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In addition to U.S. GAAP financials, this presentation includes adjusted net income, a Non-GAAP financial measure. This Non-GAAP financial measure is not defined under U.S. GAAP and is not presented in accordance with U.S. GAAP. The Non-GAAP measure has limitations as an analytical tool and you should not consider it in isolation or as a substitute for an analysis of the Company’s results under U.S. GAAP. There are a number of limitations related to the use of the Non-GAAP financial measure versus its nearest GAAP equivalent. First, adjusted net income is not a substitute for net income or other consolidated statements of operations data prepared in accordance with U.S. GAAP. Second, other companies may calculate such Non-GAAP financial measure differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of the Non-GAAP financial measure as a tool for comparison. Finally, the Non-GAAP financial measure does not reflect the impact of share-based compensation expenses, which have been and may continue to be incurred in the Company’s business. See the Appendix for reconciliation between adjusted net income to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP, which is net income.

FY18 and 4Q18 Operational Highlights



71.8mn registered users
31.0mn users with approved credit
As of December 31, 2018



RMB13.2bn total amount of transactions
RMB778.8mn Non-GAAP net income
In 4Q18



5.3mn outstanding borrowers⁽¹⁾
~90.4% repeat borrowers⁽²⁾
In 4Q18



RMB19.0bn outstanding loans⁽³⁾
As of December 31, 2018
>RMB22.0bn outstanding loans⁽³⁾
As of March 15, 2019



<2.5% M1+ delinquency rate⁽⁴⁾
For loans generated in 2018 through
December 31, 2018



10.4 Months loan tenor
in 4Q18
8.1 Months loan tenor
in 2018



Serve the “**credit underserved**”



