

Investor Presentation

First Quarter 2022 Results

01



Company Overview



Addressing the Market from Different Angles

Core business supported by new growth opportunities



Commitment to 2C2B2F

Connecting consumers to business and financial institutions



- Over 130 funding partners¹
- Over 2000 merchant partners²

- Over 170 million registered users¹
- Loan balance of Rmb83.8 billion¹
- GMV of Rmb132 million²

1. As of 31 March 2022, or accumulative
2. For the quarter ended 31 March 2022

A Seamless Experience for New-Generation Consumers

Omni-channels and multipronged access for our users



Consumer credit



Maiya



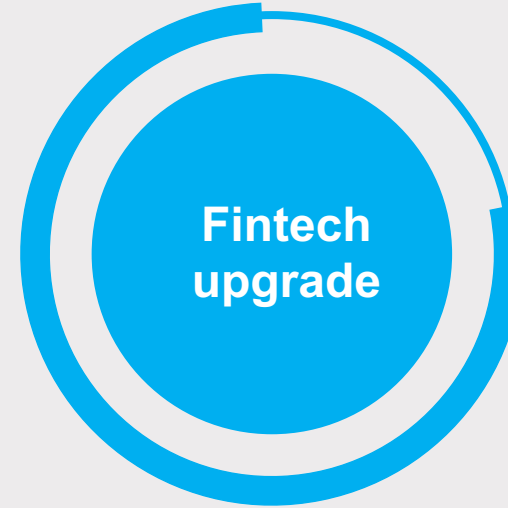
E-commerce

Empowering the Digitalization of Financial Institutions

Supporting financial institutions in the buildup of in-house capability and competitiveness



- Channel co-building
- Product design
- Risk management
- Customer management



- Digital infrastructure
- Quality assets
- Operational efficiency
- Brand value

Priorities Unchanged in Execution

Staying compliant and competitive



- Self-examination following the same requirements as the 13 platforms
- Constant dialogue with regulators
- Reinforced internal control and processes



- Enhanced risk identification and modeling
- Dynamic credit approval process
- Effective matching of individuals and financial institutions



- Breadth and depth of acquisition channels
- Tailored sales and management strategies
- Quality products to meet diverse needs of individuals
- Frictionless digital experience



- Effective communication and collaboration between teams
- Management system aligned with strategy to enhance oversight and talent development
- Increased use of technology from front to back

02



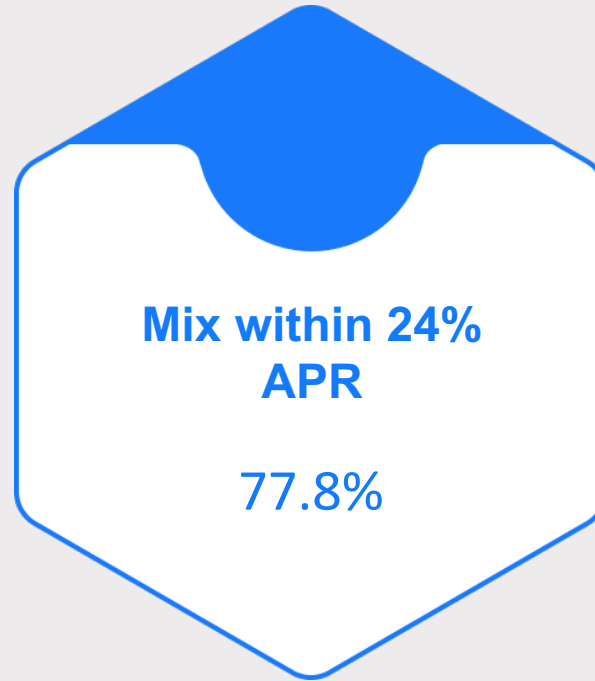
Financial Update



1Q22 Highlights



Down 3.4ppt YoY



Up 40.5ppt YoY



Up 10.1ppt YoY

1. Loan originations represents the total amount of loans originated during each period, which includes both on and off-balance sheet loans

