

**51信用卡**  
51 CREDIT CARD

股份代號  
Stock Code  
2051

**51 Credit Card**

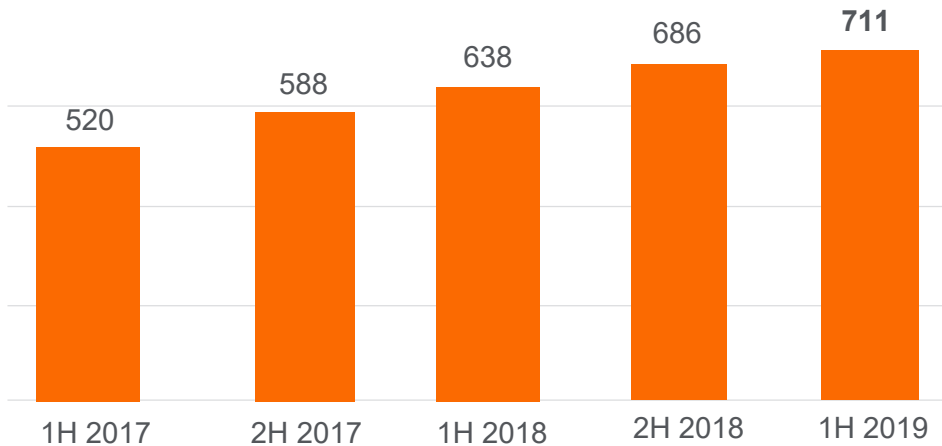


The Group's presentation and subsequent discussions may contain forward-looking statements that involve risks and uncertainties. These statements are usually expressed in forward-looking terms such as "believe," "expect," "estimate," "plan," "forecast," "target," "may," and "will," or may be expressed as the result of actions that may or are expected to occur in the future

Please do not place undue reliance on these forward-looking statements which apply only to the date of presentation by the Group. These forward-looking statements are based on our own information and information from other sources that we believe to be reliable. Such forward-looking statements relate to future events or future financial, business or other performance of the Group and are subject to a number of uncertainties that may cause material differences in actual results

All data or information are provided for reference only and are not investment advice. The data shall be subject to the company announcement. You should consult a relevant professional if necessary.

## Total number of credit cards in use in China (in million)



- Younger generation **with forward consumption concept** has increasingly become the mainstream among the consumers
- Popularity of **mobile payment** has enabled more convenient and wider usage of credit cards
- Additionally, large-scaled measures to reduce tax and fees will directly facilitate the **growth of residents' income and consumer demand**.

Source of Data : People's Bank of China

# 51信用卡

让有信用的人过得更好

China's **Largest Online Credit Card Management Platform**<sup>1</sup>



## 138.7 million

no. of credit cards managed<sup>2</sup>

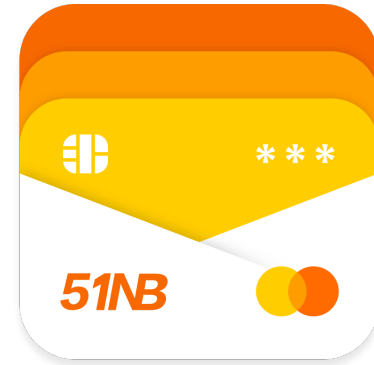


## 83.4 million

registered users of  
“51 Credit Card Manager App”<sup>2</sup>

1. Source: Oliver Wyman, for details please refer to the prospectus

2. As of June 30, 2019



## 51 Credit Card Manager App



Uniform billing presentation



One-key-for-all consumption details



Automatic repayment reminder



Intelligent consumption analysis

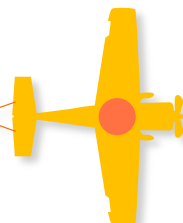


Convenient inter-bank repayment within APP

## 83.4 million

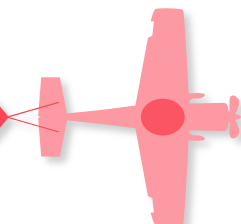
registered users of 51 Credit Card Manager App<sup>1</sup>

Unique user acquisition and conversion



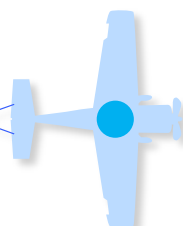
- Through the credit card management platform app, we have acquired a **huge user base**. This platform is the gateway to our ecosystem and enables us to effectively convert users to other services within our ecosystem

Highly valuable user base



- **Our user base is mainly active credit card holders**
  - They are active consumers, have huge credit demand, and are interested in innovative financial services to meet their financial needs
  - Most of them have had interest-bearing history on credit cards (payment by installment, bill by installment, etc.)

