

Gojo & Company, Inc.

The Guiding Principle of Gojo & Company, Inc.

Vision	Create a world in which everyone has an opportunity to overcome one's own destiny and attain a better life.
Mission	Provide financial access for everyone in the world as the Private Sector World Bank.
Long-term Goal	Leverage management excellence and creative thinking to provide quality and low-price financial service for more than 100 million people in more than 50 countries by 2030.
Value	<ul style="list-style-type: none">■ Never be complacent - study and introduce the latest best practice in the world■ Do it now until the completion rather than talking and procrastinating■ Propose alternatives when criticizing' opinions■ We don't make any cunning manoeuvre – we do things fair and square■ Apologize when you screwed up■ Never forget gratitude for those who helped us out in difficult days■ Enjoy work and never forget the sense of humour and smile■ Make the team with unique and unforgettable people■ When in doubt, choose the option which helps the weak and the poor
Management Principle	
Consistency: Make what we believe, what we speak and what we do consistent	<ul style="list-style-type: none">■ We will never compromise on the Guiding Principle for the sake of sentiment or ad-hocery■ We always talk to the stakeholders about the Guiding Principle and continuously expand those who love it■ Hide nothing, make the decision making process transparent and thus make ourselves genuine people
Truth: Think and behave rightly	<ul style="list-style-type: none">■ Despite all the difficulties, we try our best to abide by the conclusion obtained by logical thinking, i.e., (1) define goal and conditions, (2) develop thought frameworks, (3) collect facts and (4) think meticulously logically■ When thinking, we rely on the Guiding Principle, facts and logic only, excluding prejudice or emotions■ We avoid pretending as if we are more than who we are and improve ourselves to be genuine people
Ethics: We do not do business with which we cannot face our clients, family and friends	<ul style="list-style-type: none">■ We make profit not by exploiting clients but by working to make the clients appreciate us■ We work with every group employee as an equal team member aiming the same goal■ We do not sacrifice our individual and family life for the sake of the work
Aesthetics: Pursue the best quality, the best speed and the best simplicity	<ul style="list-style-type: none">■ We will never compromise to make the best process and outputs■ We do things timely – never procrastinate even mentally burdensome things■ While we prepare all the necessary information, we convey it with minimum ink, byte and time

Core Members



Taejun Shin Representative Director & CEO
Former investment professional at Morgan Stanley Capital and Unison Capital. Cofounded Gojo in 2014. Founder of Living in Peace and made the first microfinance investment fund in Japan. Young Global Leader of the World Economic Forum.



Tsuyoshi Nagashima Head of Administration
Cofounded Gojo after Deloitte, Independent financial advisory firm and Tax advisor and founding several startups. CPA and has his own firm named Nagabot Inc.



Sanjay Gandhi Chief Investment Officer
Worked at KPMG, Commercial Bank, M-CRIL, Planet Rating and a MFI as the CEO. Conducted more than 130 DDs in 25 countries. Cofounder of Gojo. CPA in India.



Takefumi Uda Chief Operating Officer
After working as a consultant at Consulting arm of Dentsu and A.T. Kearney, he worked at Sushiro as the Executive Director (COO role). Takefumi joined Gojo in 2018.



Pa Ponnak Rithy CEO, Maxima
After working for the National Bank of Cambodia and a commercial bank, Rithy cofounded Maxima in 2000 and became the CEO in 2015. Maxima became subsidiary of Gojo in 2014.



Renuka Rathnawewage CEO, Sejaya
After working for an NGO in Sri Lanka, she worked as the CEO of Sewa Finance, an MFI. Renuka joined Gojo in 2014 and cofounded Sejaya with Gojo in 2015. CPA in Sri Lanka.



U Myint Swe MD, Microfinance Delta
After working for the Ministry of Finance of Myanmar and United Nations, he worked as the Regional Director of UN-led microfinance project in Myanmar. Established Microfinance Delta International with Gojo in 2015.



S.S. Bhat MD, Ananya Finance for Inclusive Growth
After working for Canara Bank for 35 years (the last title was Chief General Manager), he joined Ananya as the Managing Director in 2017. Ananya became a subsidiary of Gojo in 2018.

