



Press release

CTBC Holding - Announcement for LHFG

TAIPEI, Taiwan, Mar. 31, 2021

We are pleased to announce that the boards of CTBC Financial Holding Co., Ltd. (CTBC Holding) and its subsidiary CTBC Bank Co., Ltd. today gave approval for the bank to acquire 2.33 billion shares (or 11% of the total shareholding) of Thailand's LH Financial Group Public Co., Ltd. (LHFG) for 4.2 billion Thai baht (NT\$3.9 billion). Upon the completion of the transaction, CTBC Bank's holding in LHFG will increase to 46.6% from its current 35.6%, making it the single largest shareholder. The transaction, which is still subject to regulatory approval in Taiwan and Thailand, will have a very limited impact on CTBC Bank's financial ratios.

Penetrating overseas markets remains one of CTBC Holding's key strategic focuses. Thailand is at the center of ASEAN and plays a critical role in the regional economy. CTBC Bank has observed that in addition to Taiwanese corporates, those from China and Japan have also been actively expanding their investments in Thailand in recent years. In addition, Thai regulators have recently eased regulations and promoted digital transformation in the financial sector, presenting opportunities for innovation-focused small- and medium-sized banks.

CTBC Bank is looking to closely cooperate with and gain support from LHFG's other major shareholder, Land and Houses Group, to achieve win-win outcomes by creating greater synergies and a stronger performance in the future. The bank will also further leverage its overseas platform to provide expanded financial services to Taiwanese and foreign corporates in Thailand as well as to help Thai corporates expand globally.

LHFG operates subsidiaries LH Bank, LH Securities, and LH Fund Management. As the main subsidiary, LH Bank is the 13th largest commercial bank in Thailand and has 108 branch outlets. CTBC Bank initially invested in LHFG in 2017, since which they have together developed the Thai market, providing superior financial services to Taiwanese and foreign corporates in Thailand. With an expanded stake in LHFG, CTBC Bank will be in an even better position to continue offering these services and to grow its Southeast Asian footprint moving forward.

About CTBC Holding

CTBC Holding (TPE: 2891) was established in 2002, having grown out of CTBC Bank, which has been helping build customers' personal wealth and Taiwan's economy since 1966. Headquartered in Taipei, its subsidiaries specialize in diverse services including banking, securities, insurance, venture capital and asset management.

With a global team of over 27,000 people, CTBC Holding operates 268 locations in 14 markets, including the U.S., Canada, Japan, China, Hong Kong, Singapore, India, Indonesia, Malaysia, Vietnam, Thailand, Myanmar, the Philippines and Australia. It is also a Taiwan industry leader in corporate and environmental sustainability, consistently being an early adopter of emerging international standards and best practices.