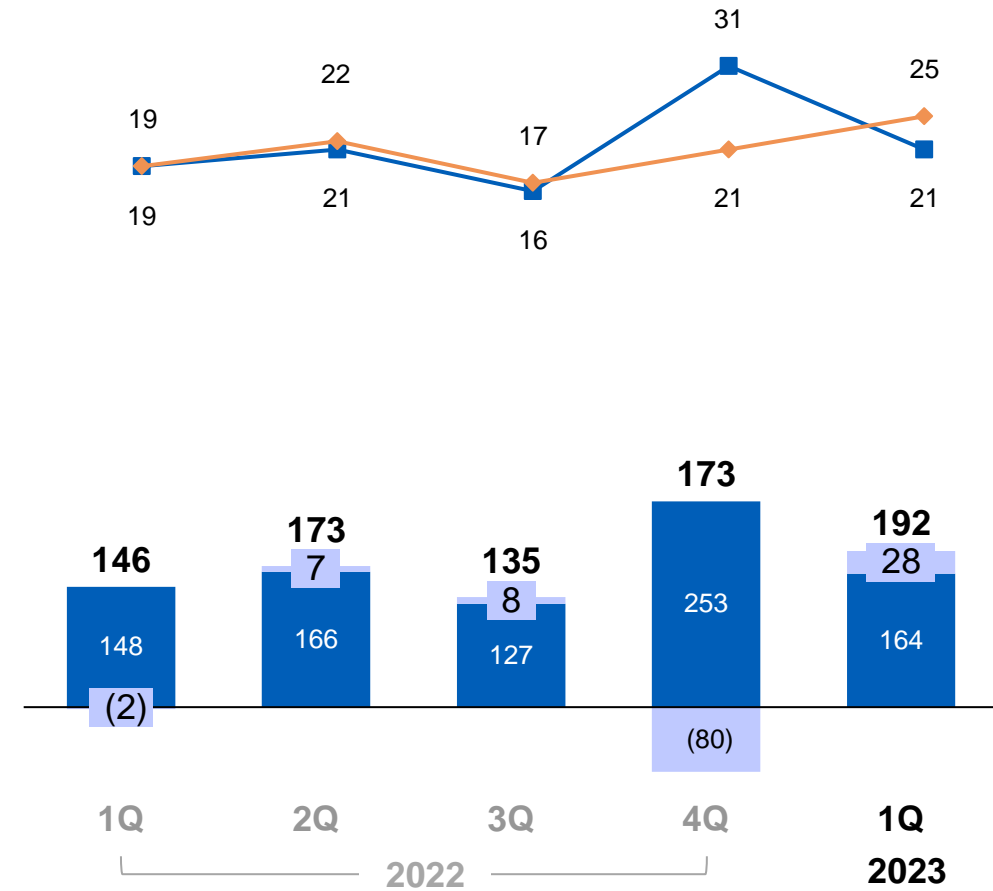
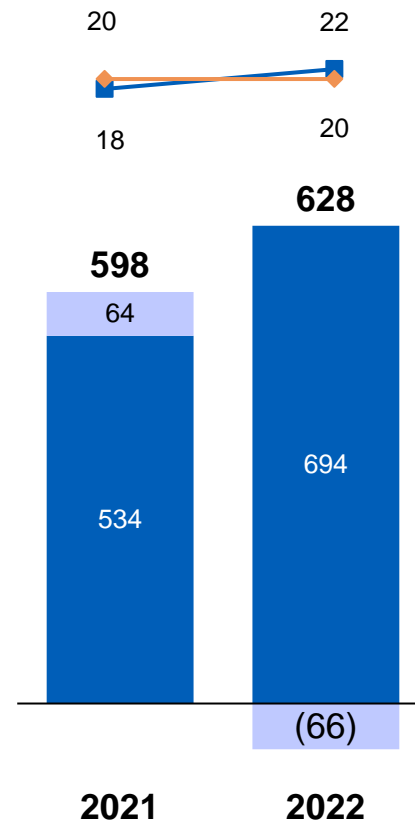
Non-Performing Assets

