

UOB deepens partnerships with leading Shandong enterprises eyeing expansion into ASEAN

Four MOUs signed with Hengfeng Bank, Shandong Marine, Shandong Port and Shandong Yulong



Mr Eric Lian, Head of Group Commercial Banking, UOB (middle) and Mr Peter Foo, President and CEO, UOB China (right) signed an MOU with Ms Fang Yi, Vice President, Hengfeng Bank Co Ltd (left) on 9 October 2024 to help more Chinese companies expand into Southeast Asia. The MOU signing was witnessed by Shandong government officials, including Mr Xu Wen, Member of the Party Leadership Group, Secretary-General and Secretary of the Party Leadership Group of the General Office, Shandong Provincial Government (back).

Singapore, 10 October 2024 – UOB has strengthened its partnerships with leading Shandong companies to support their overseas expansion efforts into Southeast Asia with the signing of four agreements.





At the 25th Singapore-Shandong Business Council (SSBC) meeting held at Marina Bay Sands yesterday, UOB renewed its Memorandum of Understanding (MOU) with Hengfeng Bank Co. Ltd, a leading Commercial Bank in Shandong province, to help more Chinese companies explore cross-border business opportunities in Southeast Asia. In conjunction with the SSBC meeting, UOB today also signed three new MOUs with Shandong-based businesses to support their internationalisation efforts into Southeast Asia.

Shandong is one of China's fastest growing provinces. In 2023, Shandong's gross domestic product reached about RMB 9.21 trillion (S\$1.69 trillion), making it the third-largest province in China, behind Guangdong and Jiangsu. Shandong was the first province in China to establish a bilateral business council with Singapore in 1993. In 2023, Singapore became the second-largest source of foreign direct investment flows for Shandong province and remains a key trade partner.

The MOU with Hengfeng Bank was signed by Mr Eric Lian, Head of Group Commercial Banking, UOB, Mr Peter Foo, President and CEO, UOB China, and Ms Fang Yi, Vice President, Hengfeng Bank Co Ltd. Under the renewed MOU, both parties reaffirmed their collaboration across a range of business areas including trade financing, investment banking, treasury and wealth management to support the local and cross-border needs of both parties' customers.

The companies can access UOB's full suite of financial solutions such as cross-border settlement, trade financing and cash management for their business expansion. Hengfeng Bank's clients will also be able to leverage UOB's dedicated Foreign Direct Investment Advisory Unit and gain in-market insights and market-entry support for their overseas expansion efforts.

Mr Eric Lian, Head of Group Commercial Banking, UOB, said, "We see strong interest from businesses in Shandong, a key economic province in China, to enter the Southeast Asia market. Our renewed collaboration with Hengfeng Bank and like-minded partners will enable Chinese companies to tap growth in the region. We connect businesses big and small through our extensive trade network and integrated supply chain platform for cross-border business needs and expansion. This underscores our commitment and position as the global industry leader in partnering SMEs."





UOB and Hengfeng Bank first signed an MOU in 2020. This latest MOU is a renewal of both parties' longstanding relationship to support companies looking to enter the Southeast Asian region. In 2020, UOB and Hengfeng Bank launched a one-stop international trade service programme to strengthen their collaborations in trade financing for businesses. As at end August 2024, the programme has provided approximately RMB 798 million (S\$147 million) of trade financing to businesses.

UOB expands collaborations with three Shandong enterprises

Building on the strategic partnership between UOB and Hengfeng Bank, UOB today signed three new MOUs with Shandong enterprises to support their expansion efforts into Southeast Asia. As at August 2024, Southeast Asia has become Shandong's largest trading partner, with total bilateral trading volume of RMB 45.71 billion (S\$8.39 billion), a 10.3 per cent growth year on year. These MOUs aim to boost foreign investment and trade between Shandong province and Southeast Asia.

UOB signed a first tripartite MOU with Hengfeng Bank and Shandong Port Group Co. Ltd, a state-owned enterprise operating 20 major ports in Shandong's province. It owns the world's largest 400,000-tonne ore terminals and 450,000-tonne crude oil terminals, and is the largest foreign trade port in North China.

The Bank also signed another tripartite MOU with Hengfeng Bank and Shandong Marine Group. Ltd, a large state-owned enterprise focused on the marine industry. The third MOU was inked with Shandong Yulong Petrochemical Co. Ltd, an oil and natural gas refinement company.

Through these collaborations with UOB, the enterprises will be able to tap an ecosystem of strategic partners across the Bank's Southeast Asian network. They can also utilise UOB's full suite of local and cross-border solutions, including trade financing, cash management and more.

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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.

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