UOB

UOB Group

Strong performance with stable balance sheet

Aug 2024

Agenda

Overview of UOB Group

UOB Overview

UOB

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.

Key Statistics for 1H24

- Gross loans : SGD328b (USD241b[1])
- Customer deposits : SGD389b (USD287b[1])
- Loan / Deposit ratio : 83.2%
- Net stable funding ratio : 118%
- All-currency liquidity coverage ratio : 149%[2]
- Common Equity Tier 1 ratio : 13.4%
- Leverage ratio : 7.1%
- Return on equity [3 4] : 13.7%
- Return on assets [4] : 1.19%
- Net interest margin : 2.04%
- Non-interest income / Total income : 31.9%
- Cost / Income [4] : 41.8%
- Non-performing loan ratio : 1.5%
- Credit Ratings

	Moody's	S&P	Fitch
Issuer rating (Senior unsecured)	Aa1	AA–	AA–
Outlook	Stable	Stable	Stable
Short-term rating	P-1	A-1+	F1+

Note: Financial statistics as at 30 June 2024
1. USD 1 = SGD 1.357 as at 30 June 2024
2. Average for 2Q24
3. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions
4. Excluding one-off expenses

A leading Singapore bank; Established franchise in core market segments

UOB

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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

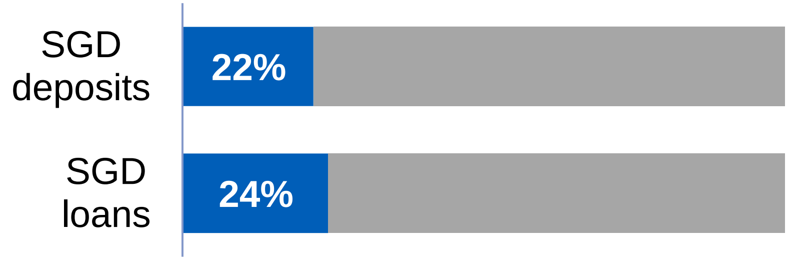
Best Bank in Asia-Pacific, 2024

Singapore’s Best Bank, 2024
World’s Best Bank for SMEs, 2024

Domestic Retail Bank of the Year - Singapore, 2024

Source: Company reports

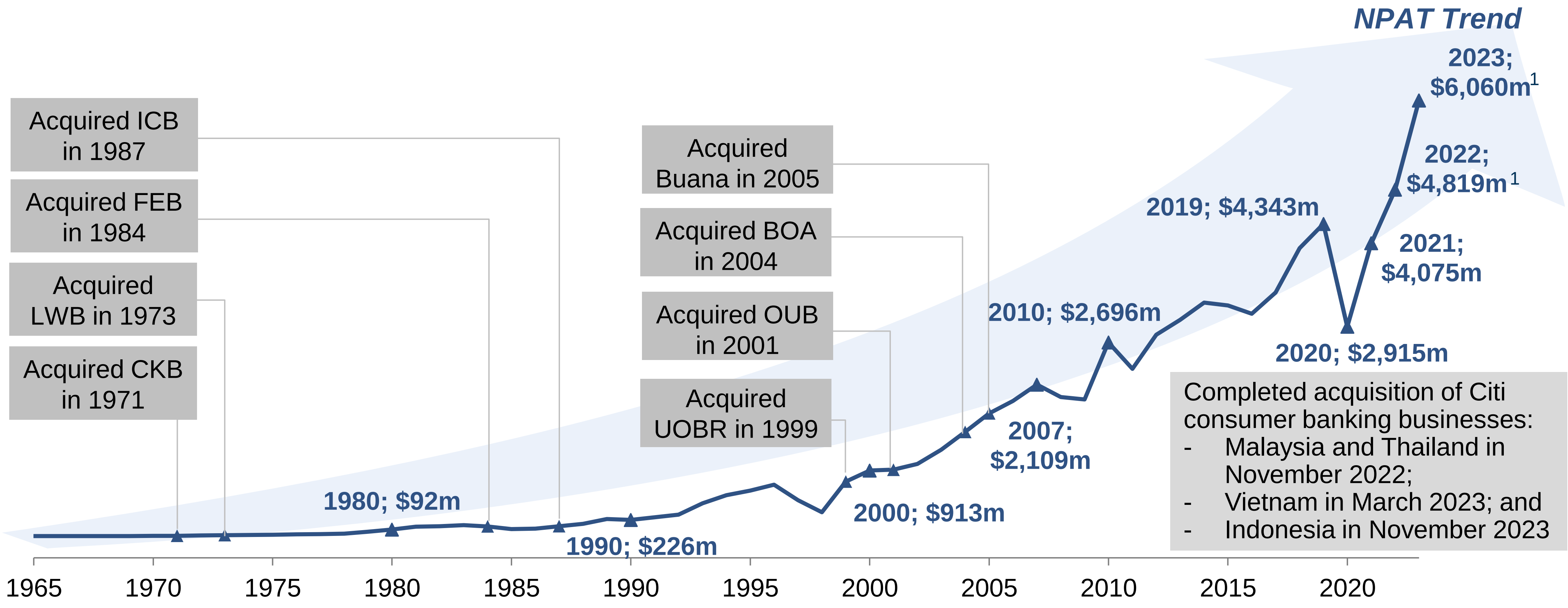
Sizeable domestic market share



Source: UOB, MAS (data as of 30 Jun 2024)

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



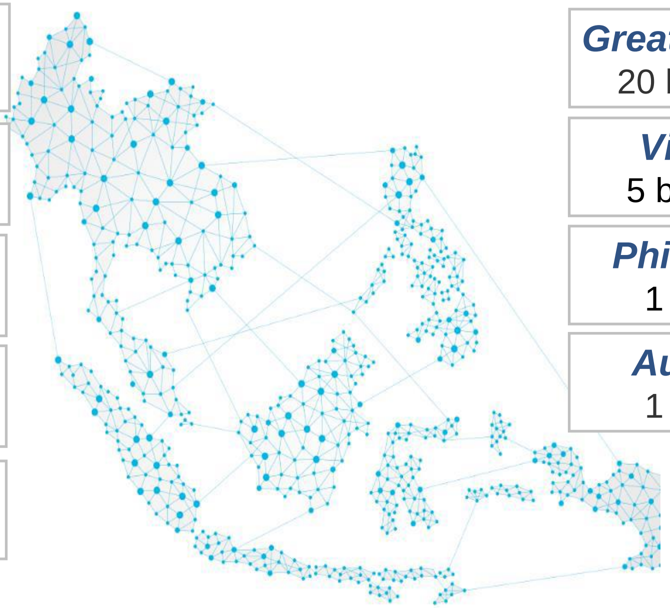
1. Excluding one-off expenses

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

Myanmar 1 branch	***Greater China***[1] 20 branches
Thailand 147 branches	***Vietnam*** 5 branches
Malaysia 55 branches	***Philippines*** 1 branch
Singapore 49 branches	***Australia*** 1 branch
Indonesia 131 branches	



- 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

1H24 performance by segment

Group retail	**Income** **SGD2.7b** -1% YoY	**SGD182b**[2] **Assets under management** **+10% YoY** **AUM from overseas customers** **61%**
Group wholesale banking	**Income** **SGD3.4b** -4% YoY	**25%** **Cross-border income to Group wholesale banking's income**

1. Comprise Mainland China, Hong Kong SAR and Taiwan
2. Refers to Privilege Banking, Privilege Reserve and Private Bank – including acquisition of Citigroup Malaysia, Indonesia, Thailand and Vietnam

Why UOB?

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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

- Truly regional bank with full ownership and control of regional subsidiaries
- Entrenched domestic presence and deep local knowledge to address the needs of our targeted segments
- Continued investment in talent and technology to build capabilities in a disciplined manner

Strong fundamentals

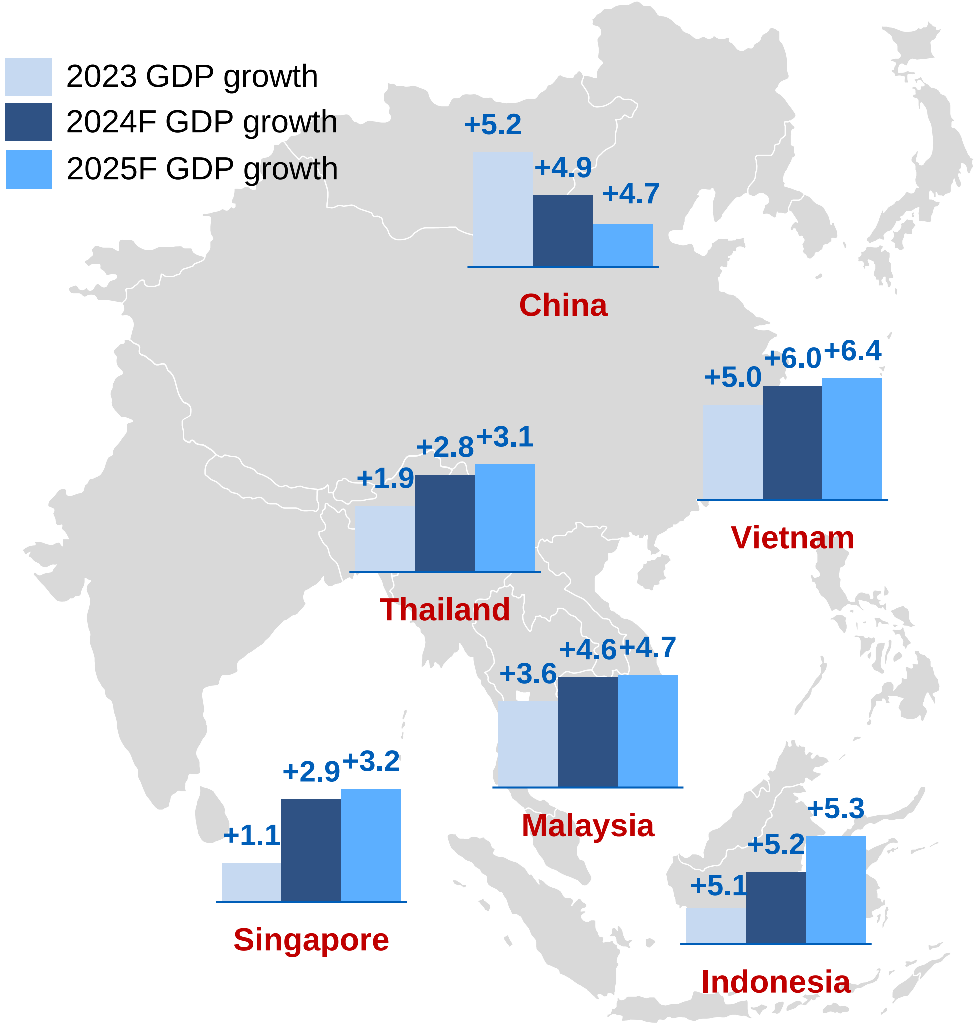
- Strong Common Equity Tier 1 capital adequacy ratio of 13.4% as at 30 Jun 2024
- Diversified funding and sound liquidity, with 83.2% loan/deposit ratio
- Strengthened coverage, with general allowance on loans (including RLAR) covering 0.9% of performing loans

Balance growth with stability

- Over 50% of Group's earnings from home market of Singapore (AAA sovereign rating)
- 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

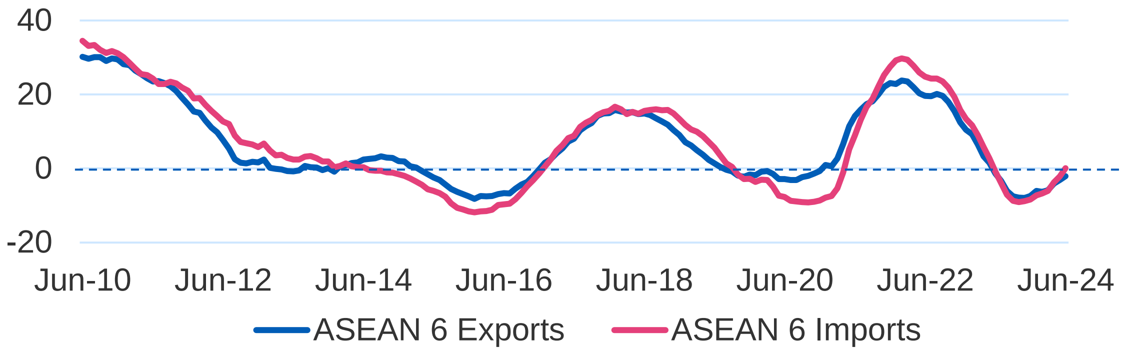
ASEAN Economic Growth To Stay Resilient As External Trade Cycle Bottomed



Source: UOB Global Economics & Markets Research forecasts

External Trade Cycle Has Started to Turn

ASEAN6: Trade Performance (12-month moving average)



Source: Macrobond, UOB Global Economics & Markets Research

Tourism Rebound in Asia To Continue In 2024

Asia: Inbound Visitor Arrivals, Annual

	Persons, million (0 4 8 12 16 20 24 28 32)	2023 mn pax	2022 mn pax	2021 mn pax	2020 mn pax	2019 mn pax
Hong Kong		34.00	0.6	0.1	3.6	55.9
Thailand		28.15	11.1	0.4	6.7	39.9
Japan		25.07	3.8	0.2	4.1	31.9
Malaysia		20.14	10.1	0.1	4.3	26.1
Singapore		13.61	6.3	0.3	2.7	19.1
Vietnam		12.60	3.7	0.2	3.8	18.0
Indonesia		11.68	5.9	1.6	4.1	16.1
South Korea		11.03	3.2	1.0	2.5	17.5
Taiwan region		6.49	0.9	0.1	1.4	11.9

■ 2023 ■ 2022

Source: UOB Global Economics & Markets Research

Maintaining Our Call For Fed To Cut Rates In Late 3Q

	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24F	4Q24F	1Q25F	2Q25F
US 10-Year Treasury	3.83	3.87	3.47	3.84	4.57	3.88	4.20	4.40	4.10	4.00	3.90	3.80
US Fed Funds	3.25	4.50	5.00	5.25	5.50	5.50	5.50	5.50	5.25	5.00	4.75	4.50
SG 3M SIBOR	3.17	4.25	4.19	4.09	4.06							
SG 3M SOR	3.28	4.21	4.09	4.23								
SG 3M SORA	1.97	3.10	3.54	3.64	3.71	3.71	3.68	3.64	3.34	3.14	2.94	2.74
MY Overnight Policy Rate	2.50	2.75	2.75	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
TH 1-Day Repo	1.00	1.25	1.75	2.00	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.00
ID 7-Day Reverse Repo	4.25	5.50	5.75	5.75	5.75	6.00	6.00	6.25	6.25	6.25	5.75	5.50
CH 1-Year Loan Prime Rate	3.65	3.65	3.65	3.55	3.45	3.45	3.45	3.45	3.20	3.20	3.20	3.20

A confluence of factors including Bank of Japan's surprise rate hike, a troubling US nonfarm payroll Jul report and rising tensions in the Middle East triggered bouts of panic selling and risk aversion in the global markets in early Aug. Current data and financial stress indicators suggest that the US economy is not at the brink of "hard landing", although it remains to be seen how far the negative sentiment and panic mode in markets will last. In the absence of evidence of substantial declines in fundamentals, we reiterate our call for 2x of 25bps Fed rate cuts in 2024 and 4x of 25bps through 2025, though we acknowledge there remains the risk of the US Fed "doing more and earlier".

