

May 2023



# 1Q2023 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 1Q23

One of the Leading Consumer Credit-Tech Platform in China

**46.0 mm**

Cumulative Users with  
Approved Credit Lines<sup>(1)</sup>

**150**

Cumulative Financial  
Institution Partners<sup>(1)</sup>

**RMB109.5 bn**

Loan Facilitation Volume<sup>(2)</sup>

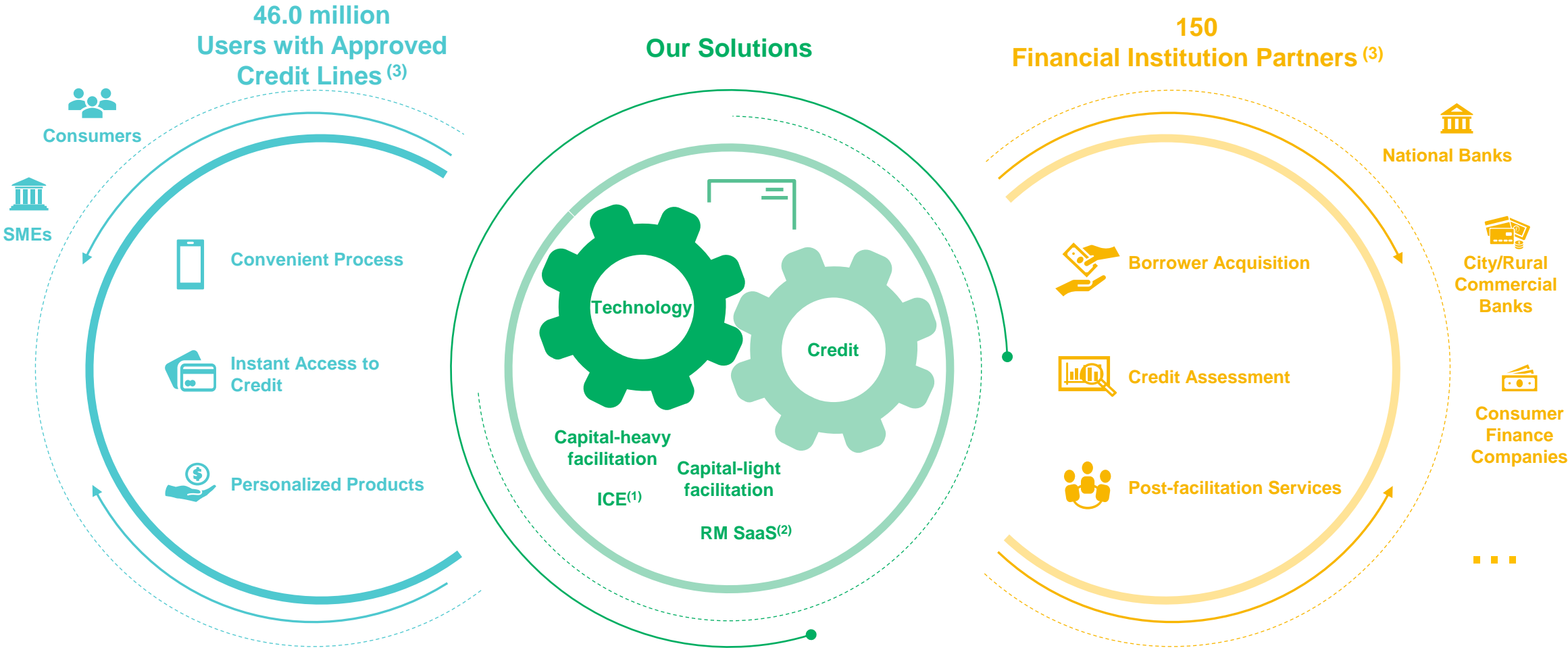
**56.0%**

Platform Services as % of Total  
Loan Facilitation Volume<sup>(2)</sup>

**RMB976.3 mn**

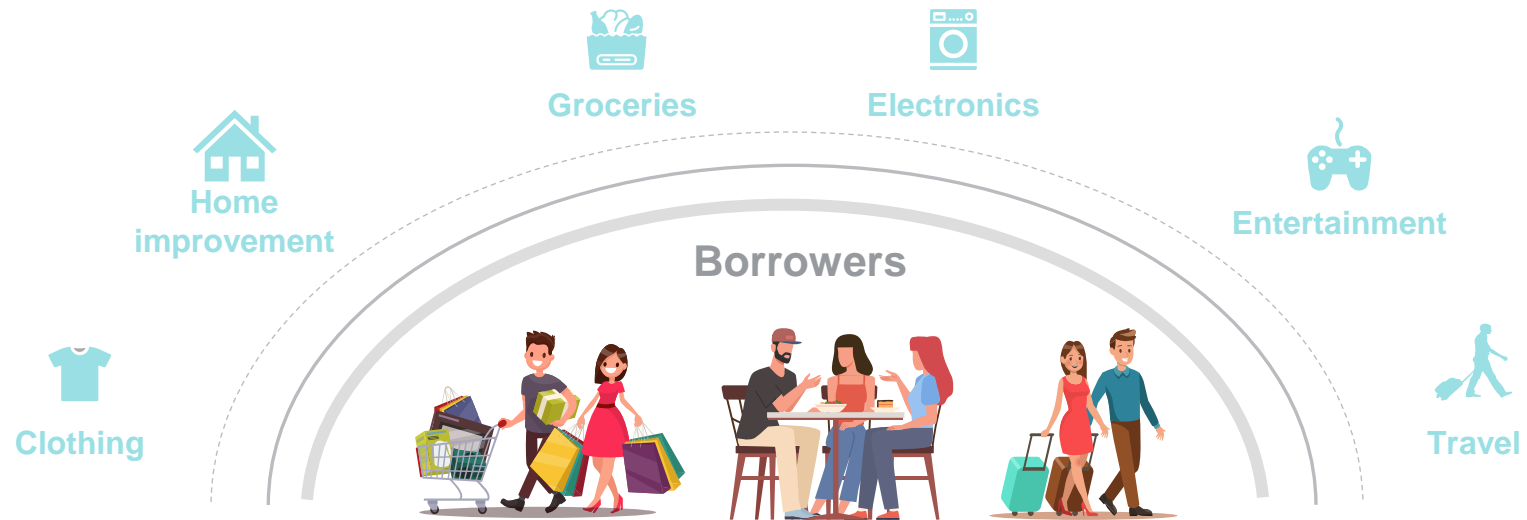
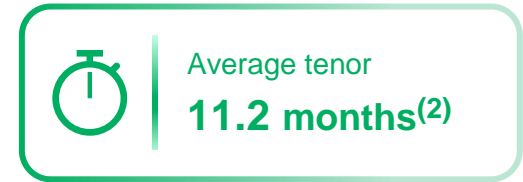
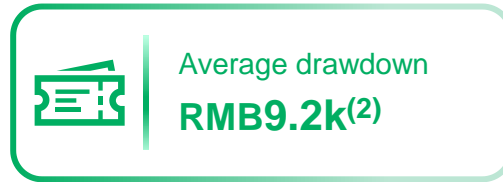
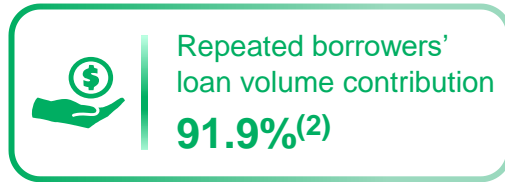
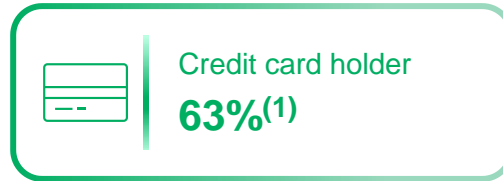
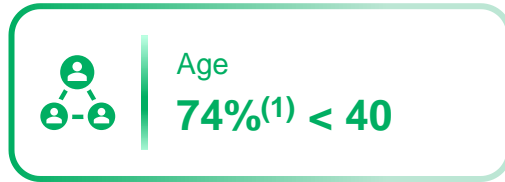
Non-GAAP Net Income <sup>(2)(3)</sup>

