

November 2023



3Q2023 Result Presentation

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Our Mission



To Enable a Better Life for People by **Facilitating**
Safe, Convenient and Inclusive Financial
Services through **Technology Empowerments** to
Financial Institutions



Company Overview



What We Have Achieved in 3Q23

One of the Leading Consumer Credit-Tech Platforms in China

49.2 million

Cumulative Users with
Approved Credit Lines⁽¹⁾

155

Cumulative Financial
Institution Partners⁽¹⁾

RMB123.1 billion

Loan Facilitation Volume in 3Q23

11.3%

YoY growth

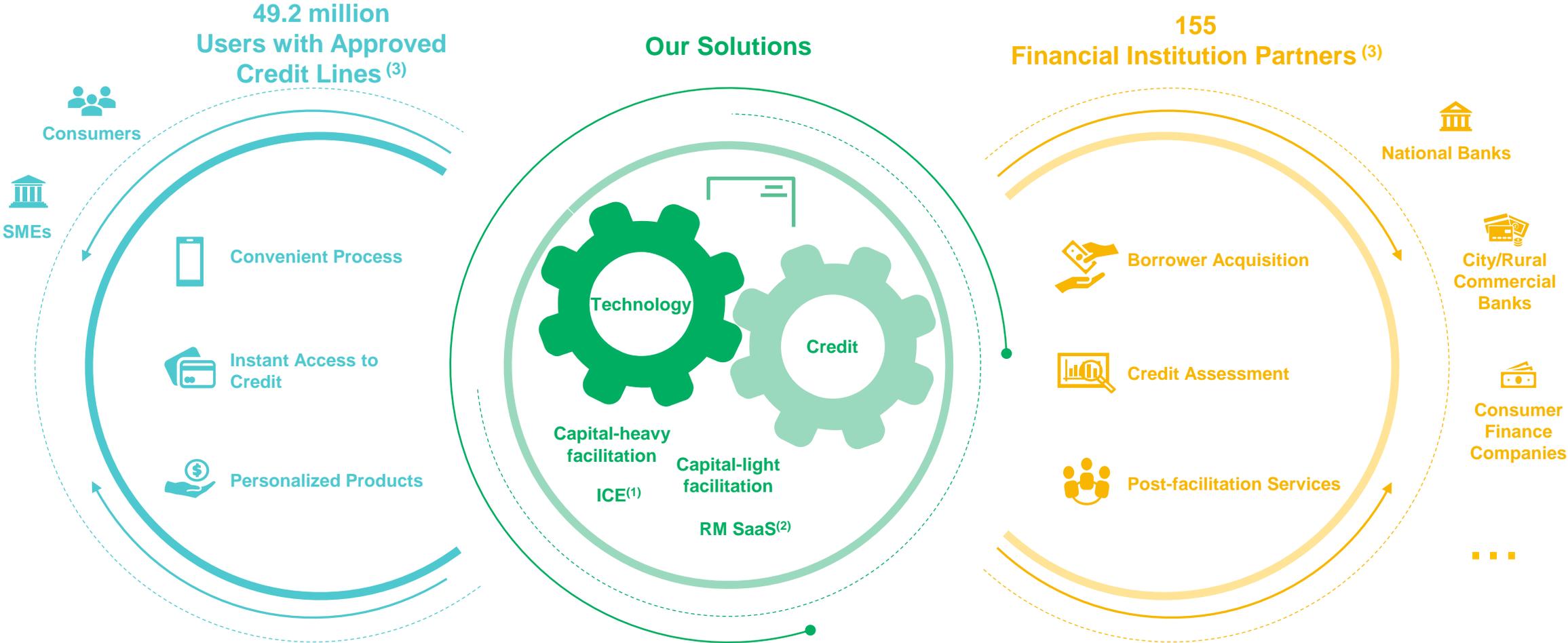
56.5%

Platform Services as % of Total
Loan Facilitation Volume in 3Q23

RMB1,181 million

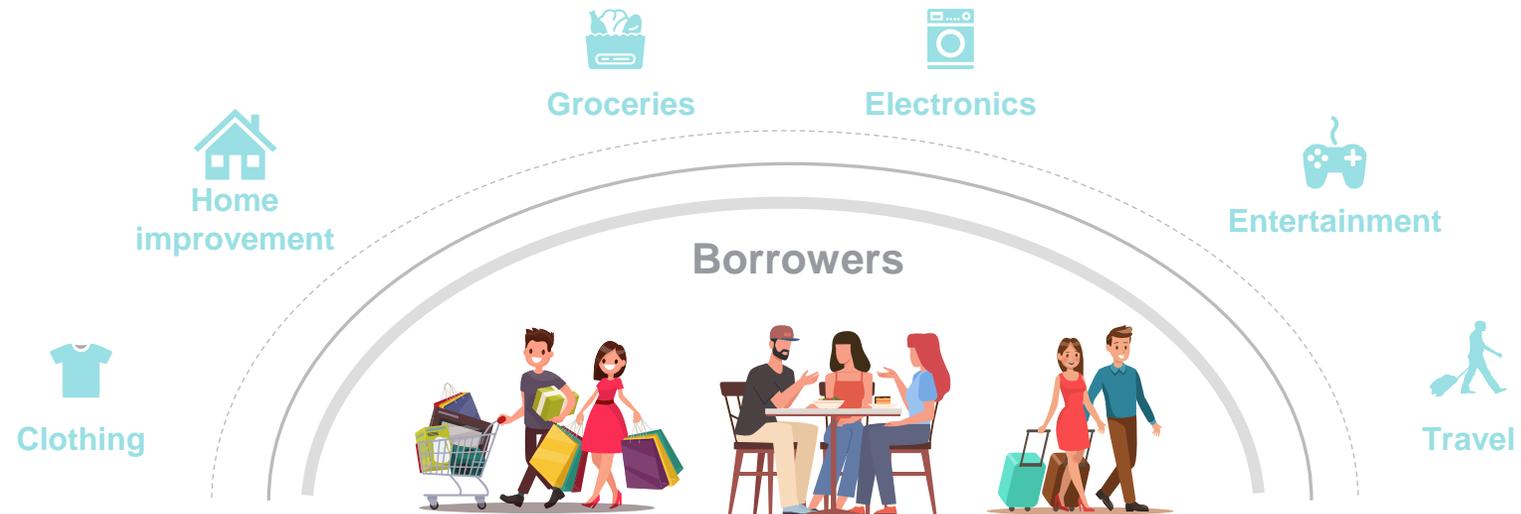
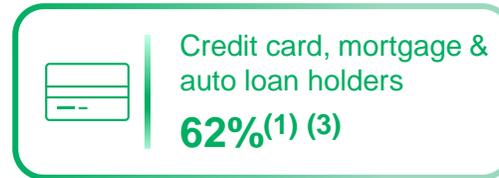
Non-GAAP Net Income in 3Q23⁽²⁾

We Primarily Enable Financial Institutions with Our Innovative Technology Solutions...



