

### Part 3 Financial Position and Operating Performance

#### 13. Key Financial Information

Summary of financial position of CIMB Thai Bank Public Company Limited as at 31 December 2020, 2019, and 2018, and its operating results as well as financial ratios for the years ended 31 December 2020, 2019, and 2018.

		Separate	
		(Restated)	(Restated)
	31 December	31 December	1 January
	2020	2019	2019
	Baht	Baht	Baht
<b>Assets</b>			
Cash	917,689,843	1,350,614,011	1,745,984,494
Interbank and money market items, net	6,716,284,057	6,205,670,653	6,684,224,569
Financial assets measured at fair value through profit or loss	34,426,785,221	-	-
Derivative assets	57,560,610,597	43,459,245,755	23,395,513,202
Investments, net	61,543,507,298	86,796,230,526	92,172,323,107
Investments in subsidiaries, net	2,933,315,115	2,208,315,115	2,208,315,115
Loans and accrued interest receivables, net	217,575,772,174	224,522,047,873	211,061,910,374
Customers' liabilities under acceptance	-	83,360,105	77,698,965
Properties for sale, net	909,229,206	894,230,172	831,149,160
Premises and equipment, net	3,184,960,352	3,339,032,032	3,471,101,060
Right of use assets, net	231,112,349	-	-
Intangible assets, net	920,772,733	1,015,531,376	480,958,226
Deferred tax assets	-	219,181,210	589,374,978
Credit support assets on derivatives	16,051,131,778	14,967,549,671	6,052,943,866
Other assets, net	1,450,159,918	1,843,161,859	2,825,287,493
<b>Total assets</b>	<b>404,421,330,641</b>	<b>386,904,170,358</b>	<b>351,596,784,609</b>

	Separate		
		(Restated)	(Restated)
	31 December	31 December	1 January
	2020	2019	2019
	Baht	Baht	Baht
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Deposits	194,149,733,163	199,132,082,337	185,215,037,339
Interbank and money market items	47,667,617,572	43,393,672,214	44,533,942,327
Liabilities payable on demand	256,215,690	268,816,305	378,991,448
Financial liabilities measured at fair value			
through profit or loss	28,948,798,788	24,422,519,906	35,512,717,532
Derivative liabilities	57,221,163,685	44,659,756,168	24,318,002,735
Debt issued and borrowings	19,449,377,487	23,818,667,017	16,968,347,710
Bank's liabilities under acceptance	-	83,360,105	77,698,965
Lease liabilities	233,549,214	-	-
Provisions	2,512,525,405	2,140,697,917	1,892,940,782
Deferred tax liabilities	29,749,582	-	-
Credit support liabilities on derivatives	12,111,017,104	9,158,264,057	3,910,494,022
Other liabilities	2,609,852,049	3,001,524,762	3,012,897,171
<b>Total liabilities</b>	<b>365,189,599,739</b>	<b>350,079,360,788</b>	<b>315,821,070,031</b>
<b>Equity</b>			
Share capital			
Registered			
34,822,261,748 ordinary shares			
of Baht 0.50 each	17,411,130,874	17,411,130,874	17,411,130,874
Issued and paid-up share capital			
34,822,261,748 ordinary shares			
of Baht 0.50 each	17,411,130,874	17,411,130,874	17,411,130,874
Premium on share capital	10,145,965,854	10,145,965,854	10,145,965,854
Other reserves	1,593,402,211	1,512,574,667	1,422,487,528
Accretion of equity interests in subsidiary	-	-	-
Retained earnings			
Appropriated - statutory reserve	536,200,000	403,980,000	403,600,000
Unappropriated	9,545,031,963	7,351,158,175	6,392,530,322
<b>Total equity</b>	<b>39,231,730,902</b>	<b>36,824,809,570</b>	<b>35,775,714,578</b>

<b>Total liabilities and equity</b>	<b>404,421,330,641</b>	<b>386,904,170,358</b>	<b>351,596,784,609</b>
	<b>Separate</b>		
	<b>For the year ended 31 December</b>		
	<b>2020</b>	<b>2019</b>	<b>2018</b>
		<b>(Restated)</b>	
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Interest income	11,201,604,569	13,649,194,419	12,341,600,425
Interest expenses	(4,054,796,751)	(5,465,461,170)	(4,515,325,072)
<b>Net interest income</b>	<b>7,146,807,818</b>	<b>8,183,733,249</b>	<b>7,826,275,353</b>
Fee and service income	1,152,370,880	1,535,745,658	1,376,649,113
Fee and service expenses	(359,666,589)	(370,326,208)	(289,520,012)
<b>Net fee and service income</b>	<b>792,704,291</b>	<b>1,165,419,450</b>	<b>1,087,129,101</b>
Gains (losses) on financial instruments measured at fair value through profit or loss	940,068,305	(176,978,157)	294,417,672
Gains on investments	306,009,145	343,978,417	19,508,137
Gains on sale of non-performing loans	45,184,134	-	-
Other operating income	1,650,540,439	137,640,997	261,325,479
<b>Total operating income</b>	<b>10,881,314,132</b>	<b>9,653,793,956</b>	<b>9,488,655,742</b>
<b>Other operating expenses</b>			
Employee expenses	3,555,060,193	4,367,809,334	3,892,655,897
Directors' remuneration	11,451,500	11,507,000	13,131,200
Premises and equipment expenses	649,001,726	1,050,453,383	1,017,873,890
Taxes and duties	396,209,137	397,538,486	386,886,044
Others	1,891,063,068	1,173,413,223	1,229,294,759
<b>Total other operating expenses</b>	<b>6,502,785,624</b>	<b>7,000,721,426</b>	<b>6,539,841,790</b>
Expected credit losses	1,852,458,534	-	-
Bad and doubtful debts	-	1,406,052,259	3,686,327,220
<b>Profit before income tax expenses</b>	<b>2,526,069,974</b>	<b>1,247,020,271</b>	<b>(737,513,268)</b>
Income tax expenses (income)	(311,794,035)	(318,004,626)	(66,769,073)
<b>Net profit for the years</b>	<b>2,214,275,939</b>	<b>929,015,645</b>	<b>(804,282,341)</b>

