



February 13th, 2020

ReNet Japan Group Inc.

(Tokyo Stock Exchange Mothers, ticker code 3556)

With the ambition of entering the online banking business in Cambodia

ReNet Japan Group and fintech venture Soramitsu agrees to establish a joint venture

Providing new financial services linked to Bakong, the National Bank of Cambodia's digital currency

ReNet Japan Group Inc. (headquarter: Nagoya City, Aichi Prefecture, Japan, Founder and CEO: Takeshi Kuroda, hereafter "ReNet") has entered into MOU with Soramitsu Holdings AG (headquarter: Zug, Switzerland, CEO: Makoto Takemiya, hereafter "Soramitsu") a venture company that develops fintech and blockchain technology including the development of the National Bank of Cambodia's digital currency "Bakong". A joint venture will be founded in Cambodia with the aim of entering the online banking business. The joint venture is planned to be established in April this year, with 80% shares owned by ReNet and 20% by Soramitsu.

■Digital currency developments in Cambodia

Interest and activities surrounding digital currency has heated up globally, with the People's Bank of China considering a digital RMB and Facebook leading the digital currency, Libra. While these developments are taking place, the National Bank of Cambodia has become the pioneer to develop a digital currency banking system called Bakong utilizing blockchain technology. Bakong was released on a trial basis in July 2019 and is planned to officially launch early this year.

According to the data of the World Bank, only about 20% of the population over 15 years of age in Cambodia own bank accounts while, based on ReNet's research, the nation's penetration rate of smart phones is approximately 127%. This signifies that Cambodia has a good environment for access to digital financial services.

Through the dissemination of Cambodia's digital currency, we can look forward to more people gaining opportunities to access financial services, in particular, those living in rural areas, contributing to achieving Financial Inclusion.

■Background of establishing the joint venture

ReNet has been operating its fully owned subsidiary in Cambodia, Chamroeun Microfinance Plc., a micro finance company mainly providing financing to people in rural areas. ReNet entered into partnership with Soramitsu with the vision of entering the online banking business, initially through big data business based on Bakong. The partnership will also promote financial inclusion in rural areas and beyond.

■Outline of the joint venture initiatives

Utilizing Bakong settlement information as well as ReNet's big data from its microfinance business, used car leasing and other businesses, the joint venture will begin with the development of new credit scoring model etc. through data aggregation and analysis. Moreover, a collaborative development of a cutting-edge core banking system that is set up based on a completely new design concept to conventional models, with blockchain technology at its foundation, is being considered with Soramitsu's subsidiary in Singapore of which ReNet is considering in investing. Such system will be provided to banks in Cambodia as well as other ASEAN countries. Once these developments are in place, ReNet group aims to enter the online banking business from spring 2021.

Through the establishment of the joint venture, ReNet and ReNet group companies together will become a group company that is capable of providing the world's most advanced fintech services in Cambodia, with the potential of making substantial contributions to the economic development of the nation.

■ReNet's business overview in Cambodia

Currently, ReNet's operations in Cambodia include, used vehicle sales (ReNet Japan Cambodia Co., Ltd.), vehicle leasing (Mobility Finance Cambodia Plc.), microfinance (Chamroeun Microfinance Plc.), micro insurance (Prévoir(Kampuchea)Micro Life Insurance Plc.) and education and dispatch which trains technical interns such as automobile mechanics to be employed in Japan (Metrey HR Co., Ltd.). In total, ReNet employees exceed 400 with its operations in Cambodia alone.

■ReNet Company Overview

《Company name》	ReNet Japan Group Inc. (Listed on the Tokyo Stock Exchange Mothers, ticker code: 3556)
《Place》	Global Gate 26F 4-chome 60-12, Hiraike-cho, Nakamura-ku. Nagoya, Aichi, 453-6126. Japan
《Established》	July 27 th 2000
《Representative》	Founder and CEO, Takeshi Kuroda
《Capital》	JPY 1,315,970,000 (as of December 31 st 2019)
《Employees》	488 (including part timers, as of December 31 st 2019)
《Business activities》	
	<Overseas business centered in Cambodia> Microfinance, Micro insurance, Automobile sales and leasing, Education and dispatch - training technical interns in Cambodia, Indonesia and Myanmar for employment in Japan
	<Home Appliance Recycling Business> Collecting used home appliances from households as the officially certified company by the Ministries of Environment and Economy, Trade and Industry of Japan Job creation for the intellectually disabled persons

<Re-Use Business>

Operating one of Japan's largest online used bookstores, utilizing the Toyota Production method
Purchasing and selling books, games, figures, luxury brand items

《URL》 <https://corp.renet.jp/>

■Soramitsu Company Overview

《Company name》 Soramitsu Holdings AG

《Place》 c/o Wadsack Zug AG, Hahnhofstrasse 7, 6300 Zug, Switzerland

《Established》 July 24th 2019

《Representative》 CEO, Makoto Takemiya

《Capital》 100,000 CHF (Swiss franc)

《Employees》 60 (Soramitsu Group total)

《Business activities》

Blockchain "Hyper Ledger Iroha" technology development

Utilization of blockchain technology for industrial innovation, solving social issues

Development of systems including the digital currency settlement of the National Bank of Cambodia,
the securities depository center of the National Settlement Repository of Moscow Exchange Group and

"Know Your Customer" for Bank Central Asia of Indonesia

《URL》 <http://soramitsu.co.jp>

To members of the Press, for more information please contact the following:

ReNet Japan Group: Nishihashi (Mr) and Sato(Mr)

TEL : 052-589-2292 / FAX : 052-589-2294 / E-mail : press@renet.jp