

Media Release

OCBC Group First Half 2024 Net Profit Up 9% to a Record S\$3.93 billion

Interim dividend raised 10% to 44 cents, from 40 cents a year ago

Singapore, 2 August 2024 – Oversea-Chinese Banking Corporation Limited (“OCBC”) reported net profit of S\$3.93 billion for the first half of 2024 (“1H24”), 9% higher as compared to S\$3.59 billion from the previous year (“1H23”).

The Group’s strong first half performance was underpinned by broad-based income growth which surpassed S\$7 billion for the first time, lifted by higher net interest income and non-interest income. Operating expenses were well controlled, with cost-to-income ratio (“CIR”) improving to 37.5%. Allowances were 14% lower at S\$313 million. Customer loans grew 3% in constant currency terms, while asset quality remained sound with non-performing loan (“NPL”) ratio trending lower to 0.9%. The Group maintained its healthy capital, funding and liquidity positions. On an annualised basis, return on equity improved to 14.5% and earnings per share was higher at S\$1.74.

The Board has declared an interim dividend of 44 cents, up 10% or 4 cents from a year ago. This represents a payout ratio of 50% of the Group’s 1H24 net profit.

1H24 Performance Highlights

		YoY	
Group Net Profit	S\$3.93b	+9% YoY	
	Total Income		
		S\$7.26b	+7%
		<i>Net Interest Income</i>	<i>S\$4.87b +3%</i>
		<i>Non-Interest Income</i>	<i>S\$2.39b +15%</i>
Banking Operations Net Profit	S\$3.42b	+6% YoY	
	Operating Expenses		
		S\$2.72b	+6%
		Net Interest Margin	2.23% <i>-5bps</i>
		Credit Costs	15bps <i>-6bps</i>
		Customer Loans	S\$304b <i>+3%</i> <i>(in constant currency terms)</i>
		Customer Deposits	S\$370b <i>-1%</i>
		NPL Ratio	0.9% <i>-0.2ppt</i>
		CET1 CAR	15.5% <i>+0.1ppt</i>
		All-ccy LCR	142% <i>-16ppt</i>
Dividend	44 cents	+4 cents YoY	
EPS (annualised)	S\$1.74	+9% YoY	
ROE (annualised)	14.5%	+0.2ppt YoY	

First Half 2024 Performance

S\$ million	1H24	1H23	YoY (%)
Net interest income	4,867	4,727	3
Non-interest income	2,388	2,078	15
<i>of which: Fees and commissions</i>	945	883	7
<i>Trading income</i>	726	566	28
<i>Income from life and general insurance</i>	583	500	17
Total income	7,255	6,805	7
Operating expenses	(2,719)	(2,573)	6
Operating profit before allowances	4,536	4,232	7
Allowances	(313)	(362)	(14)
Amortisation, tax and NCI	(795)	(791)	1
Associates	498	510	(2)
Group net profit	3,926	3,589	9
Group ROE – annualised	14.5%	14.3%	+0.2ppt

1H24 Year-on-Year Performance

Group net profit climbed 9% to S\$3.93 billion, lifted by record total income and lower allowances.

- Net interest income rose 3% to a new high of S\$4.87 billion. Average assets grew 5%, largely driven by an increase in high quality assets which were income-accretive, but lower yielding as compared to customer loans. This largely contributed to the moderation in net interest margin (“NIM”) by 5 basis points to 2.23%.
- Non-interest income rose 15% to S\$2.39 billion, from broad-based growth across various businesses.
 - Net fee income was 7% higher at S\$945 million, primarily driven by a 19% increase in wealth management fees from strong momentum across all wealth channels from an increase in customer activity.
 - Net trading income was up 28% to S\$726 million, lifted by customer flow treasury income which reached a new high.
 - Insurance income of S\$583 million was 17% above the previous year, largely attributed to stronger performance from the underlying insurance business. Total weighted new sales grew 34% to S\$973 million, underpinned by sustained sales momentum mainly from the Singapore and Malaysia markets. New business embedded value (“NBEV”) grew 16% to S\$339 million.

