



UOB Group Financial Updates

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For the First Quarter Ended 31 March 2024

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Financial Highlights

1Q24 key financial indicators

Core operating profit ⁽¹⁾

\$2.0b

+ 6% QoQ
- 2% YoY

Core net profit after tax ⁽¹⁾

\$1.6b

+ 5% QoQ
- 1% YoY

Core return on equity ⁽¹⁾

14.0%

+ 0.2%pt QoQ
- 0.9%pt YoY

Core cost/Income ratio ⁽¹⁾

41.9%

- 1.3%pt QoQ
+ 1.0%pt YoY

NPL ratio

1.5%

unchanged QoQ
- 0.1%pt YoY

Credit costs

23bps

- 2bps QoQ
- 2bps YoY

NSFR ratio

121%

+ 1%pt QoQ
unchanged YoY

CET 1 ratio

13.9%

+ 0.5%pt QoQ
- 0.1%pt YoY

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

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

(1) Excluding one-off expenses




Financial Highlights

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

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

Performance by Segment

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

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

Consumers

- Tapping on rising affluence and growing digitalisation in Southeast Asia



Scale Acquisition with Digital

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

8.1m

Retail customers,
78% are
digitally enabled

>200k

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



Deepen Engagement with Eco-system Partnerships

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

54

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

+11%

Year on year growth in
credit card fees



Leverage data insights to drive Omni-channel Offerings

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

\$179b

Assets under
management (AUM)^{1,2}
▲ 11% YoY

~40%

Higher average product
holdings by omni-channel
customers vs other
customers

1. Of which 61% are from customers overseas. 2. Refers to Privilege Banking, Privilege Reserve and Private Bank.

Wholesale customers

- Growing regional franchise, capturing cross-border opportunities



Strengthening Connectivity

Across our ASEAN footprint and global network



25%

Cross border income as % of
GWB income

+5%

Anchor customers within Financial Supply Chain Management solution¹



Sector Specialisation

Building capabilities for greater diversification and risk mitigation



+9%

Hospitality income¹



+13%

Healthcare income¹



Deepening Digitalisation

For secure and efficient transactions



+52%

Cashless payments to businesses in the region^{1,2}



+26%

Digital banking transactions by businesses across the Group^{1,3}

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

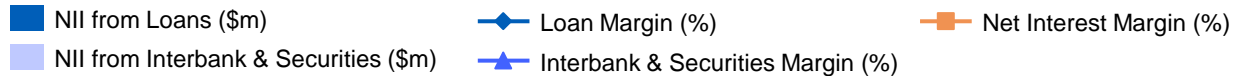
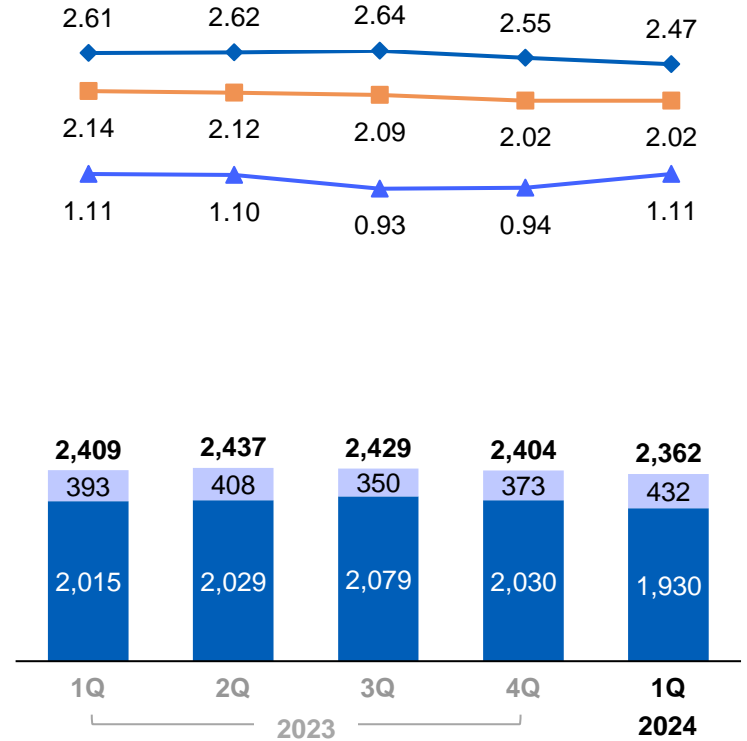
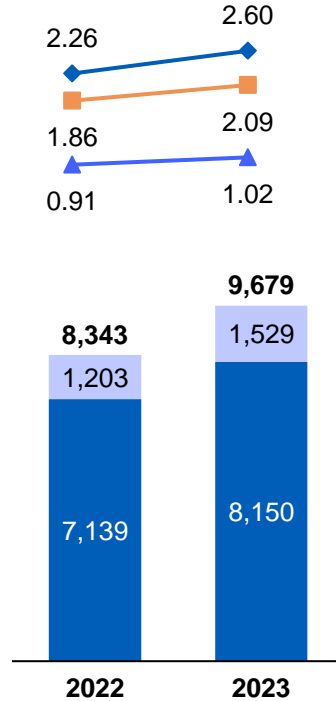
Performance by Geography