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



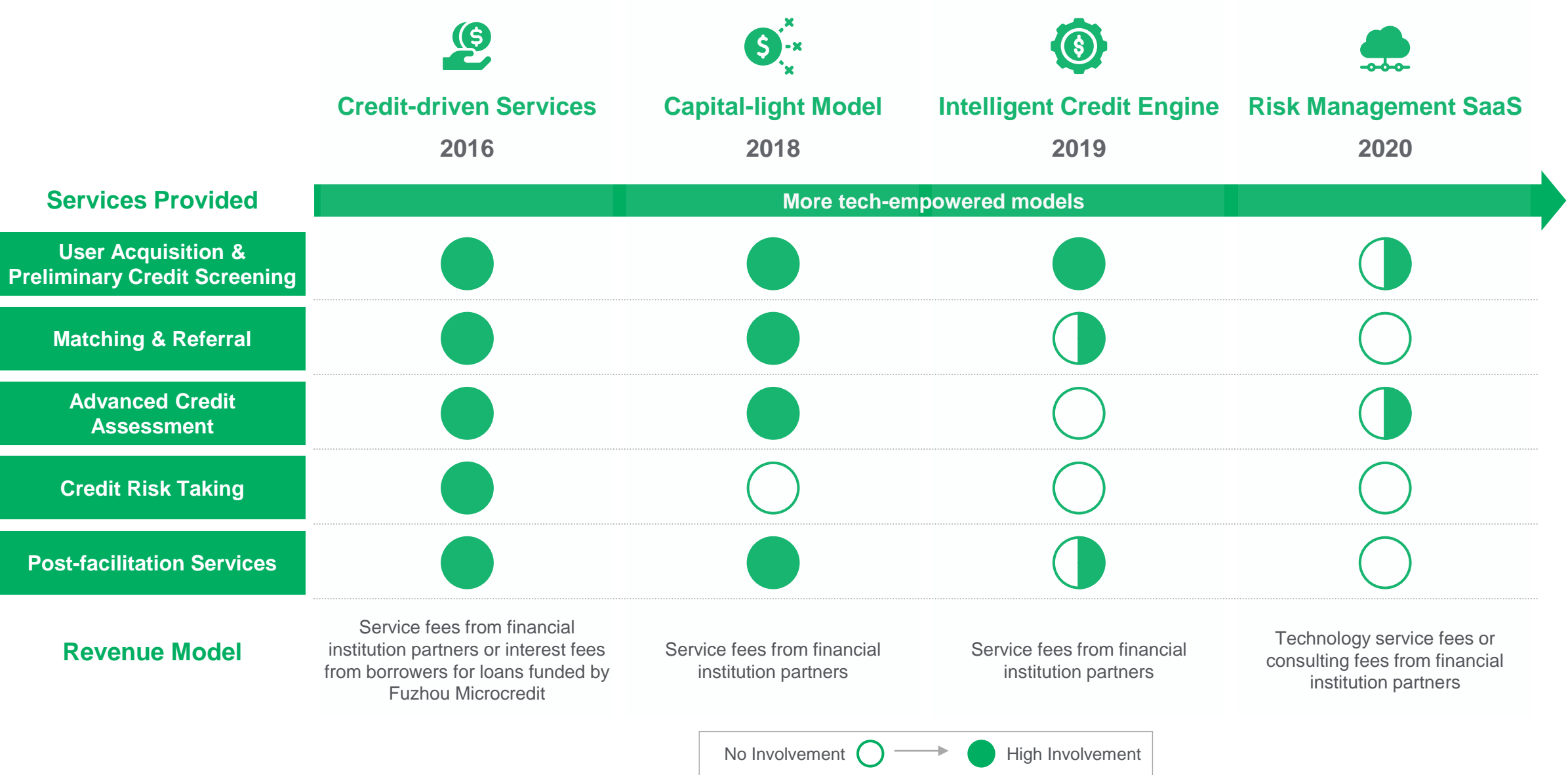
Notes: (1) Refers to Intelligence Credit Engine. (2) Refers to Risk management Software-as-a-Service. (3) Cumulative number as of March 31, 2023.

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



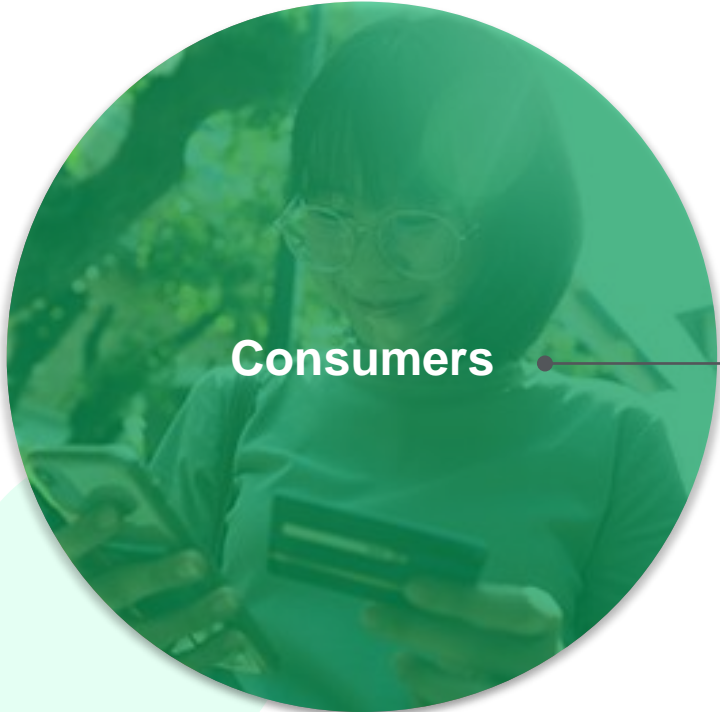
Notes: (1) Data based on cumulative users with approved credit lines as of March 31, 2023. (2) 1Q23 data.

