



**和信贷**  
hexindai.com

**HX**  
NasdaqListed

# Company Presentation

## Q4 FY2018

(NASDAQ: HX)



This presentation of Hexindai Inc. (the “Company”) contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements can be identified by terminology such as “will,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates,” “potential,” “continue,” “ongoing,” “targets,” “guidance” and similar statements. The Company may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission (the “SEC”), in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Any statements that are not historical facts, including statements about the Company’s beliefs and expectations, are forward-looking statements that involve factors, risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Such factors and risks include, but not limited to the following: the Company’s goals and strategies; its future business development, financial condition and results of operations; the expected growth of the credit industry, and marketplace lending in particular, in China; the demand for and market acceptance of its marketplace’s products and services; its ability to attract and retain borrowers and investors on its marketplace; its relationships with its strategic cooperation partners; competition in its industry; and relevant government policies and regulations relating to the corporate structure, business and industry. Further information regarding these and other risks, uncertainties or factors is included in the Company’s filings with the SEC. All information provided in this presentation is current as of the date of this presentation, and the Company does not undertake any obligation to update such information, except as required under applicable law.

# Who We Are

## A Fast-growing Consumer Lending Marketplace Focusing on Meeting the Growing Consumption Demand of the Emerging Middle Class in China



**Borrowers**

**101,172**

**+252% YoY**

Borrowers  
for fiscal year ended March 31, 2018

**142,666<sup>(2)</sup>**

Borrowers  
as of March 31, 2018



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**1.3 billion**

**+151%<sup>(1)</sup> YoY**

US\$ loans facilitated  
for fiscal year ended March 31, 2018

**2.6 billion<sup>(2)</sup>**

US\$ loans facilitated  
as of March 31, 2018



**Investors**

**137,950**

**+118% YoY**

Investors  
for fiscal year ended March 31, 2018

**200,699<sup>(2)</sup>**

Investors  
as of March 31, 2018

Source: Company Information, WDZJ, Oliver Wyman.

Note:

(1) Growth rates are calculated by RMB amount, therefore the impact from exchange rate in different reporting periods is excluded.

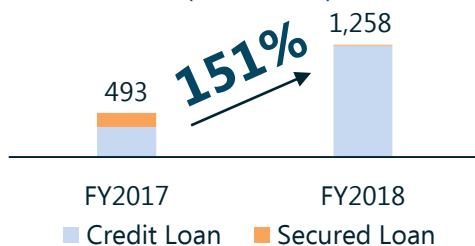
(2) Calculated on a cumulative basis from inception of our business in March 2014 to March 31, 2018.

# Why Hexindai - Key Differentiators

## Faster Than Our Peers

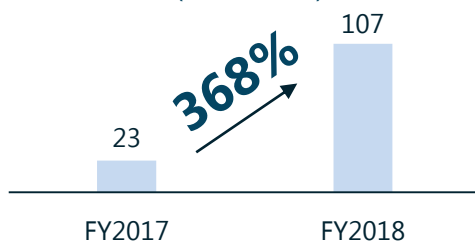
### Loan Volume Facilitated<sup>(1)(2)</sup>

(US\$ million)



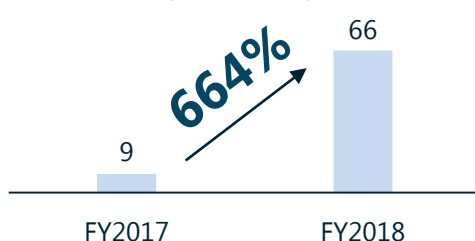
### Net Revenue

(US\$ million)



### Net Income

(US\$ million)



Source: Company Information, WDJZ, P2P Heibanbao

Notes:

(1) Loan volume is defined as the total principal amount of loans facilitated on our marketplace during the relevant period.

## Industry-leading Advantages

### Loan Insurance

- Full coverage of both existing and new loans
- State-owned insurance company
- Only **1%** companies in the industry cooperate with insurance companies.



### Custodian Bank

- Total assets as of Sep 30, 2017: RMB369 billion
- **43%** companies in the industry engage custodian banks



### Multi-Level Protection Scheme Level 3 Certification

- Same information security level as commercial banks
- Only **11%** companies in the industry can reach the level.



### Credit Line Issued by Commercial Banks



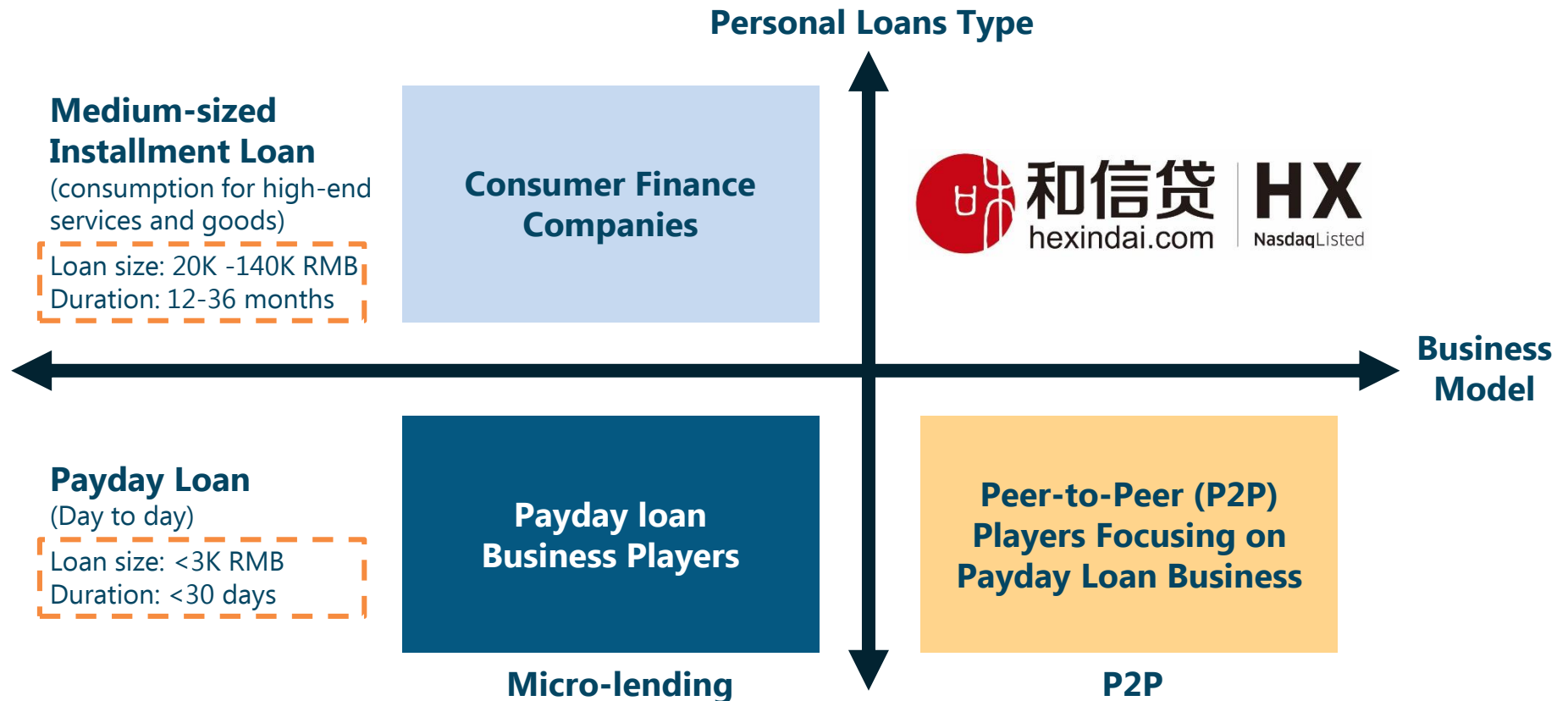
(2) Growth rates are calculated by RMB amount, therefore excluding the impact from exchange rate in different reporting periods.

(3) Fiscal year end is March 31.

## In the Right Sector

- **Management strategic foresight to position the business within regulator-supported field**
  - Information intermediary only
  - Focusing on medium-sized installment loans
  - Funded by pure individual investors
  - Loan used mainly for consumption upgrades
- **Compliant with online lending industry guidelines**
  - Compliant with Aug 2016 Measures
  - On track to complete rectification and registration
  - Immaterial impact from regulations at end of 2017.

# Strategically Focused on the Right Market Segment

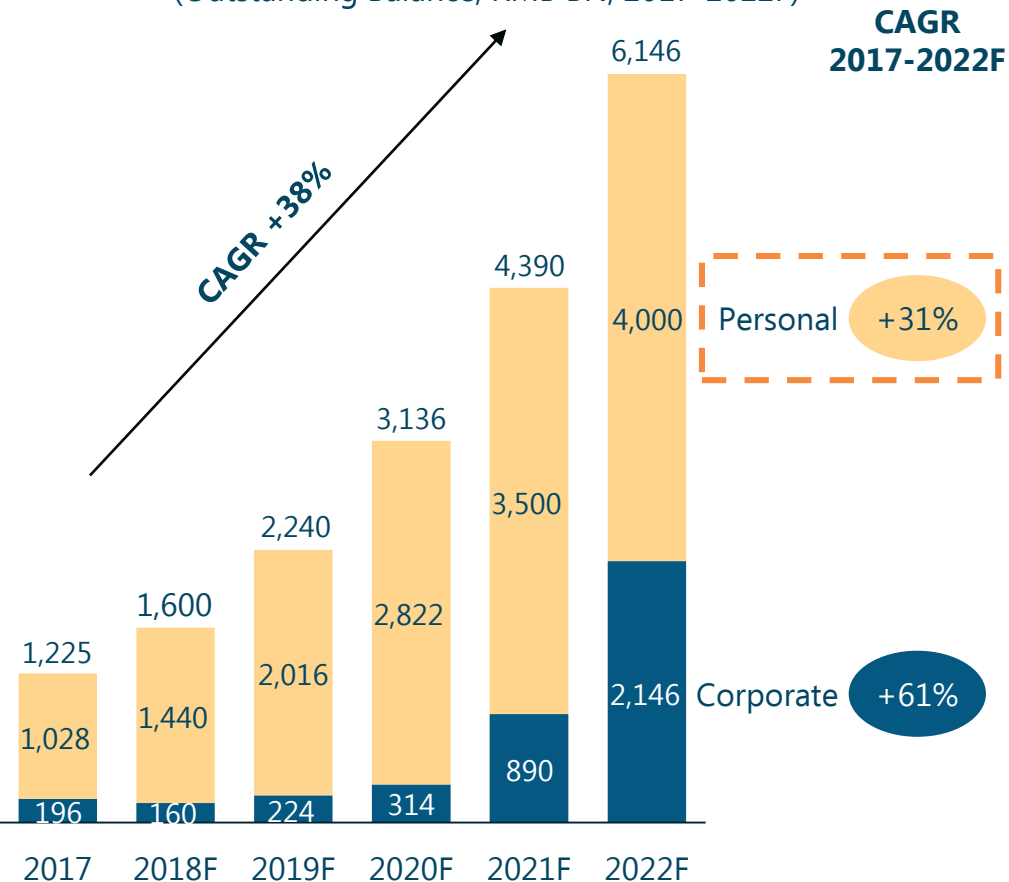


Source of funds	Equity/financial Institutions	Individual lenders on the platform
Lending model	Company direct	Information intermediary only
Regulation	Tightening	"Interim Measures for the Administration of the Business Activities of Online Lending Information Intermediary Institutions"
Risk bearing	Company bears default risk	Lenders bear default risk

