

嘉银金科招股书（本文档系@财报牛牛（公众号：caibaoniao）通过第三方翻译软件从英文招股书翻译成中文的版本，仅供参考。）

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As filed with the Securities and Exchange Commission on December 19, 2018  
2018年12月19日提交给美国证券交易委员会

Registration No. 333-  
车辆登记号码333-

UNITED STATES  
美国  
SECURITIES AND EXCHANGE COMMISSION  
美国证券交易委员会  
WASHINGTON, D.C. 20549  
华盛顿特区20549

FORM F-1  
表格 F-1  
REGISTRATION STATEMENT  
登记声明  
UNDER  
下  
THE SECURITIES ACT OF 1933  
1933年证券法

JIAYIN GROUP INC.  
嘉银集团股份有限公司。  
(Exact name of Registrant as specified in its charter)  
(登记人的确实名称在其章程中指定)

Not Applicable  
不适用  
(Translation of Registrant's name into English)  
(将登记人的姓名翻译成英文)

Cayman Islands 开曼群岛  
(State or other jurisdiction of  
(国家或其他司法管辖权  
incorporation or organization)  
公司或组织)

6199  
(Primary Standard Industrial  
(基本标准工业  
Classification Code Number)  
分类编号)

Not Applicable 不适用  
(I.R.S. Employer  
(国税局雇主  
Identification Number)  
识别号)

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+ 8621-6082-8732  
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)  
(登记公司主要行政办公室的地址，包括邮政编码和电话号码，包括区号)

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**Approximate date of commencement of proposed sale to the public:** as soon as practicable after the effective date of this registration statement.

建议向公众出售的大致开始日期: 在本注册声明生效日期后尽快。

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

如果在此表格上注册的任何证券将根据《证券交易1933年证券法规则》第415条以延迟或连续方式发售, 请选中以下方框。 人名

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

如果根据《证券法》第462条(b)款的规定, 本表格被提交登记额外证券用于发行, 请勾选以下方框, 并列出一发行的先前有效登记声明的《证券法》登记声明号码。 人名

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

如果此表格是根据《证券法》第462(c)条规则提交的有效后修正, 请选中以下方框, 并列出一发行的有效前注册声明的《证券法》注册声明号。 人名

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

如果此表格是根据《证券法》第462(d)条规则提交的有效后修正, 请选中以下方框, 并列出一发行的有效前注册声明的《证券法》注册声明号。 人名

Indicate by check mark whether the registration is an emerging growth company as defined in Rule 405 of the Securities Act of 1933. Emerging growth company

用勾号表明注册公司是否是美国1933年证券法协会规则405中定义的新兴成长型公司。 新兴成长型公司 something

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards<sup>†</sup> provided pursuant to Section 7(a)(2)(B) of the Securities Act.

如果一家新兴成长型公司按照美国公认会计原则编制财务报表, 如果注册人选择不使用延长的过渡期来遵守根据《证券法》第7(a)(2)(b)条规定的任何新的或修订的财务会计准则, 则用核对号注明。 Something

<sup>†</sup> The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

+ "新的或经修订的财务会计准则"是指财务会计准则委员会在二零一二年四月五日后向其会计准则编纂委员会发出的任何更新。

#### CALCULATION OF REGISTRATION FEE

##### 注册费的计算

Title of each class of 每一类别的名称 securities to be registered 要注册的有价证券	Proposed 建议 maximum 最大 aggregate 集合 offering price(2)(3) 发行价(2)(3)	Amount of 金额 registration fee 登记费
Class A ordinary shares, par value US\$0.000000005 per share(1) A 类普通股, 面值每股0.000000005美元(1)	US\$57,500,000 五千七百五十万美元	US\$6,969 6,969美元

(1) American depositary shares issuable upon deposit of the Class A ordinary shares registered hereby will be registered under a separate registration statement on Form F-6 (Registration No. 333- ) Each American depositary share represents Class A ordinary shares.  
在存放特此登记的 a 类普通股时可发行的美国存托股票, 将以单独的登记声明(登记号码: 333-)在表格 F-6 上登记。 每股美国存托股票代表 a 类普通股。

(2) Estimated solely for the purpose of determining the amount of registration fee in accordance with Rule 457(o) under the Securities Act of 1933.  
仅用于根据《1933年证券法规则》第457(o)条确定注册费用数额的估计。

(3) Includes Class A ordinary shares initially offered and sold outside the United States that may be resold from time to time in the United States either as part of their distribution or within 40 days after the later of the effective date of this registration statement and the date the Class A ordinary shares are first bona fide offered to the public, and also includes Class A ordinary shares that may be purchased by the underwriters pursuant to an over-allotment option. These Class A ordinary shares are not being registered for the purpose of sales outside the United States.  
A 类普通股包括最初在美国境外发售并可不时在美国转售的 a 类普通股, 不论是作为其分配的一部分, 还是在本登记声明生效日期的后40天内, 以及 a 类普通股首次善意向公众发售的日期后的40天内, a 类普通股也包括承销商可根据超额配售选择权购买的 a 类普通股。 这些 a 类普通股不是为在美国境外销售而注册的。

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to such Section 8(a), may determine.

登记人特此修改本登记声明, 修改日期或可能必要的日期, 以推迟其生效日期, 直至登记人提交进一步修正案, 具体规定本登记声明此后应根据经修改的《登记1933年证券法》第8(a)条生效, 或直至根据第8(a)条行事的证券交易委员会可能确定的生效日期生效。

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The information in this preliminary prospectus is not complete and may be changed. We may not sell the securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and we are not soliciting any offer to buy these securities in any jurisdiction where such offer or sale is not permitted.

本招股说明书内容不完整，可以变更。在向美国证券交易委员会提交的注册声明生效之前，我们不得出售证券。这份初步招股说明书不是出售这些证券的要约，我们也不会以任何不允许这种要约或出售的管辖区招募任何购买这些证券的要约。

Subject to Completion, Dated \_\_\_\_\_, 2018  
有待完成，日期2018年

American Depositary Shares

美国存托股票



Jiayin Group Inc.

嘉荫集团股份有限公司。

Representing Class A Ordinary Shares

代表 a 类普通股

This is the initial public offering of American depositary shares, or ADSs, by Jiayin Group Inc. We are offering \_\_\_\_\_ ADSs. Each ADS represents \_\_\_\_\_ Class A ordinary shares, par value US\$0.000000005 per share.

这是嘉荫集团首次公开发行美国存托股票(ads)。我们提供存款保险。每股 ADS 代表 a 类普通股，面值为每股0.000000005美元。

Prior to this offering, there has been no public market for the ADSs or our Class A ordinary shares. We anticipate the initial public offering price will be between US\$ \_\_\_\_\_ and US\$ \_\_\_\_\_ per ADS. We have applied to list the ADSs on the Nasdaq Global Select Market under the symbol "JFIN."

在此次发行之之前，我们的存托凭证或 a 类普通股还没有公开市场。我们预计首次公开发行的价格将在美元至美元之间的每个广告。我们已经申请在纳斯达克全球精选市场上以"JFIN"的名义列出存托凭证

We are an "emerging growth company" under the applicable U.S. federal securities laws and are eligible for reduced public company reporting requirements.

根据适用的美国联邦证券法，我们是一家"新兴增长型公司"，符合降低上市公司报告要求的资格。

The underwriters have an option to purchase up to additional \_\_\_\_\_ ADSs from us at the initial public offering price, less the underwriting discounts and commissions, within 30 days from the date of this prospectus, to cover any over-allotments.

承销商可选择在本招股说明书日期起30天内，以首次公开发行(ipo)价格，扣除承销折扣和佣金，向我们购买最多不超过美元的美国存托凭证，以弥补任何超额配售。

Investing in the ADSs involves a high degree of risk. See "[Risk Factors](#)" beginning on page 17.

投资存托凭证涉及高风险。见第17页开头的"风险因素"。

	Price to Public 向 公众提供的价格	Underwriting 承 销 Discounts and 折 扣及 Commissions 委 员会 <sup>(1)</sup>	Proceeds, before 收益, 之前 Expenses 开支
Per ADS 每个 ADS	US\$ 美 元	US\$ 美 元	US\$ 美 元
Total 合计	US\$ 美 元	US\$ 美 元	US\$ 美 元

(1) See "Underwriting" for additional disclosure regarding underwriting compensation payable by us.  
关于我们应支付的承保赔偿，请参阅"承保"中的附加披露。

The underwriters expect to deliver the ADSs to purchasers on or about \_\_\_\_\_, 2018.

承销商希望在2018年左右向买家交付存托凭证。

Upon the completion of this offering, \_\_\_\_\_ Class A ordinary shares and \_\_\_\_\_ Class B ordinary shares will be issued and outstanding. Holders of Class A ordinary shares and Class B ordinary shares will have the same rights except for voting and conversion rights. Each Class A ordinary share will be entitled to one vote, and each Class B ordinary share will be entitled to ten votes and will be convertible into one Class A ordinary share. Mr. Dinggui Yan, our founder, director and chief executive officer, will beneficially own all the Class B ordinary shares issued and outstanding, representing \_\_\_\_\_% of our aggregate voting power.

此次发行完成后，a类普通股和b类普通股将发行并上市。A类普通股股东与b类普通股股东拥有相同的权利，但表决权及转换权除外。每股a类普通股有一票表决权，每股b类普通股有十票表决权，可兑换成一股a类普通股。我们的创始人、董事和首席执行官严鼎贵先生将有权拥有所有已发行和流通的b类普通股，占我们总投票权的%。

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

美国证券交易委员会(sec)和任何国家证券监督管理委员会均未批准或不批准这些证券，也未对本招股说明书的充分性或准确性作出评价。任何与此相反的陈述都是犯罪行为。

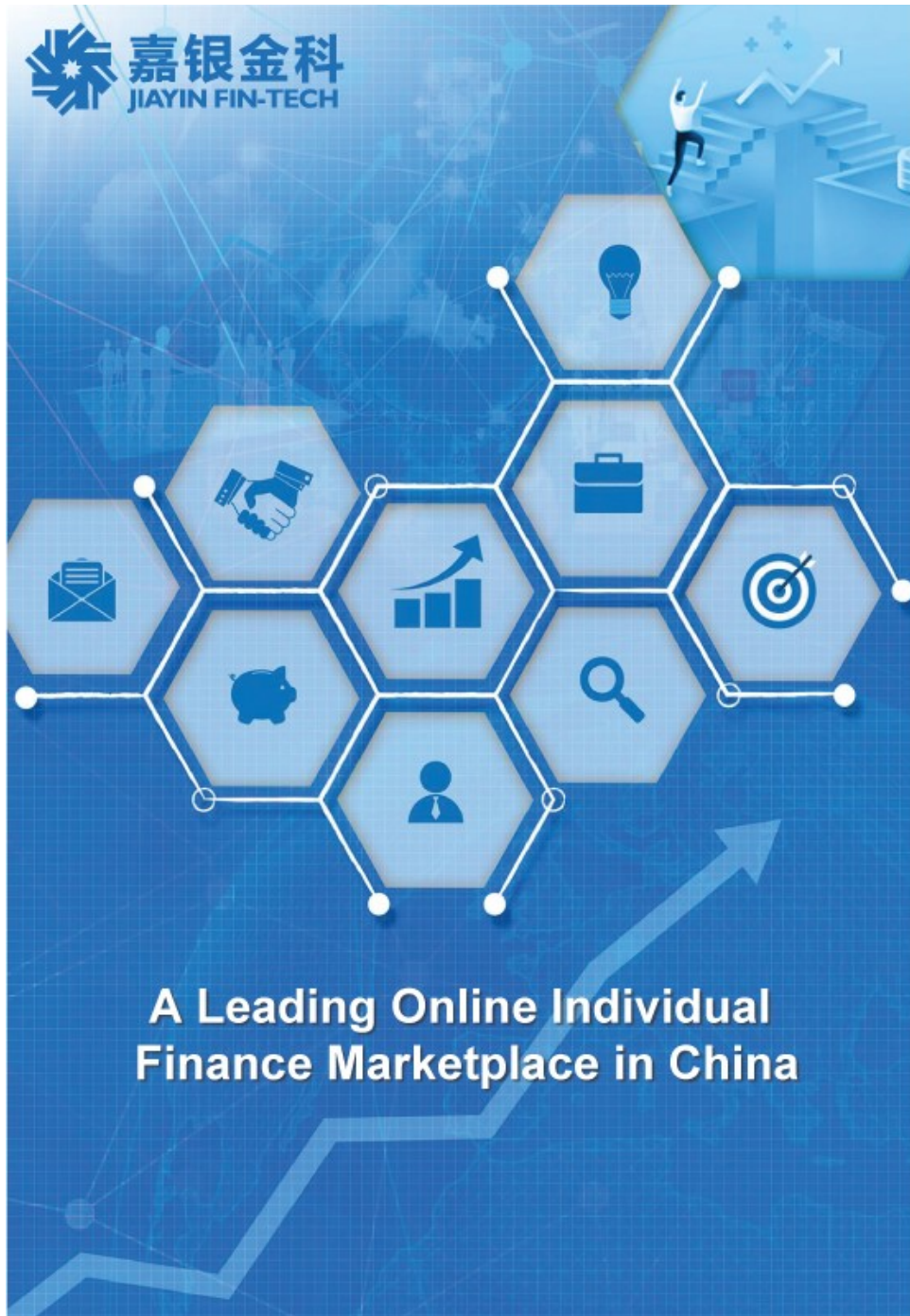
**Roth Capital Partners Roth Capital Partners**

**Shenwan Hongyuan Securities 神湾宏源证券**

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The date of this prospectus is \_\_\_\_\_, 2018

本招股说明书的日期为2018年



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**You should rely only on the information contained in this prospectus or in any related free-writing prospectus. We have not authorized anyone to provide you with information different from that contained in this prospectus or in any related free-writing prospectus. We are offering to sell, and seeking offers to buy, the ADSs only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is current only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the ADSs.**

您只能依赖本招股说明书或任何相关的自由撰写的招股说明书中的信息。我们没有授权任何人向您提供与本招股说明书或任何相关的自由撰写招股说明书所载信息不同的信息。我们提供出售，并寻求出价购买，美国存托凭证只有在提供和销售是允许的辖区。本招股说明书所载信息仅自本招股说明书之日起有效，不论本招股说明书的交付时间或任何资产抵押贷款证券的发售时间。

We have not taken any action to permit a public offering of the ADSs outside the United States or to permit the possession or distribution of this prospectus outside the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about and observe any restrictions relating to the offering of the ADSs and the distribution of the prospectus outside the United States.

我们没有采取任何行动，允许在美国境外公开发行人存托凭证，也没有允许在美国境外拥有或分发本招股说明书。在美国境外持有本招股说明书的人必须了解并遵守与招股说明书的发售和招股说明书在美国境外分发有关的任何限制。

**Until \_\_\_\_\_, 2018 (the 25th day after the date of this prospectus), all dealers that buy, sell or trade ADSs, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.**

直到2018年(本招股说明书日期之后的第25天)，所有购买、出售或交易美国存托凭证的交易商，无论是否参与此次发行，都可能被要求提交招股说明书。除此之外，交易商还有义务在担任承销商时提交招股说明书，并就其未售出的股份或认购提交说明书。

**PROSPECTUS SUMMARY**  
招股说明书摘要

The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information and financial statements appearing elsewhere in this prospectus. In addition to this summary, we urge you to read the entire prospectus carefully, especially the risks of investing in the ADSs discussed under “Risk Factors,” before deciding whether to buy the ADSs. This prospectus contains information from a report prepared at our request by iResearch, an independent market research firm, in November 2018, or the iResearch Report.

以下摘要以本招股说明书其他部分所载更详细的资料及财务报表为全文，并应与之一并阅读。除了这个摘要，我们敦促你仔细阅读整个招股说明书，特别是在“风险因素”下讨论的投资于存托凭证的风险，然后再决定是否购买存托凭证。本招股说明书所载信息来自独立市场研究公司艾瑞咨询(iResearch)2018年11月应我们的要求编写的一份报告，或艾瑞咨询报告(iResearch Report)。

**Our Business**

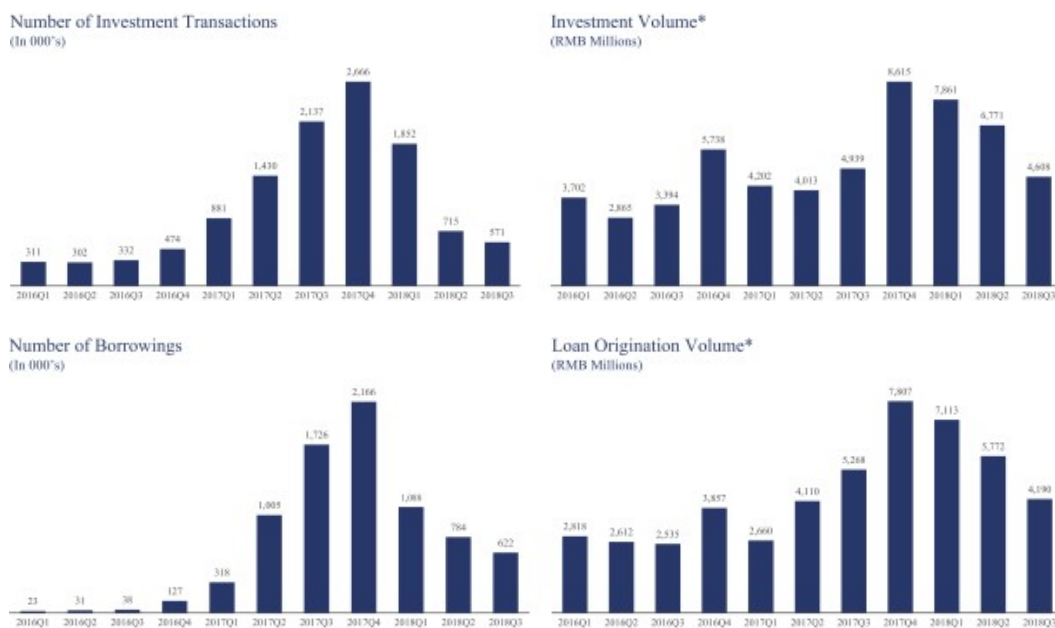
我们的业务

We are a leading online individual finance marketplace in China connecting individual investors and individual borrowers. The origin of our business can be traced back to 2011. We are one of the first online individual finance marketplaces in China, according to iResearch, and have built a trusted brand with a demonstrated track record of delivering value to both investors and borrowers.

我们是中国领先的在线个人金融市场，连接个人投资者和个人借款人。我们业务的起源可以追溯到2011年。我们是中国最早的在线个人金融市场之一，根据艾瑞咨询的说法，我们已经建立了一个值得信赖的品牌，在向投资者和借款人提供价值方面，我们已经证明了自己的记录。

We were the third largest individual finance marketplace in China in terms of transaction volume in the first half of 2018 for mid-to long-term loans, according to iResearch. We strategically focused on facilitating mid-to long-term consumer loans with an average term of 12 months or more, as we believe such loan products are best positioned to generate attractive returns for our investors, and at the same time, capture the financing needs of quality borrowers. With a highly scalable capital-light business model, we have been able to grow our marketplace and reinforce our strengths through network effects. We have experienced strong growth in 2016 and 2017, as illustrated by the charts below:

艾瑞咨询(iResearch)的数据显示，2018年上半年，就中长期贷款交易量而言，我们是中国第三大个人金融市场。我们的策略重点是促进平均为期12个月或以上的中长期消费贷款，因为我们相信这类贷款产品最适合为我们的投资者带来具吸引力的回报，同时也能满足优质借款人的融资需求。凭借高度可扩展的轻资本商业模式，我们已经能够通过网络效应发展我们的市场并增强我们的优势。2016年和2017年，我们经历了强劲的增长，如下图所示：



\* Loan origination volume during a period is not equal to the investment volume in the same period as (i) the investment volume includes the amount of investment transactions, excluding automatic reinvestments, in respect of transferred loans on the secondary market, and a small amount of investments into the automated investment programs during the subscription period, which are not accounted for in the loan origination volume; and (ii) the loan origination volume includes the amount of loans that are originated on our platform which are matched with automated reinvestments enabled by our automated investment program, which is not accounted for in the investment volume.  
一段期间的贷款批出额不等于同一期间的投资额，因为(i)投资额包括就二级市场已转让贷款而言的投资交易金额(不包括自动再投资)，以及在认购期内对自动化投资计划的少量投资，而这些投资金额并未计入贷款批出额；及(ii)贷款批出额包括源自我们平台的贷款金额，这些贷款金额与我们的自动化投资程序启动的自动化再投资相配合，但并未计入投资额。

We are committed to facilitating effective, transparent, secure and fast connections between investors and borrowers, whose needs are underserved by traditional financial institutions. Our marketplace, empowered by highly automated process and technologies, provides a streamlined user experience. We ranked first in terms of borrower satisfaction and borrowers' willingness to recommend the marketplace to others among all mid-to long-term online individual finance platforms in China, according to an online survey conducted by iResearch in January 2018.

