

LEXIN 乐信

Investor Presentation

November 2020



01

**WHO
WE ARE** 



We are a Leading Fast-Growing Consumer Finance Enabler in China



Source: Company information

1. As of Aug 11, 2020

2. As of Sep 30, 2020

3. In 9M 2020

We Serve the Ever-growing New Generation Consumers in China

New Generation Consumers



Customer Features



High Growth /
Income Potential



High Consumption
Needs



Strong Desire
to Build Credit



Strong Pursuit of
Customer Experience

25.6 Years Old

Average Customer¹ Age
As of Sep 30, 2020

11K RMB

Average Credit Limit
in 3Q2020

Lexin's Value Proposition



High Quality and
Tailor-made
Products



Flagship E-commerce
Platform & Merchants
Partnership



Customers' First
Touchpoint for Credit and
Lifetime Credit Growth



Plug-in APP &
Frictionless
Customer Journey

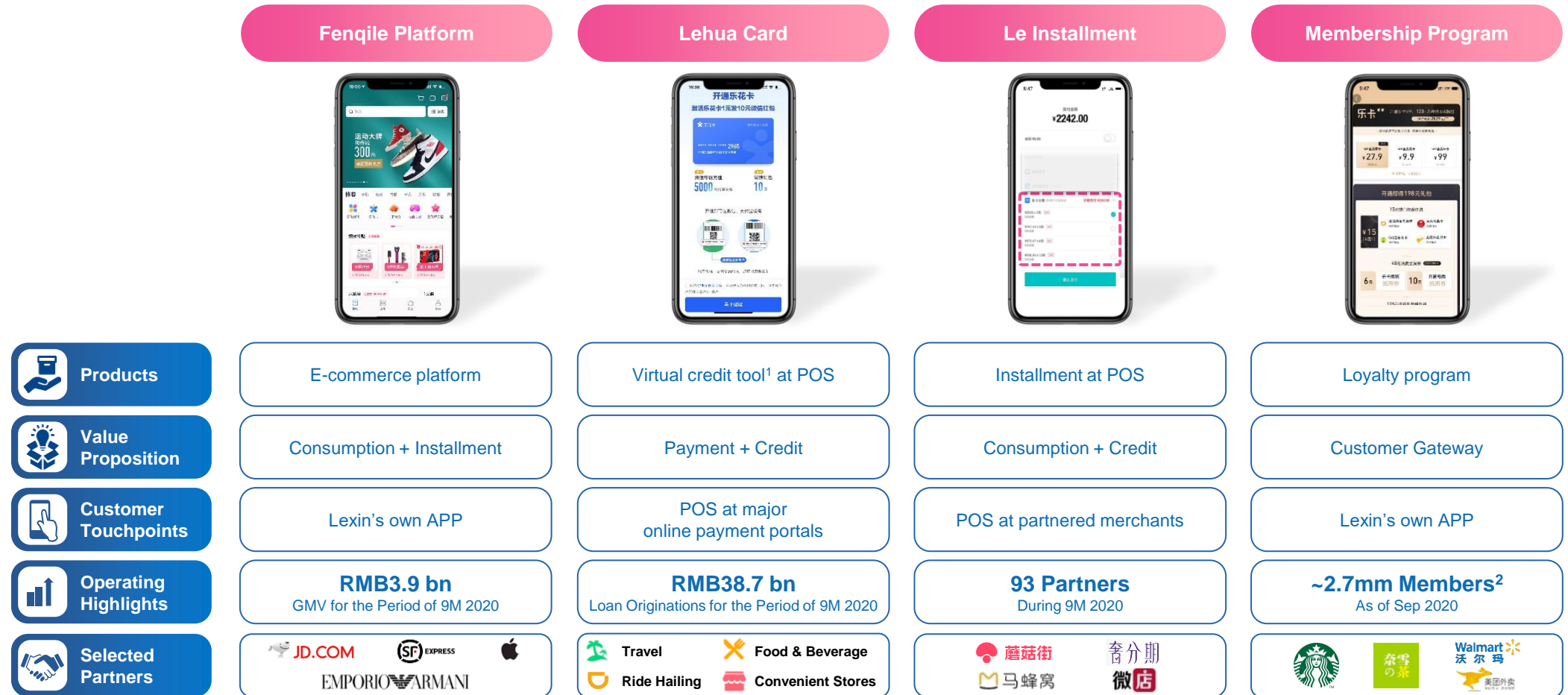
7.4 M

Active Customers
in 3Q2020

Source: Company filings

1. Customers who have transactions in 3Q2020

We Connect Consumers to Our Flagship Products through Omni-Channels...