- The Group's wealth management income, comprising income from insurance, private banking, premier private client, premier banking, asset management and stockbroking, rose 14% to a record S\$2.54 billion. Group wealth management income accounted for 35% of the Group's 1H24 total income, up from 33% a year ago. The Group's wealth management AUM reached a new high of S\$279 billion, up from S\$274 billion in the previous year.
- Operating expenses increased 6% to S\$2.72 billion, mainly from higher staff costs, IT-related expenses as well as other operational expenses. The rise in staff costs largely reflected annual salary increments as well as continued investments to support the growth in the Group's franchise. CIR improved to 37.5% from 37.8% a year ago, as income growth outpaced the increase in operating expenses.
- Total allowances declined 14% from a year ago to S\$313 million.
- Share of results of associates was S\$498 million, down 2% from S\$510 million in 1H23.

Second Quarter 2024 Performance

S\$ million	2Q24	2Q23	YoY (%)	1Q24	QoQ (%)
Net interest income	2,430	2,389	2	2,437	–
Non-interest income	1,199	1,066	13	1,189	1
<i>of which: Fees and commissions</i>	466	430	8	479	(3)
<i>Trading income</i>	356	311	14	370	(4)
<i>Income from life and general insurance</i>	294	262	13	289	2
Total income	3,629	3,455	5	3,626	–
Operating expenses	(1,373)	(1,329)	3	(1,346)	2
Operating profit before allowances	2,256	2,126	6	2,280	(1)
Allowances	(144)	(252)	(43)	(169)	(14)
Amortisation, tax and NCI	(411)	(414)	(1)	(384)	7
Associates	243	250	(3)	255	(5)
Group net profit	1,944	1,710	14	1,982	(2)
Group ROE – annualised	14.2%	13.5%	+0.7ppt	14.7%	-0.5ppt

2Q24 Year-on-Year Performance

Group net profit of S\$1.94 billion was up 14% as compared to 2Q23, driven by income growth and a decline in allowances.

- Net interest income grew 2% to S\$2.43 billion from a year ago. This was led by a 5% increase in average assets, and partially offset by a 6 basis-point drop in NIM to 2.20%.
- Non-interest income rose 13% to S\$1.20 billion from robust fee, trading and insurance income growth.
- Operating expenses were S\$1.37 billion, up 3% from 2Q23, driven mainly by higher staff and IT-related costs. CIR improved to 37.8%, from 38.5% a year ago.
- Total allowances were S\$144 million, down 43% year-on-year, largely from a decline in allowances for non-impaired assets.
- Share of results of associates was 3% lower at S\$243 million.

2Q24 Quarter-on-Quarter Performance

Group net profit was 2% lower from 1Q24 at S\$1.94 billion.

- Net interest income was relatively unchanged from the previous quarter at S\$2.43 billion, underpinned by a 3% rise in average assets and offset by a decline in NIM. NIM was lower by 7 basis points, largely due to an increase in lower-yielding high quality assets and the tightening of loan yields alongside market rate movements.
- Non-interest income of S\$1.20 billion was 1% above 1Q24.
- Operating expenses rose 2% to S\$1.37 billion mainly from IT-related and other operational expenses. Integration costs relating to the acquisition of PT Bank Commonwealth in Indonesia of S\$12 million were also recognised in 2Q24.
- Total allowances were lower at S\$144 million, down 14% from S\$169 million in 1Q24.
- Share of results of associates was 5% lower as compared to a quarter ago.

Asset Quality and Allowances

S\$ million	Jun 2024	Jun 2023	Mar 2024	YoY	QoQ
Non-performing assets (NPAs)	2,901	3,275	3,040	-11%	-5%
Non-performing loan (NPL) ratio	0.9%	1.1%	1.0%	-0.2ppt	-0.1ppt
Total NPA coverage	155%	131%	146%	+24ppt	+9ppt
Allowances (S\$ million)	1H24	1H23	2Q24	2Q23	1Q24
Allowances for loans and other assets	313	362	144	252	169
<i>of which: Impaired</i>	334	108	154	52	180
<i>Non-impaired</i>	(21)	254	(10)	200	(11)
Credit costs (bps) ^{1/}	1H24	1H23	2Q24	2Q23	1Q24
Total loans	15	21	15	31	16
<i>of which: Impaired loans</i>	17	6	16	6	18

