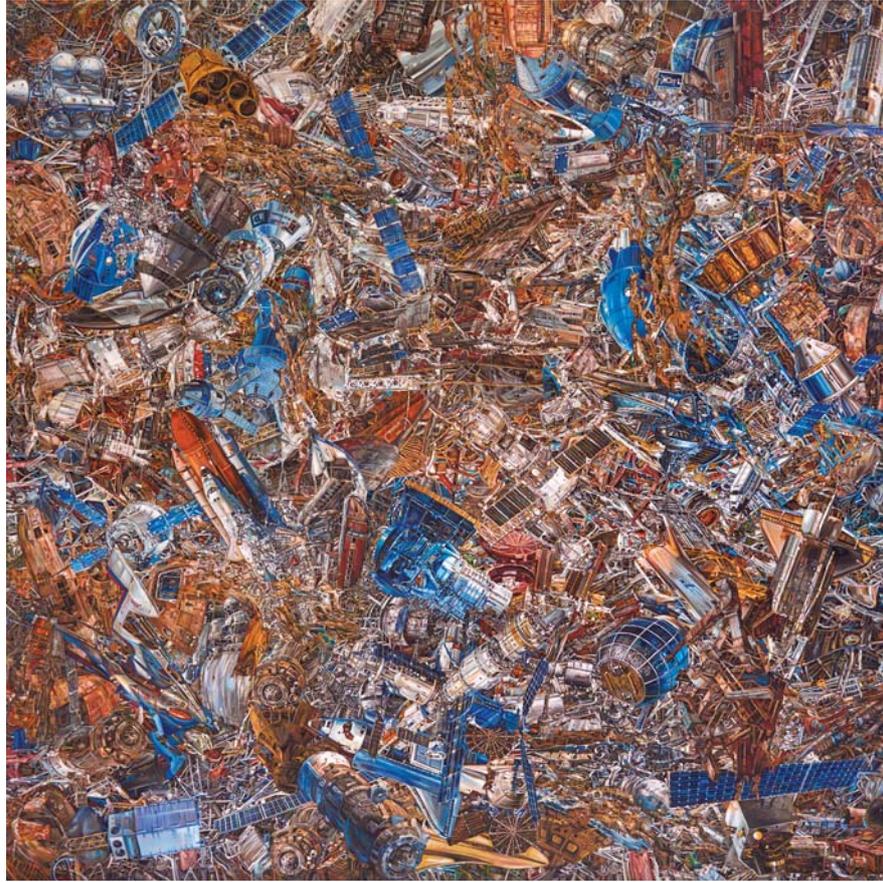


Balancing Growth with Responsibility





Wastescape

By Chaichana Luetrakun
Acrylic on canvas
180 x 180 cm

Wastescape, the winning artwork for the 2019 UOB Painting of the Year (Thailand), Established Artist Category, is the design inspiration for this Annual Report. Mr Chaichana's artwork is a commentary on how innovation can result in scrap metal and its lasting impact on the environment. It reminds us to consider carefully the consequences of our actions and the legacy we want to leave for future generations.

At UOB, our values of Honour, Enterprise, Unity and Commitment guide the decisions we make and actions we take. We believe that for growth to be sustained, it must be balanced with responsibility. This approach enables us to meet the immediate and long-term interests of our stakeholders.

By encouraging the appreciation of art in the region, we hope more minds will be open to imagining new realities and to creating new paradigms for the good of all. The UOB Painting of the Year competition, in its 38th year in 2019, is the Bank's flagship art programme held across four Southeast Asian countries.

Company Profile

United Overseas Bank (Thai) Public Company Limited (UOB (Thai)) is a fully-licensed commercial bank. With its network of 155 branches and 422 ATMs (as of 31 December 2019), UOB (Thai) offers consumer and corporate customers a comprehensive suite of quality products and services to meet their financial objectives and needs. To complement its commercial banking business, UOB (Thai) has a subsidiary providing debt collection services.

UOB (Thai) is rated among the top banks in Thailand by Moody's Investors Service and Fitch Ratings:

Moody's Investors Service:

International Ratings

Long-Term	Baa1
Short-Term	P-2

Fitch Ratings:

International Ratings

Long-Term	A-
Short-Term	F1
Viability	bbb-
Support	1

National Ratings

Long-term	AAA(thai)
Short-term	F1+(thai)

UOB (Thai) is 99.66 per cent owned by Singapore-based United Overseas Bank Limited (UOB), which has a global network of more than 500 offices in Asia Pacific, Europe and North America.

A regional bank rooted in Thailand, UOB (Thai) provides customers with financial expertise and connectivity across Asia. It offers innovative financial solutions, quality products and excellent service through understanding and identifying the needs of its customers.

Our Commitment to Fair Dealing

Regulatory compliance is a top priority at UOB. We are committed to upholding the highest standards of ethics, integrity and fairness to our customers and actively promote such awareness in our organization.

With customers as our focal point, we ensure that fair dealing is entrenched in all aspects of our relationship with the customers.

- Fair Dealing is central to our corporate culture.
- Our offering products and services are suitable for our customers.
- We ensure the competency of our sales staff in providing quality advices and appropriate recommendations.
- We provide the customers with clear, relevant and timely information, which would enable the customers to make informed financial decisions.
- We take customer complaints seriously and have robust process in place to ensure that the customer complaints are managed in a transparent, independent, and efficient manner.
- Personal data protection and customer privacy are crucial to maintaining customers' trust. We exercise robust controls over access to customer data and monitoring process to ensure customer's privacy and confidentiality of customers' data are effectively managed and fully protected.

Financial Highlights

	Consolidated Financial Statements	
	2019	2018
Financial Position (Million Baht)		
Assets	566,167	525,104
Loans	415,456	382,949
Allowance for doubtful accounts	10,563	10,190
Deposits	456,311	405,178
Liabilities	506,152	468,894
Shareholders' equity	60,015	56,209
Capital funds	63,875	60,371
Earnings Performance (Million Baht)		
Net interest income	14,798	14,370
Non-interest income	5,543	4,935
Net profit before tax	5,644	5,347
Net profit after tax	4,564	4,326
Ratios (%)		
Net interest income to average assets	2.71	2.76
Return on average assets	0.84	0.83
Return on average equity	7.87	8.00
Earnings per share - basic (Baht)	1.84	1.74
NPLs (gross) to total loans	2.67	2.49
Book value per share (Baht)	24.14	22.61
Common equity tier 1	17.91	16.80
Capital adequacy	20.17	19.23
Other Information		
Dividend payment (Million Baht)	2,187	1,119
Dividend per share (Baht)	0.88	0.45

Chairman's Statement



Over this time, change has been constant but our commitment to Thailand remains long term. We do what is right for our customers and care for their long-term success. This approach will remain unchanged as we move forward.

The Operating Environment

Thailand's economic growth decelerated in 2019 due to lower demand for exports as a result of the global slowdown and ongoing trade tensions between the United States and China. Elevated household debt also weighed on domestic consumption while state investment grew at a slower rate.

On the currency front, the Thai Baht (THB) performed better than its Asian peers for a second year in 2019. The strength of the THB continued even as the domestic economy slowed and despite Bank of Thailand's unexpected rate cut to 1.25 per cent in November and the introduction of measures to lessen the pressure on the THB by facilitating more capital outflows to restore the imbalance caused by strong capital inflows.

2019 Performance

UOB (Thai) continued to deliver steady performance in 2019. We achieved 5.5 per cent growth in net profit after tax to reach Baht 4.6 billion. Total income was Baht 20.3 billion, driven primarily by overall loan growth. Total loans were Baht 415.5 billion, a year-on-year increase of 8.5 per cent (Baht 32.5 billion), led by the rise in both wholesale and retail loans. The total deposits base was Baht 456.3 billion, an increase of Baht 51.1 billion from Baht 405.2 billion in 2018. The non-performing loan ratio was at 2.67 per cent, which continued to be lower than the industry average. Despite the uncertainty affecting Thailand economic growth, we stayed resilient with our strong balance sheet and sustainable financial results.

Corporate Developments

As our customers grow their businesses across Asia, they look for a banking partner with extensive regional presence and deep in-market knowledge to connect them to opportunities opening up in the region. With that in mind, we continued to support our

customers via our integrated network and through specialised capabilities such as sector solutions and foreign direct investment advisory. During the year, we welcomed trade delegations from various countries in Asia to Thailand and shared with them market insights to support their business expansion plans.

We invested significantly in digital capabilities while balancing growth with stability. In March we launched TMRW, the Group's Digital Bank for ASEAN's digital generation. TMRW is transforming, through the use of data, how Thailand's digital generation engages with their bank. TMRW was the first bank in Thailand to offer fingerprint and facial biometrics, which was a part of a suite of features that the mobile-only digital bank rolled out to enhance the customer experience in new ways beyond the standard digital banking functionalities.

Our decades of experience in supporting Small- and Medium-sized Enterprises (SMEs) give us a deep understanding of their needs and challenges. We complemented our banking services with connections to our ecosystem partners, business advisory and digital solutions all of which are essential for building sustainable businesses. For example, we collaborated with Lazada and Bentoweb to help Thai online retailers accelerate their business growth through UOB BizMerchant, a bundled solution we launched in 2019 that offers faster access to working capital and practical e-commerce management tools.

We also provided guidance, resources and mentorship to help SMEs develop and deepen their digital capabilities through our programme with The FinLab, the bank's innovation accelerator. We helped the first batch of Thai SMEs from the Smart Business Transformation Programme reap positive results from their digital transformation. The SMEs piloted digital solutions that helped them to increase business efficiency, to reduce costs, to possess

a digital mindset and to facilitate their regional expansion. UOB (Thai) received a Recognition of Excellence Award 2019 at the Thailand OpenGov Leadership Forum for contributing to the country's financial technology and innovation landscape.

Our unwavering focus on doing what is right for our customers for the long term continued to receive industry recognition. Among the 26 accolades we received in 2019 was The Asian Banker's Best Foreign Retail Bank in Thailand for the fifth consecutive year. We also won three accolades at the Asian Banking and Finance Retail Banking Awards 2019 for our commitment to designing financial solutions that are essential to customer lifestyles and for building the Digital Bank of tomorrow.

We are committed in our responsibility to contribute to Thailand's long-term economic, social and environmental well-being. One of the ways in which we demonstrate our commitment to the community is through the UOB Heartbeat Corporate Social Responsibility Programme. The flagship of the programme is our UOB Heartbeat Run/Walk programme, where we encourage our customers and colleagues to raise funds for underprivileged and special needs children through this health and fitness event. This year's UOB Heartbeat Run/Walk saw a record turnout of more than 3,000 participants and more than Baht 2.8 million raised for charity.

2020 Outlook

In the year ahead, we can expect the ongoing volatility and uncertain environment to persist. Global growth is expected to slow as the impact of US-China trade tensions continue to affect the trade-oriented economies of Asia. While the full impact of the COVID-19 outbreak is yet to be determined, it is evident that there would be impact on industries including tourism, food and beverages, transport, and retail, while a more prolonged outbreak could further disrupt global supply chains. As tourism is a major

contributor to Thailand's economy, its growth will likely be affected this year. The Bank of Thailand has responded by cutting its key interest rate to a record low of 1.00 per cent in February.

Thailand's gross domestic product growth is expected to increase moderately in 2020. Continuing past trends, foreign direct investments into Thailand will remain a key growth driver. The government's effort to implement landmark projects in the Eastern Economic Corridor is likely to lift confidence and to fuel investment flows into the country.

Acknowledgement

2019 marks our 20th anniversary. This is another milestone since our founding – a journey which began more than 80 years ago by my father.

Over this time, change has been constant but our commitment to Thailand remains long term. We do what is right for our customers and care for their long-term success. This approach will remain unchanged as we move forward.

I would like to thank the Board of Directors for the vision and guidance they bring to the Board. I would also like to convey my appreciation to the management of UOB (Thai) and our people for their commitment, dedication and contribution throughout the year.

Lastly, I would like to thank you, our valued customers, for all the support and trust you have placed in UOB (Thai).

Wee Cho Yaw
Chairman

February 2020

Board of Directors

Wee Cho Yaw	Chairman
Wee Ee Cheong	Deputy Chairman
Suebtrakul Soonthornthum	Independent Director
Chanitr Charnchainarong	Independent Director
Tithiphan Chuerboonchai	Independent Director
Chim Tantiyaswasdikul	Independent Director
Chan Kok Seong	Director
Tan Choon Hin	Director
Sanchai Apisaksirikul	Director

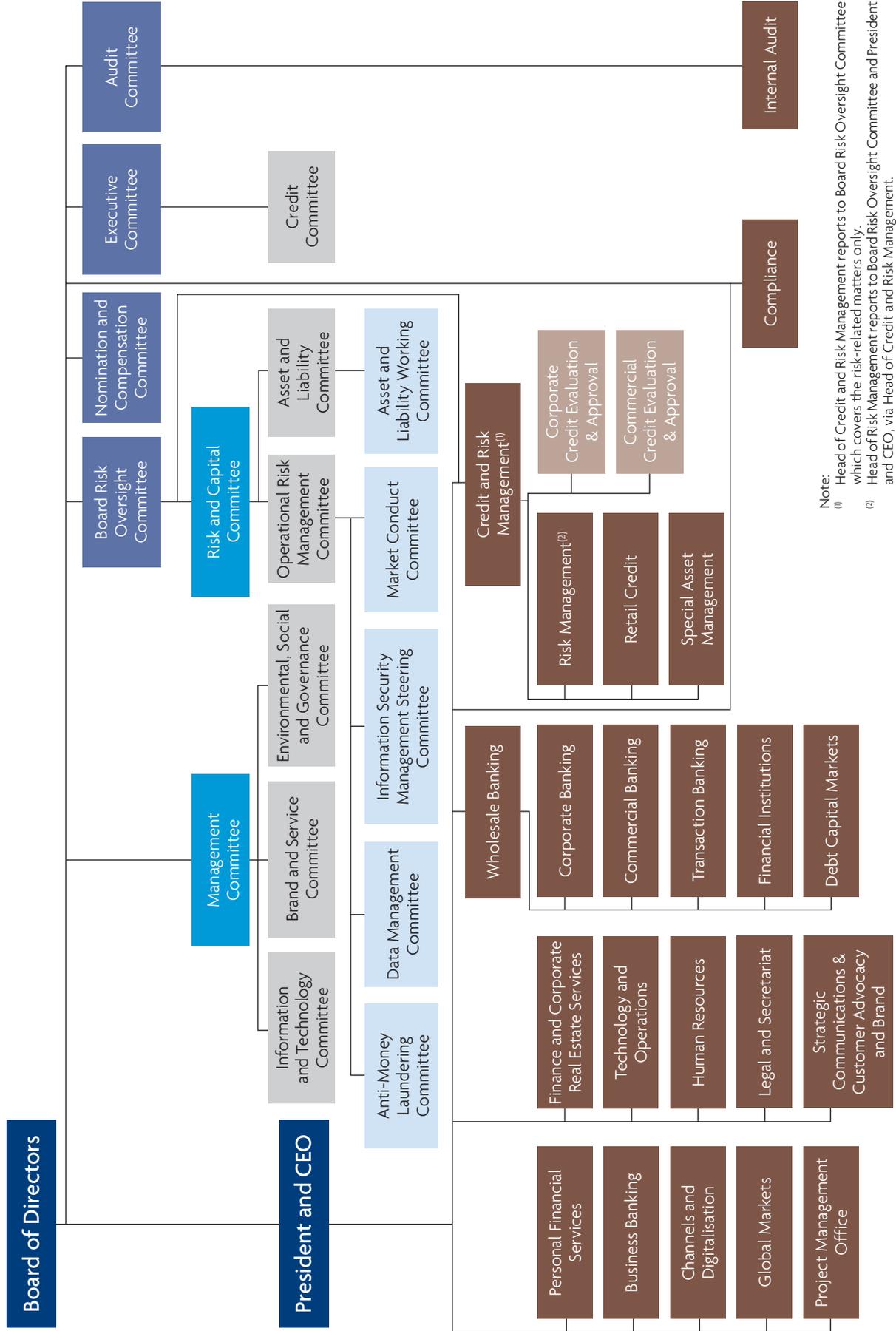
Senior Management Team (as at December 2019)

Choon Hin Tan	President and Chief Executive Officer
Sanchai Apisaksirikul	Acting, Country Head of Strategic Communications & Customer Advocacy and Brand
Yuttachai Teyarachakul	Managing Director, Country Head of Finance & Corporate Real Estate Services
Cheah Shu Kheem	Managing Director, Country Head of Personal Financial Services
Ngeo Swee Guan Steven	Managing Director, Head of Wholesale Banking
Chintana Kittiviboolmas	Managing Director, Head of Credit & Risk Management
Panitra Vejjajiva	Executive Director, Country Head of Global Markets
Panitsanee Tansavatdi	Executive Director, Country Head of Financial Institutions
Kanlika Buspavanich	Executive Director, Country Head of Corporate Banking
Patchanee Vongsilpawattana	Executive Director, Country Head of Commercial Banking
Pisal Kattiyothavong	Executive Director, Country Head of Transaction Banking
Sayumrat Maranate	Executive Director, Country Head of Debt Capital Markets
Piyaporn Ratanaprasartporn	Executive Director, Country Head of Business Banking
Sirima Taecharungrun	Executive Director, Country Head of Channels & Digitalisation
Sasiwimol Arayawattanapong	Executive Director, Country Head of Technology & Operations
Veerachai Chuenchompoonut	Executive Director, Country Head of Human Resources
Kesthip Tiemwech	Executive Director, Country Head of Legal & Secretariat
Roongthip Angkasirisan	Executive Director, Country Head of Compliance
Choi Yau Chi	Executive Director, Deputy Head of Credit & Risk Management
Apasara Lipipan	Executive Director, Country Head of Risk Management
Pojanee Rungsang	Executive Director, Country Head of Retail Credit
Manit Panichakul	Executive Director, Country Head of Special Asset Management
Pongtorn Supornchai	Executive Director, Country Head of Internal Audit
Poomchai Chusakultanachai	Executive Director, Head of Global Markets Sales
Reiwadee Amornsiripanich	Executive Director, Deputy Head of Corporate banking
Taravadee Manuschinapisit	Executive Director, Head of Corporate Banking Division 3
	Executive Director, Head of Industry Group 1

Senior Management Team (as at December 2019) (Continued)

Amporn Supjindavong	Executive Director, Head of Industry Group 2
Sooppawit Sooppapipatt	Executive Director, Head of Up Country 1
Sakchai Sathainsoontorn	Executive Director, Head of Up Country 2
Vajee Pramualrat	Executive Director, Head of Commercial Banking Central Review Team
Thawatchai Praesangeim	Executive Director, Head of China Desk
Sakoolrut Amyongka	Executive Director, Head of Trade Finance and Financial Supply Chain Management (FSCM) Sales
Sasitorn Rattanukul	Executive Director, Head of Client Fulfillment & Services
Bruce Gordon Ogden	Executive Director, Head of Portfolio and Regulatory Management
Wipaporn Techamaitrechit	Executive Director, Head of Retail Business Compliance
Suwassa Anantasa	Executive Director, Head of Sales & Distribution
Prathana Amonlirdviman	Executive Director, Head of Personal Banking & Wealth Banking
Tearavath Trirutdilokkul	Executive Director, Head of Card Payment & Unsecured Products
Danupob Apichitsakul	Executive Director, Head of Mortgage Loans
Nareerut Ariyaprayoon	Executive Director, Head of Wealth Products
Natee Srirussamee	Executive Director, Head of Retail Digital
Chantana Vichaikul	Executive Director, Senior Client Partner Client Acquisition Team
Pansak Ratanapasagorn	Executive Director, Area Manager (Area 10 East Region)
Pongsakorn Julsawad	Executive Director, Area Manager (Area 2 Sathorn Silom Pratunam)
Numchoke Siamhan	Executive Director, Head of Channels Strategy & Network Management
Wasinee Sivakua	Executive Director, Head of Finance
Panee Chongcharoen	Executive Director, Head of Business T&O Management - Retail
Suwintip Chuenban	Executive Director, Head of Retail Operations
Komsun Yuvajita	Executive Director, Head of Corporate Credit Evaluation & Approval
Viyada Valyasevi	Executive Director, Head of Commercial Credit Evaluation & Approval
Piyawat Jirapongsuwan	Executive Director, Head of Project Management Office
Ngamjitt Sirijindalert	Executive Director, Project Management Office
Lee Kum Hong	Executive Director, Head of Project Management Office APEX & Digital Partnership Lead

Organisation Structure



Note:

(1) Head of Credit and Risk Management reports to Board Risk Oversight Committee which covers the risk-related matters only.

(2) Head of Risk Management reports to Board Risk Oversight Committee and President and CEO, via Head of Credit and Risk Management.

Sustainability Approach

Board Statement on Sustainability

The Board is committed to building on the Bank's rich heritage to continue creating long-term value for all its stakeholders. In formulating the sustainability strategy, the Board considered the factors which contribute to the sustainable growth of the Bank.

Together with Management, the Board identified opportunities relevant to the long-term success of the Bank and determined the material ESG risks to be managed. Through its Committee, the Board oversees the management and monitoring of these factors to ensure that the Bank is responding effectively to developments in the market and in view of its stakeholders' expectations. The Board and Management are supported in this regard by the Bank's dedicated ESG Committee comprising senior executives from functions across the organisation.

The Bank's values of Honour, Enterprise, Unity and Commitment underpin UOB (Thai)'s sustainability strategy. These will continue to guide its people, policies and processes to ensure the long-term interests of its stakeholders are met and the performance of UOB sustained.

CEO Statement on Sustainability

UOB (Thai) focusses on creating sustainable value for our customers, colleagues and shareholders and aligns our long-term business strategies with their interests. We seek to address the environmental, social and governance (ESG) risks and effects of our operations in a manner consistent with our values. This is also in line with our commitment to helping ensure a safe, secure and trusted banking system.

We take account of stakeholder's expectations when making business decisions and developing our products and services. As part of our commitment to sustainable and responsible growth, we also seek to identify, to assess and to manage ESG risks, challenges, impact and opportunities.

Our sustainability strategy comprises four core pillars that derive from our fundamental strengths. Deeply rooted in our values, they reflect the Bank's expertise, the responsibilities we hold and the role we can play for the long-term benefit of our key stakeholders. Each of the pillars determines a set of objectives which we strive to achieve to ensure that we implement our strategy with clear plans and purpose.

In driving growth sustainably, we incorporate sustainability risk elements in our approach to risk management. This includes integrating ESG considerations into our credit evaluation and approval processes. Increasingly, we offer a range of sustainable solutions that can help our customers make a difference in their own communities. We are also progressively adopting as well as promoting climate-resilient practices which will support our customers in their own transition to a lower-carbon economy.

As we focus on doing what is right for our customers, we ensure that Fair Dealing principles are entrenched in all aspects of our relationship with them. Keeping their best interests in mind, we harness technology and use data to make banking simpler, smarter, safer and more intuitive for them. By doing so, we aim to make banking more assessable and inclusive to individuals and businesses. Standing by our customers also means that we must protect their data and privacy, and maintain the security and robustness of our systems

Our colleagues enable us to ensure the best outcome for our customers, our business and our community. Hence we develop professional of principle – high-performing teams and individuals who are guided by our values. We embrace diverse strengths and abilities as these enhance our capabilities and enrich our competitiveness. We equip our colleagues to take on the challenges of tomorrow even as we care for their welfare and work-life harmony today. We also foster a sense of belonging among our colleagues by encouraging volunteerism and improving engagement and satisfaction.

We believe that as a responsible financial services provider, we have a role to play in upholding corporate responsibility by maintain the highest standards of governance and risk culture, ensuring regulatory compliance and protecting the financial system. We remain steadfast in our commitment to promote development in the areas of art, children and education. Both in our own operations as well as among our stakeholders, the Bank also actively encourages and supports environmental stewardship efforts. Together, these efforts help us contribute to a strong and sustainable future for the wider community.

Sustainability Approach

Strategy & Governance

Sustainability Strategy

Our sustainability strategy mirrors our business approach of balancing growth with stability. It recognises the influence and impact our decisions and actions might have on the industry, society and the environment. It also ensures we remain economically relevant through managing ESG risks and opportunities practically and in line with country realities.

To help our programmes and initiatives take root and gain ground, we have ensured alignment with the Bank of Thailand on the ESG regulatory policies and guidelines. Just as our business strategy hinges on doing what is right for our customers, our sustainability strategy informs our engagement with our stakeholders and how we can help them in their practices for positive outcomes in the long run.

An ESG Committee was set up to determine UOB (Thai) ESG strategy and roadmap, in keeping with the overall long-term plans and vision. The Committee reports to Management Committee, chaired by CEO.

Pillars of Sustainability Strategy

Promote United Nations Sustainable Development Goals With Our Stakeholders			
Drive Growth Sustainably	Keep Customers at the Centre	Develop Professionals of Principle	Uphold Corporate Responsibility
<ul style="list-style-type: none"> Contribute economically to the progress of our communities Embed environmental, social and governance risk in our approach to risk management Integrate social and environment considerations into our credit and investment evaluation and approval processes Adopt and promote climate-resilient practices to support our customer in their transition to be lower-carbon economy Develop and provide sustainable financing 	<ul style="list-style-type: none"> Protect customer data and privacy through secure and robust systems and practices Ensure Fair Dealing Create intuitive and impactful customer experiences Make banking simpler, smarter and safer through ethical use of technology and data Make banking more accessible and inclusive Support business across all stages of growth 	<ul style="list-style-type: none"> Develop high-performing teams and future-focused individuals Promote work-life harmony Encourage volunteerism and advocacy for social and environmental causes Ensure employee engagement and satisfaction Ensure workplace health, safety, and well being Embrace diverse abilities and strengths 	<ul style="list-style-type: none"> Maintain highest standards of governance and risk culture Ensure regulatory compliance Protect financial system against abuse Incorporate sustainability principles into our procurement practices Encourage environmental stewardship through efficient resource use and waste management Champion social development in art, children and education
Rooted In Our Values Of Honour, Enterprise, Unity And Commitment			

Sustainability Approach

Drive Growth Sustainably

a) Responsible Financing

Management has oversight on ESG matters. The Board of Directors approves our Responsible Financing Policy, which is part of the UOB's Credit Policy. This ensures that ESG considerations are integrated into our credit evaluation and approval processes. Consistent with the bank's overall risk management approach, ESG risks are managed through our three Lines of Defence control structure.

Our Responsible Financing Policy applies to all borrowing customers under Wholesale Banking. Under the policy, our account officers are required to conduct due diligence on all new and existing borrowers during the client onboarding process and annual credit review. Borrowers are assessed for material ESG risks and their track record in sustainable business practices. We have also implemented sector-specific Credit Acceptance Guidelines and have ESG checklists in place to help our account officers in identifying, assessing and reviewing ESG risks.

Our borrowers are classified based on the level of ESG risk inherent in their business operations. Those that fall within the identified ESG-sensitive industries as per the Responsible Financing Guidelines will be subject to enhanced due diligence with sector-specific guidelines.

We notify our borrowers of their need to adhere to our Responsible Financing Policy and seek their representation and warranties to ensure compliance, including with local ESG regulations in the countries in which they operate. We also encourage them to follow established industry standards, to obtain relevant certifications and to adopt best practices for proper water and waste management, the reduction of greenhouse gas emissions and the management of occupational health and safety risks. The policy references international standards and conventions such as the Roundtable on Sustainable Palm Oil, Forest Stewardship Council and the World Heritage Convention.

We engage with our borrowers proactively and continually work with them to improve their ESG practices. Also, we monitor our borrowers on an ongoing basis for any adverse ESG-related news. For example, borrowers with any known ESG-related incidents will trigger an immediate review with the ESG risks to be addressed and managed appropriately.

Moreover, we also enhance a responsible lending policy for consumers as part of the sustainable banking development to address the growing concern on higher household debt. The guideline has been established in such a way that the credit underwriting process should not only take into consideration for the credit risk based on the borrower's profile and repayment ability but also on the affordability risk of borrowers to meet their debt obligations both for now and in the longer term.

Keep Customers at the Centre

a) Customer Experience

i) Ensuring a Fair Dealing Culture

We ensure that integrity, trust and respect – core elements of Fair Dealing – are embedded in all aspects of our relationship with our customers. This can be seen from how we structure our products and services, in our marketing and sales strategies, to our after-sales care.

We ensure Fair Dealing is central to our culture by:

- Offering products and services which are suitable for our customers;
- ensuring our colleagues are competent in providing quality advice and appropriate recommendations;
- providing clear, relevant and timely information so that our customers can make informed financial decisions; and
- dealing with customer complaints independently, effectively and promptly.

ii) Keeping Customer Data and Privacy Protected

Protecting our customers' personal data and privacy is a priority to us and essential to maintaining their trust in us. We have extensive policies and processes in place to ensure the confidentiality and security of their information. We are also committed to complying with the applicable personal data protection laws and upholding industry best practices.

The main principles of our personal data protection policy are:

- personal data must only be collected and used for purposes for which the customer has been notified and has consented to, or are permitted by law;
- access and disclosure is strictly on a need-to-know basis;
- the integrity and security of personal data is paramount; and
- personal data that is no longer required for legal or business purposes must be destroyed securely in accordance with document retention policies.

With rising international data privacy standards, we conduct regular reviews to ensure our systems are robust. Data privacy impact assessments are integral to our business and product development process, to ensure that data protection is embedded into the services we provide and into every aspect of our operations.

To comply with the Thai Personal Data Protection Act which will come into effect on 27 May 2020, we will enhance established processes, for instance data breach, complaint handling and escalation processes to ensure compliance with local regulations and Group requirements.

Sustainability Approach

Line data protection officers will be appointed at functional and business levels in Thailand. These officers report to the Country Data Protection Officer. Our data protection officers ensure compliance with local regulations and Group requirements and assist in investigating alleged breaches. Every year, our people undergo online training on the principles, policies and procedures for data privacy and security.

We respect our customers' marketing preferences and have processes in place to record their consent to receive telemarketing calls and to allow hassle-free withdrawal of such consent. Customers will be entitled to request access to and correction of their personal data, and we facilitate their requests through various channels.

Information on our approach to privacy and data protection and contact details for our Data Protection Officers will be available on our website.

iii) Enhancing Cybersecurity

At UOB (Thai), we use technology to provide borderless, reliable and efficient service. We are committed to protecting our customers from cybersecurity threats through maintaining the robustness of our risk management systems. Our Technology Risk Management Framework outlines our cybersecurity policies, guidelines and tools to protect our customers' and the Bank's data and assets.

iv) Anti-Money Laundering and Countering Terrorism Financing

We have implemented a comprehensive Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) framework which aims to detect and to prevent the risks associated with money laundering, terrorist financing and sanctions. The framework includes programmes relating to risk assessment, employee training, customer due diligence and transaction monitoring.

We require all employees to comply with Anti-Money Laundering, Countering the Financing of Terrorism and Sanctions Policy and applicable laws. We regularly review our framework, policies, procedures, programmes and transaction monitoring systems to ensure their robustness and compliance with regulatory requirements.

b) Making Banking Simpler, Smarter, and Safer

With technological advances accelerating the speed and tenor of change, we ensure that innovation makes banking simpler, smarter and safer for our customers. Our technology investments focus on mobility, payments, connectivity and data, while strengthening our technology infrastructure to address regulatory changes and cybersecurity threats.

We continue to invest in technology to enhance our product and service capabilities to meet our customers' changing lifestyles and business need.

c) Building the Digital Bank of Tomorrow

UOB launched "TMRW", ASEAN's first digital bank built for the region's digital generation. TMRW – the fully digital bank for ASEAN's millennials, is designed to be intuitive, transparent and engaging, from account opening through to meeting their everyday lifestyle needs. Thailand's digital generation is the first to experience TMRW.

TMRW makes banking simpler, more transparent and more engaging for its customers through the use of data. The digital bank translates transaction data into actionable insights that make the banking experience interesting and fun while enabling customers to be smarter at saving and spending. As customers spend more time with TMRW, the mobile-only bank becomes even more familiar with their wants and needs in order to serve each one better.

d) Boosting Business Efficiency with UOB BizSmart

With small businesses playing a crucial role in the growth of Thailand, it is important that their businesses are run as efficiently as possible. Our cloud-based integrated digital solution, UOB BizSmart, helps them to be more effective in managing their administrative processes such as accounting, payroll and inventory management.

e) Speeding up Loan Applications

With the use of data growing exponentially and as technology advances, it is important for banks to make technology serve businesses so as to drive performance and to enhance the customer experience. We make loan application easier for Thai SMEs through Matchlink, an online business networking platform for SMEs and Thai entrepreneurs, by using SME applicant's information and records, such as registered capital, financial statements and directors' profiles, on the MatchLink platform to evaluate their creditworthiness. Using data analytics, we can better mitigate its lending risks, thereby offering SMEs competitive interest rates for unsecured loans of up to five million Baht.

f) Accelerating Business Innovation

We also provide guidance, resources and mentorship to help SMEs digitalise their operations and realise their growth potential. In 2019, we launched the Smart Business Transformation Programme to help SMEs in Thailand kickstart their digital transformation journey. The programme was run in collaboration with the Digital Economy Promotion Agency (depa), National Science and Technology Development Agency (NSTDA), the Office of SMEs Promotion (OSMEP) and The FinLab. Through this programme, these SMEs will be able to connect with our ecosystem of partners to transform their business digitally. They will also be able to use what they

Sustainability Approach

have learnt to improve their business performance, to enhance their customer experience and to seize business opportunities in the digital economy.

Develop Professionals of Principle

a) Offering a Distinctive Employee Value Proposition

We focus on developing our colleagues' capabilities to prepare them for the future. We create an environment where they can perform to their best. We also care for their well-being. Our approach is upheld through our employee value proposition, UOB+you, which is supported by a wide range of programmes that covers flexible work arrangements, training and development courses, health and wellness, welfare benefits and recognition programmes.

b) Strengthening the Leadership Capabilities of Our Colleague

Leadership Right By You (LRBY) programme was implemented to nurture first line managers into UOB leaders who uphold our values, demonstrate care for colleagues and act with courage in difficult situations. The programme is based on our UOB Leadership SEED (Strategise, Engage, Execute, Develop) Competency Model.

c) Managing Employee Performance

Our performance management framework is the foundation of our strong performance culture. Under this framework, the performance management process is called PEAK, which stands for Plan, Engage, Appraise and Keep Track. It is a meritocratic and values-based approach to assess and to reward performance, and to support career development.

We also establish a Performance and Development (PDC) Committee for greater transparency and objectivity. Selected committee members from frontline and support units join our country calibration for a transparent performance management process in order to finalise employee individual performance ratings as well as employee potential and promotion results. Also, our succession plans are in place for key positions across all functions. Successors to function heads are provided with career development templates to discuss their career development and keep track of career growth within and across functions. They are also invited to join both local and group Leadership Academy Programmes to uplift their skills for higher career paths.

d) Embracing Diversity and Inclusivity

We draw upon the diverse strengths, experiences and capabilities of our colleagues from different nationalities and age groups. This helps to enrich our knowledge and appreciation of each other. It also enables us to be sensitive to the needs of our customers and to serve them more effectively.

Women account for 69.4 per cent of our permanent employees as of the end of 2019. Women also hold 60.3 per cent and 59.4 per cent of senior (SVP and above) and middle management (VP) roles respectively. Our diverse workforce extends beyond a mix of gender and age. Generation Y and Z represent 66.3 per cent of all employees, while generation X is 27.4 per cent, and baby boomers 6.3 per cent.

We also support the employment of disabled people. Currently, we hire visually impaired individuals to provide head, neck and shoulder massages on a weekly basis to staff at our two main offices as part of our employee privilege activities.

Additionally, we offer International Internship Programmes for students from Nanyang Technological University and Nanyang Polytechnic as part of a structured 3-month programme where students are able to gain real work experience.

We also build a trust working culture by encouraging transparent communication within UOB (Thai). We do this starting from the top down through events such as the CEO Townhall, where we communicate our bank's annual strategic direction, as well as through Function Townhalls and Team Huddles.

e) Caring for Our Colleagues

In caring for the well-being of our colleagues, we offer a range of benefits to encourage them to achieve better work-life harmony. These benefits include flexi-work arrangements, annual leave, parental leave, staff loans, annual health check-ups healthcare, life insurance and accident insurance.

f) Supporting Fitness and Wellness

To help our colleagues to stay fit and healthy, we partner wellness companies and organisations to conduct health activities and yoga classes at our office premises. The settings make it convenient for our colleagues to participate in the activities. We also encourage them to participate in various sports such as badminton, bowling, netball and softball. These sessions also helped to build camaraderie among them.

In Thailand, we opened an Employee Fitness Centre in our new office building in Bangkok in 2018 to promote good health among our Thai colleagues. We engaged fitness consultants to design the facilities and the centre includes a massage room where treatment is provided by visually-impaired therapists every Friday.

Sustainability Approach

g) Advancing Workplace Safety and Health

Creating a healthy, safe and harmonious workplace is important to us and we have established a set of workplace safety guidelines to identify and to address health and safety risks. Our dedication to good office hygiene is constant as we conduct air conditioner cleaning and measuring indoor air pollution on an annual basis. For the new Sukhumvit building the workspaces are designed to be agile to enable more productivity and connectability. Working Wi-Fi, updated notebook models and LCD screens in meeting rooms are among the features in place at our main office locations that we provide to ensure an effective working environment

Additionally, safety floor representatives are elected to practice and lead all floor team members in safety drills in the event that a fire or natural disaster occurs while working. A call tree is updated and practiced annually to ensure we can contact all team leaders and staff members in the case of an emergency. Managing our direct environmental footprint

Uphold Corporate Responsibility

a) Risk-focused Organisational Culture

We are steadfast in maintaining the trust our stakeholders have placed in us. We do this through our focus on values-led decision making and behaviour, and ensuring a strong risk-focused organisational culture. Our comprehensive framework of policies, processes, methodologies and tools help us identify, measure, monitor and manage material risks and opportunities faced by the Bank. Where applicable, employees' key performance indicators also include risk control metrics.

We maintained a strong focus on our capacity-building efforts through ongoing training programmes. The training programmes such as anti-money laundering, countering the financing of terrorism, assessing and addressing operational and security risks, business ethics, core ethics for financial advisers, enable them to strengthen their awareness of key ESG issues and developments, to keep abreast of changes to the Bank's risk-focused policy and process.

b) Regulatory Compliance

At UOB (Thai), regulatory compliance is a top priority. We are committed to complying with applicable laws and regulations. These include requirements relevant to the licensing and conduct of banking or financial businesses, as well as those aimed at preventing financial crimes such as money laundering, financing of terrorism, fraud, tax evasion, bribery and corruption and insider trading.

Compliance, an independent function reporting directly to the CEO, is responsible for identifying, assessing, monitoring and managing regulatory compliance risks. Compliance plays a vital role in promoting a strong compliance culture and ethical conduct across the Bank through advisory, active engagement with internal stakeholders and training.

The function also assists Management and the Board in ensuring that the Bank's activities are conducted following laws and regulations through periodic compliance reviews. It also provides regular updates on regulatory trends and developments to Management and the Board.

c) Social Impact

As part of our approach to ensuring sustainable business growth, we support investment which facilitates economic development, empowers local communities and improves lives.

The UOB Heartbeat Corporate Social Responsibility Programme connects our customers, our partners and our colleagues across the Group to harness the power of the collective for the benefit of our communities. Through partnership, philanthropy and participation initiatives, the UOB Heartbeat programme demonstrates our long-term commitment to these communities. We focus on three areas which we believe are essential for the quality and progress of society: art, children and education.

We believe that education gives good grounding and a head start in life to children, especially those from less privileged backgrounds. To help our beneficiaries develop to their full potential, we partner with other organisations to develop programmes and to conduct financial literacy workshops for them.

Giving back to the communities in which UOB operates is fundamental of our business philosophy. We are steadfast in our support for social development, helping to open minds and hearts through art, children and education. We are deeply committed to supporting inclusive communities through these causes which we believe are essential for the progress of a country, its economy and its people.

UOB Group's Corporate Social Responsibility, UOB Heartbeat, enable us to demonstrate in concerted and distinctive manner UOB's values of being Honourable, Enterprising, United and Committed. It supports our commitment to provide sustainable and stable growth that creates long-term value for our community and stakeholders.

The UOB Heartbeat connects our customers, our partners and our colleagues across the Group to harness the power of the collective for the benefit of our communities and is built upon three main pillars of corporate giving – Philanthropy, Participation and Partnership.

Sustainability Approach

As a responsible and sustainable organisation, these three pillars enable us to support the following of United Nations Sustainability Development Goals; Goal 4 : Ensure inclusive and quality education for all and promote lifelong learning and Goal 16 : Promote just, peaceful and inclusive society.

d) Anti-corruption

We adopt a zero-tolerance approach to bribery and corruption and our employees are expected to conduct their business activities in full compliance with applicable laws and regulations. The Code of Conduct, which sets the requirement for all employees to uphold the highest professional and ethical standards, includes our policies relating to anti-bribery such as facilitation payments, restrictions on gifts and entertainment expenses, and conflicts of interest. Our anti-corruption policy also applies to those who represent us including contract employees and vendors.

New employees are required to complete an online training module and assessment on the Code of Conduct. Subsequently, all employees are required to complete a refresher course every year. In addition, our whistleblowing procedures ensure that employees can report any concerns in a private, confidential and secure manner.

e) Managing our Direct Environmental Footprint

Our approach is to manage our environmental footprint by focusing on energy efficiency, waste management, Green procurement guideline and resource conservation in our operations across the Group. We are also committed to be responsible to support sustainable development and to ensuring environmental, social and governance considerations are incorporated in our activities.

To increase environmental awareness among our stakeholders including our building tenants, we organise a range of programmes and initiatives that aim to promote efforts in protecting the environment. For example, we continue to participate in the annual global Earth Hour campaign by turning off the lights in our buildings to raise awareness about climate change.

In addition, our office - UOB Petchkasem Buildings A and B in Bangkok both received the Energy Efficiency Building Design Award at the Building Energy Code (BEC) Awards 2019. The buildings met the standards set by the Department of Alternative Energy Development and Efficiency (DEDE) in 2019 to support a cleaner environment in Bangkok.

UOB Petchkasem Building A has met the BEC regulation at the “Good” level while UOB Petchkasem Building B has met the BEC regulation at the “Excellent” level. The designs of both buildings have helped UOB save up to 60 per cent of energy as compared with the average conventional building’s energy consumption levels. Our buildings have installed solar panels, thermal efficient glass windows to prevent unwanted heating of interiors and we also have LED lighting systems which saves the Bank about Baht 4.2 million per year on electricity.

The BEC is the benchmark for energy efficiency of building regulated by the Ministry of Energy in Thailand. Ninety-seven buildings across Bangkok received the award in 2019.

