

UOB boosts its support of SMEs through innovation and internationalisation programme

25 SMEs in the logistics and transportation sectors first to participate in the programme

Singapore, 22 October 2018 – As more small- and medium-sized enterprises (SMEs) embrace Industry 4.0¹, United Overseas Bank (UOB) has launched a programme to help them innovate and internationalise. The Bank will provide financial support to SMEs through working capital loans, equipment financing, and cross-border cash management and treasury solutions as they harness technology to drive their business performance within and across borders.

UOB's innovation and internationalisation programme builds upon its experience in helping companies seize cross-border opportunities through its Foreign Direct Investment Advisory Unit². To ride the next wave of SME growth expected from Industry 4.0, UOB will expand its ecosystem of strategic partners to include technology experts, such as those from Enterprise Singapore's Centres of Innovation³, to help SMEs upgrade and scale their technology capabilities. The Bank's financing specialists will offer the financial solutions SMEs need to make the required technology investments.

As part of the programme, SMEs will be guided through the following four stages with support from UOB and its strategic partners:

1. **Diagnosis:** Technology experts from sector-specific Centres of Innovation will help SMEs identify areas for process improvements that can be enabled by or transformed through the use of technology.
2. **Solutions:** UOB and its various ecosystem partners will help the SMEs acquire the technology or equipment needed to simplify or to enhance their operations.

¹ Industry 4.0 comprises three core elements – technology, process and organisation. It describes the organisation of production processes based on technology and devices autonomously communicating with each other along the value chain. The first three industrial revolutions refer to mechanisation, mass production and computerisation. Source: *The Singapore Smart Industry Readiness Index: Catalysing the transformation of manufacturing*, Singapore Economic Development Board, November 2017.

² UOB set up its Foreign Direct Investment Advisory Unit in 2011 and has built an ecosystem of partners including government agencies, trade and industry associations and professional service providers to provide companies with advisory and assistance as they expand across borders.

³ Enterprise Singapore set up eight industry-specific centres of innovation in partnership with selected polytechnics and research institutes to help SMEs develop and test technology projects.

3. **Implementation:** SMEs will be given guidance on how to implement or to install the new technology solution or equipment.
4. **Internationalisation:** SMEs will receive support either to replicate their innovation efforts as they venture overseas or for their existing overseas operations.

Mr Eric Tham, Head of Group Commercial Banking, UOB, said, “UOB has been helping SMEs adopt digital solutions to be more efficient and effective, be it in the areas of administration, marketing or sales. As part of this new programme, we are equipping our bankers with the knowledge they need to help more SMEs seize the opportunities of Industry 4.0. By tapping our industry expertise, sector specialisation and partnerships further, including our collaboration with Enterprise Singapore, we hope to help SMEs work smarter through the implementation of advanced technology and equipment.

“After these SMEs have successfully upgraded their technology capabilities here in Singapore, we will support them in replicating their efforts in other markets. We can help SMEs drive their business performance at home and abroad by providing this connectivity in innovation and internationalisation.”

At launch, the programme will focus on helping 25 SMEs in the logistics and transportation sectors with their innovation and internationalisation needs. One of the first companies to sign up for the programme is IG Logistics Pte Ltd (IG Logistics).

Mr Kenneth Tan, Group CEO of IG Logistics, said, “We have been looking at innovative ways to improve our facilities and to enhance our service standards, and we believe the use of technology is key. Through the programme, we hope the technical assistance from Enterprise Singapore and funding support from our longtime banking partner, UOB, will help us to increase our operational efficiency and to streamline our processes. Such achievements will in turn enable us to grow our business regionally.”

Mr Law Chung Ming, Director for Transport & Logistics at Enterprise Singapore, said, “Enterprise Singapore is supportive of this initiative and happy to see private sector partners such as UOB introducing this innovation and internationalisation programme to help our local SMEs adopt technology, improve their capabilities and scale up for international expansion. With changes to global trade flows and supply chain

needs, there is an urgent need for logistics SMEs to step up and to transform. UOB's programme certainly adds a boost to the transformation efforts for SMEs."

Subsequent phases of the programme will cover sectors such as food and beverage, precision engineering, electronics and info-communications, which are among the sectors identified by the Government for the Industry Transformation Programme⁴.

The programme builds on the Memorandum of Understanding (MOU) signed in 2016 by UOB and the then-International Enterprise (IE) Singapore, which has since been merged with SPRING Singapore to form Enterprise Singapore.

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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, Thailand and Vietnam, as well as branches and representative offices across the region.

Over more than eight decades, generations of UOB employees have carried through the entrepreneurial spirit, the focus on long-term value creation and an unwavering commitment to do what is right for our customers and our colleagues.

We believe in being a responsible financial services provider and we are committed to making a difference in the lives of our stakeholders and in the communities in which we operate. Just as we are dedicated to helping our customers manage their finances wisely and to grow their businesses, UOB is steadfast in our support of social development, particularly in the areas of art, children and education.

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⁴ Source: [Industry Transformation Maps](#), Ministry of Trade and Industry Singapore, 31 October 2016.