Proprietary, high value data



- **The unique data we have allows us to better benefit from our user base**
  - Abundant online, offline and cross-transaction credit card transaction records, repayment records and interest records help us better understand the needs of users
  - On the basis of big data and through machine learning and other comprehensive means, we have developed the "iCredit" system to improve the level of risk management

## Credit card management services

The business segment accumulates a large number of high-sticking users, which drains other services in the ecosystem and promotes future business growth

## Credit Facilitation Service

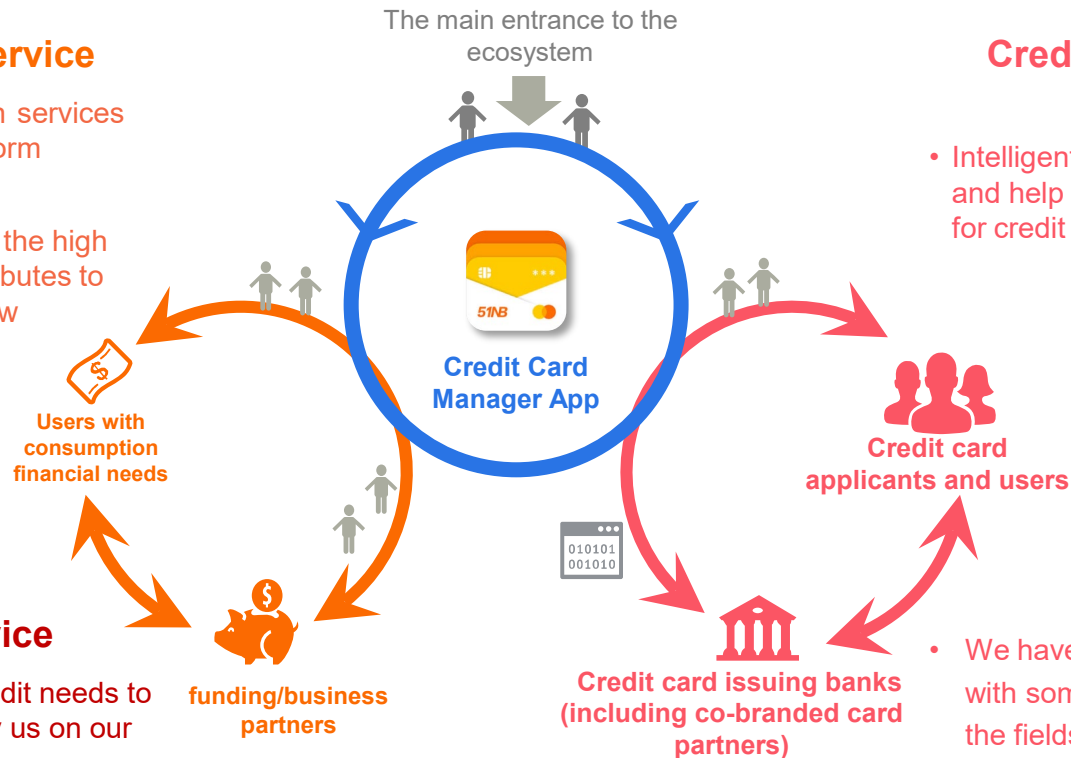
- We provide credit facilitation services directly to users on our platform
- Diverse sources of funding
- This business demonstrates the high value of our users and contributes to steady revenue and cash flow