我们致力促进投资者与借款人之间有效、透明、安全和快速的联系，因为传统金融机构未能充分满足他们的需求。我们的市场，由高度自动化的过程和技术授权，提供了一个简化的用户体验。iResearch在2018年1月进行的一项在线调查显示，在中国所有中长期在线个人金融平台中，我们在借款人满意度和借款人向他人推荐该市场的意愿方面排名第一。

Our marketplace appeals to high-quality investors by offering convenient and fast access to various investment opportunities with attractive returns. Our loan products featuring monthly principal and interest repayment provide investors with attractive liquidity. Our investors exhibit high levels of stickiness to our marketplace, and tend to invest increasing amounts of funds on our marketplace over time. In the nine months ended September 30, 2018, the average investment amount of our investors was approximately RMB69,000 (US\$10,097), while the average investment amount of repeat investors reached approximately RMB86,000 (US\$12,522). The total investment volume facilitated by us was RMB19.2 billion (US\$2.8 billion) in the nine months ended September 30, 2018, 96.1% of which was contributed by repeat investors who had successfully invested on our marketplace before. In the nine months end September 30, 2018, 97.2% of our investors invested in our *Youdaozhitou* automated investment programs, which automatically match investors and borrowers and reinvest investment proceeds in accordance with investors' preferred investment period and loan duration. In addition, we have established a vibrant secondary loan market on our marketplace where investors can transfer their loan assets to other investors. Our ability to match loan terms and investment periods effectively offers our investors flexible options to exit their investments.

我们的市场吸引高素质的投资者，为他们提供方便快捷的投资渠道，获得丰厚的回报。我们的按月还本付息贷款产品为投资者提供极具吸引力的流动资金。我们的投资者对我们的市场表现出高度的粘性，并且随着时间的推移倾向于在我们的市场上投资越来越多的资金。截至2018年9月30日的9个月中，我们投资者的平均投资额约为6.9万元人民币(合1.097万美元)，而回头客的平均投资额约为8.6万元人民币(合1.2522万美元)。截至二〇一八年九月三十日止的九个月内，我们的总投资额为192亿元人民币(合28亿美元)，其中96.1%来自曾在我们的市场成功投资的回头客。在截至2018年9月30日的9个月中，97.2%的投资者投资于我们的 *Youdaozhitou* 自动化投资项目，该项目根据投资者的优先投资期和贷款期自动匹配投资者和借款人，并根据投资者的优先投资期和贷款期限再投资收益。此外，我们在我们的市场上建立了一个充满活力的二级贷款市场，投资者可以将他们的贷款资产转移给其他投资者。我们的能力，以配合贷款条款和投资期有效提供我们的投资者灵活的选择，以退出他们的投资。

Our borrowers are typically creditworthy individuals with stable salary income and/or credit history, but underserved by traditional financial institutions. We primarily utilize diverse online borrower acquisition channels including online advertising channels such as websites, search engines, app stores as well as online partnerships with online traffic marketplaces which have access to quality borrowers. Our online average borrower acquisition cost per new borrower was RMB203 (US\$29.6) in the nine months ended September 30, 2018, representing 3.0% of the average loan principal borrowed by our borrowers in the nine months ended September 30, 2018, which is lower than that of the industry average of 3.4% in the same period, according to iResearch. We offer online standard loan products with fixed terms and repayment schedules generally ranging from RMB5,000 to RMB30,000 via the *Niwodai* borrower app and our website.

我们的借款人通常是信誉良好的个人，有稳定的工资收入和/或信用记录，但传统金融机构对其服务不足。我们主要利用不同的在线借款人获取渠道，包括在线广告渠道，如网站、搜索引擎、应用程序商店，以及与能够接触到优质借款人的在线流量市场的在线合作伙伴关系。根据iResearch的数据，在截至二〇一八年九月三十日的九个月内，我们的网上借款人平均每个新借款人的购置成本为203元人民币(合29.6美元)，占借款人在截至二〇一八年九月三十日的九个月内平均贷款本金的3.0%，低于同期业内平均贷款本金的3.4%。我们通过 *Niwodai* 借款人应用程序和我们的网站提供在线标准贷款产品，贷款期限和还款时间表一般从5000元到30000元不等。

We operate a highly secure and open platform with a proprietary and effective risk assessment model and a comprehensive risk management system. We build our risk assessment model based on our first-hand and proprietary user and transaction data generated from our loan process as well as multiple layers of background and behavioral data from more than ten third-party sources. Our model employs advanced big data analytics and sophisticated algorithms to accurately assess the risk profiles of potential borrowers. We have also established reliable systematic risk management procedures. To supplement our risk management efforts, we also selectively collaborate with third-party expert consultants with strong credit assessment capabilities to help us further screen and re-assess the creditworthiness of applicants and identify creditworthy potential borrowers based on desensitized user data.

我们运作一个高度安全和开放的平台，拥有专有和有效的风险评估模型和全面的风险管理系统。我们建立风险评估模型的基础是我们的第一手和专有用户和交易数据，这些数据来自我们的贷款流程，以及来自十多个第三方来源的多层背景和行为数据。我们的模型采用了先进的大数据分析和复杂的算法来准确评估潜在借款人的风险状况。我们还建立了可靠的系统风险管理程序。为了补充我们的风险管理工作，我们还有选择性地与具有强大信用评估能力的第三方专家顾问合作，帮助我们进一步筛选和重新评估申请人的信用可靠性，并根据不敏感的用户数据确定可信赖的潜在借款人。

We generate revenues primarily from fees charged for our services in matching investors and borrowers and for other services we provide over the term of a loan. We generally collect service fees from our borrowers, and on limited occasions from our investors for our automated investment program services and for loan transfers over our secondary market. As an online individual finance marketplace, we do not use our own capital to invest in loans facilitated through our marketplace.

我们的收入主要来自我们为投资者和借款人牵线搭桥而收取的费用，以及我们在贷款期限内提供的其他服务。我们通常向我们的借款人收取服务费，并在有限的情况下向我们的投资者收取我们的自动化投资计划服务费和二级市场的贷款转移费。作为一个在线个人金融市场，我们不使用自己的资本投资贷款促进通过我们的市场。

We have achieved significant growth in recent periods. The increase in loan origination volume facilitated by us contributed to significant growth of our net revenue and net profit. Our net revenue grew by 280.8% from

我们在最近几个时期取得了显著的增长。在我们的帮助下，贷款发放量的增加促进了我们净收入和净利润的显著增长。我们的净收入同比增长了280.8%

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图2

RMB591.1 million in 2016 to RMB2,250.9 million (US\$327.7 million) in 2017. We recognized net income of RMB539.5 million (US\$78.6 million) in 2017, as compared with the net loss of RMB389.8 million in 2016. Our net revenue grew by 46.7% from RMB1,480.8 million in the nine months ended September 30, 2017 to RMB2,171.7 million (US\$316.2 million) in the same period in 2018. Our net profit grew by 13.4% from RMB396.3 million in the nine months ended September 30, 2017 to RMB449.4 million (US\$65.4 million) in the same period in 2018. 2016年为5.911亿元人民币，2017年为22.509亿元人民币(合3.277亿美元)。2017年净利润为5.395亿元人民币(合7,860万美元)，而2016年净亏损为3.898亿元人民币。我们的净收入从2017年9月30日结束的9个月的14.808亿元人民币增长到2018年同期的21.717亿元人民币(合3.162亿美元)，增长了46.7%。在截至2017年9月30日的9个月中，我们的净利润从3.963亿元人民币增长到2018年同期的4.494亿元人民币(合6540万美元)，增长了13.4%。

## Market Opportunities

### 市场机会

China's individual finance market, or the peer-to-peer direct lending market has experienced gradual and stable growth. From 2015 to 2017, China's online individual finance transaction volume grew from US\$134.8 billion to US\$312.1 billion, representing a CAGR of 52.1%, and is expected to further grow and reach US\$807.8 billion in 2022, according to iResearch. The number of online investors and borrowers in this market reached approximately 15.3 million and 10.1 million, in 2017 respectively, according to iResearch.

我国个人金融市场，即个人对个人直接贷款市场，经历了逐步稳定的增长。从2015年到2017年，中国的在线个人金融交易额从1348亿美元增长到3121亿美元，复合年增长率为52.1%，预计将进一步增长，到2022年达到8078亿美元。根据 iResearch 的数据，2017年，这个市场上的在线投资者和借款者分别达到了1530万和1010万。

Platforms that offer mid-to long-term loans are currently the major players in China's online individual finance market. As of December 31, 2017, the outstanding principal of mid-to long-term loans in China's online individual finance market was US\$64.8 billion, while the short-term loans in the same market was US\$64.1 billion, according to iResearch. By the end of 2022, the outstanding principal of the mid-to long-term is expected to reach US\$155.2 billion, according to iResearch. Compared with the short-term loan market, the market for mid-to long-term loans has demonstrated stronger growth momentum as a result of the following factors: (i) longer terms are conducive to better liquidity management and more effective duration matching; (ii) the stricter risk management and higher borrower quality effectively address investors' investment demands and allow for more stable investment returns; and (iii) the mid-to long-term loan market enjoys more favorable regulatory environment.

提供中长期贷款的平台目前是中国在线个人金融市场的主要参与者。根据艾瑞的数据，截至2017年12月31日，中国网上个人金融市场中长期贷款的未偿还本金为648亿美元，而同一市场的短期贷款为641亿美元。据艾瑞咨询公司称，到2022年底，中长期未偿还本金有望达到1552亿美元。与短期贷款市场相比，中长期贷款市场表现出较强的增长势头，主要受到以下因素的影响：(一)长期有利于更好的流动性管理和更有效的期限匹配；(二)更严格的风险管理和更高的借款人质量有效地满足投资者的投资需求，获得更稳定的投资回报；(三)中长期贷款市场享有更有利的监管环境。

## Our Strengths

### 我们的优势

We believe our following competitive strengths contribute to our success and differentiate us from our competitors:

我们相信我们以下的竞争优势有助于我们的成功，并将我们与竞争对手区分开来：

- leading online individual finance marketplace with a long operating history and strong brand recognition; 领先的在线个人理财市场，具有悠久的运营历史和强大的品牌知名度；
- attractive and scalable capital-light business model; 有吸引力和可扩展的轻资本商业模式；
- proprietary and reliable credit assessment model based on a highly secure and systematic platform; 基于高度安全和系统化平台的专有和可靠的信用评估模型；
- high-quality and loyal investor base with stable funding; 高素质和忠诚的投资者基础，资金稳定；
- effective online borrower acquisition channels supported by an open platform; and 有效的网上借款人收购渠道，并提供公开平台；以及
- visionary and experienced management team. 有远见和经验丰富的管理团队。

## Our Strategies

## 我们的策略

To achieve our mission, we plan to further enhance our competitive advantage and pursue the following strategies to expand our business:

为了完成我们的使命，我们计划进一步提高我们的竞争优势，并采取以下策略来拓展我们的业务：

- focus on and expand small and micro finance services;  
重点发展和扩大小额信贷服务；
- strengthen our risk management capabilities;  
加强风险管理能力；
- strengthen data technologies; and  
加强数据技术；以及
- expand our international business.  
扩大我们的国际业务。

## **Our Challenges**

### 我们面临的挑战

Our business and successful execution of our strategies are subject to certain challenges, risks and uncertainties, including:

我们的业务和策略的成功执行都会面对一些挑战、风险和不明朗因素，包括：

- our ability to retain existing investors and borrowers and attract new investors and borrowers in an effective and cost-efficient way; 以有效及具成本效益的方式保留现有投资者及借款人，并吸引新投资者及借款人的能力；
- our ability to increase the investment volume and loan origination of loans volume facilitated through our marketplace; 通过我们的市场促进增加投资额和贷款额的能力；
- effectiveness of our credit assessment model and risk management system; 我们的信用评估模式和风险管理体系的有效性；
- the availability of our investor assurance programs and our ability to forecast the delinquency rate for loans facilitated through our marketplace and utilize our investor assurance programs; 我们是否有投资者担保计划，我们是否有能力预测通过我们的市场促进的贷款拖欠率，并利用我们的投资者担保计划；
- our ability to compete effectively; 我们有效竞争的能力；
- our ability to promote and maintain our brand and reputation; and 我们推广及维持品牌及声誉的能力；以及
- our ability to establish successful strategic relationships with business partners. 我们与商业伙伴建立成功战略关系的能力。

In addition, we face risks and uncertainties related to our corporate structure and regulatory environment in China, including:

此外，我们在中国的公司结构和监管环境方面也面临风险和不确定性，包括：

- uncertainties associated with the interpretation and application of laws and regulations governing the online individual finance industry in the PRC; 中国网上个人金融业法律法规的解释和适用存在不确定性；
- uncertainties associated with the registration of our marketplace with the local financial regulatory authority; 与我国市场向当地金融监管机构注册有关的不确定性；
- risks associated with our control over our consolidated variable interest entity, or VIE, and its consolidated affiliated entities in China, which is based on contractual arrangements rather than equity ownership; and 我们控制我们的合并可变权益实体，或者说 VIE，以及它在中国的合并关联实体的风险，这是基于合同安排而不是股权；和
- changes in the political and economic policies of the PRC government. 中华人民共和国政府政治和经济政策的变化。

We also face other risks and uncertainties that may materially affect our business, financial conditions, results of operations and prospects. You should consider the risks discussed in “Risk Factors” and elsewhere in this prospectus before investing in our ADSs.

我们还面临其他风险和不确定性，这些风险和不确定性可能会对我们的业务、财务状况、运营结果和前景产生重大影响。在投资我们的存托凭证之前，您应该考虑“风险因素”和本招股说明书其他部分所讨论的风险。

Please see “Risk Factors” and other information included in this prospectus for a detailed discussion of the above and other challenges and risks.

有关上述挑战和其他风险的详细讨论，请参阅“风险因素”和本招股说明书中的其他信息。

## **Recent Developments**

### 最新发展

In the three months ended September 30, 2018, our business, financial condition and results of operation were adversely affected by certain unfavorable market developments including tightening industry regulations, changing macro-economic conditions in China and an increase of news reports in June and July 2018 related to the difficulties, or even suspension of operation in some cases, encountered by certain individual lending marketplaces. As a result, we recognized net loss of RMB44.0 million in the three months ended September 30, 2018. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Selected Quarterly Results of Operations.” Starting in the second half



of July 2018, PRC government commenced implementing monetary and fiscal policies to provide more liquidity to the market, which to some extent alleviated investors' concerns, and the number of such news reports started to subside. Our operating results started to recover gradually in September 2018. Our loan origination volume increased from RMB1.3 billion in

在截至二〇一八年九月三十日的三个月内，我们的业务、财务状况及营运结果受到一些不利的市场发展所影响，包括收紧行业规管、改变中国宏观经济状况，以及在二〇一八年六月及七月因个别贷款市场遇到困难而增加新闻报道，甚至在某些情况下暂停营运。因此，我们承认在截至2018年9月30日的三个月中净亏损4400万元人民币。参见《管理层关于财务状况和经营业绩的讨论和分析——经营业绩季度选编》从2018年7月下半月开始，中国政府开始实施货币和财政政策，为市场提供更多流动性，这在一定程度上缓解了投资者的担忧，此类新闻报道的数量开始减少。我们的营运业绩自二〇一八年九月开始逐步回升。我们的贷款总额由2009年的13亿元人民币增加至2009年的13亿元人民币

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图4

August 2018 to RMB1.8 billion in September 2018 and RMB2.0 billion in October 2018 and further to RMB2.3 billion in November 2018. Our investment volume increased from RMB1.3 billion in August 2018 to RMB1.6 billion in September 2018 and RMB2.1 billion in October 2018 and further to RMB2.6 billion in November 2018. At the same time, our delinquency rates by balance for loans delinquent for less than 30 days decreased from 1.40% as of September 30, 2018 to 1.32% as of November 30, 2018, and the same for loans delinquent for 30-90 days decreased from 5.72% as of September 30, 2018 to 5.17% as of November 30, 2018. As evidenced by the recovery of these operational performance indicators, we believe the negative impact of such unfavorable market developments were temporary and has started to subside.

2018年8月份增至18亿元人民币，2018年9月增至18亿元人民币，2018年10月增至20亿元人民币，2018年11月进一步增至23亿元人民币。我们的投资额由二〇一八年八月的13亿元人民币，增加至二〇一八年九月的16亿元人民币及二〇一八年十月的21亿元人民币，并于二〇一八年十一月进一步增加至26亿元人民币。与此同时，拖欠30日以下贷款的拖欠比率由二〇一八年九月三十日的1.40%下降至二〇一八年十一月三十日的1.32%，拖欠30至90日的贷款亦由二〇一八年九月三十日的5.72%下降至二〇一八年十一月三十日的5.17%。正如这些业务绩效指标的恢复所证明的那样，我们认为这种不利的市场发展的负面影响是暂时的，并已开始消退。

We cannot assure you that our operating results in October will be indicative of our financial results for the rest of the year in 2018 or for any future periods. Please refer to “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Risk Factors” included elsewhere in this prospectus for information regarding trends and other factors that may affect our results of operations.

我们无法向您保证，我们在10月份的经营业绩将反映我们在2018年剩余时间或未来任何时期的财务状况。有关可能影响我们营运结果的趋势及其他因素，请参阅本章程其他部分所载的「管理层对财务状况及营运结果的讨论及分析」及「风险因素」。

## Corporate History and Structure

### 企业历史与结构

The origin of our business can be traced back to 2011. Mr. Dinggui Yan our founder, director and chief executive officer, commenced an individual finance marketplace in 2011 through several entities controlled by him in China. In June 2015, Mr. Dinggui Yan acquired Shanghai Jiayin Finance Technology Co., Ltd., or Jiayin Finance, a shell company previously known as Furen Technology Limited and listed on the National Equities Exchange and Quotations Co., Ltd., or the NEEQ. In September 2015, Shanghai Niwodai Internet Finance Information Services Co., Ltd., or Niwodai Internet, was established as a wholly-owned subsidiary of Jiayin Finance to develop our online individual finance marketplace business. Mr. Dinggui Yan launched Shanghai Caiyin Asset Management Co., Ltd., or Shanghai Caiyin, in September 2015. We entered into a collaboration agreement with Shanghai Caiyin in 2015 to engage Shanghai Caiyin to provide post-origination loan management services and manage our investor assurance program for loans facilitated prior to April 28, 2018. See “Corporate History and Structure—Collaboration Agreement with Shanghai Caiyin.” In December 2015, Shanghai Caiyin also acquired the servicing rights and obligations of all outstanding loan contracts facilitated by Shanghai Niwodai Financial Information Services Co., Ltd., or Niwodai Finance, which operated our founder’s individual finance marketplace at that time, as well as the obligation to continue to provide guarantee on those loans. Niwodai Finance subsequently ceased to operate the individual financing business. We launched our online individual financing marketplace in December 2015.