# Rapidly Rising Market Demand Ensures Future Growth for Sector

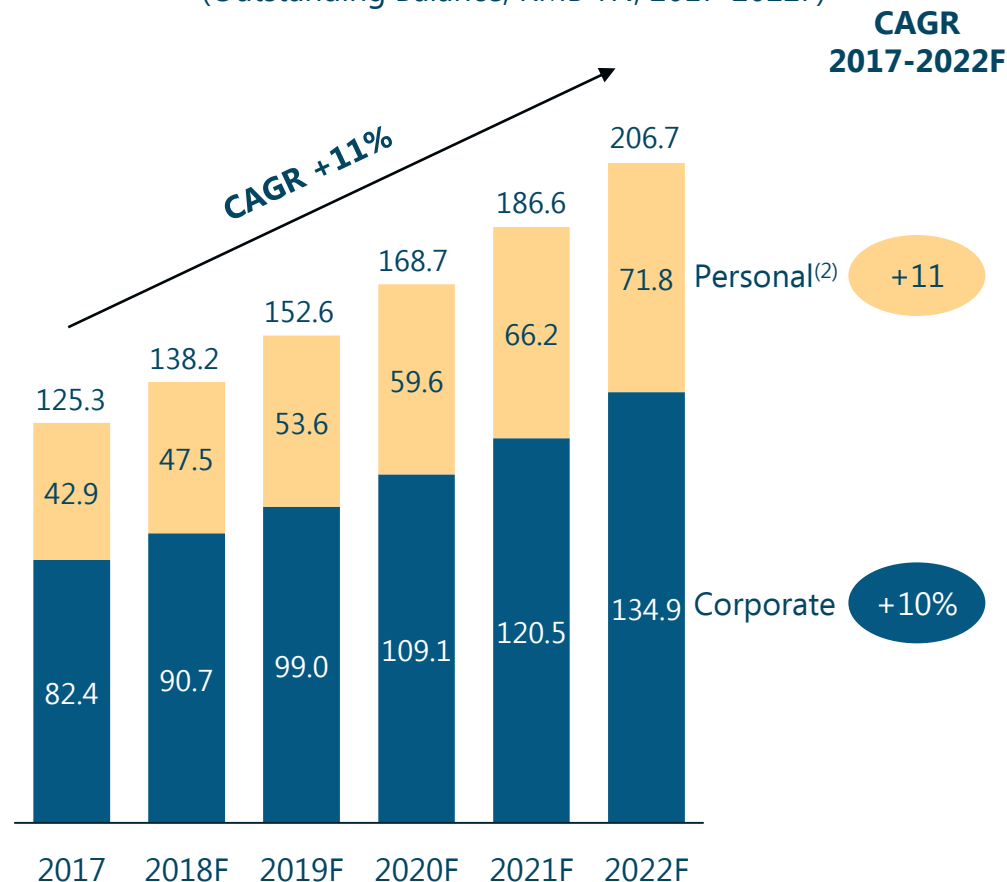
## Vast Addressable Market

**Forecast for China's Marketplace Lending<sup>(1)</sup> Market**  
(Outstanding Balance, RMB BN, 2017-2022F)



## High Demand for Credit from Borrowers

**Forecast for China Credit Market**  
(Outstanding Balance, RMB TN, 2017-2022F)



Source: CBRC, PBOC, CEIC, WIND, WDZJ, Literature Research, Oliver Wyman estimation

Note:

(1) According to Oliver Wyman, marketplace lending is defined as any marketplace for lending and investing, where individuals or corporates borrow and lend money from other individuals or corporates without the use of a credit-intermediating financial institution such as banks. The chart shows the expected growth of the total marketplace lending outstanding balance by borrower types (including

both online and offline borrower acquisition models).

(2) According to Oliver Wyman, personal section in credit market refers to consumer lending market where personal loans such as home mortgages, auto loans, personal business operations loans and consumption loans are provided

(3) Numbers may not add up due to rounding.

# Rapidly Rising Market Demand Ensures Future Growth for Sector (Cont'd)

## Increasing Need for Investments

### Number of Potential P2P Investors

(Thousand)

138,853<sup>(4)</sup>

8x

41,810<sup>(2)</sup>

17,130<sup>(3)</sup>

No. of active investors

201<sup>(1)</sup>

HX Investors

P2P Industry Investors

A Share Accounts

Source: P2PEYE.COM, WDZJ, CSDS, Forbes, Credit Suisse, World Bank, Oliver Wyman analysis.

Note:

(1) Calculated on a cumulative basis from inception of our business in March 2014 to March 31, 2018.

(2) Number of investors in P2P industry for the year 2017 provided by P2PEYE.COM.

(3) Number of investors in P2P industry for the year 2017 provided by WDZJ.

(4) Refers to the number of natural investors who have non-cancelled and non-dormant A share

- Rising middle class and increasing investable assets indicates strong appetite for consumer lending investment with attractive returns on well-defined risks.

### Total Personal Investable Assets

(RMB TN)

251

CAGR +11%

105

HNWI<sup>(5)</sup>

151

56

66

23

109

Emerging Affluent<sup>(6)</sup>

Our target population  
643.4 million

32

New Middle Class<sup>(7)</sup>

Mass<sup>(8)</sup>

2017

2022F

accounts as of June 6, 2018.

(5) High net worth individuals: individuals with more than RMB10MN accumulated disposable assets.

(6) Emerging affluent: individuals who hold RMB300K to 10MN accumulated disposable assets.

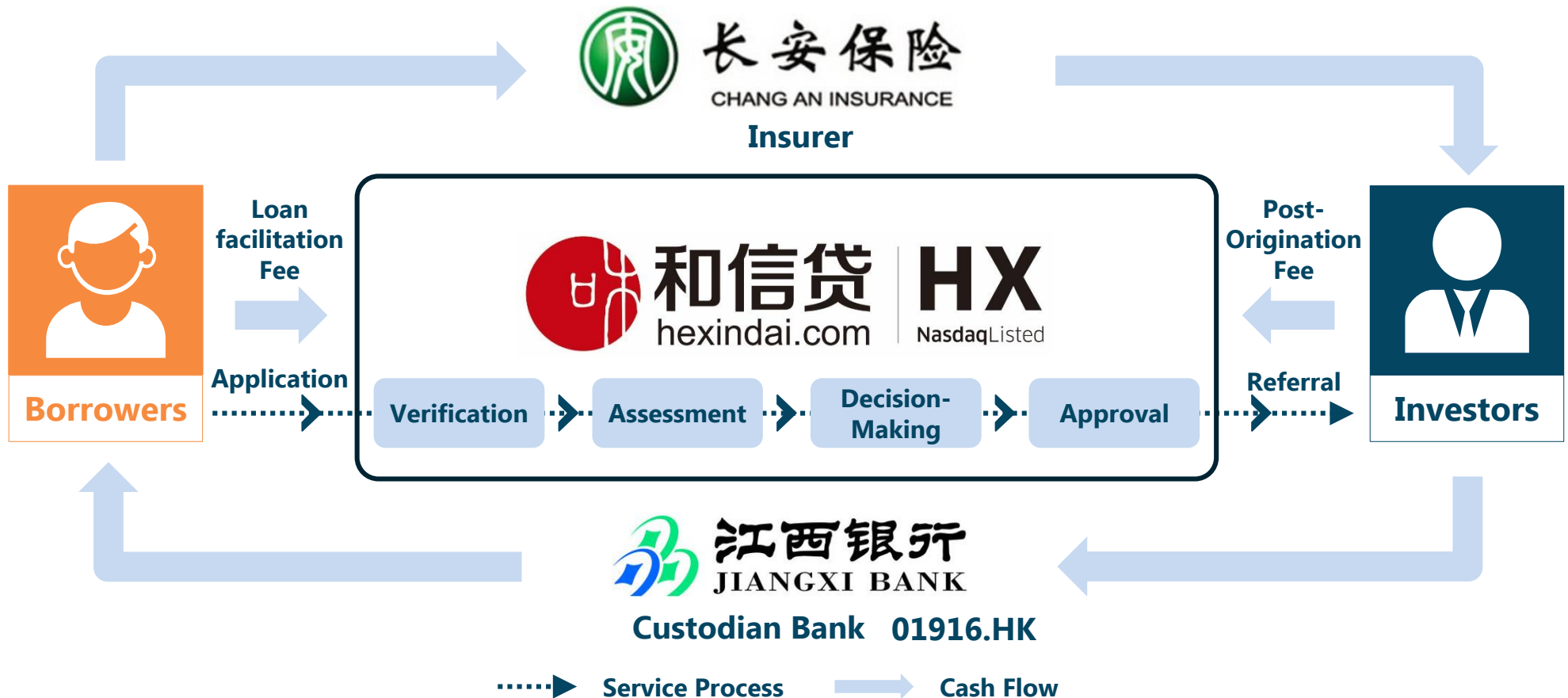
(7) New middle class: individuals with RMB60K to 300K of accumulated disposable assets

(8) Mass: individuals with less than RMB60K accumulated disposable assets.



