



Corporate Day 2024

Building the Future of ASEAN

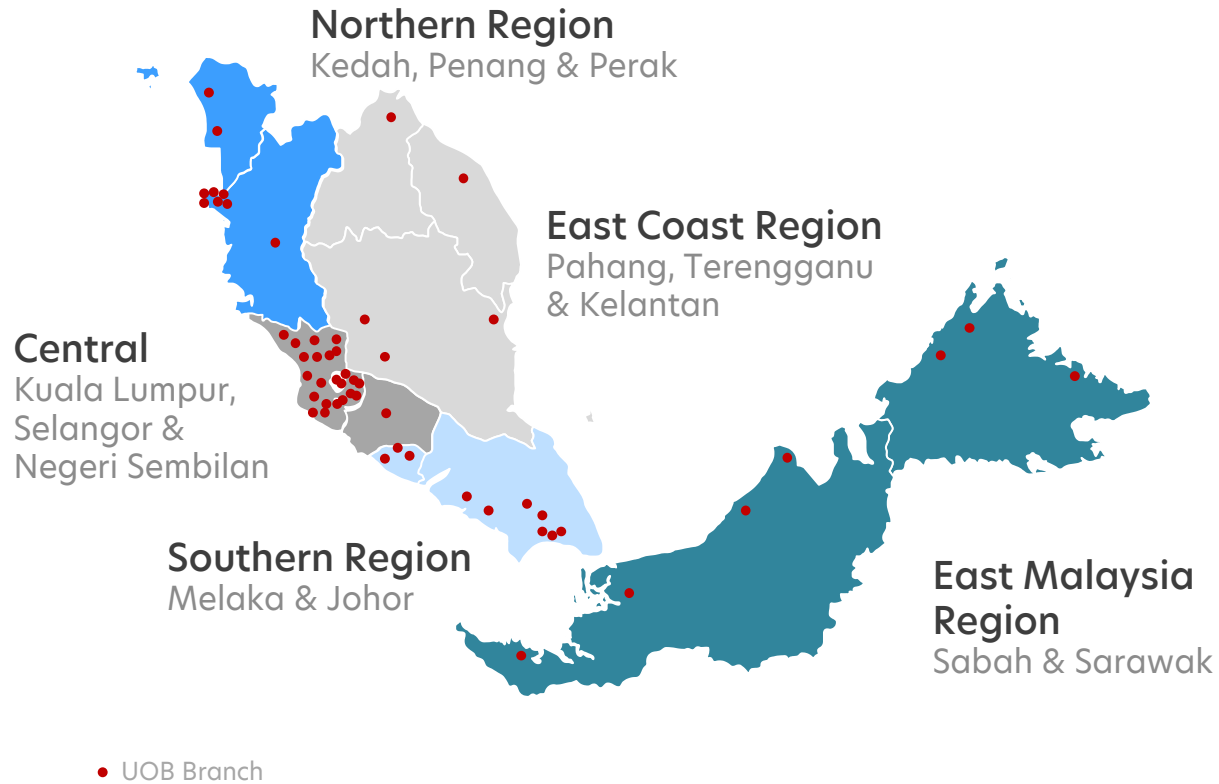
Continued Success in the Region - UOB Malaysia

14 August 2024
Kuala Lumpur, Malaysia

About UOB Malaysia (UOBM)



UOB Malaysia is the leading foreign bank in the country, with 73 years of heritage and 55 branches across Central and the Regions in Malaysia



- UOBM is the largest subsidiary of UOB Group by profit contribution.
- We are the leading foreign bank, and ranked 6th largest commercial bank in Malaysia, by income and profit measures.
- Fully-licensed commercial bank in Malaysia with Islamic Banking capabilities.
- UOBM is rated long-term 'AAA' by Rating Agency Malaysia since 2012.
- Strong focus on building ASEAN - UOBM supported more than 500 foreign companies with cross-border expansion into Malaysia and facilitated ~230 Malaysian companies' expansion into ASEAN and beyond.
- Continuous investment for long-term growth in Malaysia with ~RM800m investment in UOB Plaza-1 KL and occupying ~1.75m square feet of office space across the country. 1st Platinum green certified bank building in Malaysia by GreenRE and BCA Green Mark.