United Overseas Bank (Thai) Public Company Limited

31 December 2019

Management Discussion and Analysis 2019

Management Discussion and Analysis 2019

Statutory Financial Results

The Bank and its subsidiaries reported net profit after tax for the year 2019 of Baht 4,564 million, 238 million or 5.5% higher than 2018.

Total operating income increased by 5.4% to Baht 20,341 million. This was driven primarily by higher net interest income and non-interest income. Net interest income increased by 3.0% to Baht 14,798 million deriving from loan expansions. Non-interest income rose by 12.3% to Baht 5,543 million from higher gains on investment as well as higher fee and service income.

Total operating expenses were at Baht 12,263 million, an increase of Baht 1,320 million or 12.1% from the prior year. This was attributed to higher employee expenses and business-related expenses mainly advertising expenses related to digital banking.

Allowance for doubtful accounts in 2019 stood at Baht 2,434 million, decreased from last year by Baht 580 million.

Summarised Statutory Financial Results For the Years Ended 31 December 2019 and 2018

Statements of income	Million Baht		
	Consolidated financial statements		% change
	2019	2018	
Interest income	23,735	22,394	6.0
Interest expenses	8,937	8,024	11.4
Net Interest income	14,798	14,370	3.0
Non-interest income	5,543	4,935	12.3
Total operating income	20,341	19,305	5.4
Total operating expenses	12,263	10,943	12.1
Operating profit before bad debts, doubtful accounts and impairment losses	8,078	8,362	(3.4)
Bad debts, doubtful accounts and impairment losses	2,434	3,014	(19.2)
Net profit before income tax expenses	5,644	5,347	5.6
Income tax expenses	1,080	1,021	5.8
Net profit	4,564	4,326	5.5

Key Financial Position Items

	Million Baht		
	Consolidated financial statements		% change
	2019	2018	
Total assets	566,167	525,104	7.8
Gross loans to customers	415,456	382,949	8.5
Net loans to customers	405,532	373,401	8.6
Total deposits	456,311	405,178	12.6
Total liabilities	506,152	468,894	7.9
Total shareholders' equity	60,015	56,209	6.8
Non-performing loans (NPLs)	12,184	10,852	12.3

Management Discussion and Analysis 2019

Key Financial Ratios (%)

	Consolidated financial statements		change
	2019	2018	
Net interest income to average assets	2.7	2.8	(0.1)
Gross loans to deposits	91.0	94.5	(3.5)
Net loans to deposits	88.9	92.2	(3.3)
NPLs to total loans*	2.7	2.5	0.2
Common Equity Tier 1 to risk-weighted assets	17.9	16.8	1.1
Total capital funds to risk-weighted assets	20.2	19.2	1.0

* Including interbank and money market loans

Net Interest Income

Net interest income for 2019 was Baht 14,798 million, 3.0% or Baht 428 million higher than last year, after payment to the Deposit Protection Agency and Financial Institutions Development Fund. The higher NII was mainly due to an increase in interest income from loans and interest income from investments in debt securities.

Non-Interest Income

Non-interest income for 2019 was Baht 5,543 million, an increase of Baht 608 million or 12.3% compared with the previous year. This was mainly due to increase in net gains on investment and higher fee and service income from card-related and bancassurance income.

Operating Expenses

The Bank and its subsidiaries' operating expenses for 2019 was at Baht 12,263 million, an increase of Baht 1,320 million or 12.1% compared with last year.

The employee expenses in 2019 increased by Baht 479 million or 8.3%. Headcount as of 31 December 2019 was 4,906 compared to 4,810 in last year.

Other non-staff expenses were higher than previous year by Baht 841 million, mainly resulting from advertising and sales promotion expenses.

Impairment Loss on Loans

The Bank set aside loan loss provisions for 2019 in a total of Baht 2,434 million, which was Baht 580 million or 19.2% lower than previous year. The decrease was from general provision released.

Capital Expenditure

The Bank's capital expenditure for 2019 totaled Baht 1,175 million, compared with Baht 701 million in 2018, an increase of Baht 474 million primarily relating to new Head Office building.

Dividend Payment Policy

The Bank's dividend payment policy is governed by Bank of Thailand and The Public Limited Companies Act. The dividend payment is subject to approval by shareholders at the Annual General Meeting.

Management Discussion and Analysis 2019

Assets

Total assets as at 31 December 2019 was Baht 566,167 million, an increase of Baht 41,063 million or 7.8% from the previous year, largely due to loans expansion and higher net investments.

In 2019, total gross loans of the Bank increased by 8.5% or Baht 32,507 million to Baht 415,456 million, largely contributed by retail housing loans and corporate banking loans.

Liabilities

Total liabilities as at 31 December 2019 was Baht 506,152 million, an increase of Baht 37,258 million or 7.9%, largely attributable to higher deposits. In 2019, total deposits grew by 12.6% or Baht 51,133 million to Baht 456,311 million, driven by both retail and wholesale deposits.

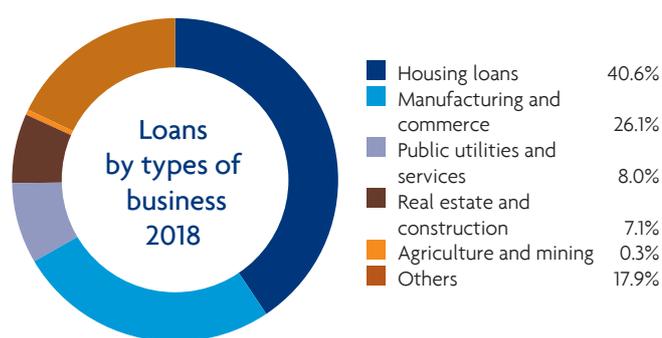
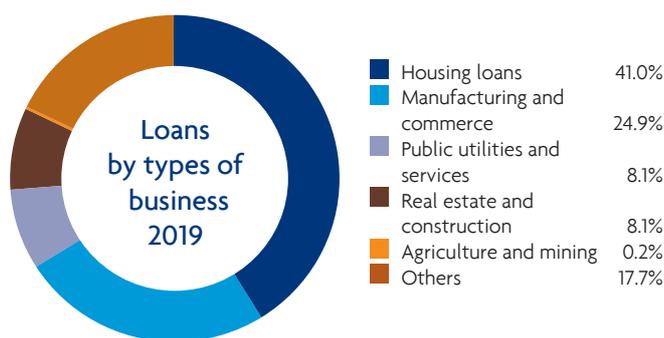
Shareholders' Equity

As of 31 December 2019, shareholders' equity was at Baht 60,015 million, an increase of Baht 3,806 million, or 6.8% from last year. This was from the profitable operating result for the year of 2019 of Baht 4,564 million.

Loans classified by type of business*

	% of total loans	
	2019	2018
Housing loans	41.0	40.6
Manufacturing and commerce	24.9	26.1
Public utilities and services	8.1	8.0
Real estate and construction	8.1	7.1
Agriculture and mining	0.2	0.3
Others	17.7	17.9
Total loans	100.0	100.0

* Type of business based on industry code in accordance with Notification of Bank of Thailand



The proportion of housing loans to total loans increased from 40.6% in 2018 to 41.0% in 2019. Loans to manufacturing and commerce went down from 26.1% to 24.9%. Meanwhile, loans to real estate and construction increased from 7.1% to 8.1%.

Management Discussion and Analysis 2019

Loans to Top 20 Customer Groups

	% of total loans	
	2019	2018
Loans to top 20 customer groups	7.1	6.8
Others	92.9	93.2
Total loans	100.0	100.0

The loan concentration in 2019 increased from the previous year. Loans to top 20 largest customer groups accounted for 7.1% of total loans, increasing from 6.8% in 2018.

Classification of Loans*

	2019		2018	
	Million Baht	%	Million Baht	%
Pass	434,846	95.2	417,766	95.7
Special mention	9,876	2.1	7,803	1.8
Total Performing loans	444,722	97.3	425,569	97.5
Substandard	2,380	0.5	1,839	0.4
Doubtful	1,861	0.4	1,337	0.3
Doubtful of loss	7,943	1.8	7,676	1.8
Total NPLs	12,184	2.7	10,852	2.5
Grand total	456,906	100.0	436,421	100.0

* Including interbank and money market loans

Asset Quality Ratios

	%	
	2019	2018
NPLs / Total loans*	2.7	2.5
Actual provision / Required provision	188.2	213.3
Allowance for doubtful accounts* / Total loans*	2.3	2.3

* Including interbank and money market loans

Non-Performing Loan (NPL) Management

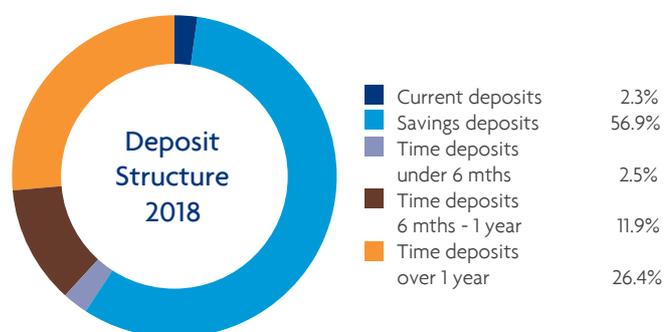
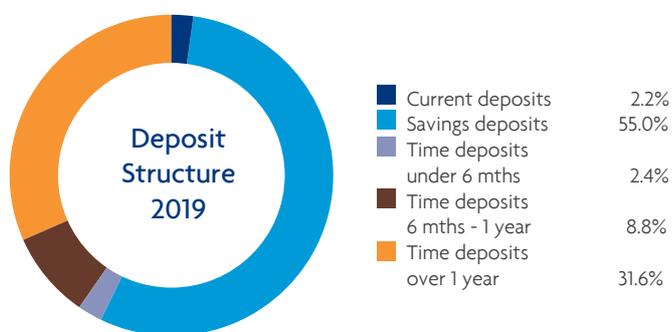
NPLs in 2019 stood at Baht 12,184 million, an increase of Baht 1,332 million, compared with Baht 10,852 million in 2018. The classified loans went up from Baht 436,421 million in 2018 to Baht 456,906 million in 2019. NPLs to total loans ratio in 2019 was at 2.7%, increasing from 2.5% in 2018.

In 2019, the Bank sold NPLs, reducing outstanding NPLs by Baht 2,136 million, compared to Baht 2,528 million in 2018.

Management Discussion and Analysis 2019

Deposit Structure

	% of total deposits	
	2019	2018
Current deposits	2.2	2.3
Savings deposits	55.0	56.9
Time deposits	42.8	40.8
under 6 months	2.4	2.5
6 months - 1 year	8.8	11.9
over 1 year	31.6	26.4
Total	100.0	100.0



As at 31 December 2019, the Bank had total deposits of Baht 456,311 million, an increase of Baht 51,133 million from end of 2018, which was largely driven by fixed deposits and savings deposits. Total current and savings deposits accounted for 57.2% of total deposit base, while fixed deposits accounted for 42.8%. Net loans-to-deposits ratio was 88.9% as at end of 2019 lower than end of 2018 at 92.2%.

Capital Funds

	2019		2018	
	Million Baht	%	Million Baht	%
Total capital funds	63,875	20.2	60,371	19.2
Common Equity Tier 1 (CET 1) capital / Tier 1 capital	56,717	17.9	52,721	16.8
Tier 2 capital	7,158	2.3	7,650	2.4

The Bank has adopted the Foundation Internal Ratings-Based Approach (FIRB) under Basel III capital framework. As at 31 December 2019, the Bank's Total Capital Adequacy Ratio remained at 20.2% while CET 1 ratio and Tier 1 capital ratio were at 17.9%, which were above the sum of Bank of Thailand (BOT)'s minimum requirement and conservation buffer.

Independent Auditor's Report

To the Shareholders of United Overseas Bank (Thai) Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of United Overseas Bank (Thai) Public Company Limited and its subsidiary ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2019, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of United Overseas Bank (Thai) Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Overseas Bank (Thai) Public Company Limited and its subsidiary and of United Overseas Bank (Thai) Public Company Limited as at 31 December 2019, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report

(Continued)

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I am responsible for the audit resulting in this independent auditor's report.



Rachada Yongsawadvanich

Certified Public Accountant (Thailand) No. 4951

EY Office Limited
Bangkok: 4 March 2020

United Overseas Bank (Thai) Public Company Limited

31 December 2019

**Financial Statements
and Notes to Financial Statements**

Statements of Financial Position

As at 31 December 2019 and 2018

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Assets					
Cash		5,872,795	4,597,830	5,872,795	4,597,830
Interbank and money market items - net	7	45,108,644	57,773,984	45,108,644	57,773,984
Derivatives assets	8	4,155,276	4,770,781	4,155,276	4,770,781
Investments - net	9	90,635,023	70,202,967	90,635,023	70,202,967
Investments in subsidiaries - net	10	1,750	1,750	61,750	61,750
Loans to customers and accrued interest receivables	11				
Loans to customers		415,456,160	382,949,340	415,456,160	382,949,340
Accrued interest receivables		1,189,953	1,222,707	1,189,953	1,222,707
Total loans to customers and accrued interest receivables		416,646,113	384,172,047	416,646,113	384,172,047
Less: Deferred revenue		(551,064)	(580,798)	(551,064)	(580,798)
Allowance for doubtful accounts	12	(10,563,349)	(10,190,151)	(10,563,349)	(10,190,151)
Loans to customers and accrued interest receivables - net		405,531,700	373,401,098	405,531,700	373,401,098
Properties foreclosed - net	13	207,105	229,564	207,105	229,564
Premises and equipment - net	14	10,442,154	9,870,624	10,433,446	9,860,460
Other intangible assets - net	15	1,030,734	1,079,897	1,029,545	1,078,305
Deferred tax assets - net	16.1	69,597	112,645	66,367	110,628
Deposits		1,352,450	1,099,183	1,352,440	1,099,173
Other assets - net	17	1,759,500	1,963,200	1,758,084	1,955,485
Total assets		566,166,728	525,103,523	566,212,175	525,142,025

The accompanying notes are an integral part of the financial statements.

Statements of Financial Position

(continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Liabilities and shareholders' equity					
Liabilities					
Deposits	19	456,311,413	405,178,163	456,410,864	405,299,282
Interbank and money market items	20	22,470,272	29,690,284	22,470,272	29,690,284
Liabilities payable on demand		2,332,228	3,448,649	2,332,228	3,448,649
Derivatives liabilities	8	4,583,330	4,979,706	4,583,330	4,979,706
Debts issued and borrowings	21	11,000,000	16,000,000	11,000,000	16,000,000
Provisions for long-term employee benefits	22	1,924,339	1,620,174	1,908,667	1,610,490
Provisions for other liabilities	23	284,597	234,229	284,597	234,229
Accrued expenses		3,616,213	3,514,764	3,610,239	3,504,109
Guarantee deposits		361,902	991,984	363,612	993,695
Other liabilities	24	3,267,516	3,236,372	3,278,484	3,246,683
Total liabilities		506,151,810	468,894,325	506,242,293	469,007,127
Shareholders' equity					
Share capital					
Registered, issued and paid-up share capital					
2,485,661,305 ordinary shares at par value					
of Baht 10 each					
		24,856,613	24,856,613	24,856,613	24,856,613
Other components of equity	25	4,156,090	3,694,294	4,156,090	3,694,294
Retained earnings					
Appropriated					
Statutory reserve	26	1,595,000	1,365,000	1,595,000	1,365,000
Unappropriated		29,407,215	26,293,291	29,362,179	26,218,991
Equity attributable to equity holders of the Bank		60,014,918	56,209,198	59,969,882	56,134,898
Non-controlling interests of the subsidiary		-	-	-	-
Total shareholders' equity		60,014,918	56,209,198	59,969,882	56,134,898
Total liabilities and shareholders' equity		566,166,728	525,103,523	566,212,175	525,142,025



Tan Choon Hin
President and Chief Executive Officer




Sanchai Apisaksirikul
Director and Managing Director

The accompanying notes are an integral part of the financial statements.

Statements of Comprehensive Income

For the years ended 31 December 2019 and 2018

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Profit or loss:					
Interest income	38	23,735,074	22,394,108	23,735,074	22,394,108
Interest expenses	39	8,937,225	8,024,323	8,937,853	8,024,998
Net interest income		14,797,849	14,369,785	14,797,221	14,369,110
Fees and service income		4,742,507	4,209,336	4,742,507	4,209,336
Fees and service expenses		824,448	715,579	965,064	887,840
Net fees and service income	40	3,918,059	3,493,757	3,777,443	3,321,496
Net gains on trading and foreign exchange transactions	41	978,514	918,330	978,514	918,330
Net gains on investments	42	208,665	39,379	208,665	39,379
Dividend income		6,471	5,488	56,471	50,488
Other operating income		431,281	477,704	444,245	491,460
Total operating income		20,340,839	19,304,443	20,262,559	19,190,263
Operating expenses					
Employee's expenses		6,241,087	5,761,885	6,161,912	5,688,522
Directors' remunerations		11,316	10,329	11,316	10,329
Premises and equipment expenses		1,483,529	1,362,569	1,478,144	1,357,173
Taxes and duties		845,265	778,693	845,120	778,517
Advertising and sale promotion expenses		1,395,232	925,864	1,395,232	925,864
Data processing charges		704,387	723,810	704,387	723,810
Other operating expenses		1,581,946	1,380,290	1,569,179	1,364,063
Total operating expenses		12,262,762	10,943,440	12,165,290	10,848,278
Bad debts, doubtful accounts and impairment losses	43	2,433,797	3,014,164	2,433,797	3,014,164
Profits from operation before income tax expenses		5,644,280	5,346,839	5,663,472	5,327,821
Income tax expenses	16.2	1,080,683	1,020,955	1,073,027	1,008,481
Profits for the years		4,563,597	4,325,884	4,590,445	4,319,340

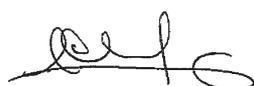
The accompanying notes are an integral part of the financial statements.

Statements of Comprehensive Income

(continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Other comprehensive income (loss)	44				
Items to be recognised subsequently in profit or loss:					
Gains (losses) on revaluation of available-for-sale investments		607,851	(68,181)	607,851	(68,181)
Income tax revenue (expenses)		(121,570)	13,636	(121,570)	13,636
Items to be recognised subsequently in profit or loss - net of income taxes		486,281	(54,545)	486,281	(54,545)
Items not to be recognised subsequently in profit or loss:					
Actuarial losses on the defined benefit plans		(157,013)	(7,927)	(153,993)	(7,172)
Income tax revenue		31,402	1,586	30,798	1,435
Items not to be recognised subsequently in profit or loss - net of income taxes		(125,611)	(6,341)	(123,195)	(5,737)
Total other comprehensive income (loss) for the years		360,670	(60,886)	363,086	(60,282)
Total comprehensive income for the years		4,924,267	4,264,998	4,953,531	4,259,058
Profits for the years attributable to:					
Equity holders of the Bank		4,563,597	4,325,884	4,590,445	4,319,340
Gains attributable to non-controlling interests of the subsidiary		-	-	-	-
		4,563,597	4,325,884		
Total comprehensive income for the years attributable to:					
Equity holders of the Bank		4,924,267	4,264,998		
Non-controlling interests of the subsidiary		-	-		
		4,924,267	4,264,998		
Earnings per share of equity holders of the Bank					
Basic earnings per share (Baht)	35	1.84	1.74	1.85	1.74



Tan Choon Hin
President and Chief Executive Officer




Sanchai Apisaksirikul
Director and Managing Director

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Shareholders' Equity

For the years ended 31 December 2019 and 2018

(Unit: Thousand Baht)

	Consolidated financial statements							
	Equity attributable to equity holders of the Bank							
	Other components of equity		Retained earnings			Total equity		
Issued and paid-up share capital	Revaluation surplus on assets	Revaluation surplus on investments	Appropriated - Statutory reserve	Unappropriated	attributable to equity holders of the Bank	Non-controlling interests of the subsidiary	Total	
Beginning balance as of 1 January 2018	24,856,613	3,652,926	120,398	1,135,000	22,179,945	51,944,882	810	51,945,692
Decrease due to disposal and amortisation of revaluation surplus on assets	-	(24,485)	-	-	24,485	-	-	-
Profit for the year	-	-	-	-	4,325,884	4,325,884	-	4,325,884
Other comprehensive loss for the year	-	-	(54,545)	-	(6,341)	(60,886)	-	(60,886)
Total comprehensive income (loss) for the year	-	-	(54,545)	-	4,319,543	4,264,998	-	4,264,998
Decrease in non-controlling interests of the subsidiary	-	-	-	-	(682)	(682)	(810)	(1,492)
Appropriated retained earnings to be statutory reserve	-	-	-	230,000	(230,000)	-	-	-
Ending balance as of 31 December 2018	24,856,613	3,628,441	65,853	1,365,000	26,293,291	56,209,198	-	56,209,198
Beginning balance as of 1 January 2019	24,856,613	3,628,441	65,853	1,365,000	26,293,291	56,209,198	-	56,209,198
Dividend paid (Note 27)	-	-	-	-	(1,118,547)	(1,118,547)	-	(1,118,547)
Decrease due to disposal and amortisation of revaluation surplus on assets	-	(24,485)	-	-	24,485	-	-	-
Profit for the year	-	-	-	-	4,563,597	4,563,597	-	4,563,597
Other comprehensive income (loss) for the year	-	-	486,281	-	(125,611)	360,670	-	360,670
Total comprehensive income for the year	-	-	486,281	-	4,437,986	4,924,267	-	4,924,267
Appropriated retained earnings to be statutory reserve	-	-	-	230,000	(230,000)	-	-	-
Ending balance as of 31 December 2019	24,856,613	3,603,956	552,134	1,595,000	29,407,215	60,014,918	-	60,014,918

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Shareholders' Equity

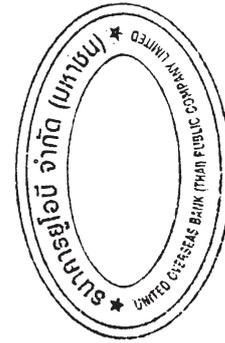
(continued)

(Unit: Thousand Baht)

	Separate financial statements						Total
	Other components of equity			Retained earnings			
	Issued and paid-up share capital	Revaluation surplus on assets	Revaluation surplus on investments	Appropriated - Statutory reserve	Unappropriated		
Beginning balance as of 1 January 2018	24,856,613	3,652,926	120,398	1,135,000	22,110,903	51,875,840	
Decrease due to disposal and amortisation of revaluation surplus on assets	-	(24,485)	-	-	24,485	-	
Profit for the year	-	-	-	-	4,319,340	4,319,340	
Other comprehensive loss for the year	-	-	(54,545)	-	(5,737)	(60,282)	
Total comprehensive income (loss) for the year	-	-	(54,545)	-	4,313,603	4,259,058	
Appropriated retained earnings to be statutory reserve	-	-	-	230,000	(230,000)	-	
Ending balance as of 31 December 2018	24,856,613	3,628,441	65,853	1,365,000	26,218,991	56,134,898	
Beginning balance as of 1 January 2019	24,856,613	3,628,441	65,853	1,365,000	26,218,991	56,134,898	
Dividend paid (Note 27)	-	-	-	-	(1,118,547)	(1,118,547)	
Decrease due to disposal and amortisation of revaluation surplus on assets	-	(24,485)	-	-	24,485	-	
Profit for the year	-	-	-	-	4,590,445	4,590,445	
Other comprehensive income (loss) for the year	-	-	486,281	-	(123,195)	363,086	
Total comprehensive income for the year	-	-	486,281	-	4,467,250	4,953,531	
Appropriated retained earnings to be statutory reserve	-	-	-	230,000	(230,000)	-	
Ending balance as of 31 December 2019	24,856,613	3,603,956	552,134	1,595,000	29,362,179	59,969,882	



Tan Choon Hin
President and Chief Executive Officer




Sanchai Apisaksirikul
Director and Managing Director

The accompanying notes are an integral part of the financial statements.

Statements of Cash Flows

For the years ended 31 December 2019 and 2018

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from operating activities				
Profits before income tax expenses	5,644,280	5,346,839	5,663,472	5,327,821
Adjustments to reconcile profits from operation before income tax expenses to net cash provided by (paid from) operating activities:				
Depreciation	444,892	423,536	442,625	421,465
Amortisation and losses on assets written off	214,244	213,645	213,792	212,110
Unrealised gains on revaluation of trading investments	(3,902)	(383)	(3,902)	(383)
Bad debts, doubtful accounts and impairment losses	2,410,609	2,510,952	2,410,609	2,510,952
Impairment losses on properties foreclosed and other assets (reversal)	6,604	(4,570)	6,604	(4,570)
Gains on disposals of investments	(208,665)	(39,379)	(208,665)	(39,379)
Gains on disposals of premises and equipment	-	(2,518)	-	(2,518)
(Gains) losses on exchange	(48,578)	1,475,277	(48,578)	1,475,277
Increase in accrued other income	(47,790)	(27,869)	(47,790)	(27,869)
Increase in provisions for long-term employee benefits	257,011	158,847	254,042	158,049
Increase (decrease) in provisions for other liabilities	50,367	(43,860)	50,367	(43,860)
Increase in accrued other expenses	90,763	449,248	91,090	451,052
Net interest income	(14,797,849)	(14,369,785)	(14,797,221)	(14,369,110)
Dividend income	(6,471)	(5,488)	(56,471)	(50,488)
Cash received on interest income	23,710,118	22,189,964	23,710,118	22,189,964
Cash received on dividend income	6,471	5,488	6,471	5,488
Cash paid on interest expenses	(8,764,284)	(8,134,152)	(8,764,913)	(8,134,827)
Cash received on income taxes refund	4,104	-	-	-
Cash paid on income taxes	(1,109,706)	(901,326)	(1,099,282)	(888,825)
Income from operating activities before changes in operating assets and liabilities	7,852,218	9,244,466	7,822,368	9,190,349

The accompanying notes are an integral part of the financial statements.

Statements of Cash Flows

(continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
(Increase) decrease in operating assets				
Interbank and money market items	12,661,159	29,675,869	12,661,159	29,675,869
Trading investments	(3,310,031)	10,493,886	(3,310,031)	10,493,886
Investments in subsidiary	-	(1,750)	-	-
Derivatives assets	3,726,904	6,167,571	3,726,904	6,167,571
Loans to customers	(34,736,470)	(34,845,086)	(34,736,470)	(34,845,086)
Properties foreclosed	61,289	115,314	61,289	115,314
Other assets	13,624	1,215,255	13,624	1,214,249
Increase (decrease) in operating liabilities				
Deposits	51,412,773	35,013,894	51,391,104	35,024,177
Interbank and money market items	(7,093,620)	(23,941,618)	(7,093,620)	(23,941,618)
Liabilities payable on demand	(1,115,976)	129,298	(1,115,976)	129,298
Derivatives liabilities	(3,750,773)	(5,989,570)	(3,750,773)	(5,989,570)
Provisions for long-term employee benefits	(109,858)	(156,862)	(109,858)	(156,862)
Other liabilities	(770,624)	(1,096,522)	(769,966)	(1,100,693)
Net cash provided by operating activities	24,840,615	26,024,145	24,789,754	25,976,884
Cash flows from investing activities				
Proceeds from sales of investments	100,743,059	117,243,976	100,743,059	117,243,976
Cash paid for investments	(117,015,149)	(137,352,660)	(117,015,149)	(137,352,660)
Dividend received from subsidiary	-	-	50,000	45,000
Non-controlling interests of the subsidiary	-	(1,491)	-	-
Proceeds from sales of premises and equipment	-	2,518	-	2,518
Purchases of premises and equipment	(1,024,282)	(506,845)	(1,023,421)	(506,075)
Purchases of other intangible assets	(150,730)	(194,698)	(150,730)	(194,698)
Net cash used in investing activities	(17,447,102)	(20,809,200)	(17,396,241)	(20,761,939)

The accompanying notes are an integral part of the financial statements.

Statements of Cash Flows

(continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from financing activities				
Dividend paid	(1,118,548)	-	(1,118,548)	-
Cash paid on long-term debts issued and borrowings	(5,000,000)	(5,298,900)	(5,000,000)	(5,298,900)
Net cash used in financing activities	(6,118,548)	(5,298,900)	(6,118,548)	(5,298,900)
Net increase (decrease) in cash and cash equivalents	1,274,965	(83,955)	1,274,965	(83,955)
Cash and cash equivalents as at 1 January	4,597,830	4,681,785	4,597,830	4,681,785
Cash and cash equivalents as at 31 December	5,872,795	4,597,830	5,872,795	4,597,830
Supplemental disclosures of cash flows information				
Non-cash items:				
Properties foreclosed in settlement of loans to customers	44,829	60,719	44,829	60,719



Tan Choon Hin
President and Chief Executive Officer




Sanchai Apisaksirikul
Director and Managing Director

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

For the years ended 31 December 2019 and 2018

1. Corporate information

United Overseas Bank (Thai) Public Company Limited (“the Bank”) was incorporated as a public limited company under Thai law and domiciled in Thailand. The Bank has been operated mainly commercial banking business and its registered office is located at No. 191 South Sathon Road, Sathon District, Bangkok. As at 31 December 2019, the Bank conducts its business through a network of 155 branches throughout all regions in Thailand (31 December 2018: 154 branches). Its major shareholder is United Overseas Bank Limited, a company registered in Singapore.

The subsidiary was incorporated as a limited company under Thai law and have been operating its business in Thailand. Its principal business is debt collection services.

2. Basis of preparation of financial statements

2.1 Basis of preparation of financial statements

The financial statements for the year ended 31 December 2019 have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and with reference to the principles stipulated by the Bank of Thailand (“BOT”) and the presentation of the financial statements has been made in compliance with BOT’s Notification regarding “Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups”, dated 4 December 2015.

The financial statements have been prepared on a historical cost basis except otherwise disclosed in Note 4 to the financial statements regarding a summary of significant accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Bank. The financial statements in English language have been translated from such financial statements in Thai language.

2.2 Basis of consolidation

(a) These consolidated financial statements include the financial statements of the Bank and the following subsidiaries:

Company name	Business type	Country of registration	Percentage of shares held by the Bank as at		Percentage of total assets included in consolidated assets as at		Percentage of profits included in consolidated profits for the years ended	
			31 December 2019	2018	31 December 2019	2018	31 December 2019	2018
UOB Bullion and Futures (Thai) Co., Ltd.	Under Liquidation	Thailand	75.00	75.00	.*	.*	.*	.*
UOB Services Co., Ltd.	Debt Collection Services	Thailand	99.99	99.99	-	-	-	-

* The consolidated financial statements for the years ended 31 December 2019 and 2018 excluded the financial statement of a subsidiary, UOB Bullion and Futures (Thai) Co., Ltd.

The consolidated financial statements for the years ended 31 December 2019 and 2018 excluded the financial statement of a subsidiary, UOB Bullion and Futures (Thai) Co., Ltd. which registered its dissolution with the Ministry of Commerce on 20 November 2017 and is in the process of being liquidated. The financial information as prepared by the management of that subsidiary are immaterial, with the subsidiary presenting total assets as at 31 December 2019 of Baht 3 million, shareholders’ equity of Baht 3 million and profit from operations for the year ended 31 December 2019 of Baht 0.03 million.

(b) The Bank is deemed to have control over investee companies or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

Notes to Financial Statements

(Continued)

- (c) Subsidiaries are entities in which the Bank has control over the financial and operating policies of those entities. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Bank obtains control, and continue to be consolidated until the date when such control ceases. The effects to the consolidated financial statements of all significant transactions between the Bank and its subsidiaries are eliminated in the consolidated financial statements, including investments in subsidiaries and share capital of subsidiaries.
- (d) The financial statements of the subsidiary are prepared having the same reporting period and using the same significant accounting policies as those of the Bank.
- (e) The Bank's financial statements include the accounts of all branches after elimination of significant inter-branch transactions and balances.
- (f) Non-controlling interests represent the portion of net profit or loss and net assets of the subsidiary that are not held by the Bank and are presented separately in the consolidated statements of comprehensive income and within equity in the consolidated statements of financial position.

2.3 Separate financial statements

The Bank prepares its separate financial statements, which present investments in subsidiaries under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Bank and its subsidiary have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Bank's and its subsidiary's financial statements. However, the new standard involves changes to key principles, which are summarised below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related Interpretations.

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any significant impact on the bank's and its subsidiary's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarify accounting treatment and providing accounting guidance for users of the standards except the following new standards which involve changes to key principles, which are summarised below.

Notes to Financial Statements

(Continued)

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Bank's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Bank expects the adoption of this accounting standard to have impacts on the following areas.

- The recognition of interest income on loans
The Bank is to recognise interest income using the effective interest rate method instead of the contractual rate method. The management is currently evaluating the impact of these standards on the financial statements in the year in which they are adopted.
- The recognition of allowance for expected credit losses on its financial assets
The Bank is to recognise an allowance for expected credit losses on its financial assets. The management expects the balance of excess provision to remain positive, and the Bank will apply a straight-line method for the amortisation of the excess provision over a period of 5 years in accordance with BOT regulation.
- Classification and fair value measurement of investments in equity instruments of non-listed companies
The Bank is to measure investments in equity instruments of non-listed companies at fair value and to classify the investments as financial assets, of which fair value is measured through other comprehensive income. If the Bank elects to present subsequent changes in the fair value of the investments through other comprehensive income, the election is irrevocable. The Bank believes that the impact will not have any significant impact on the financial statement.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management is currently evaluating the impact of this standard on the financial statement in the year when they are adopted.

Notes to Financial Statements

(Continued)

4. Summary of significant accounting policies

Significant accounting policies adopted by the Bank and its subsidiary are summarised below.

4.1 Revenue recognition

(a) Interest and discount on loans

The Bank recognises interest on loans as revenue on an accrual basis and will stop accrual of interest when the debtor has defaulted for more than three months regardless of whether the loans are fully collateralised and recognises interest on such loans on a cash basis, which is in accordance with the BOT's guidelines. In addition, interest accrued in arrears for three months is reversed against interest income.

If loans are restructured, the Bank recognises interest income on a cash basis, and will resume to recognise interest as revenue on an accrual basis only when the criteria per the BOT's guideline are met.

Interest income on loans under litigation process and receivables purchased is recognised as revenue on a cash basis.

Discounts received in advance in respect of bills purchased and other unearned interest income are recognised as revenue on an accrual basis over the terms of the bills.

(b) Hire purchase and financial lease income recognition

Interest on hire-purchase and financial lease receivables is recognised as revenue over the installment periods, using the effective interest rate method. It is recognised when the installments fall due irrespective of actual collection is made. When receivables are longer than three months past due, the Bank stops recognition of interest and the then-interest accrued in arrears will be reversed against interest income.

Rental fees under operating lease agreements and car rental are recognised as revenue over the terms of lease agreements, except for interest on receivables, which are overdue longer than three months, are recognised as revenue on a cash basis.

(c) Revenues from factoring are recognised on an accrual basis except for receivables, which are overdue longer than three months, interest is recognised as revenue on a cash basis.

(d) Brokerage fees and service fees on derivatives trading are recognised as revenue on the transaction dates.

(e) Gains (losses) on securities and derivatives trading are recognised as revenues or expenses on transaction dates.

(f) Interest and dividends on investments

Interest on investments is recognised as revenue on an accrual basis based on the effective interest rate. Dividends are recognised as revenue when the right to receive the dividend is established.

(g) Fees and other service fees are recognised as revenues on an accrual basis.

4.2 Expenses recognition

The Bank and its subsidiary recognise expenses on an accrual basis.

4.3 Cash

Cash is the amount included in the statements of financial position under the caption of cash, which consists of cash on hand and cheques in transit.

Notes to Financial Statements

(Continued)

4.4 Securities purchased under resale agreements/ securities sold under repurchase agreements

The Bank enters into agreements with private entities to purchase/sell securities whereby there is an agreement to resell/repurchase the securities at certain dates in the future and at fixed prices. Amounts paid for the securities purchased under resale agreement are presented as assets under the caption of "Interbank and money market items" in the statements of financial position, and the underlying securities are treated as collateral to such receivables, while securities sold under repurchase agreement are presented as liabilities under the caption of "Interbank and money market items" in the statement of financial position at the amounts received from the sale of those securities, and the underlying securities are treated as collateral.

4.5 Investments

The Bank and its subsidiary classify investments in all types of debt securities and marketable equity securities as either trading investments, available-for-sale investments, or held-to-maturity investments, and classify non-marketable equity securities as general investments.

Trading investments are stated at fair value. Change in the fair value of these investments are recorded as revenue or expense in profit or loss.

Available-for-sale investments are stated at fair value. Change in the fair value of these investments are recorded in other comprehensive income or loss and will then be recognised in profit or loss when the investments are sold.

Held-to-maturity investments are stated at amortised cost net of allowance for impairment. Any impairment loss is charged to profit or loss.

General investments are stated at cost net of allowance for impairment (if any). Impairment loss is charged to profit or loss.

Purchases and sales of investments in debt securities are recorded on settlement dates.

Realised gains or losses on disposals of investments are recognised in profit or loss when they are disposed of, using the weighted average method in determining costs of the disposed investments.

Interest on investments in debt securities is recognised as revenue on an accrual basis. Premiums and discounts arising on the acquisition of investments are amortised or accreted against interest income in profit or loss based on the effective yield rate over the term of the investments.

Revenue from equity investments and other non-fixed income investments is recognised as dividend income when the right to receive the dividend is established.

Fair values of investments are calculated on the following basis:

- (i) For government and state enterprises bonds, fair value is, calculated based on the average latest bidding price posted on the Thai Bond Market Association.
- (ii) For marketable domestic equity securities, fair value is the last bid price quoted on The Stock Exchange of Thailand on the last business day of the period. For marketable foreign equity securities, fair value is the last bid price quoted in the stock market in the country in which such securities are traded.
- (iii) For investment units, the fair value is determined using the Net Assets Value (NAV) per unit announced on the reporting period-end dates.
- (iv) For private enterprises debt securities, the average latest bid price posted on the Thai Bond Market Association is used as the fair value adjusted with an appropriate risk premium.

In the event that the Bank reclassifies investments from one type to another, such investments are readjusted to their fair value on the date of reclassification. The difference between the carrying value and the fair value on the date of reclassification is recorded as gain or loss in profit or loss or recorded as other comprehensive income (loss), depending on the type of investment which is reclassified.

Notes to Financial Statements

(Continued)

4.6 Investments in subsidiaries

Investments in subsidiaries as presented in the separate financial statements are stated at cost net of allowance for impairment (if any). Losses on impairment are recognised as expenses in profit or loss.

4.7 Loans to customers

Loans to customers include overdrafts, termed loans, trade bills, hire purchase and financial lease receivables and other loans. All items categorised under loans to customers (except for hire purchase and financial lease receivables and overdrafts) are presented at the principal amount outstanding, net of unearned discounts received in advance. Accrued interest receivables on all items categorised under loans to customers are presented separately as a single line item in the statements of financial position.

Hire purchase and financial lease receivables are stated at the outstanding balances per contract values net of outstanding balances of deferred revenue, which are presented after netting deferred commission expenses and initial direct cost on the inception of the hire-purchase agreements and advances received from debtors under financial lease agreements.

Overdrafts are stated at the drawn amounts together with any accrued interest receivables.

Loans purchased by or transferred to the Bank are stated at acquisition costs, after netting allowance for impairment loss.

4.8 Allowance for doubtful accounts

The Bank provides allowance for doubtful accounts on loans to customers in accordance with the Notifications of the BOT and adjusts the allowance by any additional amounts that are expected to be uncollectible, based on an analysis and evaluation of the current status of the debtors, the credit risk of the debtors, collateral, historical loss and management's experience. Additional allowances (reversals of allowances) are recognised to increase (decrease) expenses during the years.

For loans to customers classified as pass (including restructured receivables) and special mention, the Bank records provision at rates of not less than 1% and 2% respectively, of the loan balances (excluding accrued interest receivables) net of collateral values, in accordance with the BOT's guideline, and adjusts the allowance taking into consideration the probability of default and the loss given default whereby parameters and assumptions have been reviewed and monitored on an ongoing basis to ensure they remain applicable.

For non-performing loans, the Bank records allowance for doubtful accounts at 100% of the loan balances remaining after deducting the present value of expected future cash inflows from debt collection or from collateral disposal, with the discount rate and the expected period of collateral disposal being set with reference to the BOT's guidelines.

For unsecured consumer loans, the collective approach is applied based on historical loss experience of each customer group.

Allowance for doubtful accounts on other receivables is provided for the estimated losses that may be incurred in the collection of receivables based on the review of current status of receivables outstanding at the end of reporting periods.

Bad debts are written off during the periods in which the Bank considers that they are uncollectible as approved by the Special Asset Management Credit Committee and are accounted for by deducting from the allowance for doubtful accounts. All bad debt recovered are recognised as revenue on a cash basis and is presented as an offset transaction to bad debts and doubtful accounts in profit or loss.

The Bank has a policy to write off unsecured consumer loans that are overdue longer than 180 days. Those unsecured consumer loans comprise of credit card receivables and other unsecured personal loans.

Notes to Financial Statements

(Continued)

4.9 Troubled debt restructuring

The Bank restructures loans by means of receiving the transfer of assets, or equity in settlement of loans to customers and modifying terms of loan repayments.

Loans restructured through a modification of terms of loan repayments are stated at the present value of cash expected to be received after modification of terms of loan repayments using discount rates equivalent to the market interest rates applicable at the time of the restructuring. The lower of the fair value of the loan as at the restructuring date and its respective book value is accounted for as revaluation allowance for debt restructuring, which is then amortised to profit or loss as interest income based on the amount received over the remaining periods of the restructuring agreement.

In cases where the troubled debt restructuring involves the transfer of assets or equity, the Bank records the assets or equity interest received as a result of debt restructuring at their fair value (based on the value appraised by internal appraisers or independent external appraisers) providing that the value recorded shall not exceed the amount of principal legally claimable from the debtor (including interest of which recognition has ceased until the restructuring date). Any excess of the fair value of the assets over the book value of outstanding loan is recognised as interest income in profit or loss.

Losses arising from debt restructuring through waivers of part of principal or recorded accrued interest receivable are recognised in profit or loss when incurred.

4.10 Properties foreclosed

Properties foreclosed of the Bank are stated at the lower of cost and net realisable value. Net realisable value is determined by using the latest appraisal value, taking into consideration selling expenses, and in accordance with the BOT's guidelines. Properties foreclosed, which have been received as a result of a debt/asset swap are recorded at the lower of the legally claimable value of the loan or the net realisable value of the foreclosed properties.

Losses on impairment are charged to profit or loss. Gains or losses on the sale of properties foreclosed are recognised only when such properties are sold.

4.11 Premises and equipment and depreciation

Land is stated at cost or reappraised value. Buildings are stated at cost or reappraised value less accumulated depreciation and allowance for impairment loss (if any). Equipment is stated at cost less accumulated depreciation and allowance for impairment loss (if any).