2. APR refers to the average pricing of loan originations

3. Mix within 24% APR refers to percentage of loan originations priced within 24%

4. Non credit-driven services revenue = total operating revenue less credit-driven platform services income, which is the sum of technology-driven platform services income and new consumption-driven, local based services income

Key Financials

(Rmb000)	1Q21	1Q22	YoY
New Consumption-Driven, Location-Based Services Income	431,706	318,672	-26.2%
Technology-Driven Platform Services Income	674,871	497,281	-26.3%
Credit-Driven Platform Services Income	1,837,106	896,425	-51.2%
Total operating revenue	2,943,683	1,712,378	-41.8%
Total operating cost	-1,574,665	-1,251,553	-20.5%
Gross profit	1,369,018	460,825	-66.3%
Total operating expenses	-600,812	-629,947	4.8%
Net income	711,081	81,483	-88.5%

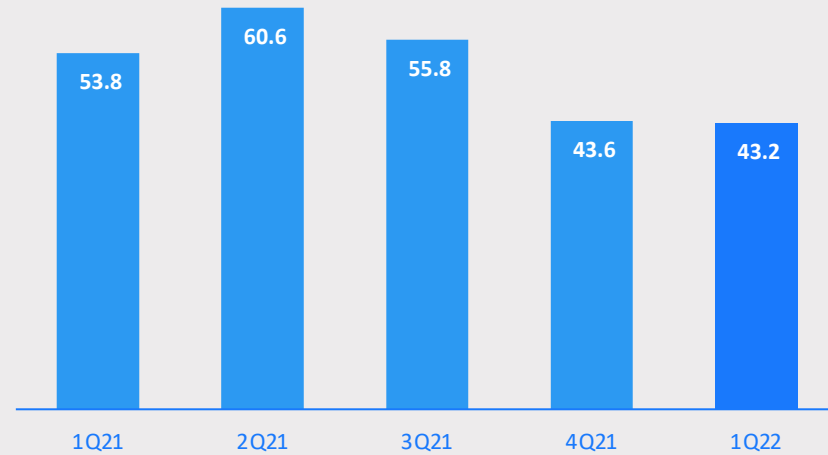
A Quarter Challenged by External Headwinds

Loan Originations

(RMB bn)

QoQ

-0.9%

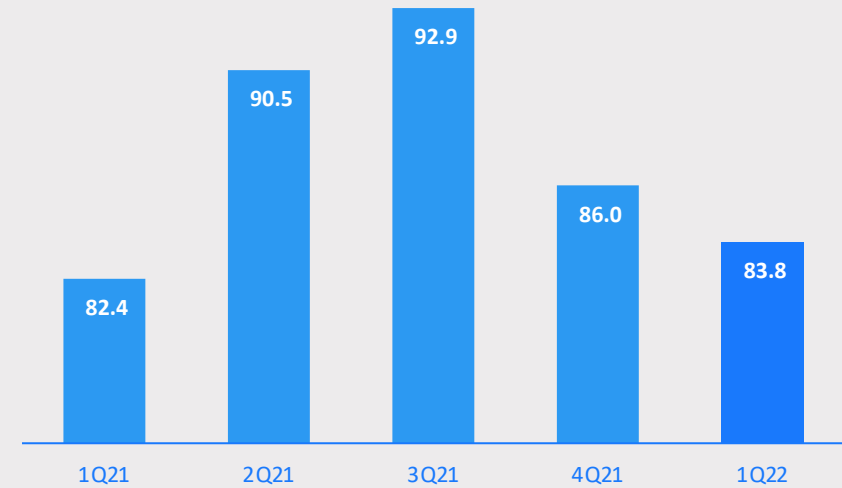


Outstanding Loan Balance

(RMB bn)

QoQ

-2.5%



1. Loan originations represents the total amount of loans originated during each period, which includes both on and off-balance sheet loans

2. Outstanding loan balance represents the amount of principal outstanding for loans originated on our platform at the end of each period, including both on and off-balance sheet loans

