UOB Group Financial Updates

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Group Chief Financial Officer

For the First Quarter Ended 31 March 2024

Financial Highlights

1Q24 key financial indicators

Core operating profit (1)
$2.0b
+ 6% QoQ
- 2% YoY

Core net profit after tax (1)
$1.6b
+ 5% QoQ
- 1% YoY

Core return on equity (1)
14.0%
+ 0.2%pt QoQ
- 0.9%pt YoY

Core cost/Income ratio (1)
41.9%
- 1.3%pt QoQ
+ 1.0%pt YoY

NPL ratio
1.5%
unchanged QoQ
- 0.1%pt YoY

Credit costs
23bps
- 2bps QoQ
- 2bps YoY

NSFR ratio
121%
+ 1%pt QoQ
unchanged YoY

CET 1 ratio
13.9%
+ 0.5%pt QoQ
- 0.1%pt YoY

UOB

1Q24 Core net profit at $1.6b, resilient earnings supported by healthy balance sheet and franchise growth

- Core net profit at $1.6b, with core return on equity at 14.0%
- Net interest income eased 2% to $2.4 billion due to a shorter quarter with NIM stable at 2.02%
- Net fee increased to $580 million, driven by good performance in loan-related fees and pickup in wealth, while credit card fees normalised from last quarter's seasonal high.
- Record customer-related treasury income coupled with robust performance from trading and liquidity management activities, boosted trading and investment income to an all-time high
- Core cost-to-income ratio improved to 41.9% on the back of an enlarged income base and continued cost discipline
- Asset quality stable with NPL ratio unchanged at 1.5%. Total credit costs improved to 23bps this quarter from lower new NPL
- Capital and funding positions strengthened, with CET1 ratio at 13.9% and NSFR at 121%

(1) Excluding one-off expenses

Financial Highlights

- 1Q24 core profit up 5% QoQ to $1.6 billion, contributed by record trading and investment income and higher fee income
- Including one-off expenses, profit rose 6% to $1.5 billion

	1Q24 $m	4Q23 $m	QoQ +/(-)%	1Q23 $m	YoY +/(-)%
Net interest income	2,362	2,404	(2)	2,409	(2)
Net fee income	580	569	2	552	5
Other non-interest income	581	438	32	563	3
Total income	**3,523**	**3,410**	**3**	**3,524**	**(0)**
Less: Total expenses	1,475	1,473	0	1,440	2
Operating profit	**2,048**	**1,937**	**6**	**2,083**	**(2)**
Less: Amortisation of intangible assets	7	7	0	5	37
Less: Allowance for credit and other losses	163	152	7	169	(4)
Add: Associate & Joint Venture	26	22	16	25	1
Core net profit	**1,566**	**1,498**	**5**	**1,577**	**(1)**
Less: One-off expenses					
- Citi integration costs (net of tax)	79	94	(16)	67	18
Net profit (including one-off expenses)	**1,487**	**1,403**	**6**	**1,511**	**(2)**

Performance by Segment

- Retail registered healthy growth in cards and wealth across the region, while CASA expansion helped to offset competition pressure on margin
- Wholesale spurred by sustained CASA deposit inflow and loan & investment banking activities, cushioning the impact of margin compression
- Global Markets seized opportunities in commodities trading

Total Income	1Q24 $m	1Q23 $m	YoY +/(-) %
Group Retail	**1,354**	1,364	(1)
Group Wholesale Banking	**1,692**	1,817	(7)
Global Markets	**173**	158	10

Consumers

- Tapping on rising affluence and growing digitalisation in Southeast Asia

Scale Acquisition with Digital

Boost UOB TMRW's capabilities to target quality customers and drive synergies

8.1m
Retail customers, 78% are digitally enabled

>200k
New-to-bank customers acquired in 1Q24 >50% digitally acquired

Deepen Engagement with Eco-system Partnerships

Leverage our regional franchise in growing multi-markets partnerships to drive customer engagement and lifetime value

54
Strategic multi-markets partnerships to cater for our customers growing lifestyle needs

+11%
Year on year growth in credit card fees

Leverage data insights to drive Omni-channel Offerings

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

S$179b
Assets under management (AUM)[1,2]
▲ 11% YoY

~40%
Higher average product holdings by omni-channel customers vs other customers

1. Of which 61% 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

25%
Cross border income as % of GWB income

+5%
Anchor customers within Financial Supply Chain Management solution[1]

Sector Specialisation

Building capabilities for greater diversification and risk mitigation

+9%
Hospitality income[1]

+13%
Healthcare income[1]

Deepening Digitalisation

For secure and efficient transactions

+52%
Cashless payments to businesses in the region[1,2]

+26%
Digital banking transactions by businesses across the Group[1,3]

1. Year on year growth. 2. Refers to payments made on Corporate PayNow, DuitNow and PromptPay in Singapore, Malaysia and Thailand. 3. Refers to digital banking transactions via UOB Infinity/BIBPlus

