Global Business

Evolve unique global development starting from India

The Global Business, which is positioned as our "third pillar" after the Payment and Finance businesses, was launched in earnest in 2014 and has continued to take on challenges over the past 10 years while exploring countries to enter and business models, thereby increasing the certainty of profit generation.

Currently, we are expanding the business to achieve financial inclusion, with a focus on India, Southeast Asia, and Latin America.

The business profit of the Global Business in FY2023 was ¥2.4 billion, or a mere 3% of business profit by division in FY2023. However, this number is expected to grow to ¥20.0 billion—or 20% of total business profit—when we hit our business profit target of ¥100.0 billion in FY2026. We are further accelerating business growth and business development.

Vision under the New Medium-term Management Plan

Since the launch of the Global Business, we have been committed to financial inclusion by providing financial services to people and businesses that lack access to adequate and appropriate financial services (underserved populations).

Under the New Medium-term Management Plan (hereafter, the New Medium-term Plan), we aim to achieve business profit of ¥20.0 billion in FY2026 by horizontally deploying our accumulated expertise, as well as our human resources and capabilities in each overseas country. We are promoting the business expansion in countries where we already have a presence, as well as in countries where we are newly entering the market.

The India business, which plays a leading role in growth

Kisetsu Saison Finance (India) Pvt. Ltd. (hereafter, Credit Saison India), which launched in 2019, has steadily expanded its business against a backdrop of high market growth and digitalization. Even during the COVID-19 pandemic, the company has engaged in locally led, digitally driven efforts to bring systems in-house and strengthen risk management, and in just five years, it has grown to establish a position in the industry as the "lender of choice" for local non-banks and FinTech players.

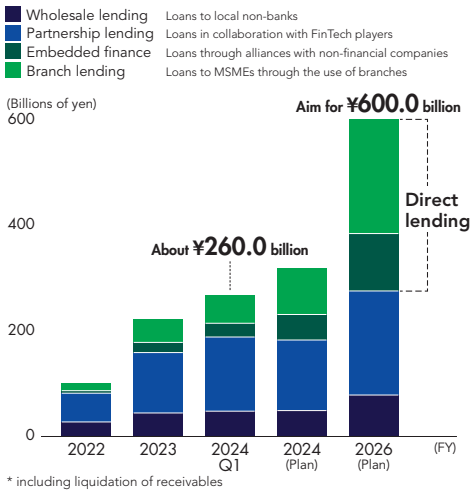
Lending to MSMEs and individuals (direct lending) by expanding branches across India and developing strong partnerships with non-financial companies has become a growth driver, with the receivable balance at the end of June 2024 amounting to approximately ¥260.0 billion.

Aiming for ¥600.0 billion receivable balance

In FY2026, the final year of the New Medium-term Plan, we aim to achieve a receivable balance of ¥600.0 billion and business profit of ¥20.0 billion. In addition to expanding the number of branches and partners, we are seeking to improve profitability by capturing new markets through product diversification and by cross-selling and up-selling to customers. By controlling the balance of risk while driving our business forward, we will continue to build a resilient business that can withstand changes in the environment. In the future, we aim to become a finance company with market capitalization of ¥1 trillion and to be one of the top 10 finance companies in India.

45 branches in 21 cities throughout the country

Steadily expanding the receivable balance



* including liquidation of receivables

FY2023 highlights

FY2023 was a leap forward for Credit Saison India. Direct lending expanded as a result of the launch of secured loans to MSMEs and the increase of partners, and the receivable balance grew 2.5 times from the end of March 2023 to June 2024. We are also liquidating the receivable balance to local banks to improve profitability and asset efficiency.

Investments from Mizuho Bank, Ltd.

In March 2024, the Company issued new shares through a third-party allotment to Mizuho Bank, Ltd. The partnership with Mizuho Bank, Ltd. creates a strong governance structure, and we are promoting more stable and transparent business operations.