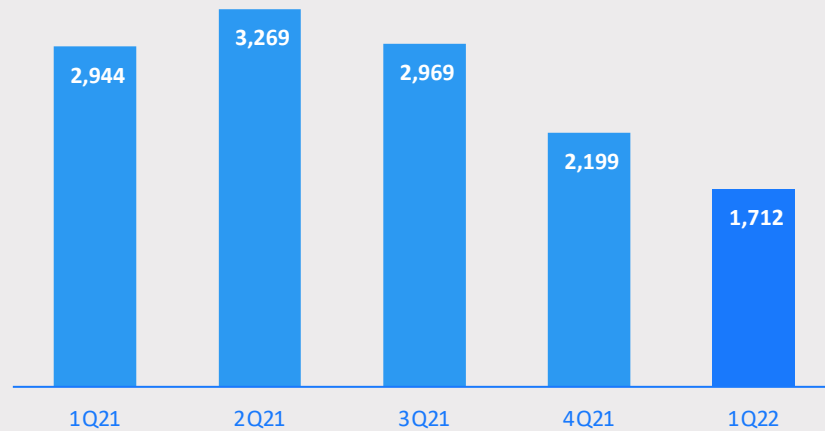
Drop in Revenue as a Result

Operating Revenue

(RMBm)

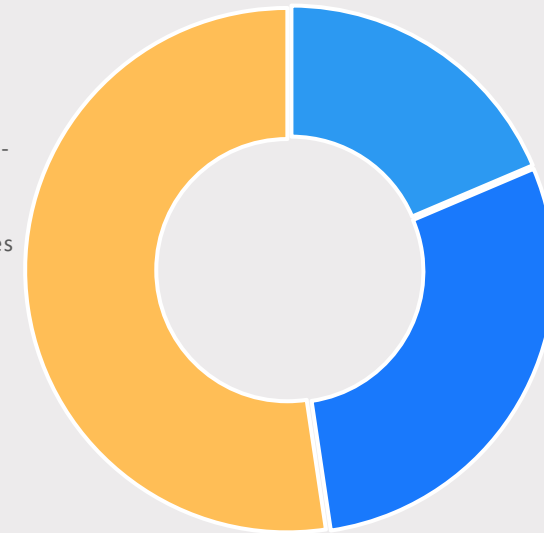
QoQ

-22.1%



Breakdown of Operating Revenue

- New Consumption-Driven, Location-Based Services Income
- Technology-Driven Platform Services Income
- Credit-Driven Platform Services Income



1. Breakdown of operating revenue for 1Q22

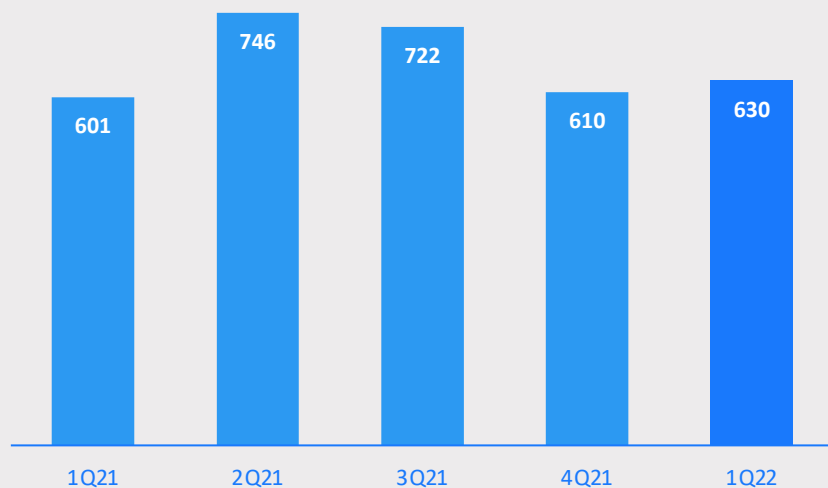
Operating Expenses Under Control

Operating Expenses

(RMBm)