# The Benefit of Our Business Model

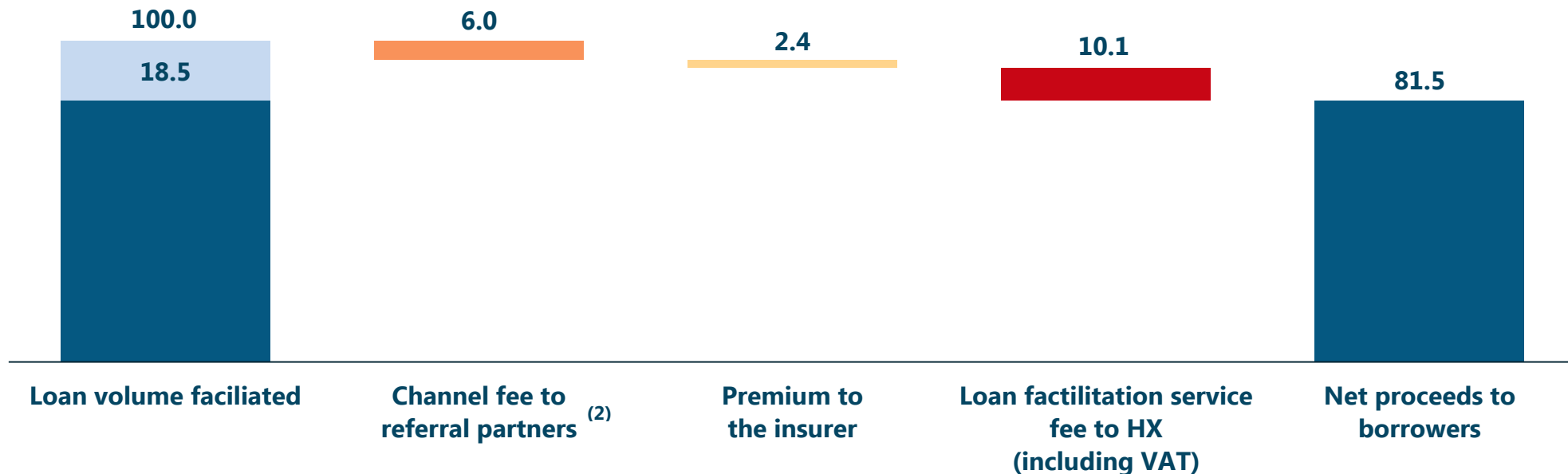
We are a pure information and service platform matching investors with individual borrowers. Loans are not held on our balance sheet and we bear no default risk.





# Our Economics Illustration<sup>(1)</sup>

(Per US\$100 loan facilitated, for example)



	PV	Rate	PMT
<b>Investor</b>	Loan volume facilitated=US\$100 =PV(11.7%/12,36,-3.31)	Yield rate=11.7% <b>Investor yield rate keeps trending down, spread transferring into our revenue.</b>	Equal monthly payment=US\$3.31 =PMT(11.7%/12, 36, -100) <b>Making fully amortizing periodic payments is cheaper for borrowers than making a lump-sum payment.</b>
<b>Borrower</b>	Net proceeds=US\$81.5 =PV(26.6%/12,36,-3.31)	All inclusive APR <sup>(3)</sup> =26.6% =RATE(36,3.31,-81.5)*12	 ■ Interest ■ Principle

Note:

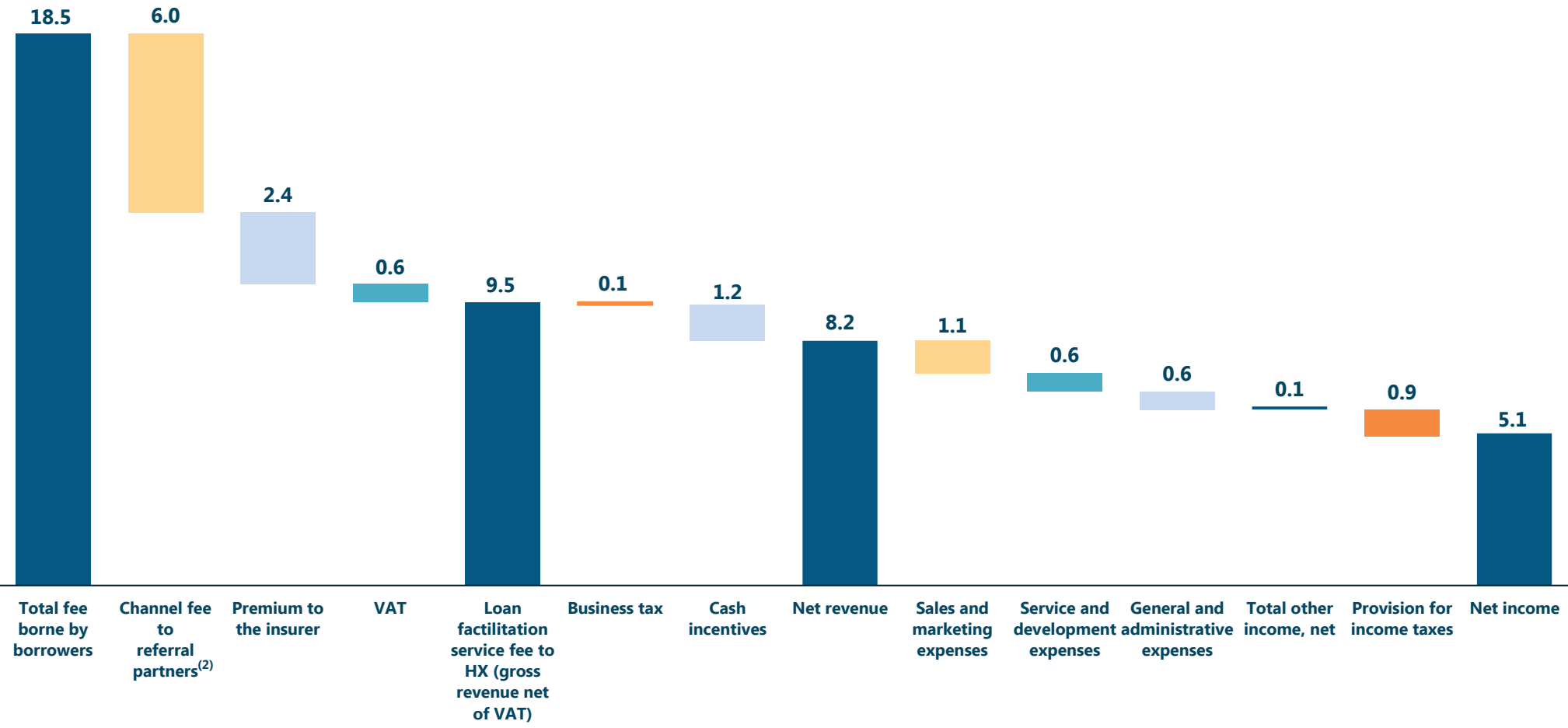
(1) The above chart only represents credit loan economics.

(2) The channel referral fee to referral partners represents the consultancy services fee borrowers directly pay to referral partners. It is not recognized as part of our revenue.

(3) 'All inclusive APR' refers to the rate that is charged to borrowers, including a nominal interest rate, a loan facilitation or management service fee, channel fee and premium, expressed as a single percentage number that represents the actual annualized cost of borrowing over the term of a loan.

# Our Economics Illustration<sup>(1)</sup> (Cont'd)

(Per US\$100 loan facilitated, for example)



Loan facilitation fee to HX

Note:  
 (1) The above chart only represents credit loan economics.  
 (2) The channel referral fee to referral partners represents the consultancy services fee borrowers directly pay to referral partners. It is not recognized as part of our revenue.

# Strong User Acquisition Capabilities that Combine Efficient Online Channels with Extensive Offline Network



Offline borrowers referral by business partners<sup>(2)</sup>

- 244 branches in 128 cities<sup>(3)</sup>
- 2 call centers: Beijing and Hefei
- Combined branch network reaches nearly 63%<sup>(4)</sup> of China's population.



Online acquisition of investors/borrowers through various distribution channels.

## Apps Distribution<sup>(5)</sup>



## Search Engine



## Cost per Sale



Source: Company Information, China Statistical Yearbook 2017, National Bureau of Statistics of the PRC.

Note:

(1) For the fiscal year ended March 31, 2018.

(2) We have built a multi-channel marketplace to reach and serve borrowers and investors, leveraging both our online platform and the nationwide physical network of our offline

cooperation partner, Hexin Group, which is majority-owned by our controlling shareholder.

(3) As of May 31, 2018, our offline cooperation partner had a total of 244 branches in 128 cities.

(4) Calculated based on latest population data from National Bureau of Statistics of the PRC.

(5) Unlike in the US where the app market is split between Apple's App Store and Google Play, China is a highly fragmented mobile phone market with a wide variety of mobile device configurations and hundreds of app stores and distributions channels.


# User Demographics



## Emerging Middle Class with Stable Income

 100% credit card holders

 In emerging tier 1, tier 2 and tier 3 cities

 ~**65%** of our borrowers earn **RMB10k+** in monthly income  
Disposable income at least 3.6x more than average monthly repayments



 Life insurance policy


 Housing fund payment history

 Salary with banking transaction history




## White Collar Middle Class


 In tier 1, emerging tier 1 and tier 2 cities

 Emerging affluent and new middle class are our target population



 1. Portfolio Investments

 2. Individual Investments

 3. Loan Transfer

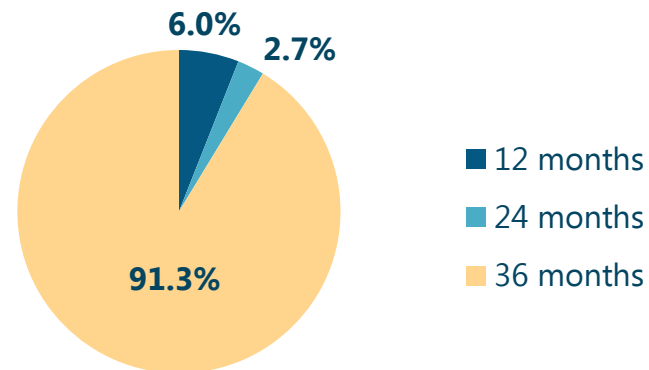
# Risk-based Pricing Focusing on High-quality Borrowers

## Use for Higher-end Items

- Continuing Education
- House Decoration
- Cosmetic Surgery
- Travel
- Luxury Goods

Take up ~11%  
of the total loan  
consumption

## Loan Volume Proportion by Terms<sup>(1)</sup>



Grade <sup>(2)</sup>	Credit Loan All Inclusive APR <sup>(3)</sup>	Credit Loan Interest Rate <sup>(4)</sup>	Credit Loan Average Gross Billing Ratio <sup>(5)</sup>	Credit Loan Transaction Volume (US\$ 000)	Percentage of Total Credit Loan Transaction Volume
A	23.0%	10%-13%	5.5%	38,627	3.1%
B	26.0%	10%-13%	8.6%	919,353	73.7%
C	28.6%	10%-13%	11.1%	171,835	13.8%
D	33.6%	10%-13%	15.6%	118,218	9.4%
<b>Total</b>			<b>9.5%</b>	<b>1,248,033</b>	<b>100.00%</b>

\* For the fiscal year ended March 31, 2018.

