

360 DigiTech Investor Presentation

April 2021

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AGENDA

- 01 Corporate Overview
- 02 Leadership Position
- 03 Quarterly Update

01 | Corporate Overview

A Data-driven Tech-powered Digital Platform – Connecting Consumers and SMEs with Financial Institutions

Unsatisfied Demand

- The expansion of the base of prime/near-prime borrowers
- Lack of access of credit line due to age/early stage of career
- Increasing online activities drive higher demand in online financing
- Traditional banks' inability to serve



Unable to Serve

- Insufficient tech capability and data-based risk management
- Limited access to individual borrowers due to the lack of scale and cost-efficient approach
- Relatively long application process for client onboarding and credit decisions
- Less timely and convenient borrower services

Note: Insurance and Wealth Management units are operated by our affiliates.

Source: Company data.

Service Models for Banks and Consumer Finance Companies



Innovations and Technologies

- **Big Data Analysis** on users' behavior and credit history
- **RTA-DMP Marketing System** efficient customer acquisition
- **Real-time Anti-fraud Monitoring**
- **Argus RM Model** (risk model)
- **Algorithm and AI Technologies** allow **99.5%** of credit line applications and transactions can be completed automatically without human intervention

- **Cloud Bank System** connects consumers' demand with institutions' offerings through smart matching and achieves **98%** approval rate.
- **Cosmic Cube System** optimizes product pricing based on customers' risk profile and rate sensitivity.
- **Apollo Platform** optimizes product pricing based on customers' risk profile and rate sensitivity.

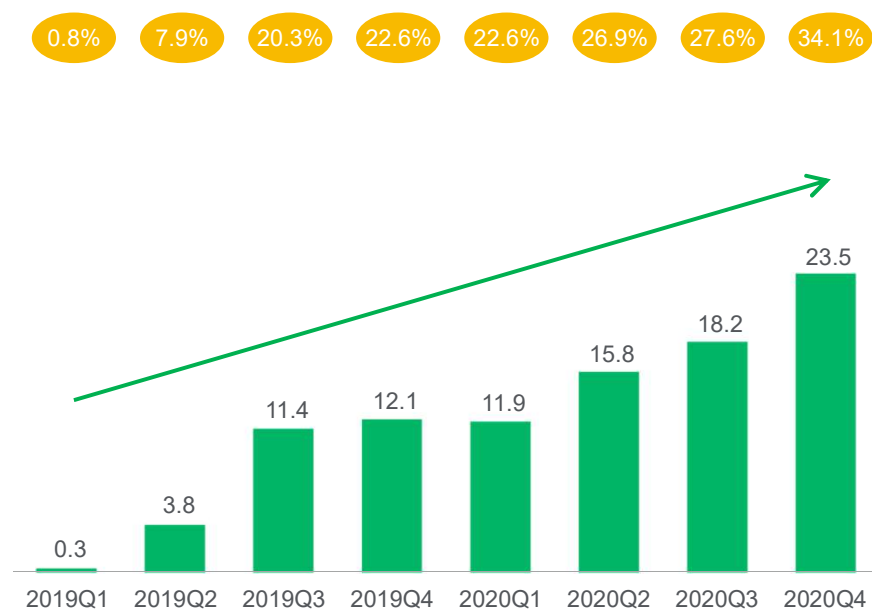
- **Graph Engine:**
 - open source distributed framework
 - multiple business scenarios
 - response time within millisecond

- **AI robot collection:**
 - Over **83%** of collections are done by AI robots
 - Rapid evolution of AI robot's machine learning capability
 - AI powered concurrent robot-call technology with higher throughput rates and longer average valid call duration.

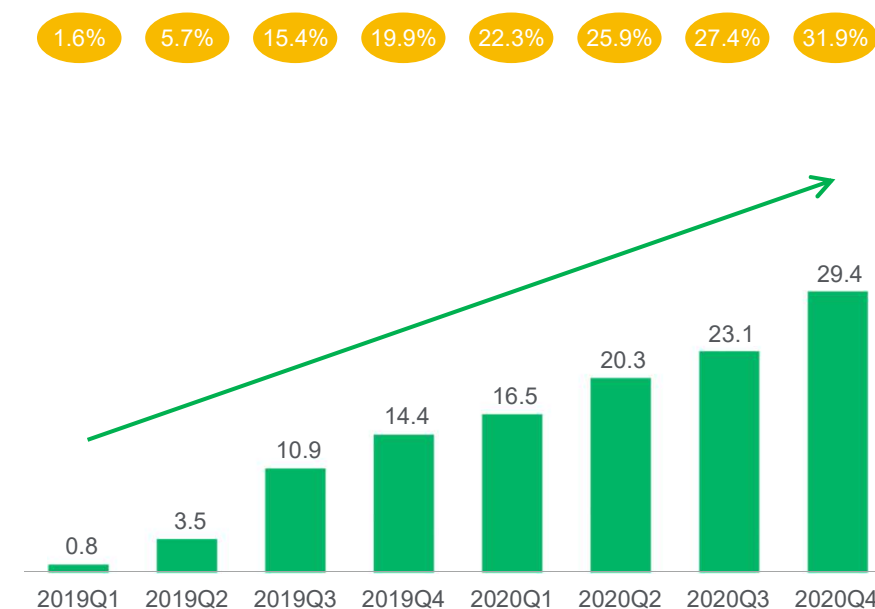
Note: (1) Cap-Lite refers to Capital Light; (2) ICE refers to Intelligent Credit Engine; (3) RM SaaS refers to Risk Management SaaS; (4) Different color shades represent the intensity of each function we perform under each model.
Source: Company data

Increasing Contribution from Technology Solutions⁽¹⁾

Facilitation Volume of Technology Solutions
(RMB billion)



Outstanding Balance of Technology Solutions
(RMB billion)



As % of total origination/facilitation volume / outstanding balance

Note: (1) Including Cap-Lite and ICE.

