

Global Business of Credit Saison

12th December 2022
Credit Saison Co., Ltd.



Agenda



Business summary

1. Key concept of our global business
2. About overseas' group companies
3. Two core businesses

Medium-term Management Plan and Financial Results of First Half in FY2022

1. Financial Results of First Half in FY2022
2. Strategies for Medium-term Management Plan
 - Breakthrough of India's business
 - Growth of Saison Capital
 - Enhancement the corporate functions in Singapore

Business strategy for the next

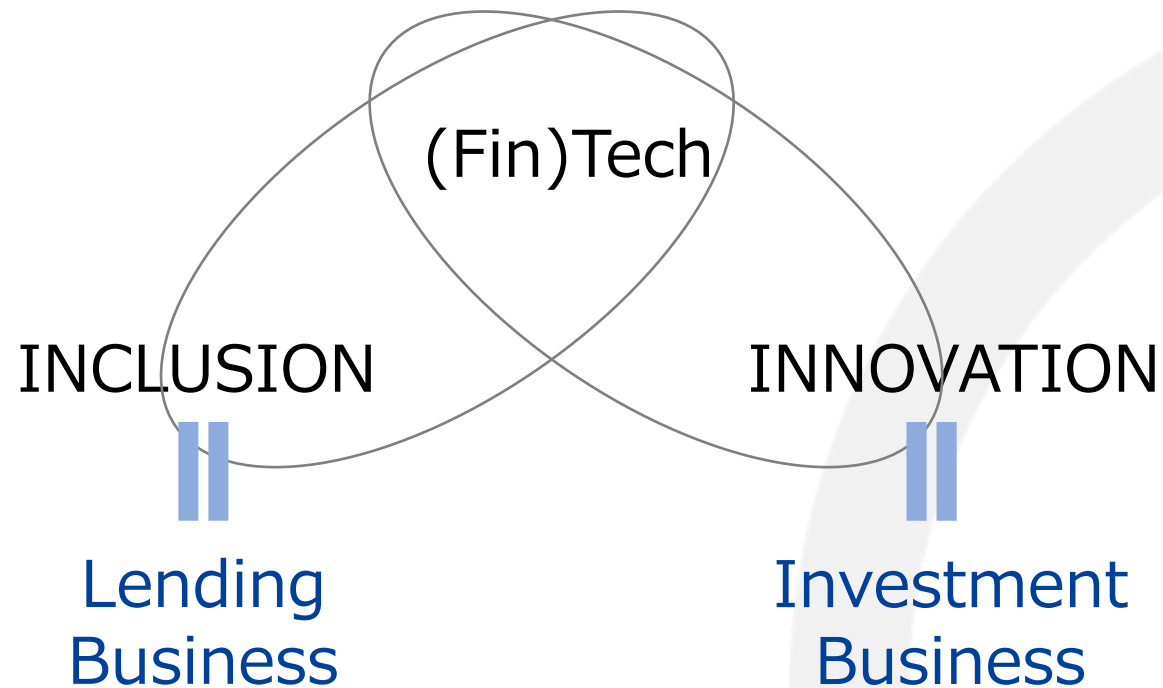
1. Seeding for the next
2. Expansion of Lending Business
3. Contribution to sustainable development

Key concept of our global business



- ✓ Having an alliance with Fintechs, which makes us drive two core businesses
- ✓ Our two key concepts are “Inclusion”, achieved by lending business, and “Innovation” through investment business, offers cutting-edged opportunities to us

(Fin)Tech-led INCLUSION and INNOVATION

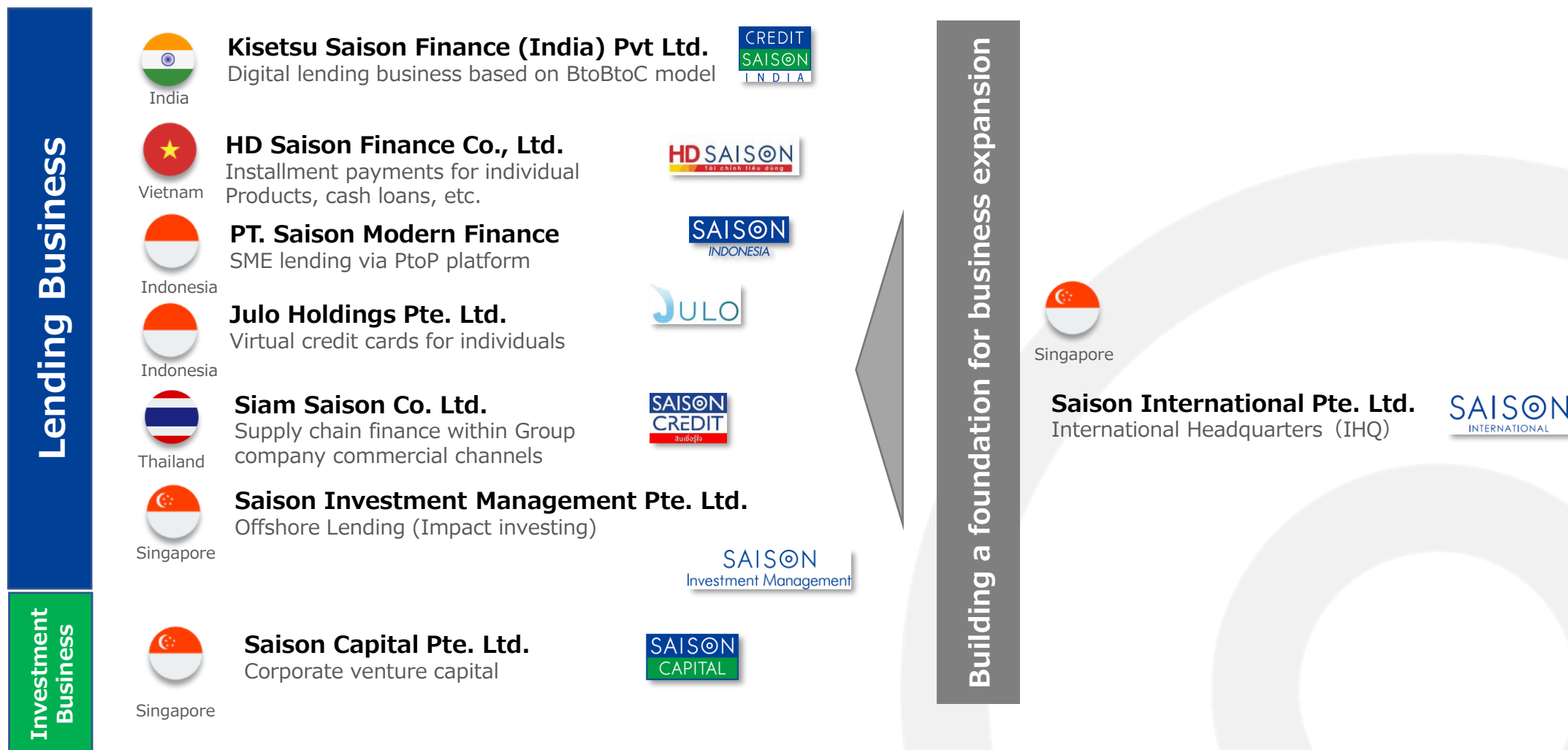


Overseas' group companies



- ✓ Accelerate the development and expansion of our core businesses in Asia through 5 operating companies in India and Southeast Asia
- ✓ Newly launched an International headquarter in Singapore to make our global business competitive

*Renamed from Credit Saison Asia Pacific Pte. Ltd.