Note:

- (1) Calculated based on RMB loan volume.
- (2) We have developed our proprietary credit scoring and decision-making algorithms to efficiently process and consolidate all the data collected, and generate a credit score and grade for each borrower applicant. All borrowers on Hexindai's platform are graded with a credit score of A (High Creditworthiness) to D (High Risk). Grade B "Good" credit scores account for the largest percentage of Hexindai's loan transaction volumes and are given to borrowers with relatively high creditworthiness and stable income sources.
- (3) "All inclusive APR" refers to the rate that is charged to borrowers, including a nominal interest rate, a loan facilitation or management service fee, channel fee and premium, expressed as a single percentage number that represents the actual annualized cost of borrowing over the term of a loan. These all inclusive APRs represent the average annual percentage rates for each credit grade of borrowers during the specified period.
- (4) The annual nominal interest rate that the borrowers pay to investors varies from 10.0% to 13.0% depending on the duration of the loan.
- (5) The gross billing ratio is calculated as the total loan facilitation fees or loan management fees that we charge borrowers for the entire life of the loan, divided by the total amount of principal. The average transaction fee rate presented in the table above is the average of the transaction fee rates for loans falling under the same pricing grade, but with different tenures and repayment schedules. As the interest rate and APR are both annualized rates while the average gross billing ratio is calculated as described above, the sum of the annual interest rate and the average gross billing ratio is not equal to the APR.
- (6) Fiscal year end is March 31.

# High Investor Loyalty is a Foundation of Our Business Expansion



## Referral Incentive Program

Offer a cash reward to an existing investor upon each successful referral of a new investor, under which the existing investor earns an annualized cash incentive of 1% based on the funds invested by the new investor in the first year.

## VIP Investor Loyalty Program<sup>(1)</sup>

VIP Level	Post Origination Fee% as of interest
VIP 0	10%
VIP 1	4%
VIP 2	3%
VIP 3	2%
VIP 4	1%
VIP 5	0%

Note:

- (1) The investor membership loyalty program is generally based on an investor's accumulated investment amount, investment frequency, as indicators of customer loyalty. It is just like the Airlines membership grades program.  
 (2) Repeat Investment rate refers to the number of new investors who invested for the first time on our marketplace during the relevant loan issued period and have invested more than once on our marketplace since the first time to March 31, 2018, divided by the number of new investors who invested for the first time on our marketplace during the relevant loan issued period. New investors are those who never invested on our platform before a certain loan issued period.

## Continuous Investor Education to Increase Investor Stickness

### • Hexindai Community Forums

A social community and message board system for users to exchange industry information, post news, educate themselves financially, ask questions, and engage in interesting discussions.

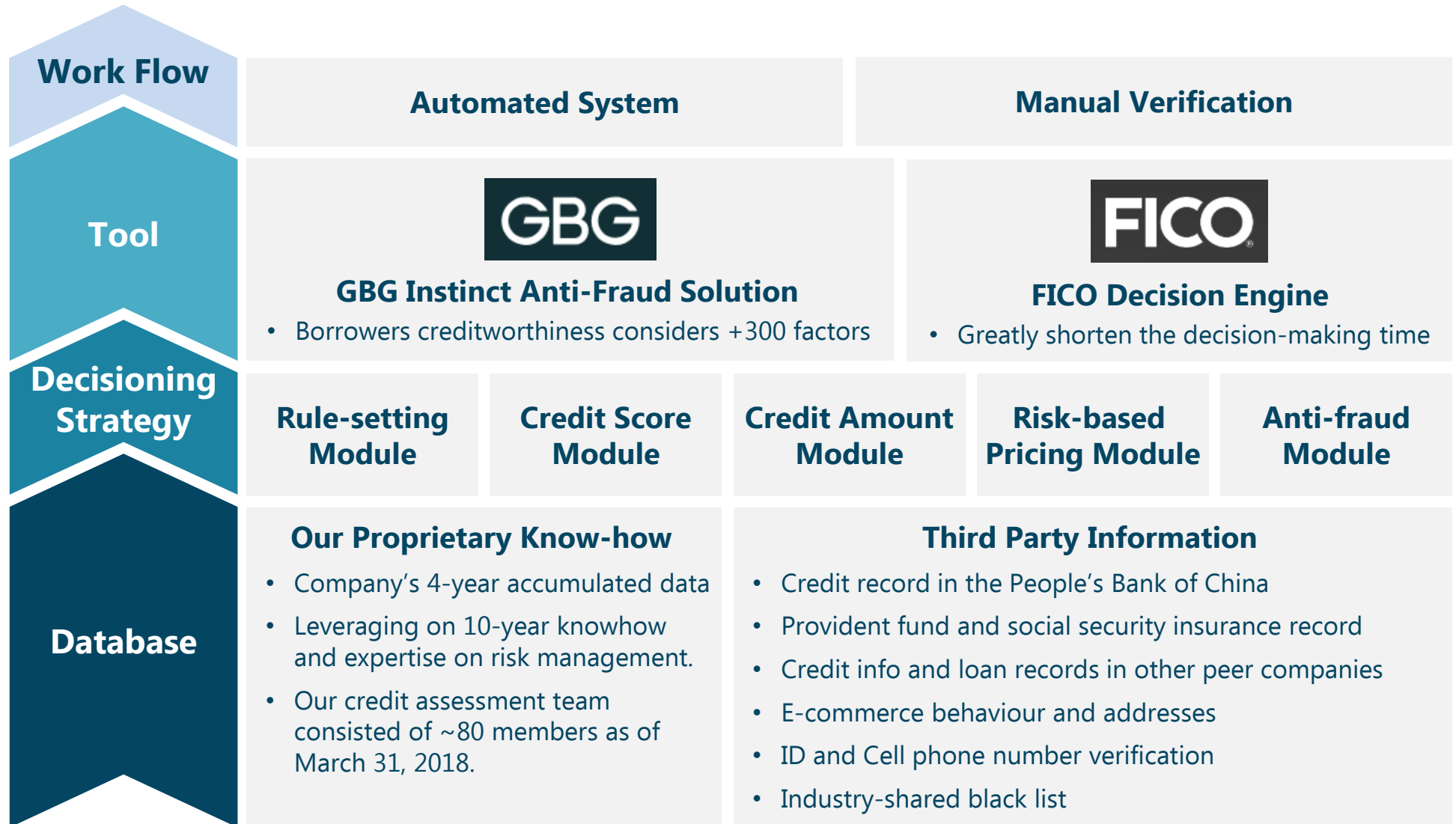
### • Investor Loyalty Rewards Program

A loyalty program that rewards investors with retail coupons for consistently logging in, lending, and referring friends

## Repeat Investment Rate<sup>(2)</sup>

Loan Issued Period	Repeat Rate as of March 31, 2018
Inception to March 31, 2015	82%
FY2016	74%
FY2017	46%
FY2018	51%

# Cutting-edge Risk Management System



**Only 25% of borrower applicants are accepted**



# Strong Loan Performance Due to Solid Risk Management

## M3+ Net Charge Off Rates For Credit Loan

Loan issued period	Total M3+ Net Charge-Off Rate	
	as of December 31, 2017	as of March 31, 2018
Since inception to March 31, 2016	3.09%	<b>3.95%</b>
From April 1, 2016 to March 31, 2017	1.37%	<b>2.58%</b>
From April 1, 2017 to March 31, 2018	0.03%	<b>0.11%</b>

We define “M3+ Net Charge-off Rates”, with respect to loans facilitated during a specified time period or the “vintage”, as

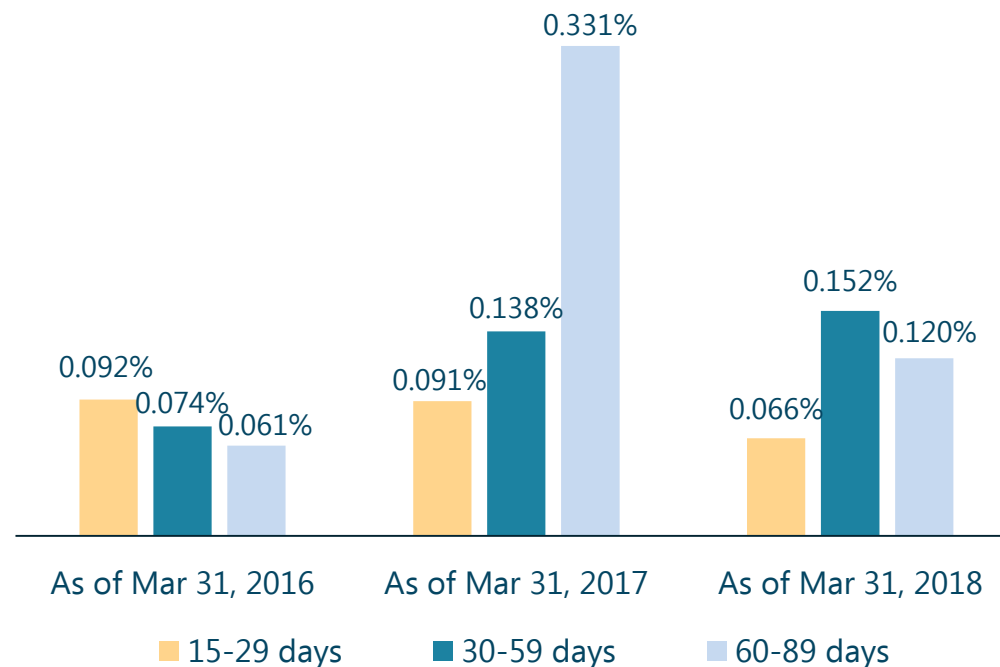
- (i) the total balance of outstanding principal of loans that become delinquent for over three months during a specified period and the remainder of the expected interest for the life of such loans, divided by
- (ii) the total initial principal of the loans facilitated in such vintage.

Note:

(1) M3+ Net Charge Off Rate refers to credit loan, no default for secured loan.

(2) 2.4% are calculated based on 13% nominal annual interest rate.

## Delinquency Rates



We define the delinquency rates as of the end of the period as the outstanding balance of principal and interest that were 15 to 29, 30 to 59, and 60 to 89 calendar days delinquent as a percentage of the total outstanding balance of principal and interest.

Loan default risk premium prepaid to Changan Insurance equals 2% of loan principal plus interest or 2.4%<sup>(2)</sup> of principal for credit loans.