## Credit Card Technology Service

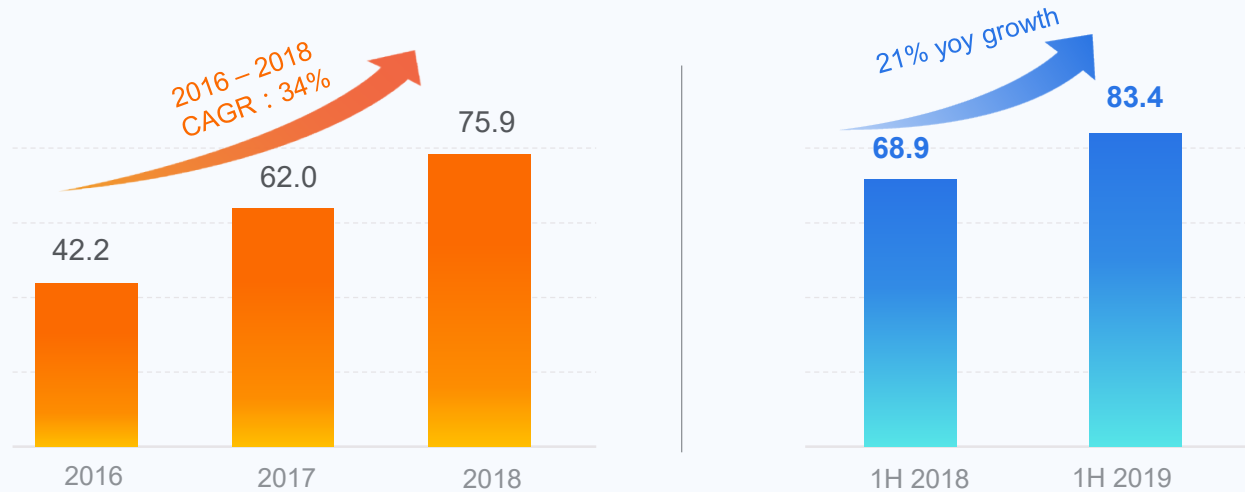
- Intelligent recommendation to users, and help users to compare and apply for credit cards

## Referral Service

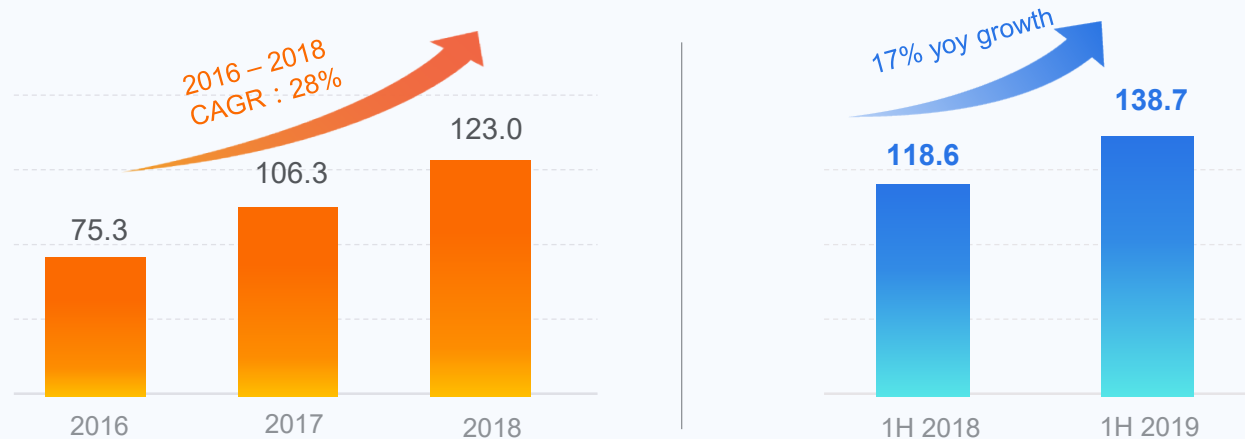
- Introduce customers with credit needs to external partners selected by us on our platform
- Intelligently provide users with more choices of products that may meet their needs



