



UOB's Digital Bank: TMRW

Investor Update

Kevin Lam, Head, TMRW Digital Group
Jimmy Koh, Chief Commercialization Officer, TMRW Digital Group

7 December 2020

Disclaimer: This material that follows is a presentation of general background information about the Bank's activities current at the date of the presentation. It is information given in summary form and does not purport to be complete. It is not to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. This material should be considered with professional advice when deciding if an investment is appropriate. UOB Bank accepts no liability whatsoever with respect to the use of this document or its content.

UOB built 2 customer value propositions to compete

Innovation & learnings of TMRW brought back to wider UOB Group



Pioneer & innovation lab of digital transformation

Digital Bank



Engagement.

Digitally-inclined millennials

Payments, CASA and unsecured lending

Unique engagement differentiators

Customer who prefers mobile only

TMRW

Innovation & best practices
e.g. insight cards



Omnichannel



You. Family. Business

Universal banking customers

Advisory and planning

Customers who use multiple channels

We identified 4 success factors after researching digital banks globally; trust remains differentiator

Trust as differentiator

Neobanks

Incumbent subsidiaries

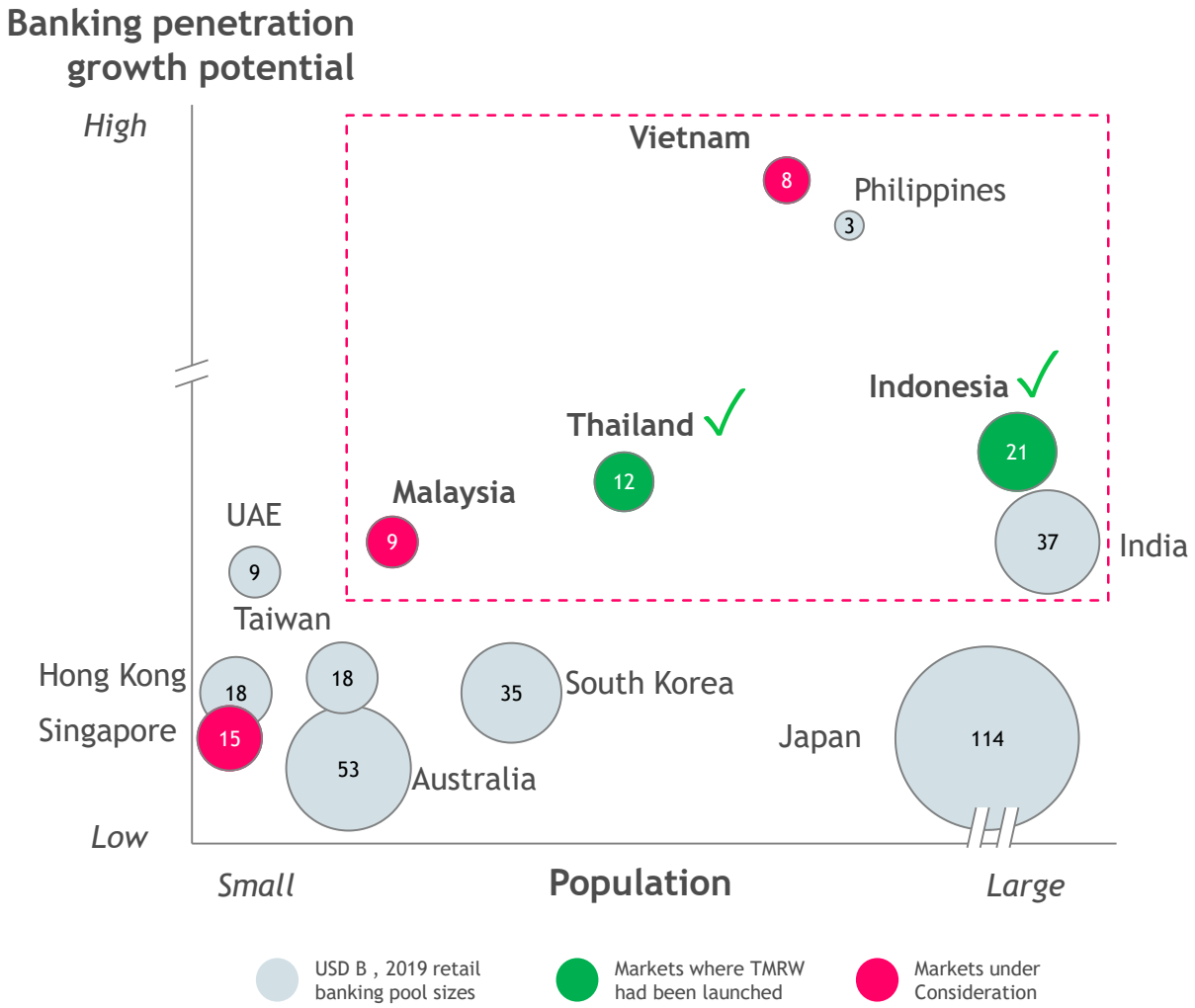
BigTech led banks

Hybrid JVs

- Address inefficiencies in large markets
- Profitable challengers focus on unsecured lending (with alt. data)
- Ecosystems gave unparalleled advantage in acquisition & usage
