

(Translation)

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21 July 2022

Subject: CIMB Thai Group consolidated unaudited financial results for the six months ended 30 June 2022

To : President  
The Stock Exchange of Thailand

Dear Sir,

On behalf of CIMB Thai Bank PCL, I am pleased to submit the unaudited consolidated financial results for the six months ended 30 June 2022. The key summaries are as follows:

For the six months ended 30 June 2022 (6M2022), CIMB Thai Group recorded a consolidated net profit of THB 2,115.5 million, an increase of THB 1,160.7 million or 121.6% year-on-year (“YoY”) compared to 6M2021. The improvement was mainly attributed to better cost control with 7.4% decline in operating expenses and a 63.7% decrease in expected credit losses, despite a marginal drop of 1.3% in operating income.

On a YoY basis, operating income decline by THB 94.9 million, or 1.3% to THB 7,105.7 million attributed by the drop in net interest income of THB 417.3 million or 8.2% due to the lower interest income on loans and hire purchase business, while net fee and service income increases by THB 178.9 million or 26.7% from higher fees from insurance. Other operating income increased by THB 143.5 million or 9.9% mainly attributed to gains on financial instruments measured at fair value through profit or loss and other income, offset by higher losses on investments.

Operating expenses decreased by THB 229.7 million or 7.4% YoY, largely due to better optimisation of cost management. This consequently improved the cost to income ratio to 52.8% in 6M2022 compared to 56.3% in 6M2021.

Net Interest Margin (NIM) over earning assets stood at 2.8% in 6M2022, compared to 3.2% in 6M2021, resulting from lower interest income on loans and hire purchase business.

As at 30 June 2022, total gross loans (inclusive of loans guaranteed by other banks and loans to financial institutions) stood at THB 220.2 billion, an increase of 3.9% from 31 December 2021. Deposits (inclusive of Bill of Exchanges, Debentures and selected Structured Deposit Products) stood at THB 282.9 billion, an increase of 18.1% from THB 239.5 billion as at end of December 2021. The Modified Loan to Deposit Ratio decreased to 77.8% from 88.5% as at 31 December 2021.

The gross NPL stood at THB 7.4 billion, with a lower equivalent gross NPL ratio of 3.3% compared to 3.7% as at 31 December 2021. The lower NPL ratio was mainly due to the sale of some NPLs in 6M2022, more efficient risk management policies and improved asset quality management and loan collection processes.

CIMB Thai Group's loan loss coverage ratio as at 30 June 2022 stood at 114.3% from 117.5% at the end of December 2021. Total allowance for expected credit losses stood at THB 7.7 billion, THB 1.5 billion over the Bank of Thailand's reserve requirements.

Total consolidated capital funds as at 30 June 2022 stood at THB 53.8 billion. The BIS ratio stood at 21.6%, of which 15.7% comprised Tier-1-capital.

Yours faithfully,



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