- Asset quality remained resilient and portfolio well-collateralized with SP/NPA stable at 32%

(\$m)	2022				2023
	1Q	2Q	3Q	4Q	1Q
NPAs at start of period	5,077	5,289	5,422	5,037	5,127
<u>Non-individuals</u>					
New NPAs	462	661	214	395	301
Less:					
Upgrades and recoveries	207	363	448	322	80
Write-offs	36	123	60	121	218
	<u>5,296</u>	<u>5,464</u>	<u>5,128</u>	<u>4,989</u>	<u>5,130</u>
Individuals	(7)	(42)	(91)	(27)	13
NPAs at end of period	<u>5,289</u>	<u>5,422</u>	<u>5,037</u>	<u>4,962</u>	<u>5,143</u>
Add: Citi acquisition	-	-	-	165	7
NPAs at end of period including Citi	<u>5,289</u>	<u>5,422</u>	<u>5,037</u>	<u>5,127</u>	<u>5,150</u>
NPL Ratio (%)	1.6	1.7	1.5	1.6	1.6
Specific allowance/NPA (%)	31	30	33	34	32

Total Allowance on Loans

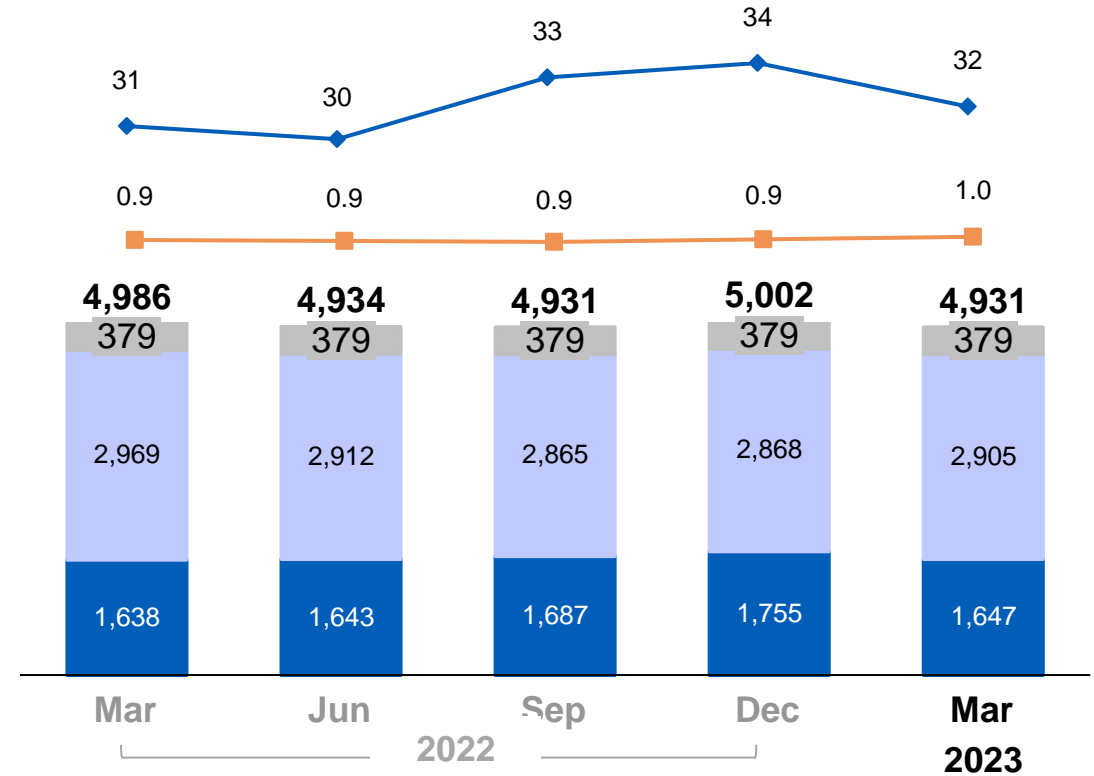
- General allowance set aside to maintain prudent levels of provisioning



■ Credit costs on loans - Specific (basis points) General allowance on loans (\$m)
◆ Total credit costs on loans (basis points) Specific allowance on loans (\$m)

Allowance Coverage

- Adequate reserve buffer with prudent coverage for performing loans at 1.0%
- NPA coverage stable at 96% or 212% taking collateral into account



NPA coverage (%) ⁽²⁾	94	91	98	98	96
Unsecured NPA coverage (%) ⁽²⁾	216	185	207	207	212

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

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.

