

## **To Our Shareholders**

The Board of Directors of Oversea-Chinese Banking Corporation Limited (“OCBC”) reports the following:

### **Unaudited Financial Results for the Half Year Ended 30 June 2021**

For the half year ended 30 June 2021, the Group reported net profit after tax was S\$2.66 billion. Details of the financial results are in the accompanying Unaudited Condensed Interim Financial Statements.

### **Ordinary Dividend**

An interim tax exempt dividend of 25 cents per share (2020: 15.9 cents tax exempt) has been declared for the first half year 2021. The interim dividend payout will amount to an estimated S\$1,126 million (2020: S\$700 million) or approximately 42% of the Group’s net profit after tax of S\$2.66 billion for 1H21.

### **Closure of Books**

The record date is 16 August 2021. Please refer to the separate announcement titled “Notice of Books Closure and Payment of Interim One-Tier Tax Exempt Dividend on Ordinary Shares for the Financial Year Ending 31 December 2021” released by the Bank today.

### **Scrip Dividend Scheme**

The Oversea-Chinese Banking Corporation Limited Scrip Dividend Scheme, which was approved by the Shareholders of the Bank at the Extraordinary General Meeting on 8 June 1996, will not be applicable to the interim dividend.

Peter Yeoh  
Secretary

Singapore, 4 August 2021

More details on the results are available on the Bank’s website at [www.ocbc.com](http://www.ocbc.com)

**Oversea-Chinese Banking Corporation Limited  
and its Subsidiaries**

**Unaudited Condensed Interim Financial Statements  
For the Half Year ended 30 June 2021**



Incorporated in Singapore  
Company Registration Number: 193200032W

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### **Attachment: Confirmation by the Board**

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

For the half year ended 30 June 2021

S\$ million	Note	GROUP	
		1H 2021	1H 2020
Interest income		3,711	5,229
Interest expense		(809)	(2,120)
<b>Net interest income</b>	3	<b>2,902</b>	<b>3,109</b>
Profit from life insurance <sup>(1)</sup>	4	627	338
Premium income from general insurance		97	101
Fees and commissions (net)	5	1,148	986
Dividends		48	30
Net trading income		528	343
Other income	6	136	208
<b>Non-interest income</b>		<b>2,584</b>	<b>2,006</b>
<b>Total income</b>		<b>5,486</b>	<b>5,115</b>
Staff costs		(1,486)	(1,403)
Other operating expenses	7	(801)	(813)
<b>Total operating expenses</b>		<b>(2,287)</b>	<b>(2,216)</b>
<b>Operating profit before allowances and amortisation</b>		<b>3,199</b>	<b>2,899</b>
Amortisation of intangible assets		(51)	(53)
Allowances for loans and other assets	8	(393)	(1,407)
<b>Operating profit after allowances and amortisation</b>		<b>2,755</b>	<b>1,439</b>
Share of results of associates, net of tax		422	328
<b>Profit before income tax</b>		<b>3,177</b>	<b>1,767</b>
Income tax expense		(413)	(281)
<b>Profit for the financial period</b>		<b>2,764</b>	<b>1,486</b>
<b>Attributable to:</b>			
Equity holders of the Bank		2,661	1,428
Non-controlling interests		103	58
		<b>2,764</b>	<b>1,486</b>
<b>Earnings per share (S\$)</b>			
Basic		0.59	0.32
Diluted		0.59	0.32

<sup>(1)</sup> Comprised premium and investment income of S\$9,543 million (1H20: S\$7,456 million) and insurance claims, commission and other expenses of S\$8,916 million (1H20: S\$7,118 million) for the Group. Refer to Note 4.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half year ended 30 June 2021

S\$ million	GROUP	
	1H 2021	1H 2020
<b>Profit for the financial period</b>	<b>2,764</b>	1,486
<b>Other comprehensive income:</b>		
<b>Items that may be reclassified subsequently to income statement:</b>		
Financial assets, at FVOCI <sup>(1)</sup>		
Fair value (losses)/gains for the financial period	<b>(382)</b>	587
Reclassification of (gains)/losses to income statement		
– on disposal	<b>(98)</b>	(399)
– on impairment	<b>6</b>	10
Tax on net movements	<b>64</b>	(7)
Cash flow hedges	<b>(#)</b>	2
Currency translation on foreign operations <sup>(2)</sup>	<b>45</b>	434
Other comprehensive income of associates	<b>160</b>	93
<b>Items that will not be reclassified subsequently to income statement:</b>		
Currency translation on foreign operations <sup>(2)</sup>	<b>(10)</b>	3
Financial assets, at FVOCI <sup>(1)</sup> , net change in fair value	<b>79</b>	(193)
Defined benefit plans remeasurements	<b>#</b>	#
Own credit	<b>1</b>	1
<b>Total other comprehensive income, net of tax</b>	<b>(135)</b>	531
<b>Total comprehensive income for the financial period, net of tax</b>	<b>2,629</b>	2,017
<b>Total comprehensive income attributable to:</b>		
Equity holders of the Bank	<b>2,545</b>	1,975
Non-controlling interests	<b>84</b>	42
	<b>2,629</b>	2,017

<sup>(1)</sup> Fair value through other comprehensive income.

<sup>(2)</sup> Comparatives have been reclassified to conform to current period's presentation.

<sup>(3)</sup> # represents amounts less than S\$0.5 million.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