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

- Total NPAs were S\$2.90 billion as at 30 June 2024, 5% below the previous quarter and down 11% from a year ago. The quarter-on-quarter decline in NPAs was attributable to higher net recoveries, upgrades and write-offs. This more than offset new corporate NPA formation which was less than half of that of the previous quarter.
- NPL ratio of 0.9% was below the 1.0% in the previous quarter and 1.1% in the prior year. Allowance coverage for total NPAs increased to 155%.
- Total allowances were S\$313 million in 1H24, lower as compared to S\$362 million a year ago. Allowances in 1H24 comprised allowances for impaired assets of S\$334 million and write-back in allowances for non-impaired assets of S\$21 million.
- 2Q24 total allowances were S\$144 million, a decline of 14% from 1Q24. This was mainly due to lower allowances for impaired assets.
- Total credit costs for 1H24 were an annualised 15 basis points.

Strong Funding, Liquidity and Capital Position

S\$ billion	Jun 2024	Jun 2023	Mar 2024	YoY	QoQ
Loans	304	297	301	+2%	+1%
% Δ in constant currency terms				+3%	+1%
Deposits	370	372	370	-1%	–
of which: CASA deposits	177	169	175	+5%	+1%
CASA ratio	47.9%	45.3%	47.4%	+2.6ppt	+0.5ppt
CET1 CAR	15.5%	15.4%	16.2%	+0.1ppt	-0.7ppt
Leverage ratio	7.2%	7.1%	7.3%	+0.1ppt	-0.1ppt

- As at 30 June 2024, customer loans were S\$304 billion, up 3% from the previous year in constant currency terms.
 - Year-on-year, the S\$7 billion loan growth was driven by both non-trade corporate and housing loans. The expansion in loans was contributed by growth in Singapore, Malaysia, the United Kingdom and Australia.
 - Sustainable financing loans grew 33% from a year ago to S\$44.6 billion, against a total loan commitment of S\$63.3 billion.
- Customer deposits were 1% lower year-on-year at S\$370 billion, largely driven by a 5% decline in higher-cost fixed deposits. CASA deposits increased 5% or S\$8 billion from a year ago, and the CASA ratio rose to 47.9% from 45.3%.
- Loans-to-deposits ratio was 81.1%, higher than 78.8% a year ago.
- Group CET1 CAR was 15.5%, and the leverage ratio was 7.2%.

Interim Dividend

Cents Per Share	2024	2023
Interim dividend	44	40

- An interim dividend of 44 cents per share has been declared, up 10% or 4 cents from a year ago.
- The interim dividend payout will amount to S\$1.98 billion, representing a payout ratio of 50%.
- The Scrip Dividend Scheme will not be applicable to the interim dividend.

Message from Group CEO, *Helen Wong*

“We achieved a record set of earnings for the first half of 2024, with total income and net profit at new highs. This was driven by resilient performance across our key businesses in banking, wealth management and insurance. Our robust capital position has enabled us the flexibility to pursue growth opportunities, manage uncertainties, and increase shareholder returns. In line with our dividend policy, our interim dividend was raised by 10% to 44 cents per share, which represents a payout ratio of 50%.

Our performance underscores the progress we have made in executing our corporate strategy. We have strengthened our franchise, broadened our customer base and invested in our talent pool. We continued to capture trade, investment and wealth flows across ASEAN and Greater China, while supporting our customers to venture globally.

In May this year, we made a voluntary unconditional general offer for Great Eastern Holdings. At the close of the offer on 12 July 2024, we increased our stake by 4.88% to 93.32%. In addition, we have completed the acquisition of PT Bank Commonwealth Indonesia in May 2024.

As we look ahead, we are alert to the heightened level of geopolitical uncertainties. With our strong capital position, diversified earnings base and prudent approach towards risk management, we are well positioned to navigate the challenging macroeconomic landscape. We remain confident in the continued strength of our franchise to deliver enduring value to our stakeholders.”