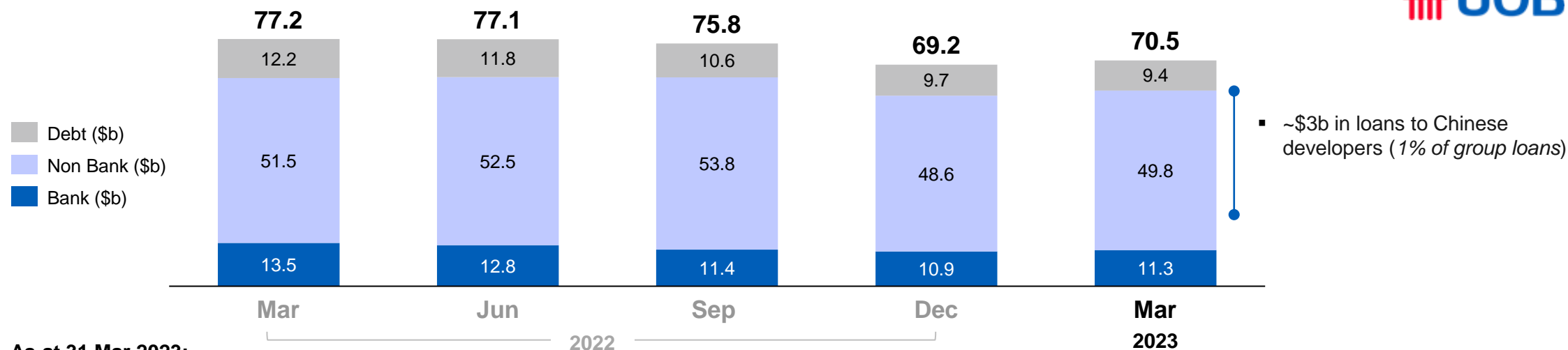
Gross Loans

- Lower loans QoQ as corporates pared down their borrowings while trade and mortgage were stable
- YoY growth of 1% on constant currency basis, led by 9% increase in ASEAN-4 portfolio with uplift from Citi consolidation

	Mar-23 \$b	Dec-22 \$b	Mar-22 \$b	QoQ +/(-)%	YoY +/(-)%
Singapore	155	160	162	(3)	(4)
ASEAN-4	68	69	63	(0)	9
Malaysia	33	33	30	(1)	11
Thailand	24	23	21	1	13
Indonesia	10	10	10	(4)	(8)
Vietnam	2	2	2	24	11
North Asia	53	52	56	4	(5)
Greater China	50	49	51	2	(3)
Others	4	3	5	24	(19)
Rest of the world	39	39	39	(1)	1
Total	316	320	320	(1)	(1)
<i>At constant FX basis</i>	316	319	313	(1)	1

Note: 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 Mar 2023:

Mainland China exposure

(\$21.8b or 4% of total assets)

Bank exposure (\$8.6b)

- ~40% of total exposure to Mainland China, with top 5 domestic banks and 3 policy banks accounting for ~60% of total bank exposure
- ~100% with <1 year tenor; trade accounts for ~20% of total bank exposure

Non-bank exposure (\$10.7b)

- Client base include top-tier state-owned enterprises, large local corporates and foreign investment enterprises
- ~65% denominated in RMB and ~55% with <1 year tenor
- NPL ratio at 0.8%

Hong Kong SAR exposure

(\$42.3b or 8% of total assets)

Bank exposure (\$0.9b)

- ~95% are to foreign banks

Non-bank exposure (\$35.7b)

- Exposure mainly to corporate and institutional clients
- ~50% with <1 year tenor
- NPL ratio at 1.5%

Exposure to Commodities Segment

- As of 31 March 2023, outstanding loans to the commodities segment remain modest and represented 6% of total loans

Mar 23	Oil and Gas (O&G)		Other Commodity Segments ²	Total
	Upstream industries ¹	Traders / downstream industries		
Outstanding loans	S\$1.9b	S\$7.7b	S\$8.3b	S\$17.9b
Percentage of total loans	3%		3%	6%

Outstanding O&G exposure is to downstream players and traders which are mainly national oil companies (NOCs) and global firms, while short-term structured loans account for a significant share of the remainder.