- Uncertainty & margin pressure require lean model for long-term sustainability

Note: [1] Neobanks (Standalone digital banks); [2] Incumbents' digital bank subsidiaries; [3] Big-Tech led digital banks (Big Tech has majority stake); [4] Hybrids (JVs of banks and BigTechs)

TMRW markets selected by highest potential



Official launch in Mar 2019

- Population: 70M (20% YP/YPF)
- 71% smartphone penetration
- Favorable regulatory environment
- First mobile-only digital bank

Official launch in Aug 2020

- Population: 273M (23% YP/YPF)
- 60% smartphone penetration
- Favorable regulatory environment

Source: BCG banking pools (2019), World Bank (2017), We Are Social (2019)
Young Professionals and Young Professional Families: people aged 25-39

TMRW's Vision:

The World's Most Engaging Bank for Millennials

Where to play?

$10B Market opportunity [1] by serving Millennials across ASEAN

Strategic intent is to build a sizable consumer business across ASEAN organically

How to Play?

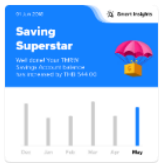
Built TMRW, a digital bank targeting the younger generation

Ambition to acquire 3-5M customers over the next 5 years

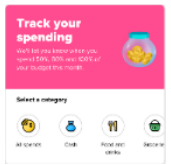
How to Win?

TMRW aspires to be the most simple, engaging & transparent bank for Millennials

Objective to become main account and grow along with our customers



Enhancing engagement



Growing transactions

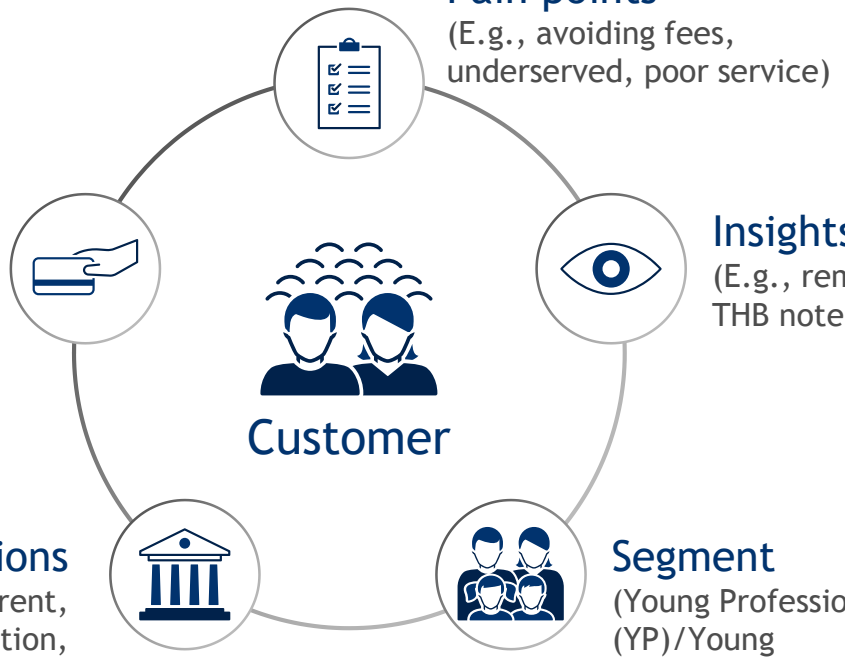


Increasing balances

[1] US$10B lifetime revenue pool estimated by BCG

TMRW is designed for customers & business

Customer Centric Design



Pain points
(E.g., avoiding fees, underserved, poor service)