### Registered Users of 51 Credit Card Manager App (million)

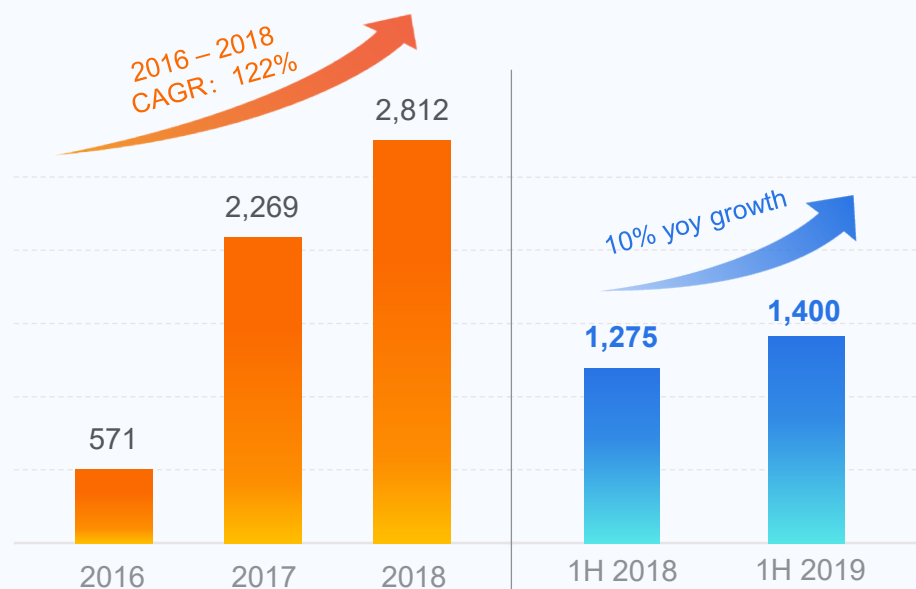


### Number of credit cards managed (million)

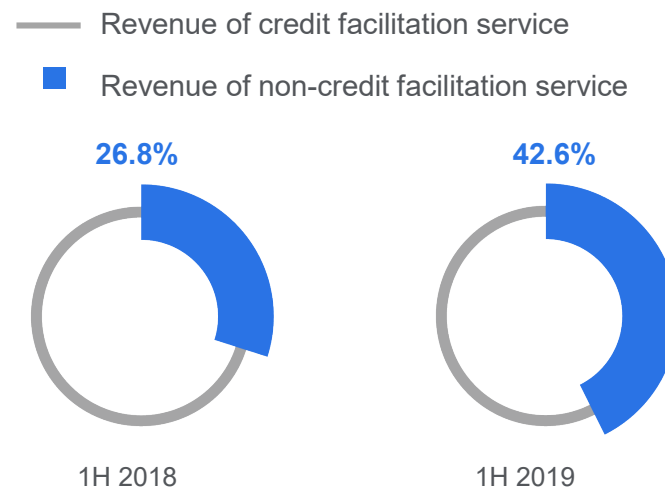




## Revenue (RMB in million)



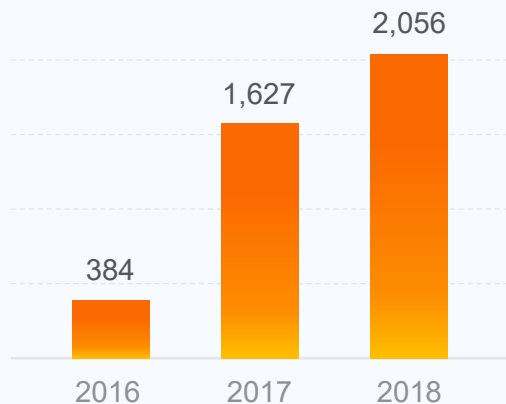
## Proportion of revenue generated by non-credit facilitation services increasing



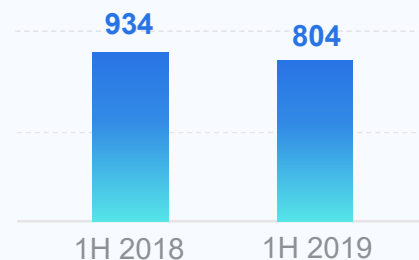
\* Revenue of non-credit facilitation service includes credit card technology service fee, referral service fee and fee from other services. See chart II, III and IV on page 12-13 for details.