Most Asian central banks may continue to keep a wait-and-see approach to rate cuts and calibrate their monetary policy response to the pace of interest rate normalization in US and Japan, global growth outlook and adjustments in the FX market, in addition to domestic considerations, although the policy direction is likely bias towards loosening. Leading the monetary policy cycle in Asia is PBOC, which resumed interest rate cuts in July to support growth. The 1Y LPR and 5Y LPR have dropped by 10 bps and 35 bps to 3.35% and 3.85%, respectively, year-to-date. We expect 1Y LPR to further fall to 3.20% by end-4Q24.

In Singapore, the recent uptick in imported and external inflation requires close monitoring. It may be prudent for MAS to maintain the current restrictive slope settings slightly longer, with policy normalisation expected to begin in the Oct 2024 MPS via a slight S$NEER slope reduction.

Source: UOB Global Economics & Markets Research forecasts

Macro resilience across key Southeast Asian markets

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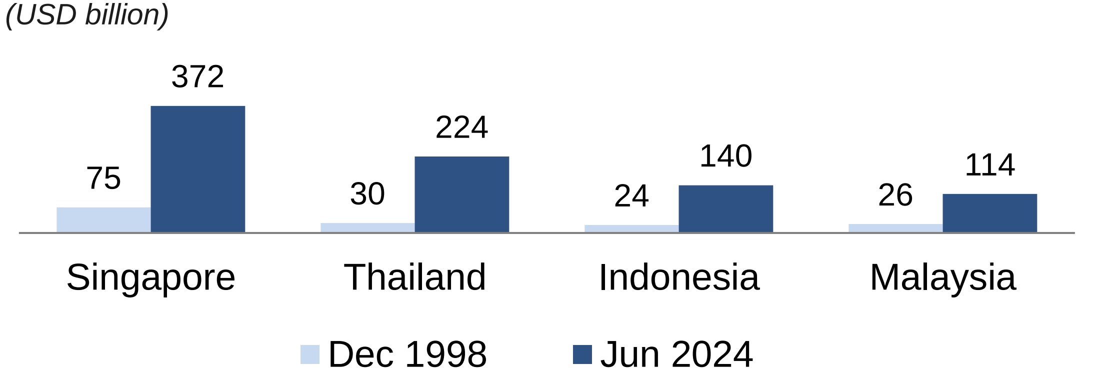
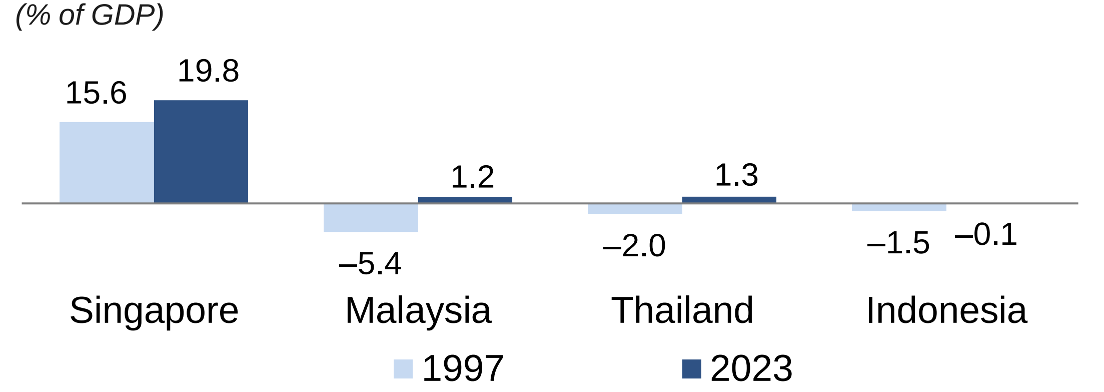
Significantly Higher Foreign Reserves



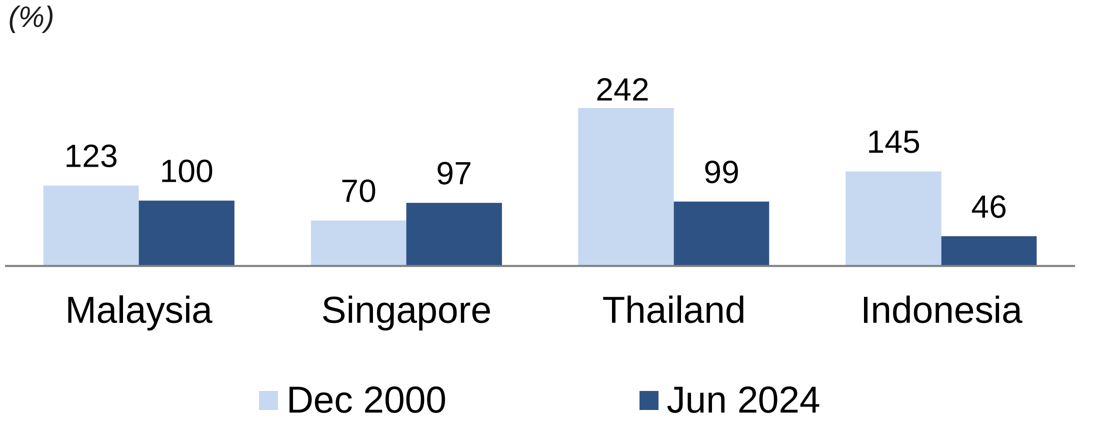
Sources: World Bank, International Monetary Fund

Improved Current Account Balances



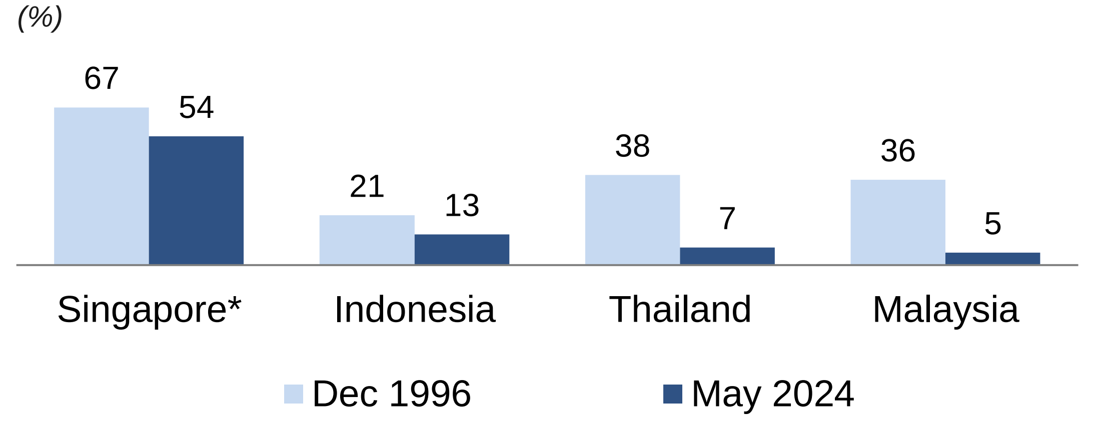
Source: International Monetary Fund

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

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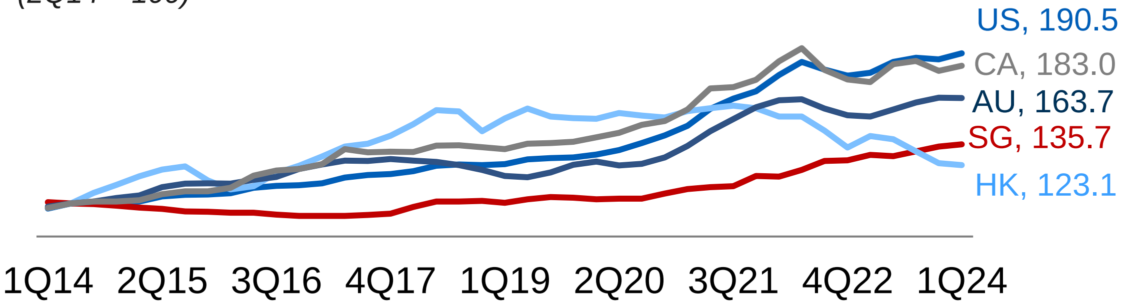
Low risk of housing bubble due to cooling measures

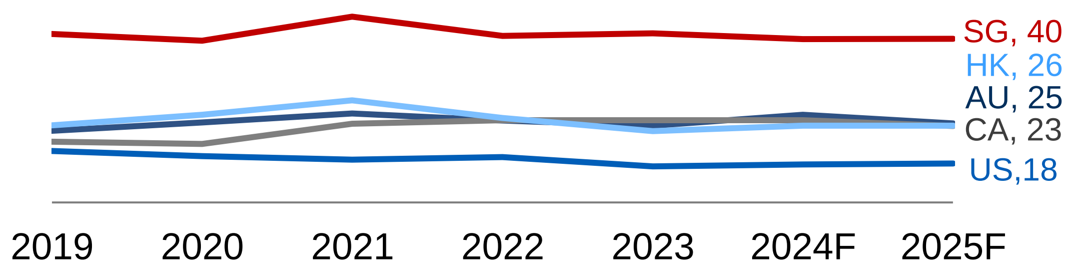
(2Q14 = 100)



Based on latest property price data as of 1Q24, except for AU (as of 4Q23)
Sources: CEIC, UOB Economic-Treasury Research

High national savings rate

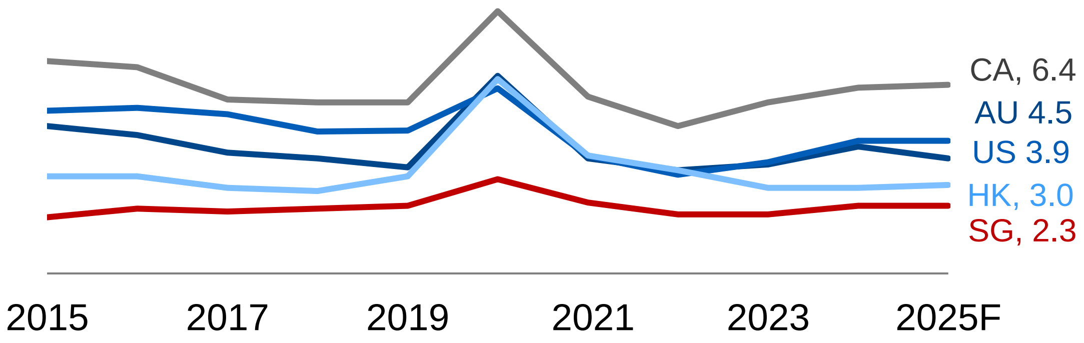
(% of GDP)



Sources: IMF, UOB Economic-Treasury Research

Low unemployment underscores housing affordability and support for mortgage servicing

(Unemployment, %)

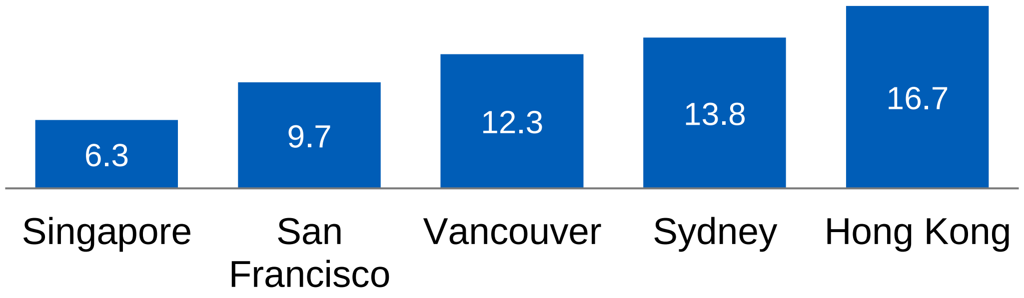


Sources: Macrobond, UOB Economic-Treasury Research

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

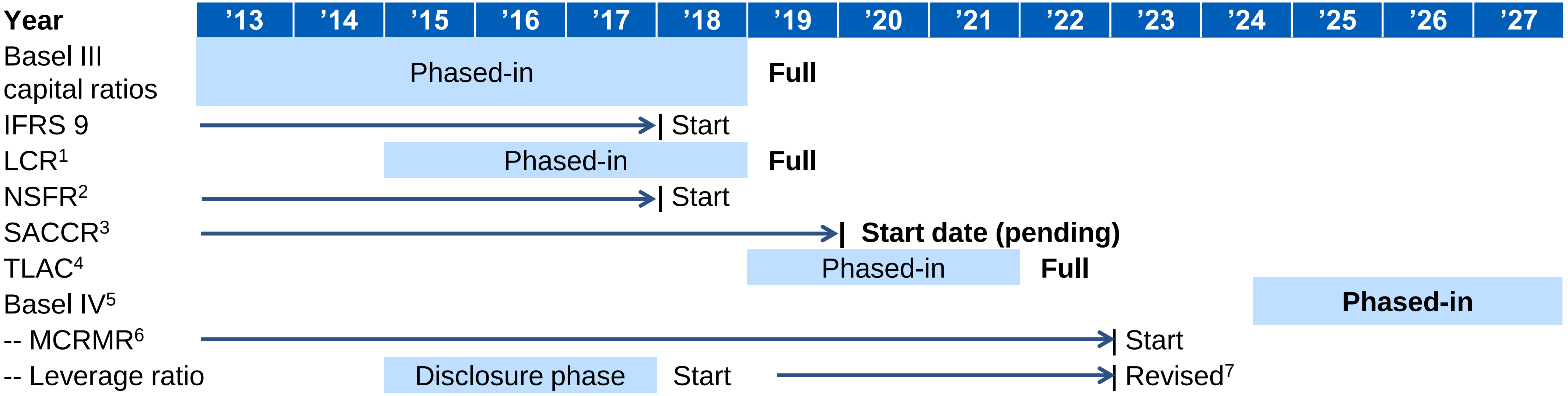
Singapore private residential housing stays affordable as median price-to-income ratio remains low

