

UOB Group

Fixed Income Investor Presentation

Broad-based growth a strong start to 2021

May 2021

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Private and Confidential

Agenda

1. Overview of UOB Group

2. Strong UOB Fundamentals

3. Resilience of the Singapore Housing Market & UOB's Cover Pool

4. Latest Financials

Appendix



Overview of UOB Group

UOB Overview



Founding

Founded in August 1935 by a group of Chinese businessmen and Datuk Wee Kheng Chiang, grandfather of the present UOB Group CEO, Mr. Wee Ee Cheong

Expansion

UOB has grown over the decades organically and through a series of strategic acquisitions. It is today a leading bank in Asia with an established presence in the Southeast Asia region. The Group has a global network of more than 500 branches and offices in 19 countries and territories.

Note: Financial statistics as at 31 March 2021

1. USD 1 = SGD 1.346 as at 31 March 2021
2. Average for 1Q21
3. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions
4. Computed on an annualised basis

Key Statistics for 1Q21

■ Gross loans	: SGD293b (USD218b ¹)
■ Customer deposits	: SGD332b (USD247b ¹)
■ Loan / Deposit ratio	: 87.0%
■ Net stable funding ratio	: 121%
■ All-currency liquidity coverage ratio	: 139% ²
■ Common Equity Tier 1 ratio	: 14.3%
■ Leverage ratio	: 7.5%
■ Return on equity ^{3, 4}	: 10.2%
■ Return on assets ⁴	: 0.93%
■ Net interest margin ⁴	: 1.57%
■ Non-interest income / Total income	: 38.5%
■ Cost / Income	: 43.8%
■ Non-performing loan ratio	: 1.5%

	Moody's	S&P	Fitch
Issuer rating (Senior unsecured)	Aa1	AA-	AA-
Outlook	Stable	Stable	Stable
Short-term rating	P-1	A-1+	F1+

A leading Singapore bank; Established franchise in core market segments



Group Retail

- Best Retail Bank in Singapore
- Strong player in credit cards and private residential home loan business

Group Wholesale Banking

- Best SME Bank in Singapore
- Seamless access to regional network for our corporate clients

Global Markets

- Strong player in Singapore dollar treasury instruments

UOB Group's recognition in the industry



Best Retail Bank¹, 2020
Best SME Bank², 2020



Asia's Best Bank for SMEs, 2020



Best Domestic Bank¹, 2020
Best Digital Bank¹, 2019

Source: Company reports

1. In Singapore 2. In Singapore and Asia Pacific

Sizeable domestic market share

SGD deposits

20%

SGD loans

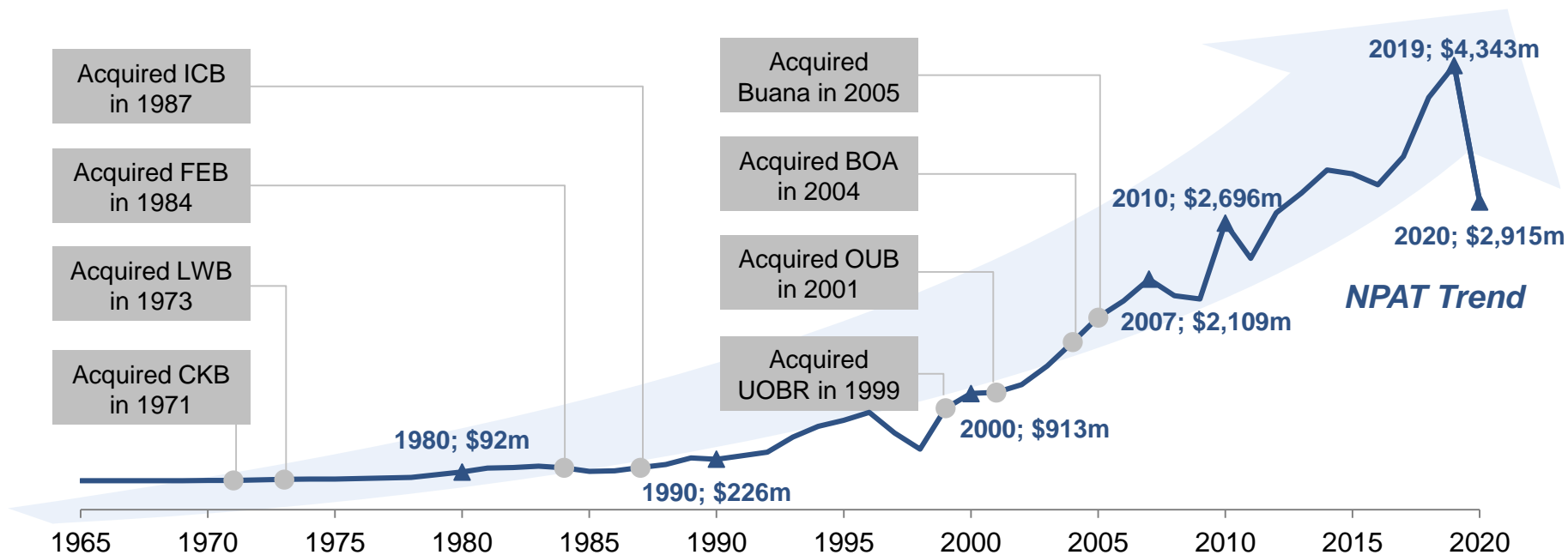
23%

Note: The resident portion of loans and advances as a proxy for total SGD loans in Singapore banking system

Source: UOB, MAS, data as of 31 March 2021

Proven track record of execution

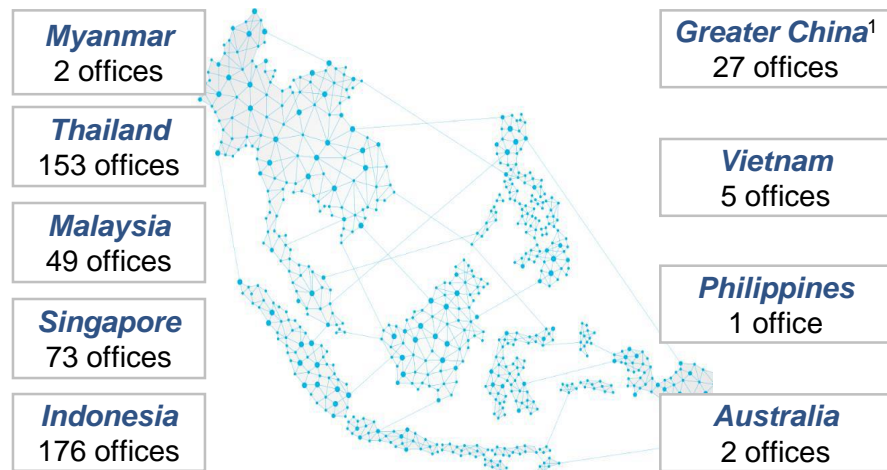
- UOB Group's management has a proven track record in steering the Group through various global events and crises.
- Stability of management team ensures consistent execution of strategies
- Disciplined management style which underpins the Group's overall resilience and sustained performance



Note: Bank of Asia Public Company Limited (“BOA”), Chung Khiaw Bank Limited (“CKB”), Far Eastern Bank Limited (“FEB”), Industrial & Commercial Bank Limited (“ICB”), Lee Wah Bank Limited (“LWB”), Overseas Union Bank Limited (“OUB”), Radanasin Bank Thailand (“UOBR”)

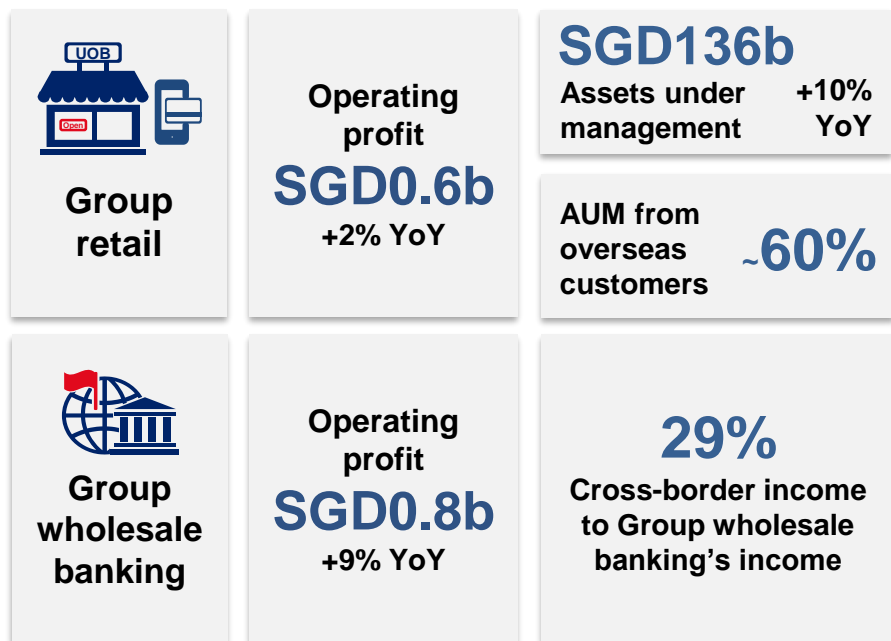
Comprehensive regional banking franchise

Extensive regional footprint with ~500 offices



- Most diverse regional franchise among Singapore banks; effectively full control of regional subsidiaries
- Integrated regional platform improves operational efficiencies, enhances risk management and provides faster time-to-market and seamless customer service
- Organic growth strategies in emerging / new markets of China and Indo-China

1Q21 performance by segment



1. Comprise Mainland China, Hong Kong SAR and Taiwan

Competitive against peers

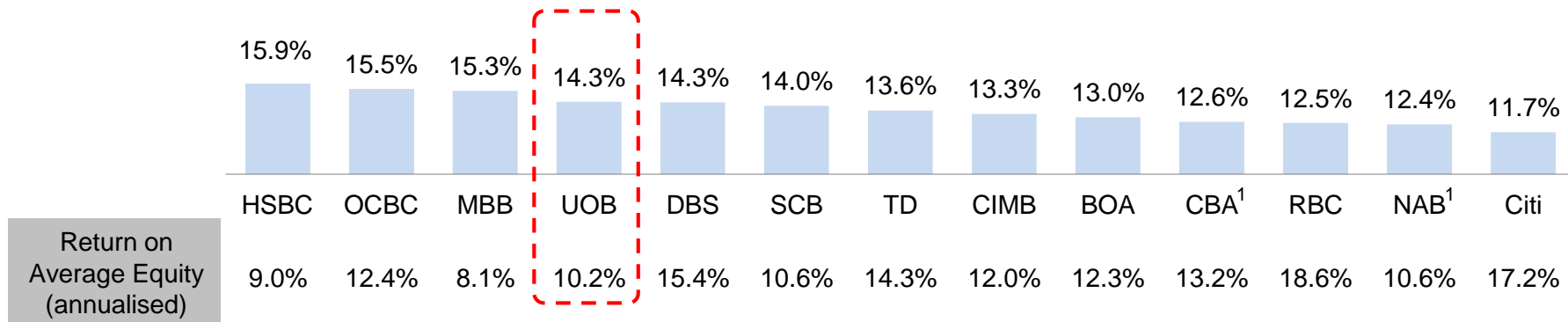
			Standalone Strength	Efficient Cost Management	Competitive returns	Well-Maintained Liquidity
Moody's	S&P	Fitch	Moody's baseline credit assessment	Costs/income ratio	Return on average assets (annualised)	Loan/deposit ratio
Aa1	AA-	AA-	UOB a1	44%	0.9%	87%
Aa1	AA-	AA-	OCBC a1	39%	1.4%	85%
Aa1	AA-	AA-	DBS a1	41%	1.3%	81%
A2	A-	A+	HSBC a2	66%	0.6%	63%
A2	BBB+	A	SCB baa1	64%	0.6%	63%
A2	A-	A+	BOA a3	68%	1.1%	47%
A3	BBB+	A	Citi baa1	57%	1.4%	50%
Aa3	AA-	A+	CBA a2	47%	0.9%	105%
Aa3	AA-	A+	NAB a2	46%	0.7%	126%
Aa2	AA-	AA	RBC a3	51%	0.9%	67%
Aa1	AA-	AA-	TD a1	54%	0.8%	63%
A3	A-	n.r.	CIMB baa2	52%	0.2%	89%
A3	A-	BBB+	MBB a3	45%	0.8%	90%

Source: Company reports, Credit rating agencies (updated as of 7 May 2021)

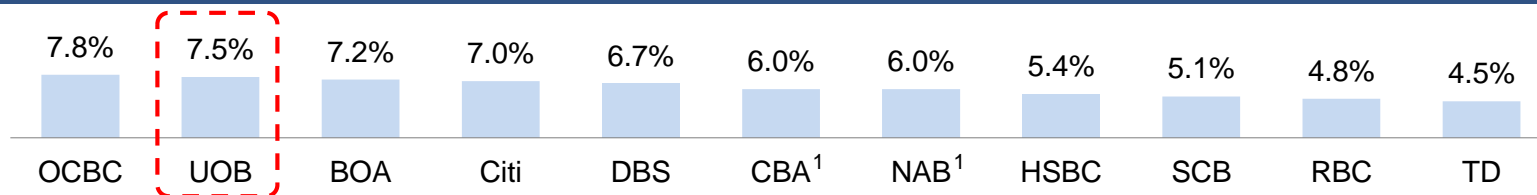
Banks' financials were as of 31 Mar 21, except for those of RBC, TD (31 Jan 21), CBA, CIMB and Maybank (31 Dec 20)

Strong capital and leverage ratios

Reported Common Equity Tier 1 CAR



Reported Leverage Ratio



Source: Company reports

Banks' financials were as of 31 Mar 21, except for those of RBC, TD (31 Jan 21), CBA, CIMB and Maybank (31 Dec 20)

1. NAB's and CBA's Tier 1 CARs based on APRA's standards; their respective internationally comparable ratio was 17.0% (31 Mar 21) and 18.7% (31 Dec 20)

Why UOB?