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

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

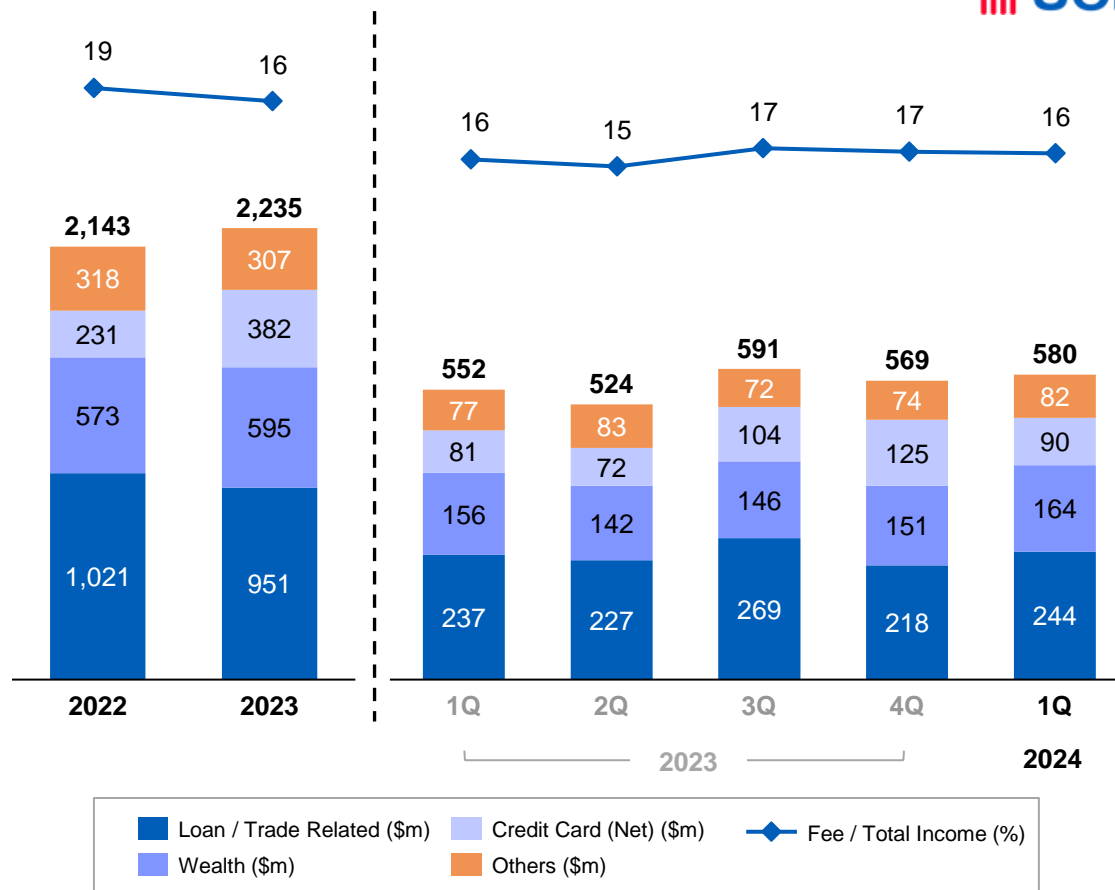
