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China Rapid Finance



Fourth Quarter 2017 Earnings Presentation

April 3, 2018

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Our Mission

*Use Technology to Fulfill the
Lifetime Consumer Credit Needs
of China's Emerging Middle Class*



China Rapid Finance At a Glance



We **choose** our borrowers



We build **long-term** customer relationships by offering **affordable credit**



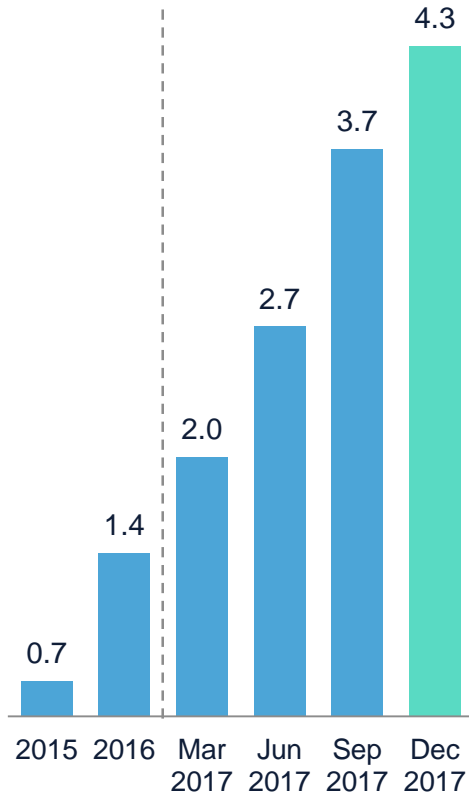
We operate a **service model** matching consumer borrowers with diversified set of sophisticated investors



Experience in China credit analytics over **17 years**

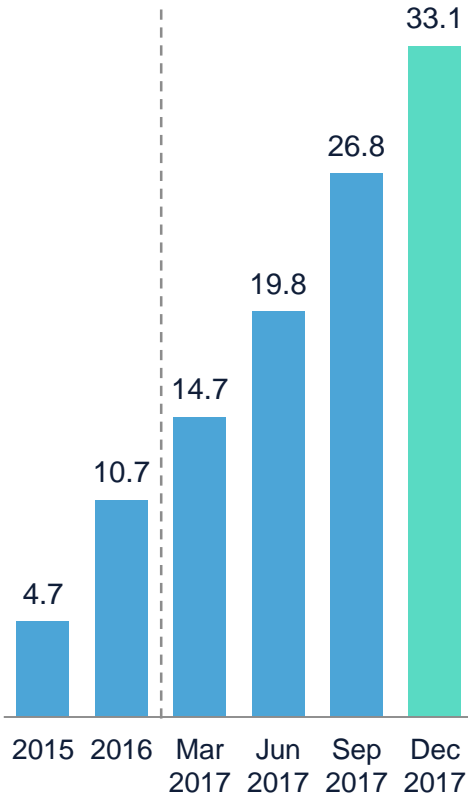
Cum. # of Borrowers¹

MM



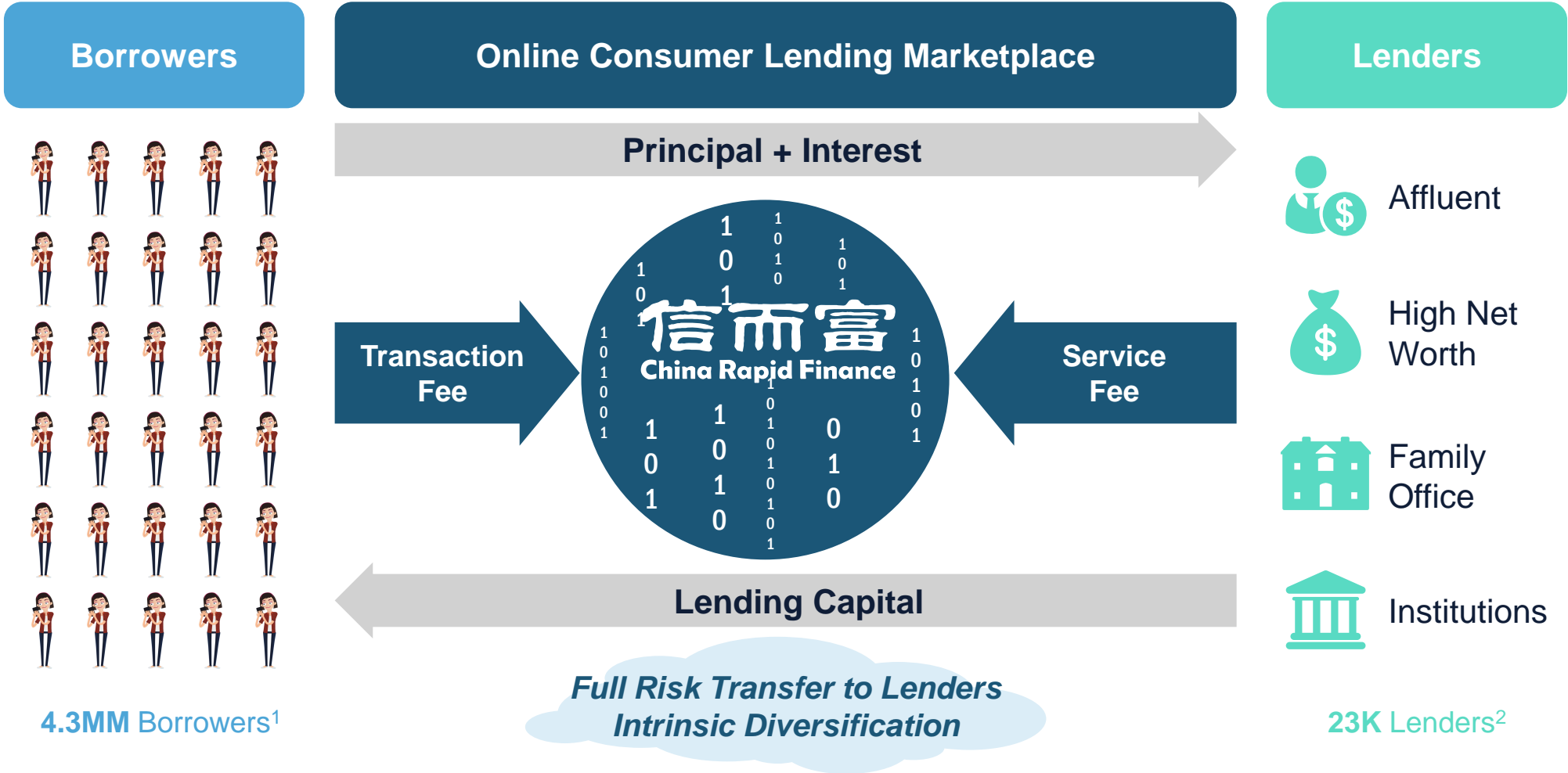
Cum. # of Loans¹

MM



Note: 1. Represents the cumulative number of borrowers and loans facilitated on our platform since inception as of each date presented.

Our Service Model



Note: 1. Cumulative number of borrowers as of December 31, 2017.
 2. Active lenders as of December 31, 2017.

