

LEXIN 乐信

Presentation

August 2018



Disclaimer

This presentation has been prepared by LexinFintech Holdings Ltd. (the “Company”) pursuant to Section 5(d) of the U.S. Securities Act of 1933, as amended (the “Securities Act”) solely for informational purposes and is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any investment activity or trading strategy, nor may it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever, in the United States or anywhere else. This presentation does not constitute legal, regulatory, accounting or tax advice to you, we recommend that you seek independent third party legal, regulatory, accounting and tax advice regarding the contents of this document.

By viewing this presentation or participating in this meeting, you acknowledge and agree that (i) the information contained in this presentation is intended for the recipient of this information only and shall not be disclosed, reproduced or distributed in any way to anyone else, (ii) no part of this presentation or any other materials provided in connection herewith may be photographed, copied, retained, taken away, reproduced or redistributed following this presentation or meeting, and (iii) all participants must return this presentation and all other materials used during this presentation or meeting to the Company at the completion of the presentation or meeting. By viewing, accessing or participating in this meeting, you agree to be bound by the foregoing limitations. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. The distribution of any information herein in other jurisdictions may be restricted by law and persons into whose possession this information comes should inform themselves about, and observe, any such restrictions.

This presentation has been prepared solely for use at this meeting. The information herein is subject to change without notice and its accuracy is not guaranteed. Nothing contained in this presentation shall be relied upon as a promise or representation as to the past or future performance of the Company. Past performance does not guarantee or predict future performance. This presentation shall neither be deemed an indication of the state of affairs of the Company nor constitute an indication that there has been no change in the business affairs of the Company since the date hereof or since the dates as of which information is given herein. This presentation also does not contain all relevant information relating to the Company or its securities, particularly with respect to the risks and special considerations involved with an investment in the securities of the Company, and these materials are qualified in their entirety by reference to the detailed information appearing in the Company’s filings with the U.S. Securities and Exchange Commission.

Certain of the information included herein was obtained from various sources, including third parties, and has not been independently verified by the Company or any underwriters. By viewing or accessing the information contained in this presentation, you hereby acknowledge and agree that neither the Company, nor any of the affiliates, advisers and representatives of the Company accept any responsibility for, or makes any representation or warranty, expressed or implied, with respect to, the truth, accuracy, fairness, completeness or reasonableness of the information contained in, and omissions from, this presentation and that neither the Company nor any of its affiliates, advisers, representatives accept any liability whatsoever for any loss howsoever arising from any information presented or contained in this presentation.

Statistical and other information relating to the general economy and the industry in which the Company is engaged contained in this presentation material has been compiled from an industry report compiled by Oliver Wyman Consulting (Shanghai) Limited, an independent research firm and industry consultant based in the PRC, or Oliver Wyman, and various publicly available official or unofficial sources. The Company or any of its affiliates, advisors or representatives has not independently verified market, industry and product testing data provided by Oliver Wyman or by other third-party sources. These data involve a number of assumptions and limitations, and you are cautioned not to give undue weight to such information and estimates.

This presentation also contains non-GAAP financial measures (including adjusted net loss and Non-GAAP EBIT), which are provided as additional information to help you compare business trends among different reporting periods on a consistent basis and to enhance your overall understanding of the historical and current financial performance of the Company’s operations. These non-GAAP financial measures should be considered in addition to results prepared in accordance with the U.S. GAAP, but should not be considered a substitute for or superior to the Company’s U.S. GAAP results. In addition, the Company’s calculation of these non-GAAP financial measures may be different from the calculation used by other companies, and therefore comparability may be limited.

This presentation contains certain forward-looking statements, including statements related to industry developments and the Company’s future financial or business performance, strategies or expectations. These statements constitute “forward-looking” statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often include words such as “anticipates,” “estimates,” “expects,” “projects,” “intends,” “plans,” “believes” and words and terms of similar substance in connection with discussions of future performance. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors and assumptions, many of which are beyond the Company’s control. Neither the Company nor any of its affiliates, advisors, representatives has any obligation to, nor do any of them undertake to, revise or update the forward-looking statements contained in this presentation to reflect future events or circumstances.

01

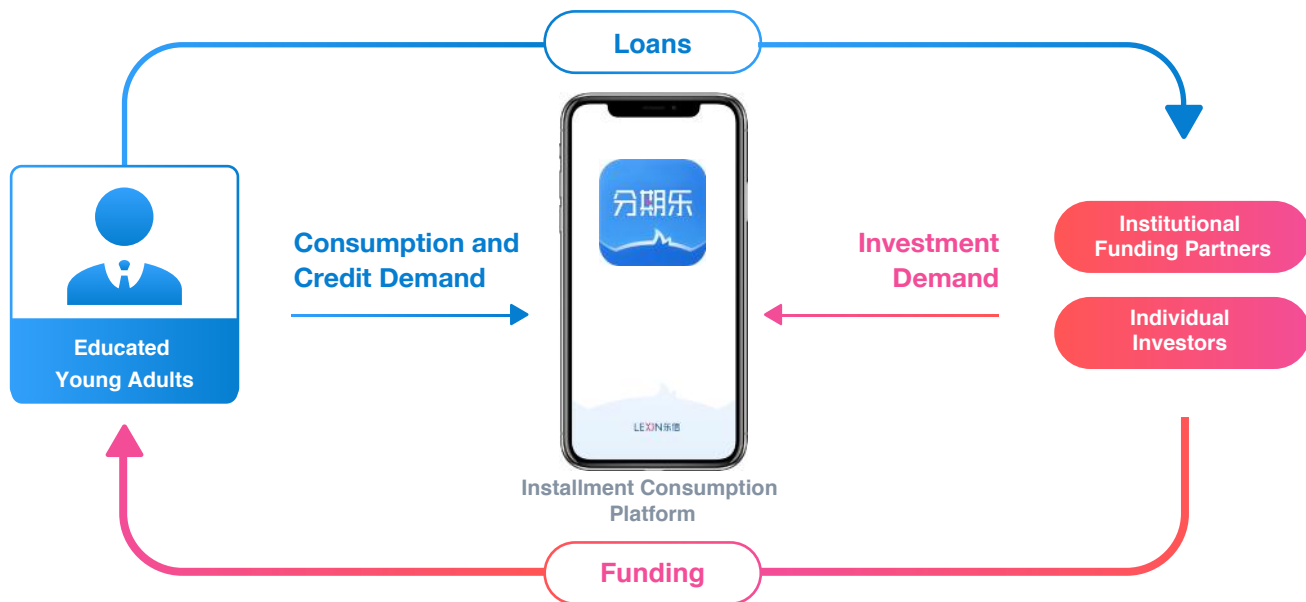
**WHO
WE ARE**



Who We Are

Leading Online Consumer Finance Platform For Educated Young Adults in China

LEXIN 乐信



29.2mm

Registered Users as of Jun 30, 2018

8.9mm

Customers with Credit Line as of Jun 30, 2018

RMB16.6bn

Loan Origination in 2Q 2018

RMB24.7bn

Outstanding Loan Balance as of Jun 30, 2018

分期乐 Fenqile 桔子理财 Juzi Licai 鼎盛资产 Dingsheng

We Serve Educated Young Adults in China

Our Differentiated Customer Cohort



Note: Educated young adults refer to (i) students enrolled in college programs or associate degree programs in colleges, or college students, and (ii) working population with college or associate degrees and under the age of 36, or educated young professionals