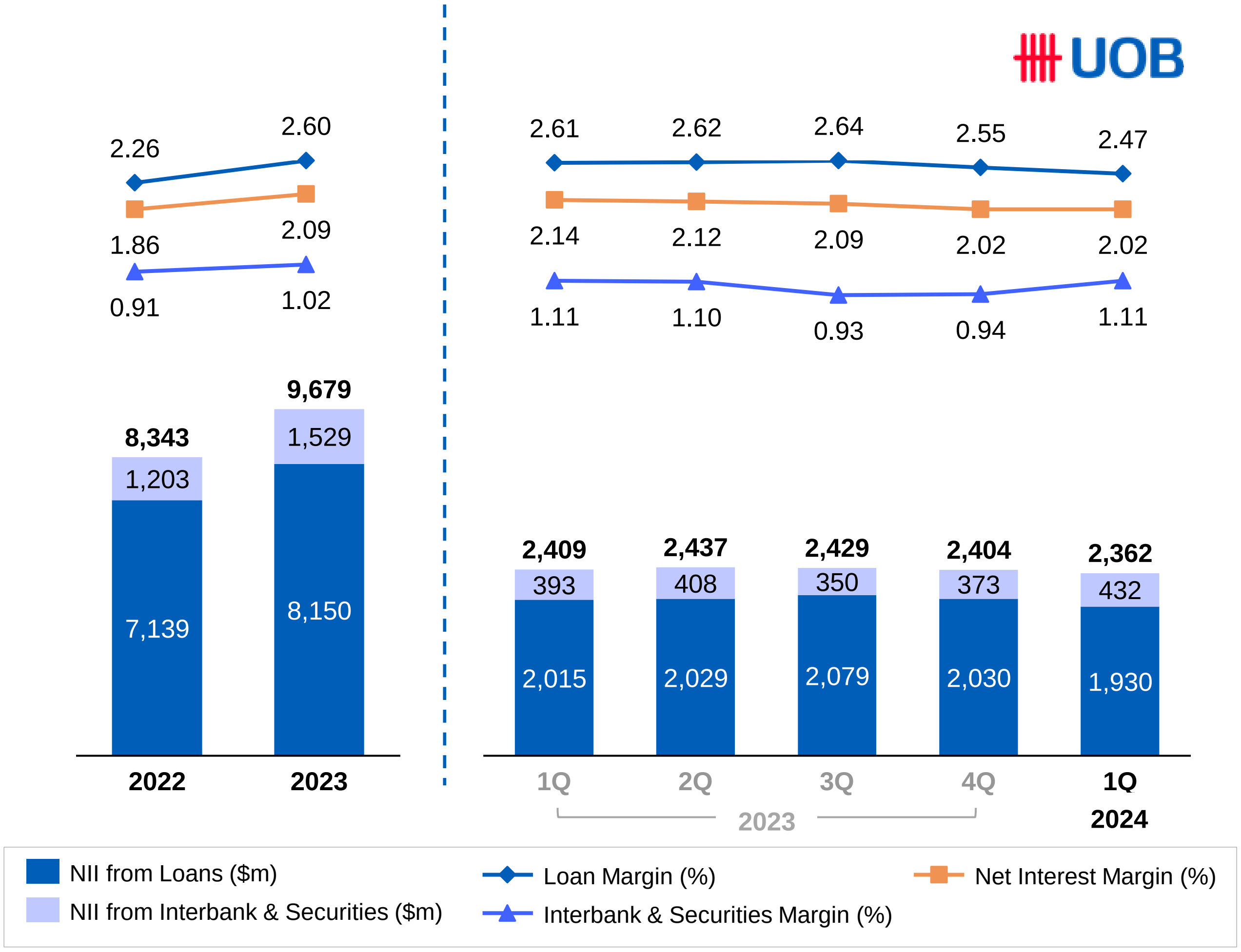
Performance by Geography

- Broad based growth across Singapore, ASEAN-4 and North Asia on constant currency basis

Total Income	1Q24 $m	4Q23 $m	QoQ +/(-)%	QoQ (Constant Rate) +/(-)%	1Q23 $m	YoY +/(-)%	YoY (Constant Rate) +/(-)%
Singapore	**1,958**	1,891	4	4	2,052	(5)	(5)
ASEAN-4	**928**	934	(1)	1	948	(2)	3
Malaysia	**364**	366	(0)	1	388	(6)	0
Thailand	**379**	390	(3)	(1)	375	1	5
Indonesia	**159**	154	3	4	163	(3)	1
Vietnam	**26**	25	4	5	22	19	24
North Asia	**362**	302	20	20	266	36	38
Greater China	**330**	277	19	19	243	36	37
Others	**31**	25	24	26	23	35	43
Rest of the world	**275**	283	(3)	(3)	258	7	6
Total	**3,523**	3,410	3	4	3,524	(0)	1