We are the Leading Foreign Bank in Malaysia

1st among foreign peers



Total
Income



Net Profit
Before Tax



Loans



Deposits

6th among commercial banks
(7th in 2022)

7th among commercial banks

2nd largest
credit card player[#]

2nd largest Banca
distributor*

Fee income growth
+30% in 2023

Note: Ranking among peers are based on UOBM financials as of December 2023, excluding one-off integration costs.

[#]By End Net Receivable (ENR)

*By Annual Premium Equivalent (APE)



Malaysia's 2nd
economic takeoff
with long-term
growth potential

Progressive national masterplans well underway in execution, supported by quality FDI and megatrends



Ongoing Infrastructure Investments

Continued investments in strategic infrastructures:

- MRT3 & Penang LRT
- East Coast Rail Link
- Johor - Singapore Rapid Transit System
- 5G connectivity



Drive Towards High Impact & Green Economy

Progressive Industrial and Green Energy masterplans:

- **NIMP2030**
increasing economic complexity, high-value jobs, SMEs' participation
- **NETR**
10 key catalyst projects e.g. renewable energy, hydrogen, green mobility



Shift in Global Supply Chain

Increasing FDIs from ASEAN, Europe and North Asia due to:

- **Pro-business landscape**
- **Competitive business cost**

Government takes proactive actions to attract investments:

- **High-value front-end E&E**
- **Digital Economy**
- **Manufacturing incentives to capture shift in supply chain opportunities**



Growing Affluent and Digital Savvy Population

Favourable demographics:

~ 60% population are <35 years old, high digital adoption rate

Healthy, growing job market:
70% labour force participation rate

On-track for high-income nation by 2030:
rising middle-income and affluent segments