Superior **efficiency**
enabled by technology



Massive
amount of high
frequency data



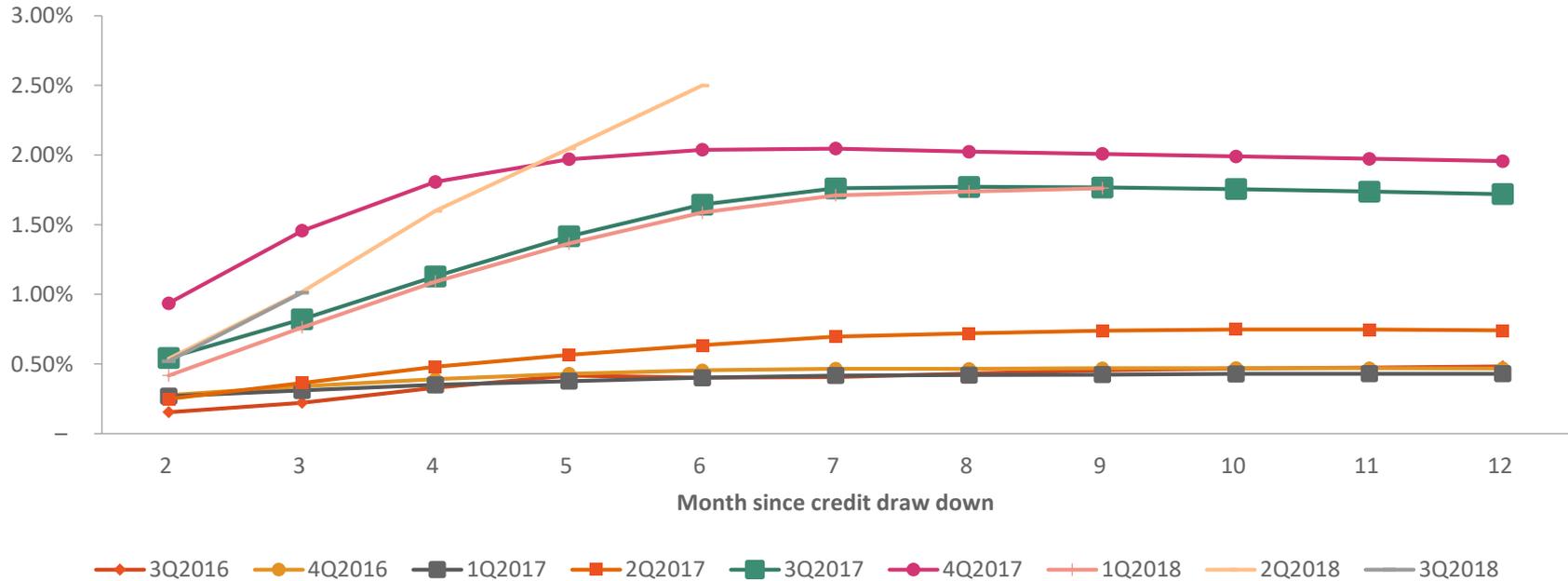
Consumption
scenarios

Notes:

- (1) Borrowers who have loans outstanding as of December 31, 2018.
- (2) Repeat borrowers in the specified period who have made at least two drawdowns.
- (3) Includes off + on balance sheet loans directly funded by our funding partners (net of allowance) and doesn't include auto loans from Dabai Auto business.
- (4) M1+ delinquency rate by vintage is defined as the total balance of outstanding principal of a vintage for which any installment payment is over 30 calendar days past due as of a particular date (adjusted to reflect total amount of recovered past due payments for principal, before charge-offs), divided by the total initial principal in such vintage.

Credit Performance Managed within Targets

M1+ Delinquency Rate by Vintage (1)



M1+ Delinquency Rate in 2018 is ~2.5%

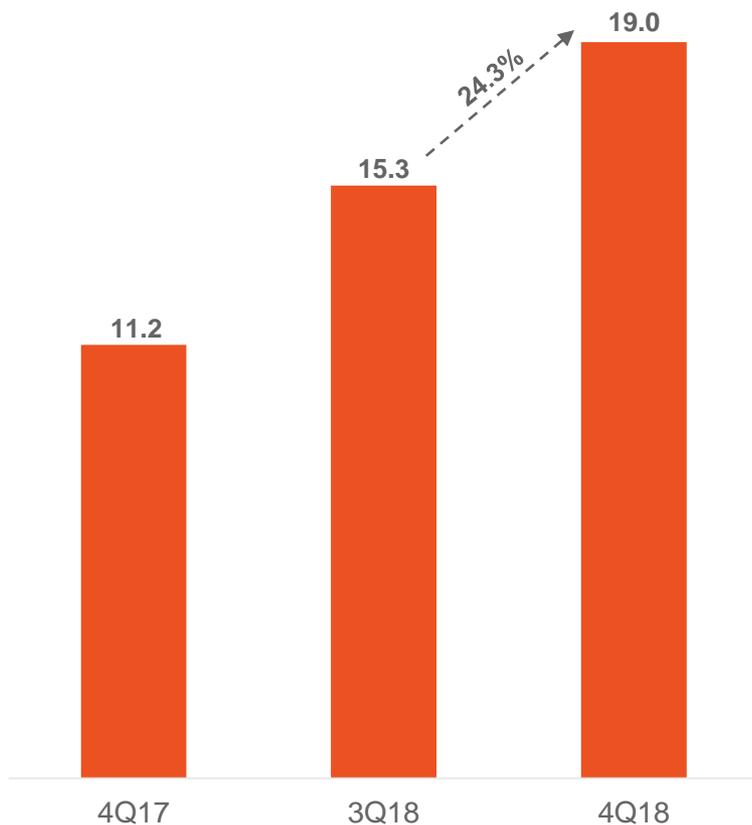
Note:

(1) Defined as the total balance of outstanding principal of a vintage for which any installment payment is over 30 calendar days past due as of a particular date (adjusted to reflect total amount of recovered past due payments for principal and without taking into account charge-offs), divided by the total initial principal in such vintage.