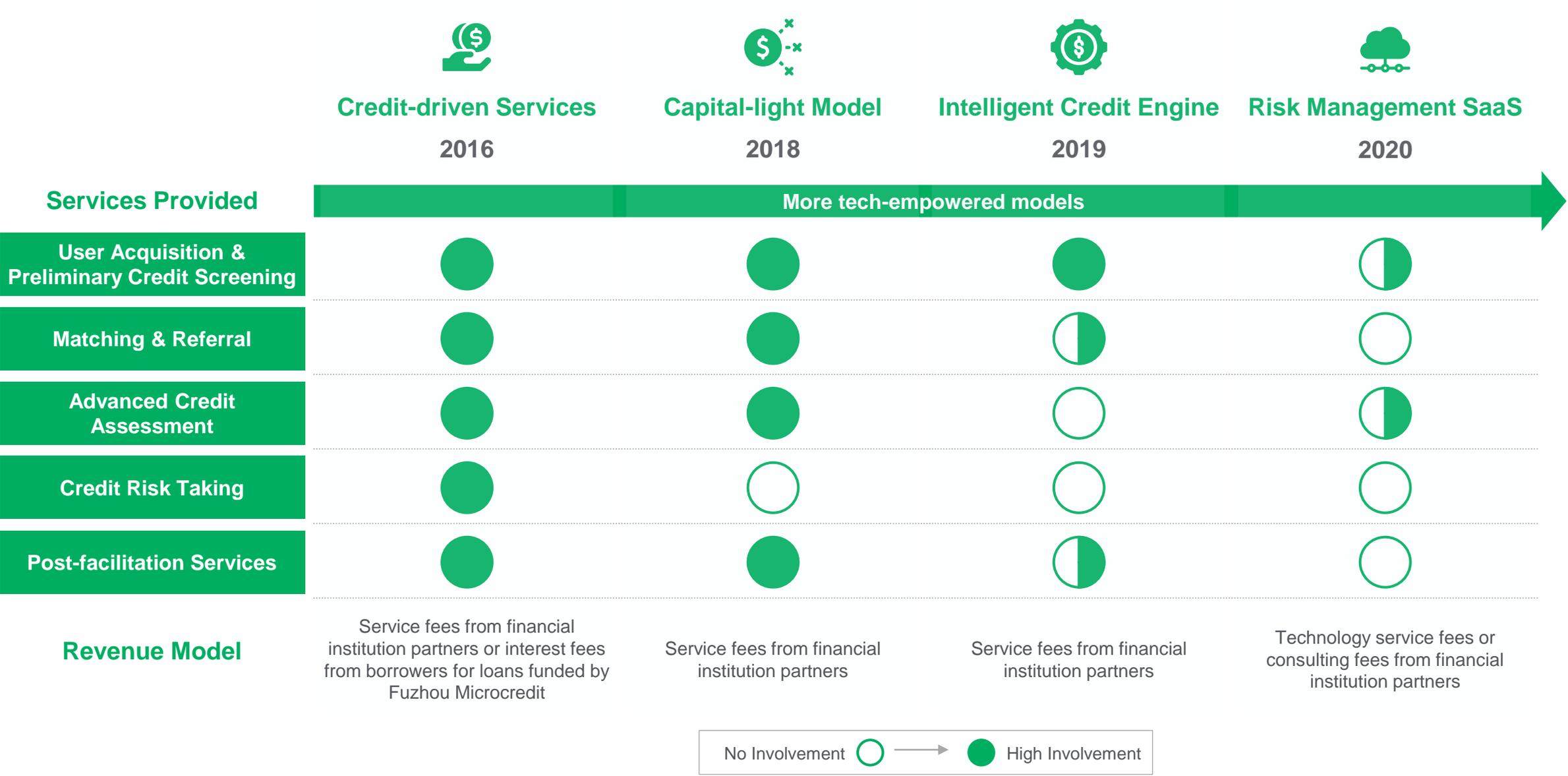
Notes: (1) Refers to Intelligence Credit Engine. (2) Refers to Risk management Software-as-a-Service. (3) Cumulative number as of September 30, 2023.

...to Make Credit Accessible and Affordable to Underserved Borrowers

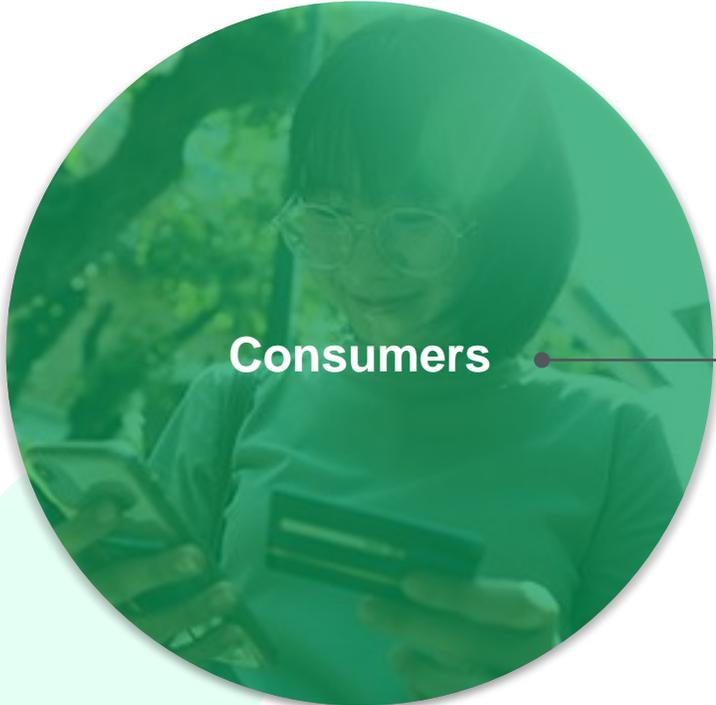


Notes: (1) Data based on cumulative users with approved credit lines as of September 30, 2023. (2) 3Q23 data. (3) Refer to the users who possess a credit card or have a mortgage or auto loan, and have made at least one repayment within 6 months prior to the date when the credit line was granted.

Our Solutions



Our Addressable Market



Consumers



Consumer Credit-Tech Market in China ⁽¹⁾

2021

RMB5.2 trillion

2021-2026E
CAGR

9.2%



SME Credit-Tech Market in China ⁽²⁾

2021

RMB6.0 trillion

2021-2026E
CAGR

35.9%



SMEs

Source: iResearch Report.

Notes: (1) The size of the consumer Credit-Tech market in China refers to the total outstanding balance of online consumer loans offered by traditional financial institutions and Credit-Tech platforms. (2) The size of the SME Credit-Tech market in China refers to the total outstanding balance of online SME loans with approved credit line below RMB1 million offered by traditional financial institutions and Credit-Tech platforms.

Multichannel and Efficient User Acquisition With a Broad User Base



49.2 million

cumulative users with approved credit lines

29.4 million

cumulative borrowers



AI-powered Online Advertising

- Partner with leading internet traffic platforms
- RTA-DMP Marketing System enables efficient user acquisition
- Acquire users across all online life and business scenarios

Embedded Finance

- Have partnered with 40⁽¹⁾ leading online platforms cumulatively, including leading short-form video / payment / e-commerce / ride-hailing / smart phone companies

