

SIAS Corporate Connect Webinar

UOB Group: Emerging stronger from crisis

April 2021

Disclaimer: This material that follows is a presentation of general background information about UOB's activities current at the date of the presentation. It is information given in summary form and does not purport to be complete. It is not to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. This material should be considered with professional advice when deciding if an investment is appropriate. UOB accepts no liability whatsoever with respect to the use of this document or its content.

Private and Confidential

Agenda

1. Overview of UOB Group

2. Our Growth Drivers

3. Latest Financials



Overview of UOB Group

UOB Overview



Founding

Founded in August 1935 by a group of Chinese businessmen and Datuk Wee Kheng Chiang, grandfather of the present UOB Group CEO, Mr. Wee Ee Cheong

Expansion

UOB has grown over the decades organically and through a series of strategic acquisitions. It is today a leading bank in Asia with an established presence in the Southeast Asia region. The Group has a global network of more than 500 branches and offices in 19 countries and territories.

Note: Financial statistics as at 31 December 2020

1. USD 1 = SGD 1.32095 as at 31 December 2020
2. Average for 4Q20
3. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions
4. Computed on an annualised basis

Key Statistics for FY20

■ Gross loans	: SGD281b (USD213b ¹)
■ Customer deposits	: SGD325b (USD246b ¹)
■ Loan / Deposit ratio	: 85.4%
■ Net stable funding ratio	: 125%
■ All-currency liquidity coverage ratio	: 139% ²
■ Common Equity Tier 1 ratio	: 14.7%
■ Leverage ratio	: 7.4%
■ Return on equity ^{3, 4}	: 7.4%
■ Return on assets ⁴	: 0.69%
■ Net interest margin ⁴	: 1.57%
■ Non-interest income / Total income	: 34.2%
■ Cost / Income	: 45.6%
■ Non-performing loan ratio	: 1.6%

Credit Ratings	Moody's	S&P	Fitch
Issuer rating (Senior unsecured)	Aa1	AA-	AA-
Outlook	Stable	Stable	Negative
Short-term rating	P-1	A-1+	F1+

A leading Singapore bank; Established franchise in core market segments



Group Retail

- Best Retail Bank in Singapore
- Strong player in credit cards and private residential home loan business

Group Wholesale Banking

- Best SME Bank in Singapore
- Seamless access to regional network for our corporate clients