## Revenue (RMB in million)

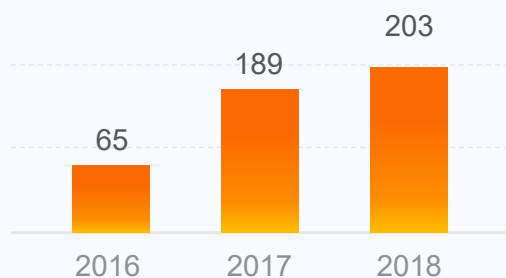
### I. Revenue from credit facilitation services



\*We have proactively shortened the average tenure, which leads to lower credit facilitation service fee level

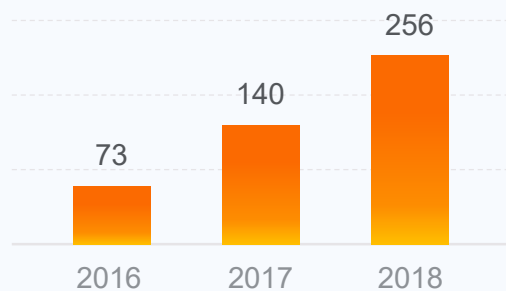


### II. Revenue from referral services

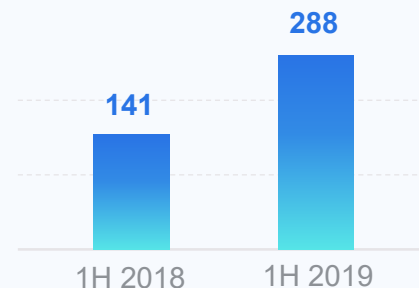
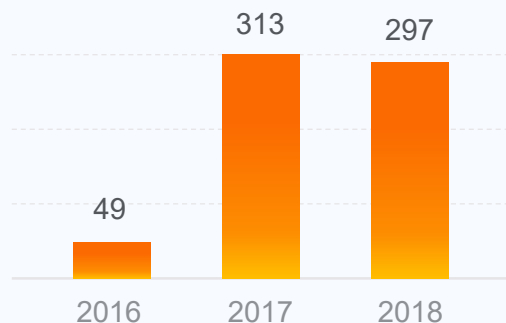



## Revenue (RMB in million)

### III. Revenue from credit card technology services



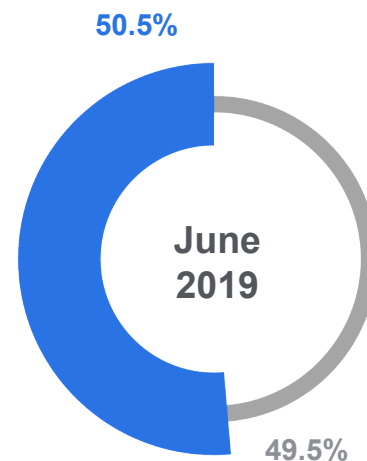
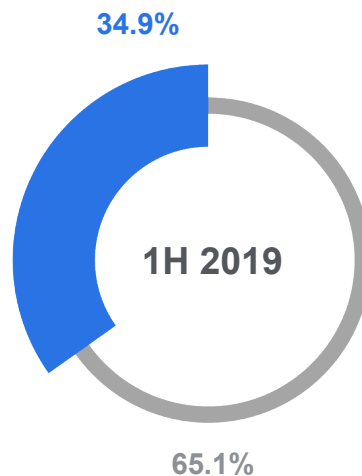
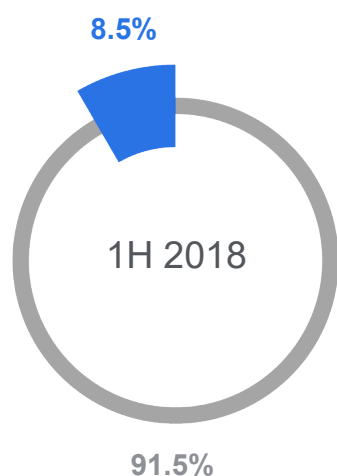
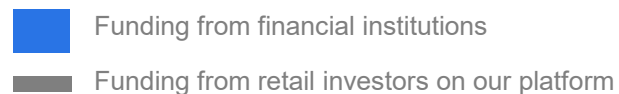
### IV. Revenue from other services