A considerable portion of upstream exposure is to NOCs and international oil companies, while vulnerable accounts were already classified and their collateral value marked down (by as much as 90%) by end 2017.

Note:

- O&G upstream industries include offshore service companies.
- Other commodity segments refer to agribusiness, metals and mining.

Total Funding

- Continue to focus on stable funding
- Customer deposits up 2% QoQ, alongside improvement in CASA to 47.9% on concerted fixed deposit-gathering efforts

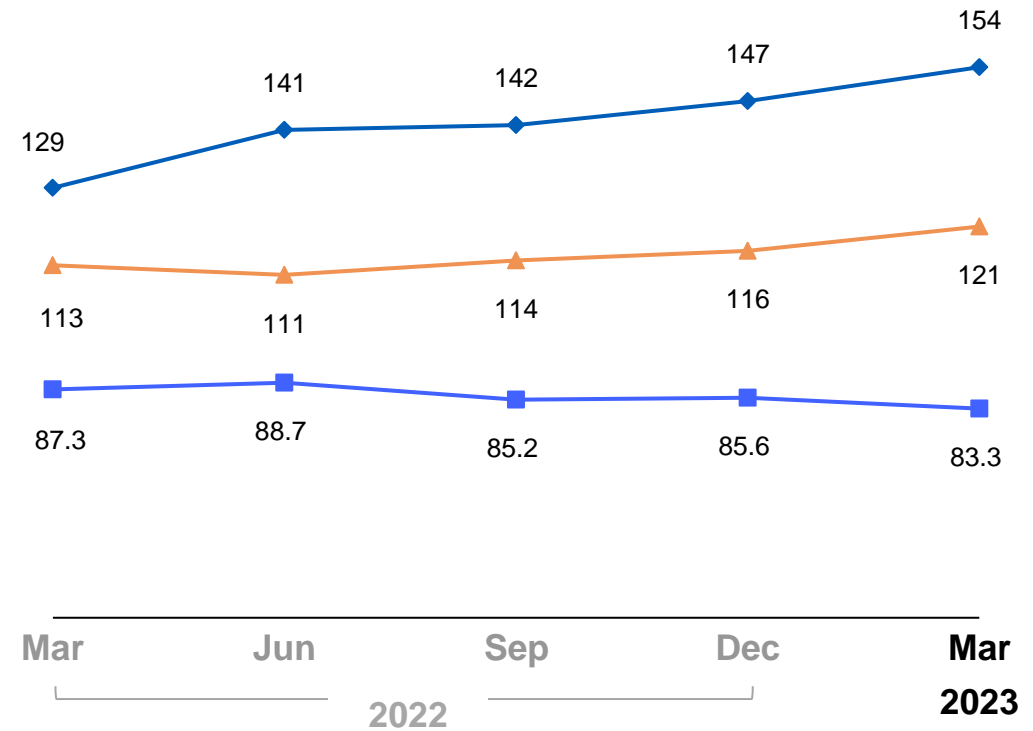
	Mar-23 \$b	Dec-22 \$b	Mar-22 \$b	QoQ +/(-)%	YoY +/(-)%
Singapore	254	249	248	2	2
ASEAN-4	73	71	65	3	12
Malaysia	34	34	32	(1)	6
Thailand	26	26	23	3	17
Indonesia	11	10	10	12	11
Vietnam	2	1	1	56	87
North Asia	22	21	24	5	(8)
Greater China	22	21	24	5	(9)
Others	0	0	0	35	>100
Rest of the world	25	28	25	(9)	1
Total Customer Deposits	374	369	362	2	3
Wholesale funding ⁽¹⁾	60	68	56	(11)	7
Total funding	435	436	418	(0)	4
CASA/Deposit Ratio (%)	47.9	47.5	55.9	0.4	(8.0)

