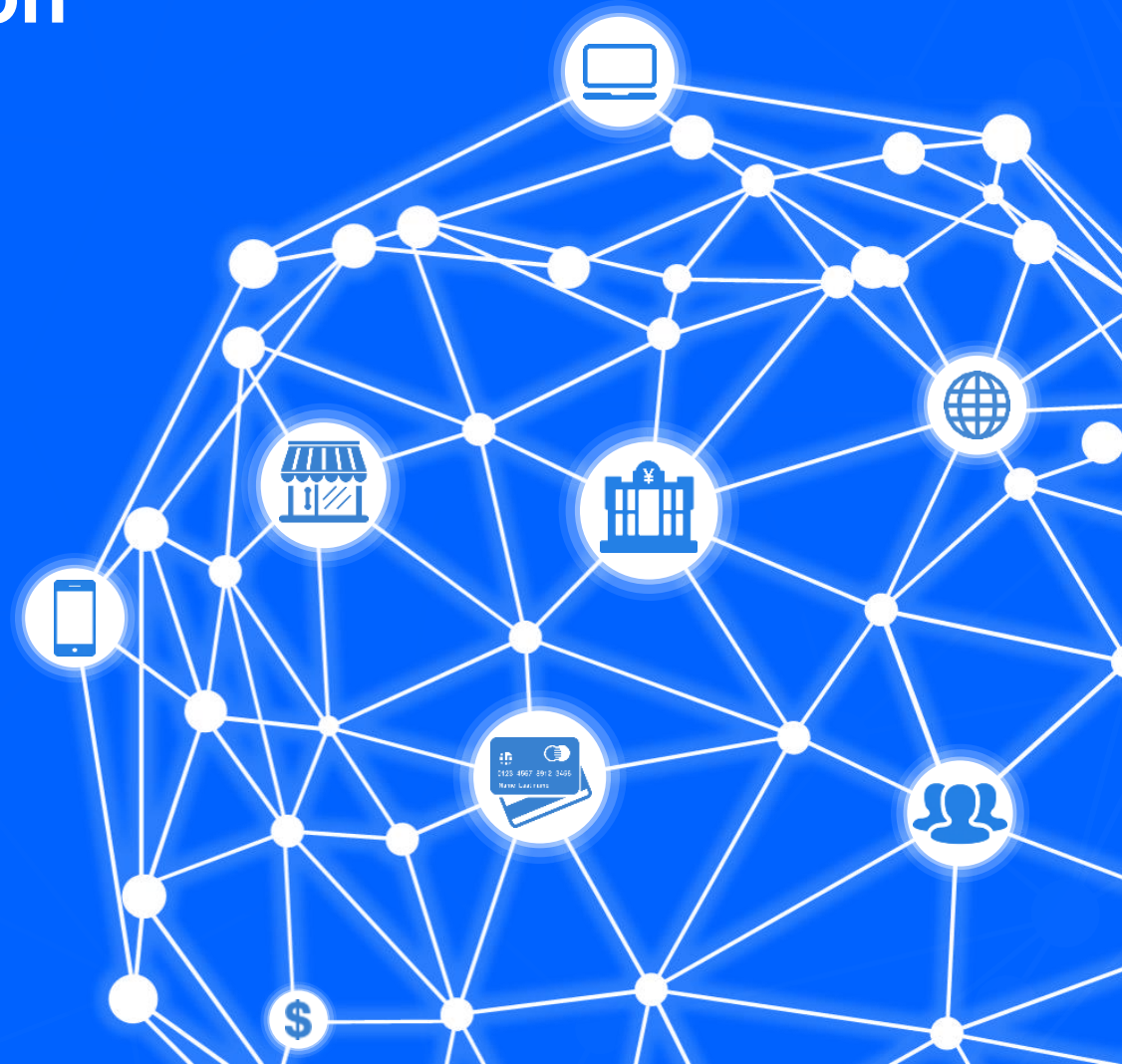


X Financial (NYSE: XYF)

2018 Q3 Presentation



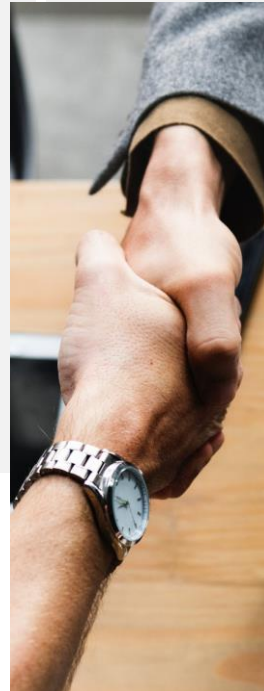
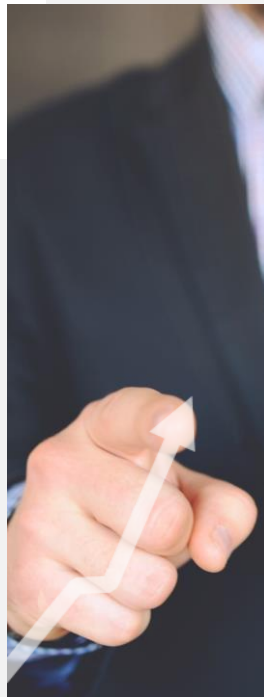
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X Financial at a glance

