



# UOB Kay Hian SGX Stock in Focus: UOB

Navigating uncertainties from position of strength

June 2025

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# Agenda

- 1 Overview of UOB Group
- 2 Consistent Track Record
- 3 Growth Drivers and Targets
- 4 Summary
- 5 Q&A

# 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 around 500 branches and offices in 19 countries and territories.

Note: Financial statistics as at 31 March 2025

1. USD 1 = SGD 1.340709 as at 31 March 2025

2. Average for 1Q25

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

## Key Statistics for 1Q25

■ Gross loans	: SGD341b (USD254b <sup>1</sup> )
■ Customer deposits	: SGD401b (USD299b <sup>1</sup> )
■ Loan / Deposit ratio	: 84.0%
■ Net stable funding ratio	: 116%
■ All-currency liquidity coverage ratio	: 143% <sup>2</sup>
■ Common Equity Tier 1 ratio	: 15.5%
■ Leverage ratio	: 7.3%
■ Return on equity <sup>3</sup>	: 12.3%
■ Return on assets	: 1.11%
■ Net interest margin	: 2.00%
■ Non-interest income / Total income	: 34.1%
■ Cost / Income	: 42.6%
■ Non-performing loan ratio	: 1.6%
■ Credit Ratings	

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

# A leading Singapore bank; Established franchise in core market segments

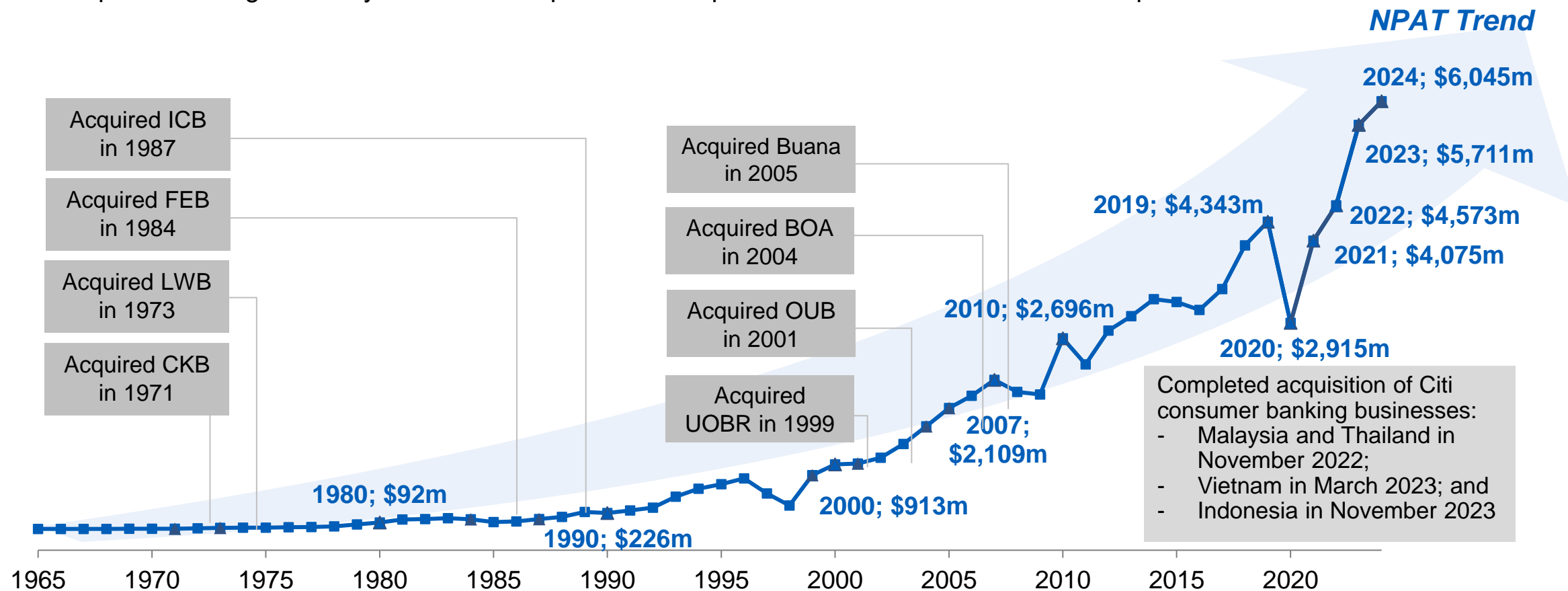


Group Retail	Group Wholesale Banking	Global Markets
<ul style="list-style-type: none"><li>Best Retail Bank in Singapore</li><li>Strong player in credit cards and private residential home loan business</li></ul>	<ul style="list-style-type: none"><li>Best SME Bank in Singapore</li><li>Seamless access to regional network for our corporate clients</li></ul>	<ul style="list-style-type: none"><li>Strong player in Singapore dollar treasury instruments</li></ul>