Net Interest Income and Margin

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



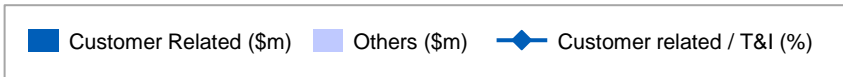
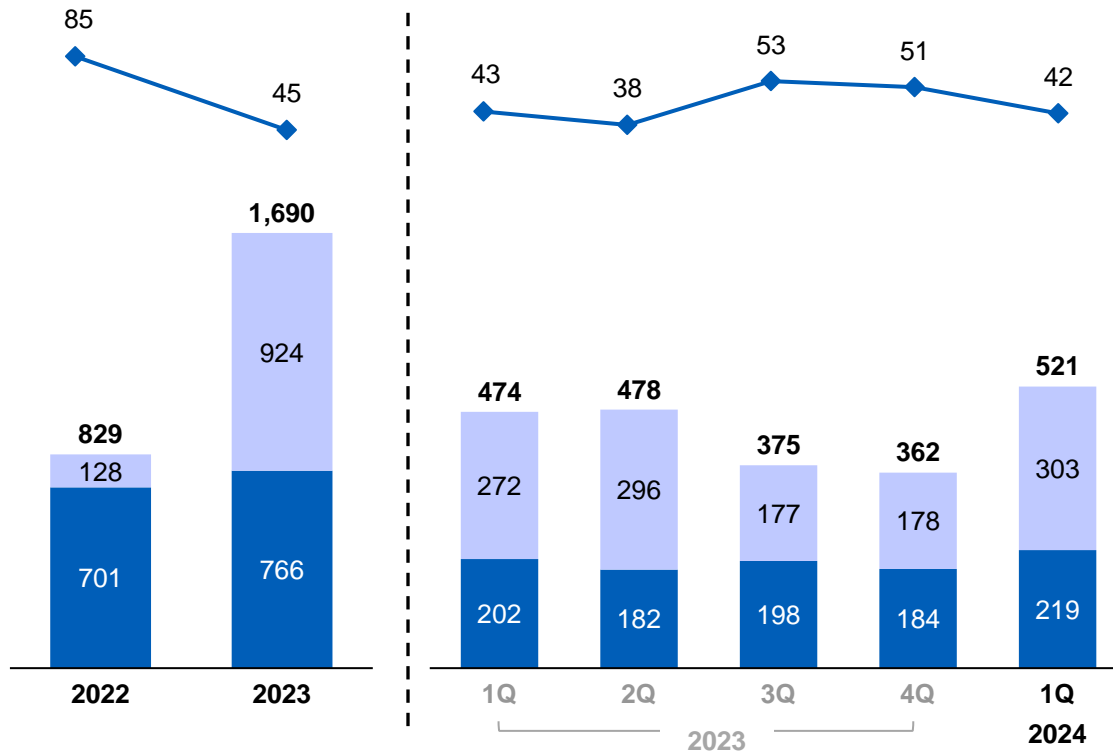
Fee Income