Global Markets

- Strong player in Singapore dollar treasury instruments

UOB Group's recognition in the industry



Best Retail Bank¹, 2020
Best SME Bank², 2020



Asia's Best Bank for SMEs, 2020



Best Domestic Bank¹, 2020
Best Digital Bank¹, 2019

Source: Company reports

1. In Singapore 2. In Singapore and Asia Pacific

Sizeable domestic market share

SGD deposits

20%

SGD loans

23%

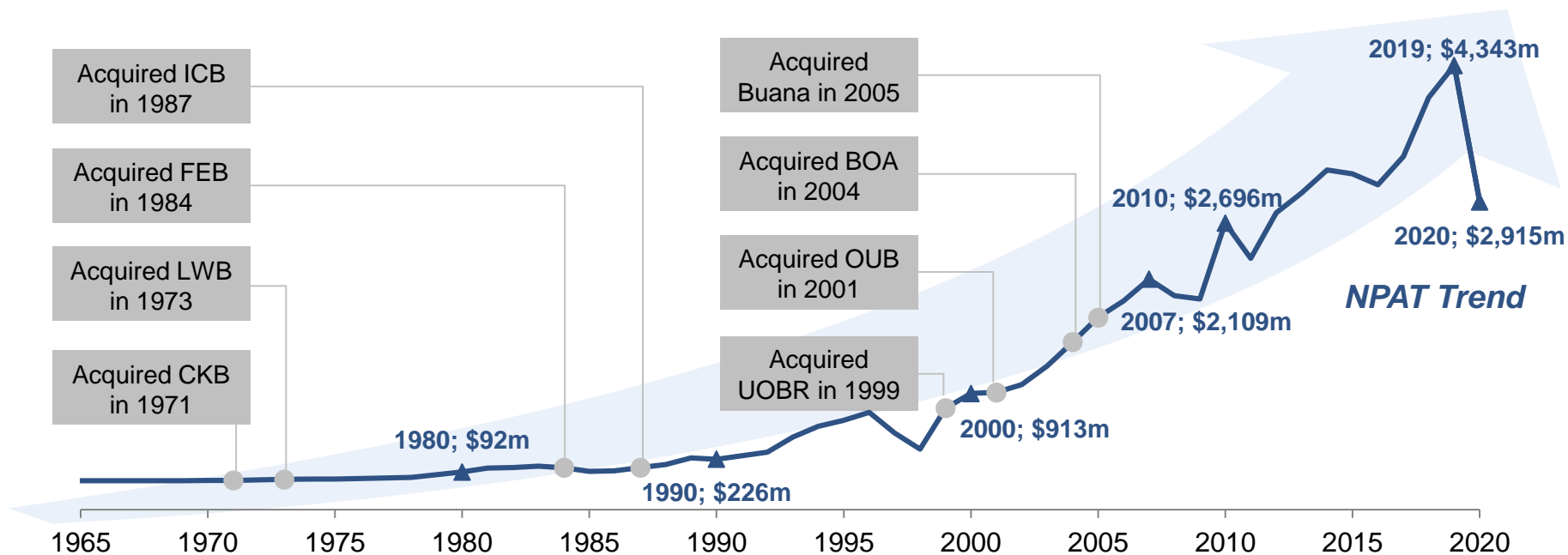
Note: The resident portion of loans and advances as a proxy for total SGD loans in Singapore banking system

Source: UOB, MAS, data as of 31 December 2020

Proven track record of execution



- UOB Group's management has a proven track record in steering the Group through various global events and crises.
- Stability of management team ensures consistent execution of strategies
- Disciplined management style which underpins the Group's overall resilience and sustained performance

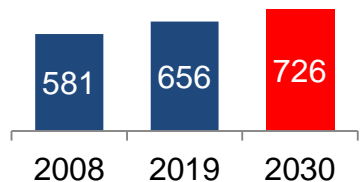


Note: Bank of Asia Public Company Limited (“BOA”), Chung Khiaw Bank Limited (“CKB”), Far Eastern Bank Limited (“FEB”), Industrial & Commercial Bank Limited (“ICB”), Lee Wah Bank Limited (“LWB”), Overseas Union Bank Limited (“OUB”), Radanasin Bank Thailand (“UOBR”) 6

Southeast Asia's immense long-term potential

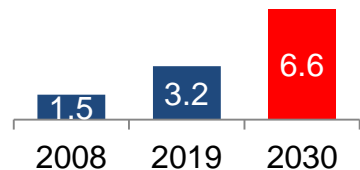
Population

(Million persons)



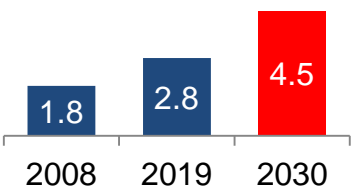
GDP¹

(USD trillion)



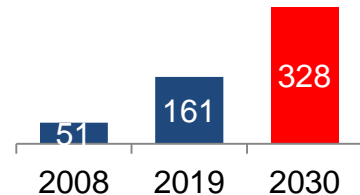
Trade²

(USD trillion)



FDI³

(USD billion)



Southeast Asia's immense growth prospects...