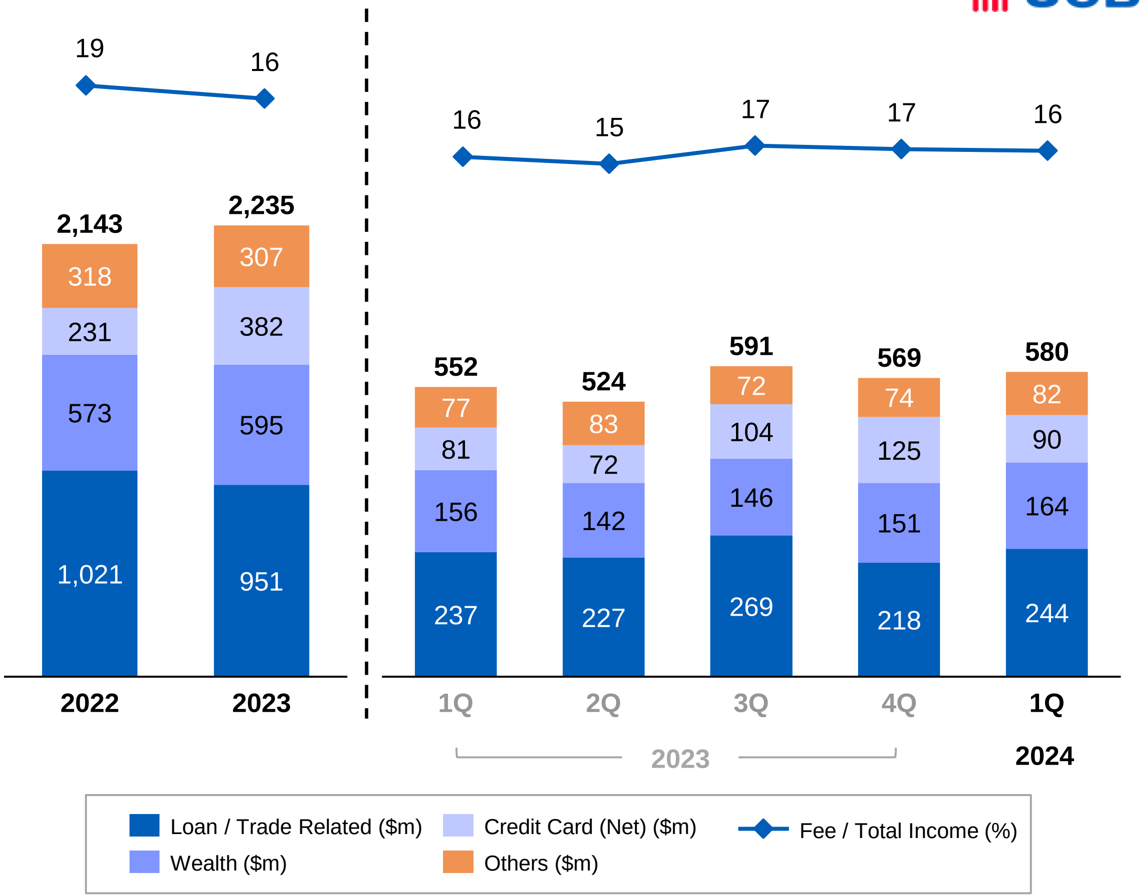
Net Interest Income and Margin

- 1Q24 NII eased 2% mainly due to a shorter quarter
- NIM stabilised at 2.02%, with active balance sheet management