FINANCIAL HIGHLIGHTS

S\$ million	1H24	1H23 ⁽²⁾	+ / (-) %	2Q24	2Q23 ⁽²⁾	+ / (-) %	1Q24	+ / (-) %
Selected Income Statement Items								
Net interest income	4,867	4,727	3	2,430	2,389	2	2,437	-
Non-interest income	2,388	2,078	15	1,199	1,066	13	1,189	1
Total income	7,255	6,805	7	3,629	3,455	5	3,626	-
Operating expenses	(2,719)	(2,573)	6	(1,373)	(1,329)	3	(1,346)	2
Operating profit before allowances and amortisation	4,536	4,232	7	2,256	2,126	6	2,280	(1)
Amortisation of intangible assets	(47)	(51)	(8)	(22)	(26)	(14)	(25)	(13)
Allowances for loans and other assets	(313)	(362)	(14)	(144)	(252)	(43)	(169)	(14)
Operating profit after allowances and amortisation	4,176	3,819	9	2,090	1,848	13	2,086	-
Share of results of associates, net of tax	498	510	(2)	243	250	(3)	255	(5)
Profit before income tax	4,674	4,329	8	2,333	2,098	11	2,341	-
Net profit attributable to equity holders	3,926	3,589	9	1,944	1,710	14	1,982	(2)
Cash basis net profit attributable to equity holders ^{1/}	3,973	3,640	9	1,966	1,736	13	2,007	(2)
Selected Balance Sheet Items								
Ordinary equity	55,219	50,942	8	55,219	50,942	8	55,170	-
Equity attributable to equity holders of the Bank	56,919	52,642	8	56,919	52,642	8	56,870	-
Total assets	598,890	582,942	3	598,890	582,942	3	597,177	-
Assets excluding investment securities and other assets for life insurance funds	500,839	487,290	3	500,839	487,290	3	498,004	1
Net loans to customers	299,980	293,532	2	299,980	293,532	2	296,932	1
Deposits of non-bank customers	369,835	372,462	(1)	369,835	372,462	(1)	369,841	-

Notes:

1. Excludes amortisation of intangible assets.
2. Certain comparative figures have been reclassified to conform with the current period's presentation.

FINANCIAL HIGHLIGHTS (continued)

	1H24	1H23	2Q24	2Q23	1Q24
Key Financial Ratios (%)					
Performance ratios					
Return on equity ^{1/ 2/}	14.5	14.3	14.2	13.5	14.7
Return on assets ^{3/}	1.60	1.53	1.56	1.43	1.64
Revenue mix/efficiency ratios					
Net interest margin	2.23	2.28	2.20	2.26	2.27
Non-interest income to total income	32.9	30.5	33.0	30.8	32.8
Cost-to-income	37.5	37.8	37.8	38.5	37.1
Loans-to-deposits	81.1	78.8	81.1	78.8	80.3
NPL ratio	0.9	1.1	0.9	1.1	1.0
Capital adequacy ratios ^{8/}					
Common Equity Tier 1	15.5	15.4	15.5	15.4	16.2
Tier 1	16.2	16.2	16.2	16.2	16.9
Total	17.9	17.8	17.9	17.8	18.4
Leverage ratio ^{5/ 8/}	7.2	7.1	7.2	7.1	7.3
Liquidity coverage ratios ^{6/ 8/}					
Singapore dollar	304	400	316	410	292
All-currency	142	158	138	164	146
Net stable funding ratio ^{7/ 8/}	114	119	114	119	115
Earnings per share (S\$) ^{2/}					
Basic earnings	1.74	1.60	1.72	1.51	1.76
Diluted earnings	1.74	1.59	1.72	1.51	1.76
Net asset value per share (S\$)	12.29	11.33	12.29	11.33	12.27

Notes:

- Other equity instruments and non-controlling interests are not included in the computation for return on equity.
- Calculated based on net profit less distributions on other equity instruments paid and estimated to be due at the end of the financial period.
- Computation of return on assets excludes life insurance fund investment securities and other assets.
- Return on equity, return on assets, net interest margin and earnings per share are computed on an annualised basis.
- The Group's Leverage ratio is computed based on MAS Notice 637.
- The Group's Liquidity coverage ratios ("LCR") are computed based on MAS Notice 649 and reported based on the average LCR for the respective periods.
- The Group's Net stable funding ratio is computed based on MAS Notice 652.
- Public disclosures required under MAS Notice 637, MAS Notice 651 and MAS Notice 653 can be found in the Capital and Regulatory Disclosures section of the Bank's Investor Relations website (<https://www.ocbc.com/group/investors/investor-information#pillarthreedisclosures>).