Depreciation is calculated by reference to their cost or reappraised value on a straight-line basis over the following estimated useful lives for each type of assets:

Buildings	-	50 years
Building improvement	-	10 years
Equipment	-	3 years 5 years 10 years and 25 years

No depreciation is determined for land and assets under construction/installation.

Premises are initially recorded at cost and then subsequently revalued by the independent appraisers to their fair value in accordance with the guidelines announced by the BOT. The Bank's policy is to revalue these assets every 3 - 5 years in order that their carrying value at the end of reporting period does not differ materially from their fair value.

Differences arising from revaluation are dealt with as follows:

- When the carrying value of asset is increased as a result of a revaluation, the increase is credited directly to other comprehensive income (loss) and the cumulative increase is recognised in shareholders' equity as "Revaluation surplus on assets", presented as a part of other components of shareholders' equity in statements of financial position. However, if the asset was previously devalued and the Bank used to recognise such a revaluation decrease as an expense in profit or loss, a revaluation increase from this revaluation is then recognised as a revenue to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.

Notes to Financial Statements

(Continued)

- When the carrying value of asset is decreased as a result of a revaluation, the decrease is recognised as an expense in profit or loss. However, if the asset was previously revalued and still has the outstanding revaluation surplus left in “Revaluation surplus on assets”, the revaluation decrease is then charged to the other comprehensive income (loss) to the extent that it does not exceed on amount already held in “Revaluation surplus on assets” in respect of the same assets.

Amortisation of the revaluation surplus on assets is charged directly against retained earnings.

The revaluation surplus on assets can neither be used to offset against deficit nor for dividend distribution.

An item of premises and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

4.12 Leasehold rights

Leasehold rights are stated at cost less accumulated amortisation under the heading of “Other assets” in statements of financial position. Leasehold rights are amortised on a straight-line basis over the lease periods and the amortisation amounts are recognised as expenses in profit or loss.

4.13 Other intangible assets and amortisation

Other intangible assets are carried at cost less accumulated amortisation and allowance for impairment loss (if any).

Other intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year-end. The amortisation expense is charged to profit or loss.

Other intangible assets with finite useful lives are application softwares, which have estimated useful lives of 10 years.

Application softwares and application development purchased since 1 January 2018 onwards have estimated useful lives of 8 years.

4.14 Provisions for other liabilities

Provisions for other liabilities are recognised when the Bank and its subsidiary have a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. In the event that the amount cannot be clearly identifiable, then an estimate of such obligation is made.

4.15 Impairment of assets

At each reporting date, the Bank and its subsidiary perform impairment reviews in respect of an asset whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset’s fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Bank and its subsidiary could obtain from the disposal of the asset in an arm’s length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. However in cases where premises were previously revalued and the revaluation surplus was taken to equity, a part of such impairment loss is recognised in equity up to the amount of the revaluation surplus previously recognised.

Notes to Financial Statements

(Continued)

In the assessment of asset impairment, if there is any indication that previously recognised impairment loss may no longer exist or may have decreased, the Bank and its subsidiary estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying value of the asset attributable to a reversal of an impairment loss shall not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset in prior periods. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying value that would have been determined, is treated as a revaluation increase.

4.16 Employee benefits

(a) Short-term benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Leave entitlements are recognised when they accrue to employees. Provision for leave entitlements is made based on contractual terms, with adjustment for expected attrition.

(b) Post-employment benefits

Defined contribution plans

The Bank, its subsidiary and their employees established the provident funds under the Provident Fund Act B.E. 2530. According to the funds' regulations, every employee, after the probation period, is entitled to apply for membership. The employees contribute to the fund at the rate of 2%, 5%, 6%, 10% or 15% of their basic salary and the Bank and its subsidiary contribute to the funds at the rate of 5% - 6% of their basic salary. The employees are entitled to the benefits upon termination of employment in accordance with the rules of the funds, except when termination of employment is due to violations of the rules and regulations of the Bank and its subsidiary.

The funds set up by the Bank and its subsidiary are managed independently by UOB Asset Management (Thailand) Co., Ltd. Therefore, these funds do not appear in the consolidated and separate statements of financial position.

The Bank's and its subsidiary's contributions are recognised as expenses when incurred.

Defined benefit plan and other defined benefit plan

The Bank and its subsidiary have severance payment obligations to employees upon retirement under labor law. The Bank and its subsidiary treat these severance payments as the defined benefit plan. In addition, the Bank and its subsidiary also has other long-term employment benefit scheme for employees of the Bank under the previous name of "Bank of Asia Public Co., Ltd.," who joined the Bank prior to 16 May 2005 and have been employed for at least 15 years, the benefits of which are based on the latest month's salary and the number of years of service. Employees will receive half of this other long-term employment benefits when they resign or will receive it in full when they retire. The Bank and its subsidiary treats these benefits to be other long-term defined benefit plan.

The defined benefit plan obligations are determined by a professionally qualified independent actuary using the projected unit credit method.

Actuarial gains and losses arising from the defined benefit plan and other long-term benefit plan are recognised in other comprehensive income or loss.

4.17 Operating leases

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease terms.

4.18 Share-based payments

The cost of the share-based payment plan of United Overseas Bank Limited ("major shareholder") will be invoiced by the major shareholder, and the Bank will record the invoiced amounts as a liability in statements of financial position, and recognise them as an expense in profit or loss over the vesting period as defined in the plan.

Notes to Financial Statements

(Continued)

4.19 Income taxes

Income tax expenses represent the sum of corporate income taxes currently payable and deferred income taxes.

(a) Current income taxes

Current income taxes are provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

(b) Deferred income taxes

Deferred income taxes are provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting periods.

The Bank and its subsidiary recognise deferred tax liabilities for all taxable temporary differences and recognise deferred tax assets for all deductible temporary differences including tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Bank and its subsidiary review and reduce the carrying value of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or a part of the deferred tax assets to be utilised.

The Bank and its subsidiary record deferred tax directly to shareholders' equity if the taxes relate to items that are recorded directly to shareholders' equity.

4.20 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Bank's and its subsidiary's functional currency. Items included in the consolidated financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies and commitments, which are limited to forward exchange contracts and currency swap contracts, outstanding at the end of reporting periods are translated into Baht at the exchange rates ruling by the BOT at the end of reporting periods.

Gains and losses on exchange are recognised in profit or loss.

4.21 Financial derivatives

Financial derivative contracts are recorded as commitments. At the end of the reporting periods, outstanding financial derivative contracts are valued at fair value with the changes in their fair value are recognised in profit or loss. The unrealised gains or losses on outstanding financial derivative contracts are presented as derivative assets or liabilities in the statements of financial position.

4.22 Interbank and money market items (Assets/Liabilities)

The Bank recognises and derecognises such items in the financial statements on the settlement dates.

4.23 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Bank and its subsidiary apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except when there is no active market of an identical asset or liability or when a quoted market price is not available, the Bank and its subsidiary measure fair value using valuation technique that are appropriate in the circumstances and maximise the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

Notes to Financial Statements

(Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Bank and its subsidiary determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with Financial Reporting Standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

5.1 Allowance for doubtful accounts on loans to customers and accrued interest receivables

Allowance for doubtful accounts on loans to customers and accrued interest receivables is intended to adjust the value of loans and receivables for probable credit losses. The management uses judgement to establish allowance for doubtful accounts that may be incurred on outstanding loans to customers when there is any doubt about the debtor's capacity to repay the principal and/or the interest. The allowance for doubtful accounts is determined through a combination of specific debtor reviews, probability of default and estimation based on historical experiences, taking into accounts change in the value of collateral and current economic conditions, in accordance with the BOT's guidelines.

5.2 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercised judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (the Bank and its counterparties), liquidity, correlation and long-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosure of fair value hierarchy.

5.3 Allowance for impairment on investments

The Bank and its subsidiary treat investments as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires management's judgement.

5.4 Recognition and derecognition of assets and liabilities

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgement on whether risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

5.5 Obligations under the defined benefit plan and other long-term benefit plan

Obligations under the defined benefit plan and other long-term benefit plan are determined based on actuarial techniques which involve, various assumptions, including discount rate, future salary incremental rate, staff turnover rate, mortality rate and inflation rates. Management exercises judgement to determine the appropriateness of these assumptions, based on their best knowledge of current events and arrangements.

5.6 Other intangible assets

The initial recognition and measurement of other intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Notes to Financial Statements

(Continued)

5.7 Litigation

The Bank has contingent liabilities as a result of litigation. The Bank's management has used judgement to assess of the results of the litigation and records the estimated loss that may incur under contingent liabilities as at the end of reporting periods.

5.8 Leases

In determining whether a lease is to be classified as an operating lease or financial lease, management is required to use judgement, taking into consideration terms and conditions of the arrangement to consider whether significant risk and rewards of ownership of the leased asset belong to the lessee or lessor.

5.9 Premises and equipment and depreciation

In determining depreciation of premises and equipment, the management is required to make estimates of the useful lives and residual values of premises and equipment and to review estimate useful lives and residual values when circumstance changes.

The Bank measures land and buildings at revalued amounts. Fair value from revaluation is determined by independent appraisers using market approach for land and depreciated replacement cost approach for buildings. The valuation involves certain assumptions and estimates as described in Note 14 to the financial statements.

In addition, the management is required to consider premises and equipment for impairment at the end of reporting period and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

5.10 Allowance for impairment on properties foreclosed

The Bank assesses allowance for impairment on properties foreclosed when their net realisable value is below their carrying value. The management uses judgement in estimating impairment loss, taking into account changes in the value of an asset, appraisal value, the type and quality of the asset, how long it is expected to take to dispose of the asset and changes in economic circumstances.

5.11 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

6. Regulatory rule related to capital fund and Liquidity Coverage Ratio (LCR) Disclosure Standards

6.1 Regulatory rule related to capital fund

According to the BOT's Notification Sor Nor Sor 4/2556 and Sor Nor Sor 5/2556, commercial banks are required to disclose certain additional capital information for their position. The Bank will disclose such information as at 31 December 2019 in its website (www.uob.co.th) by the end of April 2020. The Bank disclosed such information as at 31 December 2018 on 30 April 2019.

6.2 Regulatory rule related to Liquidity Coverage Ratio (LCR) Disclosure Standards

According to the BOT's Notification Sor Nor Sor 2/2561, commercial banks are required to disclose certain information for Liquidity Coverage Ratio (LCR). The Bank will disclose such information for the second half of the year 2019 in its website (www.uob.co.th) by the end of April 2020. The Bank disclosed such information for the first half of the year 2019 on 30 October 2019.

Notes to Financial Statements

(Continued)

7. Interbank and money market items (Assets)

	(Unit: Million Baht)					
	Consolidated and separate financial statements					
	As at 31 December					
	2019			2018		
	On demand	Term	Total	On demand	Term	Total
Domestic items						
The Bank of Thailand and the Financial Institutions Development Fund	2,108	-	2,108	2,734	-	2,734
Commercial banks	74	18,389	18,463	120	24,735	24,855
Specific financial institutions	-	21,950	21,950	-	27,000	27,000
Other financial institutions	-	1,550	1,550	50	1,815	1,865
Total	2,182	41,889	44,071	2,904	53,550	56,454
Add: Accrued interest receivables	-	12	12	-	24	24
Less: Deferred revenue	-	(6)	(6)	-	(6)	(6)
Allowance for doubtful accounts	-	(10)	(10)	(1)	(10)	(11)
Total domestic items	2,182	41,885	44,067	2,903	53,558	56,461
Foreign items						
US Dollar	41	191	232	123	426	549
Yen	37	-	37	60	-	60
EURO	88	99	187	95	34	129
Other currencies	185	402	587	302	279	581
Total	351	692	1,043	580	739	1,319
Less: Deferred revenue	-	-	-	-	(1)	(1)
Allowance for doubtful accounts	-	(1)	(1)	-	(5)	(5)
Total foreign items	351	691	1,042	580	733	1,313
Total domestic and foreign items	2,533	42,576	45,109	3,483	54,291	57,774

Notes to Financial Statements

(Continued)

8. Derivatives assets/liabilities

As at 31 December 2019 and 2018, the Bank has notional amounts and fair value of derivatives held for trading classified by type of risk as follows:

(Unit: Million Baht)

Type of risk	Consolidated and separate financial statements									
	As at 31 December									
	2019					2018				
	Fair Value		Notional amounts classified by remaining maturity			Fair Value		Notional amounts classified by remaining maturity		
Assets	Liabilities	Up to 1 year*	Over 1 year	Total	Assets	Liabilities	Up to 1 year*	Over 1 year	Total	
Foreign exchange	1,959	2,276	428,718	3,197	431,915	3,780	3,919	581,127	5,922	587,049
Interest rate	2,204	2,314	104,403	163,309	267,712	958	1,025	142,166	217,092	359,258
Commodity derivatives	-	-	-	-	-	46	44	997	-	997
Credit/Debit value adjustments (CVA/DVA)	(8)	(7)	-	-	-	(13)	(8)	-	-	-
Total	4,155	4,583	533,121	166,506	699,627	4,771	4,980	724,290	223,014	947,304

* Including derivatives have maturity at call.

As at 31 December 2019 and 2018, the proportions, determined based on the notional amounts, of derivatives transactions classified by types of counterparties are as follows:

(Unit: Percentage)

Counterparty	Consolidated and separate financial statements	
	As at 31 December	
	2019	2018
Financial institutions	69.56	75.06
Companies in the group*	20.83	14.90
Others	9.61	10.04
Total	100.00	100.00

* Companies in the group mean United Overseas Bank Limited and companies in the United Overseas Bank Group of Companies.

Notes to Financial Statements

(Continued)

9. Investments

9.1 Classified by types of investment

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2019	2018
	Fair value/cost*	Fair value/cost*
Trading investments		
Government and state enterprises securities	3,930	616
Total trading investments	3,930	616
Available-for-sale investments		
Government and state enterprises securities	86,665	69,546
Marketable domestic equity securities	-	1
Total available-for-sale investments	86,665	69,547
General investments		
Non-marketable domestic equity securities	120	120
Non-marketable foreign equity securities	1	1
Total	121	121
Less: Allowance for impairment loss	(81)	(81)
General investments - net	40	40
Investments - net	90,635	70,203

* Trading investments and available-for-sale investments are stated at fair value and general investments are stated at cost.

As at 31 December 2019, the Bank has commitments to purchase debt securities of Baht 1,015 million (31 December 2018: Baht 119 million) and commitments to sell debt securities of Baht 773 million (31 December 2018: Baht 433 million).

Notes to Financial Statements

(Continued)

9.2 Classified by the remaining period to maturity of the debt securities

Investments in debt instruments, excluding those held for trading, are classified by remaining periods to maturity as follows:

	(Unit: Million Baht)			
	Consolidated and separate financial statements			
	As at 31 December 2019			
	Due within			
	1 year	1 - 5 years	Over 5 years	Total
Available-for-sale securities				
Government and state enterprises securities	25,524	60,171	280	85,975
Add: Allowance for revaluation	60	609	21	690
Total	25,584	60,780	301	86,665

	(Unit: Million Baht)			
	Consolidated and separate financial statements			
	As at 31 December 2018			
	Due within			
	1 year	1 - 5 years	Over 5 years	Total
Available-for-sale securities				
Government and state enterprises securities	11,657	57,804	-	69,461
Add (less): Allowance for revaluation	(2)	87	-	85
Total	11,655	57,891	-	69,546

Notes to Financial Statements

(Continued)

10. Investments in subsidiaries

Company's name	Nature of business	Type of security	Paid-up share capital				Percentage of shareholding		Investments stated under cost method				Dividend income recognised during the years ended	
			As at 31 December		As at 31 December		As at 31 December		As at 31 December		As at 31 December		31 December	
			2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
			(Million Baht)	(Million Baht)	(%)	(%)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)
Subsidiary - not included in consolidated financial statement														
UOB Bullion and Futures (Thai) Co., Ltd.	Liquidation	Ordinary shares	29	29	75.00	75.00	22	22	-	-	-	-	-	-
Less: Allowance for impairment of securities							(20)	(20)						
Investments in subsidiary - net							2	2						

* The consolidated financial statements for the years ended 31 December 2019 and 2018 excluded the financial statement of UOB Bullion and Futures (Thai) Co., Ltd., which was deregistered under liquidation. Such investment then stated at cost.

Company's name	Nature of business	Type of security	Paid-up share capital				Percentage of shareholding		Investments stated under cost method				Dividend income recognised during the years ended	
			As at 31 December		As at 31 December		As at 31 December		As at 31 December		As at 31 December		31 December	
			2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
			(Million Baht)	(Million Baht)	(%)	(%)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)
Subsidiaries														
UOB Bullion and Futures (Thai) Co., Ltd.	Liquidation	Ordinary shares	29	29	75.00	75.00	22	22	-	-	-	-	-	-
UOB Services Co., Ltd.	Debt collection business	Ordinary shares	60	60	99.99	99.99	60	60	50	45	50	45	50	45
Total investments in subsidiaries							82	82	50	45	50	45	50	45
Less: Allowance for impairment loss							(20)	(20)						
Investments in subsidiaries - net							62	62						

Notes to Financial Statements

(Continued)

11. Loans to customers and accrued interest receivables

11.1 Classified by loan type

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2019	2018
Overdrafts	17,340	17,664
Loans	308,672	282,556
Trade bills	81,741	75,627
Hire-purchase receivables	851	1,255
Financial lease receivables	1,574	2,308
Others	5,278	3,539
Less: Deferred revenue	(551)	(581)
Loans to customers, net of deferred revenue	414,905	382,368
Add: Accrued interest receivables	1,190	1,223
Loans to customers, net of deferred revenue, and accrued interest receivables	416,095	383,591
Less: Allowance for doubtful accounts		
1. The BOT's minimum required provision		
- Individual approach	(4,837)	(4,117)
- Collective approach	(760)	(648)
2. Provision in excess of the BOT's minimum required rates	(4,966)*	(5,425)*
Loans to customers and accrued interest receivables - net	405,532	373,401

* Allowance for doubtful accounts includes a reserve for cyclical business factors, including economic factors, and other risk that may affect the quality of assets.

11.2 Classified by currencies and debtors' residency

	(Unit: Million Baht)					
	Consolidated and separate financial statements					
	As at 31 December					
	2019			2018		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	403,607	309	403,916	369,137	302	369,439
US Dollar	10,164	230	10,394	11,707	582	12,289
Other currencies	595	-	595	640	-	640
Loans to customers, net of deferred revenue	414,366	539	414,905	381,484	884	382,368

Notes to Financial Statements

(Continued)

11.3 Classified by types of business and loan classification

(Unit: Million Baht)

	Consolidated and separate financial statements					
	As at 31 December 2019					
	Pass	Special mention	Sub- standard	Doubtful	Doubtful of loss	Total
Agriculture and mining	651	61	-	-	4	716
Manufacturing and commerce	97,604	2,336	851	176	2,342	103,309
Real estate and construction	31,236	1,205	19	158	844	33,462
Public utilities and services	31,809	925	178	31	607	33,550
Housing loans	161,320	3,884	924	988	3,125	170,241
Others	70,225	1,465	408	508	1,021	73,627
loans to customers, net of deferred revenue	392,845	9,876	2,380	1,861	7,943	414,905

(Unit: Million Baht)

	Consolidated and separate financial statements					
	As at 31 December 2018					
	Pass	Special mention	Sub- standard	Doubtful	Doubtful of loss	Total
Agriculture and mining	1,273	34	-	1	20	1,328
Manufacturing and commerce	94,658	2,122	399	-	2,593	99,772
Real estate and construction	25,639	504	143	-	680	26,966
Public utilities and services	29,250	612	231	142	499	30,734
Housing loans	147,621	3,280	696	778	2,974	155,349
Others	65,272	1,251	369	417	910	68,219
loans to customers, net of deferred revenue	363,713	7,803	1,838	1,338	7,676	382,368

Notes to Financial Statements

(Continued)

11.4 Classified by loan classification in accordance with the Notification of the BOT

(Unit: Million Baht)

Consolidated and separate financial statements						
As at 31 December 2019						
	Loans to customers and accrued interest receivables	Other claims	Total	Net balance used in calculation of allowance for doubtful accounts*	Loan loss provisioning rates (%)	Allowance for doubtful accounts
The BOT's minimum required provision						
Pass	393,946	68	394,014	113,684	1	1,137
Special mention	9,965	3	9,968	2,216	2	44
Sub-standard	2,380	2	2,382	1,187	100	1,187
Doubtful	1,861	-	1,861	832	100	832
Doubtful of loss	7,943	20	7,963	2,420	100	2,420
Provision in excess of the BOT's minimum required rates **	-	-	-	-		4,966
Total	416,095	93	416,188	120,339		10,586

* Net balance used in calculation of allowance for doubtful accounts for pass and special mention loans is loan balance excluding accrued interest receivable but net of collateral. For sub-standard, doubtful and doubtful of loss loans, it is the debt balance (outstanding loan balance, net of deferred revenue but includes accrued interest receivables) after deducting the present value of expected future cash flows from debt collection or from collateral disposals.

** Allowance for doubtful accounts includes a reserve for cyclical business factors, including economic factors, and other risk that may affect the quality of assets.

(Unit: Million Baht)

Consolidated and separate financial statements						
As at 31 December 2018						
	Loans to customers and accrued interest receivables	Other claims	Total	Net balance used in calculation of allowance for doubtful accounts*	Loan loss provisioning rates (%)	Allowance for doubtful accounts
The BOT's minimum required provision						
Pass	364,861	59	364,920	109,038	1	1,090
Special mention	7,878	2	7,880	2,024	2	41
Sub-standard	1,838	1	1,839	590	100	590
Doubtful	1,338	-	1,338	494	100	494
Doubtful of loss	7,676	16	7,692	2,568	100	2,568
Provision in excess of the BOT's minimum required rates **	-	-	-	-		5,425
Total	383,591	78	383,669	114,714		10,208

* Net balance used in calculation of allowance for doubtful accounts for pass and special mention loans is loan balance excluding accrued interest receivable but net of collateral. For sub-standard, doubtful and doubtful of loss loans, it is the debt balance (outstanding loan balance, net of deferred revenue but includes accrued interest receivables) after deducting the present value of expected future cash flows from debt collection or from collateral disposals.

** Allowance for doubtful accounts includes a reserve for cyclical business factors, including economic factors, and other risk that may affect the quality of assets.

Notes to Financial Statements

(Continued)

As at 31 December 2019, allowance for doubtful accounts as shown in the tables above includes allowance for impairment on other claims, amounting to Baht 23 million (31 December 2018: Baht 18 million).

As at 31 December 2019 and 2018, the Bank classified unsecured consumer loans in accordance with the Notification of the BOT for non-performing loans (excluding receivables classified as pass and special mention), the allowance for doubtful accounts of which is determined using a collective approach, as follows:

Overdue (Days)	(Unit: Million Baht)		
	Consolidated and separate financial statements		
	As at 31 December 2019		
	Unsecured consumer loans	Loan loss provisioning rates (%)	Allowance for doubtful accounts
0 - 119	625	70 - 89	452
120 - 180	422	70 - 89	308
Total	1,047		760

Overdue (Days)	(Unit: Million Baht)		
	Consolidated and separate financial statements		
	As at 31 December 2018		
	Unsecured consumer loans	Loan loss provisioning rates (%)	Allowance for doubtful accounts
0 - 119	569	70 - 89	410
120 - 180	326	70 - 74	238
Total	895		648

11.5 Hire-purchase/financial lease receivables

As at 31 December 2019, the Bank has receivables under hire-purchase and financial lease agreements net of deferred revenue amounting to Baht 2,273 million (31 December 2018: Baht 3,295 million), which are mostly for vehicles and machines. The terms of the agreements are generally between 1 - 8 years and a majority of them charged fixed rates of interest.

	(Unit: Million Baht)				
	Consolidated and separate financial statements				
	As at 31 December 2019				
	Amounts due under hire-purchase/financial lease agreements				
	Less than 1 year	1 - 5 years	Over 5 years	Non performing loans	Total
Gross investments under hire-purchase/ financial lease agreements	1,006	1,314	-	105	2,425
Less: Deferred revenue*					(152)
Present value of minimum payments required under hire-purchase/financial lease agreements					2,273
Less: Allowance for doubtful accounts					(122)
Hire-purchase/financial lease receivables - net					2,151

* After deduction of deferred commission and initial direct costs on hire-purchases (if any)

Notes to Financial Statements

(Continued)

	(Unit: Million Baht)				
	As at 31 December 2018				
	Amounts due under hire-purchase/financial lease agreements				
	Less than 1 year	1 - 5 years	Over 5 years	Non performing loans	Total
Gross investments under hire-purchase/ financial lease agreements	1,236	2,109	60	158	3,563
Less: Deferred revenue*					(268)
Present value of minimum payments required under hire-purchase/financial lease agreements					3,295
Less: Allowance for doubtful accounts					(181)
Hire-purchase/financial lease receivables - net					3,114

* After deduction of deferred commission and initial direct costs on hire-purchases (if any)

11.6 Non-accrual loans

The Bank had non-accrual loans, according to the BOT's criteria (NPLs and restructured NPLs under restructuring in process) as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2019	2018
Non-accrual loans*	12,184	10,852
Percentage of total loans**	2.67	2.49

* Principal only

** Including interbank and money market loans

11.7 Troubled debt restructuring

During the years ended 31 December 2019 and 2018 the Bank entered into troubled debt restructuring agreements with debtors. The number of debtors and their debt balances before restructuring can be summarised below.

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2019	2018
Debt balances before restructuring*	4,805	4,756
Total number of restructured debtors	2,208	2,602

* Principal only

Notes to Financial Statements

(Continued)

The debtors restructured during the years ended 31 December 2019 and 2018 as referred to above can be classified by method of troubled debt restructuring as follows:

(Unit: Million Baht)						
Consolidated and separate financial statements						
For the year ended 31 December 2019						
Type of restructuring	Number of restructured debtors	Debt balances before restructuring	Type of assets	Fair value of assets	Debt balances after restructuring	Debt hair-cut loss per agreements
Modification of repayment terms	2,208	4,805	-	-	4,805	-
Total	2,208	4,805		-	4,805	-

(Unit: Million Baht)						
Consolidated and separate financial statements						
For the year ended 31 December 2018						
Type of restructuring	Number of restructured debtors	Debt balances before restructuring	Type of assets	Fair value of assets	Debt balances after restructuring	Debt hair-cut loss per agreements
Modification of repayment terms	2,602	4,756	-	-	4,755	1
Total	2,602	4,756		-	4,755	1

For the recognition of hair-cut losses from restructuring agreement for the years, the Bank amortised the losses against allowance for doubtful accounts, for which the Bank had already set aside a provision in full. Therefore the Bank did not record the hair-cut losses in the profit or loss.

The debts restructured by means of modification of repayment term as referred to above during the years ended 31 December 2019 and 2018 can be classified by the repayment terms under the new restructuring agreements as follows:

Consolidated and separate financial statements			
For the year ended 31 December 2019			
	Number of restructured debtors	Debt balances (Million Baht)	
		Before restructuring	After restructuring
Repayment terms according to the new restructuring agreements:			
Not more than 5 years	1,950	3,079	3,079
5 - 10 years	43	880	880
10 - 15 years	33	239	239
More than 15 years	182	607	607
Total	2,208	4,805	4,805

Notes to Financial Statements

(Continued)

	Consolidated and separate financial statements		
	For the year ended 31 December 2018		
	Number of restructured debtors	Debt balances (Million Baht)	
Before restructuring		After restructuring	
Repayment terms according to the new restructuring agreements:			
Not more than 5 years	2,112	2,719	2,718
5 - 10 years	126	815	815
10 - 15 years	65	291	291
More than 15 years	299	931	931
Total	2,602	4,756	4,755

As at 31 December 2019 and 2018, the Bank had outstanding balances on the restructured debtors as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	Number of debtors	Debt balances after restructuring
Balances of restructured debtors as at 31 December 2019	10,669	20,934
Balances of restructured debtors as at 31 December 2018	12,557	19,966

As at 31 December 2019, the Bank had outstanding commitments to provide additional loans to restructured debtors amounting to Baht 429 million (31 December 2018: Baht 418 million).

12. Allowance for doubtful accounts

	(Unit: Million Baht)						
	Consolidated and separate financial statements						
	For the year ended 31 December 2019						
	Pass	Special mention	Sub-standard	Doubtful	Doubtful of loss	Provision in excess of the BOT's minimum required rates*	Total
Beginning balance	1,090	41	589	494	2,551	5,425	10,190
Doubtful accounts	46	3	597	338	1,889	(459)	2,414
Bad debts written off	-	-	-	-	(2,028)	-	(2,028)
Others	-	-	(1)	-	(12)	-	(13)
Ending balance	1,136	44	1,185	832	2,400	4,966	10,563

* Allowance for doubtful accounts includes a reserve for cyclical business factors, including economic factors, and other risk that may affect the quality of assets.

** Allowance for doubtful accounts excludes allowance for impairment on other claims, amounting to Baht 23 million.

Notes to Financial Statements

(Continued)

(Unit: Million Baht)

Consolidated and separate financial statements							
For the year ended 31 December 2018							
	Pass	Special mention	Sub- standard	Doubtful	Doubtful of loss	Provision in excess of the BOT's minimum required rates*	Total
Beginning balance	955	45	679	206	2,927	5,185	9,997
Doubtful accounts	135	(4)	(95)	288	1,957	240	2,521
Bad debts written off	-	-	-	-	(2,327)	-	(2,327)
Others	-	-	5	-	(6)	-	(1)
Ending balance	1,090	41	589	494	2,551	5,425	10,190

* Allowance for doubtful accounts includes a reserve for cyclical business factors, including economic factors, and other risk that may affect the quality of assets.

** Allowance for doubtful accounts excludes allowance for impairment on other claims, amounting to Baht 18 million.

13. Properties foreclosed

Properties foreclosed represent properties obtained from debtors as a result of debt restructuring or properties obtained as a result of a successful bid for the mortgaged assets of debtors at auction and including the owned premises of the closed branches awaiting for sale.

Under the debt restructuring agreements, in cases the debtors restructure their debts by means of asset swap, the Bank grants buy-back rights or first refusal rights to certain debtors for a certain period, at prices as agreed in the debt restructuring agreements. The buy-back prices are normally agreed to be the transfer prices of the properties on the restructuring dates or plus interest.

As at 31 December 2019 and 2018, properties foreclosed are summarised as follows:

(Unit: Million Baht)

Consolidated and separate financial statements				
For the year ended 31 December 2019				
Type of properties foreclosed	Beginning balance	Addition	Disposal	Ending balance
Assets transferred in settlement of debts and assets from successful bids				
Immovable	2,083	45	(61)	2,067
Movable	-	-	-	-
Total properties foreclosed	2,083	45	(61)	2,067
Less: Allowance for impairment	(1,854)	(6)	-	(1,860)
Properties foreclosed - net	229	39	(61)	207

Notes to Financial Statements

(Continued)

Type of properties foreclosed	(Unit: Million Baht)			
	Consolidated and separate financial statements			
	For the year ended 31 December 2018			
	Beginning balance	Addition	Disposal	Ending balance
Assets transferred in settlement of debts and assets from successful bids				
Immovable	2,138	60	(115)	2,083
Movable	-	-	-	-
Total properties foreclosed	2,138	60	(115)	2,083
Less: Allowance for impairment	(1,854)	-	-	(1,854)
Properties foreclosed - net	284	60	(115)	229

As at 31 December 2019 and 2018, costs of immovable properties foreclosed were classified by external and internal appraisers as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2019	2018
Properties foreclosed - immovable		
Appraised by external appraisers	2,037	2,053
Appraised by internal appraisers	30	30
Total	2,067	2,083

Notes to Financial Statements

(Continued)

14. Premises and equipment

14.1 Movements

(Unit: Million Baht)

	Consolidated financial statements				
	Revaluation basis		Cost basis		Total
	Land	Buildings	Building improvement and equipment	Assets under construction/installation	
Cost/Revaluation					
As at 1 January 2018	5,894	1,843	5,047	112	12,896
Acquisitions	-	-	150	357	507
Transfer in (out)	-	-	73	(73)	-
Disposal and written off	-	-	(210)	-	(210)
As at 31 December 2018	5,894	1,843	5,060	396	13,193
Acquisitions	-	-	238	786	1,024
Transfer in (out)	-	-	146	(146)	-
Disposal and written off	-	-	(818)	-	(818)
As at 31 December 2019	5,894	1,843	4,626	1,036	13,399
Accumulated depreciation					
As at 1 January 2018	-	(95)	(3,007)	-	(3,102)
Depreciation charged for the year	-	(61)	(363)	-	(424)
Disposal and written off	-	-	204	-	204
As at 31 December 2018	-	(156)	(3,166)	-	(3,322)
Depreciation charged for the year	-	(60)	(385)	-	(445)
Disposal and written off	-	-	810	-	810
As at 31 December 2019	-	(216)	(2,741)	-	(2,957)
Net book value					
As at 31 December 2018	5,894	1,687	1,894	396	9,871
As at 31 December 2019	5,894	1,627	1,885	1,036	10,442
Depreciation included in profit or loss for the years ended 31 December					
2018					424
2019					445

Notes to Financial Statements

(Continued)

(Unit: Million Baht)

	Separate financial statements				Total
	Revaluation basis		Cost basis		
	Land	Buildings	Building improvement and equipment	Assets under construction/ installation	
Cost/Revaluation					
As at 1 January 2018	5,894	1,843	5,028	112	12,877
Acquisitions	-	-	149	357	506
Transfer in (out)	-	-	73	(73)	-
Disposal and written off	-	-	(210)	-	(210)
As at 31 December 2018	5,894	1,843	5,040	396	13,173
Acquisitions	-	-	237	786	1,023
Transfer in (out)	-	-	146	(146)	-
Disposal and written off	-	-	(813)	-	(813)
As at 31 December 2019	5,894	1,843	4,610	1,036	13,383
Accumulated depreciation					
As at 1 January 2018	-	(95)	(3,000)	-	(3,095)
Depreciation charged for the year	-	(61)	(361)	-	(422)
Disposal and written off	-	-	204	-	204
As at 31 December 2018	-	(156)	(3,157)	-	(3,313)
Depreciation charged for the year	-	(60)	(382)	-	(442)
Disposal and written off	-	-	805	-	805
As at 31 December 2019	-	(216)	(2,734)	-	(2,950)
Net book value					
As at 31 December 2018	5,894	1,687	1,883	396	9,860
As at 31 December 2019	5,894	1,627	1,876	1,036	10,433
Depreciation included in profit or loss for the years ended 31 December					
2018					422
2019					442

Had the land and buildings been carried based on a historical cost basis, their net book value as at 31 December 2019 and 2018 would have been as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2019	2018
Land		
Cost	1,888	1,888
Buildings		
Cost	1,823	1,823
Accumulated depreciation	(659)	(629)
Net book value	1,164	1,194

Notes to Financial Statements

(Continued)

As at 31 December 2019, certain buildings and equipment items of the Bank and its subsidiary were fully depreciated but are still in use. The historical costs or the reappraised values, before deducting accumulated depreciation, of those assets totalled Baht 1,555 million (31 December 2018: Baht 2,065 million) and The Bank only: Baht 1,555 million (31 December 2018: Baht 2,060 million).

14.2 Revaluation surplus on assets

Revaluation surplus on assets are surplus from revaluation of land and buildings. Their movements during the years are as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2019	2018
Beginning balances	4,536	4,566
Amortisation for the years	(31)	(30)
Ending balances	4,505	4,536

Revaluation surplus on assets can neither be used to offset against deficit nor for dividend distribution.

Differences arising from revaluation on assets are recognised in accordance with the accounting policy as described in Note 4.11 to the financial statements.

During the year 2015, The Bank arranged for independent professional valuers to appraise the value of land and buildings on an asset-by-asset basis. The basis of the revaluation was as follows:

- Appraisal of land: Market comparison approach is used whereby the buying and selling prices for assets with similar characteristics are obtained.
- Appraisal of buildings: The depreciated replacement cost approach is used for buildings specifically used for the Bank's operation. The market comparison approach is used for general buildings whereby the buying and selling prices for assets with similar characteristics are obtained. The income approach is used for assets that generate income.

Key assumptions in the valuation, which are unobservable inputs generally, are summarised below:

	Assumptions used in revaluation	Result to fair value where as an increase in assumption value
Land price per square wah (Baht)	40,000 - 2,296,754	Increase in fair value (Market comparison Approach)
Building construction cost per square metre (Baht)	9,558 - 30,511	Increase in fair value (Depreciated replacement cost Approach)
Yield rate (%)	8	Decrease in fair value (Income Approach)

Notes to Financial Statements

(Continued)

15. Other intangible assets

	(Unit: Million Baht)			
	Consolidated financial statements			
	Application softwares	Assets in progress	Others	Total
Cost				
As at 1 January 2018	2,934	69	2	3,005
Acquisitions	98	96	-	194
Transfer in (out)	102	(102)	-	-
Written off	(5)	-	-	(5)
As at 31 December 2018	3,129	63	2	3,194
Acquisitions	51	100	-	151
Transfer in (out)	99	(99)	-	-
Written off	(365)	-	-	(365)
As at 31 December 2019	2,914	64	2	2,980
Accumulated amortisation				
As at 1 January 2018	(1,920)	-	-	(1,920)
Amortisation for the year	(197)	-	-	(197)
Written off	3	-	-	3
As at 31 December 2018	(2,114)	-	-	(2,114)
Amortisation for the year	(200)	-	-	(200)
Written off	365	-	-	365
As at 31 December 2019	(1,949)	-	-	(1,949)
Net book value				
As at 31 December 2018	1,015	63	2	1,080
As at 31 December 2019	965	64	2	1,031
Remaining useful lives (years)	0 - 8	-	-	
Amortisation included in profit or loss for the years ended 31 December				
2018				197
2019				200

Notes to Financial Statements

(Continued)

	(Unit: Million Baht)			
	Separate financial statements			
	Application softwares	Assets in progress	Others	Total
Cost				
As at 1 January 2018	2,918	69	2	2,989
Acquisitions	98	96	-	194
Transfer in (out)	102	(102)	-	-
Written off	(5)	-	-	(5)
As at 31 December 2018	3,113	63	2	3,178
Acquisitions	51	100	-	151
Transfer in (out)	99	(99)	-	-
Written off	(365)	-	-	(365)
As at 31 December 2019	2,898	64	2	2,964
Accumulated amortisation				
As at 1 January 2018	(1,907)	-	-	(1,907)
Amortisation for the year	(196)	-	-	(196)
Written off	3	-	-	3
As at 31 December 2018	(2,100)	-	-	(2,100)
Amortisation for the year	(199)	-	-	(199)
Written off	365	-	-	365
As at 31 December 2019	(1,934)	-	-	(1,934)
Net book value				
As at 31 December 2018	1,013	63	2	1,078
As at 31 December 2019	964	64	2	1,030
Remaining useful lives (years)	0 - 8	-	-	
Amortisation included in profit or loss for the years ended 31 December				
2018				196
2019				199

As at 31 December 2019, certain items of other intangible assets of the Bank and its subsidiary were fully amortised but are still in use. The historical costs, before deducting accumulated amortisation, of those assets totalled Baht 1,078 million (31 December 2018: Baht 1,201 million) and The Bank only: Baht 1,065 million (31 December 2018: Baht 1,201 million).

Notes to Financial Statements

(Continued)

16. Deferred tax assets/liabilities and income tax expenses

16.1 Deferred tax assets/liabilities

The following table shows major components of deferred tax assets/liabilities as at 31 December 2019 and 2018.

	(Unit: Million Baht)							
	Consolidated financial statements				Separate financial statements			
	Statements of financial position as at 31 December		Changes in deferred income taxes for the years ended 31 December		Statements of financial position as at 31 December		Changes in deferred income taxes for the years ended 31 December	
	2019	2018	2019	2018	2019	2018	2019	2018
Deferred tax assets on:								
Allowance for impairment on properties foreclosed	372	371	1	-	372	371	1	-
Allowance for impairment and revaluation on assets	5	5	-	-	5	5	-	-
Allowance for impairment and revaluation on investments	24	24	-	(1)	24	24	-	(1)
Provisions for long-term employee benefits	385	324	61	3	382	322	60	2
Provisions for other liabilities	57	47	10	(9)	57	47	10	(9)
Unrealised losses on financial derivatives	-	1	(1)	-	-	1	(1)	-
Bad debts	2	3	(1)	3	2	3	(1)	3
Other receivables	9	9	-	(1)	9	9	-	(1)
Accrued expenses	162	174	(12)	51	162	174	(12)	51
Fixed asset	6	3	3	(28)	6	3	3	(28)
Others	208	198	10	23	207	198	9	23
Total	1,230	1,159	71	41	1,226	1,157	69	40
Deferred tax liabilities on:								
Revaluation surplus on assets	901	907	6	6	901	907	6	6
Revaluation surplus on investments	138	17	(121)	13	138	17	(121)	13
Revaluation gain on investments	1	-	(1)	-	1	-	(1)	-
Others	120	122	2	(19)	120	122	2	(19)
Total	1,160	1,046	(114)	-	1,160	1,046	(114)	-
Deferred tax assets - net	70	113			66	111		
Changes in deferred income taxes			(43)	41			(45)	40

Notes to Financial Statements

(Continued)

Movements in the deferred tax assets (liabilities) during the years ended 31 December 2019 and 2018 are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
Beginning balances	113	72	111	71
Changes in deferred income taxes				
Recognised in profit or loss	47	25	46	25
Recognised in other comprehensive income or loss	(90)	16	(91)	15
Total changes in deferred income taxes for the years	(43)	41	(45)	40
Ending balances	70	113	66	111

16.2 Income tax expenses

Income tax expenses for the years ended 31 December 2019 and 2018 are made up as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
Current income taxes:				
Current income tax charge for the years	1,128	1,031	1,121	1,018
Adjustments in respect of corporate income taxes of previous year	-	15	(2)	15
Deferred income taxes:				
Relating to origination and reversal of temporary differences	(47)	(25)	(46)	(25)
Income tax expenses reported in profit or loss	1,081	1,021	1,073	1,008

Notes to Financial Statements

(Continued)

Reconciliation between income tax expenses and the product of accounting profits for the years ended 31 December 2019 and 2018 multiplied by the applicable tax rate are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
Accounting profits before income tax expenses	5,644	5,347	5,663	5,328
Applicable tax rate	20%	20%	20%	20%
Accounting profits before income tax expenses multiplied by applicable tax rate	1,129	1,069	1,133	1,065
Tax effects from:				
Adjustments in respect of corporate income taxes of previous year	-	15	(2)	15
Additional tax-deductible expenses	(60)	(63)	(60)	(63)
Tax effect on tax-exempted revenues	(1)	(1)	(11)	(10)
Tax effect on non-tax deductible expenses	12	9	12	9
Adjustment	1	(8)	1	(8)
Income tax expenses reported in profit or loss	1,081	1,021	1,073	1,008

16.3 Components of other comprehensive income (losses) and related income taxes

	(Unit: Million Baht)					
	Consolidated financial statements					
	For the years ended 31 December					
	2019			2018		
	Before tax amount	Tax benefit (expense)	Net of tax amount	Before tax amount	Tax benefit	Net of tax amount
Items to be recognised subsequently in profit or loss:						
Gains (losses) on revaluation of available-for-sale investments	608	(122)	486	(68)	14	(54)
Total items to be recognised subsequently in profit or loss	608	(122)	486	(68)	14	(54)
Items not to be recognised subsequently in profit or loss:						
Actuarial losses on defined benefit plans	(157)	32	(125)	(8)	2	(6)
Total items not to be recognised subsequently in profit or loss	(157)	32	(125)	(8)	2	(6)
	451	(90)	361	(76)	16	(60)

Notes to Financial Statements

(Continued)

	(Unit: Million Baht)					
	Separate financial statements					
	For the years ended 31 December					
	2019			2018		
	Before tax amount	Tax benefit (expense)	Net of tax amount	Before tax amount	Tax benefit	Net of tax amount
Items to be recognised subsequently in profit or loss:						
Gains (losses) on revaluation of available-for-sale investments	608	(122)	486	(68)	14	(54)
Total items to be recognised subsequently in profit or loss	608	(122)	486	(68)	14	(54)
Items not to be recognised subsequently in profit or loss:						
Actuarial losses on defined benefit plans	(154)	31	(123)	(7)	1	(6)
Total items not to be recognised subsequently in profit or loss	(154)	31	(123)	(7)	1	(6)
	454	(91)	363	(75)	15	(60)

17. Other assets

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2019	2018	2019	2018
Accrued income	538	451	538	452
Suspense debtors	422	387	422	387
Prepaid and deferred expenses	356	404	354	395
Leasehold rights - net	32	38	32	38
Other receivables from sold non-performing loans - net	94	385	94	385
Others	456	441	456	441
Total	1,898	2,106	1,896	2,098
Less: Allowance for impairment	(138)	(143)	(138)	(143)
Other assets - net	1,760	1,963	1,758	1,955

Notes to Financial Statements

(Continued)

18. Classified assets

(Unit: Million Baht)

	Separate financial statements				
	As at 31 December 2019				
	Investments	Loans*	Properties foreclosed	Other assets	Total
Classification					
Pass	-	434,846	-	68	434,914
Special mention	-	9,876	-	3	9,879
Sub-standard	-	2,380	-	2	2,382
Doubtful	-	1,861	-	-	1,861
Doubtful of loss	101	7,943	1,858	134	10,036
Total	101	456,906	1,858	207	459,072

* Including interbank and money market loans.