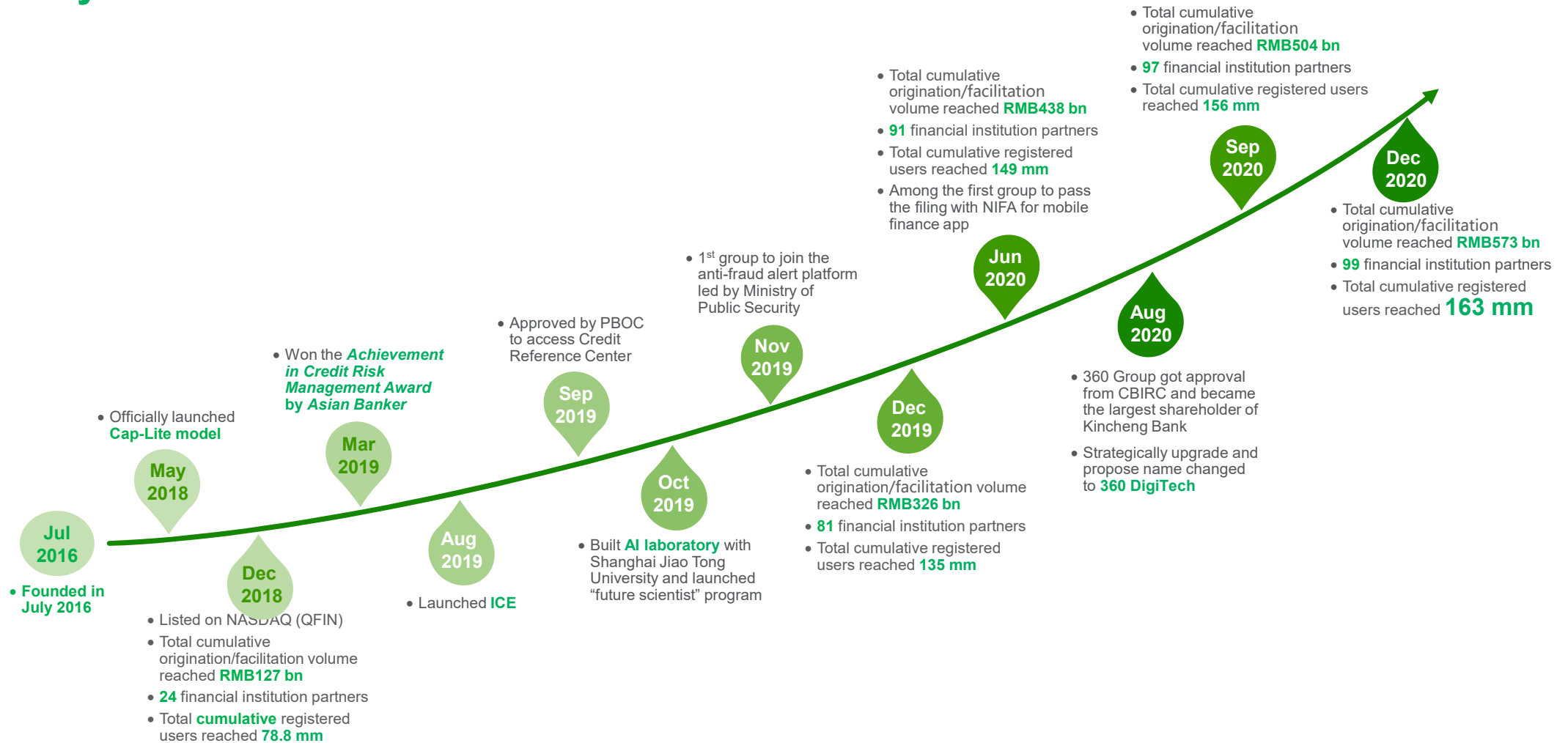
Massive Addressable Market – the Consumer Finance Pyramid



Note: (1) Estimated consumer financing balance for each tier as of 1H2020. (2) Our affiliate 360 Group became #1 shareholder of KCB with 30% stake in August 2020.

Source: Analyst reports, PBOC, OW, National Internet Finance Association of China

Key Milestones



Experienced Management Team with Solid Background and Track Record



Hongyi ZHOU
Chairman

20+ years of managerial and operational experience in China's Internet industry



Haisheng WU
CEO

15+ years of experience in Internet product development and operations



Alex XU
CFO

15+ years of experience in capital market, corporate finance and business management



Zhiqiang HE
SVP

10+ years of experience in consulting and business management



Yan ZHENG
CRO

10+ years of experience in consumer finance risk management and co-founder of a fintech company

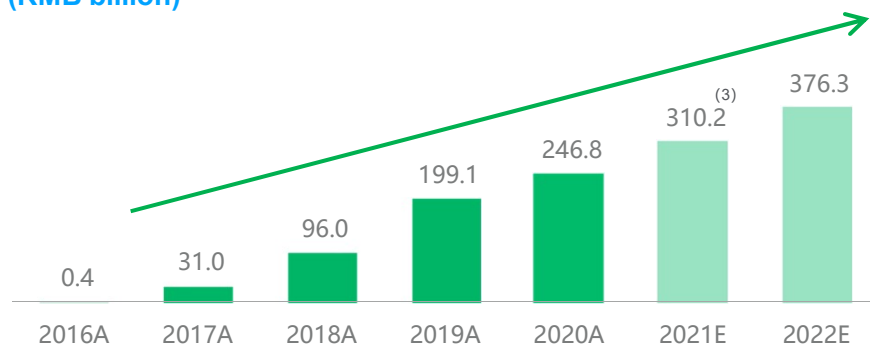


Source: Company data.

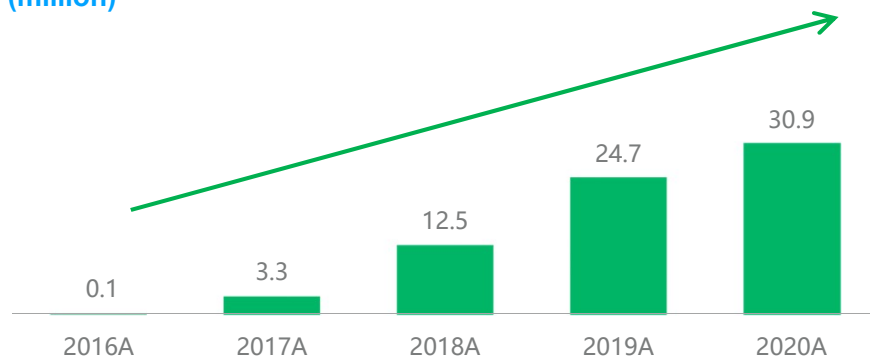
02 | Leadership Position

Strong Growth Momentum (1)

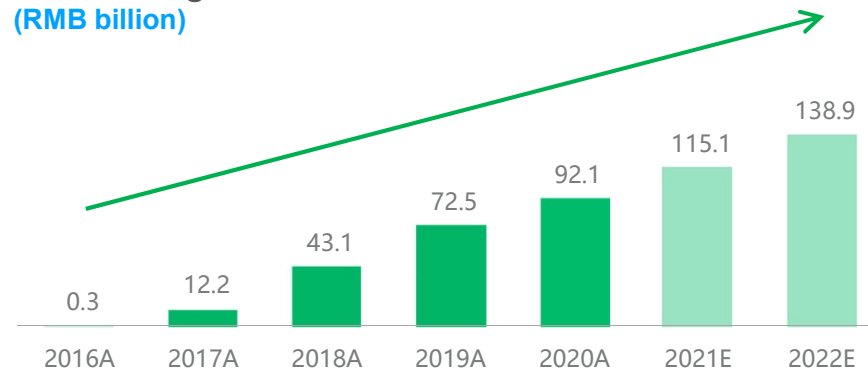
Origination/facilitation Volume⁽¹⁾
(RMB billion)



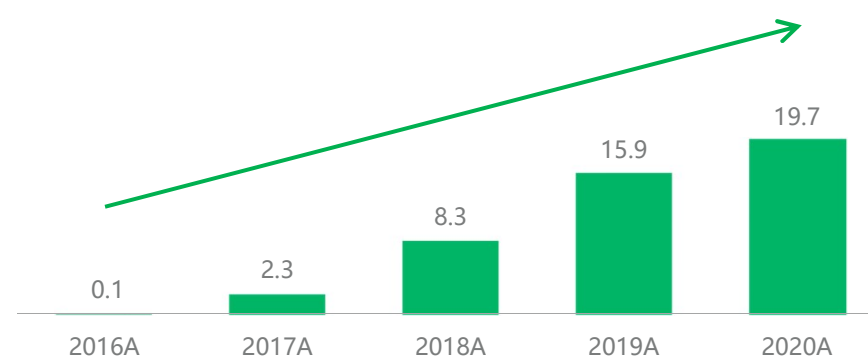
Cumulative Users with Approved Credit Line⁽²⁾
(million)