(Median price-to-income ratio (PIR))



As of 3Q23, based on 2024 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

Singapore has implemented Basel IV[5]



"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 (Final Basel III reforms): 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

Impact of Basel IV[1] likely to be manageable

- Retail credit
- Wholesale credit
- Others

Lower RWA	Higher RWA
LGD[2] floor of Retail Mortgage cut to 5% from 10%	LGD[2] and PD[3] floors introduced for QRRE[4] and Other Retail
Unsecured corporate FIRB[5] LGD[2] cut to 40% from 45%	CCF[6] for unconditional cancellable commitments raised to 10% from 0%
CCF[6] for general commitments cut to 40% from 75%	PD[3] floor of bank asset class raised to 5bp from 3bp
Higher haircuts and lower FIRB[5] secured LGD	RWA[7] output floor set at 72.5% of that of standardised approach
Removal of 1.06 multiplier for IRB[8] RWA[7]	Fundamental review of the trading book

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

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%)

Strong UOB Fundamentals

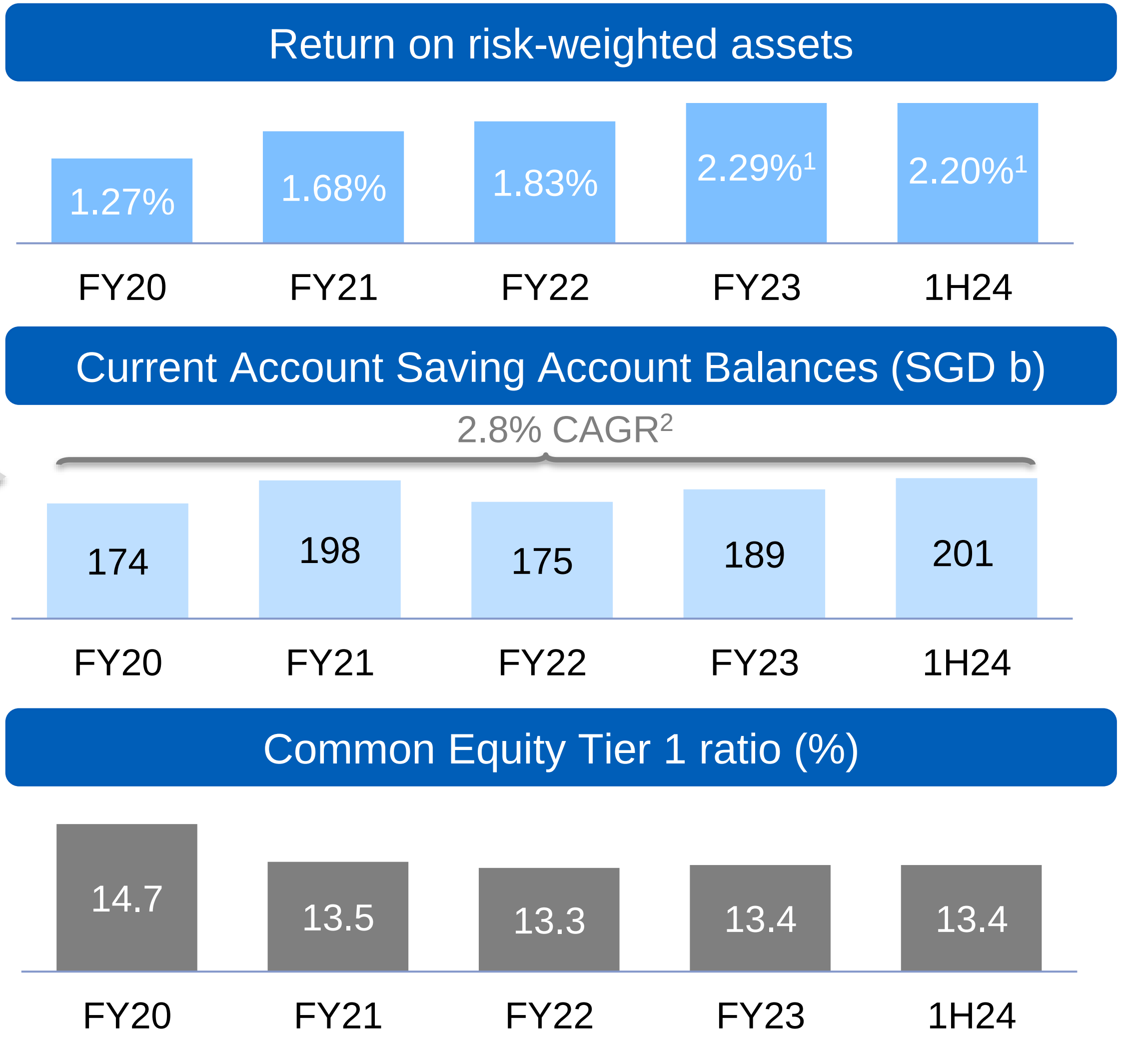
Disciplined balance sheet management

Focus on balance sheet efficiency

Healthy portfolio quality

Proactive liability management

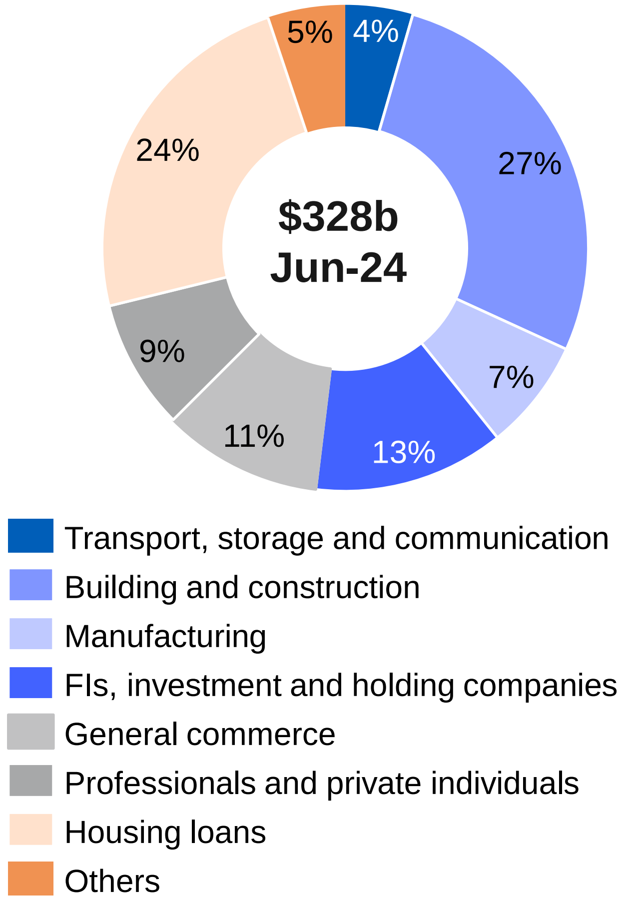
Robust capitalisation



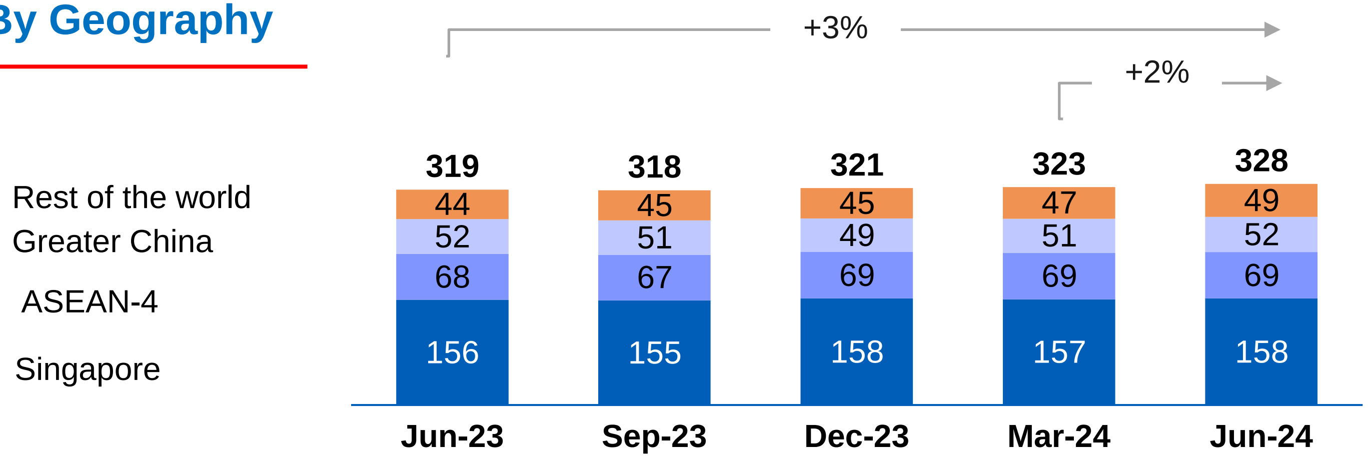
Notes
1. Excluding one-off expenses
2. Compound annual growth rate over 3 years (FY20 to FY23)

Continued signs of recovery in loan demand, driven by both trade and mortgages

By Industry

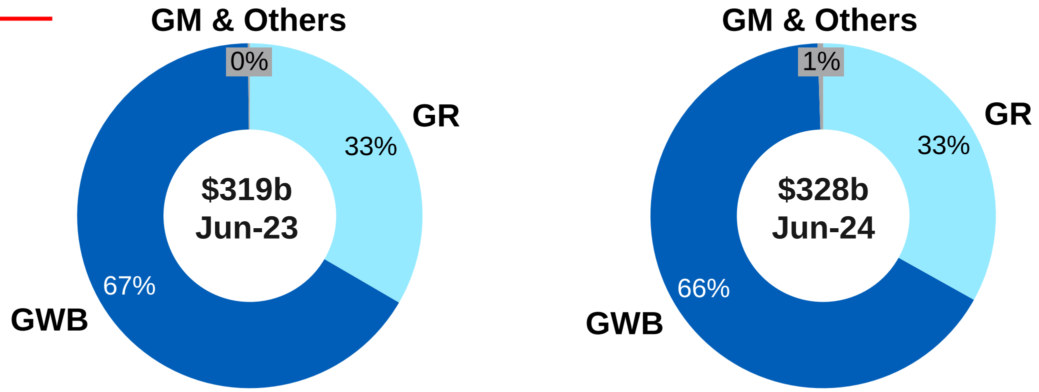


By Geography



Note: Loans are classified based on where credit risks reside, represented by country of incorporation/operation for non-individuals and residence for individuals.

By Segment



UOB's responsible financing journey: pragmatic and progressive

UOB

Overview of UOB Group's Responsible Financing Journey

	Establishing	Improving	Strengthening and Evolving	
	2015 - 2016	2017 - 2018	2019 - 2022	2023
Key Milestone	• Launched the Group Responsible Financing Policy. • Began to incorporate ESG clauses into Letters of Offer.	• Enhanced ESG monitoring and reporting to improve oversight on potential controversies. • Implemented ESG risk classification to better manage ESG risk in portfolio. • Adopted the ABS Haze Diagnostics Checklist as transboundary haze pollution shrouded the region.	• Announced our net zero commitment. Strengthened due diligence process with enhanced climate-related questions. • Established Environmental Risk Management (EnRM) Framework and disclosed our responsible financing sector policies. • Discontinued new financing of coal-fired power plants, greenfield thermal coal mines/expansion. Aim to exit financing for thermal coal sector by 2039. • Discontinued new financing of greenfield palm oil plantations; all mature plantations to be certified by recognised sustainability bodies. • Discontinued new project financing for upstream oil and gas projects after 2022. • Completed a bank-wide ESG risk assessment capacity-building workshops.	• Developed a net zero operationalisation programme. • Bolstered our environmental risk appetite statement with a quantitative climate risk-related metric to better manage environmental risk in our corporate lending portfolio. • Launched an ESG Adverse News Surveillance System to enhance ongoing ESG risk client monitoring. • Further strengthened deforestation prohibition requirement within palm oil sector. • Launched an in-house responsible financing e-learning module to enhance employees' understanding of our responsible financing policy.

* Green Finance Industry Taskforce

TCFD Implementation - Climate Scenario Analysis

UOB

Key Milestone

Qualitative Transition Risk Assessment	Transition Risk Scenario Analysis Pilot	Physical Risk Pilot Analysis	Improved Methodology
2019	**2020**	**2021**	**2022-2023**

• Completed qualitative assessment in 2019, referencing SASB's Materiality Map® and Moody's Environmental Risks Global Heatmap.
• Identified carbon-intensive segments most likely to be impacted by climate change:
Metals and mining
Transportation
Building Materials
Forestry
Energy
Chemicals
Agriculture
	• Partnered an internationally recognised environmental consultancy in climate scenario analysis in 2020
	• Three pathways of climate scenarios based on research by IEA and OECD:
	  • An orderly transition where early actions are taken to reduce emissions to meet climate targets (high carbon price scenario)
	  • A disorderly transition where delayed and drastic actions are taken to meet climate targets (moderate carbon price scenario)
	  • Business-as-usual where no actions are taken (low carbon price scenario)
		• Conducted a pilot physical risk analysis involving approximately 2,000 wholesale banking customers (~80% of the total wholesale banking exposure) and retail banking property mortgages focusing on our major markets that are most vulnerable to physical risks, i.e. Malaysia, Thailand and Indonesia.
		• The analysis utilised a bottom-up approach with customers' operating and asset locations overlaid on various climate hazard maps to determine their vulnerability to seven physical hazards in short-, mid-, and long-term horizons up to 2050 over three IPCC climate scenarios.
		• In addition, we also refreshed our transition risk analysis.
			• Developed an improved climate risk assessment methodology and uplift the Bank's internal capacity.
			• The improved methodology integrates multiple climate risk drivers, considers both transition risk and physical risk, and includes sector specific approach for high-risk sectors, as well as a general approach for other sectors.
			• Further strengthened our physical risk assessment approach with increased sample coverage and enhanced methodology for our Income Producing Real Estate (IPRE) and Retail Mortgage portfolios.
			• Overall, the average change in projected credit risk profile of our assessed portfolio over time was not significant across all scenarios.