# Our Solutions





# Our Addressable Market



Consumers



Consumer Credit-Tech Market in China <sup>(1)</sup>

2021

RMB5.2 tn

2021-2026E  
CAGR

9.2%



SME Credit-Tech Market in China <sup>(2)</sup>

2021

RMB6.0 tn

2021-2026E  
CAGR

35.9%



SMEs

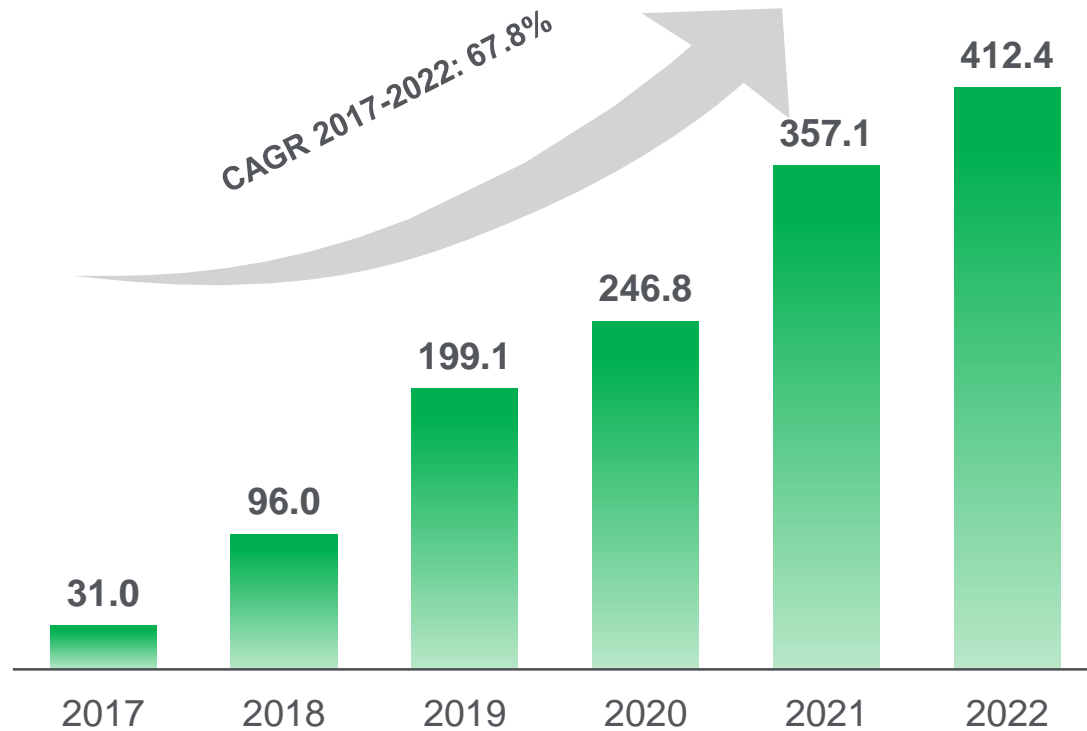
Source: iResearch Report.

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.

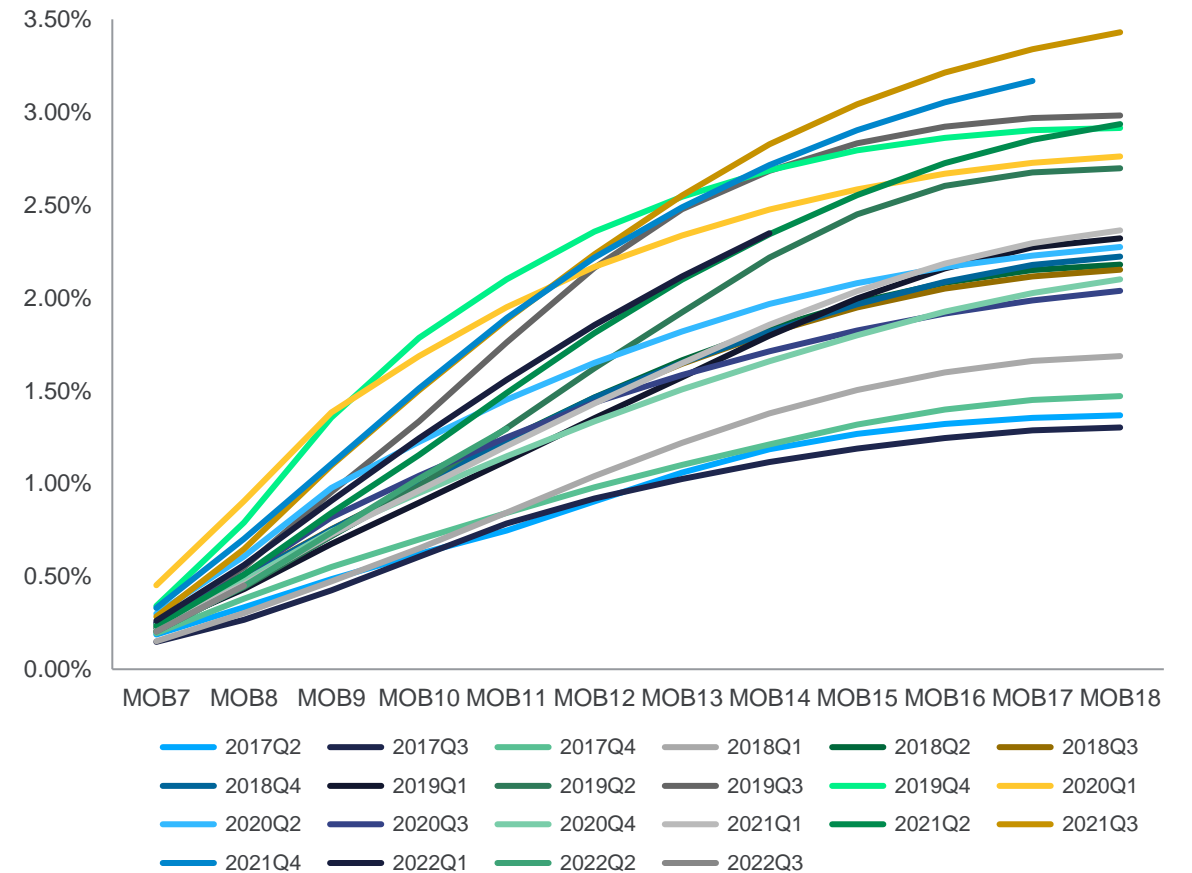
# Proven Track Record of Continuous Growth with Stable Risk Performance

## Our Track Record

**Loan Facilitation Volume**  
(RMB bn)



**180 Day+ Delinquency Rates by Vintage (1)**  
(As of March 31, 2023)



Notes: (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.