我们业务的起源可以追溯到2011年。我们的创始人、董事和首席执行官严鼎贵先生于2011年通过他在中国控制的几个实体开创了个人金融市场。2015年6月，严鼎贵先生收购了上海嘉荫金融科技有限公司，或称嘉荫金融，一家之前被称为福人科技有限公司的空壳公司，并在全国中小企业股份转让系统证券交易委员会上市。2015年9月，上海牛网代互联网金融信息服务有限公司成立，成为嘉荫金融的全资子公司，发展我们的在线个人金融市场业务。严鼎贵先生于2015年9月成立了上海财银资产管理有限公司。我们于2015年与上海财银签订了合作协议，在2018年4月28日之前与上海财银签订合作协议，提供贷款后贷款管理服务，并管理我们的投资者担保计划。详见《企业历史与结构——与上海财银的合作协议》2015年12月，上海财银还获得了上海牛窝带金融信息服务有限公司（简称上海牛窝带金融）提供的所有未偿贷款合同的服务权利和义务，以及继续为这些贷款提供担保的义务。上海牛窝带金融信息服务有限公司当时运营着创始人的个人金融市场。尼沃大金融其后停止经营个人理财业务。我们在2015年12月推出了在线个人融资市场。

In December 2017, we incorporated Jiayin Group Inc. under the laws of the Cayman Islands as our offshore holding company, and in January 2018, we established a wholly-owned subsidiary in the British Virgin Islands, Jiayin Holdings Limited, and a wholly-owned subsidiary in Hong Kong, Jiayin (HK) Limited, to be our intermediate holding companies, to facilitate our initial public offering in the United States. Jiayin Finance was delisted from NEEQ in April 2018 in preparation for this offering. In June 2018, we incorporated Shanghai KunJia Technology Co., Ltd., or Shanghai KunJia, as a wholly-foreign owned entity in China. As a result of the restructuring in 2018, we hold equity interest in Shanghai KunJia through our current offshore structure. At the same time, Shanghai KunJia entered into a series of contractual arrangements with Jiayin Finance and its shareholders, among which several agreements were terminated and simultaneously replaced by a series of contractual arrangements with substantially same terms in October 2018 for the purpose of registering pledges of equity interest in Jiayin Finance with the government authority. As a result of these contractual arrangements, or the Contractual Arrangements, we are the primary beneficiary of Jiayin Finance and its subsidiaries, and, therefore, have consolidated the financial results of Jiayin Finance and its subsidiaries in our consolidated financial statements in accordance with U.S. GAAP. See “Corporate History and Structure—Contractual Arrangements among Shanghai KunJia, Jiayin Finance and the shareholders of Jiayin Finance.”

2017年12月，我们根据开曼群岛法律注册成立嘉银集团为离岸控股公司；2018年1月，我们在英属维尔京群岛成立全资附属公司嘉银控股有限公司，并在嘉荫成立全资附属公司，作为我们的中间控股公司，以便我们在美国进行首次公开发行。Jiayin Finance 在2018年4月从 NEEQ 名单中除名，为这次发行做准备。2018年6月，我们在中国注册成立了上海坤佳科技有限公司，即上海坤佳公司，作为一家外商独资企业。由于2018年的重组，我们通过目前的离岸结构持有上海坤嘉的股权。与此同时，上海坤佳与嘉银金融及其股东达

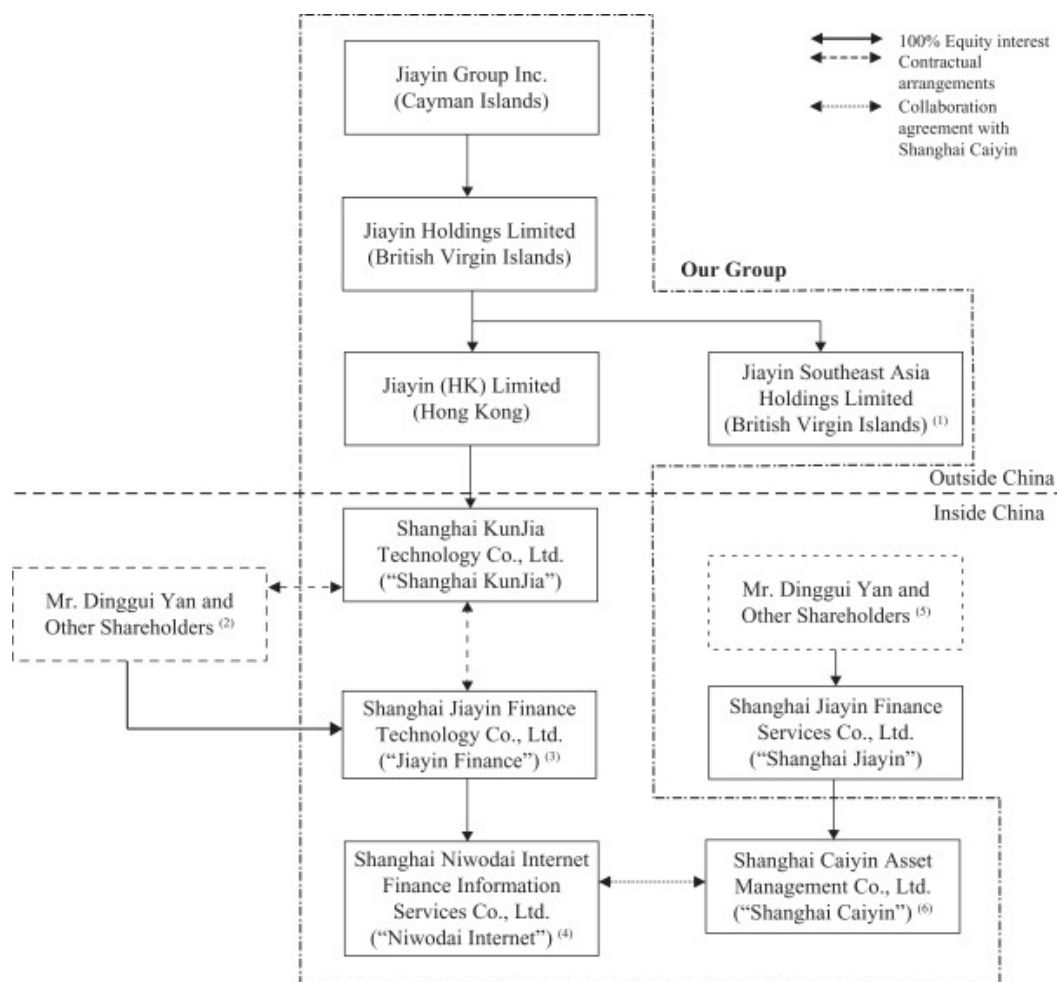
成了一系列合同安排，其中一些协议于2018年10月被终止，同时被一系列条款大体相同的合同安排所取代，目的是向政府当局登记在 Jiayin Finance 的股权质押。由于这些契约安排，或者说契约安排，我们是 Jiayin Finance 及其子公司的主要受益者，因此，按照美国公认会计原则，我们将嘉荫金融及其子公司的财务业绩整合到我们的综合财务报表中。参见《企业历史与结构—上海昆嘉、Jiayin Finance 和 Jiayin Finance 股东之间的契约安排》

We currently operate our online individual finance marketplace in China mainly through Niwodai Internet. Jiayin Finance operates our website [www.jiayinfintech.cn](http://www.jiayinfintech.cn) and Niwodai Internet operates [www.niwodai.com](http://www.niwodai.com) and our apps, through which we offer our loan products and investment services.

我们目前主要通过互联网运营我们在中国的在线个人金融市场。嘉银金融运营着我们的网站 [www.jiayinfintech.cn](http://www.jiayinfintech.cn)，Niwodai Internet 运营着 [www.niwodai.com](http://www.niwodai.com) 和我们的应用程序，我们通过这些应用程序提供我们的贷款产品和投资服务。

The following diagram illustrates our corporate structure, including the names, places of incorporation and the proportion of ownership interests in our significant subsidiaries and consolidated affiliated entities and their subsidiaries as of the date of this prospectus:

下图显示截至本招股章程发出日期为止，本公司的法团架构，包括本公司重要附属公司及合并附属公司及其附属公司的名称、成立地点及拥有权益的比例：



(1) Jiayin Southeast Asia Holdings Limited was established in February 2018 to develop and operate our overseas business. See “Business—Overseas Development.”

嘉银东南亚控股有限公司成立于2018年2月，致力于海外业务的拓展和经营。参见《商业—海外发展》

(2) Jiayin Finance is owned as to 58% by Mr. Dinggui Yan, our founder, director and chief executive officer, 27% by Shanghai Jinnushuihuotu Investment Center (Limited Partnership), or Jinnushuihuotu Investment, 12% by Mr. Guanglin Zhang, and 3% by Mr. Yuanle Wu, who both are employees of our company. Jinnushuihuotu Investment is established in connection with the share incentive plan of Jiayin Finance. See 本公司创始人、董事兼首席执行官严鼎贵先生持有58%的股份，上海金木水火土投资中心(有限合伙)持有27%的股份，张广林先生持有12%的股份，吴元乐先生持有3%的股份。金木水火土投资有限公司是配合 Jiayin Finance 股权激励计划而成立的。看

“Management—Share Incentive Plans—2016 Share Incentive Plan.” The general partner of Jinmushuihuotu Investment is Shanghai Jinmushuihuotu Marketing and Planning Co., Ltd., or Jinmushuihuotu Marketing, which is controlled by Mr. Dinggui Yan. 《管理—股权激励计划—2016年股权激励计划》金木水火土投资公司的总合伙人是上海金木水火土营销策划有限公司，或者由严鼎贵先生控股的金木水火土营销公司

- (3) Jiayin Finance entered into Contractual Arrangements with Shanghai KunJia. See “Corporate History and Structure—Contractual Arrangements among Shanghai KunJia, Jiayin Finance and shareholders of Jiayin Finance.”  
嘉荫金融与上海昆嘉签订了合同安排。参见《企业历史与结构—上海昆嘉、Jiayin Finance 和 Jiayin Finance 股东之间的契约安排》
- (4) Niwodai Internet operates our online peer-to-peer individual finance marketplace.  
Niwodai 互联网运营着我们的在线 p2p 个人金融市场。
- (5) Shanghai Jiayin is owned 75% by Mr. Dinggui Yan and 25% by Shanghai Bangfan Investment Limited Partnership, or Shanghai Bangfan. The general partner of Shanghai Bangfan is Mr. Dinggui Yan, who has whole voting and investment power of Shanghai Bangfan. Mr. Dinggui Yan also owns substantially all the economic interest in Shanghai Bangfan. The rest of the economic interest in Shanghai Bangfan is owned by Mr. Guanglin Zhang.  
Shanghai Jiayin 75% 股权归严鼎贵先生所有，25% 归上海邦帆投资有限合伙公司所有。上海邦帆的普通合伙人是严鼎贵先生，他拥有上海邦帆的全部投票权和投资权。严鼎贵先生还拥有上海邦帆的大部分经济权益。上海邦帆的其余经济利益归张广林先生所有。
- (6) Shanghai Caiyin provides post-origination loan management services and manages our investor assurance program for loans facilitated prior to April 28, 2018. See “Corporate History and Structure—Collaboration Agreement with Shanghai Caiyin.”  
上海财银在2018年4月28日之前提供贷款后期贷款管理服务，并管理我们的投资者担保计划。详见《企业历史与结构——与上海财银的合作协议》

Mr. Dinggui Yan, our founder, director and chief executive officer, will beneficially own % of the total voting power of our company immediately after the completion of this offering and will have the ability to control the outcome of all corporate governance matters such as electing directors and approving mergers, acquisitions or other business combination transactions.

我们的创始人、董事和首席执行官严鼎贵先生将在本次发行完成后立即获得我们公司总表决权的%，并有能力控制所有公司治理事项的结果，如选举董事和批准合并、收购或其他业务合并交易。

## Corporate Information

### 机构资料

Our principal executive offices are located at 18th Floor, Building No. 1, Youyou Century Plaza, 428 South Yanggao Road, Pudong New Area, Shanghai 200122, People’s Republic of China. Our telephone number at this address is +86 21-6082-8732. Our registered office in the Cayman Islands is located at the offices of Maples Corporate Services Limited at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. Our agent for service of process in the United States is Cogency Global Inc., located at 10 East 40th Street, 10th Floor, New York NY, 10016.

我们的主要办公室位于中华人民共和国上海市浦东新区杨高南路428号友谊世纪广场1号楼18楼200122。我们在这个地址的电话号码是 + 8621-6082-8732。我们在开曼群岛的注册办事处设于开曼群岛 KY1-1104开曼群岛大开曼群岛 Ugland House 邮政信箱309号的 Maples 企业服务有限公司。我们在美国的流程服务代理是美国柯金斯全球有限公司，位于纽约州纽约市10楼东40街10号。

Investors should contact us for any inquiries through the address and telephone number of our principal executive offices. Our corporate website is [www.jiayinfintech.cn](http://www.jiayinfintech.cn). The information contained on our website is not a part of this prospectus.

投资者如有任何查询，可透过本公司主要行政办公室的地址及电话与本公司联络。我们的企业网站是 [www.嘉一无限科技.cn](http://www.嘉一无限科技.cn)。我们网站上的信息不是招股说明书的一部分。

## Implications of Being an Emerging Growth Company

### 成为新兴成长型公司的意义

As a company with less than US\$1.07 billion in gross annual revenue for our last fiscal year, we qualify as an “emerging growth company” pursuant to the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements compared to those that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002 in the assessment of the emerging growth company’s internal control over financial reporting. The JOBS Act also provides that an emerging growth company does not need to comply with any new or revised financial accounting standards until such date that a private company is otherwise required to comply with such new or revised accounting standards. However, we have elected to “opt out” of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted for public companies. This decision to opt out of the extended transition period under the JOBS Act is irrevocable.

作为一家上一财年年收入总额不足10.7亿美元的公司，根据2012年《跳跃创业法》(Jumpstart Our Business Startups Act)或《就业法》(JOBS Act)，我们有资格成为一家"新兴增长型公司"。与通常适用于上市公司的规定相比，新兴成长型公司可以利用规定的减少报告和其他要求。这些条款包括在评估新兴成长型公司对财务报告的内部控制时，免除2002年萨班斯-奥克斯利法案第404条规定的审计师认证要求。《就业法》还规定，新兴成长型公司不需要遵守任何新的或经修订的财务会计准则，直到要求私营公司遵守这种新的或经修订的会计准则为止。不过，我们已选择「不适用」这项条文，因此我们会在上市公司采用新会计准则或经修订的会计准则时，按规定遵守这些准则。根据《就业法》选择退出延长过渡期的决定是不可撤销的。

We will remain an emerging growth company until the earliest of (a) the last day of the fiscal year during which we have total annual gross revenues of at least US\$1.07 billion; (b) the last day of our fiscal year following

我们将继续作为一家新兴的增长型公司，直至(a)财政年度的最后一天，届时我们的年度总收入至少为10.7亿美元; (b)下一财政年度的最后一天

the fifth anniversary of the completion of this offering; (c) the date on which we have, during the preceding three-year period, issued more than US\$1.0 billion in non-convertible debt; or (d) the date on which we are deemed to be a “large accelerated filer” under the Securities Exchange Act of 1934, as amended, or the Exchange Act, which would occur if the market value of our ordinary shares, including Class A ordinary shares underlying the ADSs that are held by non-affiliates exceeds US\$700 million as of the last business day of our most recently completed second fiscal quarter. Once we cease to be an emerging growth company, we will not be entitled to the exemptions provided in the JOBS Act discussed above.

此次发行完成五周年; (c)在前三年期间, 我们发行超过10亿美元不可转换债券的日期; 或(d)根据经修订的《1934年证券交易法》或《外汇法》, 我们被视为“大型加速过滤器”的日期, 如果我们的普通股市值超过我们最近完成的第二财政季度最后一个营业日的7亿美元, 我们将发行普通股, 包括作为非附属机构的资产抵押贷款支持证券的 a 类普通股。一旦我们不再是一个新兴的增长型公司, 我们将无权享受上述 JOBS 法案中规定的豁免。

### Conventions Which Apply to this Prospectus

#### 适用于本招股章程的公约

Unless we indicate otherwise, all information in this prospectus reflects no exercise by the underwriters of their option to purchase up to additional ADSs representing Class A ordinary shares from us.

除非本公司另有注明, 否则本招股说明书内所有资料均不反映承销商行使其选择权, 向本公司购买最多不超过份代表 a 类普通股的美国存托凭证。

Except where the context otherwise requires:

除非上下文另有要求:

- “ADSs” refers to our American depositary shares, each of which represents Class A ordinary shares;  
“美国存托股票”是指我们的美国存托股票, 每股代表 a 类普通股;
- “Annual percentage rate of charge” or “APR” refers to the overall borrowing cost collected from borrowers, including interest, service fees and other charges to be collected from borrowers, excluding penalty fees for late payments, as a percentage of the loan principal, multiplied by the number of days of the loan as a percentage of 360;  
“年利率”或“年利率”是指向借款人收取的整体借款成本, 包括向借款人收取的利息、服务费和其他费用, 不包括逾期还款的罚款费用, 按贷款本金的百分比乘以贷款天数的百分比为360;
- “approval rate” refers to the percentage of loan applications approved in a certain period out of all loan applications during such period;  
[批准率] 是指在某段期间内批出的贷款申请占该段期间内所有贷款申请的百分比;
- “China” or “PRC” refers to the People’s Republic of China, excluding, for the purpose of this prospectus only, Taiwan, Hong Kong, and Macau;  
“中国”或“中华人民共和国”是指中华人民共和国, 但就本招股说明书而言, 不包括台湾、香港和澳门;
- “Class A investor” refers to the investor who enters into multilateral loan contract with a borrower, us, a Class B investor and possibly other Class A investors. The investment of a Class A investor is covered by investor assurance program under the name of the respective Class B investor, and upon default of the borrower, will be compensated by the Class B investor who invested in the same loan. See “Business—Investor Assurance Programs—Investor Assurance Program by Partnering with Class B Investors.”  
“a 类投资者”是指与借款人、美国、b 类投资者或其他 a 类投资者签订多边贷款合同的投资者。A 类投资者的投资由 b 类投资者名下的投资者保证计划承保, 当借款人违约时, 投资于同一笔贷款的 b 类投资者将给予补偿。参阅《业务—投资者保障计划—与 b 类投资者合作的投资者保障计划》
- “Class B investor” refers to the investor who enters into multilateral loan contract with a borrower, us and one or multiple Class A investors. See “Business—Investor Assurance Programs—Investor Assurance Program by Partnering with Class B Investors.”  
“b 类投资者”是指与借款人、美国以及一个或多个 a 类投资者签订多边贷款合同的投资者。参阅《业务—投资者保障计划—与 b 类投资者合作的投资者保障计划》
- “consolidated VIE” refers to Jiayin Finance;  
“统一的 VIE”指的是 Jiayin Finance;
- “investment volume” for a certain period refers to the sum of the principal amount of all investment transactions executed by investors directly through our marketplace during such period. The calculation of the investment volume of an investment made by an investor through the automated investment program does not take into account automated reinvestments enabled by the automated investment program;  
“投资额”是指投资者在一定时期内直接通过我们的市场进行的所有投资交易的本金总额。投资者通过自动投资程序所作投资的投资额的计算不考虑自动投资程序所引起的自动再投资;

- “loan origination volume” refers to the total amount of loans facilitated through our marketplace during a certain period;  
「批出贷款额」是指在一段时间内透过我们的市场促成的贷款总额;
- “M3+ Delinquency Rate by Vintage” refers to the total amount of principal for all loans in a vintage for which any repayment was more than 90 days past due as of a particular date, less the total amount of past due principal recovered for such loans, and divided by the total amount of principal for all loans in such vintage. M3+ Delinquency Rate by Vintage for quarter vintage is calculated as the weighted  
"M3 + 贷款拖欠率年份"是指某一年份的所有贷款的本金总额，其中任何贷款的偿还期在某一特定日期之前超过90天，减去为这些贷款追回的逾期本金总额，再除以该年份的所有贷款的本金总额。 3 + delinquencyrate by Vintage for quarter Vintage is calculated as the weighted

8  
图8



average of M3+ Delinquency Rate by Vintage for each month in such quarter by loan origination volume;  
按贷款发放量划分的该季度每月按年份计算的平均 M3 + 拖欠率;