QoQ

+3.3%



Breakdown of Operating Expenses

- Sales & Marketing
- Research & Development
- General & Administrative



1. Breakdown of operating expenses for 1Q22

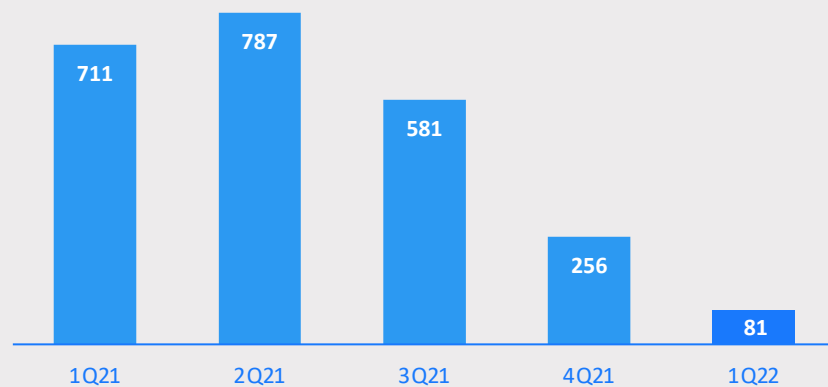
Profitable Overall Despite Macro Slowdown

Net Profit

(RMBm)