Note:

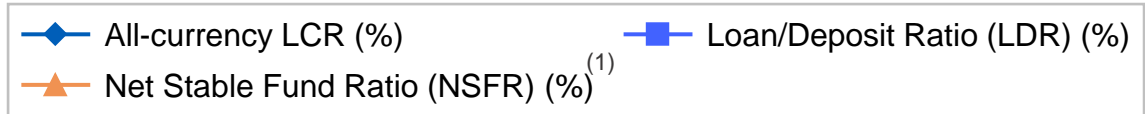
(1) Comprising debt issuances, perpetual capital securities and interbank liabilities.

Liquidity Ratios

- Funding and liquidity positions strengthened further with LCR at 154% and NSFR at 121%



USD LDR (%)	66.3	72.3	64.2	60.0	60.7
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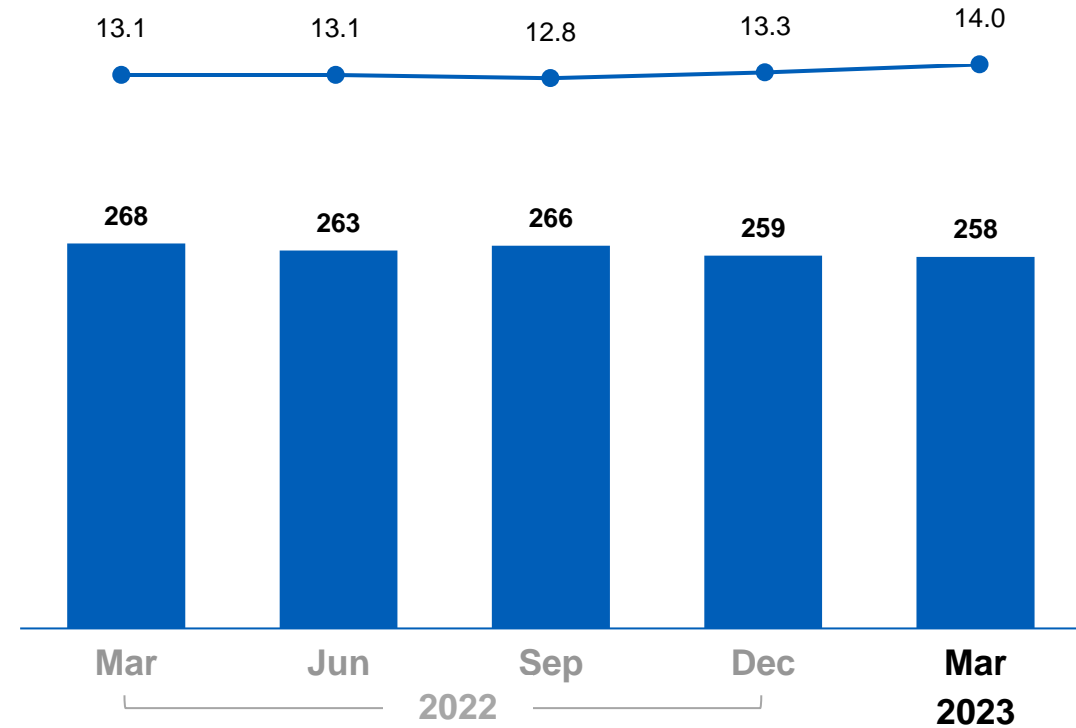


Note:

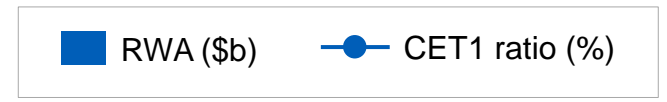
(1) MAS granted the banks relief on required stable funding (RSF) factors for the period from 8 April 2020 to 30 September 2021. The RSF factors will be gradually phase back by 1 April 2022.

