

First Quarter 2021 Results Highlights

7 May 2021



OCBC Financial Results



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Agenda

Financial Highlights

Group Performance Trends



Note: - Certain comparative figures have been restated to conform with the current period's presentation.
- Amounts less than S\$0.5m are shown as "0";
- "nm" denotes not meaningful;
- "na" denotes not applicable;
- Figures may not sum to stated totals because of rounding.

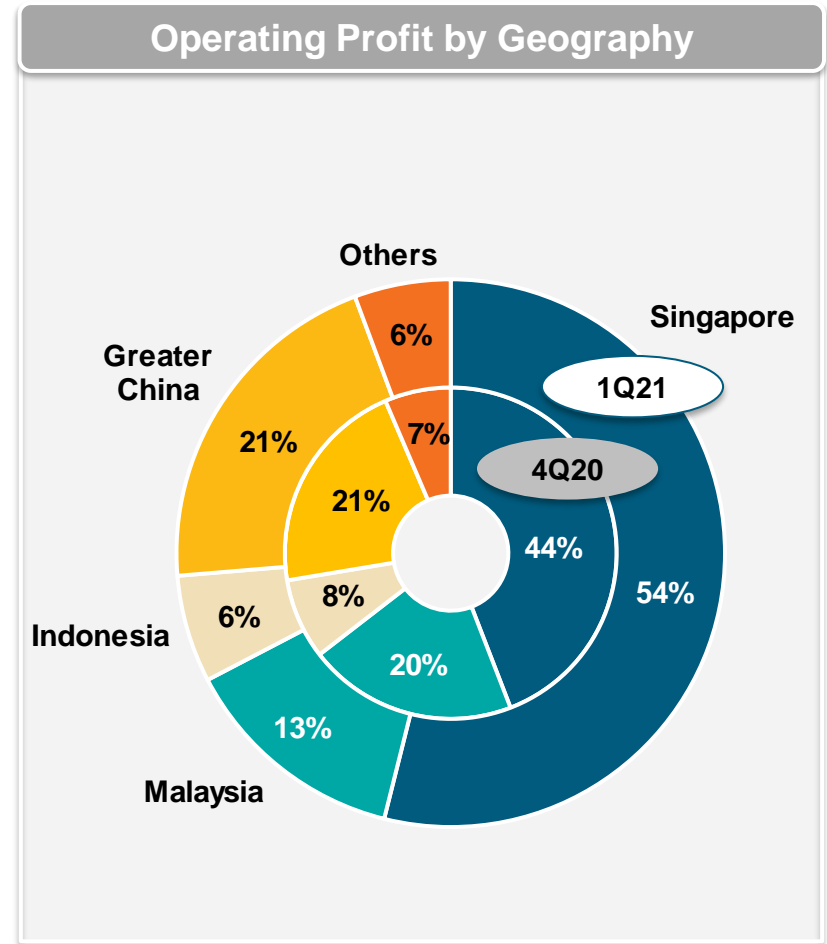
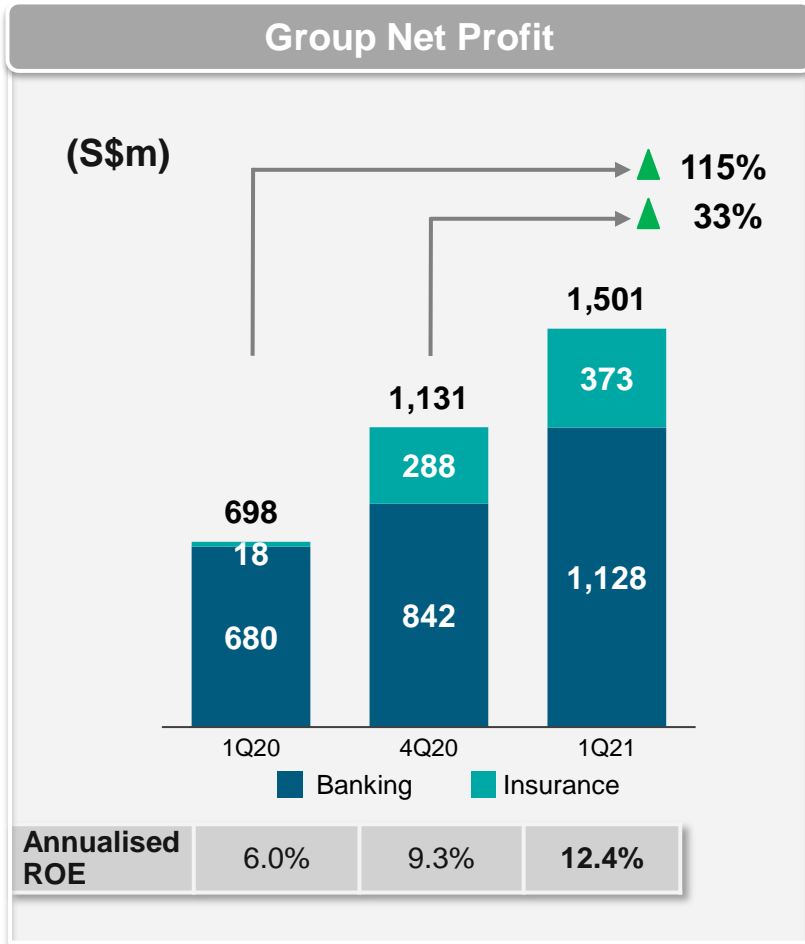
1Q21 Net Profit at a High of S\$1.50b

Results underscored strength of our well-diversified franchise

- ❑ Strong earnings across core markets and businesses
 - Net profit for banking operations at S\$1.13b
 - All overseas banking subsidiaries reported improved QoQ earnings
 - GEH's net profit contribution increased QoQ and YoY to S\$373m
 - Private banking AUM rose to US\$123b
- ❑ Net interest income comparable to previous quarter; NIM maintained at 1.56%
- ❑ Non-interest income rose 40% QoQ, led by fees, trading and insurance income
- ❑ Operating expenses 2% higher QoQ; CIR at 39.4%
- ❑ NPA coverage ratio further increased to 118%
- ❑ NPL ratio stable QoQ at 1.5%
- ❑ Customer loans grew 1% and CASA deposits higher QoQ
- ❑ CET1 ratio at 15.5%

1Q21 Financial Highlights

1Q21 ROE improved to 12.4%



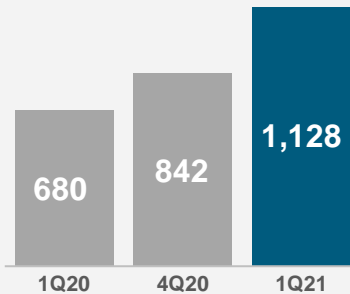
1Q21 Financial Highlights

Solid business fundamentals delivered strong earnings momentum

Banking

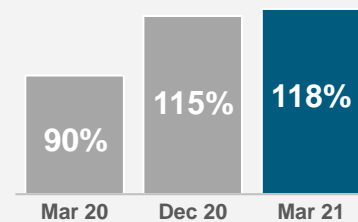
Net Profit
(S\$m)

▲ 66% YoY
▲ 34% QoQ



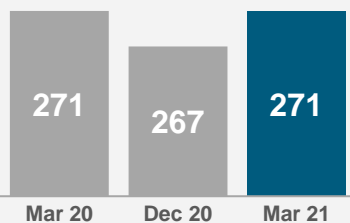
Total NPA Coverage

▲ 28ppt YoY
▲ 3ppt QoQ

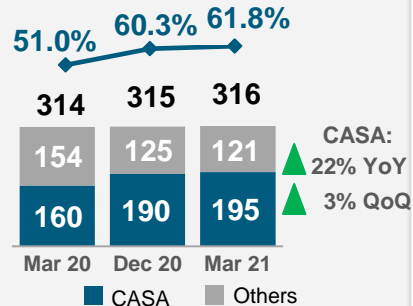


Customer Loans
(S\$b)

