

(F 53-4)

**Capital Increase Report Form****CIMB Thai Bank Public Company Limited****20 January 2017**

We, CIMB Thai Public Company Limited (“**CIMB Thai**” or the “**Bank**”), hereby report the resolutions of the Board of Directors’ Meeting No. 1/2017, held on 19 January 2017, at 1.00 p.m. – 5.00 p.m. in respect of the capital increase and allocation of shares as follows:

**1. Capital Increase**

The Board of Directors’ Meeting passed a resolution approving the increase of the Bank’s registered capital in an amount of THB 2,752,747,964.00 from the current registered capital of THB 12,387,365,839.50 to THB 15,140,113,803.50 by means of the issuance of 5,505,495,928 new ordinary shares at the par value of THB0.50 per share, the details as follows:

Type of Capital Increase	Type of Shares	Number of Shares	Par Value (THB/share)	Total increase capital (THB)
<input checked="" type="checkbox"/> Specifying the purpose of proceeds utilization	Ordinary	5,505,495,928	0.50	2,752,747,964.00

**2. Allocation of Newly Issued Shares****2.1 Details of Allocation**

Allocated to	Number of shares	Ratio (Existing: New)	Sale Price (THB/share)	Date and time of subscription and share payment	Remark
The Bank’s existing shareholders through the rights offering.	5,505,495,928	9:2	1	Please refer to Remark 1	Please refer to Remark 2

**Remarks:**

1. Authorization of the Board of Directors and/or any person authorized by the Board of Directors to consider and specify other details relevant to the allocation, including but not limited to: (1) consider and determine whether the newly issued shares shall be allocated

on one occasion or more, the offering period, the determination and amendment of the book closing date and Record Date for the subscription rights to the Right Shares, payment of shares, other details and conditions relating to the allocation; (2) to enter into negotiations, agreements, and execute relevant documentation and agreements, and to undertake any act in connection with the allocation; and (3) to sign application forms for permission or exemption and evidence necessary and relevant to the allocation and offering of the newly issued shares, as well as apply for permission or exemption for such documentation and evidence from the government agencies or other relevant agencies, including the Bank of Thailand, Ministry of Finance etc., as well as the listing of the newly issued shares on the Stock Exchange of Thailand (the “**Stock Exchange**”), and any other action necessary for the purpose of the allocation of the newly issued shares.

2. If there are any remaining shares from the first allocation to the existing shareholders, the Bank will allocate such remaining shares to the existing shareholders who wish to subscribe for the newly issued shares in excess of their entitlement, at the same price as that of the shares to be allocated. In the case that the remaining shares are less than the number of existing shareholders who subscribe for the shares in excess of their entitlement, the Bank will allocate the remaining shares to such shareholders who subscribe for the shares in excess of their entitlement, in proportionate of their shareholding, provided that the Bank will allocate the remaining shares until there are no shares to be allocated.

#### **2.1.1 Action to be taken by the Bank when there are fractions of shares**

Any fraction of the allocated shares that arises as a result of the allotment shall be discarded.

### **3. Schedule of the General Meeting of Shareholders to Approve the Capital Increase and the Allocation of Shares**

The Extraordinary General Meeting of Shareholders No. 1/2017 is scheduled to be held on 24 February 2017 at 2.00 p.m. at the Auditorium Room, 9th Floor, CIMB Thai Bank Public Company Limited, 44 Langsuan Road, Lumpini, Patumwan, Bangkok; the date for determining the names of the shareholders entitled to attend the meeting (Record Date) is 3 February 2017; the date for gathering the names of shareholders under Section 225 of the Securities and Exchange Act B.E. 2535 by closing the share register book is 6 February 2017.

### **4. Application for Permission from the Relevant Governmental Authorities and Related Conditions concerning the Capital Increase**

- 4.1 The issuance, offering and allocation of the Rights Shares shall only take place after the Bank has obtained the relevant regulatory approvals and consents, which includes the Bank of Thailand and the Ministry of Finance;

- 4.2 The Bank shall apply for the registration of its capital increase and amendment of paid-up capital from the Department of Business Development, the Ministry of Commerce.; and
- 4.3 The Bank will apply for approval from the Stock Exchange to accept its newly issued shares as listed securities for trading on the Stock Exchange.

**5. Objectives of the capital increase and plans for utilizing the proceeds received from the capital increase**

- 5.1 To ensure flexibility in the Bank's business operation, adequate capital fund to support business expansion according to its business plan and ability to maintain the Bank's capital fund at the proper level; and
- 5.2 To strengthen the Bank's capital position following elevated loan loss provisions in 2016. The increase in provision was mainly from rising NPLs in certain industries during the year as well as those arising from the gradual pace of the economic recovery.

**6. Benefits which the Bank will receive from the capital increase/share allotment**

The Bank will have additional funds, which will strengthen the capital position and enhance its capability to accommodate the Bank's business expansion to achieve the target, ultimately resulting in the Bank being a commercial bank with competitive potential which can generate profits and increase the value to the shareholders.

**7. Benefits which the shareholders will received from the capital increase/share allotment**

- 7.1 Dividend policy: The Bank has a policy to pay dividends to the shareholders if the operation of the Bank generates profits, taking into consideration the sufficiency of the funds in supporting the business and statutory reserve. In this regard, the Board of Directors may approve a declaration of dividend payments to the shareholders from time to time when circumstances permit, subject to the Articles of Association
- 7.2 The subscribers of the newly issued shares are eligible to the dividends derived from the operation from the date the subscribers are registered as shareholders of the Bank.

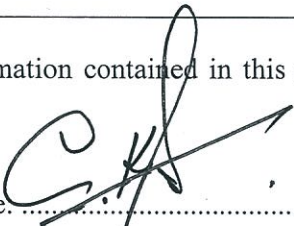
**8. Other details necessary for shareholders to approve the capital increase/share allotment:**

- None -.

9. **Schedule of actions upon the Board of Directors passing the resolution of the capital increase/share allotment**

No.	Procedure	Date/Month/Year
1	Board of Directors' Meeting No. 1/2017	19 January 2017
2	The date for determining the names of the shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2017 (Record Date)	3 February 2017
3	The date for gathering the names of the shareholders under Section 225 of the Securities and Exchange Act B.E. 2535	6 February 2017
4	The Extraordinary General Meeting of Shareholders No. 1/2017	24 February 2017
5.	The date for determining the names of the shareholders entitled to subscribe the newly issued shares (Record Date)	The Bank will determine after receiving the approval of capital increase from the relevant authorities.
6.	The date for proceeding with the registration of the capital increase and amendment to the Memorandum of Association with the Ministry of Commerce	Within 14 days from the date on which approval is granted by the shareholders' meeting

The Bank hereby certifies that the information contained in this report is true and complete in all respects.

Signature:  ..... Authorized Director  
 (Mr. Chitrapongse Kwangsukstith)  
 Director



Signature:  ..... Authorized Director  
 (Mr. Kittiphun Anutarasoti)  
 President and Chief Executive Officer