	Separate		
	For the year ended 31 December		
	2020	2019	2018
		(Restated)	
	Baht	Baht	Baht
<b>Other comprehensive income (expenses)</b>			
<b>Items that will be reclassified</b>			
<b>subsequently to profit or loss</b>			
Gains (losses) on remeasuring available-for-sale investments	-	472,498,608	(274,248,938)
Gains on investments in debt instruments measured at fair value through other comprehensive income	237,077,203	-	-
Gains (losses) on fair value of hedging instruments for cash flow hedges	270,828,601	(54,736,432)	136,503,546
Losses arising from translating the financial statement of a foreign operation	(5,674,282)	(16,238,529)	(4,697,307)
Income tax relating to items that will be reclassified subsequently to profit or loss	(101,638,137)	(52,189,142)	(4,364,720)
<b>Total items that will be reclassified subsequently to profit or loss</b>	<b>400,593,385</b>	<b>349,334,505</b>	<b>(146,807,419)</b>
<b>Items that will not be reclassified</b>			
<b>subsequently to profit or loss</b>			
Losses on investment in equity instruments designated at fair value through other comprehensive income	(4,745,397)	-	-
Losses on financial liabilities designated at fair value relating to own credit risk	(109,829,298)	-	-
Remeasurements of post-employment benefit obligations	48,387,513	(229,255,158)	70,013,711
Income tax relating to items that will not be reclassified subsequently to profit or loss	(1,616,159)	-	(14,002,741)
<b>Total items that will not be reclassified subsequently to profit or loss</b>	<b>(67,803,341)</b>	<b>(229,255,158)</b>	<b>56,010,970</b>
<b>Total other comprehensive income (expenses)</b>	<b>332,790,044</b>	<b>120,079,347</b>	<b>(90,796,449)</b>
<b>Total comprehensive income (expenses)</b>			

<b>for the years</b>	<u>2,547,065,983</u>	<u>1,049,094,992</u>	<u>(895,078,790)</u>
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**Separate**

**For the year ended 31 December**

	2020	2019	2018
		(Restated)	
	Baht	Baht	Baht
<b>Net profit (losses) attributable to:</b>			
Shareholders of the Bank	2,214,275,939	929,015,645	(804,282,341)
Non-controlling interests	-	-	-
	<u>2,214,275,939</u>	<u>929,015,645</u>	<u>(804,282,341)</u>
<b>Total comprehensive income (expenses) attributable to:</b>			
Shareholders of the Bank	2,547,065,983	1,049,094,992	(895,078,790)
Non-controlling interests	-	-	-
	<u>2,547,065,983</u>	<u>1,049,094,992</u>	<u>(895,078,790)</u>
<b>Earnings (losses) per share for profit (loss) attributable to the shareholders of the Bank</b>			
Basic earnings (losses) per share (Baht per share)	0.06	0.03	(0.03)
Weighted average number of ordinary shares (shares)	<u>34,822,261,748</u>	<u>34,822,261,748</u>	<u>31,188,634,435</u>

Statement of Cash flows	Separate For the year ended 31 December		
	2020 Baht	2019 Baht	2018 Baht
<b>Cash flows from operating activities</b>			
Profit (losses) before income tax expenses	2,526,069,974	1,247,020,271	(737,513,268)
Adjustments to reconcile net incomes before income tax to cash in (out) flows from operating activities:			
Depreciation and amortisation	608,622,299	409,743,630	352,142,153
Expected credit losses	1,852,458,534	-	-
Bad debts and doubtful accounts	-	1,406,052,259	3,686,327,220
Share-based payment	25,854,417	41,716,546	38,448,440
Provision for liabilities	138,769,927	161,484,027	152,118,626
(Gains) losses on impairment of properties for sale	(2,936,179)	(1,689,129)	1,487,569
Losses on impairment of investments	-	-	1,067,203
Unrealised (gains) losses on exchange rate and derivatives	(1,862,371,975)	(926,288,301)	1,075,237,437
Gains on properties for sale	(39,082,892)	(24,352,727)	(139,608,478)
Unrealised (gains) losses on revaluation of investments	(388,727,855)	193,856,530	(315,036,490)
(Gains) losses on sale of investments	(306,009,146)	(2,186,608,362)	113,050,652
Gains on disposal of premises and equipment	(5,363,271)	(10,105,201)	(10,877,744)
Losses from write off premises and equipment and intangible assets	102,249,659	19,481,182	10,014,524
'Losses on impairment of intangible assets	138,703,033	-	-
(Gains) losses on sale of non-performing loan	(45,184,134)	9,118,106	4,731,329
Gains on modification and termination of leases	(446,664)	-	-
Losses on financial liabilities designated at fair value through profit or loss	1,292,422,476	480,589,053	759,750,530
Interest income	(11,201,604,569)	(13,649,194,419)	(12,341,600,425)
Dividend income	(755,659,304)	(8,427,415)	(10,508,869)
Interest expenses	4,054,796,751	5,465,461,170	4,515,325,072
<b>Losses from operations before changes in operating assets and liabilities</b>	<b>(3,867,438,919)</b>	<b>(7,372,142,780)</b>	<b>(2,845,444,519)</b>

Statement of Cash flows (Cont'd)	Separate		
	For the year ended 31 December		
	2020	2019	2018
	Baht	Baht	Baht
<b>(Increase) decrease in operating assets</b>			
Interbank and money market items	(513,865,600)	474,976,864	11,426,897,185
Financial assets measured at fair value through profit or loss / Investments held for trading	(2,142,418,330)	(5,757,584,312)	(13,414,065,599)
Loans	6,220,000,565	(13,645,310,689)	(15,914,378,341)
Properties for sale	113,989,747	71,511,170	222,507,346
Credit support assets on derivatives	(1,083,582,107)	(8,914,605,805)	(1,914,790,812)
Other assets	399,212,947	738,342,336	56,482,867
<b>Increase (decrease) in operating liabilities</b>			
Deposits	(4,982,349,174)	13,917,044,998	7,512,530,728
Interbank and money market items	4,273,945,357	(1,140,270,113)	28,885,836,529
Liabilities payable on demand	(12,600,615)	(110,175,143)	124,328,187
Short-term borrowings	(2,638,406,819)	4,168,522,046	(4,202,663,803)
Provisions	(181,922,457)	(143,437,882)	(68,700,452)
Credit support liabilities on derivatives	2,952,753,047	5,247,770,035	(916,101,834)
Other liabilities	(61,646,504)	21,876,071	(50,517,476)
<b>Cash flows (used in) provided by operating activities</b>	(1,524,328,862)	(12,443,483,204)	8,901,920,006
Cash received from interest income	10,064,766,872	10,726,606,727	10,682,135,864
Cash paid for interest expenses	(6,335,935,161)	(6,579,515,960)	(5,146,131,186)
Cash paid for income tax	(160,468,867)	121,054,277	(71,039,791)
<b>Net cash flows provided by (used in) operating activities</b>	2,044,033,982	(8,175,338,160)	14,366,884,893