(Unit: Million Baht)

	Separate financial statements				
	As at 31 December 2018				
	Investments	Loans*	Properties foreclosed	Other assets	Total
Classification					
Pass	-	417,766	-	59	417,825
Special mention	-	7,803	-	2	7,805
Sub-standard	-	1,838	-	1	1,839
Doubtful	-	1,338	-	-	1,338
Doubtful of loss	153	7,676	1,828	139	9,796
Total	153	436,421	1,828	201	438,603

* Including interbank and money market loans.

19. Deposits

19.1 Classified by types of deposits

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2019	2018	2019	2018
Current accounts	10,069	9,385	10,069	9,385
Savings accounts	250,943	230,477	250,998	230,553
Fixed deposits	195,299	165,316	195,344	165,361
Total	456,311	405,178	456,411	405,299

Notes to Financial Statements

(Continued)

19.2 Classified by currencies and depositors' residency

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December					
	2019			2018		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	435,677	10,264	445,941	388,767	10,365	399,132
US Dollar	8,802	404	9,206	4,601	486	5,087
Others	716	448	1,164	494	465	959
Total	445,195	11,116	456,311	393,862	11,316	405,178

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December					
	2019			2018		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	435,777	10,264	446,041	388,888	10,365	399,253
US Dollar	8,802	404	9,206	4,601	486	5,087
Others	716	448	1,164	494	465	959
Total	445,295	11,116	456,411	393,983	11,316	405,299

20. Interbank and money market items (Liabilities)

(Unit: Million Baht)

	Consolidated and separate financial statements					
	As at 31 December					
	2019			2018		
	On demand	Term	Total	On demand	Term	Total
Domestic items						
The Bank of Thailand and the Financial Institutions Development Fund						
	-	1,385	1,385	-	1,156	1,156
Commercial banks	29	1,700	1,729	58	380	438
Specific financial institutions	54	2,387	2,441	294	2,272	2,566
Other financial institutions	10,605	1,024	11,629	8,634	1,255	9,889
Total domestic items	10,688	6,496	17,184	8,986	5,063	14,049
Foreign items						
US Dollar	328	4,614	4,942	15	14,894	14,909
Yen	-	-	-	-	469	469
Euro	-	-	-	2	-	2
Other currencies	344	-	344	261	-	261
Total foreign items	672	4,614	5,286	278	15,363	15,641
Total domestic and foreign items	11,360	11,110	22,470	9,264	20,426	29,690

Notes to Financial Statements

(Continued)

21. Debts issued and borrowings

As at 31 December 2019 and 2018, debts issued and borrowings comprised subordinated debentures and senior debentures. They are classified by type of securities, maturity and interest rate as follows:

(Unit: Million Baht)

Consolidated and separate financial statements				
As at 31 December 2019				
Type	Maturity	Interest rate per annum	Currency	Amount Domestic
		(%)		
Subordinated Debentures	20 Sep 2027	3.56	THB	6,000
Senior Debentures	15 Mar 2021	2.16	THB	5,000
Total				11,000

(Unit: Million Baht)

Consolidated and separate financial statements				
As at 31 December 2018				
Type	Maturity	Interest rate per annum	Currency	Amount Domestic
		(%)		
Subordinated Debentures	20 Sep 2027	3.56	THB	6,000
Senior Debentures	15 Mar 2019 and 15 Mar 2021	1.85 - 2.16	THB	10,000
Total				16,000

Subordinated debentures

On 20 September 2017, the Bank issued Subordinated Debenture No.1/2017 amounting to Baht 6,000 million, via private placement to institutional and high net worth investors. The debentures have a tenor of 10 years and bear interest at the rate of 3.56% per annum, and the Bank has the right to make early redemption, as approved by the BOT. The debentures have loss absorption features that will come into effect at the point of non-viability, in accordance with the BOT guidelines laid down with reference to Basel III framework.

On 2 November 2017, the BOT granted an approval for the Bank to count proceeds received from the issue of the above subordinated debentures for an amount of Baht 6,000 million as a part of its Tier 2 capital effective 20 September 2017 onwards, in accordance with the conditions specified in the BOT's notifications regarding the Basel III framework.

Senior debentures

On 15 March 2016, the Bank issued the unsecured senior debentures without debenture holder representatives amounting to Baht 10,000 million, via private placement to institutional investors established under Thai Law. The debentures have a tenor of 3-5 years and interest is payable semi-annually. Of those debentures, Baht 5,000 million bear interest at a fixed rate of 1.85% per annum and mature in 2019, and another Baht 5,000 million bear interest at a fixed rate of 2.16% per annum and mature in 2021.

Notes to Financial Statements

(Continued)

22. Provisions for long-term employee benefits

Changes in provisions for long-term employee benefits for the years ended 31 December 2019 and 2018 can be summarised as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
Provisions for long-term employee benefits at the beginning of the year	1,620	1,611	1,610	1,602
Recognised in profit or loss:				
Current service cost	129	126	128	125
Interest cost	36	33	36	32
Past service cost	92	-	90	-
Total benefits recognised in profit or loss	257	159	254	157
Recognised in other comprehensive income:				
Actuarial (gains) losses arising from:				
Financial assumption changes	147	(16)	144	(16)
Experience adjustments	10	23	10	23
Total benefits recognised in other comprehensive income or loss	157	7	154	7
Employee benefits paid during the year	(110)	(157)	(110)	(157)
Employee transferal in	-	-	-	1
Provisions for long-term employee benefits at end of the year	1,924	1,620	1,908	1,610

The Bank and its subsidiary expect to pay long-term employee benefits during the next year amounting to Baht 128 million (31 December 2018: Baht 117 million) and The Bank only: Baht 128 million (31 December 2018: Baht 116 million).

As at 31 December 2019, the weighted average duration of the Bank's and its subsidiary's long-term employee benefit obligation is 11.3 years (31 December 2018: 11.2 years) and The Bank only: 11.3 years (31 December 2018: 11.2 years).

The principal assumptions used in determining employee benefits under retirement plans can be summarised as follows:

	(Unit: Percentage per year)	
	Consolidated and separate financial statements	
	As at 31 December	
	2019	2018
Future salary incremental rates (depending on age)	4 - 7.5	4 - 7.5
Turnover rates (depending on age)	1 - 30	1 - 30
Average discount rate	1.6334	2.6918
Mortality development rate	3	3

Notes to Financial Statements

(Continued)

Sensitivity analysis for principal assumptions that affect provisions for long-term employee benefits as at 31 December 2019 and 2018 are summarised below:

	(Unit: Million Baht)							
	Consolidated financial statements							
	As at 31 December 2019							
	Salary incremental rate		Turnover rate		Discount rate		Mortality development rate	
	Increased by 1%	Decreased by 1%	Increased by 20%	Decreased by 20%	Increased by 1%	Decreased by 1%	Increased by 1%	Decreased by 1%
Increase (decrease) in provisions for long-term employee benefits	146	(131)	(65)	76	(134)	152	2	(3)

	(Unit: Million Baht)							
	Consolidated financial statements							
	As at 31 December 2018							
	Salary incremental rate		Turnover rate		Discount rate		Mortality development rate	
	Increased by 1%	Decreased by 1%	Increased by 20%	Decreased by 20%	Increased by 1%	Decreased by 1%	Increased by 1%	Decreased by 1%
Increase (decrease) in provisions for long-term employee benefits	112	(102)	(40)	46	(102)	115	1	(1)

	(Unit: Million Baht)							
	Separate financial statements							
	As at 31 December 2019							
	Salary incremental rate		Turnover rate		Discount rate		Mortality development rate	
	Increased by 1%	Decreased by 1%	Increased by 20%	Decreased by 20%	Increased by 1%	Decreased by 1%	Increased by 1%	Decreased by 1%
Increase (decrease) in provisions for long-term employee benefits	144	(129)	(63)	74	(132)	150	2	(2)

	(Unit: Million Baht)							
	Separate financial statements							
	As at 31 December 2018							
	Salary incremental rate		Turnover rate		Discount rate		Mortality development rate	
	Increased by 1%	Decreased by 1%	Increased by 20%	Decreased by 20%	Increased by 1%	Decreased by 1%	Increased by 1%	Decreased by 1%
Increase (decrease) in provisions for long-term employee benefits	111	(100)	(39)	45	(101)	114	1	(1)

Notes to Financial Statements

(Continued)

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Bank and its subsidiary have additional liabilities for long-term employee benefits liabilities. The Bank and its subsidiary reflected the effect of the change by recognising past service costs as expenses in the income statement of the year.

23. Provisions for other liabilities

(Unit: Million Baht)			
Consolidated and separate financial statements			
For the year ended 31 December 2019			
	Contingencies	Obligation for litigation cases	Total
Beginning balances	148	86	234
Increase in estimation during the year	51	1	52
Paid during the year	-	(1)	(1)
Ending balances	199	86	285

(Unit: Million Baht)			
Consolidated and separate financial statements			
For the year ended 31 December 2018			
	Contingencies	Obligation for litigation cases	Total
Beginning balances	192	86	278
Increase (decrease) in estimation during the year	(44)	7	(37)
Paid during the year	-	(7)	(7)
Ending balances	148	86	234

24. Other liabilities

(Unit: Million Baht)				
	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2019	2018	2019	2018
Suspense creditors and accounts payable - others	1,945	1,824	1,956	1,835
Deferred revenues	342	650	342	650
Accrued interest expenses	733	561	733	561
Others	248	201	247	201
Total	3,268	3,236	3,278	3,247

Notes to Financial Statements

(Continued)

25. Other components of equity

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2019	2018
Revaluation surplus on assets	4,505	4,536
Revaluation surplus (deficit) on available-for-sale investments		
Revaluation surplus on available-for-sale investments		
Debt instruments	690	134
Total	690	134
Revaluation deficit on available-for-sale investments		
Debt instruments	-	(49)
Equity instruments	-	(3)
Total	-	(52)
Total revaluation surplus on available-for-sale investments	690	82
Total other components of equity	5,195	4,618
Less: income taxes	(1,039)	(924)
Other components of equity - net of income taxes	4,156	3,694

26. Statutory reserve

Pursuant to Section 116 of the Public Company Limited Act B.E. 2535, the Bank is required to set aside to a statutory reserve at least 5% of its net profits, after deducting any balance of deficit brought forward (if any), until such reserve reaches 10% of the Bank's registered share capital. The statutory reserve is not available for dividend distribution.

27. Dividends

On 24 April 2019, the Annual General Meeting of the shareholders passed a resolution approving payment of cash dividend from operating results for the year ended 31 December 2018 at the rate of Baht 0.45 per share, or a total of Baht 1,119 million. The dividend payment was made on 22 May 2019.

Notes to Financial Statements

(Continued)

28. Capital funds

The primary objective of the Bank's capital management is to maintain an optimal level of capital. Policies, which are approved by the Bank's Board of Directors and overseen by the Bank's senior management, are set to ensure that the capital maintenance is in accordance with the BOT's requirements and at an appropriate and adequate level to support the business growth within the acceptable level of risk and to maintain the good credit rating.

The Capital Funds and Capital Adequacy Ratio of the Bank as at 31 December 2019 and 2018 in accordance with the BOT's requirements with reference to Basel III framework consist of the followings:

	(Unit: Million Baht)	
	Separate financial statements	
	As at 31 December	
	2019	2018
Tier 1 Capital		
Common Equity Tier 1 (CET1)		
Paid-up share capital	24,857	24,857
Statutory reserve	1,595	1,365
Retained earnings after appropriation	27,221	24,011
Other components of equity	4,147	3,685
Less: Deduction items from Common Equity Tier 1	(1,103)	(1,197)
Total Tier 1 Capital	56,717	52,721
Tier 2 Capital		
Subordinated debentures	6,000	6,000
Provision for assets classified as normal and surplus of provision	1,158	1,650
Total Tier 2 Capital	7,158	7,650
Total Capital Funds	63,875	60,371

	(Unit: Percentage)			
	Separate financial statements			
	As at 31 December			
	2019		2018	
	BOT Minimum Requirement and Conservation Buffer*	The Bank	BOT Minimum Requirement and Conservation Buffer*	The Bank
Capital Adequacy Ratio				
Common Equity Tier 1 to risk-weighted assets	7.00	17.91	6.375	16.80
Tier 1 Capital Funds to risk-weighted assets	8.50	17.91	7.875	16.80
Total Capital Funds to risk-weighted assets	11.00	20.17	10.375	19.23

* According to BOT's Basel III framework, the Bank is required to maintain Common Equity Tier 1 of at least 2.5% of total risk-weighted assets, as a capital buffer, in addition to minimum capital ratio. This capital buffer ("Conservation buffer") will gradually increase at least 0.625% a year starting from 1 January 2016 until the ratio of at least 2.5% is reached on 1 January 2019.

Notes to Financial Statements

(Continued)

29. Share-based payment plan for the Bank's senior management

The Bank's Board of Directors Meeting No. 573 approved a resolution to join the share-based payment plan ("the Plan") under Long Term Incentives Plan (LTI) with compensation in the form of restricted shares (RS) and share appreciation rights (SAR) of United Overseas Bank Limited ("major shareholder") is awarded to selected senior managements. The selection criteria indicated by the Nomination and Compensation Committee (NCC) of the Bank, considering from several factors such as individual performance, potential, leadership skills, job level and market competitive.

Details of the plan are below:

- (a) Restricted Shares (RS), represent ordinary shares of United Overseas Bank Limited that participants will be entitled to receive upon fulfilment of certain time and performance conditions. Upon vesting, participants will receive United Overseas Bank Limited's shares represented by the restricted shares as per the plan's rules.
- (b) Share Appreciation Rights (SAR) are the rights to receive a number of United Overseas Bank's Limited shares equivalent in value to the difference between the prevailing market value and the grant value of the shares of the major shareholder multiplied by number of SAR as per the Plan's rules and divided by the prevailing market value of the shares of the major shareholder. Upon vesting of the SAR, participants have up to six years from the grant date to exercise their rights.

Since 2014, Long Term Incentives Plan has been replaced by Executive Equity Plan (EEP) whereby under the EEP there remains remunerations in the form of RS as mentioned in (a) whilst remunerations in the form of SAR as mentioned in (b) were ceased from 2014 onwards. However, any SAR previously granted under LTI would still remain enforced until SAR expired in 2014 or their exercise rights expire in 2019.

For the year ended 31 December 2019, the Bank recorded Baht 81 million (2018: Baht 68 million) for the above plan as expenses and also recorded such obligations by the same amount as liabilities. As at 31 December 2019, the Bank has obligations of Baht 118 Million (2018: Baht 109 million) which were presented as a part of other liabilities.

30. Commitments and contingent liabilities

30.1 Commitments

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2019	2018
Aval to bills	3,698	2,227
Guarantees of loans	4,302	3,334
Liabilities under unmatured import bills	820	1,230
Letters of credit	2,584	3,925
Other commitments		
- Undrawn overdraft amount	23,909	24,391
- Spot foreign exchange contracts	2,696	3,477
- Other guarantees	37,305	32,865
- Others	17,917	18,831
Total	93,231	90,280

Notes to Financial Statements

(Continued)

30.2 Operating lease commitments

As at 31 December 2019 and 2018, the Bank and its subsidiary had land and building lease agreements for branch offices and vehicles lease agreements, for which the lease terms range from 1 - 30 years and are renewable. The Bank and its subsidiary also have committed to pay future rental payments which can be summarised as follows:

	(Unit: Million Baht)		
	Consolidated and separate financial statements		
	As at 31 December 2019		
	Land and building rental agreements	Vehicle lease agreements	Total
Payment terms			
Within 1 year	332	32	364
1 - 5 years	418	58	476
More than 5 years	21	-	21
Total	771	90	861

	(Unit: Million Baht)		
	Consolidated and separate financial statements		
	As at 31 December 2018		
	Land and building rental agreements	Vehicle lease agreements	Total
Payment terms			
Within 1 year	304	28	332
1 - 5 years	321	62	383
More than 5 years	25	-	25
Total	650	90	740

30.3 Commitments under a bancassurance agreement

On 31 January 2010, the UOB Group and the Bank signed a business partner agreement (Bancassurance Agreement) with life insurance group. Under the agreement, the Bank received an upfront fee in consideration for 12 years partnership. The upfront fees was deferred and amortised over the term of the partnership as disclosed in Note 24 to the financial statements.

On 30 January 2019, a new partnership agreement was signed for a period of 15 years. As a result, the existing contract terms will be canceled with effect from 1 January 2020.

30.4 Other commitments

As at 31 December 2019, the Bank has contractual commitments in respect to construction of office buildings and the purchase of information technology systems as well as other agreements under the Bank's projects. The outstanding balances of such contractual commitments were approximately Baht 2,599 million (31 December 2018: Baht 3,295 million) and the Bank also has commitments to pay the service fees in relation to service contracts amounting to Baht 88 million (31 December 2018: Baht 168 million).

As at 31 December 2019, the Bank has no commitment in relation to "to-sell and to-purchase" agreement for its foreclosed properties (31 December 2018: Baht 12 million). As at 31 December 2019, the Bank has commitments to purchase the foreclosed properties amounting to Baht 54 million (31 December 2018: Baht 80 million).

Notes to Financial Statements

(Continued)

31. Assets placed as collateral

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	Carrying value	
	As at 31 December	
	2019	2018
Government bonds		
Placed as collateral for Intraday Liquidity Facilities with the BOT	12,090	11,060
Placed as collateral for hedging of settlement risk	4,930	3,354
Placed as collateral for government departments	73	73

32. Litigation

In the course of normal business operation of the Bank, the Bank has been sued under various labor and civil lawsuits, including torture cases. Under these lawsuits, claims against the Bank as at 31 December 2019 totaled Baht 881 million (31 December 2018: Baht 826 million). The Bank's management has exercised their judgement to the possible losses to the Bank and recorded the amount under "Provisions for other liabilities" as described in Note 23 to the financial statements and believe that should the outcome of the lawsuits be finalised, there will not be a material impact to the Bank's financial position or operating performance.

33. Related party transactions

33.1 Significant of related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Bank and its subsidiary, whether directly or indirectly, or which are under common control with the Bank and its subsidiary.

They also include associated company, and individuals or enterprises which directly or indirectly own a voting interest in the Bank and its subsidiary that gives them significant influence over the Bank and its subsidiary, key management personnel, directors and officers with authority in the plan and the direction of the Bank's and its subsidiary operations, together with close family members of such persons and companies which are controlled and influenced by them, whether directly or indirectly.

During the years, the Bank had significant business transactions with its subsidiary, related companies (related by ways of shareholding and/or common shareholders and/or common directors) and related persons (Directors and Senior Management who are in the level of Executive Director upwards, and their close family members). These transactions have been concluded on commercial terms and based agreed upon in the ordinary course of business between the Bank, and those parties. Interest rates on loans to employees are calculated based on the Bank's employee welfare rule.

As at 31 December 2019, the Bank has outstanding staff welfare loans to executives from level of Executive Director upwards of Baht 21 million (31 December 2018: Baht 31 million) and also has general loans to Senior Management and their close family members with the outstanding balance of Baht 71 million (31 December 2018: Baht 36 million) and the average outstanding balance of Baht 45 million (31 December 2018: Baht 27 million).

In addition, as at 31 December 2019, the Bank also has deposits of Baht 238 million (31 December 2018: Baht 202 million) taken from related persons, including their close family members.

Notes to Financial Statements

(Continued)

Significant transactions, income and expenses incurred with related parties (apart from those disclosed in the other notes to financial statements) for the years ended 31 December 2019 and 2018 are summarised below.

(Unit: Million Baht)						
Consolidated financial statements						
For the years ended 31 December						
	2019			2018		
	Related companies	Group of major shareholder (UOB)	Total	Related companies	Group of major shareholder (UOB)	Total
Interest income	16	17	33	27	24	51
Interest expenses	14	330	344	4	464	468
Fees and service income	1	573	574	2	648	650
Fees and service expenses	-	1	1	-	4	4
Net gains (losses) on trading and foreign exchange transactions	(960)	3,201	2,241	-	(848)	(848)
Other operating income	-	-	-	-	1	1
Premises and equipment expenses	14	-	14	15	-	15
Data processing charges (tax included)	-	704	704	-	724	724
Other expenses	18	98	116	14	92	106

(Unit: Million Baht)								
Separate financial statements								
For the years ended 31 December								
	2019				2018			
	Subsidiary	Related companies	Group of major shareholder (UOB)	Total	Subsidiary	Related companies	Group of major shareholder (UOB)	Total
Interest income	-	16	17	33	-	27	24	51
Interest expenses	1	14	330	345	1	4	464	469
Fees and service income	7	1	573	581	7	2	648	657
Fees and service expenses	141	-	-	141	172	-	4	176
Net gains (losses) on trading and foreign exchange transactions	-	(960)	3,201	2,241	-	-	(848)	(848)
Dividend income	50	-	-	50	45	-	-	45
Other operating income	6	-	-	6	7	-	1	8
Premises and equipment expenses	(2)	14	-	12	(2)	15	-	13
Data processing charges (tax included)	-	-	704	704	-	-	724	724
Other expenses	-	18	98	116	-	14	92	106

During the year ended 31 December 2019, the Bank disbursed for software development as capital expenditure to United Overseas Bank Limited, its major shareholder, amounting to Baht 104 million (2018: Baht 127 million).

In addition, the Bank purchased equipment from related companies amounting to Baht 21 million (2018: Baht 8 million).

Notes to Financial Statements

(Continued)

33.2 Remunerations to directors and senior management

For the years ended 31 December 2019 and 2018, remunerations payable to the Bank's and its subsidiary's directors and senior management, who are key management personnel with authority and responsibility, whether direct or indirect, for planning, direction and controlling the operations of the Bank and its subsidiary, are consisted of monthly remunerations, salaries, provident fund contributions and long-term benefits as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2019	2018
Short-term employee benefits	654	545
Post-employment benefits	38	28
Share-based payments	81	68
Total	773	641

33.3 Outstanding balances

The outstanding balances of significant related party transactions as at 31 December 2019 and 2018 are as follows:

	(Unit: Million Baht)				
	Consolidated financial statements				
	As at 31 December 2019				
	Non-consolidated subsidiary company	Major shareholders (UOB)			
UOB Bullion and Futures (Thai) Co., Ltd.	Related Companies	United Overseas Bank Limited	United Overseas Bank Group of Companies		
Average outstanding loans to customers	-	284	-	-	284
Outstanding loans to customers	-	471	-	-	471
Interbank and money market items (assets)	-	-	670	13	683
Derivatives assets	-	199	591	-	790
Deposits and other assets	-	-	2	51	53
Commitments	-	54,373	147,430	17	201,820
Deposits	3	2,756	-	-	2,759
Interbank and money market items (liabilities)	-	42	4,751	2,417	7,210
Derivatives liabilities	-	349	427	-	776
Other liabilities	-	2	444	4	450

Notes to Financial Statements

(Continued)

(Unit: Million Baht)

Consolidated financial statements					
As at 31 December 2018					
Non-consolidated subsidiary company	Major shareholders (UOB)				Total
	UOB Bullion and Futures (Thai) Co., Ltd.	Related Companies	United Overseas Bank Limited	United Overseas Bank Group of Companies	
Average outstanding loans to customers	-	507	-	-	507
Outstanding loans to customers	-	570	-	-	570
Interbank and money market items (assets)	-	-	387	9	396
Derivatives assets	-	-	1,536	1	1,537
Deposits and other assets	-	-	2	61	63
Commitments	-	461	143,458	25	143,944
Deposits	3	547	-	-	550
Interbank and money market items (liabilities)	-	196	15,460	1,802	17,458
Derivatives liabilities	-	-	316	-	316
Other liabilities	-	-	1,140	4	1,144

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2019						
Subsidiary companies	Major shareholders (UOB)				Total	
	UOB Bullion and Futures (Thai) Co., Ltd.	UOB Services Co., Ltd.	Related Companies	United Overseas Bank Limited		United Overseas Bank Group of Companies
Average outstanding loans to customers	-	-	284	-	-	284
Outstanding loans to customers	-	-	471	-	-	471
Interbank and money market items (assets)	-	-	-	670	13	683
Derivatives assets	-	-	199	591	-	790
Deposits and other assets	-	1	-	2	51	54
Commitments	-	-	54,373	147,430	17	201,820
Deposits	3	100	2,756	-	-	2,859
Interbank and money market items (liabilities)	-	-	42	4,751	2,417	7,210
Derivatives liabilities	-	-	349	427	-	776
Other liabilities	-	13	2	444	4	463

Notes to Financial Statements

(Continued)

(Unit: Million Baht)

	Separate financial statements					Total
	As at 31 December 2018					
	Subsidiaries companies		Related Companies	Major shareholders (UOB)		
	UOB Bullion and Futures (Thai) Co., Ltd.	UOB Services Co., Ltd.		United Overseas Bank Limited	United Overseas Bank Group of Companies	
Average outstanding loans to customers	-	-	507	-	-	507
Outstanding loans to customers	-	-	570	-	-	570
Interbank and money market items (assets)	-	-	-	388	8	396
Derivatives assets	-	-	-	1,536	1	1,537
Deposits and other assets	-	1	-	2	61	64
Commitments	-	-	461	143,458	25	143,944
Deposits	3	121	547	-	-	671
Interbank and money market items (liabilities)	-	-	196	15,460	1,802	17,458
Derivatives liabilities	-	-	-	316	-	316
Other liabilities	-	13	-	1,140	4	1,157

34. Other benefits paid to the directors and management

For the years ended 31 December 2019 and 2018, the Bank and its subsidiary had no benefits payable to their directors and management other than those they normally receive whereby directors receive monthly directors' remuneration and management receive salary, bonus and other benefits as discussed in Note 29 and Note 33.2 to the financial statements.

35. Earnings per share

Basic earnings per share is calculated by dividing profit for the years attributable to equity holders of the Bank (exclude other comprehensive income or loss) by the weighted average number of ordinary shares in issue during the years.

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
Profits for the year (Million Baht)	4,563	4,326	4,590	4,319
Earnings per share (Baht/share)	1.84	1.74	1.85	1.74
Weighted average number of shares (shares)	2,485,661,305	2,485,661,305	2,485,661,305	2,485,661,305

Notes to Financial Statements

(Continued)

36. Segment information

36.1 Operating segments

The following segment information are in accordance with internal management report of the Bank submit to Management Committee who form as Chief Operating Decision Maker (CODM) to decide resources allocation and evaluate performance of business segment.

The Bank segregate business unit into 3 segments; Retail, Wholesale Banking and other, for driving business and decision-making which base on key customer segments and product groups which are used in business decision and internal management reporting as follows:

Retail Banking

The Retail Banking segment covers personal financial services (PFS) and business banking (BB) with products of deposits, credit and debit cards, insurance, wealth management, investments estate planning, consumer loan, secured and unsecured loan through a variety of distribution channels, automated teller machines (ATMs), internet, mobile banking and digital Bank platforms.

Wholesale Banking

Wholesale Banking segment covers Corporate Banking, Commercial Banking and Financial Institution Group. The Corporate Banking provides integrated banking solution to large corporations. The products and services are sophisticated and customised to specific customers. The Commercial Banking focuses on medium-sized companies with a broad range of products and services that include current accounts, deposits, lending, syndicate loans, cash management, letter of guarantee, trade finance & cross-border payments, underwriting and corporate advisory services while financial institution group maintains correspondence with and provide financial services to bank and non-bank financial institutions.

Other group

Other group includes Global Markets (GM) group, risk management, property management, including income and expenses not attributable to the above-mentioned operating segments. The GM group provides treasury products and advisory services such as foreign exchange, derivatives and fixed income instruments to customers.

36.2 Accounting policies for transactions presented in operating segment information

The accounting policies for any transactions presented in operating segment information were summarised in Note 4 to the financial statements regarding a summary of significant accounting policies. The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Total operating income included net interest income after deducted internal fund transfer pricing cost in accordance with the Bank's performance measurement criteria, net fees and service income and other income. The total operating expenses included allocated expenses allocated to between operating segments. The management relies on total operating profit and uses as a part of performance measurement.

Transfer prices between operating segments are on arm's length basis and in a manner similar to transaction with third parties.

Notes to Financial Statements

(Continued)

No operating income from transactions with a single external customer in an amount equal to 10% or more of the consolidated operating income.

Capital expenditure and related depreciation together with income tax expense will not be allocated to each operating segment, which is in accordance with management reporting policy.

Operating segment information of the Bank and its subsidiary is summarised as follow:

	(Unit: Million Baht)				
	Consolidated financial statements				
	For the year ended 31 December 2019				
	Retail	Wholesale Banking	Other group	Elimination	Total operating segment
Net interest income	10,593	3,488	717	-	14,798
Non-interest income	3,478	1,243	885	(63)	5,543
Operating income	14,071	4,731	1,602	(63)	20,341
Operating expenses	8,566	2,021	1,689	(13)	12,263
Bad debt, doubtful accounts and impairment loss	2,124	1,001	(691)	-	2,434
Profit before income tax expenses	3,381	1,709	604	(50)	5,644
Income tax expenses					1,081
Net profits for the year before non-controlling interests					4,563
Total operating income included of:					
Operating income from third party*	14,188	3,586	2,630	(63)	20,341
Inter-segment operating income (expenses)	(117)	1,145	(1,028)	-	-
Depreciation					445
Capital expenditure					1,024

* Including income from a major shareholder and United Overseas Bank Group of Companies.

Notes to Financial Statements

(Continued)

	(Unit: Million Baht)				
	Consolidated financial statements				
	For the year ended 31 December 2018				
	Retail	Wholesale Banking	Other group	Elimination	Total operating segment
Net interest income	10,667	3,118	585	-	14,370
Non-interest income	3,410	1,141	443	(59)	4,935
Operating income	14,077	4,259	1,028	(59)	19,305
Operating expenses	7,391	1,717	1,850	(14)	10,944
Bad debt, doubtful accounts and impairment loss	2,205	741	68	-	3,014
Profit (loss) before income tax expenses	4,481	1,801	(890)	(45)	5,347
Income tax expenses					1,021
Net profits for the year before non-controlling interests					4,326
Total operating income included of:					
Operating income from third party*	14,218	3,469	1,677	(59)	19,305
Inter-segment operating income (expenses)	(141)	790	(649)	-	-
Depreciation					424
Capital expenditure					507

* Including income from a major shareholder and United Overseas Bank Group of Companies.

	(Unit: Million Baht)				
	Consolidated financial statements				
	As at 31 December 2019				
	Retail	Wholesale Banking	Other group	Elimination	Total operating segment
Total Assets	279,568	131,880	154,893	(174)	566,167
Total Liabilities	299,145	173,491	33,630	(114)	506,152

	(Unit: Million Baht)				
	Consolidated financial statements				
	As at 31 December 2018				
	Retail	Wholesale Banking	Other group	Elimination	Total operating segment
Total Assets	259,323	123,970	142,006	(195)	525,104
Total Liabilities	266,486	154,264	48,279	(135)	468,894

36.3 Geographic information

The Bank and its subsidiary operate in Thailand only. Therefore, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical report.

Notes to Financial Statements

(Continued)

37. Statements of financial position and results of operations classified by geographic locations and type of businesses

As at 31 December 2019 and 2018, statements of financial position are classified by type of business as follows:

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 2019				
	Commercial Bank	Others*	Total	Eliminated transactions**	Consolidated total
Total assets	566,212	128	566,340	(173)	566,167
Interbank and money market items - net (assets)	45,109	100	45,209	(100)	45,109
Investments - net	90,697	-	90,697	(60)	90,637
Loans to customers and accrued interest receivables - net	405,532	-	405,532	-	405,532
Deposits	456,411	-	456,411	(100)	456,311
Interbank and money market items (liabilities)	22,470	-	22,470	-	22,470
Debts issued and borrowings	11,000	-	11,000	-	11,000

* Debt collection services are operated under the subsidiary.

** Eliminated transactions are transactions between the Bank and its subsidiary and are eliminated upon consolidation in accordance with accounting standards.

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 2018				
	Commercial Bank	Others*	Total	Eliminated transactions**	Consolidated total
Total assets	525,142	156	525,298	(194)	525,104
Interbank and money market items - net (assets)	57,774	121	57,895	(121)	57,774
Investments - net	70,265	-	70,265	(60)	70,205
Loans to customers and accrued interest receivables - net	373,401	-	373,401	-	373,401
Deposits	405,299	-	405,299	(121)	405,178
Interbank and money market items (liabilities)	29,690	-	29,690	-	29,690
Debts issued and borrowings	16,000	-	16,000	-	16,000

* Debt collection services are operated under the subsidiary.

** Eliminated transactions are transactions between the Bank and its subsidiary and are eliminated upon consolidation in accordance with accounting standards.

Notes to Financial Statements

(Continued)

As at 31 December 2019 and 2018, statements of financial position are classified by geographic locations of the Bank as follows:

	(Unit: Million Baht)					
	Separate financial statements					
	As at 31 December					
	2019			2018		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Total assets	566,212	-	566,212	525,142	-	525,142
Interbank and money market items						
- net (assets)	45,109	-	45,109	57,774	-	57,774
Investments - net	90,697	-	90,697	70,265	-	70,265
Loans to customers and accrued interest receivables - net	405,532	-	405,532	373,401	-	373,401
Deposits	456,411	-	456,411	405,299	-	405,299
Interbank and money market items (liabilities)	22,470	-	22,470	29,690	-	29,690
Debts issued and borrowings	11,000	-	11,000	16,000	-	16,000

Results of the Bank's operations for the years ended 31 December 2019 and 2018 are classified by type of business as follows:

	(Unit: Million Baht)				
	Consolidated financial statements				
	For the year ended 31 December 2019				
	Commercial Bank	Others*	Total	Eliminated transactions**	Consolidated total
Interest income	23,735	1	23,736	(1)	23,735
Less: Interest expenses	8,938	-	8,938	(1)	8,937
Net interest income	14,797	1	14,798	-	14,798
Net fees and service income	3,777	141	3,918	-	3,918
Other operating income	1,688	-	1,688	(63)	1,625
Less: Other operating expenses	12,165	111	12,276	(13)	12,263
Less: Bad debt, doubtful accounts and impairment loss	2,434	-	2,434	-	2,434
Profit from operation before income tax expenses	5,663	31	5,694	(50)	5,644

* Debt collection services are operated under the subsidiary.

** Eliminated transactions are transactions between the Bank and its subsidiary and are eliminated upon consolidation in accordance with accounting standards.

Notes to Financial Statements

(Continued)

(Unit: Million Baht)

	Consolidated financial statements				
	For the year ended 31 December 2018				
	Commercial Bank	Others*	Total	Eliminated transactions**	Consolidated total
Interest income	22,394	1	22,395	(1)	22,394
Less: Interest expenses	8,025	-	8,025	(1)	8,024
Net interest income	14,369	1	14,370	-	14,370
Net fees and service income	3,322	172	3,494	-	3,494
Other operating income	1,500	-	1,500	(59)	1,441
Less: Other operating expenses	10,849	109	10,958	(14)	10,944
Less: Bad debt, doubtful accounts and impairment loss	3,014	-	3,014	-	3,014
Profit from operation before income tax expenses	5,328	64	5,392	(45)	5,347

* Debt collection services are operated under the subsidiary.

** Eliminated transactions are transactions between the Bank and its subsidiary and are eliminated upon consolidation in accordance with accounting standards.

Results of the Bank's operations for the years ended 31 December 2019 and 2018 are classified by geographic locations as follows:

(Unit: Million Baht)

	Separate financial statements					
	For the years ended 31 December					
	2019			2018		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Interest income	23,735	-	23,735	22,394	-	22,394
Less: Interest expenses	8,938	-	8,938	8,025	-	8,025
Net interest income	14,797	-	14,797	14,369	-	14,369
Net fees and service income	3,777	-	3,777	3,322	-	3,322
Other operating income	1,688	-	1,688	1,500	-	1,500
Less: Other operating expenses	12,165	-	12,165	10,849	-	10,849
Less: Bad debt, doubtful accounts and impairment loss	2,434	-	2,434	3,014	-	3,014
Profit from operation before income tax expenses	5,663	-	5,663	5,328	-	5,328

Notes to Financial Statements

(Continued)

38. Interest income

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
Interbank and money market items	1,278	1,401	1,278	1,401
Investments and trading transactions	89	30	89	30
Investments in debt securities	1,216	926	1,216	926
Loans	20,981	19,839	20,981	19,839
Hire purchase and financial lease	134	166	134	166
Others	37	32	37	32
Total interest income	23,735	22,394	23,735	22,394

39. Interest expenses

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
Deposits	6,084	5,084	6,085	5,085
Interbank and money market items	338	472	338	472
Contributions to Deposit Protection Agency and Financial Institutions Development Fund	2,148	1,969	2,148	1,969
Debt issued and borrowings				
- Subordinated debentures	214	261	214	261
- Senior debentures	126	201	126	201
Others	27	37	27	37
Total interest expenses	8,937	8,024	8,938	8,025

Notes to Financial Statements

(Continued)

40. Fees and service income

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
Fees and service income				
- Acceptances, aval and guarantees	381	362	381	362
- Credit cards	1,273	1,131	1,273	1,131
- Insurance fees	1,260	1,002	1,260	1,002
- Mutual Fund management and underwriting fees	681	707	681	707
- Others	1,147	1,007	1,147	1,007
Total fees and service income	4,742	4,209	4,742	4,209
Fees and service expenses				
- Agency referral fees	239	216	239	216
- Service expenses	39	29	180	202
- Others	546	470	546	470
Total fees and service expenses	824	715	965	888
Net fees and service income	3,918	3,494	3,777	3,321

41. Net gains on trading and foreign exchange transactions

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2019	2018
Gains (losses) on trading and foreign exchange transactions		
- Foreign currencies and derivatives on foreign exchange	817	717
- Foreign currencies (Swap Cost)	112	172
- Derivatives on interest rates	(41)	7
- Debt securities	86	20
- Others	5	2
Net gains on trading and foreign exchange transactions	979	918

Notes to Financial Statements

(Continued)

42. Net gains on investments

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2019	2018
Gains on disposal of securities		
- Available-for-sale investments	205	39
- General investments	4	-
Net gains on investments	209	39

43. Bad debts, doubtful accounts and impairment losses

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2019	2018
Bad debts and doubtful accounts:		
Interbank and money market items	(4)	(10)
Loans to customers	2,438*	3,024*
Total bad debts, doubtful accounts and impairment losses	2,434	3,014

* The selling price in excess of carrying values of non-performing loans were presented net from bad debts and doubtful accounts.

Notes to Financial Statements

(Continued)

44. Components of other comprehensive income (loss)

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
Items to be recognised subsequently in profit or loss:				
Gains on revaluation of available-for-sale investments				
Unrealised gains (losses) during the years	618	(16)	618	(16)
Less: Reclassification of the recognised gains from sale of available-for-sale investments during the years transferred to be recognised in profit or loss	(10)	(52)	(10)	(52)
Total items to be recognised subsequently in profit or loss	608	(68)	608	(68)
Add (less): Income taxes	(122)	14	(122)	14
Total items to be recognised subsequently in profit or loss - net of income taxes	486	(54)	486	(54)
Items not to be recognised subsequently in profit or loss:				
Actuarial losses on defined benefit plans	(157)	(8)	(154)	(7)
Total items not to be recognised subsequently in profit or loss	(157)	(8)	(154)	(7)
Add: Income taxes	32	1	31	1
Total items not to be recognised subsequently in profit or loss - net of income tax	(125)	(7)	(123)	(6)
Other comprehensive income (losses) for the years	361	(61)	363	(60)

45. Fair values of assets and liabilities

45.1 Fair value estimation process

The Bank and its subsidiary estimate fair values of assets and liabilities under the following policies, controls, methods and assumptions.

The Bank's fair value estimation process is monitored under the policies, which cover methods of calculation, market data, counterparty credit risk and reserve provisioning. Such policies determine the methods and controls in estimating fair values of assets and liabilities where mark-to-market or mark-to-model is required.

The rates and parameters used in estimating fair values are reviewed independently by Product Control (PC) Unit and other relevant units whereby in case of products or financial instruments that are traded in the liquid market or the exchange, the fair values will be cross-checked with other service providers in the market or other market sources. If the market prices obtained have no liquidity, the Bank will use other additional techniques, i.e. valuation using historical information or using market rates and parameters available to test the level of reasonableness of such fair values.

