UOB Group Financial Updates

Lee Wai Fai
Group Chief Financial Officer

For the Financial Year / Fourth Quarter Ended 31 December 2024

Key Highlights

- **FY24 net profit rose 6% to record $6.0b**, with ROE at 13.3%. **Net profit at $1.5b** for 4Q24
- **Fee income at new high of $2.4b on full year basis**, led by double digit growth in wealth fees as well as stronger card and loan-related fees. **Robust customer-related treasury income**, alongside good performance from trading and liquidity management activities
- **4Q24 net interest margin moderated** to 2.00% on lower benchmark rates. **Wealth and loans fees were seasonally softer**. **Other non-interest income eased from an exceptional 3Q24** that benefitted from market volatilities
- **Asset quality remained resilient** with NPL ratio at 1.5%. FY total credit costs at 27 basis points were within guidance
- **Strong capital and funding positions maintained,** with CET1 ratio at 15.5% and NSFR at 116%
- Proposed **final dividend** of **92 cents** per share
- **$3 billion package to return surplus capital over 3 years**

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	FY24	4Q24
Net profit after tax	**$6.0b** + 6% YoY	**$1.5b** - 5% QoQ
Net Interest Margin	**2.03%** - 0.06%pt YoY	**2.00%** - 0.05%pt QoQ
Fee Income	**$2.4b** + 7% YoY	**$567m** - 10% QoQ
Trading & Investment Income	**$2.0b** + 15% YoY	**$367m** - 48% QoQ

NPL ratio **1.5%** unchanged QoQ & YoY	Customer loans **$338b** +1% QoQ +5% YoY
NSFR **116%** unchanged QoQ - 4%pt YoY	CET 1 ratio **15.5%** unchanged QoQ + 2.1%pt YoY

Capital distribution strategy to reward our shareholders

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$3 billion

Over 3 years

Package to return surplus capital through suite of capital options

50 cents

Special Dividend

$0.8 billion payout over 2 tranches in 2025

$2 billion

Share Buyback

Committed completion over 3 years

FY24 Net profit rose 6% YoY to record $6.0 billion

Supported by diverse income drivers and healthy franchise growth

	2024 $m	2023 $m	YoY +/(-)%	4Q24 $m	3Q24 $m	QoQ +/(-)%	4Q23 $m	YoY +/(-)%
Net interest income	9,674	9,679	(0)	2,451	2,460	(0)	2,404	2
Net fee income	2,395	2,235	7	567	630	(10)	569	(0)
Other non-interest income	2,225	2,018	10	443	744	(40)	438	1
Total income	**14,294**	**13,932**	**3**	**3,461**	**3,834**	**(10)**	**3,410**	**1**
Less: Total expenses	6,074	5,778	5	1,558	1,590	(2)	1,473	6
Operating profit	**8,220**	**8,154**	**1**	**1,903**	**2,244**	**(15)**	**1,937**	**(2)**
Less: Amortisation of intangible assets	28	24	19	8	7	16	7	16
Less: Allowance for credit and other losses	926	921	1	227	304	(25)	152	50
Add: Associate & Joint Ventures	121	93	31	40	25	61	22	82
Core net profit	**6,233**	**6,060**	**3**	**1,540**	**1,639**	**(6)**	**1,498**	**3**
Less: One-off expenses								
- Citi integration costs (net of tax)	188	350	(46)	17	28	(41)	94	(82)
Net profit (including one-off expenses)	**6,045**	**5,711**	**6**	**1,523**	**1,610**	**(5)**	**1,403**	**9**

Healthy growth across business franchise

Income by business segment

	2024 $'m	2023 $'m	YoY
Group Retail	5,491	5,501	-
Group Wholesale Banking	6,726	7,075	(5%)

Group Retail

Tapping on growing affluence in Southeast Asia on enlarged franchise, with wealth management income growing 30% to cross $1.1b

+19%
increase[1] in **CASA** balance

+12%
pickup[1] in **card billings** across ASEAN markets

+30%
growth[1] in **wealth management** income[2], with AUM[3] at $190b

Group Wholesale Banking

Strong momentum in transaction banking, treasury and IB underpin franchise growth amid a competitive landscape

