

(Translation)

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21 October 2022

Subject : CIMB Thai Group unreviewed consolidated financial results for the nine months ended 30 September 2022

To : President
The Stock Exchange of Thailand

Dear Sir,

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

For the nine months ended 30 September 2022, CIMB Thai Group recorded a consolidated net profit of THB 2,811.5 million, an increase of THB 1,103.3 million or 64.6% year-on-year (“YoY”) compared to 9M2021. The improvement was mainly attributed to a 3.9% decline in operating expenses from better cost control and a 45.5% decrease in expected credit losses due to lower impairments of assets, despite a 0.4% drop in operating income.

On a YoY basis, operating income declined by THB 38.1 million, or 0.4% to THB 10,709.4 million attributed to the drop of THB 485.8 million or 6.4% in net interest income due to the lower interest income from the hire purchase business and loans. This was partially offset by a THB 172.6 million or 17.7% increase in net fee and service income, driven by higher fee income from insurance and mutual fund brokerage. Other operating income increased by THB 275.2 million or 12.5% from an increase in gains on financial instruments measured at fair value through profit or loss and other income offset by the increase of losses on investments.

Operating expenses decreased by THB 231.8 million or 3.9%, largely due to better cost management. This consequently improved the cost to income ratio to 53.2% in 9M2022 from 55.2% in 9M2021.

Net Interest Margin (NIM) over earning assets stood at 2.7% in 9M2022, compared to 3.1% in 9M2021, as a result of lower interest income on hire purchase business and loans.

As at 30 September 2022, total gross loans (inclusive of loans guaranteed by other banks and loans to financial institutions) stood at THB 224.1 billion, an increase of 5.8% from 31 December 2021. Deposits (inclusive of Bill of Exchanges, Debentures and selected Structured Deposit Products) stood at THB 279.4 billion, an increase of 16.7% from THB 239.5 billion as at end of December 2021. The Modified Loan to Deposit Ratio decreased to 80.2% 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 3.4% compared to 3.7% as at 31 December 2021. The lower NPL ratio was mainly due to the sale of some NPLs in 2022, 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 September 2022 stood at 113.6% compared to 117.5% at the end of December 2021. Total allowance for expected credit losses stood at THB 8.1 billion, THB 1.5 billion over the Bank of Thailand's reserve requirements.

Total consolidated capital funds as at 30 September 2022 stood at THB 56.2 billion. BIS ratio stood at 20.5%, 15.0% of which comprised Tier-1-capital.

Yours faithfully,

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