Who we are (continued)

Board & Committee Members	Masahiro Kotosaka	Director; Associate Professor at Keio
	Taejun Shin	Representative Director & CEO
	Mangyo Kinoshita	Audit & Supervisory Board Member; Founder of a law firm “southgate”
	Takefumi Uda	Chief Operating Officer of Gojo

Capital \$31 million (JPY 3.37 billion)

Shareholders (selected ones only)	Mr. Shu Minoda	Former CEO & Chairman of KKR Japan
	Mr. Paul Kuo	Former CEO of Credit Suisse Japan
	Mr. Stan Shih	Founder of Acer
	Dai-ichi Life Insurance	A leading life insurance company in Japan
	Nippon Venture Capital	VC of Keizai Doyukai (Japan Association of Corporate Executives)
	Nissay Capital	Subsidiary of Nippon Life Insurance
	International Christian University	Top private school in Japan
	JAFCO	A leading VC in Japan

Auditor Deloitte (Gojo and all of its subsidiaries are audited by Deloitte or its member firms)

Subsidiary Financial Institutions



Maxima Microfinance

Cambodia

A Cambodian MFI established in 2000, providing both microcredit and SME loans. Known for its quality operation and services.



Sejaya Micro Credit

Sri Lanka

Renuka Rathnawehage, the most reputable female microfinance CEO in Sri Lanka, joined Gojo to establish an MFI from scratch.



Microfinance Delta

Myanmar

U Myint Swe, the microfinance legend in Myanmar, joined Gojo to form the JV to provide financial access in the country.



Ananya Finance

India

A reputable wholesale lender for 2/3 of MFIs in the country. The Chairman, Mr. Brij Mohan is called "Father of Microfinance in India".

Established in March 2000
Gojo invested in August 2014
Gojo's ownership 61.60%

June 2015
February 2015
97.50%

September 2015
September 2015
95.39%

April 2009
February 2018
55.8%

Financials (Apr-Jun 2018; USD)

No. of Staff	154	104	262	21
No. of Clients	6,166	21,503	45,274	82 (Corporate)
Loan Portfolio	16,687,766	3,549,635	6,497,949	24,504,455
Total Asset	18,369,523	3,750,286	7,103,607	29,340,070
Total Liabilities	10,241,807	2,232,061	1,181,295	24,393,491
Total Equity	8,127,716	1,518,227	5,922,312	4,946,579
Latest Q Revenue	820,438	330,785	387,273	965,065

What is microfinance?

Microfinance is small-scale financial services for low-income households who lack access to the formal banking sector. Microfinance institutions (“MFI”s) have provided “financial inclusion” to a large segment of the population that is excluded from mainstream banking.



Loan officers of MFIs visit the rural villages and provide financial services for the low-income people. Typical microfinance services are loan, saving, insurance and money transfer, among which loan (microcredit) is best-known to the world. (photo taken in Cambodia)



Typically, loan disbursement and collection take place in the clients' meeting center. This enables the loan officers to meet many clients at the same place and better understand their clients' lives. With other clients watching and peer pressure, it also helps encourage everyone to repay their loans. (photo taken in Myanmar)

The majority of the microcredit is spent for starting or expanding the business.

Clients of MFIs engage in various activities, and some of them grew their business to small/middle enterprises.



Buy woods and make souvenirs for tourists
(Sri Lanka)



Working capital to run a restaurant in a village
(Myanmar)



Buy a sewing machine to produce more
cloths per day (Myanmar)



Working capital to run a local retail shop
(Cambodia)



Capital expenditure to expand the cloths
production with several employees (Sri Lanka)



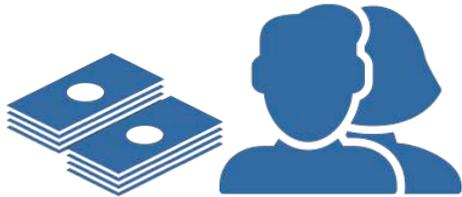
Capital expenditure to make a small weaving
factory (Cambodia)

What is microfinance? (continued)

Social Impact of Microfinance

Microfinance has brought about social impact on the local communities through providing financial services to uplift the social status of the clients. The three biggest contributions were (1) access to capital, (2) cash flow management and (3) women empowerment.

