

Mitsubishi UFJ Financial Group, Inc. (MUFG)
MUFG Bank, Ltd.

MUFG to Acquire HC Consumer Finance Philippines and PT Home Credit Indonesia

Tokyo, November 24, 2022 --- MUFG and MUFG Bank today announced that they have decided to acquire 100.0% of the shares of HC Consumer Finance Philippines, Inc. (“HC Philippines”) and 85.0% of the shares of PT Home Credit Indonesia (“HC Indonesia”), both of which are subsidiaries of Home Credit B.V. (“HC”), for an acquisition cost of approximately EUR 596 million (equivalent to approximately JPY 87 billion), through MUFG Bank and its consolidated subsidiaries Bank of Ayudhya Public Company Limited (“Krungsri”, a commercial bank in the Kingdom of Thailand) and PT. Adira Dinamika Multi Finance (“ADMF”, a finance company in Indonesia). The acquisition is expected to be completed within 2023, subject to the receipt of approvals from the relevant regulatory authorities.

Coming from the Czech Republic, and headquartered in the Netherlands, HC is a consumer finance company engaged in consumer lending, primarily in POS loans^[1]. Customers are able to complete the process of loan application, execution, and collection seamlessly through the superior UI/UX^[2] of its app. HC also has advantages in conducting precise and fast credit screening through its utilization of both internal and external data and its distinct screening model.

HC Philippines and HC Indonesia especially have high brand recognition and customer satisfaction; having dominant market shares in terms of POS loans in both countries, their app has been downloaded 20 million times in the two countries, and they have a cumulative total of 13 million loan customers. Although MUFG already has a certain presence in the Philippines and Indonesia through investments in our equity method affiliate Security Bank Corporation and consolidated subsidiary PT Bank Danamon Indonesia Tbk, this acquisition represents a continued reinforcement and expansion of our retail business in both countries.

After the completion of the acquisition, Krungsri will hold 75% of the shares of HC Philippines and 75% of the shares of HC Indonesia, MUFG Bank will hold 25% of the shares of HC Philippines, and ADMF will hold 10% of shares of HC Indonesia.

MUFG and MUFG Bank aim to strengthen their business in Southeast Asia through the establishment of business platforms in the region in collaboration with partner banks in which MUFG bank has invested. In executing this strategy, we will continue striving to contribute to the growth of Southeast Asia.

[1] Point of sale loan. An installment loan provided at automobile and household appliance dealerships.

[2] User Interface/User Experience.

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About MUFG

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 approximately 2,400 locations in more than 50 countries. The Group has about 170,000 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 clients, 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 Krungsri

Krungsri is the fifth largest commercial bank in Thailand in terms of assets with 77 years of history. 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 626 domestic branches. The Krungsri Group is also the largest card issuer in Thailand. MUFG and MUFG Bank acquired Krungsri as a consolidated subsidiary in December 2013.

About ADMF

ADMF is a subsidiary of MUFG Bank's consolidated subsidiary PT Bank Danamon Indonesia Tbk ("Bank Danamon"), primarily engaging in the auto loan business. MUFG and MUFG Bank acquired Bank Danamon and ADMF as consolidated subsidiaries in April 2019.

About HC

Founded in 1997, HC is an international consumer finance provider with current operations in seven countries in Central and Eastern Europe and Asia. Coming from the Czech Republic, HC offers services including credit and ancillary insurance products. It drives and broadens financial inclusion and encourages economic development through supporting domestic consumption.

In its 25-year history, the Group has served over 140 million customers and has over 100 million registered app users.