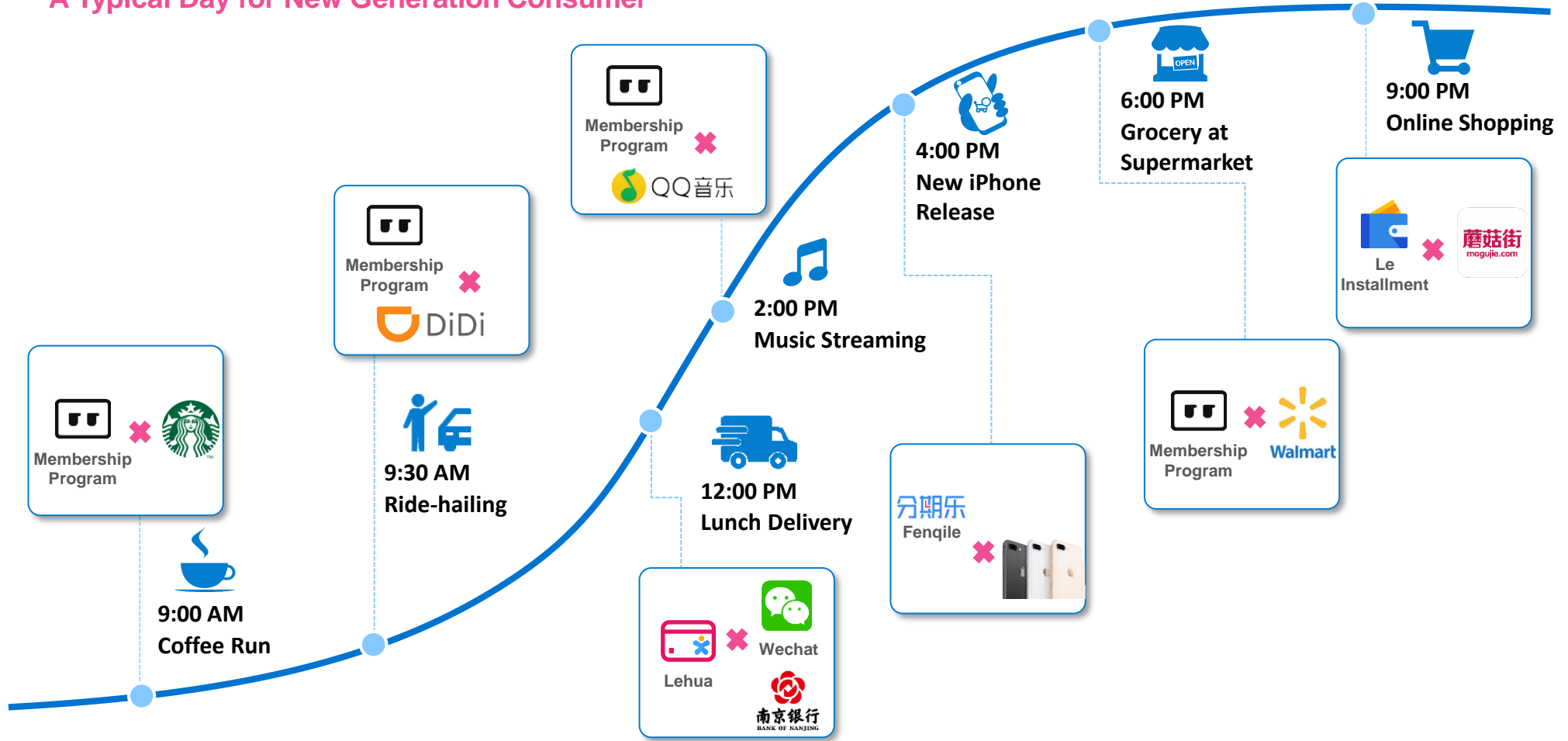


Source: Company filings

1. From partnership with banks who provides the Type II account
2. Including Le Card and Lehei Card

...by Offering Seamless Customer Experiences to New Generation Customers

— A Typical Day for New Generation Consumer



We Have Extensive Merchant Relationships



One card at hand, creating value for every penny spent



Benefit Card



Co-branded Card



Bonus Card

We Enable Financial Institutions through Our FinTech Capabilities

Superior Technology Solutions and...



Lingxi
AI Platform



Hawkeye
Engine



Wormhole
System

...Diversified and Flexible Cooperation Models



Credit
Facilitation



Profit / Risk
Sharing



Borrowers
Referral



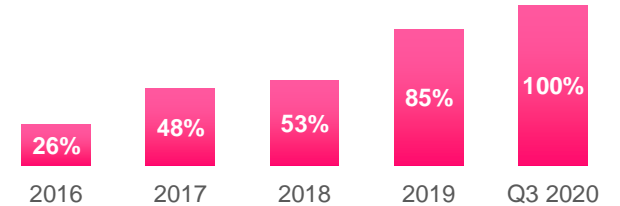
Technology
Enablement

...Lead to Increasing Institutional Funding

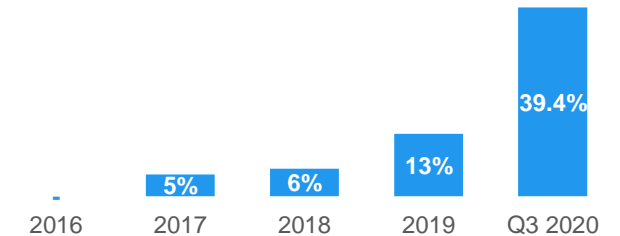
Total New Loans Facilitated (RMB bn)



% New Loans Facilitated from Institutional Funding



% of New Loans Facilitated via Profit / Risk-Sharing Cooperation Model with Financial Institutions



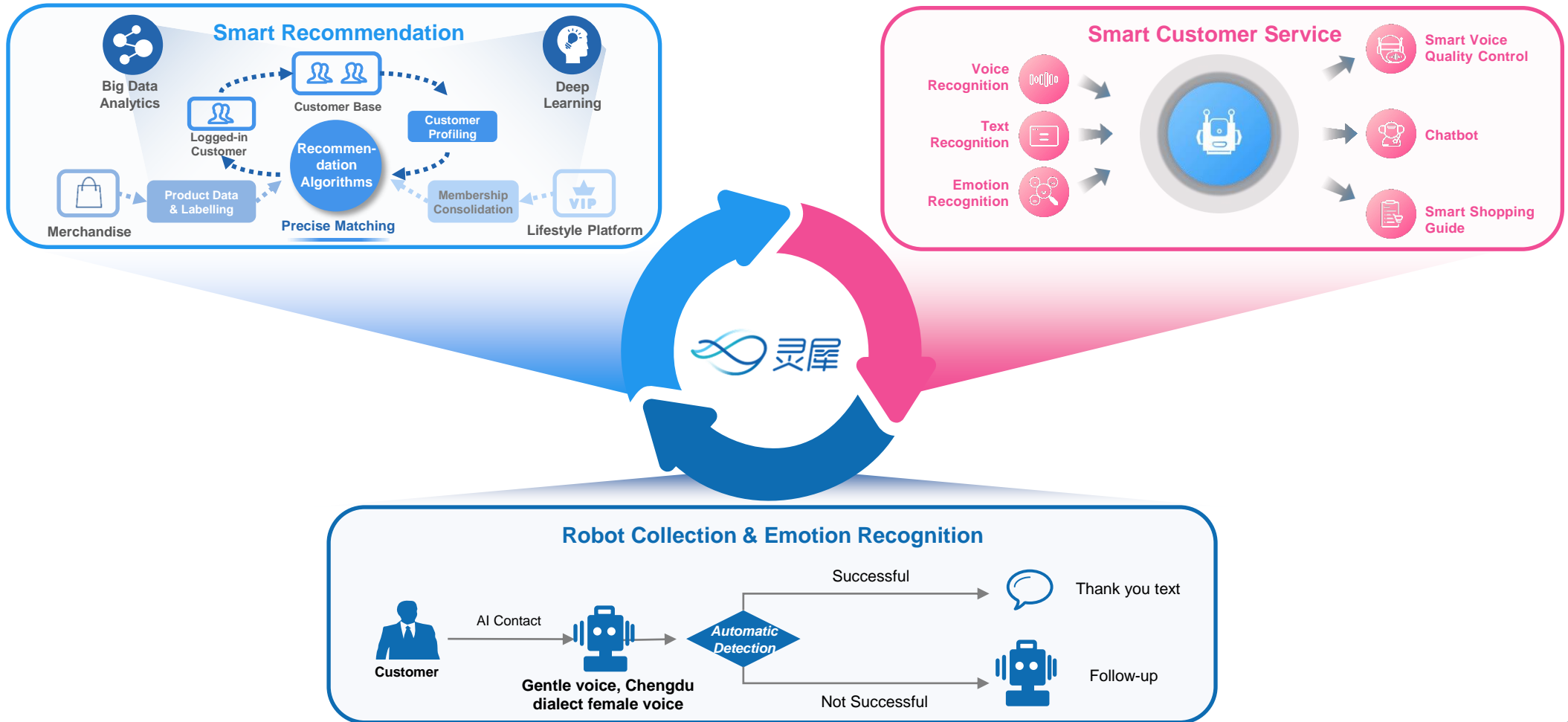
Our Scalable Platform Underpinned by Cutting-edge Technologies