- number of “borrowings” for a certain period refers to the total borrowing applications which were funded during such period;  
在某段期间的「借款」数目，是指在该段期间内获资助的借款申请总数;
- number of “borrowers” for a certain period refers to the total number of borrowers whose loans facilitated through our marketplace were funded during such period;  
一定时期内的“借款人数量”是指在此期间通过我们的市场获得贷款的借款人总数;
- number of “investment transactions” for a certain period refers to the total number of investment transactions executed by investors through our marketplace whether using self-discretionary investing tool or our automated investment programs during such period. An investment through our automated investment programs is counted as a single investment transaction though the amount maybe facilitated to match multiple loans, and the calculation does not take into account automated reinvestments enable by the automated investment program;  
「投资交易数目」是指投资者在一段时间内透过本港市场进行的投资交易总数，不论是使用自行酌定的投资工具或本港的自动化投资计划。通过我们的自动化投资程序进行的投资被视为单笔投资交易，尽管其金额可能有助于匹配多笔贷款，而且计算中没有考虑到自动化投资程序所能实现的自动化再投资;
- number of “investors” in a certain period refers to the total number of investors who executed investment transactions through our marketplace during such period;  
「投资者数目」是指在某段期间内透过本公司市场进行投资交易的投资者总数;
- “net payouts” refers to total amount of cash paid to investors upon borrower’s default, and net of the amount that is subsequently collected from borrower during a specific period of time;  
“净支付”是指借款人违约时支付给投资者的现金总额，以及其后在特定期间内从借款人收取的金额净额;
- “Outstanding principal” refer to the aggregate principal amount of loans facilitated through our marketplace and loans covered by the investor assurance program that was acquired from Niwodai Finance that have not been repaid by borrowers or repaid by the investor assurance programs;  
“未偿还本金”是指通过我们的市场提供的贷款总额，以及通过投资者担保计划从 Niwodai Finance 获得但未由借款人偿还或由投资者担保计划偿还的贷款总额;
- “registered users” refer to individuals who have registered on our marketplace;  
“注册用户”是指在我们的市场上注册的个人;
- “repeat borrowers” during a certain period refers to borrowers who have borrowed at least twice since such borrowers’ registration with us until the end of such period;  
「重复借款人」是指自该等借款人在本处登记至该等期间结束为止，已借款最少两次的借款人;
- “repeat investors” during a certain period refers to investors who have invested at least twice since such investors’ registration with us until the end of such period;  
“重复投资者”是指自该投资者在本公司登记注册以来至少已进行两次投资直至该期结束的投资者;
- “shares” or “ordinary shares” prior to the completion of this offering refers to our ordinary shares of par value US\$0.000000005 per share, and upon and after the completion of this offering, refers to our Class A and Class B ordinary shares, par value US\$0.000000005 per share;  
在此次发行完成之前的“股票”或“普通股”是指面值为每股0.000000005美元的普通股，在此次发行完成之后，是指我们的 a 类和 b 类普通股，面值为每股0.000000005美元;
- “US\$,” “U.S. dollars,” “\$” and “dollars” refer to the legal currency of the United States;  
“us \$”、“u.s. dollars”、“\$”和“dollar”是指美国的法定货币;
- “vintage” refers to borrowings facilitated through our marketplace during a certain period; and  
“vintage”指在一定时期内通过我们的市场促成的借款; 以及
- “we,” “us,” “our company,” “our group” and “our” refer to Jiayin Group Inc., a Cayman Islands company and its subsidiaries, consolidated VIE, its subsidiaries and variable interest entity.  
“我们”、“我们”、“我们公司”、“我们集团”和“我们”是指嘉荫集团，一家开曼群岛公司及其子公司，合并了 VIE、子公司和可变权益实体。

The translations from RMB to U.S. dollars and from U.S. dollars to RMB in this prospectus were made at a rate of RMB6.8680 to US\$1.00, the exchange rates set forth in the H.10 statistical release of the Federal Reserve Board on September 28, 2018. We make no representation that the RMB or U.S. dollar amounts referred to in this prospectus could have been or could be converted into U.S. dollars or RMB, as the case may be, at any particular rate or at all. On December 14, 2018, the noon buying rate for RMB was RMB6.9050 to US\$1.00.

本招股说明书中的人民币兑换成美元，美元兑换成人民币的汇率为6.8680元人民币兑1.00美元，这是美联储2018年9月28日发布的

h. 10统计数据中规定的汇率。本招股说明书中提到的人民币或美元数额可能已经或可能已经兑换成美元或人民币，但我们没有作出任何陈述。2018年12月14日，人民币中午买入价为6.9050元至1.00美元。

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图9

## THE OFFERING

### 献祭

The following assumes that the underwriters will not exercise their option to purchase additional ADSs in the offering, unless otherwise indicated.

以下假设，除非另有说明，承销商不会行使其选择权，在发行中购买额外的存托凭证。

Offering Price 发售价格	We expect that the initial public offering price will be between US\$            and US\$            per ADS. 我们预计首次公开募股的价格将在美元到美元之间
ADSs Offered by Us 由我们提供	ADSs (or            ADSs if the underwriters exercise their option to purchase additional ADSs in full). 存托凭证(或存托凭证，如果承销商行使其全额购买额外存托凭证的选择权)
ADSs Outstanding Immediately After This Offering 此次发行后立即发行的股票	ADSs (or            ADSs if the underwriters exercise their option to purchase additional ADSs in full). 存托凭证(或存托凭证，如果承销商行使其全额购买额外存托凭证的选择权)
Ordinary Shares Outstanding Immediately After This Offering 此次发行后立即发行的普通股	Class A ordinary shares and 116,000,000 Class B ordinary shares (or Class A ordinary shares and 116,000,000 Class B ordinary shares if the underwriters exercise their option to purchase additional ADSs in full), excluding ordinary shares issuable upon the exercise of options outstanding under our share incentive plan as of the date of this prospectus. A 类普通股及 116,000,000 股 b 类普通股(或 a 类普通股及 116,000,000 股 b 类普通股(如承销商行使其全数购买额外存款证的选择权)，但不包括截至本招股章程日期根据本公司股份奖励计划行使已发行期权而可发行的普通股
Nasdaq Global Select Market symbol 纳斯达克全球精选市场符号	JFIN.
The ADSs 美国存托凭证	Each ADS represents            Class A ordinary shares. The ADSs may be evidenced by American depositary receipts. 每个 ADS 代表 a 类普通股。美国存托凭证可以证明美国存托凭证  The depositary will hold the Class A ordinary shares underlying your ADSs and you will have rights as provided in the deposit agreement. 存托人将持有你的存托凭证所依据的 a 类普通股，而你享有存托协议所规定的权利  You may turn in your ADSs to the depositary in exchange for Class A ordinary shares. The depositary will charge you fees for any exchange. We may amend or terminate the deposit agreement without your consent. If you continue to hold your ADSs, you agree to be bound by the deposit agreement as amended. 你可以把你的存托凭证交给存托人，以换取 a 类普通股。保管人会向你收取任何汇兑费用。未经您同意，我们可以修改或终止存款协议。如果您继续持有您的存款凭证，您同意受到修正后的存款协议的约束  To better understand the terms of the ADSs, you should carefully read the “Description of American Depositary Shares” section of this prospectus. You should also read the deposit agreement, which is filed as an exhibit to the registration statement that includes this prospectus. 为了更好地理解美国存托股票的条款，你应该仔细阅读本招股说明书的“美国存托股票说明”部分。您还应该阅读存款协议，该协议作为包括本招股说明书在内的登记声明的一个展品提交
Ordinary Shares 普通股	Our ordinary shares will be divided into Class A ordinary shares and Class B ordinary shares upon the completion of this offering. In respect of all matters subject to a shareholders’ vote, each Class A ordinary share is entitled to one vote, and each Class B ordinary share is entitled to ten votes, voting together as one class. Each Class B ordinary share is convertible into one Class A ordinary share at any time by the holder thereof. Class A ordinary shares are not 本次发行完成后，我们的普通股将分为 a 类普通股和 b 类普通股。股东投票决定的一切事项，a 类普通股每股有一票，b 类普通股每股有十票，共同投票为一票。每

股 b 类普通股持有人可随时转换为一股 a 类普通股。A 类普通股则不是

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图10

	<p>convertible into Class B ordinary shares under any circumstances. Upon any transfer of Class B ordinary shares by a holder to any person or entity which is not an affiliate of such holder, such Class B ordinary shares shall be automatically and immediately converted into the equivalent number of Class A ordinary shares. See “Description of Share Capital” for more information.</p> <p>在任何情况下可转换为 b 类普通股。持有人将 b 类普通股转让予并非该持有人关联的任何人士或实体时，该 b 类普通股应自动并立即转换为相等数目的 a 类普通股。详情请参阅「股本说明」。</p>
<p>Option to Purchase Additional ADSs 购买额外存款保险的选择权</p>	<p>We have granted to the underwriters an option, exercisable within 30 days from the date of this prospectus, to purchase up to _____ additional ADSs. 我们已授予承销商一项期权，可在本招股说明书之日起30天内行权，以购买多达个附加存托凭证</p>
<p>Use of Proceeds 收益的使用</p>	<p>We estimate that we will receive net proceeds of approximately US\$ _____ million from this offering (or US\$ _____ million if the underwriters exercise 我们估计，我们将从这次发行中获得约. 亿美元的净收益(如果承销商行使这一收益，则为. 亿美元) their option to purchase additional ADSs in full), after deducting the underwriting discounts, commissions and offering expenses payable by us and assuming an initial public offering price of US\$ _____ per ADS, being the mid-point of the estimated range of the initial public offering price shown on the front cover of this prospectus.</p> <p>在扣除承销折扣、佣金及发售开支后，并假设首次公开招股价格为每股美元，为本招股章程首次公开招股价格预计范围的中点。</p>
	<p>We plan to use the net proceeds of this offering as follows: 我们计划使用此次发行的净收益如下:</p> <ul style="list-style-type: none"><li>• implement our marketing initiatives to further build our brand awareness and expand our investor and borrower base; 推行市场推广措施，进一步提升品牌知名度，扩大投资者及借款人基础;</li><li>• conduct strategic acquisitions of business and assets to strengthen our technologies, particularly big data analytics and risk management capabilities, although currently we have not entered into any binding agreement for any acquisition nor identified any definite acquisition target; and 进行业务和资产的战略收购，以加强我们的技术，特别是大数据分析和风险管理能力，尽管目前我们尚未就任何收购达成任何有约束力的协议，也没有确定任何明确的收购目标; 以及</li><li>• for general corporate purposes, including working capital, operating expenses and capital expenditures. 一般公司用途，包括营运资金、营运开支及资本支出。</li></ul> <p>See “Use of Proceeds” for additional information. 有关其他信息，请参阅“收益的使用”</p>
<p>Lock-up 禁闭</p>	<p>[We, our directors and executive officers, and our existing shareholders and option holders have agreed with the underwriters, subject to certain exceptions, not to sell, transfer or otherwise dispose of any ADSs, ordinary shares or similar securities for a period ending 180 days after the date of this prospectus.] See “Underwriting” for more information. [我们、我们的董事和执行官员，以及我们现有的股东和期权持有人已与承销商达成协议，除某些例外情况外，在本招股说明书日期后180天内，不得出售、转让或以其他方式处置任何存托凭证、普通股或类似证券。] 有关更多信息，请参见“承销”</p>
<p>Risk Factors 风险因素</p>	<p>See “Risk Factors” and other information included in this prospectus for a discussion of risks you should carefully consider before investing in the ADSs. 请参阅“风险因素”和本招股说明书中的其他信息，以了解您在投资美国存托凭证之前应该仔细考虑的风险</p>
<p>Depository 保管人</p>	

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图11

**Summary Consolidated Financial and Operating Data**

**综合财务及营运数据摘要**

The following summary consolidated statements of operations data for the years ended December 31, 2016 and 2017 and summary consolidated balance sheets data as of December 31, 2016 and December 31, 2017 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. Our consolidated financial statements are prepared and presented in accordance with accounting principles generally accepted in the United States, or U.S. GAAP. The following summary consolidated statements of operations for the nine months ended September 30, 2017 and 2018 and the summary consolidated balance sheet as of September 30, 2018 have been derived from our unaudited interim condensed consolidated financial statements included elsewhere in this prospectus and have been prepared on the same basis as our audited consolidated financial statements.

以下是截至2016年12月31日、2016年12月31日和2017年12月31日的年度综合业务报表数据和截至2016年12月31日和2017年12月31日的综合资产负债表数据摘要，这些数据来自本章程其他地方所载的经审计的综合财务报表。我们的合并财务报表是根据美国公认会计准则编制和提交的。以下是截至2017年9月30日和2018年9月30日的9个月的综合业务报表摘要和截至2018年9月30日的综合资产负债表摘要，摘自我们在本章程其他地方所载的未经审计的中期综合财务报表，并按照与我们已审计综合财务报表相同的基础编制。

Our historical results are not necessarily indicative of results expected for future periods. You should read this Summary Consolidated Financial and Operating Data section together with our consolidated financial statements and the related notes and the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section included elsewhere in this prospectus.

我们的历史结果并不一定代表未来期望的结果。你应阅读本章程其他部分的综合财务及营运资料摘要、综合财务报表及有关附注，以及「管理层对财务状况及营运结果的讨论及分析」部分。

	Year Ended December 31, 截至十二月三十一日止的一年			Nine Months Ended September 30, 九个月截至九月三十日		
	2016	2017		2017	2018	
	RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	RMB 人民币	US\$ 美元
	(in thousands, except for share, per share data) (以千为单位, 每股数据除外)					
<b>Net revenue</b>						
净收入	591,098	2,250,850	327,730	1,480,755	2,171,683	316,203
<b>Operating cost and expenses:</b>						
营运成本及开支:						
Origination and servicing	(143,201)	(229,353)		(141,244)	(284,035)	
创立和服务	143,201)	229,353)	(33,394)	141,244)	(284,035))	(41,356)
Allowance for uncollectible accounts receivable and contract assets						
无法收回的应收帐款和合同资产备抵	(125,672)	(130,943)	(19,066)	(49,174)	(187,618)	(27,318)
Provision for assets and liabilities from investor assurance program						
投资者保证计划中的资产和负债准备金	(223,604)	(42,463)	(6,183 6183)	(6,314 6314)	(426,710)	(62,130)
Sales and marketing				(600,055)		(81,920)
销售和市场营销	(467,725)	(884,866)	(128,839)	(600,055))	(562,630)	(81,920))
General and administrative		(95,597)	(13,919)			
一般及行政事务	(54,990)	95,597)	13,919)	(65,226)	(83,272 83,272)	(12,125)
Research and development		(180,967)		(113,811)		
研究及发展	(88,705)	180,967)	(26,349)	113,811)	(112,387)	(16,364)
<b>Total operating cost and expenses</b>	<b>(1,103,897)</b>	<b>(1,564,189)</b>	<b>(227,750)</b>	<b>(975,824)</b>	<b>(1,656,652)</b>	<b>(241,213)</b>
营运成本及费用总额	1,103,897)	1564189)	227,750)	975,824)	1,656,652)	241,213)
<b>Income (Loss) from operation</b>						
营运收入(亏损)	<b>(512,799)</b>	<b>686,661)</b>	<b>99,980)</b>	<b>504,931)</b>	<b>515,031)</b>	<b>74,990)</b>
Interest income						
利息收入	1,454	1,922	280	1,383	1,042	152
Other income, net						
其他收入, 净额	3,328	12,609	1,836	8,667	12,039	1,753

	Year Ended December 31, 截至十二月三十一日止的一年			Nine Months Ended September 30, 九个月截至九月三十日		
	2016	2017		2017	2018	
	RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	RMB 人民币	US\$ 美元
<b>Income (loss) before income taxes</b>						
所得税前收入(损失)	(508,017)	701,192	102,096	514,981	528,112	76,895
Income tax benefit (expense)						(11,458)
所得税优惠(费用)	118,266	(161,647)	(23,536)	(118,719)	(78,689)	11,458
<b>Net income (loss)</b>						
净收益(亏损)	<u>(389,751)</u>	<u>539,545</u>	<u>78,560</u>	<u>396,262</u>	<u>449,423</u>	<u>65,437</u>
<b>Net income (loss) per share:</b>						
每股净收益(亏损):						
- Basic	(1.95 (1.95					
- 基本	元))	2.70	0.39	1.98	2.25	0.33
- Diluted	(1.95 (1.95					
- 稀释	元))	2.70	0.39	1.98	2.25	0.33
<b>Weighted average shares used in calculating net income (loss) per share:</b>						
用于计算每股净收益(亏损)的加权平均数:						
- Basic	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
- 基本	二十万	二十万	二十万	二十万	二十万	二十万
- Diluted	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
- 稀释	二十万	二十万	二十万	二十万	二十万	二十万

The following table sets forth our total assets, total liabilities and total net deficit as of the dates indicated.

下表列出截至所示日期的总资产、总负债和总净亏损。

	As of December 31, 截至十二月三十一日,			As of September 30, 截至9月30日,	
	2016	2017		2018	
	RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	US\$ 美元
<b>Summary Consolidated Balance Sheets</b>					
综合资产负债表摘要					
Total assets					
资产总额	2,025,937	2,530,532	368,453	1,353,771	197,113
Total liabilities				3,214,138	
负债总额	<u>4,586,420</u>	<u>4,462,074</u>	<u>649,691</u>	<u>3,214,138</u>	<u>467,988</u>
Total deficit	(2,560,483	(1,931,542	(281,238	(1,860,367	(270,875
赤字总额	<u>2560483)</u>	<u>1931542)</u>	<u>281,238)</u>	<u>1,860,367)</u>	<u>270,875)</u>

The following table sets forth a summary of our cash flows for the period presented:

下表列出了本公司在所述期间的现金流量摘要:

	Year Ended December 31, 截至十二月三十一日止的一年			Nine Months Ended 九个月结束 September 30, 九月三十日	
	2016	2017		2018	
	RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	US\$ 美元
<b>Summary Consolidated Cash Flow Data:</b>					
综合现金流量数据摘要:					
Net cash generated by operating activities					
业务活动产生的现金净额	257,500	104,752	15,252	133,130*	19,384*



Net cash provided by (used in) investing activities 投资活动提供的现金净额	(89,682)	61,215	8,913	(14,245)	(2,074)
Net cash provided by (used in) financing activities (用于)融资活动的现金净额	181,054	13,876	2,021	(504,000)	(73,384)
Cash, cash equivalents and restricted cash at beginning of year 年初现金、现金等价物和限制性现金	232,617	581,489	84,666	761,332	110,852
Cash, cash equivalents and restricted cash at end of year 年终现金、现金等价物和限制性现金	581,489	761,332	110,852	376,217	54,778

\* Our net cash generated by operating activities for the nine month ended September 30, 2018 includes repayment from Niwodai Finance of RMB398.1 million (US\$58.0 million) of amounts due from related parties, which is mostly funded by a dividend of RMB400.0 million (US\$58.2 million) distributed to  
截至二〇一八年九月三十日止的九个月内，我们的营运活动所产生的净现金包括 Niwodai 财务公司偿还关联方应付款项3.981亿元人民币(合5,800万美元)，其中大部分资金来自分配给中国银行的4亿元人民币(合5,820万美元)股息

shareholders of Jiayin Finance, including Mr. Dinggui Yan, who also controls Niwodai Finance. Without this related party transaction, we would have had operating cash outflows for the nine months ended September 30, 2018. Jiayin Finance 的股东，包括同时控制着新沃大金融的严定贵先生。如果没有这个关联方的交易，我们在2018年9月30日的9个月里就会有经营性现金流出

## Non-GAAP Measures

### 非公认会计原则措施

#### Adjusted Net Income (loss)

#### 调整后净收益(亏损)

We use adjusted net income (loss), a non-GAAP financial measure, in evaluating our operating results and for financial and operational decision-making purposes. We believe that adjusted net income (loss) helps identify underlying trends in our business by excluding the impact of share-based compensation expenses (net of tax effect of nil), which are non-cash charges. We believe that adjusted net income (loss) provides useful information about our operating results, enhances the overall understanding of our past performance and future prospects and allows for greater visibility with respect to key metrics used by our management in its financial and operational decision-making.