Our Borrowers

Quality EMMAs with High Lifetime Value

Emerging Middle-class Mobile Active consumer

Characteristics



Quality career



Growing spending



Credit demand



Issues



No credit history



No access to bank credit



Price sensitive

Stickness

76% Repeat¹

Targeted

Prime / Near prime

Affordable

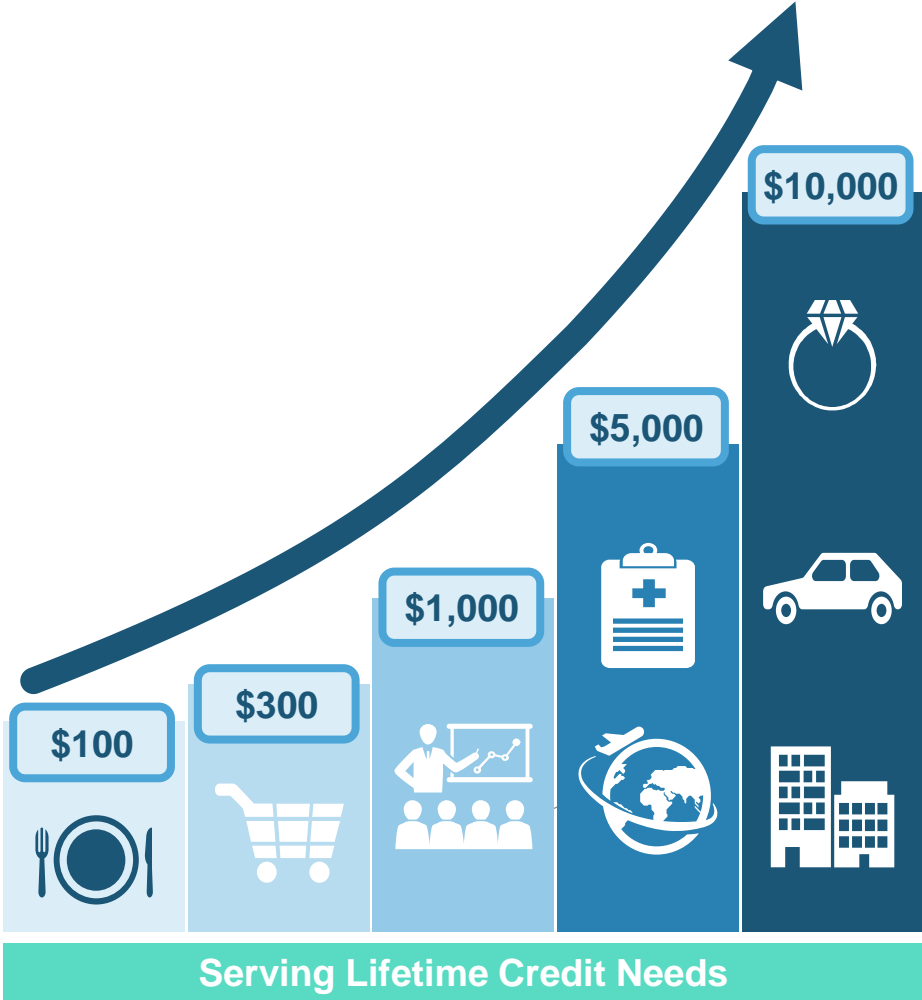
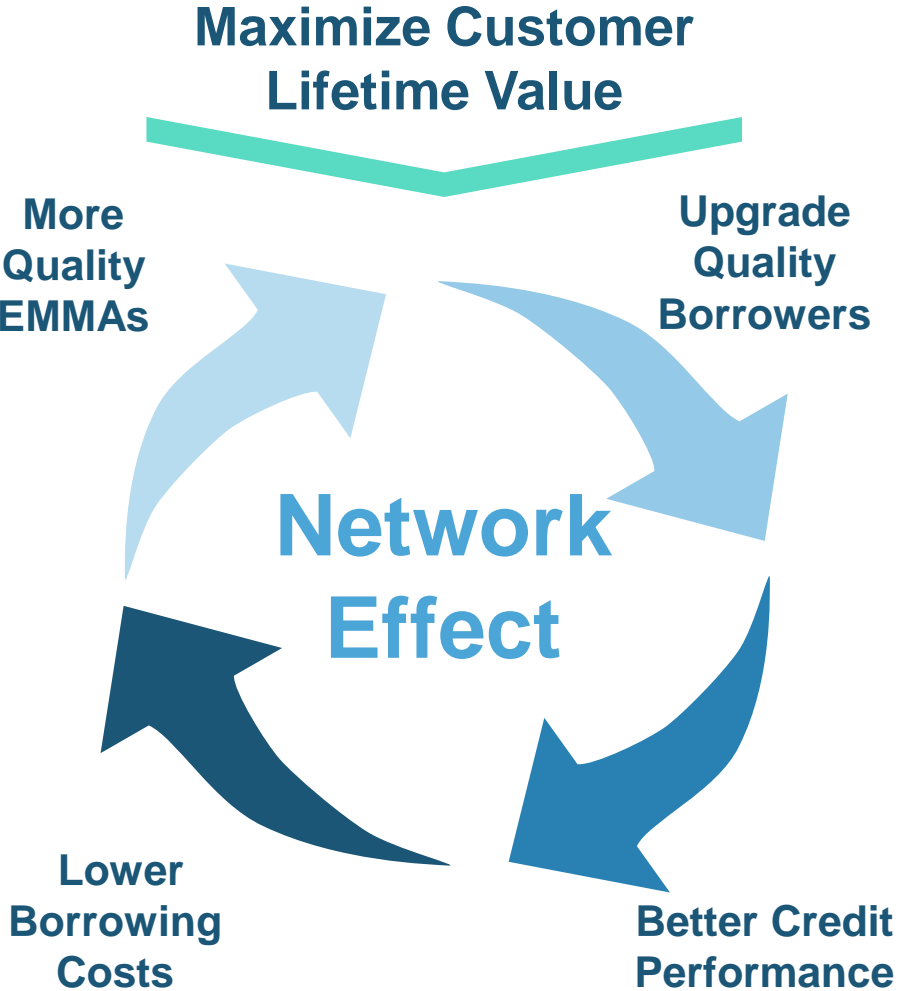
In Line with Prime
Credit Card

Responsive

10x Borrowing Per
Year²

Note: 1. The number of borrowers who have borrowed more than once since our inception divided by the cumulative number of borrowers since our inception as measured as of December 31, 2017.
2. Based on the cohort of first-time consumption loan borrowers from the fourth quarter of 2016.

Differentiated “Low and Grow” Business Strategy



Components of Our Business Built Over 17 Years

Building Credit Score and Decisioning System

Testing EMMA's Credit Behavior

Acquiring Borrowers at Large Scale

2001

Credit analytics for large Chinese banks; decisioning engine helped banks issue 100MM+ credit cards

2010

Launched lending marketplace

2014

Launched mobile-based consumption loans

Fourth Quarter and Full Year 2017 Operating Results



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Fourth Quarter 2017 Highlights