# Our Business Model Evolves from Capital Driven to Tech Driven

## Increasing Contribution from Platform Services<sup>(1)</sup> in Loan Facilitation Volume



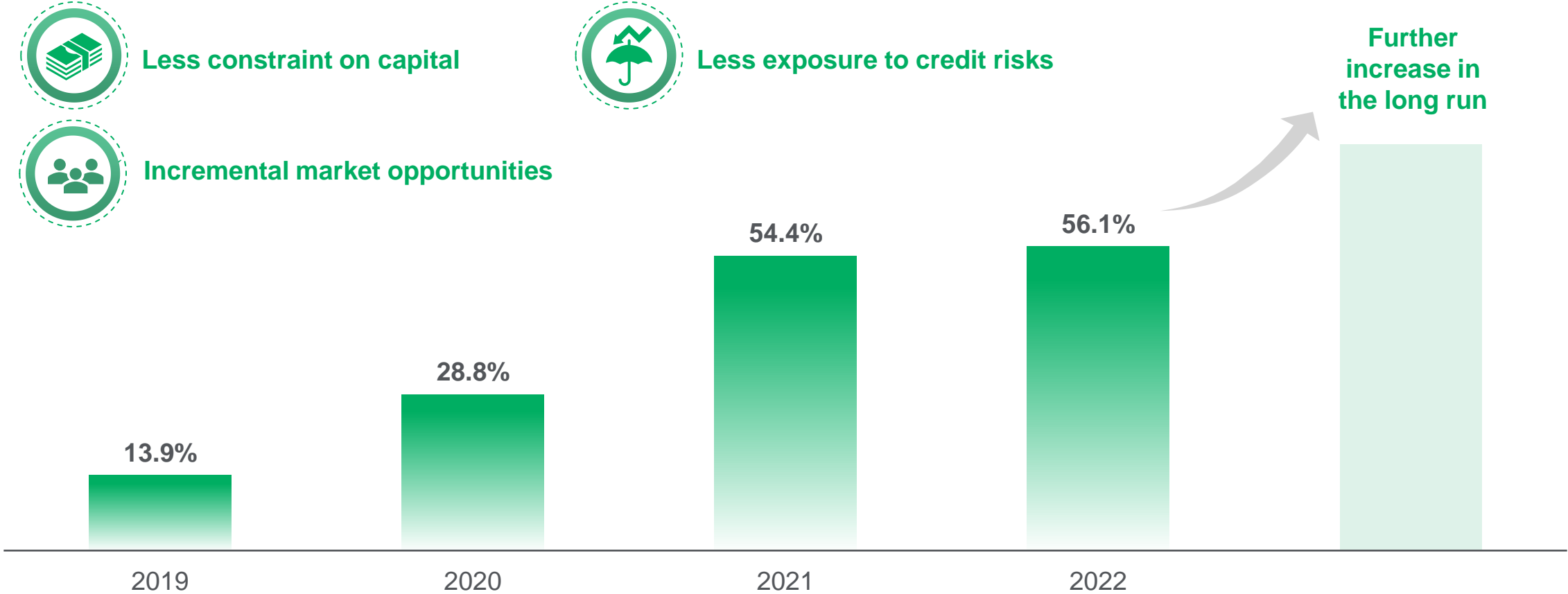
Less constraint on capital



Less exposure to credit risks



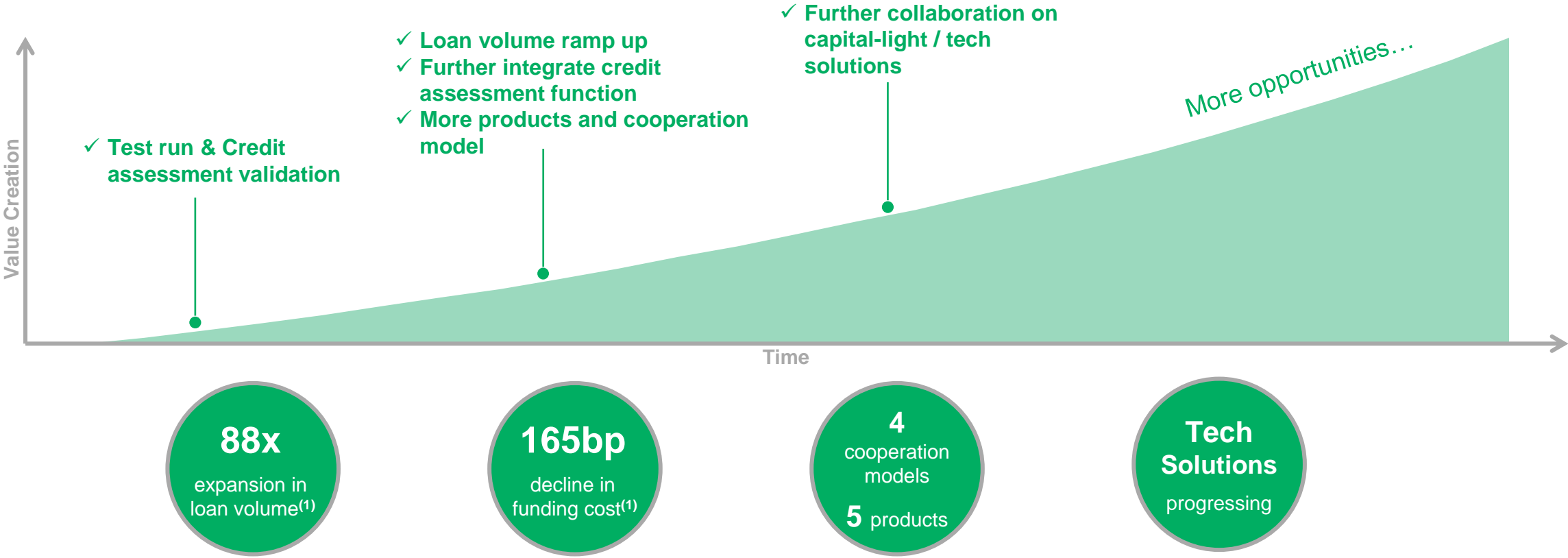
Incremental market opportunities



Notes: (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 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