In case that the fair values are determined using data that is not available in an observable market, the Bank will use other available financial information, e.g. cash flows, profit or loss, or net asset value to determine the fair values. The Bank sets aside additional valuation reserves to compensate for the uncertainties in such valuations.

Notes to Financial Statements

(Continued)

Fair value measurement hierarchy is as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities.

Level 2 - Use of other observable, whether directly or indirectly, inputs for such assets or liabilities

Level 3 - Use of unobservable inputs such as estimates of future cash flows, etc.

45.2 Fair values of assets and liabilities

Fair values of each item of assets and liabilities are estimated using the following methods and assumptions.

(a) Cash and interbank and money market items

The fair values of cash and interbank and money market items, which have a remaining maturity period of less than 1 year as from the financial reporting dates or bear floating interest rates, are estimated at their carrying values.

In addition, the carrying amount of interbank and money market items reliably reflected the fair value, as most of the items were short term in nature.

(b) Investments

The fair values for investments are based on quoted market prices, where available. If quoted market prices are not available, the fair values are based on the quoted market prices of comparable instruments after adjusting for risk premium (if any) or the net asset values of such investments.

(c) Loans to customers

The fair values of the floating rate loans that are scheduled to be re-priced regularly and have no significant change in credit risk or of the fixed rate loans that are re-priced within 1 year as from the financial reporting dates are estimated at their carrying values.

In addition, the carrying amount of loans to customers reliably reflected the fair value, as most of the items were short term or used floating interest rate or used fixed interest rate that are scheduled to be re-priced less than 1 year.

(d) Accrued interest receivables

The fair values of accrued interest receivables are estimated at their carrying values.

(e) Land and buildings

- Appraisal of land: Market comparison approach is used whereby the buying and selling prices for assets with similar characteristics are obtained.

- Appraisal of buildings: The depreciated replacement cost approach is used for buildings specifically used for the Bank's operation. The market comparison approach is used for general buildings whereby the buying and selling prices for assets with similar characteristics are obtained. The income approach is used for assets that generate revenues.

(f) Deposits

The fair values of demand deposits, floating rate deposits and deposits that are re-priced within 1 year as from the financial reporting dates are estimated to approximate their carrying values.

In addition, deposits are reasonable approximation of fair value because they are mostly short term in nature, referent to floating interest rates index.

(g) Interbank and money market items (liabilities)

The fair values of interbank and money market items that have a remaining maturity period of less than 1 year as from the financial reporting dates or bear floating rates of interest are estimated to approximate their carrying values.

In addition, interbank and money market items (liabilities) are reasonable approximation of fair value because they are mostly short term in nature.

Notes to Financial Statements

(Continued)

(h) Debts issued and borrowings

The fair values of borrowings with a remaining maturity period of less than 1 year as from the financial reporting dates are estimated at their carrying values. The fair values of borrowings with a remaining maturity period of longer than 1 year as from the financial reporting dates are estimated using the discounted cash flow techniques and applying an average rate of interest currently charged on borrowings with similar arrangements.

The fair values of debt issuances are calculated using the prices quoted in the market.

(i) Off-balance sheet commitments

Other commitments

The fair values of future contracts are prices quoted in the exchange.

The fair values of foreign exchange contracts are obtained from observable market rates of similar foreign exchange contracts.

The fair values of interest rate contracts are estimated using discounted cash flow techniques and discounting by observable market rates.

The valuation process for these financial instruments is supplemented by valuation reserves to adjust for valuation uncertainties. Market Risk and Product Control Unit proposes the valuation reserve methodologies and adjustments to Asset and Liability Committee (ALCO). Such adjustments or reserves will take into accounts the use of bid/offer for short or long positions, long term market conditions, and market parameters.

Notes to Financial Statements

(Continued)

As at 31 December 2019 and 2018, the Bank and its subsidiary had the assets and liabilities that were measured at fair value or disclosed at fair value using different levels of inputs as follows:

	(Unit: Million Baht)				
	Consolidated financial statements				
	As at 31 December 2019				
	Carrying	Fair value			
	Value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Derivatives assets	4,155	-	4,155	-	4,155
Trading investments					
Debt instruments	3,930	-	3,930	-	3,930
Available-for-sale-investments					
Debt instruments	86,665	-	86,665	-	86,665
Other assets	7	-	7	-	7
Financial liabilities measured at fair value					
Derivatives liabilities	4,583	-	4,583	-	4,583
Other liabilities	4	-	4	-	4
Non-financial asset measured at fair value					
Land and building	7,521	-	-	7,521	7,521
Financial assets for which fair value are disclosed					
Cash	5,873	5,873	-	-	5,873
Interbank and money market items - net	45,109	-	45,109	-	45,109
General investments	40	-	-	71	71
Loan to customers and accrued interest receivables	405,532	-	405,532	-	405,532
Other receivables from sold non-performing loans - net	94	-	94	-	94
Financial liabilities for which fair value are disclosed					
Deposits	456,311	261,012	195,299	-	456,311
Interbank and money market items	22,470	-	22,470	-	22,470
Liabilities payable on demand	2,332	2,332	-	-	2,332
Debts issued and borrowings	11,000	-	11,247	-	11,247

Notes to Financial Statements

(Continued)

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 2018				
	Carrying Value	Fair value			Total
	Level 1	Level 2	Level 3		
Financial assets measured at fair value					
Derivatives assets	4,771	-	4,771	-	4,771
Trading investments					
Debt instruments	616	-	616	-	616
Available-for-sale-investments					
Equity instruments	1	1	-	-	1
Debt instruments	69,546	-	69,546	-	69,546
Other assets	4	-	4	-	4
Financial liabilities measured at fair value					
Derivatives liabilities	4,980	-	4,980	-	4,980
Other liabilities	7	-	7	-	7
Non-financial asset measured at fair value					
Land and building	7,581	-	-	7,581	7,581
Financial assets for which fair value are disclosed					
Cash	4,598	4,598	-	-	4,598
Interbank and money market items - net	57,774	-	57,774	-	57,774
General investments	40	-	-	77	77
Loan to customers and accrued interest receivables	373,401	-	373,401	-	373,401
Other receivables from sold non-performing loans - net	385	-	385	-	385
Financial liabilities for which fair value are disclosed					
Deposits	405,178	239,862	165,316	-	405,178
Interbank and money market items	29,690	-	29,690	-	29,690
Liabilities payable on demand	3,449	3,449	-	-	3,449
Debts issued and borrowings	16,000	-	16,003	-	16,003

Notes to Financial Statements

(Continued)

	(Unit: Million Baht)				
	Separate financial statements				
	As at 31 December 2019				
	Carrying	Fair value			
	Value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Derivatives assets	4,155	-	4,155	-	4,155
Trading investments					
Debt instruments	3,930	-	3,930	-	3,930
Available-for-sale-investments					
Debt instruments	86,665	-	86,665	-	86,665
Other assets	7	-	7	-	7
Financial liabilities measured at fair value					
Derivatives liabilities	4,583	-	4,583	-	4,583
Other liabilities	4	-	4	-	4
Non-financial asset measured at fair value					
Land and building	7,521	-	-	7,521	7,521
Financial assets for which fair value are disclosed					
Cash	5,873	5,873	-	-	5,873
Interbank and money market items - net	45,109	-	45,109	-	45,109
General investments	40	-	-	71	71
Loan to customers and accrued interest receivables	405,532	-	405,532	-	405,532
Other receivables from sold non-performing loans - net	94	-	94	-	94
Financial liabilities for which fair value are disclosed					
Deposits	456,411	261,067	195,344	-	456,411
Interbank and money market items	22,470	-	22,470	-	22,470
Liabilities payable on demand	2,332	2,332	-	-	2,332
Debts issued and borrowings	11,000	-	11,247	-	11,247

Notes to Financial Statements

(Continued)

	(Unit: Million Baht)				
	Separate financial statements				
	As at 31 December 2018				
	Carrying	Fair value			
	Value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Derivatives assets	4,771	-	4,771	-	4,771
Trading investments					
Debt instruments	616	-	616	-	616
Available-for-sale-investments					
Equity instruments	1	1	-	-	1
Debt instruments	69,546	-	69,546	-	69,546
Other assets	4	-	4	-	4
Financial liabilities measured at fair value					
Derivatives liabilities	4,980	-	4,980	-	4,980
Other liabilities	7	-	7	-	7
Non-financial asset measured at fair value					
Land and building	7,581	-	-	7,581	7,581
Financial assets for which fair value are disclosed					
Cash	4,598	4,598	-	-	4,598
Interbank and money market items - net	57,774	-	57,774	-	57,774
General investments	40	-	-	77	77
Loan to customers and accrued interest receivables	373,401	-	373,401	-	373,401
Other receivables from sold non-performing loans - net	385	-	385	-	385
Financial liabilities for which fair value are disclosed					
Deposits	405,299	239,938	165,361	-	405,299
Interbank and money market items	29,690	-	29,690	-	29,690
Liabilities payable on demand	3,449	3,449	-	-	3,449
Debts issued and borrowings	16,000	-	16,003	-	16,003

During the current year, there were no transfers within the fair value hierarchy.

Notes to Financial Statements

(Continued)

46. Disclosure of financial instruments

The Bank's business activities involve the use of financial instruments, including derivatives. These activities may expose the Bank to a variety of financial risks, credit risk, foreign exchange risk, interest rate risk and liquidity risk. In entering into those committed financial transactions, the Bank is governed by policies and parameters approved by a designated committee from the Board of Directors as appropriated. The Risk Management Sector assumes the independent oversight of risks undertaken by the Bank, and takes the lead in the formulation and approval of risk policies, controls and processes whereby the Market Risk and Product Control (MRPC) Unit under the Risk Management Sector monitors Global Markets' operation to be in compliance with prescribed trading policies and risk limits. This is further enhanced by the audit of internal control in relation to risk management as carried out by the Internal Audit.

46.1 Relevant accounting policies

Details of significant accounting policies and methods adopted, including criteria for revenue and expense recognition in respect of each class of financial assets and financial liabilities, are already disclosed in Note 4 to the financial statements.

46.2 Credit risk

Credit risk is the risk of loss arising from any failure by a borrower or a counterparty to meet its financial obligations when such obligations are due. The Risk and Capital Committee and Credit Committee are the committees delegated by the Board of Directors to oversee all credit risk and credit related matters. These committees maintain oversight of the effectiveness of the Bank's credit risk management structure and framework including policies, processes, information, infrastructure, methodologies and systems.

Credit risk exposures are managed through a robust credit underwriting, structuring and monitoring process. The process includes monthly review of all non-performing and special mention loans, ensuring credit quality and the timely recognition of asset impairment. In addition, credit review are performed regularly to proactively manage any delinquency, minimise undesirable concentrations, maximise recoveries, and ensure compliance with credit policies and procedures. Past dues and credit limit excesses are also tracked and analysed regularly.

46.3 Commodity price risk

Commodity price risk is the risk arising from the price change of commodities, which may affect the value of the Bank's financial instruments or may cause volatility in the Bank's earnings and cost of funds.

All commodity derivatives are managed on a back-to-back basis. The risk is independently monitored by Market Risk and Product Control (MRPC) Unit. Because the Bank records commodity derivatives at fair value, the Bank's commodity price risk is considered according to their carrying value.

46.4 Interest rate risk

Interest rate risk is the risk or potential loss to earnings and economic value of the Bank due to the change in interest rates. This interest rate risk arises from differences in the maturity and pricing dates of assets and liabilities.

These mismatches are actively monitored and managed as part of the overall interest rate risk management process which is conducted in accordance with the Bank's risk management policies.

Notes to Financial Statements

(Continued)

However, financial assets and liabilities represented their carrying values in statements of financial position, which are classified by types of interest rates and repricing periods as follows.

(Unit: Million Baht)

	Consolidated financial statements						
	As at 31 December 2019						
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing	Total	Average return rate (% per annum)
Financial assets							
Cash	-	-	-	-	5,873	5,873	-
Interbank and money market items - net	41,049	1,515	-	-	2,545	45,109	1.21
Derivatives assets	-	-	-	-	4,155	4,155	-
Investments - net	11,686	17,828	60,780	301	42	90,637	1.64
Loans to customers*	322,218	32,870	47,492	-	12,876	415,456	5.90
Other receivables from sold non-performing loans - net	-	-	-	-	94	94	-
Financial liabilities							
Deposits	307,403	136,182	3,818	-	8,908	456,311	1.33
Interbank and money market items	18,913	2,340	216	20	981	22,470	1.08
Liabilities payable on demand	-	-	-	-	2,332	2,332	-
Derivatives liabilities	-	-	-	-	4,583	4,583	-
Debt issued and borrowings	-	-	11,000	-	-	11,000	2.92

* Under the Bank's interest rate risk management policy, non-accrual loans and loans to customers that are overdue and contracts were matured are reported in the "non-interest bearing" bucket.

Notes to Financial Statements

(Continued)

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2018							
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing	Total	Average return rate (% per annum)
Financial assets							
Cash	-	-	-	-	4,598	4,598	-
Interbank and money market items - net	53,749	567	-	-	3,458	57,774	1.68
Derivatives assets	-	-	-	-	4,771	4,771	-
Investments - net	873	11,837	57,452	-	43	70,205	1.98
Loans to customers*	305,618	31,922	33,876	99	11,434	382,949	6.20
Other receivables from sold non-performing loans - net	291	-	-	-	94	385	2.30
Financial liabilities							
Deposits	278,551	105,628	12,972	-	8,027	405,178	1.19
Interbank and money market items	26,678	2,163	121	181	547	29,690	2.48
Liabilities payable on demand	-	-	-	-	3,449	3,449	-
Derivatives liabilities	-	-	-	-	4,980	4,980	-
Debt issued and borrowings	5,000	-	11,000	-	-	16,000	2.59

* Under the Bank's interest rate risk management policy, non-accrual loans and loans to customers that are overdue and contracts were matured are reported in the "non-interest bearing" bucket.

Notes to Financial Statements

(Continued)

(Unit: Million Baht)

	Separate financial statements						
	As at 31 December 2019						
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing	Total	Average return rate (% per annum)
Financial assets							
Cash	-	-	-	-	5,873	5,873	-
Interbank and money market items - net	41,049	1,515	-	-	2,545	45,109	1.21
Derivatives assets	-	-	-	-	4,155	4,155	-
Investments - net	11,686	17,828	60,780	301	102	90,697	1.64
Loans to customers*	322,218	32,870	47,492	-	12,876	415,456	5.90
Other receivables from sold non-performing loans - net	-	-	-	-	94	94	-
Financial liabilities							
Deposits	307,458	136,227	3,818	-	8,908	456,411	1.33
Interbank and money market items	18,913	2,340	216	20	981	22,470	1.08
Liabilities payable on demand	-	-	-	-	2,332	2,332	-
Derivatives liabilities	-	-	-	-	4,583	4,583	-
Debt issued and borrowings	-	-	11,000	-	-	11,000	2.92

* Under the Bank's interest rate risk management policy, non-accrual loans and loans to customers that are overdue and contracts were matured are reported in the "non-interest bearing" bucket.

Notes to Financial Statements

(Continued)

(Unit: Million Baht)

	Separate financial statements						
	As at 31 December 2018						
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing	Total	Average return rate (% per annum)
Financial assets							
Cash	-	-	-	-	4,598	4,598	-
Interbank and money market items - net	53,749	567	-	-	3,458	57,774	1.68
Derivatives assets	-	-	-	-	4,771	4,771	-
Investments - net	873	11,837	57,452	-	103	70,265	1.98
Loans to customers*	305,618	31,922	33,876	99	11,434	382,949	6.20
Other receivables from sold non-performing loans - net	291	-	-	-	94	385	2.30
Financial liabilities							
Deposits	278,627	105,673	12,972	-	8,027	405,299	1.19
Interbank and money market items	26,678	2,163	121	181	547	29,690	2.48
Liabilities payable on demand	-	-	-	-	3,449	3,449	-
Derivatives liabilities	-	-	-	-	4,980	4,980	-
Debt issued and borrowings	5,000	-	11,000	-	-	16,000	2.59

* Under the Bank's interest rate risk management policy, non-accrual loans and loans to customers that are overdue and contracts were matured are reported in the "non-interest bearing" bucket.

46.5 Exchange rate risk

Foreign exchange risk is the risk to revenues and economic value of foreign currency assets, liabilities, and financial derivatives caused by fluctuations in foreign exchange rates.

The Bank's foreign exchange exposures comprise of trading and non-trading. Non-trading foreign exchange exposures are principally derived from investment and customer businesses. The Bank utilises mainly spot foreign exchange, foreign currency forwards, and swaps to reduce its foreign exchange risk.

Foreign exchange risk is independently managed through policies and risk limits and monitored by Market Risk and Product Control (MRPC) Unit.

Notes to Financial Statements

(Continued)

46.6 Liquidity risk

Liquidity risk is the risk that the Bank and its subsidiary may not be able to meet their obligations as they fall due as a result of inability to liquidate their assets or to cover funding requirements at an appropriate price, resulting in losses to the Bank and its subsidiary.

The Bank and its subsidiary manage liquidity risk in accordance with the liquidity framework, which comprises policies, controls and limits. These controls and policies include setting of net cumulative cash flow mismatch limits, monitoring of liquidity early warning indicators, stress test analysis of cash flows in liquidity crisis scenarios and establishment of a comprehensive contingency funding plan. The Bank is also required by the regulators to maintain sufficient high liquid assets to support potential cash outflows under severe liquidity stressed scenario. The main objectives are honouring all cash outflow commitments on an on-going basis, satisfying statutory liquidity and reserve requirements, and avoiding raising funds at market premiums or through forced sale of assets.

The maturity analysis of financial assets and liabilities representing their carrying values in statements of financial position is as follows:

	(Unit: Million Baht)						
	Consolidated financial statements						
	As at 31 December 2019						
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	Total
Financial assets							
Cash	5,873	-	-	-	-	-	5,873
Interbank and money market items - net	2,848	40,746	1,515	-	-	-	45,109
Derivatives assets	-	-	-	-	-	4,155	4,155
Investments - net	-	11,686	17,828	60,780	301	42	90,637
Loans to customers*	4,668	87,219	49,715	88,276	185,578	-	415,456
Other receivables from sold non-performing loans - net	-	-	-	88	6	-	94
Financial liabilities							
Deposits	261,012	55,299	136,182	3,818	-	-	456,311
Interbank and money market items	11,360	8,534	2,340	216	20	-	22,470
Liabilities payable on demand	2,332	-	-	-	-	-	2,332
Derivatives liabilities	-	-	-	-	-	4,583	4,583
Debt issued and borrowings	-	-	-	11,000	-	-	11,000

* Under the Bank's liquidity risk management policy, non-accrual loans such as certain restructured loans and NPLs are reported in the "more than 5 years" bucket.

Notes to Financial Statements

(Continued)

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2018							
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	Total
Financial assets							
Cash	4,598	-	-	-	-	-	4,598
Interbank and money market items - net	3,483	53,723	568	-	-	-	57,774
Derivatives assets	-	-	-	-	-	4,771	4,771
Investments - net	-	434	11,837	57,891	-	43	70,205
Loans to customers*	1,884	82,390	45,453	81,699	171,523	-	382,949
Other receivables from sold non-performing loans - net	-	96	194	85	10	-	385
Financial liabilities							
Deposits	239,862	46,716	105,628	12,972	-	-	405,178
Interbank and money market items	9,263	17,959	2,163	132	173	-	29,690
Liabilities payable on demand	3,449	-	-	-	-	-	3,449
Derivatives liabilities	-	-	-	-	-	4,980	4,980
Debt issued and borrowings	-	5,000	-	11,000	-	-	16,000

* Under the Bank's liquidity risk management policy, non-accrual loans such as certain restructured loans and NPLs are reported in the "more than 5 years" bucket.

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2019							
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	Total
Financial assets							
Cash	5,873	-	-	-	-	-	5,873
Interbank and money market items - net	2,848	40,746	1,515	-	-	-	45,109
Derivatives assets	-	-	-	-	-	4,155	4,155
Investments - net	-	11,686	17,828	60,780	301	102	90,697
Loans to customers*	4,668	87,219	49,715	88,276	185,578	-	415,456
Other receivables from sold non-performing loans - net	-	-	-	88	6	-	94
Financial liabilities							
Deposits	261,067	55,299	136,227	3,818	-	-	456,411
Interbank and money market items	11,360	8,534	2,340	216	20	-	22,470
Liabilities payable on demand	2,332	-	-	-	-	-	2,332
Derivatives liabilities	-	-	-	-	-	4,583	4,583
Debt issued and borrowings	-	-	-	11,000	-	-	11,000

* Under the Bank's liquidity risk management policy, non-accrual loans such as certain restructured loans and NPLs are reported in the "more than 5 years" bucket.

Notes to Financial Statements

(Continued)

(Unit: Million Baht)

	Separate financial statements						Total
	As at 31 December 2018						
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	
Financial assets							
Cash	4,598	-	-	-	-	-	4,598
Interbank and money market items - net	3,483	53,723	568	-	-	-	57,774
Derivatives assets	-	-	-	-	-	4,771	4,771
Investments - net	-	434	11,837	57,891	-	103	70,265
Loans to customers*	1,884	82,390	45,453	81,699	171,523	-	382,949
Other receivables from sold non-performing loans - net	-	96	194	85	10	-	385
Financial liabilities							
Deposits	239,938	46,716	105,673	12,972	-	-	405,299
Interbank and money market items	9,263	17,959	2,163	132	173	-	29,690
Liabilities payable on demand	3,449	-	-	-	-	-	3,449
Derivatives liabilities	-	-	-	-	-	4,980	4,980
Debt issued and borrowings	-	5,000	-	11,000	-	-	16,000

* Under the Bank's liquidity risk management policy, non-accrual loans such as certain restructured loans and NPLs are reported in the "more than 5 years" bucket.

47. Events after the reporting period

On 4 March 2020, the Board of Directors Meeting of the Bank passed a resolution to propose the following to the Annual General Meeting of the shareholders for approval:

- 1) Payment of a cash dividend of Baht 0.88 per share, totaling Baht 2,187 million from the operating results for the year ended 31 December 2019, to be paid in May 2020.
- 2) The limit for debenture will be revised to be up to Baht 100,000 million.

Notes to Financial Statements

(Continued)

48. Reclassification

Certain amounts in the financial statements have been reclassified to conform to the current year's classification as follow:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	As at 31 December 2018		As at 31 December 2018	
	As reclassified	As previously reported	As reclassified	As previously reported
Advertising and sale promotion expenses	926	-	926	-
Other operating expenses	1,380	2,511	1,364	2,495
Bad debts, doubtful accounts and impairment losses	3,014	2,809	3,014	2,809

This reclassification does not have any impact on profits or shareholders' equity as reported.

49. Approval of financial statements

These financial statements were authorised for issue by the Bank's Board of Directors on 4 March 2020.

Other Information

1. Subsidiaries companies of UOB (Thai)

1. UOB Services Company Limited

Business	Collection services
Location	559, 13 th -14 th Floor, Phetkasem Road, Bangwa, Pasijaroen, Bangkok 10160
Telephone	0 2093 5649
Facsimile	0 2093 5525-7
Paid-up capital	Baht 60,000,000 (registered capital Baht 100,000,000) (10,000,000 ordinary shares)
UOB (Thai)'s holding	99.99%

2. UOB Bullion and Futures (Thai) Company Limited

Business	The company registered the closure on 20 November 2017 and under liquidation process
Location	191, 14 th Floor, South Sathon Road, Yannawa, Sathon, Bangkok 10120
Telephone	0 2343 4546
Facsimile	0 2285 1633
Paid-up capital	Baht 29,000,000 (registered capital Baht 175,000,000) (1,750,000 ordinary shares)
UOB (Thai)'s holding	75.00%

2. Details of Directors as at 31 December 2019

Name	Period	Work Experience
1. Wee Cho Yaw	Jul 2004 - Present	• Chairman of the Board of Directors (Authorised Signatory), UOB (Thai)
	Feb 1971 - Present	• Chairman, United Overseas Insurance Ltd.
	Apr 2013 - Apr 2019	• Chairman Emeritus & Adviser, United Overseas Bank (Malaysia) Bhd.
	Feb 1986 - Present	• Chairman, UOB Australia Ltd.
	Dec 2005 - Oct 2019	• President Commissioner, PT Bank UOB Indonesia
	Nov 2007 - Present	• Supervisor, United Overseas Bank (China) Ltd.
	Jun 1981 - Present	• Chairman, C.Y.Wee & Company (Pte) Ltd.
	Aug 1950 - Present	• Chairman, Kheng Leong Company (Pte) Ltd.
	Jul 1967 - Present	• Chairman, Wee Investments (Pte) Ltd.
	Apr 1973 - Present	• Chairman, UOL Group Ltd.
	May 1973 - Present	• Chairman, Pan Pacific Hotels Group Limited
	Oct 1975 - Present	• Chairman, Haw Par Corporation Ltd.
	Jun 1992 - Present	• Chairman, United Industrial Corporation Ltd.
	Nov 1979 - Present	• Chairman, Marina Centre Holdings (Pte) Ltd.
	Nov 1989 - Present	• Chairman, Aquamarina Hotel (Pte) Ltd.
	Nov 1989 - Present	• Chairman, Hotel Marina City (Pte) Ltd.
	Jun 1990 - Present	• Chairman, Marina Bay Hotel (Pte) Ltd.
Mar 2012 - Present	• Chairman, Wee Property (UK) (Pte) Ltd.	
May 2013 - April 2018	• Chairman Emeritus & Adviser, United Overseas Bank Limited, Singapore	
Apr 2007 - Apr 2013	• Chairman, United Overseas Bank Limited, Singapore	

Other Information

Name	Period	Work Experience
2. Wee Ee Cheong	Jul 2004 - Present	<ul style="list-style-type: none"> Deputy Chairman of the Board of Directors (Authorised Signatory), UOB (Thai)
	May 2007 - Present	<ul style="list-style-type: none"> Deputy Chairman and CEO, United Overseas Bank Limited, Singapore
	Oct 2019 - Present	<ul style="list-style-type: none"> President Commissioner, PT Bank UOB Indonesia
	2007 - Oct 2019	<ul style="list-style-type: none"> Deputy President Commissioner, PT Bank UOB Indonesia
	1990 - Present	<ul style="list-style-type: none"> Director, United Overseas Bank Ltd.
	2007 - Present	<ul style="list-style-type: none"> Chairman, United Overseas Bank (China) Ltd.
	1994 - Present	<ul style="list-style-type: none"> Director, United Overseas Bank (Malaysia) Bhd.
	1991 - Present	<ul style="list-style-type: none"> Director, United Overseas Insurance Ltd.
	1998 - Present	<ul style="list-style-type: none"> Chairman, UOB Global Capital LLC
	2002 - Present	<ul style="list-style-type: none"> Chairman, UOB Global Capital (Pte) Ltd.
	1990 - Present	<ul style="list-style-type: none"> Director, UOB Travel Planners (Pte) Ltd.
	1995 - Present	<ul style="list-style-type: none"> Director, Walden AB Ayala Ventures Co Inc.
	1987 - Present	<ul style="list-style-type: none"> Director, C Y Wee & Company (Pte) Ltd.
	1981 - Present	<ul style="list-style-type: none"> Director, E C Wee (Pte) Ltd.
	1985 - Present	<ul style="list-style-type: none"> Director, Kheng Leong Co (HK) Ltd.
	1978 - Present	<ul style="list-style-type: none"> Director, Kheng Leong Company (Pte) Ltd.
	1994 - Jun 2019	<ul style="list-style-type: none"> Director, K.I.P. Industrial Holdings Ltd.
	2010 - Present	<ul style="list-style-type: none"> Director, KLC Holdings Ltd.
	2011 - Present	<ul style="list-style-type: none"> Director, KLC Holdings (Hong Kong) Ltd.
	1999 - Present	<ul style="list-style-type: none"> Director, Phoebus Singapore Holdings (Pte) Ltd.
	1996 - Present	<ul style="list-style-type: none"> Director, Portfolio Nominees Ltd.
	1976 - Present	<ul style="list-style-type: none"> Director, Wee Investments (Pte) Ltd.
	2003 - Oct 2019	<ul style="list-style-type: none"> Director, Wee Venture (Overseas) Ltd.
	1994 - Present	<ul style="list-style-type: none"> Director, Pilkon Development Co., Ltd.
	1995 - Present	<ul style="list-style-type: none"> Director, Plaza Hotel Co., Ltd.
	2012 - Present	<ul style="list-style-type: none"> Director, Wee Property (UK) (Pte) Ltd.
3. Suebrakul Soonthornthum	Jan 2020 - Present	<ul style="list-style-type: none"> Vice Chairman Board of Directors, Loxley PCL
	Jan 2017 - Dec 2019	<ul style="list-style-type: none"> Vice Chairman and Vice Chairman of the Executive Board, Loxley PCL
	Aug 2016 - Present	<ul style="list-style-type: none"> Chairman of the Nomination and Compensation Committee, UOB (Thai)
	Aug 2012 - Aug 2016	<ul style="list-style-type: none"> Member of the Nomination and Compensation Committee, UOB (Thai)
	Aug 2004 - Present	<ul style="list-style-type: none"> Independent Director and Member of the Audit Committee, UOB (Thai)
	1997 - Present	<ul style="list-style-type: none"> Director, Loxley Trading Co., Ltd.
	1989 - Present	<ul style="list-style-type: none"> Director, Loxley Property Development Co., Ltd.
	1991 - Present	<ul style="list-style-type: none"> Chairman, Foseco (Thailand) Co., Ltd.
	1987 - Present	<ul style="list-style-type: none"> Director, NS BlueScope (Thailand) Co., Ltd.
	1987 - Present	<ul style="list-style-type: none"> Director, NS BlueScope Services (Thailand) Co., Ltd.
	1987 - Present	<ul style="list-style-type: none"> Director, NS BlueScope Lysaght (Thailand) Co., Ltd.
	1999 - Present	<ul style="list-style-type: none"> Director, BP - Castrol (Thailand) Co., Ltd.
	1990 - Present	<ul style="list-style-type: none"> Director, Ekpavee Co., Ltd.
	1972 - Present	<ul style="list-style-type: none"> Director, Zin Suapah Co., Ltd.
	1990 - Present	<ul style="list-style-type: none"> Director, Loxley Joint and Hold Co., Ltd.
	2013 - Present	<ul style="list-style-type: none"> Director, BlueScope Building (Thailand) Co., Ltd.
	1987 - Present	<ul style="list-style-type: none"> Independent Director, Muang Thai Life Assurance Public Co., Ltd.
	2000 - Present	<ul style="list-style-type: none"> Chairman, Muang Thai Real Estate Public Co., Ltd.
	1996 - Present	<ul style="list-style-type: none"> Independent Director, Vanachai Group Public Co., Ltd.
	2016 - Present	<ul style="list-style-type: none"> Independent Director, Phatra Leasing Public Co., Ltd.
1992 - 2016	<ul style="list-style-type: none"> Director and Senior Executive Vice President, Loxley PCL 	

Other Information

Name	Period	Work Experience
4. Chanitr Charnchainarong	Aug 2019 - Present	<ul style="list-style-type: none"> Independent Director and Audit Committee, Global Connection PCL
	Aug 2018 - Present	<ul style="list-style-type: none"> Chairman of the Board Risk Oversight Committee and Member of the Nomination and Compensation Committee, UOB (Thai)
	May 2018 - Present	<ul style="list-style-type: none"> Chairman, NorthEast Rubber PCL
	May 2017 - Present	<ul style="list-style-type: none"> Non- executive Director ,The Ton Poh Fund (Cayman Islands)
	2016 - Present	<ul style="list-style-type: none"> Senior Executive Vice President, Harnng Central Department Store Ltd.
	2016 - Present	<ul style="list-style-type: none"> Independent Director, Startegic Property Investors Co., Ltd.
	Nov 2015 - Present	<ul style="list-style-type: none"> Independent Director and Audit Committee, GMM Grammy PCL
	May 2015 - Present	<ul style="list-style-type: none"> Independent Director, UOB (Thai)
	May 2015 - Jul 2018	<ul style="list-style-type: none"> Chairman of the Audit Committee, UOB (Thai)
	Oct 2015 - Dec 2018	<ul style="list-style-type: none"> Chairman, Comanche International PCL
5. Tithiphan Chuerboonchai	Sept 2018 - Present	<ul style="list-style-type: none"> Independent Director, Risk Management Committee and Corporate Governance Committee, Asset World Corp PCL
	Aug 2018 - Present	<ul style="list-style-type: none"> Chairman of the Audit Committee and Member of the Nomination and Compensation Committee, UOB (Thai)
	Apr 2017 - Present	<ul style="list-style-type: none"> Independent Director, Chairman of Audit Committee, Member of Risk Management Committee, Member of Corporate Governance Committee and Member of Nomination Committee, Frasers Property (Thailand) PCL
	Nov 2016 - Present	<ul style="list-style-type: none"> Independent Director, UOB (Thai)
	2016 - Present	<ul style="list-style-type: none"> Independent Director, Chairman of the Corporate Governance Committee and Member of the Audit Committee, Univentures PCL
	2010 - Mar 2019	<ul style="list-style-type: none"> Director, C & C International Venture Co., Ltd.
	2009 - Apr 2019	<ul style="list-style-type: none"> Independent Director and Member of the Audit Committee, TSFC Securities PCL
	1995 - Sept 2018	<ul style="list-style-type: none"> Director of the Law and Development Research Center of the Faculty of Law, Chulalongkorn University
	2010 - 2013	<ul style="list-style-type: none"> Independent Director and Member of Audit Committee, Siam City Bank PCL
	1978 - 2013	<ul style="list-style-type: none"> Lecturer in the Faculty of Law, Chulalongkorn University

Other Information

Name	Period	Work Experience
6. Chim Tantiyaswasdikul	Oct 2019 - Present	• Member, Digital Council of Thailand
	Aug 2018 - Present	• Independent Director, Member of the Audit Committee and Member of the Board Risk Oversight Committee, UOB (Thai)
	2017 - Present	• Advisor, National Broadcasting and Telecommunications Commission (NBTC)
	2014 - Present	• Risk Management Committee Member, National ITMX Co., Ltd
	2019 - 2019	• Chairman/Independent Director, Comanche International PCL
	2015 - 2019	• Independent Director and Chairman of the Audit Committee, Comanche International PCL
	2015 - 2017	• Member, Technology Information Sub-Committee, Office of Insurance Commission (OIC)
	2014 - 2018	• Member, Data Center Sub-Committee, National Broadcasting and Telecommunications Commission (NBTC)
	2014 - 2017	• Member, Technology Information Sub-Committee, Ministry of Digital Economy and Society
7. Chan Kok Seong	2013 - 2018	• Member, Sub-Committee for Driving Digital Organization Strategies, Sub-Committee for Overseeing Technology Information System Development, Deposit Protection Agency (DPA)
	2015 - 2017	• Chairman / Independent Director, Bangkok Commercial Asset Management PCL
	Oct 2019 - Present	• Commissioner, PT Bank UOB Indonesia
8. Tan Choon Hin	Apr 2019 - Present	• Director (Authorised Signatory), UOB (Thai)
	Oct 2018 - Present	• Director, Avatec.ai (S) Pte Ltd
	Mar 2018 - Present	• Member of Members' Council, United Overseas Bank (Vietnam) Limited
	Sep 2012 - Present	• Group Chief Risk Officer, United Overseas Bank Limited
9. Sanchai Apisaksirikul	Dec 2018 - Present	• Director, United Private Equity Investments (Cayman) Limited
	Apr 2018 - Present	• Director, United Asia Diversifier Program
	Jan 2018 - Present	• Director, UOB Venture Management (Shanghai) Ltd
	Oct 2017 - Present	• Director, The Association of International Banks (AIB)
	Nov 2016 - Present	• Director (Authorised Signatory) and President & CEO, UOB (Thai)
	2016 - Oct 2016	• Head of Group Business Banking, United Overseas Bank Limited, Singapore
9. Sanchai Apisaksirikul	2012 - 2016	• Head of Group Retail Credit, United Overseas Bank Limited, Singapore
	Aug 2018 - Present	• Member of the Board Risk Oversight Committee, UOB (Thai)
	Mar 2017 - Present	• Director, Asia Alpha Fund
	May 2015 - Present	• Director, UOB Asset Management (Thailand) Co.,Ltd.
	Apr 2015 - Present	• Managing Director, UOB (Thai)
	Mar 2012 - Present	• Director (Authorised Signatory), UOB (Thai)
	2007 - Mar 2015	• Executive Director, UOB(Thai)

Other Information

3. Directors' Remuneration

as of 31 December 2019

					Baht
	Board of Directors	Audit Committee	Nomination & Compensation Committee	Board Risk Oversight Committee	Total
1. Wee Cho Yaw	1,920,000	-	-	-	1,920,000
2. Suebtrakul Soonthornthum	1,008,000	600,000	684,000	-	2,292,000
3. Chanitr Charnchainarong	1,008,000	-	480,000	960,000	2,448,000
4. Tithiphan Chuerboonchai	1,008,000	960,000	480,000	-	2,448,000
5. Chim Tantiyaswasdikul	1,008,000	600,000	-	600,000	2,208,000
Total	5,952,000	2,160,000	1,644,000	1,560,000	11,316,000

4. Senior Management's Remuneration

In Y2019, the Bank and its subsidiaries paid remuneration including salary, bonus, and other benefits to senior management of the Bank and its subsidiaries at the amount of Baht 761,913,310 (Y2018 paid Baht 630,959,850).

5. Directorships of Directors and Senior Management as at year-end 2019

Directors

1. Wee Cho Yaw

Company	Position
UOB Business Group	
1. United Overseas Insurance Ltd.	Chairman
2. UOB Australia Ltd.	Chairman
3. United Overseas Bank (China) Ltd.	Supervisor
Wee Family Business Group	
1. C.Y.Wee & Company (Pte) Ltd.	Chairman
2. Kheng Leong Company (Pte) Ltd.	Chairman
3. Wee Investments (Pte) Ltd.	Chairman
4. UOL Group Ltd.	Chairman
5. Pan Pacific Hotels Group Limited	Chairman
6. Haw Par Corporation Ltd.	Chairman
7. United Industrial Corporation Ltd.	Chairman
8. Marina Centre Holdings (Pte) Ltd.	Chairman
9. Aquamarina Hotel (Pte) Ltd.	Chairman
10. Hotel Marina City (Pte) Ltd.	Chairman
11. Marina Bay Hotel (Pte) Ltd.	Chairman
12. Wee Property (UK) (Pte) Ltd.	Chairman
Non-Profit/Community Service Business Group	
1. Kim Mui Hoey Kuan	Trustee cum Honorary Chairman
2. Singapore Chinese Chamber of Commerce & Industry	Honorary President
3. Singapore Federation of Chinese Clan Associations	Honorary President
4. Singapore Hokkien Huay Kuan	Honorary President
5. Wee Foundation	Chairman
6. Chung Cheng High School Ltd.	Chairman
7. Mee Toh Foundation Ltd.	Director

Other Information

2. Wee Ee Cheong

Company	Position
UOB Business Group	
1. PT Bank UOB Indonesia	President Commissioner
2. United Overseas Bank Ltd.	Director
3. United Overseas Bank (China) Ltd.	Chairman
4. United Overseas Bank (Malaysia) Bhd.	Director
5. United Overseas Insurance Ltd.	Director
6. UOB Global Capital LLC	Chairman
7. UOB Global Capital (Pte) Ltd.	Chairman
8. UOB Travel Planners (Pte) Ltd.	Director
9. Walden AB Ayala Ventures Co Inc.	Director
Wee Family Business Group	
1. C Y Wee & Company (Pte) Ltd.	Director
2. E C Wee Pte. Ltd.	Director
3. Kheng Leong Co (HK) Ltd.	Director
4. Kheng Leong Company (Pte) Ltd.	Director
5. KLC Holdings Ltd.	Director
6. KLC Holdings (Hong Kong) Ltd.	Director
7. Phoebus Singapore Holdings (Pte) Ltd.	Director
8. Portfolio Nominees Ltd.	Director
9. Wee Investments (Pte) Ltd.	Director
10. Pilkon Development Co., Ltd.	Director
11. Plaza Hotel Co., Ltd.	Director
12. Wee Property (UK) (Pte) Ltd.	Director
Non-Profit/Community Service/Relationship (Networking) Business Group	
1. Singapore-China Foundation	Member, Board of Governors
2. Singapore Chinese Chamber of Commerce & Industry	Honorary Council Member
3. The Association of Banks in Singapore	Council Member
4. The Institute of Banking & Finance	Council Member
5. Visa APCEMEA Senior Client Council	Member
6. Wee Foundation	Director

Other Information

3. Suebrakul Soonthornthum

Company	Position
Loxley Business Group	
1. Loxley Public Co., Ltd.	Director & Vice Chairman and Vice Chairman of the Executive Board
2. Loxley Trading Co., Ltd.	Director
3. Loxley Property Development Co., Ltd.	Director
4. Foseco (Thailand) Co., Ltd.	Chairman
5. NS BlueScope (Thailand) Co., Ltd.	Director
6. NS BlueScope Services (Thailand) Co., Ltd.	Director
7. NS BlueScope Lysaght (Thailand) Co., Ltd.	Director
8. BP - Castrol (Thailand) Co., Ltd.	Director
9. Ekpavee Co., Ltd.	Director
10. Zin Suapah Co., Ltd.	Director
11. Loxley Joint and Hold Co., Ltd.	Director
12. BlueScope Building (Thailand) Co., Ltd.	Director
Muang Thai Life Assurance Public Co., Ltd. Group	
1. Muang Thai Life Assurance Public Co., Ltd.	Independent Director
2. Muang Thai Real Estate Public Co., Ltd.	Chairman
Other Business Group	
1. Vanachai Group Public Co., Ltd.	Independent Director
2. Phatra Leasing Public Co., Ltd.	Independent Director

4. Chanitr Charnchainarong

Company	Position
1. GMM Grammy Public Co., Ltd	Independent Director
2. Startegic Property Investors Co., Ltd.	Independent Director
3. The Ton Poh Fund	Non- executive Director
4. Nort East Rubber Public Co., Ltd.	Chairman
5. Global Connection Public Co., Ltd.	Independent Director

5. Chim Tantiyaswasdikul - None

6. Tithiphan Chuerboonchai

Company	Position
1. Univentures Public Co., Ltd.	Independent Director
2. Frasers Property (Thailand) Public Co., Ltd.	Independent Director
3. Asset World Corp Public Co., Ltd.	Independent Director

Other Information

7. Chan Kok Seong

Company	Position
UOB Business Group	
1. United Overseas Bank (Vietnam) Limited	Member of Members' Council
2. Avatec.ai (S) Pte Ltd.	Director
3. PT Bank UOB Indonesia	Commissioner

8. Tan Choon Hin

Company	Position
UOB Business Group	
1. UOB Venture Management (Shanghai) Ltd.	Director
2. United Asia Diversifier Program	Director
3. United Private Equity Investments (Cayman) Limited	Director
Other Business Group	
The Association of International Banks (AIB)	Director

9. Sanchai Apisaksirikul

Company	Position
UOB Business Group	
1. UOB Asset Management (Thailand) Co., Ltd.	Director
2. Asia Alpha Fund	Director

Senior Management Team as at December 31, 2019

Name	Company	Position
1. Yuttachai Teyarachakul	AXA Insurance Public Co.,Ltd. National Credit Bureau Co.,Ltd.	Director Director
2. Cheah Shu Kheem	-	-
3. Ngeo Swee Guan Steven	-	-
4. Chintana Kittiviboolmas	-	-
5. Panittra Vejajiva	-	-
6. Panitsanee Tansavatdi	-	-
7. Kanlika Buspavanich	UOB Asset Management (Thailand) Co.,Ltd.	Director
8. Patchanee Vongsilpawattana	-	-
9. Pisal Kattiyothavong	The Thai Bond Market Association	Director
10. Sayumrat Maranate	-	-
11. Piyaporn Ratanaprasartporn	-	-
12. Sirima Taecharungnirun	-	-
13. Sasiwimol Arayawattanapong	UOB Services	Director
14. Veerachai Chuenchompoonut	-	-
15. Kesthip Tiemwech	-	-
16. Roongthip Angkasirisan	-	-
17. Choi Yau Chi	Thai - Hong Kong Trade Association	Director
18. Apasara Lipipan	-	-
19. Pojanee Rungsang	Suthep Boonnak Co., Ltd.	Director

Other Information

Name	Company	Position
20 Manit Panichakul	The Government Internal Audit Supervision and Development Board	Director
	The Thammasart University (TU) Educational Promotion Foundation	Director
	The "Dome Friends" Foundation	Director
21 Pongtorn Supornchai	-	-
22 Poomchai Chusakultanachai	-	-
23 Reiwadee Amornsiripanich	-	-
24 Taravadee Manuschinapisit	-	-
25 Amporn Supjindavong	-	-
26 Sooppawit Sooppapipatt	Vinyl Creation and Trading co.,Ltd	Director
27 Sakchai Sathainsoontorn	-	-
28 Vajee Pramualrat	-	-
29 Thawatchai Praesangeim	Thailand - China Business Council	Director
30 Sakoolrut Amyongka	-	-
31 Sasitorn Rattanakul	-	-
32 Bruce Gordon Ogden	-	-
33 Wipaporn Techamaitrechit	-	-
34 Suwassa Anantasa	-	-
35 Prathana Amonlirdviman	-	-
36 Tearavath Trirutdilokkul	-	-
37 Danupob Apichitsakul	-	-
38 Nareerut Ariyaprayoon	PWP Enterprise	Director
39 Natee Srirussamee	-	-
40 Chantana Vichaikul	-	-
41 Pansak Ratanapasagorn	-	-
42 Pongsakorn Julsawad	-	-
43 Numchoke Siamhan	-	-
44 Wasinee Sivakua	-	-
45 Pannee Chongcharoen	-	-
46 Suwintip Chuenban	-	-
47 Komsun Yuvajita	-	-
48 Viyada Valyasevi	-	-
49 Piyawat Jirapongsuwan	-	-
50 Ngamjitt Sirijindalert	-	-
51 Lee Kum Hong	-	-

Other Information

6. Shares of UOB (Thai), Subsidiaries and Associated Companies

Directors of UOB (Thai) do not own any shares in UOB (Thai) or any of its subsidiaries and associated companies.