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



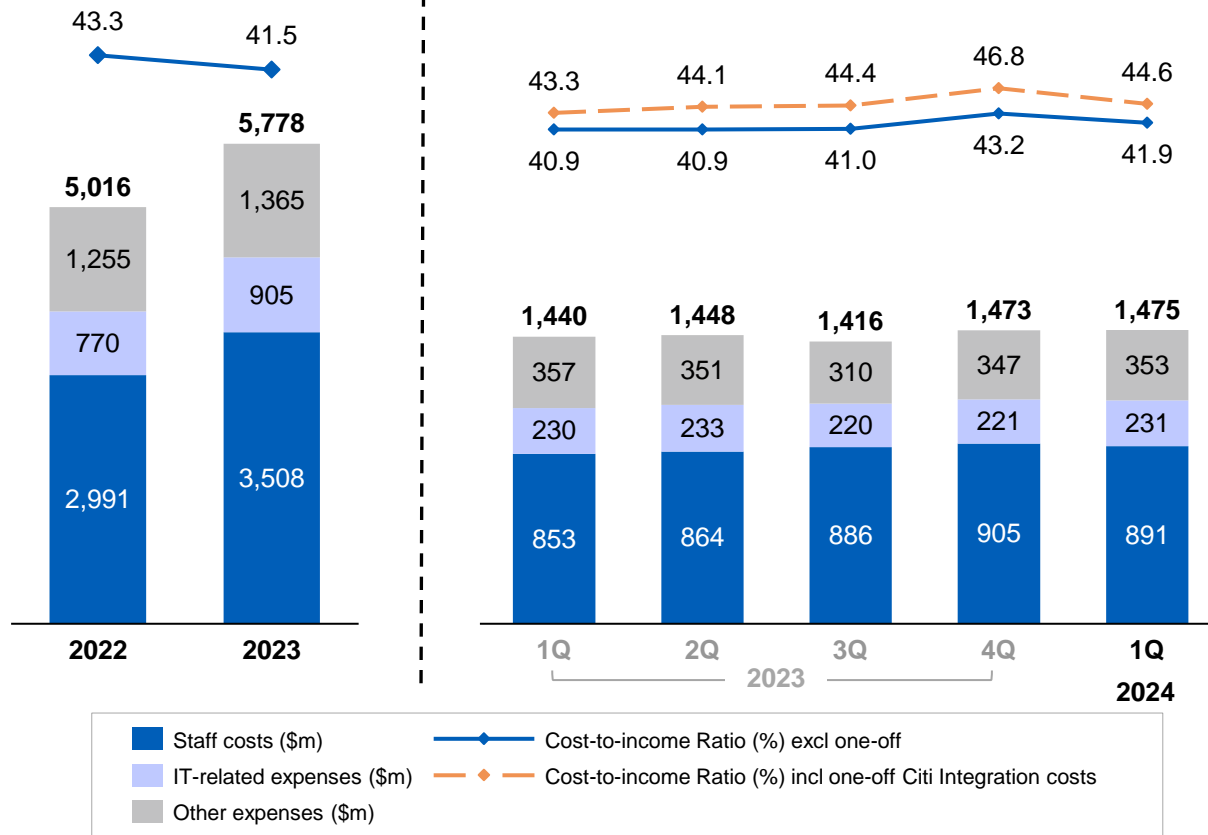
Trading & Investment Income

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



Core Expenses and Cost / Income Ratio (1)

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



(1) Excluding one-off expenses

Non-Performing Assets

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

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

NPL Ratio (%)

1.6

1.6

1.6

1.5

1.5

Specific allowance/NPA (%)