QoQ

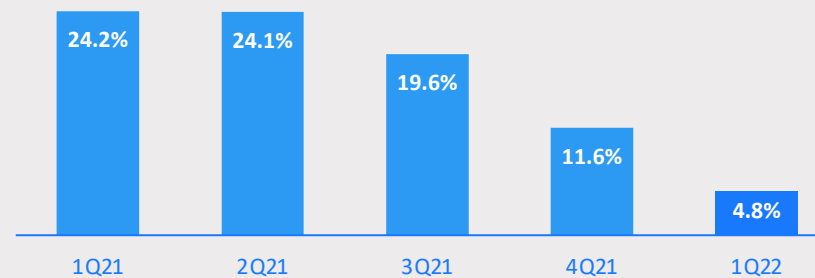
-68.1%



Net Margin

QoQ

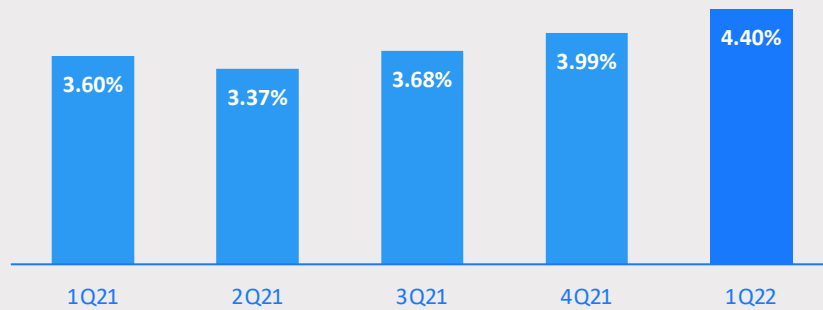
-6.9ppt



Temporary Pressure in Asset Quality

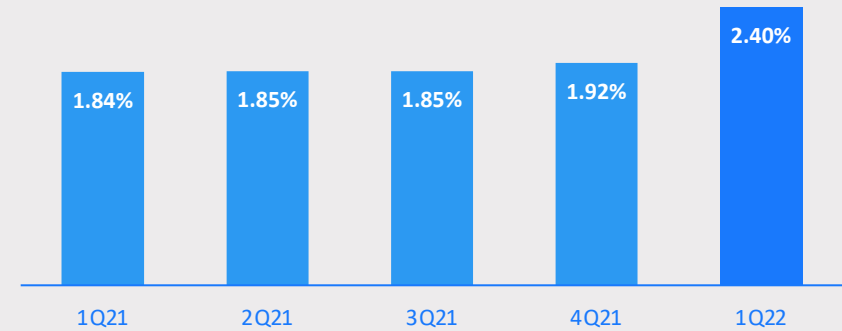
30+ Delinquency Ratio

QoQ
+41bps



90+ Delinquency Ratio

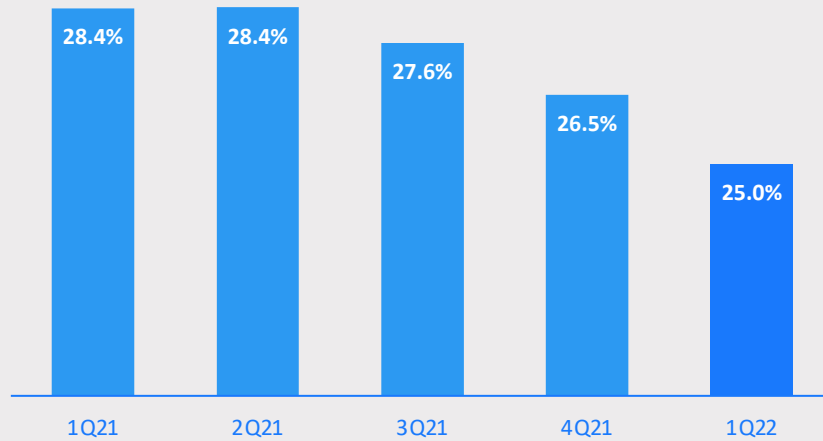
QoQ
+48bps



On Track to Meet Policy Objective

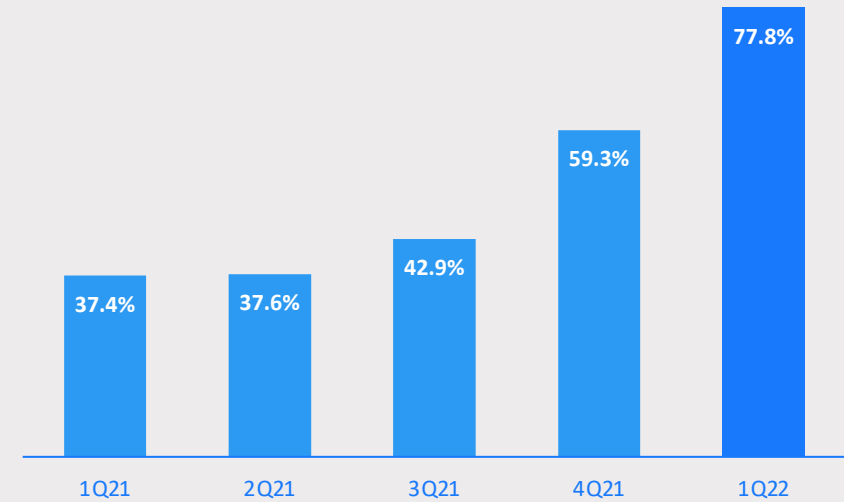
APR

QoQ
-1.5ppt



Mix Within 24% APR

QoQ
+18.5ppt



1. APR refers to the average pricing of loan originations during each period
2. Mix within 24% APR refers to percentage of loan originations priced within 24 for each period

03



Appendix



P&L Statement (1)

(In thousands, except for share and per share data)	For the Three Months Ended March 31,		
	2021	2022	
	RMB	RMB	US\$
New Consumption-Driven, Location-Based Services	431,706	318,672	50,269
Technology-Driven Platform Services	674,871	497,281	78,444
Credit-Driven Platform Services	1,837,106	896,425	141,408
Loan facilitation and servicing fees-credit oriented	1,060,420	255,739	40,342
Interest and financial services income and other revenues	541,637	386,774	61,012
Guarantee income	235,049	253,912	40,054
Total operating revenue	2,943,683	1,712,378	270,121
Operating cost:			
Cost of sales	(433,469)	(328,213)	(51,774)
Funding cost	(129,760)	(94,253)	(14,868)
Processing and servicing cost	(396,716)	(462,465)	(72,952)
Provision for credit losses of financing and interest receivables	(171,998)	(45,529)	(7,182)
Provision for credit losses of contract assets and receivables	(218,937)	(71,201)	(11,232)
Provision for credit losses of contingent liabilities of guarantee	(223,785)	(249,892)	(39,419)
Total operating cost	(1,574,665)	(1,251,553)	(197,427)
Gross profit	1,369,018	460,825	72,694

P&L Statement (2)