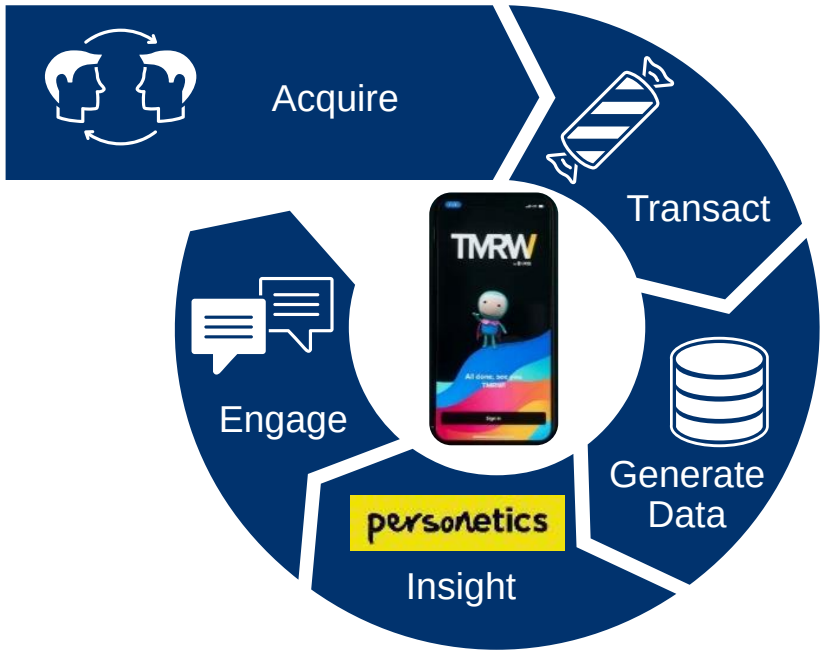
Habits
(E.g., over-spend, always on-the-go)

Insights
(E.g., remove 50 THB note)

Expectations
(E.g., Transparent, Zero friction, Best in class)

Segment
(Young Professionals (YP)/Young Professional Families (YPF))