4.3
Million

Number of Cumulative Borrowers Grew 202% from YE2016

33
Million

Number of Cumulative Loans Facilitated at an Accelerating Pace

\$1
Billion

Total Loan Volume in Q4 2017, 3x of Q3 2016, Driven by Consumption Loan

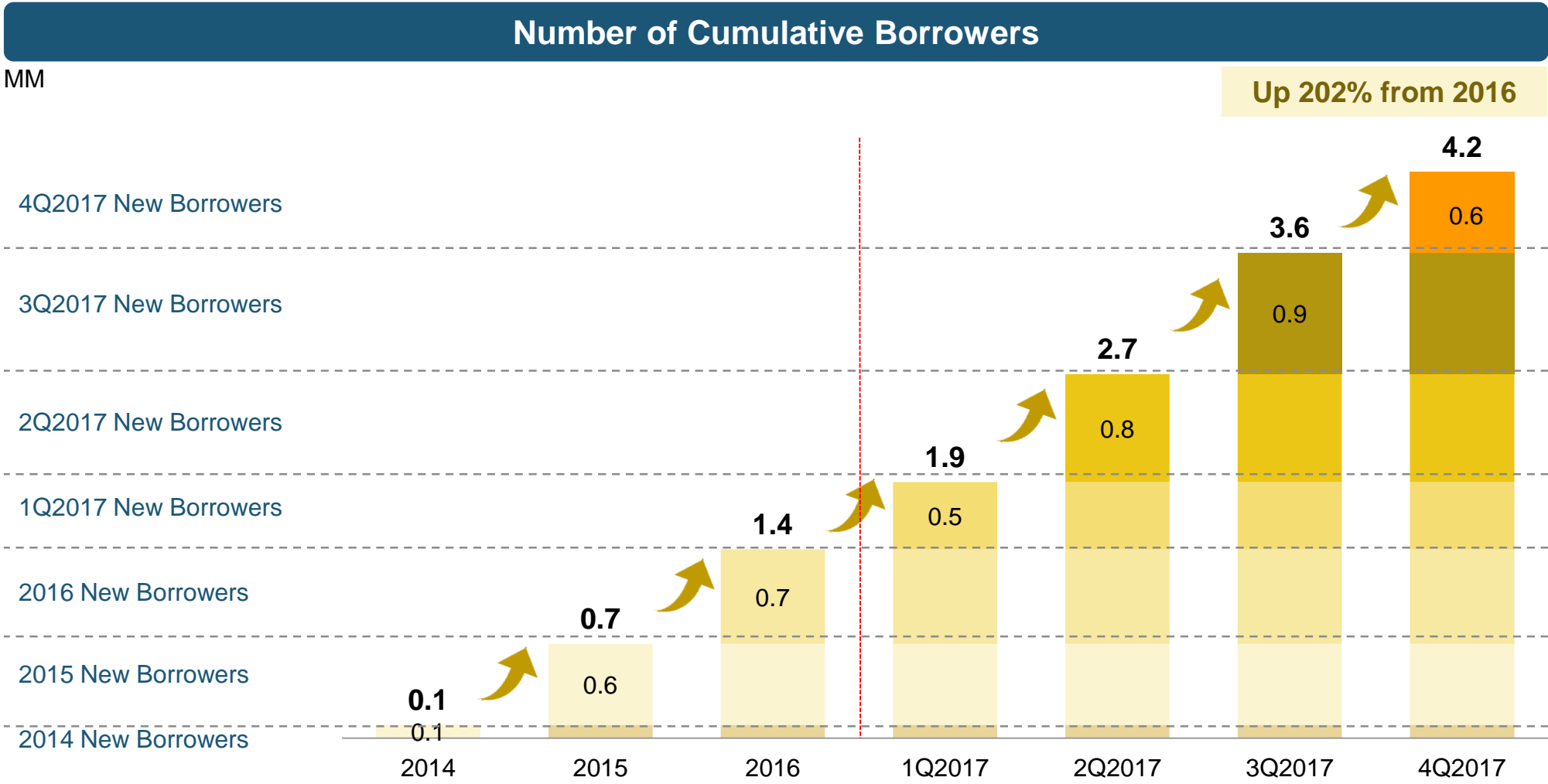
\$52.7
Million

Total Gross Billings in Q4 2017 Grew 186% YoY

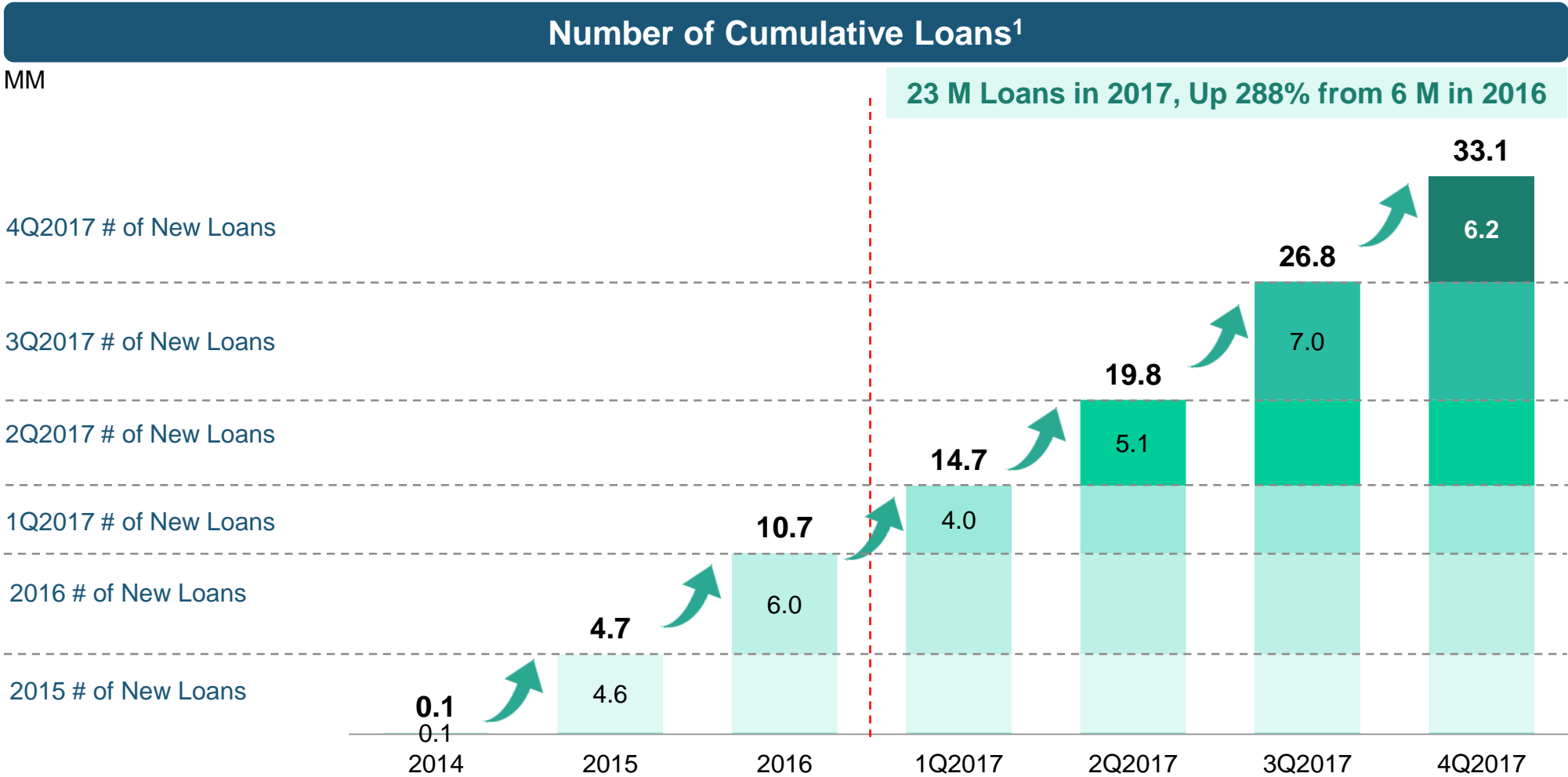
72%

of Total Gross Billings attributable to Consumption Loans, growing 8.5x YoY to \$37.8 MM

Cumulative Borrowers Exceeded 4.3 MM



Number of Cumulative Loans Reached 33 Million



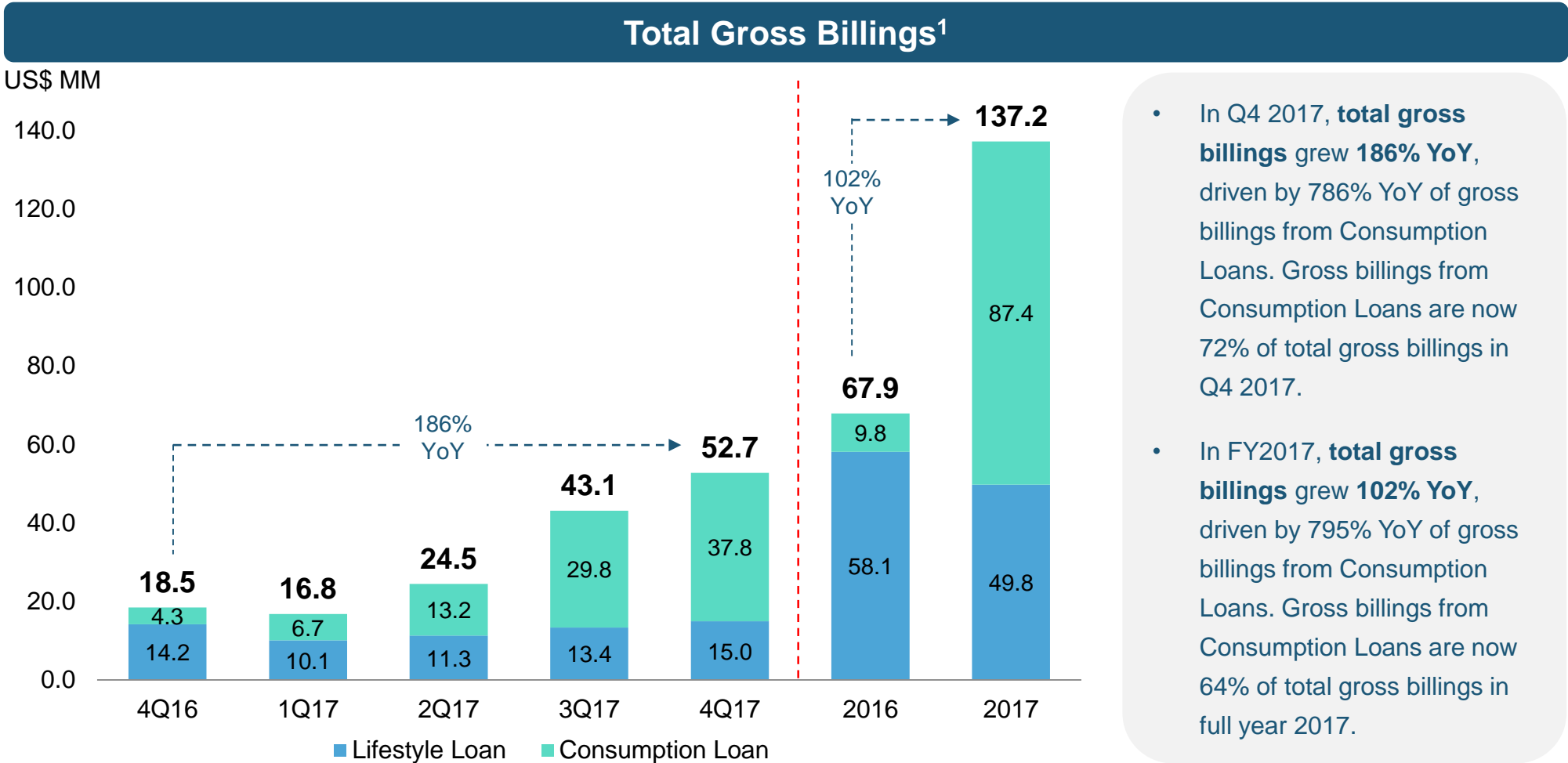
Note: 1. Number of cumulative loans facilitated is defined as the total number of loans facilitated on our marketplace as of the end of the relevant period.

