

The Strengths of **One Group.**
The Power of **One Brand.**

Third Quarter 2024 Results Highlights

Goh Chin Yee, Group Chief Financial Officer
8 November 2024



OCBC Financial Results



Agenda

01

Financial Highlights

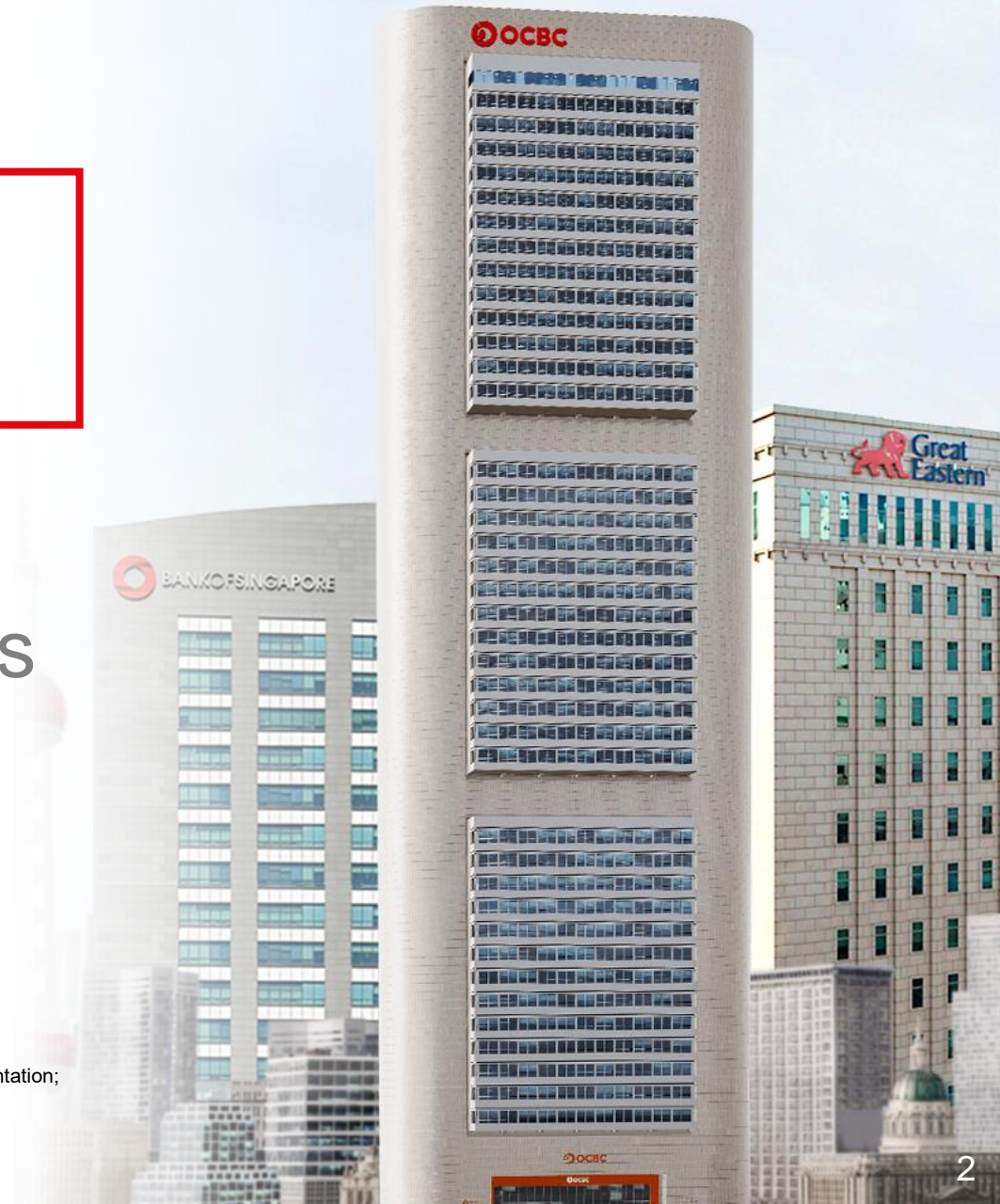
02

Group Performance Trends



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.



Strong 3Q24 earnings

Group Net Profit	S\$1.97b	+9% YoY	+2% QoQ
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Banking Operations Net Profit	S\$1.72b	+3% YoY	+1% QoQ
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EPS <i>(annualised)</i>	S\$1.73	+9% YoY	+1% QoQ
ROE <i>(annualised)</i>	14.1%	+0.1ppt YoY	-0.1ppt QoQ



	YoY	QoQ
Total Income		
S\$3.80b	+11%	+5%
Net Interest Income (NII)	-1%	unchanged
Non-Interest Income (Non-II)	+41%	+14%
Operating Expenses		
S\$1.46b	+9%	+7%
Net Interest Margin		
2.18%	-9bps	-2bps
Credit Costs		
22bps	+5bps	+7bps
Customer Loans		
S\$305b <small>(in constant currency terms)</small>	+2%	+0.5%
	+4%	+2%
Customer Deposits		
S\$369b	unchanged	-0.1%
NPL Ratio		
0.9%	-0.1ppt	unchanged
CET1 CAR		
17.2% <small>Transitional final Basel III reforms^{1/}</small>	+2.4ppt	+1.7ppt
15.6% <small>Fully phased-in final Basel III reforms^{2/}</small>	+0.8ppt	+0.1ppt

- 3Q24 Group net profit up on record income, driven by strong Non-II growth
- Growth in wealth management activities boosted fee and trading income
- CIR at 38.5%
- Sound loan portfolio quality with NPL ratio of 0.9%; NPA coverage ratio rose to 164%
- Continued loan growth momentum, loans up QoQ and YoY

1/ Computed based on MAS' final Basel III reform rules, which took effect on 1 July 2024.

2/ Assumed the position as of 30 September 2024 was subject to the full application of final Basel III reforms, which will take effect on 1 January 2029.

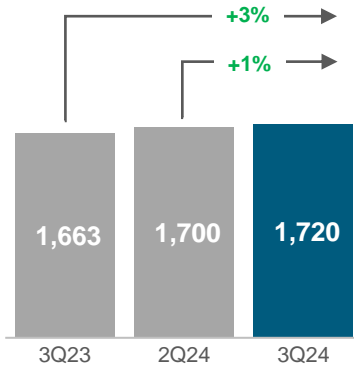
Record 9M24 Group and Banking Operations net profit

(S\$m)	Group Performance					Banking Operations Performance				
	9M24	YoY	3Q24	YoY	QoQ	9M24	YoY	3Q24	YoY	QoQ
Net Interest Income	7,300	+2%	2,433	-1%	–	7,174	+1%	2,390	-1%	–
Non-Interest Income	3,758	+23%	1,369	+41%	+14%	2,673	+22%	1,035	+42%	+26%
Total Income	11,058	+8%	3,802	+11%	+5%	9,846	+6%	3,425	+9%	+7%
Operating Expenses	4,182	+7%	1,463	+9%	+7%	4,026	+8%	1,418	+11%	+9%
Operating Profit	6,876	+9%	2,339	+12%	+4%	5,821	+5%	2,008	+7%	+5%
Allowances	483	-12%	169	-8%	+17%	479	-9%	170	-6%	+20%
Net Profit	5,900	+9%	1,974	+9%	+2%	5,142	+5%	1,720	+3%	+1%