UOB Group’s recognition in the industry	Sizeable domestic market share
<div><p>Best Bank in Asia-Pacific, 2024</p></div> <div><p>Singapore’s Best Bank, 2024 World’s Best Bank for SMEs, 2024</p></div> <div><p>Domestic Retail Bank of the Year - Singapore, 2024</p></div> <div>Source: Company reports</div>	<div><div>SGD deposits</div><div><div>20%</div><div></div></div></div> <div><div>SGD loans</div><div><div>23%</div><div></div></div></div> <div>Source: UOB, MAS (data as of 31 March 2025)</div>

## Proven track record of execution

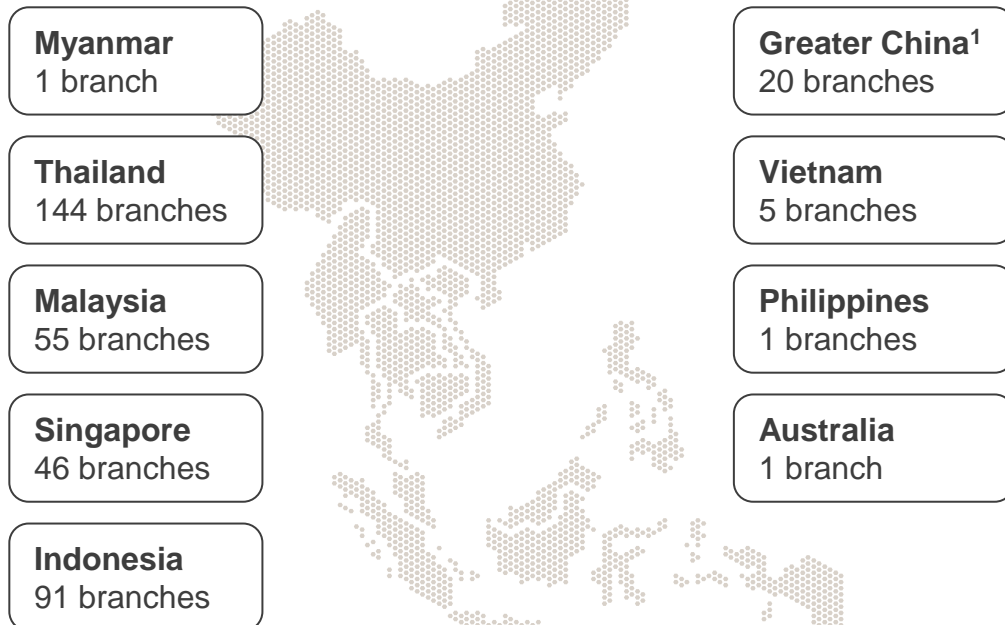
- UOB Group's management has a proven track record in steering the Group through various global events and crises
- Stability of management team ensures consistent execution of strategies
- Disciplined management style which underpins the Group's overall resilience and sustained performance



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")