## 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

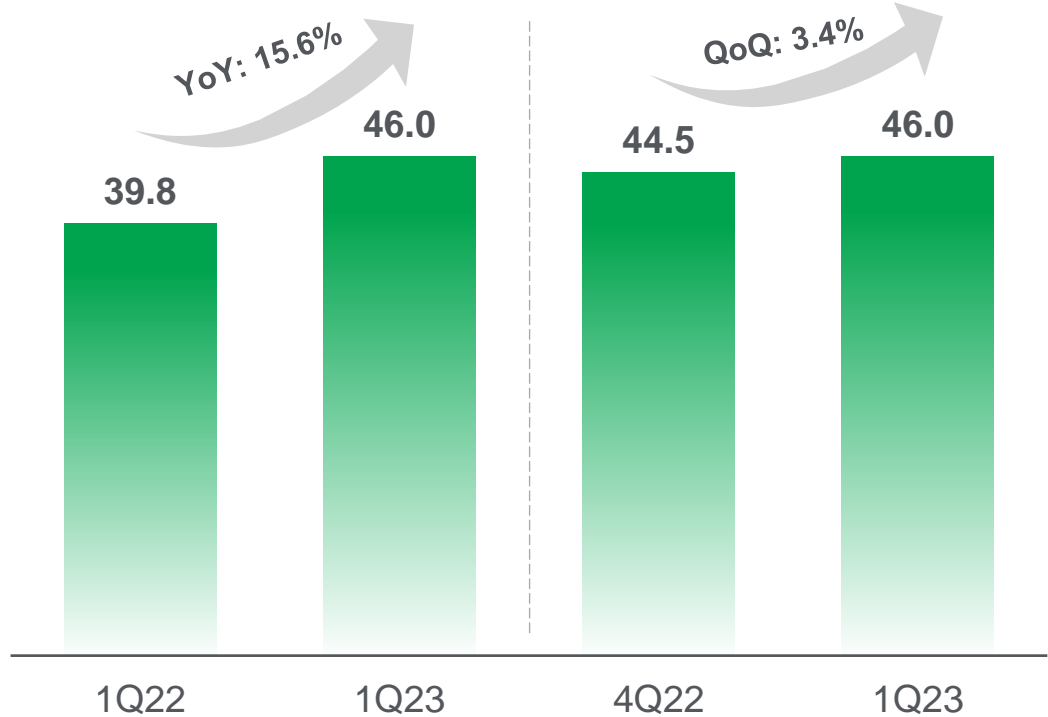
# Operational and Financial Data



# Continuous Expansion of User Base

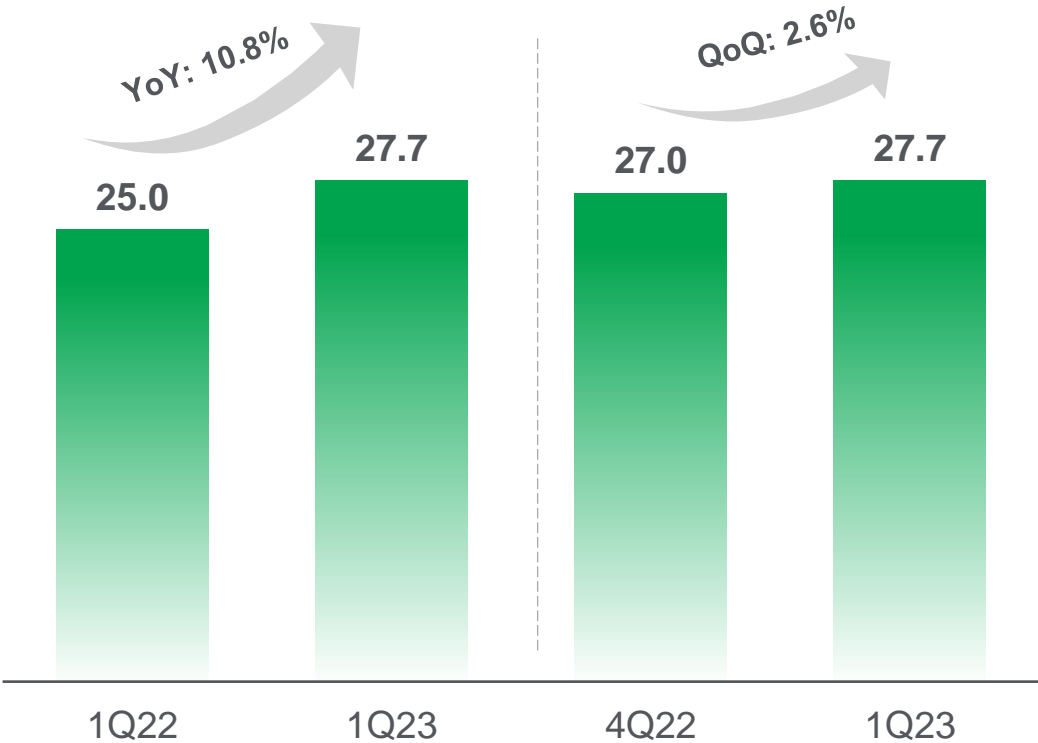
## Cumulative Users with Approved Credit Lines

(mm)



## Cumulative Borrowers

(mm)