Growing Together with Malaysia



Regional development to achieve balanced economic growth



Growth corridors attracting foreign investment flows

Legend

Focused sectors of the corridor

Greater Penang:
Silicon Valley of the East

Industrials TMT

Central - Klang Valley:
The Capital of the Nation

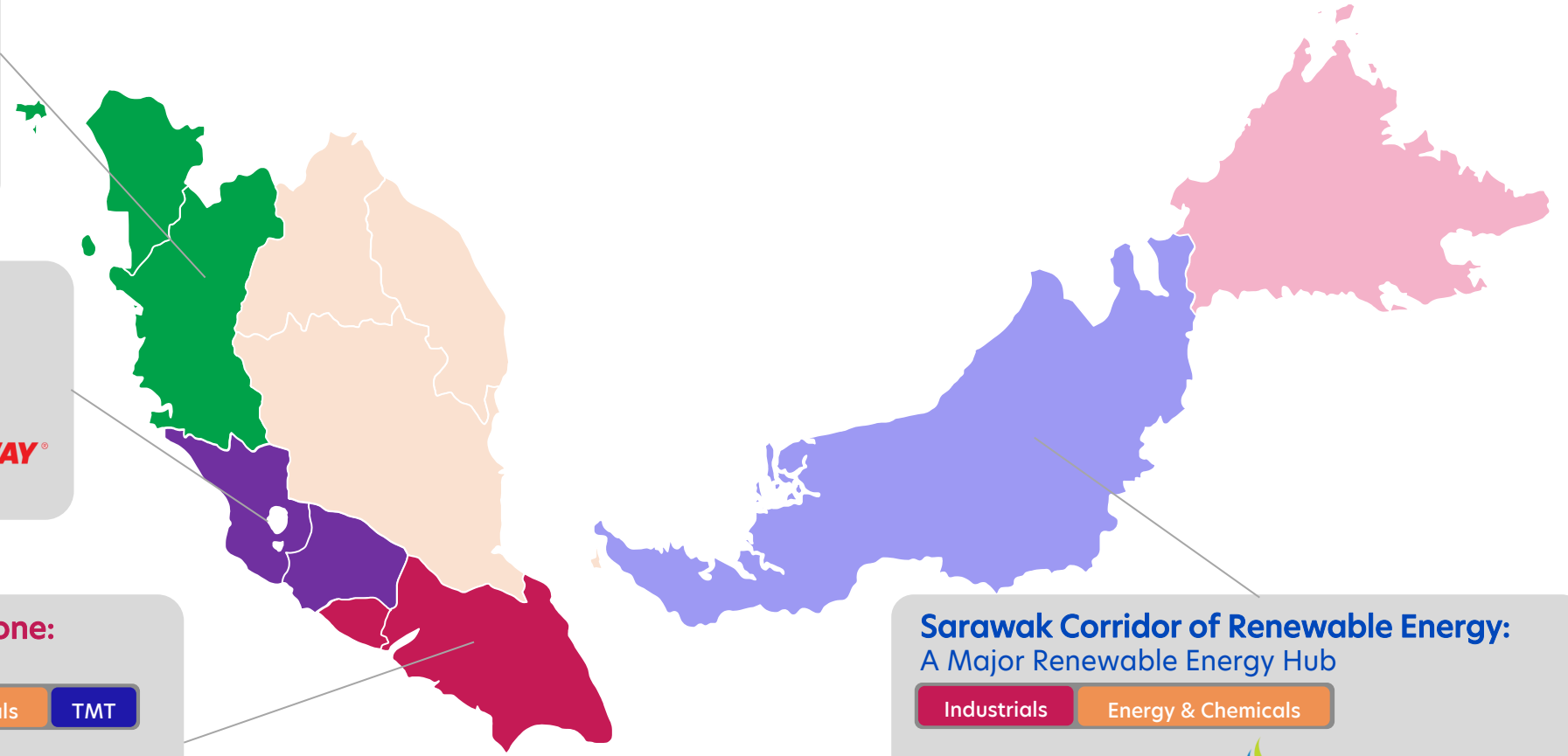
Industrials Energy & Chemicals TMT

Johor-Singapore Special Economic Zone:
Southern Jewel of Malaysia

Data Centres Industrials Energy & Chemicals TMT

Sarawak Corridor of Renewable Energy:
A Major Renewable Energy Hub

Industrials Energy & Chemicals



Regional development to achieve balanced economic growth



Growth corridors attracting foreign investment flows

Greater Penang:
Silicon Valley of the East