Two core businesses (Lending & Investment)

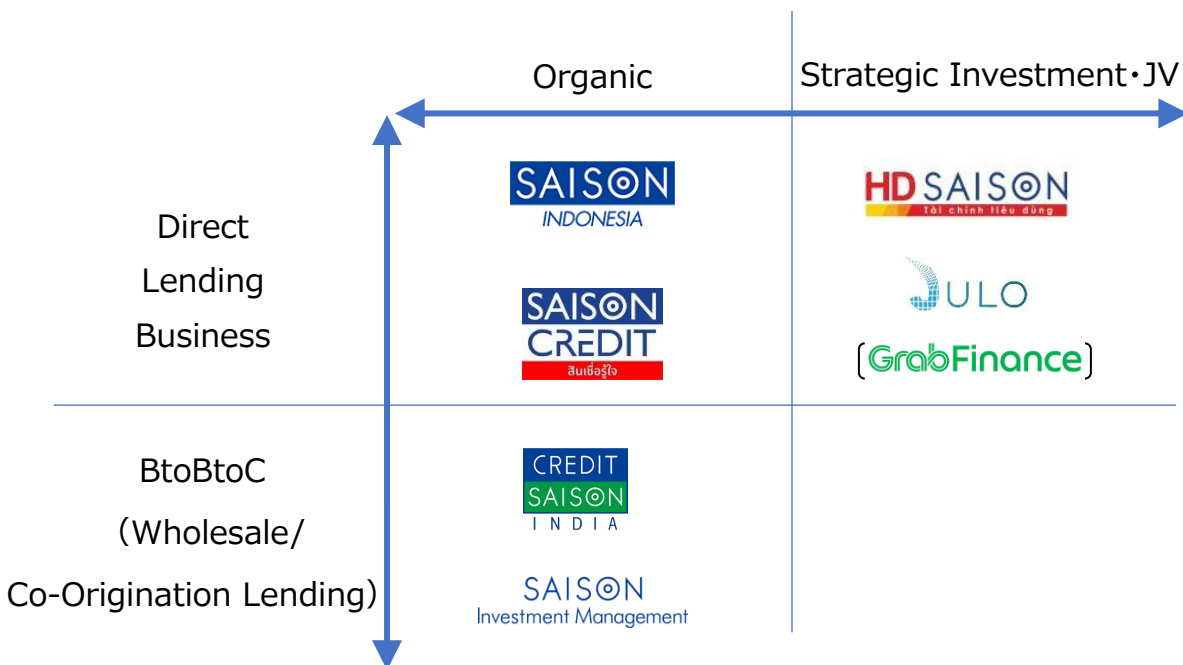


- ✓ Select the right entry mode strategically and flexibly according to country regulations and business scheme
- ✓ Decide an appropriate investment approach and body in order to achieve the purpose

Lending Business

- ✓ Succeed in developing an organic BtoBtoC model in India, a huge fintech market

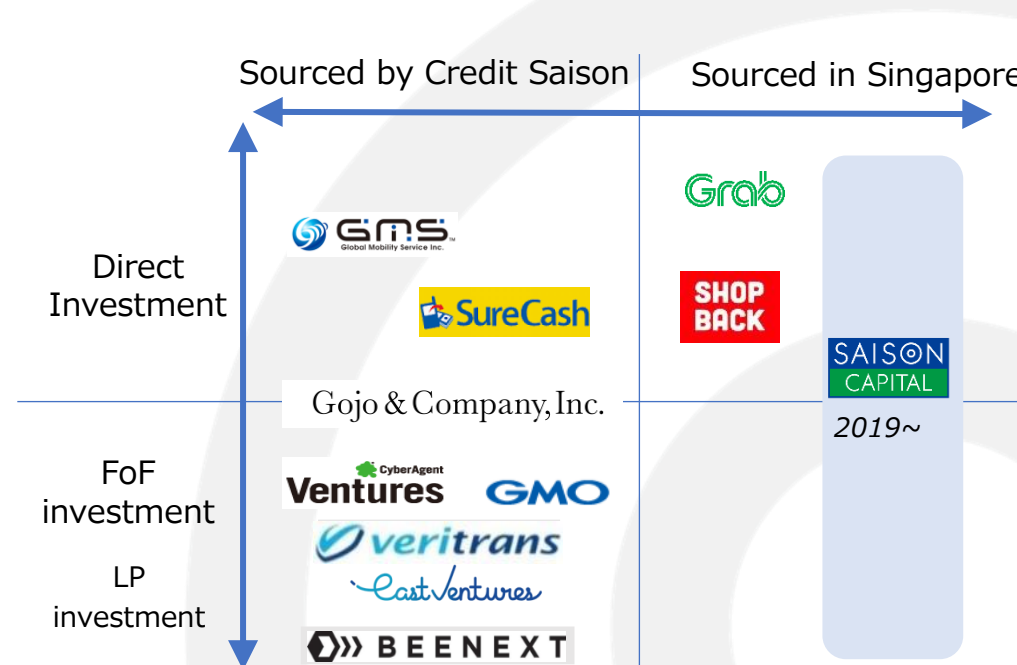
《Positioning map by strategy and entry method》



Investment Business

- ✓ Earn returns and tap into new markets centering on direct / FoF investments by Saison Capital