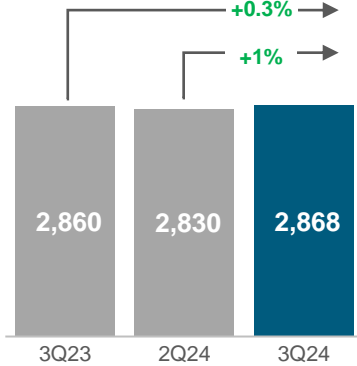
Resilient performance across franchise

Banking

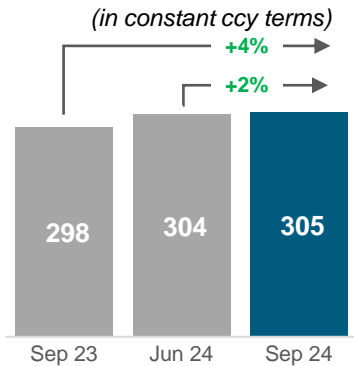
Net Profit (S\$m)



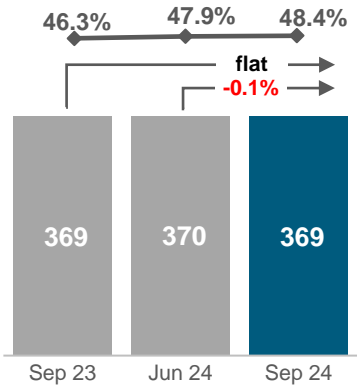
NII and Fee Income (S\$m)



Customer Loans (S\$b)

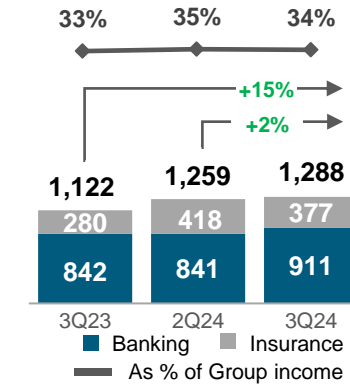


Customer Deposits (S\$b) and CASA ratio

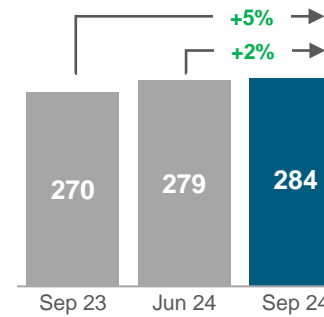


Wealth Management

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

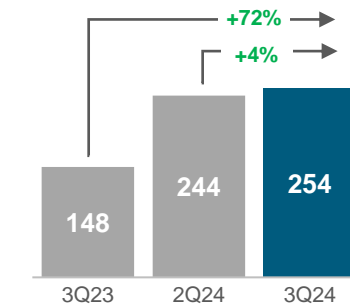


WM AUM (S\$b)



Insurance

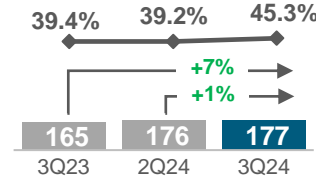
Profit contribution from GEH (S\$m)



Total Weighted New Sales (TWNS)(S\$m)



NBEV (S\$m) and Margin

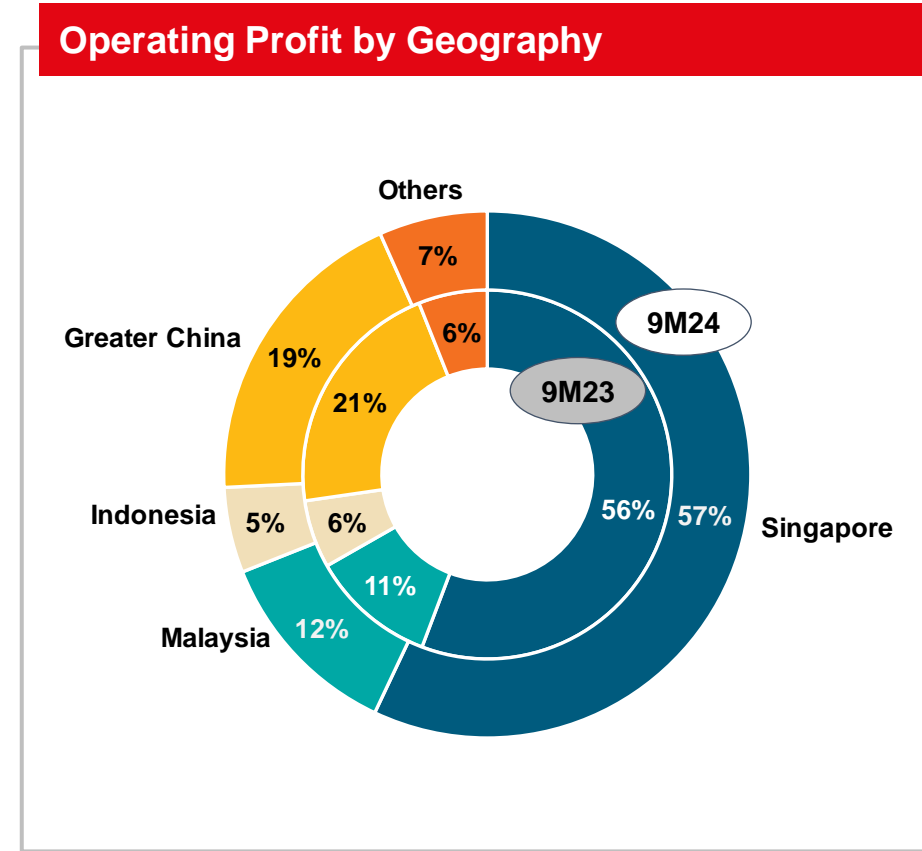
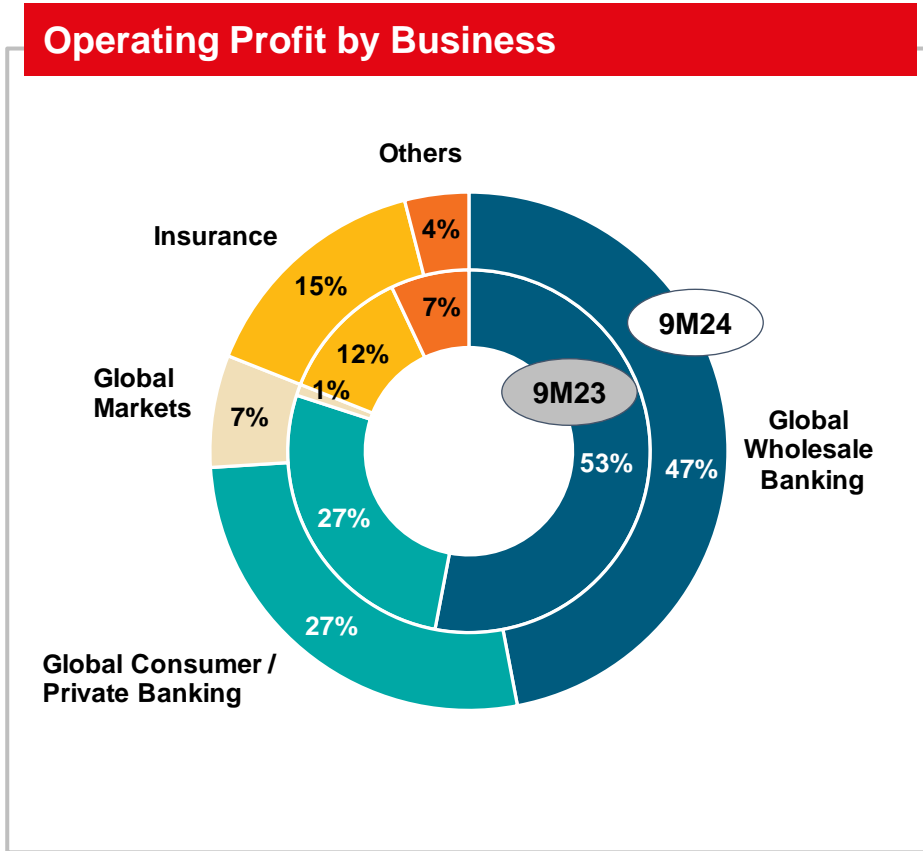