02 OUR TECHNOLOGIES —

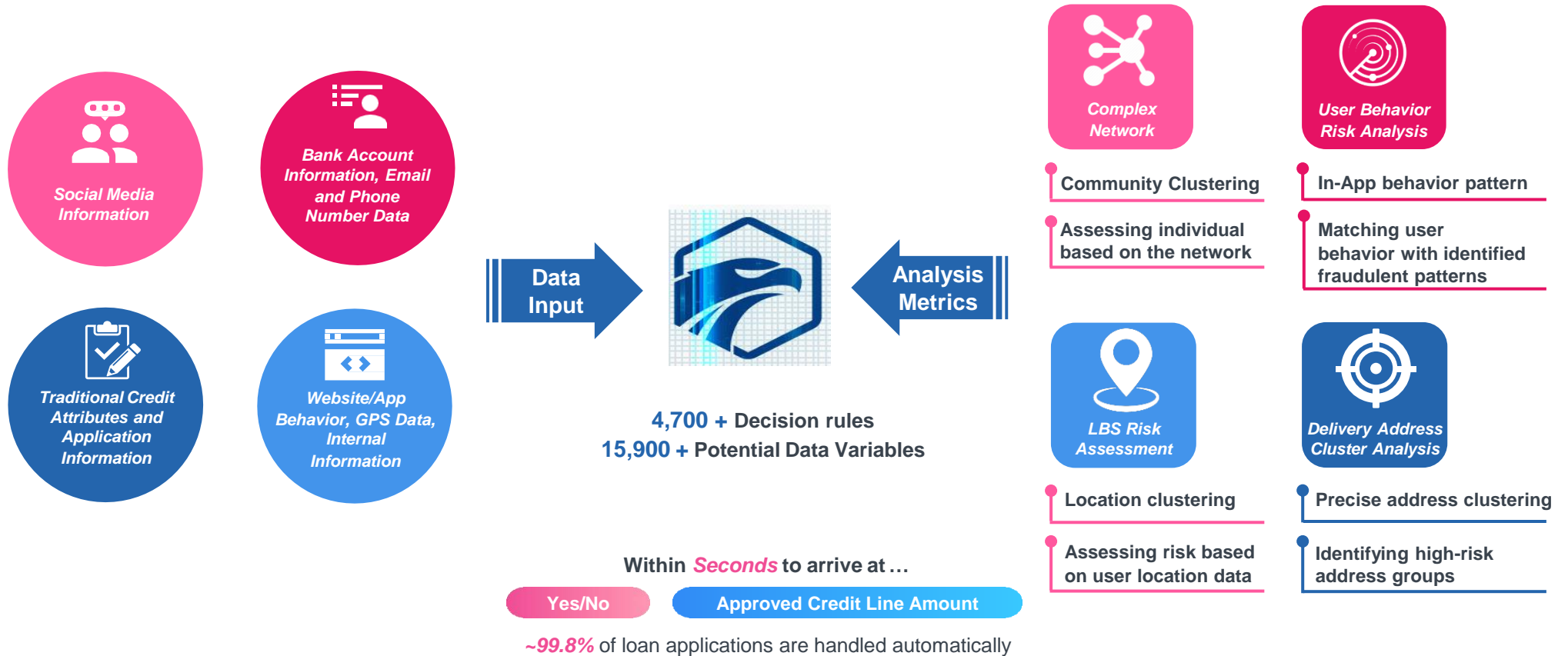


Our Unique Lingxi AI Platform to Bring Superior Customer Experience



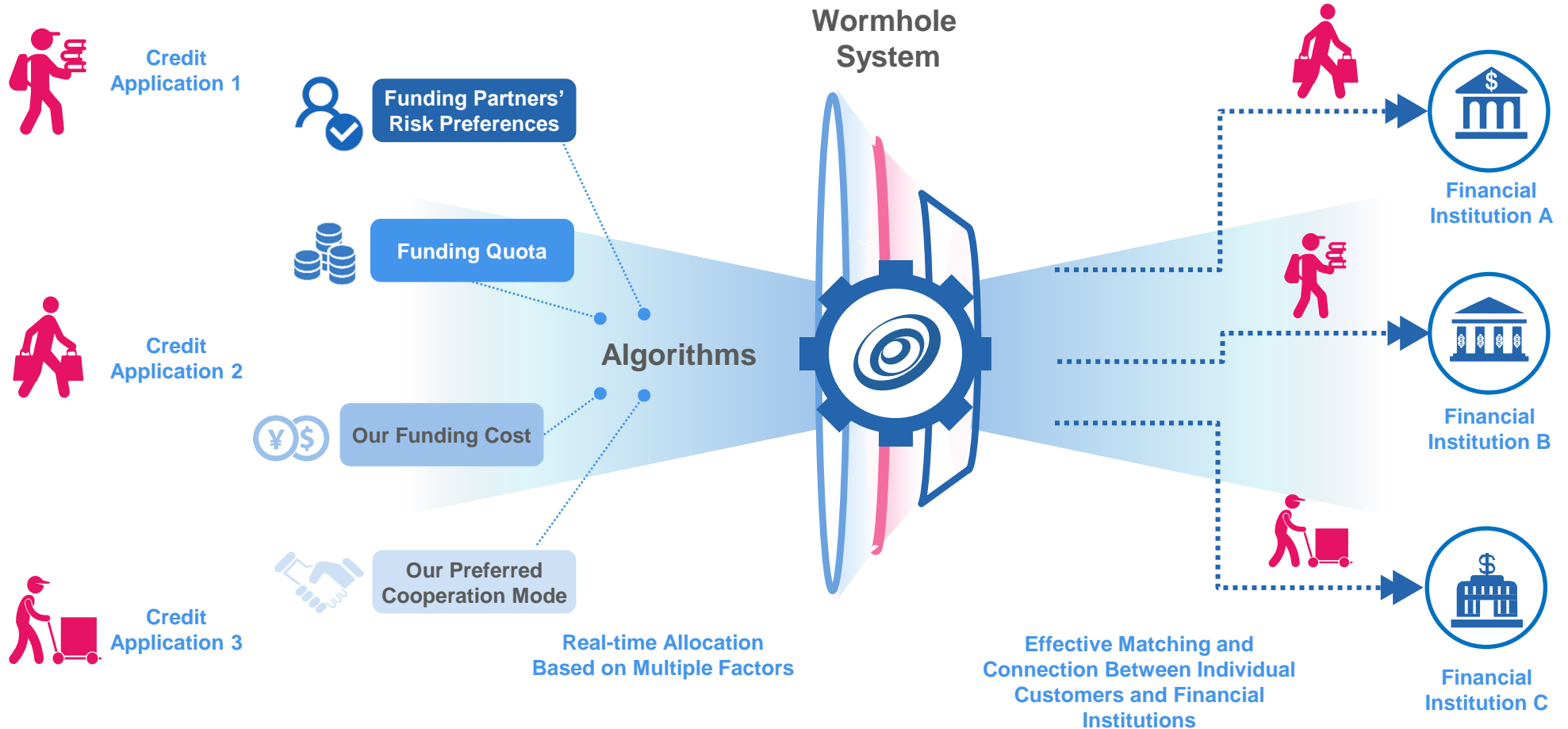
Our Advanced and Customized Credit Risk Management