Fourth Quarter 2017 Financial Results



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Gross Billings Grew 186% YoY in Q4, 102% YoY for FY17, Driven by Highly Scalable Consumption Loans

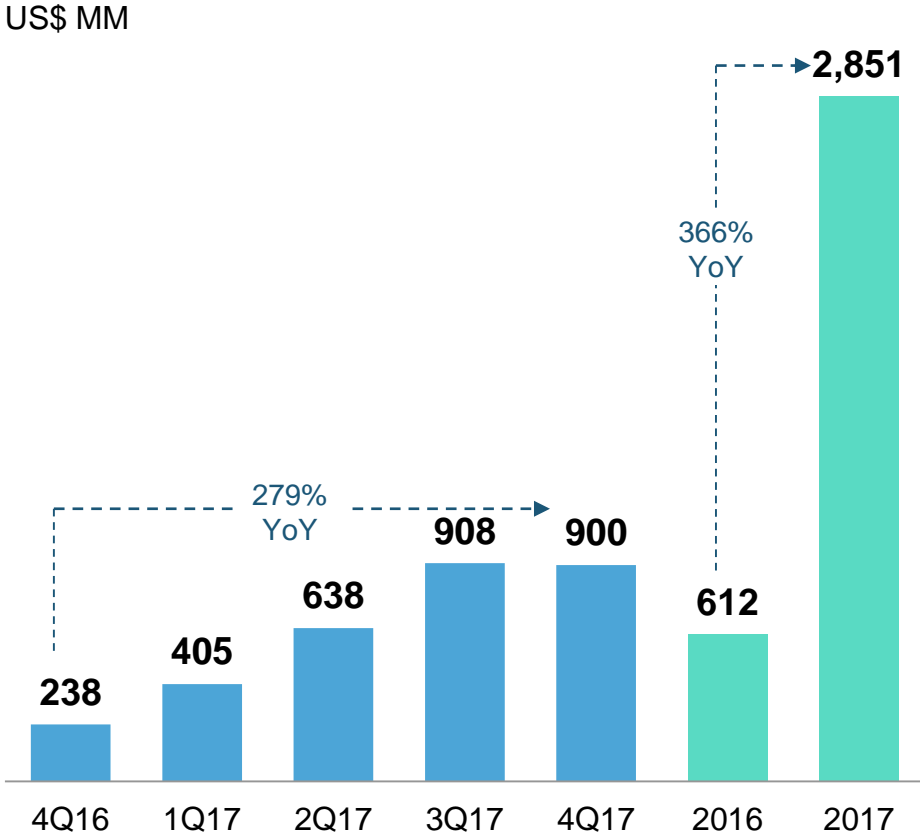


- In Q4 2017, **total gross billings** grew **186% YoY**, driven by 786% YoY of gross billings from Consumption Loans. Gross billings from Consumption Loans are now 72% of total gross billings in Q4 2017.
- In FY2017, **total gross billings** grew **102% YoY**, driven by 795% YoY of gross billings from Consumption Loans. Gross billings from Consumption Loans are now 64% of total gross billings in full year 2017.

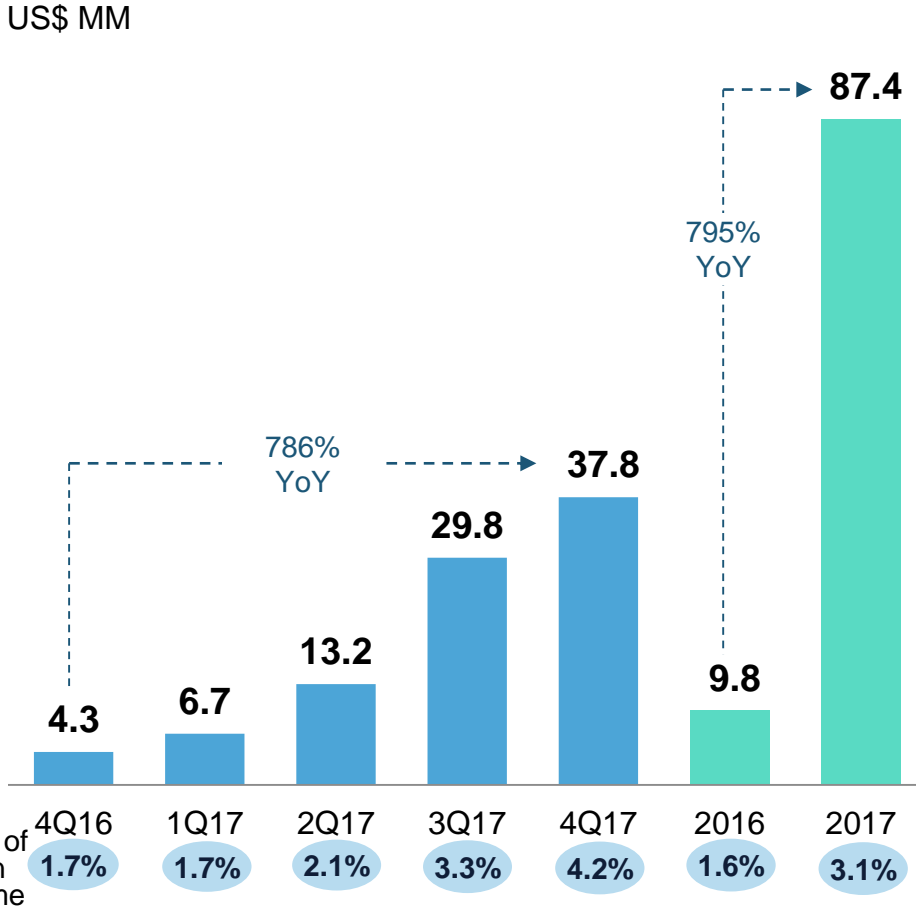
Note: 1. Gross billings on transaction and service fee in this presentation is defined as transaction and service fee billed to customers, inclusive of related value added tax, before deduction of customer acquisition incentive.

Consumption Loan Fees Grew 2x Faster Than Consumption Loan Volume

Consumption Loan Volume¹



Gross Billings of Consumption Loans

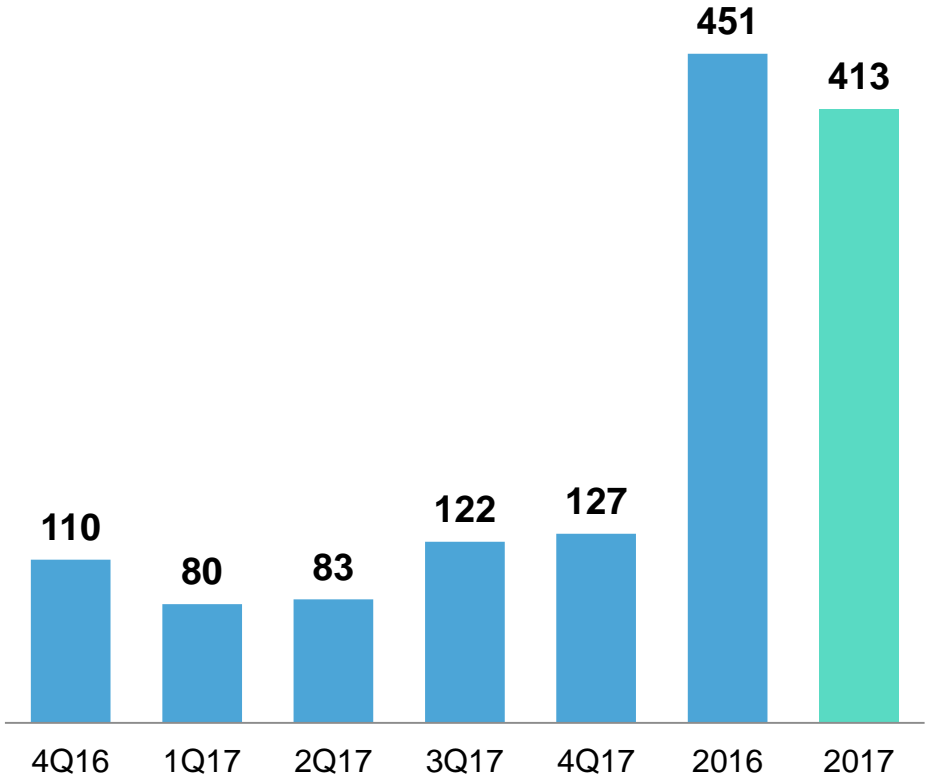


Note: 1. Loan volume in this presentation is defined as the total principal amount of loans facilitated on our marketplace during the relevant period.