Leading Technology-driven Personal Finance Company in China

----- serving vast personal financing demand with focus on prime borrowers



In the first 9 months of 2018:

27,439 mn (RMB)

Total loan facilitation amount

1,750,408

Total borrowers

234,679

Total investors

As of September 30, 2018:

20,789 mn (RMB)

Loan balance

20,375,951

Registered users

Business model



_ Underserved Prime Borrowers



Credit card holders



Micro business owners

_ Investors



Mass affluent individuals

















Corporates



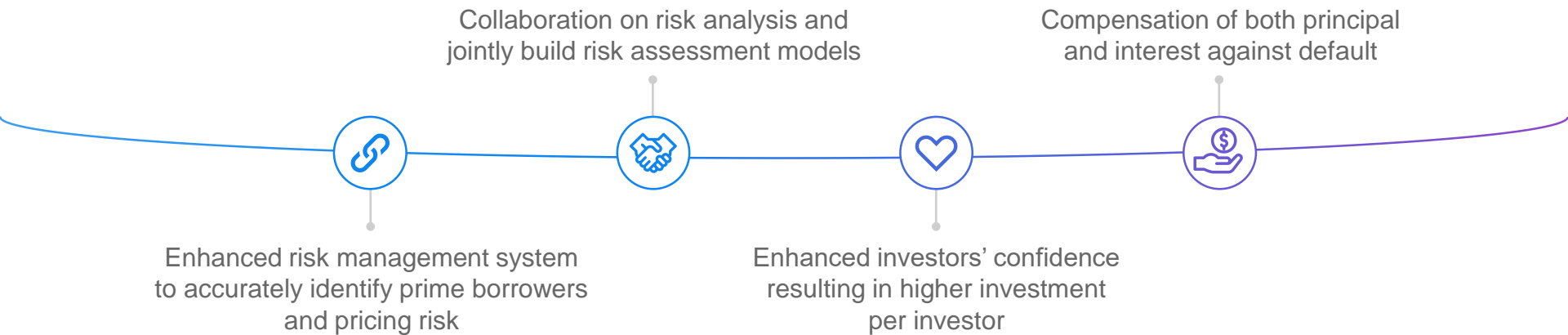
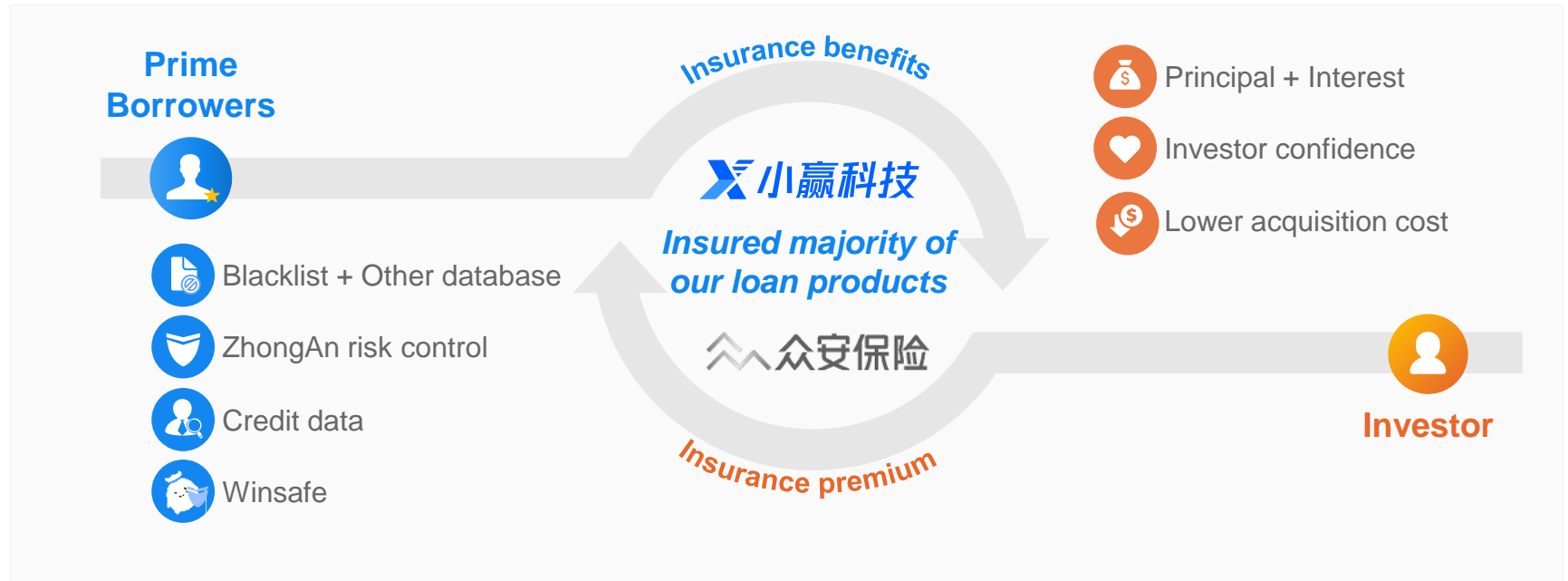
Financial institutions (FIs)