As at 30 June 2021

S\$ million	Note	GROUP		BANK	
		30 June 2021	31 December 2020	30 June 2021	31 December 2020
<b>EQUITY</b>					
<b>Attributable to equity holders of the Bank</b>					
Share capital	10	18,184	17,833	18,184	17,833
Other equity instruments		1,198	1,198	1,198	1,198
Capital reserves		791	1,229	570	994
Fair value reserves		1,047	1,358	182	300
Revenue reserves		30,553	28,004	15,575	14,560
		51,773	49,622	35,709	34,885
<b>Non-controlling interests</b>		1,610	1,554	–	–
<b>Total equity</b>		53,383	51,176	35,709	34,885
<b>LIABILITIES</b>					
Deposits of non-bank customers	11	316,776	314,907	202,298	197,745
Deposits and balances of banks	11	9,976	9,586	7,603	7,408
Due to subsidiaries		–	–	23,464	25,793
Due to associates		489	406	205	200
Trading portfolio liabilities		203	339	203	339
Derivative payables		9,555	15,516	8,223	13,768
Other liabilities		8,476	8,093	1,872	1,886
Current tax payables		866	745	345	366
Deferred tax liabilities		1,958	1,818	223	223
Debt issued	12	21,226	24,355	20,526	23,397
		369,525	375,765	264,962	271,125
Life insurance fund liabilities		98,223	94,454	–	–
<b>Total liabilities</b>		467,748	470,219	264,962	271,125
<b>Total equity and liabilities</b>		521,131	521,395	300,671	306,010
<b>ASSETS</b>					
Cash and placements with central banks		22,234	26,525	18,038	20,969
Singapore government treasury bills and securities		11,103	10,628	9,943	9,294
Other government treasury bills and securities		23,130	22,663	8,789	9,411
Placements with and loans to banks		27,280	32,816	19,696	24,083
Loans to customers	13	271,027	263,538	177,769	170,651
Debt and equity securities		34,584	33,143	19,548	17,844
Assets held for sale		11	2	3	–
Derivative receivables		9,213	15,223	7,854	13,518
Other assets		7,316	5,806	2,451	3,135
Deferred tax assets		175	133	53	41
Associates		5,107	4,633	1,764	1,749
Subsidiaries		–	–	31,731	32,272
Property, plant and equipment		3,535	3,567	686	698
Investment property		818	813	479	478
Goodwill and intangible assets		4,816	4,837	1,867	1,867
		420,349	424,327	300,671	306,010
Life insurance fund investment securities and other assets		100,782	97,068	–	–
<b>Total assets</b>		521,131	521,395	300,671	306,010
<b>Net asset value per ordinary share – S\$</b>		11.23	10.82	7.66	7.53
<b>OFF-BALANCE SHEET ITEMS</b>					
Contingent liabilities		15,092	13,292	11,381	9,671
Commitments		165,692	164,031	100,323	96,768
Derivative financial instruments		982,033	996,152	722,242	786,174

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - GROUP

For the half year ended 30 June 2021

S\$ million	Attributable to equity holders of the Bank					Non-controlling interests	Total equity
	Share capital and other equity	Capital reserves <sup>(1)</sup>	Fair value reserves	Revenue reserves	Total		
<b>Balance at 1 January 2021</b>	19,031	1,229	1,358	28,004	49,622	1,554	51,176
<b>Total comprehensive income for the financial period</b>							
<b>Profit for the financial period</b>	-	-	-	2,661	2,661	103	2,764
<b>Other comprehensive income</b>							
<b>Items that may be reclassified subsequently to income statement:</b>							
Financial assets, at FVOCI							
Fair value losses for the financial period	-	-	(360)	-	(360)	(22)	(382)
Reclassification of (gains)/losses to income statement							
- on disposal	-	-	(90)	-	(90)	(8)	(98)
- on impairment	-	-	5	-	5	1	6
Tax on net movements	-	-	59	-	59	5	64
Cash flow hedges	-	-	-	(#)	(#)	-	(#)
Currency translation on foreign operations	-	-	-	45	45	-	45
Other comprehensive income of associates	-	-	38	122	160	-	160
<b>Items that will not be reclassified subsequently to income statement:</b>							
Currency translation on foreign operations	-	-	-	-	-	(10)	(10)
Financial assets, at FVOCI, net change in fair value	-	-	37	27	64	15	79
Defined benefit plans remeasurements	-	-	-	#	#	#	#
Own credit	-	-	-	1	1	-	1
<b>Total other comprehensive income, net of tax</b>	-	-	(311)	195	(116)	(19)	(135)
<b>Total comprehensive income for the financial period</b>	-	-	(311)	2,856	2,545	84	2,629
<b>Transactions with owners, recorded directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Transfers	-	(429)	-	429	-	-	-
Buy-back of shares held as treasury shares	(190)	-	-	-	(190)	-	(190)
Dividends and distributions	-	-	-	(359)	(359)	(28)	(387)
Share-based payments for staff costs	-	6	-	-	6	-	6
Shares issued in lieu of ordinary dividends	376	-	-	(376)	-	-	-
Shares issued to non-executive directors	#	-	-	-	#	-	#
Shares issued under Share Option Scheme	1	-	-	-	1	-	1
Shares transferred to DSP Trust	83	(87)	-	-	(4)	-	(4)
Shares vested under DSP Scheme	-	72	-	-	72	-	72
Treasury shares transferred/sold	81	-	-	-	81	-	81
<b>Total contributions by and distributions to owners</b>	351	(438)	-	(306)	(393)	(28)	(421)
Changes in interests in a subsidiary that do not result in loss of control	-	-	-	(1)	(1)	(#)	(1)
<b>Total changes in interests in a subsidiary</b>	-	-	-	(1)	(1)	(#)	(1)
<b>Balance at 30 June 2021</b>	19,382	791	1,047	30,553	51,773	1,610	53,383
Included in the balances:							
Share of reserves of associates	-	-	85	2,638	2,723	-	2,723

(1) Included regulatory loss allowance reserve of S\$874 million at 1 January 2021 and S\$444 million at 30 June 2021. S\$430m was transferred from regulatory loss allowance reserve to revenue reserves during the half year ended 30 June 2021.

(2) # represents amounts less than S\$0.5 million.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - GROUP

