



OCBC Bank Completes Two USD Corporate Loans referencing SOFR in Hong Kong

The two corporate loans from OCBC Hong Kong Branch and OCBC Wing Hang are milestones in the industry's transition roadmap towards adopting alternative risk-free rates.

Hong Kong, 8 February 2021 – OCBC Bank has completed two corporate loans referencing USD SOFR (Secured Overnight Financing Rate) in Hong Kong. The loans were extended by its Hong Kong Branch and its wholly-owned subsidiary OCBC Wing Hang Bank. The two loans, which are the first SOFR loans for the Hong Kong Branch and OCBC Wing Hang Bank, are milestones in the industry's transition roadmap towards adopting alternative risk-free rates.

In 2017, the Alternative Reference Rate Committee (ARRC), convened by the US Federal Reserve Board and Federal Reserve Bank of New York, had selected SOFR as the preferred alternative to USD LIBOR. SOFR is a broad measure of the cost of borrowing cash overnight collateralised by U.S. Treasury securities in the repurchase agreement (repo) market. It is produced by the New York Fed in cooperation with the Office of Financial Research.

Statement from Mr Tan Wing Ming, Regional General Manager for North East Asia of OCBC Bank

"We are pleased to complete our first SOFR loan transaction and are thankful for the support from the borrower, a corporate customer in the real estate investment industry from the corporate and institutional segment of our Hong Kong Branch. With the smooth completion of its maiden SOFR loan, Hong Kong Branch has established a robust infrastructure to enable the orderly transition from IBORs to ARR (Alternative Reference Rate) in line with industry standards. Drawing from the experience of this first loan transaction and with our Head Office's guidance, we will continue to engage our customers and work diligently in the coming weeks and months to ensure the smooth transition from IBORs to ARR."

Statement from Mr. Na Wu Beng, Chief Executive of OCBC Wing Hang Bank

"We are pleased to be working with a long-standing corporate customer on this USD loan referencing SOFR. The proceeds from this loan were used to fund our customer's procurement. This innovative deal will enable us to gain more practical experience for the provision of SOFR-pegged loans. We continuously make effort to put forward new product ideas and engage our customers on how to cope with the transition to RFRs together. At the Bank level, a cross-functional working group has been formed to regularly review the progress of

external and internal development referencing RFRs, to develop strategies and oversee progress on initiatives for IBOR transition for the Bank's customers."

OCBC Wing Hang's parent company OCBC Group is taking the lead in supporting the IBOR reforms in Singapore. To date, OCBC Bank has extended more than S\$1.3 billion in corporate and retail loans referencing SORA (Singapore Overnight Rate Average), which includes close to S\$1 billion in SORA-based home loans.

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About OCBC Bank

OCBC Bank is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with an Aa1 rating from Moody's. Recognised for its financial strength and stability, OCBC Bank is consistently ranked among the World's Top 50 Safest Banks by Global Finance and has been named Best Managed Bank in Singapore by The Asian Banker.

OCBC Bank and its subsidiaries offer a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has more than 480 branches and representative offices in 19 countries and regions. These include over 230 branches and offices in Indonesia under subsidiary Bank OCBC NISP, and over 70 branches and offices in Mainland China, Hong Kong SAR and Macau SAR under OCBC Wing Hang.

OCBC Bank's private banking services are provided by its wholly-owned subsidiary Bank of Singapore, which operates on a unique open-architecture product platform to source for the best-in-class products to meet its clients' goals.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the oldest and most established life insurance group in Singapore and Malaysia. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia.

For more information, please visit www.ocbc.com.

About OCBC Wing Hang

OCBC Wing Hang, together with its subsidiaries and affiliated companies, offers a comprehensive range of commercial banking products and services and other financial services such as consumer financing, share brokerage and insurance, among others. It has a network of over 70 branches and offices in

Hong Kong SAR, Macau SAR and Mainland China.

Founded in Guangzhou as a money changing business in 1937, the former Wing Hang Bank was incorporated and granted a banking licence in Hong Kong in 1960. OCBC Wing Hang became a wholly-owned subsidiary of OCBC Bank on 15 October 2014. OCBC Bank is the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with an Aa1 rating from Moody's. Recognised for its financial strength and stability, OCBC Bank is consistently ranked among the World's Top 50 Safest Banks by Global Finance and has been named Best Managed Bank in Singapore by The Asian Banker. OCBC Bank is the longest established Singapore bank with an international presence of more than 480 branches and representative offices in 19 countries and regions. OCBC Bank's market-leading subsidiaries include Great Eastern Holdings, the oldest and most established life insurance group in Singapore and Malaysia; Lion Global Investors, one of the largest private sector asset management companies in Southeast Asia; and Bank of Singapore, which operates on a unique open-architecture product platform to source for the best-in-class products to meet its clients' goals.

As part of the OCBC group of companies, OCBC Wing Hang offers customers an augmented banking network, global market access and an extensive range of products and services for personal and business financial needs.

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