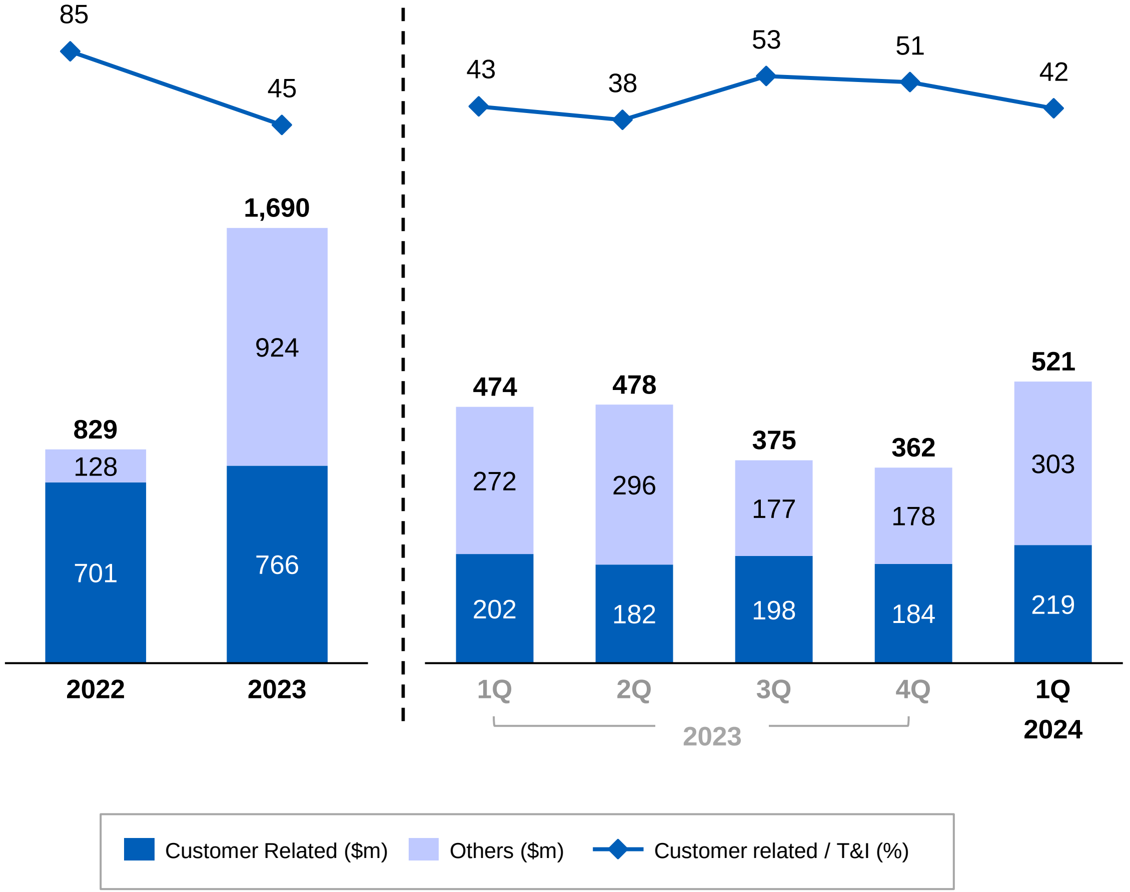
Fee Income

- Good performance in loan-related fees and pickup in wealth
- Credit card fees normalised from last quarter's seasonal high



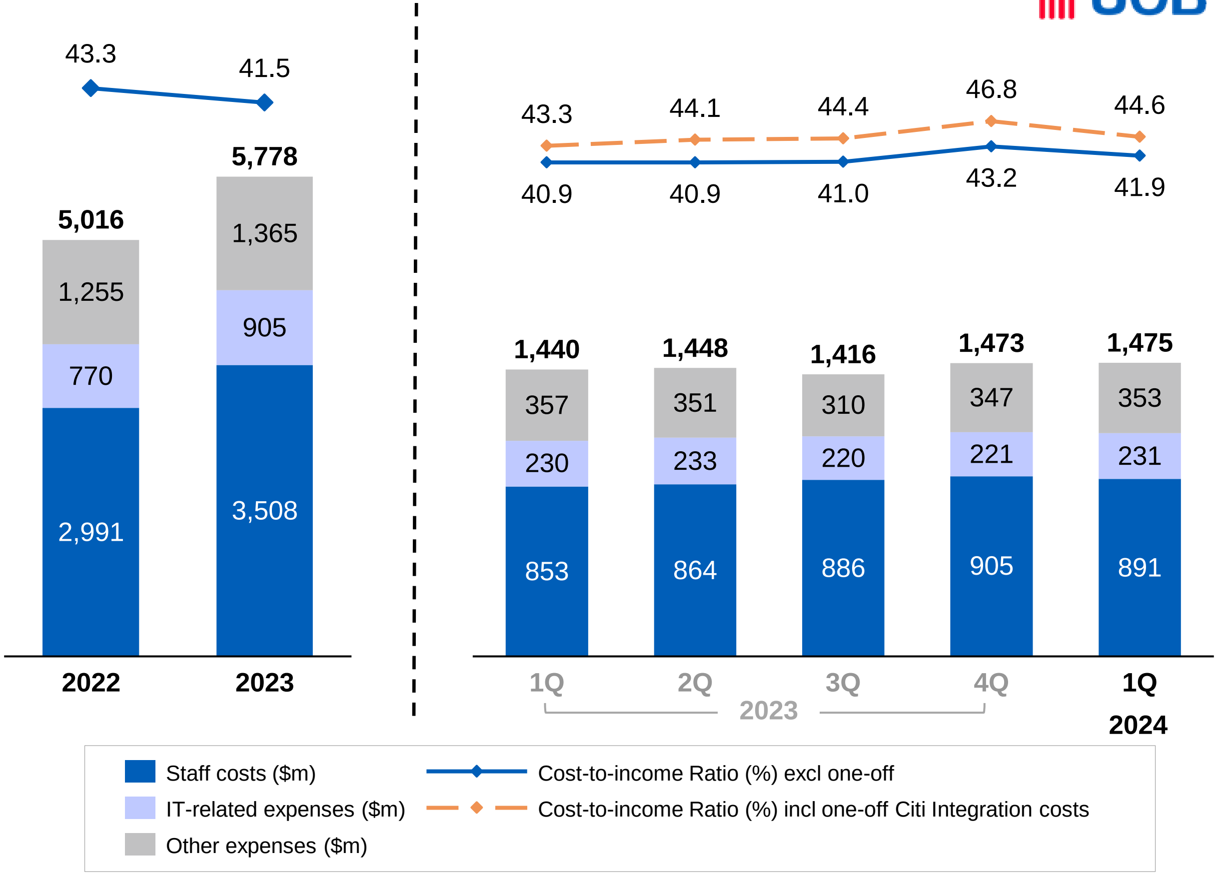
Trading & Investment Income

- Record customer-related treasury income from increased retail bond sales and strong hedging demands
- Robust performance from trading and liquidity management activities