- Third largest population globally, after China and India
- Young demographics, with 384 million below 35 years old
- Fifth largest economic bloc globally by GDP¹
- Fourth largest trading group globally
- Third largest recipient of inward FDI³ globally

... that UOB is uniquely placed to capture

- Most diverse regional franchise among Singapore banks
- Full effective control of regional subsidiaries and integrated platform



1. Gross domestic product 2. Comprises exports and imports 3. Foreign direct investments

Source: Macrobond, UOB Global Economics and Markets Research

Strong retail presence in high potential regional markets

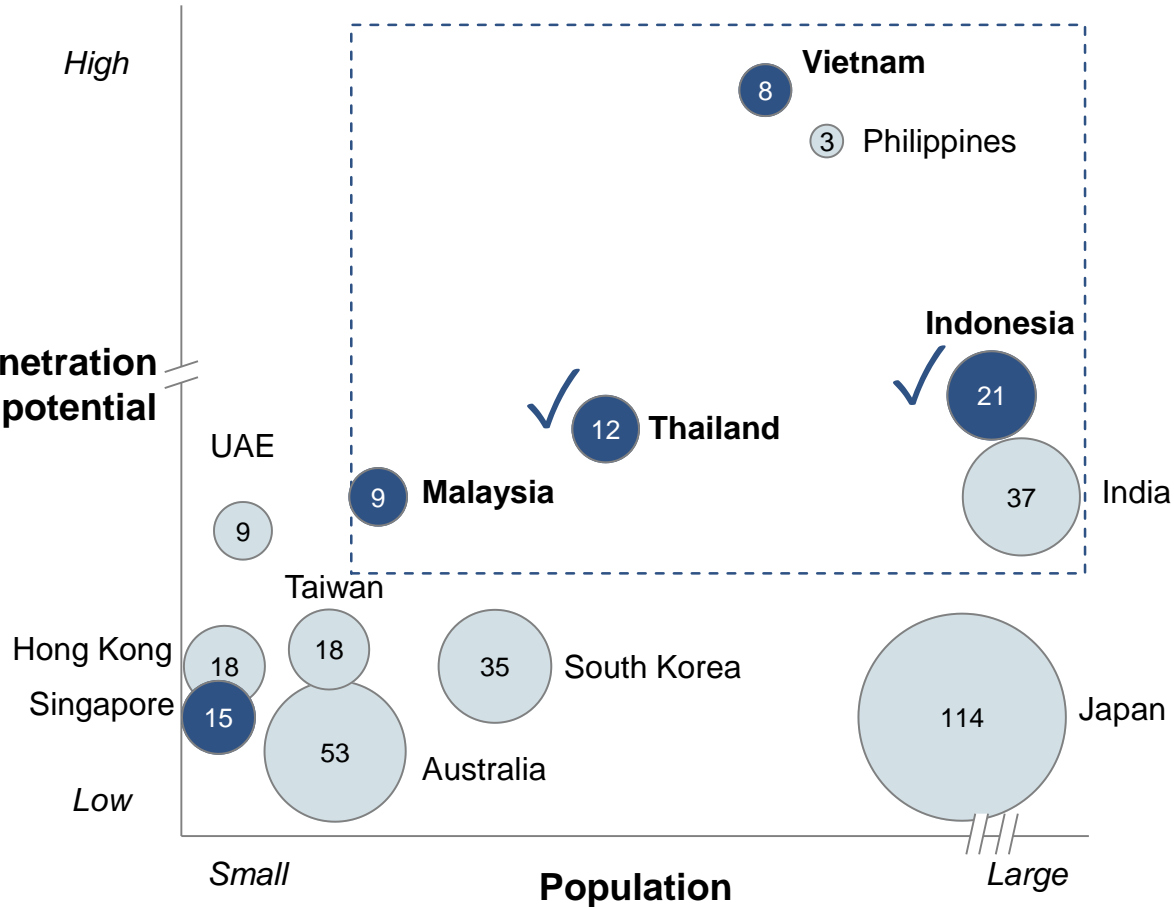
2019 retail banking pool sizes

○ USD b

● Denotes UOB's core markets in Southeast Asia

✓ **TMRW** was launched in Thailand (March 2019) and Indonesia (August 2020)

Banking penetration growth potential



Note: UAE and Japan's retail banking market size as of 2017

Source: BCG banking pools (2019), World Bank (2017)