Statement of Cash flows (Cont'd)	Separate For the year ended 31 December		
	2020 Baht	2019 Baht	2018 Baht
<b>Cash flows from investing activities</b>			
Cash paid for purchases of investments in debt instruments measured at fair value through other comprehensive income / available-for-sale securities	(36,098,538,904)	(27,549,333,482)	(32,583,604,603)
Proceeds from disposals of investments in debt instruments measured at fair value through other comprehensive income / available-for-sale securities	31,097,145,355	42,795,057,786	4,260,025,541
Proceeds from maturity of investments in debt instruments measured at amortised cost / held-to-maturity securities	-	-	-
Cash paid for purchases of investments in debt instruments measured at amortised cost / held-to-maturity securities	(2,605,255,006)	(4,192,283,404)	(12,462,512,179)
Proceeds from maturity of investments in debt instruments measured at amortised cost / held-to-maturity securities	461,800,000	4,731,280,000	5,905,850,000
Proceeds from repayment of investment in receivable	-	788,253	795,015
Cash paid for purchases of general investments	-	-	(726,500)
Proceeds from disposals of general investments	-	2,564,090	6,752,752
Proceeds from maturity of investments in equity instruments designated at fair value through other comprehensive income	9,791,713	-	14,990,000
Cash paid for investment in subsidiaries	(725,000,000)	-	(500,000,000)
Cash paid for purchases of premises and equipment	(164,644,697)	(250,101,510)	(134,988,728)
Proceeds from disposals of premises and equipment	6,963,414	7,577,958	6,268,162
Cash paid for purchases of intangible assets	(403,693,296)	(667,017,974)	(276,548,473)
Dividend received	755,659,304	8,427,415	10,508,869
Interest received	1,220,332,892	2,283,217,733	1,689,255,397
<b>Net cash flows (used in) provided by investing activities</b>	<b>(6,445,439,225)</b>	<b>17,170,176,865</b>	<b>(34,063,934,747)</b>



Statement of Cash flows (Cont'd)	Separate		
	For the year ended 31 December		
	2020	2019	2018
	Baht	Baht	Baht
<b>Cash flows from financing activities</b>			
Cash paid for interest expenses	-	-	-
Cash received from capital increase	-	-	3,951,569,703
Proceeds from issuance of borrowings	5,155,406,850	8,534,832,747	16,273,471,128
Cash paid for redemption of borrowings	(932,259,903)	(17,909,088,000)	(366,500,000)
Cash paid for dividend	(174,111,309)	-	-
Cash paid for lease	(74,879,569)	-	-
<b>Net cash flows provided by (used in) financing activities</b>	<b>3,974,156,069</b>	<b>(9,374,255,253)</b>	<b>19,858,540,831</b>
Gains from foreign currency translation differences	(5,674,994)	(15,953,935)	(4,493,892)
<b>Net decrease in cash and cash equivalents</b>	<b>(432,924,168)</b>	<b>(395,370,483)</b>	<b>156,997,085</b>
Cash and cash equivalents at beginning of the period	1,350,614,011	1,745,984,494	1,588,987,409
<b>Cash and cash equivalents at the end of the period</b>	<b>917,689,843</b>	<b>1,350,614,011</b>	<b>1,745,984,494</b>
<b>Supplemental disclosure of cash flows information</b>			
Non-cash transaction:			
Payable from purchase premises and equipment	-	1,597,778	294,250
Properties for sale received from premises and equipment	39,281,470	89,686,806	22,455,456
Change in revaluation surplus in available-for-sale	47,472,417	472,498,608	(274,248,938)
Interest amortisation from premium or discount	381,042,146	124,753,905	111,472,079

The Bank's Financial Ratios	(Restated)		
	31-Dec-20	31-Dec-19	31-Dec-18
<b>Profitability Ratios</b>			
Gross profit margin (%)	64.3	61.6	65.0
Net profit margin (%)	20.3	9.6	(8.5)
Return on equity (%)	5.7	2.6	(2.5)
Yield <sup>(1)</sup> (%)	4.7	6.0	5.8
Cost of funds <sup>(2)</sup> (%)	1.5	2.1	2.0
Spread <sup>(3)</sup> (%)	3.2	3.9	3.8
Return on investment (%)	3.0	2.6	2.4
<b>Efficiency Ratios</b>			
Cost to income ratio (%)	59.8	73.0	68.9
Net interest margin (%)	2.2	2.6	2.8
Return on assets (%)	1.7	0.3	(0.3)
Assets turnover ratio (time)	0.03	0.03	0.03
<b>Financial Policy Ratios</b>			
Debt to equity ratio (time)	9.6	9.5	9.2
Loan to borrowing ratio <sup>(4)</sup> (%)	102.2	103.6	108.0
Loan to deposit ratio (Modified LD ratio) <sup>(5)</sup> (%)	87.8	96.6	94.0
Deposits to debts ratio (%)	54.1	56.9	58.6
Capital adequacy ratio (%)	20.8	17.4	18.7
Tier 1 capital funds to risk-weight assets (%)	14.9	12.4	13.3
<b>Asset Quality Ratios</b>			
Allowance for doubtful debts to loans and accrued interest receivables (%)	3.9	4.3	4.4
Bad debt and doubtful accounts to loans and accrued interest receivables (%)	0.7	0.6	0.6
NPL ratio <sup>(6)</sup> (%)	4.5	4.6	4.3
Accrued interest receivables to loans and accrued interest receivables (%)	1.6	1.4	0.2

Notes:

(1) Yield = Interest income / (Average loans+Average interest bearing interbank items)

(2) Cost of funds = Interest expenses / (Average deposits+Average borrowings+Average liabilities payable on demand+Average interest bearing interbank items)

(3) Spread = Yield–Cost of funds

(4) Loan to borrowing ratio = Loans / (Deposits+Liabilities payable on demand+Borrowings)

(5) Modified loan to deposit ratio (modified LDR) = (Gross loans+Loans guaranteed by other banks+Loans to financial institutions) / (Deposits+Bills of exchange+Debentures+Selected financial products)

(6) NPL ratio is calculated according to Bank of Thailand criteria.