Core Expenses and Cost / Income Ratio (1)

- 1Q24 core CIR improved to 41.9% on the back of enlarged income base
- Expense growth mainly to support franchise and strategic priorities



(1) Excluding one-off expenses

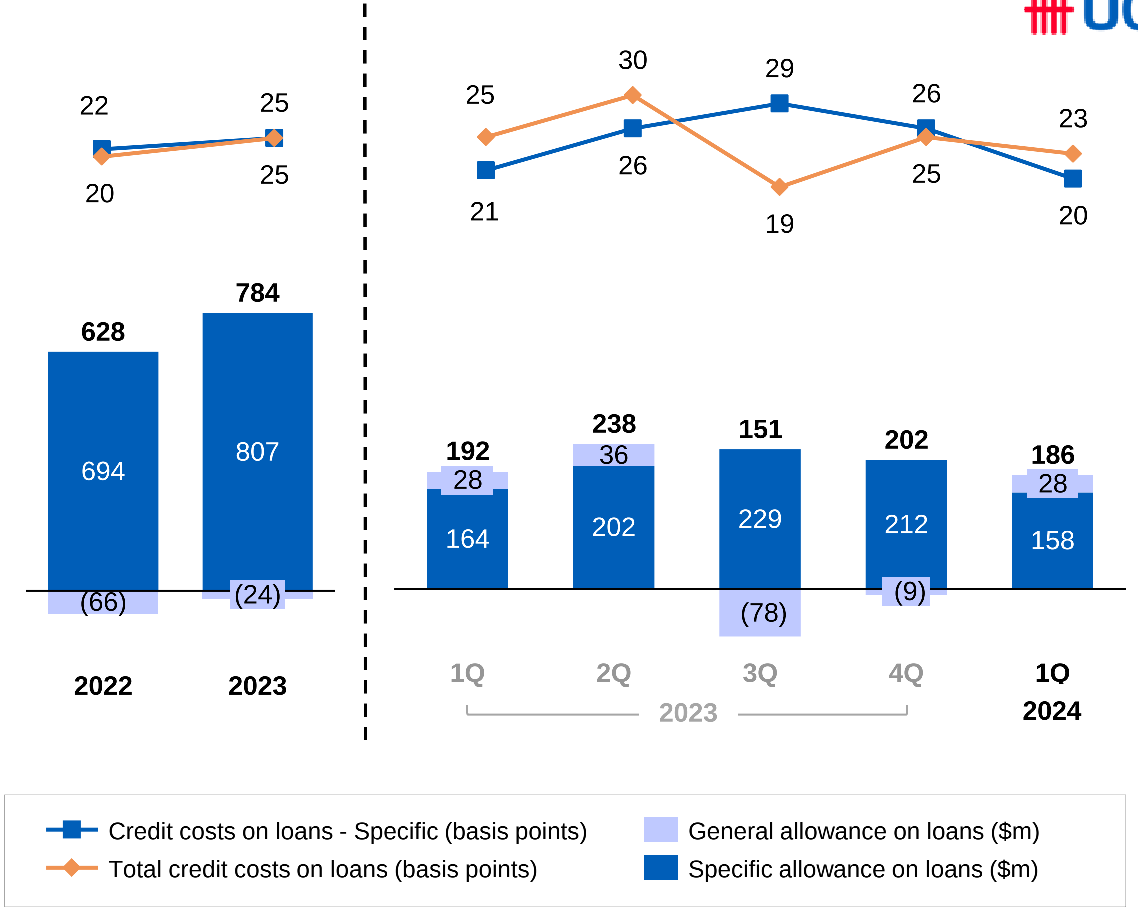
Non-Performing Assets

- Stable asset quality with lower new NPA formation. NPL ratio unchanged at 1.5%
- Credit portfolio well-collateralised with SP/NPA at 32%

($m)	2023 1Q	2023 2Q	2023 3Q	2023 4Q	2024 1Q
NPAs at start of period	5,127	5,150	5,192	5,011	4,946
Non-individuals					
New NPAs	301	364	267	389	249
Less:					
Upgrades and recoveries	80	137	298	288	183
Write-offs	218	65	150	218	34
	5,130	5,312	5,011	4,894	4,979
Individuals	13	(120)	0	38	72
NPAs at end of period	5,143	5,192	5,011	4,932	5,051
Add: Citi acquisition	7			14	
NPAs at end of period including Citi	5,150	5,192	5,011	4,946	5,051
NPL Ratio (%)	1.6	1.6	1.6	1.5	**1.5**
Specific allowance/NPA (%)	32	33	34	32	**32**