我们使用调整净收益(损失)，一个非一般公认会计原则的财务措施，在评估我们的经营成果和财务和经营决策的目的。我们相信调整后的净收入(亏损)有助确定我们业务的基本趋势，因为我们排除了非现金收费的按股份计算的补偿开支(即不扣除税项影响)的影响。我们相信，调整后的净收入(亏损)提供了有关我们经营业绩的有用信息，加强了对我们过去业绩和未来前景的总体了解，并使我们的管理层在财务和运营决策中使用的关键指标得到更大的关注。

Year Ended December 31, 截至十二月三十一日止的一年			Nine Months Ended September 30, 九个月截至九月三十日		
2016	2017		2017	2018	
RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	RMB 人民币	US\$ 美元

(in thousands) (千)

#### Adjusted net income (loss)<sup>(1)</sup>

#### 调整后净收益(亏损)<sup>(1)</sup>

(349,834)	628,941	91,576	471,196	471,175	68,604
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- (1) Adjusted net income (loss) is defined as net income (loss) excluding share-based compensation expenses (net of tax effect of nil). 调整后净收入(亏损)的定义为净收入(亏损)，不包括以股份为基础的补偿费用(不扣除税收影响)。

Adjusted net income (loss) is not defined under U.S. GAAP and are not presented in accordance with U.S. GAAP. This non-GAAP financial measure has limitations as analytical tools, and when assessing our operating performance, cash flows or our liquidity, investors should not consider them in isolation, or as a substitute for net income (loss), cash flows provided by operating activities or other consolidated statements of operation and cash flow data prepared in accordance with U.S. GAAP.

调整后的净收入(损失)在美国公认会计原则下没有定义，也没有按照美国公认会计原则提出。这种非公认会计原则的财务指标作为分析工具具有局限性，在评估我们的经营业绩、现金流量或流动性时，投资者不应孤立地考虑这些指标，也不应将其作为净收入(损失)、经营活动提供的现金流量或其他合并的经营报表以及按照美国公认会计原则编制的现金流量数据的替代指标。

We mitigate these limitations by reconciling the non-GAAP financial measure to the most comparable U.S. GAAP performance measure, all of which should be considered when evaluating our performance.

我们通过将非公认会计原则的财务指标与美国最具可比性的公认会计原则的绩效指标进行协调来减轻这些限制，在评估我们的绩效时应该考虑所有这些因素。

The following table reconciles our adjusted net income (loss) in the years presented to the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP, which is net income (loss):

下表按照美国一般公认会计原则计算和列报的最直接可比的财务指标，即净收入(损失)，核对了我们列报年份的调整后净收入(损失)：

Year Ended December 31, 截至十二月三十一日止的一年			Nine Months Ended September 30, 九个月截至九月三十日		
2016	2017		2017	2018	
RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	RMB 人民币	US\$ 美元

(in thousands) (千)

#### Net income (loss)

#### 净收益(亏损)

(389,751)	539,545	78,560	396,262	449,423	65,437
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Add: share-based compensation expenses (net of tax effect of nil)						
加: 以股份为基础的补偿费用(不包括税收影响)	<u>39,917</u>	<u>89,396</u>	<u>13,016</u>	<u>74,934</u>	<u>21,752</u>	<u>3,167</u>
Adjusted net income (loss)						
调整后净收益(亏损)	<u>(349,834)</u>	<u>628,941</u>	<u>91,576</u>	<u>471,196</u>	<u>471,175</u>	<u>68,604</u>

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图14

### Selected Operating Data

#### 部分操作数据

We regularly review a number of metrics to evaluate our business, measure our performance, identify trends, formulate financial projections and make strategic decisions. The table below sets forth the selected operating data for the periods and as of the dates indicated:

我们定期回顾一些衡量标准，以评估我们的业务，衡量我们的业绩，确定趋势，制定财务预测和战略决策。下表列出了所列各期间和截至所列日期的选定业务数据：

	Year Ended December 31, 截至十二月三十一日止的一年		Nine Months Ended 九个月结束 September 30, 九月三十日		
	2016	2017	2017	2018	
	(in thousands) (千)				
Number of borrowers 借款人数目	210	2,855	2,855	1,773	2,385
Number of repeat borrowers 重复借款人数量	9	1,201	1,201	708	756
Number of investors 投资者数目	278	273	273	207	277
Number of repeat investors 重复投资者数量	123	157	157	116	216
Number of borrowings 借款数目	219	5,215	5,215	3,049	2,494
Number of investment transactions 投资交易数目	1,419	7,114	7,114	4,448	3,138

	Year Ended December 31, 截至十二月三十一日止的一年			Nine Months Ended September 30, 九个月截至九月三十日		
	2016	2017		2017	2018	
	RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	RMB 人民币	US\$ 美元
(in millions) (以百万计)						
Loan origination volume* 批出贷款总额*	11,822	19,845	2,889	12,039	17,076	2,486
Loan origination volume invested by investors and automated investment programs, excluding reinvestments 投资者投资的贷款发放量和自动化投资程序，不包括再投资	10,198	14,400	2,097	8,971	9,175	1,336
Loan origination volume invested by automatic reinvestments 通过自动再投资投资的贷款发放量	1,624	5,445	793	3,068	7,901	1,150
Investment volume* 投资额*	15,699	21,769	3,170	13,154	19,240	2,801
Volume of loans transferred on secondary loan market 二手贷款市场转移的贷款额	11,850	14,895	2,169	8,203	16,528	2,407
Investments made by investors 投资者的投资	560	1,291	188	876	636	93
Investments made by automated investment programs, excluding reinvestments 通过自动化投资程序进行的投资，不包括再投资	4,918	6,068	884	3,305	9,415	1,371
Automated reinvestments enabled by automated investment program 通过自动化投资程序实现自动化再投资	6,372	7,536	1,097	4,022	6,477	943

\* Loan origination volume during a period is not equal to the investment volume in the same period as (i) the investment volume includes the amount of investment transactions, excluding automatic reinvestments, in respect of transferred loans on the secondary market, and a small amount of investments into the automated investment programs during the subscription period, which are not accounted for in the loan origination volume; (ii) the loan origination volume includes the amount of loans that are originated on our platform which are matched with automated reinvestments enabled by our automated investment program, which is not accounted for in the investment volume.  
一段期间的贷款批出金额不等于同一期间的投资金额，因为(i)投资金额包括就二级市场已转让贷款而言的投资交易金额(不包括自动再投资)，以及在认购期内对自动化投资计划的少量投资，而这些投资金额并没有计入贷款批出金额; (ii)贷款批出金额包括源自我们平台的贷款金额，这些贷款金额与我们的自动化投资计划启动的自动化再投资金额相配合，但不计入投资金额。

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图15



## RISK FACTORS

### 风险因素

*Investing in the ADSs entails a significant level of risk. Before investing in the ADSs, you should carefully consider all of the risks and uncertainties mentioned in this section, in addition to all of the other information in this prospectus, including the financial statements and related notes. We may face additional risks and uncertainties aside from the ones mentioned below. There may be risks and uncertainties that we are unaware of, or that we currently do not consider material, that may become important factors that adversely affect our business in the future. Any of the following risks and uncertainties could have a material adverse effect on our business, financial condition, results of operations and prospects. In such case, the market prices of the ADSs could decline and you may lose part or all of your investment.*

投资于存托凭证意味着巨大的风险。在投资资产负债表前，你应仔细考虑本章节所提及的所有风险及不明朗因素，以及本招股章程所载的其他资料，包括财务报表及有关附注。除了下面提到的风险和不确定性，我们还可能面临其他风险和不确定性。可能有一些我们没有意识到的风险和不确定性，或者我们目前没有考虑到的重要因素，这些都将成为影响我们未来业务的重要因素。以下任何风险和不确定性都可能对我们的业务、财务状况、运营结果和前景产生实质性的不利影响。在这种情况下，存托凭证的市场价格可能会下跌，你可能会损失部分或全部投资。

### Risks Relating to Our Business and Industry

#### 与本港工商业有关的风险

*The laws and regulations governing online individual finance industry in China are developing and evolving and subject to changes. If we fail to comply with existing and future applicable laws, regulations or requirements of local regulatory authorities, our business, financial condition and results of operations would be materially and adversely affected.*

我国网上个人金融业的法律法规不断发展演变，并不断发生变化。如果我们不遵守现行和未来适用的法律、法规或地方监管当局的要求，我们的业务、财务状况和经营结果将受到重大和不利的影响。

Due to the relatively short history of the online individual finance industry in China, the regulatory framework governing our industry is developing and evolving. Before any industry-specific regulations were introduced in mid-2015, the PRC government relied on general and basic laws and regulations for governing the online individual finance industry, including the PRC Contract Law, the General Principles of the Civil Law of the PRC and related judicial interpretations promulgated by the Supreme People's Court. See "Regulation—Regulations Relating to Online Individual Finance Services."

由于中国网上个人理财行业的历史相对较短，管理我们行业的监管框架正在发展和演变。在2015年年中出台任何针对具体行业的法规之前，中国政府依据一般和基本的法律法规管理网上个人金融业，包括《中华人民共和国合同法》、《中华人民共和国民事诉讼法》以及最高人民法院颁布的相关司法解释。参见"监管—与网上个人金融服务有关的监管"

In July 2015, the People's Bank of China, or the PBOC, together with nine other PRC regulatory agencies jointly issued a series of policy measures applicable to the online finance industry titled the Guidelines on Promoting the Healthy Development of Online Finance Industry, or the Guidelines. The Guidelines formally introduced for the first time the regulatory framework and basic principles governing the online finance industry, including the provision of online lending information services in China. Following the core principles of the Guidelines, a series of additional restrictions and affirmative obligations were imposed on online lending information intermediaries by the Implementation Strategies Targeted towards Risks related to Online Finance circulated by the General Office of the State Council in April 2016, the Interim Measures on Administration of Business Activities of Online Lending Information Intermediaries (the "Interim Measures") issued by the CBRC and other PRC regulatory agencies in August 2016, the Circular on Regulating and Rectifying of "Cash Loan" Services ("Circular 141") issued by the Office of the Leading Group for the Special Campaign against Internet Financial Risks and the Office of the Leading Group for the Special Campaign against Peer-to-peer Lending Risks in December 2017, the Notice on The Improvement and Acceptance of P2P Online Lending Risks ("Circular 57") and the Notice on Conducting Compliance Inspection on P2P Lending Platforms issued by the Office of the Leading Group for the Special Campaign against Peer-to-peer Lending Risks in December 2017 and in August 2018, respectively. In addition, in February 2017 and August 2017, the CBRC issued the Guidelines on Online Lending Funds Custodian Business, or the Custodian Guidelines, and the Guidelines on Information Disclosure of the Business Activities of Online Lending Information Intermediaries, or the Disclosure Guidelines, respectively. The Custodian Guidelines further clarified the requirement of setting up custody accounts with commercial banks for the funds of investors and borrowers held by online individual finance platforms, while the Disclosure Guidelines further specified the disclosure requirements for online lending information service providers. See "Regulation—Regulations Relating to Online Individual Finance Services—Regulations on Online Peer-to-Peer Lending Intermediary Information Services."

2015年7月，中国人民银行和其他9个中国监管机构联合发布了一系列适用于网络金融业的政策措施，名为《促进网络金融业健康发展指南》。《指导方针》首次正式提出了规范网络金融业的监管框架和基本原则，包括在中国提供网络借贷信息服务。句子太长，请短一点。此外，银监会分别于二〇一七年二月及二〇一七年八月发出《网上借贷资金托管业务指引》（《托管指引》）及《网上借贷资料中介机构业务活动信息披露指引》（《披露指引》）。《保管准则》进一步明确了在商业银行设立托管账户的要求，以保管由网上个人金融平台持有的投资者和借款人的资金，而《披露准则》进一步明确了网上借贷信息服务提供者的披露要求。参见《管理—网上个人金融服务相关规定—网上网络借贷中介信息服务管理规定》

The laws, regulations, rules and governmental policies are expected to continue to evolve in our industry. The growth in popularity of online

individual finance in China increases the likelihood for the government authorities to further regulate our industry. We are unable to predict with certainty the impact, if any, that future

我们行业的法律、法规、规章和政府政策预计将继续发展。网上个人理财在中国的普及增加了政府当局进一步规范我们行业的可能性。我们无法肯定地预测未来的影响，如果有的话

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图17



legislation, judicial interpretations or regulations relating to the online individual finance industry, or the status and scrutiny of implementation thereof will have on our business, financial condition and results of operations. To the extent that we are not able to fully comply with any applicable laws or regulations, our business, financial condition and results of operations may be materially and adversely affected.

有关网上个人金融业的法例、司法解释或规例，或其实施情况和审查，将对我们的业务、财务状况和营运成果产生影响。如果我们不能完全遵守任何适用的法律或法规，我们的业务、财务状况和经营结果可能会受到重大和不利的影响。

*If our practice is deemed to violate any PRC laws and regulations, our business, financial condition and results of operations would be materially and adversely affected.*

如果我们的做法被认为违反了中国的任何法律法规，我们的业务、财务状况和经营结果将受到重大和不利的影响。

The PRC regulatory regime with respect to the online individual finance industry is relatively new and evolving, and their interpretation and enforcement are subject to significant uncertainties, it results in difficulties in determining whether our existing practices would violate any applicable laws and regulations.

中国对网上个人金融业的监管制度相对较新和不断发展，其解释和执行受到重大不确定性的影响，导致难以确定我们现有的做法是否违反任何适用的法律和法规。

The Guidelines, the Interim Measures, Circular 141, Circular 57 and other laws and regulations prohibit online lending information intermediaries from certain activities, including but not limited to, credit enhancement, illegal fund-raising, and setting up capital pool. Furthermore, intermediaries that provide online lending information services shall not engage in certain activities, including, among others, (i) fundraising for the intermediaries themselves, (ii) holding investors' fund or setting up capital pools with investors' fund, (iii) providing security or guarantee to investors as to the principals and returns of the investment, (iv) issuing or selling any wealth management products, (v) mismatch between investor's expected timing of exit and the maturity date, (vi) securitization, (vii) promoting its financing products on physical premises other than through the permitted electronic channels, such as telephones, mobile phones and internet, (viii) providing loans with its own capital, except as otherwise permitted by laws and regulations; (ix) equity crowd-funding; (x) deducting interest from loan principal; (xi) outsourcing key services such as customer information collection, screening, credit evaluation; (xii) facilitating loans without a designated purpose and (xiii) provide risk reserve fund to the investors.

《指导方针》、《暂行办法》、《第141号通知》、《第57号通知》等法律法规禁止网络借贷信息中介从事某些活动，包括但不限于提高信用、非法集资和建立资本池。句子太长，请短一点。

In addition, the Interim Measures stipulate the maximum amount that a borrower may borrow through online consumer finance platforms. The Interim Measures also require the intermediaries that provide online lending information services to strengthen their risk management, enhance screening and verifying efforts on the borrowers' and investors' information, and to set up custody accounts with qualified banks to hold customer funds, and to disclose the basic information to the investors and borrowers. To the extent Hengfeng Bank and we are deemed to be not in full compliance with any applicable laws and regulations, we might be required to make correction or rectification within a six-month rectification period. See "Regulation—Regulations relating to Online Individual Finance Services."

此外，《暂行办法》还规定了借款人通过网上消费金融平台借款的最高限额。《暂行办法》还要求提供网络借贷信息服务的中介机构加强风险管理，加强对借款人和投资者信息的筛查和核实，在合格银行设立托管账户，持有客户资金，并向投资者和借款人披露基本信息。如果恒丰银行和我们被认为不完全符合任何适用的法律法规，我们可能会被要求在六个月的纠正期内进行纠正或更正。参见“监管—与网上个人金融服务有关的监管”

Any violation of such applicable laws, regulations or relevant regulatory provisions may subject online peer-to-peer lending information intermediaries to sanctions, including, among others, supervision interviews, regulatory warning, correction order, condemnation, negative credit record and publication, fines, and criminal liabilities if the act constitutes a criminal offense.

任何违反此类适用法律、法规或相关监管规定的行为，都可能使网上网络借贷信息中介机构受到制裁，包括监督访谈、监管警告、更正令、谴责、负面信用记录和公布、罚款以及构成犯罪的刑事责任等。

To comply with existing laws, regulations, rules and governmental policies relating to the online consumer finance industry, we have implemented various policies and procedures to conduct our business and operations. However, due to lack of detailed implementation rules on certain key requirements of the regulations and different interpretation of the regulations by the local authorities, we cannot be certain that our existing practices would not be deemed in violation of any existing or future laws, rules and regulations that are applicable to our business.

为了遵守与网上消费金融业有关的现行法律、法规、规则和政府政策，我们实施了各种政策和程序来开展业务和运作。但是，由于法规的某些关键要求缺乏详细的实施细则，以及地方当局对法规的不同解释，我们不能确定我们现行的做法是否会被视为违反适用于我们业务的任何现行或未来的法律、法规和法规。

In particular, we cannot rule out the possibility that some of our existing practices might be deemed as not being fully in compliance. For instance, we have established a secondary loan market to provide flexible options for exiting investments. Although the Circular 57 clarifies that the legality of transfer of creditor's rights depends on specific situation and low-frequency transfers between creditors for fluidity are generally acceptable, we cannot ensure full compliance of all transfer of creditor's right completed on our marketplace.

特别是，我们不能排除我们现有的一些做法可能被视为不完全遵守的可能性。例如，我们建立了二级贷款市场，为退出投资提供灵活的选择。虽然第57号通知明确指出，债权转让的合法性取决于具体情况，债权人之间为流动性而进行的低频率转让普遍可以接受，但我们不能确保完全符合在我国市场上完成的所有债权转让。

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图18

Furthermore, online lending information intermediaries are prohibited from holding investors' fund or setting up capital pools with investors' fund or mismatch between investor's expected timing of exit and the maturity date, it is uncertain how the "setting up capital pool" or "mismatch" will be interpreted due to the lack of detailed implementing rules. We offer automated investment programs that investors authorize us to make investments and when necessary transfer their creditor's rights on their behalf to other investors on our marketplace. We generally put loans on the same expected mature schedule into one investment program. However, we cannot rule out the possibility that our automated investment programs might be viewed by the PRC regulatory agencies as, in certain circumstances, setting up capital pool or mismatch between investor's expected timing of exit and the maturity date.

此外，网上贷款信息中介机构被禁止持有投资者的资金或用投资者的资金建立资本池，或者投资者的预期退出时间与到期日不匹配，由于缺乏详细的实施规则，不能确定如何解释“建立资本池”或“不匹配”。我们提供自动化投资程序，投资者授权我们进行投资，并在必要时代表他们将债权转让给我们市场上的其他投资者。我们通常把相同的预期到期日期的贷款纳入一个投资计划。然而，我们不能排除这样的可能性，即我们的自动化投资项目可能会被中国监管机构视为，在某些情况下，建立资本池或投资者的预期退出时间和到期日不匹配。

Although the Guidelines and the Interim Measures prohibit online marketplace lending service providers from providing "credit enhancement services", or providing any security interest or guarantee to investors on the principal or return of their investments, it is uncertain how the provisions would be interpreted and implemented. Circular 57 further requires individual finance platforms to cease setting aside risk reserve fund and gradually reduce the size of their current risk reserve fund. Furthermore, if the investor assurance programs are viewed by the PRC regulatory bodies as providing a form of guarantee, under the Provisions on Several Issues Concerning Laws Applicable to Trials of Private Lending Cases, or the Private Lending Judicial Interpretations, issued by the Supreme People's Court on August 6, 2015 and being effective on September 1, 2015, if requested by the investor with the court, we may be required to assume the obligations as to the defaulted loan as a guarantor. The risk reserve fund was managed by Shanghai Caiyin before April 28, 2018, and we began to partner with a third party guarantor to manage the investor assurance program since April 28, 2018. Due to the lack of detailed implementing rules, we cannot rule out the possibility that our past risk reserve fund and investor assurance program might be deemed as providing credit enhancement services, or a form of guarantee to investors, prohibited by the Guidelines and Interim Measures.