FY18 and 4Q18 Financial Highlights

FY18 Loan balance⁽¹⁾ increased by 69.9% YoY

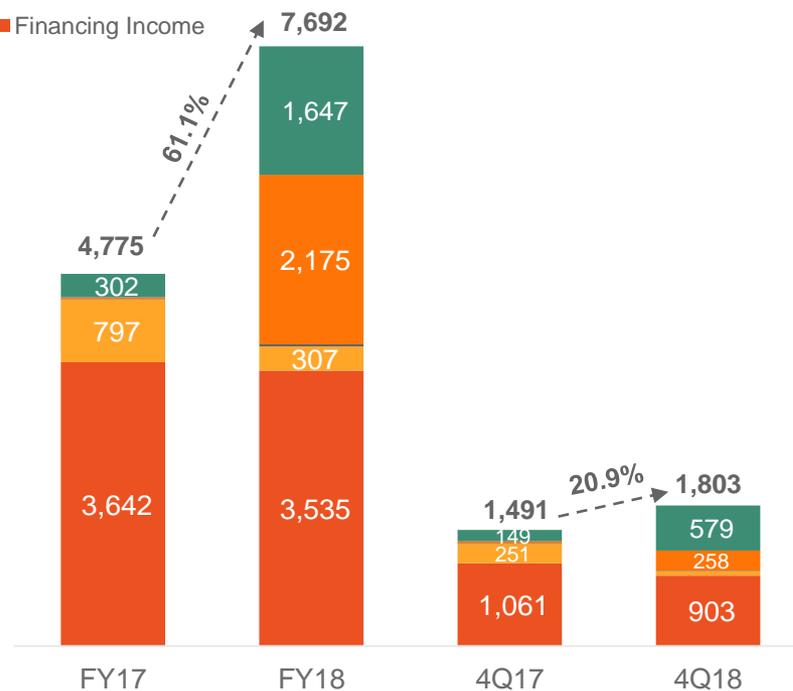
(RMB bn)



FY18 Revenue increased by 61.1% YoY

(RMB mn)

- Loan Facilitation Income and Others
- Sales Income
- Penalty Fees
- Sales Commission
- Financing Income