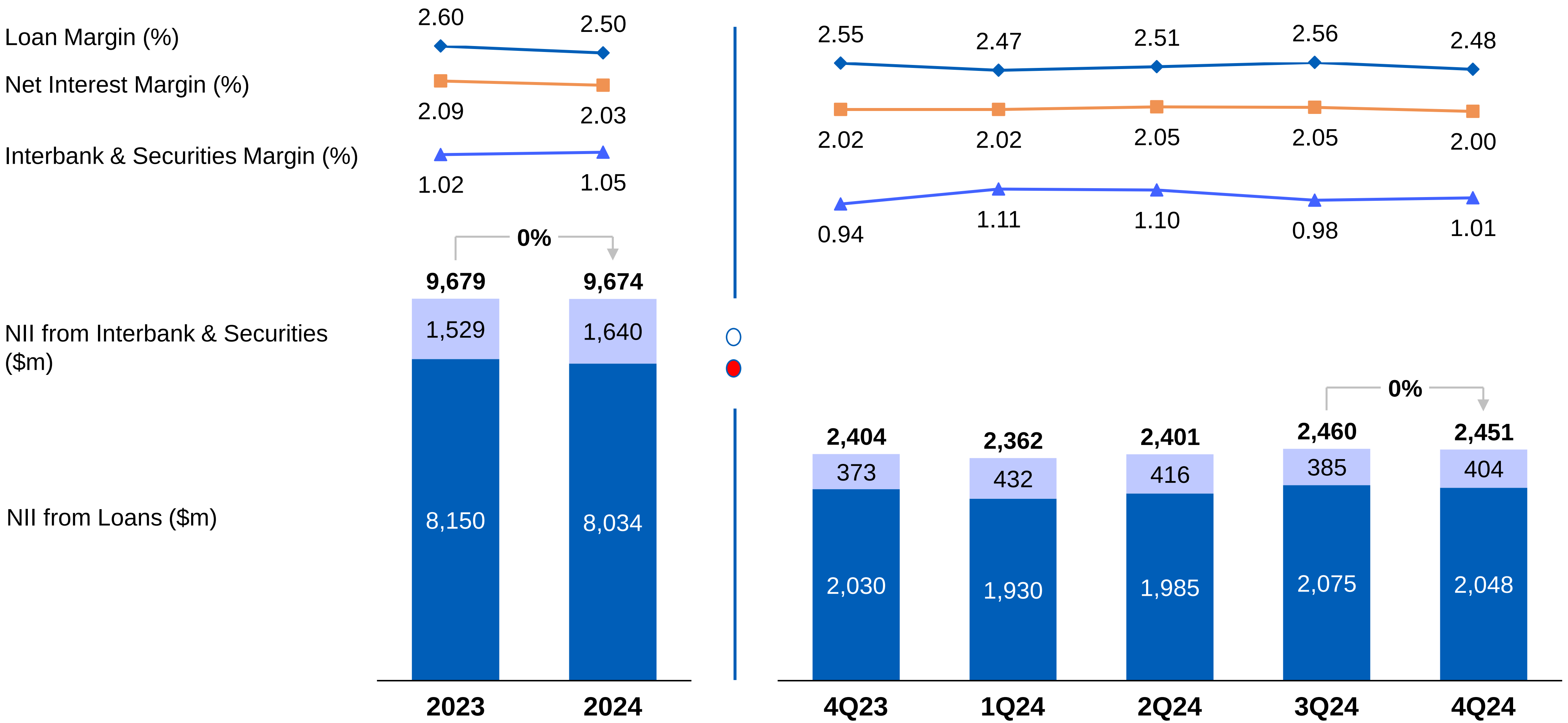
+16%
YoY growth[1] in **CASA**

+20%
YoY growth[1] in **trade** loans

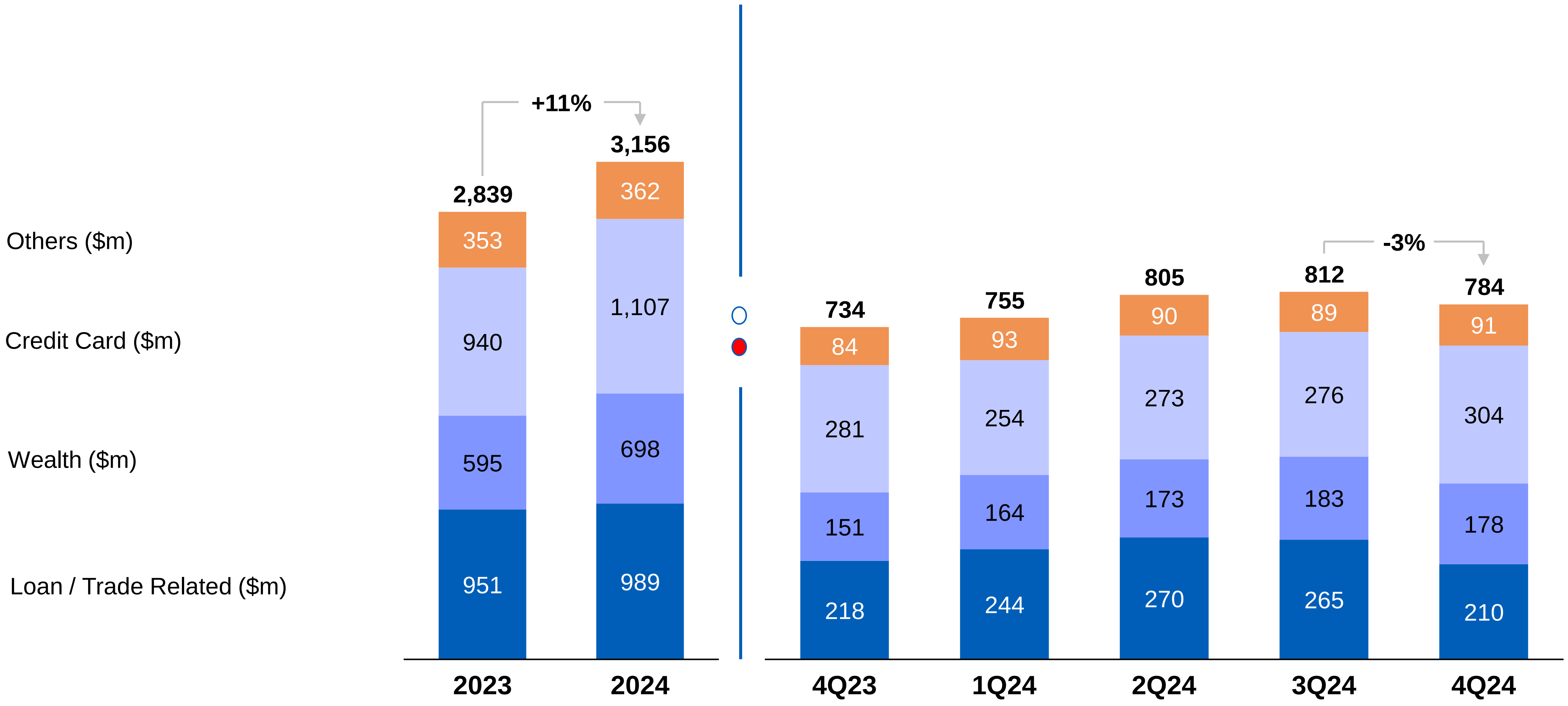
70%
income contribution to GWB from **non-real estate sectors**, with ASEAN-4[4] at 87%

1. Represents year-on-year growth for 2024
2. Comprises wealth management fees and customer-related treasury income
3. Refers to Privilege Banking and Private Bank
4. ASEAN-4 comprises Indonesia, Malaysia, Thailand and Vietnam

NII stable QoQ as asset growth offset impact from interest rate cuts



4Q24 fees eased from last quarter high alongside seasonally softer quarter for loan-related and wealth activities



Note: Above fees are gross of expenses, unless stated otherwise

Strong customer-related treasury income in FY24, trading and liquidity management activities continued to deliver good performance