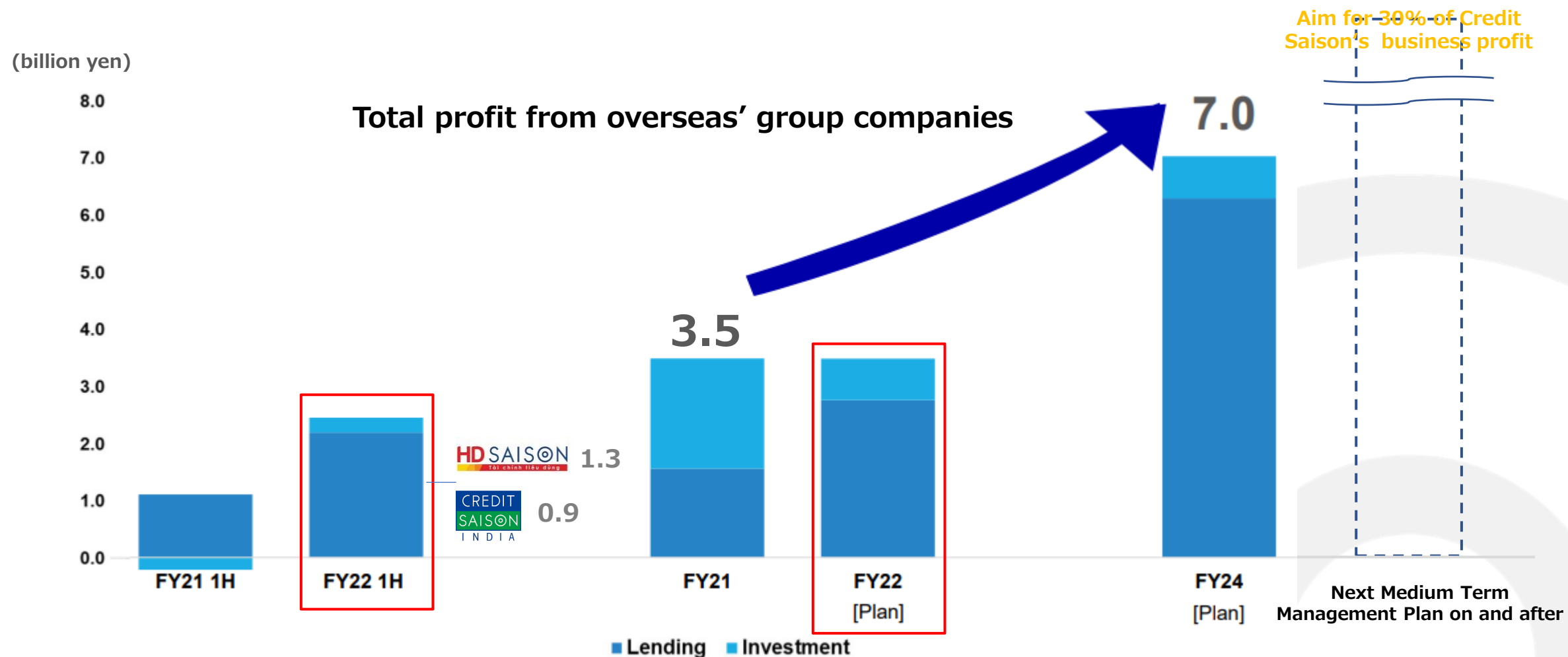
《Positioning map by investment style and sourcing》



1. Financial Results of First Half in FY2022



- ✓ Steadily progress in First Half in FY2022 mainly driven by strong business growth in India and Vietnam
- ✓ Grow our global business to become “third pillar” of the company on a profit basis in the future



Strategies for the Medium-term Management Plan



1. Grow the **global lending business** into a core business of the Group
2. Create the **next core business** through the **global investment business**
3. Promote the **IHQ framework** that supports the above

1. Grow the global lending business into a core business of the Group



Breakthrough of India's business



**Kisetsu Saison Finance (India)
Private Limited "Saison India"**

- Established 2018
- Shareholders Credit Saison 85%
Saison International 15%
- Located Bangalore
- Representative Presha Paragash (CEO)
- Number of Employees 450
- Business Digital lending business
mainly alliance with fintechs
- History

Vision

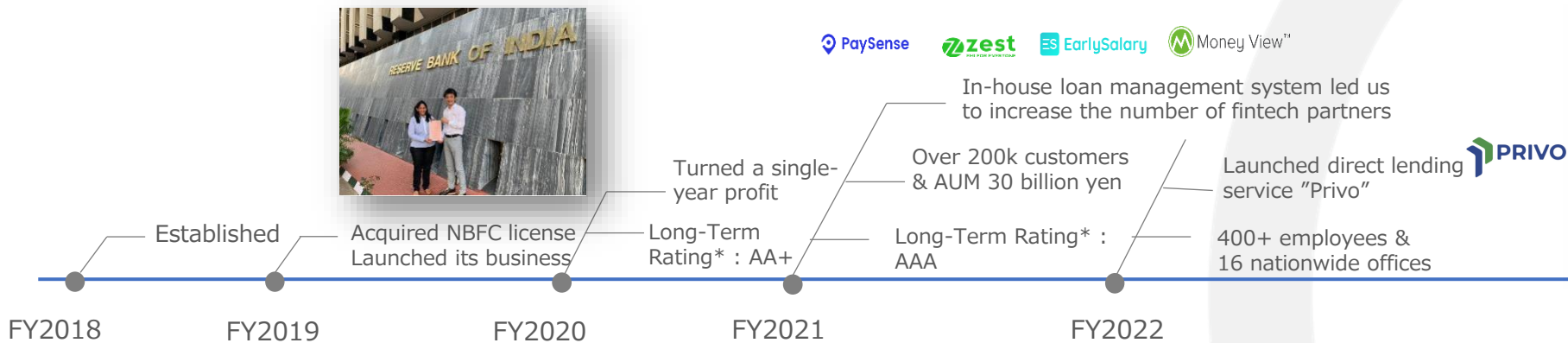
**NeoLending Conglomerate that will help
enable India's Credit Growth Story**

Value

**LENDING
GIANT**

**HIGH
PROFITABILITY**

**HIGH TECH
ORIENTATION**

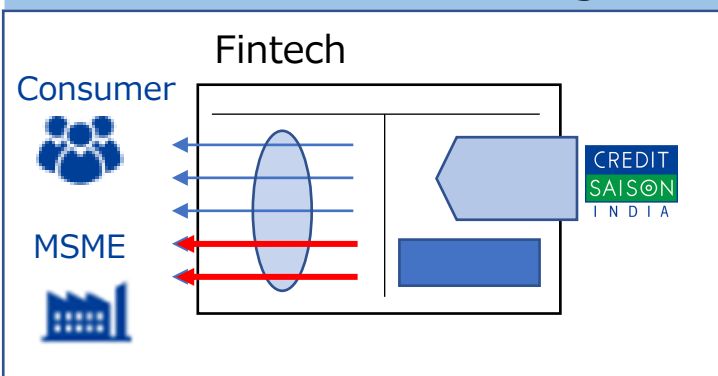
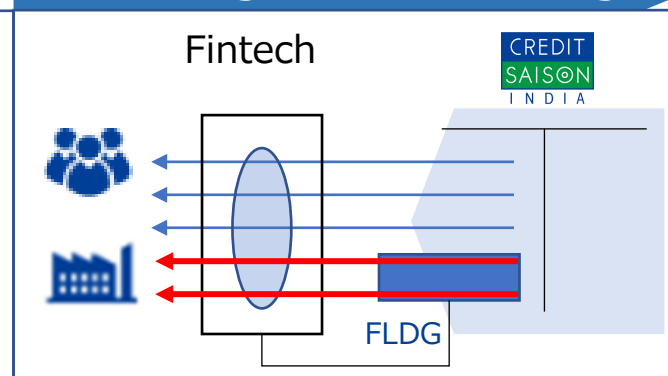
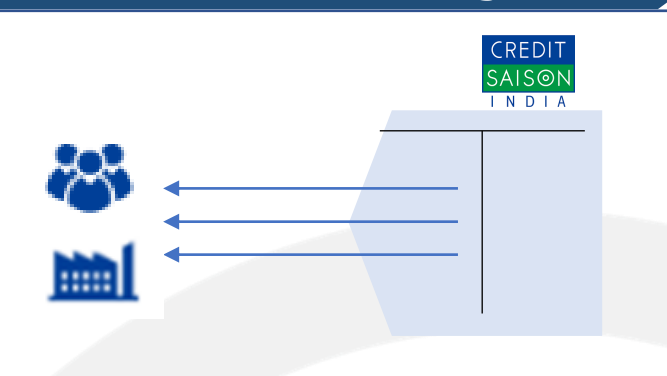