¹ Represents the weighted average loan tenor for the loans originated in 2Q 2018

² Represents the annualized effective APR of the on-balance sheet loans in 2Q 2018

³ Represents charge-off rates as of Jun 30, 2018 for each vintage of a three-month period from January 1, 2015 to Dec 31, 2017

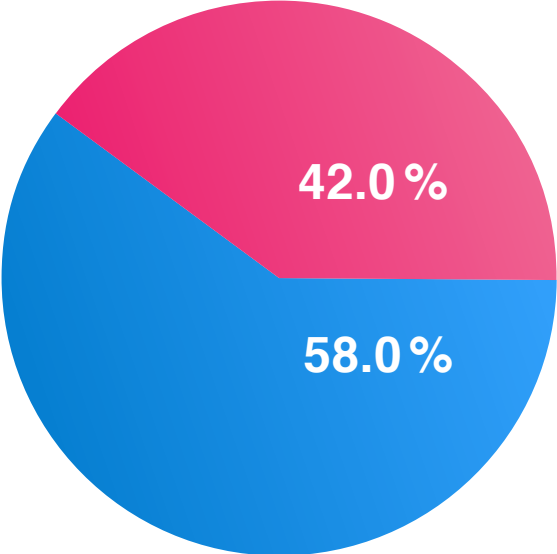
Our Unique and Competitive e-Commerce Platform



- Tailored for Educated Young Adults
- Effective Partnership with Reputable Brands
- Focused on Installment-Friendly Product Categories

Offering a Superior e-Commerce User Experience with an Asset Light Model

Diversified and Scalable Funding Sources



-  Institutional Funding Partners | 30+ Funding Partners ¹

-  Individual Investors |  桔子理财 Online Investment Platform 350k+ Individual Investors ²

¹Represents number of partners including commercial banks, other licensed financial institutions and peer-to-peer lending platforms as of Dec 31,2017
²Represents cumulative number of individual investors who have invested on Juzi Licai as of Mar 31,2018

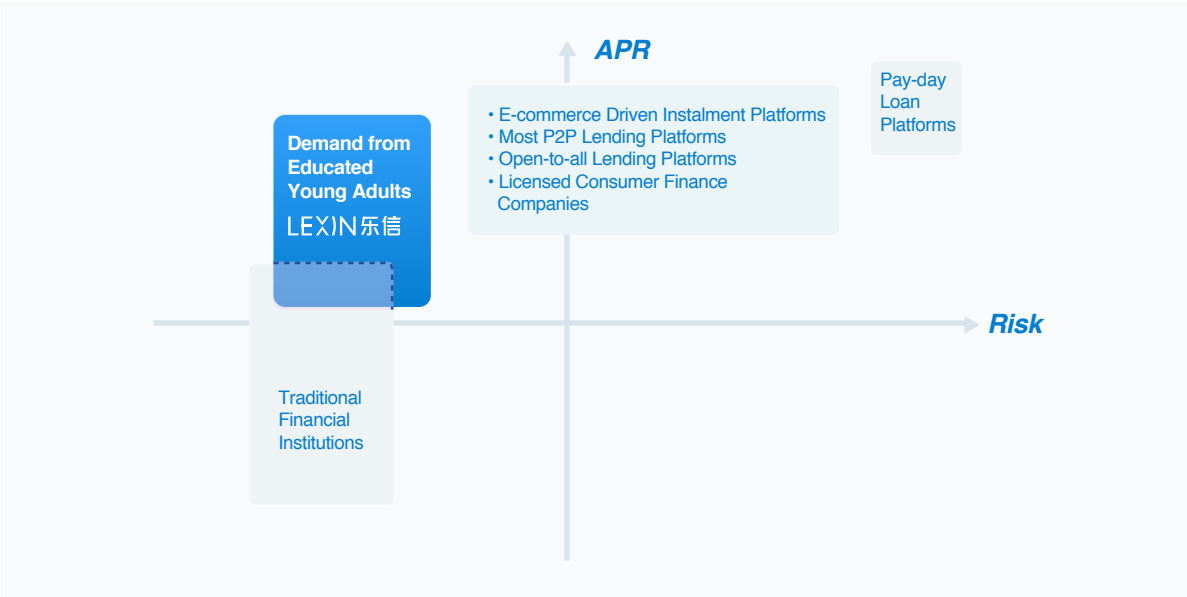
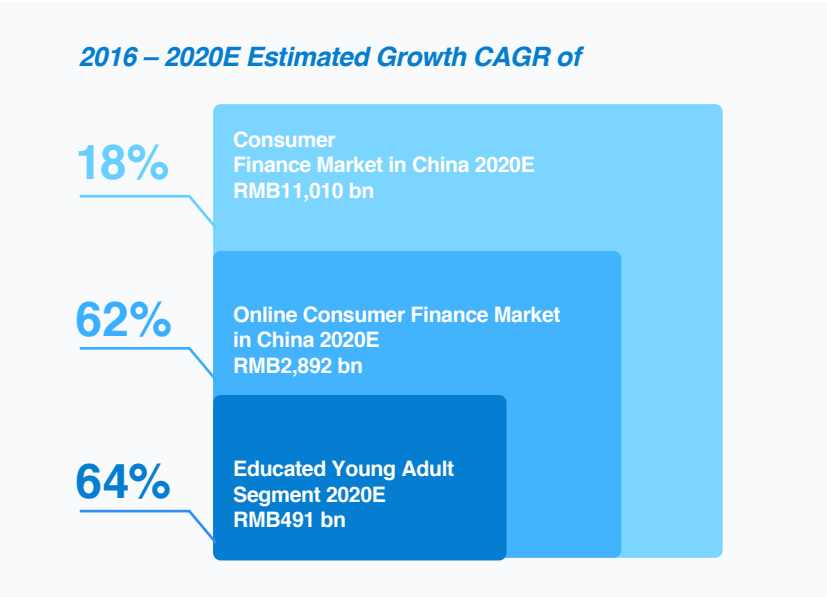
02