7. Auditor's Remuneration

In 2019, the Bank and its subsidiary paid for audit fee to EY Office Limited amounting to Baht 9,250,000.

8. 10 Major Shareholders

As of 31 December 2019

No	Name	No. of Shares	% of Issued and fully paid-up shares
1	UNITED OVERSEAS BANK LIMITED	2,477,143,763	99.66
2	Univest Property Co.,Ltd.	1,012,000	0.04
3	Univest Holding Co.,Ltd.	1,012,000	0.04
4	Mr. Pramote Thitayangura	982,266	0.04
5	Mr. CHNE-WENG CHOW	907,500	0.04
6	Mr. CHOW CHNE WENG	877,250	0.04
7	Ms. Sumalee Atiphanampai	165,000	0.01
8	Mr. Paichit Rojanawanich	162,443	0.01
9	Ms. Sirirath Thitayangura	120,939	<0.01
10	Mr. Somsak Nittayarumpong	117,975	<0.01

Remark: Number of Issued and fully paid-up shares is 2,485,661,305 shares

Other Information

9. Related Party Transactions

The Bank's transactions with the companies related to the Bank's directors during the year 2019 are as follows:

Statements of financial position

	Average outstanding loans to customers	Outstanding loans to customers	Interbank and money market items (assets)	Derivatives assets	Other assets	Commitments	Deposits	Interbank and money market items (liabilities)	Derivatives liabilities	Other liabilities	Related with UOBT Director
Related companies											
Underwater World Pattaya Co., Ltd.							/			/	Wee Cho Yaw
PPHR (Thailand) Co., Ltd.							/				Wee Cho Yaw
Haw Par Tiger Balm (Thailand) Limited							/			/	Wee Cho Yaw, Wee Ee Cheong
Loxley Pcl.							/				Suebtrakul Soonthornthum
The Muangthai Life Assurance Pcl.								/			Suebtrakul Soonthornthum
Loxley Wireless Co., Ltd.							/				Suebtrakul Soonthornthum
Loxbit Pcl.							/			/	Suebtrakul Soonthornthum
Professional Computer Co., Ltd.							/				Suebtrakul Soonthornthum
Netone Network Solution Co., Ltd.							/				Suebtrakul Soonthornthum
L Hardware and Services Co., Ltd.							/				Suebtrakul Soonthornthum
Loxley Trading Co., Ltd.							/				Suebtrakul Soonthornthum
Phatra Leasing Pcl.							/				Suebtrakul Soonthornthum
S.L.A Asia Co., Ltd.							/				Suebtrakul Soonthornthum
CIMB (Thai) Bank Pcl.				/		/			/		Sanchai Apisaksirikul
North East Rubber Pcl.	/	/					/				Chanitr Charnchainarong
GMM Grammy Pcl.										/	Chanitr Charnchainarong
Global Connection Pcl.							/				Chanitr Charnchainarong
GDH 559 Co.,Ltd							/			/	Chanitr Charnchainarong
Wannachareonkij Co.,Ltd.							/				Tithiphan Chuerboonchai
Grand Unity Development Co., Ltd.							/				Tithiphan Chuerboonchai
Value Hotel Co.,Ltd.							/				Tithiphan Chuerboonchai
Suraseth Co., Ltd.							/				Tithiphan Chuerboonchai
Tor Yod Market AEC Co., Ltd.							/				Tithiphan Chuerboonchai
Numsub Pattana 2 Co., Ltd.							/				Tithiphan Chuerboonchai
Asiatique Entertainment Co., Ltd.							/				Tithiphan Chuerboonchai
TCC Hotel Asset Management Co., Ltd.							/				Tithiphan Chuerboonchai
TCCCL Andaman Resort Co., Ltd.							/				Tithiphan Chuerboonchai
Univentures Pcl.							/				Tithiphan Chuerboonchai
Asset World Retail Co.,Ltd							/				Tithiphan Chuerboonchai
Asset World Trading Co.,Ltd							/				Tithiphan Chuerboonchai
Asset World Corporation Pcl.							/				Tithiphan Chuerboonchai
Frasers Property Thailand Industrial Freehold & Leasehold Reit							/			/	Tithiphan Chuerboonchai
Stonehenge Inter Pcl.										/	Tithiphan Chuerboonchai
Major shareholders											
United Overseas Bank Limited			/	/	/	/	/	/	/	/	Wee Ee Cheong
- UOB - Hong Kong Branch			/			/					Wee Cho Yaw, Wee Ee Cheong
- UOB - Tokyo Branch			/					/			Wee Cho Yaw, Wee Ee Cheong
- UOB - Mumbai Branch			/								Wee Cho Yaw, Wee Ee Cheong
- UOB - HO Chi Minh City Branch								/			Wee Cho Yaw, Wee Ee Cheong
United Overseas Bank Group of Companies											
- United Overseas Bank (Malaysia) Bhd			/	/		/	/	/	/		Wee Ee Cheong
- United Overseas Bank (China) Limited			/					/			Wee Cho Yaw, Wee Ee Cheong
- PT Bank UOB Indonesia			/					/			Wee Cho Yaw, Wee Ee Cheong
- UOB Asset Management (Thailand) Co., Ltd.					/	/	/	/		/	Wee Cho Yaw, Wee Ee Cheong
- UOB Kay Hian Securities (Thailand) Co., Ltd.					/	/	/	/			Wee Cho Yaw

Details of all related party transactions are disclosed in Note 33 to the financial statements.

Other Information

9. Related Party Transactions (Continued)

Statements of comprehensive income

	Interest income	Interest expenses	Fees and service income	Fees and service expenses	Net gain (loss) on foreign currency trading and exchange transaction	Employee's Expenses	Premises and equipment expenses	Data processing charges	Other expenses	Related with UOB/T Director
Related companies										
Underwater World Pattaya Co., Ltd.		/	/				/			Wee Cho Yaw
Haw Par Tiger Balm (Thailand) Limited		/	/							Wee Cho Yaw, Wee Ee Cheong
Loxley Pcl.		/								Suebtrakul Soonthornthum
The Muangthai Life Assurance Pcl.		/								Suebtrakul Soonthornthum
Loxley Wireless Co., Ltd.		/	/							Suebtrakul Soonthornthum
Loxbit Pcl.		/					/		/	Suebtrakul Soonthornthum
Professional Computer Co., Ltd.		/								Suebtrakul Soonthornthum
L Hardware and Services Co., Ltd.		/	/							Suebtrakul Soonthornthum
Loxley Trading Co., Ltd.		/	/							Suebtrakul Soonthornthum
Phatra Leasing Pcl.	/		/				/			Suebtrakul Soonthornthum
S.L.A Asia Co., Ltd.		/								Suebtrakul Soonthornthum
CIMB (Thai) Bank Pcl.					/					Sanchai Apisaksirikul
GMM CJ O Shopping Co.,Ltd.		/								Chanitr Charnchainarong
North East Rubber Pcl.	/	/	/							Chanitr Charnchainarong
GMM Grammy Pcl.						/			/	Chanitr Charnchainarong
Harg Central Department Store Ltd.									/	Chanitr Charnchainarong
Global Connection Pcl.	/		/							Chanitr Charnchainarong
GDH 559 Co.,Ltd		/								Chanitr Charnchainarong
Wannacharoenkij Co.,Ltd.		/								Tithiphan Chuerboonchai
Suraseth Co., Ltd.		/								Tithiphan Chuerboonchai
Tor Yod Market AEC Co., Ltd.		/								Tithiphan Chuerboonchai
Numsub Pattana 2 Co., Ltd.		/								Tithiphan Chuerboonchai
Asiatique Entertainment Co., Ltd.		/								Tithiphan Chuerboonchai
TCC Hotel Asset Management Co., Ltd.									/	Tithiphan Chuerboonchai
TCCCL Andaman Resort Co., Ltd.			/							Tithiphan Chuerboonchai
Univentures Pcl.		/	/							Tithiphan Chuerboonchai
Asset World Retail Co.,Ltd		/								Tithiphan Chuerboonchai
Asset World Trading Co.,Ltd		/	/							Tithiphan Chuerboonchai
Asset World Corporation Pcl.		/	/							Tithiphan Chuerboonchai
Frasers Property Thailand Industrial Freehold & Leasehold Reit		/								Tithiphan Chuerboonchai
Major shareholders										
United Overseas Bank Limited	/	/	/	/	/			/	/	Wee Ee Cheong
- UOB - Hong Kong Branch					/					Wee Cho Yaw, Wee Ee Cheong
- UOB - Tokyo Branch			/							Wee Cho Yaw, Wee Ee Cheong
- UOB - Mumbai Branch					/					Wee Cho Yaw, Wee Ee Cheong
- UOB - Sydney Branch			/							Wee Cho Yaw, Wee Ee Cheong
- UOB - London Branch			/							Wee Cho Yaw, Wee Ee Cheong
- UOB - Taipei Branch			/							Wee Cho Yaw, Wee Ee Cheong
United Overseas Bank Group of Companies										
- United Overseas Bank (Malaysia) Bhd			/		/					Wee Ee Cheong
- United Overseas Bank (Vietnam) Limited			/							Wee Cho Yaw, Wee Ee Cheong
- United Overseas Bank (China) Limited			/							Wee Cho Yaw, Wee Ee Cheong
- UOB Bullion & Futures Limited	/								/	Wee Cho Yaw, Wee Ee Cheong
- PT Bank UOB Indonesia			/		/					Wee Cho Yaw, Wee Ee Cheong
- UOB Kayhian Private Limited					/					Wee Cho Yaw, Wee Ee Cheong
- UOB Asset Management (Thailand) Co., Ltd.		/	/		/					Wee Cho Yaw, Wee Ee Cheong
- UOB Kay Hian Securities (Thailand) Co., Ltd.	/	/	/		/					Wee Cho Yaw

Details of all related party transactions are disclosed in Note 33 to the financial statements.

Risk Management

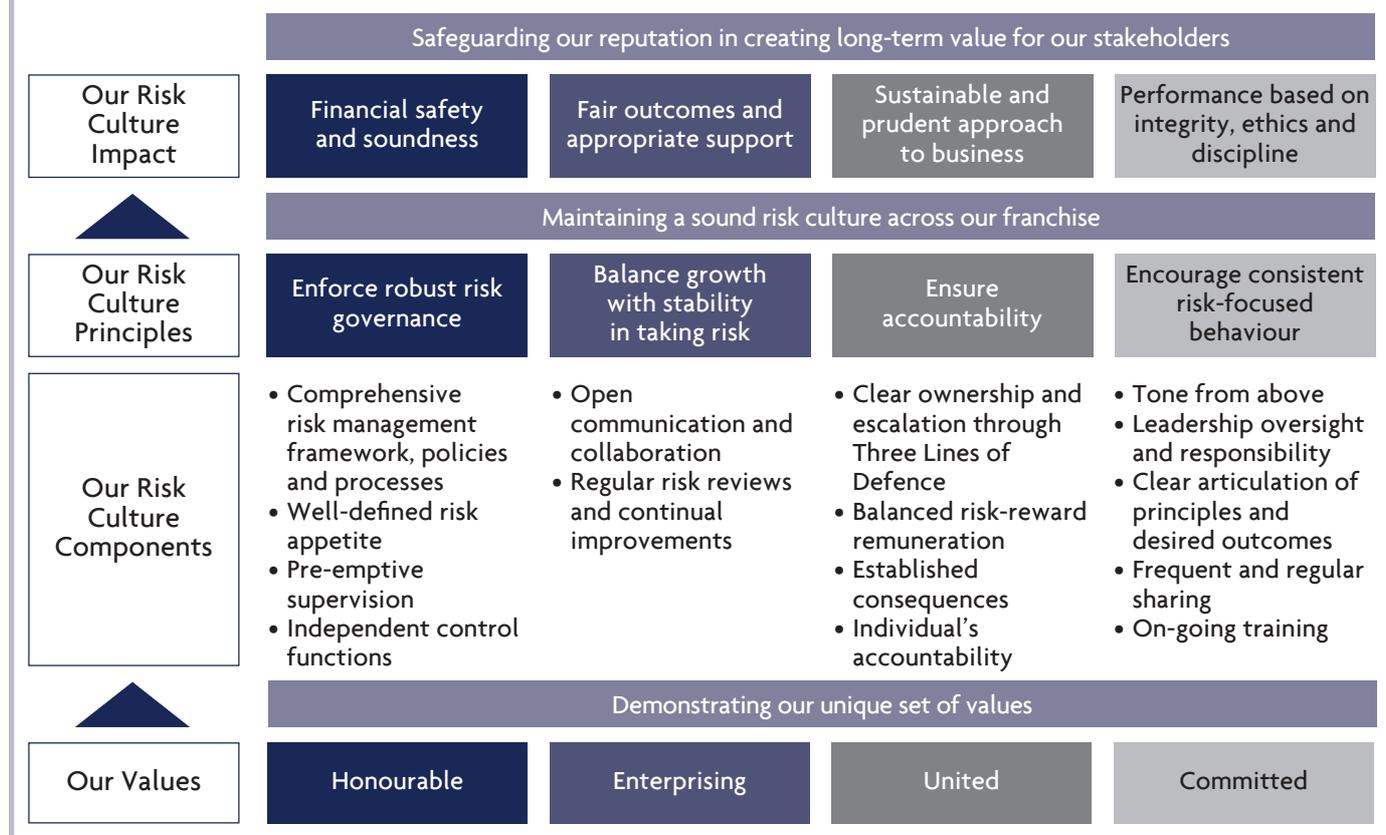
Managing risk is an integral part of UOB (Thai) Group's business strategy. UOB (Thai) Group's risk management approach focuses on ensuring continued financial soundness and safeguarding the interests of our stakeholders, while remaining nimble to seize value-creating business opportunities in a fast-changing environment. UOB (Thai) Group is committed to upholding high standards of corporate governance, sound risk management principles and business practices to achieve sustainable long-term growth. UOB (Thai) Group continuously strives towards best risk management practices to support the strategic objectives.

Maintaining a Sound Risk Culture

We believe that a strong risk culture is vital to the long-term sustainability of UOB (Thai) Group's business franchise. It ensures that our decisions and actions are considered and focused on our customers, and that we are not side-tracked by perceived short-term gains. Specifically, risk culture refers to the norms, attitudes and behaviours related to risk awareness, risk-taking and risk management, and controls that shape decisions on risks. At UOB (Thai) Group, our risk culture is based on our values.

UOB (Thai) Group's Risk Culture Statement

Managing risk is integral to how UOB (Thai) Group creates long-term value for our customers and stakeholders. Our risk culture is built on four principles: enforcing robust risk governance; balancing growth with stability; ensuring accountability for all our risk-based decisions and actions; and encouraging awareness, engagement and consistent behavior in every colleague. Each of these principles is based on UOB (Thai) Group's distinctive set of values that guides every action we take. In entrenching our risk culture further across our franchise, we uphold our commitment to financial safety and soundness; fair outcomes and appropriate support for our customers; sustainable and prudent business approach and performance based on integrity, ethics and discipline.

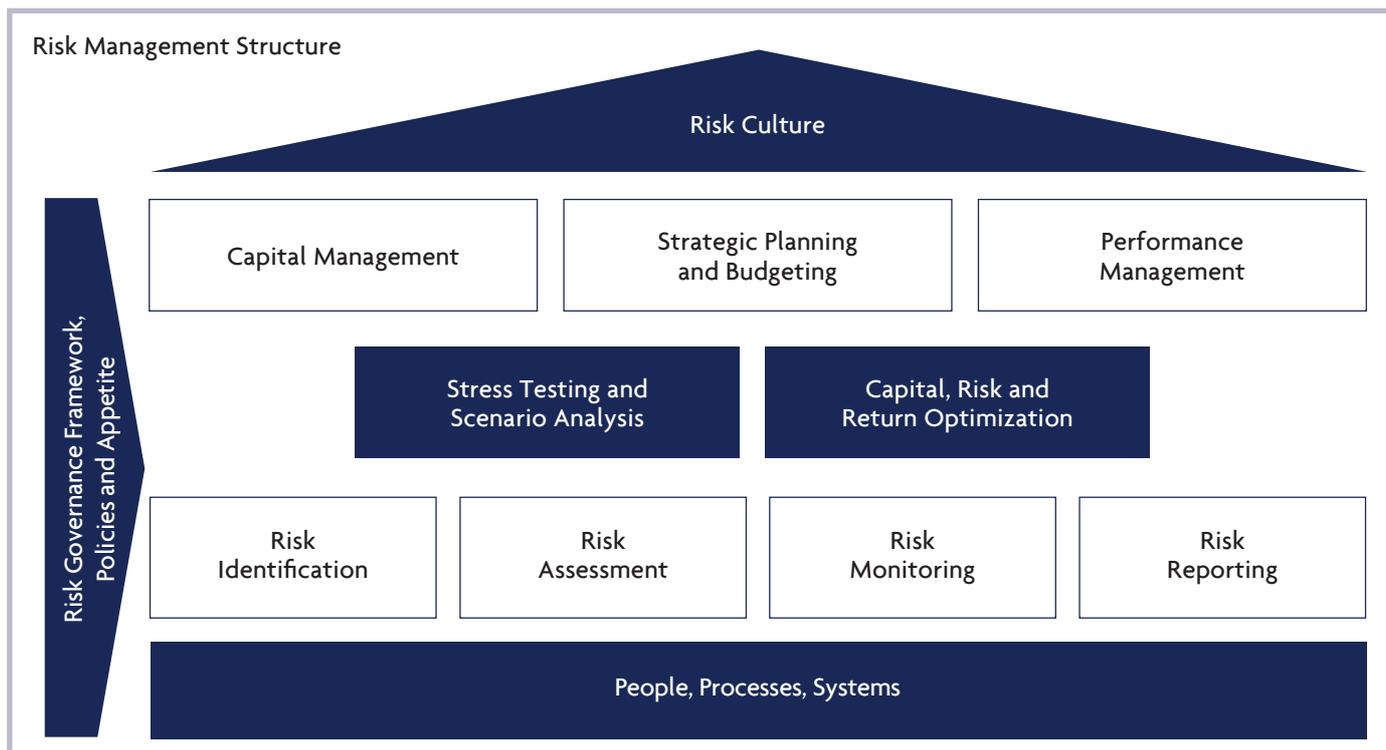


Risk Management

Risk Management

UOB (Thai) Group's risk management structure, as shown in the following diagram, underpins our risk culture. Under the structure, the various risks and control oversight functions work together with business and support units to identify their risks and to facilitate their risks and control self-assessments.

Assessment Process (ICAAP), which incorporates stress testing, take into consideration UOB (Thai) Group's risk appetite to ensure that the capital, risk and return are within acceptable levels under various stress scenarios. We also take into consideration UOB (Thai) Group's risk appetite in the development of risk-related Key Performance Indicators (KPIs) for performance measurement. This serves to embed a risk culture and risk management mindset throughout the organization.



UOB (Thai) Group's risk management strategy is targeted at embedding our risk culture so as to facilitate ongoing effective discovery, management, and mitigation of risks arising from external factors and our business activities and to set aside adequate capital efficiently to address these risks. Risks are managed within levels established by the senior management committees and approved by the Board and its committees. UOB (Thai) Group has put in place a framework of policies, methodologies, tools and processes that will help us identify, measure, monitor and manage material risks faced by UOB (Thai) Group. This enables us to concentrate our efforts on the fundamentals of banking and to create long-term value for all UOB (Thai) Group stakeholders.

UOB (Thai) Group's risk governance frameworks, policies and risk appetite provide the principles and guidance for UOB (Thai) Group's risk management activities. They help to shape the key decisions for capital management, strategic planning and budgeting, and performance management to ensure that the risk dimension is appropriately and sufficiently considered. In particular, UOB (Thai) Group's Internal Capital Adequacy

Our risk identification, assessment, monitoring and reporting processes are governed by applicable risk management frameworks, policies and appetites. Risk reports are regularly submitted to management, senior management committees and the Board to keep them apprised of UOB (Thai) Group's risk profile.

Risk Governance

UOB (Thai) Group's responsibility for risk management starts with the Board overseeing a governance structure that is designed to ensure that UOB (Thai) Group's business activities are:

- conducted in a safe and sound manner and in line with the highest standards of professionalism;
- consistent with UOB (Thai) Group's overall business strategy and risk appetite; and
- subject to adequate risk management and internal controls.

Risk Management

In this regard, the Board is primarily assisted by the Board Committees including Audit Committee (AC), Nomination and Compensation Committee (NCC), Executive Committee (EXCO), and Board Risk Oversight Committee (BROC). BROC assists the Board in the oversight of risks and provide recommendations to the Board regarding risk governance framework.

The day-to-day management of UOB (Thai) Group is delegated to senior management including Chief Executive Officer (CEO) and Senior Executives of UOB (Thai) and a subsidiary. CEO has established senior management committees to assist him and senior management in making business decisions involved in specific risk areas with due consideration to risks and returns.

The senior management committees include Tier 1, Tier 2 and Tier 3 committees. Tier 1 senior management committees comprise Risk and Capital Committee (RCC) and Management Committee (MC) which are mandated to assist the Board in the oversight of risk and reviewing strategic roadmap, financial plan and budget as well as monitoring performance against strategy and budget of UOB (Thai) Group. The Tier 2 and Tier 3 senior management committees include:

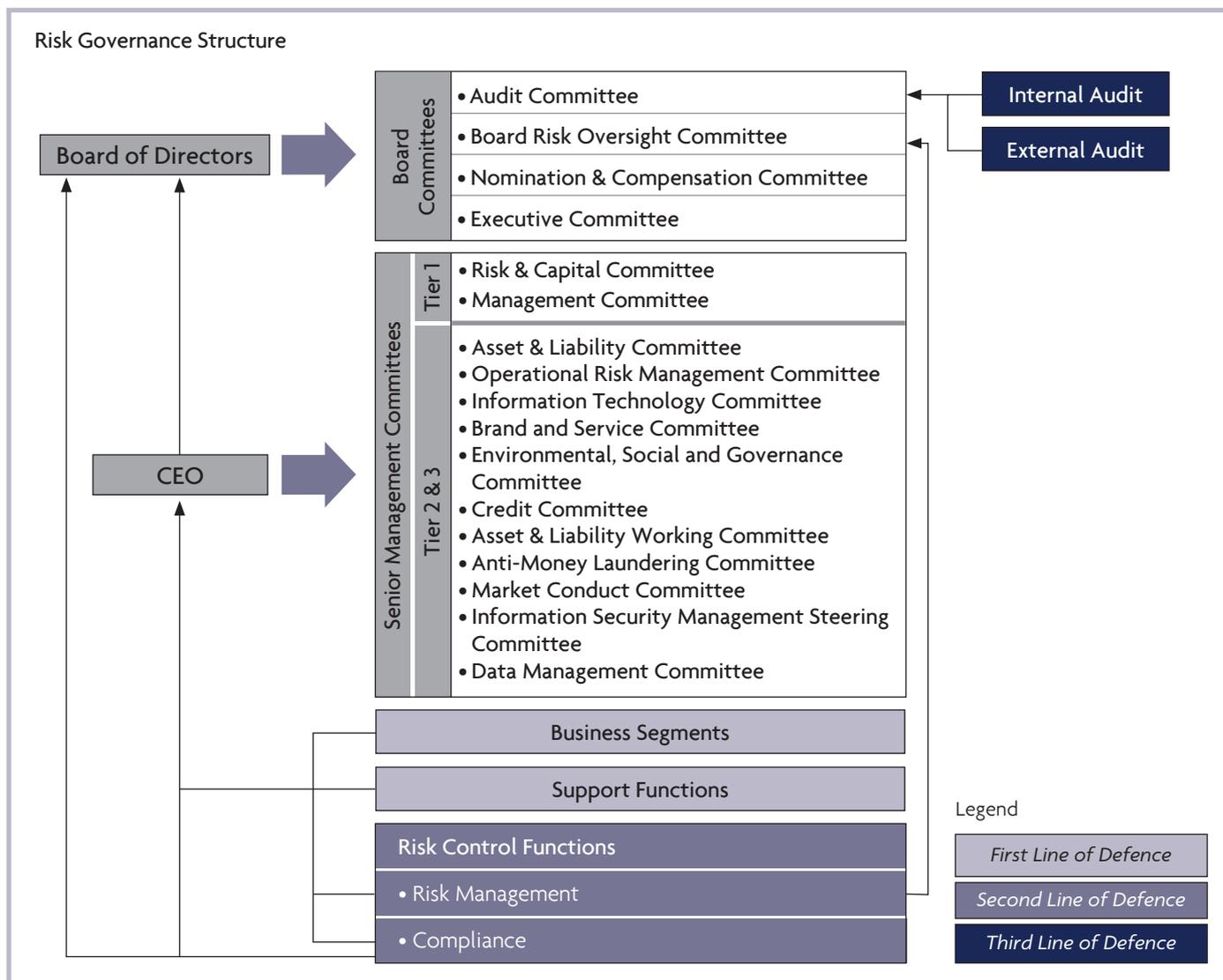
- Asset & Liability Committee (ALCO)
- Operational Risk Management Committee (ORMC)
- Information Technology Committee (ITC)
- Brand and Service Committee (BSC)

- Environmental, Social and Governance Committee (ESGC)
- Credit Committee (CC)
- Asset & Liability Working Committee (ALWC)
- Anti-Money Laundering Committee (AMLC)
- Market Conduct Committee (MCC)
- Information Security Management Steering Committee (ISMS)
- Data Management Committee (DMC)

Senior management and senior management committees are responsible for delegating risk appetite limits by business lines, and/or broad product lines.

Risk management is the responsibility of every employee in UOB (Thai) Group. Risk awareness and accountability are embedded in our culture through an established framework that ensures appropriate oversight and accountability for the effective management of risk throughout UOB (Thai) Group and across risk types. This is executed through an organization control structure that provides three Lines-of-Defence as follows:

Risk Management



First Line of Defence - The Risk Owner:

The business and business support functions have primary responsibility for implementing and executing effective controls to manage the risks arising from their business activities. This includes establishing adequate managerial and supervisory controls to ensure compliance with risk policies, appetite, limits and controls and to highlight control breakdowns, inadequacy of processes and unexpected risk events.

Second Line of Defence - Risk Oversight:

The risk and control oversight functions (such as Risk Management and Compliance), Head of Risk Management and Head of Compliance provide the second line of defence.

The risk and control oversight functions support UOB (Thai) Group's strategy of balancing growth with stability by establishing risk frameworks, policies, appetite and limits within which the

business functions must operate. The risk and control functions are also responsible for the independent review and monitoring of UOB (Thai) Group's risk profile and for highlighting any significant vulnerabilities and risk issues to the respective management committees.

The independence of risk and control oversight functions from business functions ensures the necessary checks and balances are in place.

Third Line of Defence - Independent Audit:

UOB (Thai) Group's internal and external auditors conduct risk-based audits covering all aspects of the first and second lines of defence to provide independent assurance to the CEO, Audit Committee and the Board, of the effectiveness of the risk management and control structure, policies, frameworks, systems and processes.

Risk Management

We have adopted the Foundation Internal Ratings-Based (FIRB) approach for non-retail exposures and the Advanced Internal Ratings-Based (AIRB) approach for retail exposures. For Market and Operational risks, UOB (Thai) Group has adopted the Standardised Approach (SA).

We have also adopted ICAAP to assess on an ongoing basis the amount of capital necessary to support our activities. We review the ICAAP periodically to ensure that UOB (Thai) Group remains well-capitalised after considering all material risks. Stress testing is conducted to determine capital adequacy under stress conditions.

UOB (Thai) Group's Pillar 3 and Liquidity Coverage Ratio (LCR) Disclosure Policy addresses the disclosure requirements specified by regulators.

Credit Risk

Credit risk is the risk of loss arising from any failure by a borrower or counterparty to meet their financial obligations when such obligations are due. Credit risk is the single largest risk that UOB (Thai) Group faces in our core business as a commercial bank, arising primarily from loans and other lending related commitments to retail, corporate and institutional borrowers. Treasury and capital market operations and investments also expose UOB (Thai) Group to counterparty and issuer credit risks.

Integral to the management of credit risk is a framework that clearly defines policies and processes relating to the measurement and management of credit risk. We review and stress test our portfolio regularly, and we continually monitor the operating environment to identify emerging risks and to formulate mitigation action.

Credit Risk Governance and Organization

The CC is the key oversight committee for credit risk. They support the CEO, EXCO and the Board in managing the UOB (Thai) Group's overall credit risk exposures. The RCC and CC serves as an executive forum for discussions on all credit-related issues including the credit risk management framework, policies, processes, infrastructure, methodologies and systems. The CC reviews and assesses UOB (Thai) Group's credit portfolios, processes and credit risk profiles.

Credit Risk Management Division is responsible for the reporting, analysis and management of all elements of credit risk. It develops credit policies and guidelines, and focuses on facilitating business development within a prudent, consistent and efficient credit risk management framework.

Credit Risk Policies and Processes

UOB (Thai) Group has established credit policies and processes to manage credit risk in the following key areas:

Credit Approval Process

To maintain the independence and integrity of the credit approval process, the credit origination and approval functions are clearly segregated. Credit approval authority is delegated to officers based on their experience, seniority and track record, and is based on a risk-adjusted scale according to a borrower's credit rating. All credit approval officers are guided by credit policies that are periodically reviewed to ensure their continued relevance to the UOB (Thai) Group's business strategy and the business environment.

Credit Concentration Risk

Credit concentration risk may arise from a single large exposure or from multiple exposures that are closely correlated. This is managed by setting exposure limits on borrowers, obligors, industries, portfolios, and countries, generally expressed as a percentage of the capital base.

We manage our credit risk exposures through a robust credit underwriting, structuring and monitoring process. Credit exposures are well-diversified across industries. We perform regular assessments of emerging risks and reviews on industry trends and country outlooks to provide a forward-looking view on developments that could impact UOB (Thai) Group's portfolio. We also conduct stress testing periodically to assess the resilience of the portfolio in the event of a marked deterioration in operating conditions.

Credit Stress Test

Credit stress testing is a core component of UOB (Thai) Group's credit portfolio management process. The three objectives of stress-testing are (i) to assess the profit and loss and balance sheet impact of business strategies, (ii) to quantify the sensitivity of performance drivers under various macroeconomic and business planning scenarios, and (iii) to evaluate the impact of management decisions on capital, funding and leverage. Supervisory and / or internal stress tests may be conducted periodically under the change in economic conditions to identify if any risk mitigation actions should be taken. Under stress scenarios such as a severe recession, significant losses from the credit portfolio may occur. Stress tests are used to assess if UOB (Thai) Group capital can withstand such losses and their impact on profitability and balance sheet quality. Stress tests also help us, identify the vulnerability of various business units under such scenario and formulate appropriate mitigating actions.

Our stress test scenarios consider potential and plausible macroeconomic and geopolitical events in varying degrees of likelihood and severity. We also consider varying strategic planning scenarios where the impact of different business scenarios and proposed managerial actions are assessed. These are developed through consultation with relevant business units, and are approved by senior management prior to submission to relevant committees for approval.

Risk Management

Intra-group Transaction

Any intra-group transactions shall be executed on an arms-length basis at market commercial terms. Risk exposure as well as impact on capital adequacy incurred from intra-group transactions shall be monitored and controlled as a normal business practice. UOB (Thai) Group has stipulated the approval process for intra-group transactions e.g. normal intra-group transactions such as granting credit, which is subject to approval by UOB (Thai) EXCO with ratification by the Board.

Credit Risk Mitigation

Potential credit losses are mitigated through a variety of instruments such as collateral, guarantees and netting arrangements. As a fundamental credit principle, UOB (Thai) Group generally does not extend credit facilities solely on the basis of the collateral provided. All credit facilities are granted based on the credit standing of the borrower, source of repayment and debt servicing ability.

Collateral is taken whenever possible to mitigate the credit risk assumed and the value of the collateral is monitored periodically. The frequency of valuation depends on the type, liquidity and volatility of the collateral value as well as in accordance with BOT's requirements. The main types of collateral taken by UOB (Thai) Group are cash, qualified marketable securities, and real estate. Appropriate haircuts are applied to the market value of collateral, reflecting the underlying nature of the collateral, quality, volatility and liquidity. In addition, collateral taken by UOB (Thai) Group has to fulfill certain eligibility criteria (such as legal certainty across relevant jurisdictions) in order to be eligible for IRB purposes.

In extending credit facilities, we also often take personal guarantees as a form of moral support to ensure moral commitment from the principal shareholders and directors. For IRB purposes, we do not recognise personal guarantees as an eligible credit risk protection. Corporate guarantees are often obtained when the borrower's creditworthiness is not sufficient to justify an extension of credit. To recognise the effects of guarantees under the FIRB approach, we adopt the Probability of Default (PD) substitution approach whereby the PD of an eligible guarantor of an exposure will be used for calculating the capital requirement.

Exposures arising from foreign exchange and derivatives are typically mitigated through agreements such as the International Swaps and Derivatives Association (ISDA) Master Agreements and the Credit Support Annex (CSA). Such agreements help to minimise credit exposure by allowing UOB (Thai) Group to offset what it owes to counterparty against what is due from that counterparty in the event of a default.

Credit Monitoring and Remedial Management

We regularly monitor credit exposures, portfolio performance and emerging risks that may impact our credit risk profile. Internal risk reports are presented to relevant committees to update senior management on credit trends and to provide alerts on key economic, political and environment developments across major portfolios.

Delinquency Monitoring

UOB (Thai) Group monitors closely the delinquency of borrowing accounts as it is a key indicator of credit quality. An account is considered as delinquent when payment is not received on the due date. Any delinquent account, including a revolving credit facility (such as an overdraft) with limit excesses, is closely monitored and managed through a disciplined process by officers from business units and risk management functions. Where appropriate, such accounts are also subject to more frequent credit reviews.

Classification and Loan Loss Impairment

UOB (Thai) Group classifies its loan portfolios according to the borrower's ability to repay the credit facility from their normal source of income. There is an independent credit review process to ensure the appropriateness of loan grading and classification in accordance with internal policy and regulatory guidelines. All borrowing accounts are classified into 'Pass', 'Special Mention' or 'Non-Performing' categories. Non-Performing loans (NPLs) are further classified as 'Substandard', 'Doubtful' or 'Doubtful of Loss' in accordance with Bank of Thailand (BOT) guidelines. Any account which is delinquent (or in excess for a revolving credit facility such as an overdraft) for more than 90 days will be categorised automatically as 'Non-Performing'. In addition, any account that exhibits weaknesses that may jeopardise repayment on existing terms will be categorised as 'non-performing'.

Upgrading and declassification of a NPL account to 'Pass' or 'Special Mention' status must be supported by a credit assessment of the repayment capability, cash flows and financial position of the borrower. UOB (Thai) Group must also be satisfied that once the account is declassified, the account is unlikely to be classified again in the near future.

A restructured account is categorised as "Non-Performing" and placed on the appropriate classified grade depending on UOB (Thai) Group's assessment of the financial conditions of the borrower and the ability of the borrower to repay based on the restructured terms. A restructured account must comply fully with the restructured terms in accordance with internal policy and regulatory requirements before it can be declassified.

Risk Management

Special Asset Management

Special Asset Management (SAM) / Credit Management are the independent division in which SAM manages the non-performing portfolios of UOB (Thai) Group's non-retail portfolio whereas Credit Management manages the retail non-performing portfolios. SAM/Credit Management proactively manages a portfolio of NPL accounts, with the primary intention of nursing these accounts back to health and transferring them back to the respective business units if it meets the guidelines. In addition, SAM also manages accounts that UOB (Thai) Group intends to exit in order to maximise debt recovery.

Write-off Policy

A classified account that is not secured by any realisable collateral or account with collateral that are worthless will be written off either when the prospect of recovery is considered poor or when all feasible avenues of recovery have been exhausted. This is in compliance with regulatory guidelines.

Internal Credit Rating System

UOB (Thai) Group employs internal rating models to support the assessment of credit risk and the assignment of exposures

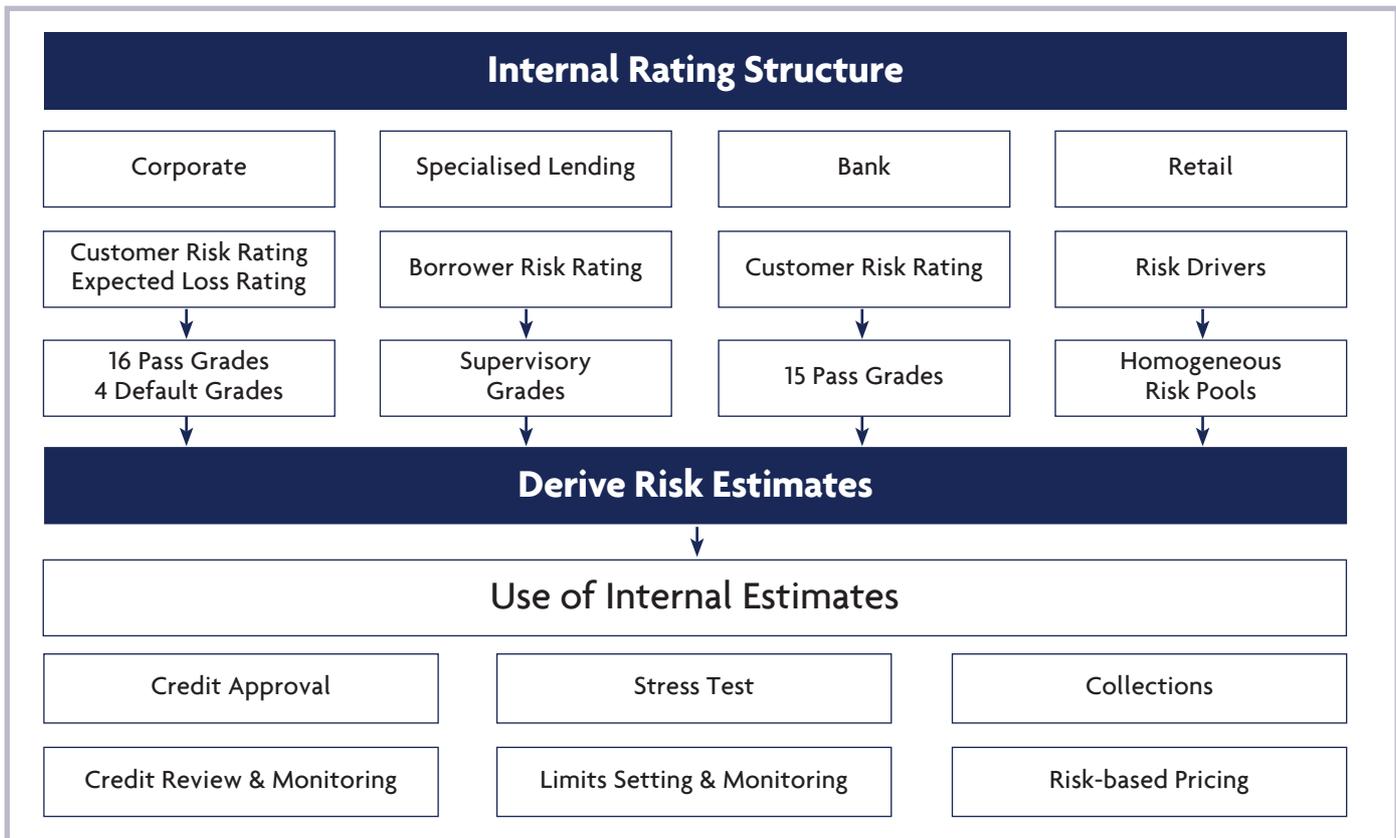
to rating grades or pools. Internal ratings are used pervasively by UOB (Thai) Group in the areas of credit approval, credit review and monitoring, credit stress testing, limits setting, pricing and account management.