Outstanding Balance⁽¹⁾
(RMB billion)



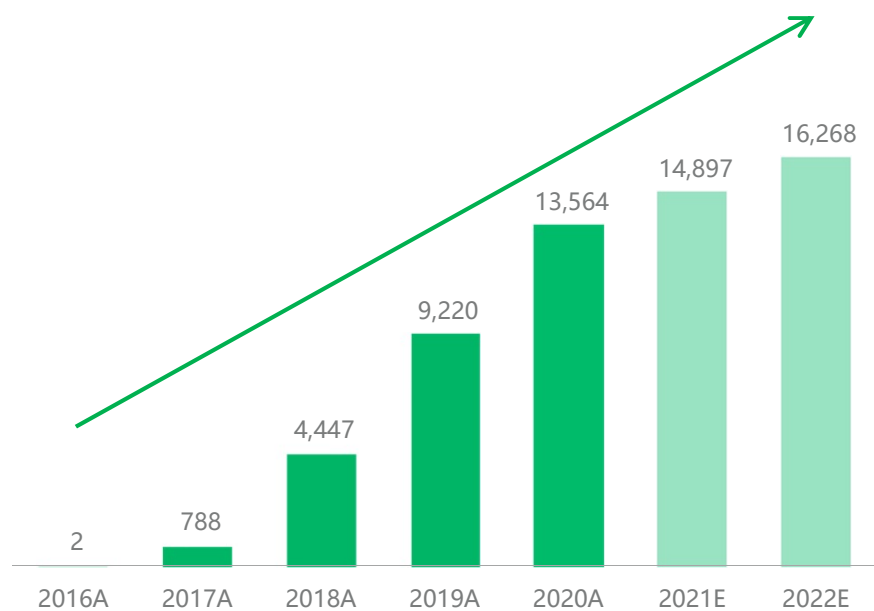
Cumulative Borrowers
(million)



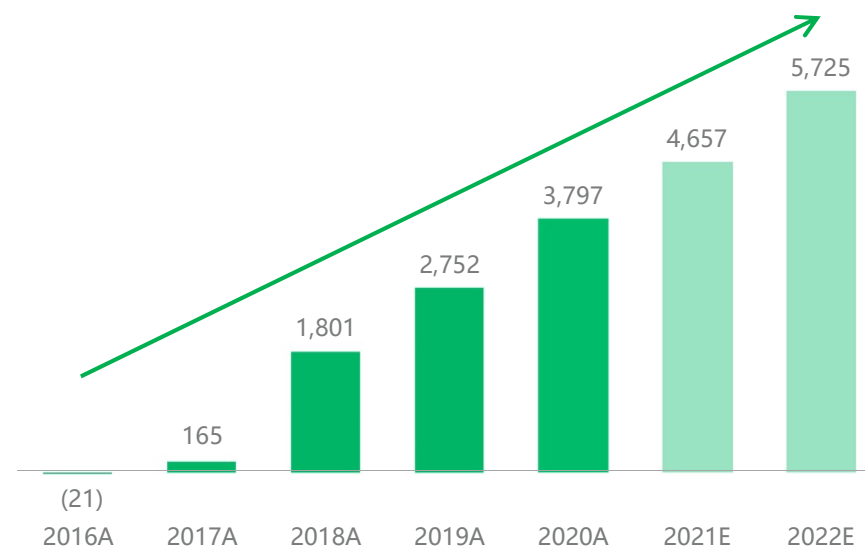
Note: (1) Forward estimates are based on analysts' average. (2) Refers to the total number of users who had submitted their credit applications and were approved with a credit line at the end of each period. (3) The Company guided 2021 full year loan origination/facilitation volume is RMB310 – 330 billion.

Strong Growth Momentum (2)

Revenue ⁽¹⁾
(RMB million)



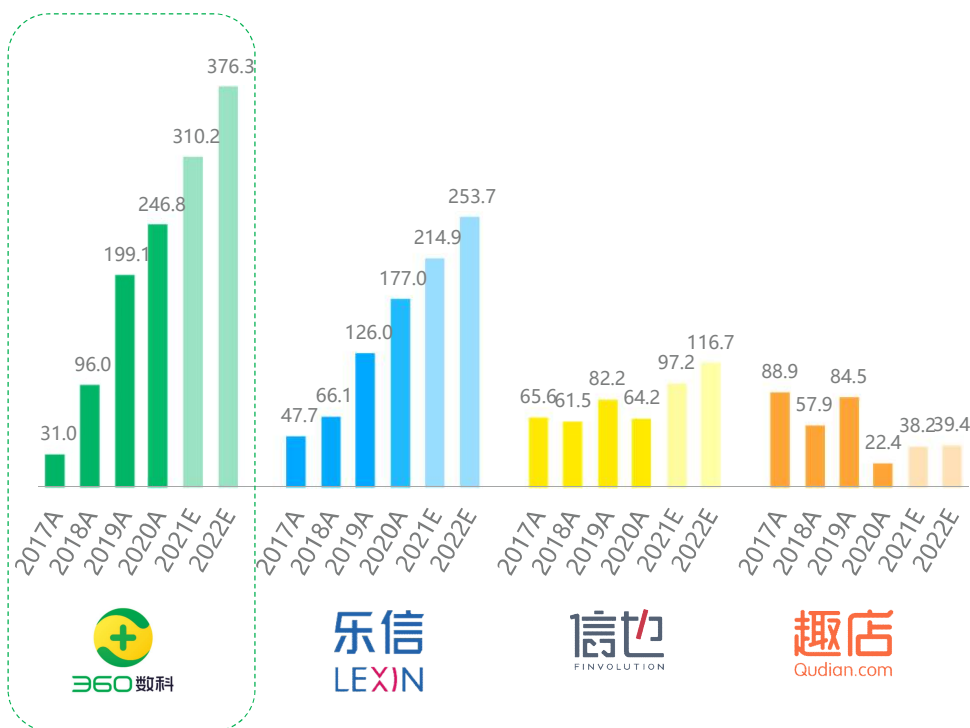
Non-GAAP Net Income ⁽¹⁾⁽²⁾
(RMB million)