# Comprehensive regional banking franchise

## Extensive Regional Footprint



- 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

1. Comprise Mainland China, Hong Kong SAR and Taiwan  
2. Refers to Privilege Banking and Private Bank

## 1Q25 performance by segment

### Group Retail



### Income

**SGD1.3b**

-1% YoY

**SGD189b<sup>2</sup>**

Assets under management  
+6% YoY

**60%**

AUM from overseas customers

### Group Wholesale Banking



### Income

**SGD1.7b**

Flat YoY

**25%**

Cross-border income to Group wholesale banking's income

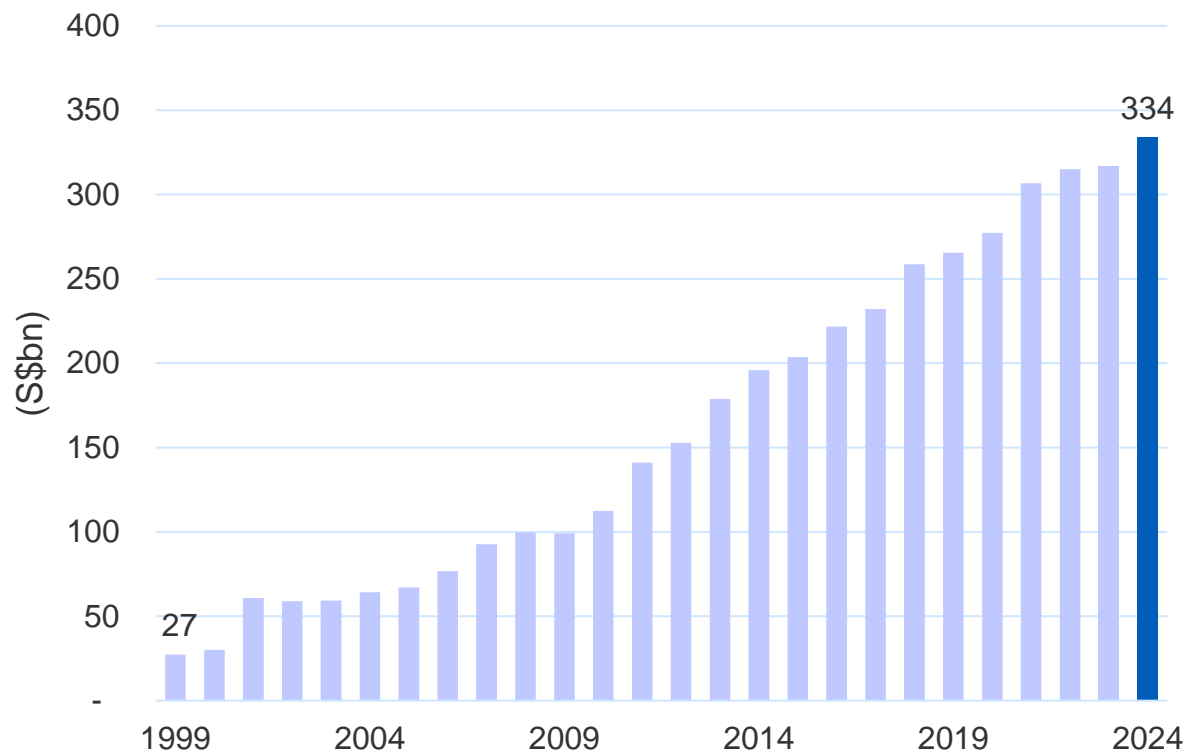
# Consistent Track Record



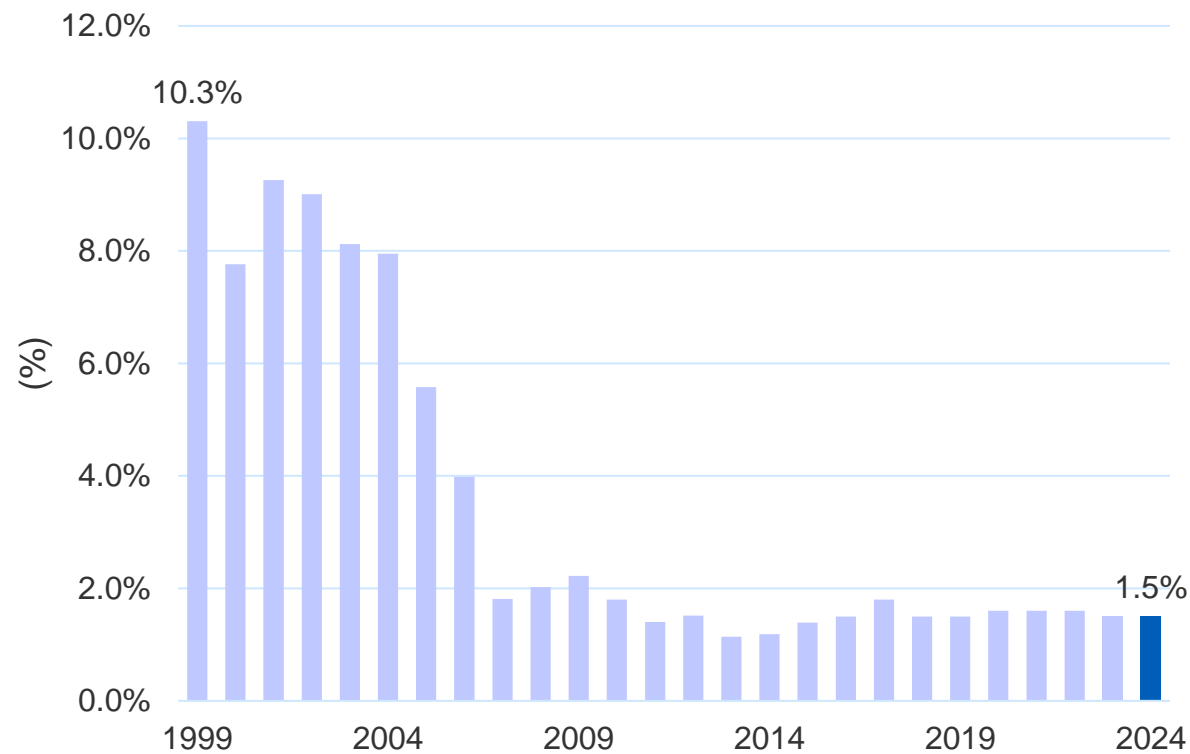
# Growing loans without compromising asset quality

Loan book up >10x in 20 years with asset quality staying well managed despite macro challenges