32

33

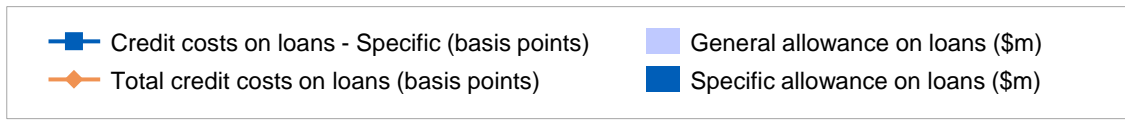
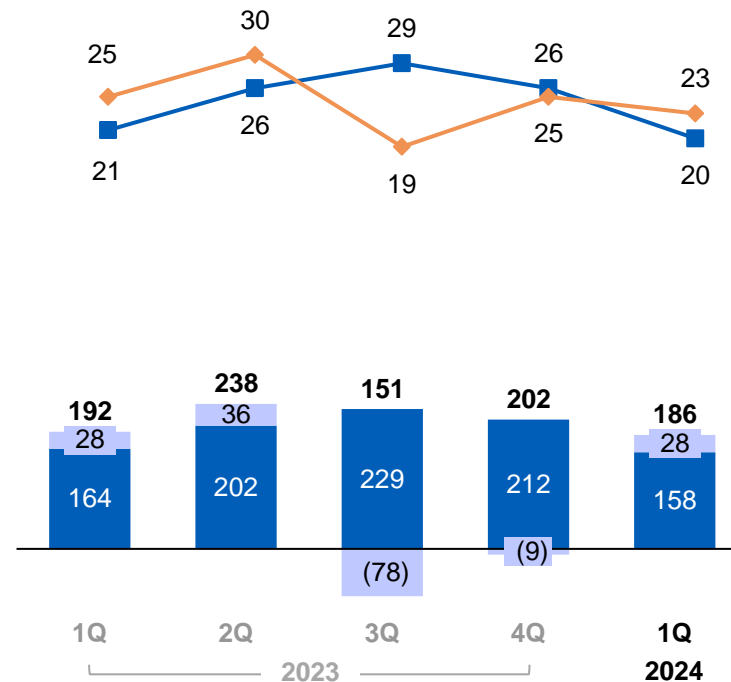
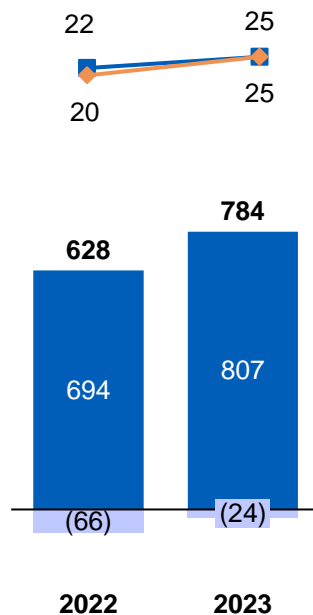
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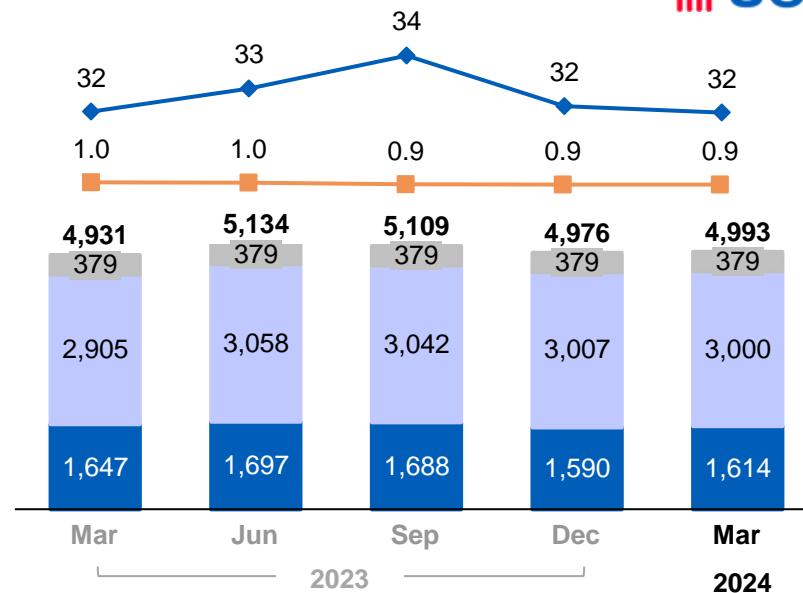
Total Allowance on Loans

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

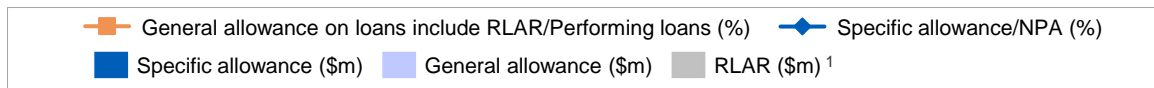


Allowance Coverage

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



NPA coverage (%) ²	96	99	102	101	99
Unsecured NPA coverage (%) ²	212	209	205	209	204



Notes:

- (1) Regulatory loss allowance reserve (RLAR) is a non-distributable reserve appropriated through retained earnings to meet MAS Notice No. 612 Credit Files, Grading and Provisioning requirements.
- (2) Includes RLAR as part of total allowance.

