

(Translation)

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20 January 2023

Subject: CIMB Thai Group unaudited consolidated financial results for the year ended 31 December 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 year ended 31 December 2022. The key summaries are as follows:

For the year ended 31 December 2022, CIMB Thai Group recorded a consolidated net profit of THB 3,033.1 million, an increase of THB 592.5 million or 24.3% year-on-year (“YoY”) compared to 2021. The improvement was mainly attributed to better cost control and a 39.4% decrease in expected credit losses due to lower impairments of assets, despite a 2.9% drop in operating income.

On a YoY basis, operating income declined by THB 406.5 million, or 2.9% to THB 13,753.5 million from the drop in net interest income of THB 346.0 million or 3.5% due to higher interest expenses, coupled with lower interest income on loans as well as hire purchase business. Other operating income was lower by THB 107.9 million or 3.9%, mainly from a decrease in gains on sale of investment. These were partially offset by a growth of THB 47.5 million or 3.4% in net fee and service income, driven by higher underwriting fee income.

For the year ended 31 December 2022, operating expenses remained flat, largely due to better cost management. However, the cost to income ratio was higher at 57.1% in 2022 compared to 55.5% in 2021 due to lower operating income.

Net Interest Margin (NIM) over earning assets stood at 2.7% in 2022, compared to 3.1% in 2021, arising from higher cost of fund while loan yields were lower.


As at 31 December 2022, total gross loans (inclusive of loans guaranteed by other banks and loans to financial institutions) stood at THB 235.3 billion, an increase of 11.0% from 31 December 2021. Deposits (inclusive of Bill of Exchanges, Debentures and selected Structured Deposit Products) stood at THB 289.7 billion, an increase of 21.0% from THB 239.5 billion as at end of December 2021. The Modified Loan to Deposit Ratio decreased to 81.2% from 88.5% as at 31 December 2021.

The gross NPL stood at THB 7.8 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 2022, improved efficiency on risk management policies and improved asset quality management and loan collection processes.

CIMB Thai Group's loan loss coverage ratio as at 31 December 2022 stood at 114.6% from 117.5% at the end of December 2021. Total allowance for expected credit losses stood at THB 8.2 billion, THB 1.5 billion over the Bank of Thailand's reserve requirements.

Total consolidated capital funds as at 31 December 2022 stood at THB 57.6 billion. BIS ratio stood at 21.8%, 16.1% of which comprised Tier-1-capital.

Yours faithfully,



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