UOB (Thai) Group has established a credit rating governance framework to ensure the reliable and consistent performance of its rating systems. The framework defines the roles and responsibilities of the various parties in the credit rating process, including independent model performance monitoring, annual model validation and independent reviews by Internal Audit.

Credit risk models are independently validated before they are implemented to ensure they are fit for purpose. To monitor the robustness of these rating models on an ongoing basis, all models are subject to annual review conducted by model owners to ascertain that the chosen risk factors and assumptions continue to remain relevant for the respective portfolios. All new models, model changes and annual reviews are approved by RCC or the BROCC, depending on the materiality of the portfolio.

Rating Structure

UOB (Thai) Group's internal rating structure is illustrated below.



Risk Management

Non-retail Exposures

UOB (Thai) Group has adopted the Foundation Internal Ratings-Based (FIRB) approach for its non-retail exposures with an exception for Sovereign asset class where Standardised Approach is applied. Under FIRB approach, the probability of default (PD) for each borrower is estimated using internal models. These PD models employ qualitative and quantitative factors to provide an assessment of the borrower's ability to meet their financial obligations, and are calibrated to provide an estimate of the likelihood of default over a one-year time horizon. A default is considered to have occurred if:

- the obligor is unlikely to pay its credit obligations in full to UOB (Thai) Group, without recourse by UOB (Thai) Group to actions such as realising the security; or
- the obligor is past due for more than 90 days on any credit obligation to UOB (Thai) Group.

Supervisory loss given default (LGD) and exposure at default (EAD) parameters prescribed by BOT are used together with the internal credit ratings to calculate risk weights and regulatory capital requirements.

While UOB (Thai) Group's internal risk rating grades may show some correlation with the rating grades of External Credit Assessment Institutions (ECAIs), they are not directly comparable or equivalent to the ECAI ratings.

Corporate Asset Class

In UOB (Thai) group, the exposure in Claims on Corporate Asset Class has been rated by Corporate SME (CSME) and NBF1 Models. Credit risk factors used to derive a customer risk rating include its' financial strength, quality of management, business risks, and the industry in which it operates. The customer risk rating process is augmented by facility risk ratings, which take into account the type and structure of the facility, availability and type of collateral, and seniority of the exposure.

The internal rating grade structure for the corporate asset class consists of 16 pass grades and 4 default grades. The models are mapped to the rating scale by calibration that takes into account UOB (Thai) Group's long-term average portfolio default rate.

Specialised Lending Asset Sub-Class

Within the corporate asset class, UOB (Thai) Group has four sub-classes for Specialised Lending: Income Producing Real Estate (IPRE), Commodity Finance (CF), Project Finance (PF) and Ship Finance (SF). The internal risk grades are derived based on a comprehensive assessment of financial and non-financial risk factors using internal scorecards. The internal risk grades are mapped to the five supervisory slotting categories, which determine the risk weights to be applied to the exposures.

Bank Asset Class

Our internal Bank scorecard takes into account asset quality, capital adequacy, liquidity, management, regulatory environment and robustness of the overall banking system. The scorecard has an internal rating grade structure consisting of 15 pass grades.

Retail Exposures

We have adopted the AIRB Approach for our retail exposures, which consist of residential mortgages, qualifying revolving retail exposures and other retail exposures. Exposures within each of these asset classes are not managed individually, but as part of a pool similar exposures that are segmented based on borrower and transaction characteristics. As loss characteristics of retail exposures are geography and product specific, bespoke PD, LGD and EAD segmentation models are developed using empirical loss data for the respective exposures across the UOB (Thai) Group. Where internal loss data is insufficient to provide robust risk estimates, the segmentation models may incorporate internal and/or external proxies, and where necessary, may be augmented with appropriate margins of conservatism. These models are regularly validated.

Retail Probability of Default Models

Retail PD models are based on pools of homogeneous exposures segmented by a combination of application scores, behavioural scores and other risk drivers reflecting borrower, facility and delinquency characteristics. PD pools are calibrated through-the-cycle using at least five years of historical data that cover a full economic cycle. For low default portfolios, internal and/or external proxies that are highly correlated with internal defaults are used to estimate the long-run average PD.

In general, the long-run observed default rates are largely lower than the PD estimated due to the model's calibration philosophy and the application of conservative overlays to account for model risk.

Retail Loss Given Default Models

Retail LGDs are estimated directly using historical default and recovery data via the "workout" approach, which considers the economic losses arising from different post-default scenarios such as cured, restructured and liquidate. LGD models are segment using material pre-default risk drivers such as facility and collateral characteristics.

LGD models are adjusted to reflect a portfolio's economic downturn experience.

Risk Management

Retail Exposure at Default Models

For revolving products, EAD is based on the current outstanding balance and the estimated potential drawdown of undrawn commitments, which is statistically determined based on historical data. For closed-end products, the EAD is the current outstanding balance. EAD models are generally segmented by material pre-default risk drivers such as facility type, limit and utilization. EAD models also cover the effect from economic downturn conditions. EADs must be at least equal to the current outstanding balances.

Credit Exposures Subject To Supervisory Prescribed Risk Weight

Equity Asset Class

According to BOT's guidelines, UOB (Thai) Group is eligible to apply 100% risk weight to equity exposures which have been exempted from IRB capital computation.

Credit Exposures Subject To Standardised Approach

UOB (Thai) Group applies the SA for portfolios which are immaterial in terms of both size and risk profile and for transitioning portfolios. We will progressively migrate our transitioning portfolio ie. exposures to non-bank financial institutions, to the IRB approach, subject to regulatory approval. For exposures subject to the SA, prescribed risk weights based on asset class are used in the computation of regulatory capital except for Claims on Corporate where 100% risk weight is applied.

Responsible Financing

UOB (Thai) Group are committed to responsible financing to support sustainable development and to mitigate environmental, social and governance (ESG) risks in our lending. UOB (Thai) Group's Credit Policy includes a Responsible Financing Policy and guidelines with clear roles and responsibilities for due diligence. Credit Approval is responsible for ensuring that all ESG-related risks are adequately addressed.

The Responsible Financing Policy is embedded within UOB (Thai) Group's Credit Policy which is reviewed periodically. This ensures that ESG considerations are integrated as part of the credit evaluation and approval processes.

The Responsible Financing Policy applies to all of UOB (Thai) Group's all borrowing customers within Wholesale Banking and to the Bank's capital market activities. Under the policy, Relationship Managers are required to conduct due diligence on all new and existing borrowers during the onboarding process and annual credit review. We have implemented sector-specific Credit Acceptance Guidelines and have ESG checklists in place to help our relationship managers in identifying, assessing and reviewing ESG risks. Borrowers subject to enhanced due diligence with sector specific guidance are within the following eight ESG-sensitive industries.

- Agriculture
- Metals and Mining
- Chemical
- Infrastructure
- Forestry
- Defence
- Energy
- Waste Management

In 2019, we have enhanced our ESG risk classification to identify, measure and manage the ESG risks in our portfolio more effectively. Our borrowers are classified as 'high', 'medium' or 'low' risk. This is based on the level of ESG risk inherent in their business operations and the residual ESG risk after taking into consideration their ability to mitigate the inherent risk through policies and measures.

Our Responsible Financing Policy prohibits financing to the following companies:

- with operations or projects that threaten the outstanding universal value or special characteristics of UNESCO World Heritage Sites, RAMSAR Wetlands, forests of high conservation value or sites that would impact critical natural habitat significantly;
- involved in animal cruelty and the trade of endangered species as defined by the Convention on International Trade in Endangered Species of Wild Fauna and Flora;
- without measures in place to manage or to mitigate the risk of air, soil and water pollution
- involved in the exploitation of labour, including forced labour and child labour based on the International Labour Organization (ILO) standards
- in violation of the rights of local or indigenous communities; and
- involved in open burning for land clearance

The Responsible Financing Policy, supported by a comprehensive set of guidelines, requires the borrowers to comply with local ESG regulations. We notify our borrowers of their need to adhere to our Responsible Financing Policy and request for their representation and warranties to ensure compliance. We also encourage them to follow established industry standards and to obtain relevant certifications. In addition, we monitor our borrowers on an ongoing basis for any adverse ESG related news. For example, borrowers with any known ESG related incidents will trigger an immediate review with the ESG risks to be addressed and managed appropriately. We allow our borrowers to rectify any breaches of our policy within a reasonable timeframe with Relationship Managers responsible for monitoring their progress. However, if we deem

Risk Management

our borrowers unable or unwilling to commit to managing the potential adverse impact of their operations adequately, we are prepared to review and to reassess the relationship, or to reject the transaction.

Recognizing the threat of climate change and the adverse effect it increasingly has on the environment, businesses and society, we discontinued new financing of subcritical coal-fired power plant projects starting 2019. We will only support higher efficiency, lower emission coal-fired power plants, and also adopted a more selective stance on the financing of coal mining projects, prohibiting those that are involved in the production of low-energy density coal.

Moreover, we also enhance a responsible lending policy for consumers as part of the sustainable banking development to address the growing concern on higher household debt. The guideline has been established in such a way that the credit underwriting process should not only take into consideration for the credit risk based on the borrower's profile and repayment ability but also on the affordability risk of borrowers to meet their debt obligations both for now and in the longer term.

Market Risk

Market risk is the risk of losses arising from the volatility of the price or value of assets, liabilities and financial obligations held by UOB (Thai) Group. Market factors which may affect such prices or values are changes on interest rates, foreign exchange, equity prices and commodity prices.

Market risk is governed by the ALCO, which meets monthly to review and provide directions on market risk matters. The Market Risk Management Unit (MRM) supports the BROCC, RCC and ALCO with independent assessment of the market risk profile of UOB (Thai) Group.

UOB (Thai) Group's market risk framework comprises market risk policies, practices, control, and risk limits structure with appropriate delegation of authority. In addition, we have a stringent Product/Service Programme due diligence process in place to ensure that market risk issues are adequately addressed prior to product launches.

Market risk capital is provided for all trading exposures within UOB (Thai) Group, as well as Banking Book FX and commodity exposures. UOB (Thai) Group currently adopts the Standardised Approach for the calculation of regulatory market risk capital but uses daily ES (Expected Short Fall) or Value-at-Risk (VaR) to measure and control trading market risks. To complement the ES or VaR measure, stress and scenario tests are performed to identify UOB (Thai) Group's vulnerability to event risk. These tests serve to provide early warnings of plausible extreme losses to facilitate proactive management of market risks.

In addition, VaR estimates are backtested against profit and loss of the trading book to validate the robustness of the methodology. The backtesting process analyses whether exceptions are due to model deficiencies or market volatility.

Interest Rate Risk in Banking Book

Interest rate risk in the banking book (IRRBB) is defined as the risk of potential loss of capital or reduction in earnings due to changes in the interest rates environment.

The ALCO maintains oversight of the effectiveness of the interest rate risk management structure. Balance Sheet Risk Management Division (BSRM) supports the ALCO in monitoring the interest rate risk profile of the banking book.

The primary objective of interest rate risk management is to protect and enhance capital or economic net worth through adequate, stable and reliable growth in net interest earnings under a broad range of possible economic conditions. This is achieved by ensuring that interest rate risk in banking book is identified, measured, monitored and managed over a range of potential and realistic interest rate scenarios, including under stress situations.

Interest rate risk in banking book exposure is quantified using static and simulation analysis tools. Static analysis tools include re-pricing mismatch analysis, whereas the simulation analysis is performed based on the different interest rate scenarios. From the analysis, we are able to assess the impact on both net interest income (NII) and economic value of equity (EVE) due to the interest rate changes. Mismatches in the longer tenor will experience greater change in the EVE than similar positions in the shorter tenor while mismatches in the shorter tenor will have a greater impact on NII.

In addition, stress test is also performed regularly to assess the adequacy of capital in meeting the impact of extreme interest rate movements on the balance sheet. Such tests are performed to provide early warnings of potential extreme losses, facilitating the proactive management of interest rate risks in an environment of rapid financial market changes.

The risks arising from the trading book, such as interest rates, foreign exchange rates and equity prices are managed and controlled under the market risk framework that is discussed under the Market Risk section.

Liquidity Risk

Liquidity risk is the risk that UOB (Thai) Group may not be able to meet their obligations as they fall due as a result of inability to liquidate their assets or to cover funding requirements at an appropriate price, resulting in losses to UOB (Thai) Group.

Risk Management

UOB (Thai) Group maintains sufficient liquidity to fund its day-to-day operations, meet deposit withdrawals and loan disbursements, and repay borrowings. Hence, liquidity is managed in a manner to address known as well as unanticipated cash funding needs.

Liquidity risk is managed in accordance with a framework of policies, controls and limits established by the ALCO. These policies, controls and limits enable the Bank to monitor and manage liquidity risk to ensure that sufficient sources of funds are available over a range of market conditions. These include minimising excessive funding concentrations by diversifying the sources and terms of funding as well as maintaining a portfolio of high quality and marketable debt securities.

UOB (Thai) Group takes a conservative stance in its liquidity management by continuing to gather core deposits, ensuring that liquidity limits are strictly adhered to and that there are adequate liquid assets to meet cash shortfall.

The distribution of deposits is managed actively to ensure a balance between cost effectiveness, continued accessibility to funds, and diversification of funding sources. Important factors in ensuring liquidity are competitive pricing, proactive management of UOB (Thai) Group's core deposits and the maintenance of customer confidence.

Liquidity risk is aligned with the regulatory liquidity risk management framework, and is measured and managed on a projected cash flow basis. UOB (Thai) Group is monitored under business as usual, and stress scenarios. Cash flow mismatch limits are established to limit the Bank's liquidity exposure. The Bank also employs liquidity early warning indicators and trigger points to signal possible contingency situations.

With regard to the regulatory requirements on Liquidity Coverage Ratio (LCR) which are effective from 1 January 2016, our LCR were above 100% for the position as of December 2019.

Contingency funding plans are in place to identify potential liquidity crises using a series of warning indicators. Crisis escalation processes and various strategies including funding and communication have been developed to minimise the impact of any liquidity crunch.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. Operational risk includes banking operations risk, fraud risk, legal risk, outsourcing risk, regulatory risk, reputational risk and technology risk but excludes strategic and business risk.

Our primary objective is to foster a sound reputation and operating environment.

Operational Risk Governance, Framework and Programmes

Operational risk is managed through a framework of policies, and procedures by which business and support units properly identify, assess, monitor, mitigate and report their risks. The ORMC meets monthly to provide oversight of operational risk matters across the UOB (Thai) Group.

The Operational Risk Governance structure adopts the Three Lines of Defence Model. The business and support unit functions as the First Line of Defence are responsible for establishing a robust control environment as part of their day-to-day operations. Each business and support unit is responsible for implementing the operational risk framework and policies, embedding appropriate internal controls into processes and maintaining business resilience for key activities.

The Operational Risk Management Division as the Second Line of Defence, provides overarching governance of operational risk through relevant frameworks, policies, programmes and systems. It also monitors key risk self-assessment results, outsourcing matters, key operational risk indicator breaches, self-identified operational risks and incidents and reports these to senior management, the relevant senior management committees and the Board.

Internal Audit acts as the Third Line of Defence by providing, through periodic audit reviews, an independent and objective assessment on the overall effectiveness of the risk governance framework and internal control.

A key component of the operational risk management framework is risk identification and control self-assessments. This is achieved through the implementation of a set of operational risk programmes. Several risk mitigation policies and programmes are in place to maintain a sound operating environment.

We have business continuity and crisis management programme in place to ensure prompt recovery of critical business and support units should there be unforeseen events. The senior management provides an annual attestation to the Board on the state of business continuity readiness of the UOB (Thai) Group.

The UOB (Thai) Group's insurance programme covers civil and crime liability, cyber liability, property damage, terrorism, public liability, as well as directors' and officers' liability. The programme reduces operational losses through adequate insurance coverage.

Technology Risk

Technology Risk is defined as any potential adverse outcome, damage, loss, violation, failure or disruption arising from the use of or reliance on information and communication technologies. The governance of technology risk rests with the ORMC to enable an holistic oversight of operational risk matters across the UOB (Thai) Group. The technology risk

Risk Management

management framework ensures that technology and cyber risks are managed in a systematic and consistent manner. The Operational Risk Management Division has governance and oversight of technology risk management across the UOB (Thai) Group. The team works closely with business and support units to oversee, to review and to strengthen their current practices in technology risk management.

Regulatory risk

Regulatory risk refers to the risk of non-compliance with laws, regulations, rules, standards and codes of conduct. We identify, monitor and manage the risk through a structured governance framework of compliance policies, procedures and guidelines maintained by the UOB (Thai) Group. The framework also manages the risk of regulatory breaches relating to Sanctions, Anti-Money Laundering and Countering the Financing of Terrorism.

Legal Risk

Legal Risk arises from unenforceable, unfavourable, defective or unintended contracts lawsuits or claims, developments in laws and regulations, or non-compliance with applicable laws and regulations. Business and support units work with both internal and external legal counsel to ensure that legal risks are effectively managed.

Reputational Risk

Reputational Risk is the risk of adverse impact on earnings, liquidity or capital arising from negative stakeholder perception or opinion on the UOB (Thai) Group's business practices, activities and financial condition. The UOB (Thai) Group recognizes the impact of reputation risk and has developed a policy to identify and to manage the risk across the UOB (Thai) Group.

Fraud Risk

Fraud is defined as an act, with an element to deceive or to conceal facts, and is not restricted to the gain of monetary or material benefits.

The UOB (Thai) Group actively manages fraud risks. The Integrated Fraud Management (IFM) Division, as the Second Line of Defence, drives strategy, governance and the framework of fraud risk management. The corporate governance of fraud risk is provided by the Audit Committee at the Board level, and primarily by the Risk and Capital Committee at the Management level.

All employees are required to uphold the UOB Code of Conduct, which includes anti-bribery and anti-corruption provisions. The Group's fraud hotline to IFM ensures independent fraud investigation. The division also works closely with business and support units to strengthen their current practices across the five pillars of prevention, detection, response, remediation and reporting

Strategic and Business Risk

Strategic risk refers to the current or prospective negative impact on earnings, capital or reputation arising from adverse strategic decisions, improper implementation of decisions or a lack of responsiveness to industry, economic or technological changes. It is the risk of not achieving the UOB (Thai) Group's strategic goals.

Business risk refers to the adverse impact on earnings or capital arising from changes in business parameters such as volumes, margins and costs. The sources of business risk include uncompetitive products or pricing, internal inefficiencies, and changes in general business conditions such as market contraction or changes in customers' expectations and demand. It is the risk of not achieving the UOB (Thai) Group's short-term business objectives.

The Board of Directors and senior management committees are responsible for managing risks associated with the UOB (Thai) Group's business activities and play a critical role in the successful operation of the UOB (Thai) Group. The senior management committees oversee the day-to-day management of the UOB (Thai) Group and make business decisions within the UOB (Thai) Group's risk appetite. The Management Committee and the Risk and Capital Committee have oversight functions relating to strategic and business risk management.

Finance, together with business segment, will translate the strategic plan into annual financial targets, taking the macroeconomic environment into account. The business segment heads are responsible for developing and implementing segment-specific business strategies and for ensuring alignment with the overall UOB (Thai) Group's strategy.

Report of the Audit Committee

The Audit Committee (“the AC”) of United Overseas Bank (Thai) Pcl. comprises three independent directors as follows;

- | | |
|-----------------------------|----------|
| 1. Tithiphan Chuerboonchai | Chairman |
| 2. Suebtrakul Soonthornthum | Member |
| 3. Chim Tantiyaswasdikul | Member |

All the Committee members are non-executive directors and non-employees of the Bank.

In 2019, the Committee held five (5) meetings to review the Bank’s internal control system and discuss financial and operational business issues with the Bank’s External and Internal Auditors. Relevant Management members were invited to attend the meetings to provide additional information and clarification of the internal control systems.

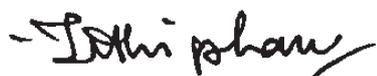
Major matters in the meetings were as follows:

- Approved the Annual Planned Schedules for the Audit Committee Meetings.
- Approved and monitored the Internal Audit Year Plan, the 2-Year Strategic Plan, and resources of the Internal Audit, including approval for the revision of the 2019 IA Year Plan.
- Evaluated the Performance of the Head of Internal Audit.
- Reviewed and approved the New Fraud Risk Management Framework and Revision of Fraud Risk Management Policy.
- Reviewed and approved the revision to AC Charter to reflect the change of the AC’s approval authority stated in the revised Fraud Risk Management Policy and Fraud Risk Management Framework.
- Reviewed and approved Internal Audit Charter and Whistle-Blowing Policy.
- Reviewed the Scope and Results of the Audit and Key Accounting and Auditing Areas, including the meetings (non-executive session) held with the External Auditor (EY).
- Reviewed and discussed the adequacy and effectiveness of the Bank’s Internal Control System with the Senior Management, Internal and External Auditors as well as the Management’s Responses to the control deficiencies and timely remedial actions taken.
- Reviewed the major items of the financial reports, the Management Letter (ML), the financial related disclosures and the reliability of those reports, and the reasonableness of the Connected and Related Parties’ transactions.
- Reviewed and proposed the appointment of the External Auditor and the Audit Fee to the Board of Directors for approval.
- Reviewed and noted the independence of the external auditors as well as the independence and objectivity of Internal Audit on an annual basis.
- Reviewed and noted the Internal Audit quarterly reports, major findings and status updates including the compliance with internal and external regulations, Whistle-Blowing reports and related matters.
- Considered and reported the UOB (Thai) Bill Payment System (BPS) Incident to the Board of Directors.
- Noted the Group Audit report including key initiatives and progress and the update of Group Audit Transformation.
- Noted the progress of the Governance, Risk and Compliance (GRC) system, and the Management Governance and Oversight Rating (MGOR) to drive cultural change, accorded with the IA Plan.
- Noted the External Quality Assurance Review of Internal Audit Activities by KPMG (Singapore) and its result that was rated as “Generally Conforms” with the Institute of Internal Auditors’ Standards (The IIA’s Standards).

Report of the Audit Committee

- Noted the implementation issues, progress, and audit result of Basel II - Internal Ratings Based Approach (IRBA), the Internal Capital Adequacy Assessment Process (ICAAP), Basel III and the readiness of IFRS 9 implementation.
- Noted the regulatory updates, regulators' examination results, regulatory breaches and implementation progress, e.g., the BOT, MAS and etc.
- Noted Fraud Investigation Report(s) by Integrated Fraud Management.
- Performed and reported the annual self-assessment of the AC to the Board of Directors.

The Committee has continuously reviewed and assessed the Bank's key risks, controls, governance and monitoring system through the Bank's Internal Audit and upon the discussions with the External Auditor and Senior Management. From the evaluation of the Bank's Internal Control System, it was concluded that the Bank's Internal Control in the areas of financial reporting and risk management is adequate and reliable, and that reinforces the Bank to continue to improve the overall internal control system.



Tithiphan Chuerboonchai
Chairman of the Audit Committee
28 February 2020

Opinion of the Audit Committee on the Bank's Internal Control System

The Board of Directors has reviewed the Audit Committee report and the opinion on the adequacy of Internal Control System prepared by the Audit Committee during the Board of Directors' Meeting No. 613 held on 4 March 2020. Participants of the meeting included the Audit Committee members comprising the 3 independent directors who are non-executive directors and non-employees of the Bank.

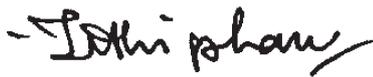
The Audit Committee's opinion on the Internal Control System of the Bank and its subsidiaries was summarised after the meetings with the Senior Management and External Auditor, and upon the reports of external auditor, Risk Management, Compliance, and Internal Audit.

The evaluation of the Bank's Internal Control System was divided into five sections as follows:

- Organisation Control and Environment Measures
- Risk Management Measures
- Management Control Activities
- Information and Communication Measures
- Monitoring and Evaluation

The Audit Committee is of the opinion that the Bank has in place an adequate internal control system. The Audit Committee has been regularly notified of the issues arisen and remedial actions taken. The Chairman of the Audit Committee coordinated with The Chairman of the Board Risk Oversight Committee to exchange information for oversight both non-financial and financial risk management and internal control matters.

The External Auditor of the Bank is EY Office Limited (EY) of which Rachada Yongsawadvanich, a Certified Public Accountant (CPA), as Designated External Auditor, has examined and given her opinion that the Bank and its subsidiaries' Financial Statements present fairly, in all material respects, the financial position of United Overseas Bank (Thai) Public Company Limited and its subsidiaries and of United Overseas Bank (Thai) Public Company Limited as at 31 December 2019, and the results of their operations, and cash flows for the year then ended in accordance with generally accepted accounting principles.



Tithiphan Chuerboonchai
Chairman of the Audit Committee
4 March 2020

Report of the Nomination and Compensation Committee

The Nomination and Compensation Committee (“NCC”) has been appointed by the Board of Directors, and consists of three independent directors as follows:

- | | |
|----------------------------|----------|
| 1) Suebrakul Soonthornthum | Chairman |
| 2) Chanitr Charnchainarong | Member |
| 3) Tithiphan Chuerboonchai | Member |

The NCC held 8 meetings in 2019.

The NCC is responsible for the nomination of, and the remuneration for, the Bank’s Board members and the Bank’s Senior Management. The NCC’s duties include:

- Determining the policy and criteria for the selection of candidates, reviewing suitability of candidates for appointment to the Board, as Chief Executive Officer (“CEO”), and/or to Senior Management positions of Executive Director (ED) level and above, and reviewing any internal promotion to the rank of Executive Director (ED) and above; and
- Setting approaches to remuneration, recommending remuneration for the Board members, and reviewing remuneration for the Senior Management team.

In selecting a member of the Board of Directors, CEO and Senior Management, the factors to be taken into consideration, in addition to all applicable regulatory requirements, include the candidate’s academic qualifications, personal character, technical and leadership competence, employment and career experience, and his or her management philosophy and management vision. A successful candidate must share the Board’s and Management’s philosophy and vision in managing the financial institution in order to ensure that the institution’s goals are met. Furthermore, a candidate must share the same beliefs that will help establish mutual trust and close working relationships with the Board and with the Senior Management team.

The NCC will review a successful candidate for suitability before the Bank proceeds to obtain approval from the Bank of Thailand and from the Board of Directors.

In setting compensation for 2019 as disclosed in this Annual Report, the scale and component of remuneration for the independent directors and non-executive directors are based on the fee structure, roles of each director and relevant policies/ practices while the remuneration for the Senior Management are comparable to general practice in the financial industry with regard to work experience and the Bank’s overall performance results and in accordance with the principles and policies which have been approved by the Board and shareholders.

The Bank believes in the remuneration policy and principle of meritocracy – which is to ensure that each employee including that of Senior Management is rewarded and recognized based on his or her level of performance and contribution to the Bank while at the same time promoting long-term success of the Bank by taking into account the risk policies of the Bank.

The Bank does not reward based solely on percentage of income brought in by an employee. The factors used in considering the overall performance evaluation consist of Key Performance Indicators (KPIs) achieved at fifty percent, and the balance for demonstrating key competencies, having good behavior and upholding of the UOB values.

Remuneration given for KPIs achievement e.g. on income will be clawed-back if evidence of misconduct, mis-selling and other misdeeds surface subsequently.

The Bank also revised the Total Compensation Model especially on Variable Pay by introducing the deferral approach. The Deferred Cash or Shares will vest in accordance with the vesting schedule. The vesting of the Deferred Shares will be subjected to performance conditions.

For Control Functions, their respective remuneration are determined based on overall performance of the Bank, the achievement of operational KPIs for such Control Functions, competency and the performance of an individual employee, and competitiveness of the total compensation against the market.

Report of the Nomination and Compensation Committee

The NCC will review performance rating of all Senior Management including the Senior Management in the relevant Control Functions, and the Human Resources (HR) Function will ensure that remuneration of all Control Functions' employees are properly benchmarked and their pay levels are fair.

The combination of independent reporting lines of Control Functions into the Board e.g. Compliance to the Board of Directors and President and CEO, Internal Audit to the Audit Committee, Risk Management to Board Risk Oversight Committee and President and CEO, the segregation of duties for Control Functions, and a compensation structure that prevents conflicts of interest provide necessary checks and balance against compromising the independence and integrity of the Control Functions.

The NCC will, based on the Bank's financial performance, market and industry reward trends, as well as, on GDP and inflation rate projections, propose annual increment and variable pay for employees to the Board of Directors for consideration and approval in the first quarter of each year.

The NCC also takes part in setting out annual performance assessment criteria for overall Board of Directors and each individual director to assess the Board of Directors' performance and efficiency by taking into account their roles and responsibilities as well as Corporate Governance Principles. The assessment was conducted in form of self-assessment and cross assessment. The result was then summarized and reported to the NCC and the Board of Directors for notation.



Suebtrakul Soonthornthum
Chairman, Nomination & Compensation Committee
7 February 2020

Corporate Governance

United Overseas Bank (Thai) Public Company Limited (the Bank or UOB (Thai)), a subsidiary of United Overseas Bank Limited (UOB), is committed to maintaining good standards of corporate governance. The Bank believes that good corporate governance is fundamental to sustaining business growth, as well as, to safeguarding the interests of all stakeholders, including shareholders, employees, business partners, customers, government entities with supervisory authorities and auditors. The Bank has established the Code of Conduct (the Code), which sets out good practices that all directors and employees should observe to uphold the Bank's values of Honourable, Enterprising, United and Committed.

The Board of Directors of the Bank (the Board) has set up various board committees to assist it in overseeing the Bank's affairs. The Bank has in place a comprehensive system of internal controls to safeguard its business and the interests of its stakeholders, including shareholders and depositors.

Control Systems, Risk Management, Compliance and Internal Audit

The Board and the Management recognise the importance of robust internal controls and effective risk management, compliance and internal audit functions. The Bank has set up various management committees to assist the President and Chief Executive Officer in overseeing the day to day operations of the Bank. All business and support units within the Bank are expected to comply with the guidelines on internal controls and ethics. Internal control activities form an integral part of operational processes. To this end, the Bank has established appropriate dual controls, with segregation of the operational functions and the control and monitoring functions, to ensure that there are appropriate checks and balances.

Risk Management is an independent function which is responsible for putting in place the strategies, policies and processes for identifying, measuring, controlling and reporting risks of the UOB (Thai) Group. It works with business and support units and the relevant management committees to develop and implement appropriate risk management strategies, frameworks, policies and processes. More information on the Bank's risk management approach can be found in the "Risk Management" section of this Annual Report and the Pillar III disclosure on the Bank's website.

Compliance is an independent function which manages compliance risks and reports directly to the Board. It is responsible for communicating, educating and advising all units in the Bank on applicable regulatory developments and their impact on business practices, conducting compliance reviews and assessments to ensure that the Bank conducts its business in compliance with all applicable laws, regulations and measures against money laundering, terrorist-financing and financial crime, and administering training on measures against bribery, money laundering and terrorist-financing.

Internal Audit is an independent unit that reports directly to the Audit Committee. The Internal Audit team comprises qualified staff and is responsible for assessing the adequacy and effectiveness of the Bank's system of internal controls, risk management and governance processes. The operations of Internal Audit are assessed by an external assessor every five years. Based on the results of the latest external assessment conducted by KPMG (Singapore) in 2019, the Bank's internal audit practices generally conform to the International Professional Practices Framework of Internal Auditing, and are in compliance with UOB Group Audit's methodologies.

Directors' Reporting

The Board is responsible for the completeness, accuracy and disclosure of the consolidated financial statements of the Bank and its subsidiary and for the financial information presented in this Annual Report. The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 (A.D. 2004), and in compliance with governing policies, careful judgment and best estimates. Important information is adequately disclosed in the notes to the financial statements. The independent certified public accountants, having audited the consolidated financial statements of the Banks and its subsidiary have issued an unqualified audit opinion of the financial statements, and were of the opinion that the consolidated financial statements give a true and fair view of the UOB (Thai) Group's financial status and performance.

The Board has prescribed and maintained oversight of an effective system of internal controls, compliance and internal audit in order to ensure that accounting records are accurate, complete and adequate to protect the Bank's assets and its depositors' interests, and to uncover weaknesses to prevent operational risks or materially irregular operations.

Board of Directors

The Board comprises members with directorship qualifications for financial institutions as required by law and the relevant regulations. As a whole, the Board comprises members with a range of knowledge and skills which are relevant, taking into account the Bank's size, complexity, business, risks, strategies and long-term operation. At least one director possesses IT knowledge and experience.

The Board consists of nine qualified directors, with at least half of the total number of directors resident in Thailand, in compliance with the Public Limited Companies Act B.E. 2535 (A.D. 1992). The Board meets at least four times a year and the quorum for each Board meeting is constituted by not less than half of the total number of directors being present at the meeting.

Corporate Governance

The Board's main roles, duties and responsibilities are in compliance with law and regulatory requirements, the Bank's Memorandum and Articles of Association, and the resolutions of the shareholders. The Board may also appoint one or several directors or any other person to perform any function or act on its behalf. The Board's main responsibilities include:

- a) formulating strategies and policies;
 - i) defining strategic directions and targets, including approving the key strategies of the Bank;
 - ii) approving the policies that are significant for the Bank's operation
 - iii) determining or approving risk governance framework and overseeing the Bank's risk management systems and procedures, including inculcating and reinforcing of the risk culture; and
 - iv) determining or approving policies promoting good corporate governance;
- b) Ensuring effective controls, oversight and audit (Three Lines of Defense); and
- c) Monitoring the Bank's performance.

The Board members are:

Wee Cho Yaw	Chairman
Wee Ee Cheong	Deputy Chairman
Suebtrakul Soonthornthum	Independent Director
Chanitr Charnchainarong	Independent Director
Tithiphan Chuerboonchai	Independent Director
Chim Tantiyaswasdikul	Independent Director
Chan Kok Seong ¹	Director
Tan Choon Hin	Director
Sanchai Apisaksirikul	Director

Note:

¹ Chan Kok Seong was appointed as a director with effect from 24 April 2019.

Executive Committee

The Executive Committee (the EXCO) is established by the Board. Its main responsibilities include:

- a) reviewing and approving business policies and strategies, as well as, other policy matters in line with local practices, regulations and legislation;
- b) monitoring the progress of the Bank's business plan;
- c) reviewing and approving lending programmes, the loan/lending governance framework and any other changes in credit parameter section that may have an impact on

the business and reputation of the Bank, as may be delegated by the Board;

- d) approving Maximum Credit Discretionary Limit (CDL) Structures (approval limits) for authorised individuals and/or management committees) for the approval of credit facilities and debt restructuring cases;
- e) approving credit applications, debt restructuring cases and/or any resolution on non-performing loans which fall above the CDLs designated to individuals and/or management committees;
- f) acting on urgent and important business matters requiring immediate decision, which would normally require the attention and decision of the Board; and
- g) approving other businesses which may be delegated by the Board from time to time.

The EXCO members are:

Tan Choon Hin	Chairman
Wee Ee Cheong	Alternate Chairman I
Chan Kok Seong ¹	Alternate Chairman II
Sanchai Apisaksirikul	Member

Note:

¹ Chan Kok Seong was appointed as an EXCO member with effect from 24 April 2019.

Audit Committee

The Audit Committee (the AC) consists of three independent directors who are equipped with the adequate knowledge and experience to effectively review the reliability of financial statements. Its main responsibilities are to:

- a) review the appropriateness and efficiency of the internal control systems;
- b) provide oversight of the quality of the financial reports;
- c) review the adequacy and effectiveness of the internal audit function;
- d) consider and to advise the Board on the selection, nomination and remuneration of the external auditors; and
- e) review the disclosure of related party transactions or transactions where conflict of interest may occur.

The AC members are:

Tithiphan Chuerboonchai	Chairman
Suebtrakul Soonthornthum	Member
Chim Tantiyaswasdikul	Member

Corporate Governance

Nomination and Compensation Committee

The Nomination and Compensation Committee (the NCC) consists of three independent directors. The NCC is responsible for nomination of, and remuneration for, the Board members and Senior Management. Its main responsibilities include:

- a) reviewing and proposing to the Board the selection and nomination of qualified candidates for Directors, CEO, member of the Board Committees and senior management from Executive Directors (ED) level and above, including any internal promotions to the rank of ED and above; and
- b) setting the approach to remuneration, recommending the remuneration for Board members and reviewing the level and structure of remuneration for the senior management team.

The NCC members are:

Suebtrakul Soonthornthum	Chairman
Chanitr Charnchainarong	Member
Tithiphan Chuerboonchai	Member

Board Risk Oversight Committee

The Board Risk Oversight Committee (the BROC), was set up to assist the Board to overseeing the management of risk arising from the business of the Bank. It comprises three directors, two of whom are independent directors (including the BROC Chairman). Its main responsibilities include:

- a) providing recommendations to the Board on matters relating to the risk governance of the Bank;
- b) overseeing compliance with risk management policies, strategies, and risk appetite of the bank;
- c) overseeing capital management and liquidity management strategies in accordance with the risk appetite;
- d) reviewing the adequacy and effectiveness of the risk management policies and overall risk management strategies, including risk appetite, at least annually or more frequently when there are any material changes; and
- e) reporting to the Board on the management, control and monitoring of risk and assessment of the effectiveness of risk management and risk culture.

The BROC members are:

Chanitr Charnchainarong	Chairman
Chim Tantiyaswasdikul	Member
Sanchai Apisaksirikul	Member

Corporate Governance

The attendance of the Directors in 2019

(1 January 2019-31 December 2019)

Directors	Number of Meetings Attended / Total Number of Meetings Held						
	The Meeting of the Board of Directors	The Meeting of The Board of Directors (Special) ¹	The Meeting of The Audit Committee	The Meeting of The Nomination & Compensation Committee	The Meeting of The Board Risk Oversight Committee	The Meeting of Non-Executive Directors	Annual General Meeting of the Shareholders
Non-Executive Director							
1. Wee Cho Yaw	4/4 (Participated in all meetings via video conference)	0/1				0/4	0/1
Independent Directors							
2. Suebtrakul Soonthornthum	4/4	1/1	5/5	8/8		4/4	1/1
3. Chanitr Charnchainarong	4/4	1/1		7/8 (Participated in 3 meetings video conference)	4/4	4/4	1/1
4. Tithiphan Chuerboonchai	4/4	1/1	5/5	7/8		4/4	1/1
5. Chim Tantiyaswasdikul	4/4	1/1	5/5		4/4	4/4	1/1
Executive Directors							
6. Wee Ee Cheong	3/4 (Participated in 1 meeting via video conference)	0/1					0/1
7. Lee Chin Yong ²	1/1						1/1
8. Chan Kok Seong ³	3/3 (Participated in 1 meeting via video conference)	0/1					
9. Tan Choon Hin	4/4	1/1					1/1
10. Sanchai Apisaksirikul	4/4	1/1			4/4		1/1

Notes:

¹ Special Board meeting refers to a Board meeting that was not included in the original Board meeting calendar that has been set in advance for the entire year.

² Lee Chin Yong retired at the 2019 shareholder meeting on 24 April 2019.

³ Chan Kok Seong was appointed as a director and a member of the Executive Committee with effect from 24 April 2019.