FINANCIAL HIGHLIGHTS *(continued)*

NET INTEREST INCOME

Average Balance Sheet

S\$ million	1H24			1H23		
	Average Balance	Interest	Average Rate ^{2/} %	Average Balance	Interest	Average Rate ^{2/} %
Interest earning assets						
Loans to customers	294,056	7,847	5.37	289,641	7,117	4.95
Placements with and loans to banks	66,401	1,796	5.44	61,091	1,603	5.29
Other interest earning assets	77,903	1,587	4.10	67,419	1,126	3.37
	438,360	11,230	5.15	418,151	9,846	4.75
Interest bearing liabilities						
Deposits of non-bank customers	367,384	5,314	2.91	362,032	4,515	2.51
Deposits and balances of banks	13,119	272	4.18	11,618	196	3.40
Other borrowings	28,458	777	5.49	17,048	408	4.83
	408,961	6,363	3.13	390,698	5,119	2.64
Net interest income/margin ^{1/}		4,867	2.23		4,727	2.28

Notes:

1. Net interest margin is net interest income as a percentage of interest earning assets.
2. Average rates are computed on an annualised basis.

Volume and Rate Analysis

Increase/(decrease) due to change in: S\$ million	1H24 vs 1H23		
	Volume	Rate	Net change
Interest income			
Loans to customers	109	582	691
Placements with and loans to banks	140	45	185
Other interest earning assets	176	278	454
	425	905	1,330
Interest expense			
Deposits of non-bank customers	67	707	774
Deposits and balances of banks	25	50	75
Other borrowings	275	92	367
	367	849	1,216
Impact on net interest income	58	56	114
Due to change in number of days			26
Net interest income			140

FINANCIAL HIGHLIGHTS *(continued)*

NON-INTEREST INCOME

S\$ million	1H24	1H23	+/(-) %
Gross fee and commission income			
Brokerage	40	39	3
Credit card	199	174	14
Fund management	54	55	(3)
Guarantees	7	7	(4)
Investment banking	46	53	(12)
Loan-related	101	98	3
Service charges	63	62	1
Trade-related and remittances	131	135	(3)
Wealth management	514	438	17
Others	12	10	24
	1,167	1,071	9
Fee and commission expense	(222)	(188)	18
Fees and commissions (net)	945	883	7
Net trading income	726	566	28
Income from life and general insurance			
Insurance service results from life insurance	351	358	(2)
Net investment income from life insurance	3,322	2,625	27
Net insurance financial result from life insurance	(3,102)	(2,497)	24
Insurance service results from general insurance	12	14	(18)
Sub-total	583	500	17
Other income			
Disposal of investment securities	16	38	(59)
Disposal of property, plant and equipment	16	19	(11)
Rental and property-related income	44	43	3
Dividends from FVOCI securities	17	16	3
Others	41	13	225
Sub-total	134	129	5
Total non-interest income	2,388	2,078	15

FINANCIAL HIGHLIGHTS *(continued)*

OPERATING EXPENSES

S\$ million	1H24	1H23	+/(-) %
Staff costs	1,851	1,753	6
Property and equipment			
Depreciation	209	212	(2)
Maintenance and rental	86	78	12
Others	186	162	15
	481	452	6
Other operating expenses	387	368	5
Total operating expenses	2,719	2,573	6
Group staff strength			
Period end	34,099	32,675	4
Average	33,703	32,202	5

ALLOWANCES FOR LOANS AND OTHER ASSETS

S\$ million	1H24	1H23	+/(-) %
Allowances/(write-back):			
Impaired loans			
Singapore	53	9	498
Malaysia	(26)	(27)	3
Indonesia	9	16	(45)
Greater China	79	3	nm
Others	136	92	48
	251	93	170
Impaired other assets	83	15	465
Non-impaired loans	(27)	256	nm
Non-impaired other assets	6	(2)	nm
Allowances for loans and other assets	313	362	(14)