Net loans

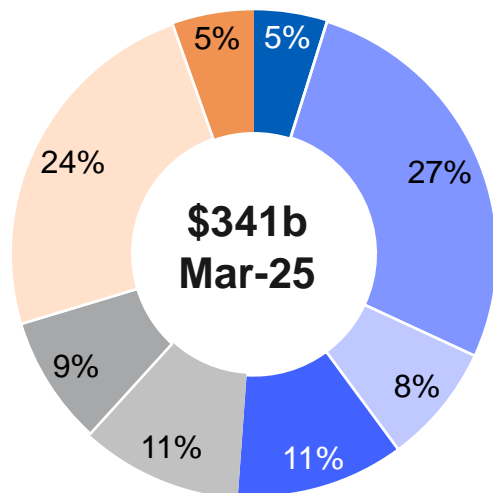


Non-performing loans ratio



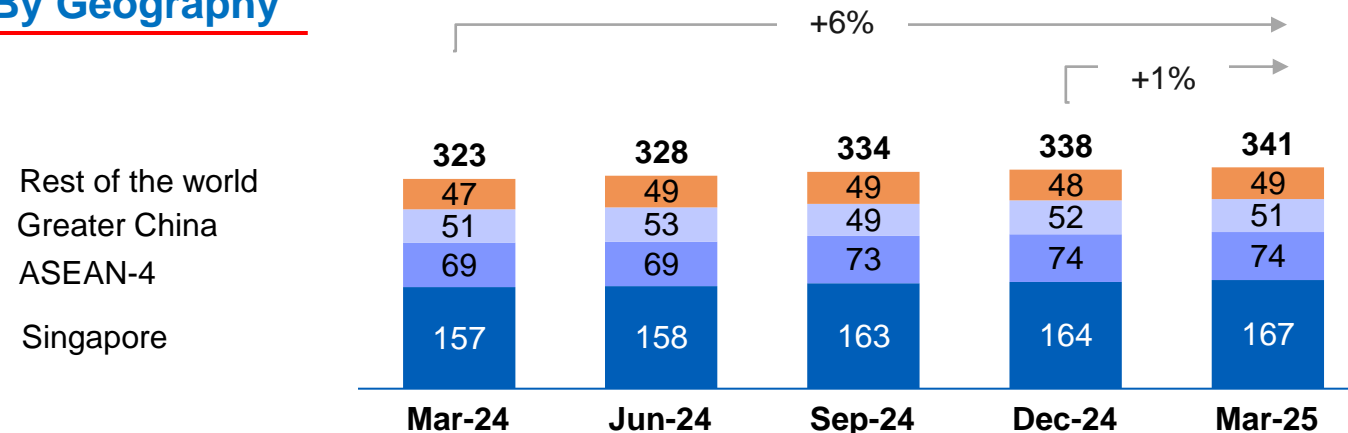
# Healthy loans growth of 6% YoY and 1% QoQ

## By Industry



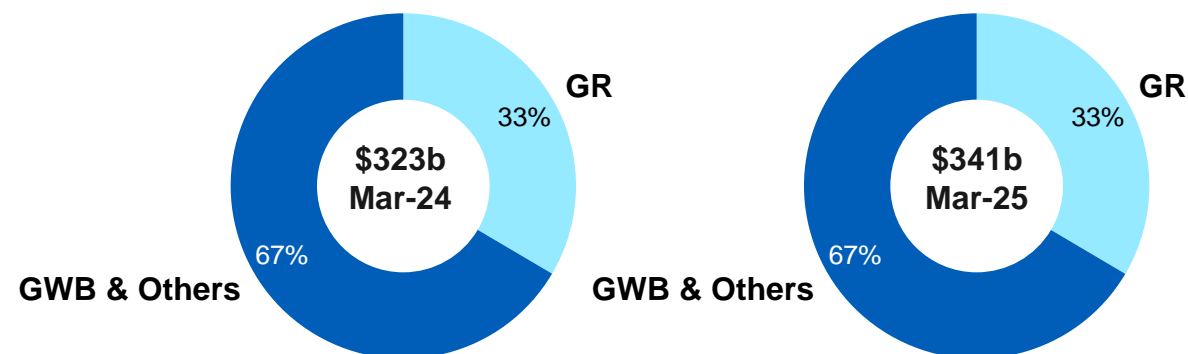
- Transport, storage and communication
- Building and construction
- Manufacturing
- FIs, investment and holding companies
- General commerce
- Professionals and private individuals
- Housing loans
- Others