For the half year ended 30 June 2021

S\$ million	Attributable to equity holders of the Bank					Non-controlling interests	Total equity
	Share capital and other equity	Capital reserves <sup>(1)</sup>	Fair value reserves	Revenue reserves	Total		
<b>Balance at 1 January 2020</b>	18,758	1,253	919	26,232	47,162	1,441	48,603
<b>Total comprehensive income for the financial period</b>							
<b>Profit for the financial period</b>	–	–	–	1,428	1,428	58	1,486
<b>Other comprehensive income</b>							
<b>Items that may be reclassified subsequently to income statement:</b>							
Financial assets, at FVOCI							
Fair value gains for the financial period	–	–	553	–	553	34	587
Reclassification of (gains)/losses to income statement							
- on disposal	–	–	(366)	–	(366)	(33)	(399)
- on impairment	–	–	9	–	9	1	10
Tax on net movements	–	–	(7)	–	(7)	(#)	(7)
Cash flow hedges	–	–	–	2	2	–	2
Currency translation on foreign operations	–	–	–	434	434	–	434
Other comprehensive income of associates	–	–	24	69	93	–	93
<b>Items that will not be reclassified subsequently to income statement:</b>							
Currency translation on foreign operations	–	–	–	–	–	3	3
Financial assets, at FVOCI, net change in fair value	–	–	(139)	(33)	(172)	(21)	(193)
Defined benefit plans remeasurements	–	–	–	#	#	#	#
Own credit	–	–	–	1	1	–	1
<b>Total other comprehensive income, net of tax</b>	–	–	74	473	547	(16)	531
<b>Total comprehensive income for the financial period</b>	–	–	74	1,901	1,975	42	2,017
<b>Transactions with owners, recorded directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Transfers	–	(1)	–	1	–	–	–
Buy-back of shares held as treasury shares	(63)	–	–	–	(63)	–	(63)
Dividends and distributions	–	–	–	(1,263)	(1,263)	(29)	(1,292)
DSP reserve from dividends on unvested shares	–	–	–	3	3	–	3
Share-based payments for staff costs	–	5	–	–	5	–	5
Shares issued to non-executive directors	1	–	–	–	1	–	1
Shares transferred to DSP Trust	–	(6)	–	–	(6)	–	(6)
Shares vested under DSP Scheme	–	63	–	–	63	–	63
Treasury shares transferred/sold	97	(90)	–	–	7	–	7
<b>Total contributions by and distributions to owners</b>	35	(29)	–	(1,259)	(1,253)	(29)	(1,282)
Changes in interests in a subsidiary that do not result in loss of control	–	–	–	–	–	4	4
<b>Total changes in interests in a subsidiary</b>	–	–	–	–	–	4	4
<b>Balance at 30 June 2020</b>	18,793	1,224	993	26,874	47,884	1,458	49,342
Included in the balances:							
Share of reserves of associates	–	–	115	1,839	1,954	–	1,954

<sup>(1)</sup> Included regulatory loss allowance reserve of S\$876 million at 1 January 2020 and S\$874 million at 30 June 2020.

<sup>(2)</sup> # represents amounts less than S\$0.5 million.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.



OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - BANK

For the half year ended 30 June 2021

S\$ million	Share capital and other equity	Capital reserves <sup>(1)</sup>	Fair value reserves	Revenue reserves	Total equity
<b>Balance at 1 January 2021</b>	<b>19,031</b>	<b>994</b>	<b>300</b>	<b>14,560</b>	<b>34,885</b>
Profit for the financial period	–	–	–	1,315	1,315
Other comprehensive income	–	–	(118)	5	(113)
Total comprehensive income for the financial period	–	–	(118)	1,320	1,202
Transfers	–	(430)	–	430	–
Buy-back of shares held as treasury shares	(190)	–	–	–	(190)
Dividends and distributions	–	–	–	(359)	(359)
Share-based payments for staff costs	–	6	–	–	6
Shares issued in lieu of ordinary dividends	376	–	–	(376)	–
Shares issued to non-executive directors	#	–	–	–	#
Shares issued under Share Option Scheme	1	–	–	–	1
Shares transferred to DSP trust	83	–	–	–	83
Treasury shares transferred/sold	81	–	–	–	81
<b>Balance at 30 June 2021</b>	<b>19,382</b>	<b>570</b>	<b>182</b>	<b>15,575</b>	<b>35,709</b>
<b>Balance at 1 January 2020</b>	<b>18,758</b>	<b>986</b>	<b>114</b>	<b>14,142</b>	<b>34,000</b>
Profit for the financial period	–	–	–	1,343	1,343
Other comprehensive income	–	–	155	49	204
Total comprehensive income for the financial period	–	–	155	1,392	1,547
Buy-back of shares held as treasury shares	(63)	–	–	–	(63)
Dividends and distributions	–	–	–	(1,263)	(1,263)
DSP reserve from dividends on unvested shares	–	–	–	3	3
Share-based payments for staff costs	–	5	–	–	5
Shares issued to non-executive directors	1	–	–	–	1
Treasury shares transferred/sold	97	–	–	–	97
<b>Balance at 30 June 2020</b>	<b>18,793</b>	<b>991</b>	<b>269</b>	<b>14,274</b>	<b>34,327</b>

<sup>(1)</sup> Included regulatory loss allowance reserve of S\$874 million at 1 January 2021 (1 January 2020: S\$874 million) and S\$444 million at 30 June 2021 (30 June 2020: S\$874 million). S\$430m was transferred from regulatory loss allowance reserve to revenue reserves during the half year ended 30 June 2021.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

**OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES**

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

For the half year ended 30 June 2021

S\$ million	1H 2021	1H 2020
<b>Cash flows from operating activities</b>		
Profit before income tax	3,177	1,767
Adjustments for non-cash items:		
Allowances for loans and other assets	393	1,407
Amortisation of intangible assets	51	53
Change in hedging transactions, fair value through profit or loss securities and debt issued	(96)	148
Depreciation of property and equipment and interest expense on lease liabilities	207	214
Net gain on disposal of government, debt and equity securities	(60)	(160)
Net gain on disposal of property and equipment	(36)	(14)
Share-based costs	34	38
Share of results of associates, net of tax	(422)	(328)
Items relating to life insurance fund		
Surplus before income tax	667	340
Surplus transferred from life insurance fund	(627)	(338)
Operating profit before change in operating assets and liabilities	3,288	3,127
Change in operating assets and liabilities:		
Deposits of non-bank customers	1,952	6,954
Deposits and balances of banks	390	4,210
Derivative payables and other liabilities	(5,887)	8,604
Trading portfolio liabilities	(136)	333
Restricted balances with central banks	(91)	669
Government securities and treasury bills	1,791	(2,944)
Fair value through profit or loss securities	(4,059)	(1,394)
Placements with and loans to banks	5,535	(295)
Loans to customers	(7,899)	(3,398)
Derivative receivables and other assets	3,970	(9,589)
Net change in other assets and liabilities of life insurance fund <sup>(1)</sup>	2,339	240
Cash provided by operating activities	1,193	6,517
Income tax paid	(452)	(271)
<b>Net cash provided by operating activities</b>	<b>741</b>	<b>6,246</b>
<b>Cash flows from investing activities</b>		
Dividends from associates	12	72
Investment in associates	–	(322)
Purchases of debt and equity securities	(6,002)	(7,957)
Purchases of life insurance fund investment securities <sup>(1)</sup>	(22,231)	(21,714)
Purchases of property and equipment	(191)	(159)
Proceeds from disposal of debt and equity securities	5,932	6,900
Proceeds from disposal of life insurance fund investment securities <sup>(1)</sup>	20,316	21,905
Proceeds from disposal of property and equipment	43	16
<b>Net cash used in investing activities</b>	<b>(2,121)</b>	<b>(1,259)</b>
<b>Cash flows from financing activities</b>		
Changes in non-controlling interests	(1)	4
Buy-back of shares held as treasury shares	(190)	(63)
Dividends and distributions paid	(387)	(1,292)
Net redemption of other debt issued	(2,192)	(6,846)
Payment of lease liabilities	(47)	(49)
Proceeds from shares issued and treasury shares transferred/sold under the Bank's employee share schemes	82	7
Redemption of subordinated debt issued	(400)	–
<b>Net cash used in financing activities</b>	<b>(3,135)</b>	<b>(8,239)</b>
<b>Net change in cash and cash equivalents</b>	<b>(4,515)</b>	<b>(3,252)</b>
<b>Net currency translation adjustments</b>	<b>137</b>	<b>418</b>
<b>Cash and cash equivalents at 1 January</b>	<b>22,078</b>	<b>18,060</b>
<b>Cash and cash equivalents at 30 June</b>	<b>17,700</b>	<b>15,226</b>

<sup>(1)</sup> Comparatives have been reclassified to reflect the cash flows arising from purchase and sale of investment securities.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

These notes form an integral part of the unaudited condensed interim financial statements.

The unaudited condensed interim financial statements were authorised by the Board of Directors on 3 August 2021.

## **1. General**

Oversea-Chinese Banking Corporation Limited (the Bank) is incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The address of the Bank's registered office is 63 Chulia Street, #10-00 OCBC Centre East, Singapore 049514.

The unaudited condensed interim financial statements relate to the Bank and its subsidiaries (together referred to as the Group) and the Group's interests in associates. The Group is principally engaged in the business of banking, life insurance, general insurance, asset management, investment holding, futures and stockbroking.

## **2. Basis of preparation**

### **2.1 Statement of compliance**

The unaudited condensed interim financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)) 1-34 Interim Financial Reporting, and do not include all of the information required for full annual financial statements. These unaudited condensed interim financial statements are to be read in conjunction with the financial statements as at and for the year ended 31 December 2020.

### **2.2 Basis of presentation**

The unaudited condensed interim financial statements are presented in Singapore Dollar, rounded to the nearest million unless otherwise stated. # represents amounts less than S\$0.5 million. The unaudited condensed interim financial statements have been prepared under the historical cost convention, except as disclosed in the financial statements as at and for the year ended 31 December 2020.

### **2.3 Use of estimates and judgements**

The preparation of unaudited condensed interim financial statements in conformity with SFRS(I) requires management to exercise its judgement, use estimates and make assumptions in the application of accounting policies on the reported amounts of assets, liabilities, revenues and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from these estimates.

In preparing these unaudited condensed interim financial statements, the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those applied in the financial statements as at and for the year ended 31 December 2020, except for the following additions.

The significant accounting estimates include impairment of financial assets and impairment of goodwill and intangible assets, as discussed below:

#### **Impairment of financial assets**

In determining whether the credit risk of the Group's financial exposures has increased significantly since initial recognition, the Group considers quantitative and qualitative information such as the Group's historical credit assessment experience and available forward-looking information. Expected credit losses (ECL) estimates are based on probability-weighted forward-looking economic scenarios. The parameters used in ECL measurement (probability of default, loss given default and exposure at default) incorporate forward-looking information. The determination of the forward-looking economic scenarios and incorporation of forward-looking information into ECL measurement requires management to exercise judgement based on its assessment of current macroeconomic conditions.

2. Basis of preparation (continued)

2.3 Use of estimates and judgements (continued)

**Impairment of financial assets** (continued)

Allowances for non-credit impaired loans to customers

As of 30 June 2021, the forward-looking scenarios used in the ECL model have been updated from those as of 31 December 2020. They reflect the latest available macroeconomic view which shows a gradual recovery, resulting in a reduction of ECL for the half year. However, additional post-model adjustment has been made during the half year to account for certain sectors which continue to be affected by the current COVID-19 situation.

Another key element in determining ECL is the assessment of whether or not a significant increase in credit risk (SICR) has occurred and hence whether a lifetime, rather than 12-month, ECL is required. During this half year, various loan reliefs, such as payment holidays and moratoriums, have been offered to affected customers as part of a broader set of COVID-19 support measures. Deferral of payments by customers in hardship arrangements is generally treated as an indication of a SICR. However, in line with regulatory guidance, the Group has determined that the extension of such reliefs are not automatically considered to indicate SICR, but considers it within a broader set of indicators to assess and grade customer facilities as necessary.

Allowances for credit impaired loans to customers

In respect of credit impaired exposures, management judgement and estimation are applied in, amongst others, identifying impaired exposures, estimating the related recoverable cash flows and where applicable, determining collateral values and timing of realisation. Judgements and assumptions in respect of these matters have been updated to reflect the potential impact of COVID-19.

The Group's allowances for credit impaired loans to customers are disclosed in Note 13.

**Impairment of goodwill and intangible assets**

The recoverable amount of goodwill and intangible assets are determined based on the present value of estimated future cash flows from the cash generating units' continuing operations. In light of current macroeconomic conditions, management reassessed the assumptions applied in estimating the future cash flows, including growth rates and discount rates used in computing the recoverable amount, and determined that no impairment should be recognised during the half year.

Given the uncertainty of the current economic environment, market sentiment, and regulatory and industry responses, the forecasts are likely to change. This will continue to be reviewed and a further impairment test will be performed at year end.