(In thousands, except for share and per share data)	For the Three Months Ended March 31,		
	2021	2022	
	RMB	RMB	US\$
Operating expenses:			
Sales and marketing expenses	(345,504)	(360,444)	(56,859)
Research and development expenses	(124,207)	(152,506)	(24,057)
General and administrative expenses	(131,101)	(116,997)	(18,456)
Total operating expenses	(600,812)	(629,947)	(99,372)
Change in fair value of financial guarantee derivatives and loans at fair value	75,761	262,868	41,466
Interest expense, net	(19,689)	(15,305)	(2,414)
Investment (loss)/ income	(189)	1,374	217
Other, net	18,249	21,045	3,320
Income before income tax expense	842,338	100,860	15,911
Income tax expense	(131,257)	(19,377)	(3,057)
Net income	711,081	81,483	12,854
Less: net (loss)/ income attributable to non-controlling interests	(458)	3,384	534
Net income attributable to ordinary shareholders of the Company	711,539	78,099	12,320

Balance Sheet (1)

(In thousands)	March 31, 2021	As of March 31, 2022	US\$
	RMB	RMB	
ASSETS			
Current assets			
Cash and cash equivalents	2,338,468	2,303,519	363,371
Restricted cash	975,504	1,454,431	229,431
Restricted time deposits	1,850,241	1,851,454	292,060
Short-term financing receivables	3,675,786	4,174,599	658,527
Loans at fair value	257,669	281,712	44,439
Accrued interest receivable	63,008	63,552	10,025
Prepaid expenses and other current assets	937,733	982,696	155,016
Amounts due from related parties	6,919	6,066	957
Deposits to insurance companies and guarantee companies	1,174,762	1,630,230	257,162
Short-term guarantee receivables	648,588	573,066	90,399
Short-term contract assets and service fees receivable	3,751,139	3,289,348	518,882
Inventories, net	67,585	56,528	8,917
Total current assets	15,747,402	16,667,201	2,629,186
Non-current assets			
Restricted cash	159,577	287,125	45,293
Long-term financing receivables	131,267	105,367	16,621
Long-term guarantee receivables	175,393	179,498	28,315
Long-term contract assets and service fees receivable	521,623	214,654	33,861
Property, equipment and software, net	123,908	957,467	151,037
Land use rights, net	991,867	470,372	74,199
Long-term investments	525,571	1,520,548	239,861
Deferred tax assets	780,739	869,891	137,222
Other assets	472,463	4,742,915	748,176
Total non-current assets	3,882,408	21,410,116	3,377,363
TOTAL ASSETS	19,629,810	21,410,116	3,377,363

Balance Sheet (2)

(In thousands)	March 31, 2021	As of March 31, 2022	US\$
	RMB	RMB	
LIABILITIES			
Current liabilities			
Accounts payable	42,280	25,378	4,003
Amounts due to related parties	58,904	24,539	3,871
Short-term borrowings	2,066,075	1,737,830	274,136
Short-term funding debts	4,288,883	2,373,313	374,381
Accrued interest payable	28,692	5,784	912
Deferred guarantee income	496,864	448,212	70,704
Contingent guarantee liabilities	1,524,970	867,676	136,873
Accrued expenses and other current liabilities	2,631,827	3,663,035	577,830
Total current liabilities	11,138,495	9,145,767	1,442,709
Non-current liabilities			
Long-term funding debts	212,006	1,776,061	280,167
Deferred tax liabilities	27,915	304,955	48,105
Convertible notes	1,935,501	1,876,133	295,953
Other long-term liabilities	23,875	127,748	20,152
Total non-current liabilities	2,199,297	4,084,897	644,377
TOTAL LIABILITIES	13,337,792	13,230,664	2,087,086
SHAREHOLDERS' EQUITY:			
Class A Ordinary Shares	177	181	29
Class B Ordinary Shares	58	57	9
Treasury Stock		(25,482)	(4,020)
Additional paid-in capital	2,776,275	2,954,693	466,091
Statutory reserves	649,234	901,322	142,180
Accumulated other comprehensive income	1,237	12,281	1,937
Retained earnings	2,825,495	4,273,890	674,190
Non-controlling interests	39,542	62,510	9,861
TOTAL SHAREHOLDERS' EQUITY	6,292,018	8,179,452	1,290,277
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	19,629,810	21,410,116	3,377,363