— Flat YoY
▲ 1% QoQ



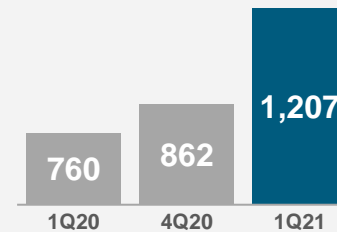
Customer Deposits
(S\$b) and CASA ratio



Wealth Management

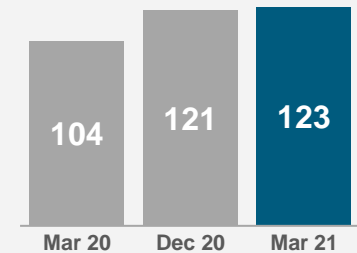
Group Wealth Management
Income (S\$m)^{1/}

▲ 59% YoY
▲ 40% QoQ



Bank of Singapore's AUM
(US\$b)

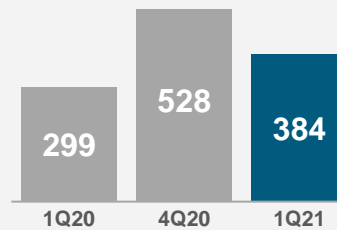
▲ 18% YoY
▲ 1% QoQ



Insurance

Total Weighted New Sales
(S\$m)

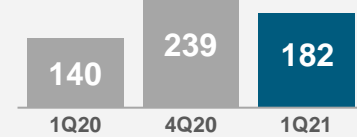
▲ 28% YoY
▼ 27% QoQ



New Business Embedded
Value (S\$m) and Margin

46.9% 45.3% 47.5%

▲ 30% YoY
▼ 24% QoQ



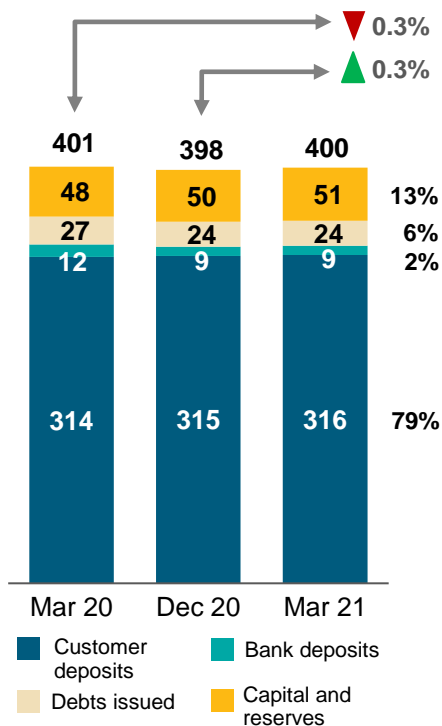
Strong Balance Sheet Fundamentals

Robust funding, liquidity and capital buffers

Funding

- Nearly 80% from customer deposits
- NSFR at 125%

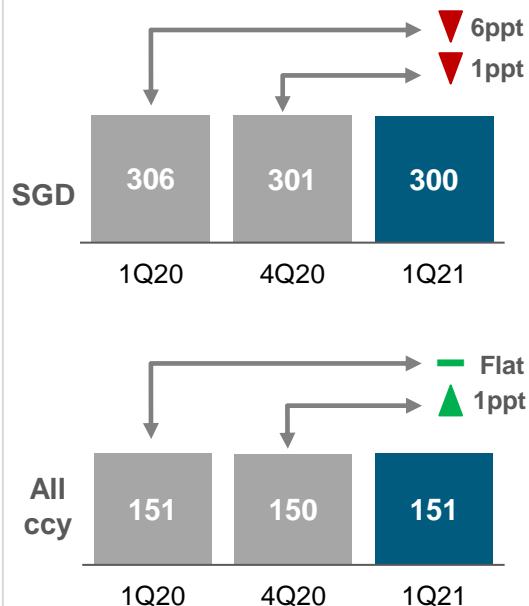
Composition (\$b)



Liquidity

- Sound liquidity position
- LCR well above minimum required

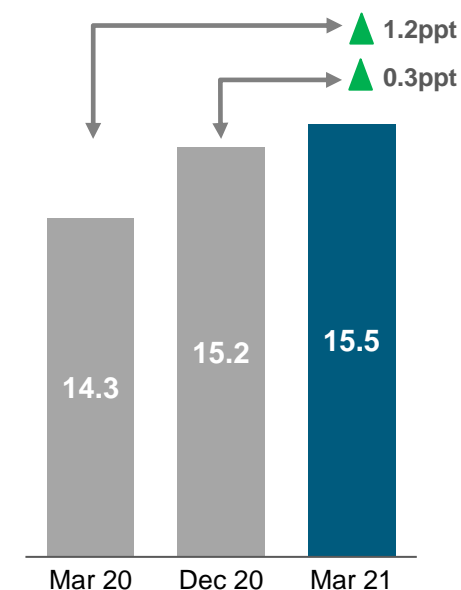
LCR (%)



Capital

- Strong capital base
- Leverage ratio at 7.8%

CET 1 CAR (%)



1Q21 Group Performance

Net profit driven by broad-based income growth and lower allowances

OCBC Group	1Q21 S\$m	4Q20 S\$m	QoQ +/(-)%	1Q20 S\$m	YoY +/(-)%
Net interest income	1,441	1,436	–	1,626	(11)
Non-interest income	1,473	1,049	40	864	70
Total income	2,914	2,485	17	2,490	17
Operating expenses	(1,149)	(1,125)	2	(1,109)	4
Operating profit	1,765	1,360	30	1,381	28
Associates	209	131	59	165	26
Operating profit before allowances	1,974	1,491	32	1,546	28
Allowances for impaired assets	(152)	(237)	(36)	(275)	(45)
Allowances for non-impaired assets	(9)	(48)	(80)	(382)	(97)
Amortisation, tax and NCI	(312)	(75) ^{1/}	312	(191)	63
Net profit	1,501	1,131	33	698	115

1Q21 Banking Operations Performance

Banking Operations' net profit rose to a high of S\$1.13b

Banking Operations	1Q21 S\$m	4Q20 S\$m	QoQ +/(-)%	1Q20 S\$m	YoY +/(-)%
Net interest income	1,417	1,414	–	1,595	(11)
Non-interest income	931	747	25	778	20
Total income	2,347	2,161	9	2,373	(1)
Operating expenses	(1,077)	(1,034)	4	(1,061)	1
Operating profit	1,271	1,127	13	1,312	(3)
Associates	214	142	51	165	30
Operating profit before allowances	1,485	1,268	17	1,477	1
Allowances for impaired assets	(152)	(237)	(36)	(276)	(45)
Allowances for non-impaired assets	(8)	(50)	(84)	(382)	(98)
Amortisation, tax and NCI	(197)	(140)	41	(139)	41
Net profit from banking operations	1,128	842	34	680	66
GEH net profit contribution	373	288	29	18	nm
OCBC Group net profit	1,501	1,131	33	698	115