Industrials | TMT

AMD | PLEXUS | BOSCH
infineon | amtek | OSRAM | rapid MANUFACTURING

Central - Klang Valley:
The Capital of the Nation

Industrials | Energy & Chemicals | TMT

Sime Darby | YTL | IJM | ERICSSON | PETRON | SUNWAY

Johor-Singapore Special Economic Zone:
Southern Jewel of Malaysia

Data Centres | Industrials | Energy & Chemicals | TMT

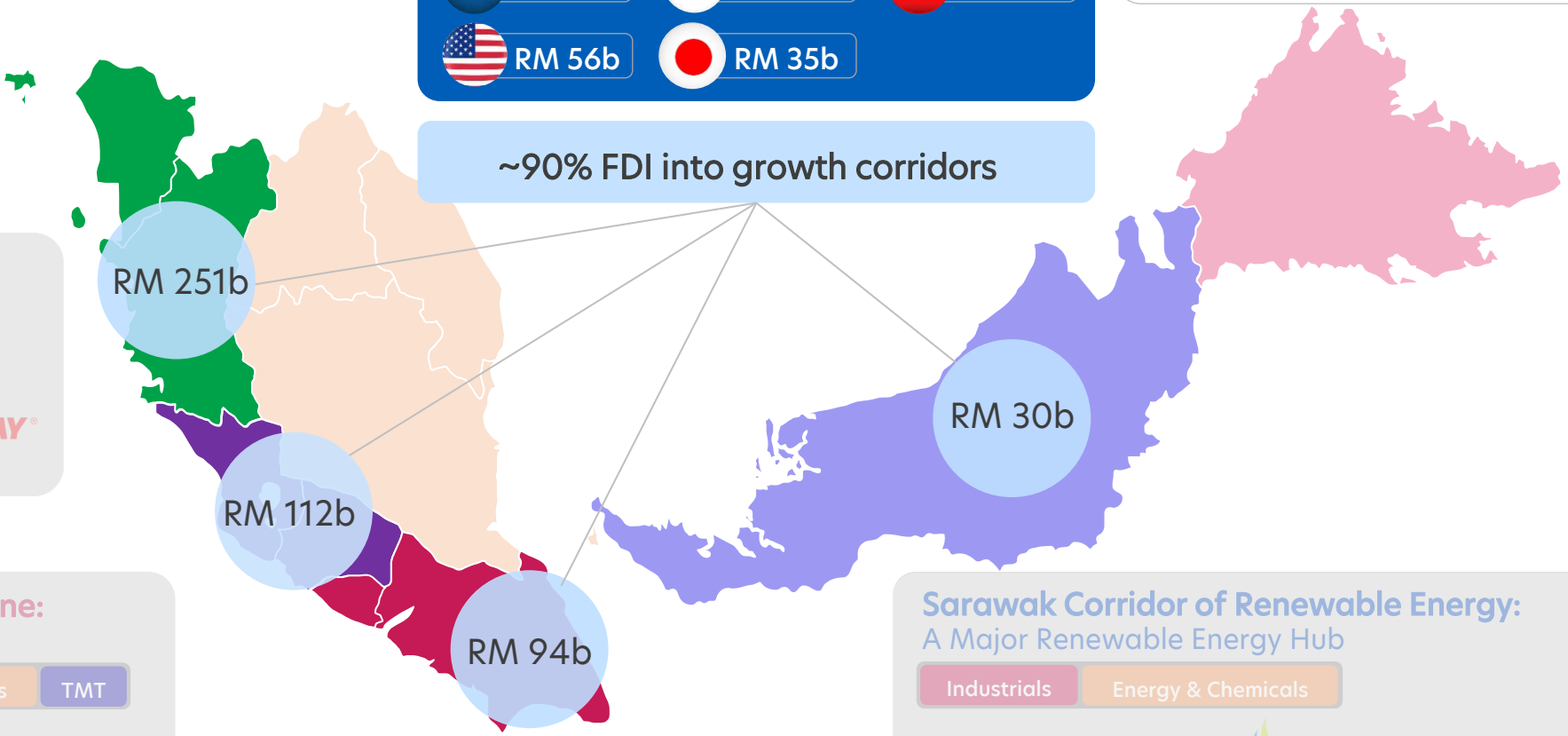
NVIDIA | GDS 万国数据 | Princeton Digital Group
PETRONAS | Microsoft | أرامكو السعودية | saudi aramco

Total Approved FDI (2021 - 2023) **RM 560b**

Indonesia RM 134b | Singapore RM 104b | China RM 101b
USA RM 56b | Japan RM 35b

Legend

- Focused sectors of the corridor
- RM Approved investments by source
- RM Approved investments by state