Future Plan | **Metrics and Targets** | To align our disclosure with ISSB requirements in view of the transition from TCFD to ISSB standards

In October 2022, we announced our commitment to achieving net zero by 2050, with a focus on 6 priority sectors

UOB

Energy   Built environment

Net zero targets and commitments for six sectors

Energy	**Power** Reduce emissions intensity by **64%** by 2030 and **98%** by 2050	**Automotive** Reduce emissions intensity by **58%** by 2030 and **net zero** by 2050	**Oil and gas** No new project financing for upstream oil and gas projects approved for development after 2022
Built environment	**Real estate** Reduce emissions intensity by **36%** by 2030 and **97%** by 2050	**Construction** Reduce emissions intensity by **31%** by 2030 and **85%** by 2050	**Steel** Reduce emissions intensity by **20%** by 2030 and **92%** by 2050

Covers **~60%** of our corporate lending portfolio

We focused on two significant, high-emitting ecosystems, **energy** and **built environment,** spanning 6 sectors based on:

- Significant contributors to GHG emissions regionally: ~73% of global emissions[1]
- Material to UOB's corporate lending portfolio: ~60% of total corporate lending portfolio

Our commitments were defined in line with guidance by the Net Zero Banking Alliance (NZBA) and the Glasgow Financial Alliance for Net Zero (GFANZ)

Source: 1) Our World in Data

One year on, we are progressing across all priority sectors, and are at least 7% below the reference pathways

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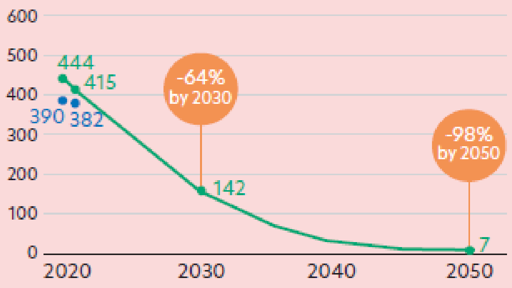
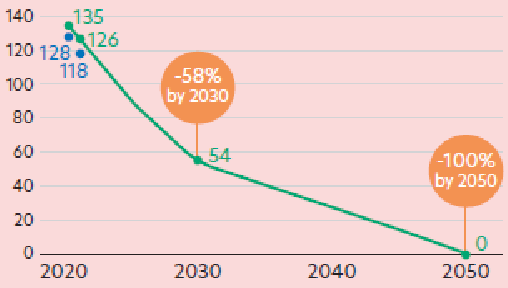
Power ($kgCO_2/MWh$)

8% below pathway



Automotive ($gCO_2/vehicle\text{-}km$)

7% below pathway

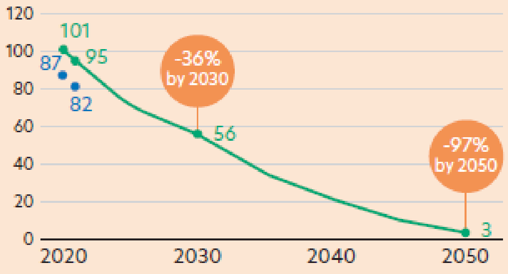


Oil and Gas

We commit to no new project financing for upstream oil and gas projects approved for development after 2022.

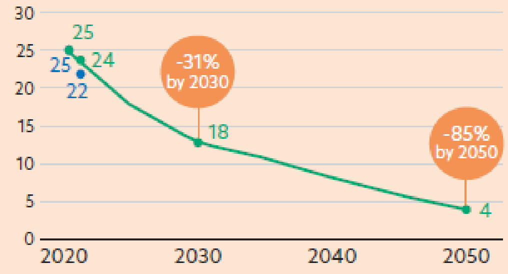
Real estate ($kgCO_2/m^2$)

14% below pathway



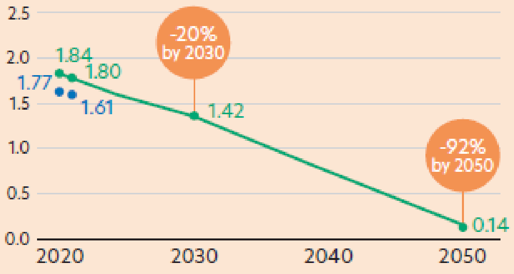
Construction ($tCO_2/S\$million$)

9% below pathway



Steel ($tCO_2/tonne$)

10% below pathway



Energy | Built environment | ● UOB data | — Reference pathways

- **Power:** NGFS REMIND (regional)
- **Automotive:** IEA NZE (global)
- **Real estate:** CRREM (regional)
- **Construction:** NGFS GCAM (regional)
- **Steel:** MPP Tech Moratorium (global)

Comparison against peers

Moody's	S&P	Fitch		Standalone Strength: *Moody's baseline credit assessment*	Cost Management: *Costs/income ratio*	Returns: *Return on average assets (annualised)*	Liquidity: *Loan/deposit ratio*
Aa1	AA–	AA–	**UOB**	a1	42%[1]	1.2%[1]	83%
Aa1	AA–	AA–	**OCBC**	a1	38%	1.6%	81%
Aa1	AA–	AA–	**DBS**	a1	39%[1]	1.5%[1]	77%
A3	A–	A+	**HSBC**	a3	44%	1.2%	59%
A3	BBB+	A	**SCB**	baa1	57%	0.6%	53%
A1	A–	AA–	**BOA**	a2	66%	0.8%	55%
A3	BBB+	A	**Citi**	baa1	67%	0.5%	52%
Aa2	AA–	AA-	**CBA**	a1	44%	0.8%	106%
Aa2	AA–	AA-	**NAB**	a2	46%	0.7%	121%
Aa1	AA–	AA-	**RBC**	a2	60%	0.7%	72%
Aa2	AA–	AA-	**TD**	a1	57%	0.8%	79%
A3	A–	n.r.	**CIMB**	baa1	45%	1.0%	87%
A3	A–	n.r.	**MBB**	a3	48%	1.0%	93%

1. Excluding one-off expenses

Source: Company reports, Credit rating agencies (updated as of 1 Aug 2024)

Financial data based on period ended 30 Jun 24, except for RBC/TD (30 Apr 24), NAB, CIMB, Maybank (31 Mar 24) and CBA (31 Dec 23)

Capital and leverage ratios

Reported Common Equity Tier 1 CAR

	OCBC	HSBC	CIMB	MBB	DBS	SCB	Citi	BOA	UOB	TD	RBC	CBA[2]	NAB[2]
CET1 CAR	15.5%	15.0%	15.0%	14.9%	14.8%	14.6%	13.6%	13.5%	13.4%	13.4%	12.8%	12.3%	12.2%
Return on Average Equity (annualised)	14.5%	19.8%	11.4%	10.8%	18.8%[1]	14.0%	6.5%	9.7%	13.7%[1]	14.3%	13.8%	13.8%	11.7%

Reported Leverage Ratio

OCBC	UOB	BOA	DBS	Citi	HSBC	NAB[2]	CBA[2]	SCB	TD	RBC
7.2%	7.1%	7.0%	6.5%	5.9%	5.7%	5.1%	5.0%	4.8%	4.3%	4.2%

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 19.0% (31 Dec 23) and 17.5% (31 Mar 24)

Source: Company reports

Financial data based on period ended 30 Jun 24, except for RBC/TD (30 Apr 24), NAB, CIMB, Maybank (31 Mar 24) and CBA (31 Dec 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

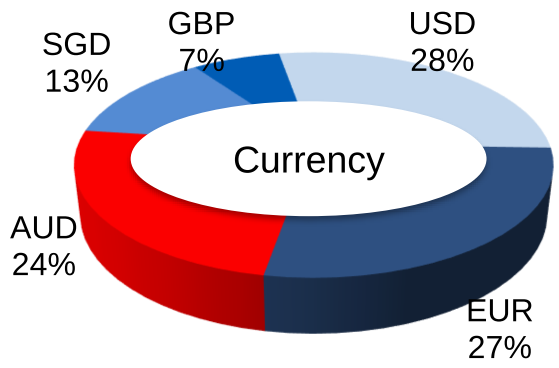
S&P Global Ratings — ***AA– / A-1+***

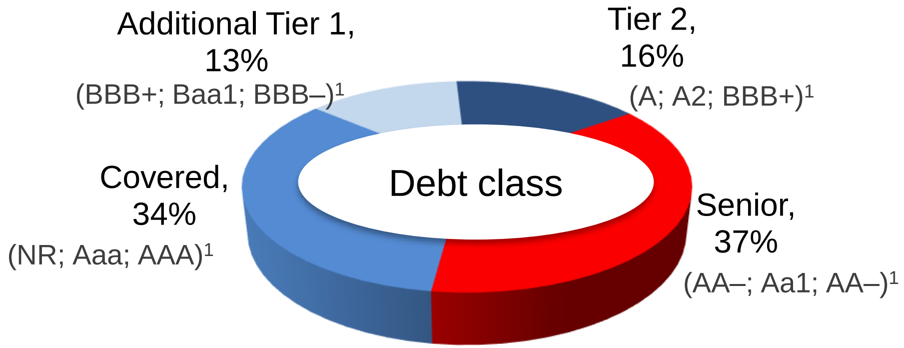
- Well-established market position, strong funding and prudent management record
- Will maintain its capitalisation and asset quality while pursuing regional growth

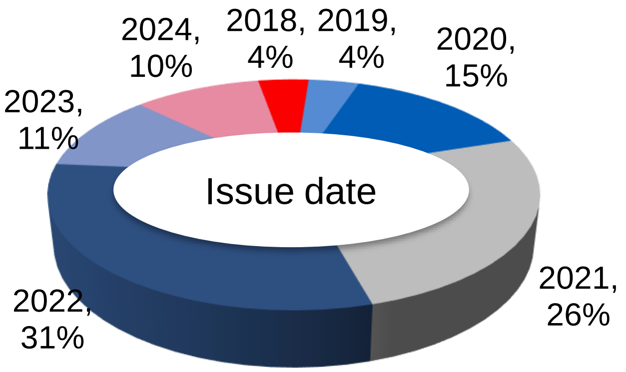
Fitch Ratings — ***AA– / F1+***

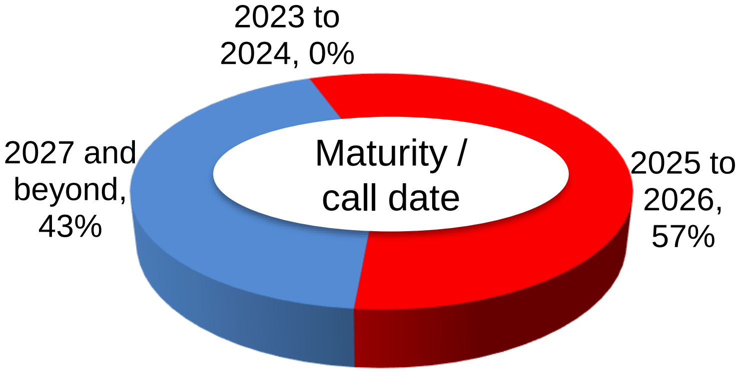
- Sound capital and high loan-loss buffers
- Disciplined funding strategy, supported by its strong domestic franchise

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 13 Aug 24; for more details, please refer to https://www.uobgroup.com/investor-relations/capital-and-funding-information/group-securities.html

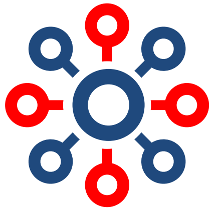
1. The issuance ratings are by Fitch Ratings, Moody's Investors Service and S&P Global Ratings, respectively

Our Growth Drivers

Our growth drivers

UOB

Realise full potential of our integrated platform

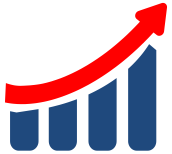


- Provides us with ability to serve expanding regional needs of our customers
- Improves operational efficiency, enhances risk management, seamless customer experience and faster time to market

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

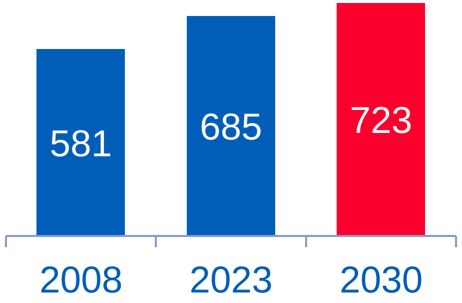
Long-term growth perspective

- 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

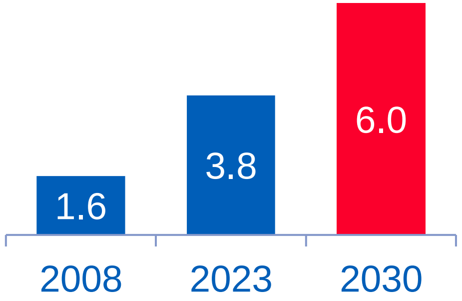
Population

(Million persons)



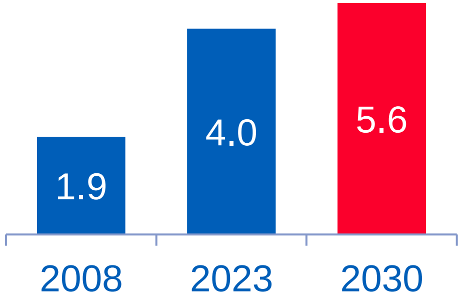
GDP[1]

(USD trillion)



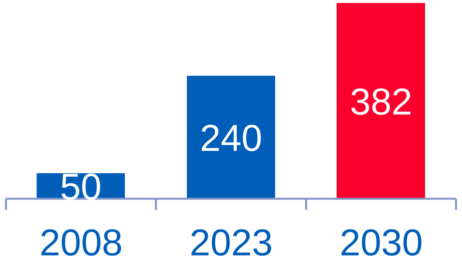
Trade[2]