虽然《准则》和《暂行办法》禁止网上市场借贷服务提供者提供“信用增级服务”，或为投资者的本金或投资回报提供任何担保权益或担保，但不确定如何解释和执行这些规定。第57号通知进一步要求个别金融平台停止设置风险储备基金，并逐步缩减其目前的风险储备基金规模。此外，如果中国监管机构认为投资者担保计划提供了某种形式的担保，根据2015年8月6日最高人民法院发布的《关于私人借贷案件适用法律若干问题的规定》或《私人借贷司法解释》，并于2015年9月1日生效，如果投资者向法院提出请求，我们可能被要求承担作为担保人的违约贷款的义务。风险准备基金在2018年4月28日之前由上海财银管理，我们从2018年4月28日开始与第三方担保人合作管理投资者保证计划。由于缺乏具体的实施细则，我们不能排除我们过去的风险储备基金和投资者担保计划可能被视为提供信用增级服务或向投资者提供某种形式的担保，这是《准则》和《暂行办法》所禁止的。

Moreover, to supplement our risk assessment model and risk management system, we engage third-party expert consultants to help screen and re-assess the creditworthiness of applicants and identify creditworthy potential borrowers. Although we may, when necessary, further evaluate the creditworthiness of borrowers identified by our third-party expert consultants before the funds being transferred to the borrower's account, we cannot guarantee the current cooperation with third-party consultants might be viewed, to certain extent, outsourcing client selection and credit assessment and in violation of the Interim Measures. Due to lack of industry-wide information sharing arrangement, we cannot assure you that the aggregate amount borrowed by any borrower through our platform and other online consumer finance platforms does not exceed the borrowing limit set out by the Interim Measures.

此外，为了补充我们的风险评估模型和 risk 管理系统，我们聘请了第三方专家顾问，帮助筛选和重新评估申请人的信用可靠性，并确定信用可靠的潜在借款人。虽然在资金转入借款人账户之前，我们可以在必要时进一步评估第三方专家顾问确定的借款人的信用可靠性，但我们不能保证目前与第三方顾问的合作可能在一定程度上被视为外包客户选择和信用评估，违反了《暂行办法》。由于缺乏全行业的资讯分享安排，我们不能向阁下保证任何借款人透过我们的平台及其他网上消费金融平台所借取的总金额不会超过《暂行办法》所订定的借款上限。

According to the Interim Measures, if an online lending information intermediary institution operates business in physical places other than the internet, fixed line telephones, mobile phones and other electronic channels, such institutions may only conduct risk management activities such as collection and verification of credit information, post-loan follow-up management, mortgage and pledge management and conduct certain necessary business operations specified in online lending regulatory provisions. It is also prohibited from publicizing or recommending a project needing funding at any physical place other than electronic channels such as the Internet, fixed-line telephones, and mobile phones, or entrusting or authorizing a third party to do so. We utilized an offline-to-online channel to attract potential customers to our Niwodai borrower app or website from January to August 2018. We also engage in various branding initiatives by advertising our Niwodai brand on TV shows and sports games. Although the purpose is mainly to enhance our brand awareness, instead of recommending a project, and we believe such activities are in compliance, we cannot assure you the PRC regulatory authorities would hold the same view as ours and such practice would not be deemed to violate any existing or future laws, regulations, rules and governmental policies on promoting consumer finance loans through offline channels.

根据《暂行办法》，网络借贷信息中介机构在互联网、固定电话、移动电话等电子渠道以外的实体场所经营业务，只能进行信用信息收集核实、贷款后跟踪管理、抵押和质押管理等风险管理活动，并进行网络借贷监管规定中规定的某些必要业务操作。还禁止在互联网、固定电话和移动电话等电子渠道以外的任何物理场所宣传或建议需要资助的项目，或委托或授权第三方这样做。2018年1月至8月，我们利用线下到线上的渠道吸引潜在客户使用我们的 Niwodai 借款人应用程序或网站。我们也参与各种品牌倡议，通过广告我们的 Niwodai 品牌在电视节目和体育游戏。虽然我们的目的主要是提高我们的品牌知名度，而不是推荐一个项目，我们相信这些活动是合规的，但我们不能保证中国监管部门会持有与我们相同的观点，这种做法不会被视为违反任何现有或未来的法律、法规、规则和政府政策，通过线下渠道促进消费者融资贷款。

In addition, Circular 141 prohibits peer-to-peer lending information intermediaries from providing loan matching services without designated use. Therefore we require a borrower to specify its loan use during the application process. The multilateral loan agreement among the borrower, investor and Niwodai Internet also

此外，第141号通知禁止网络借贷信息中介机构在没有指定用途的情况下提供贷款匹配服务。因此，我们要求借款人在申请过程中指定其贷款用途。借款人、投资人与互联网之间的多边贷款协议也

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图19

stipulates the loan use and the borrower's undertaking that he or she would not use the proceeds for any use other than the prescribed purposes (including but not limited to lending, payment for property purchases, foreclosures, real estate over-the-counter financing, real estate development, securities investment or equity investment, over-the-counter allocation, futures contracts, structured products and other derivatives and investments with equal risk or other illegal transactions, etc.). We also request our borrowers to provide proof for usage of such loan when its term expires on a selective basis. Where the borrower fails to comply with the aforesaid undertaking, the lender may call the loan and demand the borrower to bear the liability for the breach of the agreement. Where the borrower violates the laws and regulations, Niwodai Internet has the right to immediately report to corresponding regulatory authorities including the public security bureau. However, we cannot monitor how borrowers use the proceeds from time to time. We cannot ensure borrowers fully comply with the loan agreement, and there can be no assurance that such practice would be considered by PRC regulators as being in compliance with any existing or future laws, regulations, rules and governmental policies on prohibition against facilitating loans without a designated purpose.

订明贷款的用途，以及借款人承诺不会将所得款项用于订明用途以外的任何用途(包括但不限于贷款、购买物业的付款、止赎、房地产场外融资、房地产发展、证券投资或股票投资、场外分配、期货合约、结构性产品及其他风险相同或其他非法交易的衍生工具及投资等)。我们也要求我们的借款人提供证明使用该贷款时，其期限届满在选择性的基础上。借款人不履行上述承诺的，贷款人可以召回贷款，要求借款人承担违约责任。如果借款人违反法律法规，牛窝带网有权立即向包括公安部门在内的相应监管机构报告。然而，我们无法不时监察借款人如何使用这些收益。我们不能确保借款人完全遵守贷款协议，也不能保证中国监管机构会认为这种做法符合任何现行或未来的法律、法规、规则和政府政策，禁止在没有指定目的的情况下为贷款提供便利。

As of the date of this prospectus, we have not been subject to any material fines or other penalties under any PRC laws or regulations, including those governing the online consumer finance industry in China. If our practice is deemed to violate any laws, regulations and rules, we may face, among others, regulatory warning, correction order, condemnation, fines and criminal liability. If such situations occur, our business, financial condition, results of operations and prospects would be materially and adversely affected.

截至本招股说明书之日，我们尚未受到任何中国法律法规规定的重大罚款或其他处罚，包括管理中国网上消费金融行业的法律法规。如果我们的行为被认为违反了任何法律、法规和规章，我们可能面临监管警告、纠正令、定罪、罚款和刑事责任等。如果出现这种情况，我们的业务、财务状况、经营成果和前景将受到重大和不利的影响。

***We are required to register our marketplace with the local financial regulatory authority and may fail to complete the registration.***

我们被要求在当地金融监管机构注册我们的市场，并可能无法完成注册。

Online lending information intermediaries are required under the Interim Measures to register with the local financial regulatory authority, obtain the applicable telecommunication business license afterwards, update their business scope to include "online lending information intermediary" before the local commercial registration authority. The Instructions on Record-filing and Registration of Online Lending Information Intermediaries issued by the CBRC and other PRC regulatory agencies in November 2016 further emphasize that online lending information intermediaries shall apply for value-added telecommunications business operation licenses with certificate of registration issued by the local financial regulatory authority. However, as of the date of this prospectus, the PRC financial regulatory authorities are still in the process of making detailed implementation rules regarding the filing procedures and to our knowledge nationwide, none of the online lending information intermediaries have been permitted to apply for such filing pursuant to the latest effective regulations. We cannot assure you when we will be able to submit such filing application and once submitted, whether our application will be accepted by the local financial regulatory authorities. If Niwodai Internet is required to make further rectifications by the Shanghai financial regulatory authorities and fails to fully satisfy the authorities' requirements, its application for registering as an online lending information intermediary with the local financial regulatory authority may be delayed or even denied. If an online lending information intermediary substantially engages in P2P online lending business without completing the required filing with local financial regulatory authorities, then, relevant governmental authorities shall take administrative measures pursuant to Circular 57, including shutting down its websites, nullifying its telecommunication business license and prohibiting it from receiving financial service from any financial institution. See "Regulation—Regulations Relating to Online Individual Finance Services." If such situations occur, our business, financial condition, results of operations and prospects would be materially and adversely affected.

《暂行办法》要求网络借贷信息中介机构向当地金融监管部门办理注册手续，事后取得适用的电信业务许可证，更新业务范围，在当地商业登记机关前设立"网络借贷信息中介机构"。2016年11月中国银监会等监管机构发布的《关于网络借贷信息中介机构备案登记的指示》进一步强调，网络借贷信息中介机构应当凭当地金融监管机构颁发的《登记证》申请电信增值业务经营许可证。然而，截至本招股说明书之日，中国金融监管部门仍在制定备案程序的具体实施细则，据我们所知，根据最新的有效规定，所有网络借贷信息中介机构均未获准申请备案。我们不能保证我们什么时候能够提交这样的申请，一旦提交，我们的申请是否会被当地的金融监管机构接受。如果上海市金融监管部门要求新网进一步整改，而且不能完全满足当局的要求，新网向当地金融监管部门申请注册为网络借贷信息中介机构的申请可能会被推迟甚至拒绝。网络借贷信息中介未按规定向当地金融监管部门申报，大量从事P2P网络借贷业务的，有关政府部门应当依照第57号通知采取行政措施，包括关闭网站、吊销电信业务许可证、禁止从金融机构接受金融服务等。参见"监管—与网上个人金融服务有关的监管"如果出现这种情况，我们的业务、财务状况、经营成果和前景将受到重大和不利的影响。

***We are required to obtain telecommunication business licenses upon completion of filing with local financial regulatory authority and may fail to obtain such licenses.***

我们必须在向当地金融监管机构申报完毕后取得电信业务许可证，可能无法取得许可证。

PRC regulations impose sanctions for engaging in Internet information services of a commercial nature without having obtained an Internet

Content Provider license, or the ICP license, and sanctions for engaging in the operation of online data processing and transaction processing without having obtained an online data processing and transaction processing license, (such license together with ICP licenses are both sub-sets of licenses for value-added telecommunication service business).

中华人民共和国条例对未取得互联网内容提供者许可证或 ICP 许可证从事商业性互联网信息服务实施制裁，并对未取得在线数据处理和交易处理许可证从事在线数据处理和交易处理活动实施制裁(这种许可证和 ICP 许可证都是增值电信服务业务许可证的子集)。

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图20



These sanctions include corrective orders and warnings from the PRC communication administration authority, fines and confiscation of illegal gains and, in the case of significant infringements, the websites and mobile apps may be ordered to cease operation. Prior to the issuance of the Interim Measures in August 2016, it was unclear whether online lending information intermediaries like us are required to obtain telecommunication business licenses. The Interim Measures stipulated that an online peer-to-peer lending information intermediary service provider shall apply for the appropriate telecommunication business license upon completion of filing with local financial regulatory authorities pursuant to relevant provisions issued by competent telecommunication regulatory authority. However, the Interim Measures and other relevant PRC laws and regulations are currently silent as to precisely which telecommunication business license(s) needed to be obtained. Since there is no relevant implementation rule or interpretation regarding such license, it is still unclear which kind of telecommunication business license is applicable to our business. If any kind of telecommunication business is required in the future, we cannot assure you that we would be able to obtain such licenses or other regulatory approvals in a timely manner, or at all, which would subject us to the sanctions described above or other sanctions as stipulated in the new regulatory rules, and materially and adversely affect our business and impede our ability to continue our operations.

这些制裁包括来自中国通信管理当局的纠正命令和警告，罚款和没收非法收益，如果发生重大违规行为，网站和移动应用程序可能会被勒令停止运行。在2016年8月《暂行办法》颁布之前，尚不清楚像我们这样的网络借贷信息中介机构是否需要获得电信业务许可证。《暂行办法》规定，网上网络借贷信息中介服务提供者依照电信主管部门的有关规定，向当地金融监管部门备案后，申请领取相应的电信业务许可证。然而，《暂行办法》和中国其他相关法律法规目前没有明确规定需要取得哪些电信业务执照。由于该许可证没有相关的实施规则或解释，目前还不清楚哪一种电信业务许可证适用于我们的业务。如果今后需要开展任何类型的电信业务，我们无法向您保证，我们将能够及时或根本无法获得此类许可证或其他监管批准，这将使我们受到上述制裁或新监管规则规定的其他制裁，对我们的业务产生重大和不利的影响，并妨碍我们继续开展业务的能力。

***If we are unable to maintain and increase the number of our investors and borrowers or the volume of loans facilitated through our marketplace, our business and results of operations will be adversely affected.***

如果我们不能维持和增加我们的投资者和借款人的数量或通过我们的市场促进的贷款量，我们的业务和业务结果将受到不利影响。

The loan origination and investment volume facilitated through our marketplace have grown rapidly over the past few years. The total loan origination volume facilitated through our marketplace increased from RMB11.8 billion in 2016 to RMB19.8 billion (US\$2.9 billion) in 2017, and the investment volume facilitated through our marketplace increased from RMB15.7 billion in 2016 to RMB21.8 billion (US\$3.2 billion) in 2017. The total loan origination volume facilitated through our marketplace increased from RMB12.0 billion in the nine months ended September 30, 2017 to RMB17.1 billion (US\$2.5 billion) in the same period in 2018, and the investment volume facilitated through our marketplace increased from RMB13.2 billion in the nine months ended September 30, 2017 to RMB19.2 billion (US\$2.8 billion) in the same period in 2018. To maintain the high growth momentum of our marketplace, we must continuously increase the volume of loans by retaining current participants and attracting more users whose financing or investment needs can be met on our marketplace. If there are insufficient qualified loan applications, investors may not be able to deploy their capital in a timely or efficient manner and may seek other investment opportunities. If there are insufficient investor commitments, borrowers may not be able to obtain capital through our marketplace and may turn to other sources for their borrowing needs. If we are unable to attract qualified borrowers and sufficient investor commitments or if investors and borrowers do not continue to participate in our marketplace at the current rates due to any change we may be required to make to the way we conduct our business to ensure compliance with existing or new PRC laws and regulations or due to other business or regulatory reasons, we might not be able to increase our loan transaction volume and revenues as we expect, and our business and results of operations may be adversely affected.

在过去的几年里，通过我们的市场促进的贷款发放和投资额迅速增长。透过我们的市场促成的贷款总额由二〇一六年的118亿元人民币增加至二〇一七年的198亿元人民币(合29亿美元)；透过我们的市场促成的投资额由二〇一六年的157亿元人民币增加至二〇一七年的218亿元人民币(合32亿美元)。透过我们的市场促成的贷款总额，由截至二〇一七年九月三十日的九个月内的120亿元人民币，增加至二〇一八年同期的171亿元人民币(约25亿美元)。透过我们的市场促成的投资额，亦由截至二〇一七年九月三十日的九个月内的132亿元人民币，增加至二〇一八年同期的192亿元人民币(约28亿美元)。为了保持我们市场的高增长势头，我们必须通过保留当前的参与者和吸引更多的用户，他们的融资或投资需求可以在我们的市场上得到满足，从而不断增加贷款量。如果没有足够的合格贷款申请，投资者可能无法及时或有效地配置其资本，并可能寻求其他投资机会。如果没有足够的投资者承诺，借款人可能无法通过我们的市场获得资本，并可能转向其他来源来满足借款需求。如果我们不能吸引合格的借款人和足够的投资者承诺，或者如果投资者和借款人不能继续以目前的利率参与我们的市场，由于我们可能被要求改变我们的业务方式，以确保遵守现有或新的中国法律和法规，或由于其他业务或监管原因，我们可能无法增加我们的贷款交易量和收入，我们的业务和业务结果可能会受到不利影响。

***If we fail to secure adequate funding from investors to maintain sufficient liquidity for our investment programs, our reputation, results of operations and financial condition may be materially and adversely affected.***

如果我们无法从投资者那里获得足够的资金来维持我们投资项目的充足流动性，我们的声誉、运营结果和财务状况可能会受到实质性的不利影响。

We currently offer our investors a variety of investment programs consisting of loan portfolios with different sizes, terms and estimated returns. Upon maturity of an investment or a transfer request made by an investor whose investment is beyond the restricted period, the loans underlying such investment program held by the investor may be transferred to another investor, in many cases through investment program as part of the underlying loan portfolios. The smooth operations of our secondary loan market and investment programs require sufficient liquidity consistently. If we fail to secure adequate funding to support the required liquidity, investors who subscribe for our investment programs may rush for exit and cause a run on our investment programs. Although we have developed sophisticated algorithm and system to match the invest-in and transfer requests among the investors to provide liquidity, we cannot guarantee that we will be able to maintain the

我们目前为投资者提供多种投资方案，包括不同规模、条款和预期回报的贷款组合。一旦投资到期，或者投资者提出的转移请求超过限制期，投资者持有的这种投资计划所依据的贷款可以转移给另一个投资者，在许多情况下通过投资计划转移给另一个投资者，作为相关贷款组合的一部分。我国二级贷款市场和投资项目的平稳运行需要持续的充足流动性。如果我们无法获得足够的资金来支持所需的流动性，认购我们投资项目的投资者可能会争先恐后地退出，导致我们的投资项目遭到挤兑。虽然我们已发展成熟的算法和系统，以配合投资者之间的投资和转移要求，提供流动资金，但我们不能保证我们能够维持

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图21



liquidity at a sufficient level that every transfer request from our investors who subscribe for our investment programs can be met. 在一个充分的流动性水平，每一个转让要求，我们的投资者谁认购我们的投资计划可以得到满足。

If we fail to maintain the necessary liquidity due to any technical issues, declines in investors or other reasons, investors may find our investment programs and marketplace less attractive and may reduce their investment in our products or the use of our marketplace. If any of the foregoing were to occur, our reputation, results of operations and financial condition may be materially and adversely affected.

如果我们由于任何技术问题、投资者减少或其他原因而无法保持必要的流动性，投资者可能会发现我们的投资计划和市场缺乏吸引力，并可能减少他们对我们产品的投资或使用我们的市场。如果发生上述任何一种情况，我们的声誉、业务结果和财务状况可能会受到重大和不利的影响。

***If our existing and new loan products and investing tools and programs do not achieve sufficient market acceptance, our financial results and competitive position will be harmed.***

如果我们现有的和新的贷款产品、投资工具和项目没有得到足够的市场接受，我们的财务业绩和竞争地位将受到损害。

We have devoted significant resources to, and will continue to emphasize, upgrading and marketing our existing loan products and investing tools and programs and enhancing their market awareness. We also incur expenses and expend resources upfront to develop, acquire and market new loan products and investing tools and programs that incorporate additional features, improve functionality or otherwise make our marketplace more desirable to investors and borrowers. New loan products and investing tools and programs must achieve high levels of market acceptance in order for us to recoup our investment in developing, acquiring and bringing them to market.