Stable Lifestyle Loans Business

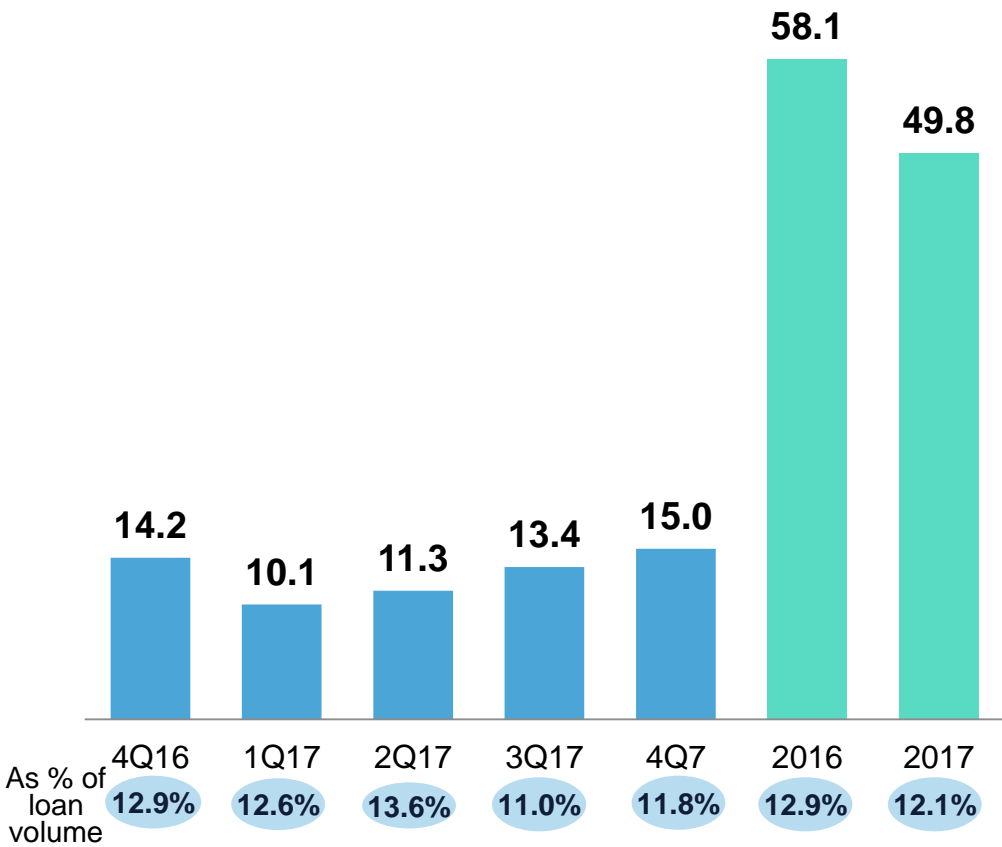
Lifestyle Loan Volume

US\$ MM

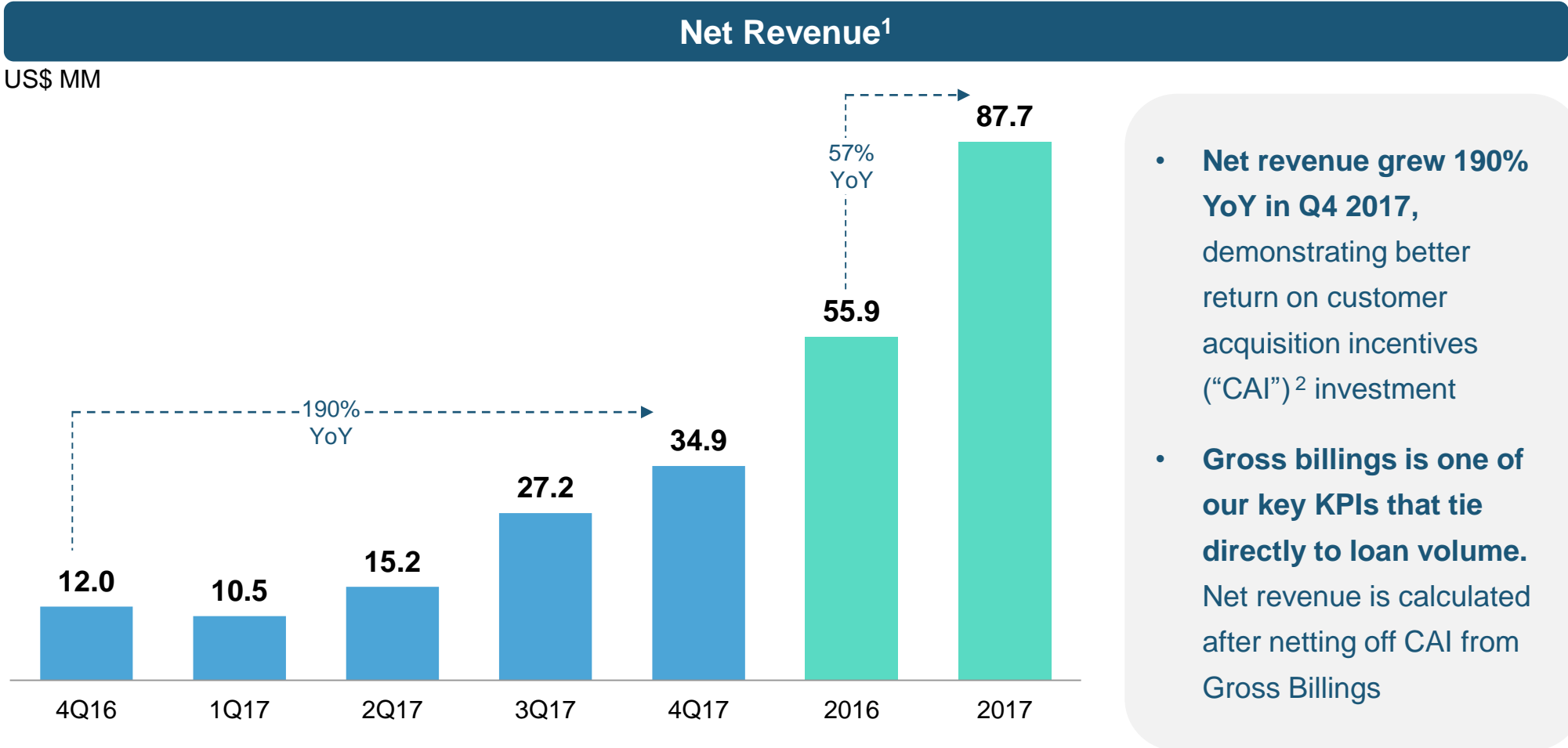


Gross Billings of Lifestyle Loans

US\$ MM

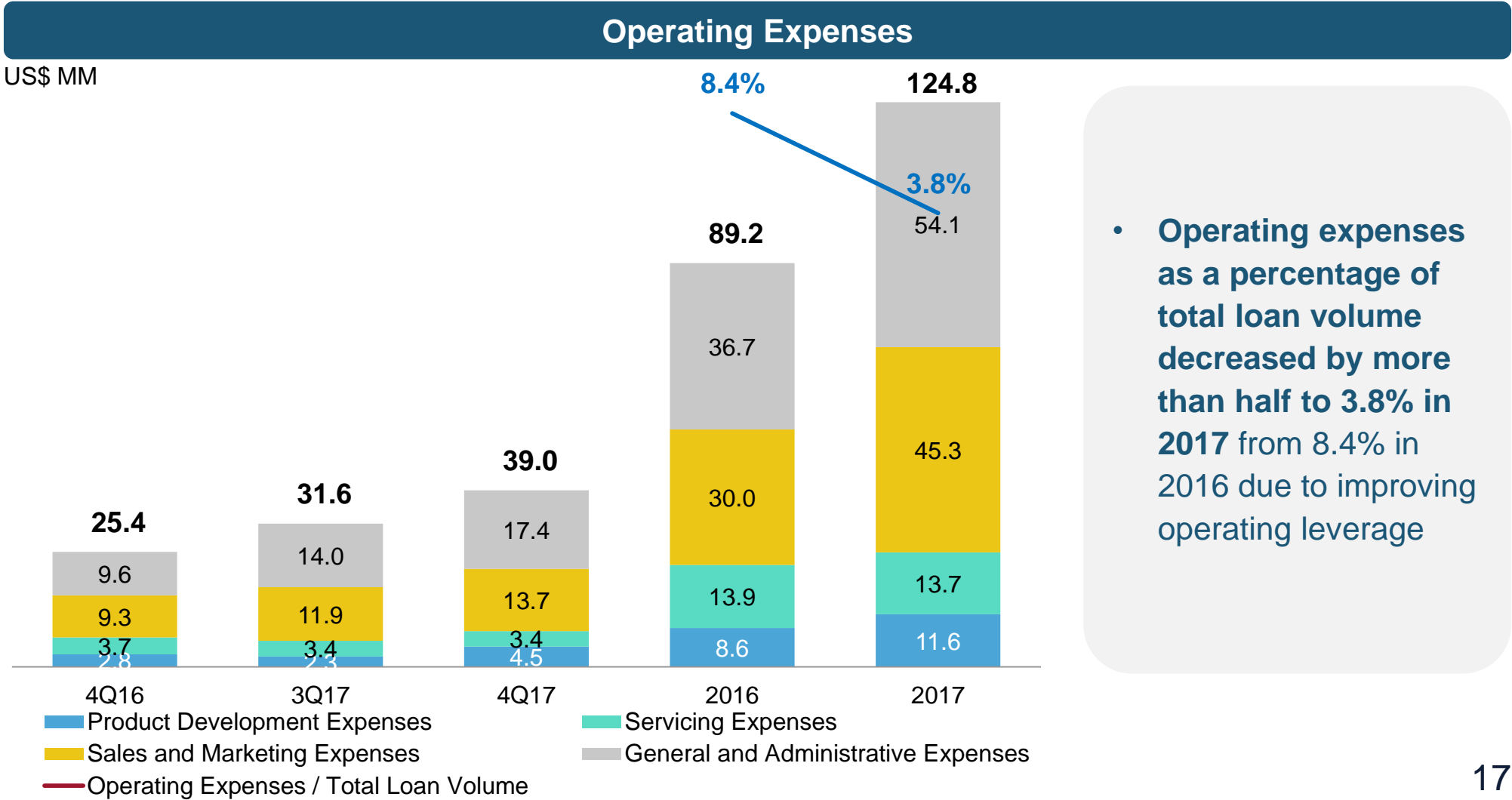


Net Revenue Grew 190% in Q4 2017

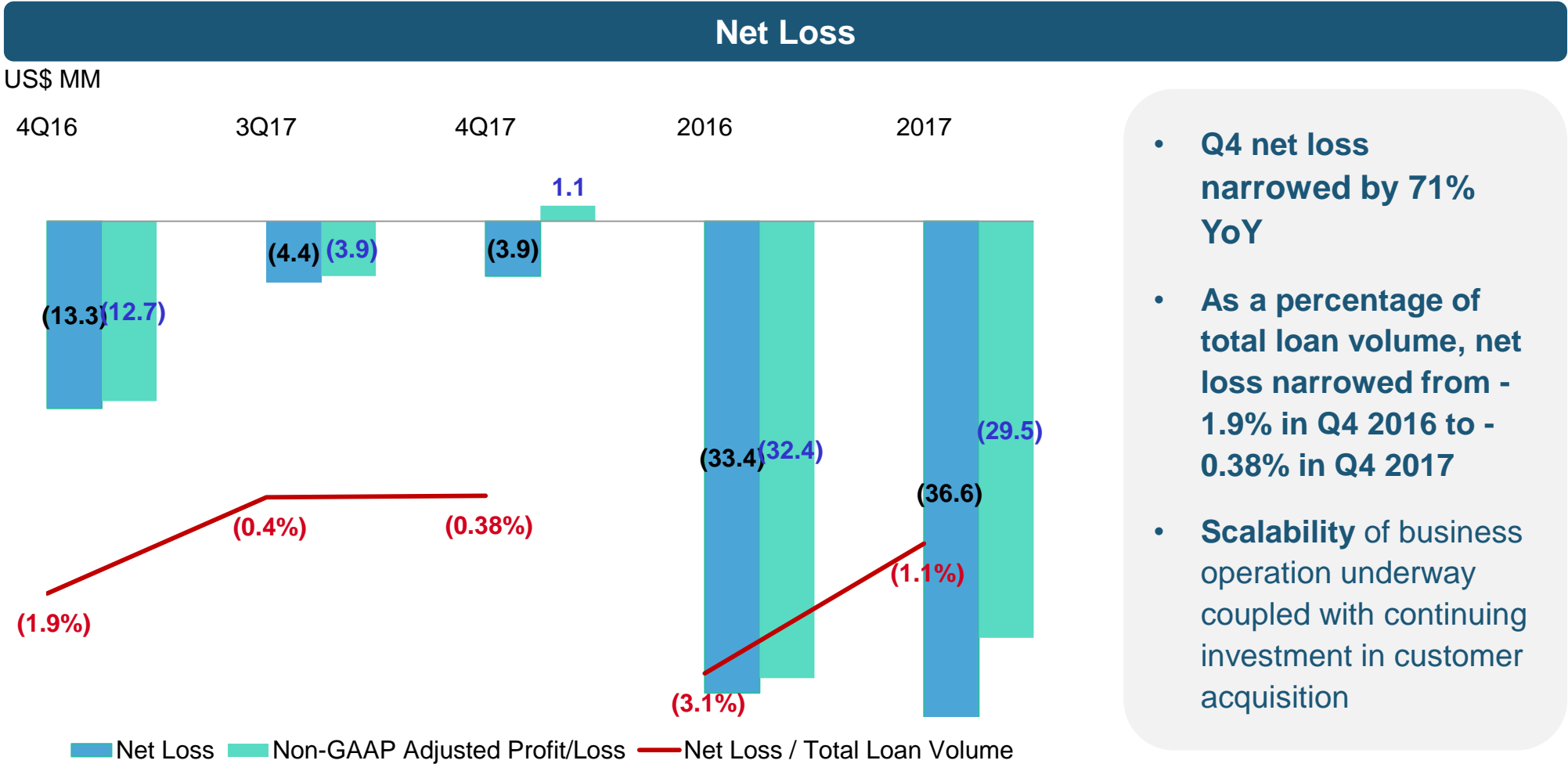


Note: 1. Net revenue is equal to transaction and service fees net of customer acquisition incentive, plus other revenue, provision for loan losses, and business related taxes and surcharges.
2. Customer acquisition incentives (“CAI”) are amounts paid to investors who lend to first-time consumption loan borrowers, and help to attract higher lifetime value prescreened borrowers to the Company’s marketplace.