**INVESTMENT
HIGHLIGHTS**



We Capture the Sweet Spot of the Online Consumer Finance Market

Leveraging the Tremendous Market Opportunity, Loans to Educated Young Adults Represent Balance between Risk and Return

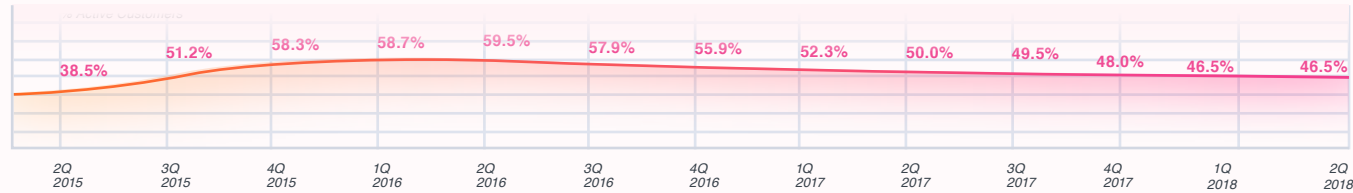


Source: Oliver Wyman
 Note: Represents outstanding loan balance by 2020YE for each layer of market.

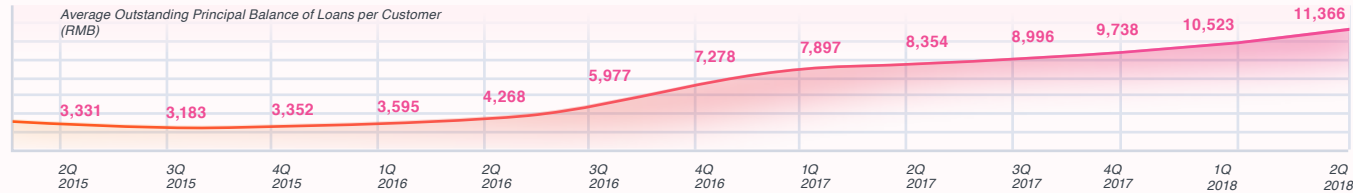
We Serve Educated Young Adults in China

— Tracking the Same Customer Cohort Acquired In 1Q15¹

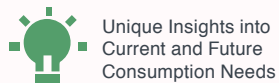
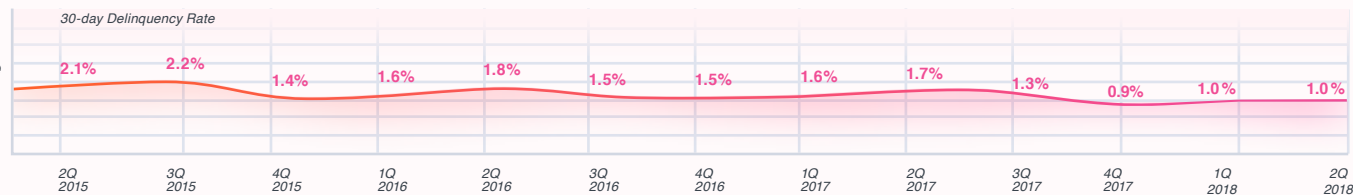
Loyal and Active Customer Base



Grow With Customers' Demands



Superior Credit Performance



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 Touchpoint for Consumer Finance Services

Illustrative Credit Line Size (RMB)

And More

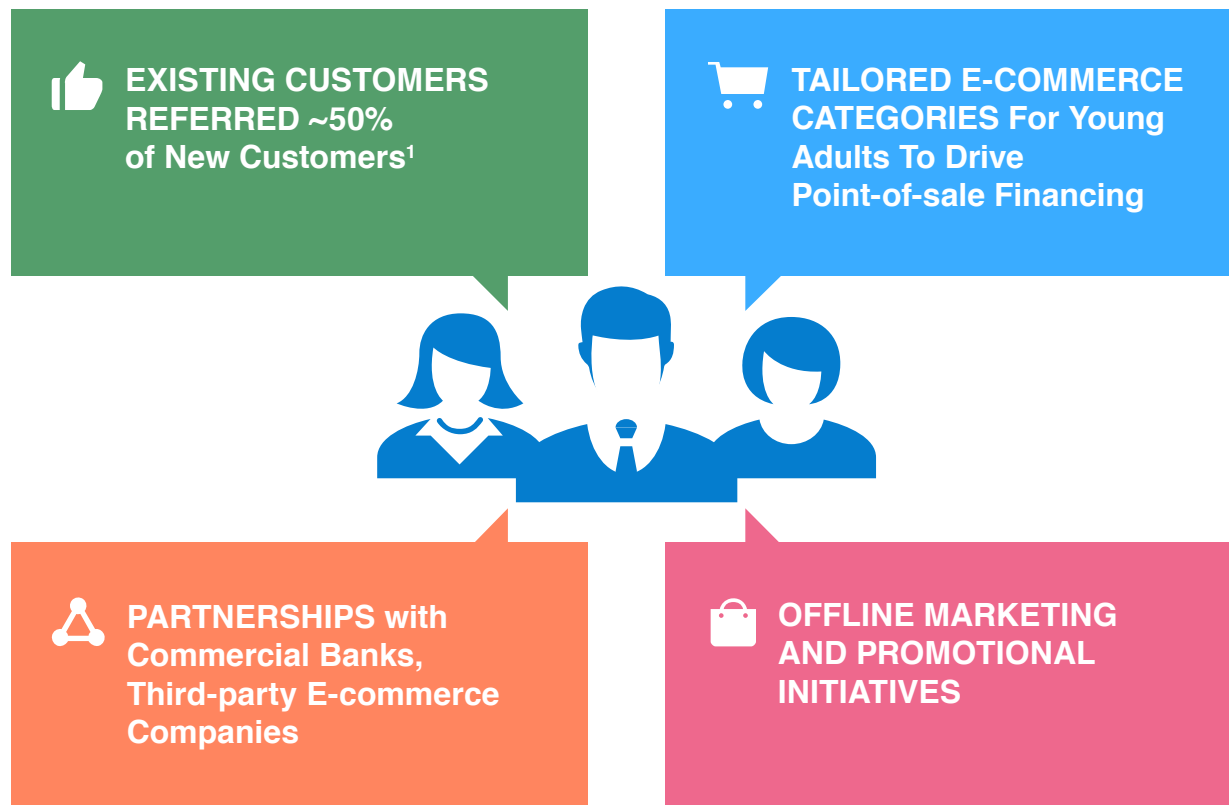
-  Home Decoration / 100,000²
-  Wedding / 75,000²
-  First Car / 50,000²
-  Relocation / 30,000²
-  Training / 12,000²
-  Laptop / 5,000²
-  Smartphone / 3,000²

