

(Translation)

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19 July 2024

Subject: CIMB Thai Group consolidated unaudited financial results for the six months ended 30 June 2024

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 2024. The key summaries are as follows:

For the six months ended 30 June 2024, CIMB Thai group recorded a consolidated net profit of THB 1,294.6 million, a year-on-year (“YoY”) decrease of THB 74.3 million or 5.4%. Profit before tax (“PBT”) decreased by THB 117.2 million or 6.8% YoY to THB 1,611.0 million. This was mainly from a 1.7% decline in operating income and 7.7% increase in operating expenses, partially offset by a 22.7% decline in expected credit loss (ECL).

On a YoY basis, CIMB Thai group’s consolidated operating income decreased by THB 118.4 million or 1.7% from 2023 to THB 7,038.3 million from lower net fee and service income of THB 28.3 million or 4.3% due to higher fee and service expenses, and a THB 139.7 million or 2.9% decline in net interest income as interest expenses growth exceeded interest income growth. Other operating income rose by THB 49.6 million or 3.1%, largely from net gains on financial instruments measured at fair value through profit or loss, partially offset by lower gains on sale of non-performing loans.

Operating expenses rose by THB 312.0 million or 7.7%, mainly from higher impairment loss on properties for sale and taxes and duties, partially offset by lower employee expenses. This resulted in a higher cost to income ratio of 62.0% in 6M2024 compared to 56.6% in 6M2023.

Net Interest Margin (NIM) over earning assets stood at 2.2% in 6M2024, compared to 2.7% in 6M2023, as a result of higher cost of funds.

As at 30 June 2024, total gross loans (inclusive of loans guaranteed by other banks and loans to financial institutions) stood at THB 251.4 billion, an increase of 2.6% from 31 December 2023. Deposits (inclusive of Bill of Exchanges, Debentures and selected Structured Deposit Products) stood at THB 316.1 billion, an increase of 1.8% from THB 310.4 billion as at end of December 2023. The Modified Loan to Deposit Ratio was higher at 79.5% compared to 78.9% as at 31 December 2023.

The gross NPL stood at THB 7.5 billion, with a lower equivalent gross NPL ratio of 2.9% compared to 3.3% as at 31 December 2023. The lower NPL ratio was mainly attributed to the sale of some NPLs in 2024, 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 30 June 2024 stood at 129.1% compared to 124.2% at the end of December 2023. Total allowance for expected credit losses stood at THB 9.1 billion, THB 1.5 billion over the Bank of Thailand's reserve requirements.

Total consolidated capital funds as at 30 June 2024 stood at THB 59.3 billion. The BIS ratio stood at 20.8%, of which 15.5% comprised Tier-1-capital.

Yours faithfully,



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