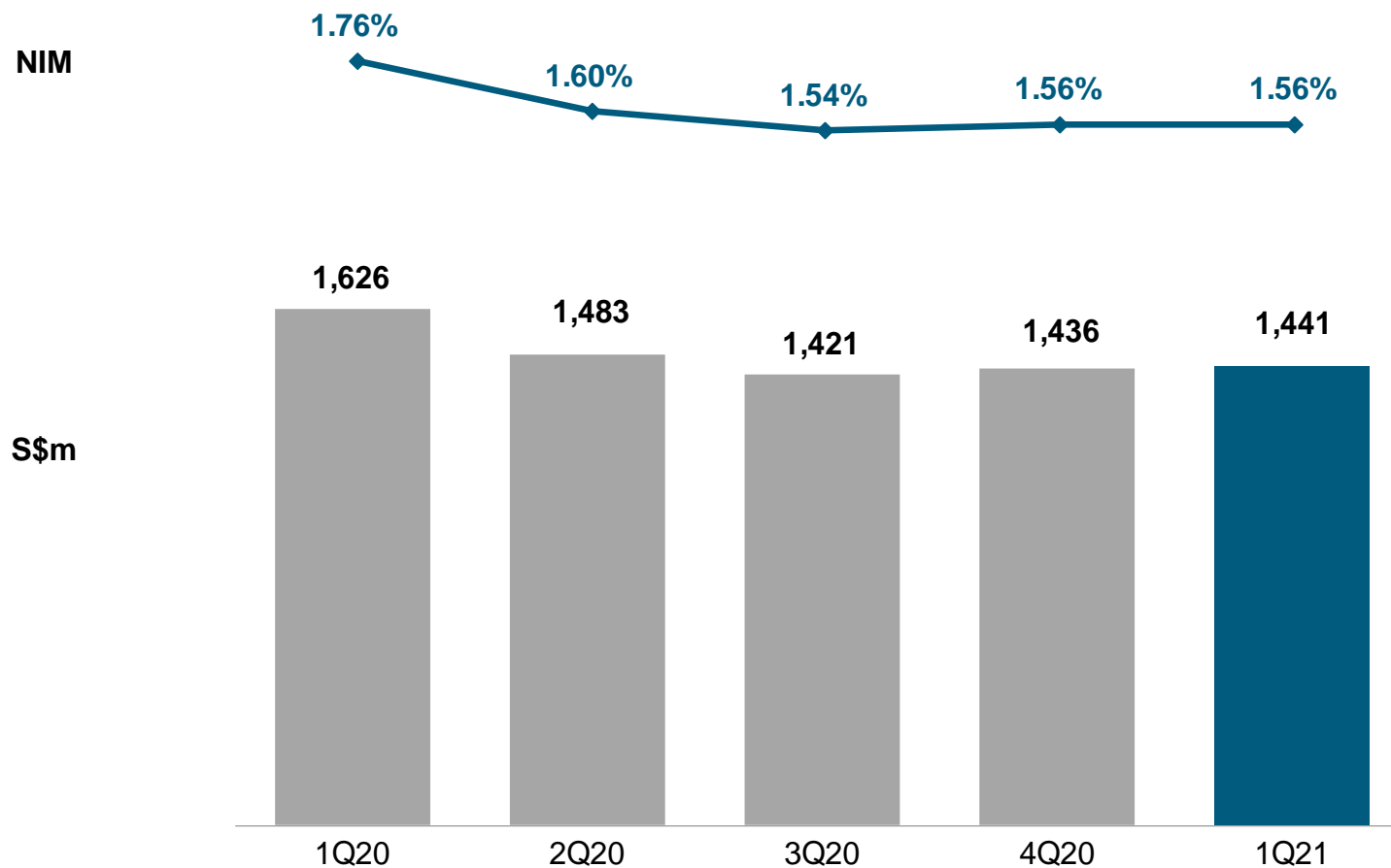
Agenda

Financial Highlights

Group Performance Trends

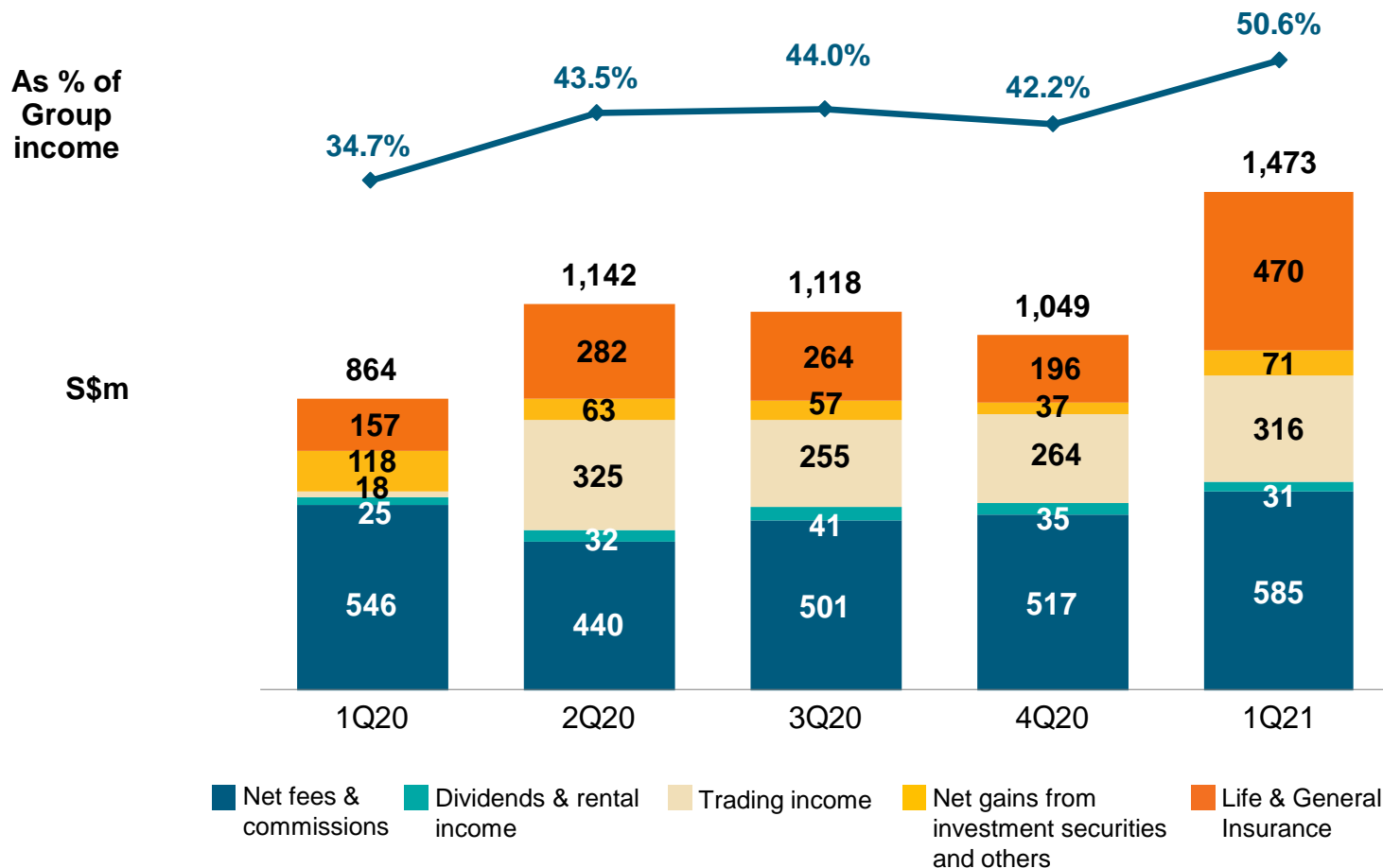
Net Interest Income

1Q21 NIM steady at 1.56% from continued optimisation of the funding base



Non-interest Income

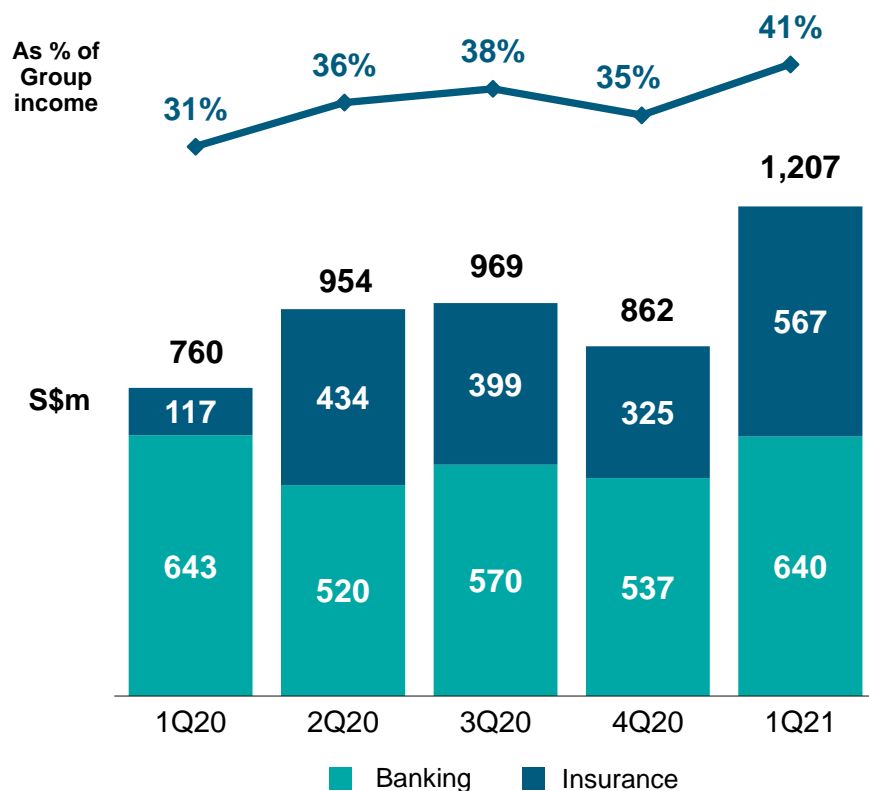
Broad-based growth across customer segments