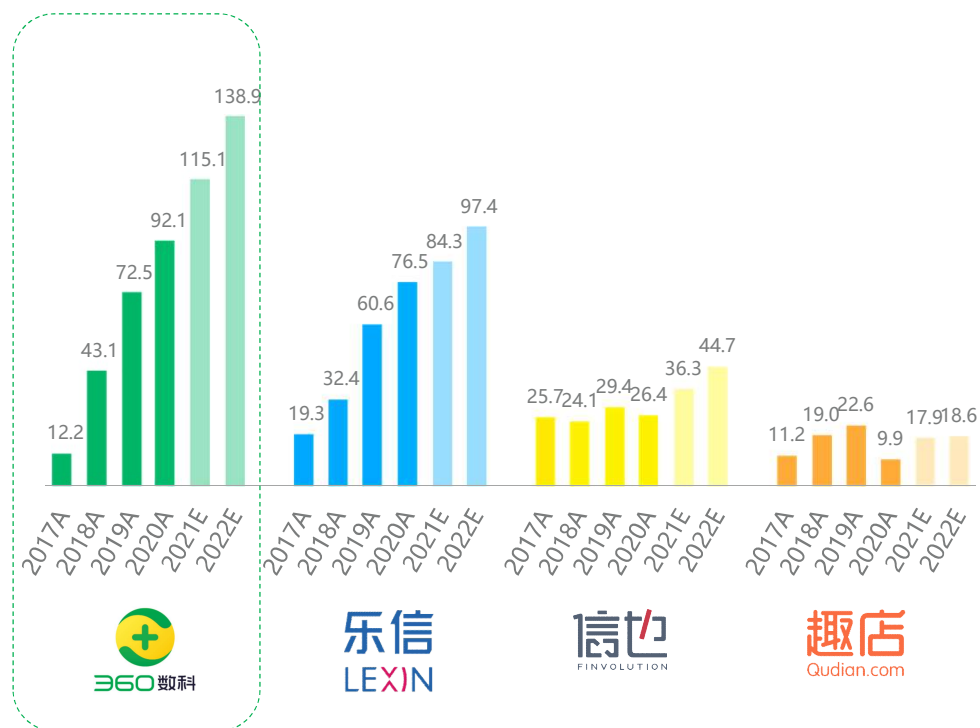
Note: (1) Forward estimates are from Bloomberg and Thomson consensus; (2) Excluding share-based compensation expenses.
Source: Company data, analyst reports.

Indisputable Market Leader (1)

Origination/facilitation Volume ⁽¹⁾
(RMB billion)



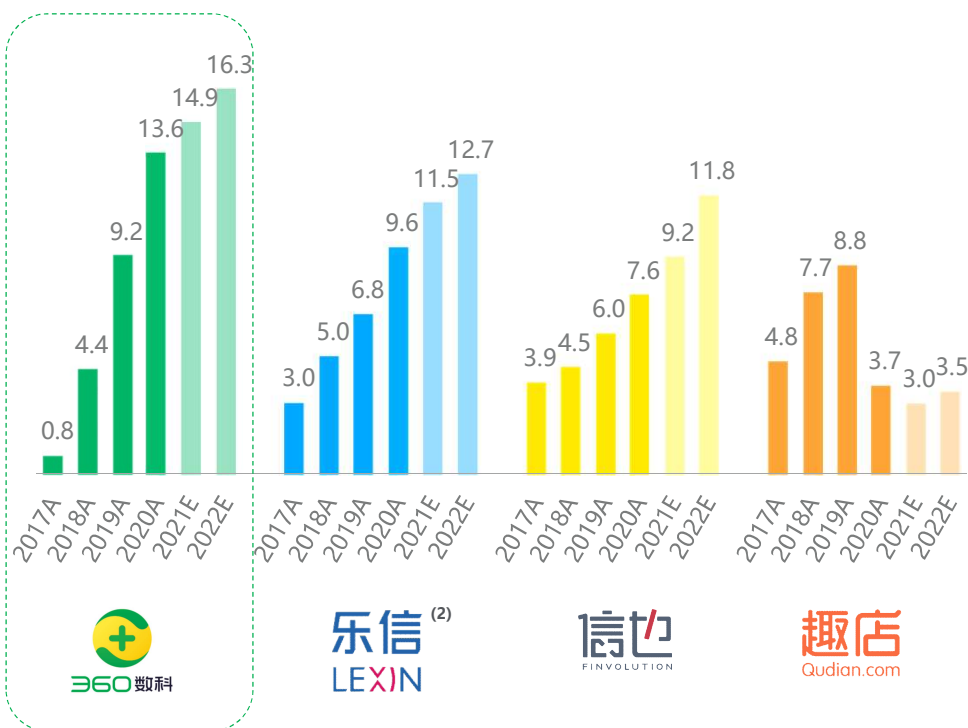
Outstanding Balance ⁽¹⁾
(RMB billion)



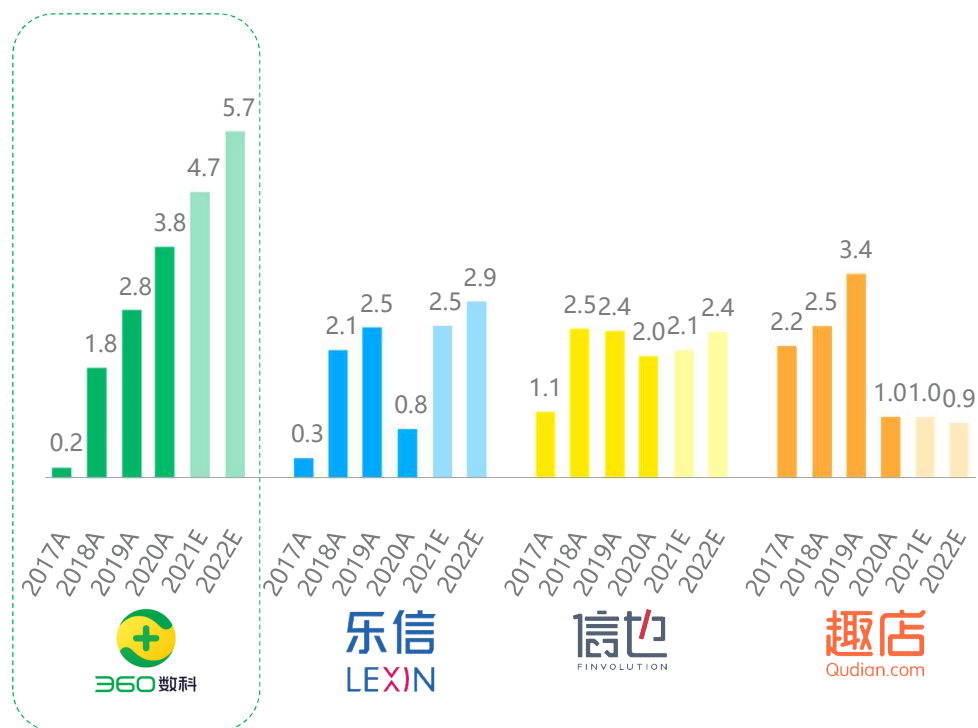
Note: (1) Forward estimates are based on analysts' average.
Source: Company data, analysts' reports.