Access to capital



Microfinance provided the people with access to capital by which the low-income people start or expand their business and accelerate their income growth.

Cash flow management



Thanks to the reliable financial services, microfinance customers can manage their money more steadily to make sure that the food is on their table every day.

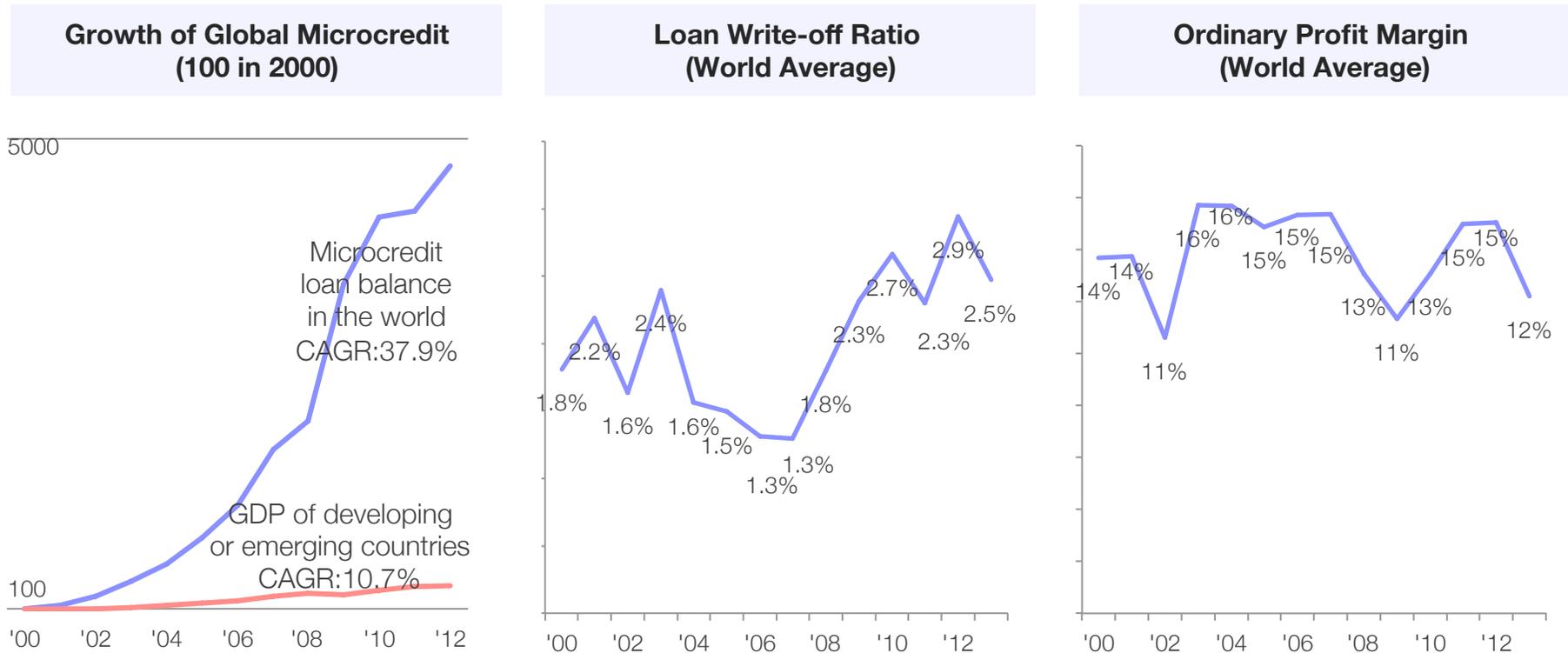
Women empowerment



Most of the clients are women, who have been cornered in the house and the society in developing countries. As they began to generate revenue, their social status went up.

and Financial Success of Microfinance

Thanks to its robust business model, microfinance has grown rapidly. A number of MFIs achieved a low non-performing loan ratio and handsome profitability. There are several MFIs listed in the stock market.