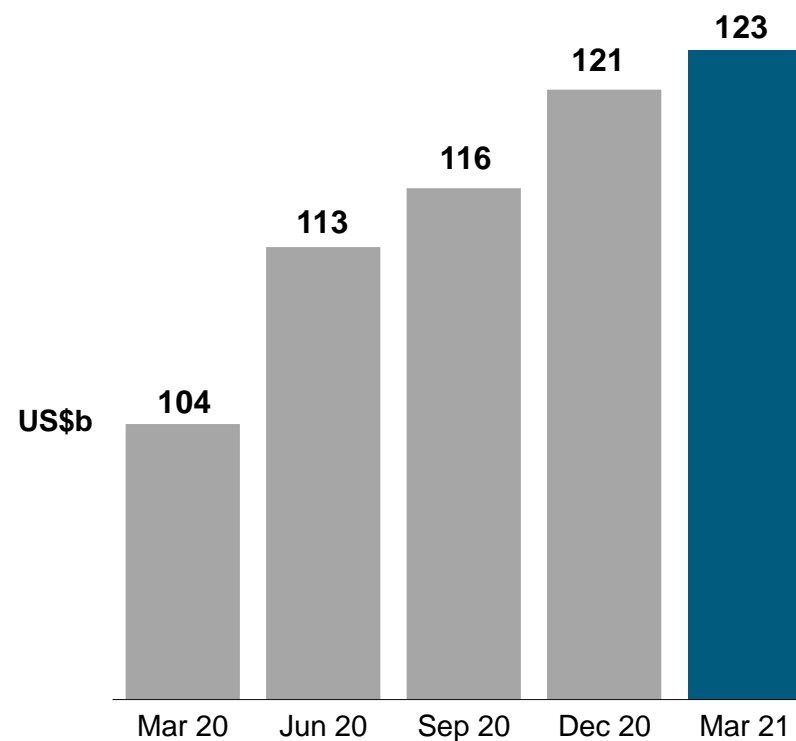
Wealth Management Franchise

WM income at S\$1.21b; private banking AUM rose to US\$123b

Total Wealth Management Income

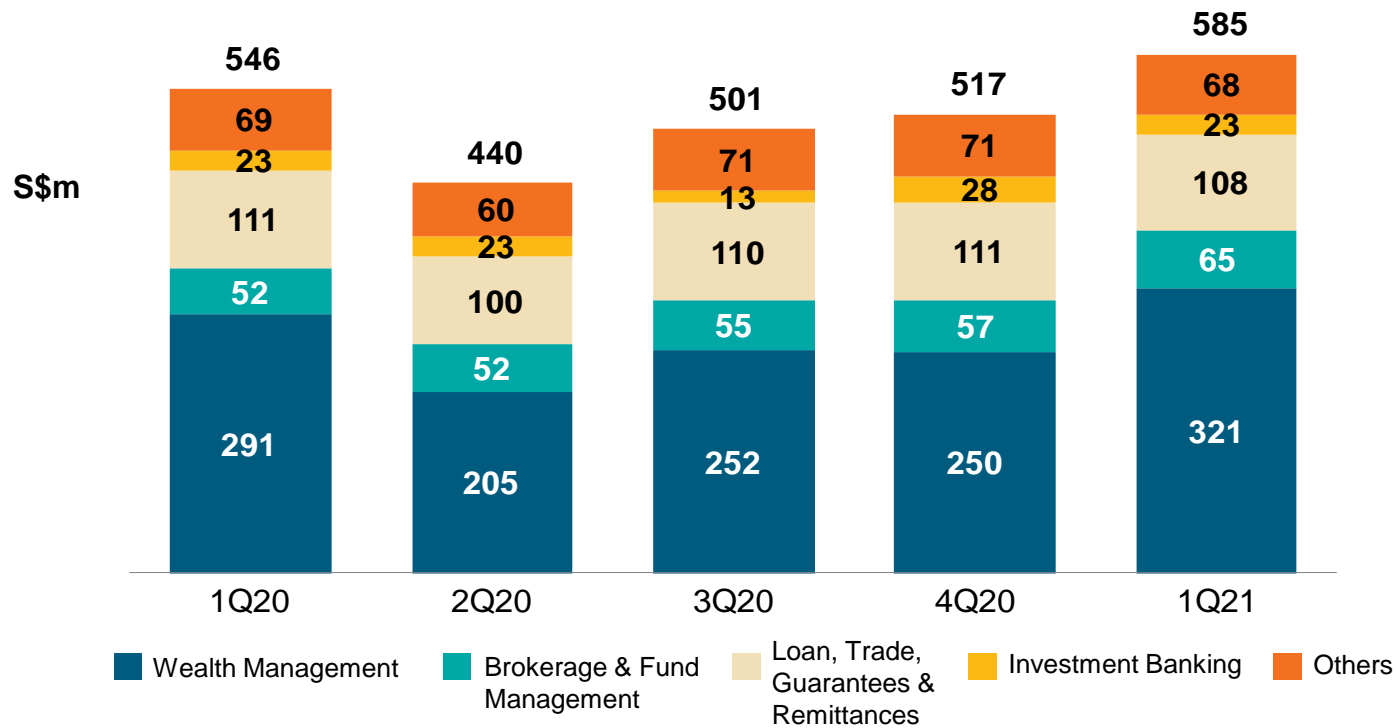


Bank of Singapore's Assets Under Management



