

Krungsri makes progress on BOT soft loan scheme, providing soft loans worth 9.3 billion baht to assist more than 4,500 SMEs to overcome COVID-19 crisis

Bangkok (26 June 2020) – **Krungsri** (Bank of Ayudhya PCL) unveiled the latest progress in arranging soft loans for small and medium-sized enterprises (SMEs) affected by the outbreak of the 2019 coronavirus or COVID-19 through the soft loan scheme offered by the Bank of Thailand (BOT). So far, Krungsri has provided BOT soft loans worth 9.3 billion baht to more than 4,500 entrepreneurs to mitigate the impact of the COVID-19 crisis, reinforcing Krungsri's commitment to becoming a main bank for SMEs and helping customers to get through every difficult situation. The relief measure is in line with the result of recent SME survey, which showed they need support from financial institutions to help them move forward.

Mr. Sayam Prasitsirigul, Krungsri Head of SME Banking Group said, "The COVID-19 outbreak has greatly affected all sectors including SME entrepreneurs, which is the major sector that can generate employment in the Thai economic system. As Krungsri gives priority to the SME sector, we have consistently released financial relief measures to SME entrepreneurs, such as the extension of principal and interest payment, the interest rate reduction, and the soft loan scheme in the collaboration with Government Savings Bank (GSB). Furthermore, Krungsri also participates in the BOT's soft loan scheme to help those affected by the pandemic. The latest data showed that Krungsri has provided BOT soft loans worth 9.3 billion baht to more than 4,500 SME customers. The amount accounted for more than 10% of the credit line BOT offered through financial institutions. This is on top of the 8.8-billion-baht worth of loans under GSB soft loan scheme provided in April."

Krungsri's participation in the soft loan scheme is in accordance with the recent result of Krungsri SME survey on the impact of the COVID-19 on SME sector to update the situations faced by SMEs and truly understand their needs, which enables Krungsri to offer more comprehensive and appropriate measures. The survey showed that 70% of respondents expect that they will receive financial support from financial institutions, especially new credit line and soft loans.

According to the online survey of 297 SME entrepreneurs, some 89% of them have been affected by the outbreak, and most of them have experienced a decline in revenue by more than 40%, compared to the previous month. Meanwhile, 43% of them have no immediate plans to handle with the impact, while 26% are expanding their businesses into online channels, and 17% are undergoing cost reduction plans to cope with the crisis. In addition, the survey finds that 67% of them have already revised their business plans, which include internal improvement and new business model to focus more on online process, while 53% of them have deployed technology and digital marketing tools to improve sales, as well as expanded into e-commerce and online selling platforms.

“Apart from the BOT soft loan scheme, which is still open for application until the end of this year, Krungsri is still committed to enhancing our position as a main bank for SME customers by providing financial products and services to adapt to change in the New Normal. Among them include the adoption of digital technology to support more transactions via mobile banking and internet banking, and the trade credit insurance, which will help manage risks and increase marketing competitiveness. Additionally, Krungsri has launched proactive measures by arranging teams of relationship managers to contact customers and regularly update the situation with them every month, as well as offer appropriate financial services that suit for their needs.” Mr. Sayam added.

SME customers, who are interested in participating the BOT soft loan scheme, can contact their respective relationship managers or call 02 626 2626.

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About Krungsri

Krungsri (Bank of Ayudhya PCL and its group companies) is the fifth largest financial group in Thailand in terms of assets, loans, and deposits, and one of Thailand's five Domestic Systemically Important Banks (D-SIBs) with 75 years of history in the country. Krungsri is a strategic member of the Mitsubishi UFJ Financial Group (MUFG), Japan's largest financial group and one of the world's largest financial organizations. Krungsri provides a comprehensive range of banking, consumer finance, investment, asset management, and other financial products and services to individual consumers, SMEs, and large corporations through 688 branches (648 Banking Branches and 40 Auto Business Branches) and over 33,255 service outlets nationwide. The Krungsri Group is the largest card issuer in Thailand with 9.3 million credit cards, sales finance, and personal loan accounts in its portfolio; a

major automobile financing service provider (Krungsri Auto); one of the fastest growing asset management companies (Krungsri Asset Management); and a pioneer in microfinance (Ngern Tid Lor).

Krungsri is strongly committed to the highest level of integrity in conducting its business. All Krungsri Group companies have been awarded accreditation from the Private Sector Collective Action Coalition Against Corruption (CAC) in collaboration with industry peers and stakeholders on a zero tolerance approach to corruption.

About MUFG (Mitsubishi UFJ Financial Group, Inc.)

Mitsubishi UFJ Financial Group, Inc. (MUFG) is one of the world's leading financial groups. Headquartered in Tokyo with over 360 years of history, MUFG is a global network with over 3,000 offices in more than 50 markets. The Group has over 180,000 employees, and offers services including commercial banking, trust banking, securities, credit cards, consumer finance, asset management, and leasing. The Group aims to "be the world's most trusted financial group" through close collaboration among our operating companies and flexibly respond to all of the financial needs of our customers, serving society, and fostering shared and sustainable growth for a better world. MUFG's shares trade on the Tokyo, Nagoya, and New York stock exchanges. For more information, visit <https://www.mufig.jp/english>.

For further information, please contact:

Public Relations Department
Bank of Ayudhya PCL
Tel: 02 296 4023
Email: Krungsri.PR@krungsri.com