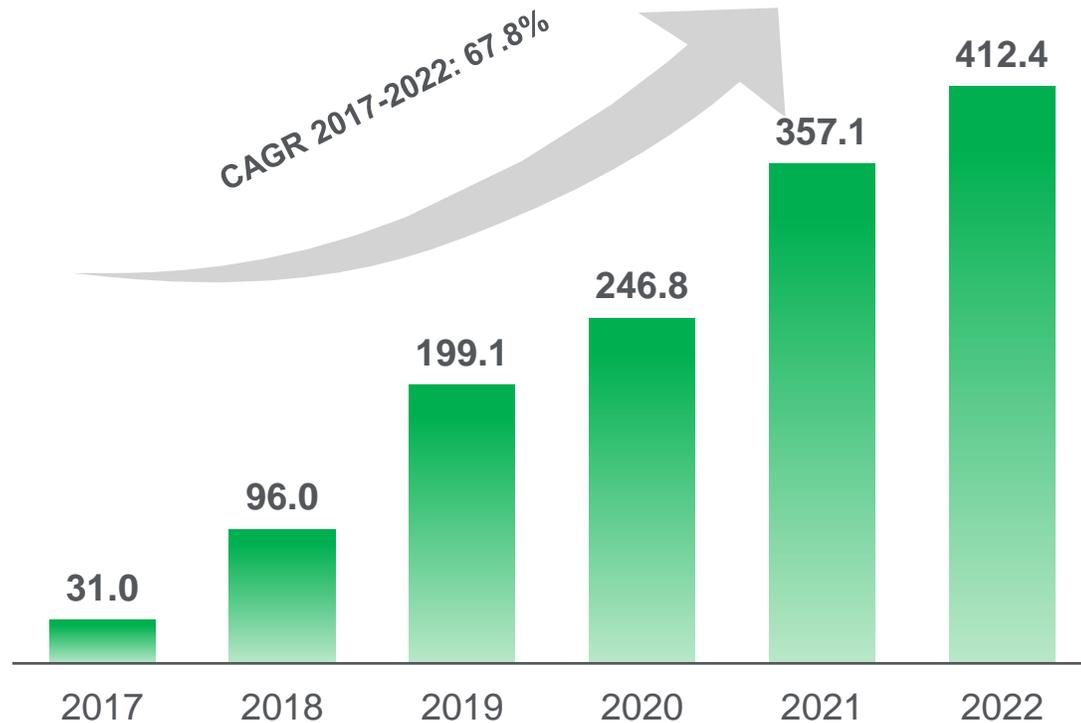
Borrower Referral and Offline Promotion

- Robust borrower referral programs
- On-the-ground sales force targeting users with more sophisticated credit demand

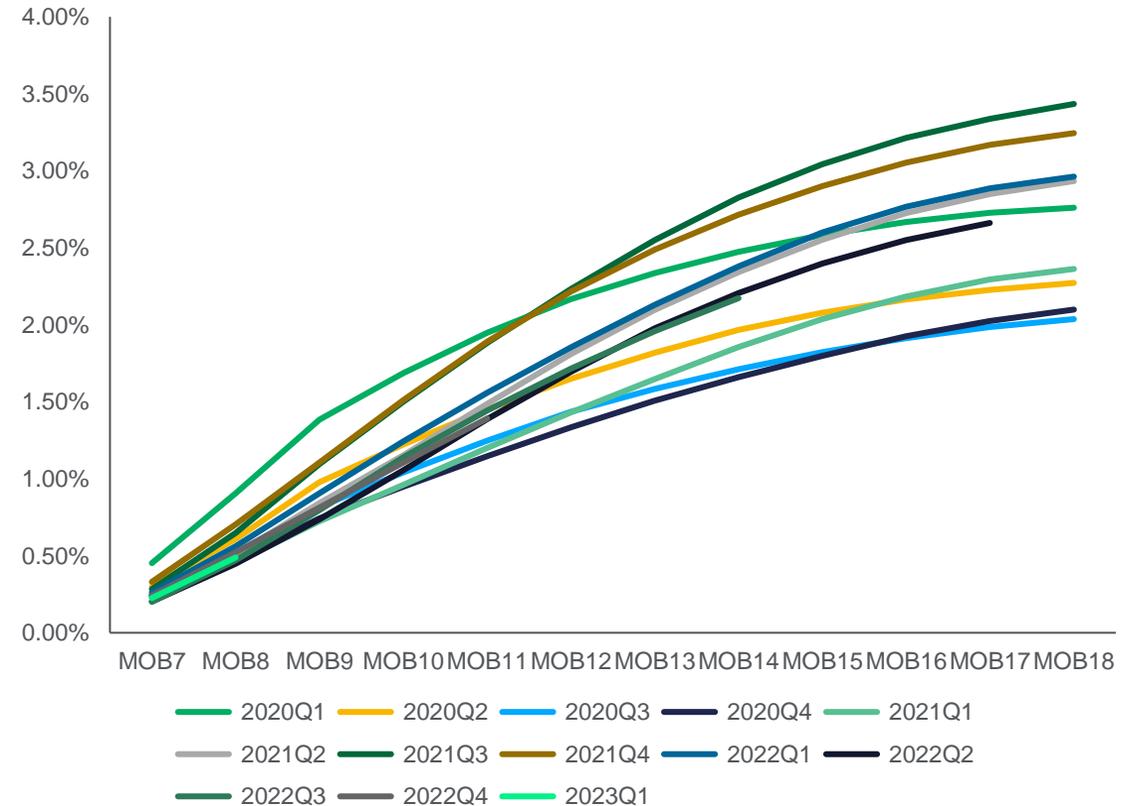
Proven Track Record of Continuous Growth with Stable Risk Performance

Our Track Record

Loan Facilitation Volume
(RMB billion)