# Compliant with Regulatory Framework

## Key regulation shaping P2P industry

### **Interim Measures for the Administration of the Business Activities of Online Lending Information Intermediary Institutions (August 2016)**

- Act as information intermediary only ✓
- No credit enhancement services and/or illegal fund raising ✓
- Custodian accounts for borrowers and investors ✓
- Capped amount limited to 200,000 RMB for personal loans and 1 million RMB for Corporate ✓
- Full information disclosure to customers ✓
- No bundle sales ✓
- Protect customers' personal information ✓
- Establish a customer identification program and report suspicious transactions ✓

## Our advantages

- Management strategic foresight to position the business within regulator-supported field
- Proactive communication with authorities
  - Founding Member of Beijing Internet Finance Industry Association, who helps monitor P2P companies and collect feedback to facilitate regulatory decision-making for Beijing Financial Bureau
  - Dagang Guo, our independent director, currently serves as the Secretary General of Beijing Internet Finance Industry Association

# Seasoned Management Team with Extensive Banking and Technology Experience



**Mr. Xiaobo An**  
Founder and Chairman

- Founded and has held the position of our chairman since the inception of our business
- Founder of Beijing Zhongdashixing Business Co., Ltd, Hexin Information Services Co., Ltd. and Hexin Financial Information Services (Beijing) Co., Ltd.
- Huaxia Bank
- Hebei University

**Mr. Xinming Zhou**  
Chief Executive Officer

- Joined the Company in 2014 and served as CEO since 2016
- CEO of Beijing Triangle Technology
- Senior Product Manager of JD.com (NASDAQ: JD)
- Product Director of Ninetowns
- Bachelor's Degree in English from Beijing University of Technology

**Mr. Johnson Zhang**  
Chief Financial Officer

- Joined the Company in 2016 and served as CFO since 2017
- Board Secretary and Investor Relations Director of China Ming Yang Wind Power Group Limited (NYSE: MY)
- Director of FunTalk China Holdings Ltd. (NASDAQ: FTLK)
- H&D Investment Consulting.
- International Data Corporation.
- University of International Business and Economics

**Ms. Dongling Wang**  
Chief Risk Officer

- Joined the Company in 2015 and served as CRO since 2016
- Approval Manager of Pinganpuhui Finance, a subsidiary of Ping An focused on consumer finance
- Heilongjiang School of Economic Management

**Ms. Lili Hua**  
Chief Operations Officer

- Joined the Company and served as COO since 2017
- Operations Manager of Souyidai (Beijing) Information Technology Consulting Company Limited
- Apps Operations Manager of VIP Shop (NYSE: VIPS)
- Operations Manager of Qihoo 360 Technology Co., Ltd.
- Beijing Fashion Academy

**Mr. Zecheng Wang**  
Chief Marketing Officer

- Joined the Company and served as CMO since 2018
- Vice President and General Manager of the Marketing Department of Yi Cheng Yi Jia Internet Technology Company Limited, a wholly-owned subsidiary of ENN Group (HKSE: 2688)
- Founder and CEO of Beijing Shuangci Information Technology Company Limited.
- Tmall, a core subsidiary of Alibaba Group (NYSE: BABA), JD.com, Inc. (NASDAQ: JD), China Mengniu Dairy Company Limited (SEHK: 2319), and Red Bull Vitamin Drink Co., Ltd.
- Master of Business Administration degree from Peking University
- Bachelor's degree in public administration from Wuhan University.

# Strong Corporate Governance is Part of Our Corporate Culture

## Independent Directors



**Stephen Markscheid**, Mr. Markscheid is a partner at DealGlobe, a Shanghai based boutique investment bank. He currently serves as an independent director of ZZ Capital International (HK GEM: 08295), Ener-Core (OTCQB: ENCR), Fanhua Inc., formerly known as “CNinsure Inc.” (NASDAQ: FANH), and Jinko Solar Inc. (NYSE: JKS). Mr. Markscheid had previously worked in **General Electric Capital**, the Boston Consulting Group, **Chase Manhattan Bank** and **First National Bank of Chicago** and has years of professional experience in the financial services industry. He obtained a BA degree from Princeton University, a master’s degree in international affairs from Johns Hopkins University and an MBA degree from Columbia University.



**Dagang Guo** currently serves as the Secretary General of **Beijing Internet Finance Industry Association**. Mr. Guo served as Investment Director in Beyond Fund and Member of Investment Committee in Guotai Venture Capital Co. Ltd.. Prior to that Mr. Guo served as the General Manager of Business Development in ECS Technology China Ltd. and Product Director of Digital China (SZ: 000034). Mr. Guo obtained his bachelor’s degree in Taiyuan University of Technology, and his master’s degree in FMBA from Cheung Kong Graduate School of Business.



**David Wei Tang**, prior to joining our Company, Mr. Tang served as President of Huakang Financial Holdings, a Chinese multi-disciplinary financial holdings group. Prior to that, Mr. Tang served as Vice President, Chief Financial Officer, Chief Strategy Officer of Nasdaq listed Vimicro Corporation (NASDAQ: VIMC) and the Chief Financial Officer of Fanhua Inc., formerly known as “CNinsure Inc.” (NASDAQ: FANH), Chief Financial Officer of both IRICO Group (HK: 438) and Chinasoft International (HK Main Board: 354). Mr. Tang also previously worked in Merrill Lynch & Co. in New York. Mr. Tang received an MBA degree from the Stern School of Business, New York University.

## Committee Composition

	Nominating and Corporate Governance Committee	Audit Committee	Compensation Committee
Stephen Markscheid			
Dagang Guo			
David Wei Tang			

Chairman      Member

## Corporate Governance

- Nominating and Corporate Governance Committee Charter
- Audit Committee Charter
- Compensation Committee Charter
- Code of Business Conduct and Ethics
- Corporate Governance Guidelines
- Policy on Disclosure Controls and Procedures
- Anti-Money Laundering Policy
- Whistleblower Policy
- Insider Trading Policy

# Hexindai - An Attractive Investment

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- 1. Great position in a fast-growing industry**
- 2. Efficient business model with industry-leading advantages**
- 3. Proven online and offline user acquisition capabilities**
- 4. Cutting-edge risk management systems**
- 5. Strong management team and corporate governance**
- 6. High earnings growth and cash flow generation**





# **Operating and Financial Highlights**

# A Strong Performance in FY2018

**US\$1.3 billion**  
**+151%<sup>(1)</sup> YoY**  
**Volume Facilitated<sup>(2)</sup>**

**US\$107 million**  
**+368% YoY**  
**Net Revenue**

**9.4%**  
**Gross Billing Ratio<sup>(3)</sup>**

<b>US\$66 million</b> <b>+664% YoY</b> <b>Net Income</b>	<b>61%</b> <b>Net Margin</b>
--	---------------------------------

**US\$133 million**  
**+590% vs. 31 March 2017**  
**Cash Position**

**US\$2.8/share**  
**+517% vs. 31 March 2017**  
**Net Cash per Share**

Notes:

(1) Growth rates are calculated by RMB amount, therefore the impact from exchange rate in different reporting periods is excluded.

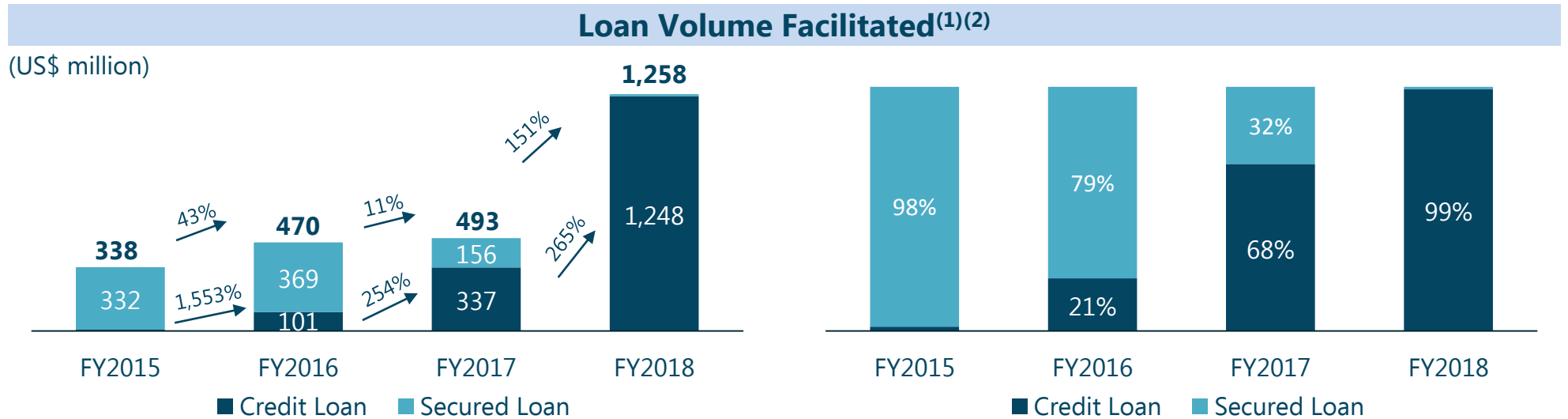
(2) Loan volume is defined as the total principal amount of loans facilitated on our marketplace during the relevant period

(3) The gross billing ratio is calculated as the total loan facilitation fees or loan management fees that we charge borrowers for the entire life of the loan (net of VAT), divided by the total amount of principal.

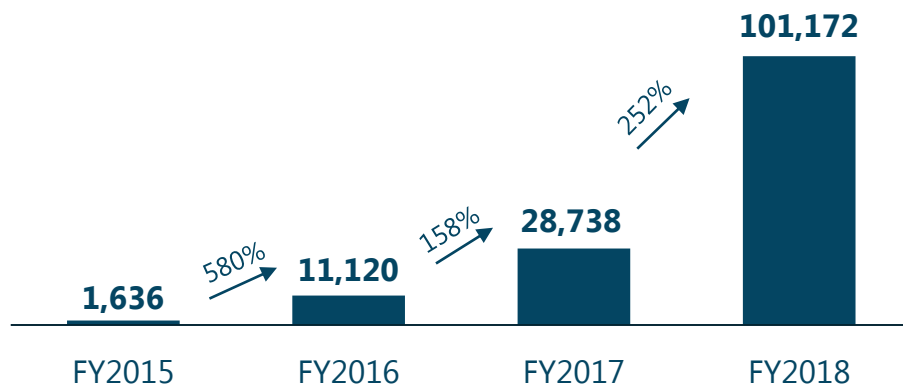
(4) Fiscal year end is March 31.