Comprehensive suite of products with attractive features

Loan facilitation	Wide range of age groups	Flexible loan amount catering borrowers' different needs	Flexible tenor meeting borrowers' liquidity needs	Various sources of credit proof reducing collateral needs
 <p>Xiaoying Card Loan</p>	 <p>Early career stage Avg. late 20 – 30s⁽¹⁾</p>	 <p>RMB2,000 – 60,000</p>	 <p>3, 6, 9, 12 months</p>	
 <p>Xiaoying Preferred Loan</p>	 <p>Small business owners Avg. late 30 – 40s⁽¹⁾</p>	 <p>RMB100,000 – 200,000</p>	 <p>12 months</p>	
Investment	Mass affluent investors with RMB600,000 -RMB6 million of investable assets	Low investment entry barrier to attract investors	Variety of products catering to investor risk appetite	Enhanced liquidity with transaction facilitation
 <p>Xiaoying Wealth Management</p>	 <p>Mass affluent investors Avg. mid 30⁽¹⁾</p>	 <p>Starting from RMB100</p>	<p>Insurance P2P Fixed Deposits Sharing Money Market Funds</p>	 <p>Secondary market transfer</p>

(1) For the nine months ended September 30, 2018

Strategic partnership with insurance company



Majority loan products insured by ZhongAn, significantly enhances consumer confidence

Investment highlights

1

Leading position of different products to benefit from China's booming personal finance market



2

Rigorous data-driven credit assessment modeling system



3

Superior user experience continuously attracts investors and borrowers



4

Low funding cost builds leading industry advantage



5

Continuous brand image promoting



6

Founded by seasoned entrepreneurs with proven track record



1. Leading position of different products enable us to benefit from China's booming personal finance market




- 


Xiaoying Card Loan



No.1 in credit card balance transfer product in China⁽¹⁾


- 

Xiaoying Preferred Loan




No.3 in high-credit-limit unsecured loan product in China⁽¹⁾



- 

Xiaoying Wealth Management



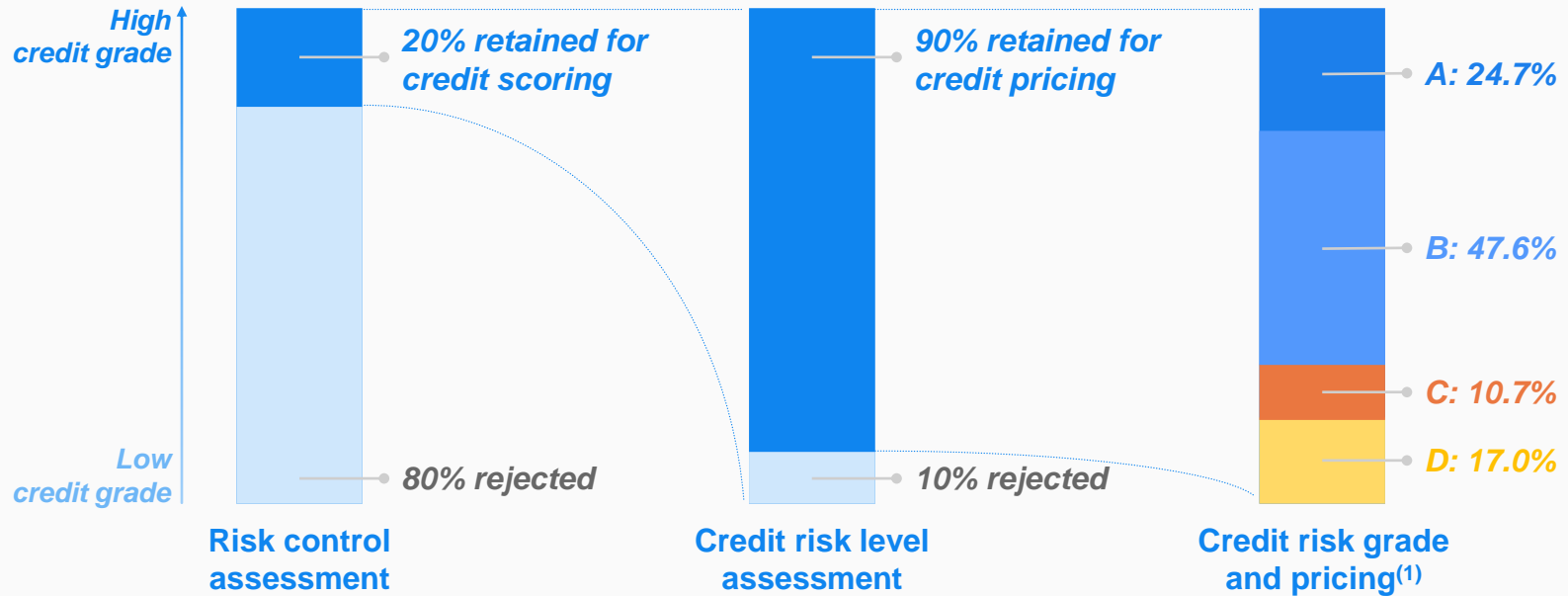
No.2 wealth management product on consumer finance marketplaces in China⁽²⁾

