

EXIM Thailand Announces 9M/2020 Operating Results
Aiming to Work alongside Thai Entrepreneurs for Business Recovery
amid COVID-19 Pandemic

Mr. Pisit Serewiwattana, President of Export-Import Bank of Thailand (EXIM Thailand), revealed that, in the first 9 months (January-September) of 2020, the Bank's total outstanding loans amounted to 129,771 million baht, a 20,027 million baht or 18.25% growth year-on-year, comprising 34,836 million baht in trade finance and 94,935 million baht in project finance. The Bank's loan approvals contributed to a business turnover of 116,353 million baht, of which 40,284 million baht or 34.62% came from SMEs.

In supporting Thai entrepreneurs' expansion of trade and investment abroad in the first 9 months of 2020, EXIM Thailand recorded a total accumulated loan approval amount of 94,835 million baht for international projects, with outstanding loans accounting for 55,483 million baht, a 12,717 million baht or 29.74% growth year-on-year. EXIM Thailand has focused on encouraging Thai entrepreneurs to export to and make investment in new frontiers, which also include CLMV (Cambodia, Lao PDR, Myanmar and Vietnam). As of the end of September 2020, total outstanding loans amounted to 39,990 million baht, a year-on-year increase of 5,308 million baht or 15.30%. This is in response to the government's policy and the Bank's operational targets under the Thailand team and by its representative offices in Yangon, Vientiane and Phnom Penh opened during 2017-2019 and in Vietnam which is now under preparation to open this year.

As regards EXIM Thailand's export credit and investment insurance facilities to enhance Thai exporters and investors' confidence in business start-up or expansion, particularly under the current circumstances where importers overseas are likely to delay payment or lack liquidity, in the first 9 months of 2020, the Bank recorded 125,192 million baht in export credit and investment insurance business turnover, up by 28,420 million baht or 29.37% year-on-year.

Meanwhile, with Thai economy signaling recovery from COVID-19 economic disruption, EXIM Thailand has continued its support for Thai entrepreneurs. The Bank has inquired all its clients about their needs and taken several measures to assist/revive their businesses, such as suspension of payment of principal and interest for 6 months for clients having both short-term and long-term credit lines with the Bank, relaxation of terms and conditions of export credit insurance facility, provision of short-term and long-term soft loans with a minimum interest rate of 2% per annum for use as working capital in businesses related to export and investment and affected either directly or indirectly by the virus spreading, modification of machinery and equipment, extension or renovation of factories, or labor retention or employment. The Bank has also provided financial tools for management of international trade risks through assessment of risks associated with

foreign buyers/buyers' banks so that Thai entrepreneurs have information available for their decision in trading with foreign buyers and offering of export credit insurance facility to hedge risks of foreign buyers' non-payment for goods. Moreover, the Bank has made available relevant knowledge and information to boost entrepreneurs' competitiveness by exploring new trade opportunities in new frontiers for Thai entrepreneurs so that they adjust their businesses to accommodate such opportunities, and has also promoted e-commerce by providing entrepreneurs with advice and inviting them to training courses as well as online seminars. As of the end of September 2020, EXIM Thailand financially and non-financially assisted around 6,000 entrepreneurs, accounting for a total of 54,000 million baht. The clients with persisting problems in export or international investment can participate in the Bank's post COVID-19 business rehabilitation schemes to apply for loan restructuring that suits their business operation and request additional credit facilities until December 31, 2021.

Under the prevailing economic circumstances, the Bank recorded NPL ratio of 6.26% as of the end of September 2020 with total NPL amount of 8,120 million baht. If based on the new financial reporting standard (TFRS 9), the Bank's allowance for expected credit loss would be 13,565 million baht as of the end of September 2020, resulting in a strong NPL coverage ratio of 167.05%. EXIM Thailand's profit before expected credit loss and other reserves in the first 9 months of 2020 amounted to 1,758 million baht. However, due to higher allowance for expected credit loss in line with the current high-risk external economic situations, the Bank posted a net loss of 1,271 million baht.

"Considering the operating results in the first 9 months of 2020, EXIM Thailand posted pre-provisioning profit of more than 1,700 million baht, hence the Bank's strong and stable financial standing. However, in order to support, revive and rehabilitate the clients' businesses which will subsequently help drive the country's export and economy, we have to accelerate our offering of both financial and non-financial facilities to meet the clients' diverse requirements and set aside allowance for expected credit loss to cope with global economic uncertainties. This is in line with the Bank's role and establishment objective as a development bank well positioned to respond to the needs and expectations of all sectors. Our ultimate goal is to drive Thailand's international trade and investment strategies even in the backdrop of the prolonged COVID-19 crisis," added Mr. Pisit.

October 26, 2020

Sustainable Development and Corporate Communication Department