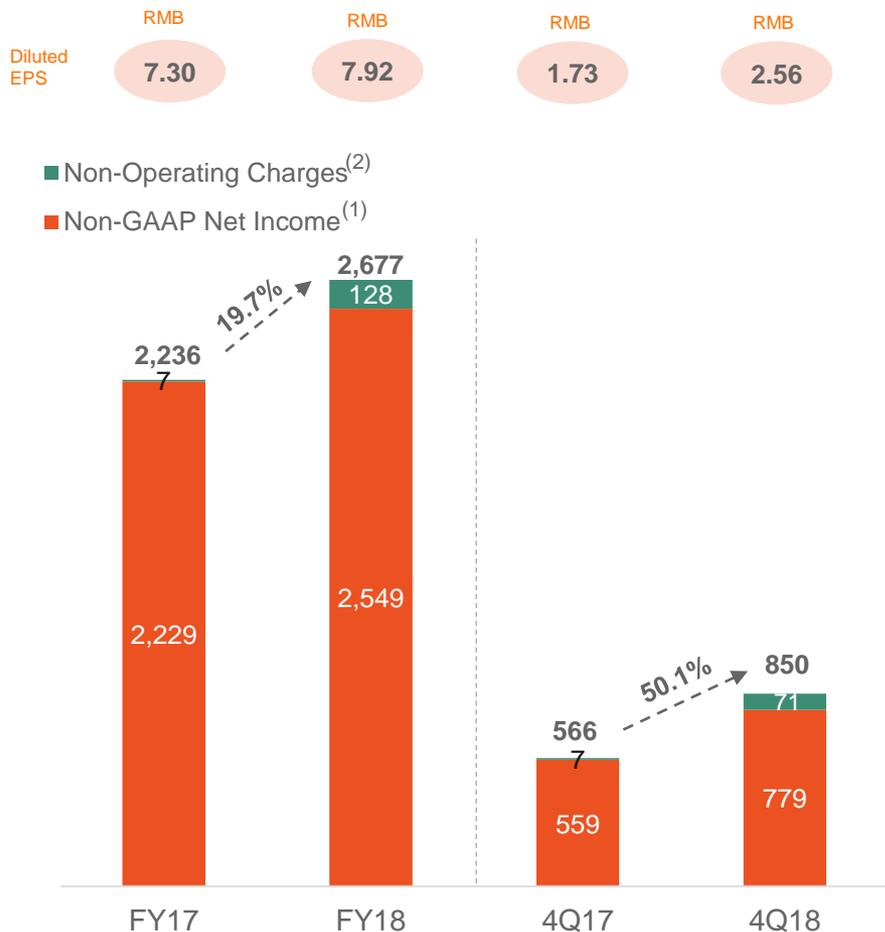


Note:
 (1) Includes off + on balance sheet loans directly funded by our funding partners (net of allowance) and doesn't include auto loans from Dabai Auto business..

FY18 and 4Q18 Financial Highlights (Cont'd)

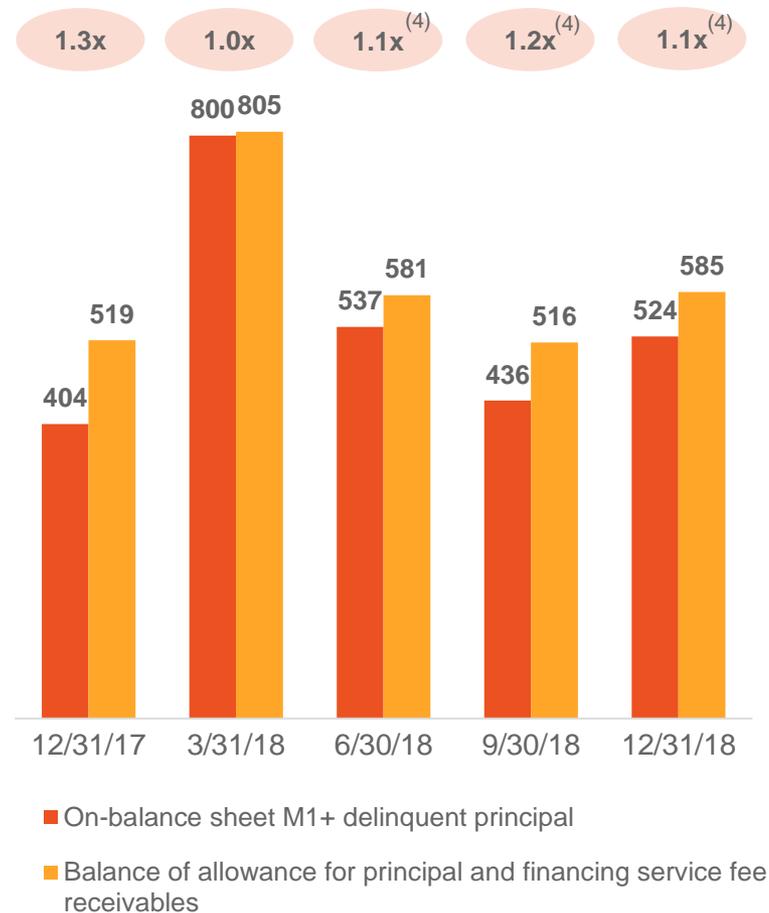
Underlying Profit⁽²⁾ of RMB2.7bn in FY18; RMB850mm in 4Q18

(RMB mn, except for EPS numbers)



M1+ Delinquency Coverage Ratio⁽³⁾

(RMB mn)



Notes:

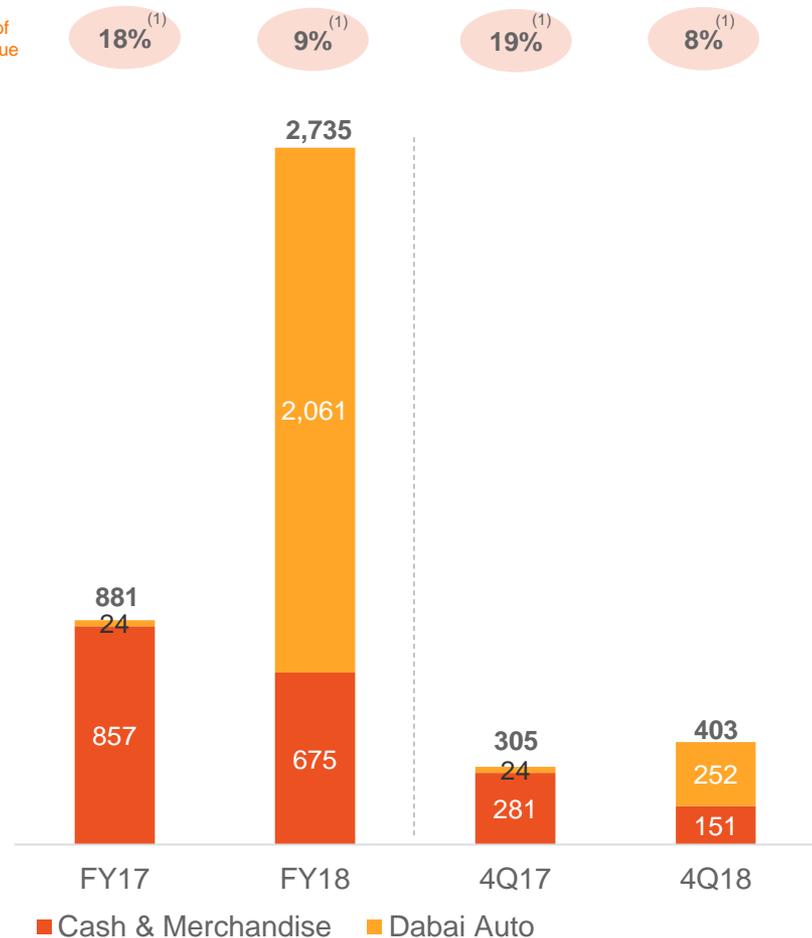
- (1) Non-GAAP net income represents net income before share-based compensation expense.
- (2) Underlying profit is adjusted for non-operating costs and charges, including a foreign exchange loss of RMB90.8 million and a specific charge of RMB37.0 million incurred by scaling down Dabai Auto business in 2018.
- (3) Defined as the balance of allowance for principal and financing service fee receivables at the end of a period, divided by the total balance of outstanding principal for on-balance sheet transactions for which any installment payment was more than 30 calendar days past due as of the end of such period, excluding charged-off amounts. The amount charged-off has been fully covered by allowance provided by the Company.
- (4) Includes on-balance sheet M1+ delinquent principal and financing service fee receivables.

FY18 and 4Q18 Financial Highlights (Cont'd)

Cost of Revenue

(RMB mn)

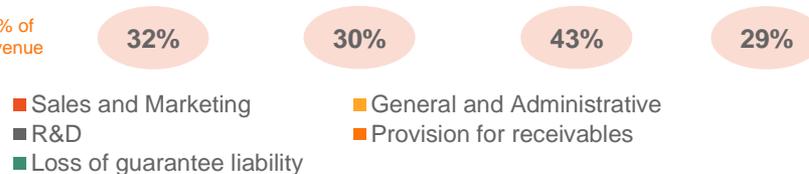
As % of Revenue



Operating Expenses

(RMB mn)

As % of Revenue



Notes:

(1) Excludes Dabai Auto-related cost of revenue.

