



Overview of each Business



Digital Finance Business

Remain close to our customers and contribute to their life improvement and foster their entrepreneurship spirit with innovative finance products

Digital Finance - Leasing Business (Optimization of "Glocal Digital Finance")



Leasing and Hire Purchase

- Providing financial support to the customers who acquire assets such as motorcycles, three-wheeled motorcycles and tractors.
- Expanding business network in collaboration with business partners such as motorcycle dealers.
- Providing financial support by establishing a point of sale (POS) at a partner's store or sales channel.



Digital Finance - Lending Business (Optimization of "Glocal Digital Finance")



Microfinance, Asset back loan and Entrepreneur loan

- Providing small-scale secured and unsecured loans directly to customers.
- Operating and owning small branches as sales channels.
- Providing finance service at customer house in local villages in addition to the operation in the branches.



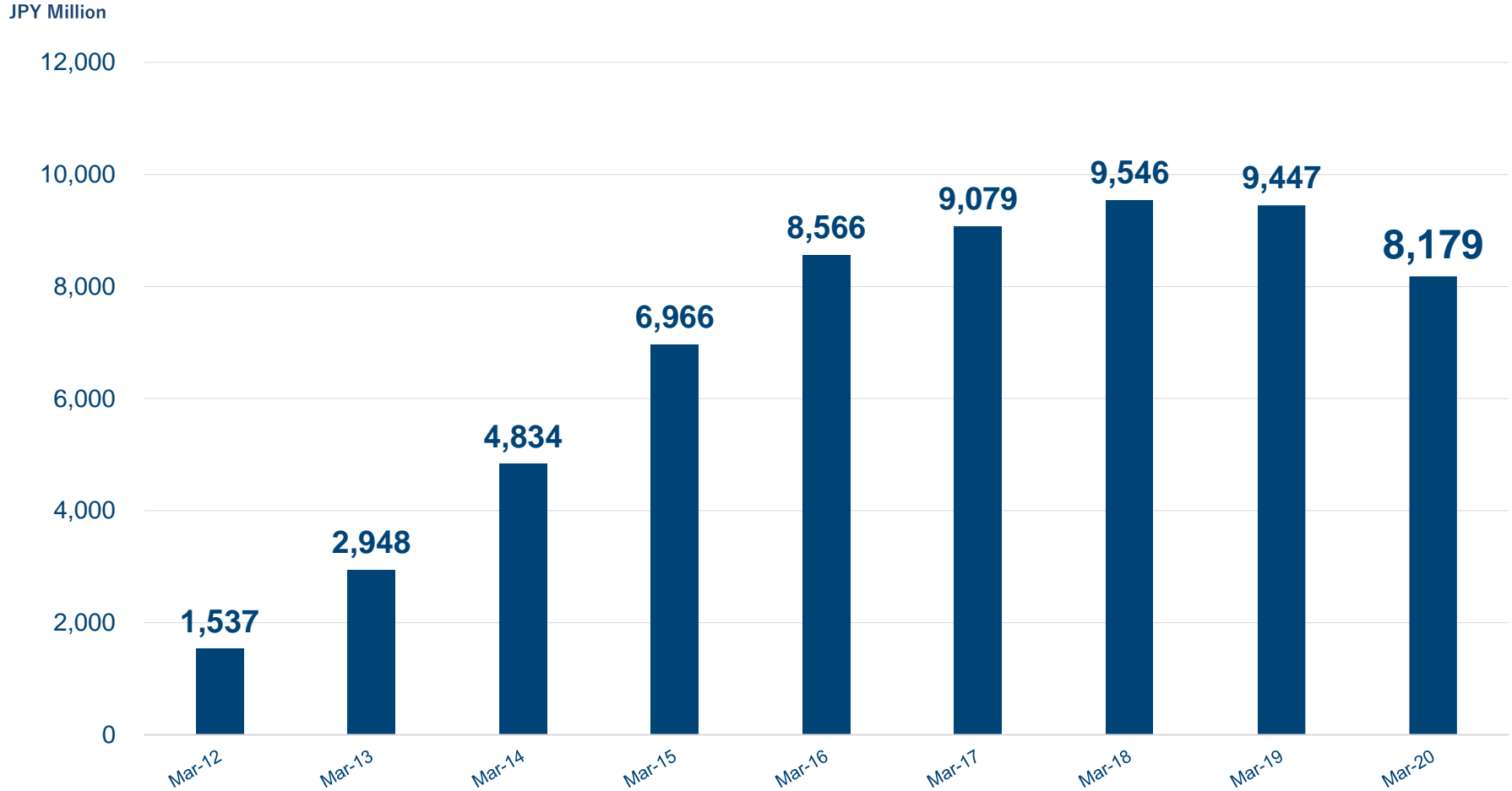
Overview

- Conservative reduction of new disbursement of loans was made, due to ongoing lawsuits.
- After winning a major court case in Thailand in August 2019, the company has shifted back to a policy of business expansion and new contracts are on the rise.