Stable management



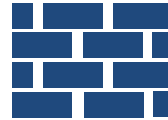
- Proven track record in steering the bank through various global events and crises
- Stability of management team ensures consistent execution of strategies

Integrated regional platform



- Entrenched domestic presence and deep local knowledge to address the needs of our targeted segments
- Truly regional bank with full ownership and control of regional subsidiaries

Strong fundamentals



- Sustainable revenue channels as a result of carefully-built core businesses
- Strong capital and reserves, sound liquidity position and resilient asset quality – testament of solid foundation built on the premise of basic banking

Balance growth with stability



- Continue to diversify portfolio, strengthen balance sheet, manage risks and build core franchise for the future
- Maintain long-term perspective to growth for sustainable shareholder returns

Strong UOB Fundamentals

Strong UOB fundamentals

Strong management with proven track record



- Proven track record in steering UOB through various global events and crises
- Stability of management team ensures consistent execution of strategies

Consistent and focused financial management



- Responsible yet prudent approach in extending loan relief to customers
- Continued investment in talent and technology to build capabilities in a disciplined manner
- At least 50% of Group earnings from home market of Singapore (AAA sovereign rating)

Disciplined management of balance sheet strengths



- Strong Common Equity Tier 1 capital adequacy ratio of 14.3% as at 31 March 2021
- Diversified funding and sound liquidity, with 87.0% loan/deposit ratio
- Strengthened coverage, with allowances for non-impaired loans covering 1% of performing loans

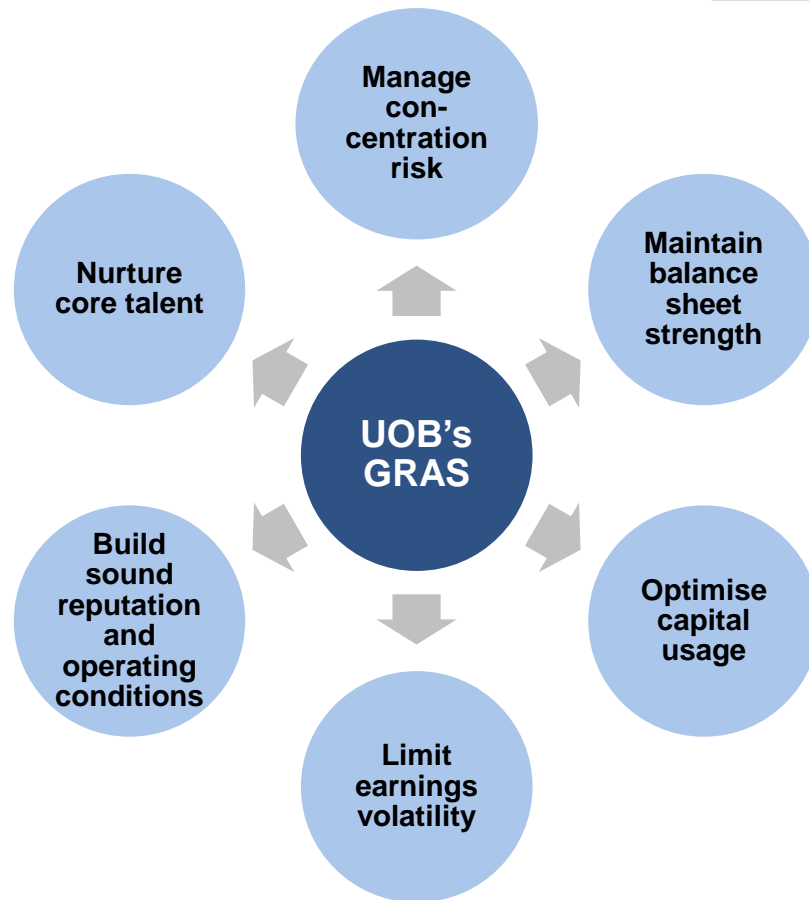
Delivering on regional strategy



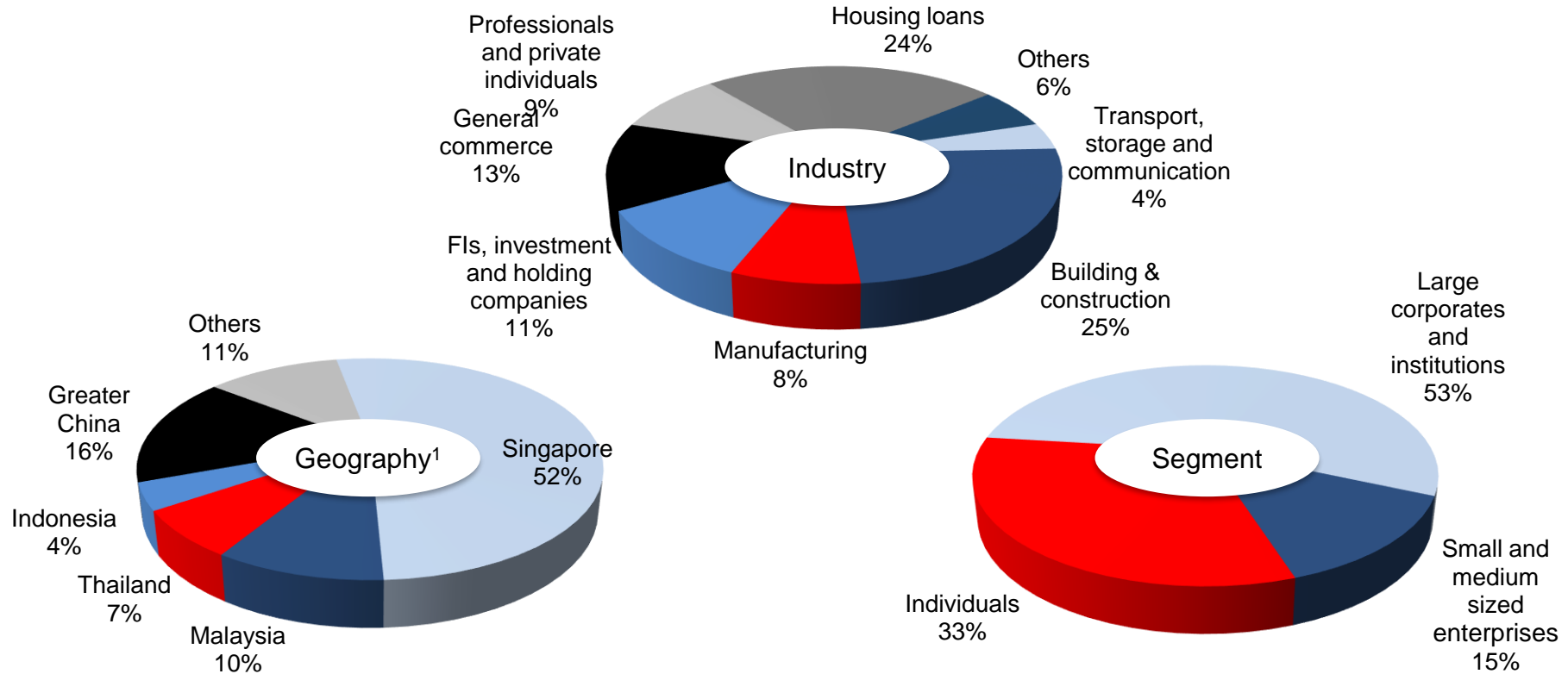
- Holistic regional bank, with full control of overseas subsidiaries
- Focus on profitable niche segments and intra-regional flows
- Entrenched domestic presence and deep local knowledge to address needs of our targeted segments

Managing risks for stable growth

- Prudent approach has been key to delivering sustainable returns over the years
- Institutionalised framework through **Group Risk Appetite Statement (GRAS)**:
 - Outlines risk and return objectives to guide strategic decision-making
 - Comprises 6 dimensions and 14 metrics
 - Entails instilling prudent culture as well as establishing policies and guidelines
 - Invests in capabilities, leverage integrated regional network to ensure effective implementation across key markets and businesses



Diversified loan portfolio



Note: Financial statistics as at 31 March 2021

1. Loans by geography are classified according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals)

Disciplined balance sheet management

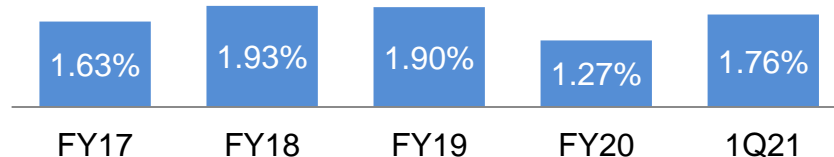
Focus on
balance
sheet
efficiency

Healthy
portfolio
quality

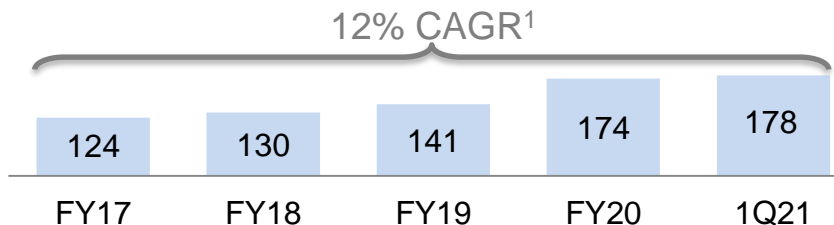
Proactive
liability
management

Robust
capitalisation

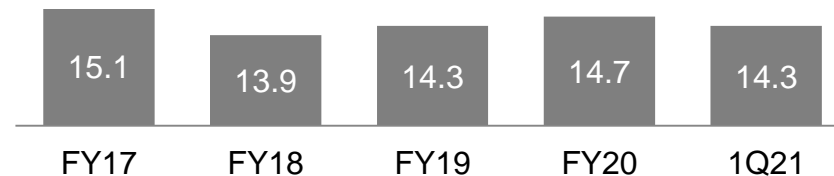
Return on risk-weighted assets



Current Account Saving Account Balances (SGD b)



Common Equity Tier 1 ratio (%)



1. Compound annual growth rate over 3¼ years (FY17 to 1Q21)

Strong investment grade credit ratings



Aa1 / P-1

- Capital good by global standards
- Deposit-funded and liquid balance sheet
- Traditional banking presence in Singapore, Malaysia and other markets



AA- / A-1+

- Well-established market position, strong funding and prudent management record
- Will maintain its capitalisation and asset quality while pursuing regional growth



AA- / F1+

- Sound capital and high loan-loss buffers
- Disciplined funding strategy, supported by its strong domestic franchise

- AT1: Additional Tier 1 securities
- Sustainability bonds

Note: Table outlines UOB's public rated issues; FXN: Fixed Rate Notes; FRN: Floating Rate Notes; NC: Non-call; Updated as of 7 May 2021. **FX rates** at 31 March 2021: USD 1 = SGD 1.35; AUD 1 = SGD 1.02; GBP 1 = SGD 1.85; EUR 1 = SGD 1.58; RMB 1 = SGD 0.21

Debt Issuance History

Debt Maturity Profile (SGD m)

	Issue Date	Structure	Call	Amount	Ratings (M/S/F)	2021	2022	2023	2024	2025	2026	2027
AT1 ¹	Jul-19	Perpetual	2026	SGD750m	Baa1/BBB-/BBB+	-	-	-	-	-	750	-
	Oct-17	Perpetual	2023	USD650m	Baa1 / - /BBB+	-	-	875	-	-	-	-
	May-16	Perpetual	2021	SGD750m	Baa1 / - /BBB+	750	-	-	-	-	-	-
Tier 2	Apr-21 ²	10½NC5½	2026	USD750m	A2 / BBB+ / A	-	-	-	-	-	1,009	-
	Sep-20	10½NC5½	2026	USD600m	A2 / BBB+ / A	-	-	-	-	-	807	-
	Apr-19	10NC5	2024	USD600m	A2 / BBB+ / A	-	-	-	807	-	-	-
	Feb-17	12NC7	2024	SGD750m	A2 / - /A	-	-	-	750	-	-	-
	Sep-16	10½NC5½	2022	USD600m	A2 / - /A	-	807	-	-	-	-	-
	Mar-16	10½NC5½	2021	USD700m	A2 / - /A	942	-	-	-	-	-	-
Senior	Apr-21 ²	3yr FXN	-	USD750m	Aa1 / AA- / AA-	-	-	-	-	-	1,009	-
	Oct-20	5yr FRN	-	AUD750m	Aa1 / AA- / AA-	-	-	-	-	768	-	-
	Oct-20	3yr FRN	-	AUD500m	- / AA- / -	-	-	512	-	-	-	-
	Jul-19	3yr FRN	-	AUD500m	Aa1 / AA- / AA-	-	512	-	-	-	-	-
	Mar-19	3yr FXN	-	RMB2b	AAA (CCXI)	-	410	-	-	-	-	-
	Jul-18	3½yr FRN	-	AUD600m	Aa1 / AA- / AA-	-	614	-	-	-	-	-
Covered	Dec-20	7yr FXN	-	EUR1b	Aaa / AAA / -	-	-	-	-	-	-	1,578
	Sep-19	3yr FXN	-	USD500m	Aaa / AAA / -	-	673	-	-	-	-	-
	Sep-18	5yr FXN	-	EUR500m	Aaa / AAA / -	-	-	789	-	-	-	-
	Feb-18	5yr FRN	-	GBP350m	Aaa / AAA / -	-	-	647	-	-	-	-
	Jan-18	7yr FXN	-	EUR500m	Aaa / AAA / -	-	-	-	-	789	-	-
	Mar-17	5yr FXN	-	EUR500m	Aaa / AAA / -	-	789	-	-	-	-	-
Total						1,692	3,806	2,823	1,557	1,557	3,576	1,578

Total 1,692 3,806 2,823 1,557 1,557 3,576 1,578

Resilience of the Singapore Housing Market & UOB's Cover Pool

USD8,000,000,000 Global Covered Bond Programme

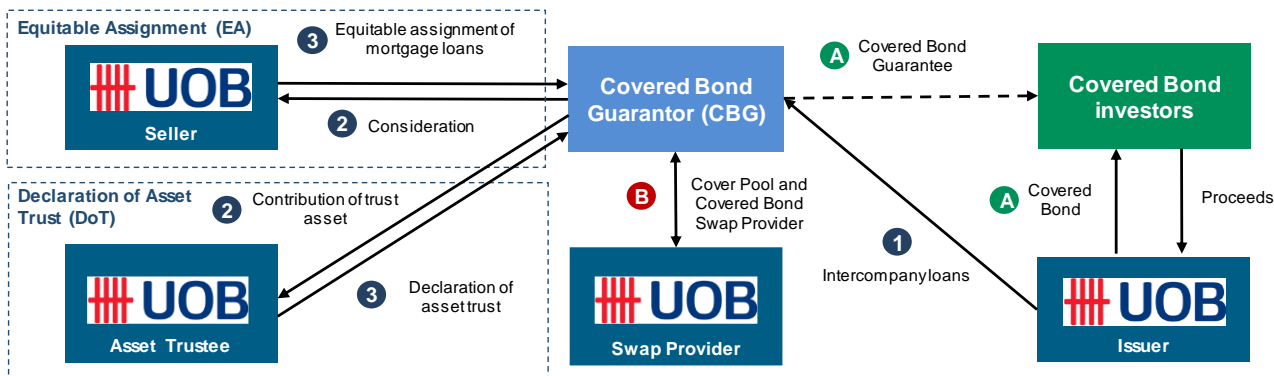
Issuer	United Overseas Bank Limited
Issuer Long Term Rating	Aa1 (stable) / AA- (stable) / AA- (negative) (Moody's / S&P / Fitch)
Issuer Short Term Rating	P-1 / A-1+ / F1+ (Moody's / S&P / Fitch)
Programme Limit	USD8,000,000,000
LCR Status / ECB Repo Eligibility	Expected Level 2A Eligible (EU)^ / Not Eligible
Programme Rating	Aaa / AAA (Moody's / S&P)
Issuance Structure (Dual Recourse)	Direct issuance covered bond regulated under MAS Notice 648, Senior unsecured claim against the Issuer and senior secured claim against the Cover Pool
Covered Bond Guarantor (CBG)	Glacier Eighty Pte. Ltd., a newly set up orphan SPV incorporated in Singapore for the sole purpose of facilitating the activities under the Covered Bond Programme
Covered Bond Guarantee	The CBG has provided a guarantee as to payments of interest and principal under the Covered Bonds
Cover Pool	Eligible 1 st ranking SGD denominated residential mortgages loans originated by UOB in Singapore (and other eligible assets)
Mortgage Loan-to-Value Cap	80% of latest Valuation of the Property, to be adjusted at least quarterly
Over-collateralization (OC)	Legal minimum OC of 3% and committed OC of 15.90%
Hedging	Cover Pool Swap ¹ to hedge against possible variances between the interest received from the residential mortgage loans to the CBG's SGD interest/swap payments; Covered Bond Swap to hedge against the currency risk between the amount received by the CBG against its payment in other currency
Listing	Singapore Stock Exchange (SGX – ST)
Governing Law	English law (bond & swap documents) and Singapore law (asset documents)
Servicer, Cash Manager and Seller	United Overseas Bank Limited
Asset Monitor	Ernst & Young LLP
Trustee	DB International Trust (Singapore) Limited
Issuing and Paying Agent	Deutsche Bank AG, Singapore Branch
Arrangers	BNP Paribas, United Overseas Bank Limited and Hong Kong and Shanghai Banking Corporation