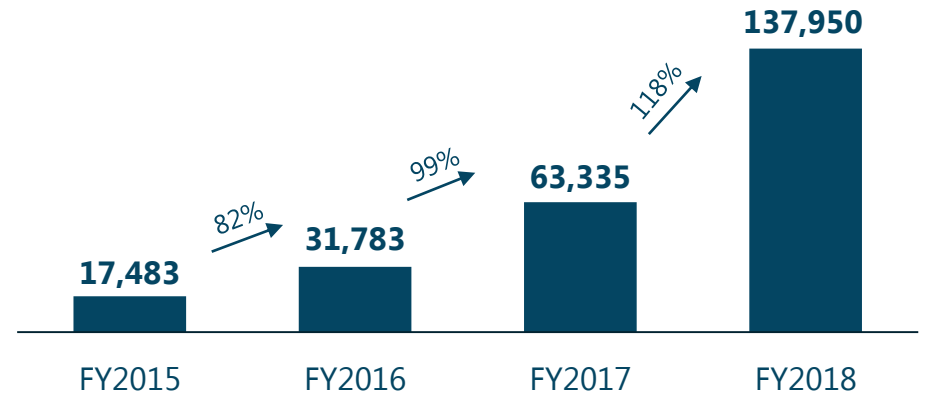
# Strong Growth in Loan Facilitation



## Number of Borrowers



## Number of Investors

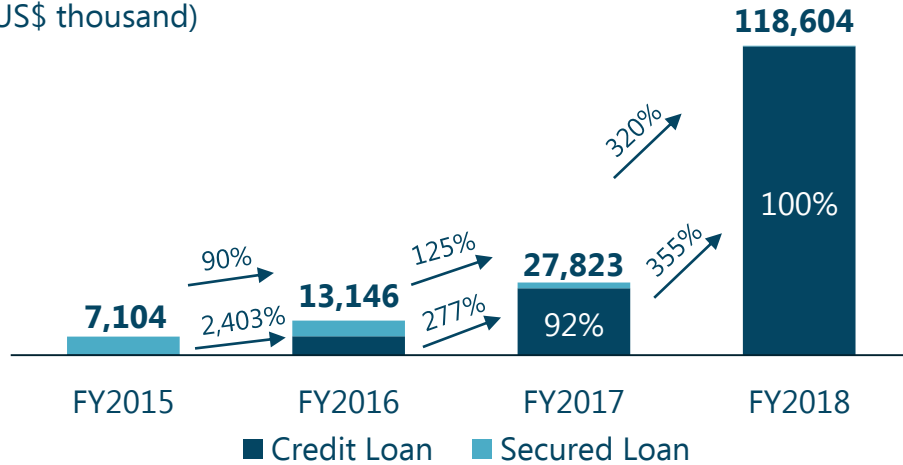


- Notes:
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  - (2) Growth rates are calculated by RMB amount, therefore the impact from exchange rate in different reporting periods is excluded.
  - (3) Fiscal year end is March 31.

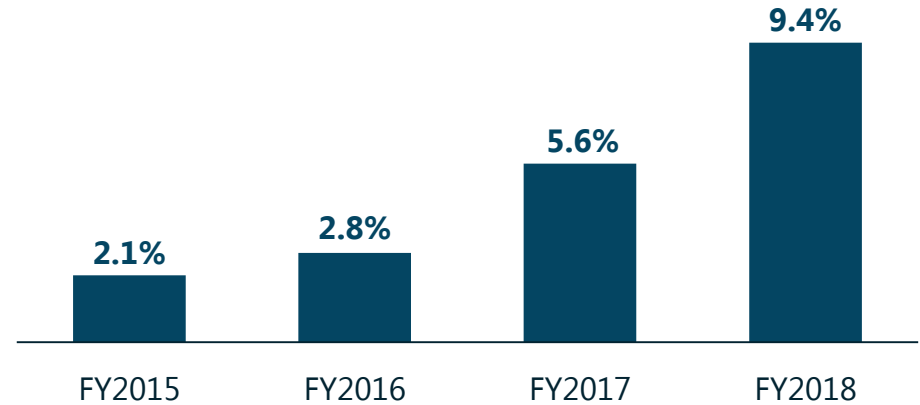
# Key Drivers for Revenue Growth

## Gross Billing Amount (net of VAT)<sup>(1)(2)</sup>

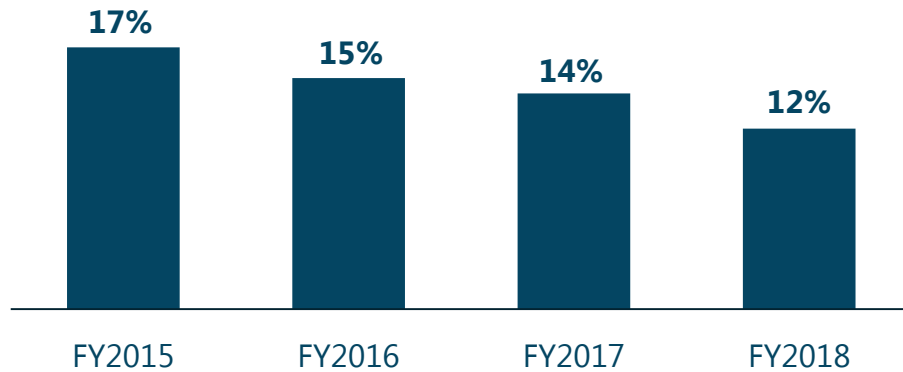
(US\$ thousand)



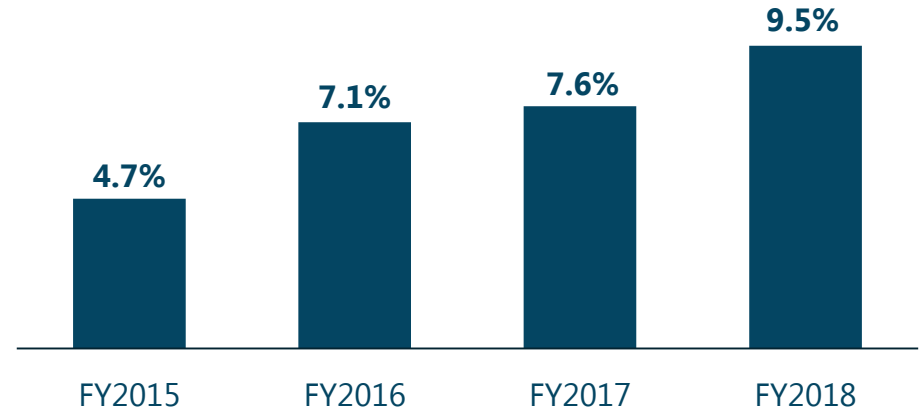
## Gross Billing Ratio (net of VAT)



## Annual Average Investment Yield



## Gross Billing Ratio of Credit Loans (net of VAT)

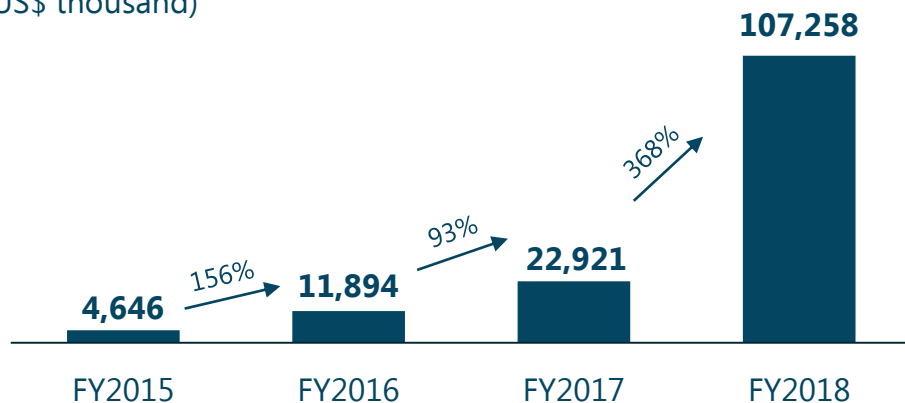


Notes:  
 (1) Growth rates are calculated by RMB amount, therefore the impact from exchange rate in different reporting periods is excluded.  
 (2) Gross billings is total loan facilitation fees and loan management fees billed to borrowers before cash incentives, net of VAT.  
 (3) Fiscal year end is March 31.

# Robust Financial Performance

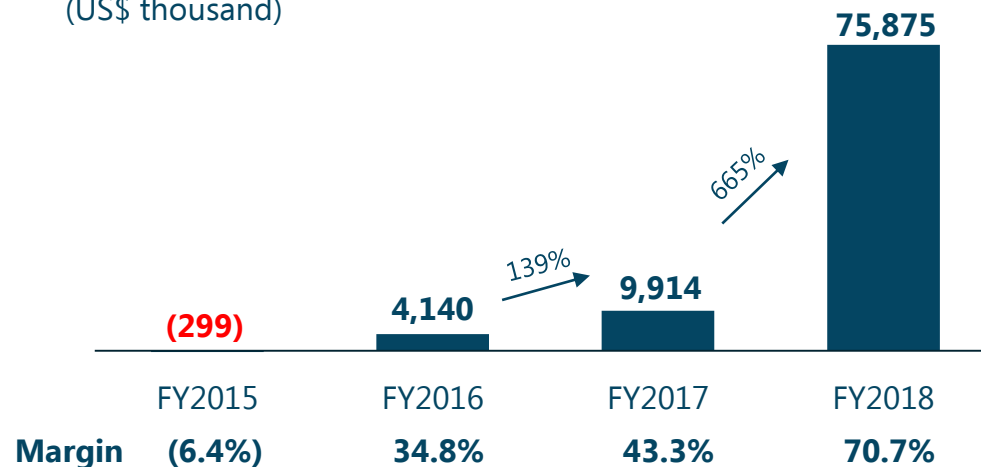
## Net Revenue

(US\$ thousand)



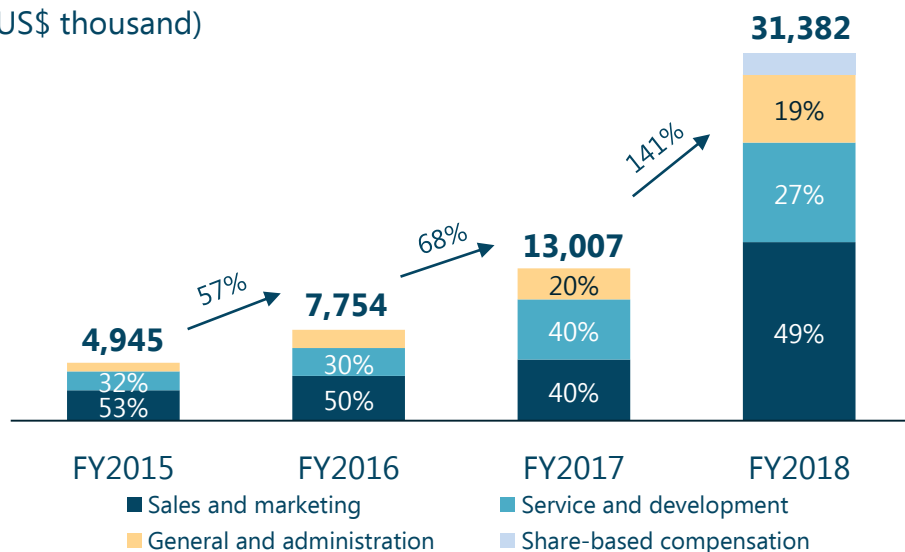
## Operating Profit (Loss)

