



MNC Kapital and Bank Rakyat Partnering to Enhance Banking Transaction Services for Indonesian Migrant Workers

Jakarta, October 21, 2023 – Today, PT MNC Kapital Indonesia Tbk (IDX: BCAP) and Bank Kerjasama Rakyat Malaysia Berhad (Bank Rakyat) have agreed on a significant collaboration to provide Islamic financing facilities as well as banking and remittance services to Indonesian Migrant Workers (IMW) in Malaysia.



The Memorandum of Understanding was signed by the President Director of PT MNC Kapital Indonesia Tbk, Yudi Hamka and Chief Executive Officer of Bank Rakyat, Dato' Dr. Mohammad Hanis Osman, witnessed by Minister of Entrepreneur Development and Cooperatives of Malaysia, Datuk Ewon Benedick; Minister of Cooperatives and SMEs of the Republic of Indonesia, Drs. Teten Masduki; Acting Chairman of Bank Rakyat, Datuk Mohd Irwan Mohd Mubarak together with Executive Chairman of MNC Group, Hary Tanoesoedibjo; in the presence of Ambassador of Malaysia to the Republic of Indonesia, His Excellency Dato' Syed Mohamad Hasrin Tengku Hussin.

This collaboration establishes banking and remittance services for IMW to obtain sharia financing before going abroad, as capital for administration procedures before departure, and to provide funds for the family back at home country. Bank Rakyat will act as a banking services partner for IMW in Malaysia to perform automatic deduction from the salaries received while working in Malaysia, directly to MotionBank accounts, the digital banking application owned by MNC Kapital.

This partnership also facilitates cross-border transfers and various online transaction facilities for the convenience of IMW and their families in the home country. Furthermore, this service can be used by IMW to make claims for Employment Social Security.

- **Datuk Ewon Benedick:**

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The strategic collaboration between these two countries coincides with the agenda at the ASEAN level (ASEAN Madani) through the concept of Malaysia Madani initiated by Malaysia's Prime Minister, Yang Amat Berhormat Dato' Seri Anwar Ibrahim, specifically in terms of (1) Establishing strategic arrangements; (2) Facilitating the movement of human capital; and (3) Supporting the growth of Malaysian businesses in regional markets. This collaboration is indirectly able to have a positive impact in (1) Ensuring that IMW enters Malaysia legally in accordance to laws of both countries; (2) Safeguarding the security and protection of IMW's rights with regard to banking services while in Malaysia; (3) Increasing the supply of IMW, especially in the construction sector, which is anticipated to support Malaysia's economic growth; and (4) Strengthening bilateral relations between the two countries.

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- **Datuk Mohd Irwan Mohd Mubarak:**

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Through this partnership, Bank Rakyat is providing the savings account opening service as a platform for salary payments as well as allowing IMW to take advantage of digital and cross-border banking facilities such as payments and fund transfers or remittances to their families in homeland effortlessly and swiftly. Additionally, the prospective IMW who obtained sharia financing from MNC Kapital will be able to access Bank Rakyat's banking services while in Malaysia. For this initiative, IMW may make repayment of financing by automatic deduction through their savings account with Bank Rakyat .

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- **Dato' Dr. Mohammad Hanis Osman:**

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The Bank will also look at opportunities for digital banking cooperation with MotionBank to further bolster Bank Rakyat's efforts in strengthening digital banking offers to customers in both countries moving forward.

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- **Hary Tanoesoedibjo:**

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We are very enthusiastic about the strategic partnership with Bank Rakyat. Besides strengthening the ties between Indonesia and Malaysia in providing the best services to IMW, this collaboration also marks a pivotal moment for MNC Group as we expand our business internationally. I believe that MNC Kapital's expertise in digital financial services will bring significant value to Bank Rakyat and vice versa. It is not limited to banking services but also opening up financing options for potential IMW before their departure. This is crucial because many prospective workers fail to migrate due to financial constraints for training, passport issuance, medical check-ups, tickets, etc. Today marks the beginning of both parties' goodwill to build robust digital financial infrastructure for Indonesia and Malaysia.

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- **Yudi Hamka:**

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The collaboration between MNC Kapital and Bank Rakyat will support IMW's financial activities. According to data from the Indonesian Migrant Worker Protection Agency in June 2023, nearly 136 thousand workers have been deployed this year, with more than 38 thousand workers placed in Malaysia. Apart from achieving growth in user acquisition and transaction volume, it is an honor for MNC Kapital to play a part in enhancing their banking and funding experience through various Motion brand solutions, including MotionBank, to serve as end-to-end financial solutions for these foreign exchange heroes.

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- ▶ **About PT MNC Kapital Indonesia Tbk**

MNC Kapital was founded in 1999 and conducted its initial public offering in 2001 under the stock code BCAP. MNC Kapital provides comprehensive financial services, including banking, financing, securities, insurance, asset management, financial technology, and payment gateway.

MNC Kapital focuses on accelerating its business development by enhancing synergy and integration within the MNC Group ecosystem, expanding partnerships with third parties.

MNC Kapital consolidates transaction-based financial services under its newly formed subsidiary, PT Motion Digital Technology (Motion Digital), which includes MNC Bank with the MotionBank application, MNC Sekuritas with the MotionTrade application, MNC Teknologi Nusantara with the MotionPay application, and the Flash Mobile payment gateway. Additionally, MNC Kapital continues to accelerate various digital innovations under the "Motion" brand, including digital financing and insurance applications, towards becoming the most integrated digital financial service provider in Indonesia.

► About Bank Kerjasama Rakyat Malaysia Berhad

Bank Rakyat was established on 28 September 1954 under the Cooperative Ordinance 1948 (known as the Cooperative Societies Act 1993). Today, Bank Rakyat is the biggest Islamic cooperative bank in Malaysia with assets totalling RM117.33 billion as of the end of December 2022.

As an agency of the Ministry of Entrepreneur Development and Cooperatives (KUSKOP), we are committed to supporting the mission of the Ministry to consolidate the cooperative sector as the mainstay of economic growth of the nation via all the efforts and steps that we have arranged.

To date, we have 148 branches with more than 989 automated teller machines (ATMs) and cash deposit machines (CDM) as well as 127 Ar-Rahnu X'Change nationwide. Bank Rakyat also operates a Contact Centre that can be reached at 1-300-80-5454 and iRakyat internet banking at www.irakyat.com.my.

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