(1) In terms of outstanding loan balance as of June 30, 2018

(2) Among consumer finance marketplaces offering multiple types of investment products in China in terms of transaction volume for the six months ended June 30, 2018

2.1 Rigorous credit grade modeling system

Illustrative Example for Card Loan



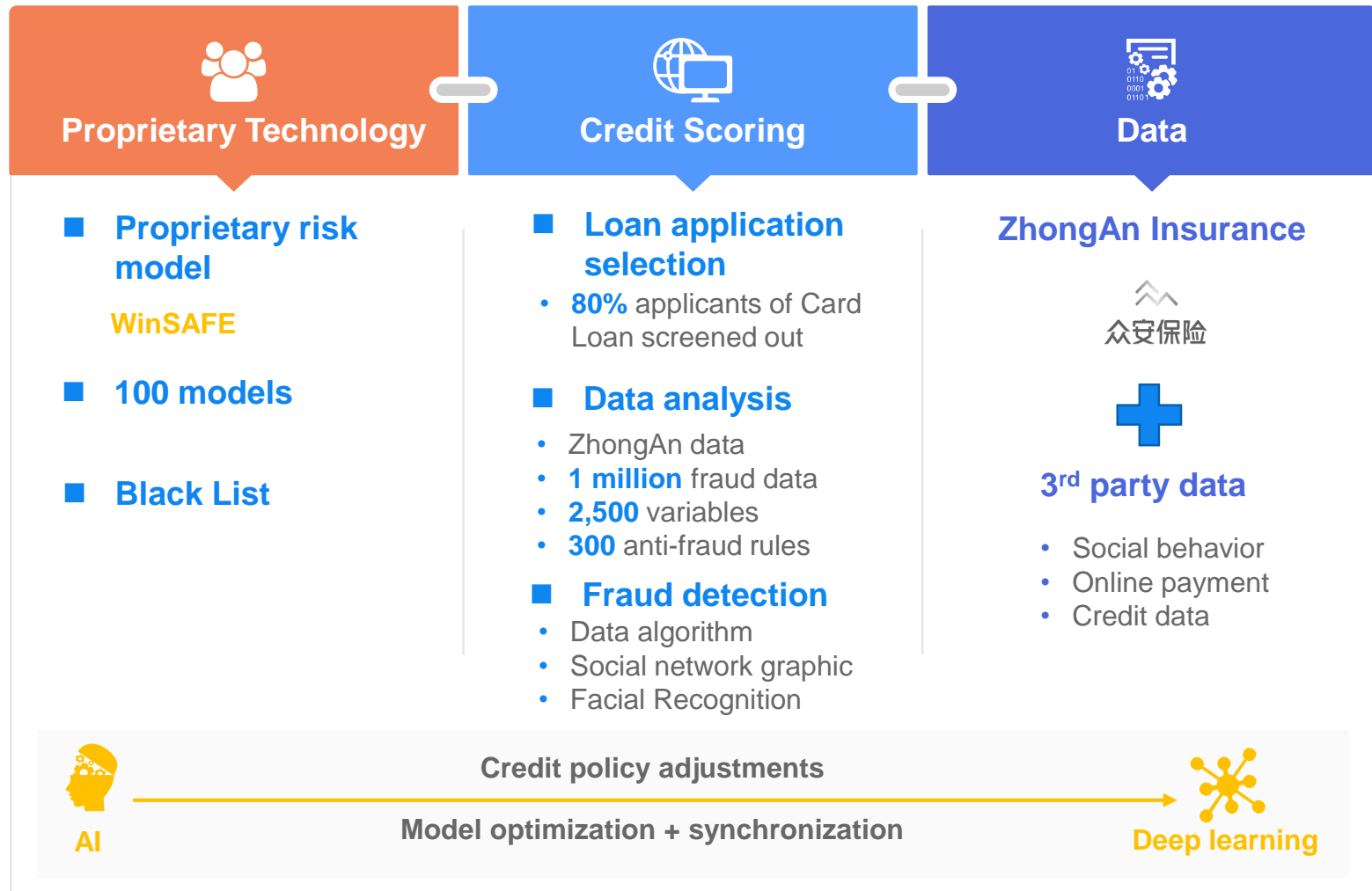
Different credit line for different credit score:



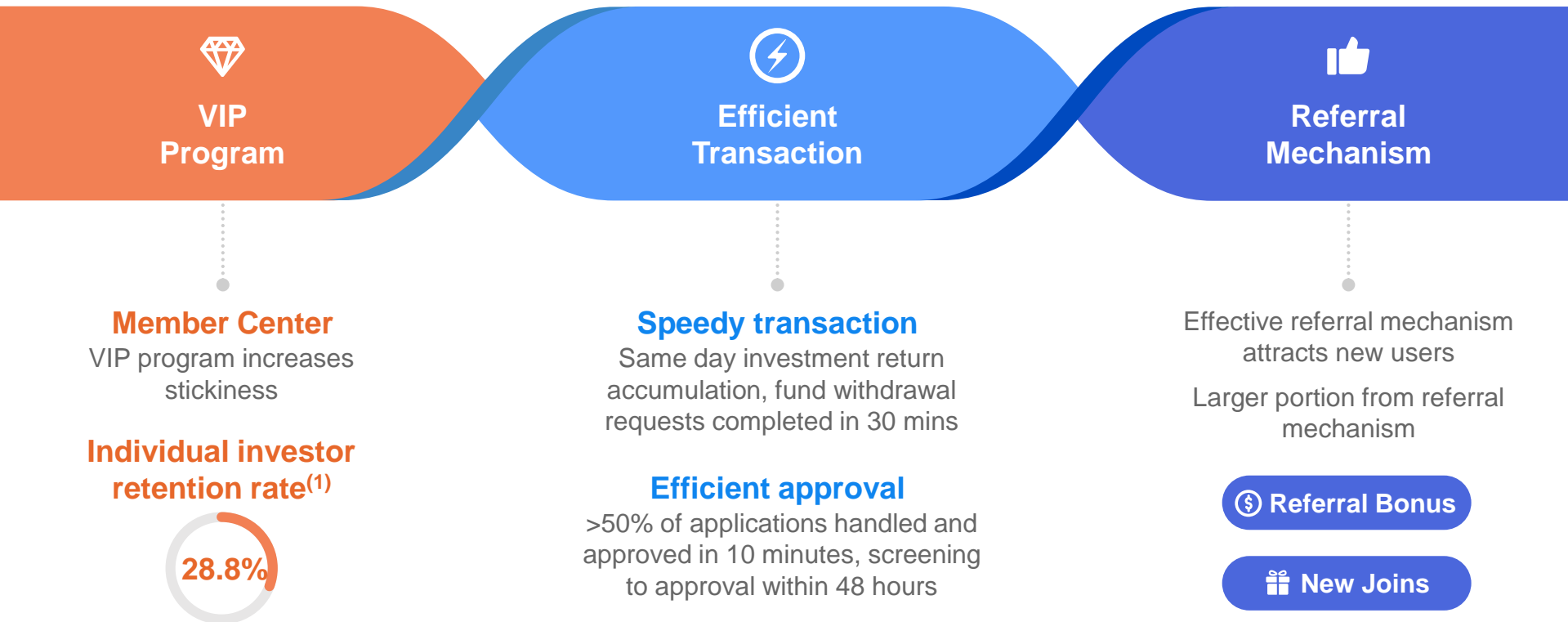
(1) As of September 30, 2018 for Card Loan

2.2 Technology & data-driven credit assessment

Continuously optimize risk control system and strengthen our safety factors



3. Superior user experience continuously attracts investors and borrowers



(1) As of September 30, 2018

4. Low funding cost builds leading industry advantage

Low Funding Cost



Individual Investors



Corporate Investors and Institutional Funding Partners

Enlarging
funding
percentage
from
Institutions



Diversified Funding Source and Increasing Funding from Institutions

(1) For three months ended September 30, 2018

5. Continuous brand image promoting



(1) Source: Deloitte website

6. Seasoned management team



Yue (Justin) Tang

*Founder,
Chairman and CEO*

Co-founder of eLong, one of the first online travel service companies in China

Co-founder of Blue Ridge China, an investment and consulting company



Shaoyong (Simon) Cheng

President

20+ years of experience in risk management in Capital One, HSBC, Bank of Communications, and other FIs across China and US.