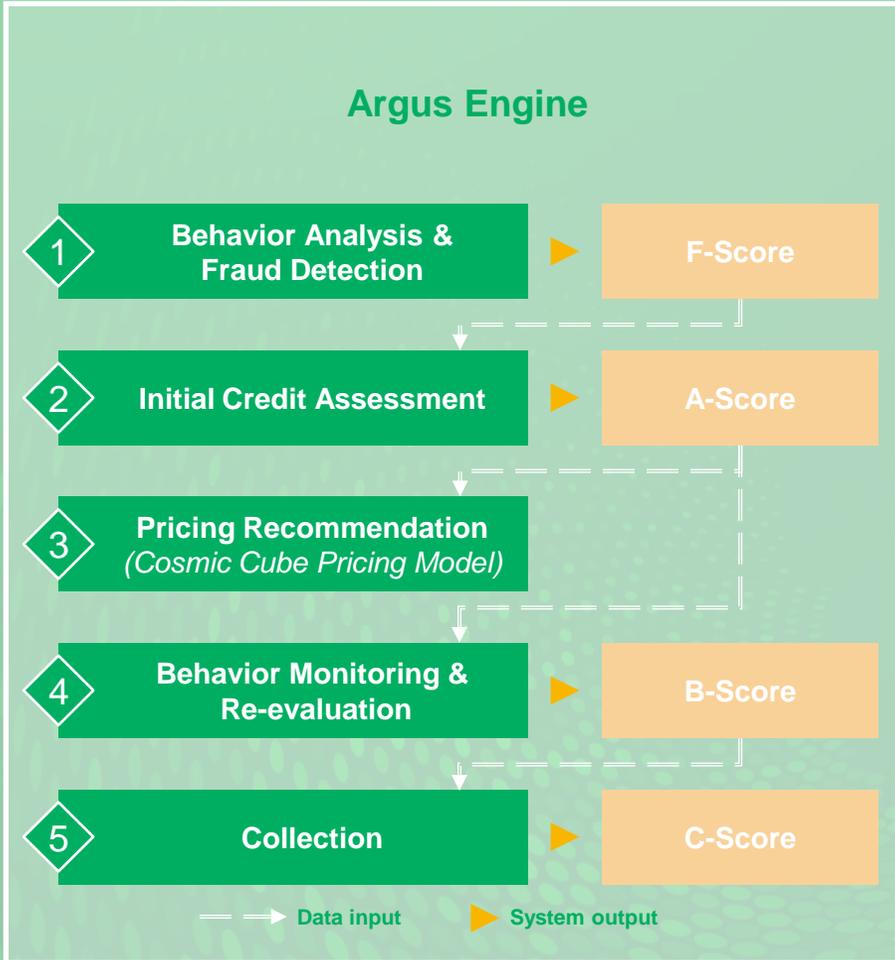


180 Day+ Delinquency Rates by Vintage (1)
(As of September 30, 2023)



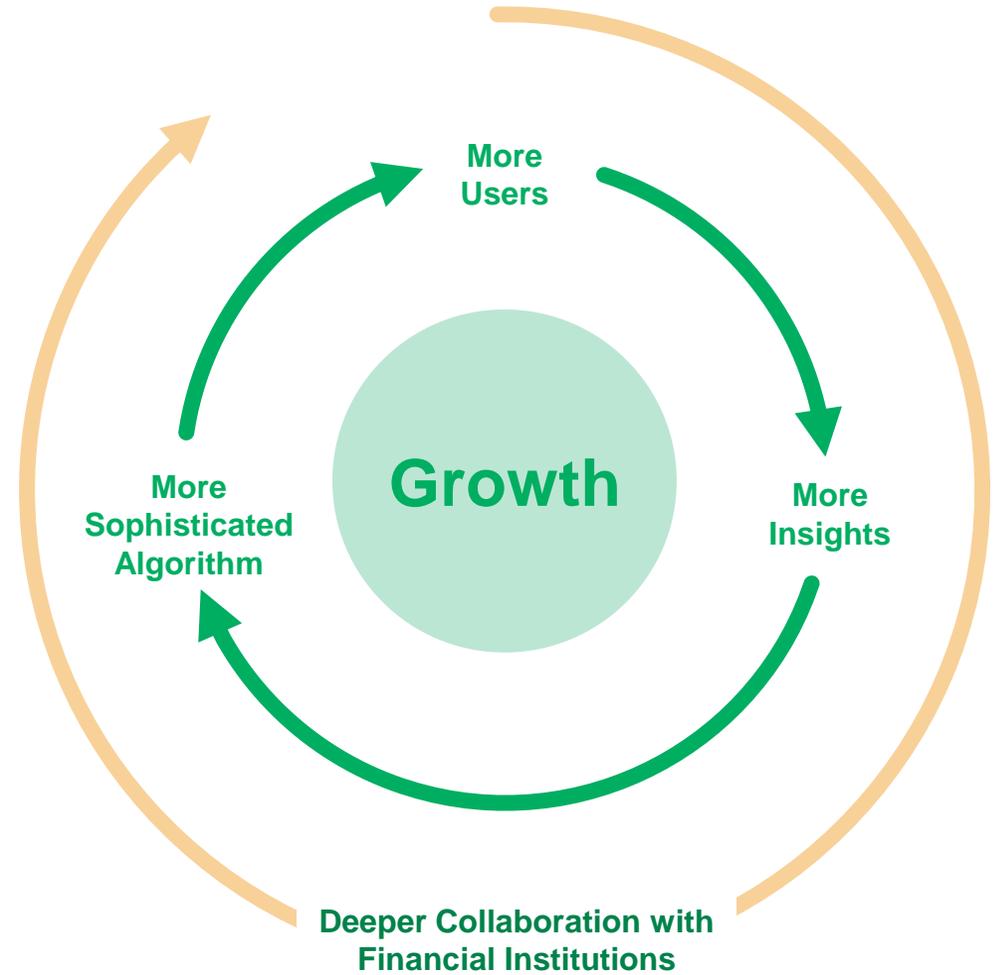
Note: (1) a percentage, which is equal to (i) the total amount of principal for all loans facilitated by our Group in a fiscal quarter that become delinquent for more than 180 days, less the total amount of recovered past due principal for all loans facilitated by our Group that were delinquent for more than 180 days in the same fiscal quarter, divided by (ii) the total initial principal amount of loans facilitated by our Group in such fiscal quarter; loans under Intelligent Credit Engine and other technology solutions are not included in the delinquency rate calculation.