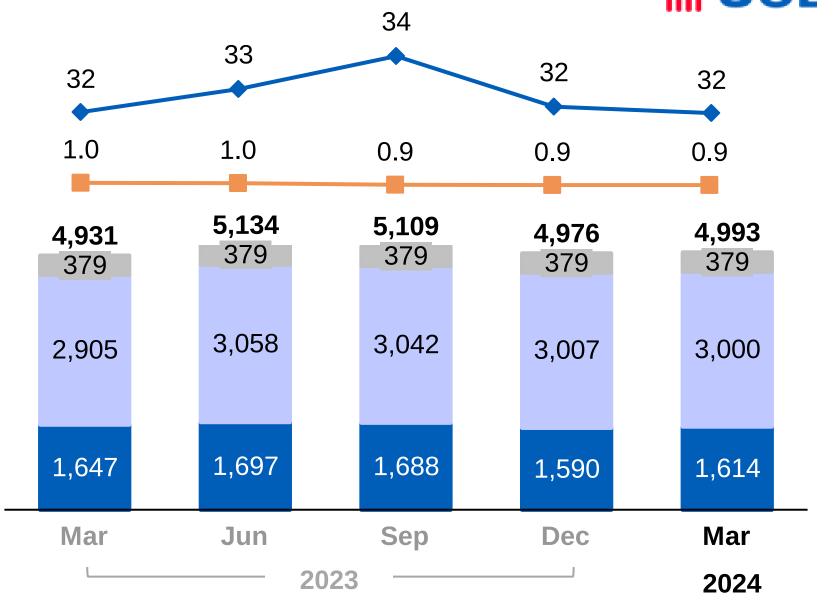
Total Allowance on Loans

- Total credit costs improved to 23bps from decline in specific allowance on lower NPL formation



Allowance Coverage

- Reserve buffer remained adequate with prudent coverage for performing loans at 0.9%
- Healthy NPA coverage at 99% or 204% taking collateral into account



	Mar 2023	Jun 2023	Sep 2023	Dec 2023	Mar 2024
NPA coverage (%) [2]	96	99	102	101	**99**
Unsecured NPA coverage (%) [2]	212	209	205	209	**204**

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

- Loans grew 1% QoQ and 3% YoY on constant currency basis
- Loans growth largely from selective good credits and trade

	Mar-24 $b	Dec-23 $b	Mar-23 $b	QoQ +/(-)%	YoY +/(-)%
Singapore	**157**	158	155	(1)	1
ASEAN-4	**69**	69	68	(1)	0
Malaysia	**31**	32	33	(1)	(5)
Thailand	**25**	25	24	(3)	4
Indonesia	**10**	10	10	4	4
Vietnam	**2**	2	2	2	8
North Asia	**55**	54	53	2	3
Greater China	**51**	49	50	3	2
Others	**4**	5	4	(11)	10
Rest of the world	**43**	40	39	6	10
Total	**323**	321	316	0	2
At constant FX basis	*323*	*321*	*313*	*1*	*3*

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

Total Funding

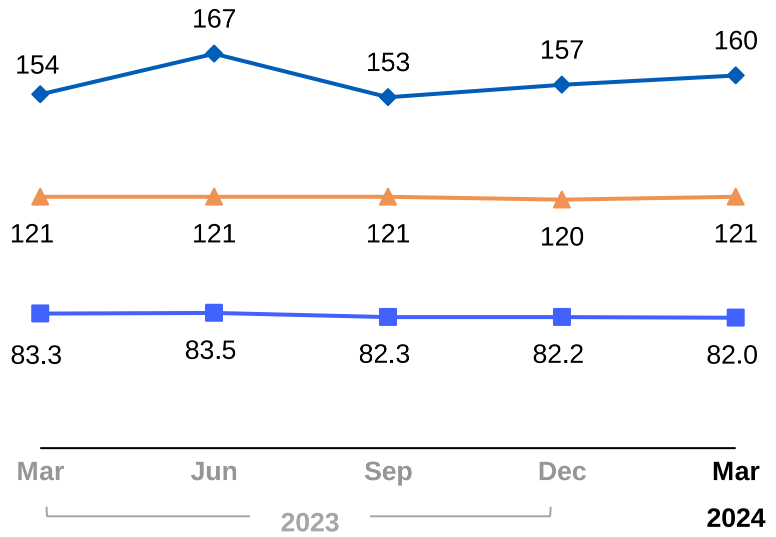
- Customer deposits up 1% QoQ and 4% YoY
- Healthy growth in CASA and CASA ratio surpassed 50% mark