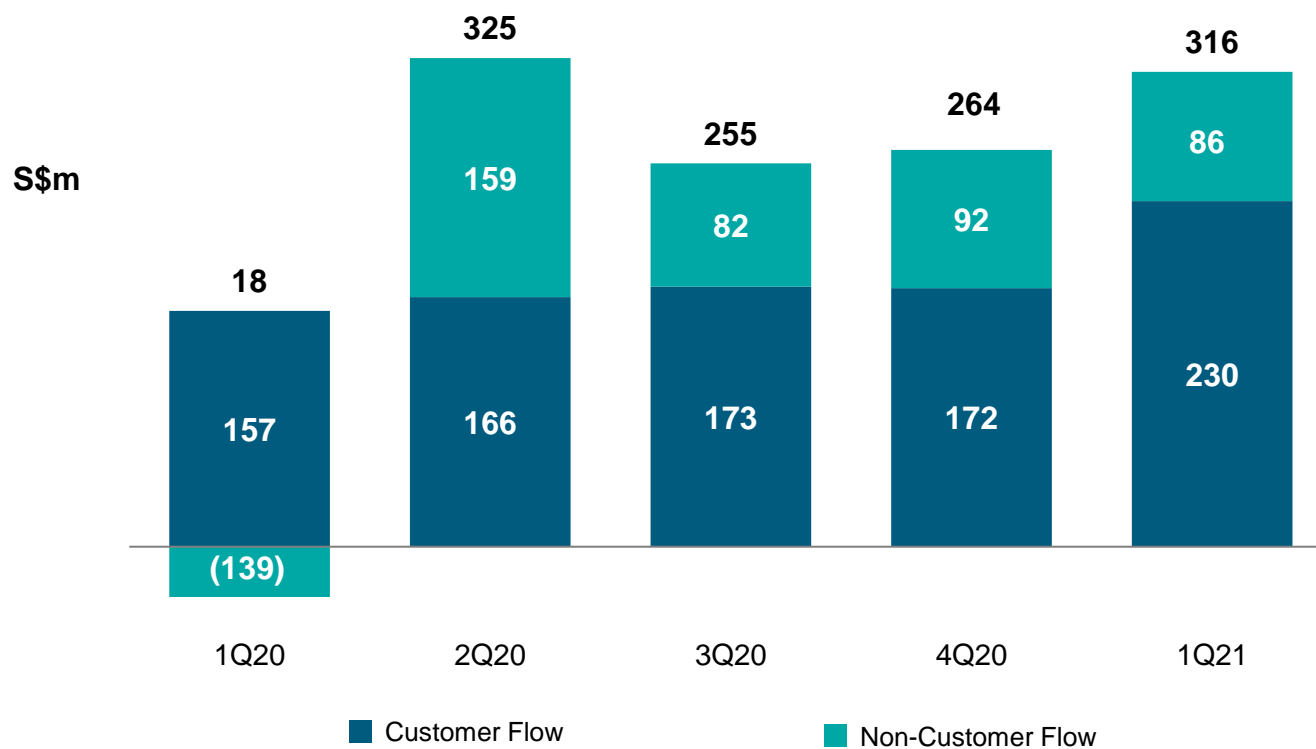
Net Fees & Commissions

Fee income rose 13% QoQ and 7% YoY to S\$585m; WM fees at a high



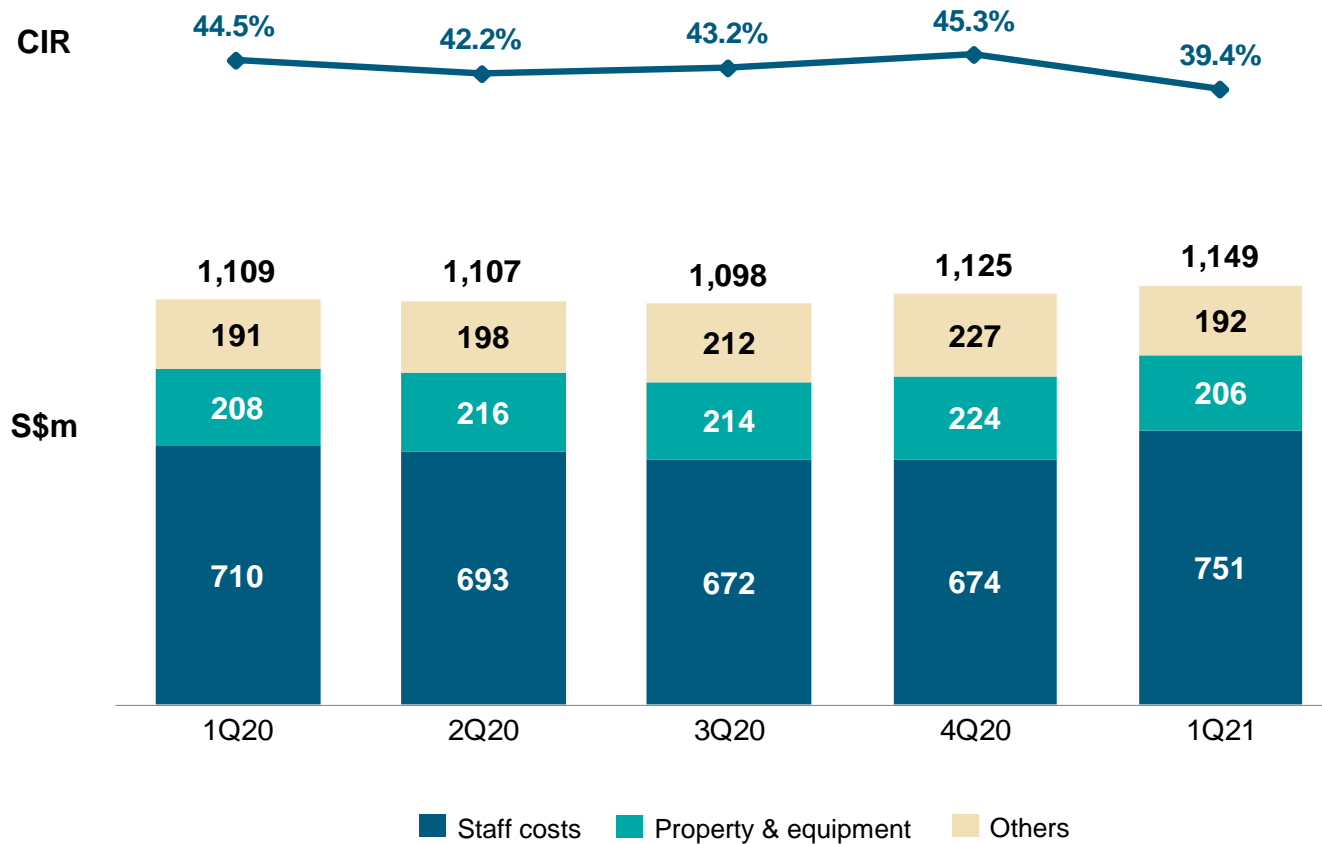
Trading Income

Trading income driven by higher customer flow treasury income