## By Geography



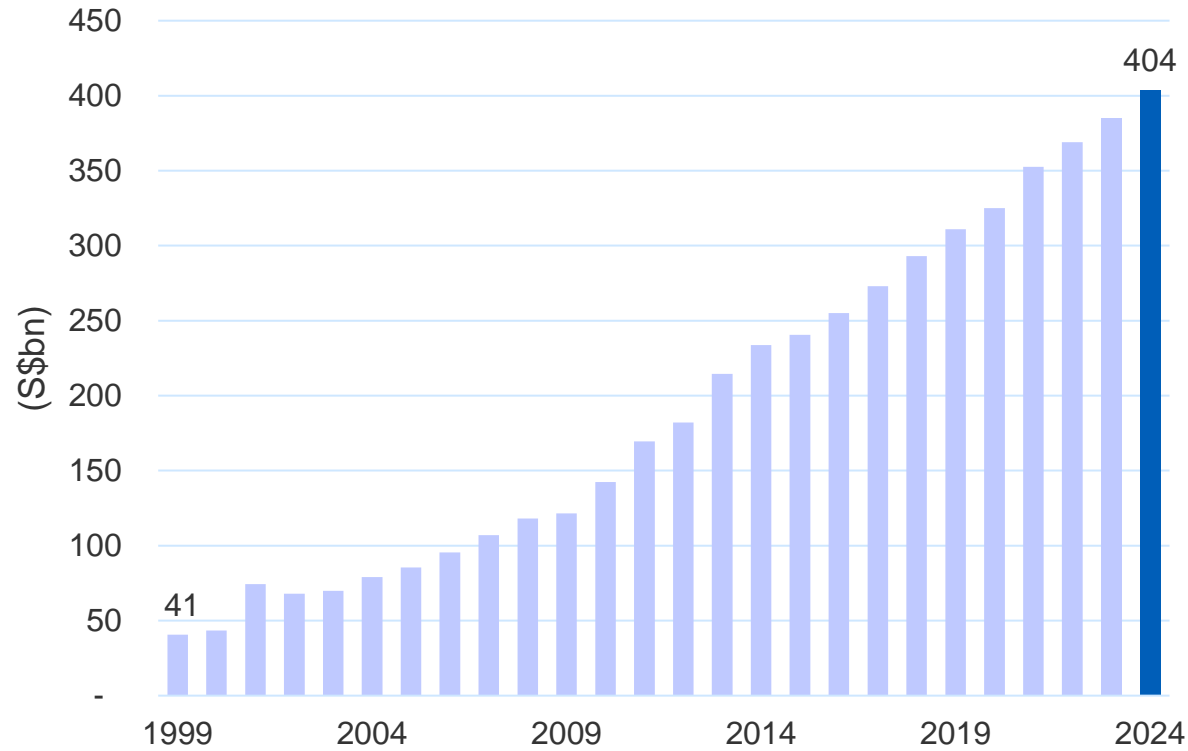
Note: Loans are classified based on where credit risks reside, represented by country of incorporation/operation for non-individuals and residence for individuals.