Jie (Kevin) Zhang

Chief Financial Officer

17+ years of work experience with 12+ years of experience in auditing

Former CFO of a famous Fintech company



Ding (Gardon) Gao

Chief Technology Officer

Former software architect at Tencent

Deep understanding and extensive experience in IT industry



Kan (Kent) Li

Chief Risk Officer

Formerly in charge of unsecured loan risk

Former manager at Capital One

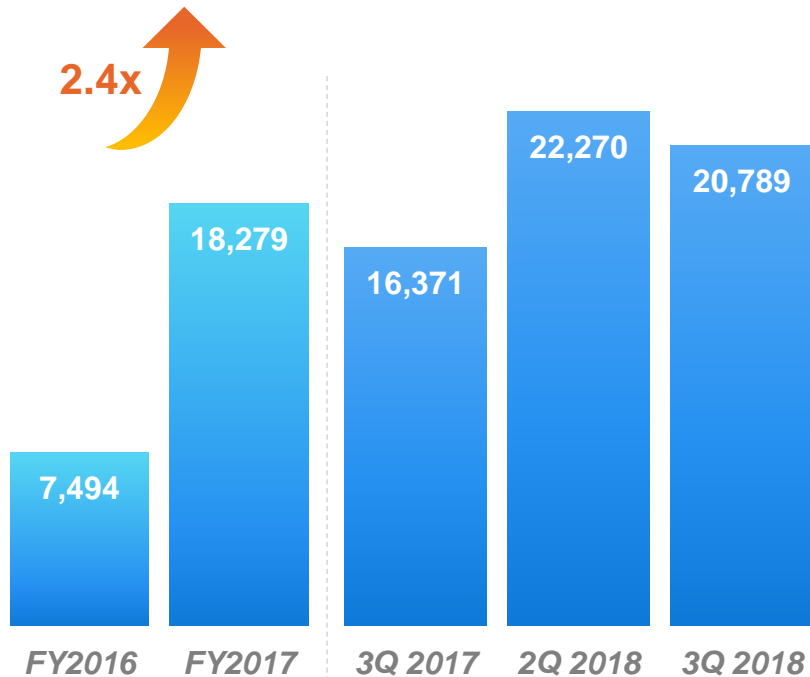


Founded by a seasoned entrepreneur with proven track record and backed by a strong team of financial and technology talent

Solid performance of loan balance and loan facilitation

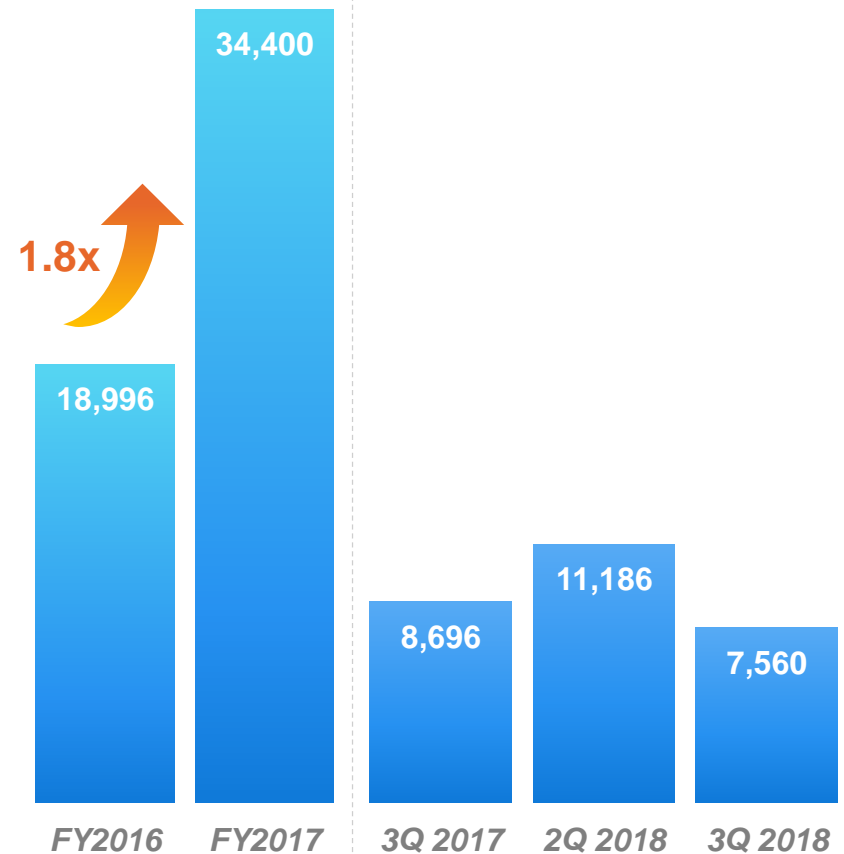
_ Total Outstanding Loan Balance

(RMBmn)