**Summary of financial position of CIMB Thai Bank Public Company Limited and its subsidiaries as at 31 December 2020, 2019 and 2018, and their operating results as well as financial ratios for the years ended 31 December 2020, 2019 and 2018**

	Consolidated		
		(Restated)	(Restated)
	31 December	31 December	1 January
	2020	2019	2019
	Baht	Baht	Baht
<b>Assets</b>			
Cash	918,593,772	1,351,567,764	1,749,088,328
Interbank and money market items, net	6,884,873,058	6,421,713,044	6,790,160,122
Financial assets measured at fair value through profit or loss	34,426,785,221	-	-
Derivative assets	57,560,610,597	43,459,245,755	23,395,513,202
Investments, net	61,545,507,298	86,798,230,526	92,172,323,106
Investments in subsidiaries, net	-	-	-
Loans and accrued interest receivables, net	221,843,843,591	232,025,109,288	217,667,030,649
Customers' liability under acceptance	-	83,360,105	77,698,965
Properties for sale, net	1,082,474,739	1,123,900,062	1,016,509,206
Premises and equipment, net	3,265,886,780	3,428,635,255	3,536,093,184
Right of use assets, net	293,567,543	-	-
Intangible assets, net	970,407,387	1,061,691,787	488,639,652
Deferred tax assets	671,711,434	693,659,148	1,043,963,387
Credit support assets on derivatives	16,051,131,778	14,967,549,671	6,052,943,866
Other assets, net	1,733,638,801	2,258,703,848	3,077,857,230
<b>Total assets</b>	<b>407,249,031,999</b>	<b>393,673,366,253</b>	<b>357,067,820,897</b>

	Consolidated		
		(Restated)	(Restated)
	31 December	31 December	1 January
	2020	2019	2019
	Baht	Baht	Baht
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Deposits	193,955,570,315	199,034,749,069	185,100,505,109
Interbank and money market items	47,667,617,572	43,393,672,214	44,533,942,327
Liabilities payable on demand	256,215,690	268,816,305	378,991,448
Financial liabilities measured at fair value			
through profit or loss	28,948,798,788	24,422,519,906	35,512,717,532
Derivative liabilities	57,221,163,685	44,659,756,168	24,318,002,735
Debt issued and borrowings	19,449,377,487	25,818,667,017	18,968,347,710
Bank's liabilities under acceptance	-	83,360,105	77,698,965
Lease liabilities	296,677,054	-	-
Provisions	2,679,569,475	2,298,834,098	1,987,605,894
Deferred tax liabilities	37,854,384	-	-
Credit support liabilities on derivatives	12,111,017,104	9,158,264,057	3,910,494,022
Other liabilities	3,081,311,886	4,102,518,535	3,962,352,358
<b>Total liabilities</b>	<b>365,705,173,440</b>	<b>353,241,157,474</b>	<b>318,750,658,100</b>
<b>Equity</b>			
Share capital			
Registered			
34,822,261,748 ordinary shares			
of Baht 0.50 each	17,411,130,874	17,411,130,874	17,411,130,874
Issued and paid-up share capital			
34,822,261,748 ordinary shares			
of Baht 0.50 each	17,411,130,874	17,411,130,874	17,411,130,874
Premium on share capital	10,145,965,854	10,145,965,854	10,145,965,854
Other reserves	1,541,465,035	1,468,042,132	1,400,797,437
Accretion of equity interests in subsidiary	(42,753,751)	(42,753,751)	(42,753,751)
Retained earnings			
Appropriated - statutory reserve	536,200,000	403,980,000	403,600,000
Unappropriated	11,951,850,547	11,045,843,670	8,998,422,383
<b>Total equity</b>	<b>41,543,858,559</b>	<b>40,432,208,779</b>	<b>38,317,162,797</b>

<b>Total liabilities and equity</b>	<b>407,249,031,999</b>	<b>393,673,366,253</b>	<b>357,067,820,897</b>
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<b>Consolidated</b>			
<b>For the year ended 31 December</b>			
	<b>2020</b>	<b>2019</b>	<b>2018</b>
		<b>(Restated)</b>	
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Interest income	15,011,724,895	17,105,532,589	15,309,544,755
Interest expenses	(4,072,358,247)	(5,513,358,198)	(4,562,807,958)
<b>Net interest income</b>	<b>10,939,366,648</b>	<b>11,592,174,391</b>	<b>10,746,736,797</b>
Fee and service income	1,629,614,706	2,476,081,102	2,109,980,514
Fee and service expenses	(373,875,155)	(385,927,966)	(302,056,447)
<b>Net fees and service income</b>	<b>1,255,739,551</b>	<b>2,090,153,136</b>	<b>1,807,924,067</b>
Gains (losses) on financial instruments measured			
at fair value through profit or loss	940,068,305	(176,978,157)	294,417,672
Gains on investments	306,009,145	343,978,417	19,508,137
Gains on sale of non-performing loans	113,136,112	398,585,923	226,351,923
Other operating income	1,372,733,807	511,589,578	587,350,824
<b>Total operating income</b>	<b>14,927,053,568</b>	<b>14,759,503,288</b>	<b>13,682,289,420</b>
<b>Other operating expenses</b>			
Employee expenses	4,258,267,208	5,045,384,493	4,533,126,703
Directors' remuneration	11,740,100	11,811,200	13,467,200
Premises and equipment expenses	834,725,076	1,213,316,406	1,155,447,852
Taxes and duties	410,391,115	433,029,282	413,013,666
Others	3,384,090,654	2,674,236,169	2,376,645,066
<b>Total other operating expenses</b>	<b>8,899,214,153</b>	<b>9,377,777,550</b>	<b>8,491,700,487</b>
Expected credit losses	4,468,266,285	-	-
Bad and doubtful debts	-	2,793,070,098	4,919,382,923
<b>Profit before income tax expenses</b>	<b>1,559,573,130</b>	<b>2,588,655,640</b>	<b>271,206,010</b>
Income tax expenses (income)	(268,991,026)	(570,846,561)	(264,304,590)
<b>Net profit for the years</b>	<b>1,290,582,104</b>	<b>2,017,809,079</b>	<b>6,901,420</b>