TMRW ATGIE Business Model



TMRW innovations …

1st Global implementation

meniga → personetics

1st Thai bank with non-face-to-face biometric

1st Bank to develop a full-fledged savings game to make savings fun and easy

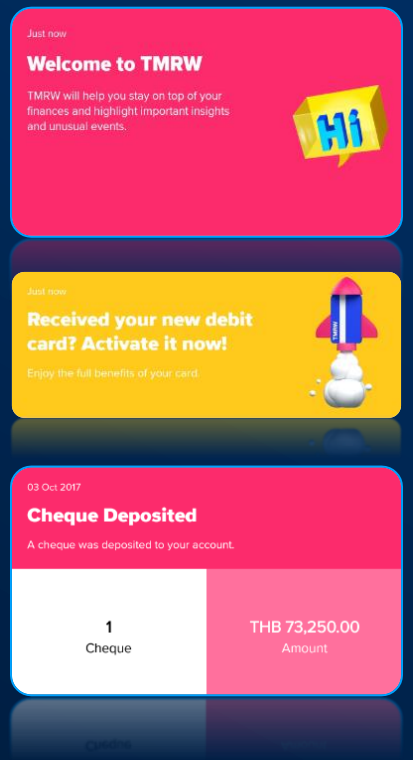


1st Bank to set up a pan-regional engagement lab

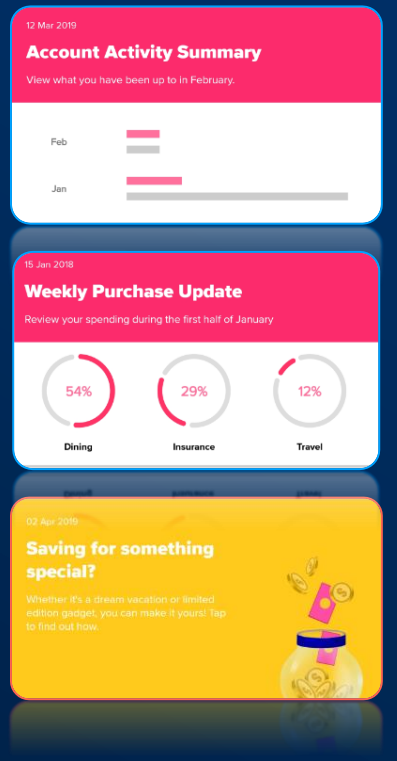
Agile New ways of working

… shared across wider UOB Group

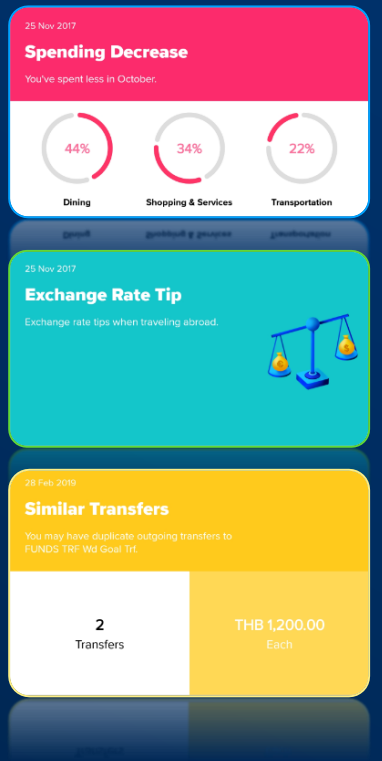
Trigger-based Alerts



Personalization



Artificial Intelligence



TMRW Stands strong amidst Covid-19

Covid-19 has changed consumer banking behaviour permanently …



40M new internet users in 2020



70% of SEA population are online

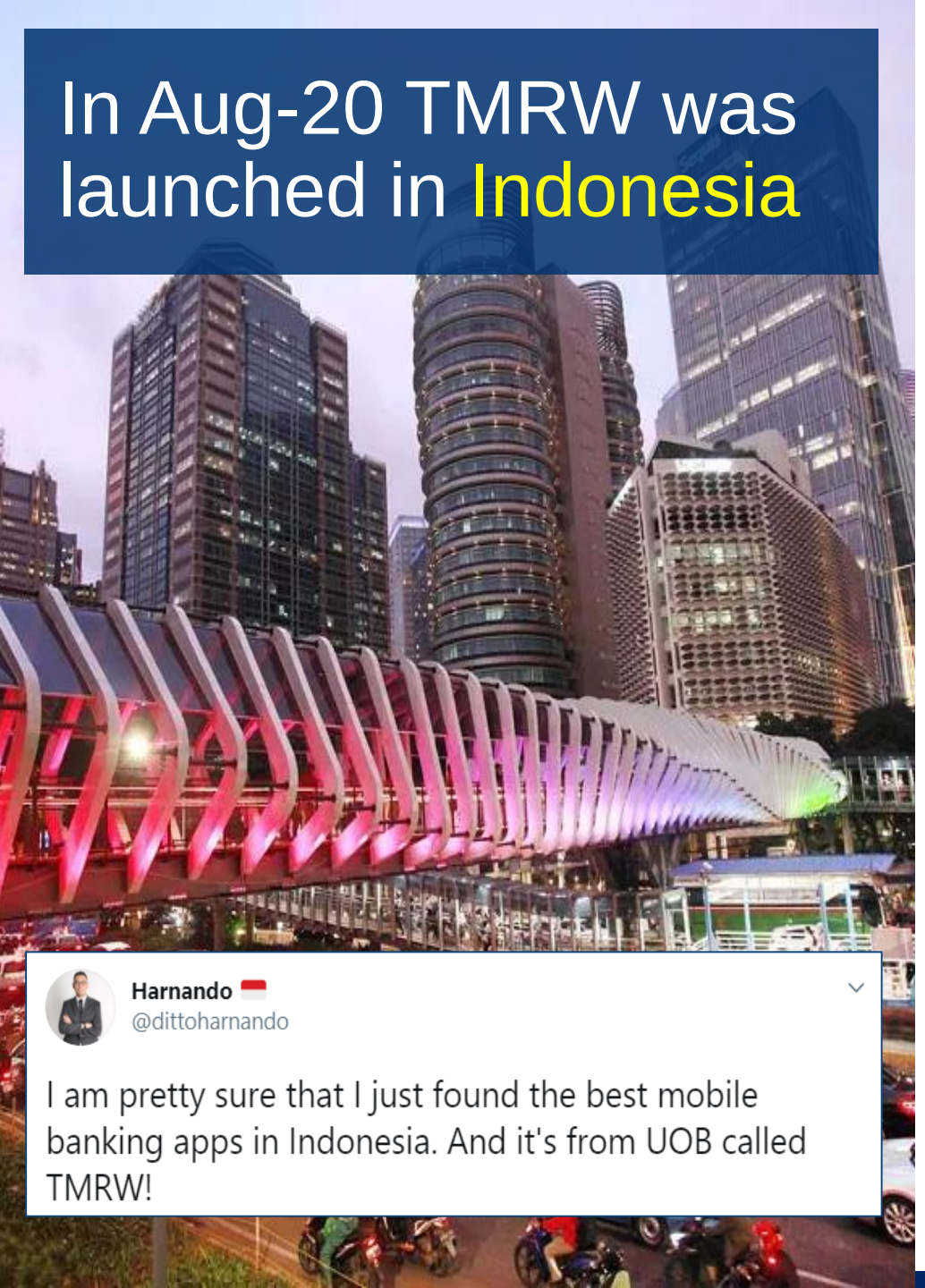


94% of new customers to continue using digital

… and accelerated digital transformation to meet these needs

Sources: E-conomy SEA Report 2020, Google, Temasek & Bain

In Aug-20 TMRW was launched in Indonesia



Fully digital onboarding (<7 mins) → strong acquisitions despite 2nd lockdown

High Net Promoter Score in ID (+60) & lower cost of acquisition incorporating lessons from TH

1.2B impressions & >7K submissions on Tiktok Campaign encouraging better financial habits

… with strong market traction & appeal

Indonesia (ID); Thailand (TH)

What has TMRW achieved since launch?

Rapid market expansion

- Launched across 2 markets

~80% NTB Cust. (YTD-20)

~54% NTB Cust. (YTD-20)

- Driving growth in casa balances in Indonesia and Thailand
- High re-use of regional core platform with local Indonesian customization

Key KPIs on track

- **Industry leading NPS**

+45 for TH