(USD trillion)



FDI[3]

(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 GDP[1]
- Fourth largest trading group globally
- Third largest recipient of inward FDI[3] 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

RESTRICTED

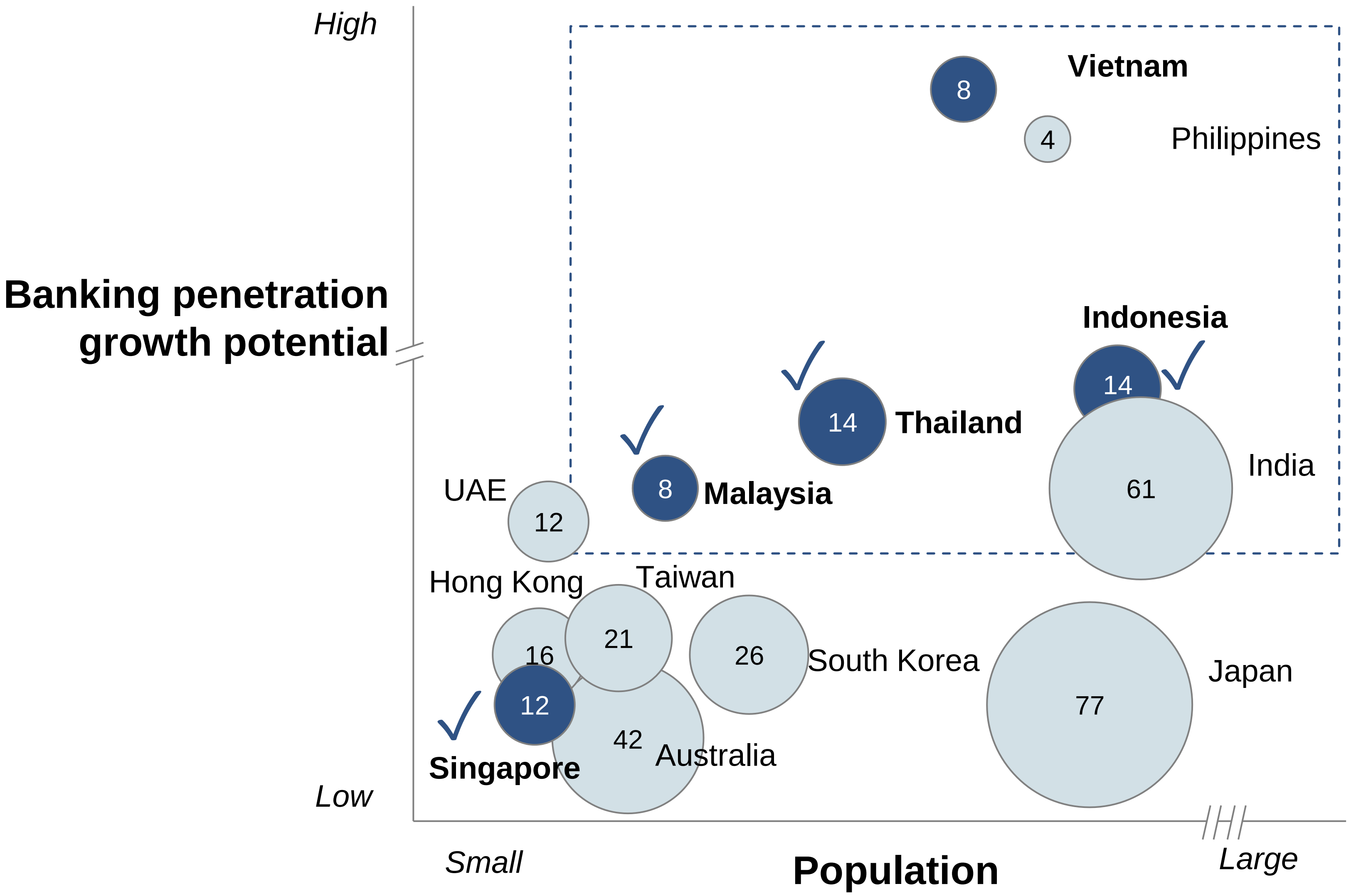
Strong retail presence in high potential regional markets

2022 retail banking pool sizes

USD b

Denotes UOB's core markets in Southeast Asia

TMRW by UOB *was launched in Thailand, Indonesia, Singapore and Malaysia.*

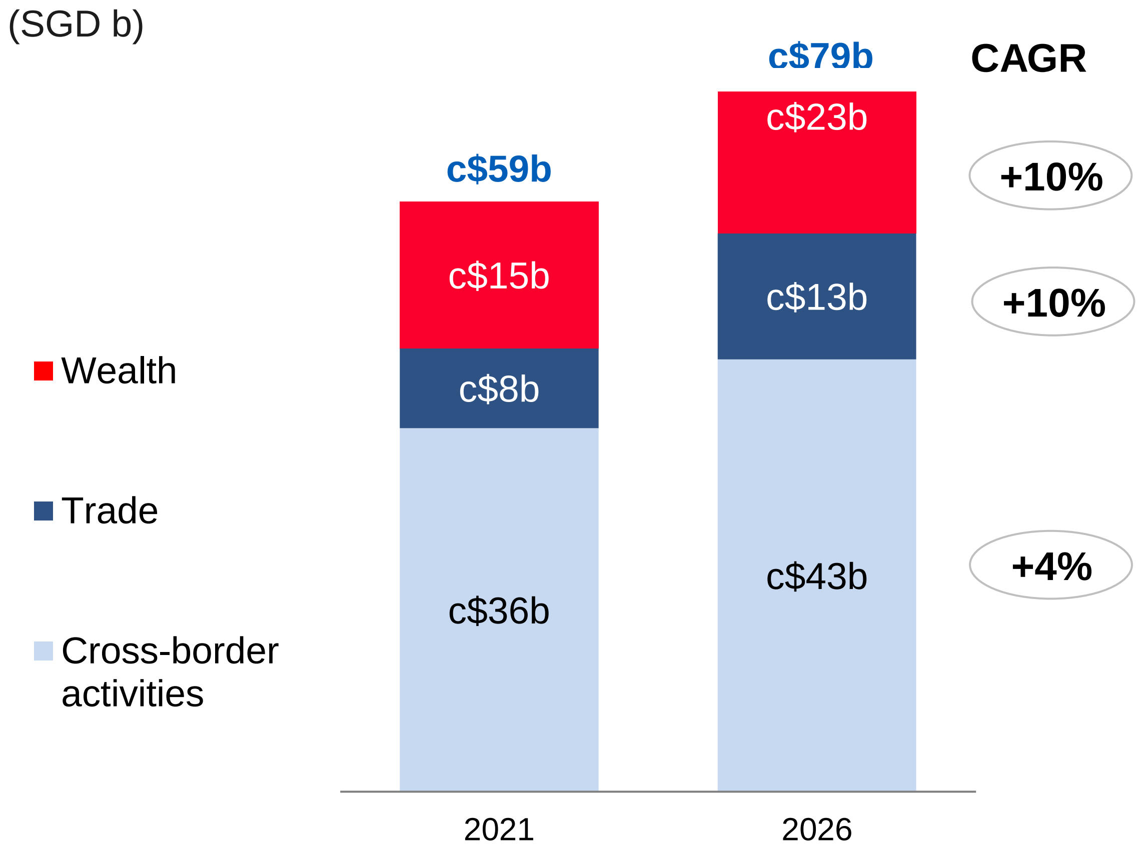


Source: BCG banking pools (2022), World Bank (2022)

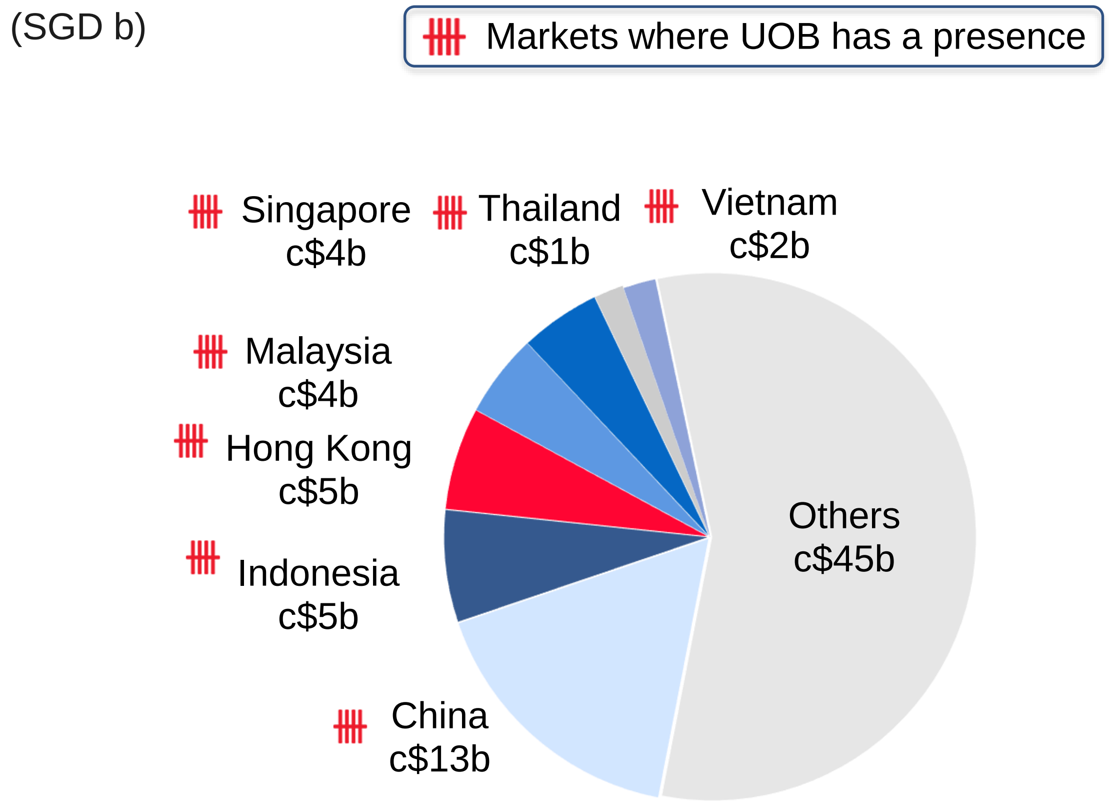
RESTRICTED

Revenue potential from 'connecting the dots' in the region

Industry's potential connectivity revenue



Industry's potential connectivity revenue (2026)



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

Healthy growth across business franchise

Income by business segment

	1H24 $'m	1H23 $'m	YoY
Group Retail	2,695	2,711	*(1%)*
Group Wholesale Banking	3,415	3,570	*(4%)*

Group Retail

Tapping on rising affluence in Southeast Asia on enlarged franchise

+18%
increase[1] in **CASA** balance

+11%
pickup[1] in **card billings** across ASEAN markets

+27%
growth[1] in **wealth management** income[4], with AUM at $182b

Group Wholesale Banking

Amid intense competition for quality assets, underlying franchise delivered growth backed by roll-out of regional platforms

+7%
YoY growth in **CASA**, with ASEAN-4[2] growing at 13%[3]

+9%
YoY growth in **trade** loans, with ASEAN-4[2] growing at 16%[3]

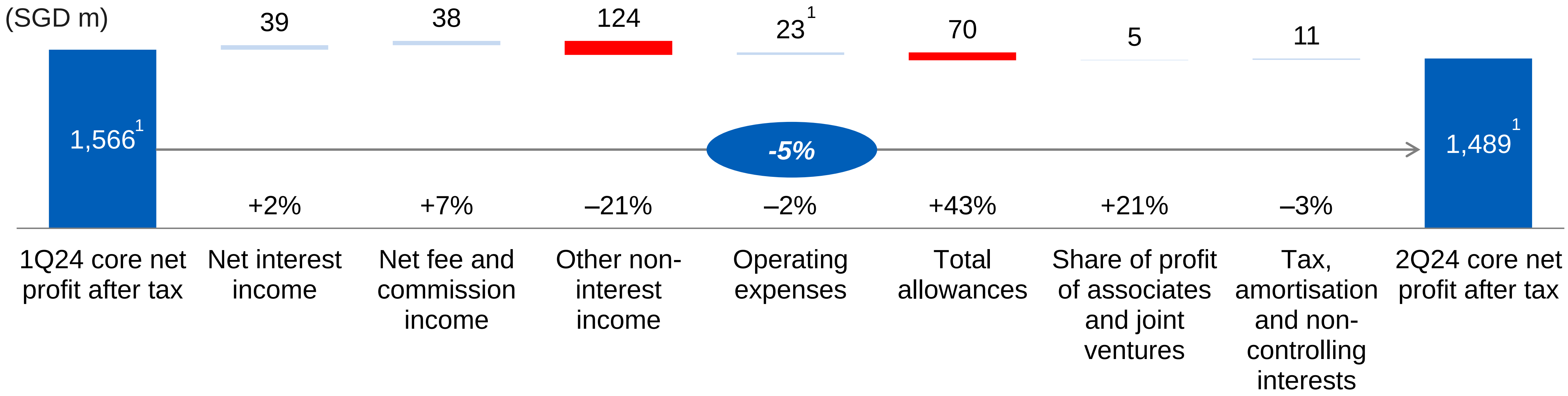
65%[5]
income contribution to GWB from **non-real estate sectors**, with ASEAN-4 at 83%[5]

1. Represents year-on-year growth for 1H24
2. ASEAN-4 comprises Indonesia, Malaysia, Thailand and Vietnam
3. Constant-currency growth rate
4. Comprises wealth management fees and income jointly recognised with Global Markets
5. Based on YTD May 2024; excludes Business Banking