Source: MIX Market; IMF "World Economic Outlook"

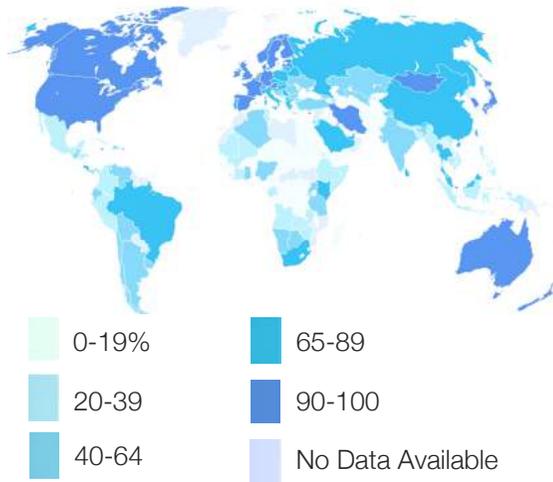
Problems in the sector and how Gojo solves them

Problems: lack of supply, scarcity of professionals and high price

Although microfinance has made remarkable success both financially and socially, there are still issues that we need to address.

Adults with an account at a formal financial institution (2014)

2 billion people excluded from the service



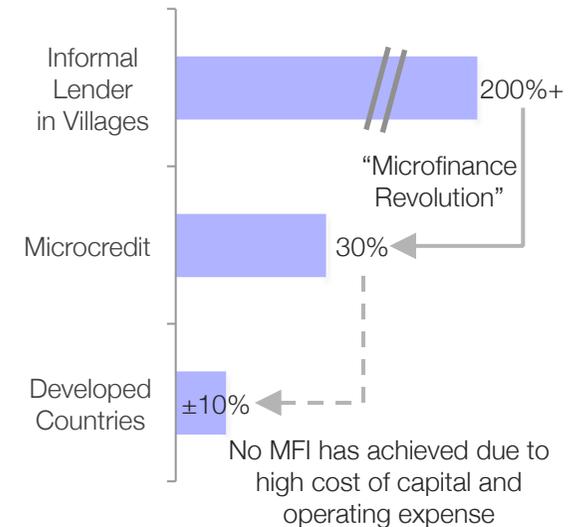
Background of the management of Asia's top MFIs

No. of professionals scarce in the field



Interest rate comparison (conceptual)

Still expensive for some people to afford



Source : World Bank, Global Financial Development Report 2014;

Corporate website of the 3 top MFIs in Indonesia, Vietnam, Laos, Mongolia, Sri Lanka, Cambodia, Bangladesh, Nepal, Pakistan, Philippines and India.

We founded Gojo to solve these problems

We believe that combination of global quality MFI and innovation enables us to solve the problems and provide financial services for everyone in the world.

To make the world where everyone has financial access, Gojo will:

(1) have its MFI everywhere, (2) make the best management practice & (3) develop new services

1. Global Operation

Build or acquire MFIs and has its subsidiaries in all continents focusing on Asia by 2020



2. Management Support

Provide management support for the subsidiary MFIs and let them be quality organizations