Note: Educated young adults refer to (i) students enrolled in college programs or associate degree programs in colleges, or college students, and (ii) working population with college or associate degrees and under the age of 36, or educated young professionals

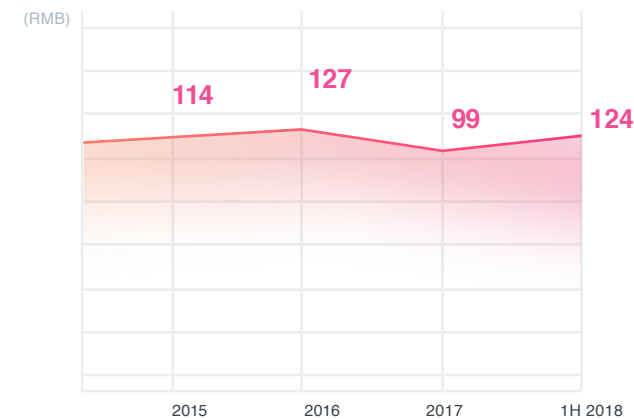
¹ Represents a cohort analysis on the customers acquired in the three months ended March 31, 2015. This analysis compares certain metrics of this customer cohort for each three month period from April 1, 2015 through Jun 30, 2018. Active customers refer to customers who have made at least one transaction during a specified period on our consumer finance platform

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

Our Targeted and Cost-efficient Customer Acquisition



— Stable Customer Acquisition Cost²



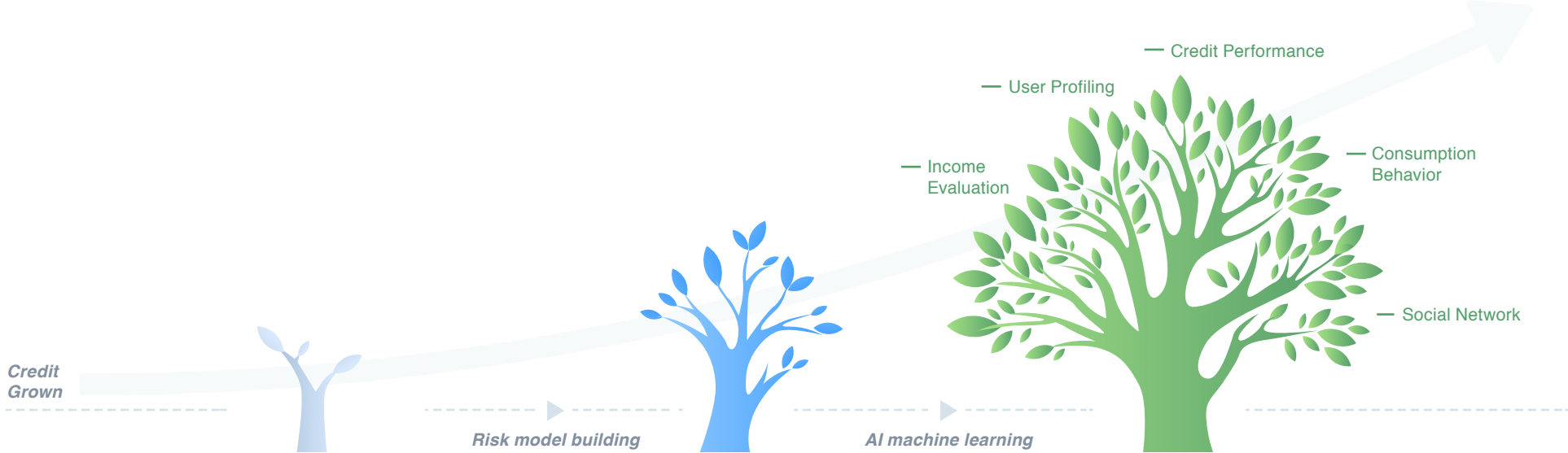
Sustainable Organic Growth | Diversified | Customized

¹ Represents the percentage of new customers who registered by using a referral code obtained from an existing customer in 2Q 2018

² Refers to the amount of total costs incurred in connection with acquiring customers divided by the number of the new active customers during the relevant period. Only includes cost related to acquiring borrowing customers

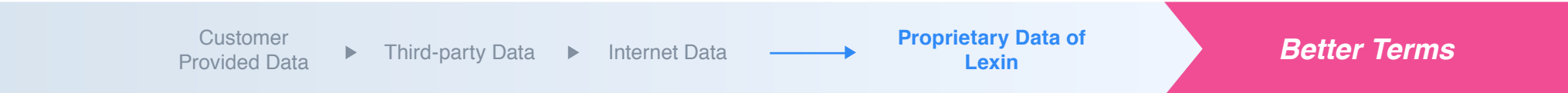
Our Advanced and Customized Credit Risk Management (1/2)

— Data-driven Customer-Behavior-and-Risk Profiling



Build Up Credit Profile

Develop Credit Profile



Our Advanced and Customized Credit Risk Management (2/2)

— Hawkeye Engine: Automated and Dynamic Credit Approval



~98% of loan applications are handled automatically

Our Efficient Capital Deployment for Investors and Partners



Connect customers and funding partners in real time



Allocate to various funding sources according to their respective risk parameters



