

(Translation)

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19 January 2024

Subject: CIMB Thai Group unaudited consolidated financial results for the year ended 31 December 2023

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 2023. The key summaries are as follows:

For the year ended 31 December 2023, CIMB Thai Group's consolidated operating income increased by THB 170.9 million or 1.3% year-on-year (YoY) to THB 13,771.6 million from 2022 mainly contributed by the 10.5% growth in other income and 1.7% growth in net interest income, partially offset by a 17.9% decline in net fee and service income. Pre-provision operating profit decreased by 10.6% YoY to THB 5,138.3 million attributed to the 10.0% rise in operating expenses. Net profit stood at THB 1,605.3 million, a decrease of THB 1,305.5 million or 44.9% YoY compared to 2022 due to operating expenses growth exceeding operating income growth, coupled with a 48.5% increase in expected credit loss (ECL). The higher ECL was in line with the Bank's prudent approach in view of the prevailing economic environment.

On a YoY basis, operating income increased by THB 170.9 million, or 1.3% to THB 13,771.6 million from other operating income growth of THB 267.9 million or 10.5%, mainly from higher gains on investment and gains on sale of non-performing loans, partially offset by lower net gains on financial instruments measured at fair value through profit or loss. Net interest income increased by THB 163.3 million or 1.7% mainly driven by loan expansion and an increase in interest income on investments. These were partially offset by lower net fee and service income of THB 260.3 million or 17.9% YoY, largely attributed to lower fee income from insurance brokerage and underwriting fee income.

For the year ended 31 December 2023, operating expenses increased by THB 782.2 million or 10.0%, mainly from higher impairment loss on properties for sale and taxes and duties. This resulted in a higher cost to income ratio of 62.7% in 2023 compared to 57.7% in 2022.

Net Interest Margin (NIM) over earning assets stood at 2.6% in 2023, compared to 2.7% in 2022, arising from higher cost of funds.

As at 31 December 2023, total gross loans (inclusive of loans guaranteed by other banks and loans to financial institutions) stood at THB 245 billion, an increase of 4.1% from 31 December 2022. Deposits (inclusive of Bill of Exchanges, Debentures and selected Structured Deposit Products) stood at THB 310.4 billion, an increase of 7.1% from THB 289.7 billion as at end of December 2022. The Modified Loan to Deposit Ratio decreased to 78.9% from 81.2% as at 31 December 2022.

The gross non-performing loans (NPL) stood at THB 8.2 billion, with a flat gross NPL ratio of 3.3% compared to 2022. The gross NPL ratio is reflective of CIMB Thai Group's stringent credit risk underwriting, effective risk management policies, improvement in loan collection processes and the continued management of the Bank's NPLs.

CIMB Thai Group's loan loss coverage ratio as at 31 December 2023 stood at 124.2% from 114.6% at the end of December 2022. Total allowance for expected credit losses stood at THB 9.6 billion, THB 1.5 billion over the Bank of Thailand's reserve requirements.

Total consolidated capital funds as at 31 December 2023 stood at THB 59.2 billion. BIS ratio stood at 22.0%, 16.4% of which comprised Tier-1-capital.

Yours faithfully,



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