

## **EXIM Thailand Announces Success as “Thailand Development Bank” in the First 9 Months of 2021 with Greater Expansion of Loans to Support Industrial Sectors and SMEs Fighting COVID-19**

EXIM Thailand has moved forward with its role as Thailand Development Bank with greater expansion of loans for trade and investment. Its total outstanding loans amounted to 147,678 million baht in the first 9 months of 2021, contributing to a business turnover of 137,605 million baht, of which 50,058 million baht or more than 36% came from SMEs. Total outstanding loans to Thai investment project abroad, particularly CLMV, increased over 20%, resulting in the Bank’s pre-provision profit of 1,789 million baht and net profit of 822 million baht even amid the prevailing COVID-19 crisis. The Bank’s significant role and strong financial standing is evident from its credit ratings by Fitch Ratings (Thailand) which have been maintained at the highest level of “AAA(tha)/Stable” for national long-term rating and “F1+(tha)” for national short-term rating for 16 straight years.

Dr. Rak Vorrakitpokatorn, President of Export-Import Bank of Thailand (EXIM Thailand), revealed that in the first 9 months (January-September) of 2021, despite the ongoing implications of the COVID-19 pandemic, EXIM Thailand has still expanded its role in supporting Thai entrepreneurs financially and non-financially to a greater extent. **As of the end of September 2021, its total outstanding loans amounted to 147,678 million baht, a growth of 12,450 million baht or 9.21% from the end of 2020. Most of the outstanding loans were for project finance amounting to 110,806 million baht, reflecting EXIM Thailand’s role toward being Thailand Development Bank according to its policy. The remaining outstanding loans of 36,872 million baht were for trade finance.** The Bank’s loan approvals contributed to a business turnover of 137,605 million baht, of which 50,058 million baht or 36.38% came from SMEs.

As of the end of September 2021, **EXIM Thailand recorded a total accumulated loan approval amount of 102,296 million baht for international projects**, with outstanding loans accounting for 65,650 million baht, a 9,266 million baht or 16.43% growth from the end of 2020. Of this total outstanding loan amount, 47,947 million baht was to support entrepreneurs with export and investment in new frontier markets, including CLMV, constituting a growth of 8,193 million baht or 20.61% from the end of 2020. This has reflected EXIM Thailand’s commitment to encouraging Thai entrepreneurs to penetrate overseas markets, including CLMV particularly Vietnam which has high economic stability and growth under the COVID-19 situation.

Under the current circumstances where importers overseas are likely to delay payment or make payment default, **in the first 9 months of 2021, EXIM Thailand recorded 134,876 million baht in export credit and investment insurance business turnover**, up by 9,684 million baht or 7.74% year-on-year. The Bank has supported Thai entrepreneurs financially and non-financially with launches of relief schemes for affected clients on a consistent basis, covering reduction of interest rates, extension of loan repayment tenor and debt payment suspension, in conjunction with business information and knowledge development to uplift capabilities of entrepreneurs, particularly SMEs, through provision of advice and online training courses/seminars so that they can be adaptable to the current circumstances and continue their business operations. **As of the end of September 2021, EXIM Thailand financially and non-financially assisted around 10,800 entrepreneurs, accounting for more than 68,500 million baht.**

However, due to the prolonged COVID-19 pandemic, EXIM Thailand recorded NPL ratio of 3.71% as of the end of September 2021 with total NPL amount of 5,472 million baht. The Bank set aside allowance for expected credit loss of 12,925 million baht, which was a solid level and constituted an NPL coverage ratio of 236.19%. **In the first 9 months of 2021, the Bank thus posted a pre-provision profit of 1,789 million baht and turned around its net loss of over 1,340 million baht to a net profit of more than 822 million baht, up by 2,162 million baht from the end of 2020. The Bank's net profit is estimated at not less than 1,000 million baht at the end of 2021.**

EXIM Thailand's prominent role and its strong and stable financial position is evident from its credit ratings by Fitch Ratings (Thailand) Ltd., which has affirmed **national long-term rating for EXIM Thailand at the highest level of "AAA(thai)"** and **national short-term rating at "F1+(thai)" with a stable outlook for 16 consecutive years**, as well as **long-term foreign-currency issuer default rating at "BBB+" with a stable outlook for the Bank, which is consistent with Thailand's sovereign rating.**

EXIM Thailand will remain steadfast in assisting business sectors, particularly SMEs which are regarded as a key engine to drive Thai economy toward recovery and growth in a solid manner. It has strived to develop new financial and non-financial products and tools. One of them is **EXIM Biz Transformation Loan** which aims to finance entrepreneurs' investment for production efficiency enhancement or expansion of production capacity toward uplifting standards of export goods, with offering of lowest interest rate of 2% per annum, credit line of up to 100 million baht per entrepreneur and maximum loan repayment period of 7 years. Another one is **EXIM Credit for EEC and Industrial Estate Credit** which aims to support investment in the Eastern Economic Corridor (EEC), industrial estates, special economic zones, industrial parks and industrial zones of both the public and private sectors including business entities with promotion certificates from the Board of Investment (BOI), with lowest interest rates for **SMEs** at 3.25% per annum for long-term loan and 3.75% per annum for revolving credit, and lowest interest rates for **entrepreneurs in general** at 3.00% per annum for long-term loan and 3.50% per annum for revolving credit, with a maximum repayment period of 10 years.

"EXIM Thailand has vigorously worked out ways to turn the crisis around for the survival of business entities and all sectors in the society under our Dual-track Policy to integrate investment for industrial development into international trade and investment of Thai entrepreneurs. This would contribute to sustainable growth of Thai entrepreneurs of all sizes and all industrial sectors along the export supply chains of Thai goods and services in the global markets. We would also keep on developing our business and services and expanding our collaboration with relevant public and private entities to ensure that Thailand and all business sectors would be able to weather the ongoing crisis and forge ahead toward a bright future of the Next Normal context," added Dr. Rak.

November 1, 2021

Sustainable Development and Corporate Communication Department