- Banking Operations net profit higher QoQ and YoY
- Group WM income and AUM up QoQ and YoY, AUM growth supported by NNM inflows and improved market valuation
- Profit contribution from GEH up 72% YoY, largely attributable to stronger underlying operating performance and improved investment results



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

Well-diversified earnings across business and geography

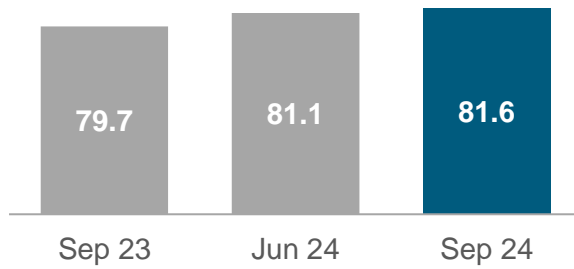


Note: Operating profit by business excluded associates.

Strong balance sheet position to support growth

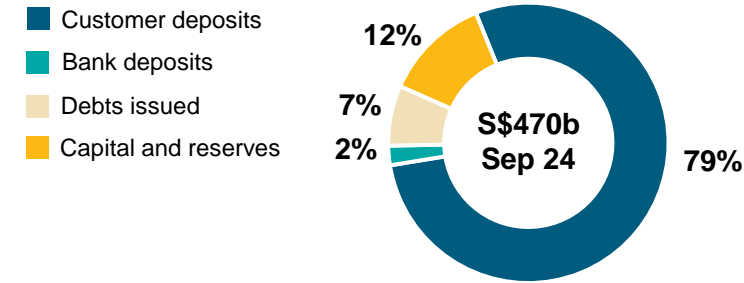
Loans-to-Deposits Ratio

Group LDR (%)



Funding

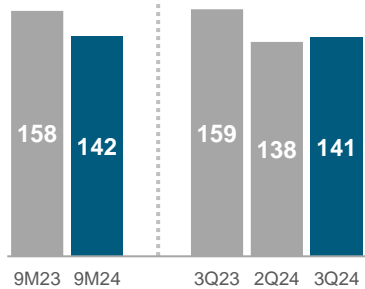
Composition (%)



- Well-balanced funding structure, mainly anchored by customer deposits
- Maintained robust balance sheet position
- Aa1 and AA- credit ratings from Moody's and Fitch/S&P respectively

Liquidity

All-ccy LCR (%)



NSFR (%)

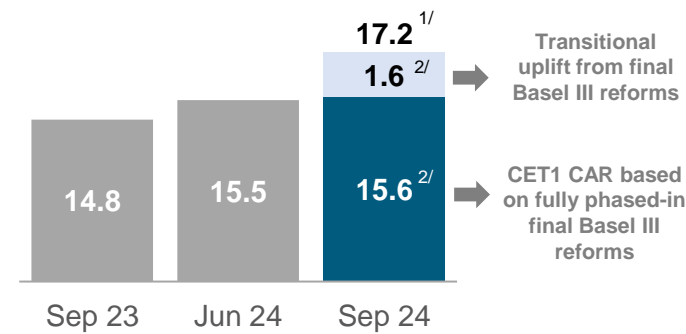


Leverage ratio (%)



Capital

CET1 CAR (%)



1/ Refer to footnote 1 on slide 3.
2/ Refer to footnote 2 on slide 3.

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02 Group Performance Trends

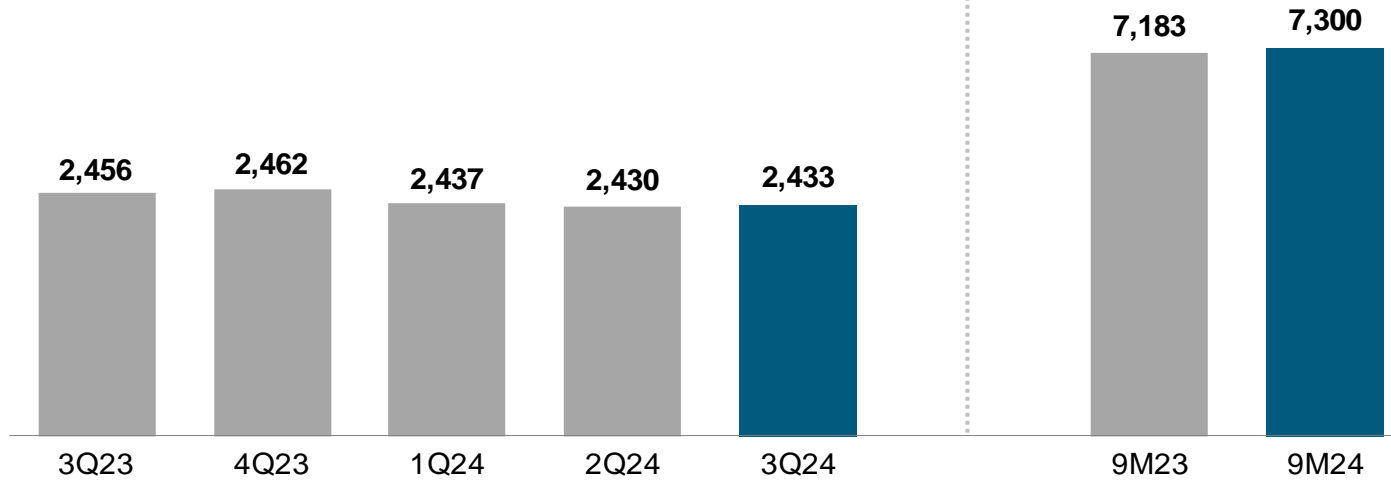


9M24 NII up YoY, 3Q24 NII steady QoQ

Net Interest Margin



Net Interest Income (\$m)