AI-Empowered Credit Assessment Capabilities Create Dual Flywheel Effect



AI-empowered

Real-time graph engine



Our Business Model Evolves from Capital Driven to Tech Driven

Increasing Contribution from Platform Services⁽¹⁾ in Loan Facilitation Volume



Less constraint on capital

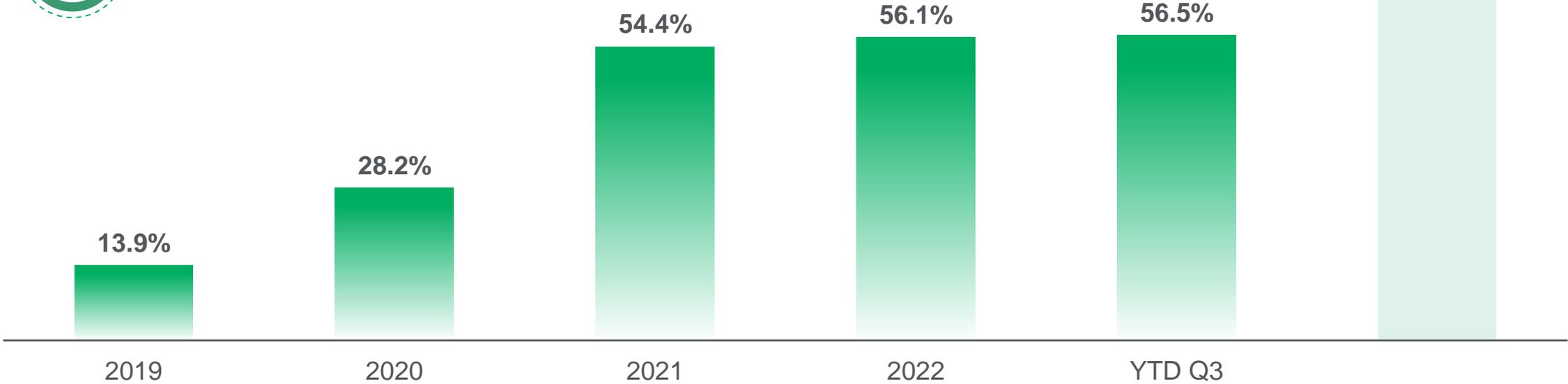


Less exposure to credit risks



Incremental market opportunities

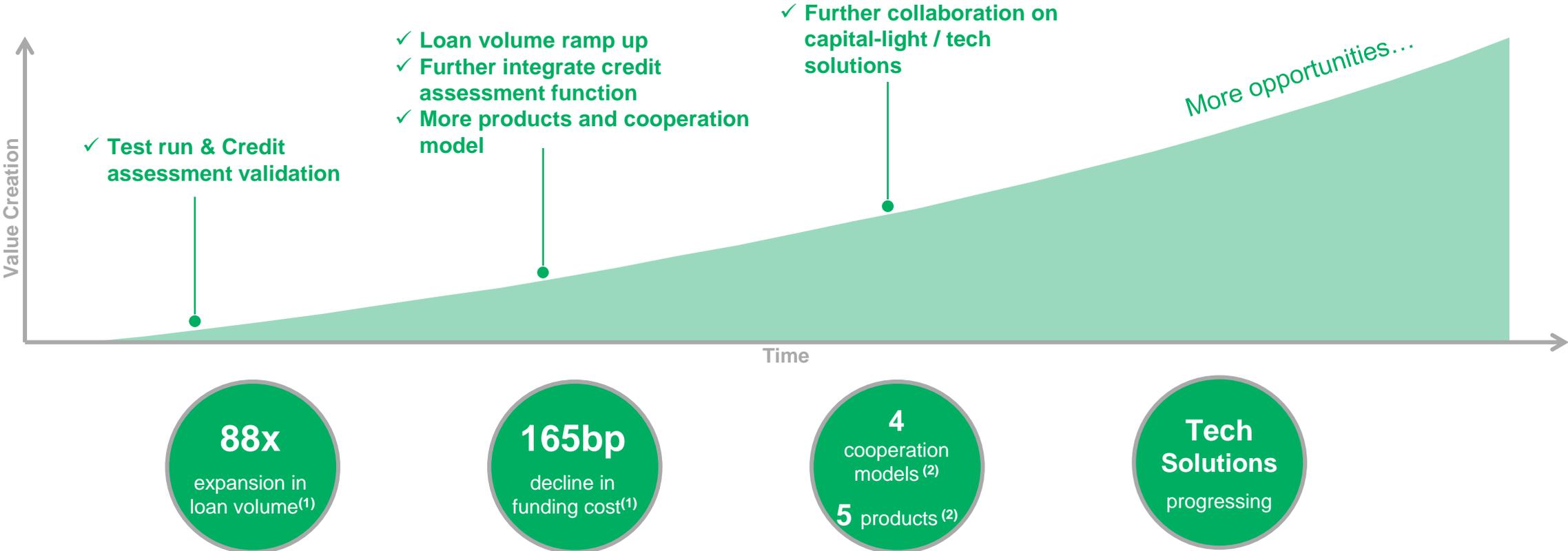
Further increase in the long run



Note: (1) Platform services include capital-light model, ICE and other technology solutions

Show Case: Increasing Breadth and Depth in Our Collaboration with a Financial Institution Partner

Roadmap of Our Collaboration with a Financial Institution Partner



Notes: (1) change from the first year of collaboration to the year end of 2022; (2) our cooperation model includes capital-heavy, capital-light, ICE and other tech solutions; our products include Jietiao, Loan Plus+, V-pocket, SMEs loan and API.

Building for the Long Term



Baseline

Near-term initiatives

- Better engage the existing users with approved credit lines to improve their activeness and retention rate
- Diversify the customer acquisition channels through collaboration with various platforms or consumption scenarios
- Further optimize asset allocation to strive an optimal balance between profitability and manageable risks

Expansion

Medium-term initiatives

- Explore market opportunities to serve broadly defined SME segment, including SMEs, SME owners, entrepreneurs, self-employed individuals, etc., with consideration of macro economic cycle

Opportunities

Long-term initiatives

- Further develop technology solutions with financial institutions to increase flexibility and scope of our services and expand into a wider market space

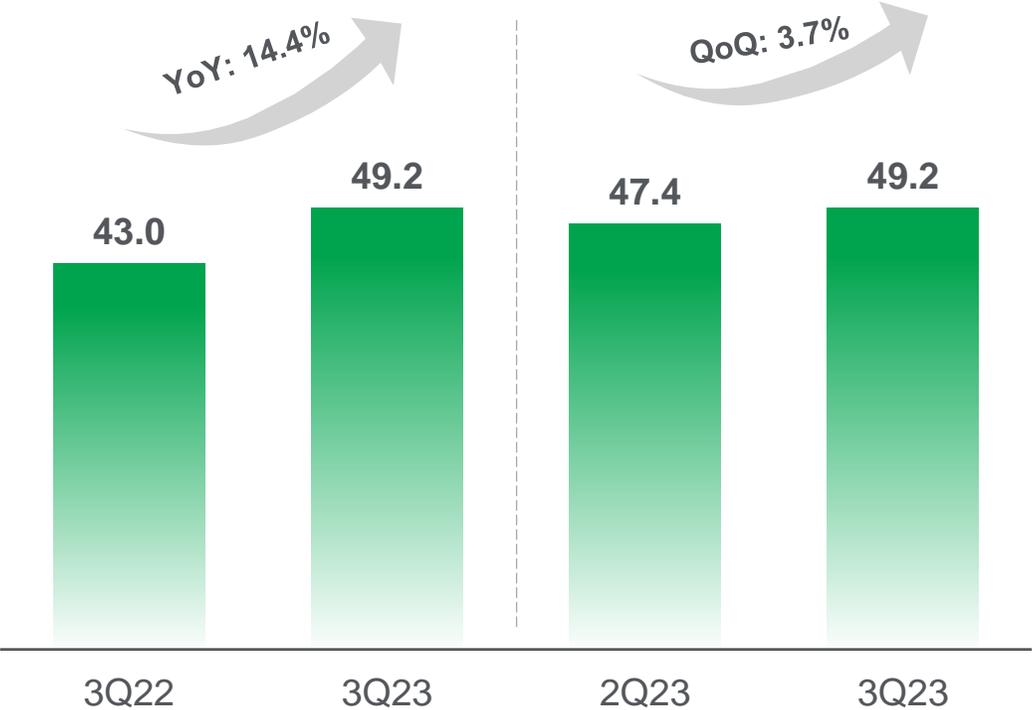
Operational and Financial Data



Continuous Expansion of User Base

Cumulative Users with Approved Credit Lines

(million)



Cumulative Borrowers

(million)

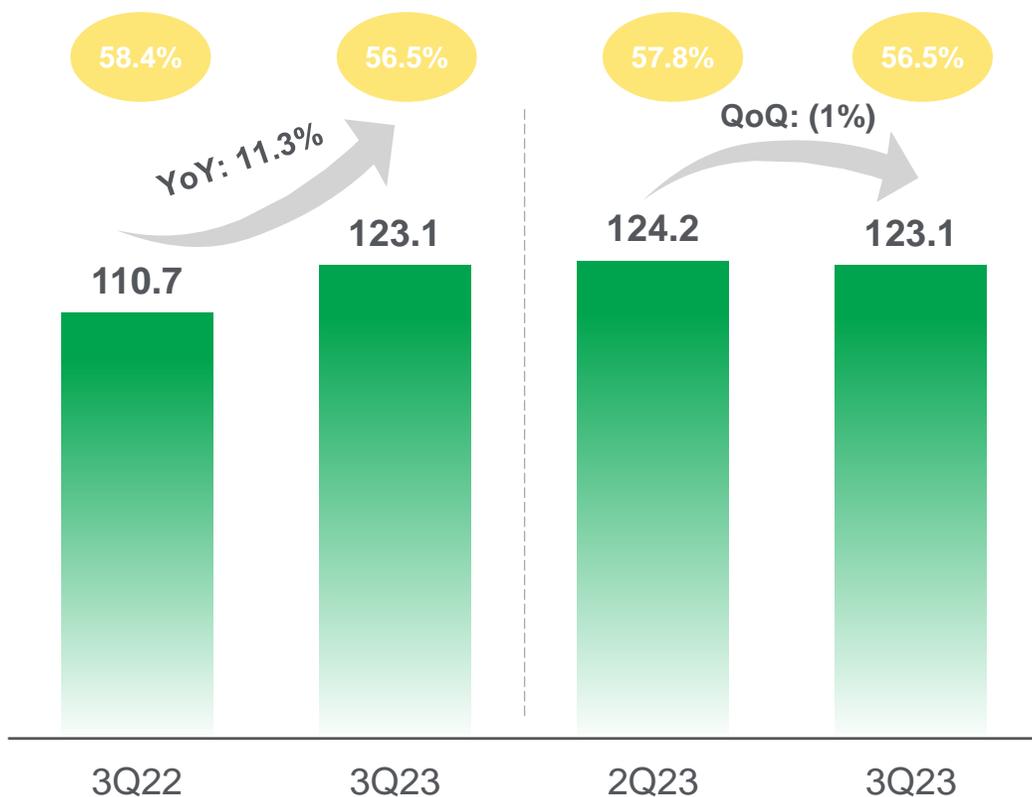


Robust Growth in Loan Facilitation Volume

Loan Facilitation Volume⁽¹⁾

(RMB billion)