* CRISIL Ratings
** CARE Ratings

1. Grow the global lending business into a core business of the Group



Business strategy of Saison India

	Wholesale Lending	Co-Origination Lending	Direct Lending
Business model	 <ul style="list-style-type: none"> Fintech in turn lends to consumers / MSMEs Saison India lends to the balance sheet of a partner NBFC 	 <ul style="list-style-type: none"> FinTech provides end to end support from origination, underwriting, loan servicing and collection Saison India is the lender Fintech provides Credit Enhancement which is also known as First Loss Default Guarantee ("FLDG") to Saison India 	 <ul style="list-style-type: none"> Saison India directly lends to customers
Point	<ul style="list-style-type: none"> Entry point to Indian market Sort potential Fintech partners out 	<ul style="list-style-type: none"> Get an insight and knowledge of operation, risk management etc., Build an organization and prepare operation system for direct lending 	<ul style="list-style-type: none"> Increase profit margin Increase the value of CS brand
Scheme	<ul style="list-style-type: none"> B to B(NBFC) 	<ul style="list-style-type: none"> B to B(NBFC & Fintech) to C (Consumer & MSME) 	<ul style="list-style-type: none"> B to C (Consumer & MSME)

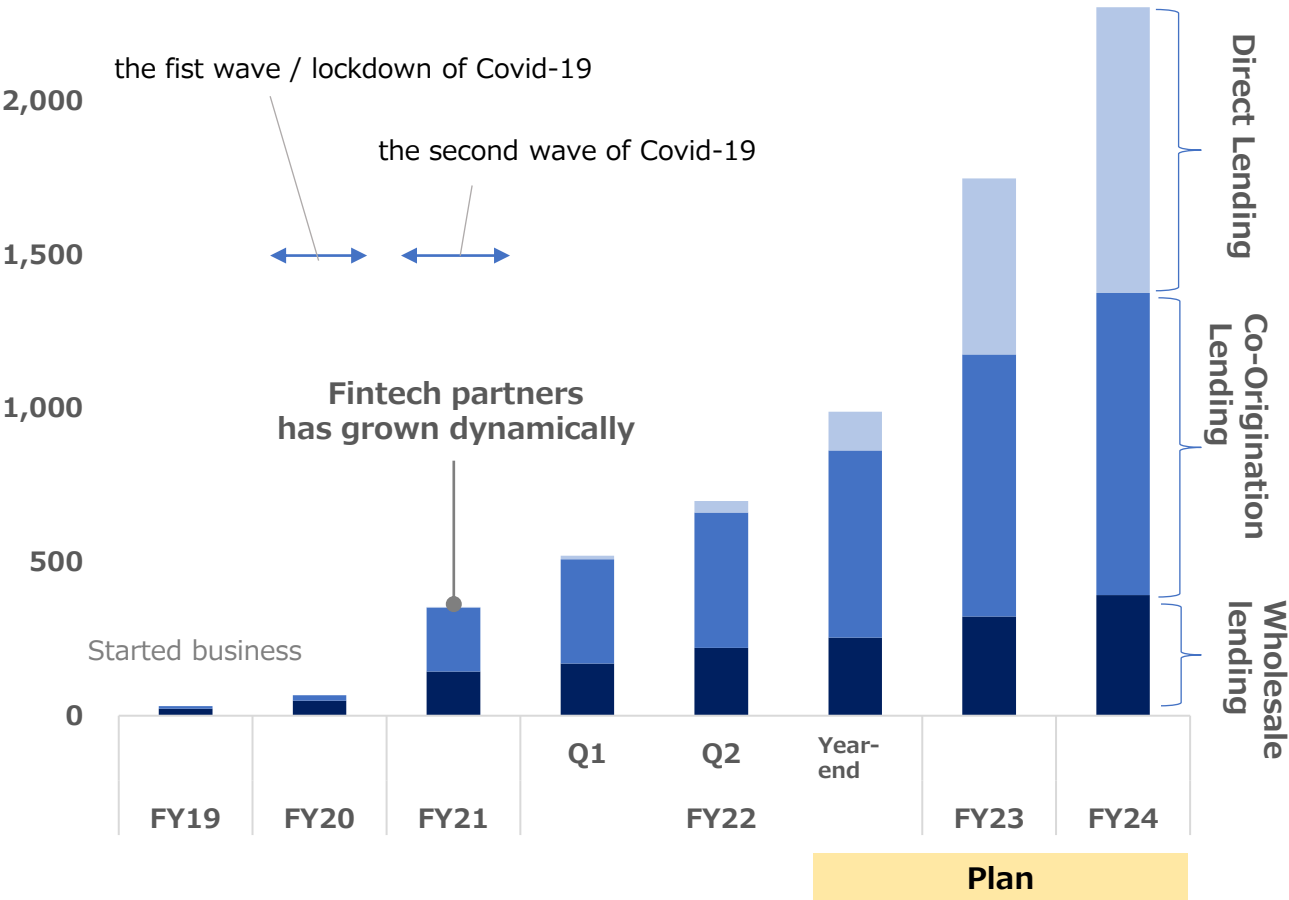
1. Grow the global lending business into a core business of the Group



Saison India's business performance

Changes in AUM

(’00 million yen)
2,500



Expansion of Co-Origination Lending

- ✓ In-house loan management system has successfully led us to the “Lender of Choice” for best Fintech companies in the Indian ecosystem
- ✓ Learn various customers and product behavior and data through fintech partners as data point, and know-how. We use it for the next growth spurt, direct lending.

