
PROPOSED ACQUISITION OF 99% OF THE ISSUED ORDINARY SHARES IN PT BANK COMMONWEALTH BY PT BANK OCBC NISP TBK (“PROPOSED ACQUISITION”)

The acquisition reinforces PT Bank OCBC NISP Tbk’s market position and deepens Oversea-Chinese Banking Corporation Limited’s presence in Indonesia.

Oversea-Chinese Banking Corporation Limited (“**OCBC Bank**”) wishes to announce that its subsidiary, PT Bank OCBC NISP Tbk (“**OCBC Indonesia**”), has on 16 November 2023 entered into a Share Sale and Purchase Agreement (“**SPA**”) to acquire 99% of the issued ordinary shares in PT Bank Commonwealth (“**PTBC**”) from Commonwealth Bank of Australia. OCBC Indonesia also intends to acquire the remaining 1% of the issued ordinary shares in PTBC from the other shareholders.

The total cash consideration for the Proposed Acquisition is IDR2.2 trillion (approximately S\$191 million) (“**Consideration**”). The Consideration was arrived at based on a willing-buyer, willing-seller basis, and taking into consideration factors such as the business prospects, and existing partnerships of PTBC. The Consideration will be subject to adjustments in accordance with the terms of the SPA.

PTBC focuses on retail and small and medium-sized enterprises segments, providing a range of banking and wealth management products. Based on PTBC’s unaudited financial statements as at 30 September 2023, the net asset value and net tangible asset value of PTBC was IDR4.1 trillion and IDR3.5 trillion (approximately S\$356 million and S\$308 million), respectively.

The Proposed Acquisition is subject to amongst others, regulatory approvals from Financial Services Authority of Indonesia (Otoritas Jasa Keuangan) and the Monetary Authority of Singapore. Upon the completion of the Proposed Acquisition, PTBC will be a subsidiary of OCBC Indonesia.

OCBC Indonesia has sufficient financial resources, through its own internal cash, to fund the Proposed Acquisition. The Proposed Acquisition is not expected to have any material impact on the net tangible assets, earnings per share or capital position of OCBC Bank for the financial year ending 31 December 2023.

It is envisaged that PTBC will be merged into OCBC Indonesia after the Proposed Acquisition. OCBC Indonesia will be working closely with PTBC on the migration of customers and employees to ensure a smooth transition.

The Proposed Acquisition adds scale to OCBC Indonesia and deepens OCBC Bank’s presence in Indonesia. PTBC’s customer base of retail and small and medium-sized enterprise customers is complementary with OCBC Indonesia. As there is little overlap in customer relationships between OCBC Indonesia and PTBC, the Proposed Acquisition is expected to create synergies and strengthen the franchise value of OCBC Indonesia.

None of the Directors or controlling shareholders of OCBC Bank has any interest, direct or indirect, in the Proposed Acquisition.

Issued by

Oversea-Chinese Banking Corporation Limited
16 November 2023