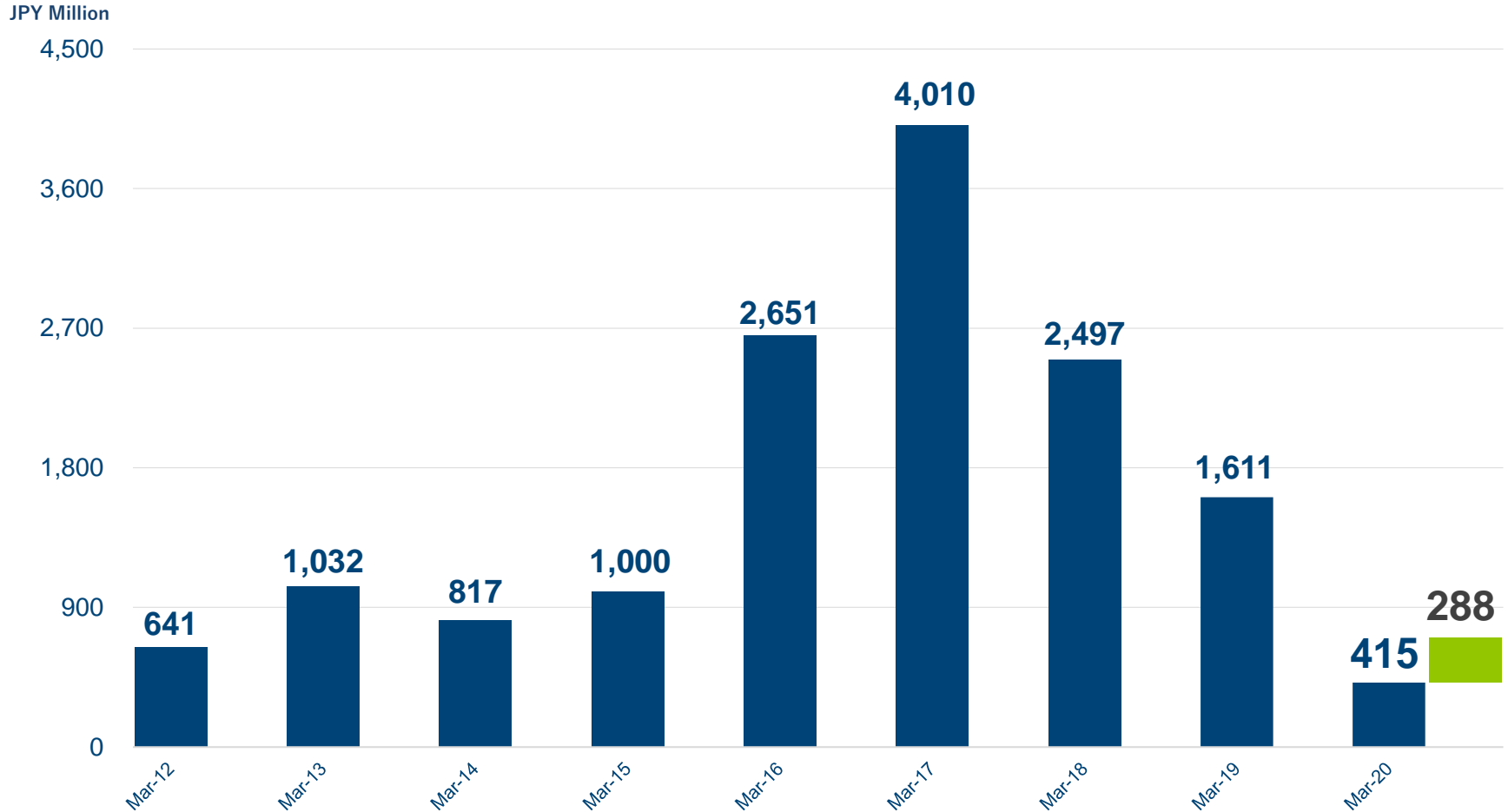
Impact of COVID-19 epidemic

- Temporary suspended operations and implementation of strict credit criteria was made after lockdown in many countries in Southeast Asia, as countermeasures against the epidemic of Covid-19.
- Provided special allowance for NPL (around 288 Million JPY).
- Operation resumed from early May. Along with the relaxation of restrictions in each countries. Improvement of debt collection is under way.