Our Growth Drivers

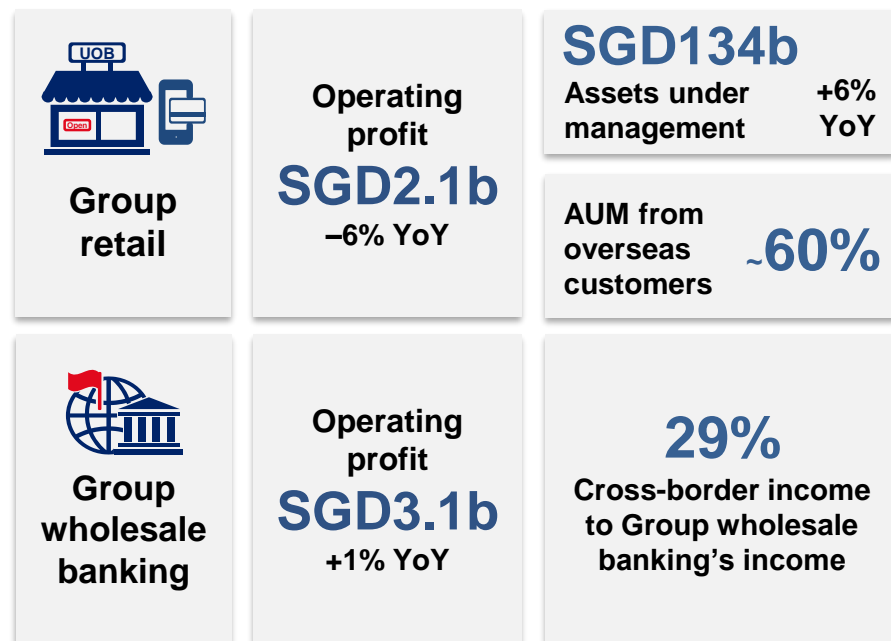
Comprehensive regional banking franchise

Extensive regional footprint with ~500 offices



- Most diverse regional franchise among Singapore banks; effectively full control of regional subsidiaries
- Integrated regional platform improves operational efficiencies, enhances risk management and provides faster time-to-market and seamless customer service
- Organic growth strategies in emerging / new markets of China and Indo-China

FY20 performance by segment



1. Comprise Mainland China, Hong Kong SAR and Taiwan

Wholesale: Growing regional franchise, capturing cross-border opportunities



Strengthening Connectivity

Across our ASEAN footprint and global network



29%¹

Cross-border income's contribution to Group Wholesale Banking income



+2%²

Non-Singapore income growth



Sector Specialisation

Building capabilities for greater diversification and risk mitigation



+17%²

Financial institution sector income growth



+3%²

Non-real estate income growth



Deepening Digitalisation

For secure and efficient transactions



+23%^{2,3}

Digital banking transactions by businesses



+6x^{2,4}

Cashless payments to businesses

1. For FY20 2. Year-on-year growth for FY20 3. Refers to number of transactions via Business Internet Banking Plus across the Group
4. Refers to payments made on Corporate PayNow in Singapore