Operating Expenses Ratio Decreased By More Than Half



Achieved non-GAAP Profitability in Q4 2017 as more Borrowers Crossed the Breakeven Threshold



- **Q4 net loss narrowed by 71% YoY**
- **As a percentage of total loan volume, net loss narrowed from -1.9% in Q4 2016 to -0.38% in Q4 2017**
- **Scalability** of business operation underway coupled with continuing investment in customer acquisition

Unique Low & Grow Strategy and Business Model

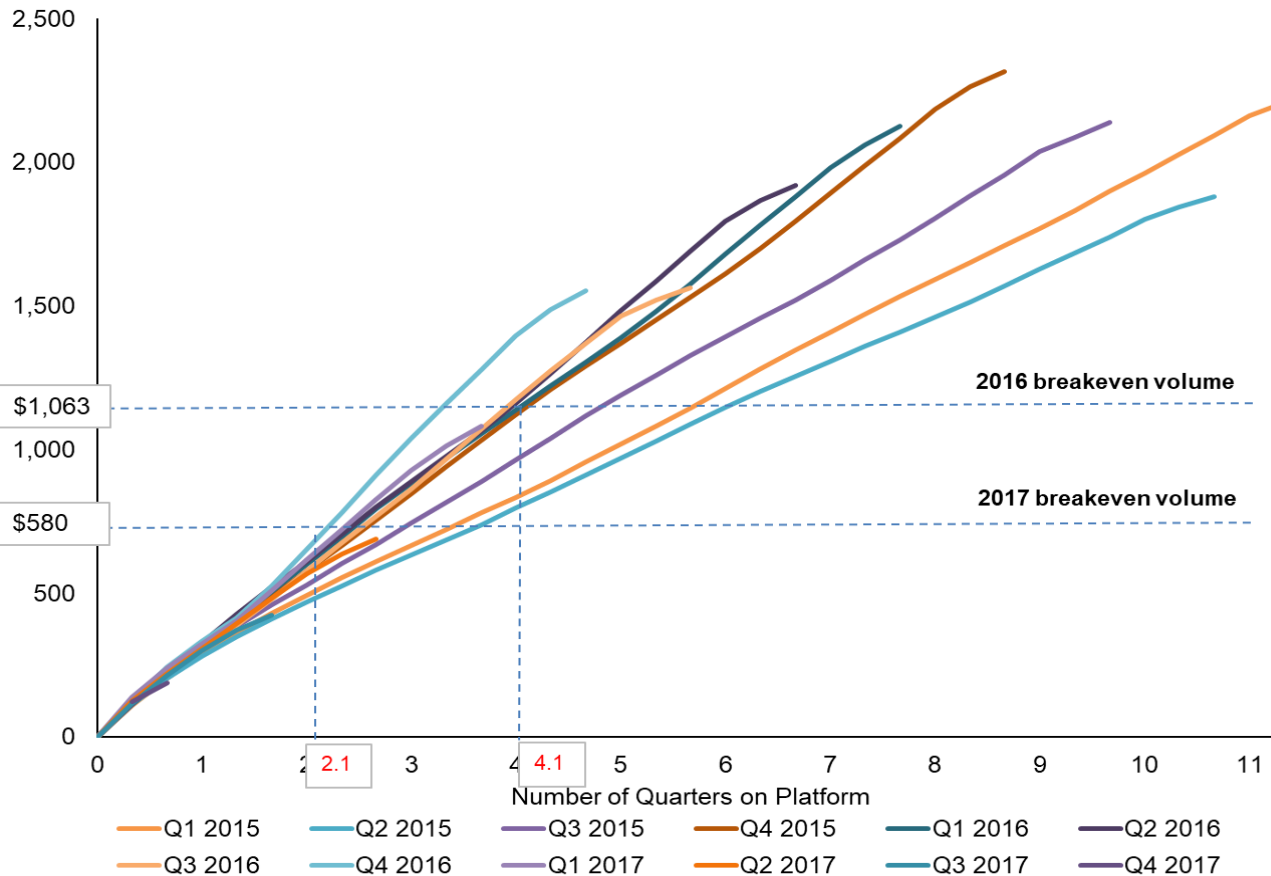


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Economics per Borrower Increasingly More Attractive