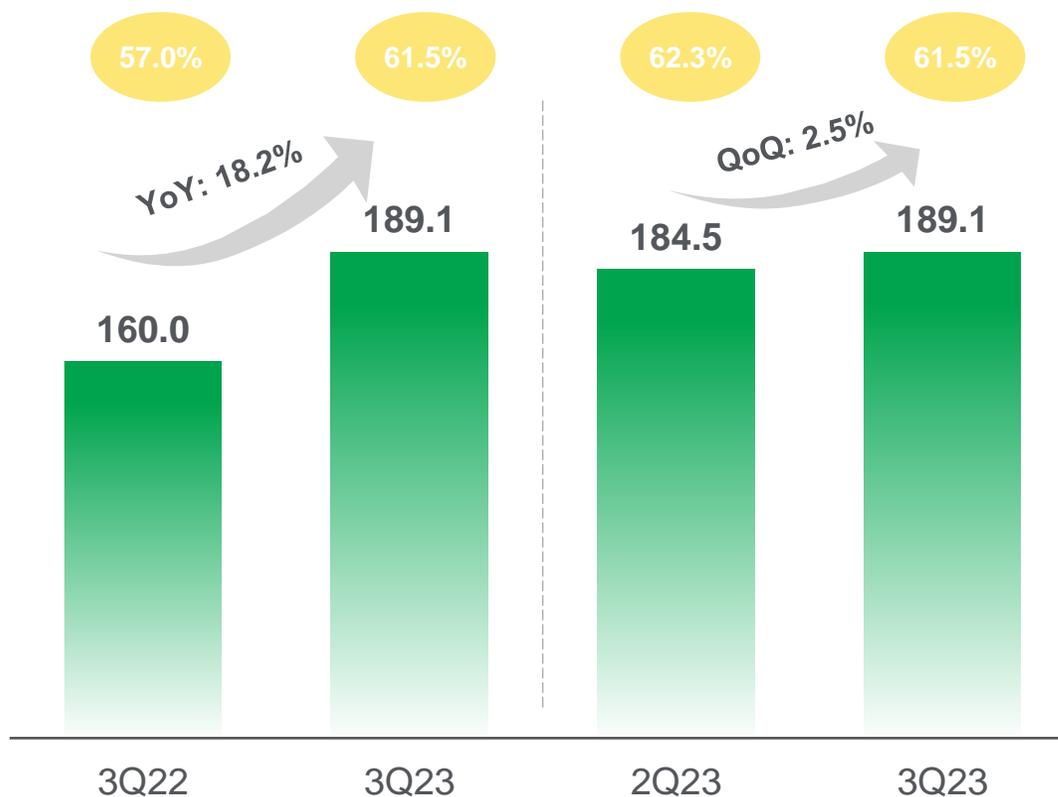
% of platform services' contribution



Outstanding Loan Balance⁽²⁾

(RMB billion)

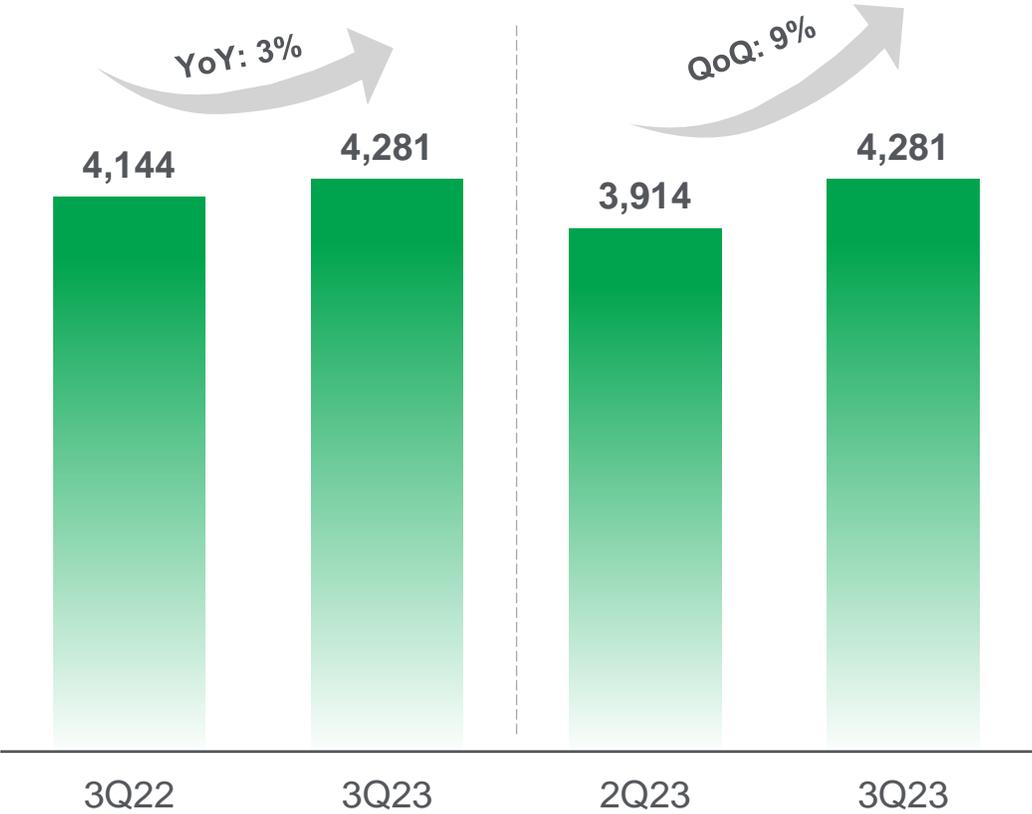
% of platform services' contribution



Notes: (1) Refers to the total principal amount of loans facilitated and originated during the given period, including loan volume facilitated through Intelligence Credit Engine ("ICE") and other technology solutions. (2) Refers to the total amount of principal outstanding for loans facilitated and originated at the end of each period, including loan balance for "ICE" and other technology solutions, excluding loans delinquent for more than 180 days.