Consumers: Tapping on rising affluence in Southeast Asia



Omni-channel Experience

Serving affluent customers across various touchpoints



67%¹

Digitally-engaged customers



SGD134b^{1,2}

Assets under management (AUM)
▲ 6% YoY³



Digital Bank: TMRW

Specially for mobile-first and mobile-only generation



+3x³

Increase in TMRW customers in Thailand and Indonesia



25%

Highly active customers⁴



Ecosystem Partnerships

Forging collaborations to widen distribution reach and deepen wallet share



100%

of car loan applications⁵ were digital in 4Q20



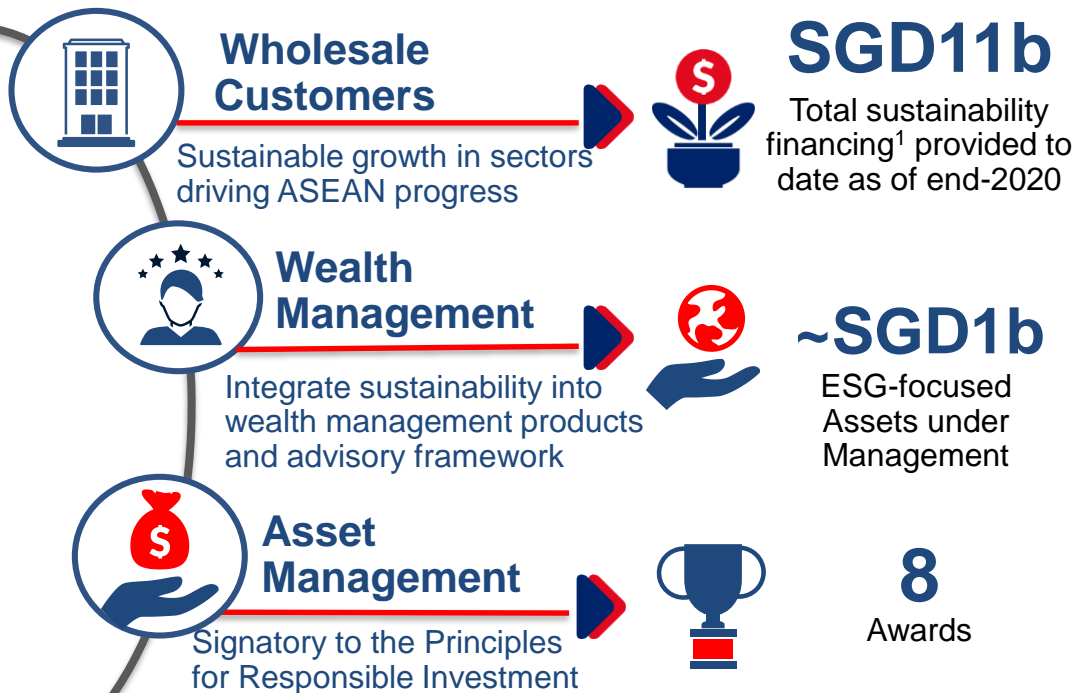
1 in 2

home mortgage applications⁵ were digital in 4Q20

1. For FY20 2. Around 60% of AUM were from overseas customers 3. Year-on-year (YoY) growth for FY20

4. Defined as customers who transact at least 4 times monthly 5. In Singapore

Forging a sustainable future for ASEAN



UOB's notable recognitions

#2

among ASEAN banks in 2021

WWF Sustainable Banking Assessment

#2

among Singapore companies in 2020

ASEAN Corporate Governance Scorecard

#3

By market capitalisation as at Jan'21

FTSE4Good ASEAN-5 Index

Inclusion

in 2021

Bloomberg Gender Equality Index

1. Outstanding green loans, sustainability-linked loans and loans for green certified buildings

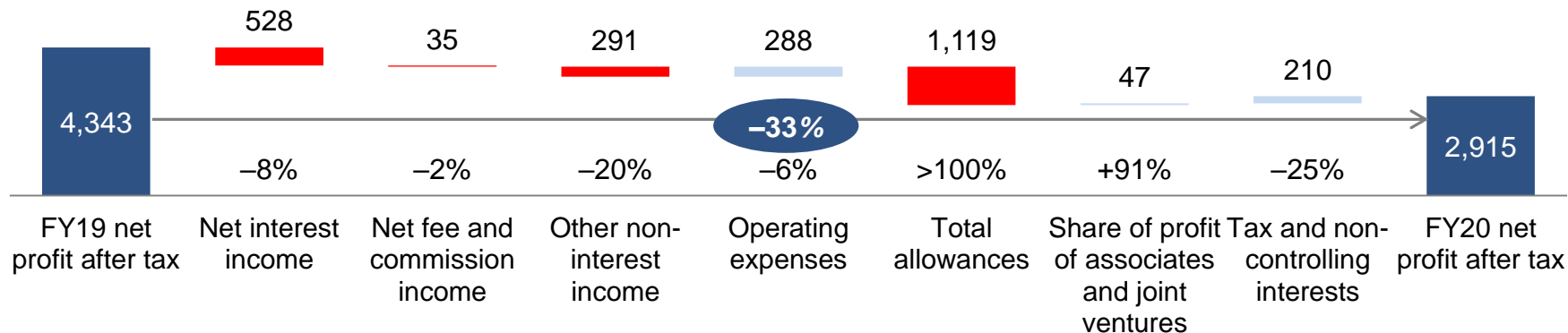
Source: Bloomberg; Centre for Governance and Sustainability at National University of Singapore Business School; FTSE Russell; and World Wide Fund for Nature