我们已投入大量资源，并将继续强调，升级和营销我们现有的贷款产品和投资工具和计划，并提高他们的市场意识。我们也承担费用和花费资源，以开发，获得和市场新的贷款产品和投资工具和计划，纳入额外的功能，改善功能，或以其他方式使我们的市场更可取的投资者和借款人。新的贷款产品、投资工具和项目必须获得市场的高度认可，才能收回我们在开发、获取和推向市场方面的投资。

Our existing and new loan products and investing tools and programs could fail to attain sufficient market acceptance for many reasons, including:

我们现有的和新的贷款产品以及投资工具和项目可能无法获得足够的市场接受，原因有很多，包括：

- borrowers may not find terms of our loan products, such as costs and credit limit, competitive or appealing; 借款人可能不认为我们的贷款产品的条款，如成本和信贷限额，具有竞争力或吸引力；
- our failure to predict market demand accurately and provide loan products that meet this demand in a timely fashion; 我们未能准确预测市场需求，并及时提供满足这一需求的贷款产品；
- investors and borrowers using our marketplace may not like, find useful or agree with, any changes; 使用我们市场的投资者和借款人可能不喜欢、认为有用或同意任何变化；
- defects, errors or failures in our marketplace; 我们市场上的缺陷、错误或失败；
- negative publicity about our loan products or our marketplace's performance or effectiveness; 对我们的贷款产品或我们的市场表现或效率的负面宣传；
- views taken by regulatory authorities that the new products, investing tools or platform changes do not comply with PRC laws, regulations or rules applicable to us; and 监管当局认为新产品、投资工具或平台变更不符合适用于我们的中国法律、法规或规则；以及
- the introduction or anticipated introduction of competing products by our competitors. 由我们的竞争对手引进或预期引进的竞争产品。

In addition, our marketplace features a high proportion of repeat investors and borrowers. Out of the total loan volume facilitated through our marketplace in the nine months ended September 30, 2018, 33.7% was attributable to repeat borrowers who had successfully borrowed on our marketplace before. Out of the total investment volume facilitated through our marketplace in the nine months ended September 30, 2018, 96.1% was attributable to repeat investors who had successfully invested on our marketplace before. The loan size of repeat borrowing and investment of repeat investors tends to be larger than that of first time borrowing and investment. Repeat borrowing also generally contributes to a higher overall credit quality of borrowers on our marketplace as we only permit borrowers with positive repayment histories to become repeat borrowers. If our repeat borrowing and investment rate decreases in the future, or if the repeat borrowing and investment rate is not as high as our expectations, our overall profitability may be adversely affected. If we are unable to increase the number of repeat investors and borrowers on our marketplace, the credit quality, amount of transaction and service fees and overall profitability of our marketplace may be adversely affected. If our existing and new loan products and investing tools do not achieve adequate acceptance in the market, especially among our existing investors and borrowers, our competitive position, results of operations and financial condition could be harmed.

此外，我们的市场具有高比例的重复投资者和借款人。在截至2018年9月30日的9个月内，通过我们的市场促成的贷款总额中，33.7%是由于之前在我们的市场成功借款的重复借款人。在截至二〇一八年九月三十日止的九个月内，透过我们的市场促成的投资总额中，96.1%

是由于曾在我们的市场成功投资的重复投资者。重复投资者的重复借贷和重复投资的贷款额往往大于初次借贷和初次投资的贷款额。由于我们只允许有良好还款记录的借款人成为重复借款人，因此重复借款通常也有助于提高我们市场上借款人的整体信用质量。如果我们未来再次借贷和投资利率下降，或者再次借贷和投资利率没有我们预期的那么高，我们的整体盈利能力可能会受到负面影响。如果我们不能增加市场上回头客和借款人的数量，我们的信用质量、交易和服务费用以及市场的整体盈利能力可能会受到不利影响。如果我们现有和新的贷款产品和投资工具未能在市场上，特别是现有的投资者和借款人中获得足够的认可，我们的竞争地位、运作结果和财务状况都可能受到损害。

*If we are unable to provide a high-quality user experience, our business and reputation may be materially and adversely affected.*

如果我们不能提供高质量的用户体验，我们的业务和声誉可能会受到实质性的不利影响。

The success of our business largely depends on our ability to provide high-quality user experience, which in turn depends on a variety of factors. These factors include our ability to continue to offer loan products at

我们业务的成功在很大程度上取决于我们提供高质量用户体验的能力，而这又取决于各种因素。这些因素包括我们是否有能力继续提供贷款产品

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图22

competitive amount of financing interest and service fees and adequate credit limits, reliable and user-friendly website interface and mobile apps for users to browse, apply for credit or invest, and further improve our online transaction process. If users are not satisfied with our loan products or our services, or our system is severely interrupted or otherwise fail to meet the borrowers' requests, our reputation and borrower loyalty could be adversely affected.

具竞争力的融资利息及服务费、足够的信贷限额、可靠和方便用户使用的网站界面及流动应用程序，方便用户浏览、申请信贷或投资，以及进一步改善我们的网上交易程序。如果用户不满意我们的贷款产品或服务，或我们的系统严重中断，或不能满足借款人的要求，我们的声誉和借款人的忠诚度可能会受到不利影响。

In addition, if our user service representatives fail to provide satisfactory service, or if waiting time for our user service hotline is too long due to the high volume of inquiries from users and borrowers at peak times, our brands and borrower loyalty may be adversely affected. In addition, any negative publicity or poor feedback regarding our borrower service may harm our brands and reputation and in turn cause us to lose borrowers and market share. As a result, if we are unable to continue to maintain or enhance our borrower experience and provide a high-quality borrower service, we may not be able to retain borrowers or attract prospective borrowers, which could have a material adverse effect on our business, financial condition and results of operations.

此外，如果我们的用户服务代表未能提供满意的服务，或由于用户及借款人在繁忙时间提出大量查询，致使用户服务热线的轮候时间过长，我们的品牌及借款人的忠诚度可能会受到不利影响。此外，任何关于我们的借款服务的负面宣传或不良反馈都可能损害我们的品牌和声誉，进而导致我们失去借款人和市场份额。因此，如果我们不能继续保持或提升借款人的经验及提供高质素的借款服务，我们可能无法挽留借款人或吸引有意借款人，这可能会对我们的业务、财政状况及营运成果造成重大影响。

***Any negative publicity with respect to us, the online individual finance industry in general and our third-party partners may materially and adversely affect our business and results of operations.***

对我们、整个网上个人金融业以及我们的第三方合作伙伴的任何负面宣传，都可能对我们的业务和运营结果产生重大和不利的的影响。

Reputation of our brand is critical to our business and competitiveness. Factors that are vital to our reputation include but are not limited to our ability to:

我们品牌的声誉对我们的业务和竞争力至关重要。对我们的声誉至关重要的因素包括但不限于我们的能力：

- maintain the quality and reliability of our marketplace;  
保持我们市场的质量和可靠性;
- provide investors and borrowers with a superior experience in our marketplace;  
为投资者和借款人提供在我们市场上的优越体验;
- enhance and improve our credit assessment and pricing models;  
加强和改进我们的信用评估和定价模式;
- effectively manage and resolve borrower and investor complaints; and  
有效管理及解决借款人及投资者的投诉; 及
- effectively protect personal information and privacy of investors and borrowers.  
有效保障投资者及借款人的个人资料及私隐。

Any malicious or negative allegation made by the media or other parties about the foregoing or other aspects of our company, including but not limited to our management, business, compliance with law, financial condition or prospects, whether with merit or not, could severely compromise our reputation and harm our business and operating results.

任何媒体或其他方面对我们公司上述或其他方面的恶意或负面指控，包括但不限于我们的管理、业务、遵守法律、财务状况或前景，无论是否有价值，都可能严重损害我们的声誉，损害我们的业务和经营成果。

As the China online individual finance industry is new and the regulatory framework for this industry is also evolving, negative publicity about this industry may arise from time to time. Negative publicity about China's online individual finance industry in general may also have a negative impact on our reputation, regardless of whether we have engaged in any inappropriate activities. The PRC government has recently instituted specific rules to develop a more transparent regulatory environment for the online individual finance industry. See "Regulation—Regulations Relating to Online Individual Finance Services." Any players in China's online individual finance industry who are not in compliance with these regulations may adversely impact the reputation of the industry as a whole. Furthermore, any negative development in, or negative perception of, the online individual finance industry as a whole, even if factually incorrect or based on isolated incidents, could compromise our image, undermine the trust and credibility we have established and imposed a negative impact on our ability to attract new investors and borrowers. Negative developments in the online individual finance industry, such as widespread borrower defaults, fraudulent behavior and/or the closure of other online individual finance marketplaces, may also lead to tightened regulatory scrutiny of the sector and limit the scope of permissible business activities that may be conducted by online individual finance marketplaces like us. For instance, there were a number of reports of business failures of, or accusations of fraud and unfair dealing against, certain companies in the online individual finance industry in China. Although the market exits of these companies may result in more healthy and stable development of the online individual finance industry, to the extent borrowers or investors associate our company with these companies, they may be

less willing to initiate transactions on our marketplace. In June and July 2018, in response to tightening industry regulations and

由于中国在线个人金融业是一个新兴行业，而且该行业的监管框架也在不断演变，对该行业的负面宣传时有发生。对中国网上个人金融行业的负面宣传也可能对我们的声誉产生负面影响，无论我们是否从事过任何不恰当的活动。中国政府最近制定了具体的规则，为网上个人金融业建立一个更加透明的监管环境。参见“监管—与网上个人金融服务有关的监管”中国网上个人金融行业的任何参与者，如果不遵守这些规定，都可能对整个行业的声誉产生负面影响。此外，任何对整个网上个人金融业的负面发展或负面看法，即使事实不正确或基于个别事件，都可能损害我们的形象，破坏我们建立的信任和信誉，并对我们吸引新投资者和借款人的能力造成负面影响。在线个人金融行业的负面发展，例如普遍的借款人违约、欺诈行为和 / 或关闭其他在线个人金融市场，也可能导致加强对该行业的监管审查，并限制像我们这样的在线个人金融市场可能进行的可允许的商业活动范围。例如，有很多关于中国网上个人金融行业某些公司的商业失败或欺诈和不公平交易的指控。虽然这些公司的市场退出可能会导致在线个人金融业更健康和稳定的发展，在一定程度上借款人或投资者将我们的公司与这些公司联系在一起，他们可能不太愿意在我们的市场上发起交易。2018年6月和7月，为了应对日益严格的行业监管和

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changing macro-economic conditions in China, there was an increase of news reports related to the difficulties, or even suspension of operation in some cases, encountered by certain individual lending marketplaces. In such a market environment, investors' willingness to invest on our marketplace declined and the loan origination volume on our marketplace decreased temporarily. Borrowers' willingness to repay was also negatively impacted by the negative publicity, which resulted in higher default rates. Starting in the second half of July 2018, PRC government commenced implementing monetary and fiscal policies to provide more liquidity to the market, which to some extent alleviated investors' concerns, and the number of such news reports started to subside. Our business, financial condition and results of operations were adversely affected by such unfavorable market developments. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Selected Quarterly Results of Operations." There is still substantial uncertainty with respect to PRC regulatory policies in this field and condition of the individual finance market, and we cannot assure you that similar negative news reports will not appear again in the future.

随着中国宏观经济形势的变化，有关个别贷款市场遇到困难，甚至在某些情况下停业的新闻报道也有所增加。在这样的市场环境下，投资者对我们市场的投资意愿下降，我们市场的贷款发放量暂时下降。借款人的还款意愿也受到负面宣传的负面影响，这导致了更高的违约率。从2018年7月下半月开始，中国政府开始实施货币和财政政策，为市场提供更多流动性，这在一定程度上缓解了投资者的担忧，此类新闻报道的数量开始减少。我们的业务、财务状况和运营结果都受到这种不利的市场发展的不利影响。参见《管理层关于财务状况和经营业绩的讨论和分析——经营业绩季度选编》中国在这个领域的监管政策和个人金融市场的状况仍然存在很大的不确定性，我们不能保证类似的负面新闻报道将来不会再次出现。

In addition, negative publicity about our partners, service providers or other counterparties, such as negative publicity about their loan collection practices and any failure by them to adequately protect the information of our investors and borrowers, to comply with applicable laws and regulations or to otherwise meet required quality and service standards could harm our reputation. If any of the foregoing takes place, our business and results of operations could be materially and adversely affected.

此外，负面宣传我们的合作伙伴、服务提供者或其他交易对手，例如负面宣传他们收取贷款的手法，以及他们未能充分保障我们的投资者和借款人的资料、未能遵守适用的法律和规例，或未能符合要求的质量和服务标准，都可能损害我们的声誉。如果上述任何一项发生，我们的业务和经营结果可能受到重大和不利的影响。

***Changes in PRC regulations relating to interest rates for marketplace and micro-credit lending could have a material adverse effect on our business.***

中国有关市场利率和小额信贷贷款的规定的变化可能会对我们的业务产生实质性的不利影响。

According to the relevant PRC laws and regulations, in the context of lending activities between individuals, entities or other organizations that are not licensed financial institutions, if the interest rate of a loan exceeds 36% per annum, the exceeding part of the interest rate is invalid and void; if the interest rate of a loan exceeds 24% per annum but is no more than 36% per annum, the exceeding part will be treated as natural obligation—valid but not enforceable in the PRC judicial system, while the enforceability of the 24% per annum part will not be affected. In addition, on August 4, 2017, the Supreme People's Court promulgated the Circular of Several Suggestions on Further Strengthening the Judicial Practice Regarding Financial Cases, which provides, among others, that (i) the claim of a borrower under a financial loan agreement to adjust or cut down the part of interest exceeding 24% per annum on the basis that the aggregate amount of interest, compound interest, default interest, liquidated damages and other fees collectively claimed by the lender is overly high shall be supported by the PRC courts; and (ii) in the context of online finance disputes, if the online lending information intermediary platforms and the lender circumvent the upper limit of the judicially protected interest rate by charging intermediary fee, it shall be ruled as invalid. In addition, under Circular 141, the overall borrowing costs charged to borrowers should be calculated by loan interest together with all relevant fees and presented in an annualized form. See "Regulation—Regulations Relating to Online Individual Finance Services—Regulations on Online Peer-to-Peer Lending Intermediary Information Services" for more details.

根据中国相关法律法规，在个人、实体或其他非持牌金融机构的组织之间的借贷活动中，如果贷款利率超过年利率36%，则超过部分的利率无效；如果贷款利率超过年利率24%，但年利率不超过36%，则超过部分将被视为自然债务—有效但不能在中国司法系统中强制执行，而24%的年利率不会受到影响。此外，2017年8月4日，最高人民法院发布《关于进一步加强金融案件司法实务的若干建议的通知》，其中规定：(i)借款人根据金融贷款协议，以贷款人集体申索的利息、复利、违约利息、liquidated damage和其他费用总额过高为由，要求调整或削减年利率超过24%的部分，应得到中国法院的支持；(ii)在网上金融纠纷中，如果网上借贷信息中介平台和贷款人规避收费法律保护的利率上限，应被裁定为中介机构。此外，根据第141号通知，向借款人收取的整体借款成本应以贷款利息连同所有相关费用一起计算，并以年度化形式列报。详情请参阅《监管—网上个人金融服务相关法规—网上网络借贷中介信息服务法规》。

The borrowing cost for taking out a loan on our marketplace includes the interest to be paid to investors and a service fee charged for our services. The APR for a significant number of loans facilitated on our marketplace was in excess of 36%. RMB120.8 million and RMB11.6 billion (US\$1.69 billion) of the loan origination volume we facilitated in 2016 and 2017 was in excess of 36%. As of September 30, 2018, the outstanding principal of loans with an APR that exceeded 36% was RMB0.2 billion (US\$0.03 billion).

在我们的市场上贷款的借款成本包括支付给投资者的利息和我们的服务收取的服务费。年利率为一个重要的数量贷款促进了我们的市场是超过36%。在二〇一六年及二〇一七年，我们协助的贷款发放总额分别为1.208亿元人民币及116亿元人民币(合16.9亿美元)，超过36%。截至二〇一八年九月三十日，年利率超过36%的未偿还贷款本金为2亿元人民币(合0.3亿美元)。

In an effort to comply with potentially applicable laws and regulations, we adjusted the pricing of all our loan products in December 2017 to ensure that the APR charged on all loans do not exceed 36%. We believe that the APR of the loan products we currently offer does not exceed 36% and is therefore permitted by the Supreme Court's interpretations. However, we cannot assure you that the PRC courts and relevant governmental authorities will hold the same view as ours, and parts or all of the service fees we collected may be ruled and recognized as invalid, which would affect our results

of operations and financial condition materially and adversely. In addition, as we generate revenues primarily from fees charged for our services and such regulation

为了遵守可能适用的法律法规，我们在2017年12月调整了所有贷款产品的定价，以确保所有贷款的年利率不超过36%。我们相信，我们目前提供的贷款产品的年利率不超过36%，因此最高法院的解释是允许的。然而，我们不能向你保证中国法院和相关政府部门会持有与我们相同的观点，我们收取的部分或全部服务费可能会被裁定为无效，这将对我们的运营结果和财务状况产生重大而不利的影响。此外，由于我们的收入主要来自我们的服务收费和监管

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图24



on interest rate materially limits our ability to charge service fees from borrowers, such regulation on interest rate could have a material adverse effect on our business, results of operations and financial condition.

由于利率实质上限制了我们的向借款人收取服务费的能力，这种利率管制可能会对我们的业务、经营结果和财务状况产生实质性的不利影响。

***We are subject to credit cycles and the risk of deterioration of credit profiles of borrowers.***

我们受制于信贷周期和借款人信用状况恶化的风险。

Our business is subject to credit cycle associated with the volatility of general economy. If economic conditions deteriorate, we may face increased risk of default or delinquency of borrowers, which will result in lower returns or losses. In the event that the creditworthiness of our borrowers deteriorates or we cannot track the deterioration of their creditworthiness, the criteria we use for the analysis of borrower credit profiles may be rendered inaccurate, and our risk management system may be subsequently rendered ineffective. This in turn may lead to higher default rates and adverse impact on our reputation, business, results of operations and financial positions.

我们的业务受制于与一般经济波动相关的信贷周期。如果经济形势恶化，我们可能面临更大的违约风险或拖欠借款人，这将导致更低的回报或损失。倘若借款人的信贷质素恶化，或我们无法追踪其信贷质素恶化的情况，我们用以分析借款人信贷状况的准则可能会变得不准确，而我们的风险管理制度亦可能因此失效。这反过来可能导致更高的违约率，并对我们的声誉、业务、运营结果和财务状况产生负面影响。

***Broader macro, political and socio-economic factors affecting market conditions can materially and adversely affect our business and operating results.***

影响市场状况的更广泛的宏观、政治和社会经济因素，会对我们的业务和经营业绩产生重大和不利的的影响。

General economic, macro, political and socio-economic factors beyond our control may deter borrowers' interest in seeking loans through our marketplace, and similarly, investors' willingness to lend. Such factors include the general interest rate, unemployment rates, residential home values and availability of other investment opportunities. If any of these risk factors should materialize, the volume of loans facilitated on our marketplace will necessarily decline and our revenues and operating results may be adversely affected. For instance, in response to the changing regulatory environment in the fourth quarter of 2017, M3+ Delinquency Rate by Vintage for such quarter increased temporarily, and our operating results for such quarter were negatively affected. In July 2018, as a result of the impact of negative publicity with respect to the individual lending industry, the loan origination volume on our market place decreased temporarily. See "—Any negative publicity with respect to us, the online individual finance industry in general and our third-party partners may materially and adversely affect our business and results of operations."

我们无法控制的一般经济、宏观、政治和社会经济因素，可能会阻碍借款人通过我们的市场寻求贷款的兴趣，同样地，阻碍投资者放贷的意愿。这些因素包括一般利率、失业率、住宅价值和其他投资机会的可得性。如果这些风险因素中的任何一个成为现实，我们市场上的贷款量必然会下降，我们的收入和运营结果可能会受到不利影响。例如，为了应对2017年第四季度不断变化的监管环境，这一季度的M3+违约率暂时上升，我们这一季度的经营业绩也受到了负面影响。在二〇一八年七月，由于个人贷款业的负面宣传影响，本港市场的贷款批出额暂时下跌。见"任何对我们、整个网上个人金融业以及我们的第三方合作伙伴的负面宣传，都可能对我们的业务和运营结果产生重大而不利的的影响。"

We cannot guarantee that economic conditions will remain favorable for our business or industry and that demand and supply for consumer loans such as those we primarily facilitate over our marketplace will continue to be met at current levels. If demand or supply reduces, or if the default rate increases, our growth and revenue will be negatively impacted.