Gross Loans

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

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

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

Total Funding

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

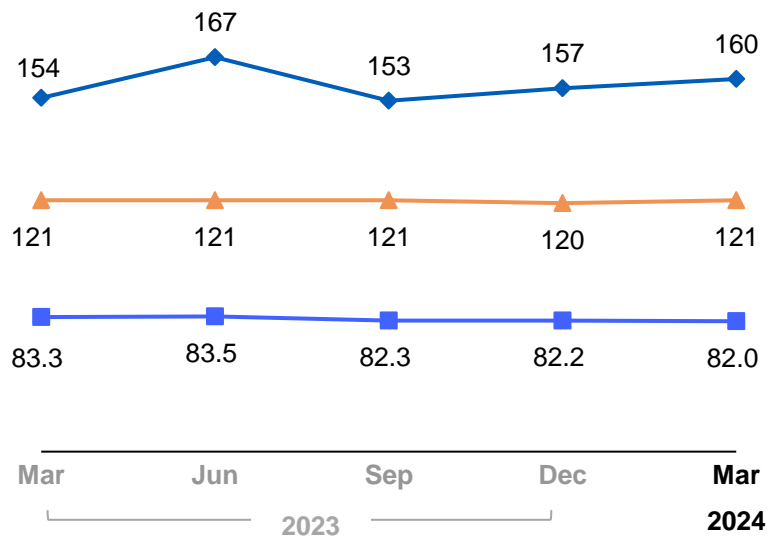
	Mar-24 \$b	Dec-23 \$b	Mar-23 \$b	QoQ +/(-)%	YoY +/(-)%
Singapore	267	264	254	1	5
ASEAN-4	74	73	73	1	1
Malaysia	34	34	34	0	2
Thailand	27	27	26	1	3
Indonesia	10	10	11	3	(4)
Vietnam	2	2	2	8	4
North Asia	23	24	22	(2)	6
Greater China	23	24	22	(3)	5
Others	0	0	0	53	47
Rest of the world	24	24	25	2	(3)
Total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

Note:

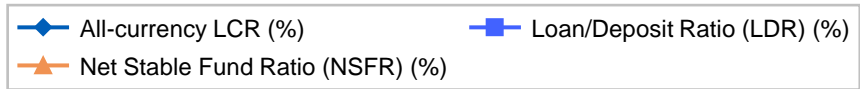
(1) Comprising debt issuances, perpetual capital securities and interbank liabilities.

Liquidity Ratios

- Liquidity and funding positions remained comfortably above regulatory requirements

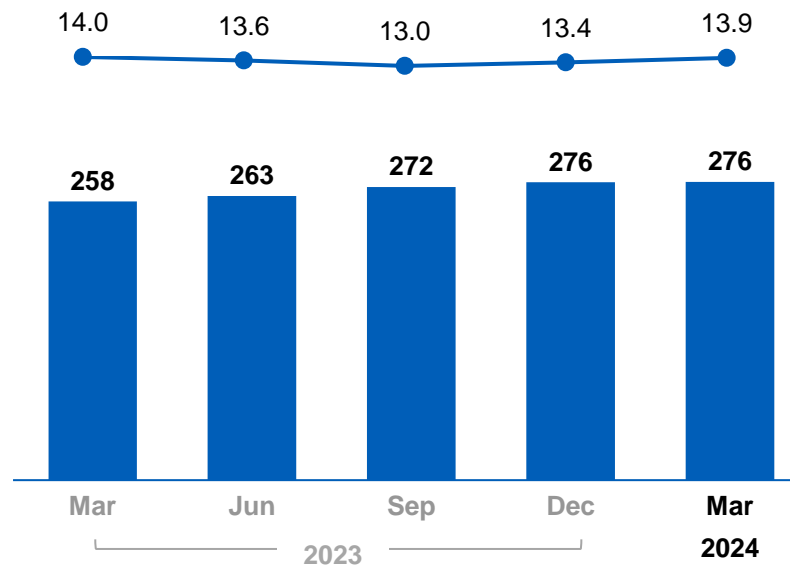


USD LDR (%)	60.7	62.9	60.7	56.5	59.7
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Capital

