

UOB (China) extends support to SMEs through its first IPU supply chain financing agreement

Provides solution to Comix to help support industry growth in the Greater Bay Area

Shenzhen, China - 24 October 2019 – United Overseas Bank (China) today announced its first Irrevocable Payment Undertaking (IPU) supply chain financing service agreement, signed with Shenzhen Comix Group Company, Ltd (Comix), one of China's most influential and largest office supplies providers.



Ms Adaline Zheng, Head of Wholesale Banking, UOBC (right) and Mr Qinpeng Chen, Chairman of Shenzhen Comix Group Company, Ltd (left) signed the service agreement

Under the agreement, UOB (China) will provide a RMB100 million trade facility to Comix, which will use the funds to offer its suppliers accounts receivable financing. After confirming a transaction with the supplier, Comix will issue an IPU order. Following which, UOB (China) will automatically settle Comix's payment to the supplier's bank account which may be with another bank. This supply chain solution will enable both Comix and its suppliers to be more efficient in their cash flow management.

Comix will be able to enjoy greater flexibility in settling payments to its SME suppliers and its suppliers in turn will benefit from more stable cash flows, thus lowering their financing costs and reducing business risks.

UOB (China)'s IPU Supply Chain Financing Solution Helps Small- and Medium-sized Enterprises (SMEs) Tackle Financing Challenges

UOB (China)'s IPU solution is designed to help its clients and their suppliers, which are typically SMEs, overcome the challenges in accessing quality financing. In addressing such challenges, the Bank can help its clients to strengthen their supplier relationships, while expanding its client base and managing risk more effectively.

Ms Adaline Zheng, Managing Director and Head of Wholesale Banking, UOB (China), said, "UOB (China) is committed to providing long-term, integrated financial solutions that help enterprises to optimise their cash flow and to minimise risk. Our industry insights and comprehensive financial services enable us to help clients such as Comix and their SME suppliers to manage better their cash flow across their supply chain and to grow their business."

Mr Qinpeng Chen, Chairman of Shenzhen Comix Group Company, Ltd, said, "Comix is committed to building an open, symbiotic and win-win office supply ecosystem. We are pleased to partner UOB (China) and utilise their supply chain finance solutions. Through this cooperation, we can manage our supply chain finances more effectively, providing efficient and flexible financial services for our

upstream partners. Together, we will all benefit as we capture the growth opportunities in our markets.”

Supporting Enterprises’ Financing Needs in the Greater Bay Area (GBA) with Tailored Financing Solutions

UOB (China) signed its first IPU supply chain solution deal in Shenzhen, one of the largest manufacturing bases in the GBA and where the industrial and manufacturing sectors form the key growth pillars. These sectors are also among the industries UOB (China) has identified to expand its client coverage.

Mr Gordon Shing, Head of Commercial Banking, South China and General Manager of Shenzhen Branch, UOB (China), said, “At UOB (China), we are focused on helping our clients build sustainable businesses and one way is to provide end-to-end solutions, including to their value chain partners. Ninety per cent of the enterprises in Guangdong Province are SMEs, which have a large demand for supply chain financing. As they grow in size and scale in tandem with GBA’s industry development, we will continue to tap our deep business knowledge and industry insights to develop more customised financing solutions for these companies and to help them seize growth opportunities.”

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About United Overseas Bank (China)

United Overseas Bank (China) Limited (UOB (China)) is a wholly-owned subsidiary of United Overseas Bank Limited (UOB), a leading bank in Asia. Headquartered in Shanghai, UOB (China) was incorporated in the People’s Republic of China on 18 December 2007 and commenced operations on 2 January 2008. With a stable and far-sighted approach, UOB (China) has grown its network to 17 branches and sub-branches in the major cities across China.

Over the years, our employees have carried through the entrepreneurial spirit, the focus on long-term value creation and an unwavering commitment to do what is right for our customers and our colleagues.

We believe in being a responsible financial services provider and we are committed to making a difference in the lives of our stakeholders and in the communities in which we operate. Just as we are dedicated to helping our customers manage their finances wisely and to grow their businesses, UOB (China) is steadfast in our support of social development, particularly in the areas of art, children and education.

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