(2) Excluding expenses associated with Dabai Auto, sales and marketing expenses decreased by 49.4% to RMB201.6 million from 2017.

Appendix



Unaudited Income Statement

	For the Year Ended		For the Three Months Ended	
	Dec 31, 2017	Dec 31, 2018	Dec 31, 2017	Dec 31, 2018
(in millions)	RMB	RMB	RMB	RMB
Financing income	3,642	3,535	1,061	903
Sales commission fee	797	307	251	55
Sales Income	26	2,175	26	258
Penalty fees	8	28	4	8
Loan facilitation income and others	302	1,647	149	579
Total revenues	4,775	7,692	1,491	1,803
Operating cost and expenses:	(2,405)	(5,027)	(943)	(929)
Cost of revenue	(881)	(2,735)	(305)	(403)
Sales and marketing	(432)	(541)	(94)	(137)
General and administrative	(184)	(256)	(64)	(83)
Research and development	(153)	(200)	(37)	(78)
Loss of guarantee liability	(150)	(117)	(104)	(8)
Provision for receivables	(605)	(1,179)	(338)	(221)
Total operating cost and expenses	(2,405)	(5,027)	(943)	(929)
Other operating income	51	24	11	12
Income from operations	2,421	2,689	559	886
Net income before income taxes	2,420	2,649	559	844
Income tax expenses	(256)	(158)	(19)	(77)
Net income	2,164	2,491	540	768
Basic EPS	17.13	7.82	1.94	2.54
Diluted EPS	7.09	7.74	1.67	2.52
Add: share-based compensation expenses	64	58	19	11
Non-GAAP Net Income	2,229	2,549	559	779
Basic EPS	17.63	8.00	2.01	2.58
Diluted EPS	7.30	7.92	1.73	2.56

Unaudited Balance Sheet

	As of		
	Dec 31, 2016 RMB	Dec 31, 2017 RMB	Dec 31, 2018 RMB
(in millions)			
Cash and cash equivalents	786	6,832	2,501
Restricted cash ⁽¹⁾	-	2,253	340
Short-term amounts due from related parties	586	551	-
Short-term loan principal and financing service fee receivables	4,827	8,759	8,418
Other current assets	300	482	1,818
Long-term finance lease receivables	-	18	649
Total assets	7,118	19,380	16,253
Short-term borrowings and interest payables	4,183	7,979	3,860
Long-term borrowings and interest payables	76	510	413
Total liabilities	4,604	9,840	5,433
Total mezzanine equity	5,944	-	-
Total shareholders' deficit	(3,430)	9,540	10,821
Total liabilities, mezzanine equity and shareholders' deficit	7,118	19,380	16,253

Note:

(1) Restricted cash mainly represents (i) cash held by the consolidated trusts through segregated bank accounts; (ii) time deposits that are pledged for short-term bank loans; (iii) security deposits held in designated bank accounts for guarantee of off-balance sheet transactions. Such restricted cash is not available to fund the general liquidity needs of the Company.

Unaudited Cash Flow Statement

	<u>Year Ended</u>
	<u>Dec 31,</u>
	2018
(in millions)	RMB
Net cash (used in)/ provided by operating activities	3,332
Net income	2,491
Allowance for loan principal, service fee receivables and other receivables	1,179
Other current and non-current assets	(137)
Net cash used in investing activities	(2,791)
Proceeds from collection of loan principal	35,185
Payments to originate loan principal	(37,036)
Payments to originate finance lease receivables	(1,332)
Net cash provided by/(used for) financing activities	(6,728)
Proceeds from borrowings	2,645
Repurchase of ordinary shares	(1,410)
Repayment of borrowings	(8,026)
Effect of exchange rate changes	(58)
Net increase in cash and cash equivalents	(6,244)
Cash and cash equivalents at beginning of the period	9,085
Cash and cash equivalents at end of period	2,841