(US\$ thousand)



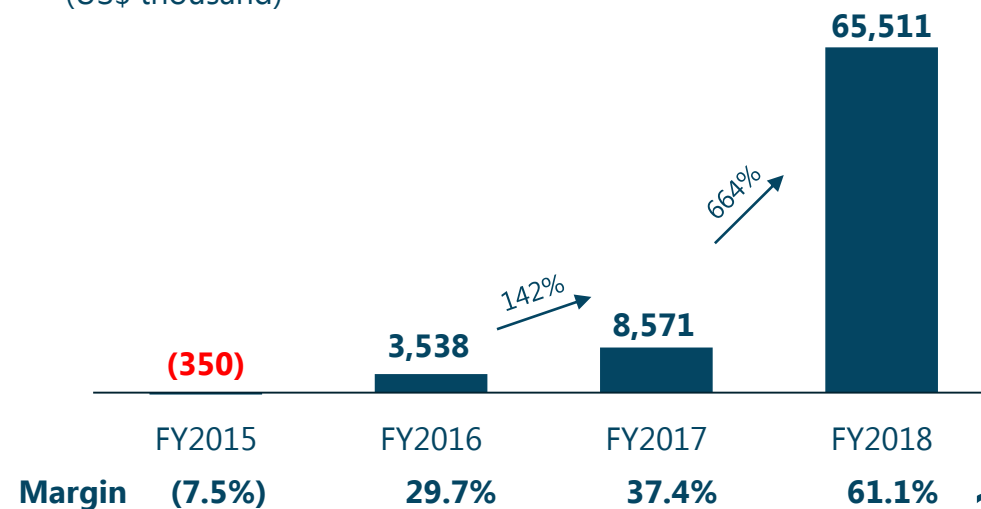
## Operating Expenses

(US\$ thousand)



## Net Income (Loss)

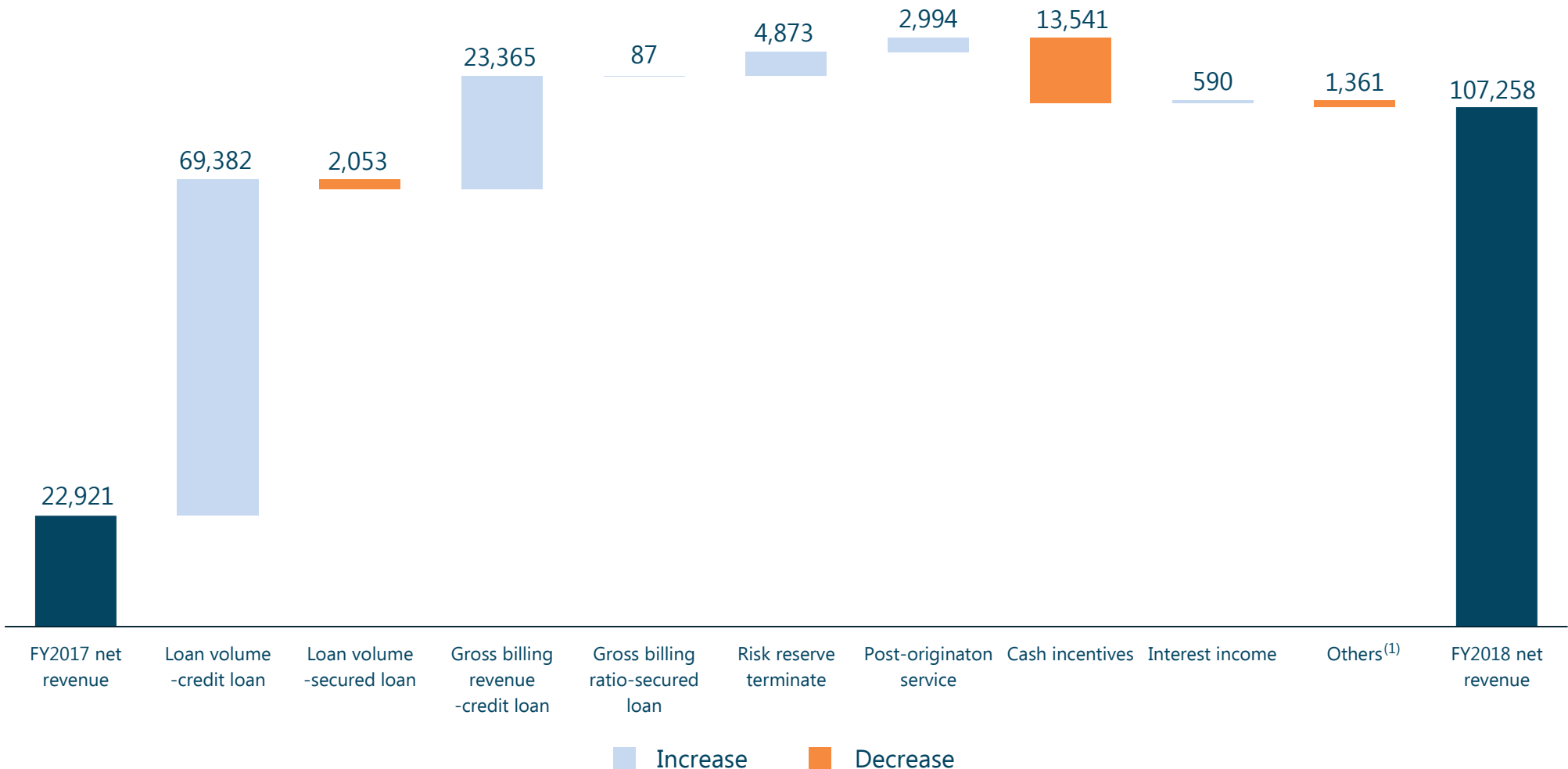
(US\$ thousand)



Note: Fiscal year end is March 31.

# Revenue Growth Analysis

(US\$ thousands)



**Notes:**

(1) "Others" include business and sales related tax, other expenses and a reconciliation between the analytic model and the final revenue numbers.

(2) Fiscal year end is March 31.

(3) Numbers may not add up due to rounding.



# **Appendix**

# Condensed Consolidated Balance Sheets

## Hexindai Inc.

### Condensed Consolidated Balance Sheets

(in US\$ thousands, except for share, per share and per ADS data, and percentages)

	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017	March 31, 2018	March 31, 2018 compared to December 31, 2017
	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
Cash	19,232	32,548	54,327	139,293	132,622	-4.8%
Prepayments and other assets	4,139	2,830	6,416	4,490	1,249	-72.2%
Amounts due from related parties	4,183	3,698	-	-	-	N/A
Loans receivable	-	-	-	-	28,696	N/A
<b>Total current assets</b>	<b>27,554</b>	<b>39,076</b>	<b>60,743</b>	<b>143,783</b>	<b>163,123</b>	<b>13.5%</b>
Property, equipment and software at cost, net	428	459	513	620	767	23.7%
Deferred tax assets	400	421	429	439	-	-100.0%
<b>Total assets</b>	<b>28,382</b>	<b>39,956</b>	<b>61,685</b>	<b>144,842</b>	<b>163,890</b>	<b>13.2%</b>
Accrued expenses and other current liabilities	789	778	1,425	4,059	3,787	-6.7%
Taxes payable	4,089	6,345	9,640	17,289	20,060	16.0%
<b>Total liabilities</b>	<b>4,878</b>	<b>7,123</b>	<b>11,065</b>	<b>21,348</b>	<b>23,847</b>	<b>11.7%</b>
<b>Total shareholders' equity</b>	<b>23,504</b>	<b>32,833</b>	<b>46,113</b>	<b>118,854</b>	<b>140,043</b>	<b>17.8%</b>
Non-controlling interest	-	-	4,507	4,640	-	-100.0%
<b>Total equity</b>	<b>23,504</b>	<b>32,833</b>	<b>50,620</b>	<b>123,494</b>	<b>140,043</b>	<b>13.4%</b>
<b>Total liabilities and shareholders' equity</b>	<b>28,382</b>	<b>39,956</b>	<b>61,685</b>	<b>144,842</b>	<b>163,890</b>	<b>13.2%</b>

# Condensed Consolidated Balance Sheets (Cont'd)

## Hexindai Inc.

### Condensed Consolidated Balance Sheets

(in US\$ thousands, except for share, per share and per ADS data, and percentages)

	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018	March 31, 2018 compared to March 31, 2017
	(Audited)	(Audited)	(Audited)	(Unaudited)	
Cash	955	7,819	19,232	132,622	589.6%
Prepayments and other assets	893	1,802	4,139	1,249	-69.8%
Amounts due from related parties	-	-	4,183	-	-100.0%
Loans receivable	-	-	-	28,696	N/A
<b>Total current assets</b>	<b>1,848</b>	<b>9,620</b>	<b>27,554</b>	<b>163,123</b>	<b>492.0%</b>
Amounts due from related parties	5,123	11,951	-	-	N/A
Property, equipment and software at cost, net	205	253	428	767	79.3%
Deferred tax assets	220	568	400	-	-100.0%
<b>Total assets</b>	<b>7,396</b>	<b>22,393</b>	<b>28,382</b>	<b>163,890</b>	<b>477.4%</b>
Accrued expenses and other current liabilities	2,486	3,515	789	3,787	379.9%
Risk reserve liability	928	2,717	-	-	N/A
Taxes payable	627	2,101	4,089	20,060	390.6%
Amounts due to related party	-	48	-	-	N/A
<b>Total liabilities</b>	<b>4,041</b>	<b>8,381</b>	<b>4,878</b>	<b>23,847</b>	<b>388.9%</b>
<b>Total shareholders' equity</b>	<b>3,355</b>	<b>14,012</b>	<b>23,504</b>	<b>140,043</b>	<b>495.8%</b>
<b>Total liabilities and shareholders' equity</b>	<b>7,396</b>	<b>22,393</b>	<b>28,382</b>	<b>163,890</b>	<b>477.4%</b>



# Condensed Consolidated Statements of Income and Comprehensive Income

## Hexindai Inc.

### Condensed Consolidated Statements of Income and Comprehensive Income (in US\$ thousands, except for share, per share and per ADS data, and percentages) For Three Months Ended