Fintech Partner Matrix

	For Consumer	For MSME
Income / Size of the business	<div> (Credit line)</div> <div> (Credit line)</div> <div> (Personal Loan / Checkout finance)</div> <div> (Credit line)</div> <div> (Salary Loan)</div> <div> (Personal Loan)</div> <div> (Personal Loan)</div> <div> (Personal Loan)</div>	<div> (Term Loan)</div> <div> (Pay Later Invoice)</div> <div> (Term Loan)</div> <div> (Merchant Advance)</div> <div> (Term Loan)</div> <div> (Pay Later Invoice)</div>

1. Grow the global lending business into a core business of the Group



Key Success Factors in India

Market potential	• World's second largest population and strong lending needs
	• Digital infrastructure called "India Stack"
	• Extremely large fintech ecosystem that facilitates BtoBtoC model
	• Strong senior lending needs of fintech ecosystem, though few lenders
Core to Our Vision	• Consistency with our vision of "tech-led inclusion"
Risk-return profile	• Profitable from the first year and risk diversification partnering with various fintech
Launch pad for "What's next"	• The best position to built AUM, profit and knowledge, then we can utilize it for "next spurt"
Competitive advantages	• Competitive funding costs and in-house loan management system
Capability	• Capabilities in terms of risks, tech, operation, etc.

1. Grow the global lending business into a core business of the Group



Next business strategy in India

Focus on Direct Lending Business



Consumers



- ✓ Digital-based product
- ✓ Sales promotion by using our "Privo App" and embedding in other companies' platforms



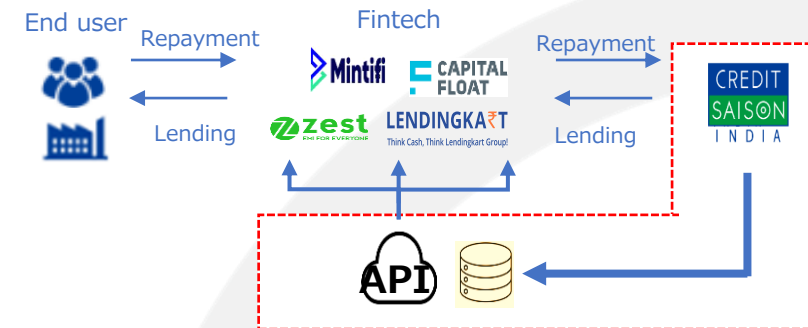
MSME

- ✓ "Phygital" –based product
- ✓ Alliance with the direct Selling Agencies (DSAs) for Last One Mile
- ✓ Field visit, which is conducted by our nationwide branches, contributes to mitigate risks in underwriting and collection



Utilize our unique loan management system

Self-developed LMS will be utilized to create our new business



"Loan Management System (LMS)"
Important core infrastructure
to expand Co-Lending business

Customer
Servicing

Reconciliation

Automation

2. Create the next core business through the global investment business



Growth of Saison Capital



Saison Capital Pte. Ltd.

- Established 2018
- Shareholders Credit Saison 100%
- Located Singapore
- Representative Kosuke Mori (Director)
- Business Corporate venture capital for overseas areas

- Target

➤ Coverage area

Southeast Asia and South Asia

All over the world through fund investment

➤ Domain

- Fintech
- Embedded Finance
- Consumer / Saas / Non-Fintech
- Web3

➤ Stage

Startups from Seed to Series A

- ✓ Elected Top5 CVC in the world / CB INSIGHTS

State of Fintech | Global Trends | Investors

Global: Top CVCs YTD by median Mosaic score of companies in 2022

Investor	Median Mosaic Score	Country	Median Management Score	Median Money Score	Median Momentum Score	Median Market Score
1 SVB Capital	860	United States	710	970	730	840
2 Salesforce Ventures	855	United States	690	960	810	860
3 OKEx Blockdream Ventures	750	Malta	580	700	690	900
4 Alameda Research Ventures	715	Hong Kong	470	765	680	900
4 Saison Capital	715	Singapore	400	780	860	900
6 Portage Ventures	700	Canada	570	825	610	880
7 Coinbase Ventures	690	United States	580	785	860	900

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2. Create the next core business through the global investment business



Successful strategies of Saison Capital

Unique investment strategy

- ✓ Learn from successful deals globally and find potential leads in our main market SA and SEA

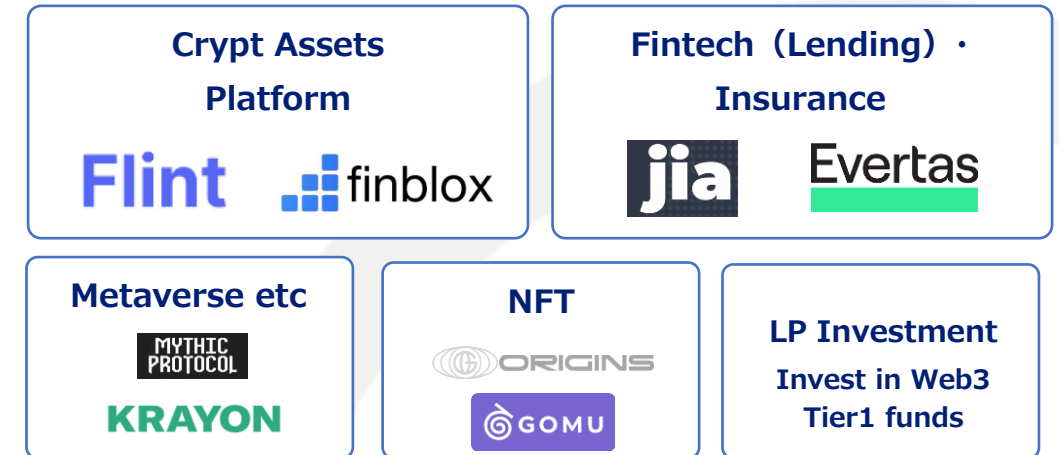


- ✓ Tap into unexplored/emerging areas through Fund investment



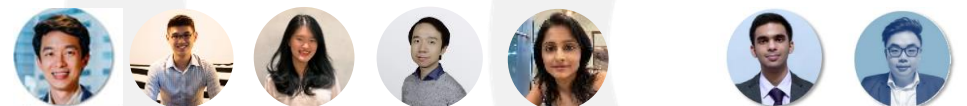
Accelerate investment in Web3

- ✓ Go into investment in new business trend (DeFi/CeFi/NFTFi) as sowing the seeds for the future
- ✓ Possible synergies with lending business moving forward



Experienced and talented team

- ✓ Hire talented and experienced personnel in each field, such as entrepreneurs, VC/CVC, crypto, etc.
- ✓ Launched Scout / Nanofund program



2. Create the next core business through the global investment business



Successful strategy of Saison Capital

Branding

- ✓ Launched the first reports for South and Southeast Asia on startup equity and human capital



- ✓ SNS Presence (Twitter•LinkedIn etc)



Saison Capital

Backing ambitious founders solving big problems

ベンチャーキャピタルおよびプライベートエクイティ資本・Singapore Singapore・6,034人のフォロワー

Saison Capital @SaisonCapital

Backing ambitious founders in fintech, e-commerce & web3. Mostly s**tposting on weekends cos BUIDing w/ founders on weekdays. DMs open for pitches. NFA. DYOR.