	Mar-24 $b	Dec-23 $b	Mar-23 $b	QoQ +/(-)%	YoY +/(-)%
Singapore	**267**	264	254	1	5
ASEAN-4	**74**	73	73	1	1
Malaysia	**34**	34	34	0	2
Thailand	**27**	27	26	1	3
Indonesia	**10**	10	11	3	(4)
Vietnam	**2**	2	2	8	4
North Asia	**23**	24	22	(2)	6
Greater China	**23**	24	22	(3)	5
Others	**0**	0	0	53	47
Rest of the world	**24**	24	25	2	(3)
Total Customer Deposits	**388**	385	374	1	4
Wholesale funding [1]	**60**	71	60	(16)	(1)
Total funding	**448**	457	435	(2)	3
CASA/Deposit Ratio (%)	**50.6**	48.9	47.9	1.7	2.7

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

Liquidity Ratios

- Liquidity and funding positions remained comfortably above regulatory requirements

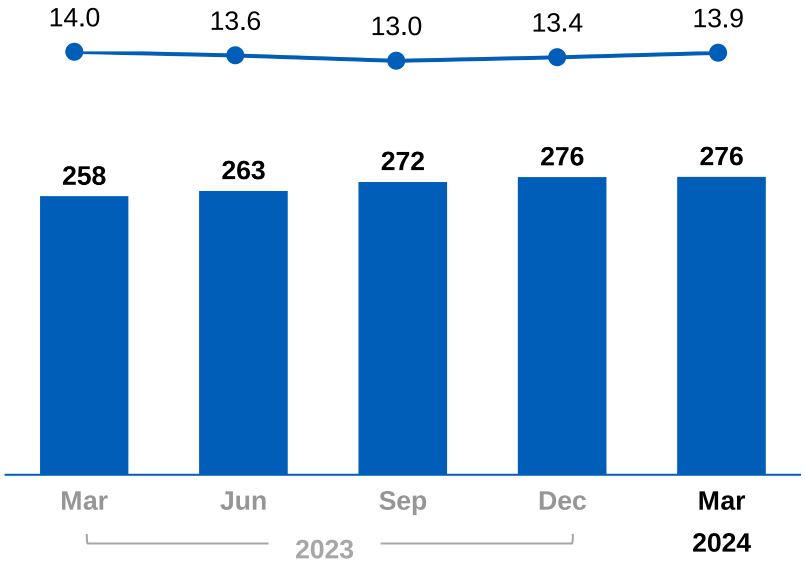


USD LDR (%)	**60.7**	**62.9**	**60.7**	**56.5**	**59.7**

All-currency LCR (%)
Loan/Deposit Ratio (LDR) (%)
Net Stable Fund Ratio (NSFR) (%)

Capital

- CET1 ratio rose to 13.9% from profit accretion while RWA remained stable

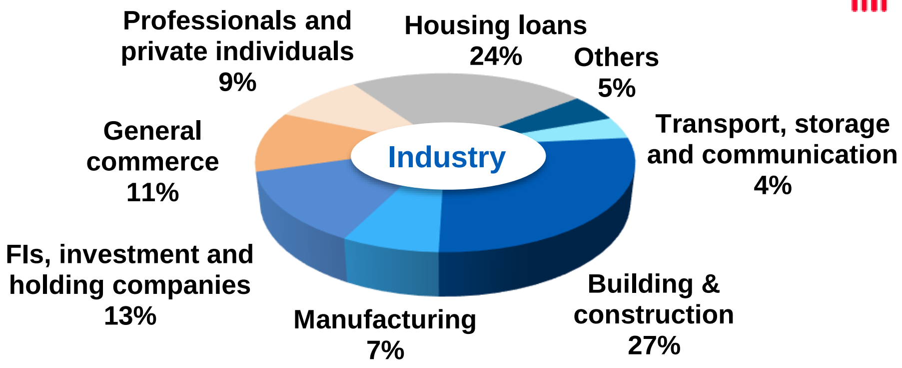


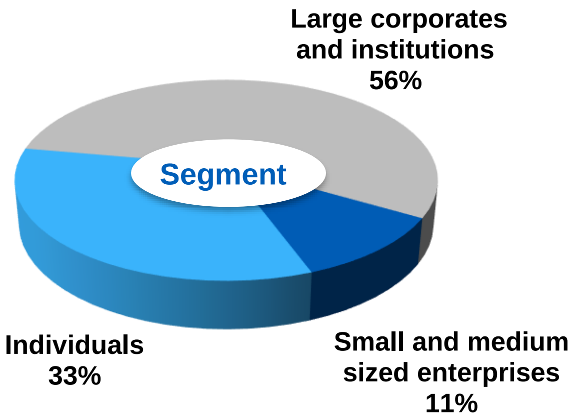
Leverage ratio (%)	7.0	7.0	6.8	6.9	7.0

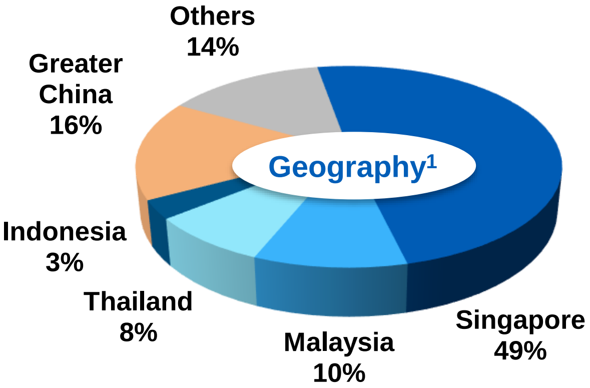
Appendix

- Loan Portfolio
- Exposure to Greater China
- Exposure to Commercial Real Estate - Office