⁴Please refer to http://ec.europa.eu/finance/bank/docs/regcapital/acts/delegated/141010_delegated-act-liquidity-coverage_en.pdf and check for details. At the time of this presentation and subject to any relevant matters which are within the control of a relevant EU investor (including its compliance with the transparency requirement referred to in article 129(7) of Regulation (EU) 575/2013) and to the issuer and the covered bonds being regarded to be subject to supervisory and regulatory arrangements regarded to be at least equivalent to those applied in the EU, this bond should satisfy the eligibility criteria for its classification as a Level 2A asset in accordance with Chapter 2 of Regulation (EU) 2015/61 supplementing Regulation (EU) 575/2013. Notwithstanding the foregoing, it should be noted that whether or not a bond is a liquid asset for the purposes of the Liquidity Coverage Ratio under Regulation (EU) 575/2013 is ultimately to be determined by a relevant investor institution and its relevant supervisory authority and neither the issuer nor the manager accept any responsibility in this regard

¹Only entered into if and when required by either Rating Agency in order to ensure that the then current rating of the Covered Bonds would not be downgraded

Covered Bond Structure

- Notwithstanding that CPF's consent is required for the transfer or assignment of mortgages relating to CPF Loans, no such consent is required for a declaration of trust over mortgages relating to CPF Loans. The Seller is acting as the Assets Trustee and the CPF Loans are held on trust for the benefit of the Covered Bond Guarantor (CBG). Both EA and DOT mechanisms are permissible under MAS Notice 648 and such hybrid structure has been used in Covered Bond programmes in other jurisdiction



¹Only entered into if and when required by either Rating Agency to ensure that the then current rating of the Covered Bonds would not be downgraded

²DOT Loans mean: (1) the borrowers had used CPF funds in connection with a residential property (CPF Loan) or (2) the required documentation for the borrowers' use of CPF funds, in connection with a residential property, is prepared

³EA Loans mean a non-CPF Loan and the required documentation for the borrowers' use of CPF funds, in connection with a residential property, is not prepared

Credit Structure (Dual Recourse)

- A** Covered Bond issued directly from UOB constitutes direct, unsecured and unsubordinated obligations of the Issuer
- ▶ CBG guarantees the payment of interest and principal on the Covered Bonds, secured by the Cover Pool

Hedging

- B** Cover Pool Swap¹ – to hedge interest rate risk between the mortgage loans and CBG's SGD interest/swap payments¹
- ▶ Covered Bond Swap (if necessary) – to hedge against the currency risk between the amount received by the CBG against its payment in other currency

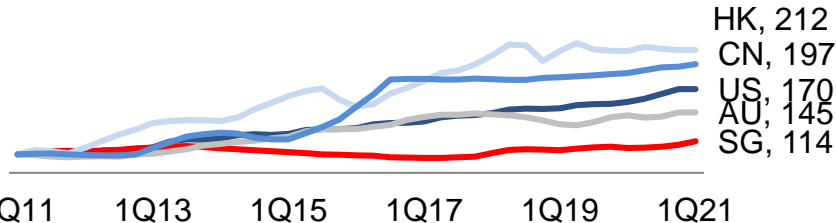
Segregation of mortgage loans

- UOB provides an intercompany loan to the CBG
- CBG pays UOB consideration for the purchase of the mortgage loans
- A dual ring-fencing structure which uses both equitable assignment (EA) and declaration of assets trust (DOT) mechanisms:
 - ▶ DOT – for the sale of DOT loans²
 - ▶ EA – for the sale of EA Loans³ via equitable assignment

Singapore mortgages remains a low risk asset class

Low Risk of Housing Bubble due to Cooling Measures

(4Q10 = 100)

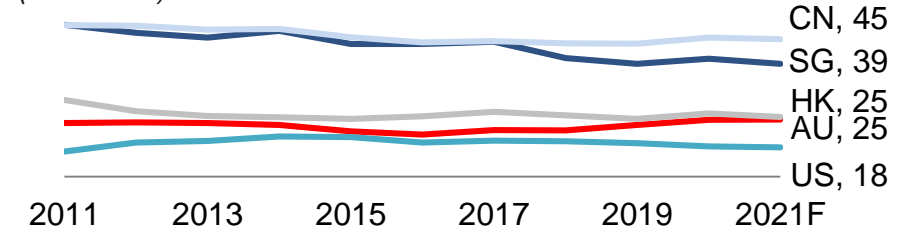


Sources: CEIC, UOB Economic-Treasury Research

Note: AU: Australia; CN: China; HK: Hong Kong; SG: Singapore; US: United States

High National Savings Rate

(% of GDP)



Sources: IMF, UOB Economic-Treasury Research

Property Cooling Measures in Singapore

Loan-to-value (LTV) limit	1 st property	2 nd property	Thereafter	Corporates
	75%/55%*	45%/25%*	35%/15%*	15%
Max mortgage tenor	35 years			
Total debt servicing ratio	60% limit, 3.5% interest rate applied on mortgages			
Seller stamp duty	Sold in 1 st year	2 nd year	3 rd year	Thereafter
	12%	8%	4%	0%
Buyer's stamp duty	First \$180k	Next \$180k	Next \$640k	Thereafter
	1%	2%	3%	4%
Additional buyer's stamp duty	0 to 20%, depending on nationality and number of properties owned by purchaser			

* Higher LTV limits applies if mortgage tenor is ≤ 30 years or sum of mortgage tenor and age of borrower ≤ 65 years old

Household Income in Line with Property Prices

	2010	1Q21	+/(−)
Unit costs ¹ (SGD m)	1.09	1.27	+16%
Interest rate (%)	2.03	1.40	
Household income ² (SGD / mth)	13,035	17,250	+34%
Debt servicing ratio ³ (%)	23	18 ⁴	

Sources: URA, CEIC, Singapore Statistics, UOB Economic-Treasury Research

1. Reflects average price of condominiums in Singapore
2. Reflects median of resident households living in private properties
3. Based on a 30-year housing loan, with a loan-to-value of 75%
4. A housing loan with 5% interest rate would increase DSR to 29%

UOB's cover pool profile



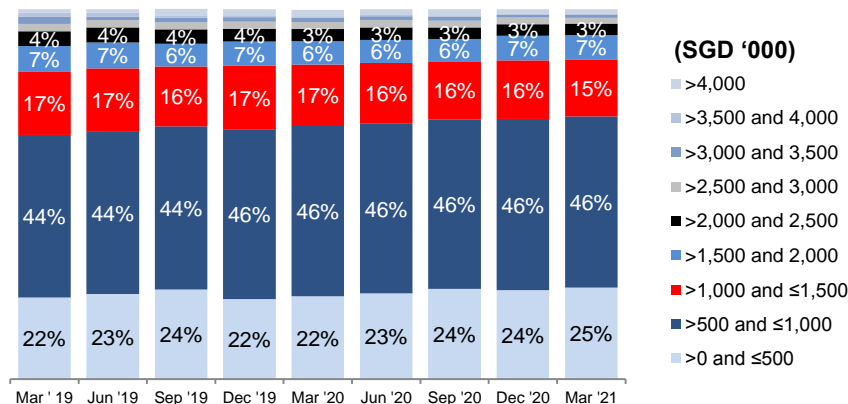
Overview of Cover Pool (as of Mar'21)

Number of Mortgage Accounts	17,341
Total Current Balance (SGD)	10.4 billion
Average Current Loan Balance (SGD)	599,231
Maximum Current Loan Balance (SGD)	8,407,560
Weighted Average Current Interest Rate	1.59%
Weighted Average Seasoning	67 months
Weighted Average Remaining Tenor	242 months
Weighted Average Indexed Current LTV ¹	51%
Weighted Average Unindexed ² Current LTV ¹	55%

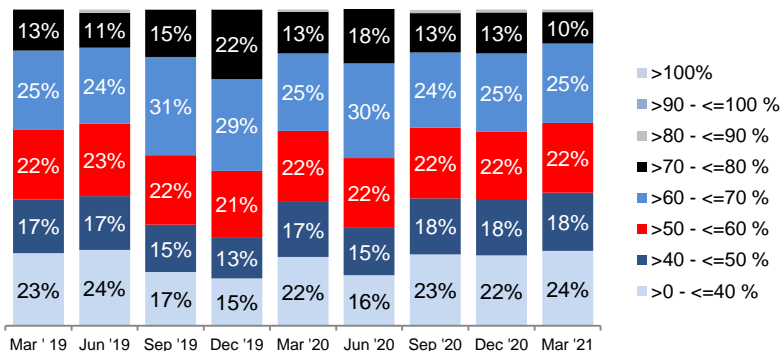
1. Loan to value

2. Current loan balance divided by the original property value

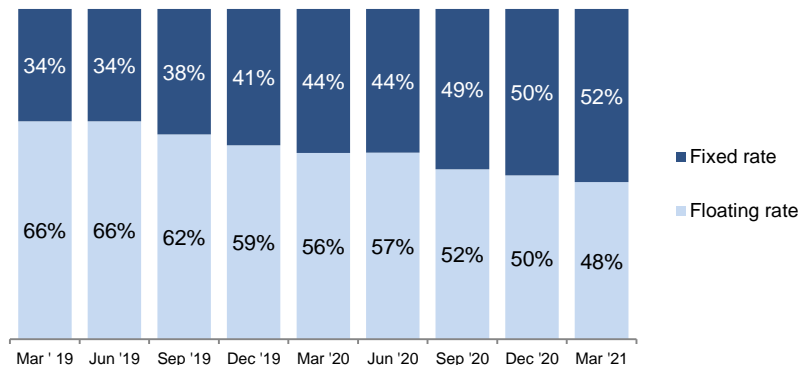
Current Loan Balances Mainly <SGD1m



Current LTV mainly ≤60%



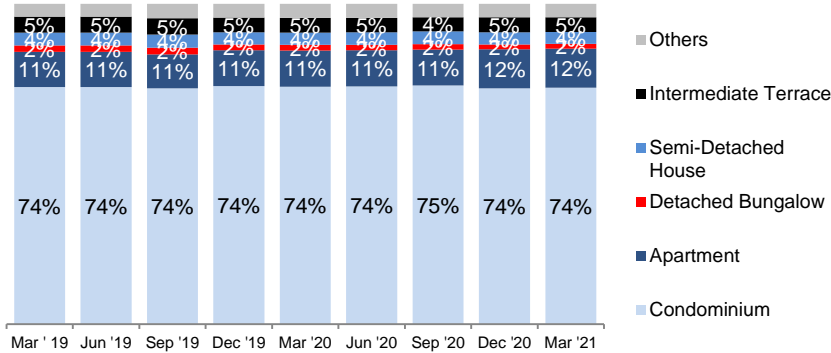
Largely Fixed Rate Mortgages



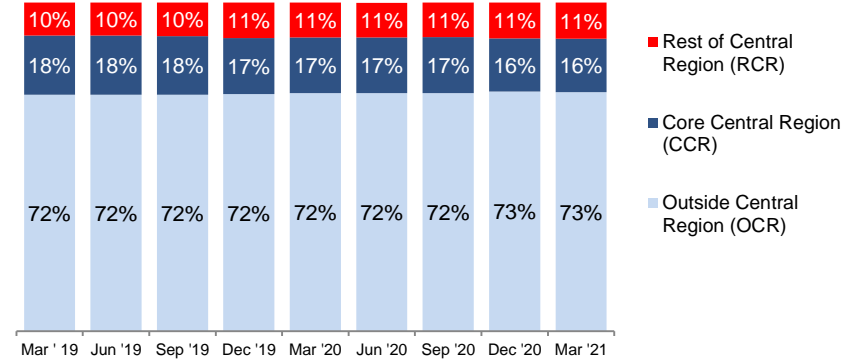
Note: Percentages less than 2% are not shown due to immateriality.

Cover pool has been stable

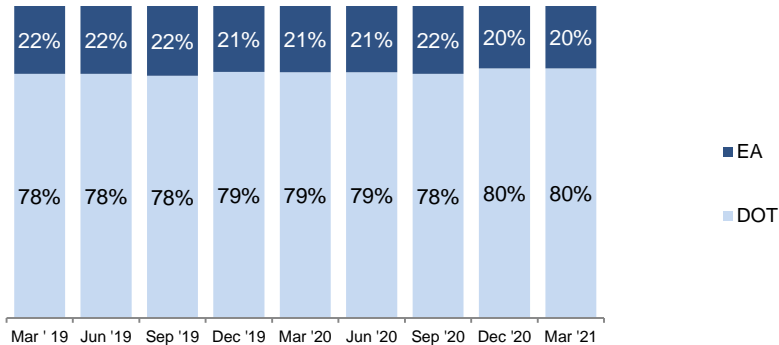
Primarily Apartments / Condominiums



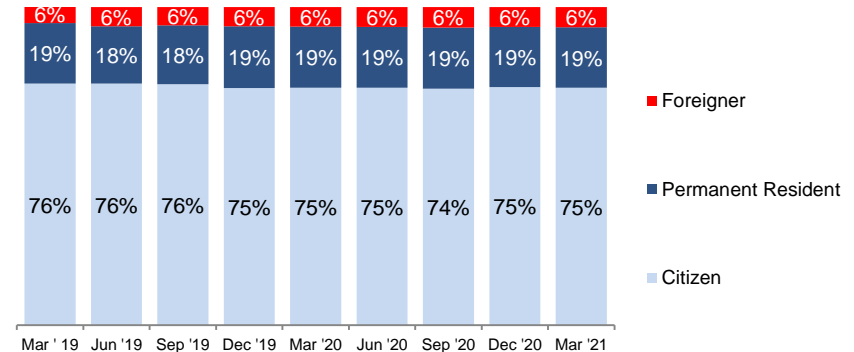
Diversified Geographical Distribution



Strong Legal Protection by EA¹ / DOT²



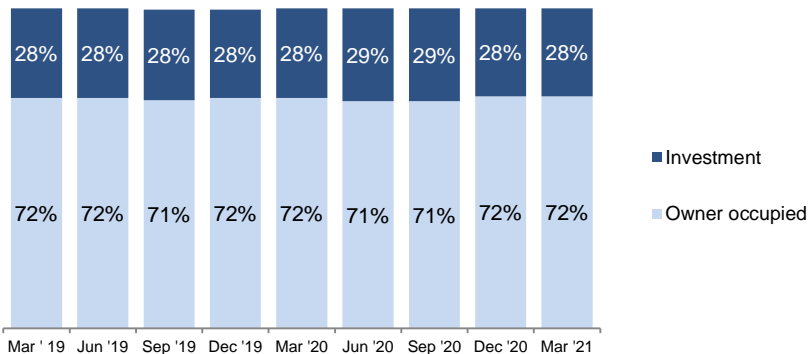
Borrowers mainly Citizens / PRs



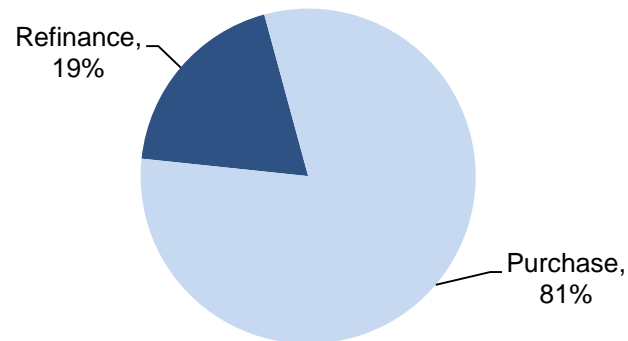
1. Equitable assignment 2. Declaration of asset trust
 Note: Percentages less than 2% are not shown due to immateriality.