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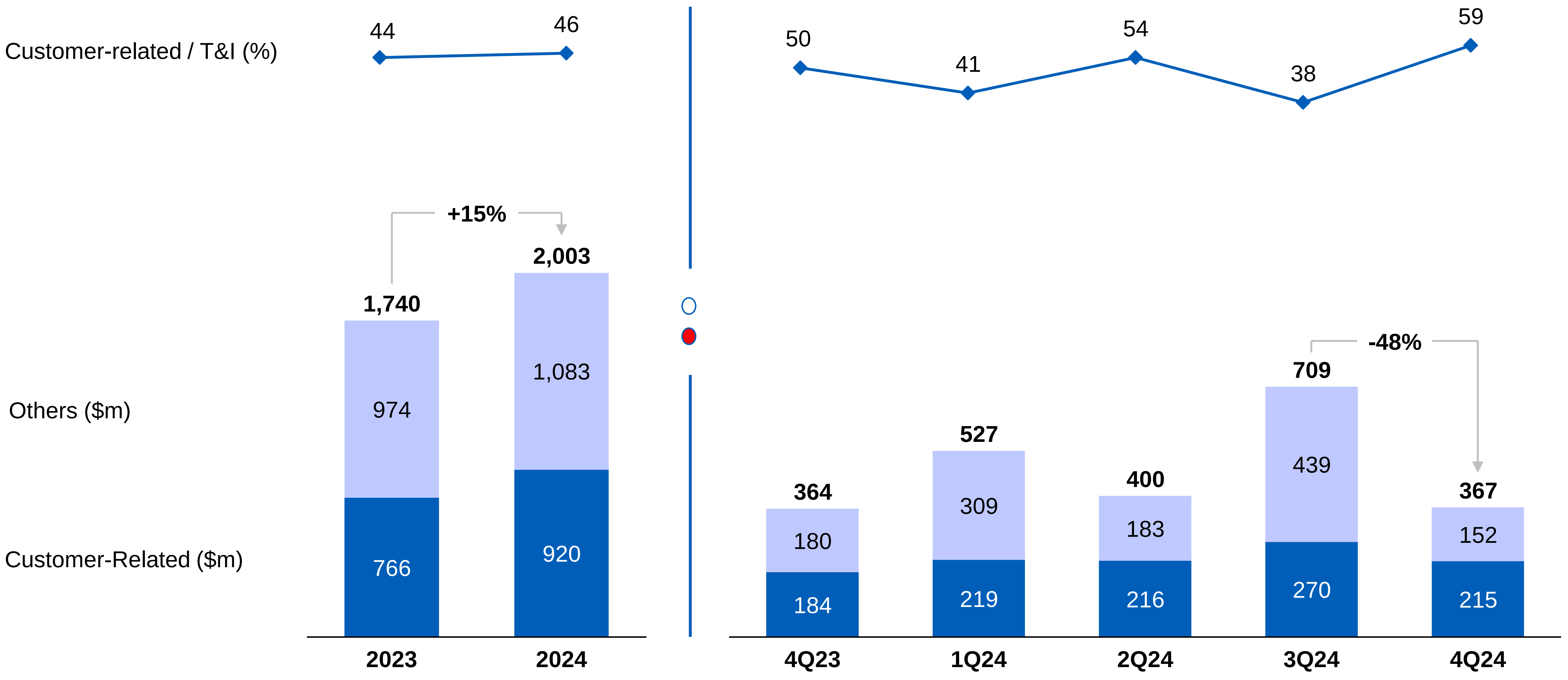
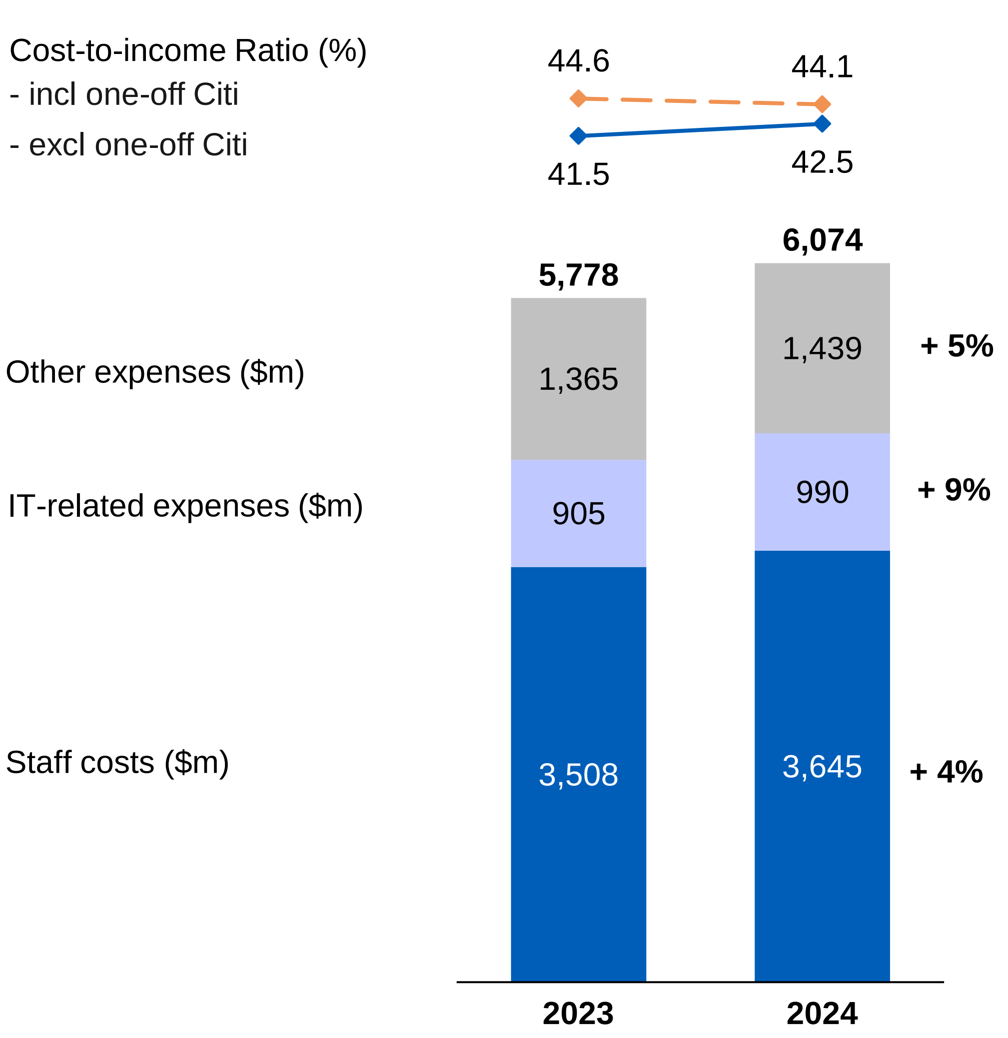
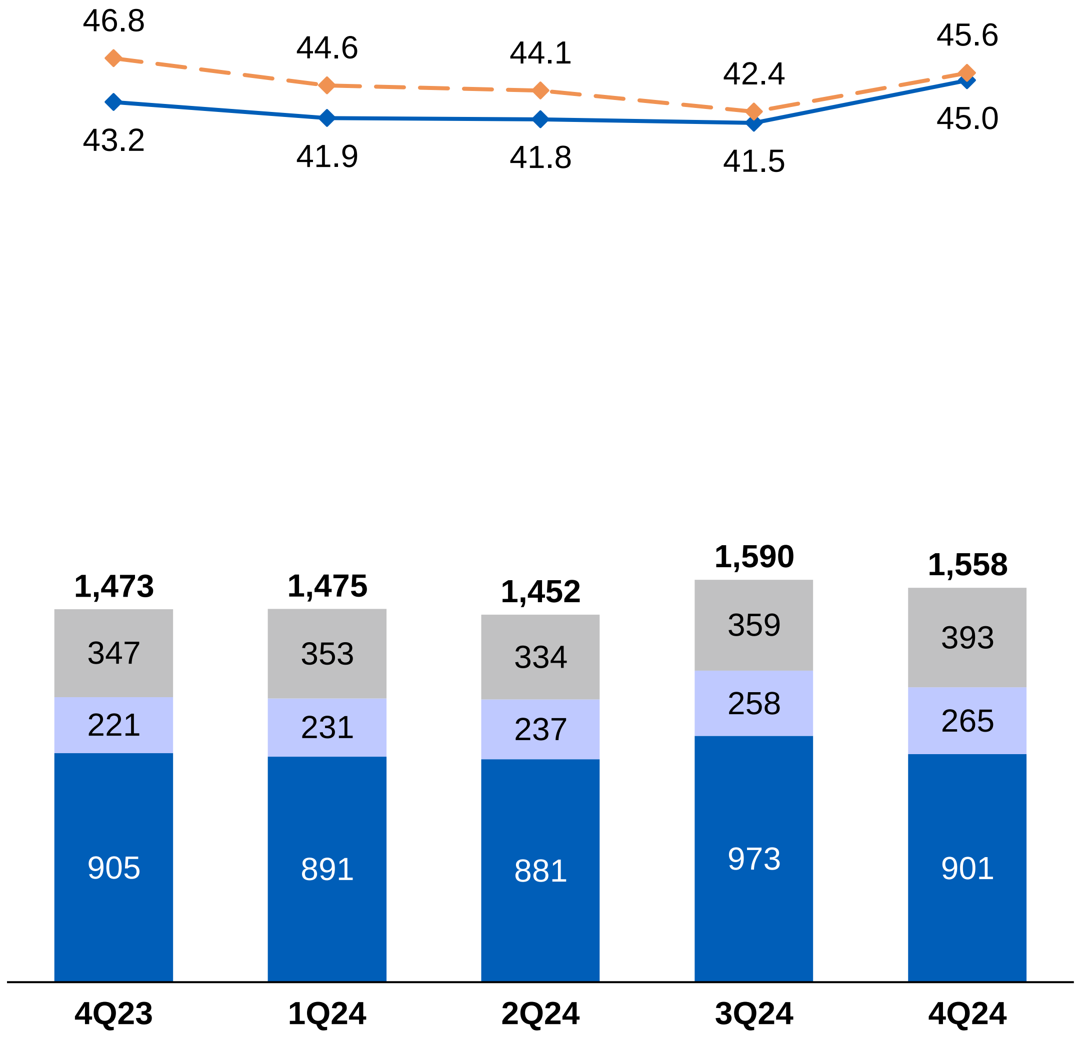