Latest Financials

2Q24 financial overview

Core Net Profit After Tax Movement, 2Q24 vs 1Q24



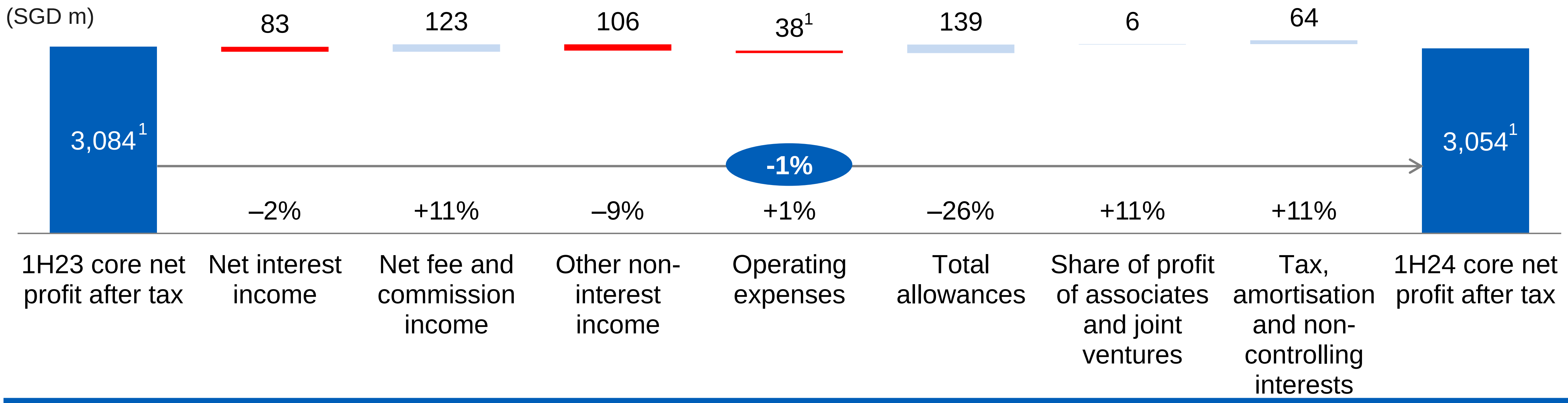
Key Indicators	2Q24	1Q24	QoQ Change	2Q23	YoY Change
Net interest margin (%) [1]	2.05	2.02	**+0.03% pt**	2.12	**–0.07% pt**
Non-interest income / Income (%)	30.9	32.9	**–2.0% pt**	31.2	**–0.3% pt**
Cost / Income ratio (%) [2]	41.8	41.9	**–0.1% pt**	40.9	**+0.9% pt**
Return on equity (%) [1, 2, 3]	13.3	14.0	**–0.7% pt**	14.1	**–0.8% 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

1H24 financial overview

UOB

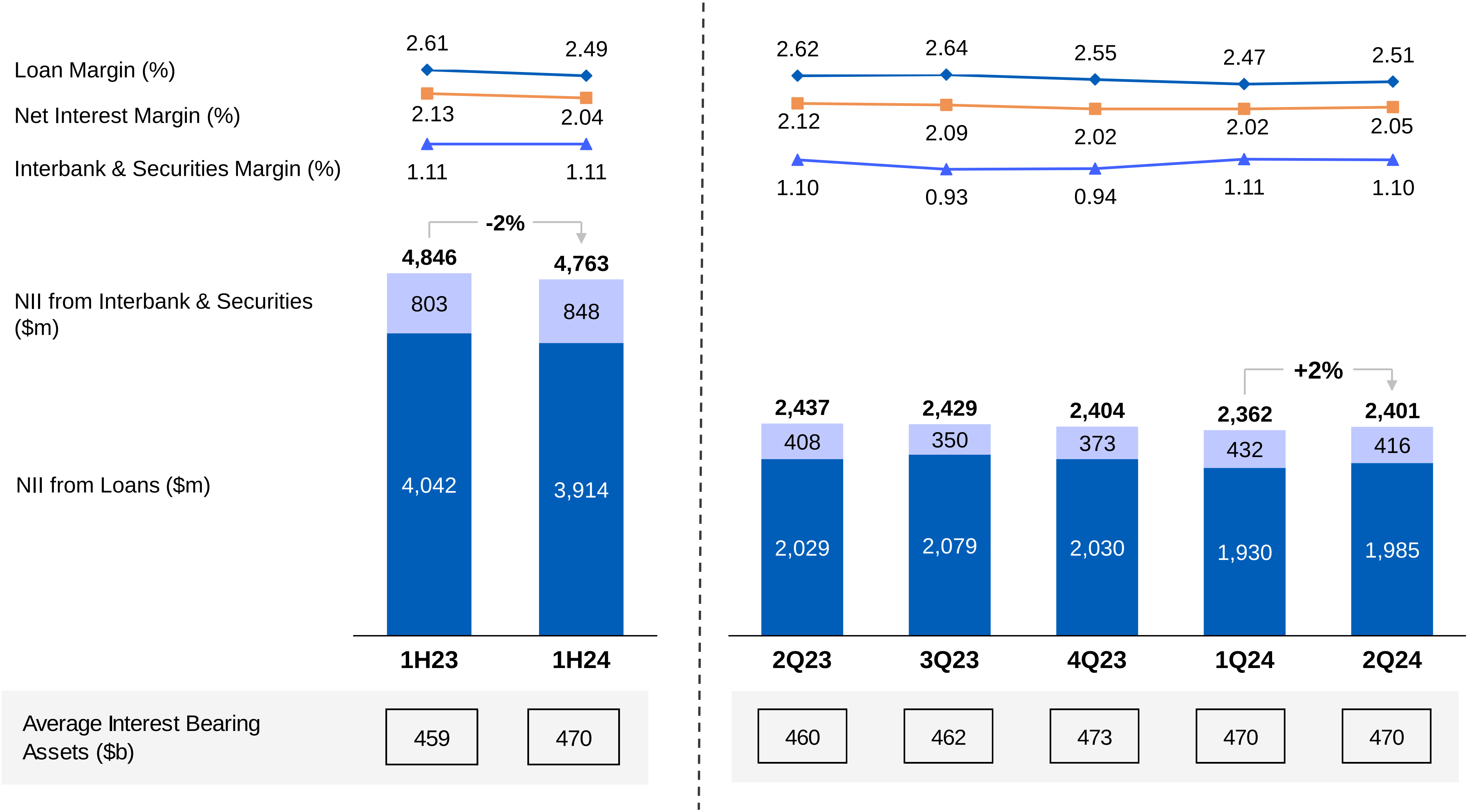
Core Net Profit After Tax Movement, 1H24 vs 1H23



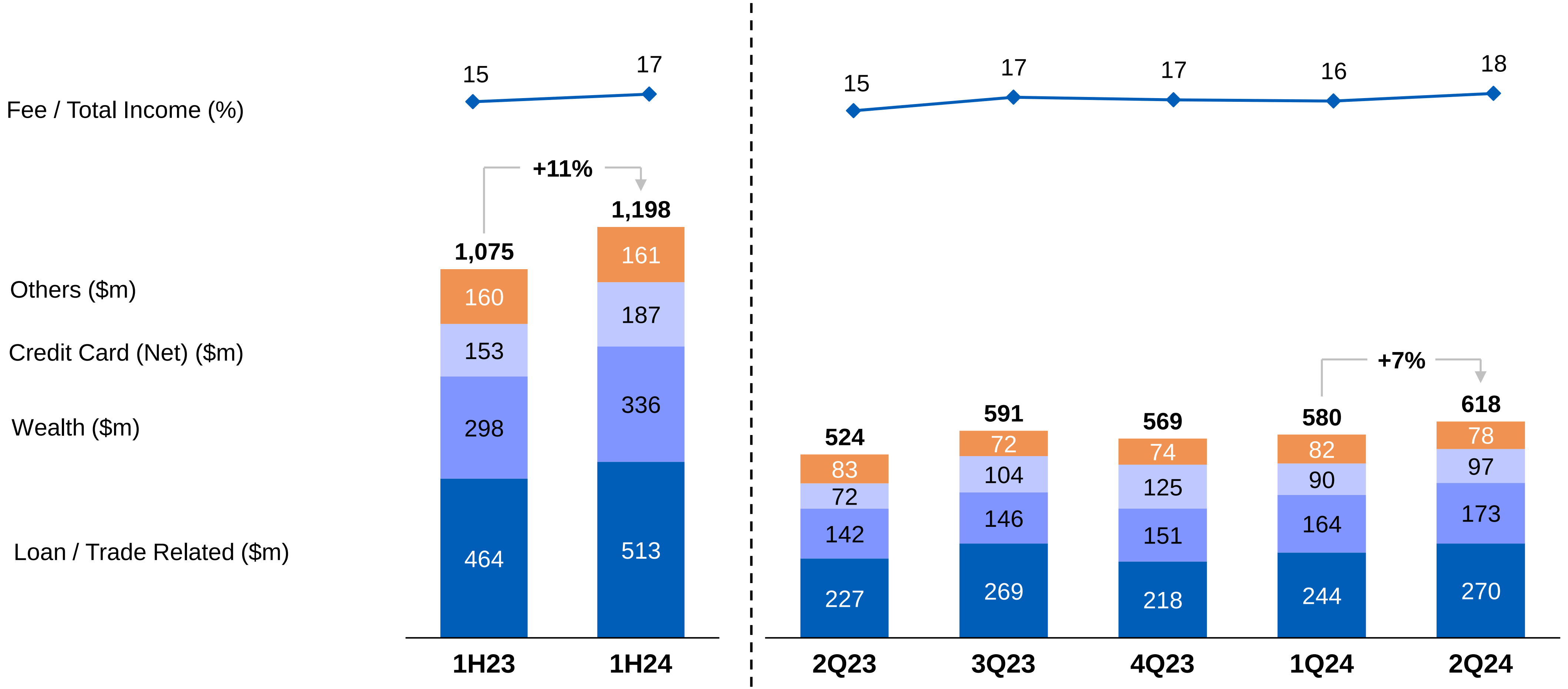
Key Indicators	1H24	1H23	YoY Change
Net interest margin (%) [2]	2.04	2.13	–0.09% pt
Non-interest income / Income (%)	31.9	31.4	+0.5% pt
Cost / Income ratio (%) [1]	41.8	40.9	+0.9% pt
Return on equity (%) [1, 2, 3]	13.7	14.5	–0.8% pt

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

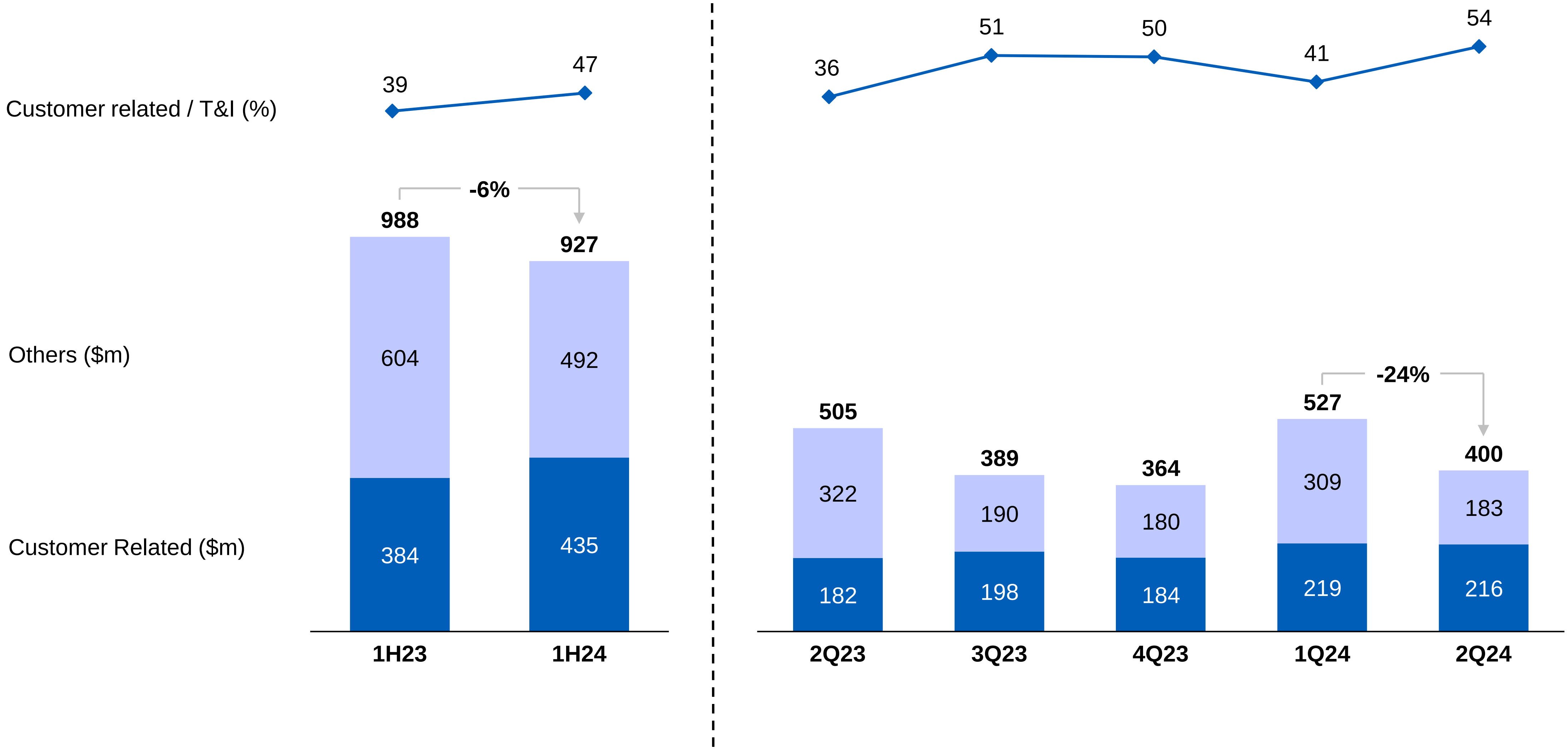
NIM improved 3bps to 2.05% as loan margin widened