Cover pool has been stable

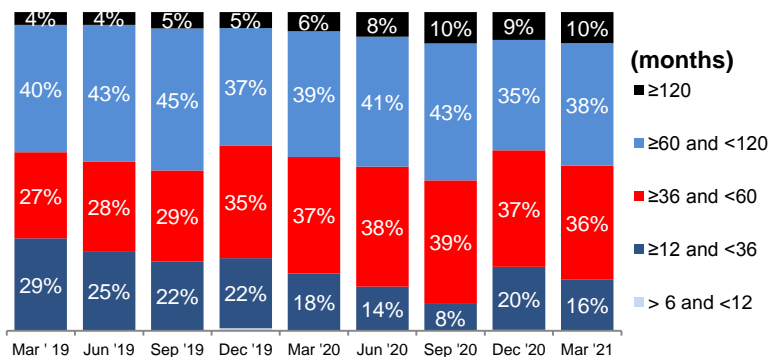
Majority Owner Occupied



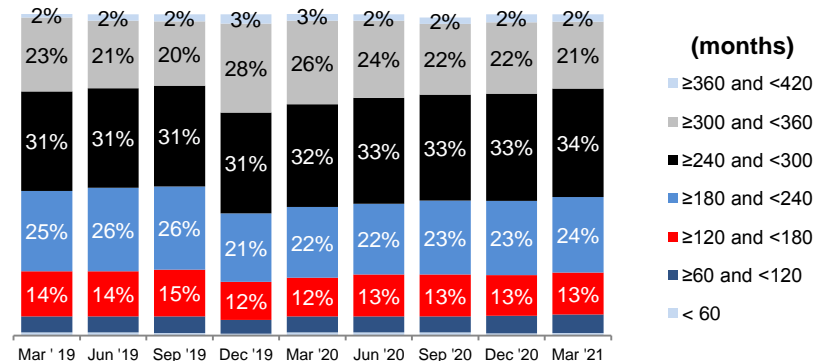
Loans Mainly for Purchases



Well Seasoned Portfolio (in months)



Stable Profile for Remaining Loan Tenors



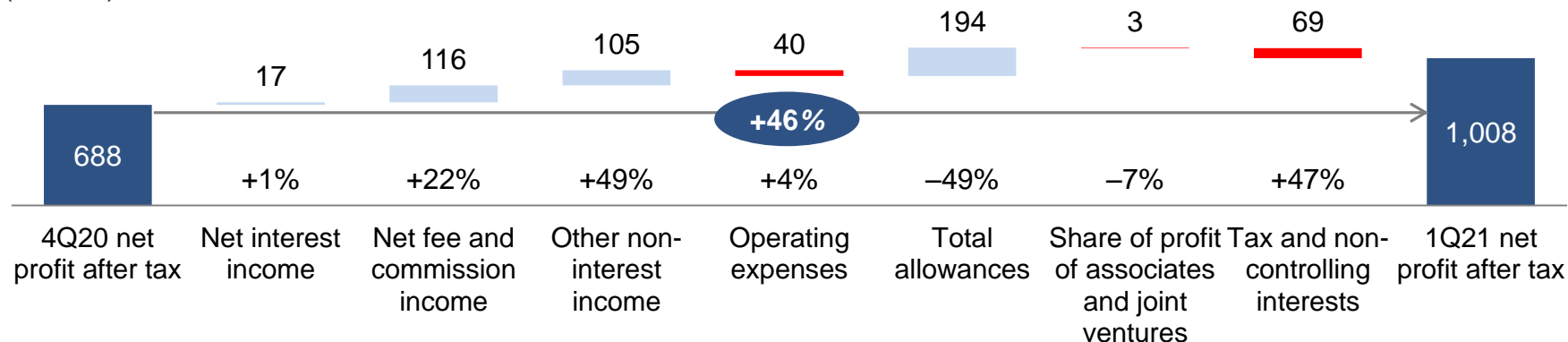
Note: Percentages less than 2% are not shown due to immateriality.

Latest Financials

1Q21 financial overview

Net Profit After Tax Movement, 1Q21 vs 4Q20

(SGD m)



Key Indicators	1Q21	4Q20	QoQ Change	1Q20	YoY Change
Net interest margin (%) ¹	1.57	1.57	-	1.71	-0.14% pt
Non-interest income / Income (%)	38.5	32.8	+5.7% pt	33.8	+4.7% pt
Cost / Income ratio (%)	43.8	46.7	-2.9% pt	45.1	-1.3% pt
Return on equity (%) ^{1, 2}	10.2	7.0	+3.2% pt	8.8	+1.4% pt

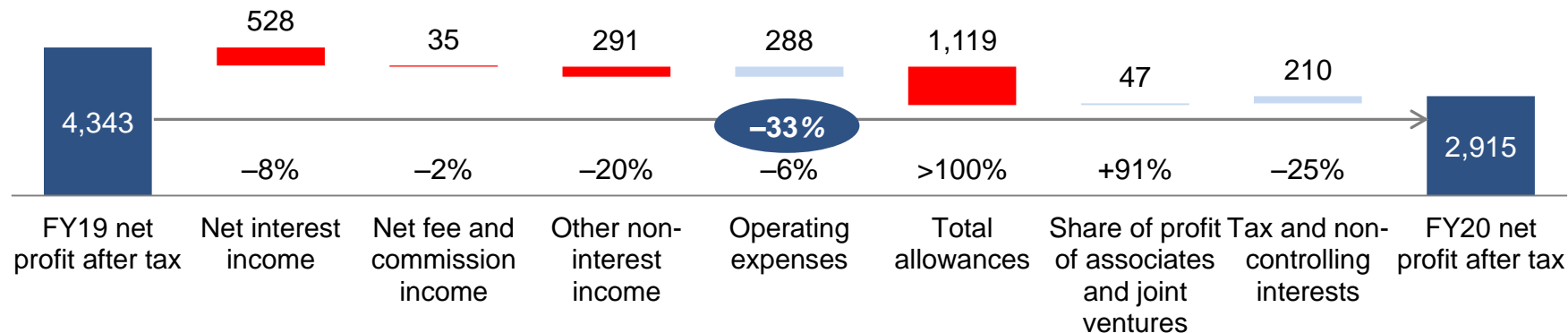
1. Computed on an annualised basis

2. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions

FY20 financial overview

Net Profit After Tax Movement, FY20 vs FY19

(SGD m)



Key Indicators	FY20	FY19	YoY Change
Net interest margin (%) ¹	1.57	1.78	-0.21% pt
Non-interest income / Income (%)	34.2	34.6	-0.4% pt
Cost / Income ratio (%)	45.6	44.6	+1.0% pt
Return on equity (%) ^{1, 2}	7.4	11.6	-4.2% pt

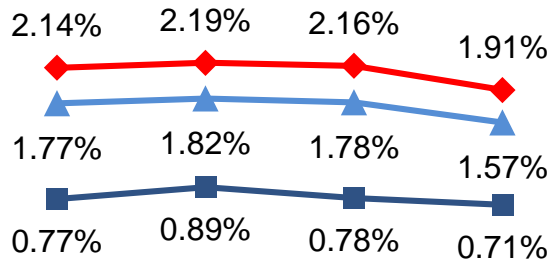
1. Computed on an annualised basis

2. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions

Net interest income rose with asset volumes, while net interest margin was stable

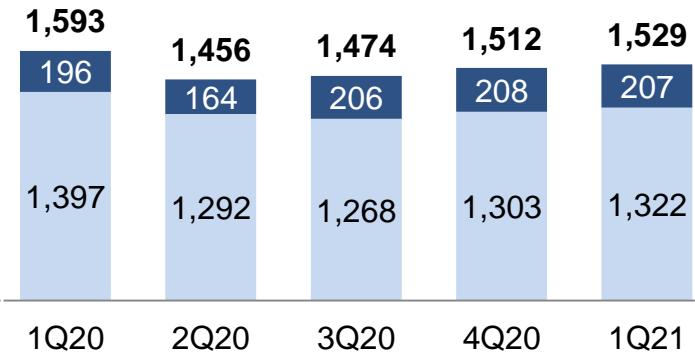
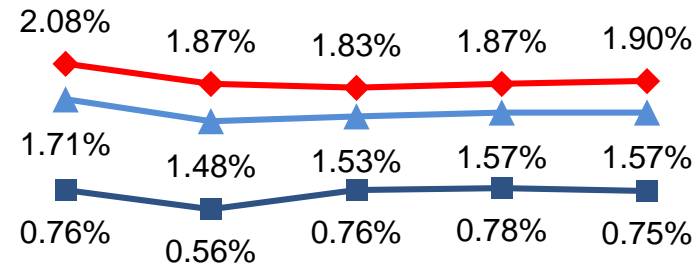
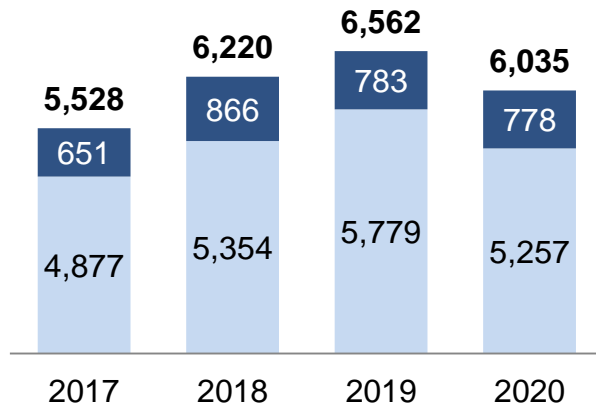
Net interest margin (%) *

- Loans
- Overall
- Interbank & securities



Net interest income (SGD m)

- Total
- Interbank & securities
- Loans



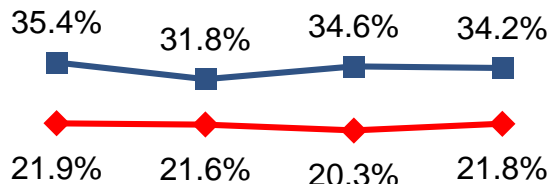
* Computed on an annualised basis, where applicable

Non-interest income supported by diversified revenue engines, with record fees

% of total income

— Non-interest income

— Net fee income



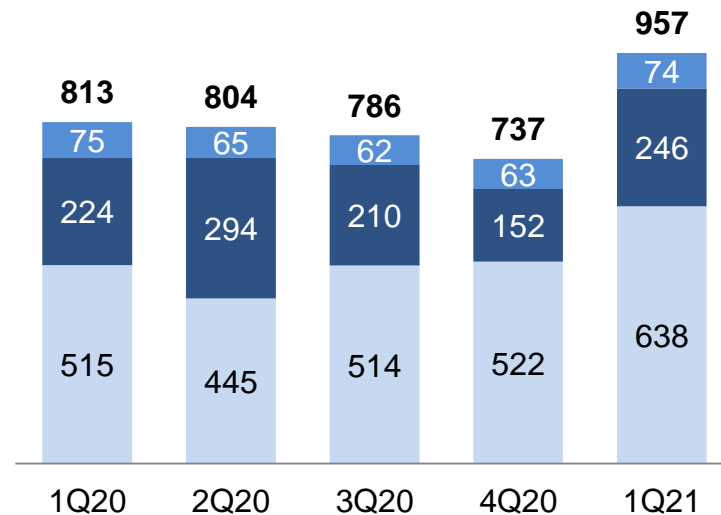
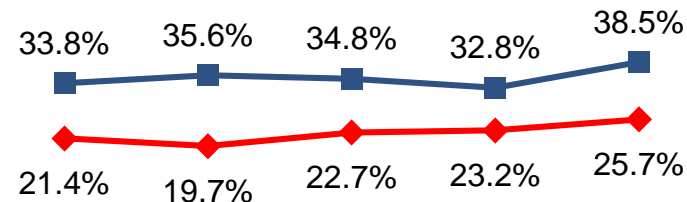
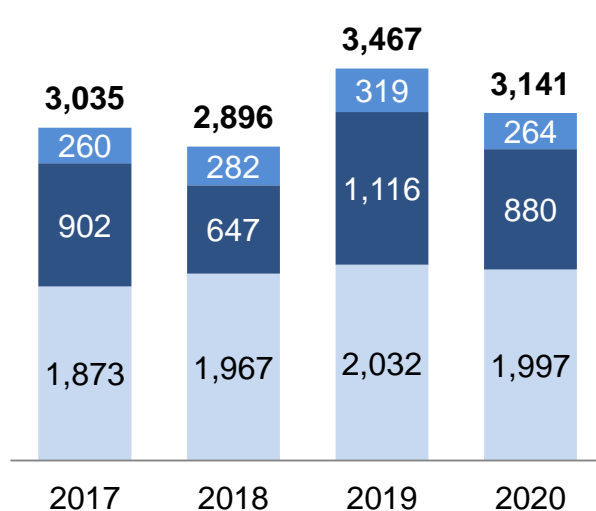
Non-interest income (SGD m)

