

News Release

In-principle foreign-owned subsidiary bank licence positions UOB to provide stronger support for Vietnam's businesses and consumers

UOB is the first Singapore bank to receive in-principle licence in Vietnam

Singapore, 20 July 2017 - United Overseas Bank Limited (UOB) today announced that it will be better positioned to broaden and to deepen its support for businesses and consumers in Vietnam as well as its regional clients investing in the country. This follows the Bank's receipt of the in-principle foreign-owned subsidiary bank (FOSB) licence from the State Bank of Vietnam yesterday. UOB is the first Singapore bank to receive the in-principle licence.

The FOSB licence would enable the Bank to extend its branch network beyond Ho Chi Minh City and to offer its products and financial solutions to businesses and consumers located in other cities. The Bank will also consider opening a branch in Hanoi which is Vietnam's gateway to fast-developing cities in the north such as Hai Phong, Quang Ninh and Hai Duong.

Mr Wee Ee Cheong, Deputy Chairman and Chief Executive Officer, UOB, said that the in-principle licence marks the start of a new chapter for UOB in Vietnam.

"We have had a longstanding presence in Vietnam and given our regional network, have over the past two decades helped our clients across Asia to identify and to invest in business opportunities in the country. With the in-principle FOSB licence, we look forward to helping our clients realise the business potential in Vietnam, which is one of the fastest developing countries in Asia," Mr Wee said.

Vietnam continues to be an attractive investment destination for many businesses. FDI flows to Vietnam rose to a new record US\$12.6 billion in 2016, up 6.8 per cent from the year before¹.

¹ Source: *World Investment Report 2017*, United Nations Conference on Trade and Development, http://unctad.org/en/PublicationsLibrary/wir2017_en.pdf

Since 2013, UOB has facilitated more than US\$3 billion of foreign direct investment from Asia into Vietnam. UOB's regional clients have invested in industries such as construction, real estate, manufacturing and fast-moving consumer goods, all of which have been helping to drive Vietnam's economic growth.

Mr Wee said, "With the FOSB licence, UOB will be able to support more Vietnamese companies in their domestic and regional growth by connecting them to cross-border opportunities throughout our extensive network."

UOB will also be able to deepen its support of more Vietnamese companies in their expansion plans through business advisory services² and financial solutions such as trade finance, cash management and project financing.

To help nurture the development of Vietnamese financial technology (FinTech) startups, UOB will be able to draw on its expertise in the area of business development and innovation. One way in which the Bank will do this is through The FinLab³, a joint venture between UOB and SGInnovate set up to promote the growth of FinTech startups in Asia. UOB, in collaboration with The FinLab, will organise knowledge-sharing and networking sessions between promising Vietnamese startups and potential investors and industry experts.

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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 across the region.

² In April 2015, UOB and Vietnam's Foreign Investment Agency (FIA) signed a Memorandum of Understanding aimed at increasing foreign direct investments (FDI) and trade between Vietnam and Southeast Asia. UOB also has an FDI Advisory Unit in Vietnam to offer seamless and integrated services to its clients expanding within the country and across borders.

³ The FinLab is an innovation accelerator programme jointly set up by UOB and SGInnovate, formerly known as Infocomm Investments Pte. Ltd. In addition to The FinLab's accelerator programme, FinTech startups under The FinLab also get to benefit from mentorship programmes and networking sessions with senior bankers from UOB, software developers, experienced entrepreneurs and venture capitalists. More information can be found at www.thefinlab.com

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 13th consecutive year in 2017. 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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