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2. Basis of preparation (continued)

2.4 Significant accounting policies

The following new/revised financial reporting standards and interpretations were applied with effect from 1 January 2021:

SFRS(I)	Title
SFRS(I) 9, SFRS(I) 7, SFRS(I) 4, SFRS(I) 16 (Amendments)	Interest Rate Benchmark Reform – Phase 2
SFRS(I) 16 (Amendments)	Covid-19-Related Rent Concessions beyond 30 June 2021

The initial application of the above standards (including their consequential amendments) and interpretations did not have any material impact on the Group's financial statements.

Except as highlighted above, the accounting policies applied by the Group in the unaudited condensed interim financial statements are the same as those applied by the Group in its financial statements as at and for the year ended 31 December 2020.

There are a number of new/revised financial reporting standards in issue but not yet effective. They are not expected to have a material impact on the Group's financial statements when adopted except for SFRS(I) 17 *Insurance Contracts*. SFRS(I) 17 is effective from 1 January 2023.

3. Net interest income

S\$ million	GROUP	
	1H 2021	1H 2020
<b>Interest income</b>		
Loans to customers	2,879	3,980
Placements with and loans to banks	248	547
Other interest-earning assets	584	702
	<b>3,711</b>	<b>5,229</b>
<b>Interest expense</b>		
Deposits of non-bank customers	(674)	(1,807)
Deposits and balances of banks	(31)	(60)
Other borrowings	(104)	(253)
	<b>(809)</b>	<b>(2,120)</b>
<b>Net interest income</b>	<b>2,902</b>	<b>3,109</b>

4. Profit from life insurance

S\$ million	GROUP	
	1H 2021	1H 2020
Premium income	8,639	6,077
Investment income	904	1,379
Net claims, surrenders and annuities	(3,959)	(3,417)
Net change in life insurance fund contract liabilities	(3,736)	(3,195)
Commission and others	(1,221)	(506)
<b>Profit from life insurance</b>	<b>627</b>	<b>338</b>

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5. Fees and commissions (net)

S\$ million	GROUP	
	1H 2021	1H 2020
<b>Gross fee and commission income</b>		
Brokerage	79	70
Wealth management <sup>(1)</sup>	690	555
Fund management	63	59
Credit card	141	131
Loan-related	85	81
Trade-related and remittances	134	123
Guarantees	7	7
Investment banking	57	46
Service charges	40	43
Others	22	23
	<b>1,318</b>	<b>1,138</b>
<b>Fee and commission expense</b>	<b>(170)</b>	<b>(152)</b>
<b>Fees and commissions (net)</b>	<b>1,148</b>	<b>986</b>

<sup>(1)</sup> Includes trust and custodian fees.

6. Other income

S\$ million	GROUP	
	1H 2021	1H 2020
Disposal of investment securities	60	160
Disposal of properties	37	14
Rental and property-related income	33	31
Others	6	3
<b>Other income</b>	<b>136</b>	<b>208</b>

7. Other operating expenses

S\$ million	GROUP	
	1H 2021	1H 2020
<b>Property and equipment</b>		
Depreciation	205	211
Maintenance	68	66
Rental expenses	3	6
Others	143	141
	<b>419</b>	<b>424</b>
Other operating expenses	382	389
<b>Total other operating expenses</b>	<b>801</b>	<b>813</b>

8. Allowances for loans and other assets

S\$ million	GROUP	
	1H 2021	1H 2020
Allowances/(write-back):		
Impaired loans	283	766
Impaired other assets	(#)	27
Non-impaired loans	104	607
Non-impaired other assets	6	7
<b>Allowances for loans and other assets</b>	<b>393</b>	<b>1,407</b>

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9. Dividends/distributions

S\$ million	GROUP	
	1H 2021	1H 2020
Ordinary dividends:		
2019 final tax exempt dividend of 28 cents	–	1,233
2020 final tax exempt dividend of 15.9 cents	712	–
Distributions for other equity instruments:		
3.8% perpetual capital securities	–	10
4.0% perpetual capital securities	20	20
3.0% perpetual capital securities	3	–
<b>Total distributions and dividends</b>	<b>735</b>	<b>1,263</b>

Cash which was paid on 29 June 2021 in respect of the 2020 final tax exempt dividend of 15.9 cents amounted to S\$336 million. 32 million ordinary shares were issued on 29 June 2021 pursuant to the OCBC Scrip Dividend Scheme in lieu of cash for the remaining balance of S\$376 million.

OCBC Scrip Dividend Scheme was not applicable for the 2019 final tax exempt dividend of 28 cents.

10. Share capital

Shares (million)	GROUP	
	30 Jun 2021	31 Dec 2020
<b>Issued ordinary shares</b>		
At 1 January	4,476	4,409
Shares issued in lieu of ordinary dividends	32	67
Shares issued pursuant to OCBC Share Option Schemes	#	–
Shares issued pursuant to OCBC Deferred Share Plan	7	–
Shares issued to non-executive directors	#	#
At 30 June/ 31 December	4,515	4,476
<b>Treasury shares</b>		
At 1 January	(2)	(8)
Share buyback	(16)	(7)
Share Option Schemes	6	2
Share Purchase Plan	2	#
Treasury shares transferred to DSP Trust	–	11
At 30 June/ 31 December	(10)	(2)
<b>Total ordinary shares and treasury shares</b>	<b>4,505</b>	<b>4,474</b>
<b>Issued share capital (S\$ million)</b>	<b>18,184</b>	<b>17,833</b>

Pursuant to the share purchase mandate approved at the annual general meeting held on 18 May 2020, the Bank purchased a total of 16 million ordinary shares in the half year ended 30 June 2021. The ordinary shares were purchased by way of open market acquisitions at prices ranging from S\$11.53 to S\$12.50 per share and the total consideration paid was S\$190 million (including transaction costs).

As at 30 June 2020, the number of treasury shares was 3 million, out of the total number of ordinary shares and treasury shares of 4,405 million.

As at 30 June 2021, the number of options outstanding under the OCBC Share Option Scheme 2001 was 27 million (30 June 2020: 34 million) and the number of acquisition rights outstanding under the OCBC Employee Share Purchase Plan was 15 million (30 June 2020: 12 million).