Sarawak Corridor of Renewable Energy:
A Major Renewable Energy Hub

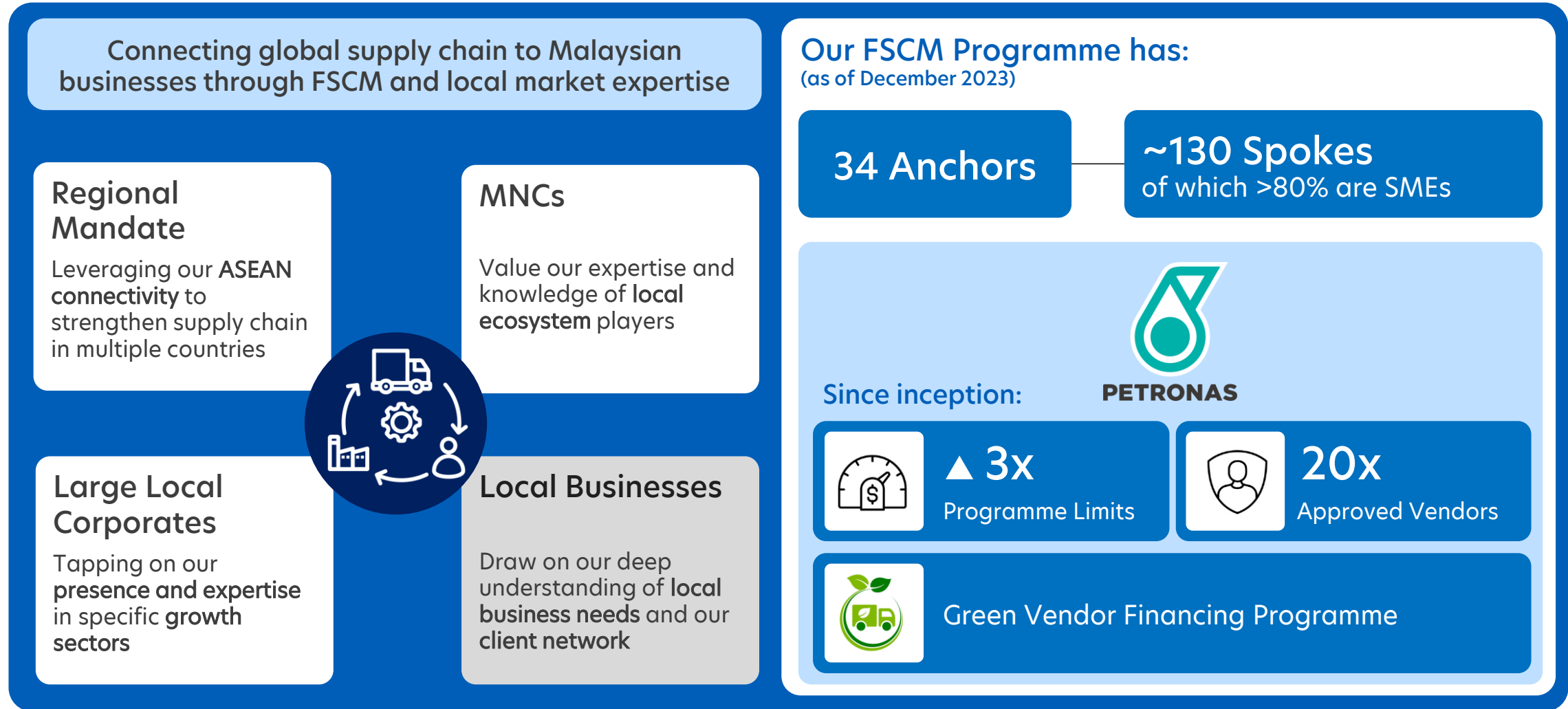
Industrials | Energy & Chemicals

PETROS | sarawak energy | SEDC ENERGY
Pertama Ferrous Sdn. Bhd. | PRESS METAL | OCIM

Deepening connectivity and enhancing supply chain resilience



Solutions for Local and Foreign corporates to strengthen the ecosystem value chains in key growth sectors





Powering the Supply Chain Ecosystem

BUILDING ASIA
WITH  **UOB**

Presented by



Building a sustainable Malaysia together



UOBM catalysing the transition towards a low carbon & sustainable economy



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA



Joint Committee
on Climate Change

UOBM Co-Chairs the JC3 SME Focus Group with BNM

Increase Malaysian SMEs' sustainability awareness and adoption - ESG Jumpstart Portal, BNM-funded schemes and capacity building



Jom Transform
Sustainability Accelerator



UOB
Sustainability
Compass



Launched a series of bespoke sustainability programmes to help our client transition e.g. our award-winning Sustainability Accelerator Programme, CBAM masterclass. Collaborate with CMM and MGTC on ESG disclosures / certifications

~RM8.5 billion approved sustainability loans,
>30% to SMEs and >3x growth in recent years

Supporting clients' net zero ambitions



Greening ecosystem value chains (MOU)



RM1.5b ASEAN Green SRI Sukuk programme



Southeast Asia 1st Hydrogen-Powered
Autonomous Rapid Transit in Sarawak

Strong traction on U-Solar in line with Malaysia's NETR (as of December 2023)



340
GWh

of solar power generated in
Malaysia



228k
tonnes

▼ CO₂ equivalent

Wholesale Banking:



Growing emerging sectors and trade in line with Country's New Industrial and Green Masterplans