_ Total Loan Facilitation Amount

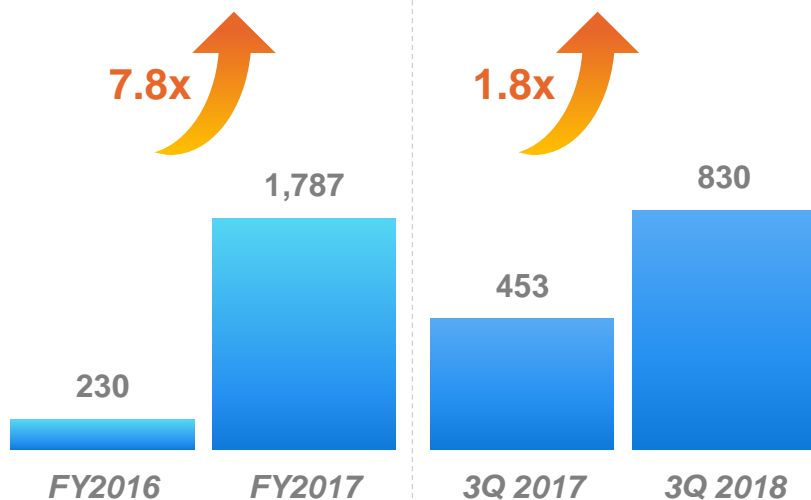
(RMBmn)



Increasing profitability

_ Total Net Revenue

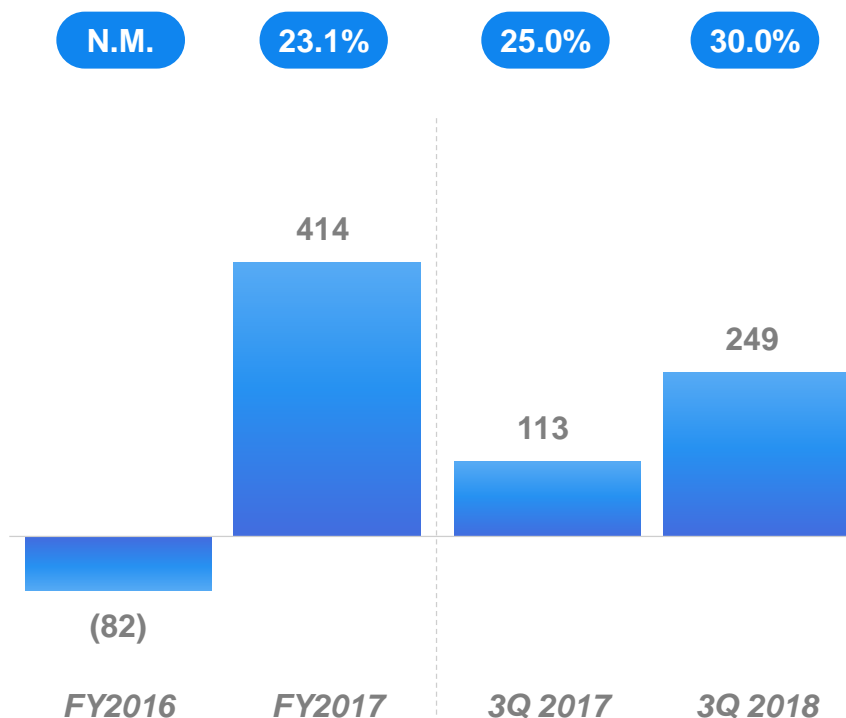
(RMBmn)



_ Non-GAAP Adj. Net Income / (Loss)⁽¹⁾

(RMBmn)

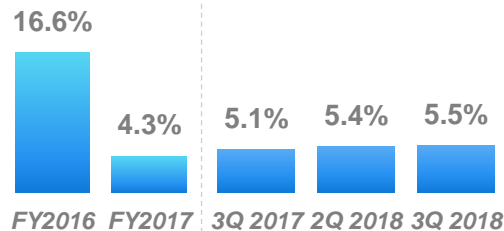
Margin



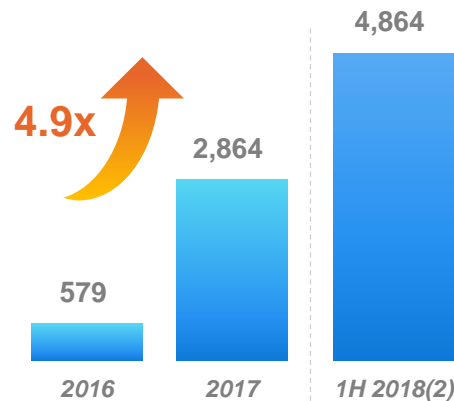
(1) Represents net (loss) / income before share-based compensation expenses

Improving operating efficiency

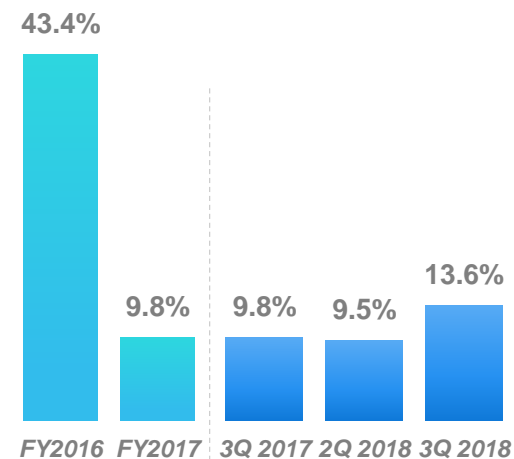
— Sales and Marketing Expense % Net Revenue



