

UOB's acquisition of Citigroup's consumer banking businesses in ASEAN leads the way to more credit card partnerships featuring renowned regional and global brands

Singapore, 11 May 2023 – UOB's acquisition of Citigroup's consumer banking businesses in four key ASEAN markets has significantly boosted its retail banking business, and paved the way for its enlarged base of customers in the region to enjoy even more perks and privileges suited to their unique lifestyles and needs via partnerships with renowned domestic and global brands.

The completion of UOB's acquisition of Citigroup's consumer banking businesses in Malaysia, Thailand and Vietnam has already brought its regional retail customer count to over seven million as of 31 March 2023, with the latest completion of the Vietnam acquisition enabling the Bank to serve about 200,000 customers in the country. With the completion of the acquisition in Indonesia by end 2023, these four markets are expected to provide a S\$1 billion boost to the Bank's revenue on a full-year basis. The acquisition has also built stronger resilience in the business model with both geographical and revenue mix diversification. With Citigroup's portfolio more geared towards cards business and unsecured lending, net credit card fees for the Bank almost doubled year-on-year in the first quarter of 2023, with Citigroup's portfolio contributing a quarter of this, and total income from the Bank's unsecured business is expected to almost double by end 2023. Separately, loans and deposits also grew almost 10 per cent and 15 per cent in the first quarter of 2023 compared with a year before.

For the first quarter of 2023, ASEAN-4 (i.e. Malaysia, Thailand, Indonesia and Vietnam) accounted for more than 35 per cent of the Bank's Group Personal Financial Services income. UOB's network of branches in Malaysia, Thailand and Vietnam has also expanded by 15 as of March 2023.

"Our transformative decision to acquire Citigroup's consumer businesses in four ASEAN markets during the pandemic has proven to be very timely, positioning us well as consumer spending returns with a vengeance following the reopening of economies worldwide post-COVID. As consumers look for the best in dining, travel and retail at home and abroad, our unparalleled regional network, further boosted by this transformational deal, enables UOB to serve their unique



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lifestyle needs and preferences across ASEAN. Coupled with our partnerships with renowned brands domestically, regionally as well as globally, we offer the best deals, privileges and perks to customers for all that they love,” said Ms Jacquelyn Tan, Head of Group Personal Financial Services, UOB.

Scaling regional franchise while reinforcing strength on home front

Following the acquisition, UOB is scaling its reach in ASEAN to reinforce the Bank’s top position in the consumer card space for Visa and consumer credit cards for Mastercard portfolios in terms of billings. The number of UOB cards¹ in the region surged more than 60 per cent year-on-year as of 31 December 2022. Total regionwide credit card billings also grew more than 90 per cent in the fourth quarter of 2022 as compared to a year ago, with the figure close to double pre-COVID levels in 2019.

In the first quarter of 2023, total cross-border billings for UOB credit cards in ASEAN grew almost three times compared to same period last year.

On the home front, UOB’s dominance in the credit card space is undisputed. About 1.3 million UOB credit cards are in use today, translating to one in two cardholders in Singapore holding a card from the Bank. On top of this, the Bank also runs Singapore’s largest deals, cashback and rewards programme, UOB Rewards+, with more than 50,000 deals, cashback and rewards at more than 60,000 merchant locations and served through the UOB TMRW app.

These figures augur well for the Bank, and are in line with bullish forecasts for ASEAN and the Asia-Pacific region compared to the rest of the world. International Monetary Fund (IMF) projections² placed overall Gross Domestic Product (GDP) growth for the Asia-Pacific at 4.6 per cent this year, up 0.6 per cent from last year and way above forecasts of 2.8 per cent global growth for 2023. The IMF also expected the region to power more than 70 per cent of global economic expansion this year. Closer to home, the Asian Development Bank³ predicted Southeast Asia’s GDP growth to keep pace at 4.7 per cent this year even in the face of global headwinds.

¹ Inclusive of Mastercard and Visa cards

² [April 2023 Asia and Pacific Department Press Briefing \(IMF\)](#)

³ [ADB Forecasts 4.8% Growth for Asia and Pacific in 2023 and 2024 \(ADB\)](#)



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Consumer spending is also set to soar in ASEAN, fuelled by a boom in the middle-class population. The World Economic Forum⁴ (WEF) forecasts that 70 per cent of ASEAN's population will be middle-class by 2030, spurring total consumption to more than double to nearly US\$4 trillion. By the end of this decade, the WEF predicts that millennials⁵ and generation Z⁶ will account for 75 per cent of ASEAN consumers. In line with WEF forecasts, billings growth among UOB credit and debit cardholders in Singapore was highest among the 18 to 23 year-old at almost 40 per cent during the first quarter of 2023 compared to a year ago. Cardholders aged 18 to 39 were also redeeming more rewards associated with card spending, with total redemptions seeing a growth of over 30 per cent in the same period, higher than the near-25 per cent growth in the first quarter of 2022 year-on-year.