— Hawkeye Engine: Automated and Dynamic Credit Approval



Our Industry-leading Funding and Asset Allocation Technologies

— Wormhole System: Effective Connection between Individual Customers and Financial Institutions



03

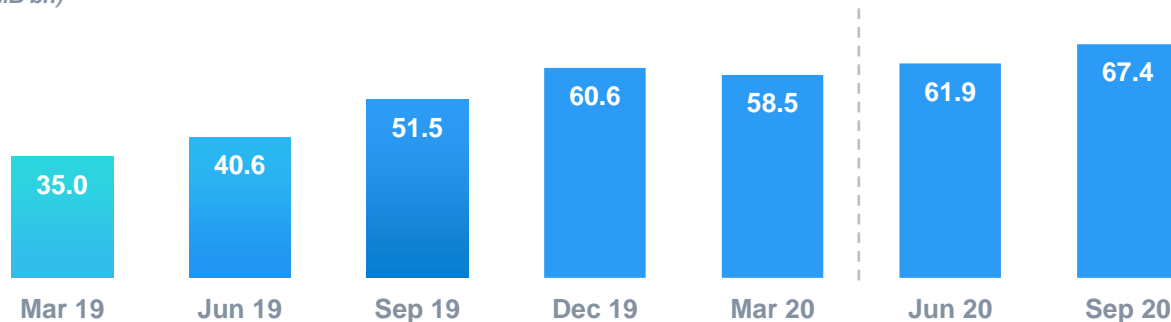
OUR OPERATION & FINANCIAL METRICS



Stable Business Growth

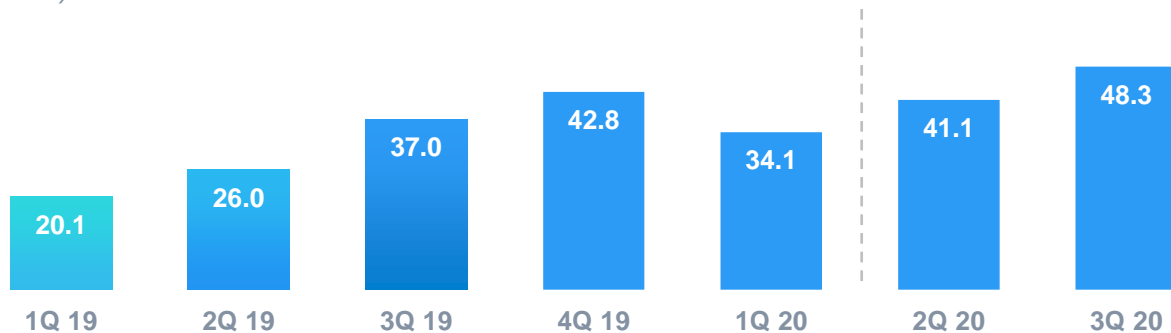
— Total Outstanding Loan Balance¹

(RMB bn)



— Total Loan Originations²

(RMB bn)



— Key Metrics of Our Loan Products

Nominal APR

15.0%
For 3Q 2020

Average
Credit Limit

RMB11K
For 3Q 2020

Average
Loan Tenor

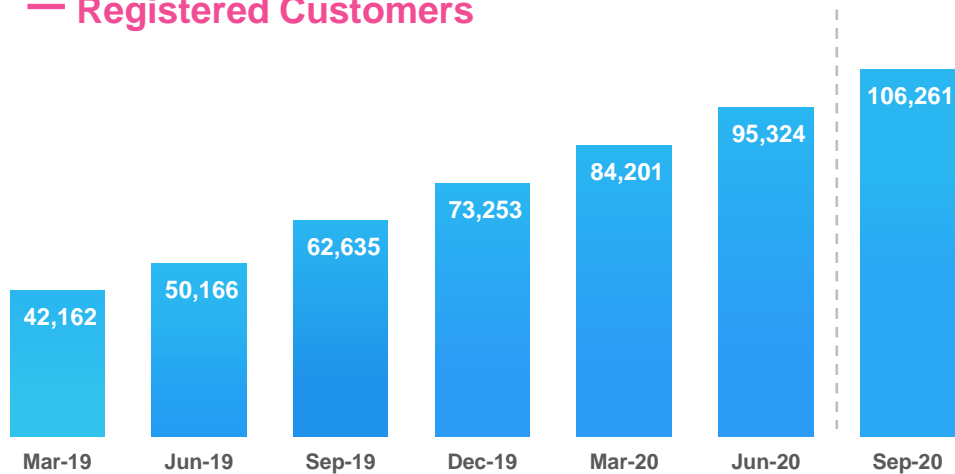
11.4 Months
For 3Q 2020

¹ Outstanding principal balance represents the total amount of principal outstanding for loans originated on our platform at the end of the relevant period, which includes both on and off-balance sheet loans

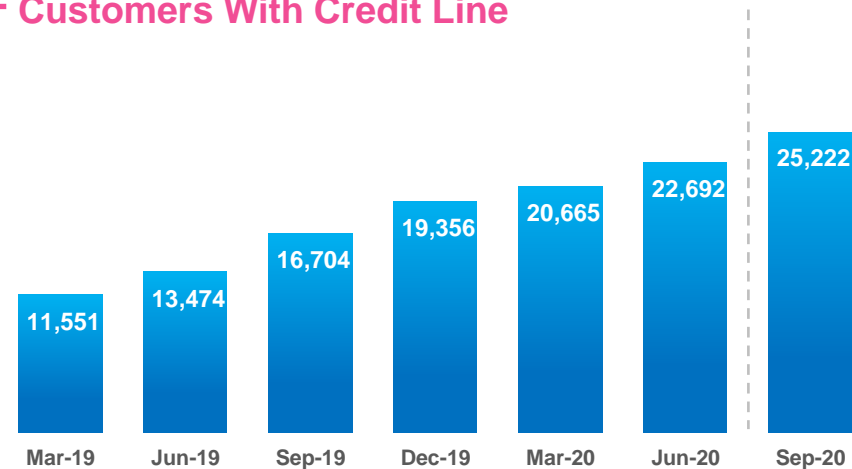
² Total loan origination represents the total amount of loans originated during each relevant period, which includes both on and off-balance sheet loans

