

**News Release****UOB's FDI Advisory Unit facilitates more than \$27 billion  
of business flows into Southeast Asia in 2016**

**Singapore, 4 May 2017** – United Overseas Bank's (UOB) ability to connect its corporate clients to business and investment opportunities in Southeast Asia has attracted more than \$27 billion into the region in 2016, double the amount in 2015.

The Bank's Foreign Direct Investment (FDI) Advisory Unit has been at the forefront of helping UOB's clients to seize opportunities in Southeast Asia. Data from the FDI Advisory Unit showed that the top investment destinations from global and Asian companies investing in the region in 2016 were Indonesia, Malaysia, Myanmar and Singapore. The data also revealed that companies expanding into the region were more likely to be from the fast-moving consumer goods, natural resources and building and construction-related sectors that are tapping on Southeast Asia's growth potential.

Mr Sam Cheong, Managing Director and Head of Group Foreign Direct Investment (FDI) Advisory Unit, UOB, said, "Southeast Asia is an attractive investment destination due to the opportunities that the region's rapid urbanisation, major infrastructure projects, rising incomes and increasing consumption create. The potential of a more integrated region through the ASEAN Economic Community is also proving attractive to those companies establishing their presence in our region."

"Companies are planning their Southeast Asia expansion efforts carefully. Many are choosing Singapore as their regional headquarters and then springboarding into other markets. However, we are now seeing more companies invest directly into Indonesia, Malaysia and Myanmar. This is to capture the opportunities driven by the young population and increased consumption from rising incomes in these markets," Mr Cheong said.

One company that UOB has supported in its regional expansion is Singapore-based Crestar Education Group (Crestar). Crestar provides preschool education, childcare services, children enrichment courses and adult education programmes. The company's management recognised the potential purchasing power of Indonesia's relatively young and rising middle income population. Through UOB FDI Advisory Unit's ecosystem partners such as Indonesia's Investment Coordinating Board (BKPM) and local

professional service providers, Crestar was able to better understand the local regulatory requirements to ensure the smooth set-up of its Indonesian operations.

Mr Tay Kee Hong, Group Financial Controller, Crestar Group, said, “We were interested to expand into Indonesia as we saw immense growth opportunities in the country’s early childhood education sector. UOB not only helped us to understand the intricacies of the market, the Bank also enabled us to streamline the process of setting up our business there. UOB has been instrumental in supporting us in our expansion efforts and we hope to be able to work even more closely with the Bank as we increase our presence in Indonesia.”

The potential economic growth of ASEAN is huge. According to UOB’s estimates, the combined gross domestic product of the countries that make up ASEAN will expand from the current US\$2.5 trillion to US\$8.1 trillion by 2030<sup>1</sup>. This will make ASEAN the fourth largest economy in the world by 2030.

While the long-term outlook for ASEAN is positive, Mr Cheong noted that there were distinct challenges when investing in the region.

“The region’s cultural diversity can be challenging for companies seeking to enter new markets. Each market has its own business and cultural practices that must be understood to ensure business success,” Mr Cheong said.

“At UOB, we believe that our strong appreciation of what makes each market in Southeast Asia unique, combined with our deep local presence and expertise, enables us to support our clients as they expand across the region. Our strong network of partners, including government agencies, trade and industry associations and professional services providers, also helps us to offer our clients value-added services beyond banking as companies navigate the complexities of doing business in ASEAN.”

### **About the UOB FDI Advisory Unit**

In 2011, UOB was the first bank in Singapore to establish an FDI Advisory Unit to provide businesses with a one-stop shop dedicated to access inter- and intra-regional opportunities.

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<sup>1</sup> Source: UOB Global Economics and Markets Research

The Bank has expanded the Unit across nine FDI Centres located in China, Hong Kong, India, Indonesia, Malaysia, Myanmar, Singapore, Thailand and Vietnam. The FDI Advisory Unit works closely with government agencies, trade and industry associations and professional service providers to promote regional connectivity in the areas of trade, finance and logistics.

In addition to its partnership with BKPM, UOB's extensive network of partnerships includes those with the Singapore Economic Development Board, International Enterprise Singapore, China Council for the Promotion of International Trade, Japan Finance Corporation and Vietnam's Foreign Investment Agency.

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#### **About United Overseas Bank**

United Overseas Bank Limited (UOB) is a leading bank in Asia with a global network of more than 500 offices in 19 countries and territories in Asia Pacific, Europe and North America. Since its incorporation in 1935, UOB has grown organically and through a series of strategic acquisitions. UOB is rated among the world's top banks: Aa1 by Moody's and AA- by Standard & Poor's and Fitch Ratings respectively.

In Asia, UOB operates through its head office in Singapore and banking subsidiaries in China, Indonesia, Malaysia and Thailand, as well as branches and representative offices.

UOB plays an active role in the community, focusing on art, children and education. It has, over more than three decades, held the longest-running art competition in Singapore, the UOB Painting of the Year, which has since been extended across Southeast Asia. In recognition of its contributions to the arts, UOB was conferred the Singapore National Arts Council's Distinguished Patron of the Arts Award for the twelfth consecutive year in 2016. UOB also encourages its employees across the region to be involved in its regular volunteer activities. This includes the annual UOB Heartbeat Run which is held in China, Indonesia, Malaysia, Singapore and Thailand.

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