□ Total

□ Others

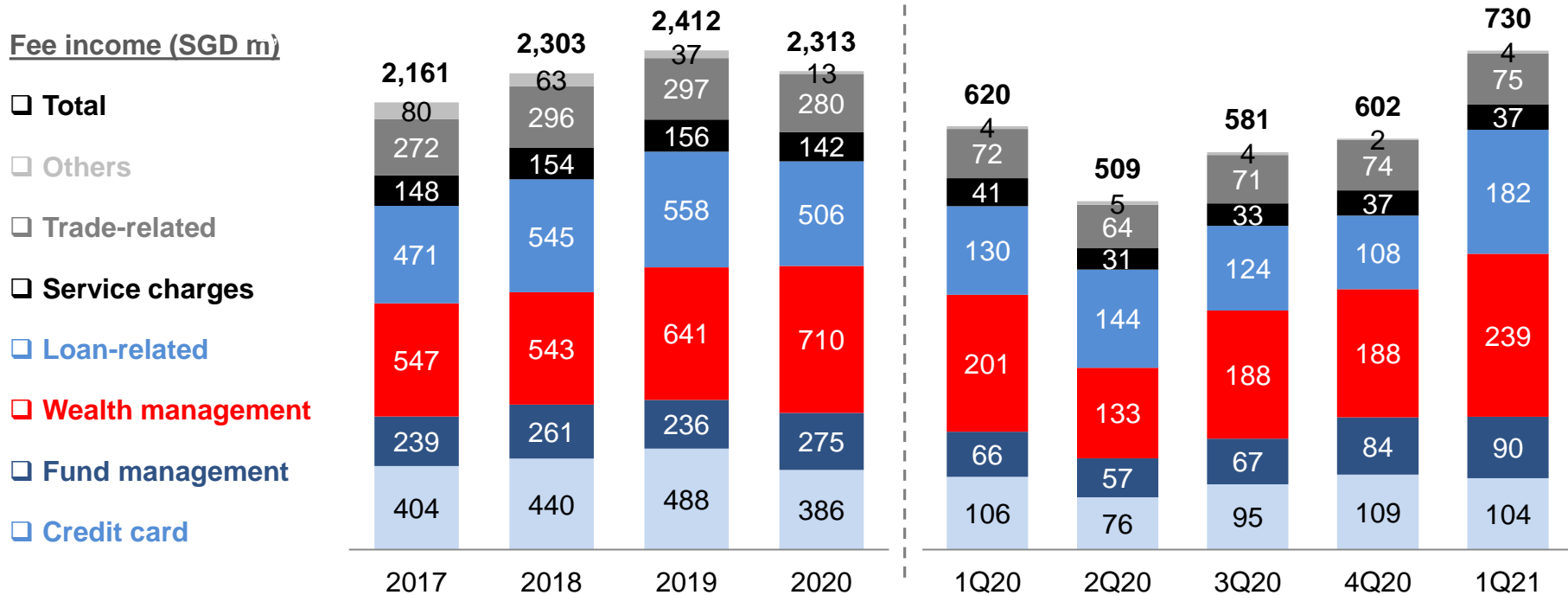
□ Trading and investment income

□ Net fee income



Note: Fee income has been restated where the amounts are net of expenses directly attributable to fee income

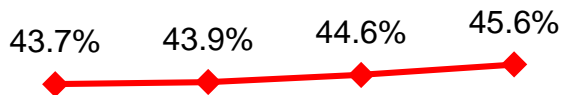
Diverse fee base, with strong growth led by loan-related and wealth management activities



Note: The amounts represent fee income on a gross basis

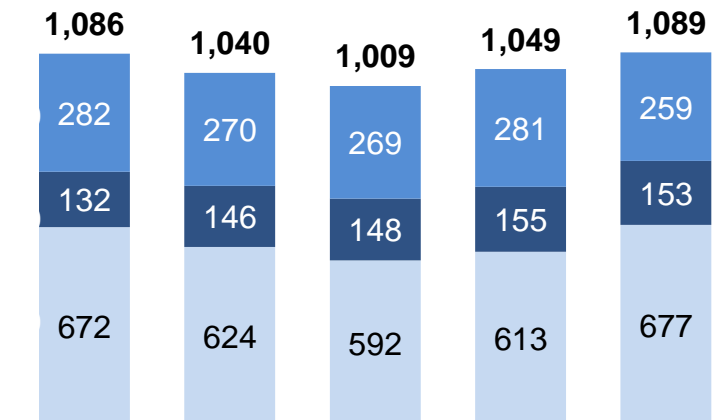
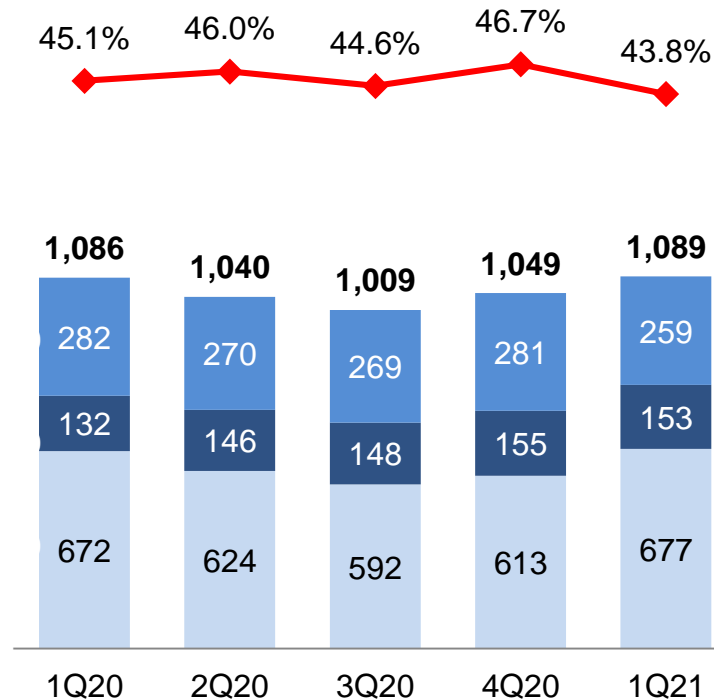
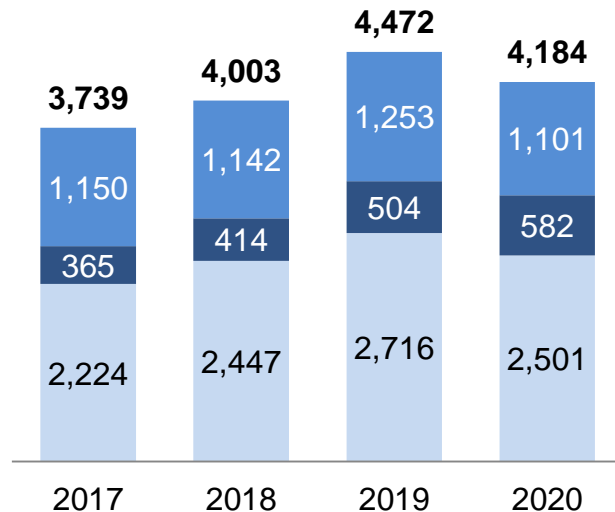
Lower CIR as we pace investments in staff and technology

— Costs / Income ratio (CIR, %)



Operating expenses (SGD m)

- Total
- Others
- IT-related expenses
- Staff costs



Note: Expenses have been restated where the amounts no longer include expenses directly attributable to fee income

A good start to the year with growth across our key markets in Southeast Asia and North Asia

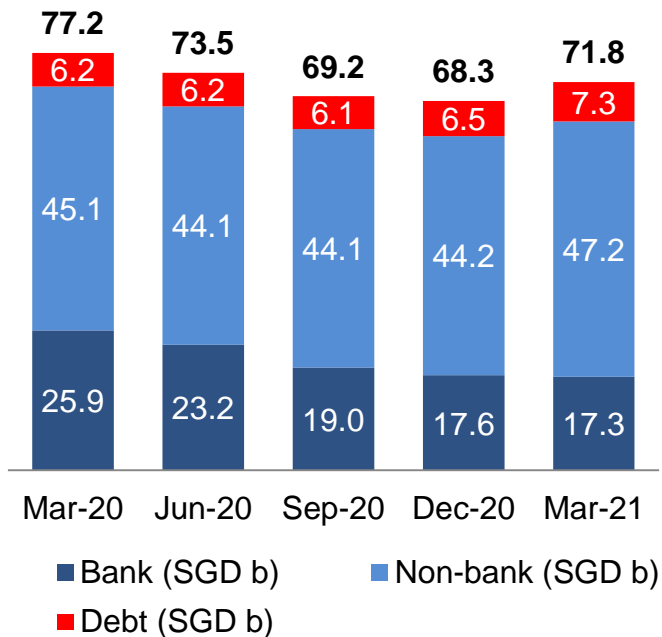
	1Q21	4Q20	YoY +/(−) %	1Q20	QoQ +/(−) %
Operating profit	SGD m	SGD m		SGD m	
Singapore	724	651	+11	713	+2
Rest of Southeast Asia	342	307	+12	345	−1
<i>Malaysia</i>	182	164	+11	195	−7
<i>Thailand</i>	101	94	+7	93	+9
<i>Indonesia</i>	59	51	+16	45	+32
<i>Vietnam</i>	−1	−3	+75	9	> −100
<i>Others</i>	1	1	+27	3	−49
North Asia	155	102	+51	112	+39
<i>Greater China</i>	146	100	+47	102	+44
<i>Others</i>	9	3	> +100	10	−16
Rest of the world	176	139	+26	151	+16
Total	1,397	1,200	+16	1,320	+6
Overseas contribution	48%	46%	+2%pt	46%	+2%pt

Strong loan growth, led by term and trade loans in Singapore and North Asia

	Mar-21	Dec-20	QoQ	Mar-20	YoY
	SGD b	SGD b	+/(−) %	SGD b	+/(−) %
Gross Loans					
Singapore	151	143	+5	141	+7
Rest of Southeast Asia	63	63	−0	63	+0
<i>Malaysia</i>	30	30	+0	30	+0
<i>Thailand</i>	20	21	−2	20	+3
<i>Indonesia</i>	10	10	−1	11	−6
<i>Vietnam</i>	2	2	+9	2	+6
<i>Others</i>	1	1	+4	1	−11
North Asia	50	47	+7	48	+5
<i>Greater China</i>	47	44	+7	45	+5
<i>Others</i>	3	3	+17	3	+5
Rest of the world	29	28	+3	26	+11
Total	293	281	+4	278	+5

Note: Loans by geography are classified according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals)

Exposure to Greater China



As at 31 March 2021:

Mainland China exposure

(\$25.8b or 6% of total assets)

Bank exposure (\$11.7b)

- ~70% to top five domestic banks and three policy banks
- 99% with <1 year tenor
- Trade exposures accounting for ~40% of total bank exposure

Non-bank exposure (\$10.9b)

- Target customers include top-tier state-owned enterprises, large local corporates and foreign investment enterprises
- ~60% denominated in RMB
- ~50% with <1 year tenor
- NPL ratio at 0.4%

Hong Kong SAR exposure

(\$37.8b or 9% of total assets)

Bank exposure (\$2.8b)

- Majority to foreign banks

Non-bank exposure (\$31.6b)

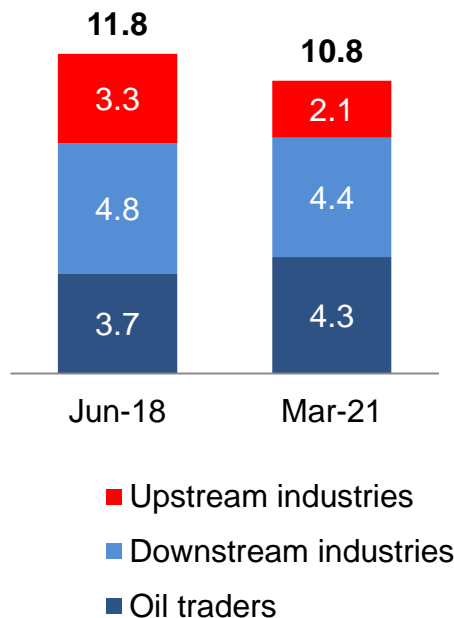
- Mainly wholesale corporates
- ~60% with <1 year tenor
- NPL ratio at 0.9%

Note: Classification is according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals)

Exposure to oil and gas sector

Total Outstanding O&G Loans

(SGD b)



- As of 31 March 2021, oil and gas (O&G) loans represented 4.0% of total loans as compared with 4.7% at 30 June 2018
- Around 80% of O&G exposure is to downstream players and traders, which are mainly national oil companies (NOCs) and global firms, while short-term structured loans account for a significant share of the remainder
- A considerable portion of upstream exposure is to NOCs and international oil companies, while vulnerable accounts were already classified and their collateral value marked down (by as much as 90%) by end-2017

Loan assistance programmes temper asset quality deterioration

(SGD m)	1Q20	2Q20	3Q20	4Q20	1Q21
NPAs at start of period	4,297	4,590	4,628	4,301	4,608
Non-individuals:					
New NPAs	573	131	74	622	145
Upgrades and recoveries	(101)	(126)	(216)	(175)	(250)
Write-offs	(208)	(42)	(63)	(179)	(26)
	4,561	4,553	4,423	4,569	4,477
Individuals (Net)	29	75	(122)	39	67
NPAs at end of period	4,590	4,628	4,301	4,608	4,544

NPL ratio (%)

1.6%

1.6%

1.5%

1.6%

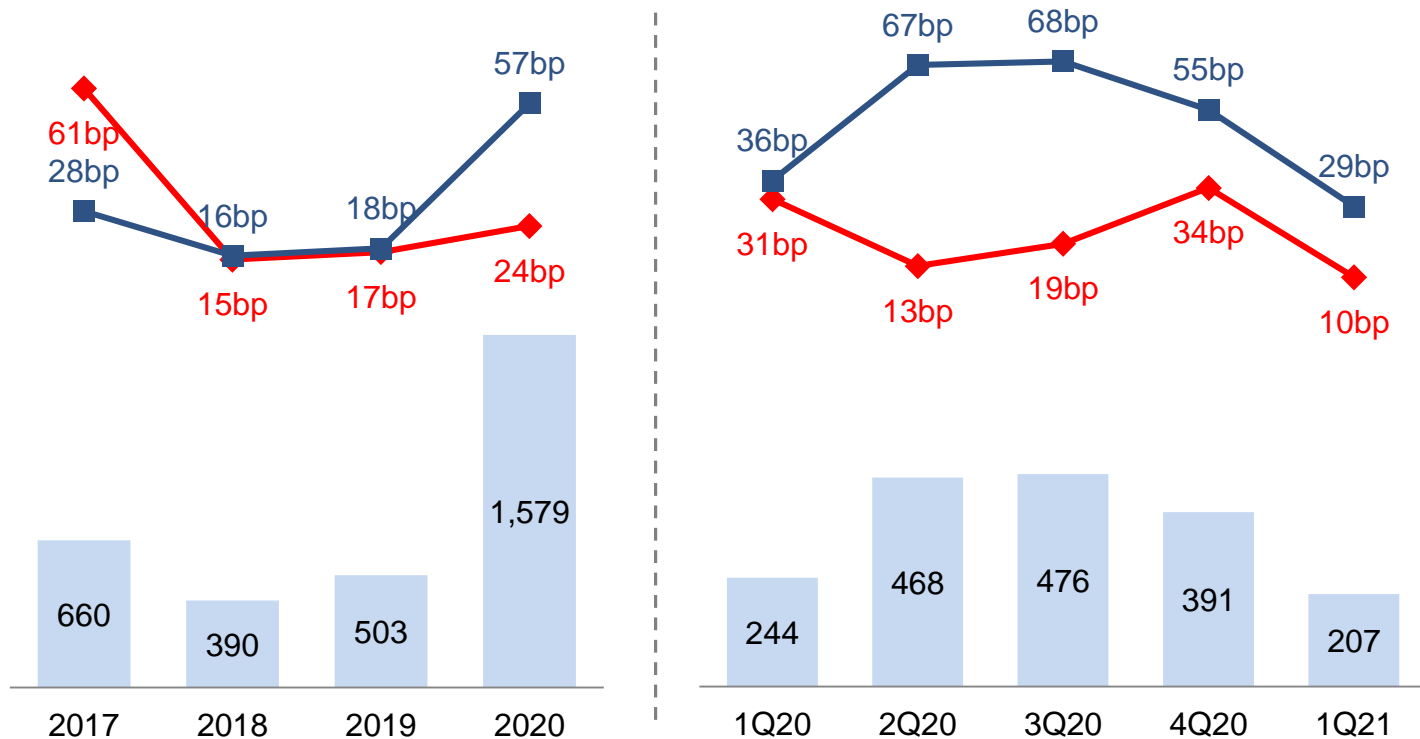
1.5%

Credit costs eased as macro outlook stabilises and pre-emptive provisions mostly taken in 2020