	Consolidated		
	For the year ended 31 December		
	2020	2019	2018
		(Restated)	
	Baht	Baht	Baht
<b>Other comprehensive income (expenses)</b>			
<b>Items that will be reclassified</b>			
<b>subsequently to profit or loss</b>			
Gains (losses) on remeasuring available-for-sale investments	-	472,498,608	(274,248,938)
Gains on investments in debt instruments measured at fair value through other comprehensive income	237,077,203	-	-
Gains (losses) on fair value of hedging instruments for cash flow hedges	270,828,601	(54,736,432)	136,503,546
Losses arising from translating the financial statement of a foreign operation	(5,674,282)	(16,238,529)	(4,697,307)
Income tax relating to items that will be reclassified subsequently to profit or loss	(101,638,137)	(52,189,142)	(4,364,720)
<b>Total items that will be reclassified</b>			
<b>subsequently to profit or loss</b>	400,593,385	349,334,505	(146,807,419)
<b>Items that will not be reclassified</b>			
<b>subsequently to profit or loss</b>			
Losses on investment in equity instruments designated at fair value through other comprehensive income	(4,745,397)	-	-
Losses on financial liabilities designated at fair value relating to own credit risk	(109,829,298)	-	-
Remeasurements of post-employment benefit obligations	39,131,711	(257,808,214)	72,891,871
Income tax relating to items that will not be reclassified subsequently to profit or loss	235,002	5,710,612	(14,578,374)
<b>Total items that will not be reclassified</b>			
<b>subsequently to profit or loss</b>	(75,207,982)	(252,097,602)	58,313,497
<b>Total other comprehensive income (expenses)</b>	325,385,403	97,236,903	(88,493,922)
<b>Total comprehensive income (expenses) for the years</b>	1,615,967,507	2,115,045,982	(81,592,502)

<b>Consolidated</b>			
<b>For the year ended 31 December</b>			
	<b>2020</b>	<b>2019</b>	<b>2018</b>
		<b>(Restated)</b>	
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Net profit attributable to:</b>			
Shareholders of the Bank	1,290,582,104	2,017,809,079	6,901,420
Non-controlling interests	-	-	-
	<u>1,290,582,104</u>	<u>2,017,809,079</u>	<u>6,901,420</u>
<b>Total comprehensive income (expenses) attributable to:</b>			
Shareholders of the Bank	1,615,967,507	2,115,045,982	(81,592,502)
Non-controlling interests	-	-	-
	<u>1,615,967,507</u>	<u>2,115,045,982</u>	<u>(81,592,502)</u>
<b>Earnings per share for profit attributable to the shareholders of the Bank</b>			
Basic earnings per share (Baht per share)	<u>0.04</u>	<u>0.06</u>	<u>0.00</u>
Weighted average number of ordinary shares (shares)	<u>34,822,261,748</u>	<u>34,822,261,748</u>	<u>31,188,634,435</u>

Statement of Cash flows	Consolidated		
	For the year ended 31 December		
	2020 Baht	2019 Baht	2018 Baht
<b>Cash flows from operating activities</b>			
Profit before income tax expenses	1,559,573,130	2,588,655,640	271,206,010
Adjustments to reconcile net incomes before income tax to cash in (out) flows from operating activities:			
Depreciation and amortisation	691,322,106	433,202,518	373,493,967
Expected credit losses	4,468,266,285	-	-
Bad debts and doubtful accounts	-	2,793,070,098	4,919,382,923
Share-based payment	25,854,417	41,716,546	38,448,440
Provision for liabilities	155,711,110	196,402,040	158,736,962
Losses on impairment of properties for sale	1,038,298,688	1,015,432,235	709,467,315
Losses on impairment of investments	-	-	1,067,203
Unrealised (gains) losses on exchange rate and derivatives	(1,862,371,975)	(926,288,301)	1,075,237,437
Gains on properties for sale	(74,985,699)	(28,247,855)	(69,008,068)
Unrealised (gains) losses on revaluation of investments	(388,727,855)	193,856,530	(315,036,490)
(Gains) losses on sale of investments	(306,009,145)	(2,186,608,362)	113,050,652
Gains on disposal of premises and equipment	(5,995,613)	(11,871,882)	(20,391,900)
Losses from write off premises and equipment and intangible assets	102,322,776	19,481,182	10,164,009
'Losses on impairment of intangible assets	138,703,033	-	-
(Gains) losses on sale of non-performing loan	(113,136,112)	9,118,106	4,731,329
Gains on modification and termination of leases	(446,664)	-	-
Losses on financial liabilities designated at fair value through profit or loss	1,292,422,476	480,589,053	759,750,530
Interest income	(15,011,724,895)	(17,105,532,589)	(15,309,544,755)
Dividend income	(10,245,396)	(8,427,415)	(10,508,869)
Interest expenses	4,072,358,247	5,513,358,198	4,562,807,958
<b>Losses from operations before changes in operating assets and liabilities</b>	(4,228,811,086)	(6,982,094,258)	(2,726,945,347)



Statement of Cash flows (Cont'd)	Consolidated		
	For the year ended 31 December		
	2020	2019	2018
	Baht	Baht	Baht
<b>(Increase) decrease in operating assets</b>			
Interbank and money market items	(466,412,210)	364,870,026	11,389,079,000
Financial assets measured at fair value through profit or loss			
/ Investments held for trading	(2,142,418,330)	(5,757,584,312)	(13,414,065,599)
Loans	3,251,738,131	(19,056,551,151)	(20,557,198,292)
Properties for sale	2,445,554,228	2,157,885,423	1,374,412,019
Credit support assets on derivatives	(1,083,582,107)	(8,914,605,805)	(1,914,790,812)
Other assets	479,041,395	612,740,441	(27,293,323)
<b>Increase (decrease) in operating liabilities</b>			
Deposits	(5,079,178,753)	13,934,243,960	7,699,827,123
Interbank and money market items	4,273,945,357	(1,140,270,113)	28,885,836,529
Liabilities payable on demand	(12,600,615)	(110,175,143)	124,328,187
Short-term borrowings	(2,638,406,819)	4,168,522,046	(4,202,663,803)
Provisions	(196,101,383)	(143,437,882)	(68,700,452)
Credit support liabilities on derivatives	2,952,753,047	5,247,770,035	(916,101,834)
Other liabilities	(547,398,870)	154,841,763	206,940,065
<b>Cash flows (used in) provided by operating activities</b>	(2,991,878,015)	(15,463,844,970)	5,852,663,461
Cash received from interest income	13,875,785,186	14,165,286,507	13,653,855,758
Cash paid for interest expenses	(6,359,515,005)	(6,578,613,485)	(5,144,814,563)
Cash paid for income tax	(381,355,767)	(164,761,796)	(424,746,068)
<b>Net cash flows provided by (used in) operating activities</b>	4,143,036,399	(8,041,933,744)	13,936,958,588