Defend Core sectors



▲11%

Construction & Infrastructure

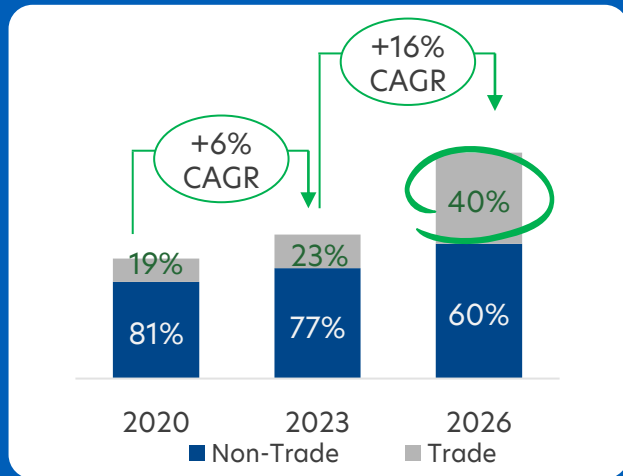


▲3%

Real Estate

Pivot to Trade

WB Loan Mix



x% Sector loan growth (CAGR 23-26, %)

Leverage Sector Solutions and Sustainability product capabilities to be at the forefront of Emerging sectors



▲30%

Industrials



▲17%

Energy and Chemicals



▲22%

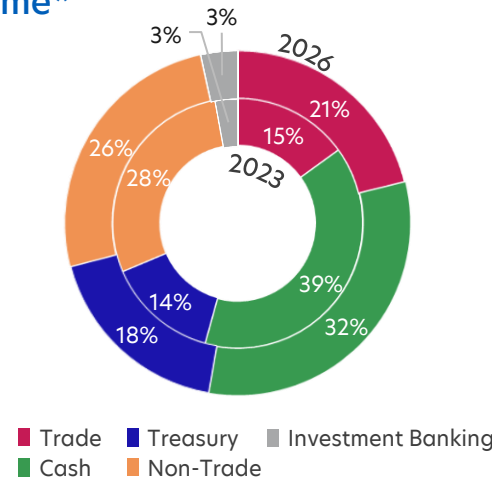
Consumer Goods



▲24%

Technology, Media and Telecommunications

WB income mix shifting towards Cash, Trade and Treasury flow income*



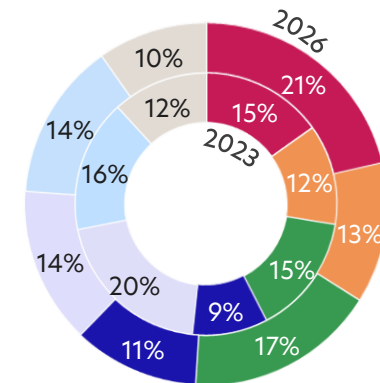
WB loan mix shifting towards growth sectors

Defend

- Construction and Infrastructure
- Real Estate
- Others

Grow

- Industrials
- Energy and Chemicals
- Consumer Goods
- Technology, Media and Telecommunications



*Cash, Trade and Treasury to lead flow income growth. Overall cash income % is expected to normalize in line with expectation of Fed's rate cut. Total Cash, Trade and Treasury income to contribute 70% of WB income.

Retail Banking:

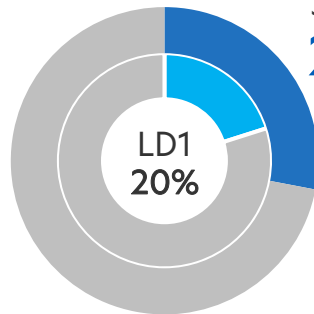


Synergies from Citi acquisition - successfully completed migration in < 9 months. Good progress on cross-sell riding on our enlarged key strengths

Achieved Operational Day 1 in July 2023 (Legal Day 1 in Nov 2022)