Branch Network

31 December 2019

Head Office

Sathon

(Privilege Banking Centre)

(Mon - Fri from 8.30am - 3.30pm)

191 South Sathon Rd.,

Sathon, Bangkok 10120

Tel : 0 2343 2047, 0 2343 2561,

0 2343 2610, 0 2343 2612,

0 2343 2685-9, 0 2343 2693-5

Fax : 0 2287 2972

Bangkok Metropolitan, Nonthaburi and Pathum Thani

101 The Third Place

(Daily from 10.30am - 7.30pm)

101 3rd Fl., Sukhumvit Rd., Bang Chak,

Phra Kanong, Bangkok 10260

Tel : 0 2093 2201-7

Fax : 0 2006 0147

Anusavaree Chaisamoraphoom

(Mon - Fri from 8.30am - 3.30pm)

911/1-3 Phaholyothin Rd., Samsen Nai,

Phaya Thai, Bangkok 10400

Tel : 0 2271 0089, 0 2271 2662,

0 2271 3447

Fax : 0 2271 0088

Asok Montri

(Mon - Fri from 8.30am - 3.30pm)

Ratchapak Building, 1st Fl.,

163 Sukhumvit 21 Rd., Wattana,

Bangkok 10110

Tel : 0 2258 3259, 0 2258 3261,

0 2258 3265, 0 2258 3268

Fax : 0 2258 9552

Bang Bon

(Mon - Fri from 8.30am - 3.30pm)

289, 291, 293, 295 Eakachai Rd.,

Bang Bon, Bangkok 10150

Tel : 0 2898 0423-5

Fax : 0 2898 0426

Bangbuathong

(Mon - Fri from 8.30am - 3.30pm)

28/33-35 Moo 4, Bangkruay-Sainoi Rd.,

Sahno-loi, Bangbuathong,

Nonthaburi 11110

Tel : 0 2920 2451-5

Fax : 0 2920 2450

Bangmod

(Mon - Fri from 8.30am - 3.30pm)

630, Rama II Rd., Chomthong,

Bangkok 10150

Tel : 0 2867 0203-5, 0 2867 0913

Fax : 0 2867 0914

Bangna KM.2

(Mon - Fri from 8.30am - 3.30pm)

21/235-236 Moo 12, Bangna-Trad Rd.,

Bangna, Bangkok 10260

Tel : 0 2399 0178-80

Fax : 0 2393 6147

Bangplee

(Daily from 10.00am - 7.00pm)

BIG C Center Bangplee, 2nd Fl.,

89 Moo 9, Taeparak KM. 13 Rd.,

Bangplee, Samut Prakan 10540

Tel : 0 2752 4505-9, 0 2752 4509

Fax : 0 2752 4504

Bangrak

(Mon - Fri from 8.30am - 3.30pm)

Gems Tower Building,

1249/19, 1249/50, 1249/59

Charoen Krung Rd., Suriyawong,

Bangrak, Bangkok 10500

Tel : 0 2234 5265-6, 0 2237 5050-1,

0 2237 8577-8, 0 2266 9896-7

Fax : 0 2266 9667

Big C Omyai

(Daily from 10.00am - 7.00pm)

Big C Super Center Omyai,

17/17 Moo 8, Omyai, Sampran,

Nakhon Pathom 73160

Tel : 0 2431 1534-7

Fax : 0 2431 1542

Bobae

(Daily from 8.30am - 5.30pm)

1086/18, 1st Fl. and 4th Fl., 1086/19, 4th Fl.,

Krungkasem Rd., Klong Mahanak,

Pomprabsattruphai, Bangkok 10100

Tel : 0 2282 3665, 0 2282 3694-5,

0 2282 3796, 0 2282 4557

Fax : 0 2282 1914

BTS On Nut

(Daily from 10.00am - 7.00pm

Service until 6 February 2020)

BTS On Nut, Sukhumvit Rd.,

Khlong Toei, Bangkok 10110

Tel : 0 2741 4206-7, 0 2741 4210

Fax : 0 2741 4208

Buntudthong

(Mon - Fri from 8.30am - 3.30pm)

56/20, 56/59-62 Rama I Rd., Rong Mueang,

Pathum Wan, Bangkok 10330

Tel : 0 2214 1733, 0 2214 2067,

0 2214 2252, 0 2214 1292

Fax : 0 2215 4836

Central Bangna

(Wealth Banking Centre)

(Daily from 10.30am - 7.30pm)

Central Plaza Bangna, 4th Fl.,

Unit 415, 587 Theprattana Rd.,

Bangna, Bangkok 10260

Tel : 0 2361 7851-3

Fax : 0 2361 7854

Central Festival EastVille

(Daily from 10.30am - 7.30pm)

Central Festival EastVille

69, 69/1, 69/2, 69/4, 3rd Fl.,

Unit No.304-305, Pradist Manudharm Rd.,

Lat Phrao, Bangkok 10230

Tel : 0 2093 5888-99

Fax : 0 2553 6241

Central Grand Rama 9

(Daily from 10.30am - 7.30pm)

Central Plaza Grand Rama 9

Department Store, 5th Fl.,

Unit 508-2, 9/8, 9/9 Rama 9 Rd.,

Huai Kwang, Bangkok 10310

Tel : 0 2160 3851-4

Fax : 0 2160 3855

Central Pinklao

(Wealth Banking Centre)

(Daily from 10.30am - 7.30pm)

4th Fl., Unit 407, 7/222

Central Plaza Pinklao,

Boromratchachonnanee Rd.,

Arun Amarin, Bangkoknoi,

Bangkok 10700

Tel : 0 2884 8030-2

Fax : 0 2884 8033

Central Plaza Ramindra

(Daily from 10.30am - 19.30pm)

Central Plaza Ramindra, 3rd Fl.,

Unit 314, 109/10, Ramindra Rd.,

Anusavaree, Bangkok, Bangkok 10220

Tel : 0 2522 6646-8, 0 2522 6650

Fax : 0 2522 6649

Branch Network

31 December 2019

Central Plaza WestGate

(Daily from 10.30am - 7.30pm)
Central Plaza WestGate, 3rd Fl.,
199, 199/1-2 Moo 6, Saothonghin,
Bangyai, Nonthaburi 11140
Tel : 0 2009 1140, 0 2194 2880-2
Fax : 0 2009 1141

Central Rama 2

(Daily from 10.30am - 7.30pm)
Central Plaza Rama 2 Department Store,
G Fl., Unit G28, 160 Rama 2 Rd.,
Bang Khun Thian, Bangkok 10150
Tel : 0 2415 1648, 0 2415 1867,
0 2415 1650
Fax : 0 2415 1868

Central Rama 3

(Wealth Banking Centre)
(Daily from 10.30am - 7.30pm)
Central Plaza Rama 3 Department Store,
4th Fl., Unit 434, 79 Sathupradit Rd.,
Chong Nonsri, Yannawa, Bangkok 10120
Tel : 0 2164 0085-6, 0 2673 7027-8
Fax : 0 2164 0087

Central Rattanathibet

(Daily from 10.30am - 7.30pm)
Central Plaza Rattanathibet, 2nd Fl.,
Zone E-Centre Department Store,
562, 566 Moo 8, Rattanathibet Rd.,
Mueang, Nonthaburi 11000
Tel : 0 2527 8619-20, 0 2527 8631,
0 2527 8633
Fax : 0 2527 8636

Central World

(Privilege Banking Centre)
(Daily from 10.30am - 7.30pm)
Central World, 4, 4/1-4/2, 4/4,
4th Fl., Unit A409, Ratchadamri Rd.,
Pathumwan, Bangkok, 10330
Tel : 0 2252 9681-3
Fax : 0 2259 9684

Chaengwatana

(Mon - Fri from 8.30am - 3.30pm)
Na Nakorn Building, 99/349 Moo 2,
Chaengwatana Rd., Thung Song Hong,
Lak Si, Bangkok 10210
Tel : 0 2576 1057-9
Fax : 0 2576 1533

City Complex

(Mon - Fri from 8.30am - 5.00pm)
City Complex Building, 831 Petchburi Rd.,
Ratchathewi, Bangkok 10400
Tel : 0 2255 0746, 0 2255 0749,
0 2653 8522, 0 2252 1211
Fax : 0 2255 0748

Fashion Island

(Wealth Banking Centre)
(Daily from 10.30am - 7.30pm)
Fashion Island Department Store,
587, 589 Ramintra Rd., Kan Na Yao,
Bangkok 10230
Tel : 0 2947 5307-9, 0 2947 5311
Fax : 0 2947 5310

Gateway Ekamai

(Daily from 10.30am - 7.30pm)
Gateway Ekamai Department Store,
3rd Fl., Unit 3129, 982/22,
Sukhumvit Rd., Phra Khanong,
Khlong Toei, Bangkok 10110
Tel : 0 2108 2856-9
Fax : 0 2108 2849

Huamark

(Mon - Fri from 8.30am - 3.30pm)
5, 7, 9 Soi Ramkhamhaeng 19/1,
Ramkhamhaeng Rd., Bangkapi,
Bangkok 10240
Tel : 0 2318 8561-4
Fax : 0 2318 0139

ICONSIAM

(Privilege Banking Centre)
(Daily from 10.30am - 7.30pm)
ICONSIAM Shopping Center, 5th Fl.,
Unit 509-510, 299, Charoen Nakorn Rd.,
Klongtonsai, Klongsan, Bangkok 10600
Tel : 0 2093 5910-6
Fax : 0 2006 4801

InnovTown at True Digital Park

(Mon - Fri from 9.00am - 6.00pm)
101 6th Fl., Sukhumvit Road, Bangchak,
Phra Khanong, Bangkok 10260
Tel : 0 2001 4747
Fax : -

Khlong Toey

(Mon - Fri from 8.30am - 3.30pm)
Rama IV Department Store,
1472, 1474 Rama IV Rd., Khlong Toey
Bangkok 10110
Tel : 0 2249 0886-90
Fax : 0 2249 4075

Ladphrao

(Mon - Fri from 8.30am - 3.30pm)
1558 Ladphrao Rd.,
Wang Thong Lang, Bangkok 10310
Tel : 0 2514 2709, 0 2514 2964,
0 2530 1120, 0 2539 5800
Fax : 0 2539 2003

Market Village Suvarnabhumi

(Daily from 10.30am - 7.30pm)
99/29 Moo 1 Market Village Suvarnabhumi,
Room S302, 3rd Fl., Bangna-Trad Rd.,
Rachatawa, Bangplee, Samutprakan 10540
Tel : 0 2030 5841, 0 2316 5326-7
Fax : 0 2030 5842

Megabangna

(Daily from 10.30am - 7.30pm)
39 Moo 6, Bangna-Trad Rd., KM. 8,
Bangkaew, Bangplee, Samut Prakan 10540
Tel : 0 2186 8702-5
Fax : 0 2186 8706

Mercury Ville Chidlom

(Daily from 9.00am - 6.00pm)
Change service hours to 10.00am - 7.00pm
from 2 January 2020)
Mercury Tower, 3rd Fl., Unit 302,
540 Ploenchit Road, Lumpini, Pathum Wan,
Bangkok 10330
Tel : 0 2030 5758, 0 2252 6292-3
Fax : 0 2252 7871

Minburi

(Mon - Fri from 8.30am - 3.30pm)
Navamin Plaza, G Fl., 599/1 Moo 13,
Sihaburanukit Rd., Minburi,
Bangkok 10510
Tel : 0 2518 0815-7
Fax : 0 2518 0799

Mueang Thong Thani

(Mon - Fri from 8.30am - 3.30pm)
339 Mueangthongthani, Bondstreet Rd.,
Pakkred, Nonthaburi 11120
Tel : 0 2503 4940-3
Fax : 0 2503 4914

Nong Khaem

(Mon - Fri from 8.30am - 3.30pm)
77/207 Moo 2, Phetkasem Rd.,
Nong Khang Phlu, Nong Khaem,
Bangkok 10160
Tel : 0 2420 7941-4
Fax : 0 2420 7940

Branch Network

31 December 2019

Nonthaburi

(Mon - Fri from 8.30am - 3.30pm)
32/16-19 Pracha Rat Rd.,
Talad Kwan, Mueang, Nonthaburi 11000
Tel : 0 2525 1771-2, 0 2968 4592-4
Fax : 0 2526 2993

On Nut

(Mon - Fri from 8.30am - 3.30pm)
1468, 1470 On Nut Rd., Suan Luang,
Bangkok 10250
Tel : 0 2332 3134-6
Fax : 0 2331 8519

Paradise Park

(Daily from 10.30am - 7.30pm)
Paradise Park, 2nd Fl., Unit 2C004,
61 Srinakarin Rd., Nongbon,
Prawet, Bangkok 10250
Tel : 0 2047 0816-8
Fax : 0 2047 0819

Pattanakarn

(Mon - Fri from 8.30am - 3.30pm)
309/1-4 Patanakarn Rd.,
Prawet, Bangkok 10250
Tel : 0 2322 0439, 0 2322 0441-3
Fax : 0 2322 0438

Phaholyothin KM.26

(Mon - Fri from 8.30am - 3.30pm)
1/737 Moo 17, Soi Amporn,
Phaholyothin KM. 26, Khukhot,
Lam Luk Ka, Pathum Thani 12130
Tel : 0 2532 3646-9
Fax : 0 2532 3641

Phaholyothin Soi 19

(Mon - Fri from 8.30am - 3.30pm)
Rasa Tower Building,
555 Phaholyothin Rd., Chatuchak,
Bangkok 10900
Tel : 0 2937 0300-4, 0 2513 3165
Fax : 0 2937 0305

Phahurad

(Privilege Banking Centre)
(Mon - Fri from 8.30am - 5.00pm,
Sat from 10.00am - 5.00pm)
The Old Siam Plaza, 2/30-33,
4/11-14 Burapa Rd., Phra Nakhon,
Bangkok 10200
Tel : 0 2222 0176-9
Fax : 0 2223 0708

Phra Pinklao

(Mon - Fri from 8.30am - 3.30pm)
30 Charan Sanit Wong Rd., Bang Yi Khan,
Bangphlat, Bangkok 10700
Tel : 0 2434 7110-3
Fax : 0 2434 7114

Rajchaprarop

(Mon - Fri from 8.30am - 5.00pm)
120/3-6 Rajchaprarop Rd.,
Ratchathewi, Bangkok 10400
Tel : 0 2656 3068, 0 2656 3071-2
Fax : 0 2251 0404

Rangsit

(Wealth Banking Centre)
(Daily from 10.30am - 7.30pm)
Future Park Rangsit Building, 94 Moo 2,
Phaholyothin Rd., Prachatiapat,
Thanyaburi, Pathum Thani 12130
Tel : 0 2958 0562-7
Fax : 0 2958 0568

Ratchada-Huay Khwang

(Mon - Fri from 8.30am - 3.30pm)
167/8 Ratchadaphisek Rd.,
Din Daeng, Bangkok 10400
Tel : 0 2276 9408-12
Fax : 0 2276 9413

Ratchada-Sathupradit

(Mon - Fri from 8.30am - 3.30pm)
127/1 Phanchathani Tower, 1st Fl.
Nonsee Rd., Yannawa, Bangkok 10120
Tel : 0 2681 1111-5, 0 2681 1738
Fax : 0 2681 1110

Ratchada-Thaphra

(Mon - Fri from 8.30am - 3.30pm)
Decha Building, 299 Ratchadaphisek 6 Rd.,
Thonburi, Bangkok 10600
Tel : 0 2476 9945-7
Fax : 0 2476 9944

Ratchawong

(Mon - Fri from 8.30am - 3.30pm)
219/2 Ratchawong Rd.,
Samphanthawong, Bangkok 10100
Tel : 0 2221 7515, 0 2622 7388-90
Fax : 0 2622 7392

Robinson Samutprakan

(Daily from 10.30am - 7.30pm)
Robinson Samutprakan, 3rd Fl., 789 Moo 2,
Taibanmai, Mueang, Samut Prakan, 10280
Tel : 0 2093 5160-5
Fax : 0 2093 5166

Sam Yaek

(Privilege Banking Centre)
(Mon - Fri from 8.30am - 3.30pm)
601 Charoen Krung Rd., Talad Noi,
Samphanthawong, Bangkok 10100
Tel : 0 2222 5111-6
Fax : 0 2222 1354

Samrong

(Mon - Fri from 8.30am - 3.30pm)
999/99 Moo 1, Sukhumvit Rd.,
Samrong Nua, Mueang,
Samut Prakan 10270
Tel : 0 2384 4510, 0 2384 7656,
0 2394 0422, 0 2394 0428
Fax : 0 2384 4352

Sathon 2

(Mon - Fri from 8.30am - 3.30pm)
Bangkok City Tower Building,
179/3 South Sathon Rd., Tung Mahamek,
Sathon, Bangkok 10120
Tel : 0 2679 5700-2, 0 2679 5704
Fax : 0 2679 5703

Seacon Bangkai

(Daily from 10.30am - 7.30pm)
Seacon Bangkai Department Store,
607 Phetkasem Rd., Bangwa,
Phasi Charoen, Bangkok 10160
Tel : 0 2454 8792-5
Fax : 0 2454 8696

Seacon Square

(Daily from 10.30am - 7.30pm)
Seacon Square Department Store,
3rd Fl., Unit 3057F, 55 Srinakharin Rd.,
Nongbon, Prawet, Bangkok 10250
Tel : 0 2138 5744-5, 0 2721 9103-4
Fax : 0 2138 5746

Senanikom

(Mon - Fri from 8.30am - 3.30pm)
126/19 Phaholyothin 32 Rd.
(Soi Senanikom 1), Chatuchak,
Bangkok 10900
Tel : 0 2561 3100-1
Fax : 0 2579 9088

Si Phraya

(Mon - Fri from 8.30am - 3.30pm)
295 Si Phraya Rd., Bangrak,
Bangkok 10500
Tel : 0 2235 2886, 0 2631 5440-1
Fax : 0 2235 2882

Branch Network

31 December 2019

Si Yaek Sriwara

(Mon - Fri from 8.30am - 3.30pm)
573/139 Soi Ramkhamhaeng 39,
Prachauthit Rd., Wangthonglang,
Bangkok 10310
Tel : 0 2934 7941-4
Fax : 0 2934 7945

Siam Square

(Daily from 10.00am - 7.00pm)
410-410/1 Siam Square Soi 6, Rama I Rd.,
Pathum Wan, Bangkok 10500
Tel : 0 2251 2145, 0 2251 2278,
0 2251 3343,
Fax : 0 2251 2280

Silom Complex

(Daily from 10.30am - 7.30pm)
Silom Complex Building, 4th Fl.,
191 Silom Rd., Silom, Bangrak,
Bangkok 10500
Tel : 0 2231 3100-1, 0 2231 3139-40
Fax : 0 2231 3137

Sindhorn Tower

(Mon - Fri from 9.00am - 6.00pm)
Sindhorn Tower Building, G Fl.,
Unit 13, 130-132 Witthayu Rd.,
Pathun Wan, Bangkok 10330
Tel : 0 2041 1261, 0 2263 3530-2
Fax : 0 2041 2157

Soi Yoo Dee

(Mon - Fri from 8.30am - 3.30pm)
597/113-114 Trok Watchannai,
Chan Rd., Bangkhlo, Bang Kho Laem,
Bangkok 10120
Tel : 0 2291 4904-5, 0 2291 4907,
0 2292 1627
Fax : 0 2291 4906

Songwad

(Mon - Fri from 8.30am - 3.30pm)
1252-1254 Songwad Rd., Jakrawat,
Samphanthawong, Bangkok 10100
Tel : 0 2225 3596-7, 0 2225 6254-5,
0 2226 3606-7
Fax : 0 2225 6256

Srinakarin

(Mon - Fri from 8.30am - 3.30pm)
395/5 Srinakarin Rd., Mueang,
Samut Prakan 10270
Tel : 0 2385 7312-5
Fax : 0 2385 7316

St. Louis 3

(Mon - Fri from 8.30am - 3.30pm)
31, Soi Chan 18/7 (St. Louis 3)
Thung Wat Don, Sathon, Bangkok 10120
Tel : 0 2211 1407, 0 2212 7024
Fax : 0 2211 0815

Sukhumvit 4

(Mon - Fri from 8.30am - 3.30pm)
Two Pacific Tower Building, 1st FL.,
142 Sukhumvit Rd., Khlong Toei,
Bangkok 10110
Tel : 0 2253 5137, 0 2653 2178-9,
0 2653 2218
Fax : 0 2653 2181

Sukhumvit 25

(Mon - Fri from 8.30am - 3.30pm)
Glass House Sukhumvit Building,
1 Soi Sukhumvit 25, Khlong Toei Nua,
Wattana, Bangkok 10110
Tel : 0 2258 9330-2
Fax : 0 2258 4582

Sukhumvit 26

(Mon - Fri from 8.30am - 3.30pm)
720/1 Sukhumvit, Klongtan,
Klongtoey, Bangkok 10110
Tel : 0 2010 4511, 0 2258 4052-4
Fax : 0 2010 4513

Suksawat

(Mon - Fri from 8.30am - 3.30pm)
393, 395, 397 Suksawat Rd., Bangpakok,
Rat Burana, Bangkok 10140
Tel : 0 2477 2409-11
Fax : 0 2468 6028

Suntowers

(Mon - Fri from 8.30am - 3.30pm)
Suntowers Building, A building, 123, Unit A102,
1st Fl., Wiphawadi-Rangsit Rd.,
Chom Phon, Chatuchak, Bangkok 10900
Tel : 0 2273 8120-1, 0 2273 8939-40
Fax : 0 2273 8122

Surawong

(Mon - Fri from 8.30am - 3.30pm)
134 Surawong Rd., Bangrak,
Bangkok 10500
Tel : 0 2233 9730-3
Fax : 0 2235 5208

Talad Si Mummuang

(Mon - Fri from 8.30am - 3.30pm)
355/33-35 Moo 8, Phaholyothin Rd.,
Khukhot, Lam Luk Ka, Pathum Thani 12130
Tel : 0 2536 7850, 0 2536 7854-6
Fax : 0 2536 7853

Talad Thai

(Daily from 9.30am - 6.30pm)
32/1044 Moo 9, Phahonyothin Rd.,
Khlongnueng, Khlongluang,
Pathum Thani 12120
Tel : 0 2908 4784-7
Fax : 0 2908 4847

Thaiwa Tower

(Mon - Fri from 8.30am - 3.30pm)
Thai Wah Tower 1 Building,
21/63-66 South Sathon Rd.,
Sathon, Bangkok 10120
Tel : 0 2285 0092-4
Fax : 0 2285 0095

Thanon Krungthongburi

(Mon - Fri from 8.30am - 3.30pm)
Sinn Sathon Tower, 77/2 Krungthongburi Rd.,
Khlongsan, Bangkok 10600
Tel : 0 2440 0345-9
Fax : 0 2440 0350

Thanon Phaholyothin 8

(Mon - Fri from 8.30am - 3.30pm)
Intouch Tower, G Fl.,
414 Phaholyothin Rd., Samsen Nai,
Phaya Thai, Bangkok 10400
Tel : 0 2357 1690, 0 2616 9760-2
Fax : 0 2357 1490

Thanon Phraram 6

(Mon - Fri from 8.30am - 3.30pm)
Tipco Tower Building, G Fl.,
118/1 Rama VI Rd., Samsen Nai,
Phaya Thai, Bangkok 10400
Tel : 0 2357 3460-3
Fax : 0 2357 3464

Thanon Phraram 9

(Mon - Fri from 8.30am - 3.30pm)
Worrasombat Building, G Fl.,
100/1 Rama IX Rd., Huai Khwang,
Bangkok 10310
Tel : 0 2645 0683-5
Fax : 0 2645 0440

Branch Network

31 December 2019

Thanon Pracha-U-Thit

(Mon - Fri from 8.30am - 3.30pm)
147/1-4 Moo 8, Pracha-U-Thit Rd.,
Rat Burana, Bangkok 10140
Tel : 0 2873 1457-9
Fax : 0 2873 1460

Thanon Sri Wara

(Mon - Fri from 8.30am - 3.30pm)
314 Soi Ladphrao 94 (Panjamit),
Sri Wara Rd., Wang Thonglang,
Bangkok 10310
Tel : 0 2559 3600-5
Fax : 0 2559 3606

Thanon Sukhaphiban 3

(Mon - Fri from 8.30am - 3.30pm)
902 Ramkamhaeng Rd., Bangkok,
Bangkok 10240
Tel : 0 2375 8725, 0 2375 8794,
0 2375 8799, 0 2377 9183,
0 2377 5285, 0 2735 4018
Fax : 0 2375 8795

Thanon Vorachak

(Mon - Fri from 8.30am - 3.30pm)
94-96 Vorachak Rd., Ban Bat,
Pom Prap Sattru Phai, Bangkok 10100
Tel : 0 2225 9085-6, 0 2225 9088,
0 2621 1247
Fax : 0 2225 9087

Thanon Witthayu

(Mon - Fri from 9.00am - 5.30pm)
CRC Tower Building, G Fl., Unit 121, 87/2
Wireless Rd., Lumpini, Pathum Wan,
Bangkok 10330
Tel : 0 2255 5392-4
Fax : 0 2255 5395

Thanon Yaowarat

(Mon - Fri from 8.30am - 5.00pm)
Hua Seng Heng Building,
1st Fl., 422, 424 Yaowarat Rd.,
Samphanthawong, Bangkok 10100
Tel : 0 2226 2930-1, 0 2226 5855
Fax : 0 2226 2933

The Circle Ratchaprak

(Daily from 10.00am - 7.00pm)
The Circle Ratchaprak, Room R6,
39 Ratchaprak Rd., Banglamad,
Taling Chan, Bangkok 10170
Tel : 0 2863 8624-6
Fax : 0 2863 8627

The Mall Bangkae

(Daily from 10.30am - 7.30pm)
The Mall Bangkhae, 3rd Fl., 275 Moo 1,
Phetkasem Rd., North Bangkhae,
Bangkhae, Bangkok 10160
Tel : 0 2482 9582-5
Fax : 0 2482 9586

The Mall Bangkok

(Daily from 10.30am - 7.30pm)
The Mall Bangkok, 3rd Fl., Unit 3S-C9A,
3522 Ladphrao Rd., Khlong-jun,
Bangkapi, Bangkok 10240
Tel : 0 2363 3570-3
Fax : 0 2363 3574

The Mall Ngam Wong Wan

(Daily from 10.30am - 7.30pm)
The Mall Ngamwongwan, 5th Fl.,
Unit 521 Moo 2, Ngam Wong Wan Rd.,
Bangkhen, Mueang, Nonthaburi 11000
Tel : 02 550 1134-7
Fax : 02 550 0355

The Phyll Sukhumvit 54

(Mon - Fri 10.00am - 7.00pm)
The Phyll, G Fl., Unit G05,
1770 Sukhumvit Rd., Bang Chak,
Phra Khanong, Bangkok 10260
Tel : 0 2331 3582-4, 0 2331 3587
Fax : 0 2331 3588

Thonglor

(Mon - Fri from 8.30am - 3.30pm)
283/15-17, Soi Thonglor 13,
Sukhumvit 55 Rd., Wattana,
Bangkok 10110
Tel : 0 2712 7150-5
Fax : 0 2712 7156

United Center Silom

(Mon - Fri from 10.30am - 6.30pm)
United Center Building, 2nd Fl.,
Unit 213, 323 Silom Rd., Silom,
Bangrak, Bangkok 10500
Tel : 0 2237 4890-3
Fax : 0 2237 4894

UOB Express The Mall Thapra

(Daily from 10.30am - 7.30pm)
99 The Mall Thapra Department Store, B Fl.,
Ratchadapisek (Taksin-Thapra) Rd.,
Bukkalo, Thonburi, Bangkok 10600
Tel : 0 2093 2218-9
Fax : 0 2477 9948

UOB Express Big C Rangsit

(Daily from 10.30am - 7.30pm)
94 Big C Rangsit, 1st Fl., Phahonyotin Rd.,
Thanyaburi, Pathumthani 12130
Tel : 0 2343 3215-6
Fax : 0 2150 9778

UOB Express Tesco Lotus Bangna

(Daily from 10.30am - 7.30pm)
14/9 Tesco Lotus Bangna, 1st Fl.,
Bangna-Trad Rd., Bangkhaeo,
Bangphli, Samut Prakan 10540
Tel : 0 2343 3178, 0 2343 3180
Fax : 0 2136 5377

UOB Home Loan Centre - Pearl Bangkok

(Mon - Fri from 9.00am - 6.00pm)
Pearl Bangkok Building, 3rd Fl.,
1177, Phaholyothin Rd., Samsennai,
Phayathai, Bangkok 10400
Tel : 0 2093 3570-1
Fax : 0 2042 4575

UOB Wealth Banking Centre-Siam Paragon

(Daily from 10.30am - 7.30pm)
Siam Paragon Shopping Center,
3rd Fl., Unit 3-01A, 991 Rama 1 Rd.,
Pathum Wan, Bangkok 10330
Tel : 0 2129 4841-3, 0 2610 9602-3
Fax : 0 2610 9604

Wongwian Odean

(Mon - Fri from 8.30am - 3.30pm)
772, 774 Charoen Krung Rd.,
Samphanthawong,
Bangkok 10100
Tel : 0 2234 3399, 0 2238 2540-1
Fax : 0 2238 2543

Yaowarat Mahajak

(Mon - Fri from 8.30am - 3.30pm)
236, 238, 240 Yaowarat Rd.,
Chakkrawat, Samphanthawong,
Bangkok 10110
Tel : 0 2225 5241-4
Fax : 0 2225 5245

Central Area

Kanchanaburi

(Mon - Fri from 8.30am - 3.30pm)
160/39-40 Sangchutoe Rd.,
Ban Nuea, Mueang, Kanchanaburi 71000
Tel : 0 3452 1621-3
Fax : 0 3452 1624

Branch Network

31 December 2019

Nakhon Pathom

(Mon - Fri from 8.30am - 3.30pm)
63, 65 Rajvithi Rd., Phrapathomjedi,
Mueang, Nakhon Pathom 73000
Tel : 0 3425 1184-5
Fax : 0 3425 1186

Phra Nakhon Si Ayutthaya

(Mon - Fri from 9.00am - 4.00pm)
255 Moo 5, Rojana Rd.,
Phra Nakhon Si Ayutthaya,
Phra Nakhon Si Ayutthaya 13000
Tel : 0 3524 6030, 0 3524 6118
Fax : 0 3524 1546

Ratchaburi

(Mon - Fri from 8.30am - 3.30pm)
11 Kathatorn Rd., Na Mueang,
Mueang Ratchaburi, Ratchaburi 70000
Tel : 0 3231 0321-3
Fax : 0 3231 0324

Samut Sakhon

(Mon - Fri from 8.30am - 3.30pm)
927/403 Sethakit 1 Rd., Mahachai,
Mueang, Samut Sakhon 74000
Tel : 0 3481 0514-5, 0 3442 7510,
0 3442 7582
Fax : 0 3481 0513

Samut Songkhram

(Mon - Fri from 8.30am - 3.30pm)
125/28 Tang Kao Mueang Rd., Mueang,
Samut Songkhram 75000
Tel : 0 3471 8111, 0 3471 8222,
0 3471 8628-9
Fax : 0 3471 8627

Saraburi

(Mon - Fri from 8.30am - 3.30pm)
427 Phaholyothin Rd.,
Mueang, Saraburi 18000
Tel : 0 3621 2137-8, 0 3622 1630,
0 3631 2055-6
Fax : 0 3622 1636

Eastern Area

Amata Nakhon

(Mon - Fri from 10.00am - 6.00pm)
700/17 Moo 1, Khlong Tamru, Mueang,
Chon Buri 20000
Tel : 0 3845 7564-7
Fax : 0 3845 7568

Ban Bung

(Mon - Fri from 8.30am - 3.30pm)
403 Chon Buri-Ban Bung Rd.,
Ban Bung, Chon Buri 20170
Tel : 0 3844 3626-7, 0 3875 0979-80,
Fax : 0 3844 3039

Ban Chang

(Mon - Fri from 8.30am - 5.00pm)
51/12 Moo 5, Sukhumvit Rd.,
Ban Chang, Rayong 21130
Tel : 0 3860 3121-4
Fax : 0 3860 3119

Bang Lamung

(Mon - Fri from 10.00am - 6.00pm)
90/27 Moo 5, Pattaya-Naglua Rd.,
Naglua, Bang Lamung, Chon Buri 20150
Tel : 0 3842 7748-9, 0 3842 8418,
0 3842 9333,
Fax : 0 3842 3332

Central Chonburi

(Daily from 10.30am - 7.30pm)
Central Plaza Chonburi, 2nd Fl.,
55/88-9, 55/91 Sukhumvit Rd., Samet,
Mueang, Chon Buri 20000
Tel : 0 3805 3920-3
Fax : 0 3805 3924

Chachoengsao

(Mon - Fri from 8.30am - 3.30pm)
94/3 Chumphon Rd., Mueang,
Chachoengsao 24000
Tel : 0 3851 1621-2, 0 3851 4627,
0 3853 5083, 0 3881 8149
Fax : 0 3851 1623

Chanthaburi

(Mon - Fri from 8.30am - 3.30pm)
82/9 Thachalab Rd., Wat Mai,
Mueang, Chanthaburi 22000
Tel : 0 3934 6434-5, 0 3934 6616
Fax : 0 3932 1201

Chon Buri

(Privilege Banking Centre)
(Mon - Fri from 8.30am - 3.30pm)
804 Kor Chetchamnong Rd., Bangplasoi,
Mueang, Chon Buri 20000
Tel : 0 3827 3601-6
Fax : 0 3827 3607

Chon Buri 2

(Mon - Fri from 8.30am - 3.30pm)
116/110 Moo 3, Sukhumvit Rd.,
Ban Suan, Mueang, Chon Buri 20000
Tel : 0 3879 7457-9, 0 3879 7462
Fax : 0 3879 7461

Eastern Seaboard

(Mon - Fri from 8.30am - 3.30pm)
Thanon Hemaraj Avenue, 24/1 Moo 4,
Pluak Daeng, Rayong 21140
Tel : 0 3895 5284-8, 0 3895 5290
Fax : 0 3895 5289

Map Ta Phut

(Mon - Fri from 8.30am - 5.00pm)
267/11-13 Sukhumvit Rd., Map Ta Phut,
Mueang, Rayong 21150
Tel : 0 3860 7945, 0 3860 7947,
0 3860 7949
Fax : 0 3860 8718

Passione Shopping Destination

(Daily from 10.30am - 7.30pm)
Passione Shopping Destination,
2nd Fl., 554/4 Sukhumvit Rd.,
Noen Phra, Mueang, Rayong 21000
Tel : 0 3802 3400-3
Fax : 0 3802 3404

Pattaya

(Mon - Fri from 10.00am - 6.00pm)
325/115-116 Moo 10, Pattaya Sai 2 Rd.,
Nong Prue, Bang Lamung,
Chon Buri 20150
Tel : 0 3841 0027, 0 3842 9464
Fax : 0 3842 9400

Rayong

(Mon - Fri from 8.30am - 3.30pm)
144/39-41 Sukhumvit Rd., Mueang,
Rayong 21000
Tel : 0 3861 4255-6, 0 3861 4730-2
Fax : 0 3861 4734

Robinson Sriracha

(Daily from 11.00am - 8.00pm)
Robinson Si Racha Department Store,
G Fl., Unit 1F-B-13, 90/1 Sukhumvit Rd.,
Si Racha, Chon Buri 20110
Tel : 0 3832 8458-60
Fax : 0 3832 8461

Branch Network

31 December 2019

Sri Racha

(Mon - Fri from 8.30am - 3.30pm)
135/19 Sukhumvit Rd., Si Racha,
Chon Buri 20110
Tel : 0 3832 4500-2, 0 3832 4504
Fax : 0 3832 4503

Northeastern Area

Ban Huay Udon Thani

(Mon - Fri from 8.30am - 5.00pm,
Sat - Sun 9.00am - 6.00pm)
214/27-29 Udon Dutsadi Rd.,
Mak Khaeng, Mueang, Udon Thani 41000
Tel : 0 4224 3639-41
Fax : 0 4224 3643

Buriram

(Mon - Fri from 8.30am - 3.30pm)
377 Moo 8, Chira road, Tumbol Isan,
Aumphur Muang , Buriram 31000
Tel : 0 4466 6733, 0 4466 6736, 0 4411 2875
Fax : 0 4411 2879

Khon Kaen

(Mon - Fri from 8.30am - 3.30pm)
34, 34/1-2 Namueang Rd., Nai Mueang,
Mueang, Khon Kaen 40000
Tel : 0 4323 7620-1, 0 4333 4577
Fax : 0 4323 7435

Khon Kaen-Thanon Mittraparb (Privilege Banking Centre)

(Mon - Fri from 8.30am - 5.00pm,
Sat - Sun from 9.30am - 6.30pm)
81/1 Mitraparb Rd., Mueang,
Khon Kaen 40000
Tel : 0 4324 1686
Fax : 0 4323 8435

Nakhon Ratchasima

(Mon - Fri from 8.30am - 3.30pm)
2-4 Choopool Rd., Nai Mueang,
Mueang, Nakhon Ratchasima 30000
Tel : 0 4426 8873-7
Fax : 0 4425 5476

Nakhon Ratchasima 2

(Mon - Fri from 8.30am - 5.00pm,
Sat - Sun 9.00am - 6.00pm)
545 Mittraparb Rd., Nai Mueang,
Mueang, Nakhon Ratchasima 30000
Tel : 0 4426 3487-91
Fax : 0 4426 3493

Roiet

(Mon - Fri from 8.30am - 3.30pm)
226/2 Ronnachaichanyut Rd.,
Nai Mueang, Mueang, Roiet 45000
Tel : 0 4351 5850-2
Fax : 0 4351 5854

Sakhon Nakhon

(Mon - Fri from 8.30am - 3.30pm)
1551/12 Sukkasem Rd.,
That Choeng Chum, Mueang,
Sakon Nakhon 47000
Tel : 0 4271 6230, 0 4271 6303,
0 4271 6350, 0 4271 6765,
0 4271 6895
Fax : 0 4271 6728

Surin

(Mon - Fri from 8.30am - 3.30pm)
79, 81, 83 Chitbunrung Rd.,
Nai Mueang, Mueang, Surin 32000
Tel : 0 4451 1848, 0 4451 8997-8,
0 4453 8384
Fax : 0 4451 1081

Ubon Ratchathani

(Mon - Fri from 8.30am - 3.30pm)
177 Ubparat Rd., Nai Mueang, Mueang,
Ubon Ratchathani 34000
Tel : 0 4524 3830-1, 0 4524 4270-1,
0 4524 4717-8, 0 4526 2904
Fax : 0 4524 3832

Udon Thani

(Mon - Fri from 8.30am - 3.30pm)
359 Phosri Rd., Mueang,
Udon Thani 41000
Tel : 0 4222 1333, 0 4234 3023,
0 4234 3425
Fax : 0 4224 4062

Northern Area

Central Airport Chiang Mai

(Daily from 11.00am - 8.00pm)
2 Mahidol Rd., 252-252/1 Wualai Rd.,
Haiya, Mueang, Chiang Mai 50100
Tel : 0 5390 4143-6
Fax : 0 5390 4147

Chiang Mai-Huaikaew

(Privilege Banking Centre)
(Mon - Fri from 8.30am - 3.30pm)
137 Huay Kaew Rd., Mueang,
Chiang Mai 50200
Tel : 0 5321 1091-4
Fax : 0 5321 1095

Chiang Rai

(Mon - Fri from 8.30am - 3.30pm)
643/5 Moo 3, Uttrakrit Rd., Vieng,
Mueang, Chiang Rai 57000
Tel : 0 5371 1414, 0 5371 6557, 0 5371 6786
Fax : 0 5371 5429

Lampang

(Mon - Fri from 8.30am - 3.30pm)
255 Boonwat Rd., Mueang,
Lampang 52000
Tel : 0 5421 8373, 0 5421 8383,
0 5421 8454, 0 5422 7383
Fax : 0 5422 7637

Nakhon Sawan

(Mon - Fri from 8.30am - 3.30pm)
Change service hours to 9.00am - 4.00pm
from 2 January 2020)
532-534 Kosi Rd., Pak Nam Pho,
Mueang, Nakhon Sawan 60000
Tel : 0 5621 4690, 0 5621 4709,
0 5631 4234, 0 5631 4299
Fax : 0 5621 3224

Phitsanulok

(Mon - Fri from 9.00am - 4.00pm)
691/3-6 Mittraparb Rd., Nai Mueang,
Mueang, Phitsanulok 65000
Tel : 0 5522 5153-5
Fax : 0 5522 5156

Thanon Highway-Chiang Mai

(Mon - Fri from 8.30am - 3.30pm)
1/99 Chiang Mai-Lampang Rd.,
Nong Pa Khrang, Mueang,
Chiang Mai 50000
Tel : 0 5330 4701-4, 0 5330 4706
Fax : 0 5330 4705

Thanon Sridonchai Chiang Mai

(Mon - Fri from 9.00am - 4.00pm)
54/1 Suriwong Book Center,
Sridonchai Rd., Haiya, Mueang,
Chiang Mai 50100
Tel : 0 5327 0029-30, 0 5328 2903,
0 5382 1080-1
Fax : 0 5328 2015

Branch Network

31 December 2019

Thanon Thapae Chiang Mai

(Mon - Fri from 8.30am - 3.30pm)
2-4, Wichayanon Rd., Chang Moi,
Mueang, Chiang Mai 50300
Tel : 0 5323 3860-2, 0 5387 4028
Fax : 0 5387 4029

Southern Area

Central Festival Phuket

(Privilege Banking Centre)
(Daily from 10.30am - 7.30pm)
Central Festival Phuket, 4th Fl.,
74-75 Moo 5, Wishit, Mueang,
Phuket 83000
Tel : 0 7621 0526, 0 7621 0534,
0 7621 0575, 0 7621 0151
Fax : 0 7621 0596

Ha Yaek Chalong Phuket

(Mon - Fri from 8.30am - 3.30pm)
9/108 Moo 9, Chaofa (East) Rd.,
Chalong, Mueang, Phuket 83130
Tel : 0 7638 3801-4
Fax : 0 7638 3805

Hat Pa Tong

(Mon - Fri from 9.30am - 4.30pm)
9/33 Phangmuang Sai Kor,
Patong, Krathu, Phuket 83150
Tel : 0 7651 0735-6, 0 7651 0750,
0 7651 0850
Fax : 0 7651 0794

Hat Yai

(Mon - Fri from 8.30am - 3.30pm)
164 Nipat-utit 1 Rd., Hat Yai,
Songkhla 90110
Tel : 0 7423 5605, 0 7424 3032,
0 7424 3810, 0 7424 5033
Fax : 0 7423 5606

Nakhon Sri Thammarat

(Mon - Fri from 8.30am - 3.30pm)
1719-1721 Rajdamnern Rd., Tha Wang,
Mueang, Nakhon Sri Thammarat 80000
Tel : 0 7535 6112, 0 7535 6860-1
Fax : 0 7534 2352

Phuket

(Privilege Banking Centre)
(Mon - Fri from 8.30am - 3.30pm)
206 Phuket Rd., Talad Yai,
Mueang, Phuket 83000
Tel : 0 7621 0970-1, 0 7621 1566,
0 7621 1577, 0 7621 4901-2
Fax : 0 7621 4903

Surat Thani

(Mon - Fri from 8.30am - 3.30pm)
208/2-3 Chonkasem Rd., Talad,
Mueang, Surat Thani 84000
Tel : 0 7728 6292-4
Fax : 0 7728 6298

Thanon Phetchakasem Hat Yai

(Mon - Fri from 8.30am - 3.30pm)
452/8 Phetkasem Rd.,
Hat Yai, Songkhla 90110
Tel : 0 7422 0262-3, 0 7422 0274-5
Fax : 0 7422 0281

Trang

(Mon - Fri from 8.30am - 3.30pm)
1/5-6 Rama VI Rd., Thap Thiang,
Mueang, Trang 92000
Tel : 0 7521 7781-4
Fax : 0 7521 7785

Yala

(Mon - Fri from 9.00am - 3.00pm)
8-12 Pipitpakdi Rd., Sateng,
Mueang, Yala 95000
Tel : 0 7321 2218, 0 7321 2414,
0 7324 0872-3
Fax : 0 7321 3764

Company Information

Name : United Overseas Bank (Thai) Public Company Limited
Public company registration number : 0107535000176
Nature of business : Commercial Bank
Registration address : 191 South Sathon Road, Sathon, Bangkok 10120
Tel : 0 2343 3000
Fax : 0 2287 2973-4
SWIFT : UOVBTBKK
Website : www.uob.co.th

Auditor

Ms. Somjai Khunapasut : Certified Public Accountant (Thailand) No. 4499 and/or
Ms. Ratana Jala : Certified Public Accountant (Thailand) No. 3734 and/or
Ms. Rachada Yongsawadvanich : Certified Public Accountant (Thailand) No. 4951

EY Office Limited
33rd Floor, Lake Rajada Office Complex
193/136-137 Rajadapisek Road
Klongtoey, Bangkok 10110
G.P.O.Box 1047, Bangkok 10501, Thailand
Tel : 0 2264 9090
Fax : 0 2264 0789-90
Website : www.ey.com

Company Information

Credit Ratings

Moody's Investors Service		Rating	as at 3 July 2019
Bank Deposits	- Long-Term	Baa1	
Bank Deposits	- Short-Term	P-2	
Outlook	- Long-Term	Stable	
Outlook	- Short-Term	Stable	
Baseline Credit Assessment		ba1	
Adjusted Baseline Credit Assessment		baa1	
Counterparty Risk Assessment	- Long-Term	A3(cr)	
Counterparty Risk Assessment	- Short-Term	P-2(cr)	

Fitch Ratings		Rating	as at 2 September 2019
Foreign Currency	- Long-Term	A-	
Foreign Currency	- Short-Term	F1	
Outlook	- Long-Term	Stable	
Viability		bbb-	
Support		1	
National Rating	- Long-Term	AAA(th)	
National Rating	- Short-Term	F1+(th)	
National Rating Outlook		Stable	



United Overseas Bank (Thai) Public Company Limited

Head Office

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