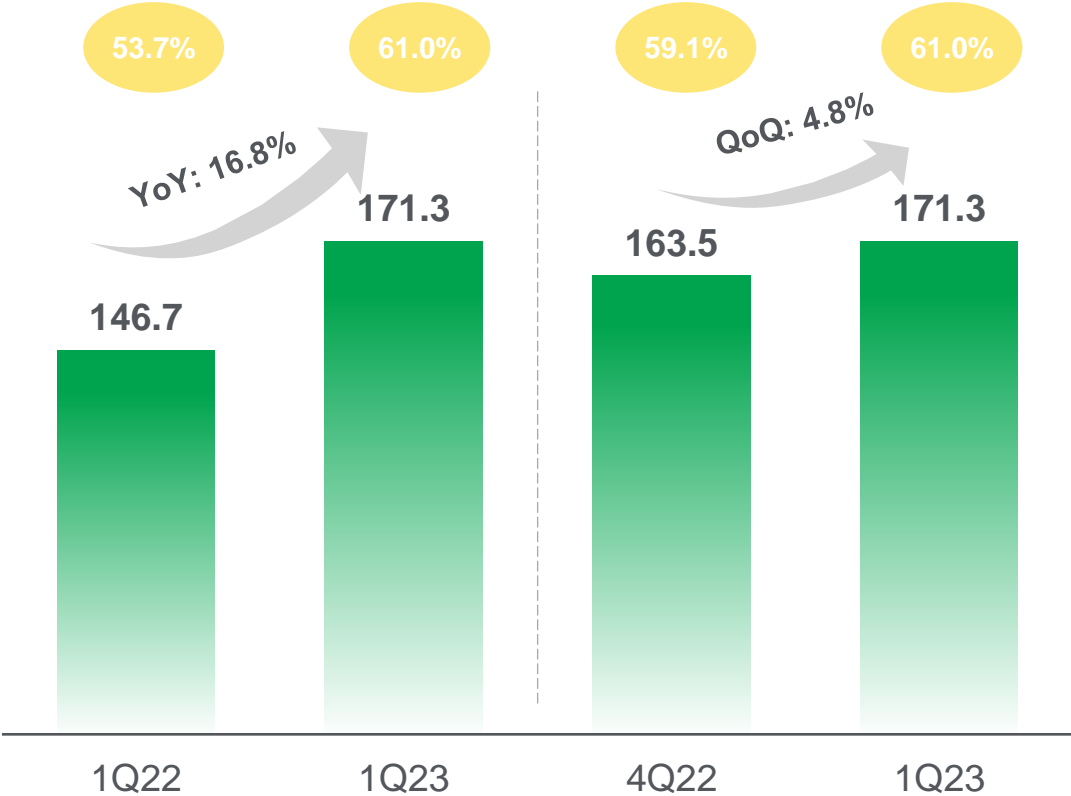
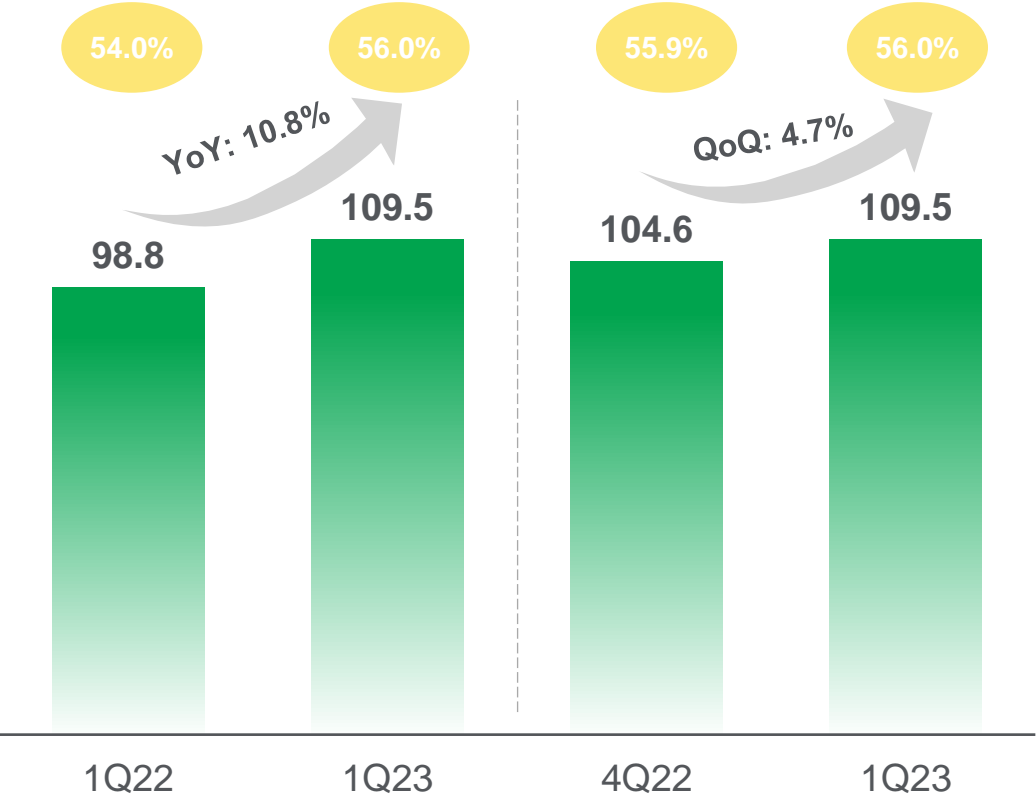
# Solid Growth in Loan Facilitation with Stable Contribution from Platform Services

**Loan Facilitation Volume<sup>(1)</sup>**  
(RMB bn)

**Outstanding Loan Balance<sup>(2)</sup>**  
(RMB bn)

*% of platform services' contribution*

*% of platform services' contribution*

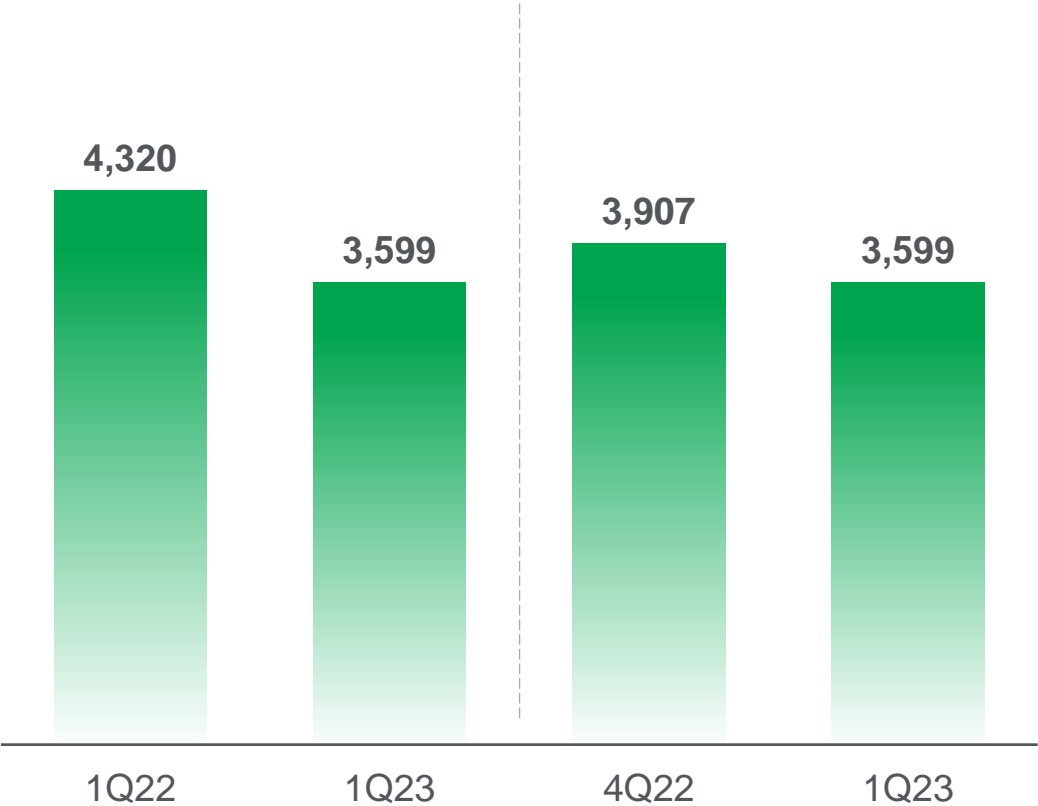


Notes: (1) Refers to the total principal amount of loans facilitated and originated during the given period, including loan volume facilitated through Intelligence Credit Engine (“ICE”) and other technology solutions. (2) Refers to the total amount of principal outstanding for loans facilitated and originated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