9M24		3Q24	
YoY	+2%	YoY	-1%
		QoQ	unchanged

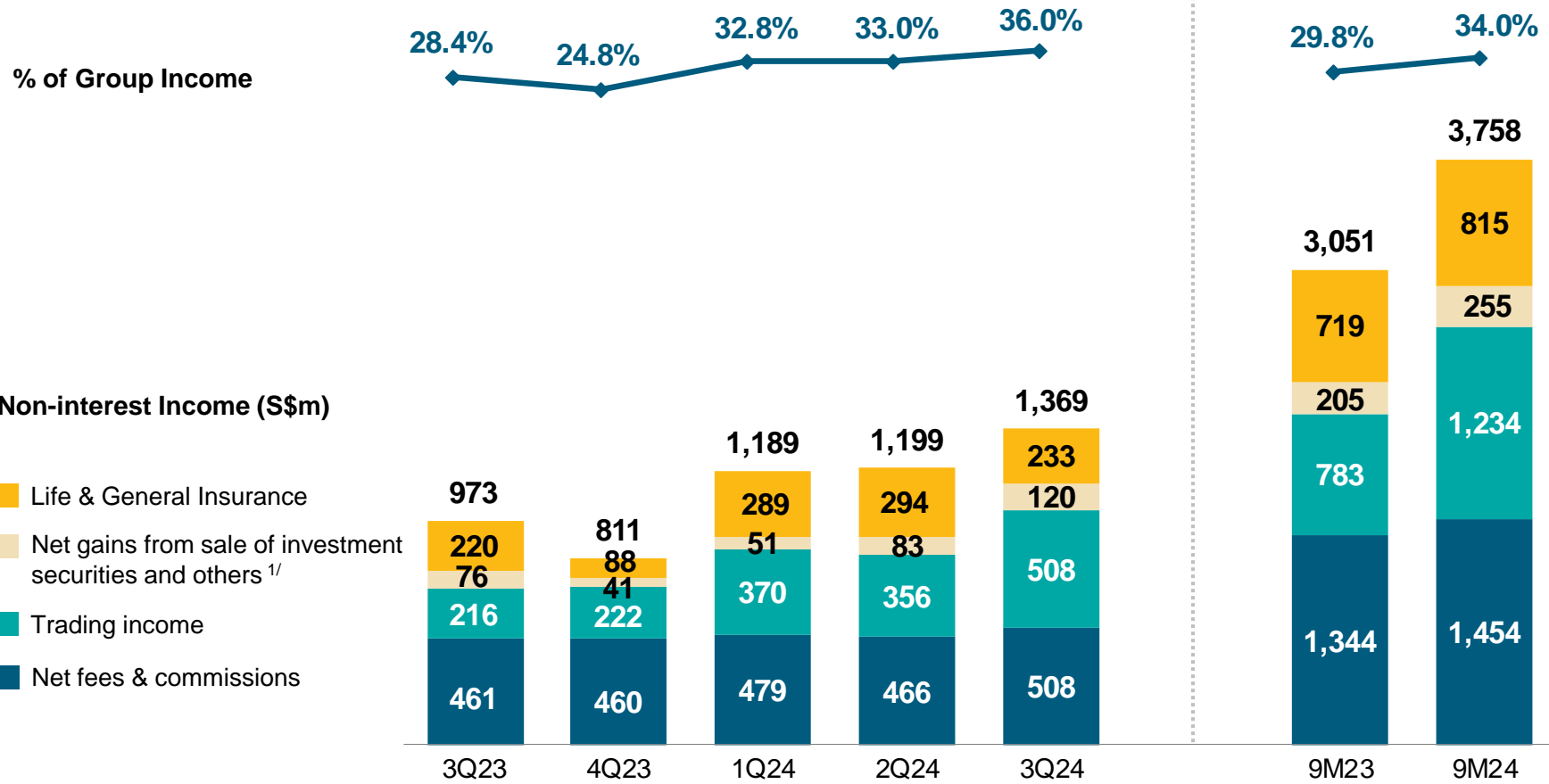
- 9M24 NII rose to a record high, supported by 4% rise in average assets from increase in loans and liquidity deployed into income-accretive but lower-yielding high-quality bank placements and debt securities
- 9M24 NIM down 6bps largely from higher funding costs which outpaced increase in asset yields
- 3Q24 NII maintained at prior quarter's level

Average IEA (\$b)	429	427	432	445	443
Average Customer Deposits (\$b)	371	363	364	370	368

	422	440
	365	368



3Q24 Non-II up 41% YoY



9M24		3Q24	
YoY	+23%	YoY	+41%
		QoQ	+14%

- 9M24 Non-II surged to an all-time high, driven by broad-based growth
- 3Q24 Non-II up YoY supported by increased fee, trading and insurance income

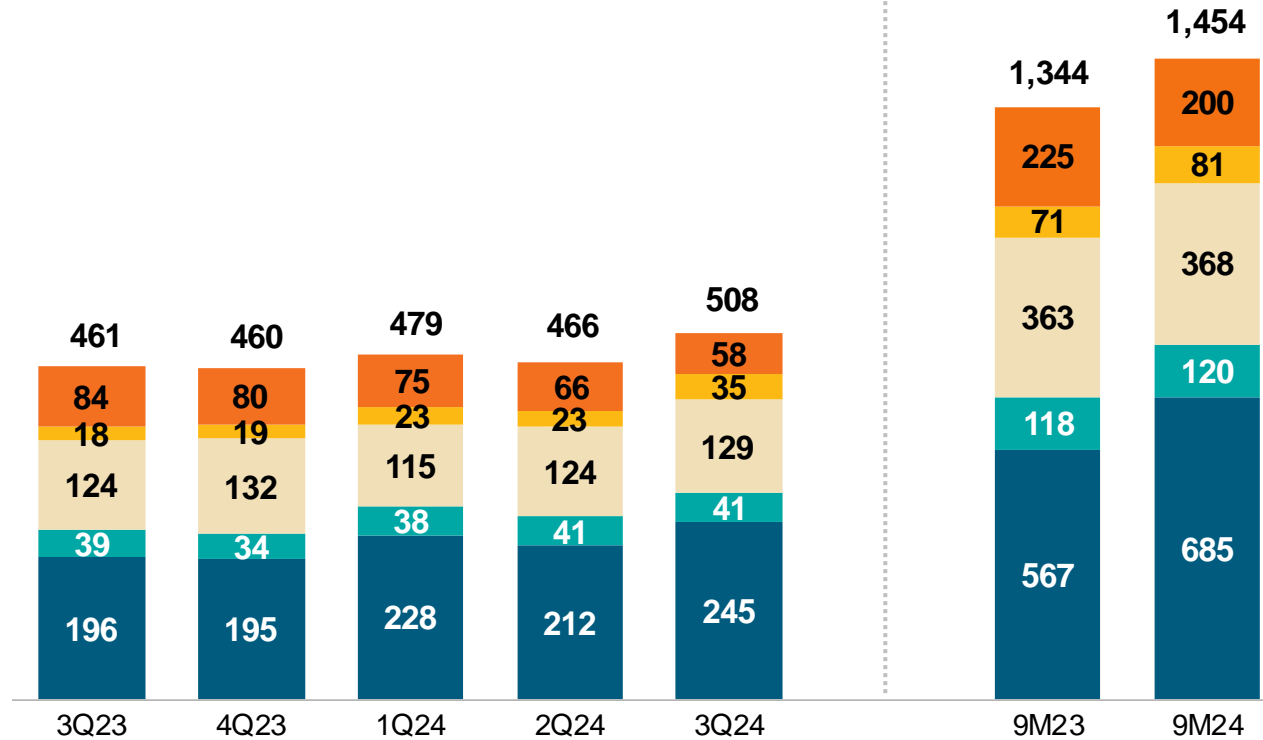


^{1/} "Others" include disposal of properties, rental income and property-related income.

Robust fee income growth

Net Fees & Commissions (S\$m)

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



9M24		3Q24	
YoY	+8%	YoY	+10%
		QoQ	+9%

- 3Q24 fee income up QoQ and YoY, led by wealth management, investment banking and loan-related fees
- Wealth management fees rose 16% QoQ and 25% YoY, on the back of stronger customer activities across all wealth product channels