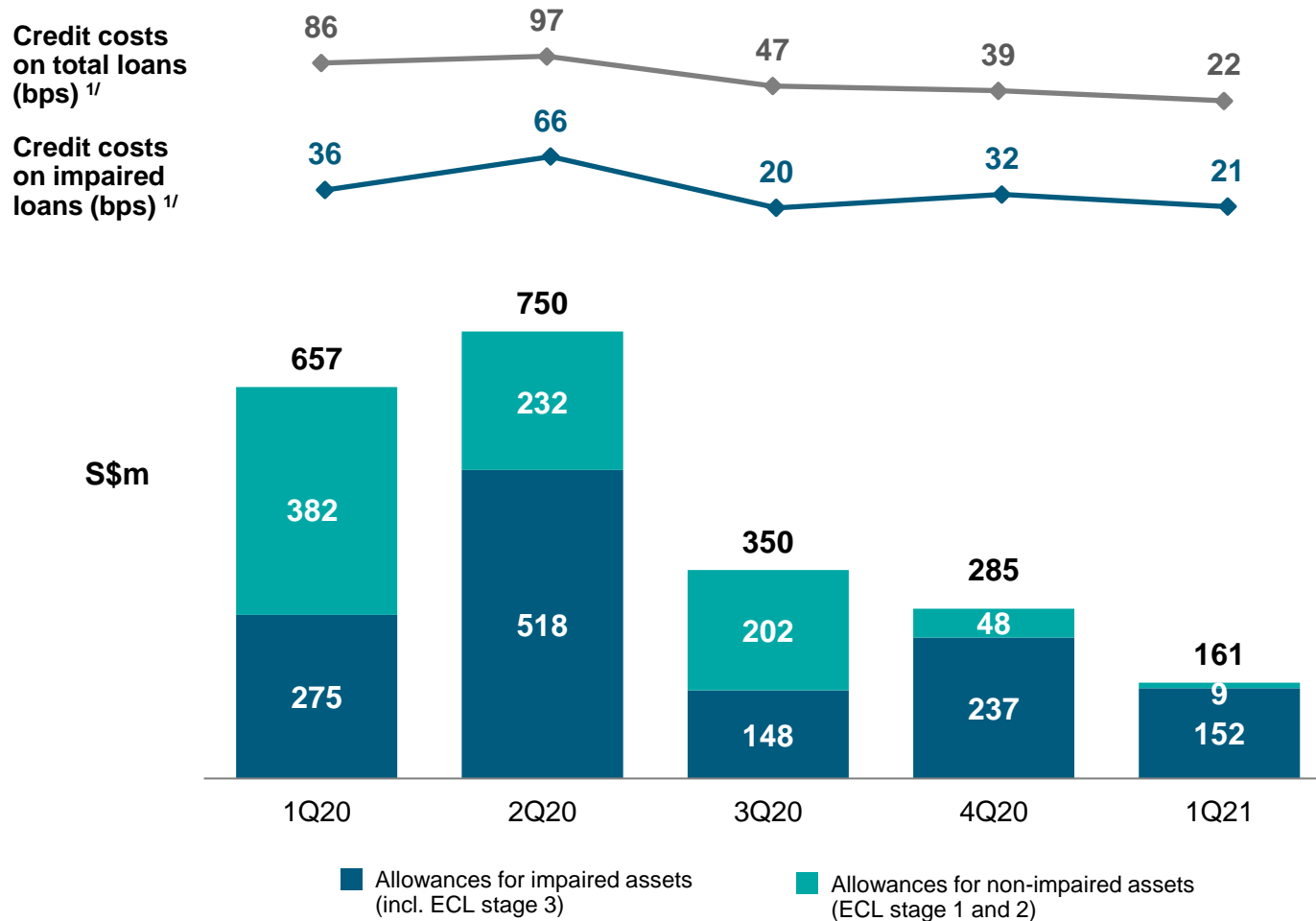
Operating Expenses

Operating expenses 2% higher QoQ; CIR at 39.4%



Allowances

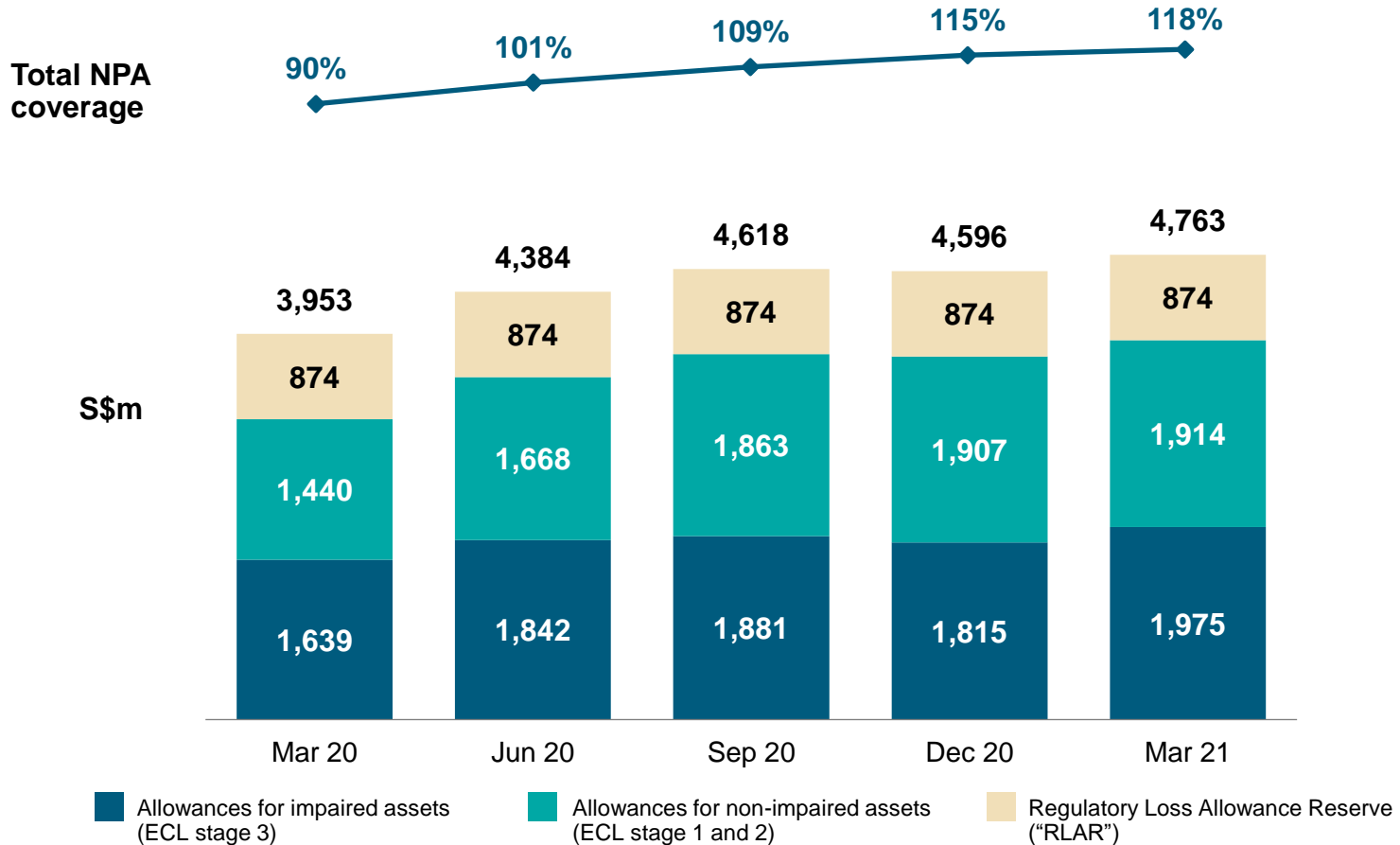
Decline in allowances reflected improving economic environment