FINANCIAL HIGHLIGHTS *(continued)*

LOANS TO CUSTOMERS

S\$ million	30 Jun 2024	31 Dec 2023	30 Jun 2023
Gross loans	303,983	296,653	297,356
Allowances			
Impaired loans	(1,422)	(1,328)	(1,352)
Non-impaired loans	(2,581)	(2,571)	(2,472)
Net loans	299,980	292,754	293,532
By Maturity			
Within 1 year	112,665	108,629	113,614
1 to 3 years	54,822	57,779	53,308
Over 3 years	136,496	130,245	130,434
	303,983	296,653	297,356
By Industry			
Agriculture, mining and quarrying	5,969	6,808	8,547
Manufacturing	14,538	14,186	14,179
Building and construction	93,568	93,165	94,550
Housing loans	64,836	63,833	63,100
General commerce	29,457	27,411	26,126
Transport, storage and communication	18,467	16,113	14,550
Financial institutions, investment and holding companies	24,269	24,093	24,519
Professionals and individuals	31,983	31,708	33,178
Others	20,896	19,336	18,607
	303,983	296,653	297,356
By Currency			
Singapore Dollar	113,903	112,367	111,188
United States Dollar	63,159	59,553	63,078
Malaysian Ringgit	17,373	17,592	17,360
Indonesian Rupiah	10,227	9,827	9,523
Hong Kong Dollar	36,277	37,583	39,169
Chinese Renminbi	9,050	8,623	7,236
Others	53,994	51,108	49,802
	303,983	296,653	297,356
By Geography ^{1/}			
Singapore	126,153	123,369	123,212
Malaysia	24,184	23,604	23,260
Indonesia	19,119	19,088	18,806
Greater China	70,551	71,301	72,616
Other Asia Pacific	24,257	22,641	21,504
Rest of the World	39,719	36,650	37,958
	303,983	296,653	297,356

Note:

- Loans by geography are determined based on where the credit risk resides, which may be different from the borrower's country of residence or the booking location of the loans.

FINANCIAL HIGHLIGHTS *(continued)*

NON-PERFORMING ASSETS

S\$ million	Total NPAs ^{1/}	Substandard	Doubtful	Loss	NPLs ^{2/}	NPL Ratio ^{2/}
						%
Singapore						
30 Jun 2024	441	117	202	122	386	0.3
31 Dec 2023	403	128	178	97	347	0.3
30 Jun 2023	421	190	133	98	367	0.3
Malaysia						
30 Jun 2024	642	280	140	222	619	2.6
31 Dec 2023	710	293	196	221	682	2.9
30 Jun 2023	818	394	168	256	789	3.4
Indonesia						
30 Jun 2024	553	97	224	232	553	2.9
31 Dec 2023	532	119	219	194	532	2.8
30 Jun 2023	648	220	222	206	647	3.4
Greater China						
30 Jun 2024	666	274	345	47	666	1.0
31 Dec 2023	659	279	349	31	659	0.9
30 Jun 2023	829	385	412	32	829	1.1
Other Asia Pacific						
30 Jun 2024	237	38	198	1	236	1.0
31 Dec 2023	110	33	76	1	109	0.5
30 Jun 2023	82	36	46	#	82	0.4
Rest of the World						
30 Jun 2024	362	100	262	#	357	0.9
31 Dec 2023	487	103	383	1	476	1.3
30 Jun 2023	477	170	307	#	467	1.2
Group						
30 Jun 2024	2,901	906	1,371	624	2,817	0.9
31 Dec 2023	2,901	955	1,401	545	2,805	1.0
30 Jun 2023	3,275	1,395	1,288	592	3,181	1.1

Notes:

1. Refer to Non-performing assets. Comprise loans to customers, debt securities and contingent liabilities.
2. Refer to Non-performing loans. Exclude debt securities and contingent liabilities.
3. Amounts less than S\$0.5 million are shown as "#".

FINANCIAL HIGHLIGHTS *(continued)*

NON-PERFORMING ASSETS *(continued)*

	30 Jun 2024		31 Dec 2023		30 Jun 2023	
	S\$ million	% of gross loans	S\$ million	% of gross loans	S\$ million	% of gross loans
NPLs by Industry						
Loans and advances						
Agriculture, mining and quarrying	37	0.6	38	0.6	50	0.6
Manufacturing	413	2.8	423	3.0	514	3.6
Building and construction	660	0.7	583	0.6	685	0.7
Housing loans	520	0.8	503	0.8	529	0.8
General commerce	281	1.0	264	1.0	300	1.1
Transport, storage and communication	117	0.6	221	1.4	319	2.2
Financial institutions, investment and holding companies	140	0.6	149	0.6	163	0.7
Professionals and individuals	100	0.3	105	0.3	113	0.3
Others	549	2.6	519	2.7	508	2.7
Total NPLs	2,817	0.9	2,805	1.0	3,181	1.1
Classified debt securities	–		–		–	
Classified contingent liabilities	84		96		94	
Total NPAs	2,901		2,901		3,275	

