

EXIM Thailand Announces Q1/2020 Operating Results

Aiming to Expand Credit and Suspend Debt Payment for Entrepreneurs, Particularly SMEs, amid COVID-19 Pandemic

Mr. Pisit Serewiwattana, President of Export-Import Bank of Thailand (EXIM Thailand), revealed that, in the first quarter of 2020, despite the prevailing economic contraction, EXIM Thailand has remained steadfast in performing as the source on which Thai entrepreneurs can rely through provision of credit and insurance facilities which have been increasing consistently. EXIM Thailand's total outstanding loans amounted to 126,137 million baht, a 19,794 million baht or 18.61% year-on-year growth, comprising 37,028 million baht in trade finance and 89,109 million baht in investment finance. Of the total outstanding loans, 28,567 million baht went to SMEs. Business turnover stood at 46,759 million baht, of which 26,669 million baht or 57.04% came from SMEs.

EXIM Thailand President further said that the Bank's NPLs ratio as of the end of March 2020 stood at 4.86%, with NPLs amounting to 6,132 million baht. Allowance for doubtful accounts was 11,512 million baht, a 1,881 million baht increase from the corresponding period of the previous year. Of the total allowance, 8,103 million baht was minimum provisioning requirement by the Bank of Thailand, which represented a ratio of loan loss provision against the regulatory requirement of 142.06%, hence enabling the Bank to maintain a strong financial status.

As for support of Thai entrepreneurs' expansion of international trade and investment in 2020, EXIM Thailand has a total accumulated loan approval amount of 83,880 million baht, with outstanding loans accounting for 51,541 million baht. Of this amount, 34,242 million baht or a year-on-year growth of 4,870 million baht was outstanding loans for trade and investment projects in the CLMV (Cambodia, Lao PDR, Myanmar and Vietnam) which are still target countries for Thai entrepreneurs' business expansion even amid the economic slowdown.

EXIM Thailand is the only Thai financial institution that offers export credit and investment insurance facilities, which under the current economic stagnation around the world will increasingly help enhance confidence and competitive advantage in both existing and new frontier markets of Thai exporters as well as investors. In the first 3 months of 2020, the Bank recorded 36,690 million baht in export credit and investment insurance business turnover, up by 10,965 million baht or 42.62% year-on-year, and of which 1,356 million baht came from SMEs, representing 3.70% of the Bank's accumulated insurance business turnover.

From the above credit and insurance business performance as of the end of March 2020, although EXIM Thailand posted a net profit of 107 million baht, it was a 67.98% drop compared to 334 million baht net profit recorded in the first quarter of 2019, due to the Bank's reduction of minimum lending interest rates (prime rates) to support entrepreneurs. The Bank has also helped sustain Thai economy and assist the general public amid the current crisis by supporting business entities of all sizes in maintaining employment of more than 340,000 employees.

"In the first quarter of this year, EXIM Thailand has focused on assisting entrepreneurs affected by the economic disruption and spreading of COVID-19 through various measures and schemes. For example, we have contacted all our customers to ask if they need any assistance, suspended principal and interest payment for 6 months for customers exposed to direct and indirect impacts, and approved soft loans to boost business liquidity and promote retention of workforce of more than 3,600 business entities, about 10% of Thai SMEs exporters, amounting to 48,300 million baht in total credit lines. A phone-in clinic has also been opened to provide advice and organize online training programs free of charge for all sectors in the export supply chain so that they can continue their businesses and survive this hard time together," added Mr. Pisit.

May 13, 2020

Sustainable Development and Corporate Communication Department

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