Latest Financials

FY20 financial overview

Net Profit After Tax Movement, FY20 vs FY19

(SGD m)



Key Indicators	FY20	FY19	YoY Change
Net interest margin (%) ¹	1.57	1.78	-0.21% pt
Non-interest income / Income (%)	34.2	34.6	-0.4% pt
Cost / Income ratio (%)	45.6	44.6	+1.0% pt
Return on equity (%) ^{1, 2}	7.4	11.6	-4.2% pt

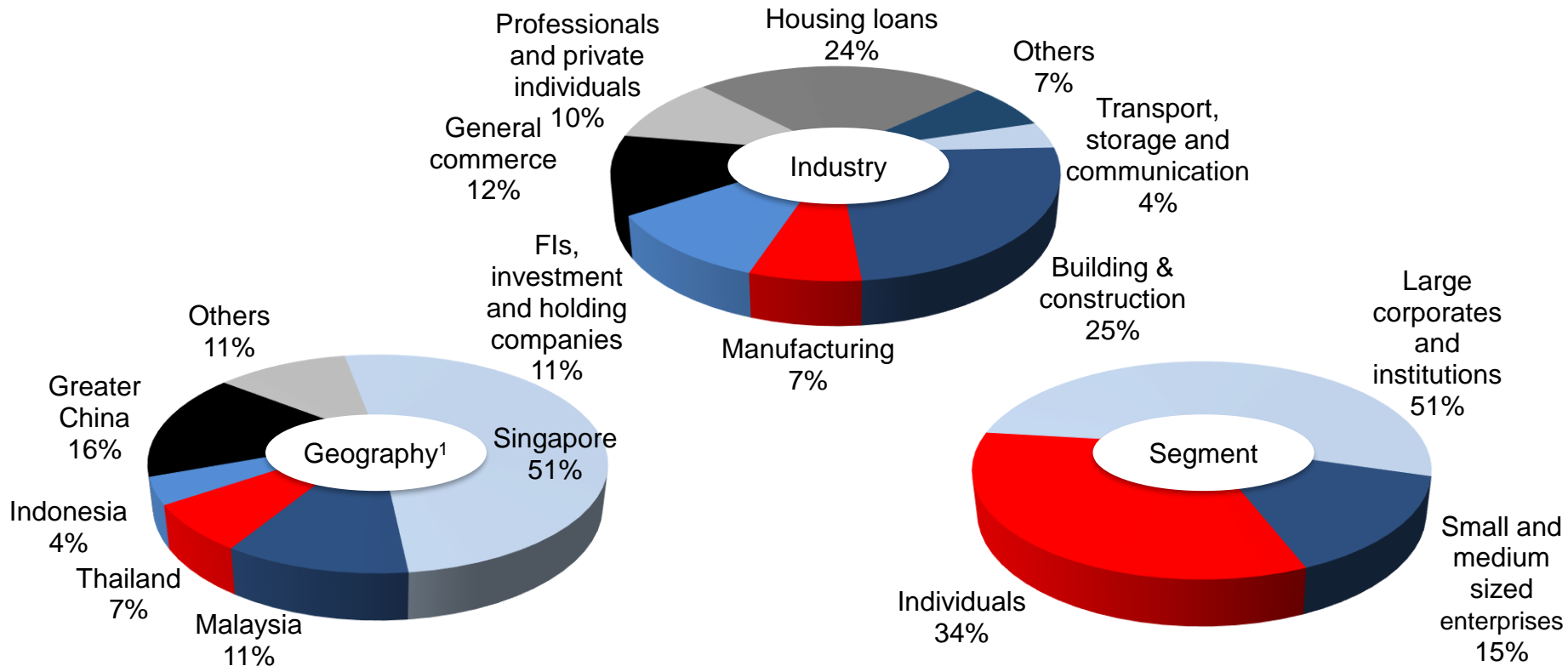
1. Computed on an annualised basis

2. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions

Overseas diversification provided some stability, as operating profit eased in Singapore