Send qualified customer loans to funding partners for final approval

Our Management Team



Jay Wenjie Xiao

*Founder,
CEO and Chairman*

 Tencent 腾讯



Jared Yi Wu

*President
and Director*

 Tencent 腾讯

 微信支付



Craig Yan Zeng

Chief Financial Officer

  YeePay 易宝支付

 VanceInfo

 Microsoft

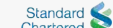


Ryan Huanian Liu

Chief Risk Officer

  平安银行
PINGAN BANK

 SOCIETE
GENERALE

 Standard
Chartered



Kris Qian Qiao

*Chief Financing
Cooperation Officer*

 Tencent 腾讯

 华夏基金

 中國銀行
BANK OF CHINA

Strong Management Team Uniquely Combining Internet and Traditional Finance DNA

03

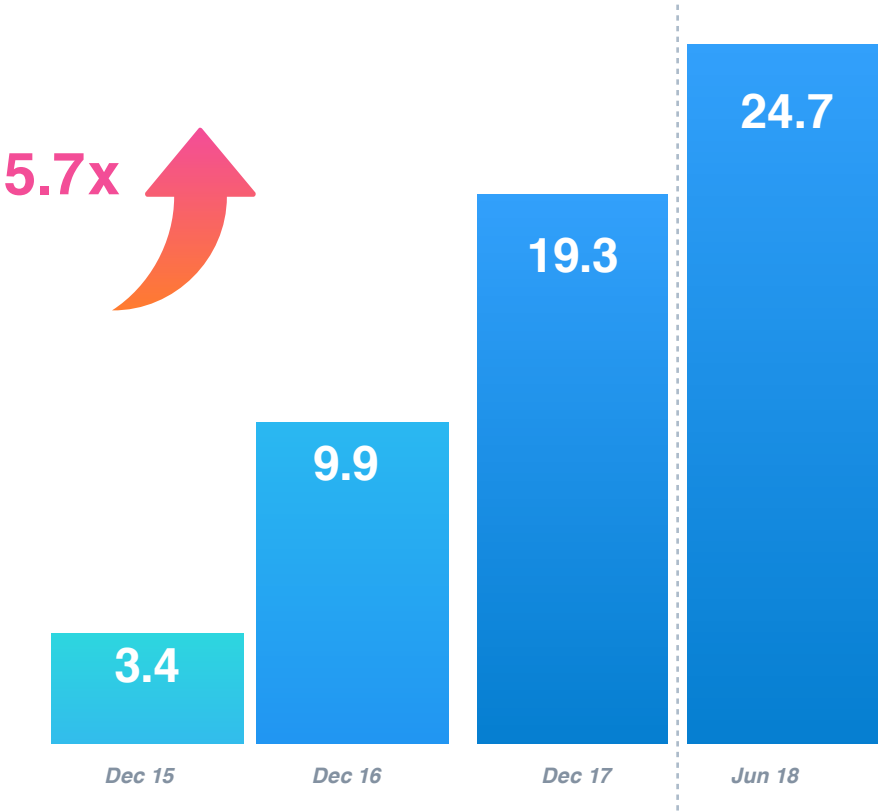
**OUR
FINANCIALS**



Exponential Business Growth

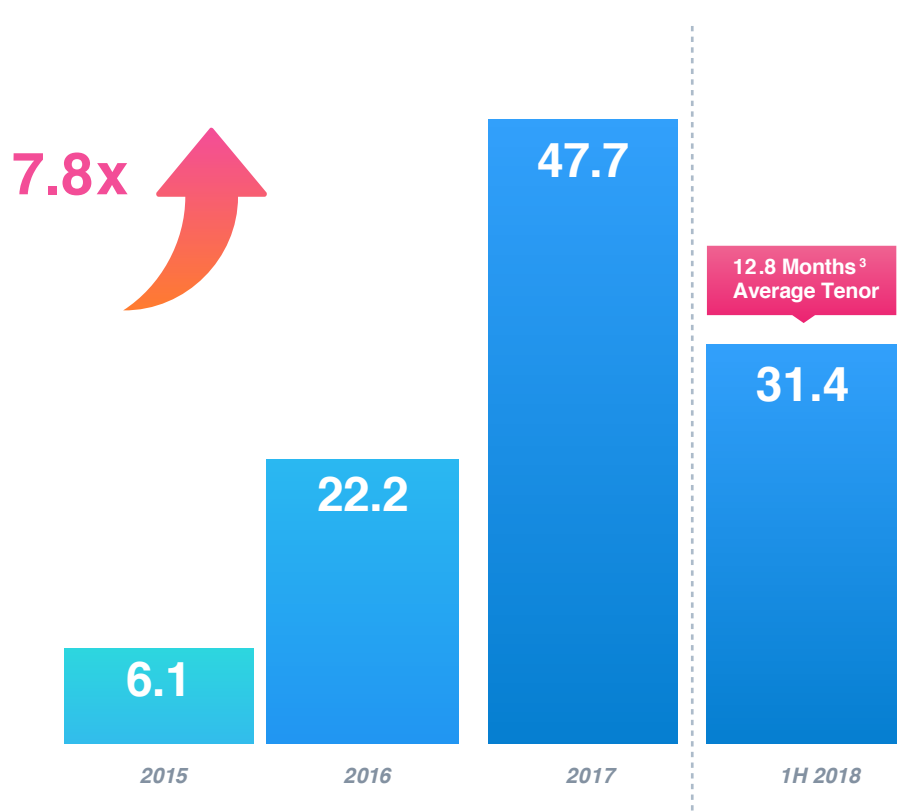
— Total Outstanding Loan Balance¹

(RMB bn)



— Total Loan Origination²

(RMB bn)



¹Outstanding 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

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

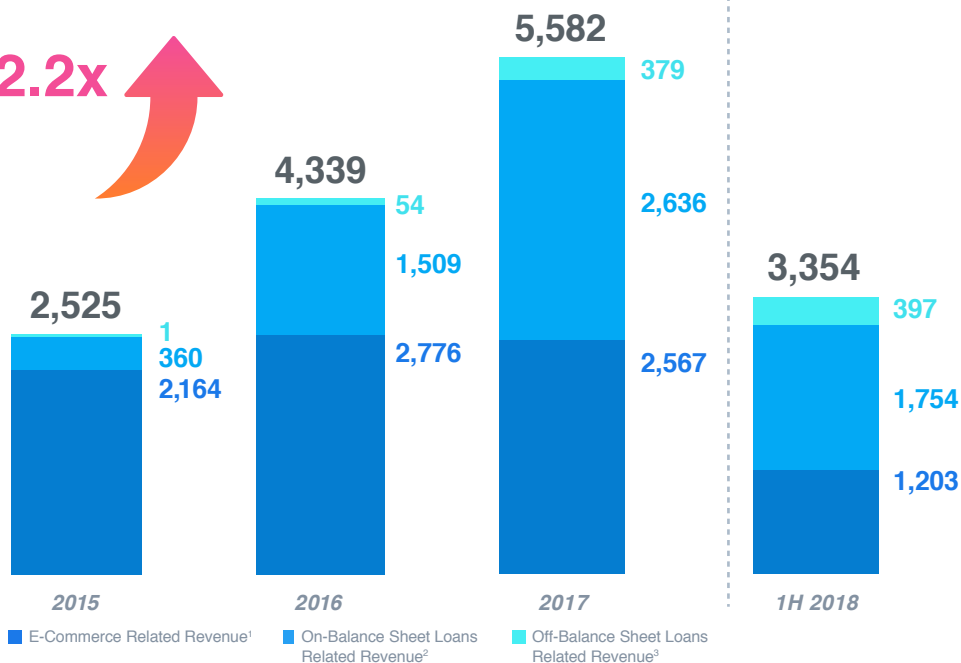
³Represents the weighted average loan tenor for the loans originated in 2Q 2018