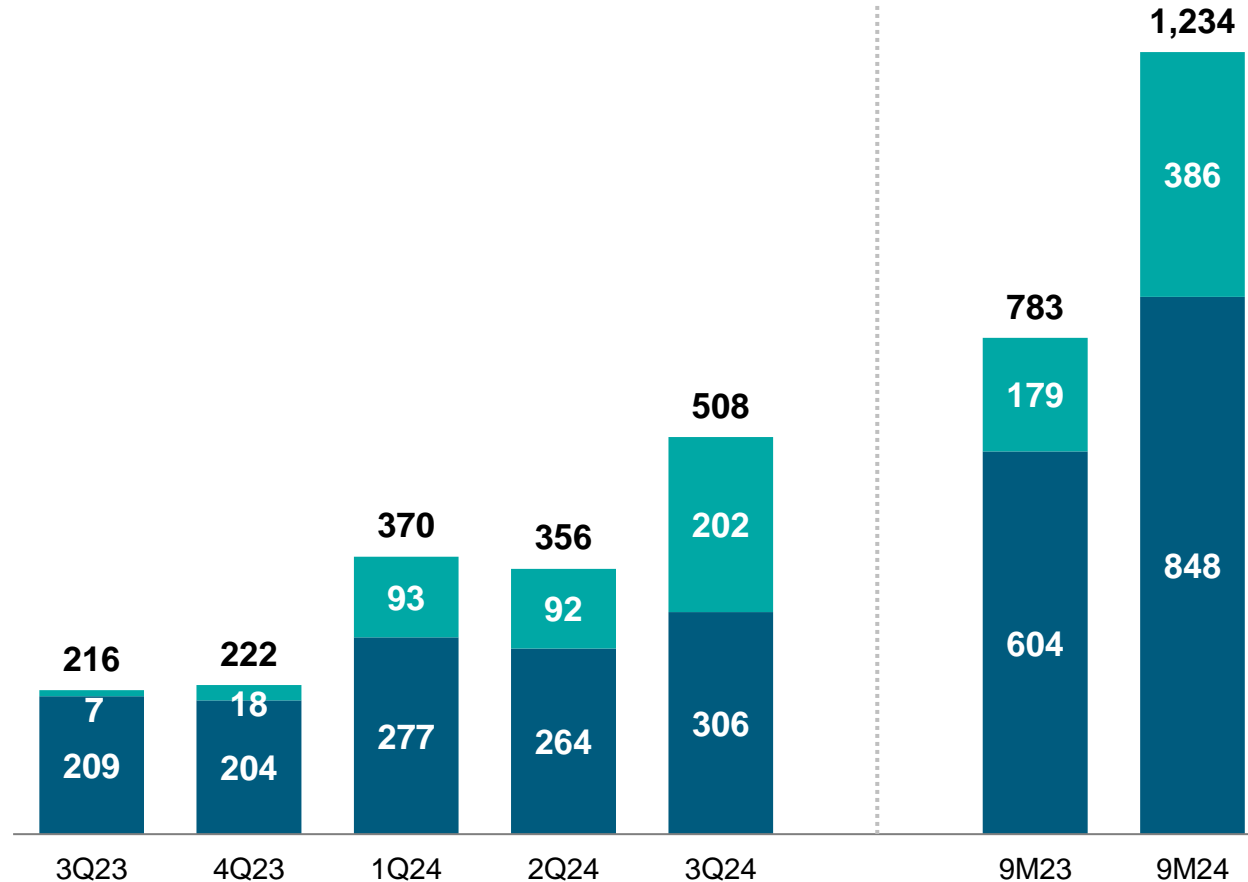
1/ Wealth management comprises mainly income from private banking, and sales of unit trusts, bancassurance products, structured deposits and other treasury products to consumer customers.

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

9M24 trading income crossed S\$1 billion for first time

Trading Income (S\$m)

- Non-Customer Flow
- Customer Flow



9M24		3Q24	
YoY	+58%	YoY	+135%
		QoQ	+43%

- Strong growth in 9M24 and 3Q24 trading income underpinned by record customer flow income and increased non-customer flow income
- Higher customer flow income driven by both corporate and wealth segments
- Non-customer flow income mainly attributable to improved investment performance across Global Markets and GEH



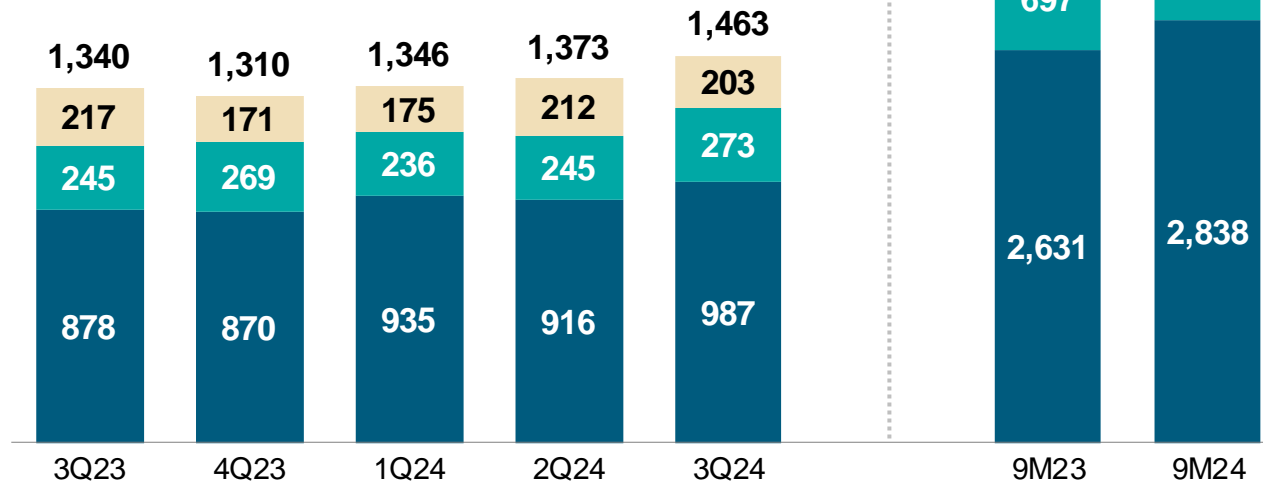
9M24 Cost-to-income ratio at 37.8%

Cost-to-income (CIR)



Operating Expenses (S\$m)

- Others
- Property & equipment
- Staff costs



9M24		3Q24	
YoY	+7%	YoY	+9%
		QoQ	+7%

- 9M24 and 3Q24 CIR down YoY on positive operating jaws
- YoY rise in 3Q24 operating expenses largely driven by higher expenses linked to increased business activities, as well as IT costs associated with the Group's digitalisation initiatives

Benign asset quality, NPL ratio at 0.9%

Non-performing assets (NPAs)	3Q23	2Q24	3Q24	9M23	9M24
(S\$m)					
At start of period	3,275	3,040	2,901	3,486	2,901
Corporate/ Commercial Banking and Others					
New NPAs	146	108	289	371	629
Net recoveries/ upgrades	(197)	(121)	(260)	(514)	(452)
Write-offs	(115)	(97)	(57)	(185)	(214)
	(166)	(110)	(28)	(328)	(37)
Consumer Banking/ Private Banking	6	(31)	(74)	(45)	(82)
Foreign currency translation	(20)	2	(2)	(18)	15
At end of period	3,095	2,901	2,797	3,095	2,797
NPL Ratio (%)	1.0	0.9	0.9	1.0	0.9

Sep 24 | YoY -0.1ppt
QoQ unchanged

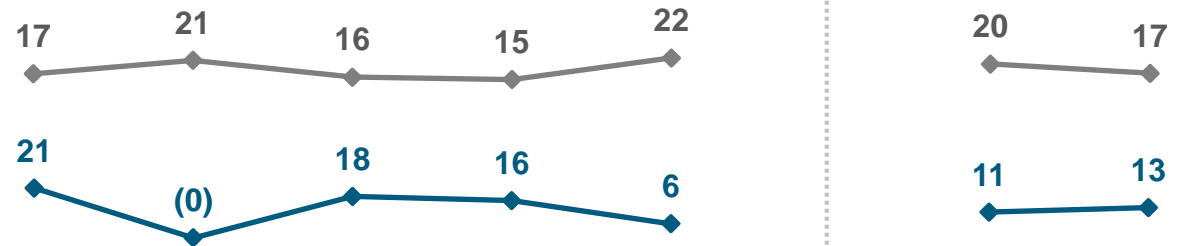
- NPL ratio improved YoY
- NPAs down QoQ as higher recoveries/ upgrades and write-offs more than compensated for new corporate NPAs