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11. Deposits and balances of non-bank customers and banks

S\$ million	GROUP	
	30 Jun 2021	31 Dec 2020
<b>Deposits of non-bank customers</b>		
Fixed deposits	89,415	95,291
Savings deposits	75,252	71,097
Current account	122,753	118,751
Others	29,356	29,768
	<b>316,776</b>	314,907
<b>Deposits and balances of banks</b>	<b>9,976</b>	9,586
<b>Total deposits</b>	<b>326,752</b>	324,493

12. Debt issued

S\$ million	GROUP	
	30 Jun 2021	31 Dec 2020
<b>Unsecured</b>		
Subordinated debt	2,764	3,145
Fixed and floating rate notes	3,016	3,551
Commercial papers	9,482	12,057
Structured notes	2,281	1,869
<b>Secured</b>		
Covered bonds	3,683	3,733
	<b>21,226</b>	24,355
<b>Debt issued by maturity</b>		
Within one year	12,834	15,287
Over one year	8,392	9,068
	<b>21,226</b>	24,355

13. Loans to customers

S\$ million	GROUP	
	30 Jun 2021	31 Dec 2020
<b>Gross loans</b>	274,794	267,240
<b>Allowances</b>		
Impaired loans	(1,778)	(1,812)
Non-impaired loans	(1,989)	(1,890)
<b>Net loans</b>	<b>271,027</b>	263,538



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14. Segment information

14.1 Business segments

S\$ million	Global Consumer/ Private Banking	Global Wholesale Banking	Global Treasury and Markets	Insurance	Others	Group
<b>Half year ended 30 June 2021</b>						
Net interest income	837	1,341	490	49	185	2,902
Non-interest income	1,067	473	151	878	15	2,584
<b>Total income</b>	<b>1,904</b>	<b>1,814</b>	<b>641</b>	<b>927</b>	<b>200</b>	<b>5,486</b>
Operating profit before allowances and amortisation	722	1,121	485	777	94	3,199
Amortisation of intangible assets	(7)	–	–	(24)	(20)	(51)
Allowances for loans and other assets	13	(147)	1	(2)	(258)	(393)
<b>Operating profit after allowances and amortisation</b>	<b>728</b>	<b>974</b>	<b>486</b>	<b>751</b>	<b>(184)</b>	<b>2,755</b>
Share of results of associates, net of tax	–	–	–	–	422	422
<b>Profit before income tax</b>	<b>728</b>	<b>974</b>	<b>486</b>	<b>751</b>	<b>238</b>	<b>3,177</b>
<b>Other information:</b>						
Capital expenditure	28	8	1	65	110	212
Depreciation	48	6	1	4	146	205
<b>Half year ended 30 June 2020</b>						
Net interest income	1,041	1,413	405	58	192	3,109
Non-interest income	887	392	193	493	41	2,006
<b>Total income</b>	<b>1,928</b>	<b>1,805</b>	<b>598</b>	<b>551</b>	<b>233</b>	<b>5,115</b>
Operating profit before allowances and amortisation	724	1,105	439	423	208	2,899
Amortisation of intangible assets	(8)	–	–	(24)	(21)	(53)
Allowances for loans and other assets	(74)	(1,033)	(4)	(4)	(292)	(1,407)
<b>Operating profit after allowances and amortisation</b>	<b>642</b>	<b>72</b>	<b>435</b>	<b>395</b>	<b>(105)</b>	<b>1,439</b>
Share of results of associates, net of tax	–	–	–	–	328	328
<b>Profit before income tax</b>	<b>642</b>	<b>72</b>	<b>435</b>	<b>395</b>	<b>223</b>	<b>1,767</b>
<b>Other information:</b>						
Capital expenditure	28	15	#	42	106	191
Depreciation	54	5	1	4	147	211

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14. Segment information (continued)

14.1 Business segments (continued)

S\$ million	Global Consumer/ Private Banking	Global Wholesale Banking	Global Treasury and Markets	Insurance	Others	Group
<b>At 30 June 2021</b>						
Segment assets	126,993	172,908	95,157	111,573	34,857	541,488
Unallocated assets						174
Elimination						(20,531)
<b>Total assets</b>						<b>521,131</b>
Segment liabilities	163,165	137,921	55,034	99,246	30,089	485,455
Unallocated liabilities						2,824
Elimination						(20,531)
<b>Total liabilities</b>						<b>467,748</b>
<b>Other information:</b>						
Gross non-bank loans	105,290	167,590	1,124	3	787	274,794
NPAs	787	3,285	–	4	6	4,082
<b>At 31 December 2020</b>						
Segment assets	127,746	169,710	105,718	107,526	34,794	545,494
Unallocated assets						133
Elimination						(24,232)
<b>Total assets</b>						<b>521,395</b>
Segment liabilities	162,999	138,170	62,908	95,731	32,080	491,888
Unallocated liabilities						2,563
Elimination						(24,232)
<b>Total liabilities</b>						<b>470,219</b>
<b>Other information:</b>						
Gross non-bank loans	103,356	162,327	759	3	795	267,240
NPAs	574	3,417	–	5	9	4,005

**14. Segment information** (continued)

**14.1 Business segments** (continued)

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

**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 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 Treasury and Markets**

Global Treasury and 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 of other business segments, such as Global Consumer/Private Banking and Global Wholesale Banking, is reflected in the respective business segments.

**Insurance**

The Group's insurance business, including its fund management activities, is undertaken by 87.9%-owned subsidiary GEH and its subsidiaries, which provide both life and general insurance products to its customers mainly in Singapore and Malaysia.

**Others**

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

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14. Segment information (continued)

14.2 Geographical segments

	Total income S\$ million	Operating profit before allowances and amortisation S\$ million	Profit before income tax S\$ million
<b>1H 2021</b>			
Singapore	3,130	1,775	1,555
Malaysia	834	576	513
Indonesia	471	257	185
Greater China	744	378	750
Other Asia Pacific	132	100	55
Rest of the World	175	113	119
	<b>5,486</b>	<b>3,199</b>	<b>3,177</b>
<b>1H 2020</b>			
Singapore	2,711	1,442	268
Malaysia	838	573	459
Indonesia	457	248	166
Greater China	850	469	732
Other Asia Pacific	116	86	76
Rest of the World	143	81	66
	<b>5,115</b>	<b>2,899</b>	<b>1,767</b>
		<b>30 Jun 2021</b>	<b>31 Dec 2020</b>
		<b>S\$ million</b>	<b>S\$ million</b>
<b>Total assets</b>			
Singapore		<b>307,352</b>	307,328
Malaysia		<b>66,956</b>	67,005
Indonesia		<b>18,833</b>	19,845
Greater China		<b>85,673</b>	85,326
Other Asia Pacific		<b>17,815</b>	18,558
Rest of the World		<b>24,502</b>	23,333
		<b>521,131</b>	521,395

The geographical segment analysis is based on the location where assets or transactions are booked. The geographical information is stated after elimination of intra-group transactions and balances.