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

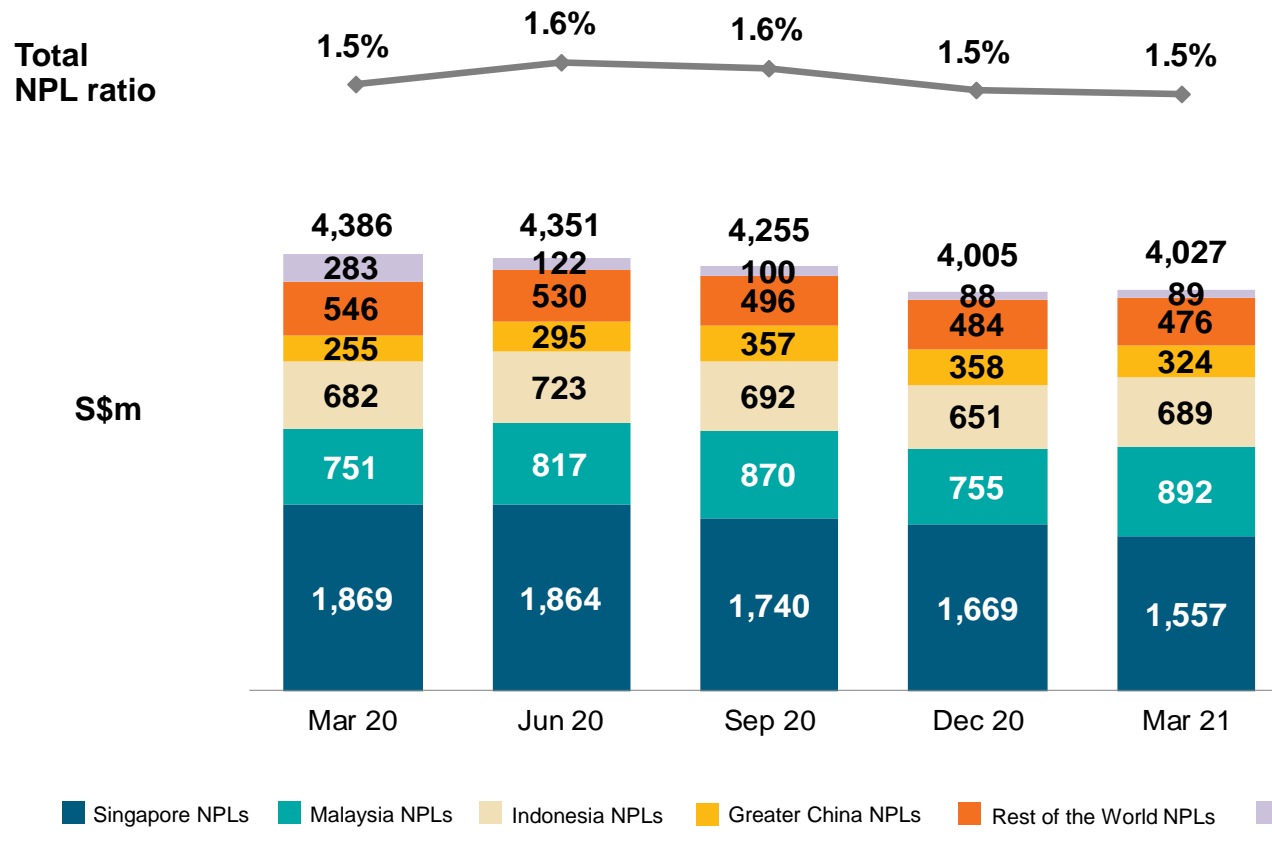
Total Cumulative Allowances

NPA coverage ratio further increased to 118%



Asset Quality

NPL ratio stable QoQ at 1.5%



Note: NPAs by geography are based on where the credit risks reside.

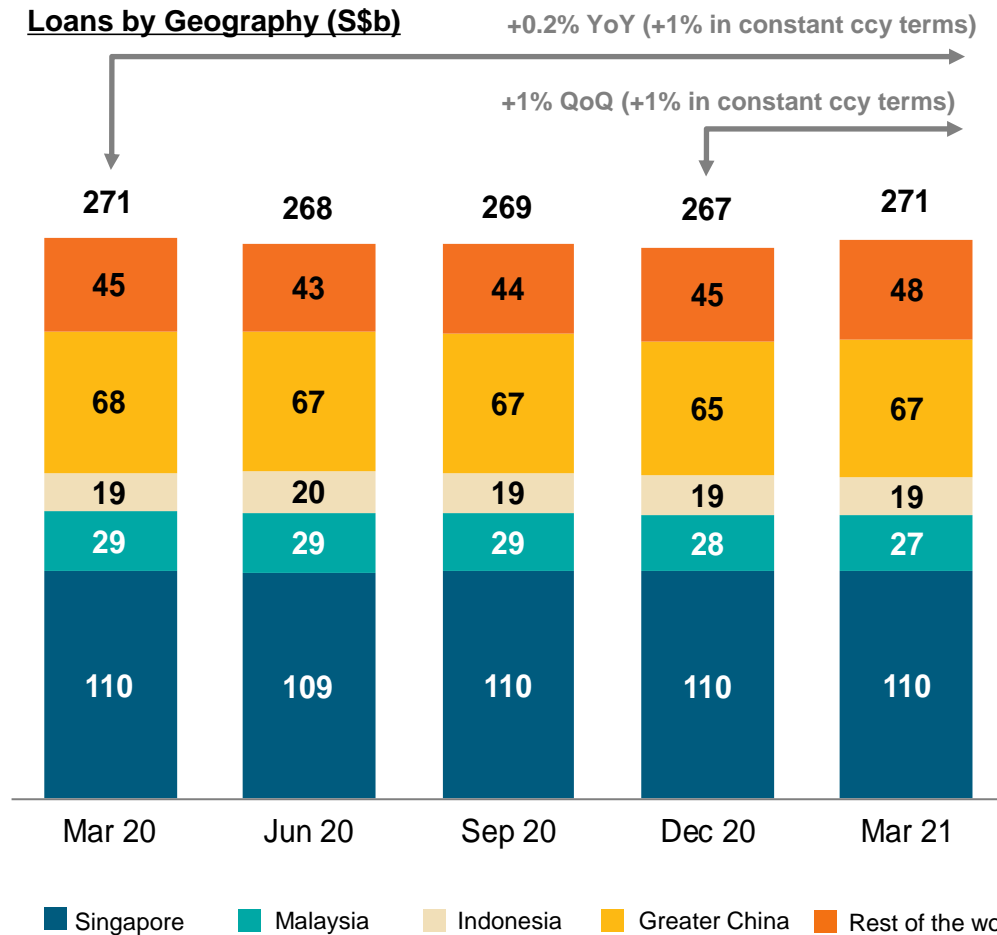
Asset Quality

Total NPAs at S\$4.03b

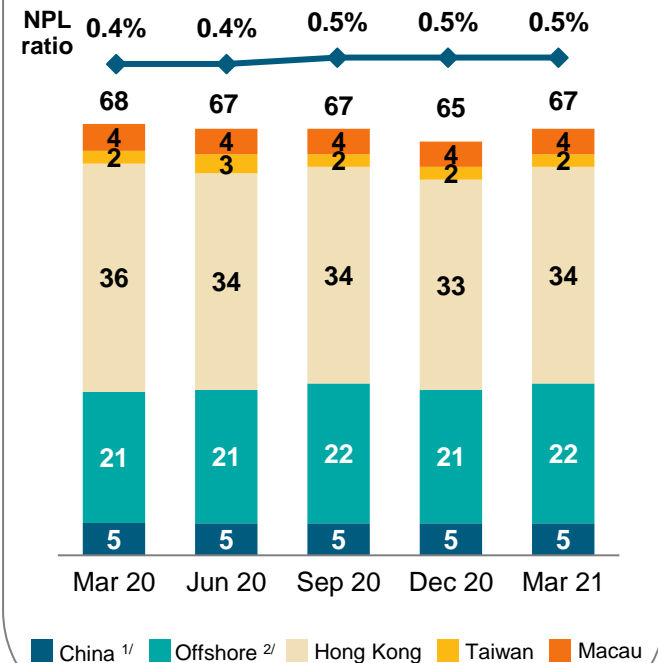
S\$m	1Q20	4Q20	1Q21
At start of period	3,883	4,255	4,005
New NPAs			
Corporate/ Commercial Banking and Others	481	160	144
Consumer Banking/ Private Banking	156	136	231
	637	296	375
Net recoveries/ upgrades			
Corporate/ Commercial Banking and Others	(51)	(90)	(245)
Consumer Banking/ Private Banking	(102)	(108)	(99)
	(153)	(198)	(344)
Write-offs			
Corporate/ Commercial Banking and Others	(45)	(253)	(15)
Consumer Banking/ Private Banking	(26)	(17)	(17)
	(71)	(270)	(32)
Foreign currency translation	90	(78)	23
At end of period	4,386	4,005	4,027

Customer Loans

Loans rose QoQ and YoY to S\$271b



Greater China Loans (S\$b)



Note: Based on where the credit risks reside.