9M24 allowances down 12% YoY

Credit costs (bps) ^{1/}

— Total

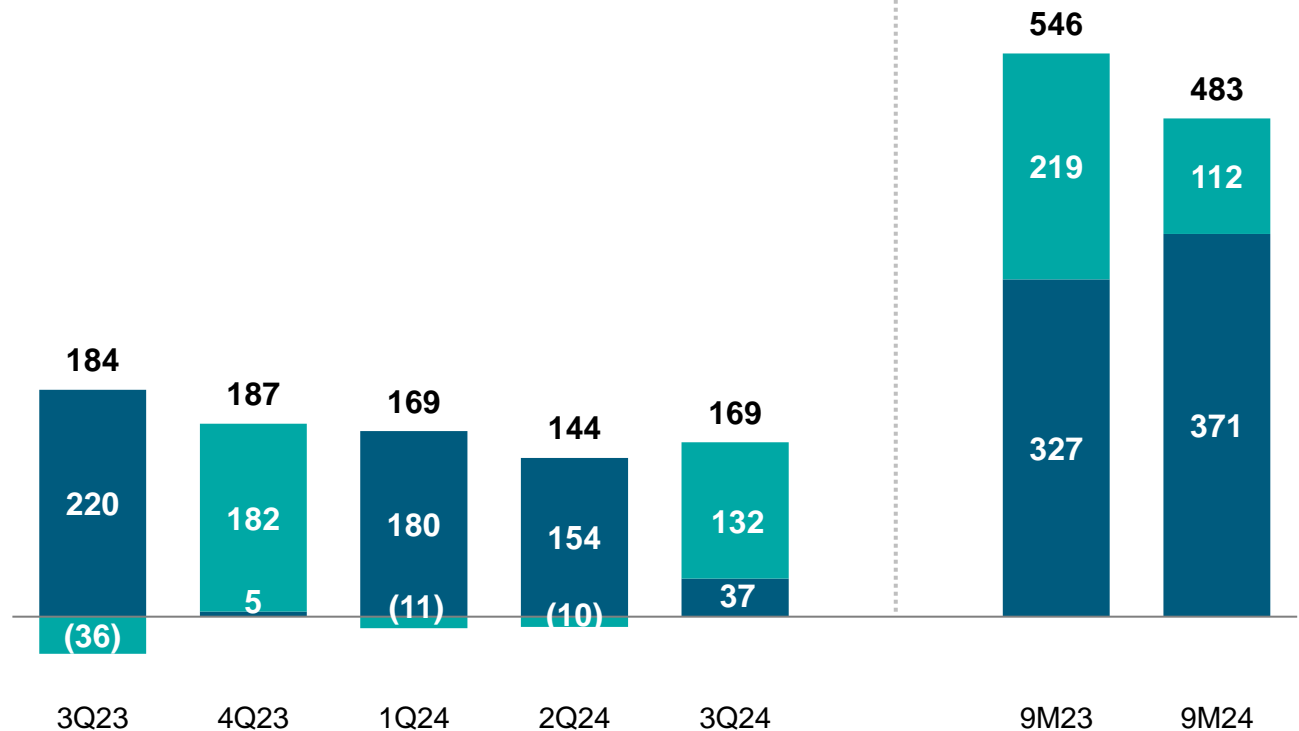
— Impaired



Allowances (\$m)

■ Allowances for non-impaired assets

■ Allowances for impaired assets



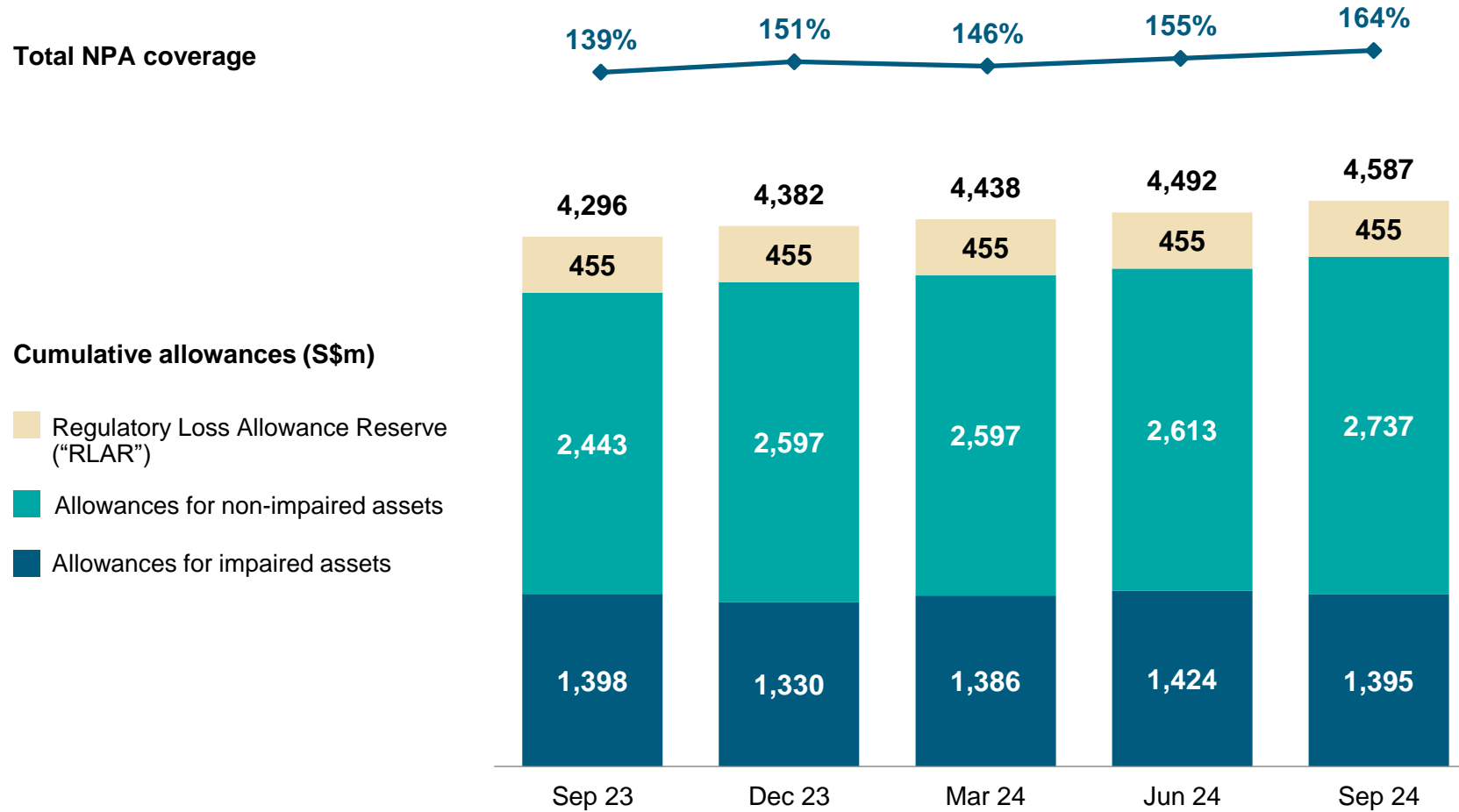
9M24		3Q24	
YoY	-12%	YoY	-8%
		QoQ	+17%

- 9M24 total credit costs at an annualised 17bps
- 3Q24 allowances up QoQ from higher allowances set aside for non-impaired assets