	30 Jun 2024		31 Dec 2023		30 Jun 2023	
	S\$ million	%	S\$ million	%	S\$ million	%
NPAs by Period Overdue						
Over 180 days	1,064	37	953	33	1,077	33
Over 90 to 180 days	395	13	368	13	397	12
30 to 90 days	314	11	253	9	350	11
Less than 30 days	225	8	274	9	184	5
Not overdue	903	31	1,053	36	1,267	39
	2,901	100	2,901	100	3,275	100

S\$ million	30 Jun 2024		31 Dec 2023		30 Jun 2023	
	Loan	Allowance	Loan	Allowance	Loan	Allowance
Restructured Loans						
Substandard	146	31	156	76	281	147
Doubtful	247	218	289	249	270	180
Loss	92	63	91	67	112	92
	485	312	536	392	663	419

FINANCIAL HIGHLIGHTS (continued)

DEPOSITS

S\$ million	30 Jun 2024	31 Dec 2023	30 June 2023
Deposits of non-bank customers	369,835	363,770	372,462
Deposits and balances of banks	13,461	10,884	13,795
Total deposits	383,296	374,654	386,257
Total Deposits by Maturity			
Within 1 year	379,662	371,693	380,946
1 to 3 years	2,715	1,701	3,797
Over 3 years	919	1,260	1,514
	383,296	374,654	386,257
Non-Bank Deposits by Product			
Fixed deposits	156,568	149,994	164,526
Savings deposits	75,931	72,527	66,258
Current accounts	101,043	104,465	102,610
Others	36,293	36,784	39,068
	369,835	363,770	372,462
Non-Bank Deposits by Currency			
Singapore Dollar	139,979	137,641	146,071
United States Dollar	126,726	121,018	122,255
Malaysian Ringgit	19,468	20,502	19,577
Indonesian Rupiah	11,801	11,806	12,258
Hong Kong Dollar	32,802	30,061	29,214
Chinese Renminbi	8,790	9,803	9,464
Others	30,269	32,939	33,623
	369,835	363,770	372,462

CAPITAL ADEQUACY RATIOS ^{1/}

The Group remained strongly capitalised, with a Common Equity Tier 1 (“CET1”) capital adequacy ratio (“CAR”) of 15.5%, and Tier 1 and Total CAR of 16.2% and 17.9% respectively. These ratios were well above the regulatory minima of 6.5%, 8% and 10%, respectively, for 2024. ^{2/}

S\$ million	30 Jun 2024	31 Dec 2023	30 Jun 2023
Ordinary shares	18,029	18,045	18,037
Disclosed reserves/others	31,085	29,199	27,895
Regulatory adjustments	(10,016)	(9,559)	(9,268)
Common Equity Tier 1 Capital	39,098	37,685	36,664
Additional Tier 1 capital	1,736	1,285	1,733
Regulatory adjustments	–	–	–
Tier 1 Capital	40,834	38,970	38,397
Tier 2 capital	4,313	3,768	3,767
Regulatory adjustments	–	–	–
Total Eligible Capital	45,147	42,738	42,164
Risk Weighted Assets	251,747	236,694	237,484
Capital Adequacy Ratios			
Common Equity Tier 1	15.5%	15.9%	15.4%
Tier 1	16.2%	16.5%	16.2%
Total	17.9%	18.1%	17.8%

Notes:

- Public disclosures required under MAS Notice 637 can be found in the Capital and Regulatory Disclosures section of the Bank’s Investor Relations website (<https://www.ocbc.com/group/investors/investor-information#pillarthree disclosures>).
- In addition to these minimum capital requirements, the Group is required to meet Capital Conservation Buffer (“CCB”) of 2.5% and Countercyclical Buffer (“CCyB”) of up to 2.5%. The CCyB is not an on-going requirement and the applicable magnitude will be the weighted average of the country-specific CCyB requirements that are being applied by national authorities in jurisdictions to which the Bank has private sector credit exposures.