FY24 Core CIR at 42.5% on the back of continued investments in regional capabilities



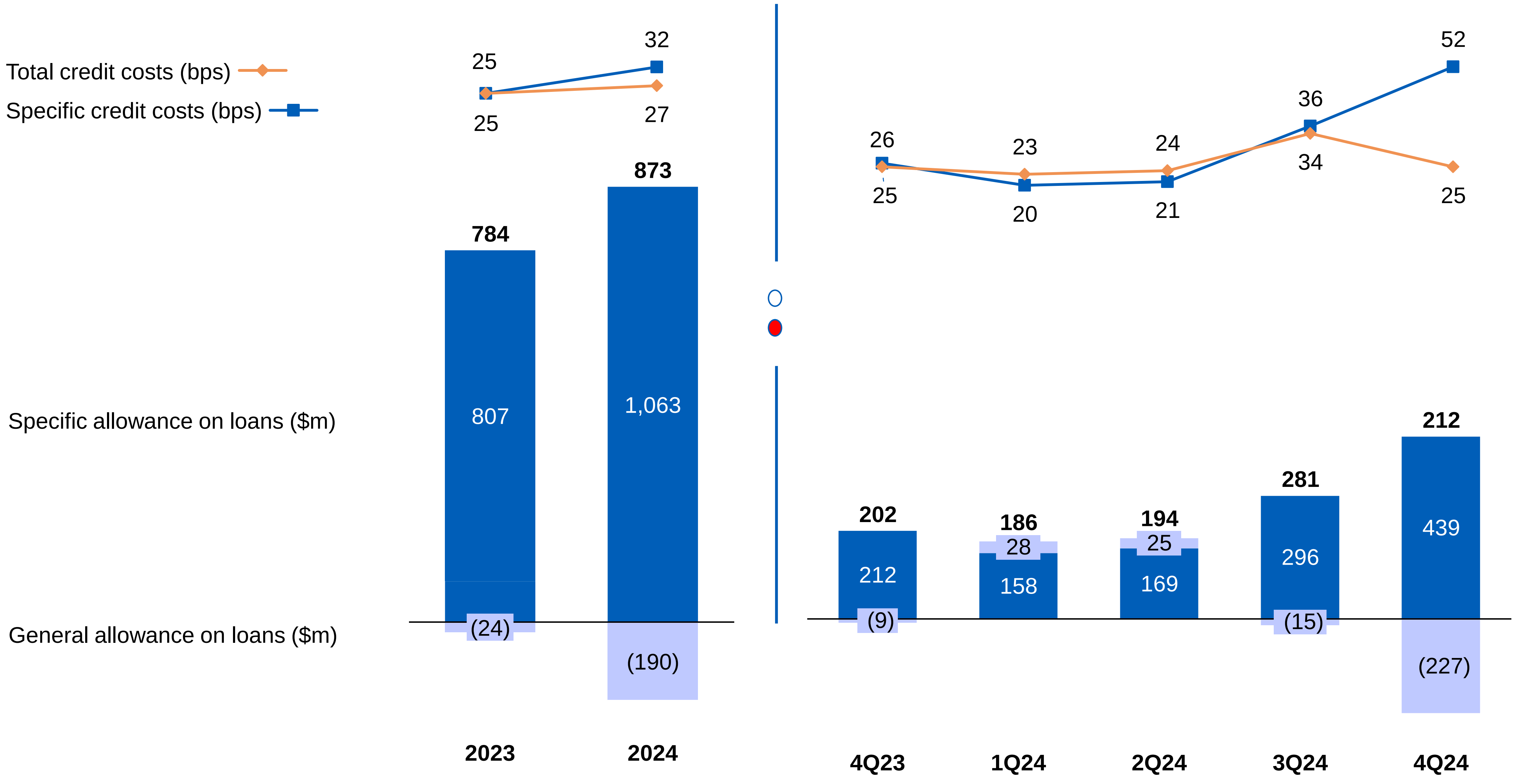


Note: Above expenses excluded one-off Citi integration costs

Asset quality remained resilient with NPL ratio stable at 1.5%

($m)	4Q23	1Q24	2Q24	3Q24	4Q24
NPAs at start of period	5,011	4,946	5,051	4,952	5,055
Non-individuals					
New NPAs	389	249	438	212	514
Less:					
Upgrades and recoveries	288	183	289	190	35
Write-offs	218	34	238	71	293
	4,894	4,979	4,962	4,903	5,241
Individuals	38	72	(10)	152	(31)
NPAs at end of period	4,932	5,051	4,952	5,055	5,210
Add: Citi acquisition	14				
NPAs at end of period including Citi	4,946	5,051	4,952	5,055	5,210
NPL Ratio (%)	1.5	1.5	1.5	1.5	**1.5**

