

Mitsubishi UFJ Financial Group, Inc. (MUFG)
MUFG Bank, Ltd.
Liquidity Capital M.C. Ltd.

MUFG and Liquidity Group to Establish New Equity Fund and Expand Debt Funds

Tokyo/Singapore, September 29, 2023 --- MUFG's consolidated subsidiary MUFG Bank and Liquidity Capital M.C. Ltd. (Liquidity Capital), an Israeli fintech company, announced today they will establish a new equity fund, the Mars Equity Dragon Fund, which will principally target middle and late stage startups mainly in Asia and Europe.

MUFG Bank and Liquidity Capital have also decided to increase their commitment amount to the debt funds under Mars Growth Capital Pte. Ltd. (Mars Growth Capital), a joint venture between the Bank and Liquidity Capital, from USD 750 million to USD 1 billion.

1. About the Mars Equity Dragon Fund

In recent years, investment in technology companies and other startups, together with the number of 'unicorns,' has been on the rise, in line with the new way of life that has spread due to the COVID-19 pandemic and the ample market liquidity driven by global monetary easing policies. Although changes in global financial markets have accelerated due to rising interest rates, particularly in the United States, the technology companies that support the expansion of online services remain the focus of attention, and the trend of growth among startups utilizing digital technologies is expected to continue.

MUFG Bank and Liquidity Capital utilize MUFG's global network and lending expertise and Liquidity Capital's AI technology to provide loans to foreign startups. With the newly established Mars Equity Dragon Fund, MUFG Bank and Liquidity Capital will build a system that can respond more flexibly to the funding needs of startups, while utilizing the AI model that we have cultivated through previous debt funds.

Overview of Mars Equity Dragon Fund

Fund name	Mars Equity Dragon Fund 1, LP (tentative name)
Place of establishment	Singapore
Expected date of establishment	First close: September 2023 Final close: Within FY2024 (tentative schedule)
Amount of the fund	Maximum USD 500 million commitment from MUFG Bank (Expect to increase with additional LP investor's commitment)
General partners (GP)	Mars Equity 1 GP Pte. Ltd.
Limited partners (LP)	MUFG Bank, Ltd., etc. (Outside investors will be invited)
Investment criteria	Mainly middle and late stage startups

2. About the increase of debt funds under Mars Growth Capital

Since its inception in 2021, Mars Growth Capital has received inquiries about loans from a number of startups and as of August 31, 2023 has entered into loan agreements with 40 companies. In light of the market environment and strong demand, Mars Growth Capital has recently decided to increase the total investment commitment of each of the following funds.

Overview of the debt funds under Mars Growth Capital

Fund name	Mars Growth Capital Fund 1, LP	Mars Growth Capital Pre-Unicorn Fund, LP	Mars Growth Capital Europe Fund ^[3] (tentative name)
Investment criteria	Startups mainly in Asia	Pre-unicorns and unicorns mainly in Asia	Startups in Europe
Amount of the fund	Total USD 1 billion (previously USD 750 million)		

Through the establishment of new equity fund and expansion of its funds, Mars Growth Capital will provide further support for the growth of startups in Asia and Europe, and MUFG Group will continue to seek to supply a wide range of financial services as one entity, including support for IPOs through MUFG's alliance with Morgan Stanley and considering to increase the business through invitation of outside partners.

[1] For details on Mars Growth Capital, please refer to the following website:

[Mars Growth Capital Pte. Ltd.](#)

[2] For details on the debt funds under Mars Growth Capital, please refer to the following press releases:

[Mars Growth Capital Fund 1, LP](#)

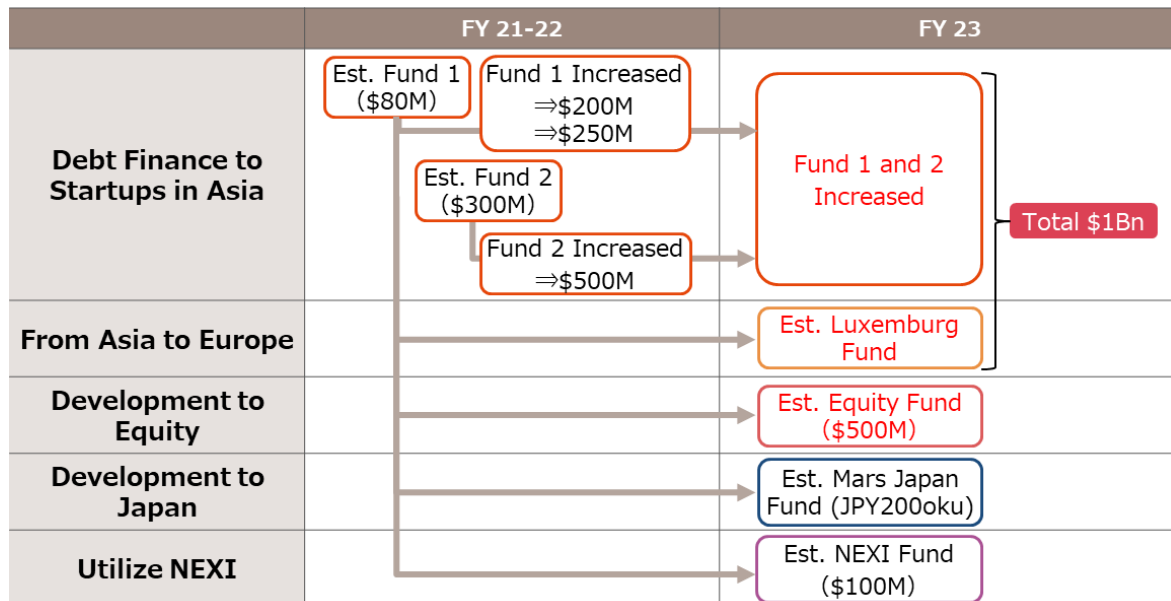
[Mars Growth Capital Pre-Unicorn Fund, LP](#)

[Mars Growth Capital Europe Fund \(tentative name\)](#)

[3] Up to 1/3 of the total assets under management of Mars Growth Capital.