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

NPA coverage ratio higher at 164%

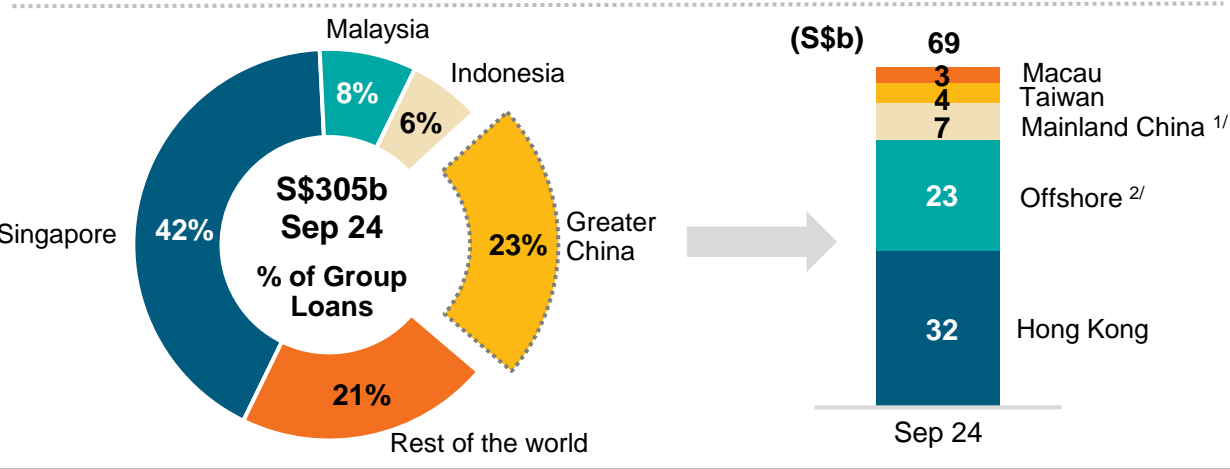
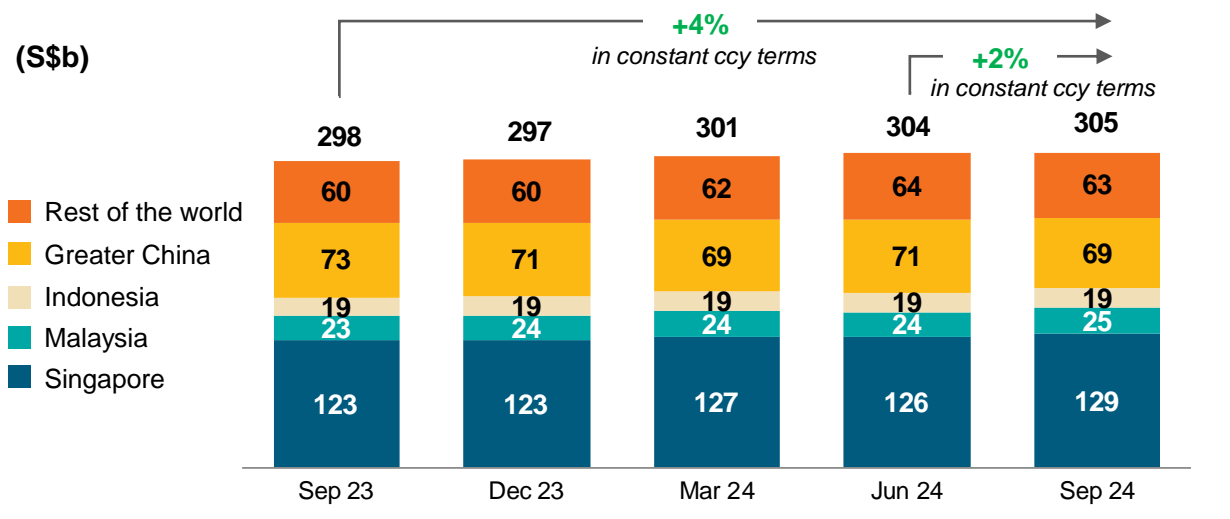


Sep 24 | YoY +7%
QoQ +2%

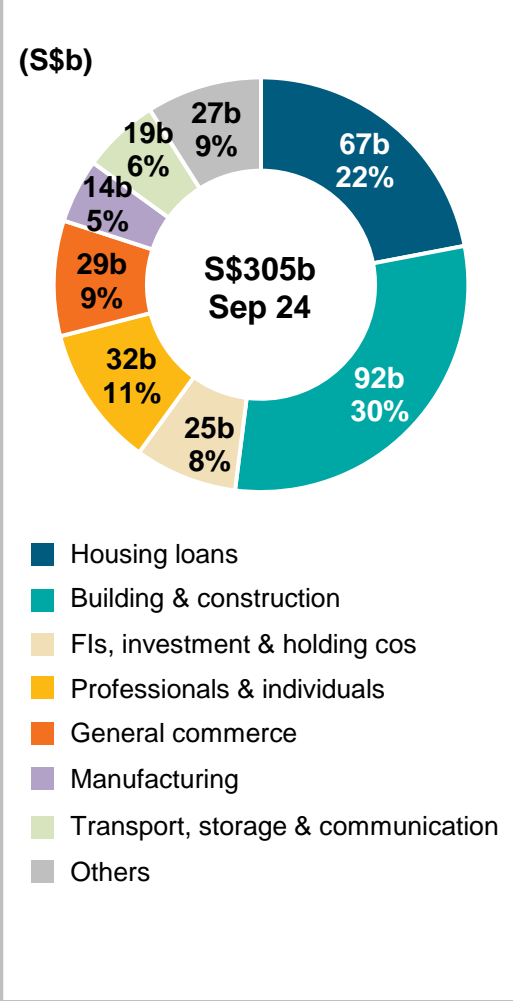
- NPA coverage ratio lifted from a decline in NPAs and higher allowances taken

Loans grew QoQ and YoY to S\$305b

Loans by Geography



Loans by Industry



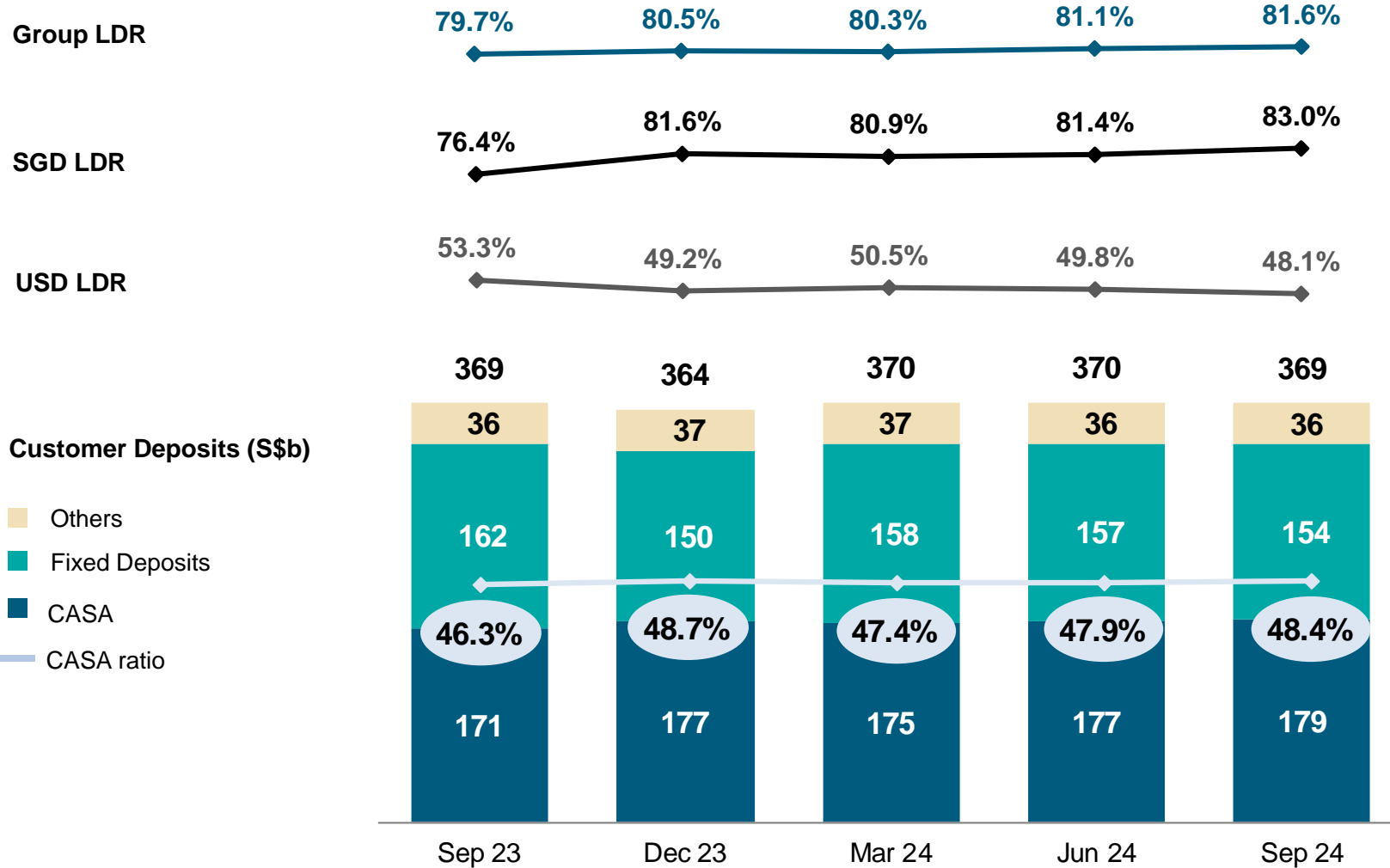
Sep 24 (in constant ccy terms) | **YoY +4%** | **QoQ +2%**