Total credit costs within guidance



Provision coverage remains adequate

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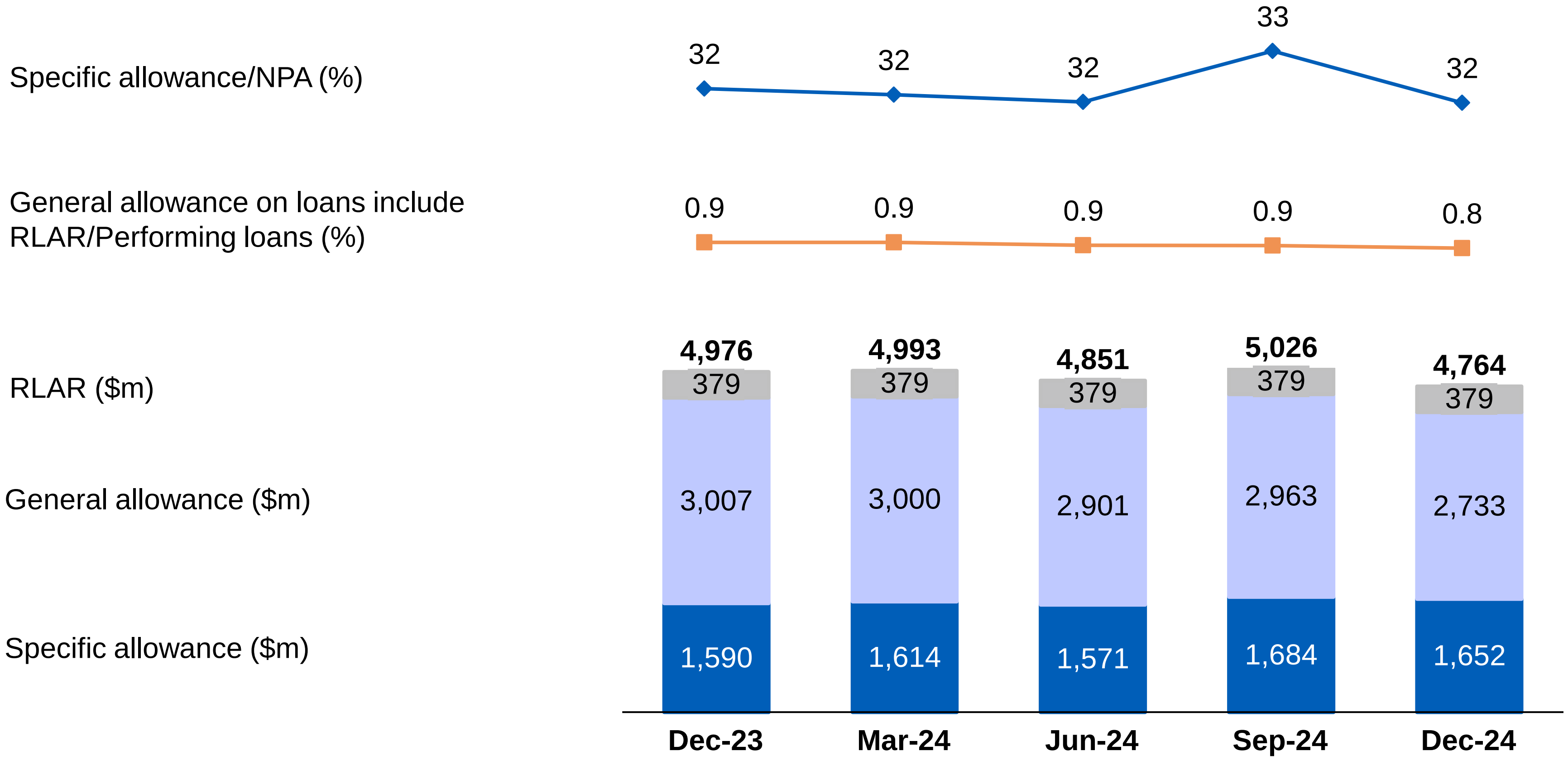

	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
NPA coverage (%) [1]	101	99	98	99	**91**
Unsecured NPA coverage (%) [1]	209	204	214	210	**194**

(1) Includes RLAR (Regulatory loss allowance reserve) as part of total allowance

Loans grew a healthy 5% YoY from broad-based growth in corporates and mortgages

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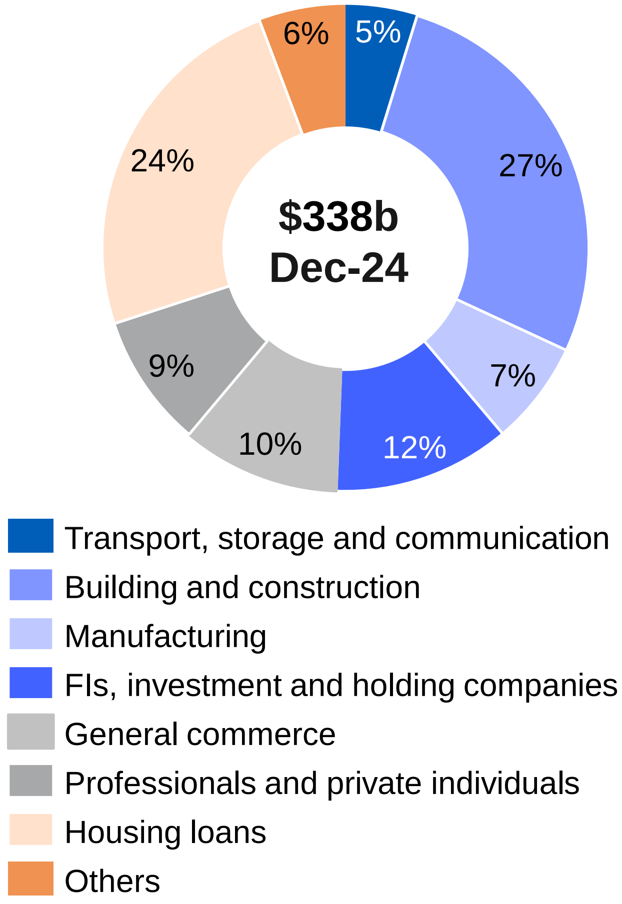
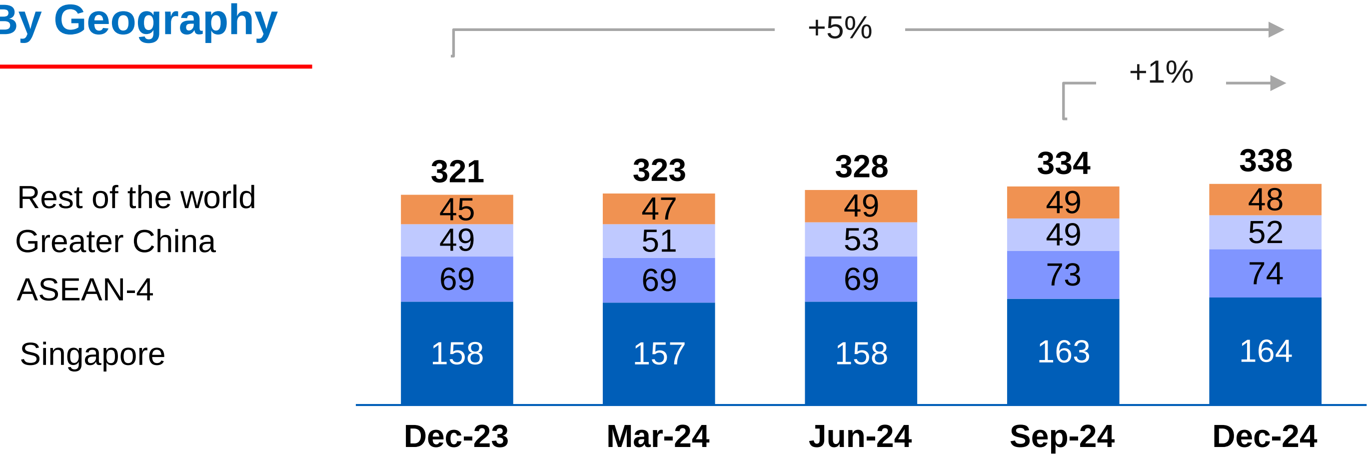
By Industry