Strong Customer Acquisition *(in thousands)*

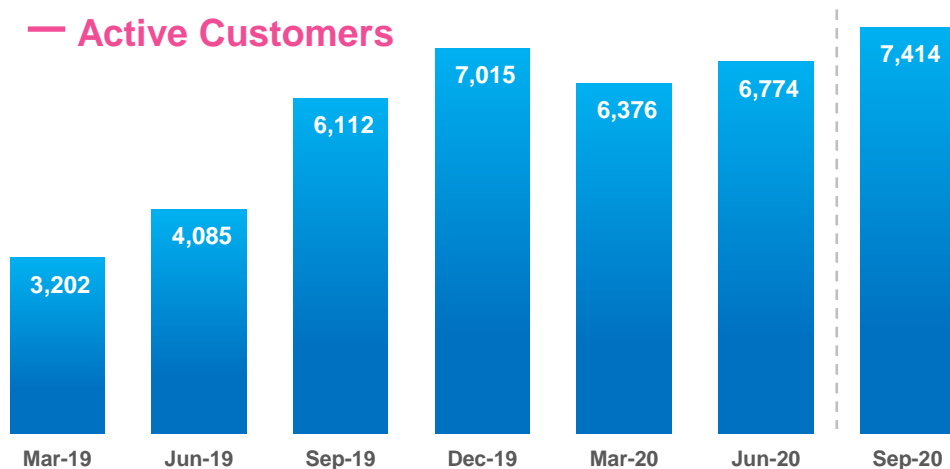
Registered Customers



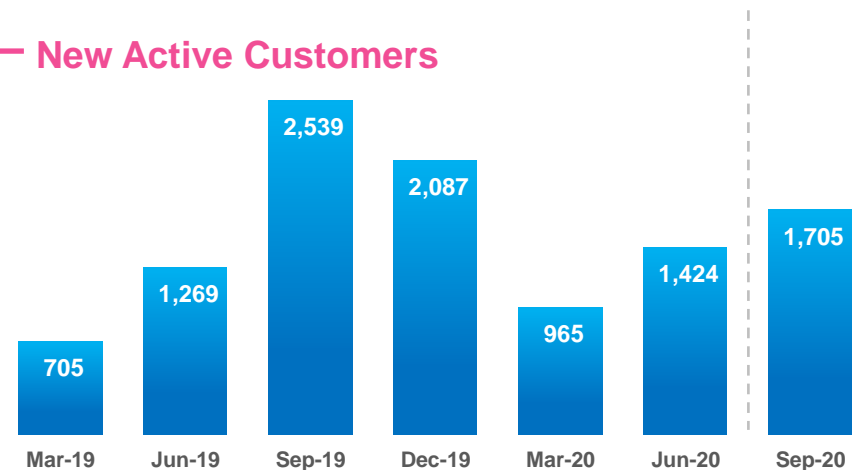
Customers With Credit Line



Active Customers



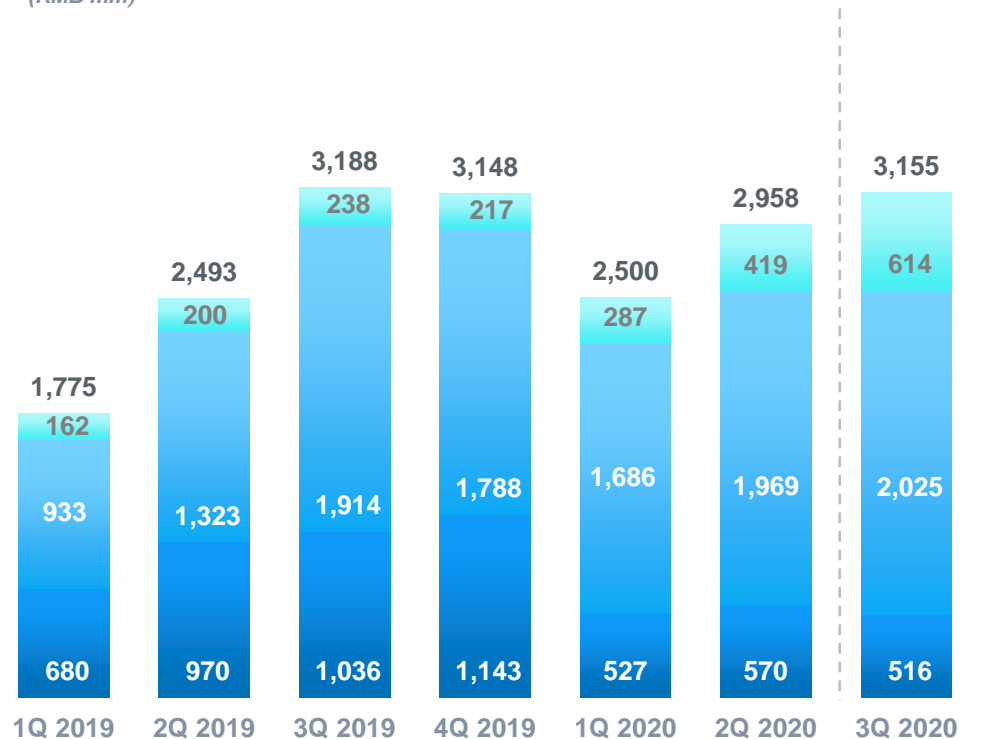
New Active Customers



More Resilient Business Mix

— Total Operating Revenue

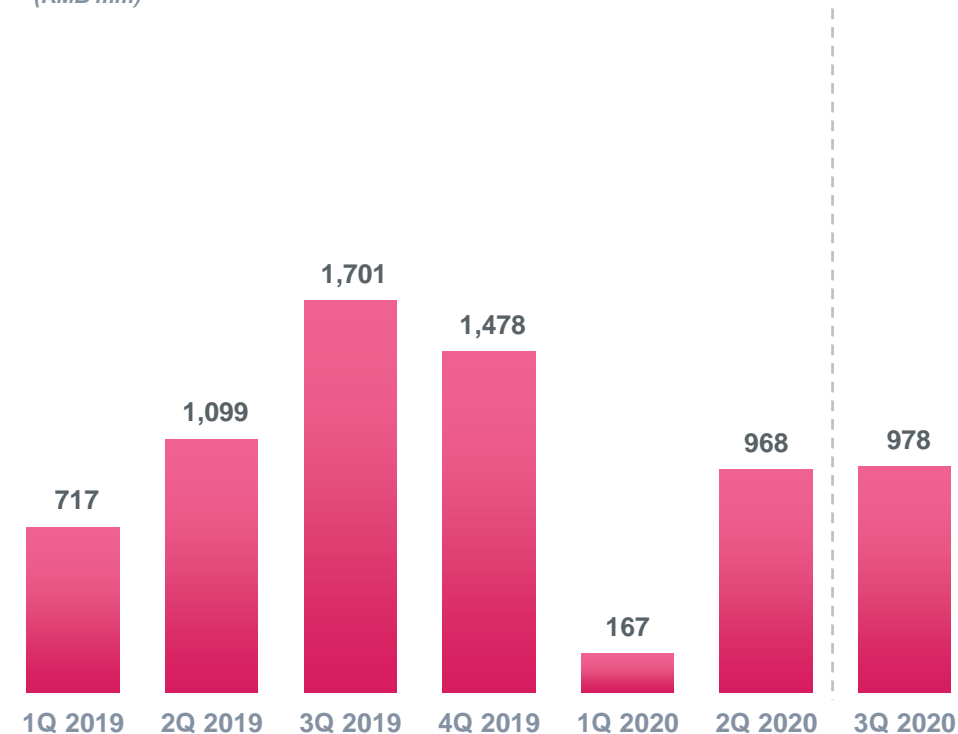
(RMB mm)