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



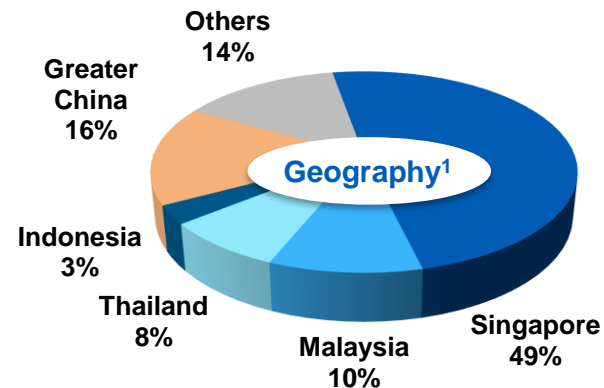
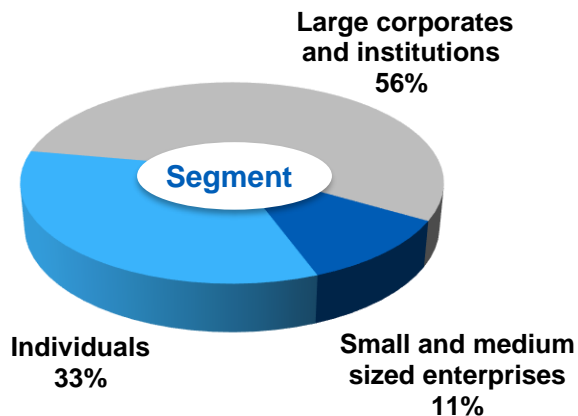
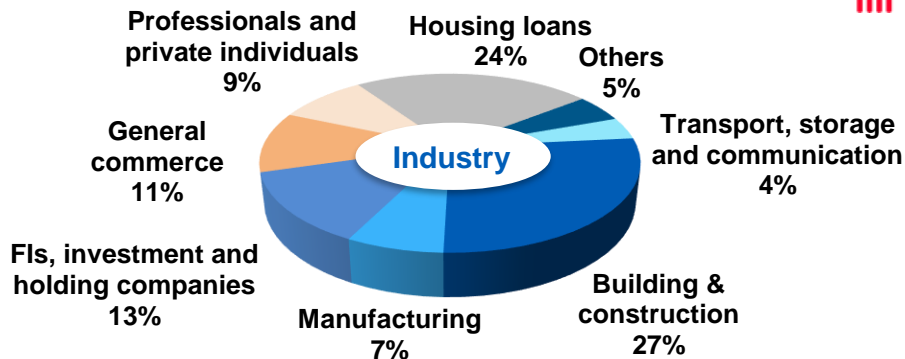
Leverage ratio (%)	7.0	7.0	6.8	6.9	7.0