Cross-sell **CASA** to migrated base

CASA Penetration



>55%

Digitally onboarded

Cross-sell accounts registered higher funding rate

>90%

and average balance vs NTB customers

Accelerated **Wealth** conversion with wider solutions

Affluent Customer Base

Average Asset Under Management (AUM) >150k



▲ 26%

Wealth Solutions Penetration

- ✓ Retail Bond 18% → 25%
- ✓ Bancassurance 27% → 37%

Reverse synergies on **Credit Card** portfolio

*excluding migrated base

Early Card Engagement

Activation rate at Month 1



Pre-LD1 56%

→ 82%

Card Spend

▲ 20%
per annum

Card Balance

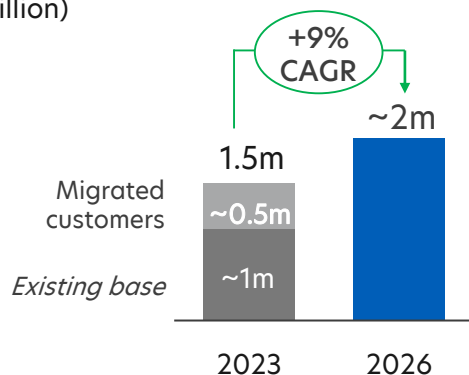
▲ 14%
per annum

Retail Banking:

Leveraging enlarged retail portfolio to capture rising affluent consumer spending and wealth

Serving the broader affluent and aspiring population

Retail Customer Base (million)



Acquire broader affluent base through UOB's progressive branding and customer-centric offerings