## 15. Fair values of financial instruments

### 15.1 Valuation governance framework

The Group has an established governance framework with respect to the measurement of fair values, which includes formalised processes for the review and validation of fair values independent of the businesses entering into the transactions.

The Market Risk Management (MRM) function within the Group Risk Management Division (GRM) is responsible for the model validation process. Financial models are used to price financial instruments and to calculate value-at-risk (VaR). MRM ensures that the models used are fit for their intended purposes through internal independent validation and periodic review. MRM sources market rates independently for risk measurement and valuation.

The Treasury Financial Control and Advisory – Valuation Control function within the Group Finance Division is responsible for the establishment of the overall valuation control framework. This includes, but is not limited to, reviewing and recommending appropriate valuation adjustment methodologies, independent price testing, and identifying valuation gaps.

Valuation policies are formulated and reviewed annually by the Valuation Control function, and approved by the Market Risk Management Committee, the Group Chief Executive Officer (CEO) and Board Risk Management Committee (BRMC). Valuation adjustments are applied to account for input parameter uncertainties, known model deficiencies and other factors that may affect valuation. The main valuation adjustments are described below.

#### Bid Offer Adjustments

When the position is marked at mid-price, bid offer adjustment is applied to account for close out cost.

#### Model Adjustments

Model adjustments are applied when there are inherent limitations in the valuation models used by the Bank.

#### Day 1 Profit or Loss Adjustments

Day 1 profit or loss adjustments are applied when the valuation technique involves the use of significant inputs which are not readily observable. The difference between the fair value at initial recognition and the transaction price is deferred as an adjustment.

The Day 1 profit or loss adjustments are released to the income statement when the significant inputs become observable, when the transaction is derecognised or amortised over the life of the transaction.

#### Credit Adjustments

Credit adjustments are applied to account for the expected losses due to counterparty default on uncollateralised derivatives.

#### Parameter Uncertainty Adjustments

These valuation adjustments mainly include adjustments for illiquid prices or internal methodologies used to derive model inputs.

The Group's internal audit provides independent assurance on the respective divisions' compliance with the policy.

**15. Fair values of financial instruments** (continued)

**15.2 Fair values**

Financial instruments comprise financial assets, financial liabilities and off-balance sheet financial instruments. The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. For financial assets and liabilities not carried at fair value on the financial statements, the Group has determined that their fair values were not materially different from the carrying amounts at the reporting date. The carrying amounts and fair values of financial instruments of the Group are described below.

**Financial assets**

Fair values of cash and balances with central banks, placements with banks, interest and other short term receivables are expected to approximate their carrying amounts due to their short tenor or frequent re-pricing.

Securities held by the Group, comprising government securities and debt and equity securities are substantially carried at fair value on the balance sheet.

Non-bank customer loans are mainly carried at amortised cost on the balance sheet, net of allowances for impaired and non-impaired loans. The Group deems that the carrying amounts of non-bank loans approximate their fair values as substantially all the loans are subject to frequent re-pricing.

**Financial liabilities**

Fair value of certain financial liabilities, which include mainly customer deposits with no stated maturity, interbank borrowings and borrowings under repurchase agreements, are expected to approximate their carrying amounts due to their short tenor. For non-bank customer term deposits, contractual or derived cash flows are discounted at market rates as at reporting date to estimate the fair values, which approximate the carrying amounts.

The fair values of the Group's subordinated term notes and covered bonds are determined based on quoted market prices and independent broker offer prices. For other debts issued which are usually short term, the fair values approximate the carrying amounts.

**15.3 Fair value hierarchy**

The Group determines the fair values of its financial assets and liabilities using various measurements. The different levels of fair value measurements are as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable market data either directly (i.e. as prices) or indirectly (i.e. derived from observable market data). The valuation techniques that use market parameters as inputs include, but are not limited to, yield curves, volatilities and foreign exchange rates; and
- Level 3 – inputs for the valuation that are not based on observable market data.

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15. Fair values of financial instruments (continued)

15.3 Fair value hierarchy (continued)

The following table summarises the Group's assets and liabilities measured at fair values subsequent to initial recognition by level of the fair value hierarchy:

S\$ million	GROUP							
	30 June 2021				31 December 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Recurring fair value measurements</b>								
<b>Financial assets measured at fair value</b>								
Placements with and loans to banks	4,631	6,789	–	11,420	3,088	10,012	–	13,100
Debt and equity securities	25,384	7,693	1,135	34,212	25,204	6,338	1,214	32,756
Loans to customers	–	–	68	68	–	–	89	89
Derivative receivables	35	9,085	93	9,213	73	15,048	102	15,223
Government treasury bills and securities	28,623	5,266	–	33,889	27,234	5,679	–	32,913
Life insurance fund investment securities and other assets	60,257	19,413	2,216	81,886	56,272	22,797	1,967	81,036
<b>Total</b>	<b>118,930</b>	<b>48,246</b>	<b>3,512</b>	<b>170,688</b>	<b>111,871</b>	<b>59,874</b>	<b>3,372</b>	<b>175,117</b>
<b>Non-financial assets measured at fair value</b>								
Life insurance fund investment properties	–	–	1,761	1,761	–	–	1,767	1,767
Associates	–	95	–	95	–	97	–	97
<b>Total</b>	<b>–</b>	<b>95</b>	<b>1,761</b>	<b>1,856</b>	<b>–</b>	<b>97</b>	<b>1,767</b>	<b>1,864</b>
<b>Financial liabilities measured at fair value</b>								
Derivative payables	89	9,406	60	9,555	117	15,330	69	15,516
Trading portfolio liabilities	203	–	–	203	339	–	–	339
Debt issued	–	1,242	–	1,242	–	1,006	–	1,006
Life insurance fund financial liabilities	3	229	–	232	2	262	–	264
<b>Total</b>	<b>295</b>	<b>10,877</b>	<b>60</b>	<b>11,232</b>	<b>458</b>	<b>16,598</b>	<b>69</b>	<b>17,125</b>

During the financial period, the Group transferred financial assets from Level 2 to Level 1 as prices became observable arising from increased market activity. Financial assets were also transferred from Level 1 to Level 2 when quoted prices become unobservable arising from reduced market activity.