	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017	March 31, 2018	March 31, 2018 compare to March 31, 2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
<b>Net revenue</b>						
Loan facilitation, post-origination and other service, net	7,530	15,131	21,374	43,652	27,992	271.7%
Business and sales related taxes	(82)	(18)	(155)	(340)	(378)	363.0%
<b>Total net revenue</b>	<b>7,448</b>	<b>15,113</b>	<b>21,219</b>	<b>43,312</b>	<b>27,614</b>	<b>270.7%</b>
<b>Operating expenses</b>						
Sales and marketing	1,946	2,569	3,692	5,485	3,497	79.7%
Service and development	1,276	1,335	1,901	3,205	2,055	61.0%
General and administrative	660	894	950	2,998	1,697	157.3%
Share-based compensation	-	-	-	-	1,105	N/A
<b>Total operating expenses</b>	<b>3,882</b>	<b>4,798</b>	<b>6,543</b>	<b>11,688</b>	<b>8,354</b>	<b>115.2%</b>
<b>Income from operations</b>	<b>3,566</b>	<b>10,315</b>	<b>14,676</b>	<b>31,624</b>	<b>19,260</b>	<b>440.0%</b>
Other income	19	160	99	255	179	815.3%
Other expense	(3)	(4)	(2)	(15)	(2)	-32.9%
<b>Total other income (expense), net</b>	<b>16</b>	<b>156</b>	<b>97</b>	<b>240</b>	<b>167</b>	<b>996.8%</b>
<b>Income before income taxes</b>	<b>3,582</b>	<b>10,471</b>	<b>14,773</b>	<b>31,864</b>	<b>19,427</b>	<b>442.4%</b>
Provision (benefit) for income taxes	(647)	1,576	2,109	4,958	2,382	-468.0%
<b>Net income (loss)</b>	<b>4,229</b>	<b>8,895</b>	<b>12,664</b>	<b>26,906</b>	<b>17,045</b>	<b>303.0%</b>
Less: net loss attributable to non-controlling interest	-	-	(2)	31	-	N/A
<b>Net income attributable to Hexindai</b>	<b>4,229</b>	<b>8,895</b>	<b>12,666</b>	<b>26,875</b>	<b>17,045</b>	<b>303.0%</b>
<b>Other comprehensive income (loss)</b>						
Foreign currency translation adjustment	76	433	614	1,560	3,420	4416.5%
<b>Comprehensive income</b>	<b>4,305</b>	<b>9,328</b>	<b>13,280</b>	<b>28,466</b>	<b>20,465</b>	<b>375.4%</b>
Less: comprehensive loss attributable to non-controlling interest	-	-	(0.42)	133	-	N/A
<b>Comprehensive income attributable to Hexindai</b>	<b>4,305</b>	<b>9,328</b>	<b>13,280</b>	<b>28,333</b>	<b>20,465</b>	<b>375.4%</b>
Earnings per common share-basic	0.10	0.21	0.30	0.58	0.36	260.0%
Earnings per common share-diluted	0.10	0.21	0.30	0.52	0.32	220.0%
Weighted average number of shares outstanding-basic	42,921,600	42,921,600	42,921,600	46,131,964	47,958,550	
Weighted average number of shares outstanding-diluted	42,921,600	42,921,600	42,921,600	51,534,829	53,269,615	

# Condensed Consolidated Statements of Income and Comprehensive Income (Cont'd)

## Hexindai Inc.

### Condensed Consolidated Statements of Income and Comprehensive Income (in US\$ thousands, except for share, per share and per ADS data, and percentages)

For The Fiscal Years Ended March 31,

	2015	2016	2017	2018	2018 compare to 2017
	(Audited)	(Audited)	(Audited)	(Unaudited)	
<b>Net revenue</b>					
Loan facilitation, post-origination and other service, net	4,648	11,918	23,092	108,148	368.3%
Business and sales related taxes	(2)	(24)	(172)	(890)	418.1%
<b>Total net revenue</b>	<b>4,646</b>	<b>11,894</b>	<b>22,920</b>	<b>107,258</b>	<b>368.0%</b>
<b>Operating expenses</b>					
Sales and marketing	2,605	3,840	5,212	15,242	192.4%
Service and development	1,606	2,359	5,149	8,496	65.0%
General and administrative	734	1,555	2,646	5,816	119.8%
Share-based compensation	-	-	-	1,829	N/A
<b>Total operating expenses</b>	<b>4,945</b>	<b>7,754</b>	<b>13,007</b>	<b>31,383</b>	<b>141.3%</b>
<b>Income from operations</b>	<b>(299)</b>	<b>4,140</b>	<b>9,913</b>	<b>75,875</b>	<b>665.4%</b>
Other income	5	38	199	683	244.1%
Other expense	(13)	(11)	(19)	(22)	17.9%
<b>Total other income (expense), net</b>	<b>(8)</b>	<b>26</b>	<b>180</b>	<b>661</b>	<b>268.1%</b>
<b>Income before income taxes</b>	<b>(306)</b>	<b>4,167</b>	<b>10,093</b>	<b>76,536</b>	<b>658.3%</b>
Provision for income taxes	44	628	1,522	11,026	624.3%
<b>Net income (loss)</b>	<b>(350)</b>	<b>3,538</b>	<b>8,571</b>	<b>65,510</b>	<b>664.3%</b>
Less: net loss attributable to non-controlling interest	-	-	-	29	N/A
<b>Other comprehensive income (loss)</b>					
Foreign currency translation adjustment	17	(482)	(1,080)	6,029	-658.1%
<b>Comprehensive income</b>	<b>(333)</b>	<b>3,056</b>	<b>7,491</b>	<b>71,539</b>	<b>855.0%</b>
Less: comprehensive income attributable to non-controlling interest	-	-	-	133	N/A
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO HEXINDAI</b>	<b>(333)</b>	<b>3,056</b>	<b>7,491</b>	<b>71,406</b>	<b>853.2%</b>
Earnings per common share-basic	(0.01)	0.08	0.20	1.46	630.0%
Earnings per common share-diluted	(0.01)	0.08	0.20	1.37	585.0%
Weighted average number of shares outstanding-basic	42,080,000	42,080,000	42,331,200	44,977,780	
Weighted average number of shares outstanding-diluted	42,080,000	42,080,000	42,331,200	47,656,263	

# Key Operating Data

	For Three Months Ended March 31,				For the Fiscal Years Ended March 31,				Growth Rates <sup>(5)</sup>	
	2017		2018		2017		2018			
	(RMB)	(US\$)	(RMB)	(US\$)	(RMB)	(US\$)	(RMB)	(US\$)	Three months ended March 31, 2018 compared to March 31, 2017	For the fiscal year ended March 31, 2018 compared to March 31, 2017
	(in thousands, except percentages and numbers)				(in thousands, except percentages and numbers)					
<b>Loan volume facilitated<sup>(1)</sup></b>										
Credit loan principal	732,190	106,341	2,658,495	418,427	2,264,421	336,727	8,268,844	1,248,033	263.1%	265.2%
Secured loan principal	57,471	8,347	-	-	1,053,095	156,599	63,220	9,542	-100.0%	-94.0%
<b>Total</b>	<b>789,661</b>	<b>114,688</b>	<b>2,658,495</b>	<b>418,427</b>	<b>3,317,516</b>	<b>493,326</b>	<b>8,332,064</b>	<b>1,257,575</b>	<b>236.7%</b>	<b>151.2%</b>
<b>Number of transactions facilitated<sup>(2)</sup></b>										
Credit loan transactions	8,650	8,650	33,396	33,396	28,374	28,374	101,361	101,361		
Secured loan transactions	38	38	-	-	1,254	1,254	49	49		
<b>Total</b>	<b>8,688</b>	<b>8,688</b>	<b>33,396</b>	<b>33,396</b>	<b>29,628</b>	<b>29,628</b>	<b>101,410</b>	<b>101,410</b>		
<b>Average individual transaction amount</b>										
Credit loan transactions	85	12	80	13	80	12	82	12		
Secured loan transactions	1,512	220	-	-	840	125	1,290	195		
<b>Overall average</b>	<b>91</b>	<b>13</b>	<b>80</b>	<b>13</b>	<b>112</b>	<b>17</b>	<b>82</b>	<b>12</b>		
<b>Gross billing amount (net of VAT)</b>										
Credit loan	59,213	8,600	202,246	31,832	172,401	25,637	784,355	118,384	241.6%	355.0%
Secured loan	1,864	271	-	-	14,700	2,186	1,458	220	-100.0%	-90.1%
<b>Total</b>	<b>61,077</b>	<b>8,871</b>	<b>202,246</b>	<b>31,832</b>	<b>187,101</b>	<b>27,823</b>	<b>785,813</b>	<b>118,604</b>	<b>231.1%</b>	<b>320.0%</b>
<b>Gross billing ratio (net of VAT)</b>										
Credit loan	8.1%	8.1%	7.6%	7.6%	7.6%	7.6%	9.5%	9.5%		
Secured loan	3.2%	3.2%	-	-	1.4%	1.4%	2.3%	2.3%		
<b>Total</b>	<b>7.7%</b>	<b>7.7%</b>	<b>7.6%</b>	<b>7.6%</b>	<b>5.6%</b>	<b>5.6%</b>	<b>9.4%</b>	<b>9.4%</b>		
<b>Number of borrowers</b>										
Credit loan transactions	8,650	8,650	33,322	33,322	28,374	28,374	101,137	101,137		
Secured loan transactions	1	1	-	-	364	364	35	35		
<b>Total</b>	<b>8,651</b>	<b>8,651</b>	<b>33,322</b>	<b>33,322</b>	<b>28,738</b>	<b>28,738</b>	<b>101,172</b>	<b>101,172</b>	<b>285.2%</b>	<b>252.0%</b>
<b>Number of investors</b>										
Credit loan transactions <sup>(3)</sup>	18,505	18,505	52,231	52,231	25,679	25,679	117,016	117,016		
Secured loan transactions <sup>(4)</sup>	178	178	-	-	13,795	13,795	76	76		
Credit and secured loan transactions	11,853	11,853	9,808	9,808	23,861	23,861	20,858	20,858		
<b>Total</b>	<b>30,536</b>	<b>30,536</b>	<b>62,039</b>	<b>62,039</b>	<b>63,335</b>	<b>63,335</b>	<b>137,950</b>	<b>137,950</b>	<b>103.2%</b>	<b>117.8%</b>

Note:

(1) Loan volume is defined as the total principal amount of loans facilitated on our marketplace during the relevant period.  
(2) Number of loan transactions facilitated is defined as the total number of loans facilitated on our marketplace during the relevant period.

(3) Refers to investors who exclusively invested in credit loan transactions during the relevant period.

(4) Refers to investors who exclusively invested in secured loan transactions during the relevant period.

(5) Growth rates are calculated by RMB amount, therefore the impact from exchange rate in different reporting periods is excluded.

# Thank you!

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