- Loans up 4% YoY in constant currency terms, driven by both corporate loans and mortgages
- YoY loan growth led by Singapore, Malaysia, UK and Australia
- Corporate, SME and Consumer/Private Banking comprise 56%, 9% and 35% of loan book respectively



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

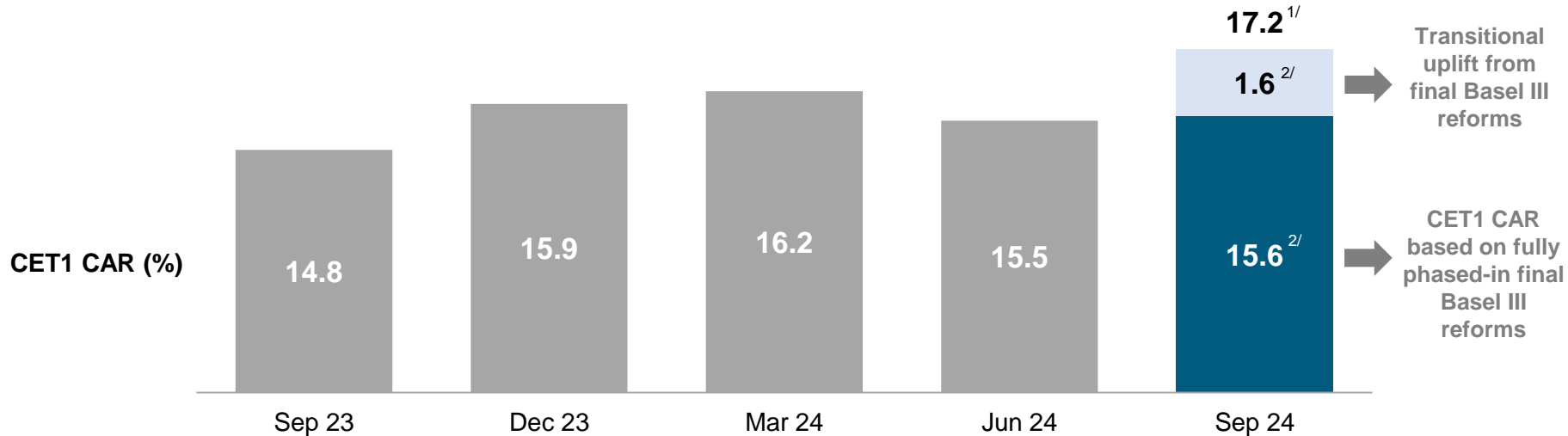
Deposits lower QoQ from decline in fixed deposits



Sep 24 | YoY unchanged
QoQ -0.1%

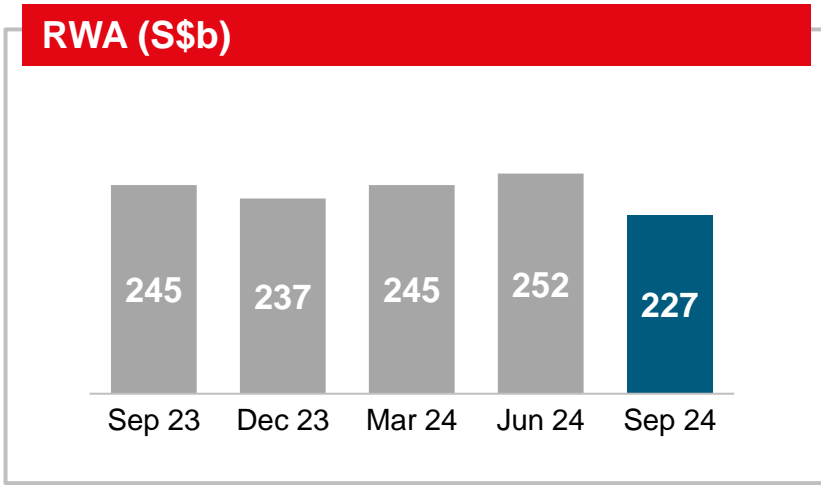
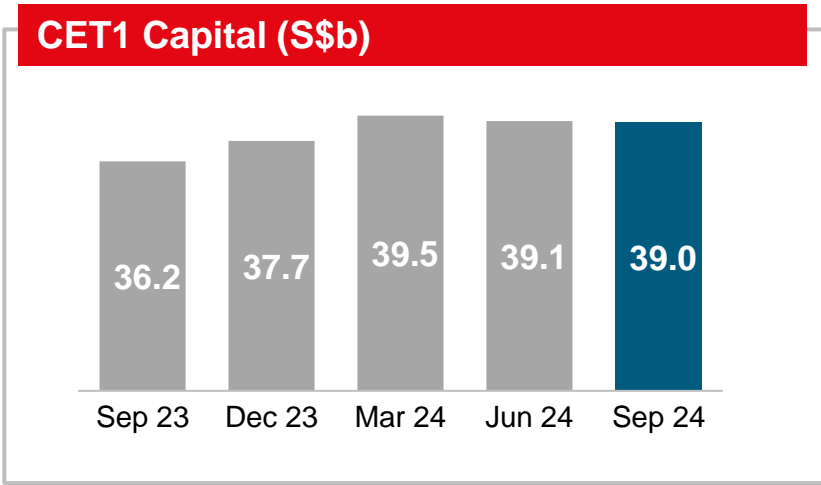
- Total deposits down QoQ, mainly due to drop in higher-cost fixed deposits
- CASA deposits rose S\$2b QoQ and S\$8b YoY, CASA ratio lifted to 48.4%

Solid capital position



Sep 24	YoY	+2.4ppt
	QoQ	+1.7ppt

- CET1 CAR up QoQ, as drop in RWA and 3Q24 profit accretion more than offset interim dividend payment
- QoQ decrease in RWA largely attributable to adoption of final Basel III reform rules effective from 1 July 2024



1/ Refer to footnote 1 on slide 3.
2/ Refer to footnote 2 on slide 3.

Thank you

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