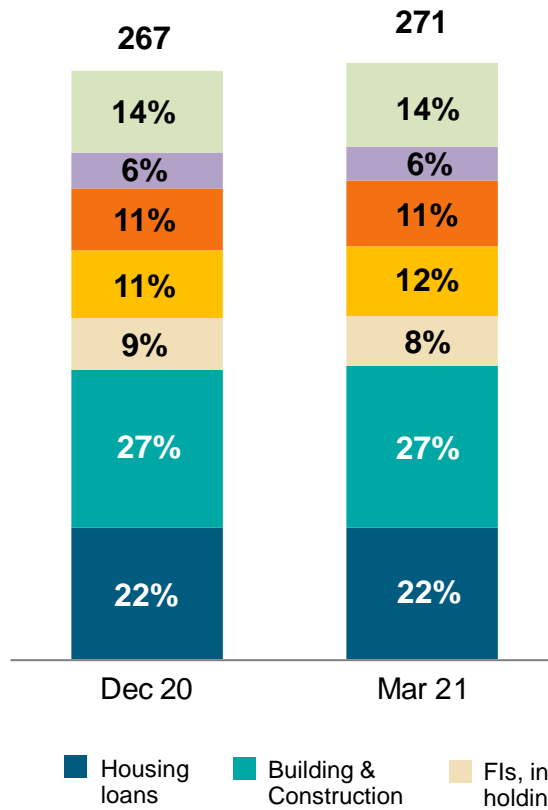
1/ Loans booked in China, where credit risks reside.

2/ Loans booked outside of China, but with credit risks traced to China.

Customer Loans

Loan portfolio remained well-diversified with limited sector concentration

Loans by Industry (S\$b)



Corporate, SME and Consumer/Private Banking comprise **51%, 9%** and **40%** of loan book respectively

O&G sector comprise **4%** of loan book (within which, 1% were OSV. Excluding conglomerates and national oil companies, net of allowances/collaterals, OSV exposures were about 0.1% of loan book)

Commodities sector account for **5%** of loan book

Shipping sector (ex OSV) made up **2%** of loan book

Aviation sector comprise **less than 1%** of loan book

Green and sustainable finance portfolio **up 9%** QoQ to **S\$15.3b** (6% of loan book)

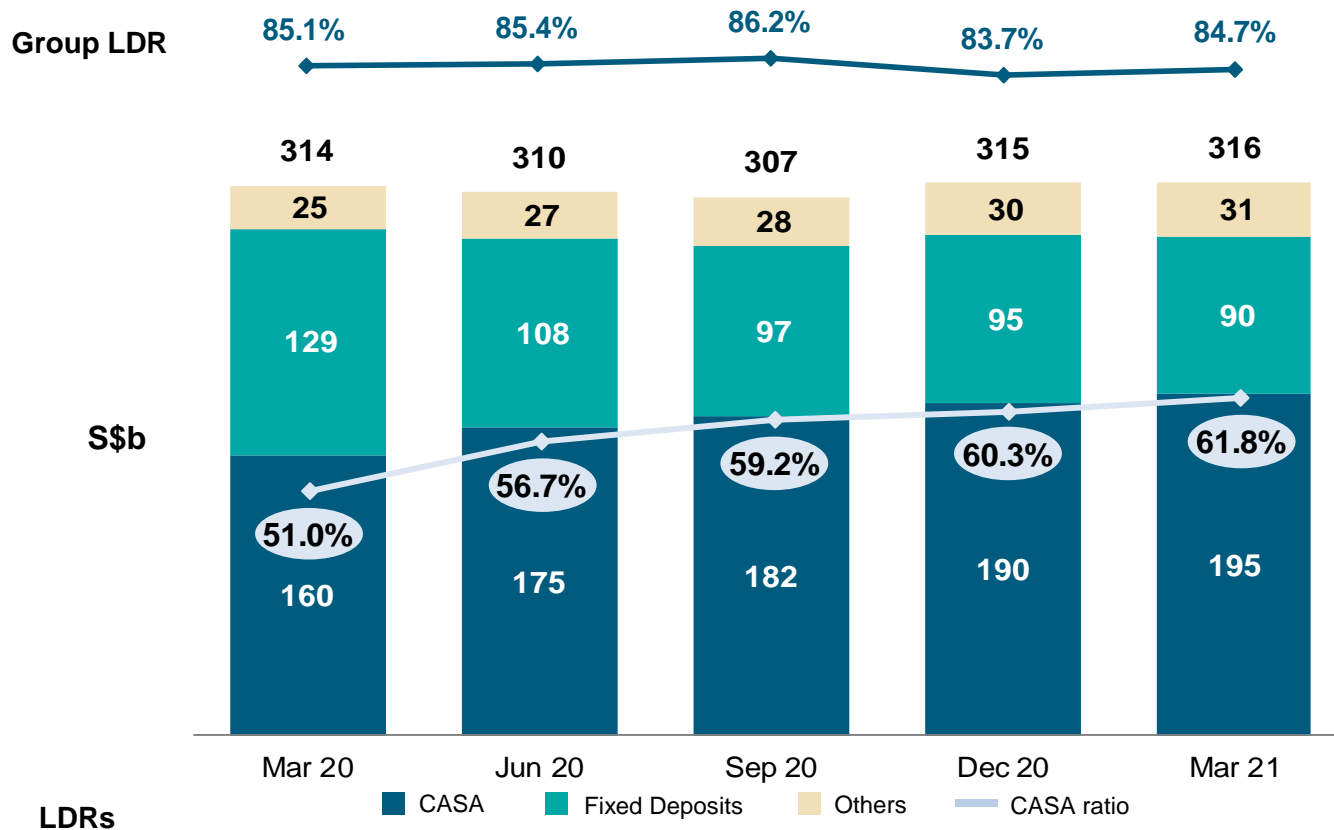
Loan Relief Update

Healthy repayment profiles observed for the relief loans portfolio

	31 Jan 2021			31 Mar 2021		
Total Loans under Moratorium (S\$b)	5.7	<i>91% secured</i>		5.1	<i>92% secured</i>	
% of Group Loans	2%			2%		
<u>By Geography (S\$b)</u>		% of country loans	% secured		% of country loans	% secured
Singapore	2.7	2%	97%	2.6	1%	97%
Individuals	1.0			1.1		
Businesses	1.7			1.5		
Malaysia	1.4	6%	84%	1.3	6%	86%
Individuals	0.7			0.8		
Businesses	0.7			0.5		
Indonesia	1.1	10%	82%	0.7	7%	80%
Individuals	0.1			0.1		
Businesses	1.0			0.6		
HK & Macau	0.5	2%	98%	0.4	2%	100%
Individuals	0.1			0.0		
Businesses	0.4			0.4		

Customer Deposits

CASA deposits grew QoQ and YoY to S\$195b; CASA ratio improved to 61.8%



LDRs

SGD	85.7%	83.2%	81.8%	78.3%	77.8%
USD	64.8%	64.0%	69.2%	65.6%	68.8%



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Thank You