High Visibility of Revenue and Profit

— Total Operating Revenue

(RMB mm)

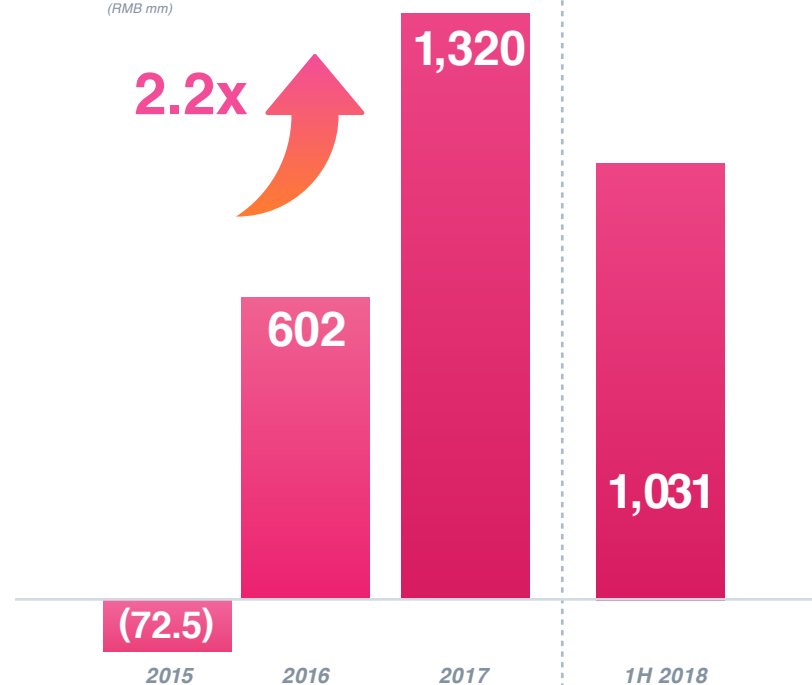
2.2x



— Gross Profit

(RMB mm)

2.2x



- ✓ Recognizes Interest and Financial Services Income Over the Terms of Financing Receivables
- ✓ Recognizes Loan Facilitation and Servicing Fees Each Month as the Monthly Repayments Occur

¹ Corresponding to online direct sales and services income in Income Statement

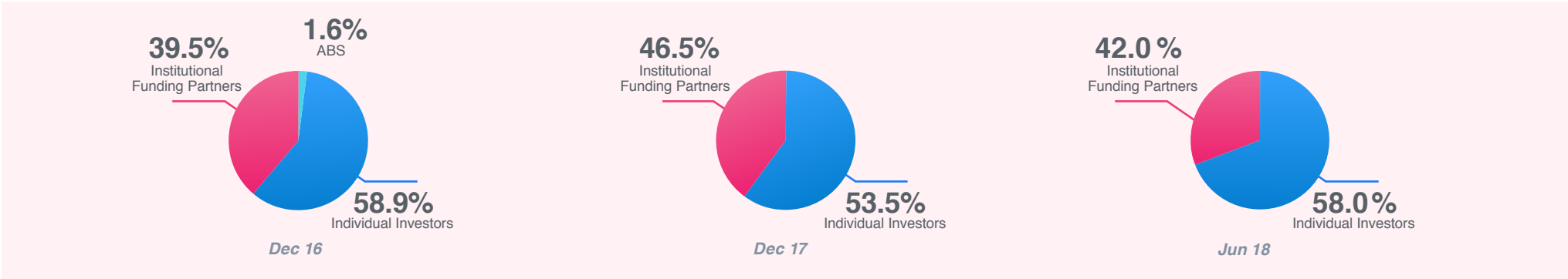
² Corresponding to interest and financial services income and other revenue in Income Statement

³ Corresponding to loan facilitation and servicing fees in Income Statement

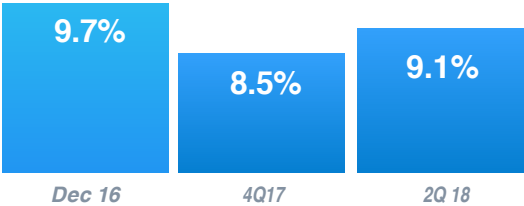
Diversified and Scalable Funding

— Outstanding Principal Balance of Loans Funded by Different Funding Sources

(RMB mm)



— Funding Cost of On-Balance Sheet Loan Portfolio ¹

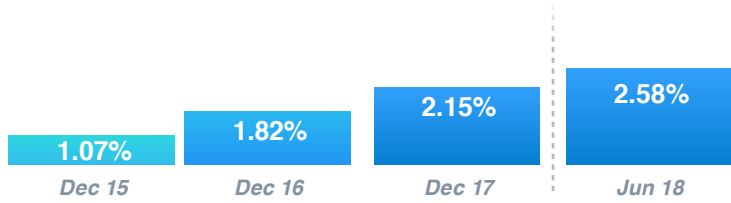


Continued optimization of funding cost

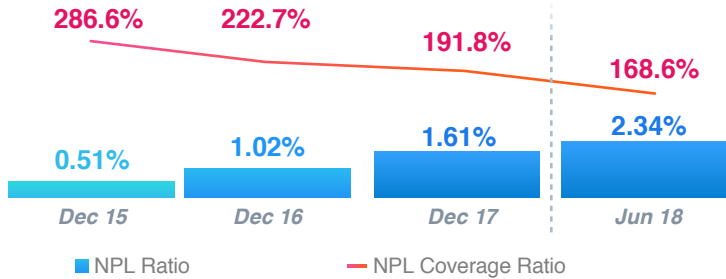
¹ Calculated as funding cost of average beginning and ending outstanding principal balance of on-balance sheet funding debts of respective year; 4Q17 & 2Q18 figures annualized