— Net Revenue Per Employee (RMB1,000)



— Operating Expense % Net Revenue⁽¹⁾



- **Stable marketing expense percentage while with intense marketing efforts**

Superior product offering with innovative marketing efforts

- **High value in each employee**

Highly automated risk management system

Business model light in capital and labor

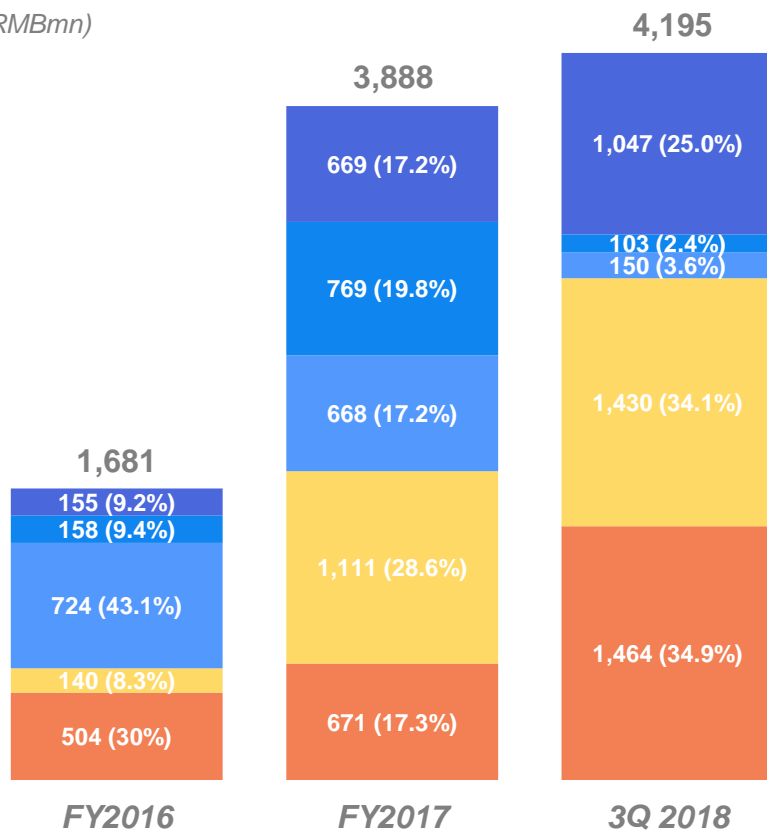
(1) Operating expense includes sales marketing expense, as well as general and administrative expense

(2) Annualized

Outstanding return on equity performance

_ Total Assets

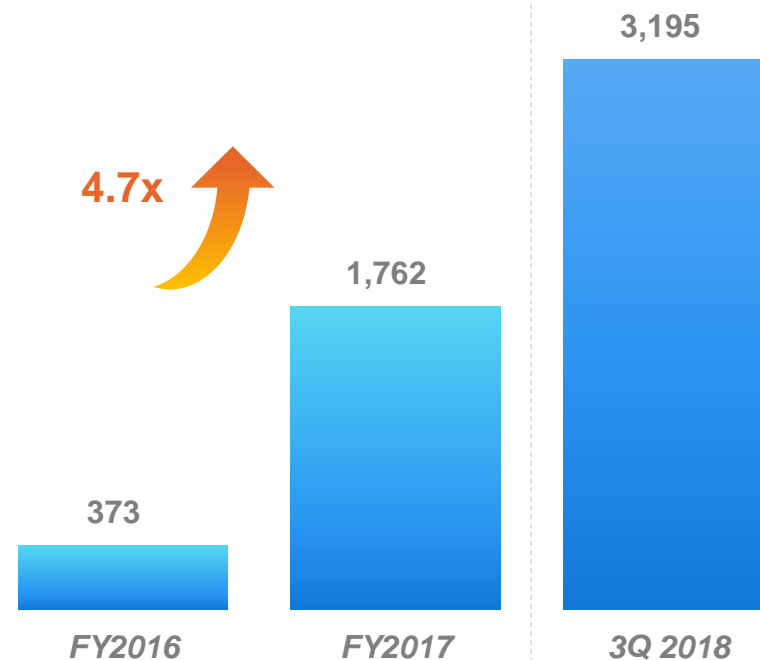
(RMBmn)



- Others
- Loans Held for Sale
- Loans at Fair Value
- Accounts Receivable & Contract Assets
- Cash & Cash Equivalents

_ Total Equity⁽¹⁾

(RMBmn)



(1) Represents total X Financial shareholders' equity, excluding non-controlling interest in subsidiaries

Our growth strategies