Statement of Cash flows (Cont'd)	Consolidated		
	For the year ended 31 December		
	2020 Baht	2019 Baht	2018 Baht
<b>Cash flows from investing activities</b>			
Cash paid for purchases of investments in debt instruments measured at fair value through other comprehensive income / available-for-sale securities	(36,098,538,904)	(27,549,333,482)	(32,583,604,603)
Proceeds from disposals of investments in debt instruments measured at fair value through other comprehensive income / available-for-sale securities	31,097,145,355	42,795,057,786	4,260,025,541
Proceeds from maturity of investments in debt instruments	-	-	-
Cash paid for purchases of investments in debt instruments measured at amortised cost / held-to-maturity securities	(2,605,255,006)	(4,194,283,404)	(12,462,512,179)
Proceeds from maturity of investments in debt instruments measured at amortised cost / held-to-maturity securities	461,800,000	4,731,280,000	5,905,850,000
Proceeds from repayment of investment in receivable	-	788,253	795,015
'Cash paid for purchases of general investments	-	-	(726,500)
Proceeds from disposals of general investments	-	2,564,090	6,752,752
Proceeds from maturity of investments in equity instruments designated at fair value through other comprehensive income	9,791,713	-	14,990,000
Cash paid for investment in subsidiaries	-	-	-
Cash paid for purchases of premises and equipment	(186,002,100)	(295,357,042)	(161,435,893)
Proceeds from disposals of premises and equipment	7,600,359	9,342,879	16,085,199
Cash paid for purchases of intangible assets	(423,145,279)	(708,309,652)	(280,289,448)
Dividend received	10,245,396	8,427,415	10,508,869
Interest received	1,220,375,445	2,283,245,525	1,689,255,397
<b>Net cash flows (used in) provided by investing activities</b>	<b>(6,505,983,021)</b>	<b>17,083,422,368</b>	<b>(33,584,305,850)</b>

Statement of Cash flows (Cont'd)	Consolidated		
	For the year ended 31 December		
	2020	2019	2018
	Baht	Baht	Baht
<b>Cash flows from financing activities</b>			
Cash paid for interest expenses	(17,113,425)	(48,800,000)	(48,800,000)
Cash received from capital increase	-	-	3,951,569,703
Proceeds from issuance of borrowings	5,155,406,850	8,534,832,747	16,273,471,128
Cash paid for redemption of borrowings	(2,915,146,478)	(17,909,088,000)	(366,500,000)
Cash paid for dividend	(174,111,309)	-	-
Cash paid for lease	(113,388,014)	-	-
<b>Net cash flows provided by (used in) financing activities</b>	<b>1,935,647,624</b>	<b>(9,423,055,253)</b>	<b>19,809,740,831</b>
Gains from foreign currency translation differences	(5,674,994)	(15,953,935)	(4,493,892)
<b>Net decrease in cash and cash equivalents</b>	<b>(432,973,992)</b>	<b>(397,520,564)</b>	<b>157,899,677</b>
Cash and cash equivalents at beginning of the period	1,351,567,764	1,749,088,328	1,591,188,651
<b>Cash and cash equivalents at the end of the period</b>	<b>918,593,772</b>	<b>1,351,567,764</b>	<b>1,749,088,328</b>
<b>Supplemental disclosure of cash flows information</b>			
Non-cash transaction:			
Payable from purchase premises and equipment	-	1,597,778	294,250
Properties for sale received from premises and equipment	39,281,470	89,686,806	22,455,456
Change in revaluation surplus in available-for-sale	47,472,417	472,498,608	(274,248,938)
Interest amortisation from premium or discount	381,042,146	124,753,905	111,472,079

The Bank and its subsidiaries' financial ratios	(restated)		
	31-Dec-20	31-Dec-19	31-Dec-18
Net interest margin (%)	3.2	3.5	3.7
Return on equity (%)	3.1	5.3	0.0
Return on assets (%)	2.6	0.5	0.0
Cost to income ratio (%)	59.6	63.5	61.7
Loan to deposit ratio (Modified LD ratio) (%)	90.3	100.2	97.2
NPL ratio (%)	4.6	4.7	4.3
Capital adequacy ratio (%)	21.4	18.0	19.3
Tier 1 capital funds to risk-weight assets (%)	15.6	13.1	14.1

## 14. Analysis of Financial Standing and Operating Performance

### 14.1 Consolidated operating results

#### 1. Consolidated Operating Results

Financial statements for the year ended 31 December 2019 shown for comparison have been restated retrospectively as regards booking of interest income recognition in accordance with the TFRS 9.

For the year ended 31 December 2020, CIMB Thai group's consolidated operating income rose by THB 167.6 million or 1.1% year-on-year (YoY) to THB 14,927.1 million mainly contributed by a 153.6% growth in other income, while net interest income declined by 5.6% and net fee and service income by 39.9%. Pre-provision operating profit increased by 12.0% YoY to THB 6,027.8 million from a 1.1% higher income, while operating expenses were 5.1% lower YoY. However, net profit decreased by THB 727.2 million or 36% YoY to THB 1,290.6 million, attributed to a 60% YoY increase in provisions, reflected by the elevated provision for economic uncertainty and potential credit migration from customers affected by the Covid-19 pandemic. This amount took into account the forward-looking expected credit loss (ECL) models and management overlay within a deteriorating economic environment under the TFRS 9 framework.

Net interest margin (NIM) over earning assets stood at 3.2% in 2020, compared to 3.5% in 2019, arising from lower interest income on loans and investments.

As at 31 December 2020, total gross loans (inclusive of loans guaranteed by other banks and loans to financial institutions) stood at THB 227.0 billion, a decrease of 6.2% from 31 December 2019. Deposits (inclusive of bills of exchange, debentures and selected structured deposit products) stood at THB 251.4 billion, an increase of 4.1% from THB 241.5 billion as at the end of December 2019. The modified loan to deposit ratio decreased to 90.3% compared to 100.2% as at 31 December 2019.

#### (a) Summary of CIMB Thai group's income

On a YoY basis, operating income rose by THB 167.6 million or 1.1% to THB 14,927.1 million driven by an increase of THB 1,654.8 million or 153.6% in other operating income mainly due to an increase in gains on financial instruments measured at fair value through profit or loss of THB 1,117 million. These were partially offset by a drop in net fee and service income of 39.9% or THB 834.4 million owing to lower fees from goods and services payments and insurance brokerage income. The net interest income decline of 5.6% or THB 652.8 million was mainly attributable to lower interest income on loans and investments.