## By Segment

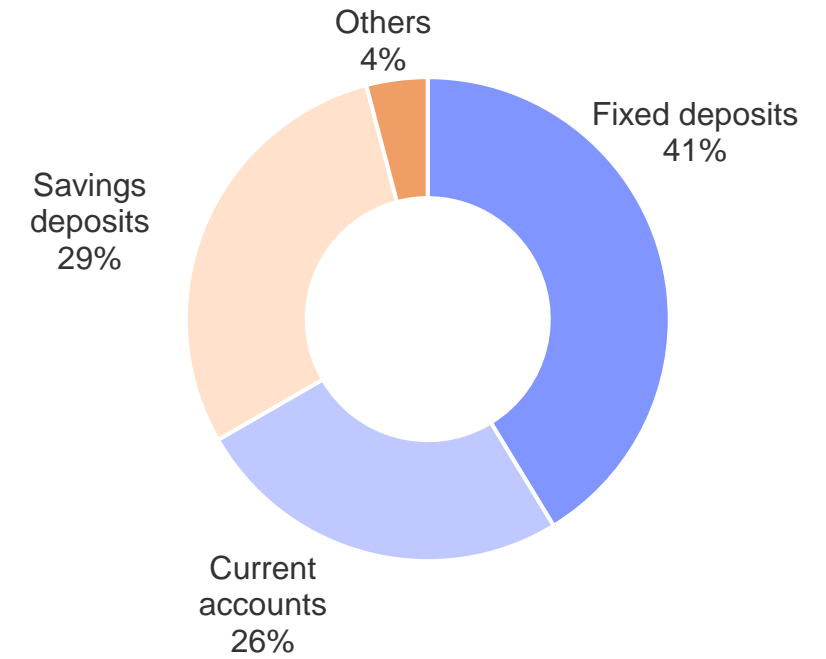


# Business largely funded by customer deposits

## Customer deposits



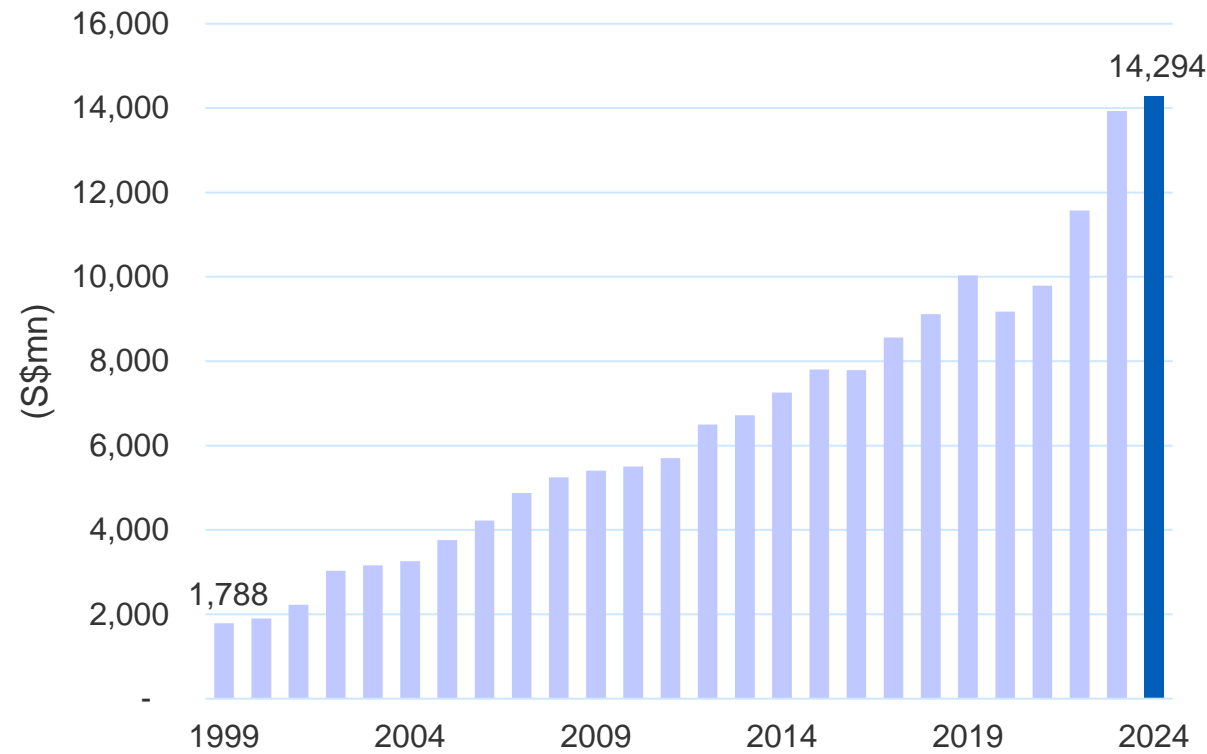
## Customer deposit mix



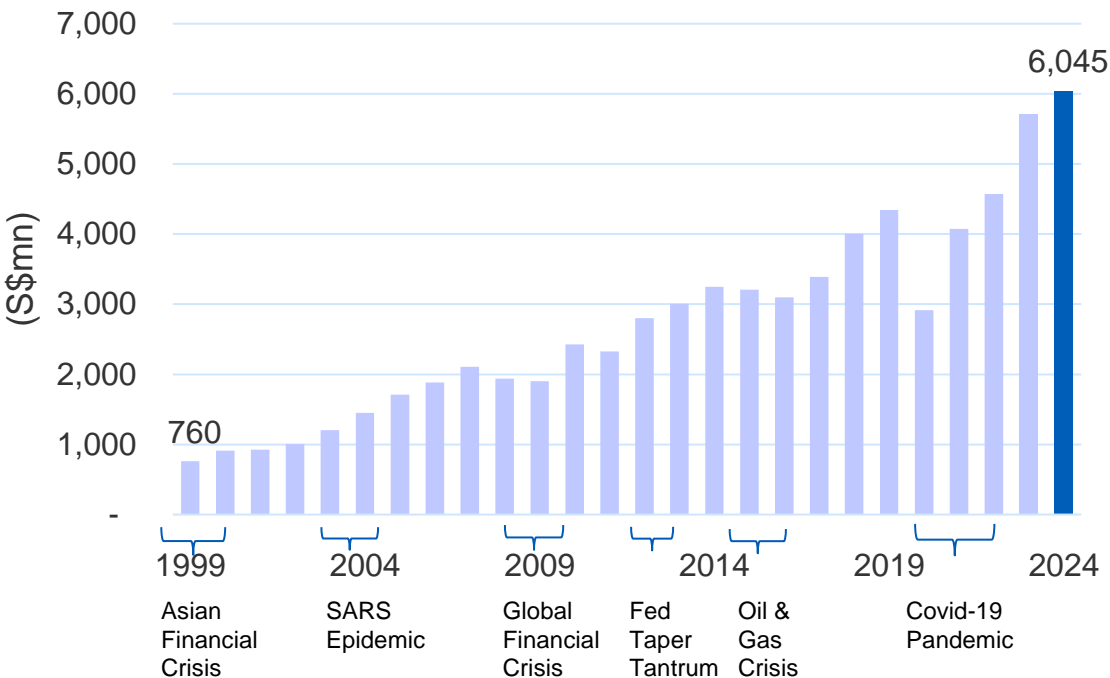
# Consistently delivering profits over the years