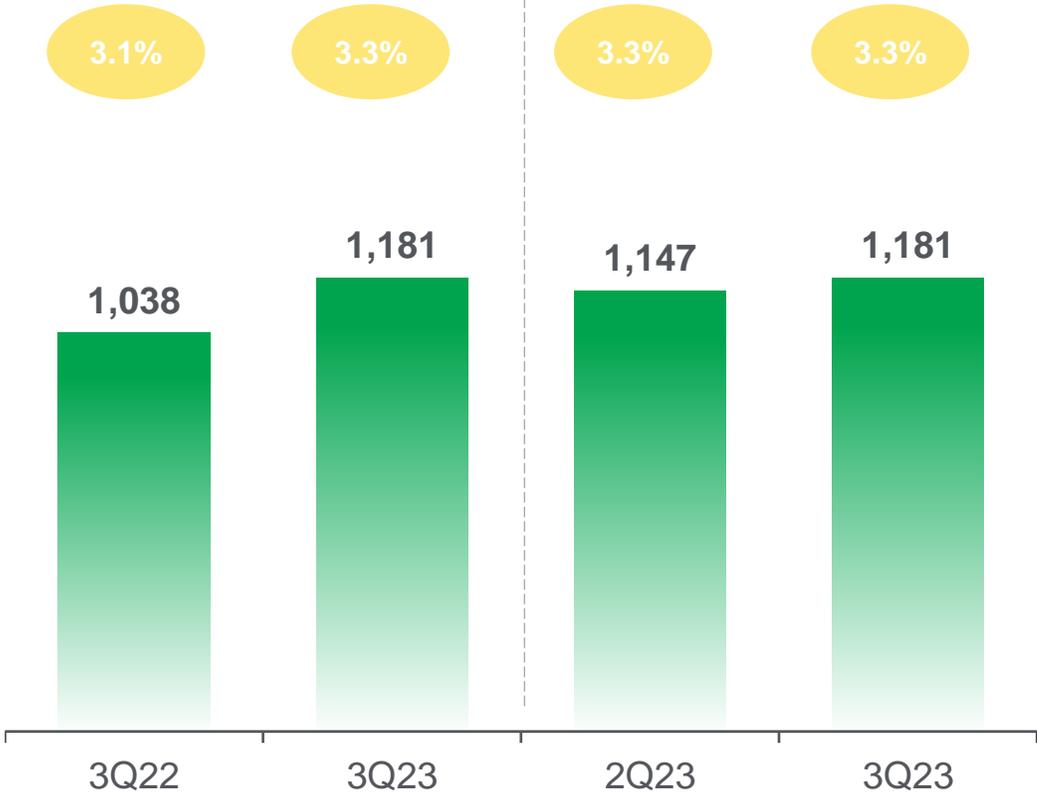
Profitability Improved Driven by Multiple Initiatives

Total Net Revenue
(RMB million)



Non-GAAP Net Income (1)
(RMB million)

% Net Take Rate(2)

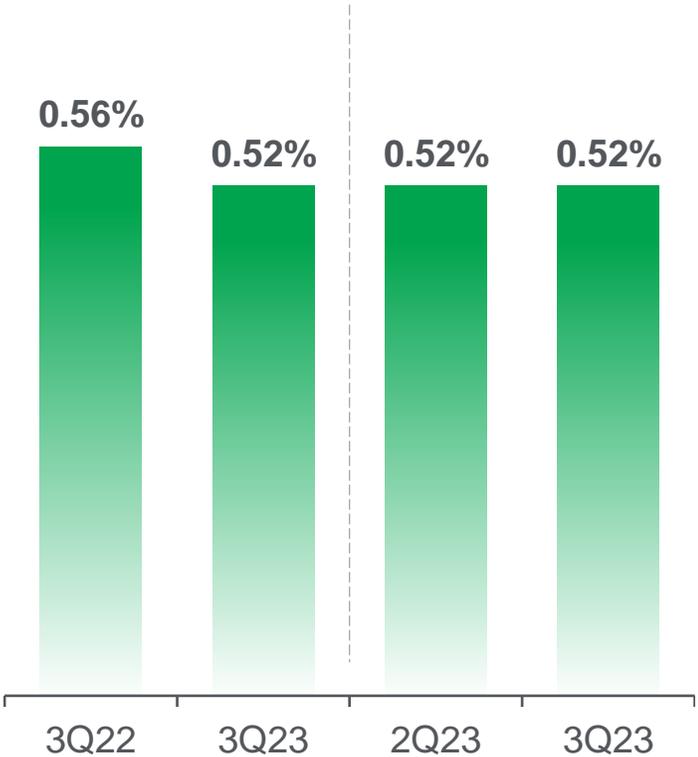


Notes: (1) Excluding share-based compensation expenses. (2) Net Take Rate refers to (i) the Non-GAAP net income, divided by (ii) the average outstanding loan balance of the beginning and the end of the quarter excluding other technology solutions.

Stabilized Operational Efficiency

Facilitation, Origination and Servicing Expense

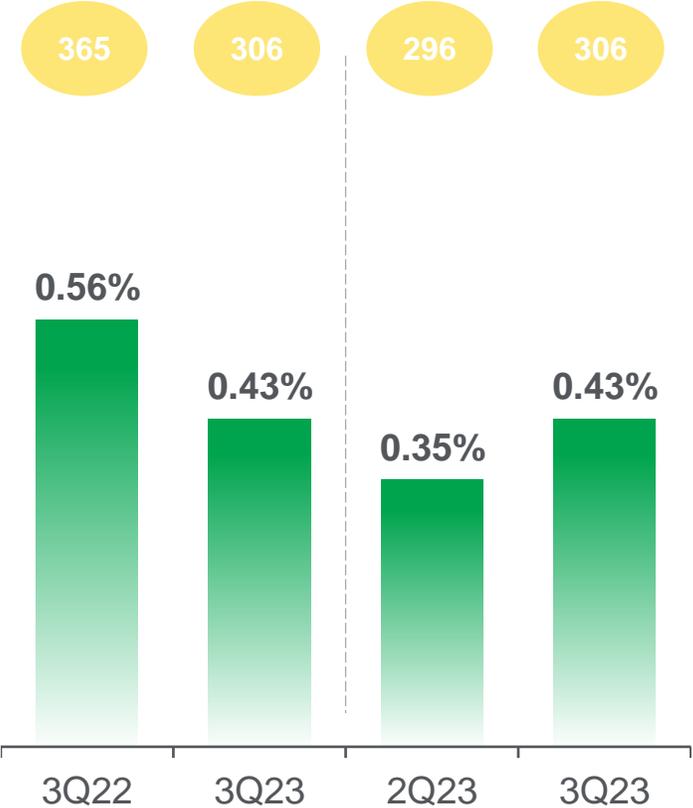
(% of Loan Facilitation Volume)



Sales and Marketing Expense

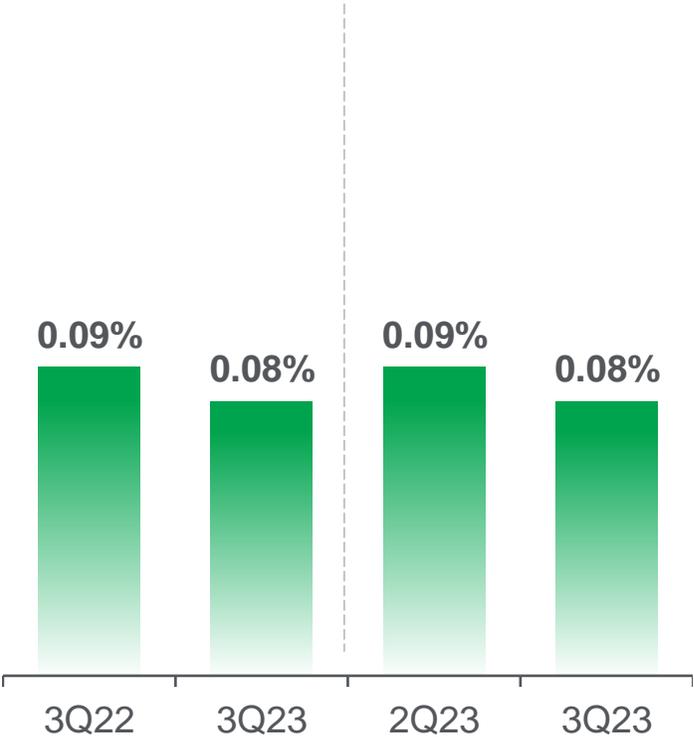
(% of Loan Facilitation Volume)