Appendix

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

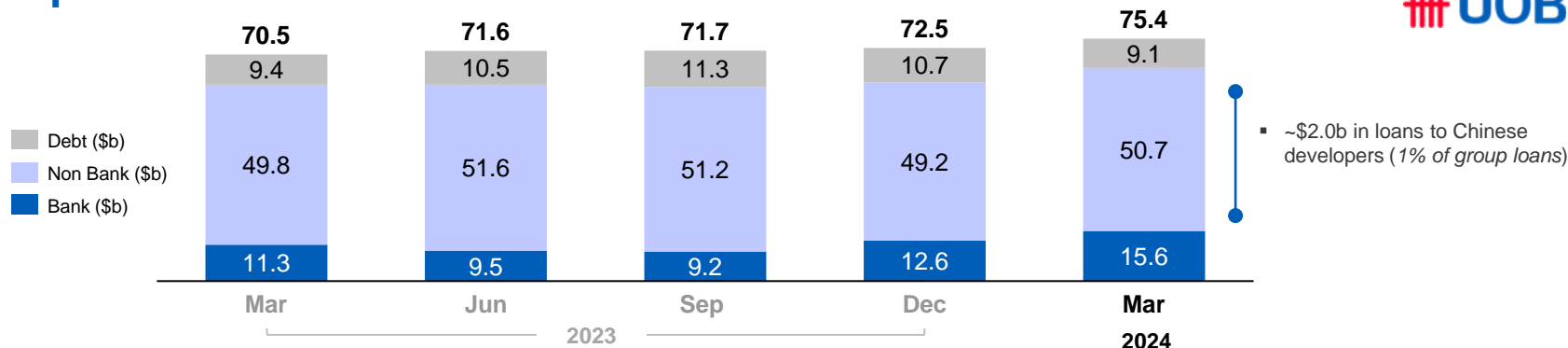
Diversified loan portfolio



Note:

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

Exposure to Greater China



As at 31 Mar 2024:

Mainland China exposure

(\$27.1b or 5% of total assets)

Hong Kong SAR exposure

(\$42.5b or 8% of total assets)

Bank exposure (\$12.2b)

- ~ 45% of total exposure to Mainland China, with top 5 domestic banks and 3 policy banks accounting for ~ 80% of total bank exposure
- ~ 100% with <1 year tenor; trade accounts for ~5% of total bank exposure

Non-bank exposure (\$11.8b)

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

Bank exposure (\$1.1b)

- ~80% are to foreign banks

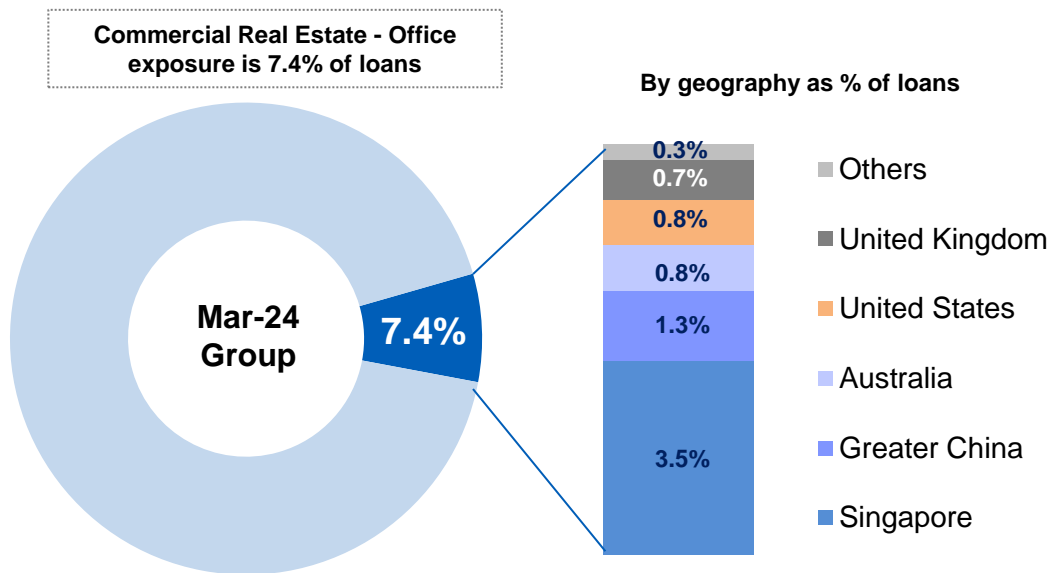
Non-bank exposure (\$36.0b)

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

Note: Classification is according to where credit risks reside, largely represented by the borrower's country of incorporation/operation for non-individuals and residence for individuals

Exposure to Commercial Real Estate - Office

- Almost half of office exposure is in Singapore
- Overseas exposure backed by strong sponsors
- Largely secured by class-A office properties
- Average LTV around 50%



Thank You



Right By You