Sound and Stable Credit Performance

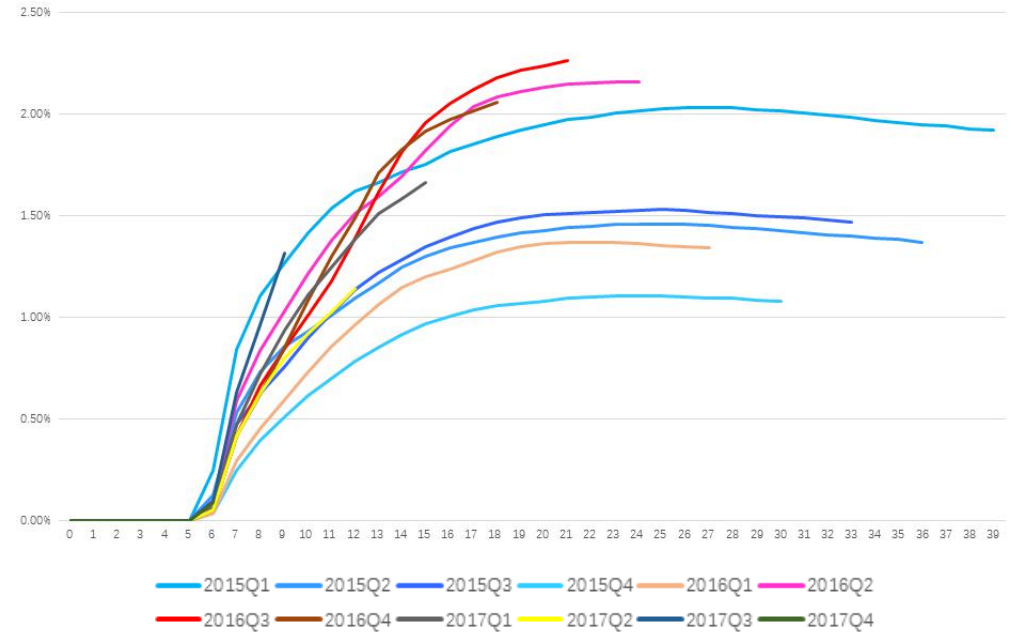
— 30 Days+ Delinquency Ratio¹



— NPL Ratio² and NPL Coverage Ratio³



— Vintage Curve⁴



Prudent provisioning policy with well-controlled delinquency and NPL ratios

¹ Delinquency ratio is calculated based on on-balance sheet and off-balance sheet outstanding principal loan balance that were 30-179 days past due, of the total outstanding principal loan balance

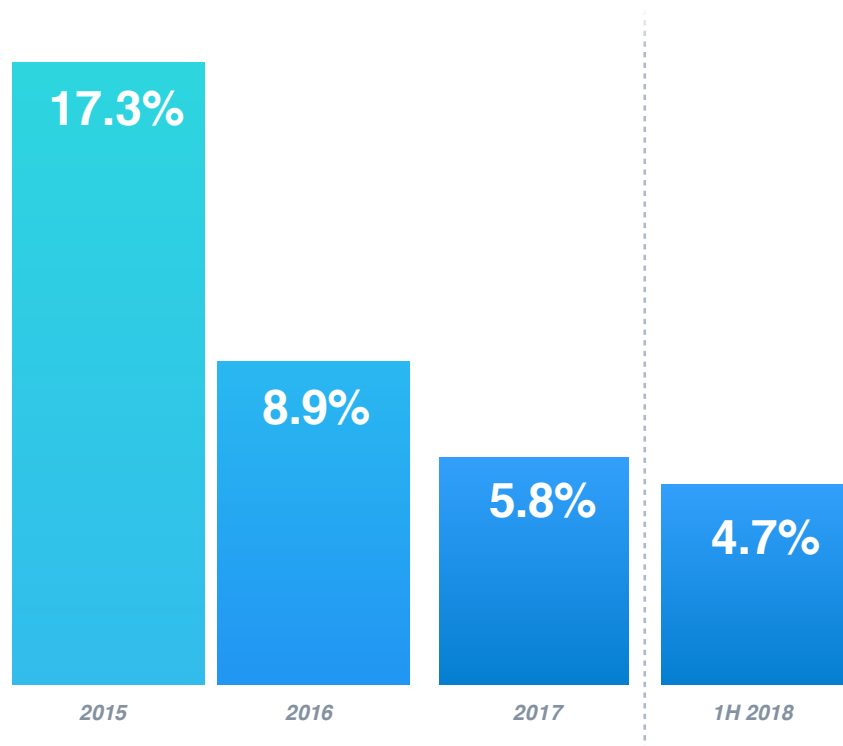
² NPL ratio is calculated based on on-balance sheet outstanding principal loan balance that were 90-179 days past due, of the total outstanding principal loan balance

³ NPL coverage is calculated based on allowance for credit losses during each year of the outstanding principal loan balance that were 90-179 days past due at the end of each year

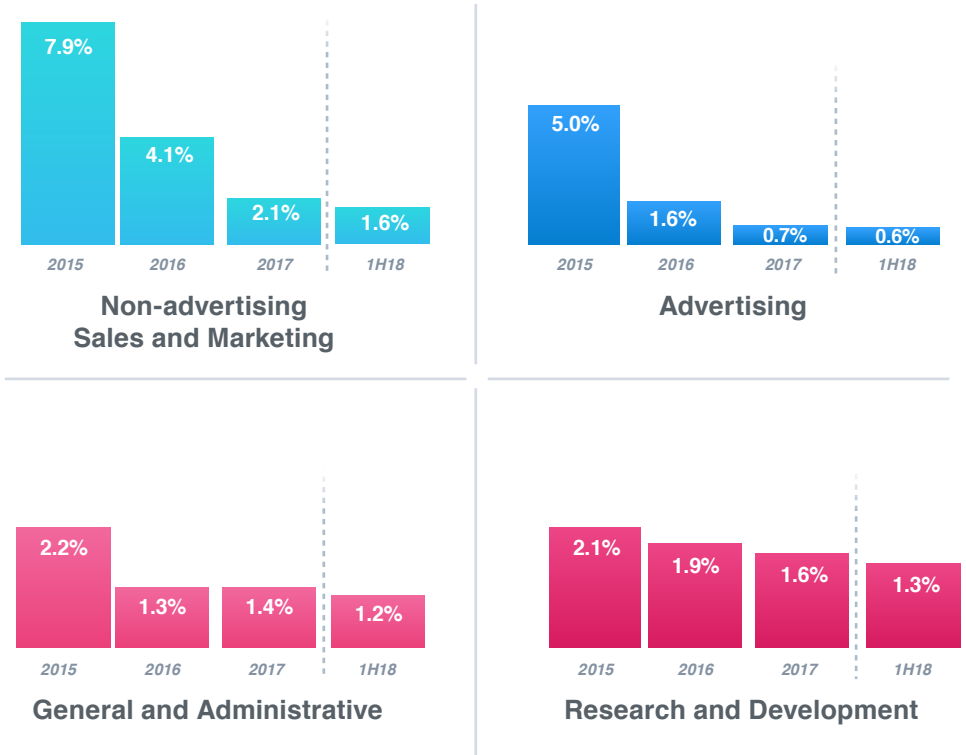
⁴ Refers to, with respect to loans originated during a specified time period, the total outstanding principal balance of loans that become over six months delinquent during a specified period, divided by the total initial principal of the loans originated in such vintage