#### (b) Cost of funds and operating expenses

CIMB Thai group's interest expenses in 2020 amounted to THB 4.1 billion, a YoY drop of THB 1.5 billion or 26.1%, largely from decline in interest expenses on deposits and interbank and money market items.

For the year ended 31 December 2020, operating expenses decreased by THB 478.6 million or 5.1% largely due to lower personnel cost and better cost management, improving the cost to income ratio to 59.6% in 2020 compared to 63.5% in 2019.

#### (c) Net profit

Net profit decreased by THB 727.2 million or 36% YoY to THB 1,290.6 million, attributed to a 60% YoY increase in provisions, reflected by the elevated provision for economic uncertainty and potential credit migration from customers affected by the Covid-19 pandemic. This amount took into account the forward-looking expected credit loss (ECL) models and management overlay within a deteriorating economic environment under the TFRS 9 framework.

**(d) Return on equity**

For the year 2020, CIMB Thai group's return on equity was 3.1% compared with 5.3% in 2019, and the Bank's return on equity was 5.7% compared with 2.6% in 2019 mainly due to an increase in net profit during the year.

**14.2 Consolidated Financial Standing****Assets**

As at 31 December 2020, CIMB Thai group's total assets amounted to THB 407.2 billion, a THB 13.6 billion or 3.5% growth from a year earlier, as detailed below:

Interbank and money market items (assets) were THB 6.9 billion, a THB 463 million or 7.2% increase, mainly attributable to the Bank's liquidity management.

Derivative assets moved up by THB 14.1 billion or 32.5% to THB 57.6 billion, coming mainly from interest rate and foreign exchange contracts.

Net investments stood at THB 61.5 billion, declining by THB 25.3 billion or 29.1%, mainly due to reclassification as financial assets measured at fair value through profit or loss of THB 34.4 billion according to the Bank of Thailand's notification, partially offset by an increase in investments in debt instruments measured at fair value through other comprehensive income of THB 5.4 billion.

Net loans and accrued interest receivables were THB 221.8 billion, going down by 4.4%, mainly due to economic slowdown and the Bank's wind-down of commercial banking segment.

Credit support assets on derivatives amounted to THB 16.1 billion, going up by THB 1.1 billion or 7.2%, which was in line with derivatives business.

**Asset quality****(a) Loans and loan concentration**

As at 31 December 2020, CIMB Thai Group's total loans net of deferred revenue accounted for THB 227 billion, declining of THB 13 billion or 5.4% from THB 240 billion as at 31 December 2019. Loans principally comprised housing loans, hire purchase receivables and manufacturing and commerce sectors, making up 65.9% of total loans. Housing loans represented the largest proportion, i.e. THB 76.8 billion or 33.7% of total loans, which was in line with the Bank's business strategy, followed by hire purchase receivables amounting to THB 39.1 billion or 17.2%, and manufacturing and commerce sectors THB 34 billion or 15% of total loans. Sectors with growth of loans were public utilities and services, recording a YoY growth of 16.8%.

Loans classified by type of business	31 December 2020		31 December 2019		Change	
	THB million	%	THB million	%	THB million	%
Agriculture and mining	7,446	3.3	8,349	3.5	(903)	(10.8)
Manufacturing and commerce	33,962	15.0	41,446	17.2	(7,484)	(18.1)
Real estate and construction	16,252	7.2	16,364	6.8	(112)	(0.7)
Public utilities and services	29,118	12.8	24,921	10.4	4,197	16.8
Personal loans	8,263	3.6	10,519	4.4	(2,256)	(21.4)
Housing loans	76,789	33.7	78,580	32.7	(1,791)	(2.3)
Hire purchase receivables	39,063	17.2	42,665	17.8	(3,602)	(8.4)
Others	16,057	7.1	17,106	7.1	(1,049)	(6.1)
<b>Total loans net of deferred revenue</b>	<b>226,950</b>	<b>100.0</b>	<b>239,950</b>	<b>100</b>	<b>(13,000)</b>	<b>(5.4)</b>

To prevent concentration risk in any particular industry, the Bank has a policy in place to diversify loans granted to various business sectors covering clients from all categories.

(b) Classification of loans and allowance for expected credit losses

	Consolidated 2020	
	Loans and accrued interest receivable	Allowance for expected credit losses
	Million Baht	Million Baht
Financial assets with an insignificant increase in credit risk	200,366	(1,891)
Financial assets with a significant increase in credit risk	19,215	(1,482)
Credit-impaired financial assets	11,158	(3,491)
Purchased or originated credit-impaired financial assets	58	(24)
Total	230,797	(6,888)
Surplus allowance		(2,065)
		(8,953)

The TFRS 9 loan staging classification adopted since 1 January 2020 cannot be directly comparable to the previous loan classification.

CIMB Thai group's loan loss coverage ratio stood at 93.3% as at 31 December 2020 from 99.0% at the end of December 2019. As at 31 December 2020, total allowance for expected credit losses stood at THB 9 billion, translating to a THB 2.1 billion excess over the Bank of Thailand's reserve requirements.

(c) Non-performing loans (NPLs)

The gross non-performing loans (NPL) stood at THB 10.5 billion, translating to an impaired loan ratio of 4.6% compared to 4.7% as at 31 December 2019. The lower NPL ratio was mainly due to the sale of some NPLs in 2020. This was coupled with the Bank's exercise of high credit risk underwriting

standards and risk management policies, as well as continued focus on improving productivity and monitoring collection.

(d) Income recognition

Interest and discount on loans

Interest income will be recognised at the effective interest rate. The recognition of interest income on loan when its principal or interest payment has become over three months past due or stage 3 loan account has followed definition of the TFRS 9. thereby such income is recognised at the effective interest rate of the carrying amount after impairment.

### Liabilities

As at 31 December 2020, CIMB Thai group's total liabilities amounted to THB 365.7 billion, going up by THB 12.5 billion or 3.5% YoY as follows:

Deposits were THB 194 billion, declining by THB 5.1 billion or 2.6% YoY, mainly from decrease in fixed deposits.

Interbank and money market items (liabilities) were THB 47.7 billion, going up by THB 4.3 billion or 9.9% YoY, as a result of the Bank's liquidity management.

Financial liabilities designated at fair value through profit or loss increased by THB 4.5 billion or 18.5% to THB 28.9 billion, coming mainly from structured debentures.

Derivative liabilities went up by THB 12.6 billion or 28.1% to THB 57.2 billion, mainly due to interest rate and foreign exchange rate contracts.