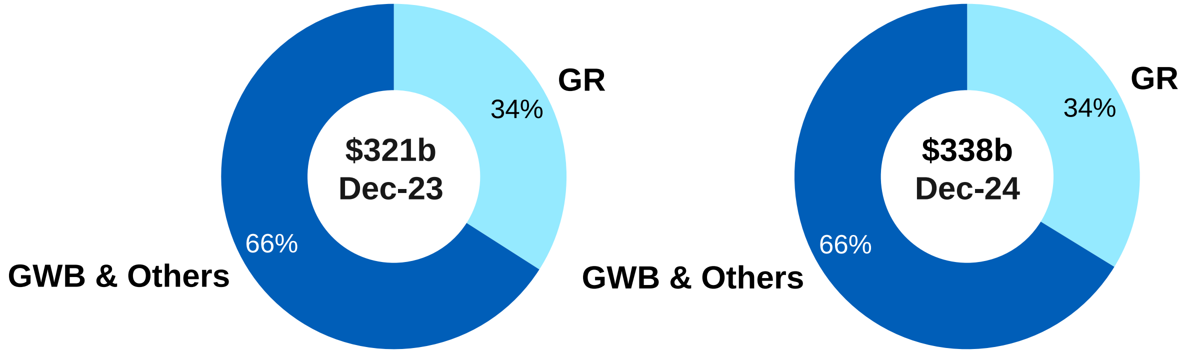


By Geography

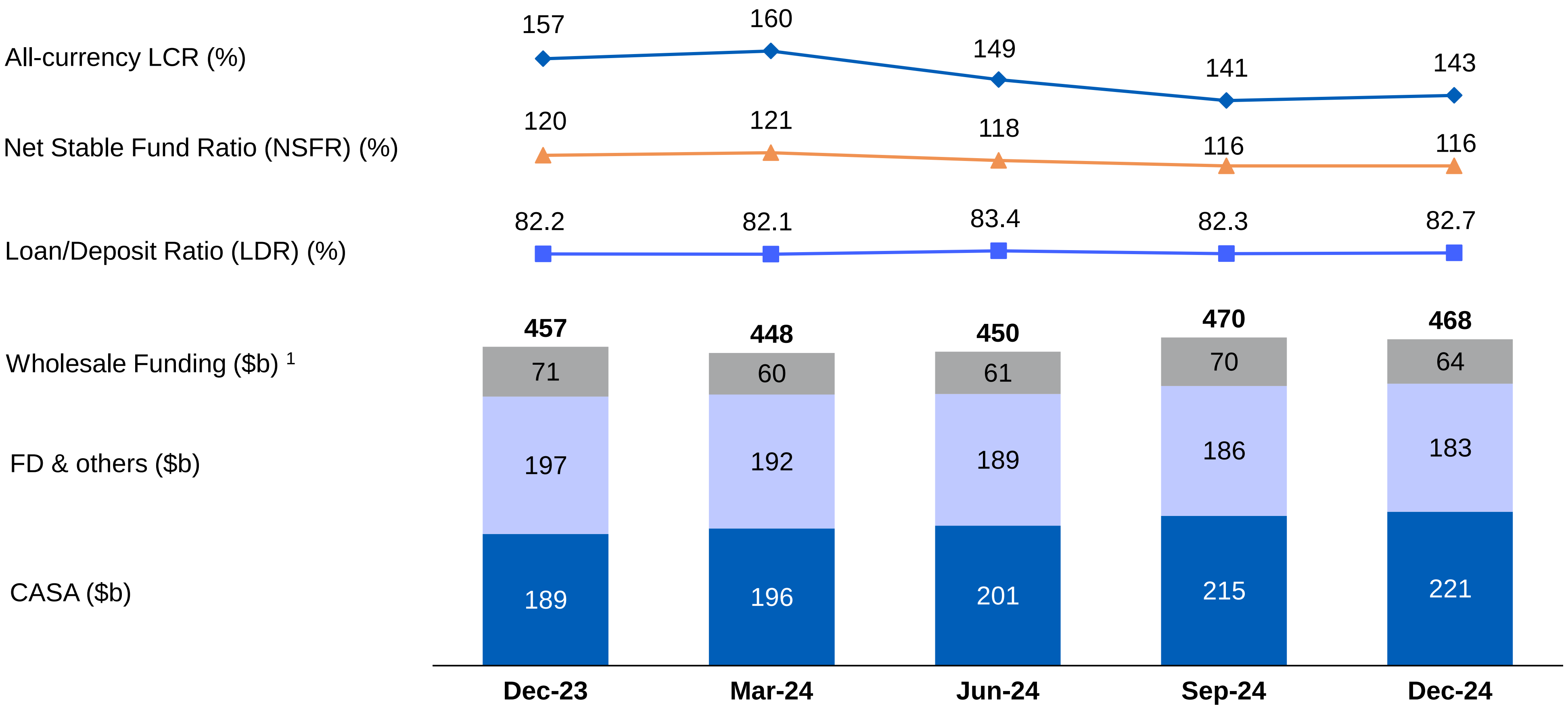


Note: Loans are classified based on where credit risks reside, represented by country of incorporation/operation for non-individuals and residence for individuals.