UOB has remained profitable over various economic cycles

Total income

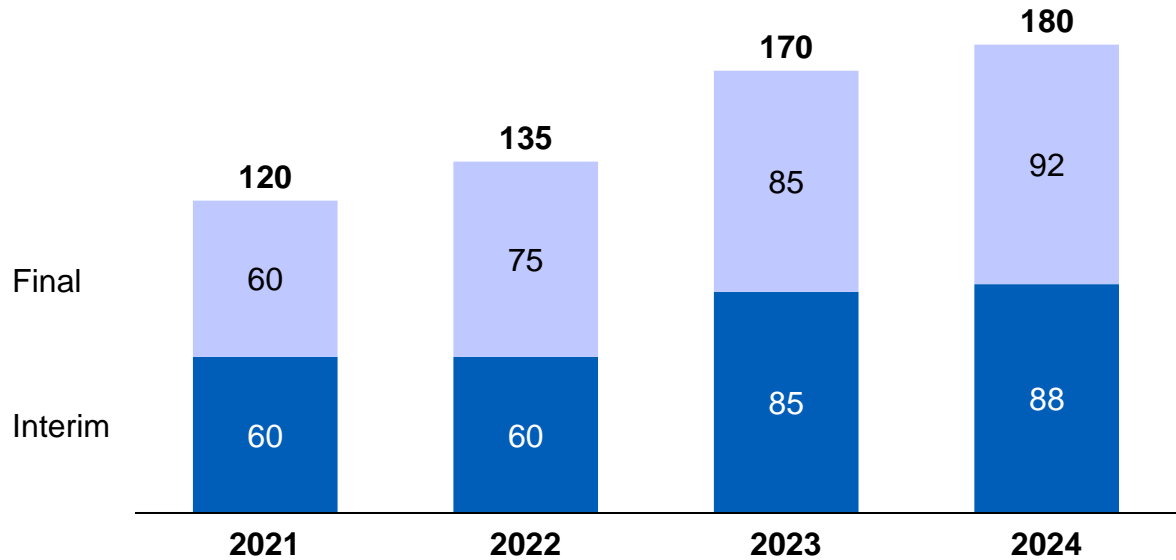


Net profit after tax

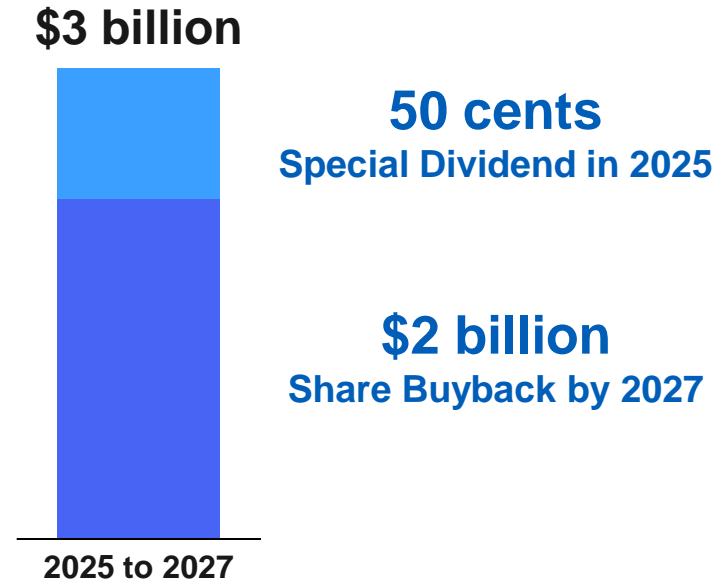


# Delivering consistent and sustainable returns to shareholders

## Core Dividend Per ordinary share (¢)



## Capital Distribution Package

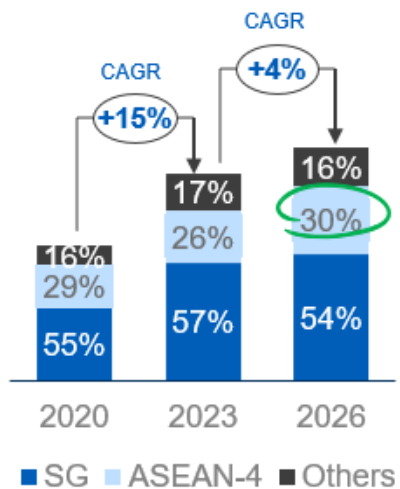


# Growth Drivers and Targets

# Our medium-term goals by 2026

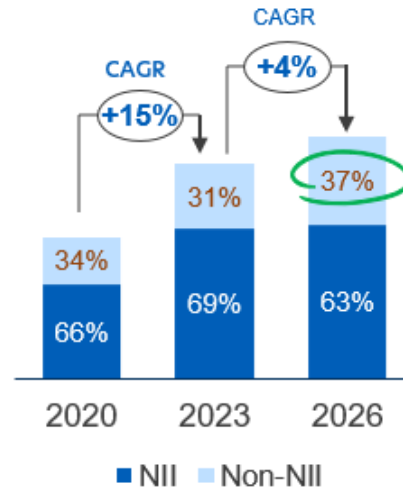


Return on equity  
Sustained at ~14%



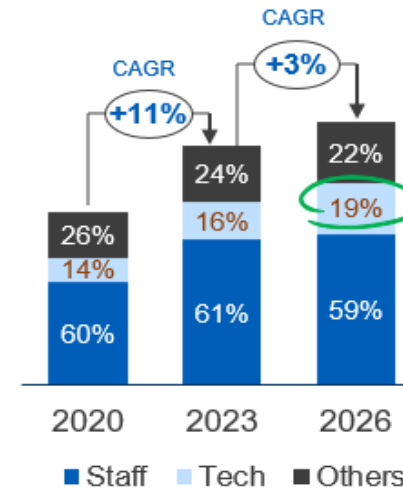
Increased contribution from ASEAN

Income from ASEAN-4<sup>1</sup> to reach 30%, while maintaining at least 50% in SG



Higher mix of non-interest income

Fueled by growth engines of wealth, trade and customer treasury



Improved cost efficiency and productivity

CIR closer to 40%; cost mix shift from staff towards tech

1. ASEAN-4 comprises Indonesia, Malaysia, Thailand & Vietnam

# Wholesale business to pivot towards trade, cash and treasury spurred by connectivity flows and enhanced product platforms

Riding on megatrends to drive our ASEAN franchise

US\$4.6tn trade flow in ASEAN<sup>1</sup>

Shift of value chain

China +1 strategy

## 2026 Wholesale Banking shape



Pivot towards trade, cash management and treasury

2x

increase<sup>2</sup> in trade loans<sup>3</sup>

~60%

of WB income to be driven by trade, cash management & treasury (2023: 62%)



Capturing ASEAN connectivity and sustainability flows

~20%

of WB loans<sup>3</sup> to be contributed by ASEAN-4<sup>4</sup> (2023: 14%)

~25%

of WB income to be contributed by ASEAN-4<sup>4</sup> (2023: 21%)



Supported by cost efficient CASA funding amid rate environment

>50%

WB CASA ratio<sup>3</sup> (2023: 51%)

High Single Digit

growth in CASA balance<sup>3</sup> from 2023 to 2026

## Key Enablers

People  
Sector specialists  
Dedicated country desks

Process  
FSCM fast-track framework

Platform  
H2H, API, UOB Infinity

Presence  
Extensive footprint in key ASEAN markets

1. 2026 projection by UOB Global Economics & Markets Research forecasts
2. Between 2023 and 2026
3. Based on average balances