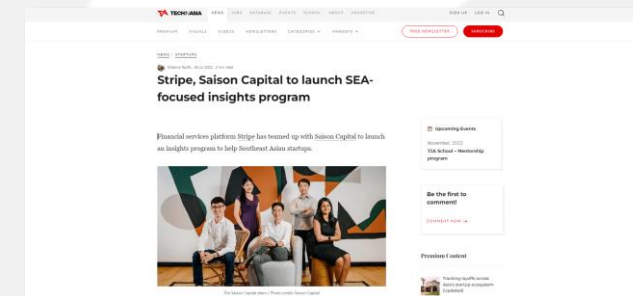
saisoncapital.com 2022年4月からTwitterを利用しています

540 フォロー中 1,544 フォロワー

- ✓ Key publications Saison Capital has been in:



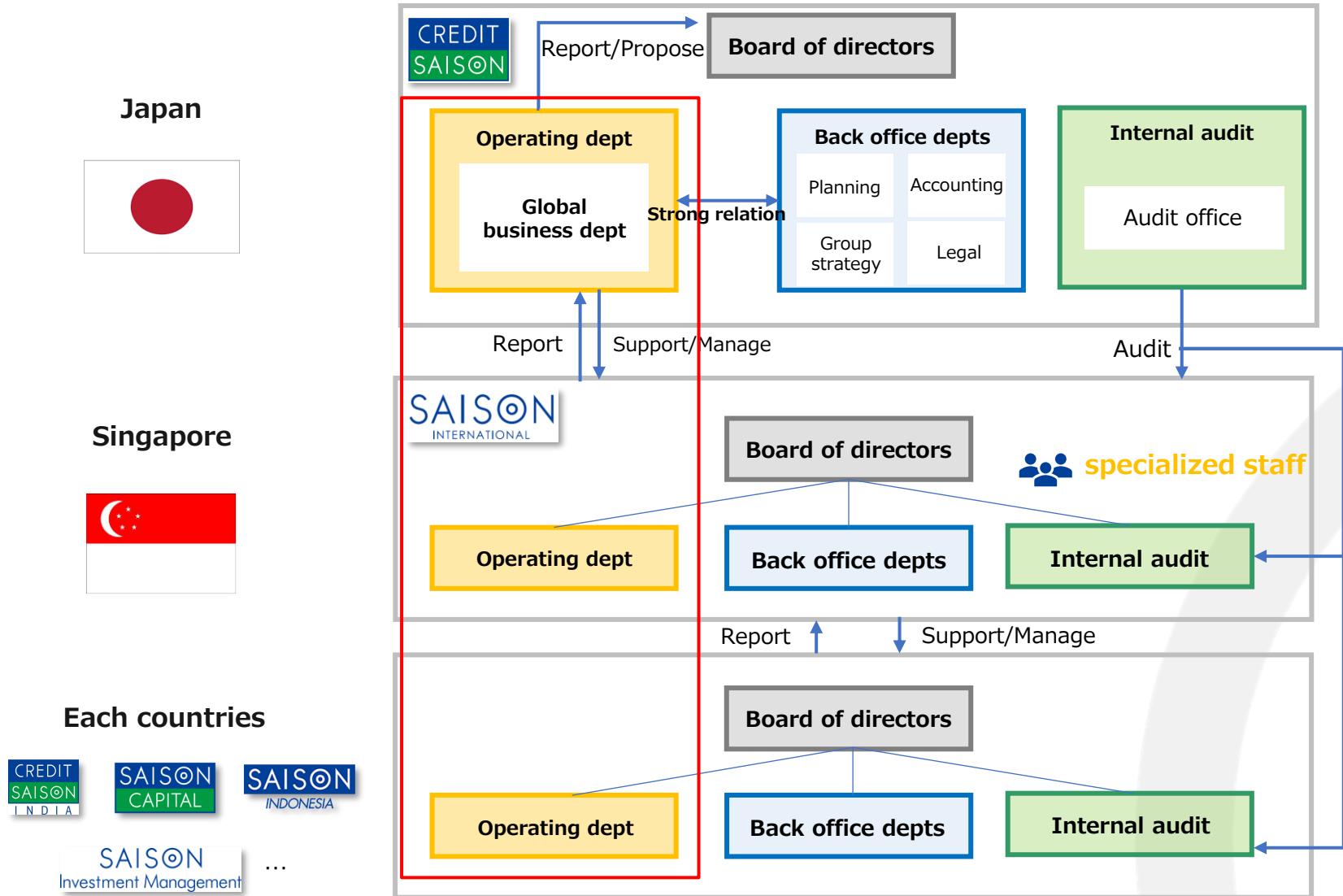
- ✓ Launched Insights Program with Stripe



3. Promote the **IHQ framework** that supports the above



Enhancement the corporate functions in Singapore



- ✓ Strengthen corporate functions by hiring talents to support the businesses of each country at IHQ (Saison International), since it's launched in April 2022
 - ✓ Built a foundation to be a robust International headquarter by reviewing authority and rules
 - ✓ Besides, enhance the audit system in a cross-sectoral manner
- ↓
- ✓ Keep hiring local talents for front-line and foster back support talents in Japan

