

News Release

UOB Venture Management to expand impact investing efforts with the launch of its second Asia impact fund

Singapore, 10 June 2019 – UOB Venture Management Pte. Ltd. (UOBVM) today announced that it will be expanding its impact investing efforts with the launch of its second impact fund in the second half of the year. Focused on Asia, the new private equity fund is the second series of UOBVM’s Asia Impact Investment Fund (AIIF II).

To be made available to global institutional and accredited investors, the AIIF II is a double bottom-line fund, aiming to achieve both impact and financial returns. It will continue the strategy of the AIIF’s first series to invest in the region’s education, healthcare and agriculture sectors. The fund will also seek investments in the areas of financial inclusion, affordable housing, clean energy, water and sanitation. The impact generated by portfolio companies will be measured and tracked regularly.

According to the World Bank, Asia Pacific is home to more than 700 million people living under US\$5.50 a day¹. In assessing potential deals for the AIIF II, UOBVM will evaluate the positive impact the companies would bring to low income communities, also known as the ‘bottom of the pyramid’². It will also consider the companies’ ability to scale their business in a sustainable manner. The fund will take minority stakes in the investee companies, making equity investments of about US\$1 million to US\$15 million in each.

Mr Seah Kian Wee, Managing Director and Chief Executive Officer of UOBVM, said, “At UOBVM, impact investing is one way we help bring about and sustain responsible growth. Through AIIF II, we want to support more entrepreneurs and companies that are able and are committed to working with low-income communities in overcoming challenges. By providing the financing they need to develop and to build their team, business model, capabilities and solutions to scale, we can help them to do good and to do it well.”

Creating a positive impact through AIIF I

In 2015, UOBVM launched the first series of the AIIF (AIIF I) to invest in growth companies in Southeast Asia and China that addressed key social challenges. The companies aimed to improve lives in low

¹ Source: *Poverty and Shared Prosperity 2018: Piecing Together the Poverty Puzzle*, World Bank, 2018.

² The majority of people at the ‘bottom of the pyramid’ live in rural or remote areas with a lack of infrastructure and access to facilities to meet their basic needs.

income communities by including them as consumers, suppliers or distributors in commercially sustainable ways. The AIIF I has since invested in nine such companies across China, Indonesia, Myanmar, the Philippines and Vietnam, supporting them in creating a meaningful impact to the communities they serve. The efforts of the fund's investee companies have led to more than 10 million low-income individuals benefitting from higher income or better access to affordable products and services, financing and quality.

The AIIF I's investee companies include:

Education technology – Ruangguru (Indonesia)

Ruangguru, a leading education technology company in Indonesia, offers K12³ students from across Indonesia affordably-priced digital education resources. Its learning platform also enables children in remote provinces to access quality content, such as videos, infographics and other materials, through mobile devices. More than 10 million students have benefitted from Ruangguru's platform, reporting higher levels of engagement, better understanding of topics and improved academic results.

Healthcare technology – Halodoc (Indonesia)

Halodoc enables patients from across Indonesia, including underdeveloped regions, to connect to more than 20,000 licensed doctors via its mobile app and website. It aims to simplify healthcare by improving accessibility and enhancing the patient experience.

Agriculture technology – Zhejiang Lanmei Agriculture Co., (China)

Zhejiang Lanmei, one of the largest blueberry seedlings companies in China, aims to become a major raw material supplier of blueberries in the country. It introduced its improved breed of blueberry seedlings to villages in Guizhou, Henan, Sichuan and Zhejiang provinces. It also provides holistic services across the supply chain, from imparting cultivation techniques to farmers to providing post-harvest sales support. More than 15,000 farmers are earning higher income from sales of the higher-value blueberry crop.

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About UOB Venture Management Private Limited

UOB Venture Management Private Limited (UOBVM) is a wholly-owned subsidiary of United Overseas Bank Limited (UOB), a leading bank in Asia with a global network of more than 500 branches and offices 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

³ Refers to Indonesia's 12-year education curriculum.

the world's top banks: Aa1 by Moody's and AA- by both Standard & Poor's and Fitch Ratings. Since 1992, UOBVM has provided financing to more than 100 privately-held companies through direct equity investment, mainly in Southeast Asia and Greater China. UOBVM advocates responsible investing through making impact investments and integrating ESG considerations into its investment process. As at 31 May 2019, UOBVM has more than S\$1.7 billion in committed capital.

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