Indisputable Market Leader (2)

Revenue ⁽¹⁾⁽²⁾
(RMB billion)



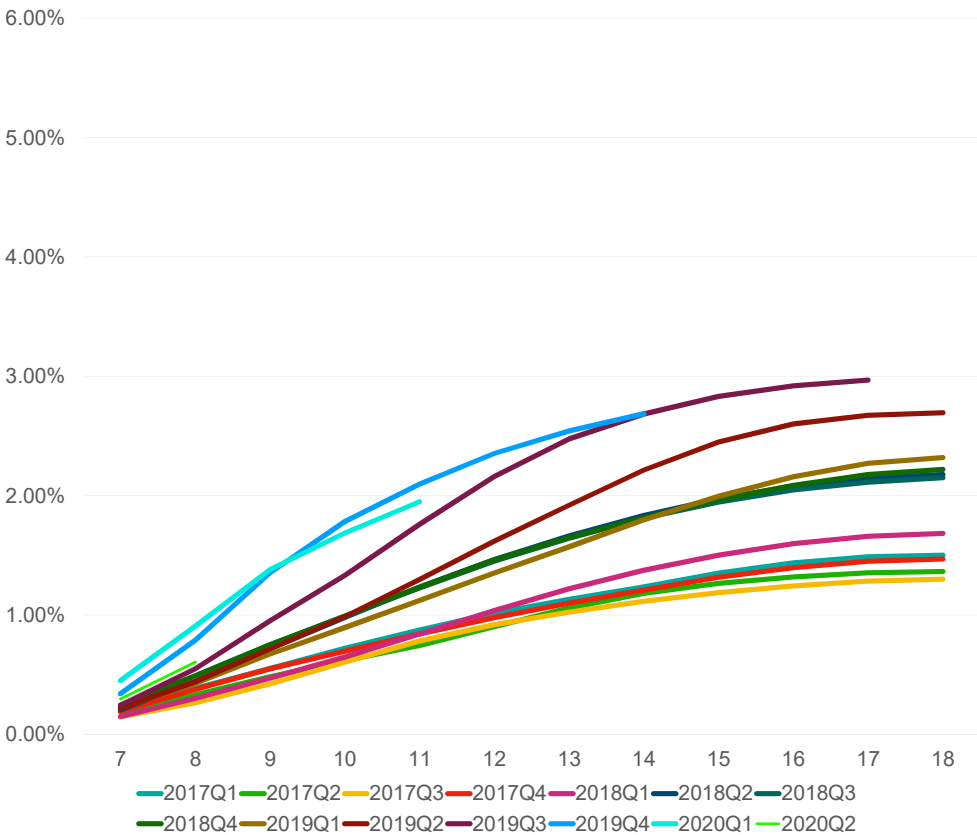
Non-GAAP Net Income ⁽¹⁾⁽³⁾
(RMB billion)



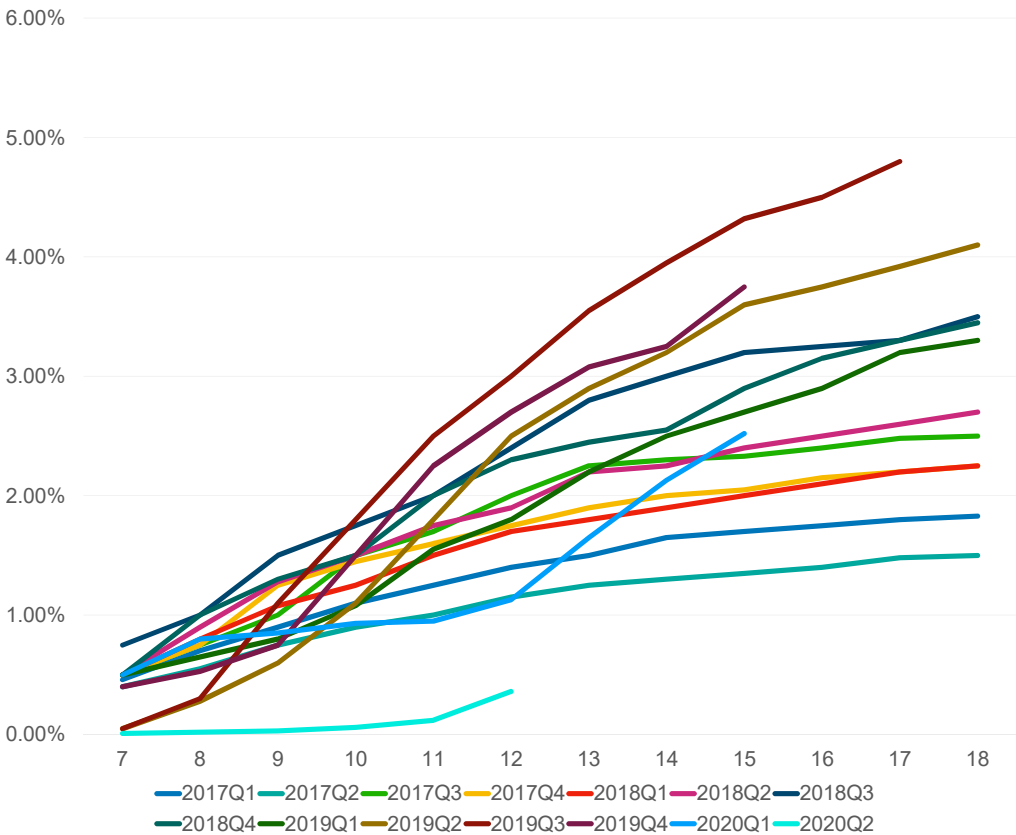
Note: (1) Forward estimates are from Bloomberg and Thomson consensus, and analysts estimates; (2) Excluding revenue from online e-commerce channel; (3) Excluding share-based compensation expenses.
Source: Company data, analysts' reports.

Best-in-class Risk Management (1)

