



Krungsri and MUFG enter into strategic alliance with Grab

Bangkok (March 9, 2020) – **Krungsri** (Bank of Ayudhya PCL and its business units) announced today that Krungsri Finnovate, Krungsri’s corporate venture capital arm, has completed its investment in Grab Holdings Inc. (“Grab”), the leading super app in Southeast Asia.

Mitsubishi UFJ Financial Group, Inc announced previously that it will invest up to US\$706 million in Grab through MUFG Bank, MUFG Innovation Partners and Krungsri Finnovate, to co-develop innovative financial products and services based on combined customer insights to better cater to the financial needs of Grab’s users, driver-partners and merchant-partners.

In Thailand, the partnership between Krungsri and Grab will help Krungsri tap into a new customer base in Thailand and also promote ‘sustainable banking’ through financial inclusion for populations among the new clients.

Specifically, the partnership will build on Grab Financial Group’s pilot lending services in Thailand and Krungsri’s extensive consumer lending expertise. Grab Financial Group and Krungsri will also co-develop new lending solutions for participants in Grab’s ecosystem, including driver-partners and GrabFood merchant-partners. Grab and Krungsri will leverage alternative data and AI technology to build credit scoring models, and provide innovative lending products to serve the underbanked population in Thailand.

Grab is the leading super app in Thailand and Southeast Asia, offering convenient and digital everyday services such as ride-hailing, food and package delivery, and digital payments, to millions of users each day.

Krungsri President and Chief Executive Officer, Mr. Seiichiro Akita said, “Grab is very well-known and has become an integral part of Thai people’s lifestyle. Being a strategic part of Grab’s ecosystem, this partnership will enable us to render our innovative products and services to Grab’s users, merchants and drivers, some of whom may be underbanked.”

“Linked to our ESG mandate, the partnership aims not only business outcomes, but also economic and social returns, including employment creation and income distribution, which ultimately will lead to a socio-economic development of the country.” Mr. Akita added.

Mr. Reuben Lai, Senior Managing Director, Grab Financial Group said, “We believe in the need for ecosystem partnerships to efficiently serve the underbanked in Thailand and across Southeast Asia. Together with Krungsri, we look forward to leveraging our deep customer insights with Krungsri’s expertise in banking to give micro-entrepreneurs and gig economy workers in Thailand access to micro loans and other financial services.”



Mr. Thakorn Piyapan, Chairman of Krungsri Consumer and Krungsri Head of Digital Banking and Innovation Division said, “Krungsri Finnovate joining MUFG Bank and MUFG Innovation Partners to enter into a capital and business alliance with Grab will certainly strengthen partnership synergy in Thailand. As Thailand’s largest provider of personal loan service, under this collaborative partnership, Krungsri will leverage on its strength as the industry leader in personal loan in the provision of innovative financial products and services. Through the co-development of alternative underwriting and credit scoring methods, such as behavioral data from both partners’ platforms, Krungsri and Grab will jointly underwrite loans to the entire Grab ecosystem, encompassing Grab Users, Grab Drivers, and GrabFood merchants.”

Mr. Worachat Luxkanalode, Country Head of Grab Financial Group (Thailand) said, “Access to basic financial services, such as lending is still out of reach for many micro-entrepreneurs and small businesses in Thailand. Grab Financial Group has started to pilot lending services for our driver-partners and GrabFood merchants, and our partnership with Krungsri on data innovation will accelerate our vision to support the daily financial needs of all Thais.”

Under “Think Digital First” and “Enhance Customers’ Experience” strategies, Krungsri has determined customers’ needs by collecting behavioral information from big data and through AI-powered analytics so that the Bank would be able to offer them appropriate financial solutions via digital platforms those are utilized daily by customers.

In aiming to contribute to the development of a sustainable society, Krungsri and MUFG have linked both environmental and social objectives to the UN Sustainable Development Goals (SDGs). Several business initiatives, including this partnership with Grab, have been launched to support sustainable growth of local communities through digital innovation and financial inclusion.

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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 690 branches (650 Banking Branches and 40 Auto Business Branches) and over 34,902 service outlets nationwide. The Krungsri Group is the largest card issuer in Thailand with 9.1 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 Krungsri Innovate

Krungsri Innovate Company Limited is a corporate venture capital (CVC) arm of Krungsri that aims to be a fully strategic investor supporting FinTech as well as other banking-related tech startups in Thailand and other countries in Southeast Asia to grow toward their set goals through three core activities: the Venture Builder and Accelerator Program, strategic partnership, and CVC investment, which are made possible through collaboration with Krungsri's related business units.

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 and with over 360 years of history, MUFG has a global network with over 2,700 locations in more than 50 countries. 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.mufg.jp/english>.

About Grab

Grab is the leading everyday super app in southeast Asia, providing everyday services that matter most to consumers. Today, the Grab app has been downloaded onto over 185 million mobile devices, giving users access to over 9 million drivers, merchants and agents. Grab offers the widest range of on-demand transport services in the region, in addition to food, package delivery, digital payments and financial services, across 339 cities in eight Southeast Asian countries. For more information, see: <http://www.grab.com>.

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