By Segment



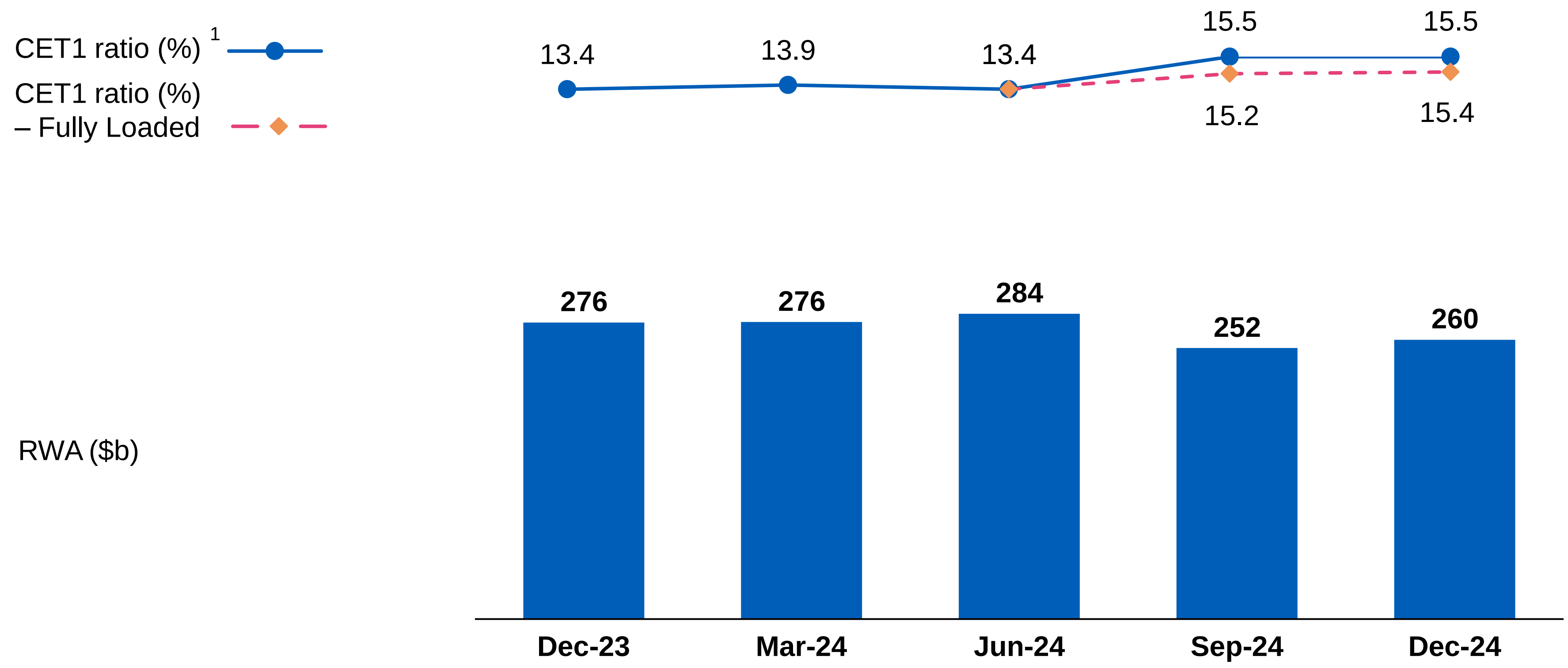
Strong liquidity and funding base with healthy CASA growth



	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
CASA/Deposit Ratio (%)	48.9	50.6	51.5	53.6	54.6

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

Robust capital strength with CET1 ratio at 15.5%

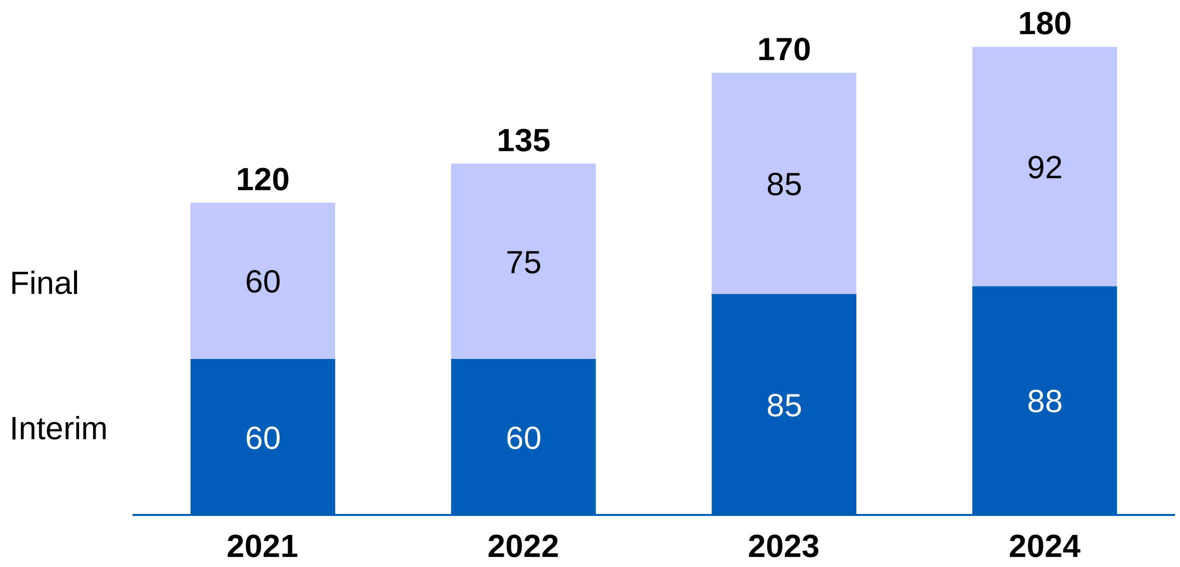


	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Leverage ratio (%)	6.9	7.0	7.1	6.8	**6.9**

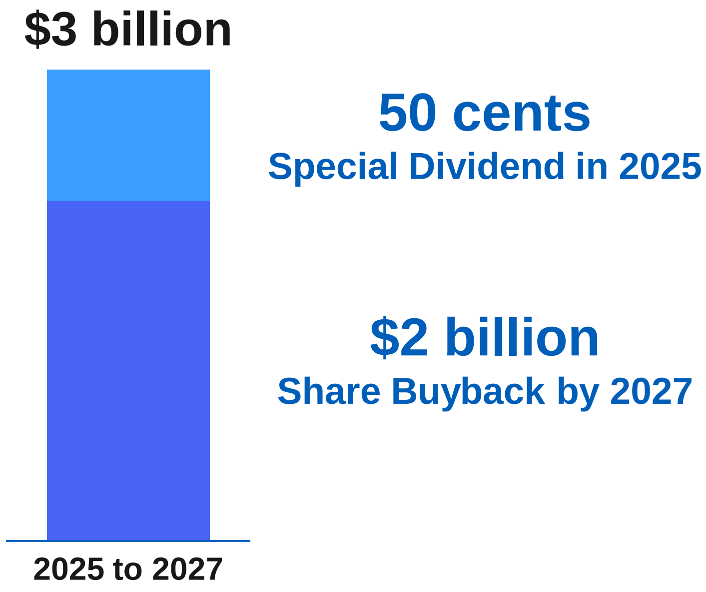
(1) Based on MAS Notice 637 issued on 20 September 2023, with effect from 1 July 2024