Capital

- Strong CET1 ratio at 14.0%

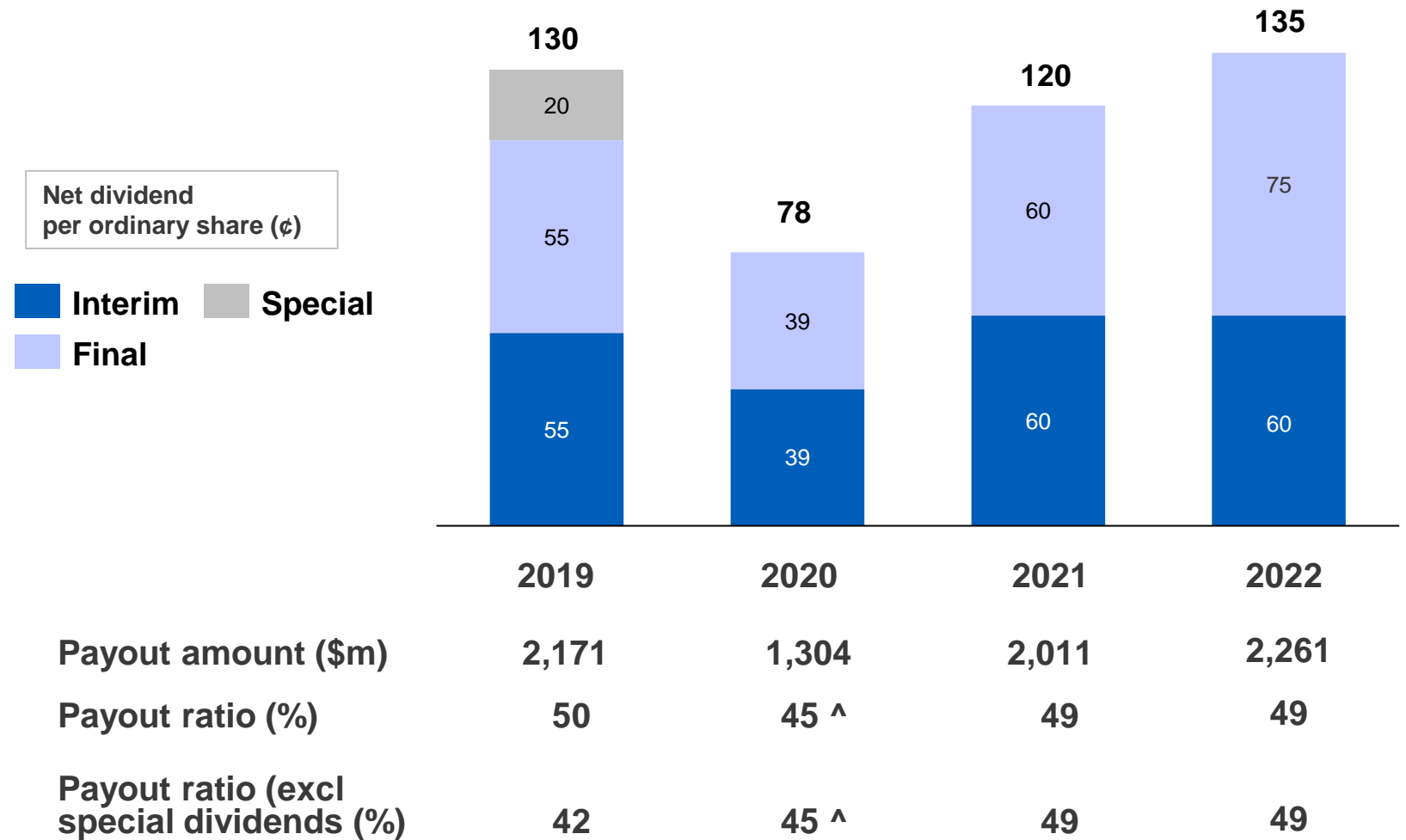


Leverage ratio (%)	6.9	6.6	6.4	6.6	7.0
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Dividends

- Committed to consistent and sustainable returns to shareholders



[^] 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