

Credit Saison accelerates JULO's ambition to re-envision traditional cash loans in Indonesia with strategic \$80M investment

The investment marks Credit Saison's new strategy to accelerate the momentum of high-growth companies via a pairing of operational support and tactical capital.

SINGAPORE, 13 APR 2022 - JULO's digital lending business will be supercharged with fresh support and US\$80M of funding from Credit Saison to improve the credit access for Indonesians underserved by traditional lenders and BNPL (buy-now-pay-later) platforms.

This funding includes a mix of US\$30M equity and US\$50M debt fully funded by Credit Saison. Investors from previous rounds include **Skystar Capital, Saratoga Investama, East Ventures, Quona Capital, Central Capital Ventura, MDI Ventures, Gobi Partners** and others.

"Credit innovation requires a deep understanding of local consumer behaviours and needs in order to truly improve the financial health of all. JULO has emerged from the past few years as a resilient and COVID-proven business with more than US\$300M disbursements under its belt to date. We look forward to joining hands with them in this next phase of growth to accelerate financial products that will drive truly meaningful change for individuals in Southeast Asia," said **Kosuke Mori, Senior Managing Executive Officer and Head of Global Business at Credit Saison Co., Ltd.**



Mr. Kosuke Mori (Left) and Mr. Adrianus Hitijahubessy (Right)

The investment from Credit Saison is part of the company's continuous efforts to introduce its financial services foundation to high-growth fintechs outside of Japan via a combination of capital and close operational partnerships. The investments mark the organisation's next steps to accelerate its expansion into the high-growth and promising Indonesian market.

This investment strategy builds on Credit Saison's existing activities in emerging markets via Saison Capital, the corporate venture capital arm with a focus on discovering startups with an opportunity to build embedded finance capabilities.

"JULO is already being used by Indonesians throughout their financial lives - 72% of loans are used for improvement purposes such as business capital, home renovation and education. By joining hands with Credit Saison, we have a fresh opportunity to take this significantly further by re-envisioning what the future of traditional lending should look like to truly uplift the region's most underserved," said **Adrianus Hitijahubessy, CEO & Co-Founder of JULO.**

Amidst the consolidation of peer-to-peer lenders in Indonesia, JULO has outperformed expectations, having managed a positive yield in its portfolio during the height of COVID-19 in 2020. In 2021, the total number of funds disbursed grew by more than three times as compared to the year prior and is currently on track to increase its loan book by more than five times in the next 12 months.

The fintech company is one of Indonesia's virtual credit card pioneers. It was one of the first to offer nationwide digital data-driven credit underwriting and risk assessment platform to process consumer credit applications and determine their creditworthiness through a mobile app. In 2021, JULO launched a digital credit card, which saw 97% users utilising non-cash features to top-up e-wallets, top up phone credits, pay utility bills, and process payments on e-commerce sites.

The investment round was structured to scale the company's growth with a two-pronged approach. US\$30M equity will be used to advance JULO's analytics, for product development, marketing, and customer acquisition plans by hiring additional talent across their developer, data scientist and business intelligence teams. US\$50M debt will be used to fuel finance loans on the platform.

Being the only corporate investor on JULO's cap table with a global lending business, Credit Saison will play an active role in JULO's hyper-growth phase and provide governance direction as the company scales. Both companies will also explore preliminary opportunities to expand into other emerging markets together.

Currently the options for underbanked Indonesians to access credit lines include microfinance institutions or BNPL facilities. Both are limiting as they require transaction-by-transaction approvals and have narrow use cases. A key reason for this is because loans assessed by traditional credit scoring models typically disadvantages individuals without certain data points - like good credit history - so they are determined as high-risk loans.

Unlike other platforms, JULO can facilitate an ongoing credit line after a simple one-time assessment on its app. It does this by applying machine learning throughout a loan cycle and is advanced enough to assess risk based on more than 5,000 data points for identity checks, affordability assessment, creditworthiness, and fraud detection - all in less than three seconds. Today, more than 500,000 Indonesians use JULO actively in their daily lives to fund withdrawals, phone credit top-ups, fund transfer, utility bill payments, e-wallet top-ups and e-commerce payments.

JULO's team has prioritised responsible lending and collections - they were among the first fintech lending platforms which received a full licence from Indonesia's Financial Services Authority (OJK). JULO also emphasises data security and holds an ISO27001 certification, an international information security standard regulated by International Organization for Standardization (ISO) and proves JULO has implemented best practices for information security processes to keep the management system secure from cyber attack risks.

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About Credit Saison:

Credit Saison provides digitalized and localized financial services to the underserved to realize financial inclusion in the global market, with a prime focus in Southeast Asia and India. Since it began issuing credit cards in 1982, Credit Saison has grown to occupy a unique position in the credit-card industry and has over 36 million credit card holders in Japan. As a cutting-edge service business, Credit Saison has generated a steady stream of innovative products and services that overturn conventional thinking while maintaining a consistently customer-oriented approach. Guided by its vision of becoming a Neo Finance Company in Asia, Credit Saison constantly reimagines its business model to hone its competitive edge. For more information, visit <https://corporate.saisoncard.co.jp/en/>

About JULO:

JULO is a digital credit company that is revolutionizing access to financial products for millions of emerging consumers in Indonesia. The company is one of the first to develop digital data-driven credit underwriting and risk assessment platform to process consumer credit applications and determine their creditworthiness using its mobile app.

Founded at the end of 2016, JULO has expanded nationwide. JULO is based in Jakarta and is backed by leading venture capital firms. JULO has been officially licensed as the provider under OJK circulation No KEP-16/D.05/2020 on 19 May 2020. JULO has been downloaded more than 5 million times and has facilitated credit access to hundreds of thousands of customers. JULO has won several awards namely; Winner of Indonesia Fintech Festival (2016), Winner of UN Fintech Challenge (2018), and Winner of Inclusive Fintech 50 (2019). For more information, visit <https://www.julo.co.id>