M6+ Delinquency Rate by Vintage

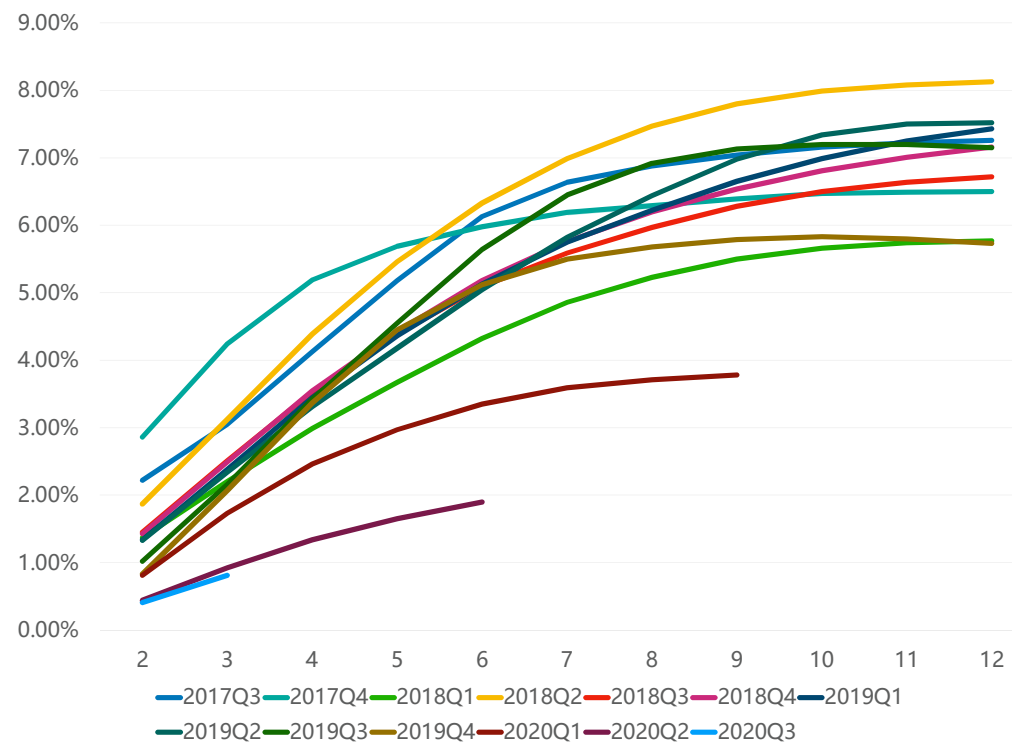
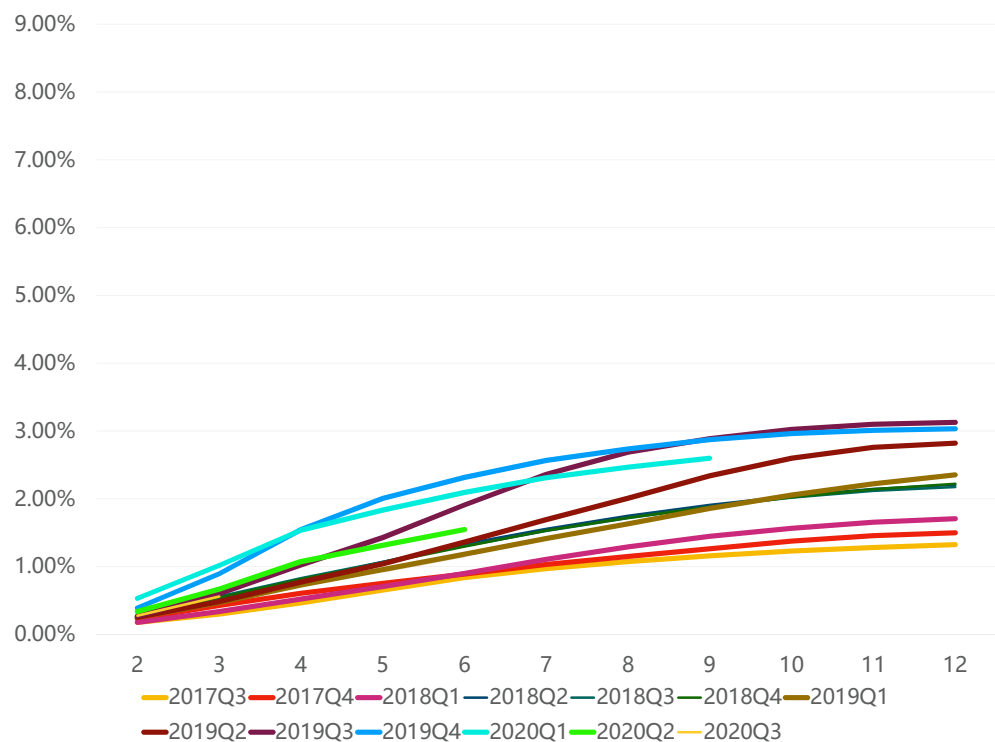


Source: Company data.



Best-in-class Risk Management (1)

M1+ Delinquency Rate by Vintage

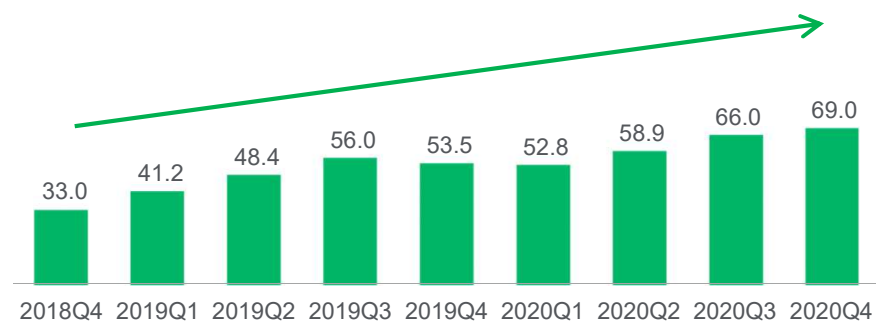


Source: Company data.

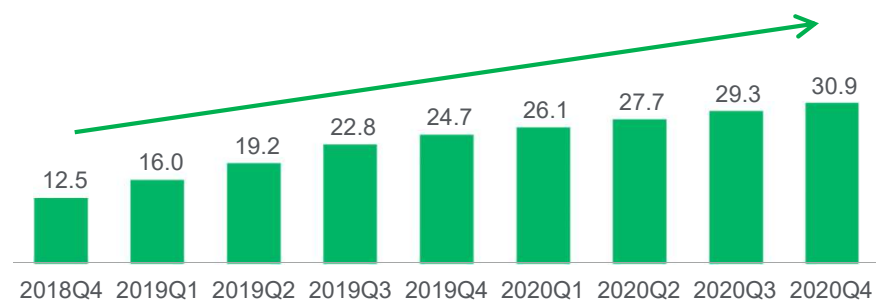
03 | Quarterly Update

Continued Growth Momentum

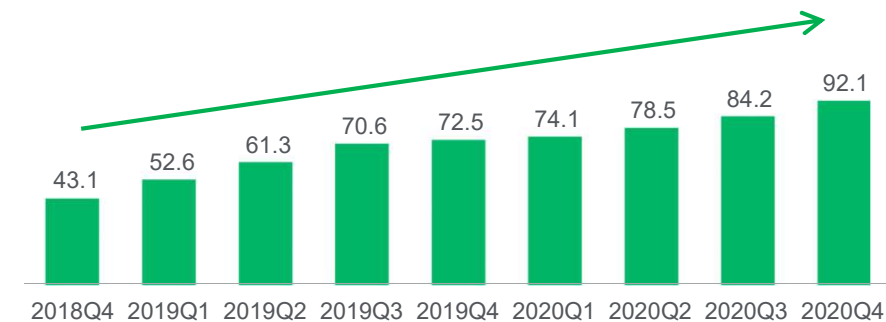
Origination/facilitation Volume⁽¹⁾
(RMB billion)



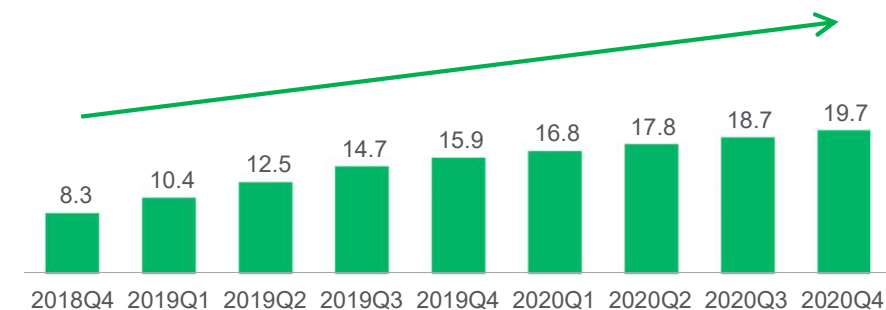
Cumulative Users with Approved Credit Line⁽²⁾
(million)



Outstanding Balance⁽¹⁾
(RMB billion)