Cumulative Consumption Loan Volume Per Borrower

Cumulative Loan Volume Per Borrower (US\$)



Cumulative loan volume per borrower is arrived at by tracking the cumulative loan volume by each borrower cohort in a particular quarter divided by the total number of borrowers at the beginning of each cohort as a constant (including good, bad and inactive borrowers)

CFO Commentary:

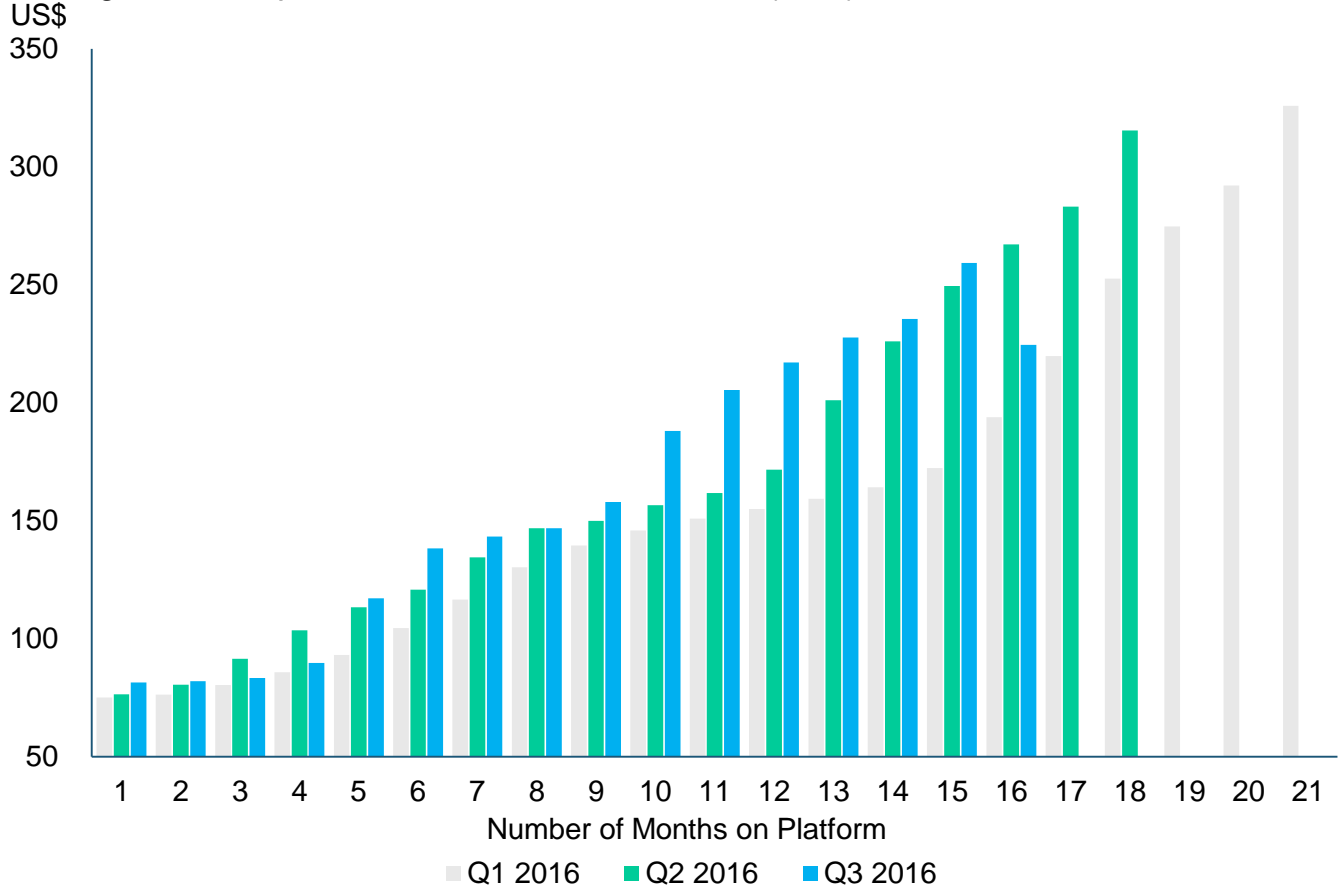
- All cohort lines are growing without any signs of slowing down. Our Q1 2015 borrowers are still growing after 11 quarters, indicating a long-term, loyal customer relationship
- Through repeat borrowing behavior and proactive line of credit management, we generate lifetime customer value

Note: 1. In this presentation, USD/RMB = 6.6369 (as of 9/30/2017)

Significant Borrower Lifetime Value: Increasing Loan Size with Mitigated Risk

Increasing Average Consumption Loan Size Per Borrower

Average Consumption Loan Size Per Borrower (US\$)



Average loan size per borrower cohort is arrived at by tracking the loan volume in each month (generated by each borrower cohort), divided by the number of loans (generated by such borrower cohort in that month)

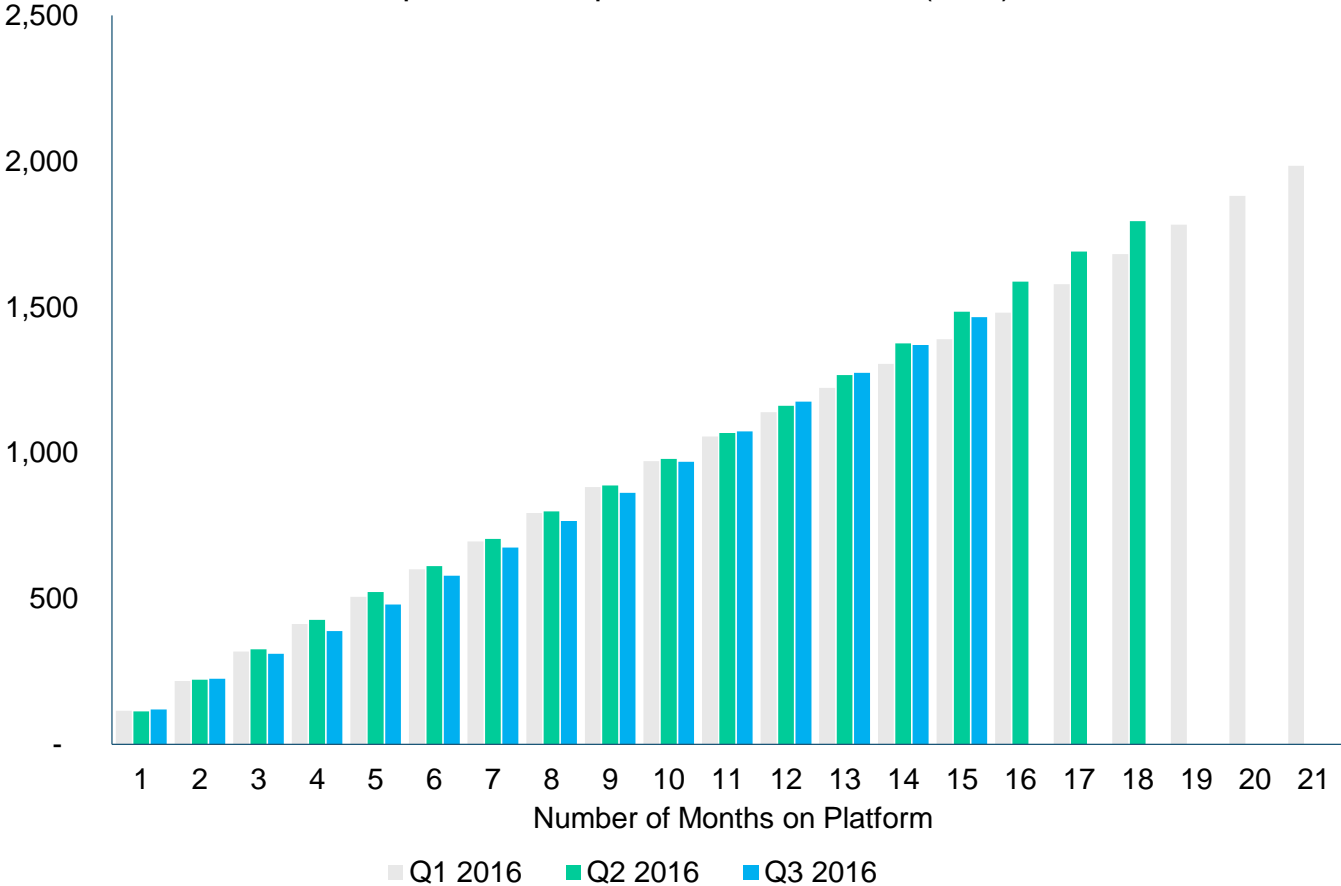
CFO Commentary:

- The increasing average loan size is a result of line of credit management using our ADT technology
- It generally took 12 months to collect sufficient credit behavior data of our borrowers before we accelerate them to higher line of credit (average >\$150)
- Time needed to triple the average loan size per borrower shortened from 21 months to 15 months

Significant Borrower Lifetime Value: Increasing Cumulative Loan Volume per Cohort Generates Recurring Revenue

Increasing Average Cumulative Loan Volume Per Borrower

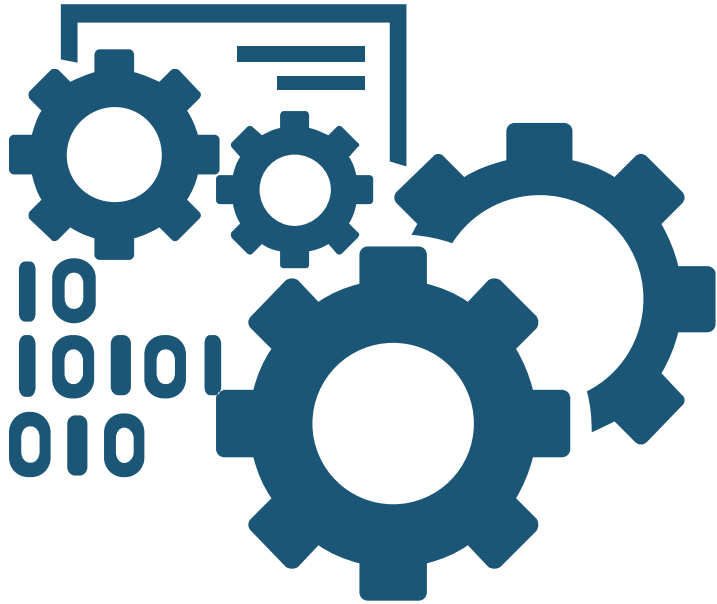
Cumulative Loan Volume per Consumption Loan Borrower (US\$)



CFO Commentary:

- Through repeat borrowing behavior, all borrowers built up similar cumulative loan volume that allowed us to generate recurring transaction and service fees.
- On all borrower basis:
- Q1 2016 first-time consumption loan cohort's cumulative loan volume per borrower increased to \$1,984 in their 21st month from \$115 in their 1st month
- Q2 2016 first-time consumption loan cohort's cumulative loan volume per borrower increased to \$1,795 in their 18th month from \$113 in their 1st month.
- Q3 2016 first-time consumption loan cohort's cumulative loan volume per borrower increased to \$1,466 in their 15th month from \$119 in their 1st month.

Appendix



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Historical Financials – KPIs

	4Q2016	For the Quarter of		For the Twelve Months Ended	
		3Q2017	4Q2017	Dec 31, 2016	Dec 31, 2017
Cumulative Number of Borrowers ('000) ⁽¹⁾	1,420	3,656	4,282	1,420	4,282
Number of New Borrowers of the period ('000)	543	931	627	719	2,862
Repeat Borrower Rate	67%	75%	76%	67%	76%
Number of Loans Facilitated ('000) ⁽²⁾	2,532	7,025	6,246	6,006	22,364
—Consumption Loans	2,522	7,014	6,235	5,968	22,329
—Lifestyle Loans	10	11	11	38	35
Loan Volume (US\$ MM) ⁽³⁾	347.2	1,030.3	1,027.6	1,062	3,265
—Consumption Loans	237.6	908.0	900.3	611.5	2,851.4
—Lifestyle Loans	109.6	122.3	127.3	450.5	413.2
Gross Billings on Transaction and Service Fee (US\$ MM) ⁽⁴⁾	18.5	43.1	52.7	67.9	137.2
—Consumption Loans	4.3	29.8	37.8	9.8	87.4
—Lifestyle Loans	14.5	13.4	15.0	58.1	49.8
Customer Acquisition Incentive (US\$ MM)	(1.4)	(13.9)	(10.7)	(8.4)	(38.1)
Net Revenue (US\$ MM)	12.0	27.2	39.5	55.9	87.7
Net Profit (Loss) (US\$ MM)		(4.4)	(0.6)	(33.4)	(36.6)
Average Loan Size (\$)					
—Consumption Loans	94	129	144	102	128
—Lifestyle Loans	10,683	11,445	11,910	11,855	11,806
Average Fee Rate					
—Consumption Loans	1.8%	3.3%	4.2%	1.6%	3.1%
—Lifestyle Loans	13.2%	10.9%	11.8%	12.9%	12.0%

Note: 1. Number of borrowers is defined as the total number of unique borrowers on XRF's marketplace since XRF's inception as measured as of the relevant date

2. Number of loans facilitated is defined as the total number of loans facilitated on XRF's marketplace during the relevant period

3. Loan volume is defined as the total principal amount of loans facilitated on XRF's marketplace during the relevant period

4. Gross billings on transaction and service fee is defined as transaction and service fee billed to customers, inclusive of related value added tax, before deduction of customer acquisition incentive

Historical Financials – Income Statement

(US\$ in thousands except share data and per share data)	For the Three Months Ended			For the Twelve Months Ended	
	December 31, 2016	September 30, 2017	December 31, 2017	December 31, 2016	December 31, 2017
	USD	USD	USD	USD	USD
Revenue:					
Transaction and service fees (net of customer acquisition incentive)	12,286	26,818	39,696	55,891	91,621
Other revenue	81	400	255	1,092	1,156
	12,367	27,218	39,951	56,983	92,777
Reversal/(Provision) for loan losses	12	(2)	4	—	13
Provision for discretionary payment	—	—	(4,576)	—	(4,576)
Business related taxes and surcharges	(357)	(32)	(465)	(1,122)	(503)
Net Revenue	12,022	27,184	34,914	55,861	87,711
Operating expense:					
Servicing expenses	(3,711)	(3,437)	(3,424)	(13,889)	(13,651)
Sales and marketing expenses	(9,286)	(11,863)	(13,740)	(29,954)	(45,341)
General and administrative expenses	(9,606)	(14,019)	(17,377)	(36,742)	(54,121)
Product development expenses	(2,818)	(2,319)	(4,494)	(8,630)	(11,642)
Total operating expenses	(25,421)	(31,638)	(39,035)	(89,215)	(124,755)
Other income (expense):					
Other income (expense), net	137	135	247	(9)	508
Loss before income tax expense	(13,262)	(4,319)	(3,874)	(33,363)	(36,536)
Income tax expense	(3)	(41)	(44)	(3)	(113)
Net loss	(13,265)	(4,360)	(3,918)	(33,366)	(36,649)
Accretion on Series A convertible redeemable preferred shares to redemption value	(72)	-	-	(288)	(96)
Accretion on Series B convertible redeemable preferred shares to redemption value	(405)	-	-	(1,621)	(540)
Accretion on Series C convertible redeemable preferred shares to redemption value	(1,444)	-	-	(4,468)	(2,232)
Deemed dividend to Series C convertible redeemable preferred shares at modification	-	-	-	(635)	-
Deemed dividend to Series C convertible redeemable preferred shares upon Initial Public Offering	-	-	-	-	(82,034)
Net loss attributable to ordinary shareholders	(15,186)	(4,360)	(3,918)	(40,378)	(121,551)
Net loss	(13,265)	(4,360)	(3,918)	(33,366)	(36,649)
Foreign currency translation adjustment, net of nil tax	(2,401)	142	177	(1,885)	170
Comprehensive loss	(15,666)	(4,218)	(3,741)	(35,251)	(36,479)
Weighted average number of ordinary shares used in computing net loss per share					
Basic	16,505,120	64,696,840	64,699,758	16,437,946	49,054,201
Diluted	16,505,120	64,696,840	64,699,758	16,437,946	49,054,201
Loss per share attributable to ordinary shareholders					
Basic	(0.92)	(0.07)	(0.06)	(2.46)	(2.48)
Diluted	(0.92)	(0.07)	(0.06)	(2.46)	(2.48)

Historical Financials – Balance Sheet

(US\$000)	As of		
	December 31, 2016	September 30, 2017	December 31, 2017
Cash and Cash Equivalents	18,983	81,442	94,881
Restricted Cash	12,685	14,145	14,673
Total Assets	58,468	119,755	137,528
Total Liabilities	44,460	57,409	78,490
Safeguard Program Payable	19,511	17,536	17,950
Total Mezzanine Equity	116,218	-	-
Total Shareholders' (Deficit) Equity	(102,210)	62,346	59,038



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