

Press Release

Home Credit Group B.V. and MONETA Money Bank are in preliminary discussions to build a leading retail bank in the Czech Republic.

Home Credit Group has entered into non-binding Memorandum regarding a transaction which would combine Air Bank, Home Credit's Czech and Slovak businesses with Moneta.

Amsterdam, 8 October 2018 - Home Credit Group B.V. ("Home Credit Group"), part of PPF Group, and MONETA Money Bank, a.s. ("Moneta") today announced their non-binding and preliminary agreement to a transaction that would lead to the combining of Air Bank, the Czech and Slovak business of Home Credit, and Moneta into a single bank ("new business"). The new business with two million customers would rank amongst leading Czech retail banks. Home Credit Group would become its significant shareholder with a share of 24.48%.

The new business will maintain the Air Bank brand to compete against traditional banks, demonstrating its challenger mindset and a truly customer-centric culture. It would serve a customer base combining the one million Moneta customers with 637,000 Air Bank customers and 469,000 belonging to Home Credit. Its 237 branches would give it the third-most extensive branch network in the Czech Republic, supplemented by 1,005 ATMs. Its partnerships with national retailers would enlarge distribution by additional 2,961 retail outlets.

The strategic objective of the intended transaction is to unite successful Air Bank's brand and its disruptive corporate culture, which is oriented towards providing an excellent customer experience, with Moneta's abilities to leverage its extensive branch network to proactively market their services. The new business will benefit from the blending of a strong grounding in the digital space and further develop the leading positions of the involved parties in internet and mobile banking. The new business will serve a broad spectrum of age and income groups among retail customers – from households and sole traders to affluent individuals and small enterprises.

The transaction is further expected to deliver savings of around 10% of the total operational and investment costs of the parties involved.

The value of the intended transaction is CZK 19.75 billion. The terms of the transaction stipulate that as a first stage, Moneta will gain a 100% share in Air Bank and in the Czech and Slovak businesses of Home Credit. Subsequently, Home Credit Group will subscribe 165.6 million newly-issued shares in Moneta, valued at CZK 13 billion. Thus, Home Credit Group will acquire a share of 24.48% in the new business and become its significant shareholder as a result. Additionally, as part of the transaction, Moneta will pay Home Credit Group a cash consideration of CZK 6.75 billion.

The transaction is expected to close on 1 July 2019 and is subject to the satisfactory findings of due diligence, which the parties will carry out, and to the approval of the relevant regulatory authorities.

Jiří Šmejc, Executive Chairman of Home Credit Group, said: *"From the very start, we built Air Bank with the goal of shaking up the Czech banking sector. Combining Air Bank with Moneta, a business which I personally have great respect for, will further increase our ability to disrupt and bring outstanding value to our customers, employees and shareholders. The merger has enormous potential and I am convinced that together we will succeed in reaching it."*

Tomáš Spurný, Chief Executive Officer and Chairman of the Management Board of MONETA said: *"The combination of these three highly complementary businesses will lead to creation of a leading Czech retail bank and the second largest consumer lender in the Czech Republic. It will allow us to rapidly reinforce our position on the market vis-à-vis our competitors, and it will make us better able to serve our customer base and increase our growth rate and returns for our shareholders."*

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NOTES TO EDITORS

Home Credit B.V. ('HCBV' or 'the Group') is an international consumer finance provider with operations in 10 countries where there is high potential to grow. Founded in 1997, we focus on responsible lending primarily to people with little or no credit history. Our services are simple, easy and fast. We operate in highly attractive markets with significant barriers to entry. We are a leading provider of consumer finance in selected countries. It is our experience and knowledge across the different markets that sustainably puts us ahead of our competitors. We drive and broaden financial inclusion for the unbanked population by providing a positive and safe borrowing experience – the first for many of our customers. We promote higher living standards and meet borrowers' financial needs. Our 131 thousand employees have so far served over 106 million customers through a vast distribution network comprising 429,635 points of sale, loan offices, branches and post offices. HCBV's total consolidated assets reached EUR 21.7 million as at 30 June 2018. *More information on HCBV is available at www.homecredit.net.*

The Home Credit Group B.V. is an 88.62% subsidiary of PPF Financial Holdings B.V.

PPF Financial Holdings is a 100% subsidiary of PPF Group N.V. ("PPF"). PPF invests into multiple market segments such as banking and financial services, telecommunications, insurance, real estate, metal mining, agriculture, retail and biotechnology. PPF's reach spans from Europe to Russia, the USA and across Asia. PPF owns assets of EUR 38 billion (as at 31 December 2017). *More information on PPF is available at www.ppf.eu.*

A minority stake (11.38%) of Home Credit Group B.V. is held by **EMMA OMEGA LTD**, an investment holding company ultimately owned by Mr. Jiří Šmejč. *More information on Emma Capital is available at www.emmacapital.cz.*