Average Gross Loans (basis points) *

— Allowances for NPLs
— Total allowances for Loans

Total allowances for loans (SGD m)

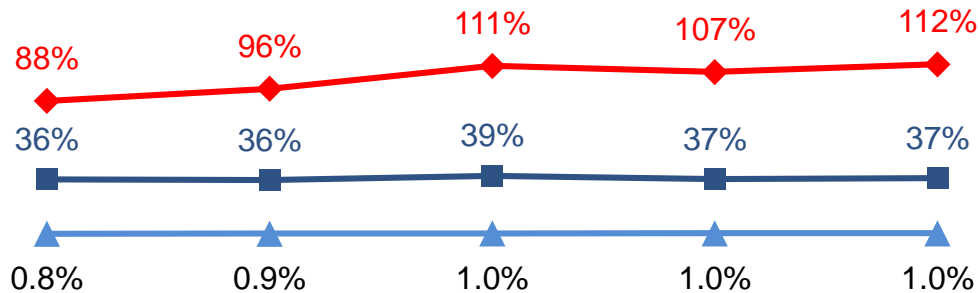


* Computed on an annualised basis, where applicable

High reserve coverage in anticipation of asset quality risk

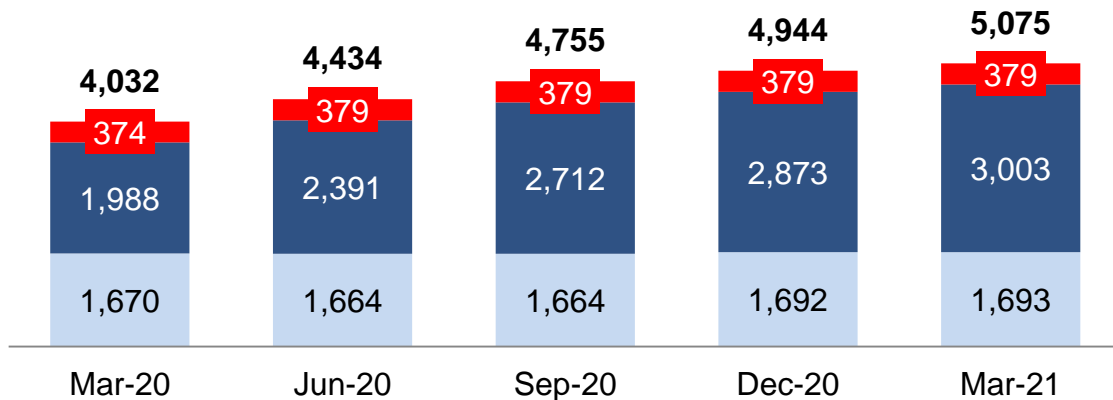
Coverage ratios (%)

- Total allowances* / NPAs
- Allowances for NPAs / NPAs
- Allowance for non-impaired loans* / performing loans (%)



Allowances (SGD m)

- Total
- Regulatory loss allowance reserve
- Allowances for non-impaired assets
- Allowances for impaired assets



* Total allowances include regulatory loss allowance reserve pursuant to MAS Notice No. 612

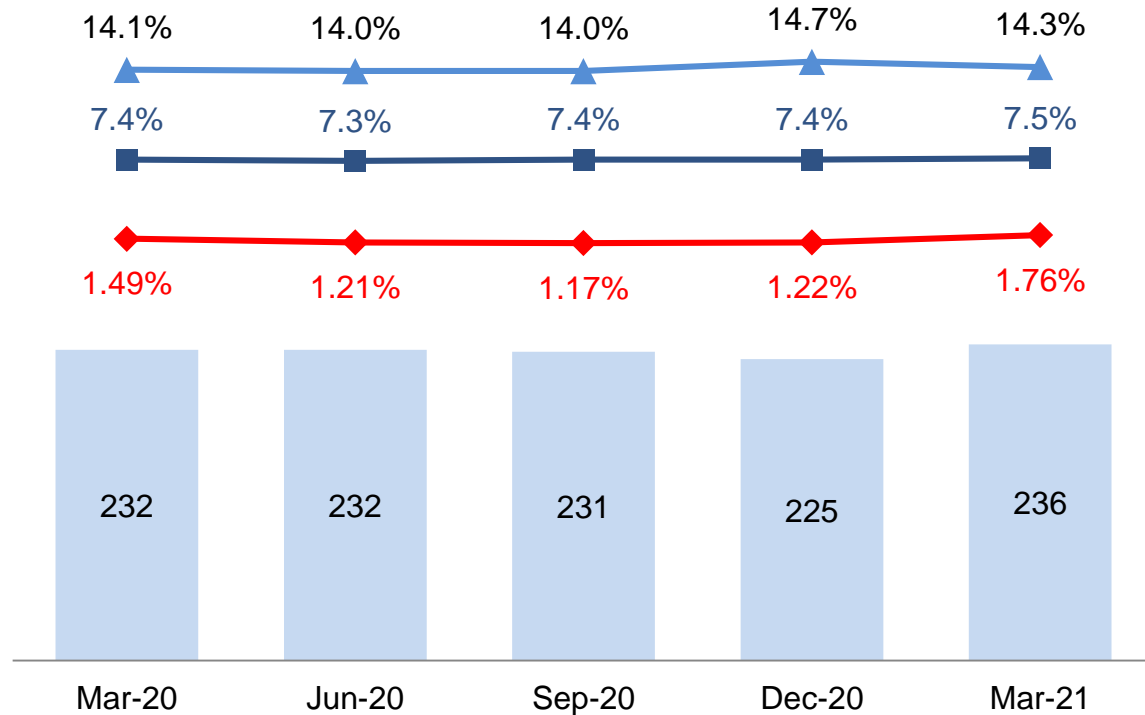
Strong capital and leverage ratios

— Common equity Tier 1 capital adequacy ratio (%)

— Leverage ratio (%)

— Return on risk-weighted assets (%) *

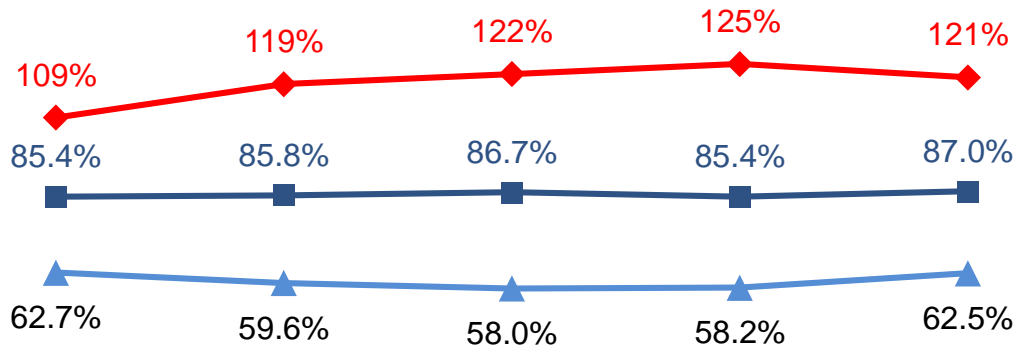
□ Risk weighted assets (SGD b)



* Computed on an annualised basis

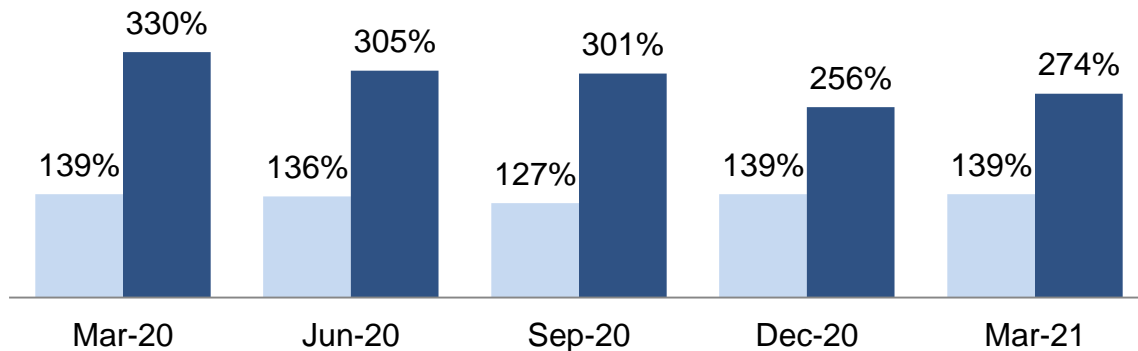
Sound funding and liquidity positions

- Net stable funding ratio (%)
- Group loan-deposit ratio (%)
- USD loan-deposit ratio (%)



Liquidity coverage ratio (%) *

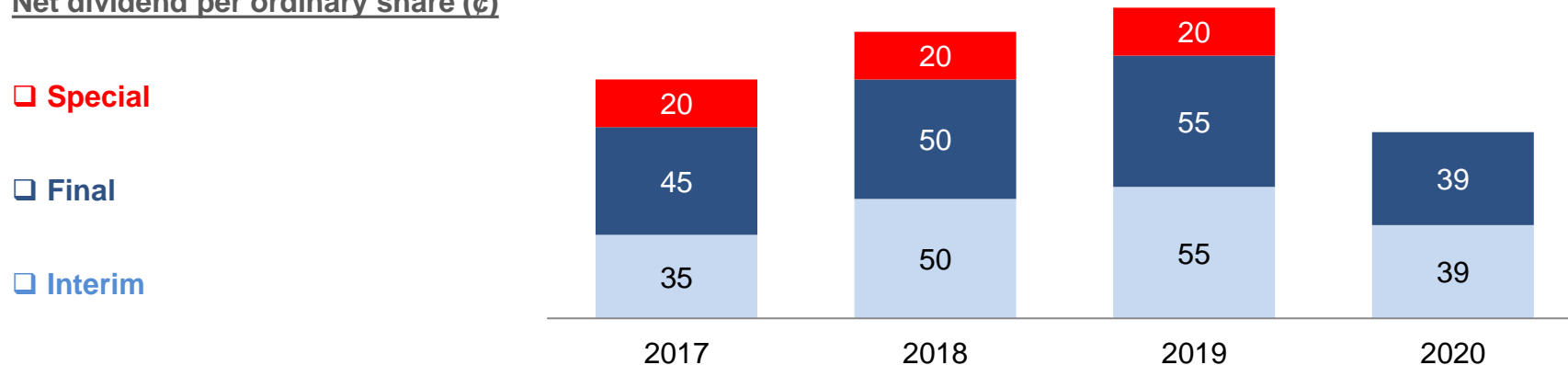
- SGD
- All-currency



* Computed on a quarterly average basis

2020 dividend in line with MAS guidance, scrip dividend applied but at no discount

Net dividend per ordinary share (¢)



Payout amount (SGD m)	1,660	2,000	2,170	1,303
Payout ratio (%)	49	50	50	45 ¹
Payout ratio (excluding special dividends) (%)	39	42	42	45 ¹

1. FY20 dividends were in line with Monetary Authority of Singapore's call for banks to cap dividends at 60% of 2019 dividends.

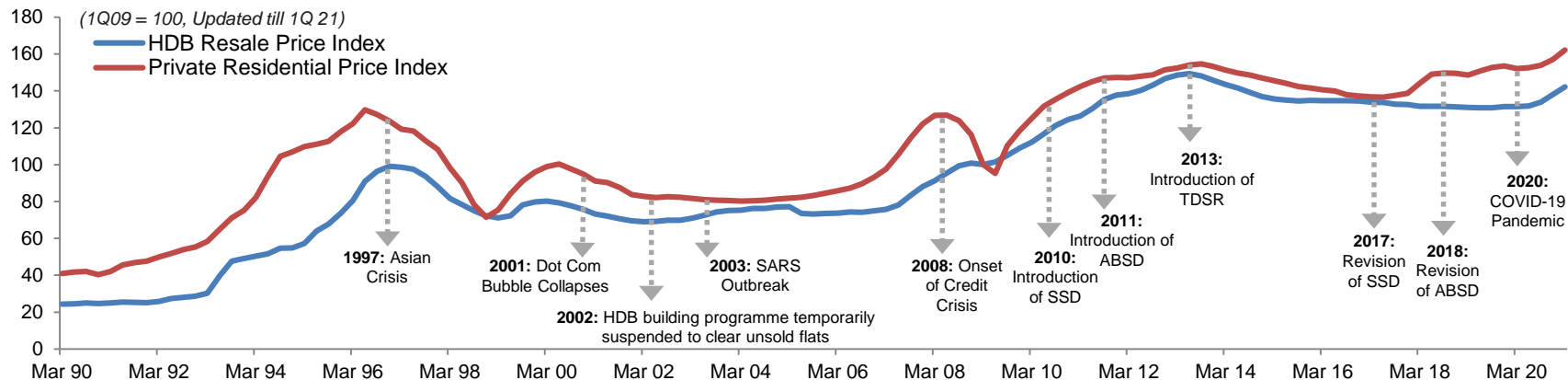
Note: The Scrip Dividend Scheme was applied to all the dividends for the financial years ended 2017 and 2020

The Scheme provides shareholders with the option to receive Shares in lieu of the cash amount of any dividend declared on their holding of Shares. For more details, please refer to www.uobgroup.com/investor-relations/shares-and-dividends/dividends.html