	FY20	FY19	YoY +/(−) %	4Q20	3Q20	QoQ +/(−) %
Operating profit	SGD m	SGD m		SGD m	SGD m	
Singapore	2,592	3,276	−21	651	626	+4
Rest of Southeast Asia	1,302	1,220	+7	307	332	−8
<i>Malaysia</i>	675	649	+4	164	161	+2
<i>Thailand</i>	392	405	−3	94	109	−14
<i>Indonesia</i>	211	137	+54	51	57	−11
<i>Vietnam</i>	16	21	−26	−3	3	> −100
<i>Others</i>	8	8	−8	1	2	−41
North Asia	548	556	−1	102	154	−34
<i>Greater China</i>	514	536	−4	100	149	−33
<i>Others</i>	34	19	+75	3	6	−56
Rest of the world	550	506	+9	139	139	+0
Total	4,992	5,558	−10	1,200	1,252	−4

Diversified loan portfolio



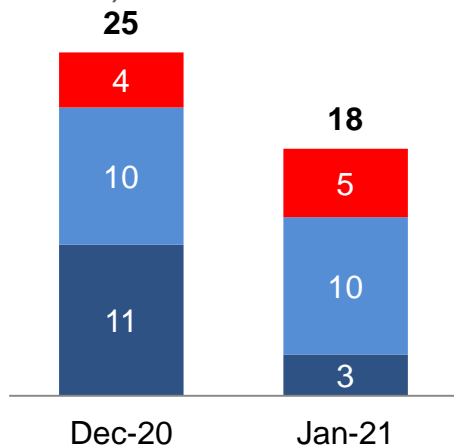
Note: Financial statistics as at 31 December 2020

1. Loans by geography are classified according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals)

Portfolio remained sound as relief programmes unwound across the region

Book under relief measures

(SGD b)



Total

- Enterprise Singapore loan schemes
- UOB relief programmes
- Government relief programmes

- Residual loan relief programmes on a targeted basis, as broad-based government relief programmes have largely ended in 2020
- Gradual reopening of economies will help to cushion new NPLs ahead
- Bottom-up analysis of our books to proactively engage customers for support through the pandemic
- Asset quality impact is manageable, with around SGD2 billion in NPLs (which are well-collateralised) and 30-40bp in credit costs for loans expected

Disciplined balance sheet management

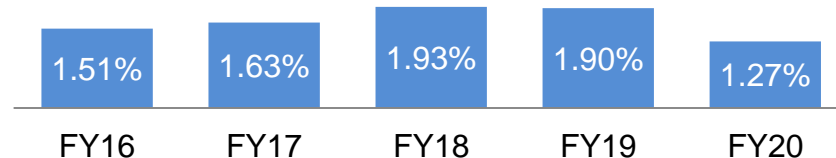
Focus on
balance
sheet
efficiency

Healthy
portfolio
quality

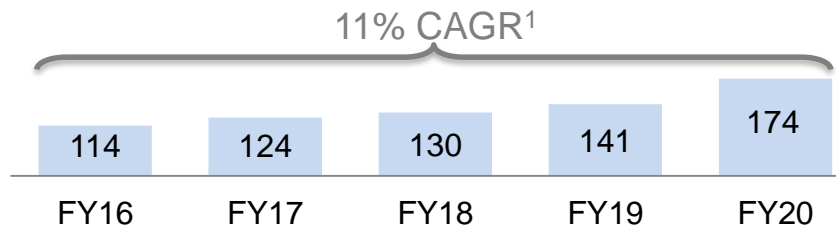
Proactive
liability
management

Robust
capitalisation

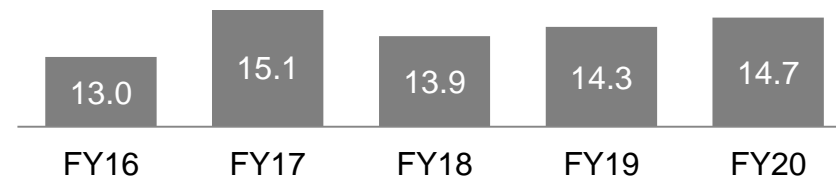
Return on risk-weighted assets



Current Account Saving Account Balances (SGD b)