User Acquisition Costs(RMB)⁽¹⁾



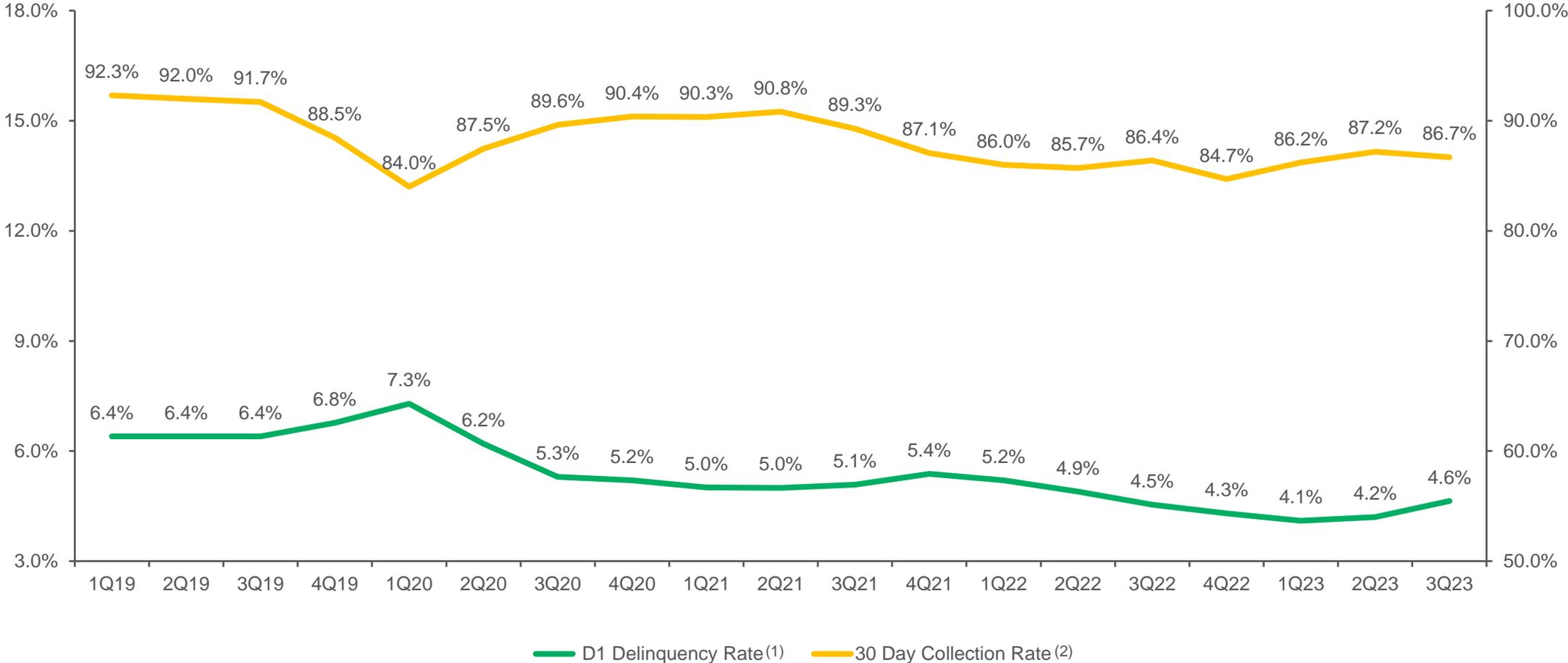
General and Administrative Expense

(% of Loan Facilitation Volume)



Note: (1) Acquisition cost per user with approved credit lines.

Proven Track Record of Managing Risk



Notes: (1) D1 delinquency rate is defined as (i) the total amount of principal that became overdue as of a specified date, divided by (ii) the total amount of principal that was due for repayment as of such date. (2) 30 day collection rate is defined as (i) the amount of principal that is repaid in one month among the total amount of principal that is overdue as of a specified date, divided by (ii) the total amount of principal that is overdue as of such specified date.

Dedicated to Return Value to Shareholders

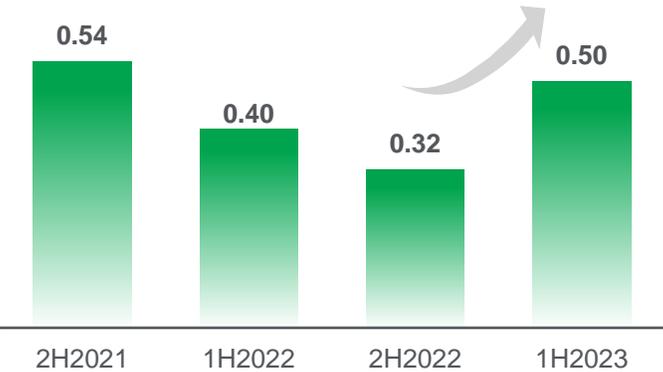


Cash Dividend

20%~30%

Dividend Payout Ratio⁽¹⁾

Dividend per ADS⁽³⁾
(USD)

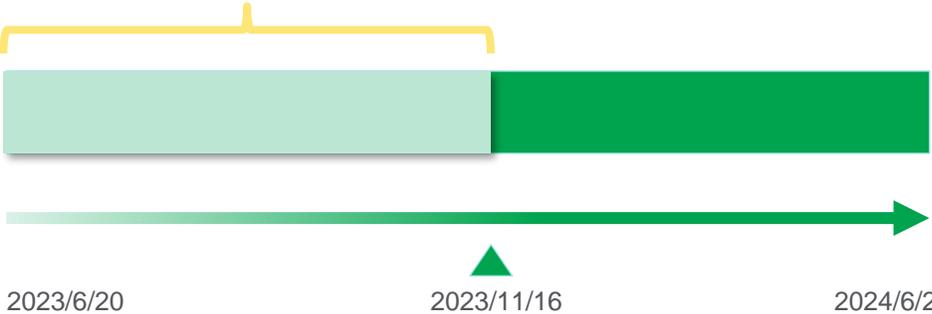


Share Repurchase

\$150million

Share Repurchase Plan⁽²⁾

As of November 16, 2023, the Company in aggregate purchased approximately **4.9 million ADSs** in the open market for a total cost of approximately **US\$80 million** (inclusive of commissions), accounting for approximately **54%** of the share repurchase plan in value. The ADS repurchased were at an average price of around **\$16.2**.



Notes: (1) The Company will declare and distribute a recurring cash dividend semi-annually, starting from the first half of 2023. The determination to make dividend distributions and the exact amount of such distributions in any particular six-month period will be based upon the Company's operations and financial conditions, and other relevant factors, and subject to adjustment and determination by the Board of directors of the Company. (2) The Company may repurchase up to US\$150 million worth of its American depository shares or Class A ordinary shares over the next 12 months starting from June 20, 2023. (3) Before 2023, dividends were distributed quarterly at the payout ratio of 15% to 20%.

THANK YOU