4. ASEAN-4 comprises Indonesia, Malaysia, Thailand & Vietnam



# Enlarged retail franchise to capture rising wealth in the region, augmented by post-Citi integration synergy

ASEAN's immense growth potential

3rd largest population

Young demographics (~60% <35yo)

Fast-growing middle class

## 2026 Retail Banking shape



Reshaping business mix towards growth engines

~50%

of retail income to be driven by wealth and cards<sup>1</sup> (2023: 38%)

2x

Increase<sup>2</sup> in AUM of Private Banking customers



Capturing growing affluence in ASEAN

~40%

of retail income to come from ASEAN-4<sup>3</sup> (2023: 33%)

10m

Retail customers, of which ~90% digitally-enabled<sup>4</sup> customers (2023: ~8m; 76% digitally-enabled)



Growing CASA to support asset growth

>55%

Retail CASA ratio (2023: 47%); ~60% to be digitally acquired

>65%

of retail customers hold CASA account (2023: 57%)

## Personalised banking interactions

UOB TMRW with AI-driven insights

Cards/Rewards for every lifestyle

Wealth for every life stage

Powered by data  
Delivered via omni touchpoints

1. Includes unsecured loans
2. Between 2022 and 2026
3. ASEAN-4 comprises Indonesia, Malaysia, Thailand & Vietnam
4. % of retail clients who have registered User ID/ Password for PIB/ TMRW

# Summary

# Why UOB?



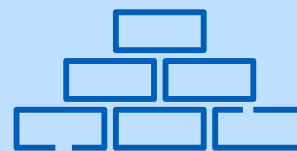
## Stable management

- 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

- Truly regional bank with full ownership and control of regional subsidiaries
- Entrenched domestic presence and deep local knowledge to address the needs of our targeted segments
- Continued investment in talent and technology to build capabilities in a disciplined manner



## Strong fundamentals

- Strong Common Equity Tier 1 capital adequacy ratio of 15.5% as at 31 March 2025
- Diversified funding and sound liquidity, with 84.0% loan/deposit ratio
- Strong coverage, with general allowance on loans (including RLAR) covering 0.8% of performing loans



## Balance growth with stability

- More than half of Group's earnings from home market of Singapore (AAA sovereign rating)
- 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

# Q&A



**Right By You**