Debt issued and borrowings amounted to THB 19.4 billion, down by THB 6.4 billion or 24.7%, largely caused by the redemption of subsidiary's debentures.

### Equity

As at 31 December 2020, CIMB Thai group's equity was recorded at THB 41.5 billion, representing a growth of THB 1.1 billion or 2.8% from a year earlier, principally due to the net profit growth during the year.

### Off balance sheets : Commitments

As at 31 December 2020, the Bank and its subsidiaries had combined commitments of THB 3,749.6 billion, declining by THB 12 billion (0.3%) from THB 3,761.5 billion YoY, mostly from other commitments as indicated in the table below:



(Million Baht)

Off balance sheets : Commitments	31 December 2020	31 December 2019	Variance %
<b>Avals to bills</b>	<b>17</b>	<b>0</b>	<b>100.0</b>
<b>Bills on domestic letters of credit</b>	<b>31</b>	<b>0</b>	<b>100.0</b>
<b>Liability under unmatured import bills</b>	<b>157</b>	<b>331</b>	<b>(52.6)</b>
<b>Letters of credit</b>	<b>765</b>	<b>605</b>	<b>26.4</b>
<b>Other commitments:</b>	<b>3,748,597</b>	<b>3,760,609</b>	<b>(0.3)</b>
Derivatives	3,702,022	3,704,444	(0.1)
Undrawn bank overdrafts	14,719	14,558	1.1
Undrawn credit lines	14,378	17,307	(16.9)
Investments	6,962	12,005	(42.0)
Others	10,516	12,295	(14.5)
<b>Total</b>	<b>3,749,567</b>	<b>3,761,545</b>	<b>(0.3)</b>

### Liquidity

Cash and cash equivalent items, as indicated in the cash flow statement of CIMB Thai group as at 31 December 2020, amounted to THB 918.6 million, a net decrease of THB 433 million YoY. Details of the changes are as follows:

Net cash flows provided by operating activities in 2020 were THB 4.1 billion. Losses from operations before changes in operating assets and liabilities were THB 4.2 billion, including THB 1.6 billion in pre-tax net profit for the year, and adjustments of non-cash items to net profit, stemming largely from interest income and unrealised gains on exchange rates and derivatives, partially offset with expected credit losses and interest expenses. Operating assets for the year went down by THB 2.5 billion mainly from decrease in loans and properties foreclosed. In addition, operating liabilities moved down by THB 1.2 billion, resulting principally from deposits and short-term borrowings.

Net cash flows used in investing activities were THB 6.5 billion, mostly coming from net cash paid for investments in debt instruments measured at fair value through other comprehensive income.

Net cash flows provided by financing activities were THB 1.9 billion, mainly comprising proceeds from cash received from redemption of borrowings.

### Relationship between sources and applications of funds

Two major sources of funds for the Bank were deposits and borrowings, while the applications of funds covered the extension of loans. As at 31 December 2020, the Bank had deposits, borrowings and loans classified by maturity as follows:

(Unit: THB billion)

Maturities	Loans*	%	Deposits*	%	Borrowings*	%
Payable on demand	6.4	2.9	114.9	52.6	1.3	1.9
Up to one year	54.5	24.5	101.9	46.6	26.0	38.4
Over one year	161.8	72.6	1.8	0.8	40.3	59.7
<b>Total</b>	<b>222.7</b>	<b>100.0</b>	<b>218.6</b>	<b>100.0</b>	<b>67.6</b>	<b>100.0</b>

\*Including interbank and money market items.

The Bank derived its funds from customer deposits which can be categorised as follows:

(Unit: THB billion)

Deposit categories	2020		2019*		2018*	
	Amount	%	Amount	%	Amount	%
Current deposits	7.2	3.3	3.9	1.9	2.9	1.5
Savings deposits	107.7	49.3	68.3	32.6	59.0	30.2
Fixed deposits	103.7	47.4	137.0	65.5	133.4	68.3
<b>Total</b>	<b>218.6</b>	<b>100.0</b>	<b>209.2</b>	<b>100.0</b>	<b>195.3</b>	<b>100.0</b>

\*Including interbank and money market items.

## Credit Rating

The Bank's credit rating by Fitch Ratings, Moody's Investors Service and RAM Ratings are shown below:

### Fitch Ratings

National long-term rating	AA-(tha)
National short-term rating	F1+(tha)
Outlook	Negative

October 2020

### Moody's Investors Service

Outlook	Stable
Bank deposits	Baa2/P-2
Baseline credit assessment	ba2
Adjusted baseline credit assessment	baa2
Counterparty risk assessment	Baa1(cr)/P-2(cr)
Issuer rating	Baa2
ST issuer rating	P-2

December 2020

### RAM Ratings

Financial institution ratings	AA2/Stable/P1
Tier-2 subordinated debt	AA3/Stable

July 2020

## Financial Ratios

### Capital funds and capital adequacy ratio

As at 31 December 2020, CIMB Thai Group's assets were THB 41.5 billion higher than its liabilities, hence positive shareholders' equity. Its total consolidated capital funds amounted to THB 54.3 billion with capital adequacy ratio (BIS ratio) of 21.4%, exceeding the Bank of Thailand's regulatory requirement. Meanwhile, the Bank's capital funds amounted to THB 52.8 billion with BIS ratio of 20.8%.

### Liquidity and loan to deposit ratio

The Bank has maintained the average cash reserve ratio at 1% of the total deposits and borrowings in accordance with the Bank of Thailand's regulations. As at 31 December 2020, the Bank's cash in hand, cash at the cash centre and cash at the Bank of Thailand totaled THB 2.3 billion. Its modified LDR was 87.8%, compared with 96.6% a year earlier, which was in line with its business plan.

### Appointment of external auditor and consideration of audit fees

The Audit Committee considers the qualifications and track records of external candidates and recommends the appointment thereof as the external auditor as well as proposes audit fees to the Board of Directors annually. The Board then proposes the external auditor appointment and audit fees for the consideration and approval of the annual general meeting of shareholders. The external auditor to be proposed must also be endorsed by the Bank of Thailand.

### Remuneration for external auditor

For the year ended 31 December 2020, fees paid to the external auditor were as follows:

#### (1) Audit fee

CIMB Thai group paid the auditor audit fee of THB 14.9 million. Other incidental expenses included transport and photocopying expenses.

#### (2) Non-audit fee

CIMB Thai group did not have non-audit fee in the previous fiscal year.