Appendix

Prudent policies for sustainable prices

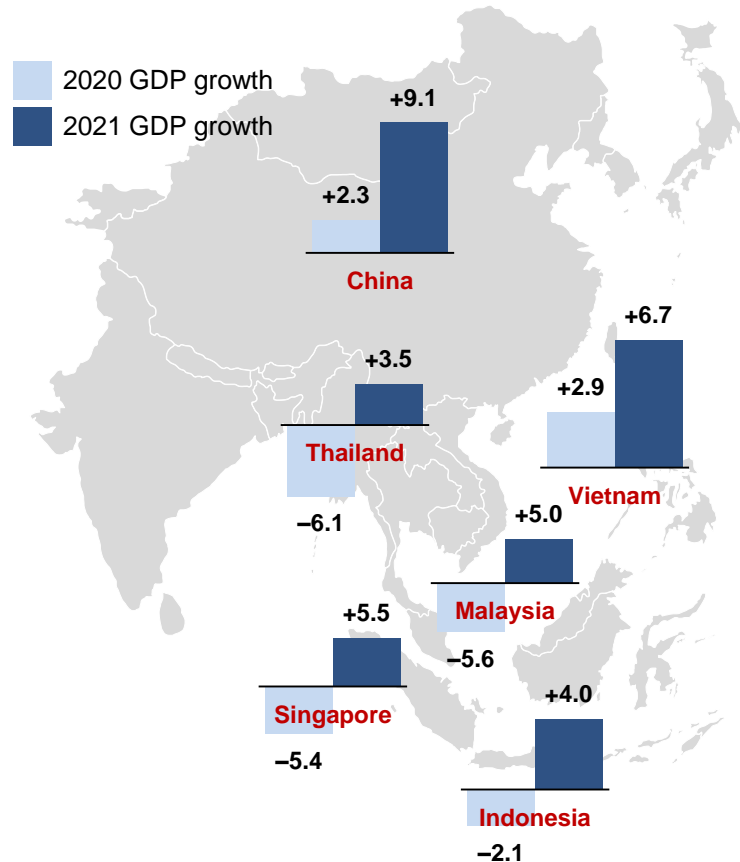
Residential Property Price Indices in Singapore



Regulatory Measures	2009	2010	2011	2012	2013	2016 / 2017	2018 Onwards
LTV Limit: 1st property	90%	80%	80%		80% / 60% ¹		75%/55% ¹
2nd property	90%	70%	60%		50% / 30% ¹		45%/25% ¹
Subsequent property	90%	70%	60%	60% / 40% ¹	40% / 20% ¹	No change	35%/15% ¹
Non- individual buyers	90%	80% / 70% ²	50%	40%	20%		15%
Maximum Mortgage Tenor	Originating banks use their own tenor and affordability guidelines			35 years	No change	No change	No change
Total Debt Servicing Ratio (TDSR) Framework					60% limit; 3.5% interest rate	No change ³	No change
Seller Stamp Duty (SSD): Percentage / Holding Period					Applicable for properties purchased from 20 February 2010 onwards, if property is sold within the applicable holding period ⁴	Reduced in Mar 17: 12% if sold within 1st year; 2nd year: 8%; 3rd year: 4%; thereafter : nil	No change
Buyer's Stamp Duty	First S\$180k: 1%; Next S\$180k: 2%; Remaining: 3%						New Tier of 4% for prices > S\$1m
Additional Buyer's Stamp Duty	Depending on the nationality and number of properties owned by the purchaser ⁴						

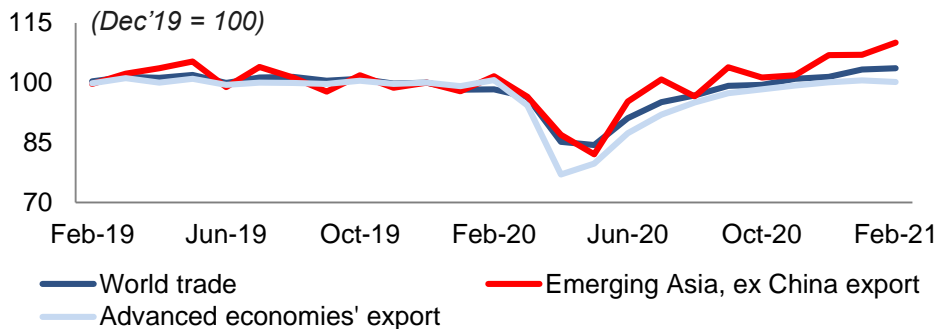
1. From 6 October 2012, the higher LTV limit applies if the mortgage tenor ≤30 years and sum of mortgage tenor and age of borrower is ≤65 years old, otherwise lower LTV limit will apply. 2. 80% LTV limit for 1st property and 70% LTV limit for subsequent properties. 3. Exemptions granted to certain borrowers if they meet exemption criteria. 4. Refer to IRAS website for more details. Sources: HDB and Singapore Department of Statistics

Projected economic rebound across Asia in 2021



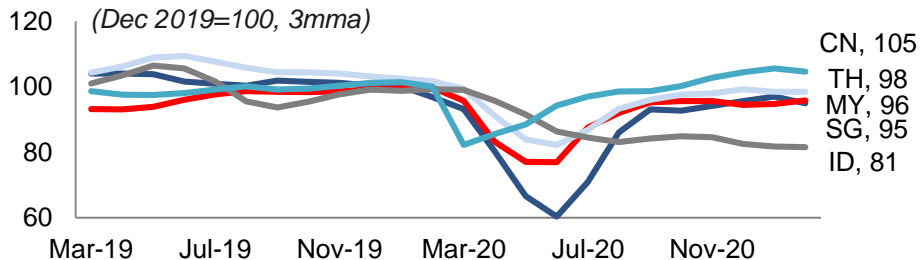
Source: UOB Global Economics & Markets Research forecasts

Trade volume returning to pre-COVID levels



Sources: Macrobond, UOB Economic-Treasury Research

Retail sales at pre-COVID level in China, to pick up elsewhere



Note: CN: China; ID: Indonesia; MY: Malaysia; SG: Singapore, TH: Thailand; 3mma: 3-month moving average

Sources: CEIC, UOB Economic-Treasury Research

Accommodative monetary policy stance

	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21f	3Q21f	4Q21f	1Q21f
US 10-Year Treasury	1.92	0.67	0.66	0.68	0.91	1.74	1.90	1.95	2.00	2.10
US Fed Funds	1.75	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
SG 3M SIBOR	1.77	1.00	0.56	0.41	0.41	0.44	0.40	0.40	0.40	0.40
SG 3M SOR	1.54	0.92	0.20	0.18	0.19	0.36	0.25	0.25	0.25	0.25
MY Overnight Policy Rate	3.00	2.50	2.00	1.75	1.75	1.75	1.75	1.75	1.75	1.75
TH 1-Day Repo	1.25	0.75	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75
ID 7-Day Reverse Repo	5.00	4.50	4.25	4.00	3.75	3.50	3.50	3.50	3.50	3.75
CH 1-Year Loan Prime Rate	4.15	4.05	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85

In response to COVID-19 pandemic, the Fed pursued a “forceful monetary policy” (lowered policy rate to 0.00-0.25%; restarted quantitative easing; introduced credit support measures; and provided US dollar funding). The Fed continued to assure it will not react pre-emptively and provide clear communication well in advance of any bond-buying taper. The Fed is expected to start taper discussions only start in late 2021/early 2022, with policy rates staying at 0.0-0.25% at least until 2023.

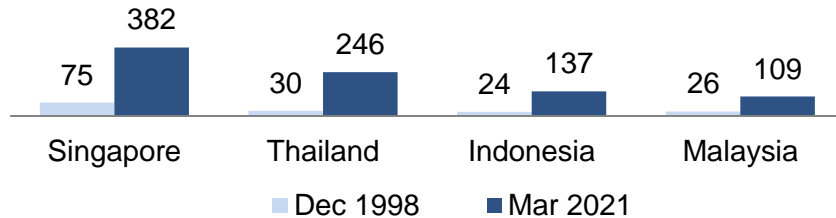
In its April 2021 Monetary Policy Statement release, the Monetary Authority of Singapore (MAS) kept its policy parameters unchanged. This means that there was no change to the gradient and width of the policy band, as well as the level at which it is centred. The MAS projected that Singapore’s GDP growth in 2021 will likely “exceed the upper end of the official 4–6% forecast range, barring any setback to the global economy.”

In other parts of Asia, monetary policies are expected to be kept accommodative to facilitate the economic recovery. Although economies are expected to have seen their worst, the level of uncertainty remains high and delays in COVID-19 vaccine rollout as well as fresh outbreaks could postpone the reopening of borders.

Improved fundamentals in Southeast Asia

Significantly Higher Foreign Reserves

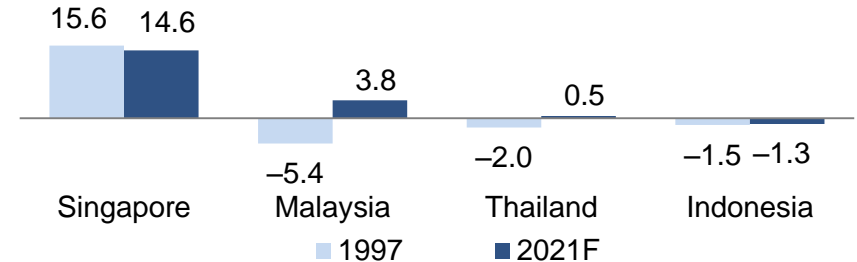
(USD billion)



Sources: World Bank, International Monetary Fund

Healthy Current Account Balances

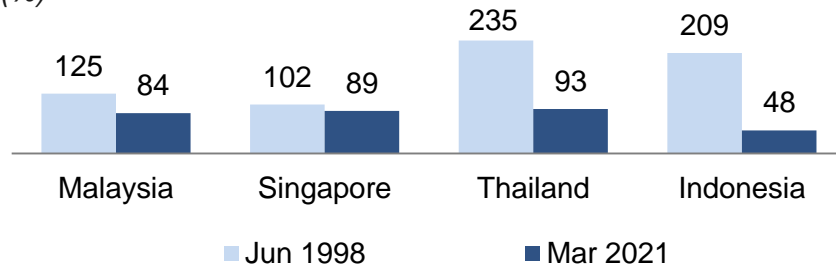
(% of GDP)



Source: International Monetary Fund

Lower Debt to Equity Ratio

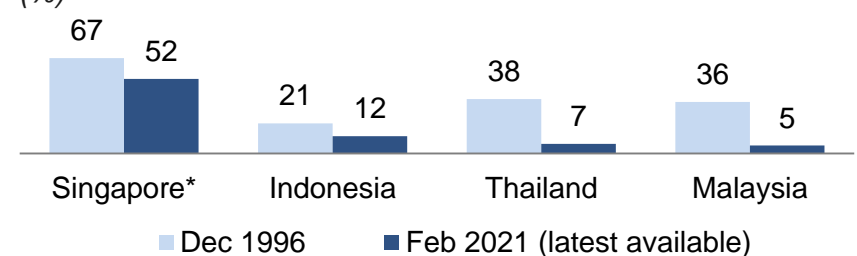
(%)



Total debt to equity ratio = total ST and LT borrowings divided by total equity, multiplied by 100; sources: MSCI data from Bloomberg

Lower Foreign Currency Loan Mix

(%)



* Foreign currency loans in 1996 approximated by using total loans of Asia Currency Units; sources: Central banks

Our growth drivers

Realise full potential of our integrated platform



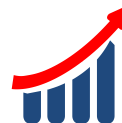
- Provides us with ability to serve expanding regional needs of our customers
- Improves operational efficiency, enhances risk management, seamless customer experience and faster time to market

Sharpen regional focus



- Global macro environment remains uncertain but the region's long-term fundamentals continue to remain strong
- Region is our growth engine in view of growing intra-regional flows and rising consumer affluence, leveraging digitalisation and partnerships

Reinforce fee income growth



- Grow fee income to offset competitive pressures on loans and improve return on risk weighted assets
- Increase client wallet share size by intensifying cross-selling efforts, focusing on service quality and expanding range of products and services

Long-term growth perspective

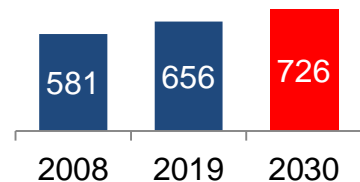


- Disciplined approach in executing growth strategy, balancing growth with stability
- Focus on risk adjusted returns; ensure balance sheet strength and robust capital through economic cycles

Southeast Asia's immense long-term potential

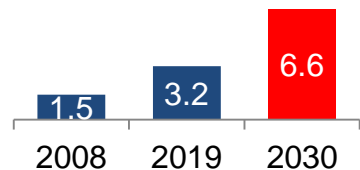
Population

(Million persons)



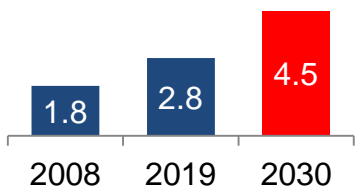
GDP¹

(USD trillion)



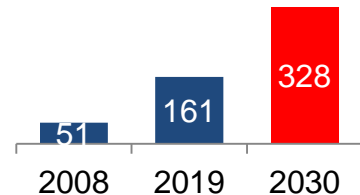
Trade²

(USD trillion)



FDI³

(USD billion)



Southeast Asia's immense growth prospects...

- Third largest population globally, after China and India
- Young demographics, with 384 million below 35 years old
- Fifth largest economic bloc globally by GDP¹
- Fourth largest trading group globally
- Third largest recipient of inward FDI³ globally

... that UOB is uniquely placed to capture

- Most diverse regional franchise among Singapore banks
- Full effective control of regional subsidiaries and integrated platform



1. Gross domestic product 2. Comprises exports and imports 3. Foreign direct investments

Source: Macrobond, UOB Global Economics and Markets Research

Strong retail presence in high potential regional markets

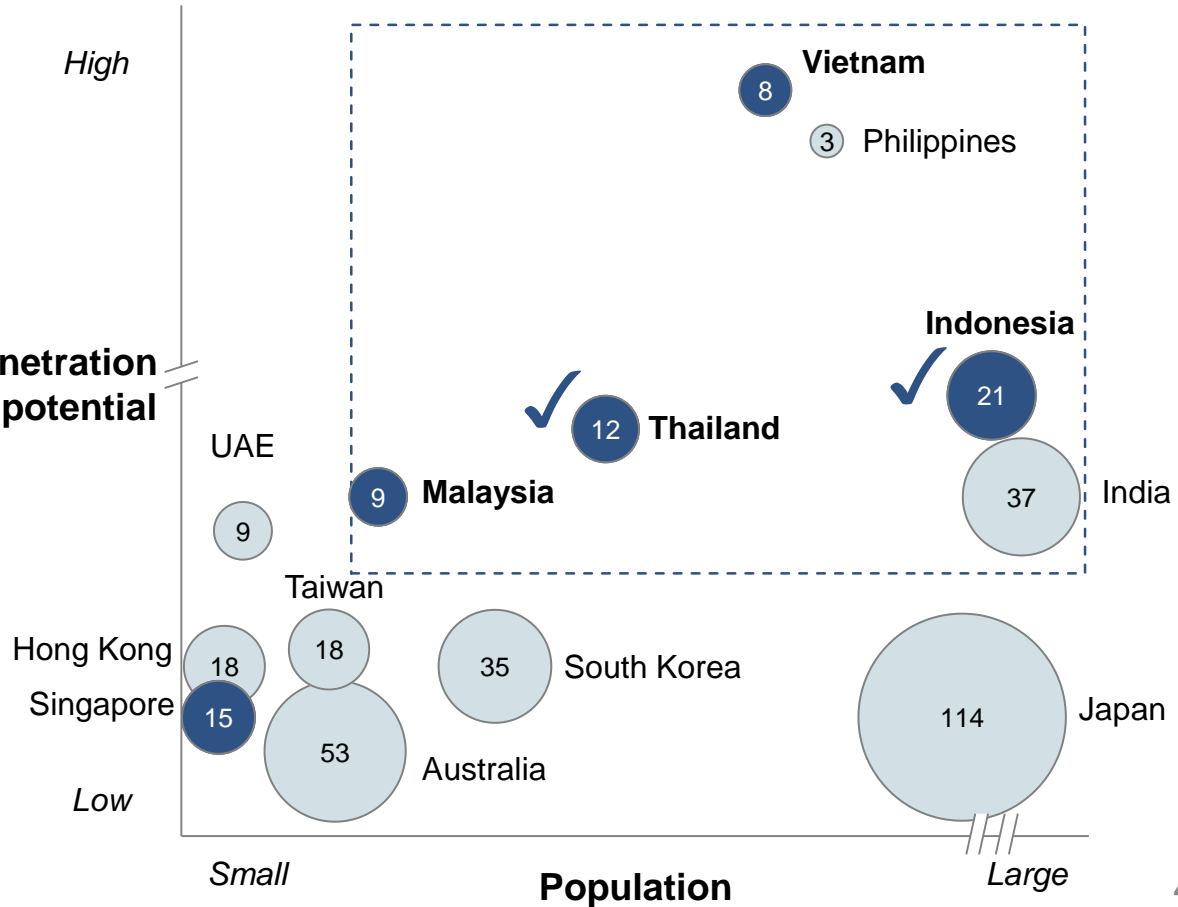
2019 retail banking pool sizes

○ USD b

● Denotes UOB's core markets in Southeast Asia

✓ **TMRW** was launched in Thailand (March 2019) and Indonesia (August 2020)