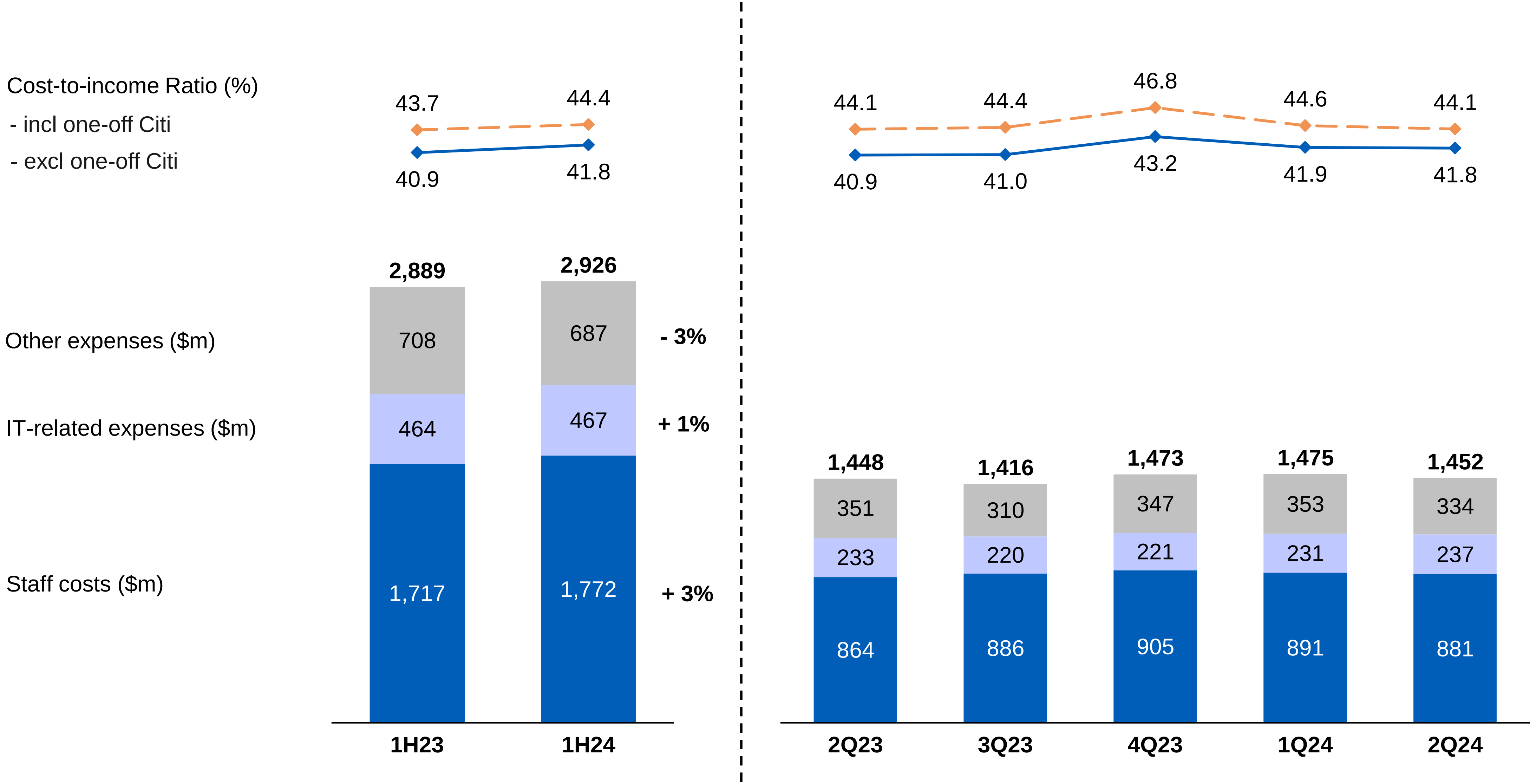
2Q24 fees near record high, backed by strong pick up in loan and wealth



Customer-related treasury income sustained momentum, while non-customer T&I eased from last quarter all-time high



Marginal increase in 1H24 core expenses on tight cost discipline

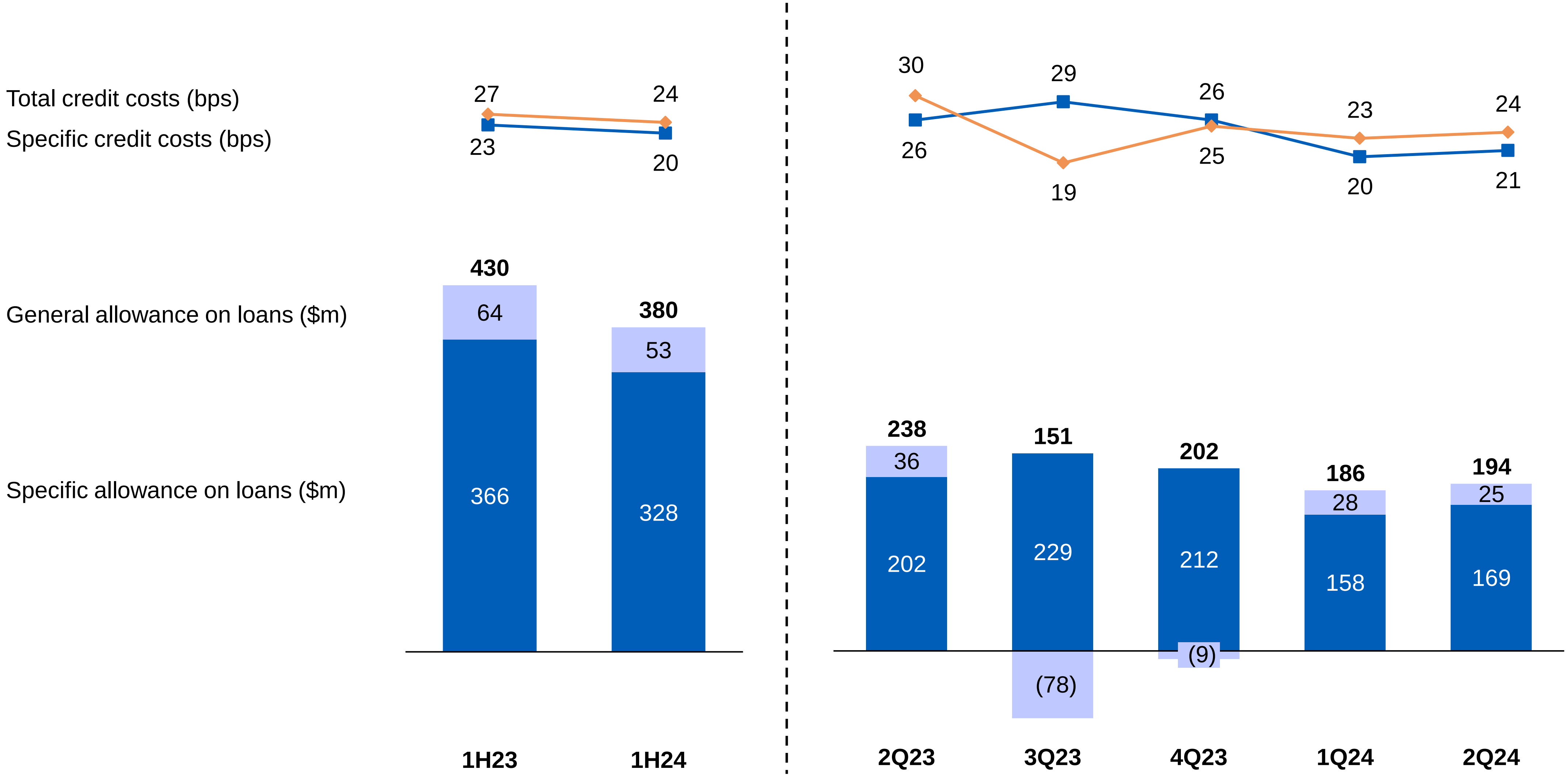


(1) Excluding one-off expenses

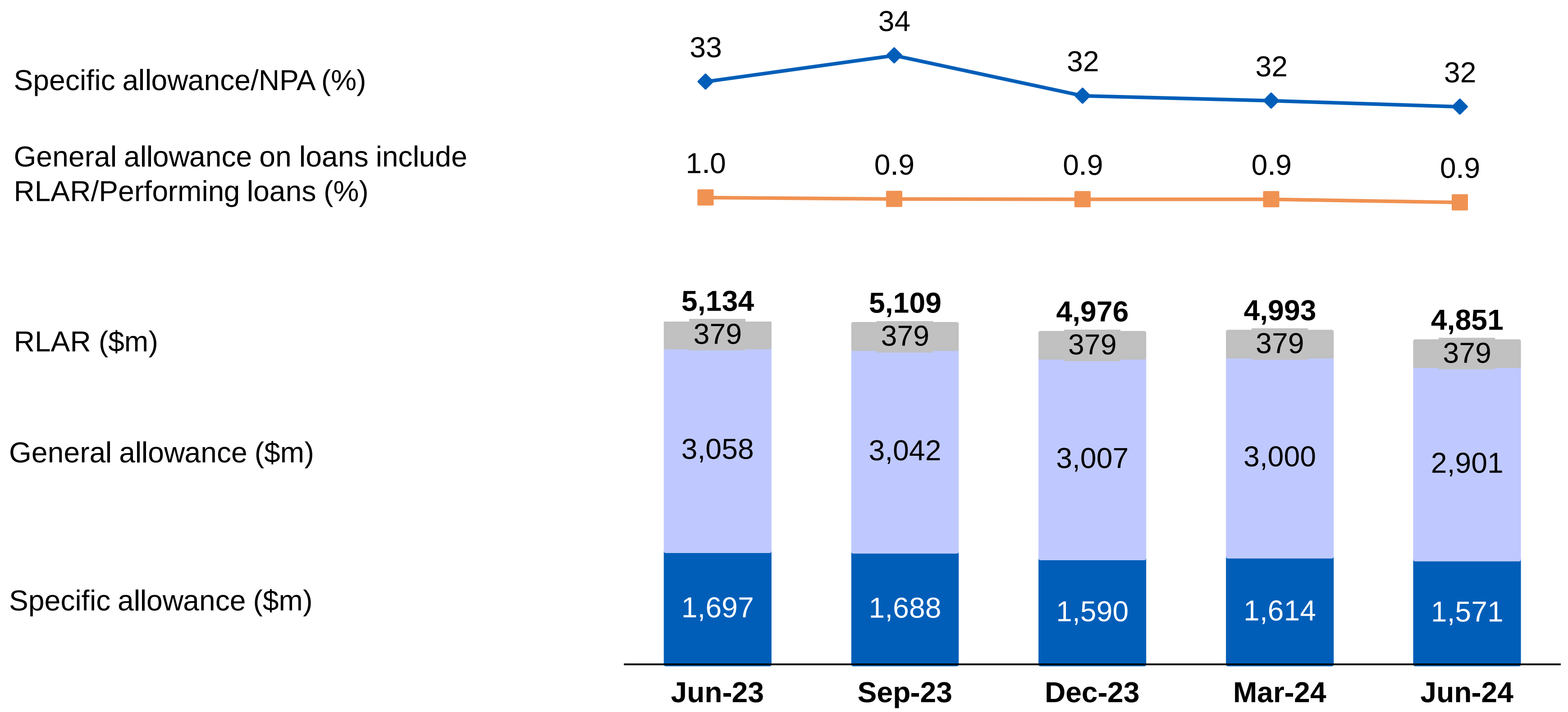
Asset quality broadly stable with NPL ratio unchanged at 1.5%

($m)	2Q23	3Q23	4Q23	1Q24	2Q24
NPAs at start of period	5,150	5,192	5,011	4,946	5,051
Non-individuals					
New NPAs	364	267	389	249	438
Less:					
Upgrades and recoveries	137	298	288	183	289
Write-offs	65	150	218	34	238
	5,312	5,011	4,894	4,979	4,962
Individuals	(120)	0	38	72	(10)
NPAs at end of period	5,192	5,011	4,932	5,051	4,952
Add: Citi acquisition			14		
NPAs at end of period including Citi	5,192	5,011	4,946	5,051	4,952
NPL Ratio (%)	1.6	1.6	1.5	1.5	**1.5**

Prudent reserve build with total credit costs at 24bps



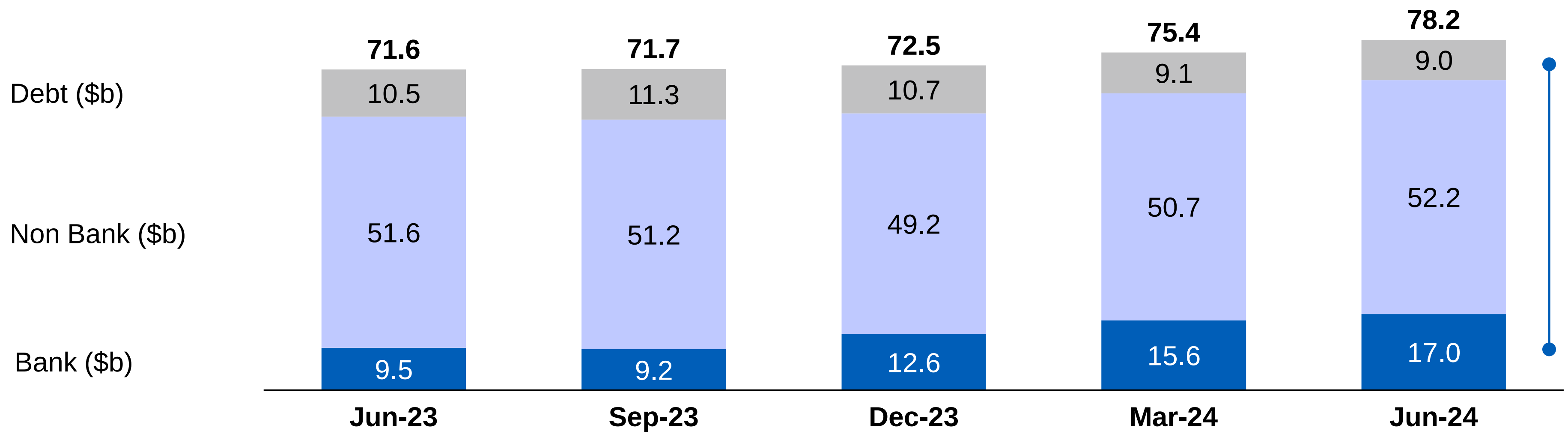
Provision coverage remains healthy



	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
NPA coverage (%) [1]	99	102	101	99	**98**
Unsecured NPA coverage (%) [1]	209	205	209	204	**214**

(1) Includes RLAR (Regulatory loss allowance reserve) as part of total allowance

Exposure to Greater China



- ~$2b in loans to Chinese developers (*1% of group loans*)

Mainland China

Bank exposure ($13.1b)

- ~ 45% of total exposure to Mainland China, with top 5 domestic banks and 3 policy banks accounting for ~ 80% of total bank exposure
- ~ 100% with <1 year tenor; trade accounts for ~5% of total bank exposure