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15. Fair values of financial instruments (continued)

15.3 Fair value hierarchy (continued)

Valuation techniques and unobservable inputs for Level 3 instruments

GROUP S\$ million	Fair value at 30 June 2021	Classification	Valuation techniques	Unobservable inputs
<b>Financial assets</b>				
Equity securities	1,135	FVTPL/FVOCI	Net asset value/ Multiples	Value of net asset/ Earnings and multiples
Loans to customers	68	FVTPL	Discounted cash flows	Credit spreads
Derivative receivables	93	FVTPL	Option pricing model	Volatility/Correlation
Life insurance fund investment securities and other assets	2,216	FVTPL/FVOCI	Derivatives pricing Net asset value	Long dated rate Value of net asset
<b>Total</b>	<b>3,512</b>			
<b>Financial liabilities</b>				
Derivative payables	60	FVTPL	Option pricing model Derivatives pricing	Volatility/Correlation Long dated rate
<b>Total</b>	<b>60</b>			

Management considers that any reasonably possible changes to the unobservable inputs will not result in a significant financial impact.

Movements in Level 3 financial assets and liabilities

GROUP S\$ million	Debt and equity securities	Loans to customers	Derivative receivables	Life insurance fund investment securities and other assets	Total
<b>Financial assets measured at fair value</b>					
At 1 January 2021	1,214	89	102	1,967	3,372
Purchases	2	–	3	192	197
Settlements/disposals	(8)	(18)	(8)	(93)	(127)
Gains/(losses) recognised in					
- profit or loss	(10)	(3)	(4)	152	135
- other comprehensive income	(63)	(#)	(#)	(2)	(65)
At 30 June 2021	1,135	68	93	2,216	3,512
Unrealised gains/(losses) included in profit or loss for assets held at the end of the period	(10)	(3)	29	155	171



OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 30 June 2021

15. Fair values of financial instruments (continued)

15.3 Fair value hierarchy (continued)

Movements in Level 3 financial assets and liabilities (continued)

GROUP S\$ million	Debt and equity securities	Loans to customers	Derivative receivables	Life insurance fund investment securities and other assets	Total
<b>Financial assets measured at fair value</b>					
At 1 January 2020	1,025	180	61	1,764	3,030
Purchases	94	1	10	284	389
Settlements/disposals	(86)	(90)	(#)	(99)	(275)
Transfers in to/(out of) Level 3	23 <sup>(1)</sup>	–	(7) <sup>(2)</sup>	–	16
Gains/(losses) recognised in					
- profit or loss	53	(2)	38	20	109
- other comprehensive income	105	(#)	#	(2)	103
At 31 December 2020	1,214	89	102	1,967	3,372
Unrealised gains/(losses) included in profit or loss for assets held at the end of the period	53	(3)	66	51	167

<sup>(1)</sup> Relates to transfers from Level 2 to Level 3 due to use of inputs not based on market observable data.

<sup>(2)</sup> Relates to transfers from Level 3 to Level 2 due to use of inputs based on market observable data.

GROUP S\$ million	2021		2020	
	Derivative payables	Total	Derivative payables	Total
<b>Financial liabilities measured at fair value</b>				
At 1 January	69	69	43	43
Issues	84	84	82	82
Settlements/disposals	(78)	(78)	(16)	(16)
Transfers out of Level 3	–	–	(7) <sup>(1)</sup>	(7)
Losses/(gains) recognised in				
- profit or loss	(15)	(15)	(33)	(33)
- other comprehensive income	(#)	(#)	#	#
At 30 June/ 31 December	60	60	69	69
Unrealised gains/(losses) included in profit or loss for liabilities held at the end of the period	(25)	(25)	9	9

<sup>(1)</sup> Relates to transfers from Level 3 to Level 2 due to use of inputs based on market observable data.

## NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 30 June 2021

## 15. Fair values of financial instruments (continued)

## 15.3 Fair value hierarchy (continued)

## Movements in Level 3 non-financial assets

GROUP S\$ million	2021		2020	
	Life insurance fund investment properties	Total	Life insurance fund investment properties	Total
<b>Non-financial assets measured at fair value</b>				
At 1 January	1,767	1,767	1,786	1,786
Purchases/transfers	#	#	#	#
Gains/(losses) recognised in				
- profit or loss	#	#	(19)	(19)
- other comprehensive income	(6)	(6)	#	#
At 30 June/ 31 December	1,761	1,761	1,767	1,767

## **Other Information Required by Listing Rule Appendix 7.2**

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## OTHER INFORMATION

### 1. Review

The condensed consolidated balance sheets of Oversea-Chinese Banking Corporation Limited (“the Bank”) and its subsidiaries (“the Group”) as at 30 June 2021 and the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated cash flow statement for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

### 2. Review of the performance of the Group for the six-month period ended 30 June 2021

Please refer to the “Media Release” section.

### 3. Dividend information

Please refer to “Letter to Shareholders”.

### 4. Interested person transactions

The Bank has not obtained a general mandate from shareholders for Interested Person Transactions pursuant to Rule 920(1) of the Listing Manual.

### 5. Undertaking from directors and executive officers

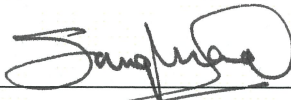
The Bank has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual pursuant to Rule 720(1) of the Listing Manual.

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## CONFIRMATION BY THE BOARD

We, Ooi Sang Kuang and Chua Kim Chiu, being directors of Oversea-Chinese Banking Corporation Limited (“the Bank”), do hereby confirm on behalf of the Board of Directors of the Bank, that to the best of our knowledge, nothing has come to our attention which may render the unaudited financial results of the Bank and of the Group for the half year ended 30 June 2021 to be false or misleading.

On behalf of the Board of Directors



Ooi Sang Kuang  
Chairman



Chua Kim Chiu  
Director

3 August 2021