Including: loan products for credit card holders					
	 Total amount of loans facilitated	 amount of loans facilitated	 no. of loans facilitated	 average size of loans	 average tenure of loans
1H 2019	RMB13.83 billion	RMB 12.09 billion	1.1 million	RMB 11k	10.8 months
1H 2018	RMB12.99 billion	RMB11.54 billion	0.8 million	RMB15k	14.5 months
2018	RMB 25.01 billion	RMB20.46 billion	1.4 million	RMB15k	13.6 months
2017	RMB 33.89 billion	RMB21.86 billion	1.3 million	RMB17k	13.5 months

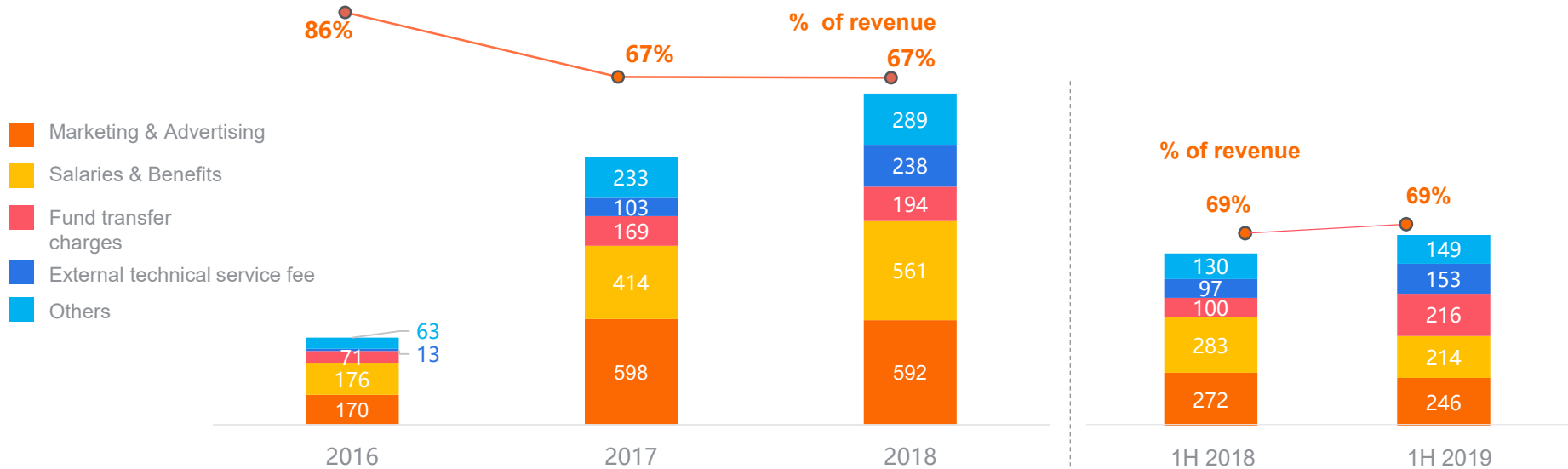
In the first half 2019, we proactively reduced the average tenure and average size of loans facilitated, to further disperse risk in credit facilitation business.