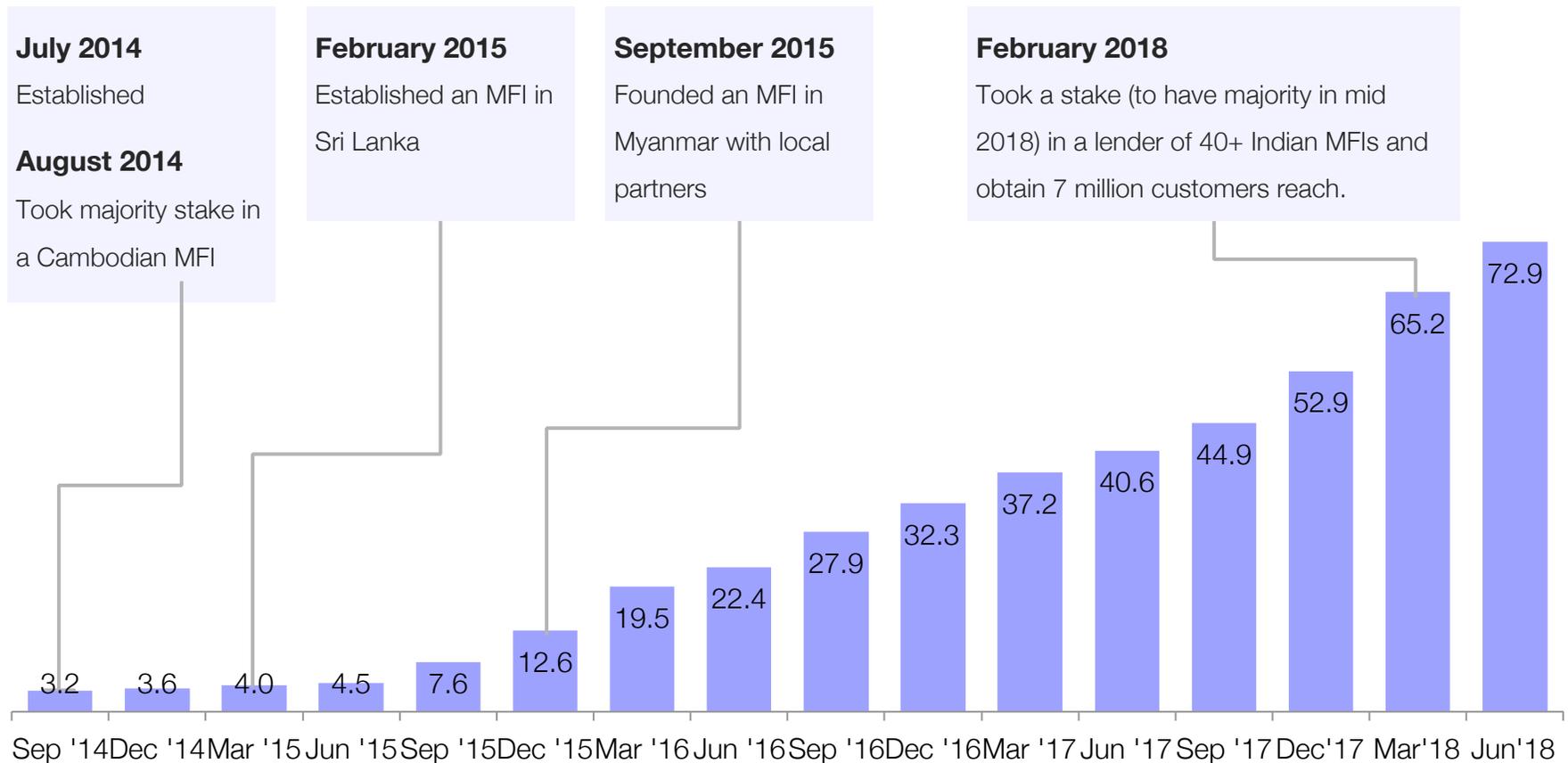
3. Service Development

By leveraging its multinational coverage, we create new services and generate additional revenue



Key Events and the Number of Clients (in 000s)

Thanks to the investment principle, we have faced no issues over the last 4 years. Now we broke even with operations in 4 countries and 550+ employees serving more than 72,000 clients directly and 7 million indirectly.