Banking penetration growth potential



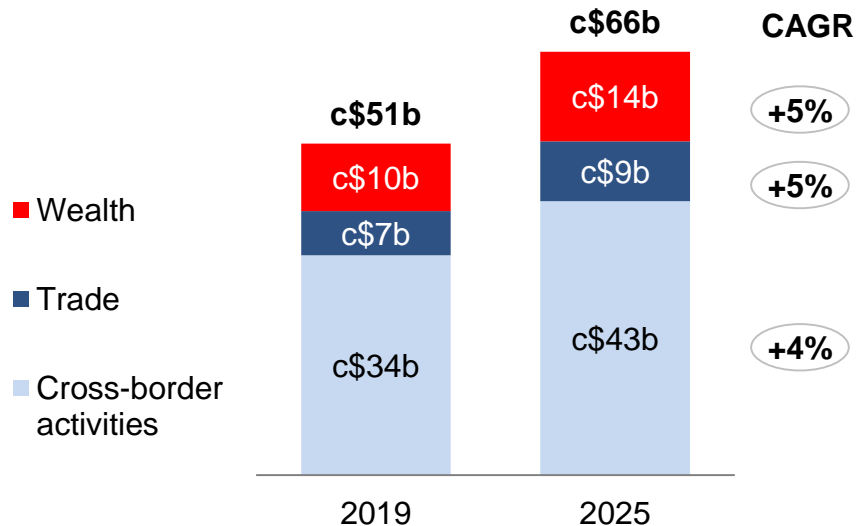
Note: UAE and Japan's retail banking market size as of 2017

Source: BCG banking pools (2019), World Bank (2017)

Revenue potential from ‘connecting the dots’ in the region

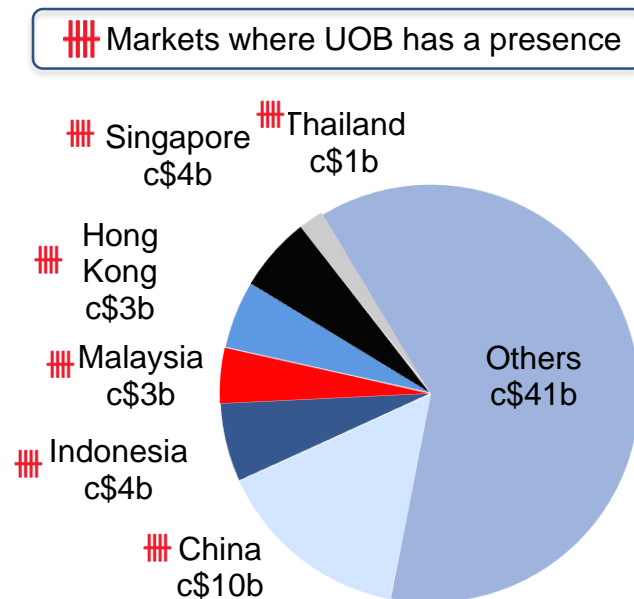
Industry’s potential connectivity revenue

(SGD b)



Industry’s potential connectivity revenue (2025)

(SGD b)



Note: ‘Trade’ and ‘cross-border activities’ capture both inbound and outbound flows of Southeast Asia, with ‘trade’ comprising exports and imports while ‘cross-border activities’ comprising foreign direct investments and M&A. ‘Wealth’ captures offshore and onshore assets booked in Singapore as a wealth hub. Incorporating BCG analysis, these are converted into banking revenue potential

Source: Boston Consulting Group’s analysis, Boston Consulting Group Global Banking Revenue pool

Wholesale: Record income on regional franchise, capturing cross-border opportunities



Strengthening Connectivity

Across our ASEAN footprint and global network



+7%¹

Cross-border income growth
(accounted for 29% of Group Wholesale Banking income)



+8%¹

Non-Singapore income growth



Sector Specialisation

Building capabilities for greater diversification and risk mitigation



+10%¹

Financial sector income growth



+1%¹

Non-real estate income growth



Deepening Digitalisation

For secure and efficient transactions



+6%²

Digital banking transactions by businesses



+43%³

Cashless payments to businesses

Note: Figures are for 1Q21 and growth rates are relative to same period in 2020 1. Year-on-year growth for 2M21
2. Refers to number of transactions via UOB Infinity across the Group 3. Refers to payments made on Corporate PayNow in Singapore

Consumers: Tapping on rising affluence in Southeast Asia



Omni-channel Experience

Serving affluent customers across various touchpoints



+5%pt

Increase in digitally-engaged customers¹



SGD136b²

Assets under management (AUM)
▲ 10% YoY



Digital Bank: TMRW

Specially for mobile-first and mobile-only generation



314k

Total TMRW customers in Indonesia and Thailand (18% of combined retail base of UOBI and UOBT)



+24%

Growth in total TMRW customer deposits from 4Q20



Ecosystem Partnerships

Forging collaborations to widen distribution reach and deepen wallet share



100%


of car loan applications¹ were digital



2 in 3

home loan applications¹ were digital

Forging a sustainable future with our customers in ASEAN



Sustainable financing and bonds

Sustainable growth in priority sectors driving ASEAN progress



SGD12b

Total sustainability financing¹ provided to date



USD1.5b

Issued Singapore's first sustainability bond and global first dual-tranche sustainability bond



Responsible investment

Integrate sustainability into wealth management products and advisory framework



SGD2.2b

Total AUM in ESG-focused investments



Delivering tangible impact

Platform for one-stop solar solutions across ASEAN



54

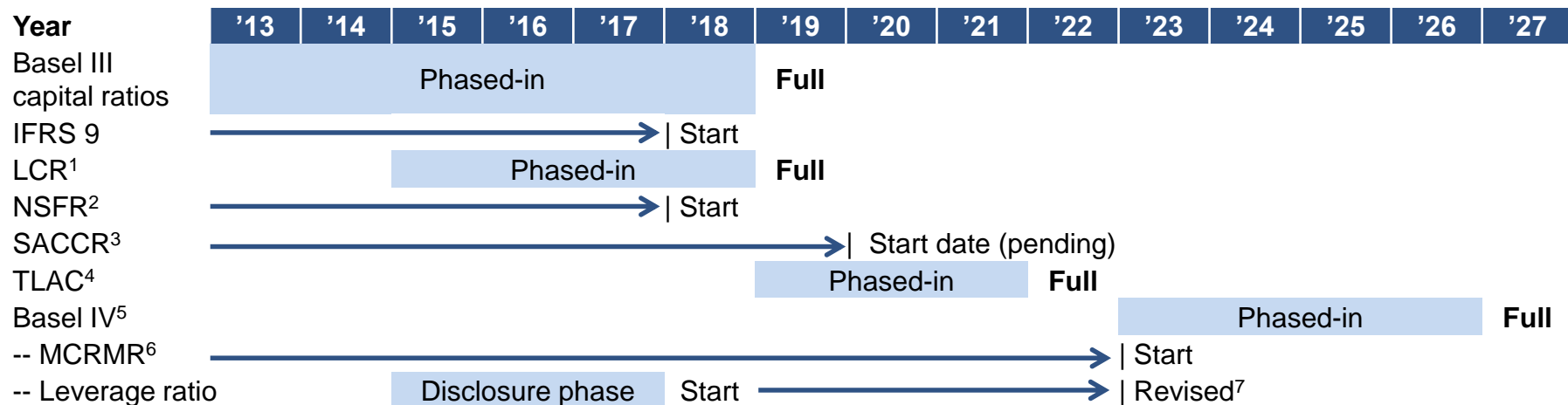
Solar companies across ASEAN in U-Solar programme



160GWh²

Solar energy generated, equivalent to 1.3m new tree seedlings grown over 10 years

Global regulators delayed capital rules by a year



“ Retained earnings are one of the major sources of ... highest quality capital that banks hold. They have to earn a decent return for intermediating credit, otherwise they will do less of it. ”

– Mr Ravi Menon, Managing Director, Monetary Authority of Singapore, 20 April 2017

Source: BCBS







1. Liquidity Coverage Ratio
2. Net Stable Funding Ratio
3. Standardised Approach for measuring Counterparty Credit Risk exposure (MAS has not announced implementation date)
4. Total Loss Absorbing Capacity (not applicable to Singapore banks)


“ While the reforms are necessary to strengthen the banking system over the long term, they will require banks to make considerable operational adjustments which they would be hard pressed to make under current challenging conditions. ”

– Media Release, Monetary Authority of Singapore, 7 April 2020

5. Basel IV: Revised standards for credit risk, market risk, operational risk, leverage ratio, output floor and related disclosure requirements
6. Minimum Capital Requirements for Market Risk replaced Fundamental Review of the Trading Book
7. Revised definition on exposure measure

Basel III across the region

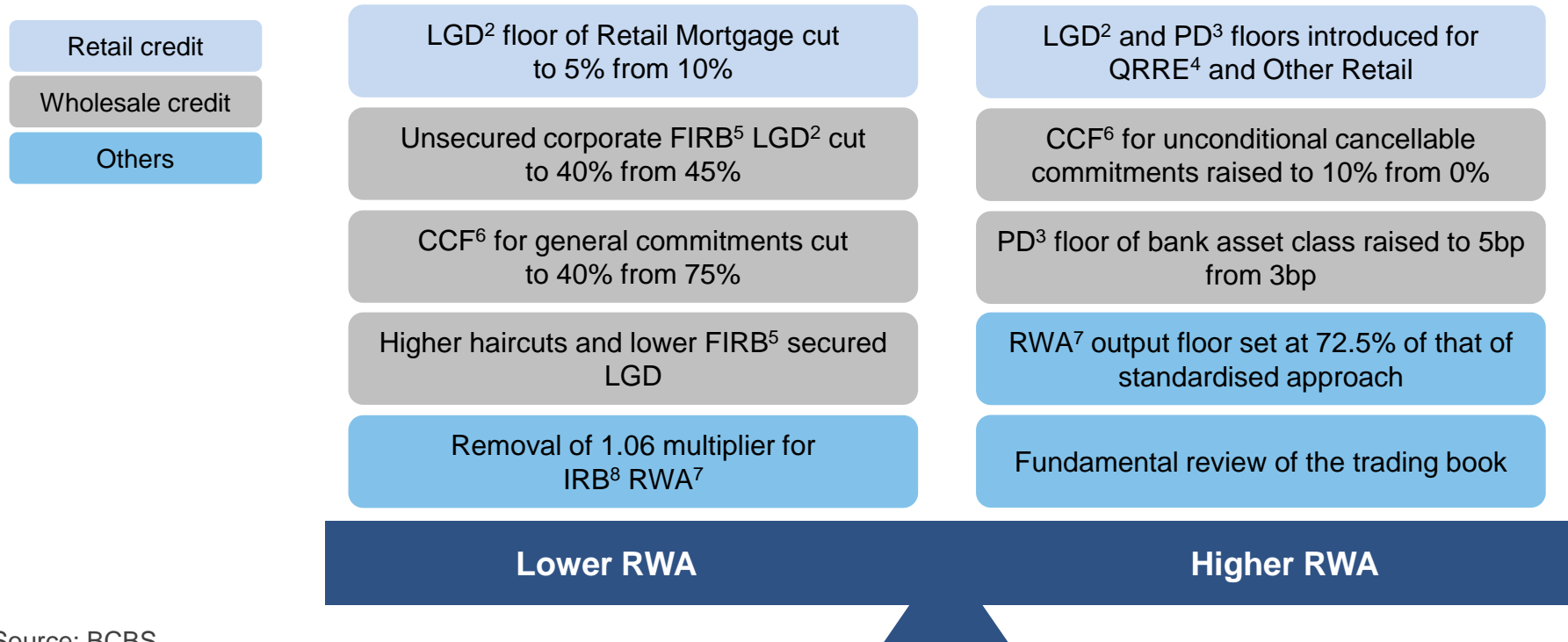
	BCBS	Singapore	Malaysia	Thailand	Indonesia
Minimum CET1 CAR	4.5%	6.5% ¹	4.5%	4.5%	4.5%
Minimum Tier 1 CAR	6.0%	8.0% ¹	6.0%	6.0%	6.0%
Minimum Total CAR	8.0%	10.0% ¹	8.0%	8.5%	8.0%
Capital Conservation Buffer	2.5%	2.5%	2.5%	2.5%	2.5%
Countercyclical Buffer in 2020 ²	n/a	0%	0%	0%	0%
D-SIB Buffer	n/a	2.0%	1.0%	1.0%	1.0%–3.5% ³
Minimum Leverage Ratio	3.0%	3.0%	3.0%	3.0% ⁴	3.0%
Minimum LCR	100%	 100%	 100%	 100%	100%
Minimum NSFR	100%	 100%	 100%	 100%	100%

	Temporary forbearance to enable banks to provide support to the economies amid COVID-19
Singapore	The required stable funding factor under NSFR is cut from 50% to 25% for customer loans maturing within 6 months until 30 September 2021. This will be progressively raised back to 50% by 1 April 2022.
Malaysia	NSFR was implemented on 1 July 2020, but with a lower minimum of 80%. The 100% minimum will start from 30 September 2021.
Thailand	Banks are able to temporarily maintain LCR and NSFR at lower than 100% until 31 December 2021.

Source: Regulatory notifications

1. Includes 2% for D-SIB (domestic-systemically important banks) buffer for the three Singapore banks
2. Each regulator determines its own level of countercyclical capital buffer
3. According to the regulations, Indonesia D-SIBs will initially be subject to a D-SIB buffer of up to 2.5%
4. Compliance by 2022

Impact of Basel IV¹ likely to be manageable



Source: BCBS

1. Basel IV: Reducing variation in risk-weighted assets
2. Loss given default
3. Probability of default
4. Qualifying revolving retail exposures

5. Foundation internal rating-based approach
6. Credit conversion factor
7. Risk weighted assets
8. Internal rating-based approach

Thank You