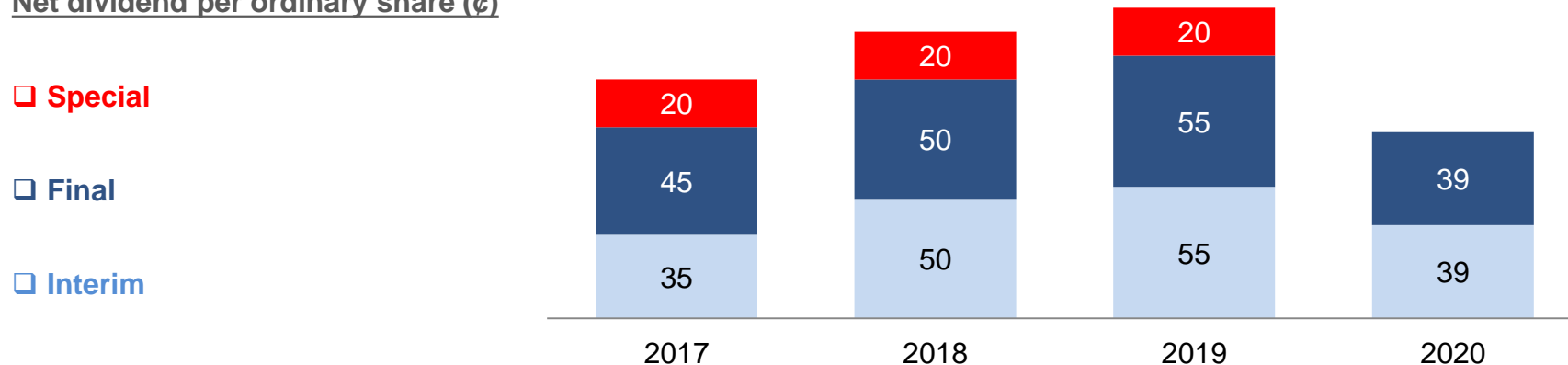
Common Equity Tier 1 ratio (%)



1. Compound annual growth rate over 4 years (FY16 to FY20)

2020 dividend in line with MAS guidance, scrip dividend applied but at no discount

Net dividend per ordinary share (¢)



Payout amount (SGD m)	1,660	2,000	2,170	1,303
Payout ratio (%)	49	50	50	45 ¹
Payout ratio (excluding special dividends) (%)	39	42	42	45 ¹

1. FY20 dividends were in line with Monetary Authority of Singapore's call for banks to cap dividends at 60% of 2019 dividends.

Note: The Scrip Dividend Scheme was applied to all the dividends for the financial years ended 2017 and 2020

The Scheme provides shareholders with the option to receive Shares in lieu of the cash amount of any dividend declared on their holding of Shares. For more details, please refer to www.uobgroup.com/investor-relations/shares-and-dividends/dividends.html

Why UOB?

Stable management



- Proven track record in steering the bank through various global events and crises
- Stability of management team ensures consistent execution of strategies

Integrated regional platform



- Entrenched domestic presence and deep local knowledge to address the needs of our targeted segments
- Truly regional bank with full ownership and control of regional subsidiaries

Strong fundamentals



- Sustainable revenue channels as a result of carefully-built core businesses
- Strong capital and reserves, sound liquidity position and resilient asset quality – testament of solid foundation built on the premise of basic banking

Balance growth with stability



- Continue to diversify portfolio, strengthen balance sheet, manage risks and build core franchise for the future
- Maintain long-term perspective to growth for sustainable shareholder returns

Thank You



RIGHT BY YOU

