

(Translation)

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22 February 2022

Subject: CIMB Thai Group audited consolidated financial results for the year ended 31 December 2021

To : President
The Stock Exchange of Thailand

Dear Sir,

On behalf of CIMB Thai Bank PCL, I am pleased to submit the audited consolidated financial results for the year ended 31 December 2021. The key summaries are as follows:

For the year ended 31 December 2021, CIMB Thai Group recorded a consolidated net profit of THB 2,440.6 million, an increase of THB 1,150 million or 89.1% year-on-year (“YoY”) compared to 2020. The improvement was mainly attributed to better cost controls resulting in an 8.1% decline in operating expenses and a 25.7% decrease in expected credit losses, despite a 3.9% drop in operating income.

On a YoY basis, operating income declined by THB 579.7 million, or 3.9% to THB 14,347.4 million from the drop in net interest income of THB 988.5 million or 9.0% due to the lower interest income on loans, as well as a decline in hire purchase business from the lower credit expansion. This was partially offset by the increase of THB 337.6 million or 26.9 % in net fee and service income, driven by higher fee income from insurance and mutual fund brokerage. Other operating income increased by THB 71.2 million or 2.6% from an increase in gains on financial instruments measured at fair value through profit or loss.

For the year ended 31 December 2021, operating expenses decreased by THB 723.3 million or 8.1%, largely due to better optimisation of cost management. This consequently improved the cost to income ratio to 57.0% in 2021 compared to 59.6% in 2020.

Net Interest Margin (NIM) over earning assets stood at 3.1% in 2021, compared to 3.2% in 2020, arising from lower interest income on loans and the hire purchase business.

As at 31 December 2021, total gross loans (inclusive of loans guaranteed by other banks and loans to financial institutions) stood at THB 211.9 billion, a decrease of 6.6% from 31 December 2020. Deposits (inclusive of Bill of Exchanges, Debentures and selected Structured Deposit Products) stood at THB 233.1 billion, a decrease of 7.1% from THB 250.9 billion as at end of December 2020. The Modified Loan to Deposit Ratio increased to 90.9% from 90.5% as at 31 December 2020.

The gross NPL stood at THB 7.9 billion, with a lower equivalent gross NPL ratio of 3.7% compared to 4.6% as at 31 December 2020. The lower NPL ratio was mainly due to the sale of some NPLs in 2021, more efficient risk management policies and improved asset quality management and loan collection processes.

CIMB Thai Group's loan loss coverage ratio as at 31 December 2021 stood at 117.5% from 93.3% at the end of December 2020. Total allowance for expected credit losses stood at THB 8.3 billion, THB 1.5 billion over the Bank of Thailand's reserve requirements.

Total consolidated capital funds as at 31 December 2021 stood at THB 54.4 billion. BIS ratio stood at 22.4%, 16.3% of which comprised Tier-1-capital.

Yours faithfully,



Mr. Paul Wong Chee Kin
President and Chief Executive Officer
CIMB Thai Bank PCL