Delivering consistent and sustainable returns to shareholders

Core Dividend
Per ordinary share (¢)



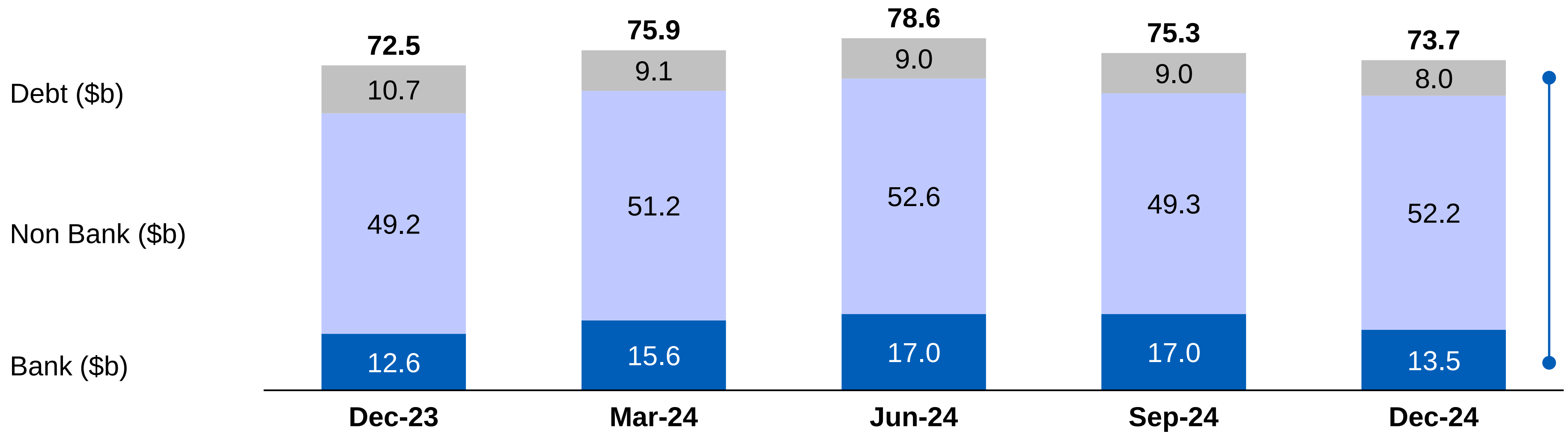
Capital Distribution Package



Appendix

- Exposure to Greater China
- Exposure to Commercial Real Estate - Office

Exposure to Greater China



- ~$2b in loans to Chinese developers (*1% of group loans*)

Mainland China

Bank exposure ($10.1b)

- ~ 40% 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 ~10% of total bank exposure

Non-bank exposure ($11.2b)

- Client base include top-tier state-owned enterprises, large local corporates and foreign investment enterprises
- ~70% denominated in RMB and ~60% with <1 year tenor
- NPL ratio at 3.6%

Hong Kong SAR

Bank exposure ($1.0b)

- ~60% are to foreign banks

Non-bank exposure ($37.3b)

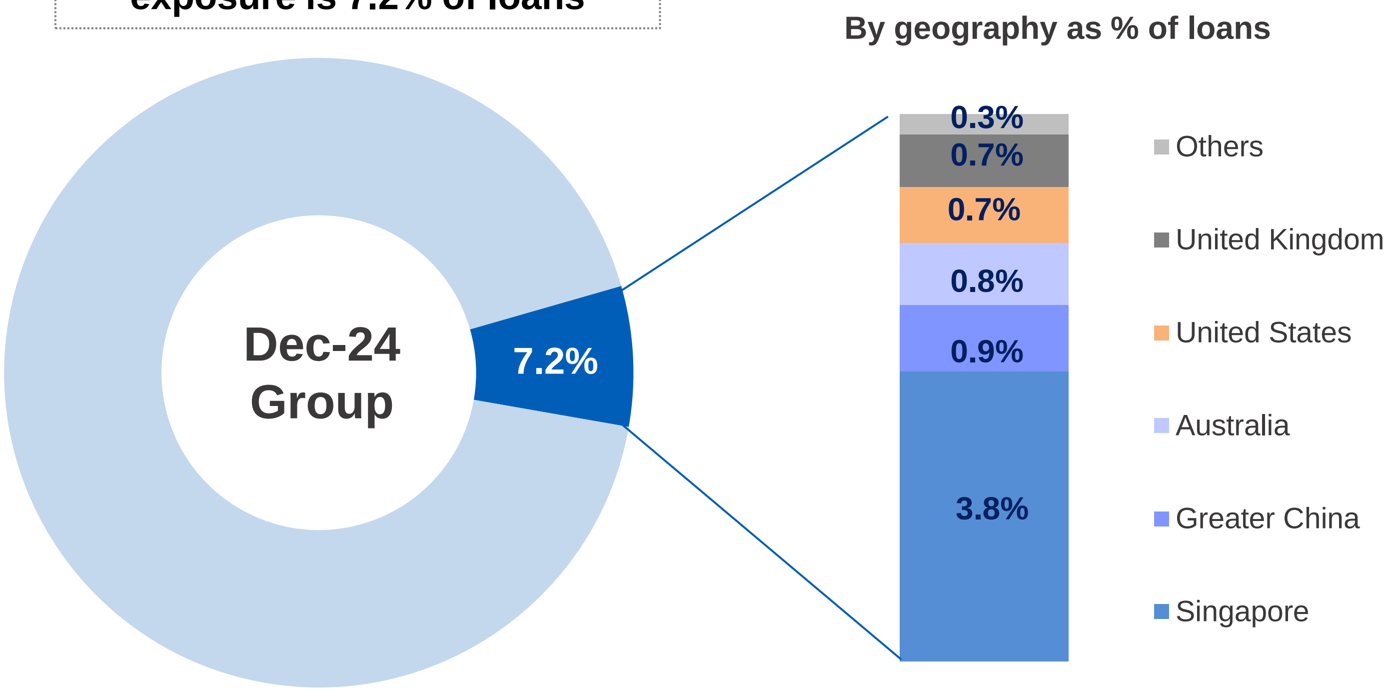
- Exposure mainly to corporate and institutional clients
- ~75% with <1 year tenor
- NPL ratio at 1.8%

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

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

Commercial Real Estate - Office exposure is 7.2% of loans



Thank You

Right By You