Improving Operating Efficiency

— Total Operating Expense/Average Loan Balance ¹



— Operating Expense Breakdown/Average Loan Balance ¹



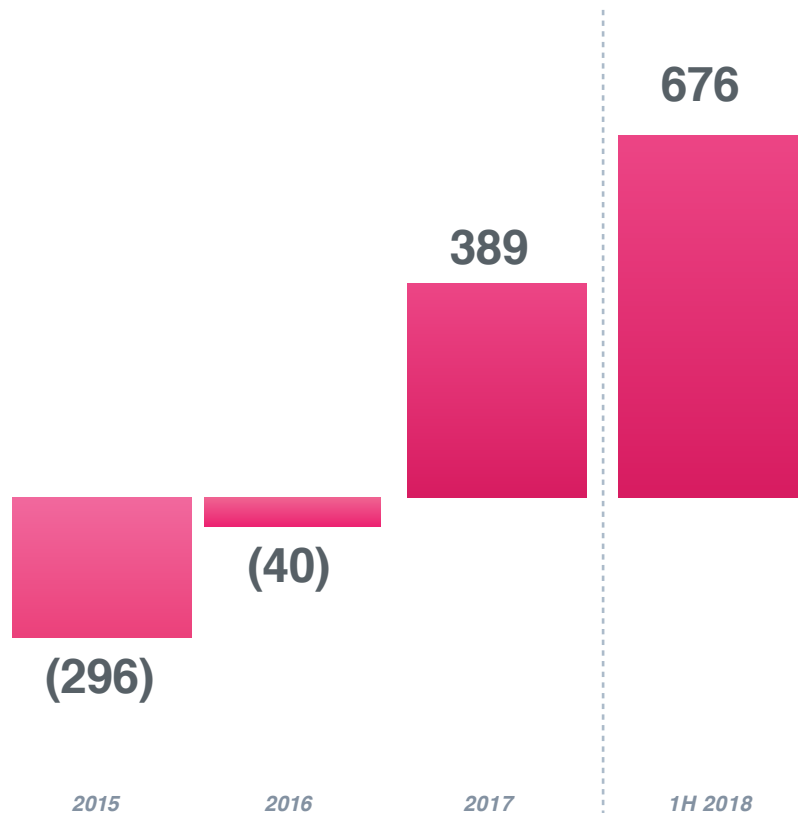
Operating expense as a percentage of average loan balance has significantly decreased

¹ Average loan balance represents the average beginning and ending outstanding principal loan balance on and off-balance sheet of respective year; 1H18 figures annualized

Scalability and Increasing Profitability

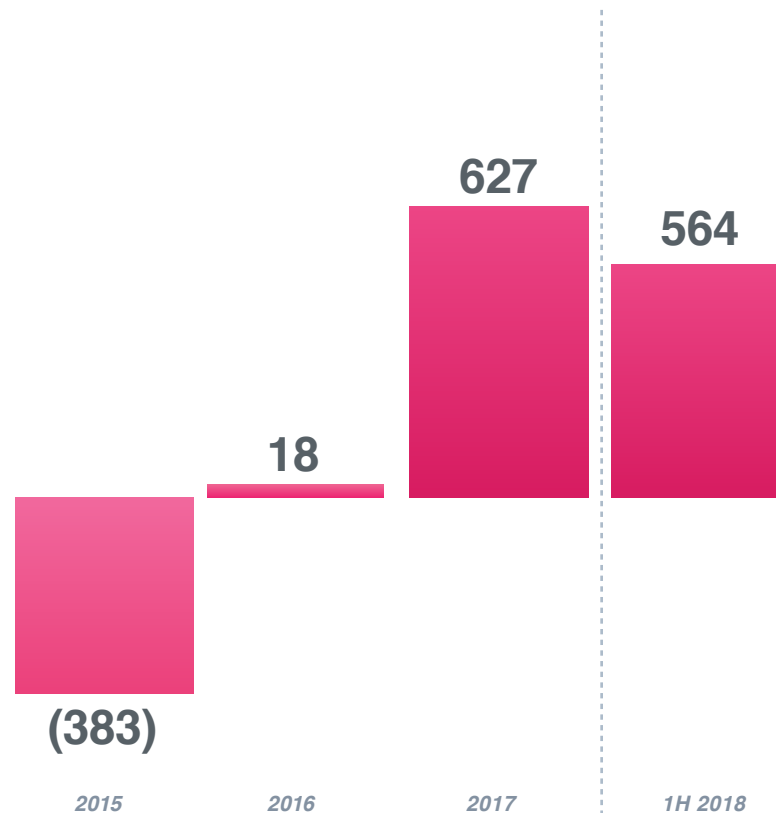
— Net Income (Non-GAAP)¹

(RMB mm)



— EBIT (Non-GAAP)²

(RMB mm)



¹ Adjustments include share-based compensation expenses, interest expense associated with convertible loans and investment-related impairment

² Adjustments include income tax (benefit)/expense, share-based compensation expenses, interest (income)/expense, net and investment-related impairment

04

**OUR
STRATEGY**



Our Growth Strategies



Invest in Technology



Expand Customer Acquisition Channels and Grow Our Customer Base



Grow with Our Existing Customers and Continue to Serve Their Growing Credit and Consumption Need



Strengthen the Partnerships with Financial Institutions, Further Scale and Diversify Funding Sources



Pursue Strategic Alliances, Investments and Acquisitions



We Grow with Our Customers

THANK YOU