Non-bank exposure ($11.7b)

- Client base include top-tier state-owned enterprises, large local corporates and foreign investment enterprises
- ~65% denominated in RMB and ~60% with <1 year tenor
- NPL ratio at 3.0%

Hong Kong SAR

Bank exposure ($1.8b)

- ~80% are to foreign banks

Non-bank exposure ($36.3b)

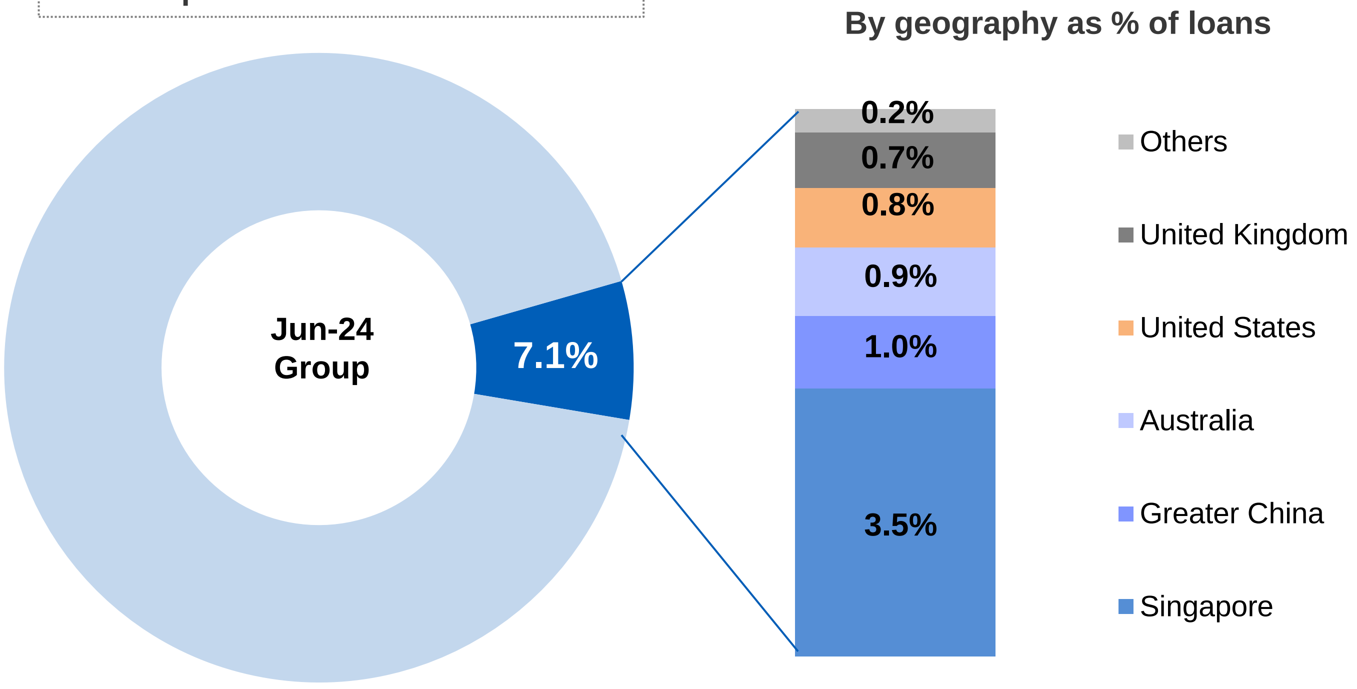
- Exposure mainly to corporate and institutional clients
- ~60% with <1 year tenor
- NPL ratio at 1.9%

Note: Classification is according to where credit risks reside, largely represented by the borrower's country of incorporation/operation for non-individuals and residence for individuals

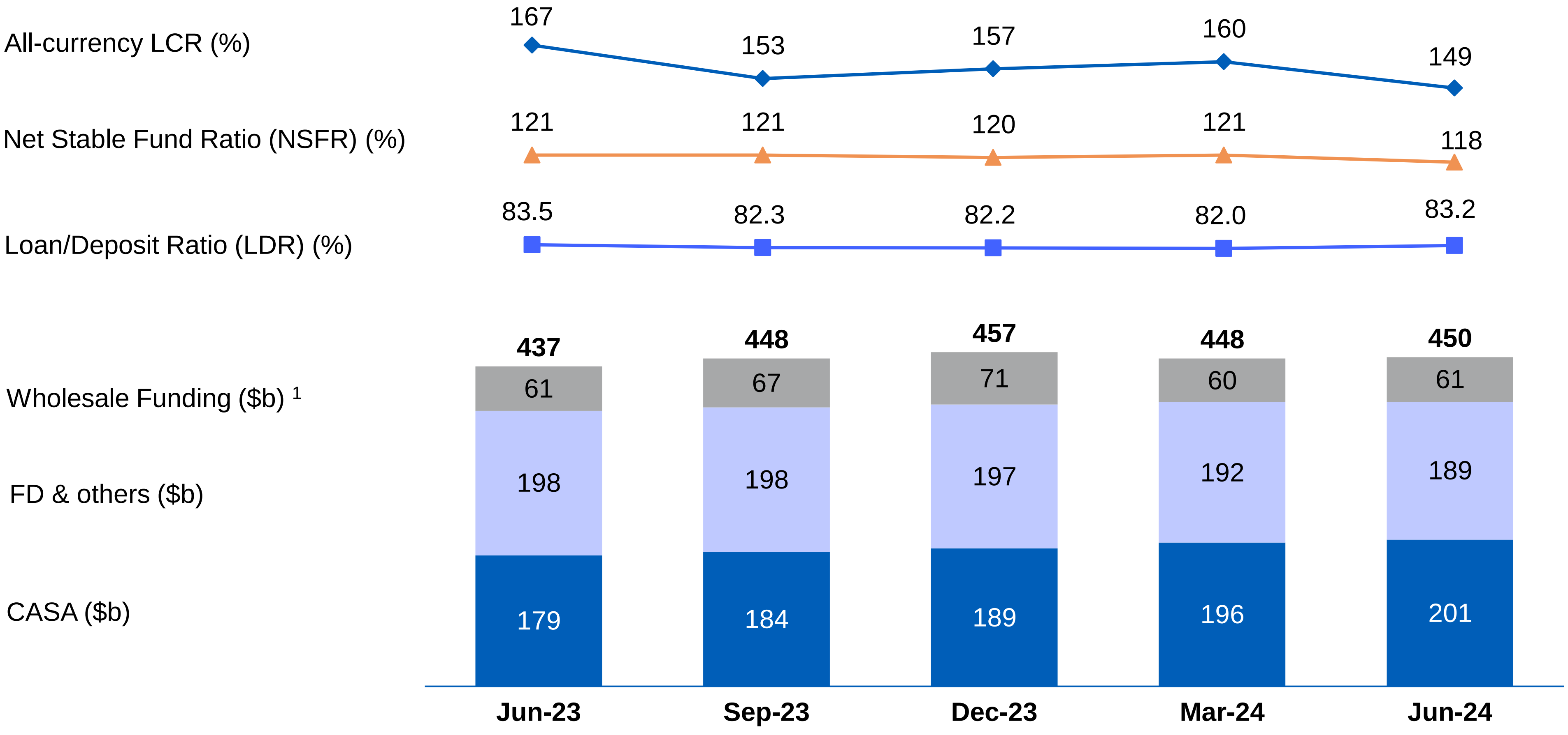
Exposure to Commercial Real Estate - Office

- Almost half of office exposure is in Singapore
- Overseas exposure backed by strong sponsors
- Largely secured by class-A office properties
- Average LTV around 50%

Commercial Real Estate - Office exposure is 7.1% of loans



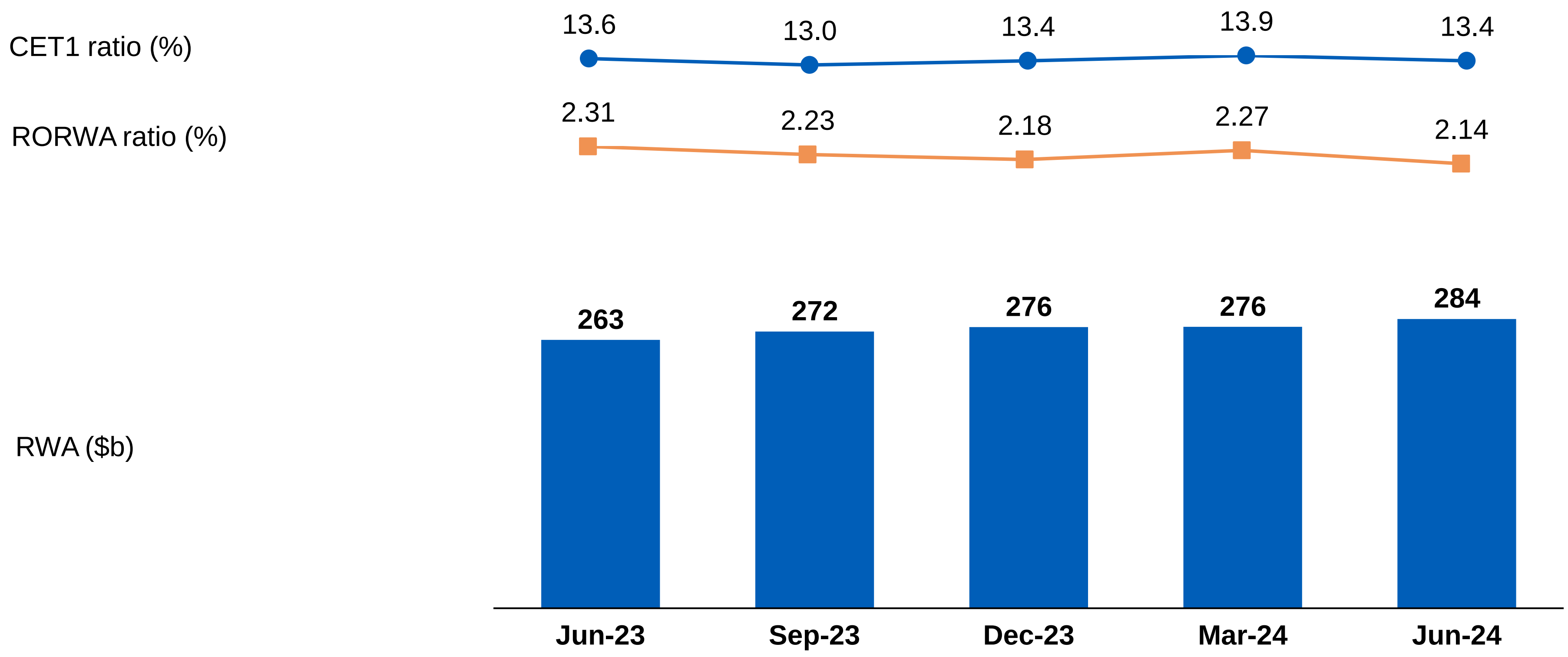
Sound liquidity and funding base with CASA growth supported by successful promotional campaigns



	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
CASA/Deposit Ratio (%)	47.6	48.2	48.9	50.6	51.5

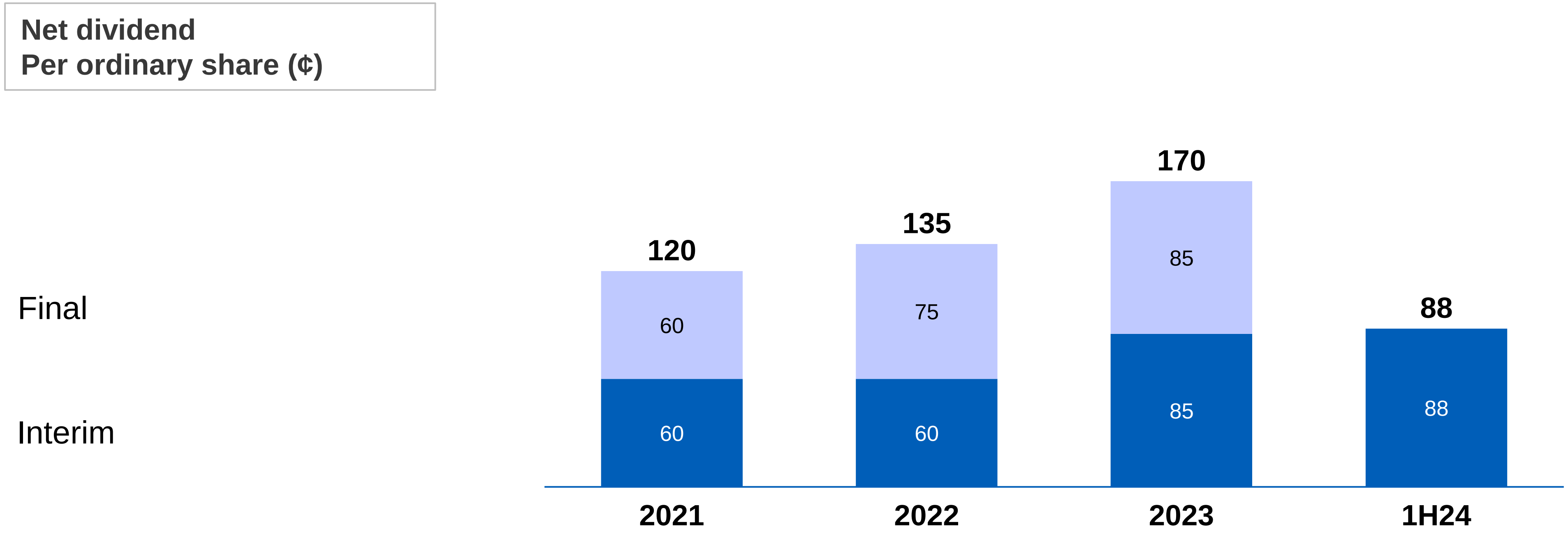
(1) Comprising debt issuances, perpetual capital securities and interbank liabilities.

CET1 ratio remains healthy at 13.4%



Leverage ratio (%)	7.0	6.8	6.9	7.0	**7.1**

Interim dividend increased to 88 cents per share



	2021	2022	2023	1H24
Payout amount ($m)	2,011	2,263	2,846	1,473
Payout ratio (%)	49	49	50	51

Right By You