- End -

History of Mars business



※Fund 1 : Mars Growth Capital Fund 1, LP

Fund 2 : Mars Growth Capital Pre-Unicorn Fund, LP

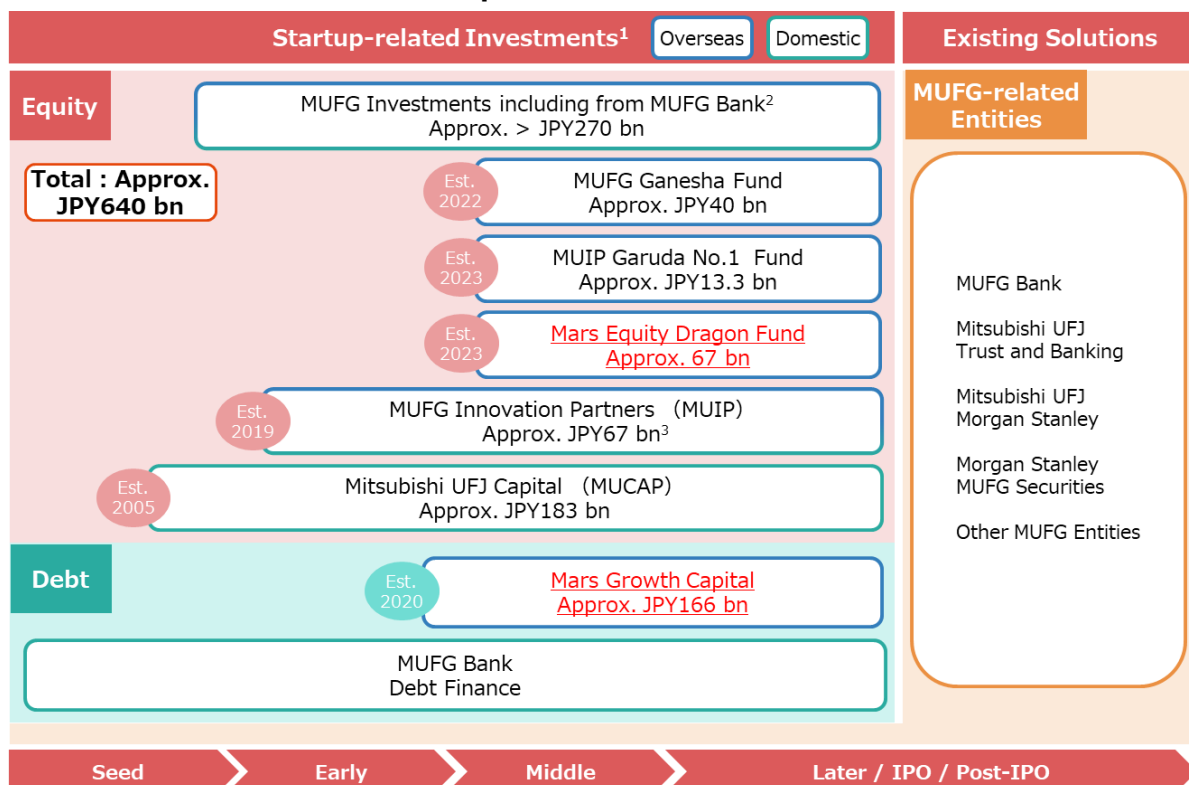
Luxemburg Fund : Mars Growth Capital Europe Fund (tentative name)

Equity Fund : Mars Equity Dragon Fund 1, LP (tentative name)

Mars Japan Fund : Mars Growth Capital Japan Unicorn Limited Partnership (tentative name)

NEXI Fund : Mars Growth Capital SPC Pte. Ltd. (tentative name)

MUFG's Main Initiatives for Startup-related Investments



※1 The fund value reflects the entity's total investment capacity, which includes both invested and to be invested value.

※2 Total amount of direct investment to individual companies etc.

※3 This fund includes the USD50mn "MUFG Innovation Partners FoF Investment Limited Partnership", which aims to invest in funds in the US and Israel.

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 2,000 locations in more than 50 countries. The Group has about 160,000 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 Liquidity Group

Founded in 2018, Liquidity Group is a pioneering technology firm that has become one of the industry's fastest-growing lenders to middle to late stage startups by automating the entire debt finance process. The firm's patented machine learning and decision science technology enabled the firm to deploy capital fast enough to meet clients' needs. Backed by top financial institutions, including Apollo and MUFG, Liquidity Group provides growth capital through funds focused on the U.S., Asia-Pacific, Europe, and the Middle East. Liquidity Group's affiliate fund, Singapore-based Mars Growth Capital, and its partner, MUFG, jointly handle the company's activities. For more information please visit www.liquidity-capital.com.