Interview with the CEO

Presha Paragash
Kisetsu Saison Finance (India) Pvt. Ltd. CEO

Toward "200 Oku-yen"*1

In just five years, Credit Saison India has quickly transformed into a mature organization and is already among the top 50 Non Banking Financial Companies in the country by AUM and is one of only 12 CRISIL AAA*2-rated NBFCs in the country—and the fastest to achieve this feat. In addition, our risk first mindset, deep capital base both from equity and perspectives, and our tech-led DNA will allow us to drive our mission of bringing people, partners, and technology together to create resilient, innovative financial solutions for positive impact.

Apart from the validation of the work we have been doing so far, Mizuho's investment is a resounding vote of confidence in our future growth story. The additional capital allowed us to provide fuel to continue to grow across our business verticals. There is also an active interest and engagement on both sides to explore synergies. We will continue to execute on our Medium-term Management Plan that will help anchor us to the 200 oku-yen profit target and the future goal of becoming one of the top 10 NBFCs in India by maintaining our underwriting rigor and risk-first mindset, and making some new investments.

At a party with our partners

*1 "200 Oku-yen" means ¥20.0 billion in Japanese *2 Obtained as a long-term rating from CRISIL, an Indian credit rating agency

Commencing operations in Latin America

Credit Saison Brazil Participações Ltda. and Credit Saison Mexico S.A. de C.V., SOFOM, E.N.R., established in early 2023, are providing finance services tailored to the local market by utilizing partnerships with local FinTech players and asset-backed funds. In October of the same year, both companies increased capital through a shareholder allotment, which was covered by many local media as a commitment to both countries over the medium to long term. Going forward, as in India, we will continue expanding our business and building a foundation under local leadership, while engaging in business infrastructure development.

CREDIT SAISON BRAZIL

CREDIT SAISON MEXICO

Initiatives for social impact through our Global Business

Through our lending businesses, we are committed to creating a positive impact for underserved individuals and MSMEs in emerging countries. In 2023, we worked to strengthen the impact team, and we are promoting Group-wide initiatives in close collaboration with the newly established Sustainability Dept. in Credit Saison in 2024. We have also further enhanced the content of the Impact Report, which was first published last year, and have published the 2024 edition.

ANNUAL IMPACT REPORT 2024 (English)
https://saison-international.com/wp-content/uploads/2024/10/impact-report-23Oct.pdf

[Our impact goals]

GOAL 01 Unlock MSMEs' growth potential and economic opportunities

GOAL 02 Improve the livelihoods of historically underserved individuals and households

Putting the Framework in place

We have further developed and integrated our Impact Framework, including at Credit Saison Brazil and Credit Saison Mexico to ensure that our impact goals are embedded in the entire investment cycle, from selection of borrowers to exit, and that our impact management practices are harmonized across our subsidiaries.

Client story

GALAXY KIDS NURSERY, which provides learning opportunities for children, was able to expand the range of subjects that children can learn, including languages and programming, thanks to a loan from Credit Saison India.

Investment business: Overseas CVCs

Saison Capital Pte. Ltd. and Saison Crypto Pte. Ltd., Singapore-based CVCs, have continued to actively invest in early-stage start-ups in India, Southeast Asia, and recently Latin America. We have led and participated in investments across FinTech, B-to-B commerce, e-commerce, Real World Asset (RWA) and decentralized finance.

Building the "SAISON" brand globally

We have actively built the Saison brand across numerous events globally. These activities range from organizing and attending networking events to participating in panel discussions and media interviews.

In April 2024, we organized Asia's first RWA conference in Bangkok—ONCHAIN. We were the lead organizer, alongside CVC portfolio companies. The conference underscored our leadership in the market and our commitment to pioneering innovations in bringing financial assets onto the blockchain.

Expanding our network in Latin America

We started expansion into Latin America, using the network we have built up through our lending business. We have started to engage with local start-ups and funds to gain market insights and explore synergies by investing in early-stage venture funds in Latin America.

We also hosted a successful investor forum in Brazil in June 2024, where we met with 50+ venture capital funds and created awareness of our Latin America expansion.

Supporting portfolio growth

We remain dedicated to supporting our portfolio founders by addressing various needs, including fundraising, establishing connections with corporations and government entities, and facilitating expansion into new countries.

For PT Skortech Larya, one of our portfolio companies in Indonesia, we provided comprehensive support including introductions to several investors and business support. We aim to differentiate ourselves from competitors by offering more than just financial support.