## Funding Sources of New Loans Facilitated in the Period



## Adjusted Expenses Breakdown by Nature <sup>(1)</sup>

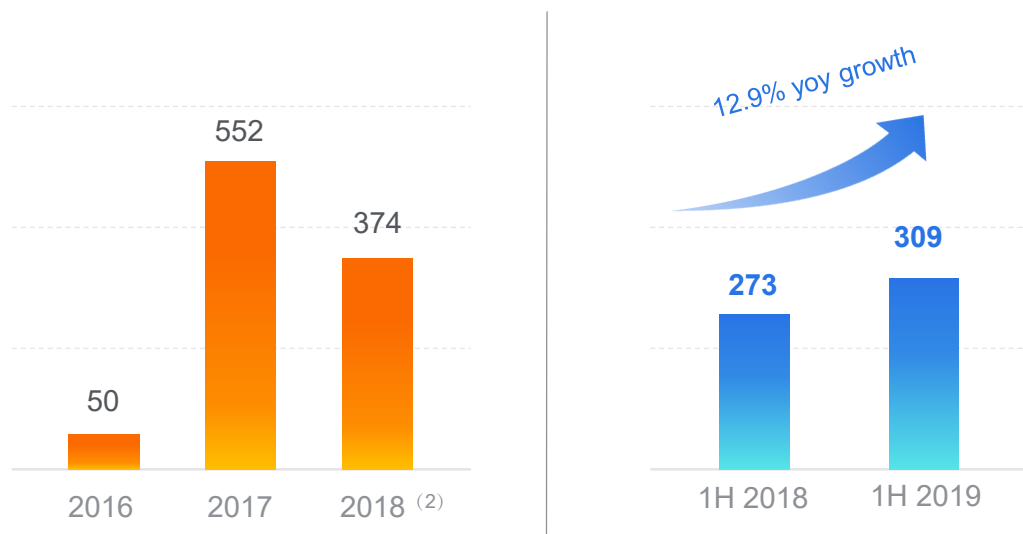
(RMB in million)



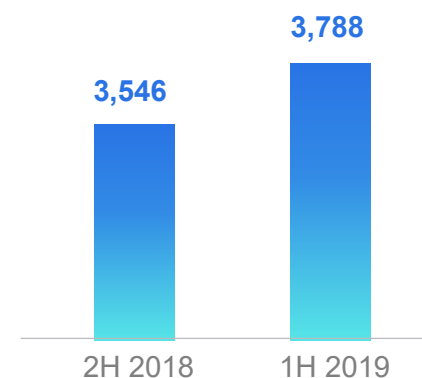
	2016	2017	2018	1H 2018	1H 2019
Marketing & Advertising	30%	26%	21%	21%	18%
Salaries & Benefits	31%	18%	20%	22%	15%
Fund transfer charges	12%	7%	7%	8%	15%
External technical service fee	2%	5%	8%	8%	11%
Others	11%	10%	10%	10%	11%

(1): excluding: (i) share-based payment expenses; (ii) other gains/(loss) and (iii) listing fees

## Adjusted Net Profit (RMB million) <sup>(1)</sup>



## Net Assets (RMB million)



(1) Adjusted net profit is arrived at by excluding the following items from our net profit (please see our prospectus and announcements for net profit under IFRS for the years/periods presented) :

- (i) impact of fair value change of preferred shares issued before IPO
- (ii) share-based compensation
- (iii) listing expenses, and
- (iv) fair value losses/(gains) of financial assets at fair value through profit or loss

(2) In 2018, we adopted a more disciplined growth strategy, noting several rounds of market volatility caused by new regulations or disorderly exit of some incompliant P2P platforms. The decrease in non-IFRS net profit in 2018 was mainly due to the increase of QAF loss and impairment loss as a result of the **first-time adoption of IFRS 9** in 2018 while in the corresponding period of 2017 IAS 39 applied.

- According to the People's Bank of China, the number of credit cards in use is growing continuously. The number of credit cards held per capita was only 0.51, which still shows great growth potential compared with other developed countries such as the United States.
- The increasing credit card penetration rate will benefit our user base expansion and business development.

## Four main development directions:

1

We will continue our investment in research and development and application of advanced technologies, such as artificial intelligence and big data to enhance our operation and risk control capabilities, accurate user-targeted marketing and instant credit evaluation, and ensure our industry-leading position in these areas.

2

We will strengthen cooperation with financial institutions by further opening our platform to joint services and products, especially in credit card technology services such as co-branding credit cards. We will continue expanding cooperation with financial institutions in providing credit facilitation services to users.

3

We will continue investment in industry-leading technology, vast user base and proprietary data. We will introduce new partners and seek strategic partnerships with financial institutions, to achieve more extensive and in-depth cooperation.

4

With the implementation and clarification of regulatory policies, we believe that it will be beneficial to the industry in the long run especially to large scale compliant enterprises like us.





# Thank you!

Investor relations: [ir@u51.com](mailto:ir@u51.com)