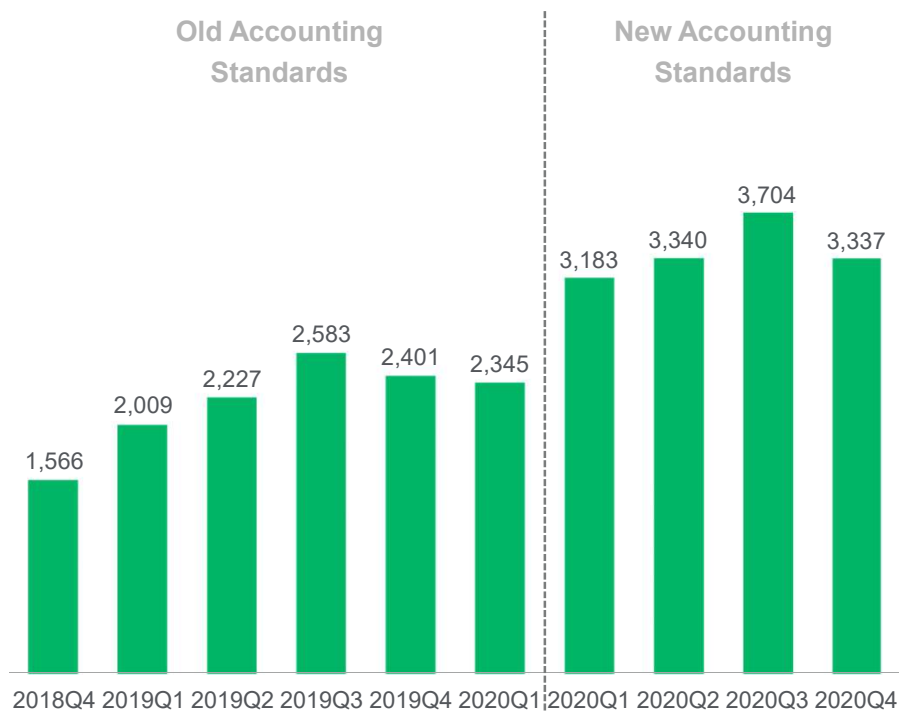
Cumulative Borrowers
(million)



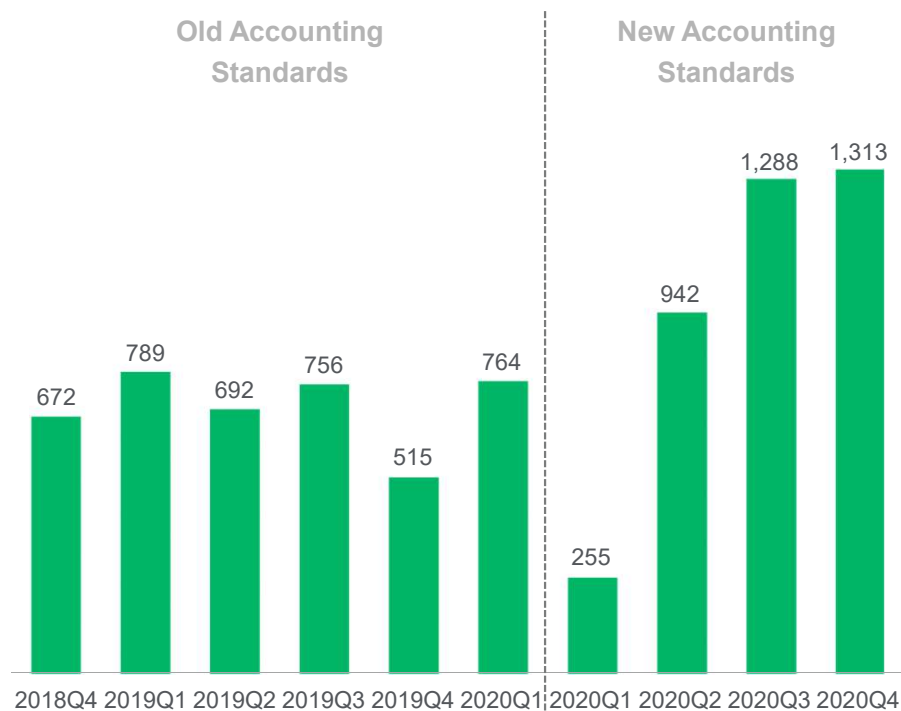
Note: (1) Including ICE since 19Q4. (2) Refers to the total number of users who had submitted their credit applications and were approved with a credit line at the end of each period.

Solid Execution through Economic Cycle

Revenue
(RMB mm)



Non-GAAP Net Income⁽¹⁾
(RMB mm)



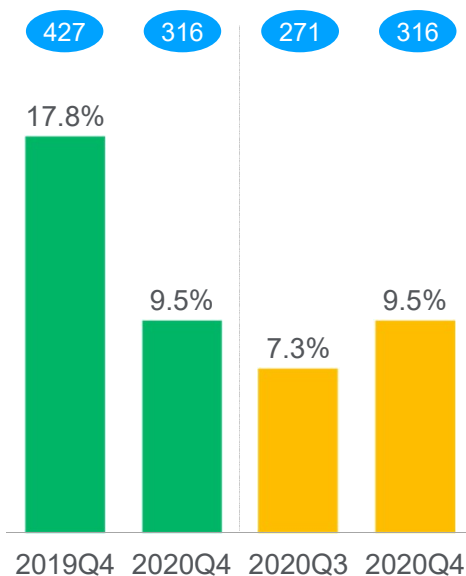
Note: (1) Excluding share-based compensation expenses.

Source: Company data.

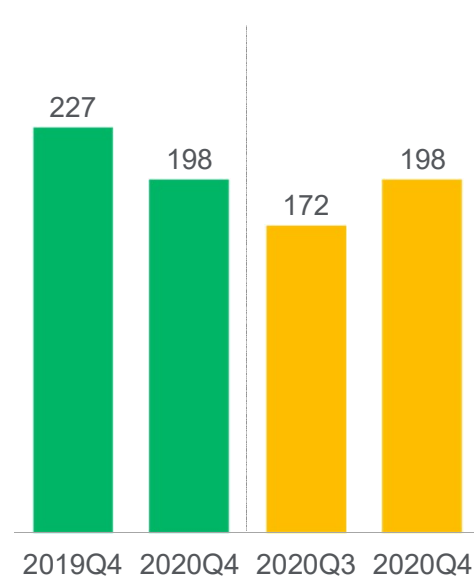
Operational Efficiency

Sales and Marketing Expenses as % of Revenue

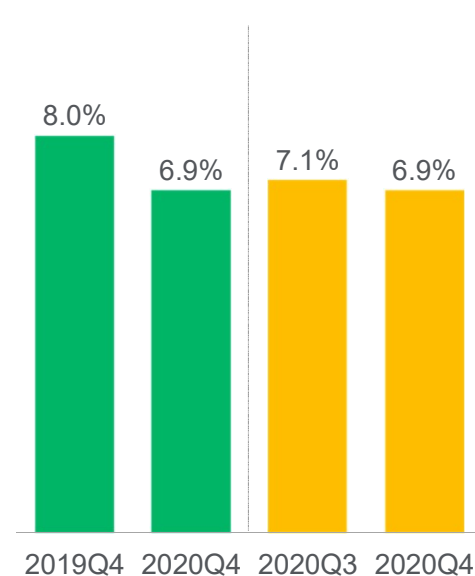
Sales and Marketing Expenses
(RMB mm)