3. Promote the **IHQ framework** that supports the above



SAISON Global Summit 2022



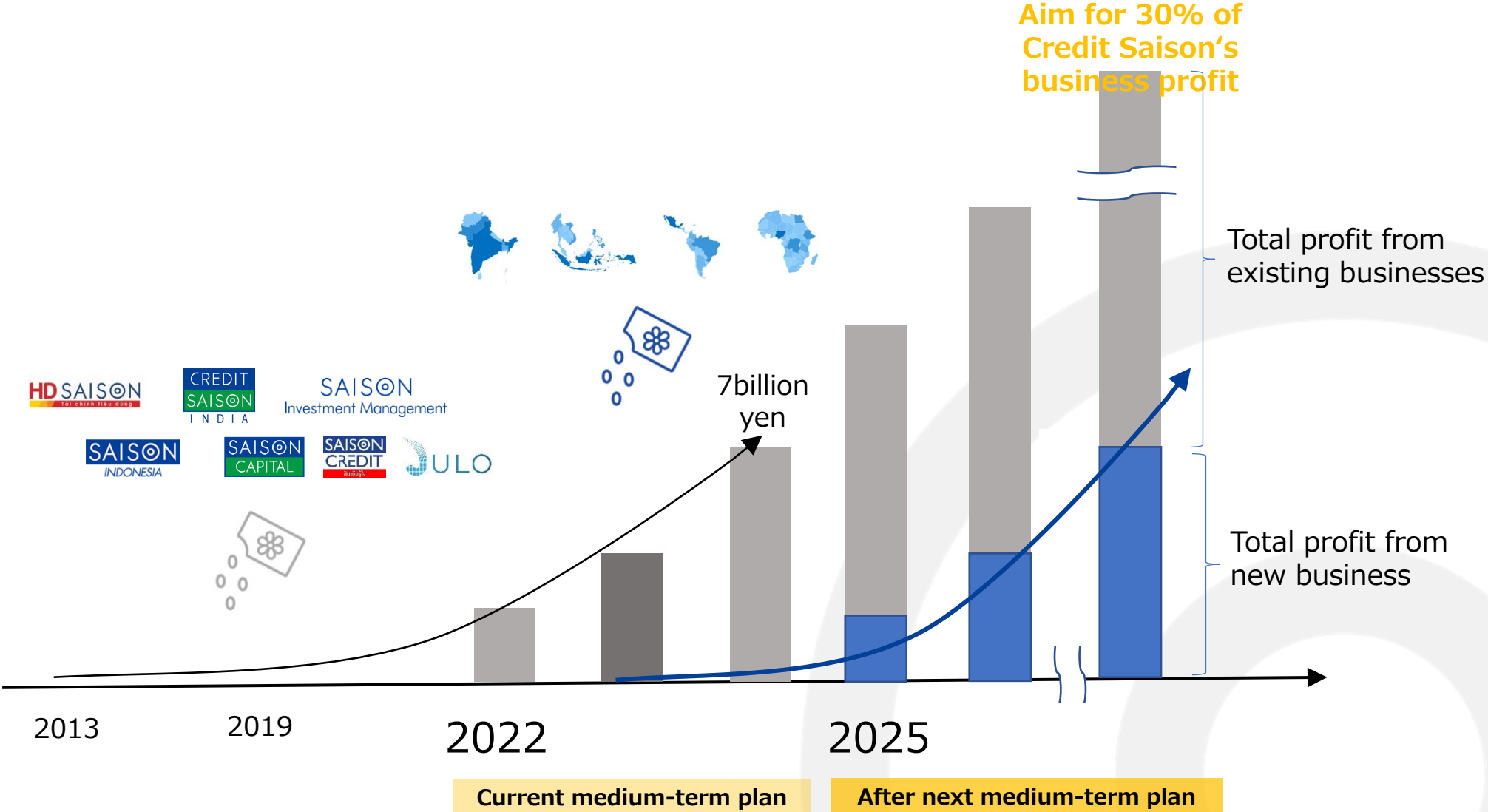


Business strategy for the next

Seeding for the next



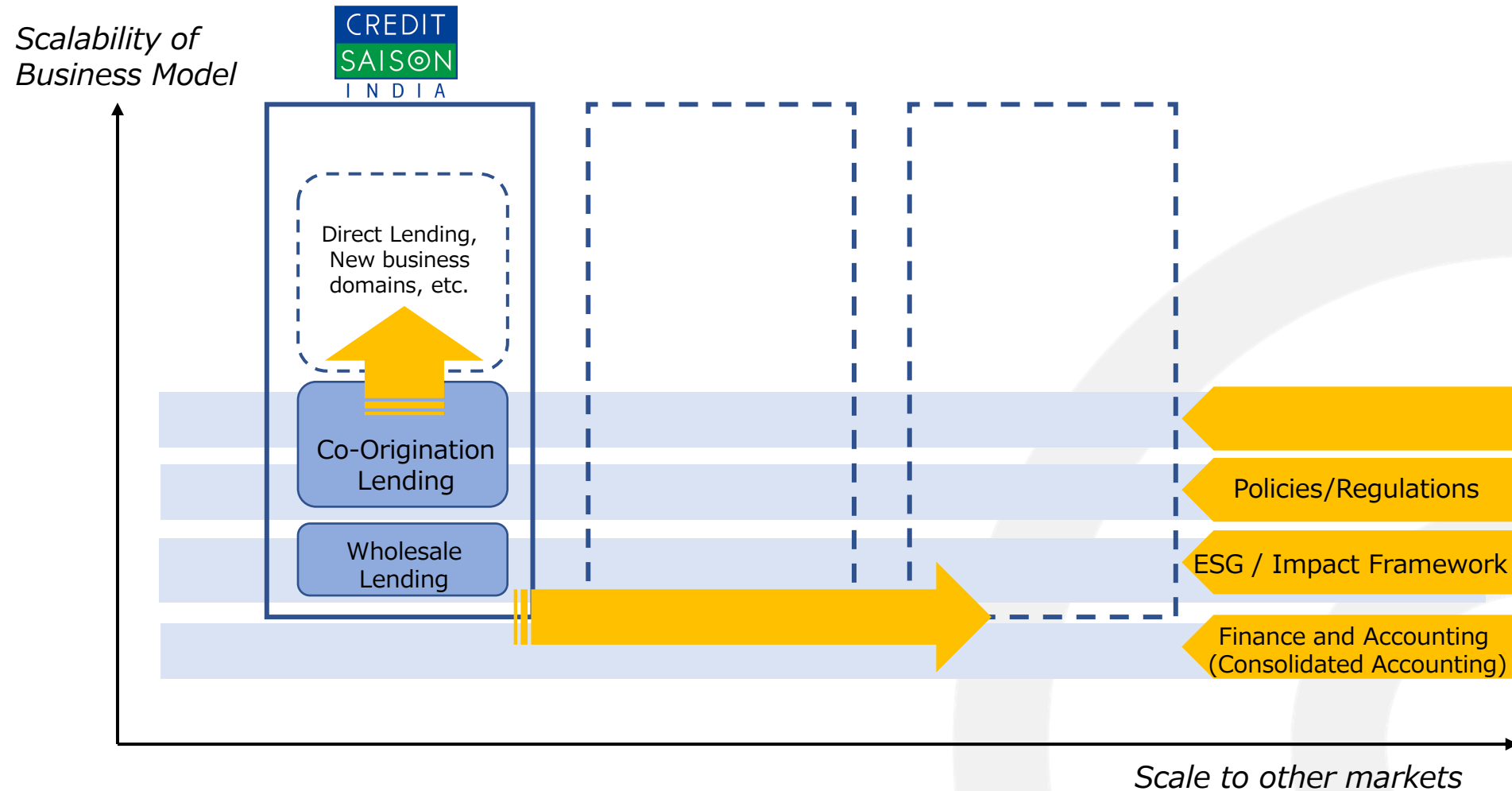
- ✓ Setting the target “30% of the whole group profit” for the next phase of the global business
- ✓ Seeding for the next that lead to create the next pillar other than India