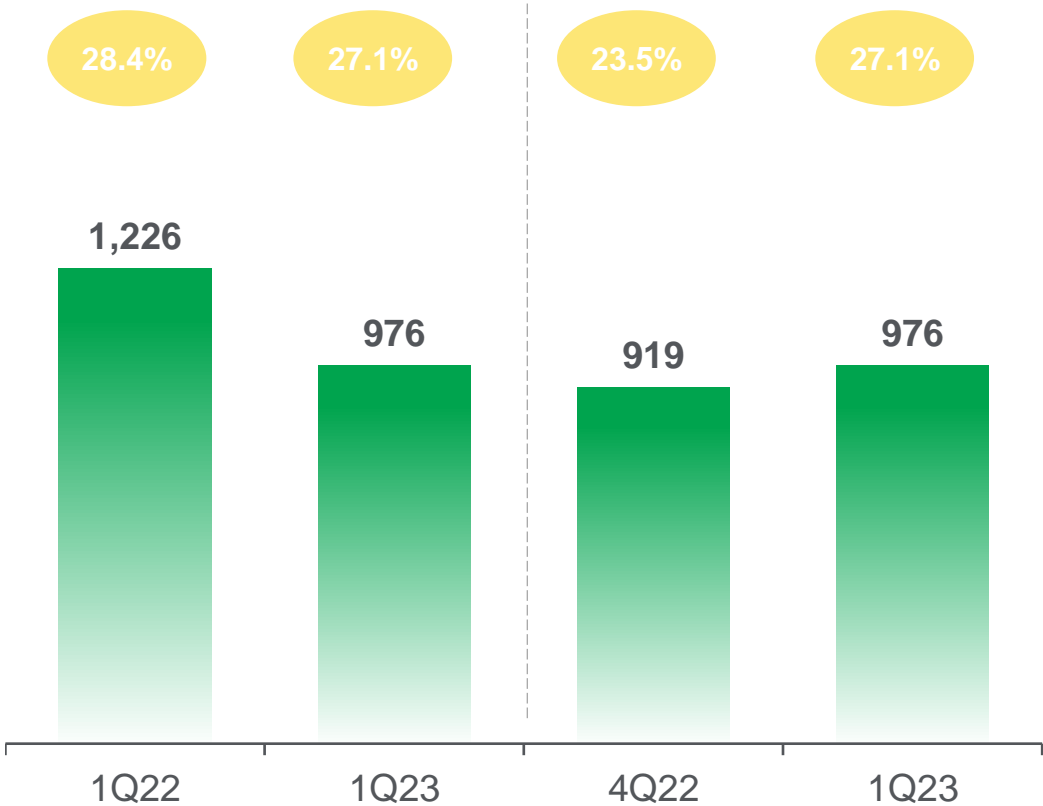
# Non-GAAP Net Income Increased Sequentially

**Total Net Revenue**  
(RMB mm)



**Non-GAAP Net Income (1)**  
(RMB mm)

*% Net Margin*

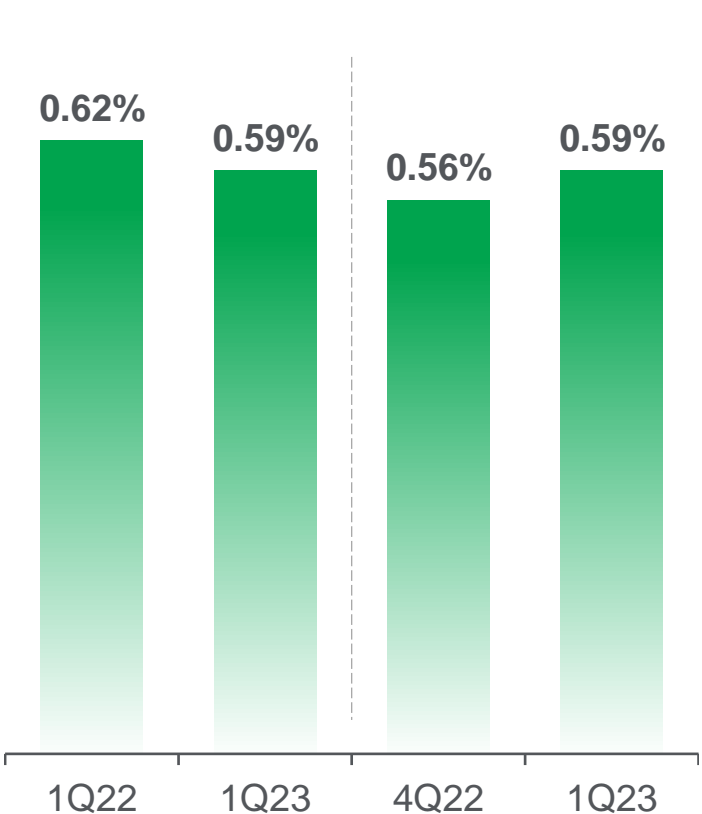


Note: (1) Excluding share-based compensation expenses.