Diversified loan portfolio







Note:
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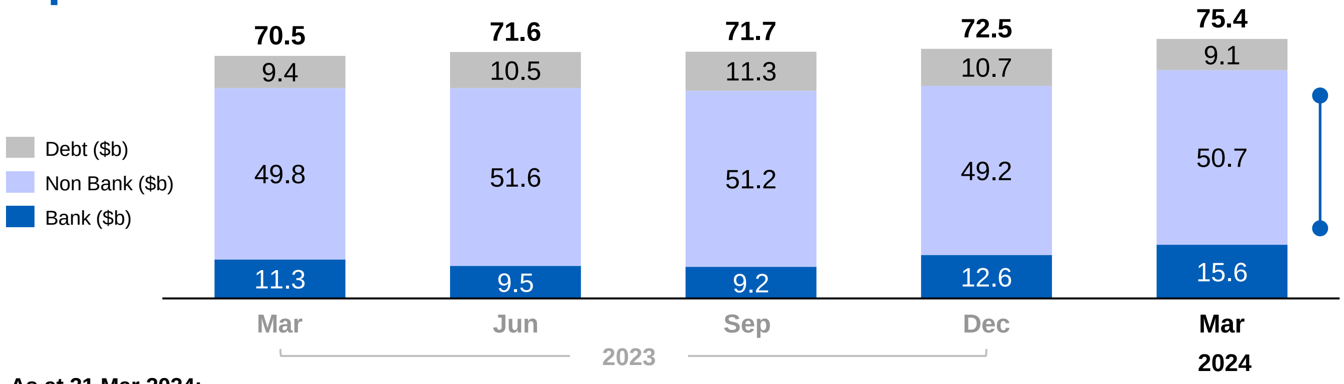
Exposure to Greater China



- ~$2.0b in loans to Chinese developers (*1% of group loans*)

As at 31 Mar 2024:

Mainland China exposure

($27.1b or 5% of total assets)

Bank exposure ($12.2b)

- ~ 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 ($11.8b)

- Client base include top-tier state-owned enterprises, large local corporates and foreign investment enterprises
- ~70% denominated in RMB and ~65% with <1 year tenor
- NPL ratio at 1.1%

Hong Kong SAR exposure

($42.5b or 8% of total assets)

Bank exposure ($1.1b)

- ~80% are to foreign banks

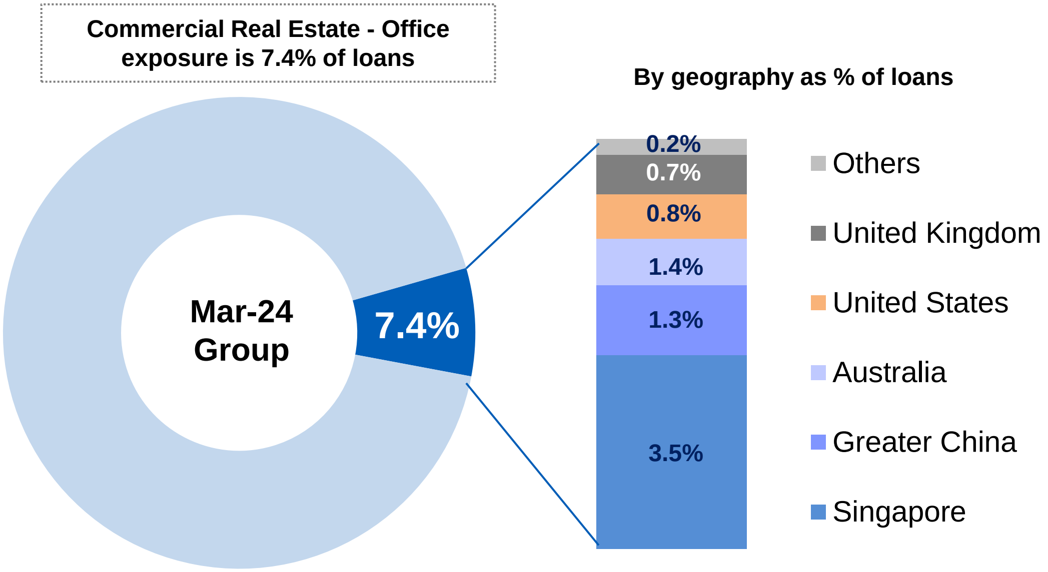
Non-bank exposure ($36.0b)

- Exposure mainly to corporate and institutional clients
- ~65% with <1 year tenor
- NPL ratio at 1.6%

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%



Thank You

Right By You