With the rise of ASEAN and the Citigroup acquisition which bolstered UOB's strength in the region, the Bank is best-positioned to capture cross-border payments and wealth flows with its expansive regional presence. From secured loans and deposits, to wealth management and cards offerings, UOB's strengthened franchise will bring to its customers an unrivalled regional perspective and reach, accessible via a regionwide network of branches as well as on digital devices, and personalised to their unique lifestyles and needs.

Partnering renowned regional and global brands to serve ASEAN customers

Referencing cardholders' spending patterns over the past year, UOB has identified three key spend categories to further boost its offerings. The three categories, namely travel, dining and retail, constituted the podium segments in terms of credit card spend growth last year. Travel spend more than doubled that of 2021, with dining and retail growing 45 per cent and almost 30 per cent respectively.

UOB has garnered over 40 strategic partnerships with established brands across the region to offer even more exclusive and customised rewards and privileges to both existing and new customers of the Bank. These partnerships, which include eight co-branded credit cards with key consumer brands across ASEAN, are in addition to more than 1,000 in-country deals, with all

⁴ [Future of Consumption in Fast-Growth Consumer Markets: ASEAN \(WEF\)](#)

⁵ Those born between 1981 to 1995

⁶ Those born between 1996 to 2012



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specially curated to the discerning preferences of the Bank's customers and bringing together like-minded partners whose focus was on building a strong regional presence.

UOB offers a unique regional proposition, where rewards and privileges are available to all UOB cardholders across ASEAN. A customer holding a Singapore-issued UOB card will enjoy the same privileges when spending at a partner merchant in Thailand, just like a UOB Thailand cardholder, while still qualifying for card perks associated with overseas spend if applicable.

New partnership highlights include a world-first partnership with foremost wine rating authority Robert Parker, where UOB cardholders in Singapore, Indonesia, Malaysia, Thailand and Vietnam can look forward to exclusive wine pairing dinners served by MICHELIN-starred chefs as well as curated wine masterclasses for different levels of connoisseurs. This is Robert Parker's first-ever partnership with a financial institution, with its regional reach a pioneering approach for the company as well. This partnership furthers the Bank's customer propositions in the dining space, a perfect complement to UOB's earlier announced partnership with The MICHELIN Guide in Thailand and Malaysia.

Following the announcement of its strategic partnership with local luxury purveyor Club 21 last year, UOB will be collaborating with Britain's foremost designer Paul Smith in the latter's first ever collaboration with a financial institution to elevate its offering in the lifestyle arena. Paul Smith's signature designs will be reflected on merchandise exclusive to UOB cardholders in spend-and-get campaigns, with over 5,000 limited-edition Paul Smith accessories including Apple AirPods cases⁷ and backpacks to be given to UOB cardholders in Singapore, Indonesia, Malaysia, Thailand and Vietnam who spend a minimum amount on their cards within this year, while stocks last.

In a strategic collaboration with MINI in the ASEAN region, UOB is partnering the tradition-steeped British premium car manufacturer to host a region-wide lucky draw this year. Paul Smith is a long-time collaborator with the car brand, beginning from 1999 with the iconic MINI Paul Smith edition, and one UOB cardholder in Singapore, Indonesia, Malaysia, Thailand and Vietnam will win a limited edition MINI car model exclusively designed by Paul Smith.

⁷ Apple Airpods to be given together with the cases



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Offering deals and rewards for every lifestyle and life stage, UOB aims to do right by customers whenever and wherever they are. As the Bank with the largest ASEAN consumer banking footprint and the top cards issuer in the region, UOB is proud to bring together established global brands to offer its customers the very best in dining, travel and retail. As part of this integrated push by the UOB cards business, the Bank will be launching a brand new film accentuating the regional presence and global strength of its cards. The couple in the film represent the aspirations of UOB's ASEAN customers, and embody their love for travel, feasting, retail and experiences. The film will air on free-to-air television channels in Singapore, Malaysia, Thailand and Vietnam, as well as on Singapore Airlines' KrisWorld inflight entertainment system from 11 May 2023.

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About UOB

UOB is a leading bank in Asia. Operating through its head office in Singapore and banking subsidiaries in China, Indonesia, Malaysia, Thailand and Vietnam, UOB has a global network of around 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. Today, UOB is rated among the world's top banks: Aa1 by Moody's Investors Service and AA- by both S&P Global Ratings and Fitch Ratings.

For nearly nine decades, UOB has adopted a customer-centric approach to create long-term value by staying relevant through its enterprising spirit and doing right by its customers. UOB is focused on building the future of ASEAN – for the people and businesses within, and connecting with, ASEAN.

The Bank connects businesses to opportunities in the region with its unparalleled regional footprint and leverages data and insights to innovate and create personalised banking experiences and solutions catering to each customer's unique needs and evolving preferences. UOB is also committed to help businesses forge a sustainable future, by fostering social inclusiveness, creating positive environmental impact and pursuing economic progress. UOB believes in being a responsible financial services provider and is steadfast in its support of art, social development of children and education, doing right by its communities and stakeholders.

For media queries, please contact:

Name: Philip Lim

Group Strategic Communications and Brand

Email: philip.lim@uobgroup.com

Tel: 9816 9395



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