Revenue (Digital Finance Business)



Segment Profit (Digital Finance Business)

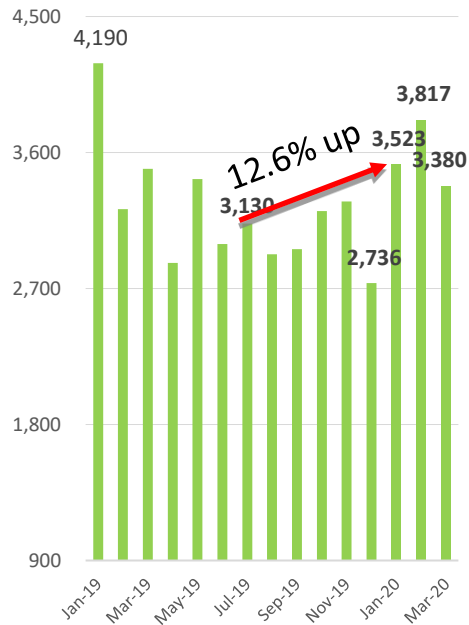


Shift to business re-growth policy from August 2019

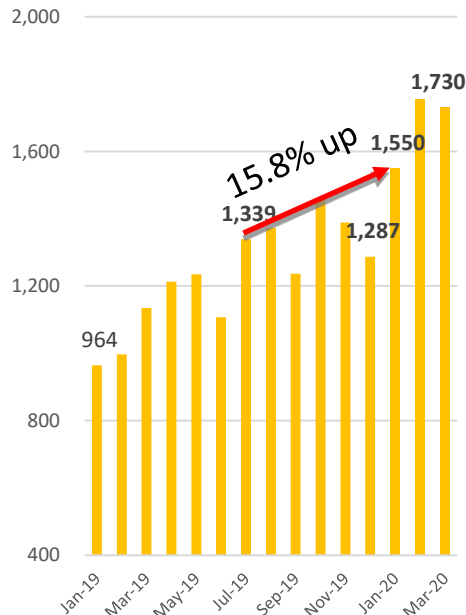


- After winning the case in Thailand, new policy to reboost the disbursement was set.
- Anticipating gradual growth of portfolio after release of lockdown.

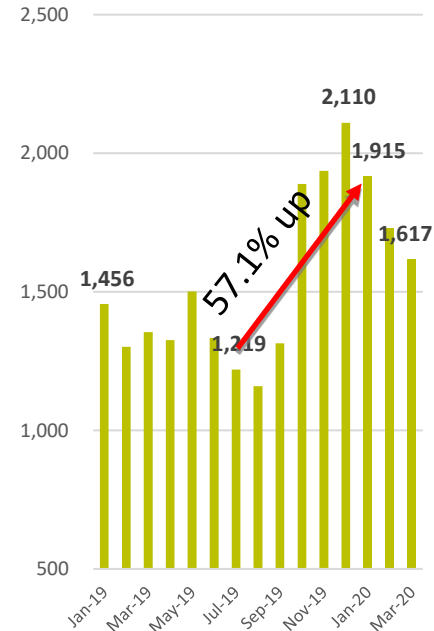
Thailand GL motorcycle
Number of new contract



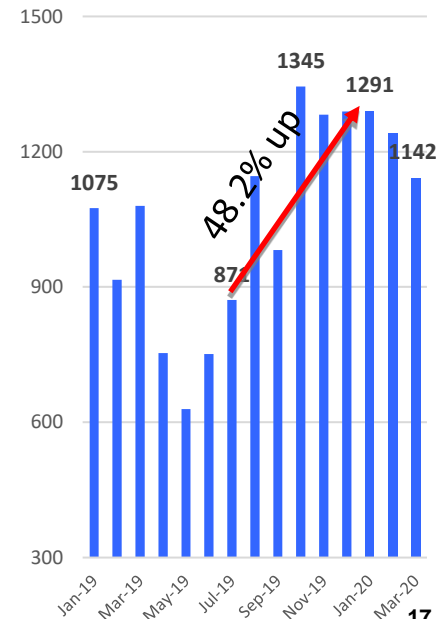
Thailand TNB motorcycle
Asset back loan
Number of new contact



Cambodia
Honda motorcycle
Number of new contract



Myanmar
Honda motorcycle
Number of new contract



Digital Finance Business

Carefully seek a growth trajectory



- The recovery of overdue loans is progressing faster than expected.
- Provision of 290 million JPY in special allowance.
- Sales activities have already resumed.
- **Despite the strong competitiveness over our competitors, the company has adopted a policy to monitor carefully economic trends and other factors for future expansion.**