■ Online direct sales and services income ■ Credit-oriented services income ■ Platform-based services income

— Gross Profit

(RMB mm)

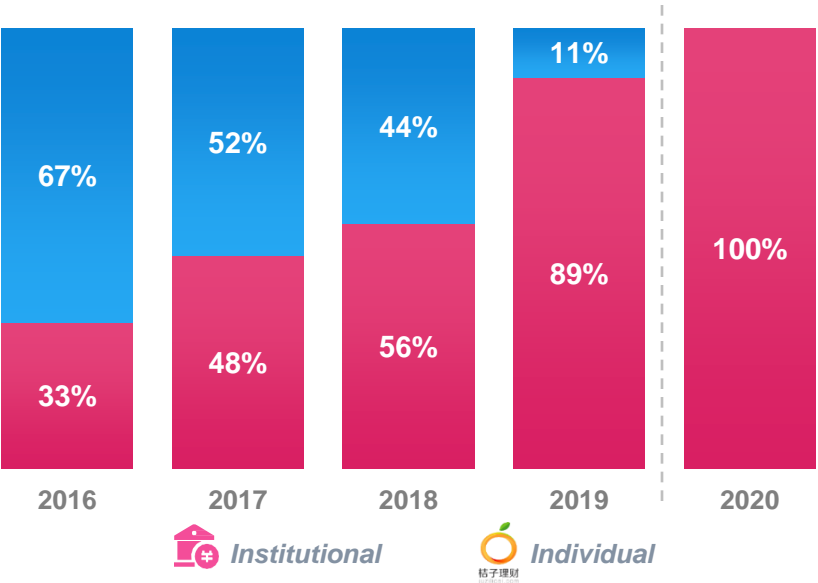


Diversified Funding Channels and Stable Funding Cost

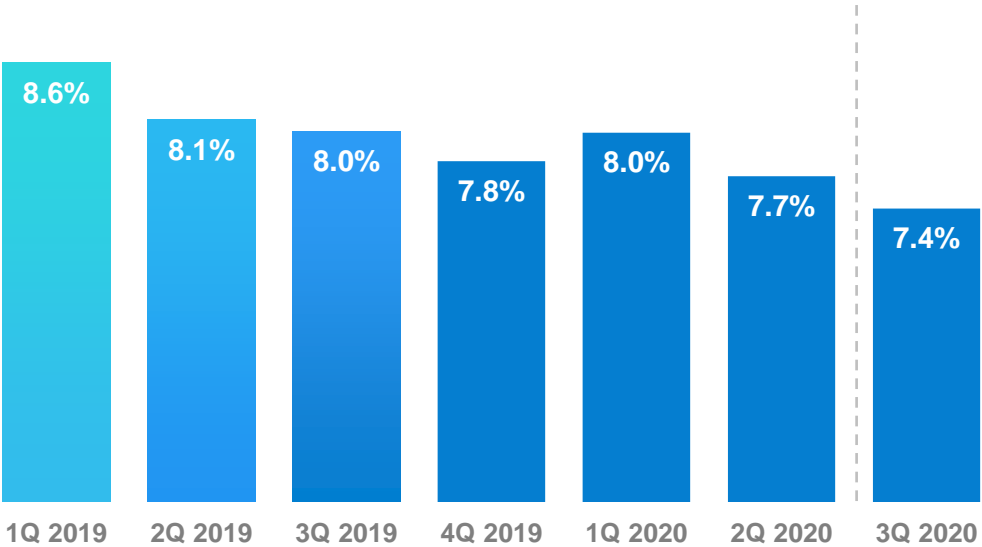
— Loan Origination by Different Funding Sources

— Weighted Average Interest Rate of Institutional Funding Partners

Increasing Institutional Funding



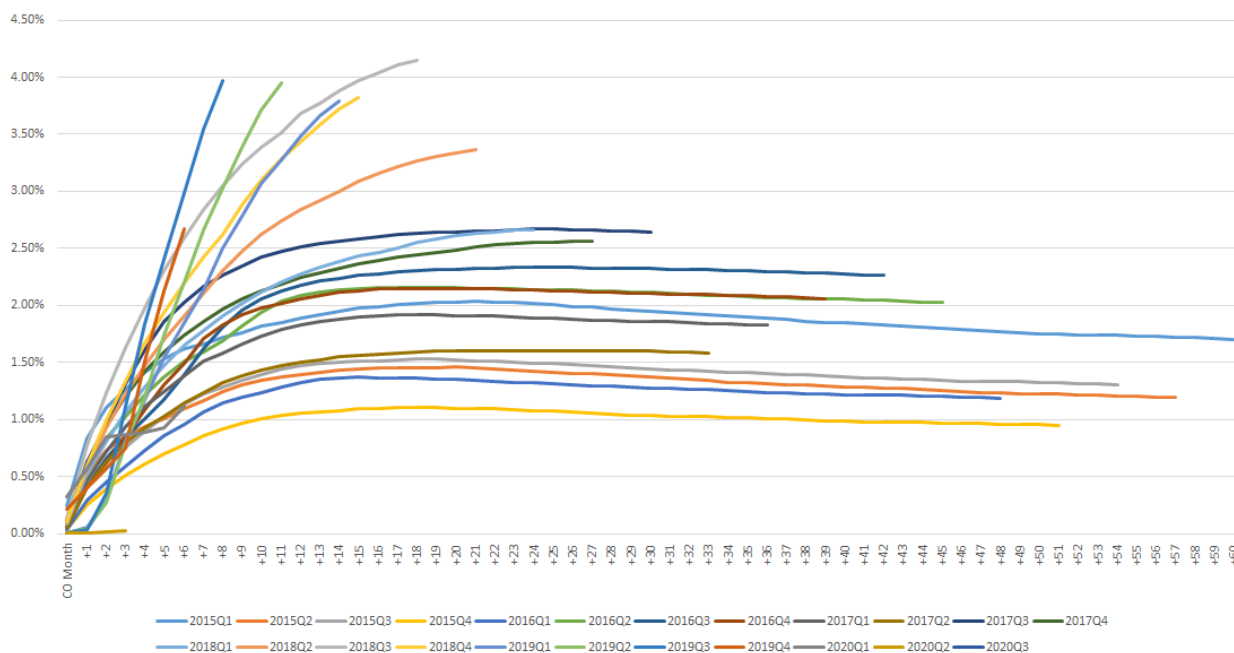
Continued optimization of funding cost¹ (Off b/s loans, excludes intermediary payments and guarantee costs)



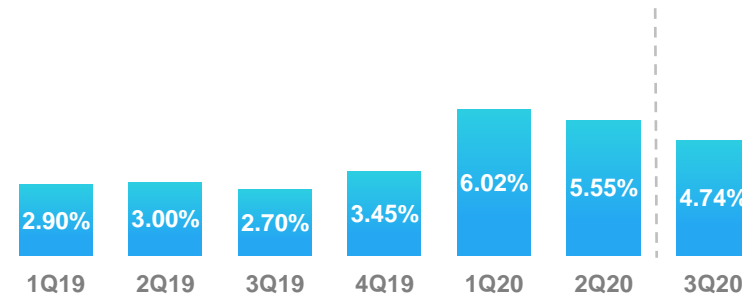
¹ Annualized weighted average interest rate charged to customer by funding partners.