Capture digital opportunities by leveraging UOB TMRW digital platform

Customer-centric balance between digital and personalised engagement



Revenue Quantum
Acquire & engage digitally **1x**



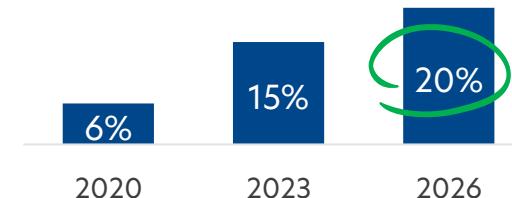
Advisory via Branch **1.3x**



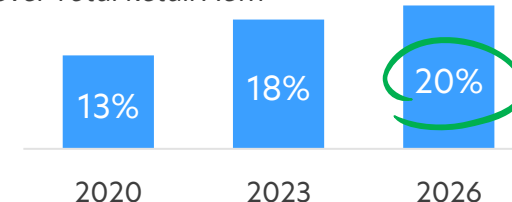
Scale with Omni-Channel **2x**

Diversify income growth through fee-based and higher margin products

Improve Unsecured Loan Mix over Total Retail Loan

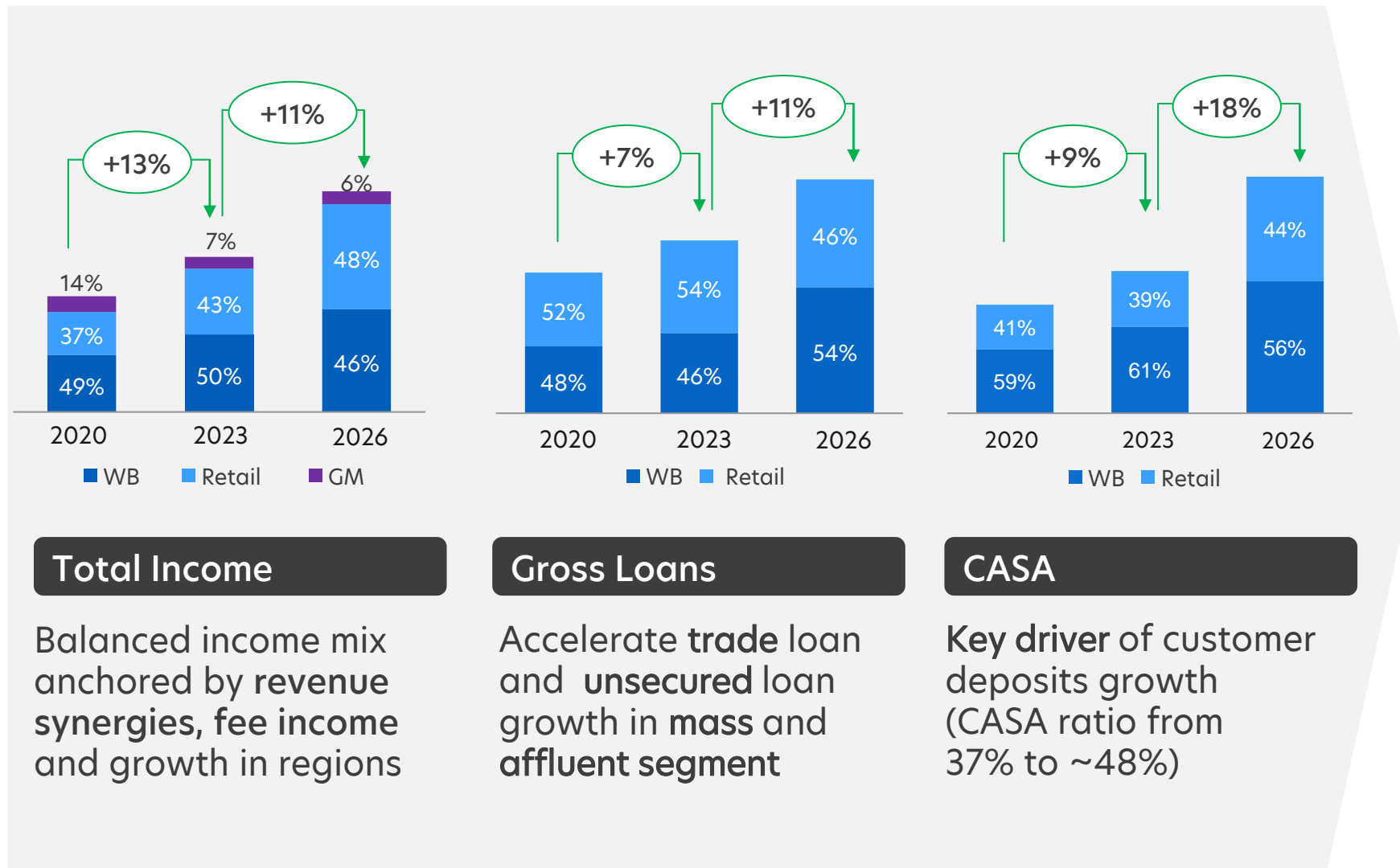


Wealth AUM Mix over Total Retail AUM



Deepen customer engagement with lifestyle offerings. Tailored rewards and personalised financial solutions for every life stage.

Building on record performance in 2023 to deliver 2026 aspiration



Total Income

Balanced income mix anchored by revenue synergies, fee income and growth in regions

Gross Loans

Accelerate trade loan and unsecured loan growth in mass and affluent segment

CASA

Key driver of customer deposits growth (CASA ratio from 37% to ~48%)

From 2023 to 2026:

- Return On Equity: 12% to **~14%**
Industry Average: 10.6%¹
- CAGR ~14%
Fee Income Growth
Industry Average: 6%¹
- Cost-Income Ratio: 48% to ~45%
Industry Average: 47%¹

^{x%} 3-year CAGR ¹Key commercial banks' average as of December 2023
Note: Financials include Labuan and exclude one-off integration costs



Right By You

Glossary

APE	Annual Premium Equivalent
ASEAN	Association of Southeast Asian Nations
AUM	Asset Under Management
b	Billion
BNM	Bank Negara Malaysia
CAGR	Compounded Annual Growth Rate
CASA	Current Accounts and Savings Accounts
CBAM	Carbon Border Adjustment Mechanism
CMM	Capital Markets Malaysia
CO ₂	Carbon Dioxide
E&E	Electrical and Electronics Products
ESG	Environmental, Social and Governance
ENR	End Net Receivable
Fed	United States Federal Reserve
FDI	Foreign Direct Investment
FSCM	Financial Supply Chain Management
GM	Global Markets
GWh	Gigawatt Hours
JC3	Joint Committee on Climate Change
HQ	Headquarters
k	Thousand
KL	Kuala Lumpur
LD1	Legal Day 1
LRT	Light Rail Transit
m	Million
MGTC	Malaysia Green Technology and Climate Change Corporation
MNC	Multinational Corporation
MOU	Memorandum of Understanding
MRT3	Mass Rapid Transit Line 3
NETR	National Energy Transition Roadmap
NIMP	New Industrial Master Plan 2030
NTB	New-to-Bank
SME	Small and Medium Enterprise
SRI	Sustainable and Responsible Investment
TMT	Technology, Media & Telecommunications
UOB	United Overseas Bank
UOBM	UOB Malaysia
WB	Wholesale Banking