Expansion of Lending Business



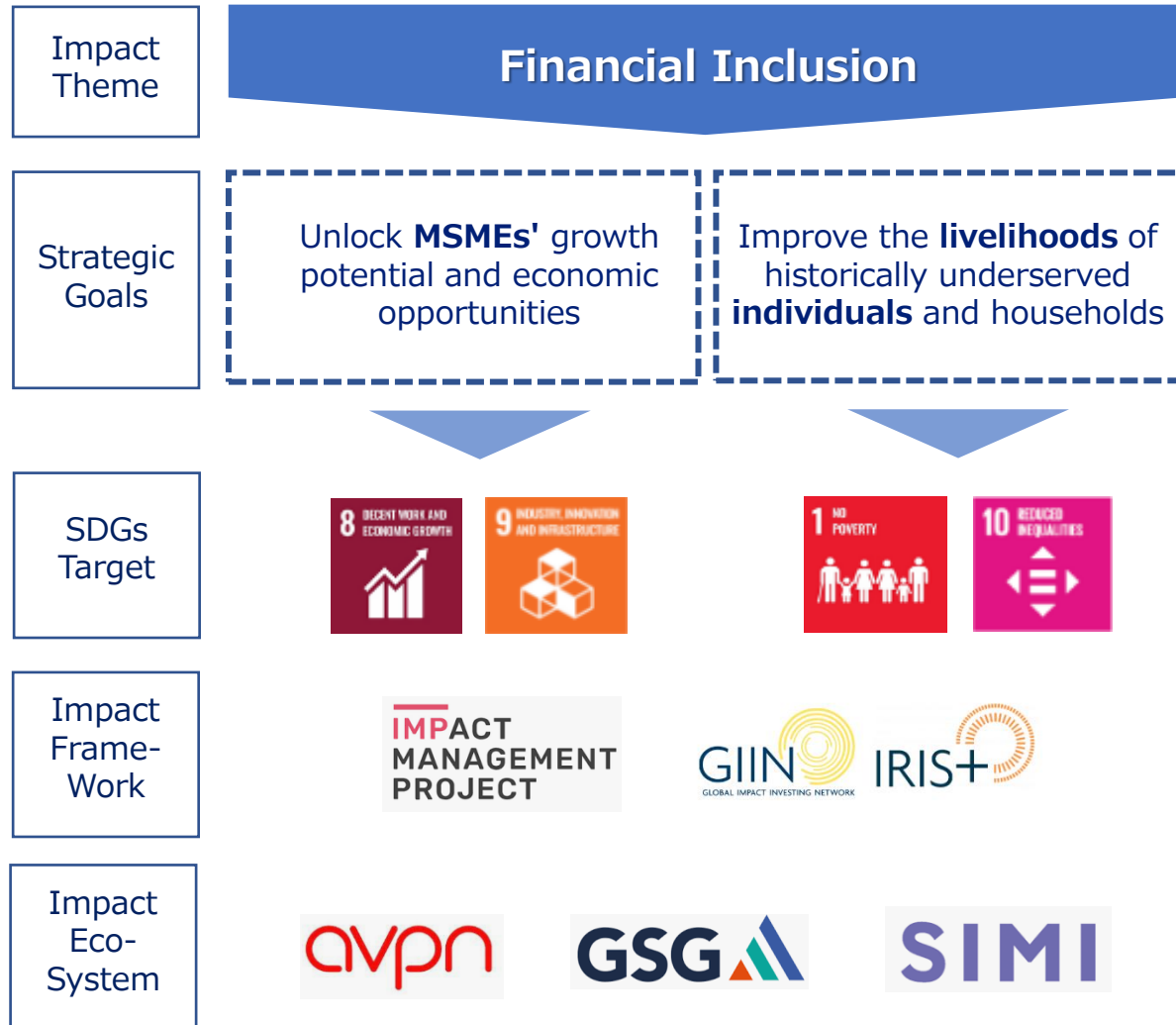
- ✓ Credit Saison India will step more into direct lending market, where the senior lending business is on track
- ✓ In parallel, aiming to horizontal / geographical expansion with the “India’s playbook”



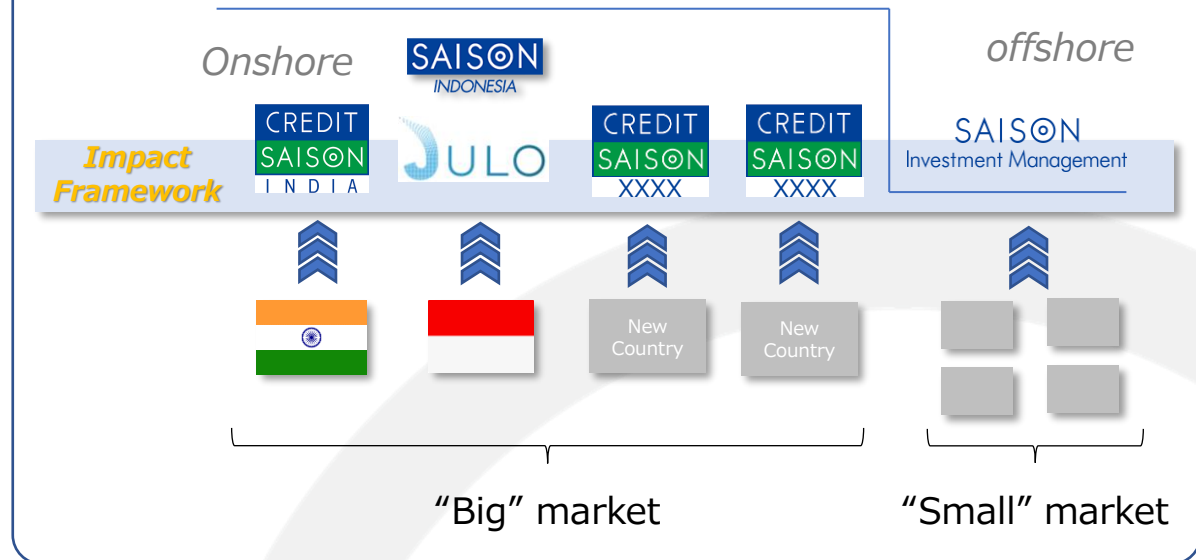
Contribution to sustainable development -Facilitate impact investment



- ✓ Accelerate and penetrate impact investment to all global lending businesses with our original impact framework, under the theme of financial inclusion



Onshore/Offshore strategies according to the market



Issuance of social bonds

- ✓ In June 2022, 10 billion yen in social bonds were issued to facilitate financial inclusion for the underserved.
- ✓ The funds will be used for the lending business in India and the impact investment business based in Singapore.



Disclaimer

The statements in this material with respect to the plans and forecasts are forward-looking statements, except for the facts of the past, and involve uncertainties. Please note that actual business performance may significantly differ from these forecasts due to various factors.

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