Credit Statistics

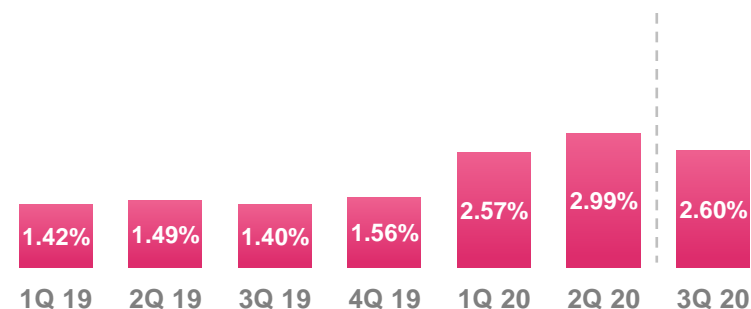
— Vintage Charged Off Curve



—30 Days+ Delinquency Ratio

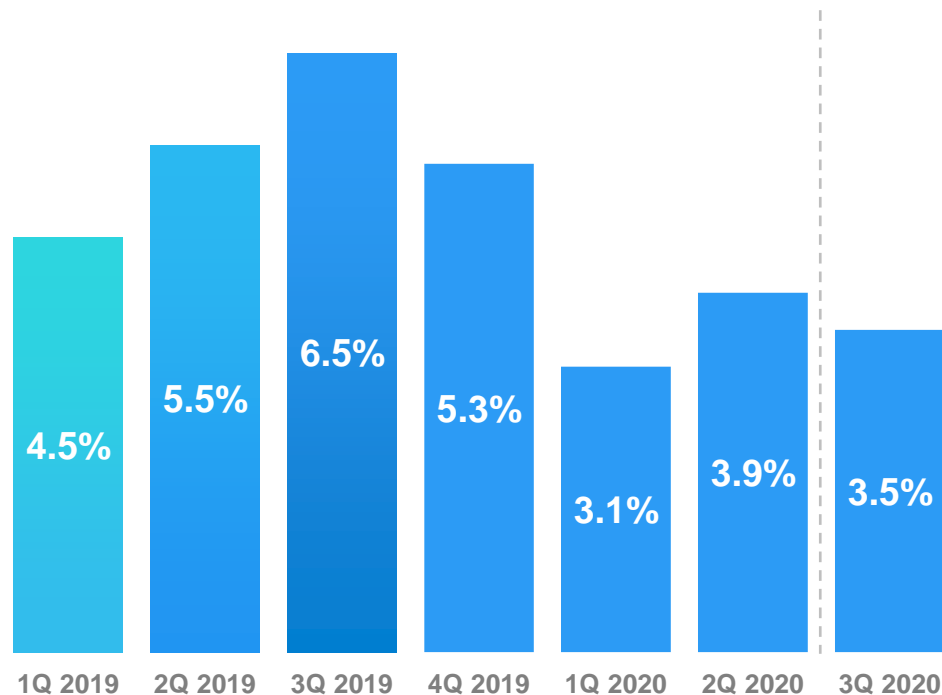


—90 Days+ Delinquency Ratio

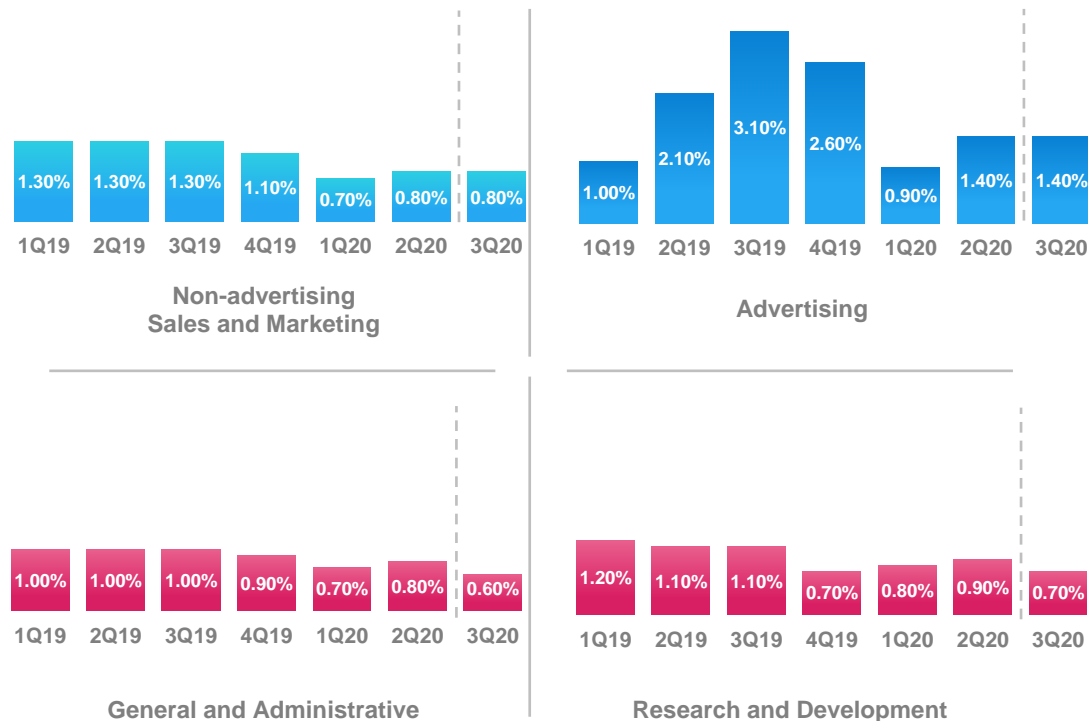


Well-maintained Operating Efficiency

— Total Operating Expense¹/Average Loan Balance²

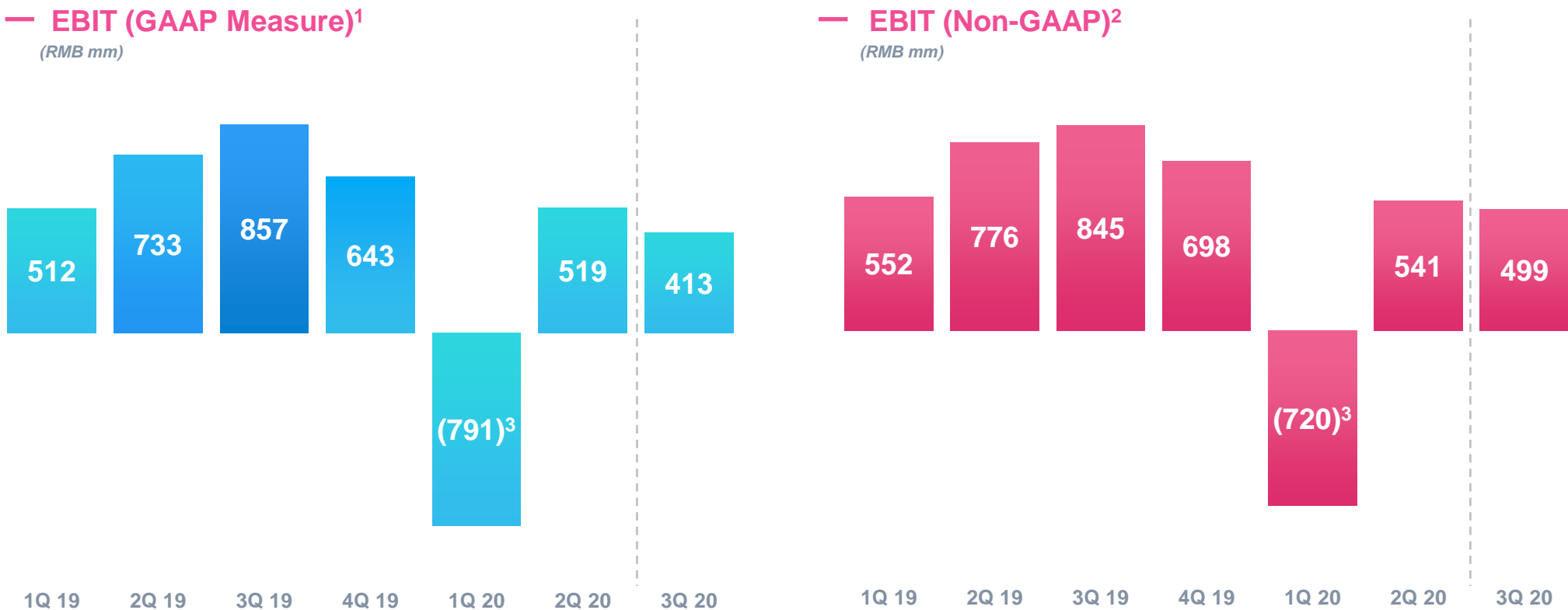


— Operating Expense Breakdown¹/Average Loan Balance²



¹ Annualized
² Average loan balance represents the average beginning and ending outstanding principal loan balance on and off-balance sheet of respective year.

Profitability Has Returned to Pre-COVID19 Level



The decrease in 1Q 20 EBIT was primarily due to (1) change of accounting policies (adoption of ASC 326 and 460) and (2) negative impacts due to" COVID-19

¹ Net (loss)/income plus income tax (benefit)/expense and interest expense, net
² Adjustments include share-based compensation expenses, investment-related impairment and investment loss