Gojo's MFIs are outperforming competitors

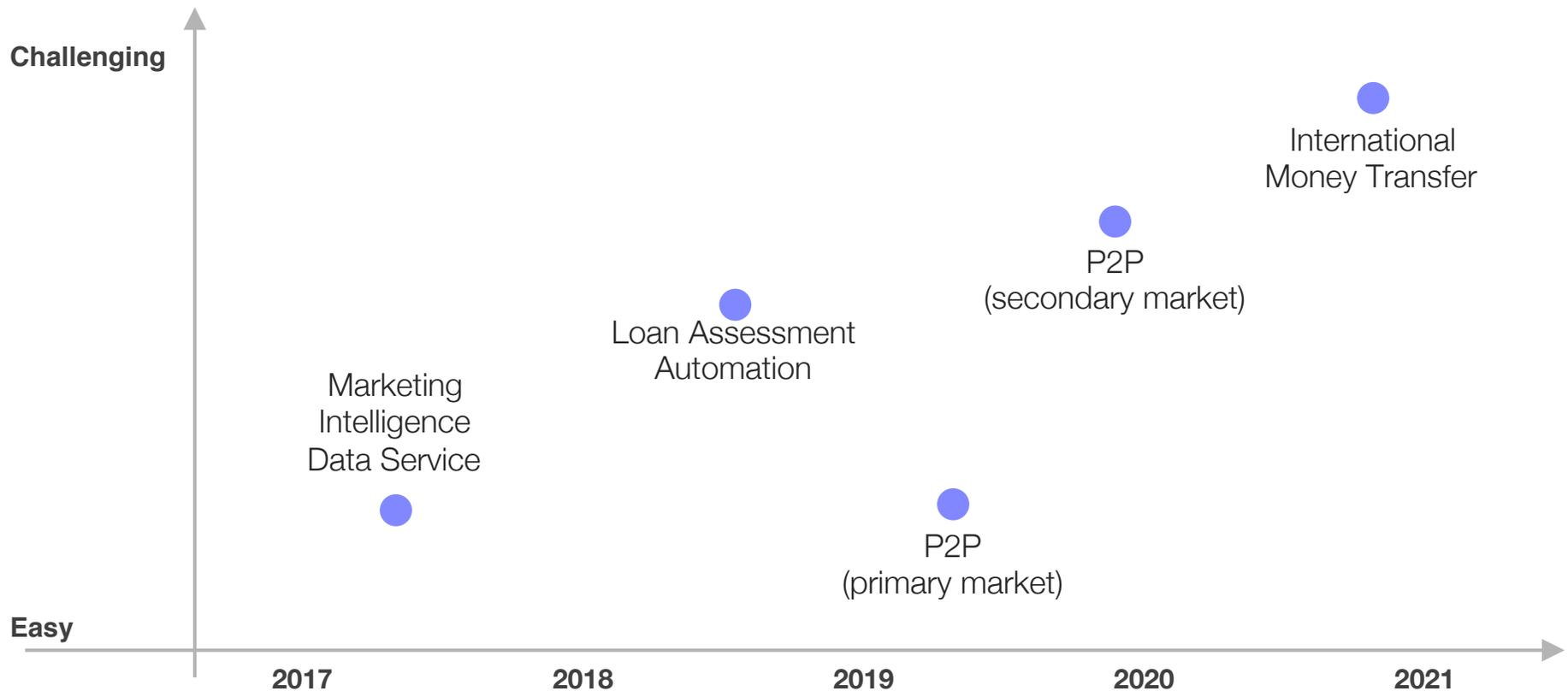
We have achieved a remarkable success so far – while balancing profitability and growth, our MFIs care about staff satisfaction which becomes the foundation of the client satisfaction.

Figures as of Dec. 2017	Market Average	Gojo's MFIs (total)
ROA	2.0% <small>(The world average ROA 2010 – 2015)</small>	5.29%
Number of clients growth (p.a.)	12.8% <small>(Middle-sized MFIs 2010 – 2015)</small>	74.7%
Loan growth (p.a.)	5.8% <small>(Middle-sized MFIs 2010 – 2015)</small>	74.2%
30 days overdue loan %	Around 5.0%	0.49%
Annual staff turnover rate	Around 30%	17.5%

Source : MIX Market (the overdue and the staff turnover are rough estimate); defined MFIs with total assets lower than \$50 million as middle-size MFIs

Roadmap of the Service Development

We develop services one by one in light of (1) difficulty level of the development and (2) commercial rationale to launch the services.



Long term vision of the company

In the end, we will be the “Private Sector World Bank”

In the end, Gojo as a global MF group will provide the affordable financial services for everyone in the world.

At that time, we will fairly define ourselves the “Private Sector World Bank”.

	Other MFIs	Gojo
Operation Area	One or a few countries Founded as a local player and not good at overseas expansion	Anywhere in the world “Born Global,” aiming to expand its business all over the world
Revenue Source	Interest only	Multiple revenues / Cost efficiency Developing services (marketing support, data business, money transfer, etc.) Full-fledged after 2020.
Prices of Services	Remains high Minimum 20% yield in countries where the government bond yield is 10%	Same as developed nations Can lower interest rates thanks to diversified revenue sources