# Stabilizing Operational Efficiency and Further Reduced Funding Cost

## Facilitation, Origination and Servicing Expense

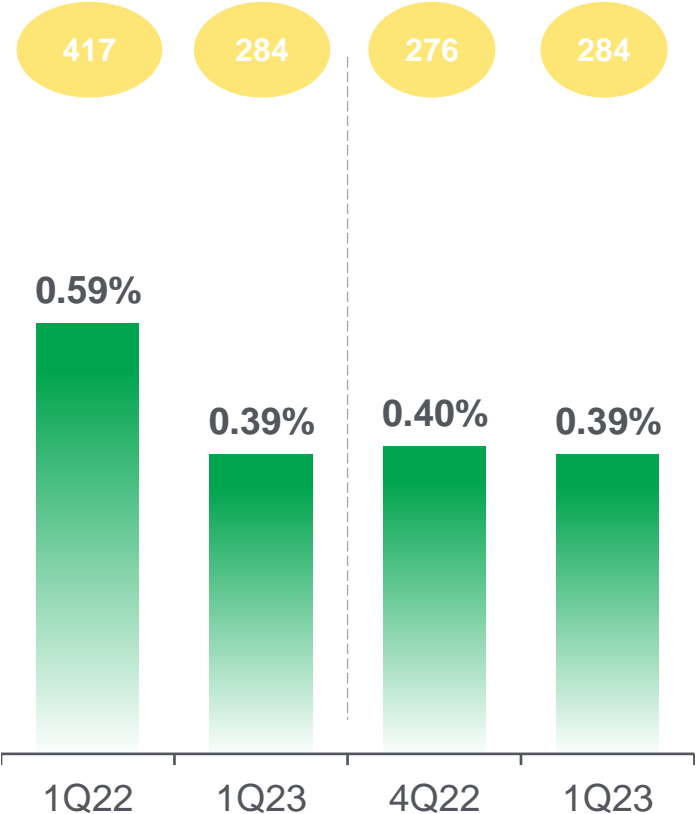
(% of Loan Facilitation Volume)



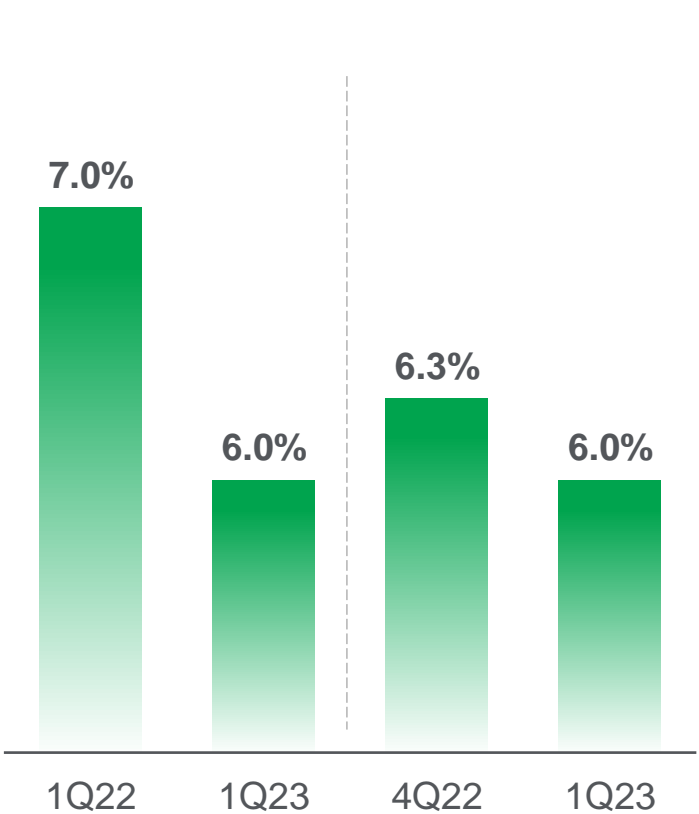
## Sales and Marketing Expense

(% of Loan Facilitation Volume)

User Acquisition Costs<sup>(1)</sup>

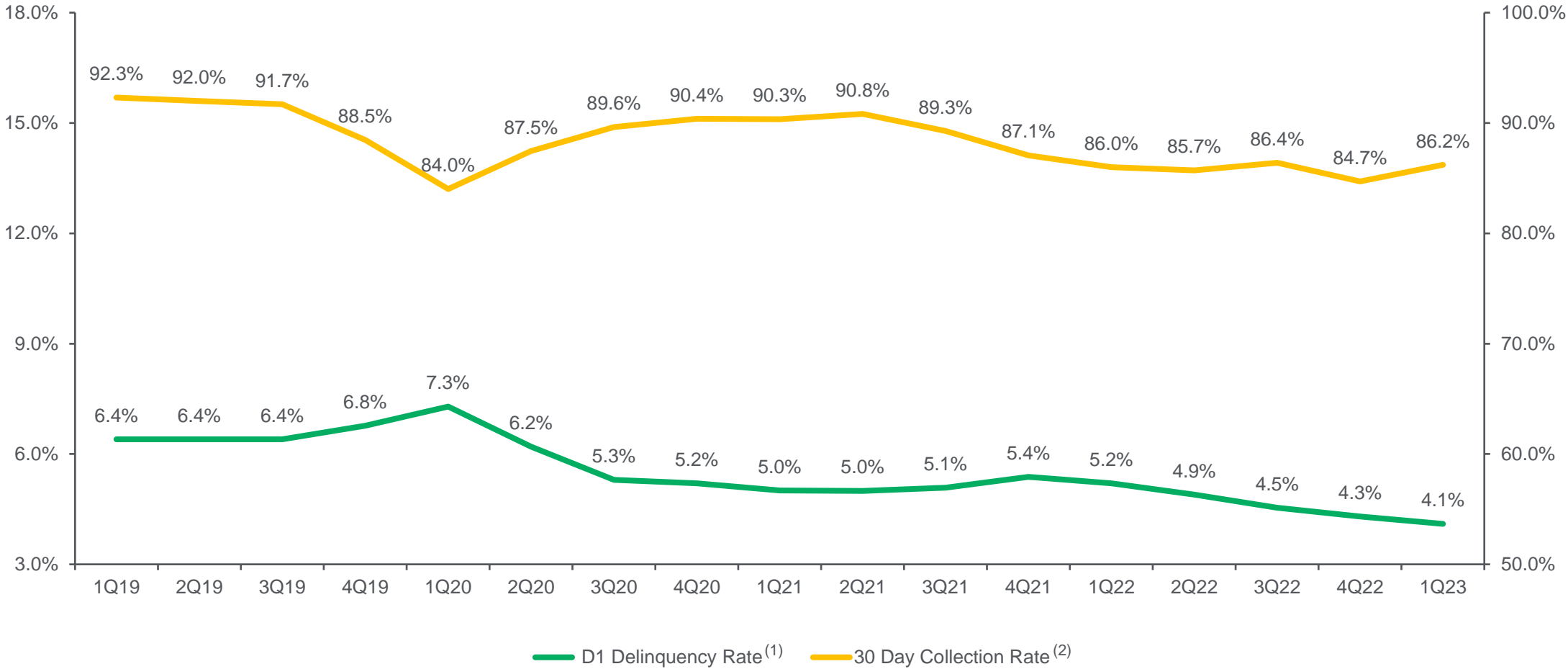


## Funding Cost<sup>(2)</sup>



Notes: (1) Acquisition cost per user with approved credit lines. (2) Annualized weighted average interest rate charged incurred under credit-driven services.

# Quality of Assets Improved Noticeably under Improving Macro Environment



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.

**THANK YOU**