+60 for ID

- On-track 3-5M customers
- Highly active customer base
- Fast on-boarding <7 Minutes

International recognition

24 awards won and counting…

2020 Global Retail Banking Innovation Awards — Best Digital Bank (ASEAN), Best Bank for Millennials

Global Finance — Best Consumer Digital Bank (Thailand)

The Digital Banker — Best Digital Bank for Customer Experience

Note: NTB customer constribution as of 25 Nov 2020; Net Promoter Score (NPS) and Awards data as of Oct-20

Well positioned to drive Scale & Commercialization



Strategic partnerships to achieve scale

By building an ecosystem of lifestyle customer benefits

- Leverage **Wholesale Banking** relationships & UOB's regional reach
- Data-rich partners with large consumer bases
- Accelerated contracts to scale & lower cost of acquisition



Lean biz. model to accelerate path to profitability

Sharing capabilities & leveraging Fintech partnerships for agility & ↓ cost

- Shared capabilities across UOB (e.g. Mighty leverages **Personetics**)
- Common build across wider UOB (e.g. NDID in Thailand)
- Sharing best practices across UX/UI, Digital Serve, Analytics and Credit



CVP to enhance CX & drive higher revenues

Building up both sides of the balance sheet, supplemented by fee income

- Lending is UOB's core competency
- Leverage alternative data to fuel **Avatec.ai** credit scoring engine
- Key differentiators: Gamification, financial well-being and sustainability

NDID: National Digital ID; UI UX: User interface and user experience; CVP: Customer Value Proposition; CX: Customer Experience



TMRW by UOB

Banking for the Digital Generation