FINANCIAL HIGHLIGHTS *(continued)*

PERFORMANCE BY BUSINESS SEGMENT

OCBC Group's businesses are presented in the following customer segments and business activities: Global Consumer/Private Banking, Global Wholesale Banking, Global Markets and Insurance.

Profit Before Income Tax by Business Segment

S\$ million	1H24	1H23	+/(-) %
Global Consumer/Private Banking	1,173	1,123	4
Global Wholesale Banking	1,720	2,123	(19)
Global Markets	212	34	527
Insurance	700	524	34
Others	869	525	65
Profit before income tax	4,674	4,329	8

Global Consumer/Private Banking

Global Consumer/Private Banking provides a full range of products and services to individual customers. At Global Consumer Banking, the products and services offered include deposit products (checking accounts, savings and fixed deposits), consumer loans (housing loans and other personal loans), credit cards, wealth management products (unit trusts, bancassurance products and structured deposits) and brokerage services. Private Banking caters to the specialised banking needs of high net worth individuals, offering wealth management expertise, including investment advice and portfolio management services, estate and trust planning, and wealth structuring.

Global Consumer/Private Banking's 1H24 profit before income tax grew 4% to S\$1.17 billion, driven by wealth management fees which was partly offset by an increase in expenses and allowances.

Global Wholesale Banking

Global Wholesale Banking serves institutional customers ranging from large corporates and the public sector to small and medium enterprises. The business provides a full range of financing solutions including long-term project financing, short-term credit, working capital and trade financing, as well as customised and structured equity-linked financing. It also provides customers with a broad range of products and services such as cash management and custodian services, capital market solutions, corporate finance services and advisory banking, and treasury products.

Global Wholesale Banking's profit before income tax was down 19% to S\$1.72 billion in 1H24, from a decline in net interest income, coupled with higher expenses and allowances.

FINANCIAL HIGHLIGHTS *(continued)*

PERFORMANCE BY BUSINESS SEGMENT *(continued)*

Global Markets

Global Markets is responsible for the management of the Group's asset and liability interest rate positions, engages in foreign exchange activities, money market operations, fixed income and derivatives trading, and offers structured treasury products and financial solutions to meet customers' investment and hedging needs. Income from treasury products and services offered to customers in Global Consumer/Private Banking and Global Wholesale Banking, is reflected in the respective business segments.

Global Markets' profit before income tax rose 527% to S\$212 million in 1H24, led by higher net interest income and lower expenses.

Insurance

The Group's insurance business, including its fund management activities, is undertaken by 90.0%-owned subsidiary GEH and its subsidiaries, which provide both life and general insurance products to its customers mainly in Singapore and Malaysia.

GEH's 1H24's profit before income tax grew 34% to \$700 million, mainly attributable to stronger performance from its life insurance business.

After tax and non-controlling interests, GEH's contribution to the Group's net profit was S\$504 million in 1H24, higher than S\$361 million in 1H23.

Others

Others comprise mainly property holding, investment holding and items not attributable to the business segments described above.

Where there are material changes in the organisational structure and management reporting methodologies, segment information for prior periods is reclassified to allow comparability.

About OCBC

OCBC is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is one of the world's most highly-rated banks, with Aa1 by Moody's and AA- by both Fitch and S&P. Recognised for its financial strength and stability, OCBC is consistently ranked among the World's Top 50 Safest Banks by Global Finance and has been named Best Managed Bank in Singapore by The Asian Banker.

OCBC is the second largest financial services group in Southeast Asia by assets. The Group offers a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC's private banking services are provided by its wholly-owned subsidiary Bank of Singapore, which operates on a unique open-architecture product platform to source for the best-in-class products to meet its clients' goals. Its insurance subsidiary, Great Eastern Holdings, is the oldest and most established life insurance group in Singapore and Malaysia. Its asset management subsidiary, Lion Global Investors, is one of the leading asset management companies in Southeast Asia. Its brokerage subsidiary, OCBC Securities, is one of the leading securities firms in Singapore.

The Group's key markets are Singapore, Malaysia, Indonesia and Greater China. It has close to 420 branches and representative offices in 19 countries and regions.

For more information, please visit www.ocbc.com.

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