³ Includes a negative impact of approximately RMB0.9 billion resulting from estimates of expected credit losses and fair value changes of guarantee derivatives in association with the ongoing Covid-19 pandemic

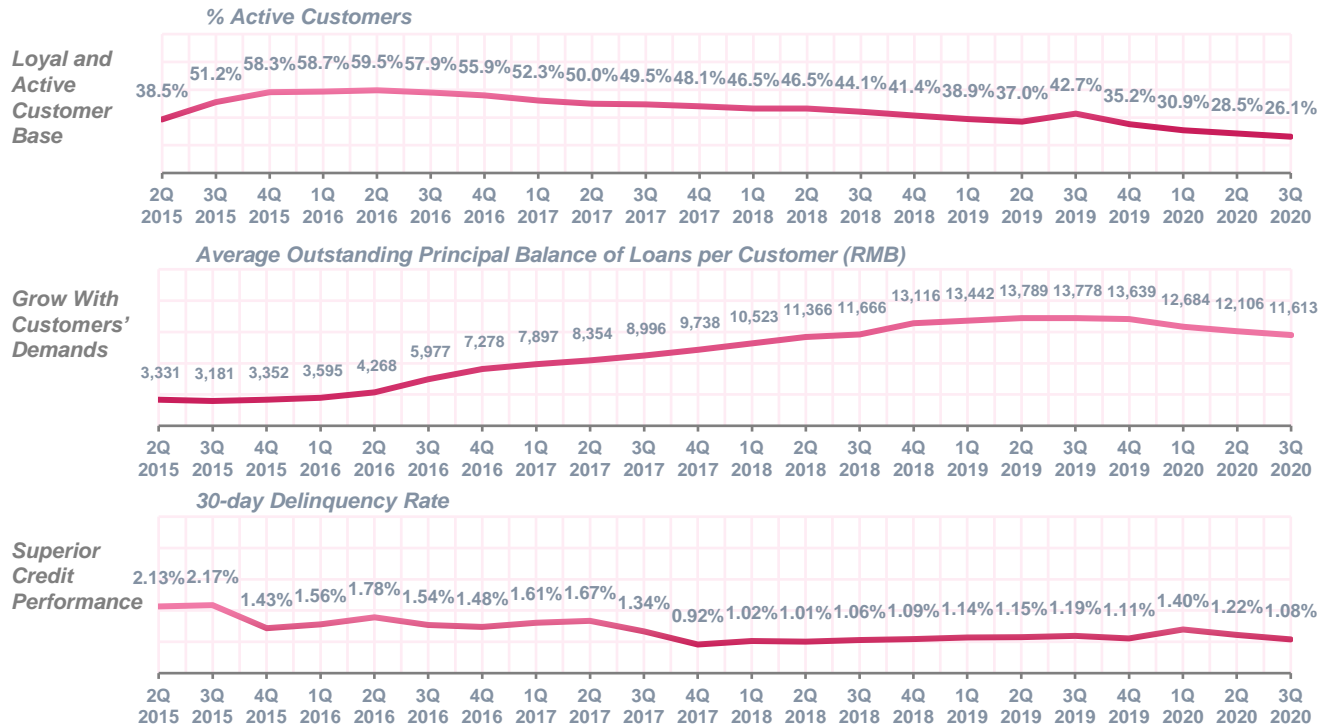
04

APPENDIX



Our Ever-growing Customer Cohort

— Tracking the Same Customer Cohort Acquired In 1Q15¹



Unique Insights into Current and Future Consumption Needs



Strong Understanding of Credit Profiles and Behaviors



Targeted Offerings, Larger Credit Lines and Improved Pricing over Time

— We Are Many Customers' First Touch Point for Consumer Finance Services

Illustrative Credit Line Size (RMB)



Note:

¹ Represents a cohort analysis on the customers acquired in the three months ended March 31, 2015. This analysis compares certain metrics of this customer cohort for each three month period from April 1, 2015 through March 31, 2020. Active customers refer to customers who have made at least one transaction during a specified period on our consumer finance platform

² Illustrative amount only; does not represent actual credit lines granted by the Company