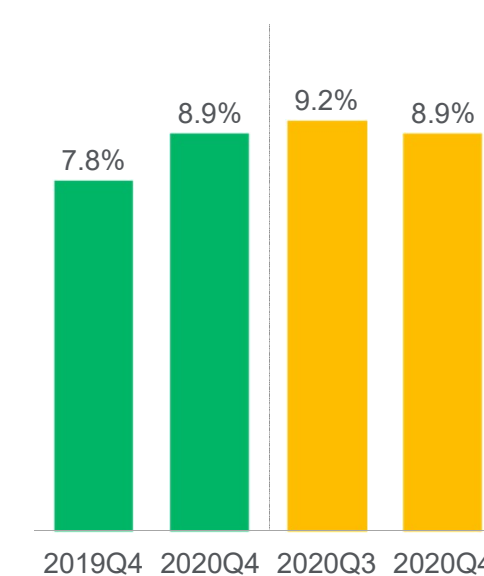
User Acquisition Costs⁽¹⁾ (RMB)



Funding Costs⁽²⁾



Credit Costs⁽³⁾

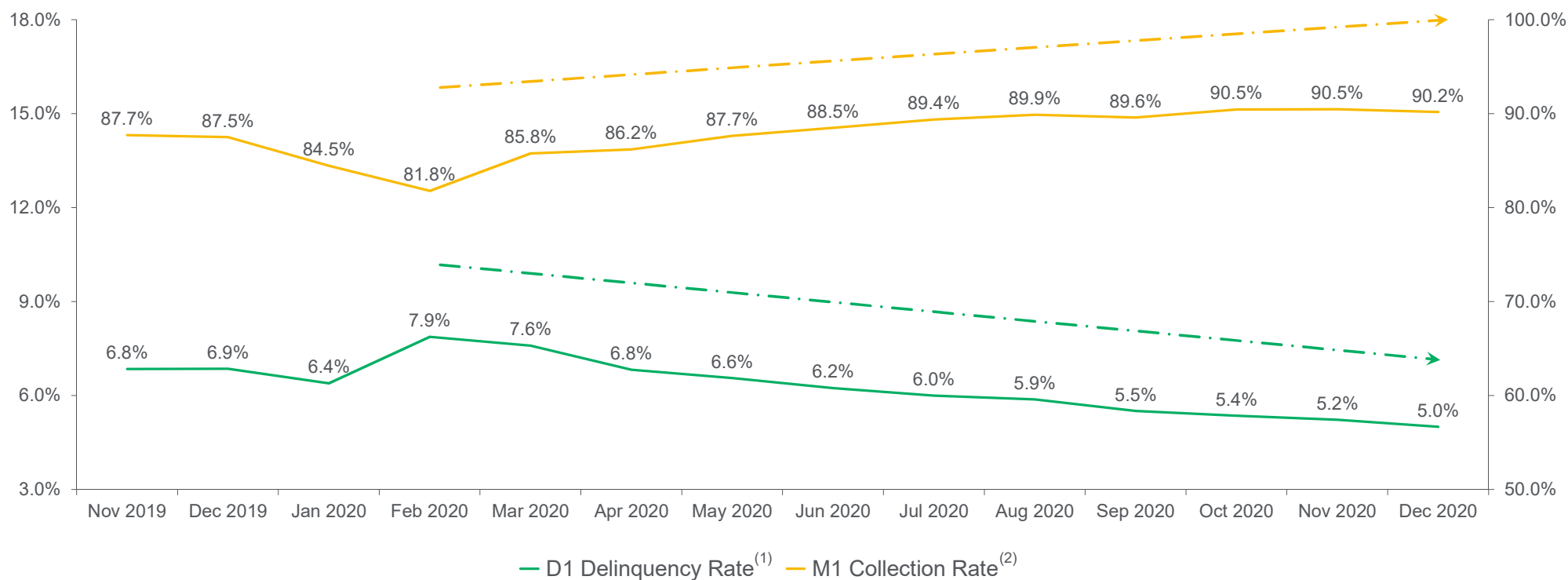


Note: (1) User acquisition cost is calculated by (i) sales and marketing expenses (excluding share-based compensation related expenses), divided by (ii) the number of new users with credit lines for the period. (2) annualized weighted average interest rate charged to customer by funding partners; (3) Based on the estimates when loans are originated/facilitated, including 3rd party estimated annualized vintage loss and estimated extra provisions.

Source: Company data.

Continued Improvement in Asset Quality

D1 Delinquency & M1 Collection Rate



Note: (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) M1 collection rate is defined as (i) the amount of principal that was repaid in one month among the total amount of principal that became overdue as of a specified date, divided by (ii) the total amount of principal that became overdue as of a specified date.

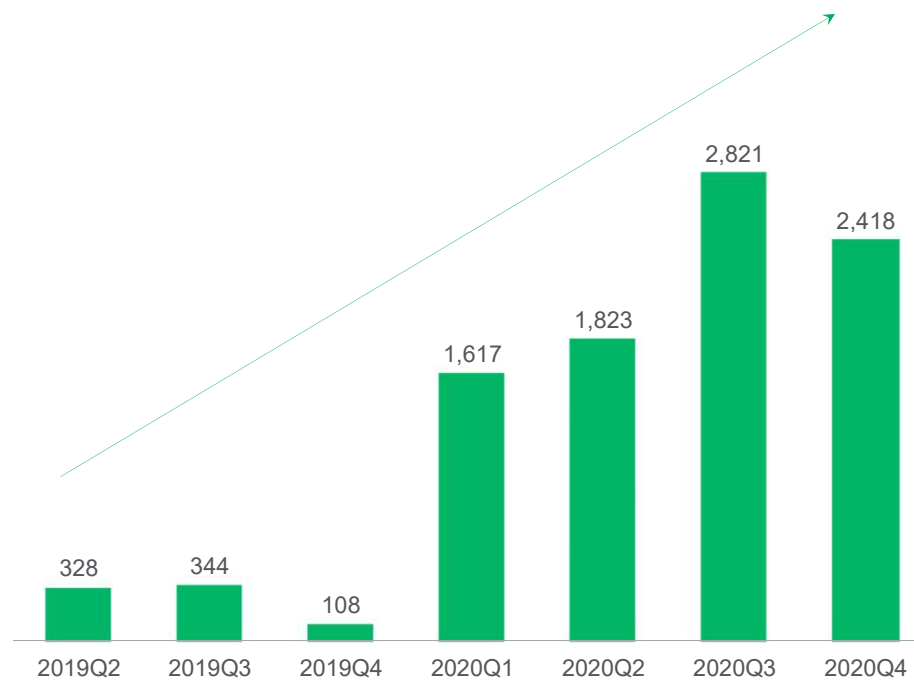
Source: Company data.

Improving Margin of Safety – Leverage Ratio & Free Cash

Leverage Ratio⁽¹⁾



Free Cash⁽²⁾
(RMB mm)



Note: (1) Leverage Ratio = (risk-bearing outstanding loan balance / net assets). (2) Free cash = (cash and cash equivalents – operation cash – cash reserve). For illustrative purpose only.
Source: Company data.

THANK
YOU