我们不能保证经济条件将继续有利于我们的企业或工业，消费者贷款的需求和供应，如我们主要促进我们的市场将继续在目前的水平上得到满足。如果需求或供给减少，或者违约率增加，我们的增长和收入将受到负面影响。

***If our ability to collect delinquent loans is impaired, our business and results of operations might be materially and adversely affected.***

如果我们收回拖欠贷款的能力受损，我们的业务和经营结果可能会受到重大和不利的的影响。

We primarily engage collection service providers to handle the collection of delinquent loans. We also rely on our in-house collection team to assist us with payment collection from time to time. If our or third-party agencies' collection methods, such as phone calls and text messages, are not as effective as they were and we fail to respond quickly and improve our collection methods, our delinquent loan collection rate may decrease and our investors may suffer loss. If those collection methods are viewed by the borrowers or regulatory authorities as harassments, threats or other illegal conducts, we may be subject to lawsuits initiated by the borrowers or prohibited by the regulatory authorities from using certain collection methods. If this were to happen and we fail to adopt alternative collection methods in a timely manner or the alternative collection methods are proven not effective, we might not be able to maintain our delinquent loan collection rate and the investors' confidence in our marketplace may be negatively affected. If any of the foregoing takes place and impairs our ability to collect delinquent loans, the loan origination volumes on our marketplace will decrease and our business and results of operations could be materially and adversely affected.

我们主要聘请托收服务提供商来处理拖欠贷款的追收。我们也依靠我们的内部收款小组，以协助我们不时收取付款。如果我们或第三方代理机构的收款方法，例如电话和短信，不如以前有效，我们不能迅速作出反应和改进我们的收款方法，我们的拖欠贷款收款率可能会下

降，我们的投资者可能会遭受损失。如果借款人或监管当局认为这些收集方法是骚扰、威胁或其他非法行为，我们可能会受到借款人提起的诉讼或监管当局禁止使用某些收集方法。如果出现这种情况，而我们未能及时采用其他收款方法，或者其他收款方法被证明是无效的，我们可能无法维持我们的拖欠贷款收款率，投资者对我们市场的信心可能会受到负面影响。如果上述任何一种情况发生并削弱我们收集拖欠贷款的能力，我们市场上的贷款发放量将会减少，我们的业务和运营结果将会受到重大和不利的影

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图25



***Credit and other information that we receive from prospective borrowers and third parties about a borrower may be inaccurate or may not accurately reflect the borrower's creditworthiness, which may compromise the accuracy of our credit assessment.***

我们从准借款人及第三者收到有关借款人的信贷及其他资料，可能不准确，或不能准确反映借款人的信贷素质，影响信贷评估的准确性。

For the purpose of credit assessment, we obtain from prospective borrowers and third parties certain information of the prospective borrowers, which may not be complete, accurate or reliable. The third parties whom we collaborate with include industry anti-fraud service providers, Internet or wireless service providers, online shopping websites and payment service providers. Historically, we also rely on our related party, Jiayin Credit Investigation Service Co., Ltd., or Jiayin Credit, an entity controlled by our founder, director and chief executive officer, Mr. Dingui Yan, to conduct onsite credit information collection and verification for our borrowers referred by our offline partners. A credit score assigned to a borrower may not reflect that particular borrower's actual creditworthiness because the credit score may be based on outdated, incomplete or inaccurate borrower information. Additionally, once we have obtained a borrower's information, the borrower may subsequently (i) become delinquent in the payment of an outstanding obligation; (ii) default on a pre-existing debt obligation; (iii) take on additional debt; or (iv) sustain other adverse financial events, making the information we have previously obtained inaccurate. We currently cannot determine whether borrowers have outstanding loans through other individual finance marketplaces at the time they obtain a loan from us. This creates the risk that a borrower may borrow money through our platform in order to pay off loans on other individual finance marketplaces and vice versa. If a borrower incurs additional debt before fully repaying any loan such borrower takes out on our marketplace, the additional debt may impair the ability of that borrower to make payments on his or her loan and the investor's ability to receive investment returns associated with such loan. In addition, the additional debt may adversely affect the borrower's creditworthiness generally, and could result in the financial distress or insolvency of the borrower. To the extent that a borrower has or incurs other indebtedness and cannot repay all of his or her indebtedness, the obligations under the loans will rank *pari passu* to each other and the borrower may choose to make payments to other creditors rather than to investors on our marketplace. The additional debt may adversely affect the borrower's creditworthiness generally, and could result in the financial distress or insolvency of the borrower, impairing the borrower's ability to repay the loan and the investor's ability to receive investment returns associated with such loan. In addition, if a borrower incurs debt on other online lending platforms in order to repay our loans, the borrower's ability to repay such loans is limited by the availability of funding sources subject to factors beyond the borrower's control, which may adversely affect our results of operations. For example, in the fourth quarter of 2017, changes to regulatory landscape, including the release of Circular 141 and Circular 57, increased market uncertainties and resulted in an unexpected short-term volatility of borrower credit performance across our industry. Many online lending platforms adjusted their business and ceased to provide loan products prohibited by Circular 141 in response to the tightening regulation, which led to liquidity shortage for certain borrowers who relied on other online lending platforms to fund their repayment to their existing loans, including to us. We observed higher delinquency rate for loans facilitated in the fourth quarter of 2017. Such inaccurate or incomplete borrower information could compromise the accuracy of our credit assessment and adversely affect the effectiveness of our risk management, which could in turn harm our reputation, and as a result our business and results of operations could be materially and adversely affected.

就信贷评估而言，我们向准借款人及第三者取得准借款人的某些资料，这些资料可能并不完整、准确或可靠。与我们合作的第三方包括业界反诈服务供应商、互联网或无线服务供应商、网上购物网站和支付服务供应商。历史上，我们也依靠我们的关联方，嘉银信用调查服务有限公司，或嘉银信用，一个由我们的创始人，董事和首席执行官严鼎贵先生控制的实体，进行现场信用信息收集和核实我们的借款人由我们的离线合作伙伴介绍。分配给借款人的信用评分可能不能反映该借款人的实际信誉，因为信用评分可能基于过时、不完整或不准确的借款人信息。此外，一旦我们获得借款人的资料，借款人其后可能(i)拖欠还款；(ii)拖欠原已存在的债务；(iii)承担额外债务；或(iv)发生其他不利的金融事件，令我们先前获得的资料不准确。我们目前无法确定借款人在向我们贷款时是否通过其他个人金融市场有未偿还贷款。这就产生了风险，借款人可能通过我们的平台借钱，以偿还其他个人金融市场的贷款，反之亦然。如果借款人在我们的市场上全额偿还任何贷款之前发生额外债务，额外债务可能损害借款人偿还贷款的能力，以及投资者收到与此类贷款相关的投资回报的能力。此外，这些额外债务可能会对借款人的整体信用产生不利影响，并可能导致借款人陷入财务困境或破产。若借款人有或引致其他负债而无法偿还所有负债，则贷款项下的债务会相等，借款人可选择向其他债权人偿还，而不是向市场上的投资者偿还。这些额外债务可能对借款人的信誉产生不利影响，并可能导致借款人陷入财务困境或破产，损害借款人偿还贷款的能力和投资者获得与此类贷款有关的投资回报的能力。此外，若借款人为偿还贷款而在其他网上借贷平台欠债，则借款人偿还贷款的能力会受到资金来源的限制，而这些资金来源会受到借款人无法控制的因素影响，可能会对我们的运作造成负面影响。例如，在2017年第四季度，监管环境的变化，包括第141号通告和第57号通告的发布，增加了市场的不确定性，导致整个行业的借款人信贷表现出现意外的短期波动。许多网络借贷平台调整了业务，停止提供第141号通知禁止的贷款产品，以应对日益紧缩的监管，这导致某些借款人流动性短缺，他们依靠其他网络借贷平台偿还现有贷款，包括对我们的贷款。我们注意到，2017年第四季度促成的贷款拖欠率有所上升。这些不准确或不完整的借款人资料，可能会影响我们信贷评估的准确性，并对我们的风险管理效能造成不利影响，进而损害我们的声誉，从而严重影响我们的业务和运作结果。

***We rely on our proprietary credit assessment model in assessing the creditworthiness of our borrowers and the risks associated with loans. If our credit assessment model is flawed or ineffective, or if we otherwise fail or are perceived to fail to manage the default risks of loans facilitated through our marketplace, our reputation and market share would be materially and adversely affected, which would severely impact our business and results of operations.***

我们依赖我们的专有信用评估模型来评估我们借款人的信誉和与贷款相关的风险。如果我们的信用评估模式有缺陷或无效，或者我们未能或被管理通过我们的市场促成的贷款的违约风险，我们的声誉和市场份额将受到重大和不利的的影响，这将严重影响我们的业务和运作结果。

Our ability to attract investors and borrowers to, and build trust in, our marketplace is significantly dependent on our ability to effectively evaluate borrowers' credit profiles and likelihood of default. To conduct this evaluation, we utilize our proprietary and open credit assessment model, which is built based on massive data collected through various channels, and strengthened by our sophisticated artificial intelligence and advanced machine learning techniques. Our credit assessment model conducts in-depth anti-fraud and

我们能否吸引投资者和借款人，并建立对我们市场的信任，在很大程度上取决于我们能否有效地评估借款人的信用状况和违约的可能性。为了进行这种评估，我们利用我们的专有和开放的信用评估模型，这是建立在通过各种渠道收集的大量数据基础上，并通过我们先进的人工智能和先进的机器学习技术得到加强。我们的信用评估模式进行了深入的反欺诈和

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图26

delinquency history analysis of the borrowers, assigns the borrowers a credit score based on their risk profile, which directly affect the interests rate and credit limit available to the borrower. However, our credit assessment model may not effectively predict future delinquency rate and loan losses. 分析借款人的拖欠记录，并根据借款人的风险状况给予他们信用评分，这直接影响借款人可获得的利率和信贷限额。然而，我们的信用评估模型并不能有效地预测未来的拖欠率和贷款损失。

In addition, if a borrower's financial condition worsens after his or her loan application is approved, we may not be able to take measures to prevent default on the part of the borrower and thereby maintain a reasonably low default rate for loans facilitated through our marketplace. Our credit assessment model may not be able to timely and accurately adjust down the credit rating assigned to a borrower if such borrower's creditworthiness deteriorates. If we are unable to effectively classify borrowers into the relative risk categories, we may be unable to effectively manage the default risks of loans facilitated through our marketplace, which may affect our ability to offer attractive interest rates for borrowers and returns for investors. Because investment in loans on our marketplace involves inherent risks, we are unable to completely eliminate borrowers' default despite various preventive and investor protection measures we have taken or will take.

此外，如果借款人的财务状况恶化后，他或她的贷款申请获得批准，我们可能无法采取措施，以防止借款人的违约，从而维持一个合理的低违约率贷款促进通过我们的市场。若借款人的信贷素质恶化，我们的信贷评估模式未必能及时和准确地调低其信贷评级。如果我们不能有效地把借款人划分为相对的风险类别，我们可能无法有效地管理透过我们的市场促成的贷款的拖欠风险，这可能会影响我们为借款人提供具吸引力的利率及为投资者提供回报的能力。由于在我们的市场上投资贷款存在固有的风险，我们无法完全消除借款人的违约，尽管我们已经采取或将要采取各种预防性和投资者保护措施。

While we continuously refine the algorithms, data processing and machine learning used by our credit assessment model to reduce the likelihood of mispricing loans or misclassifying borrower, our loan pricing and approval process could be negatively affected if any of these decision-making and scoring systems contain programming or other errors, are ineffective or the data provided by borrowers or third parties are incorrect or stale. If any of the foregoing were to occur in the future, investors may try to rescind their affected investments or decide not to invest in loans, or borrowers may seek to revise the terms of their loans or reduce the use of our marketplace for financing, and our reputation and market share would be materially and adversely affected, which would severely impact our business and results of operations.

虽然我们不断完善我们的信用评估模型所使用的算法、数据处理和机器学习，以减少错误定价贷款或错误分类借款人的可能性，但如果这些决策和评分系统中有任何一个存在编程或其他错误、无效或借款人或第三方提供的信息不正确或陈旧，我们的贷款定价和审批流程可能会受到负面影响。如果将来发生上述任何一种情况，投资者可能试图撤销其受影响的投资或决定不投资于贷款，或借款人可能寻求修改其贷款条款或减少使用我们的市场融资，我们的声誉和市场份额将受到重大和不利的影响，这将严重影响我们的业务和业务结果。

***We have obligations to verify information relating to borrowers and detecting fraud. If we fail to perform such obligations to meet the requirements of relevant laws and regulations, we may be subject to liabilities. Our reputation may be harmed if information supplied by borrowers is inaccurate, misleading or incomplete.***

我们有义务核实与借款人有关的信息，并发现欺诈行为。如果我们不履行这些义务，以满足有关法律法规的要求，我们可能承担责任。如果借款人提供的信息不准确、误导或不完整，我们的声誉可能会受到损害。

Our business of connecting investors and borrowers constitutes an intermediary service, and our contracts with investors and/or borrowers are intermediation contracts under the PRC Contract Law. Under the PRC Contract Law, an intermediary that intentionally conceals any material information or provides false information in connection with the conclusion of an intermediation contract, which results in harm to the client's interests may not claim any service fee for its intermediary services, and is liable for any damage incurred by the client. Therefore, if we fail to provide material information to investors and are found to be at fault, for failure or deemed failure to exercise proper care, to conduct adequate information verification or supervision, we could be subject to liabilities as an intermediary under the PRC Contract Law. In addition, the Interim Measures have imposed on online lending information intermediaries, including us, additional obligations to verify the truthfulness of the information provided by or in relation to loan applicants and to actively detect fraud. We leverage a large database of fraudulent account information and sophisticated rule-based detection technology to detect fraudulent behaviors, we update our database on a monthly basis based on new data collected and fraudulent behavior detected during the ordinary course of our business operations. As the Interim Measures are relatively new, it is still unclear to what extent online lending information intermediaries should exercise care in detecting fraud. Although we believe that as an information intermediary, we should not bear the credit risk for investors as long as we take reasonable measures to detect fraudulent behavior, we cannot assure you that we would not be subject to liability under the Interim Measures if we fail to detect any fraudulent behavior. Any such liability could materially and adversely affect our results of operations and financial condition.

根据《中华人民共和国合同法》，我们与投资者和/或借款人的合同是中介合同。根据《中华人民共和国合同法》的规定，中介机构在订立中介合同时故意隐瞒重要信息或者提供虚假信息，损害客户利益的，不得要求收取中介服务费，并对客户造成的损害承担赔偿责任。因此，如果我们未能向投资者提供重要信息，并被发现有过错，未能或被认为未能行使适当的注意，未能进行充分的信息核实或监督，我们可能作为中间人承担《中华人民共和国合同法》下的责任。此外，《暂行办法》还对包括我们在内的网上借贷信息中介机构规定了额外义务，即核实贷款申请人提供的信息或与贷款申请人有关的信息的真实性，并积极查明欺诈行为。我们利用一个庞大的欺诈账户信息数据库和复杂的基于规则的检测技术来检测欺诈行为，我们每月更新我们的数据库，基于收集的新数据和在我们正常业务运作过程中检测到的欺诈行为。由于《暂行办法》相对较新，尚不清楚网络借贷信息中介机构在多大程度上应当注意侦查欺诈行为。虽然我们认为，作为一个信息中介，只要我们采取合理的措施发现欺诈行为，我们不应该为投资者承担信用风险，但我们不能向您保证，如果我们没有发现任何欺诈行为，我们将不承担《暂行办法》规定的责任。任何此类责任都可能对我们的业务结果和财务状况产生重大和不利的影响。

*We do not impose restrictions on the use of our loans or prohibit our borrowers from incurring other debt or impose financial covenants on borrowers during the term of the loan, which will increase the risk of non-payment on our loans.*

我们并没有限制贷款的使用，亦没有禁止借款人在贷款期内招致其他债项，亦没有向借款人施加财政契约，这些都会增加我们未能偿还贷款的风险。

We are faced with the risk that borrowers borrow money from our marketplace to pay off loans on other individual finance marketplaces. Subject to credit assessment result, borrowers may take out new loans on our

我们面临的风险是，借款人从我们的市场借钱，以偿还其他个人金融市场的贷款。视乎信贷评估的结果，借款人可在本局的

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图27

marketplace to pay off their other existing loans facilitated by others. We also do not prohibit our borrowers from incurring additional indebtedness, which may impair the borrower's ability to observe his or her payment obligations on the loan product we facilitated and therefore adversely affect the relevant investor's returns. Although we take certain measures to monitor our borrowers' credit records and indebtedness, we may not be able to effectively prevent the occurrence of such behavior given the practical difficulty in tracking and controlling the usage of borrowed funds and the financial activities of our borrowers.

市场来偿还他们现有的由他人协助的其他贷款。我们亦不会禁止借款人承担额外负债，因为这可能会影响借款人就我们协助的贷款产品履行还款责任的能力，从而影响有关投资者的回报。虽然我们采取了一些措施来监察借款人的信贷记录和负债情况，但由于我们在追踪和控制借款人的资金使用和金融活动方面存在实际困难，我们未必能够有效防止这种行为的发生。

If a borrower becomes insolvent or otherwise run into financial distress, any unsecured loan (including those obtained through our marketplace) will rank pari passu to each other and the borrower may cherry-pick among his or her creditors and our investor may suffer losses. For secured loans, the ability of other secured investors to exercise remedies against the assets of the borrower may impair the borrower's ability to repay the loan to our investor. Investors may lose their confidence in us and our reputation and business may be adversely affected.

如果借款人无力偿债或陷入财务困境，任何无抵押贷款(包括通过我们的市场获得的贷款)都会相互平等，借款人可能会在其债权人中进行精挑细选，我们的投资者可能会蒙受损失。对于有担保的贷款，其他有担保的投资者对借款人的资产采取补救措施的能力可能削弱借款人向我们的投资者偿还贷款的能力。投资者可能会对我们失去信心，我们的声誉和业务可能会受到不利影响。

***Fraudulent activity on our marketplace could negatively impact our operating results, brand and reputation and cause the use of our loan products and services to decrease.***

我们市场上的欺诈活动可能会对我们的经营业绩、品牌和声誉产生负面影响，并导致我们贷款产品和服务的使用减少。

We are subject to the risk of fraudulent activity both on our marketplace and associated with borrowers, investors and third parties handling borrower and investor information. Our resources, technologies and fraud detection tools may be insufficient to accurately detect and prevent fraud. Significant increases in fraudulent activity could negatively impact our brand and reputation, result in losses suffered by the investors, reduce the volume of loans facilitated through our marketplace and lead us to take additional steps to reduce fraud risk, which could increase our costs and expenses. High profile fraudulent activity could even lead to regulatory intervention and litigation, and may divert our management's attention and cause us to incur additional expenses and costs. If any of the foregoing were to occur, our results of operations and financial condition could be materially and adversely affected.

我们受到欺诈活动的风险，在我们的市场和与借款人，投资者和第三方处理借款人和投资者的信息。我们的资源、技术和欺诈检测工具可能不足以准确地检测和防止欺诈。欺诈活动的显著增加可能对我们的品牌和声誉产生负面影响，导致投资者蒙受损失，减少通过我们的市场促成的贷款数量，并导致我们采取额外步骤减少欺诈风险，这可能增加我们的成本和费用。高调的欺诈活动甚至可能导致监管干预和诉讼，并可能转移我们管理层的注意力，导致我们承担额外的费用和成本。如果上述任何一种情况发生，我们的运营结果和财务状况可能会受到重大和不利的的影响。

***Our risk management system comprising of our policy framework, credit assessment and fraud detection technology and modules may not be adequate, which may adversely affect the reliability of our marketplace, and in turn damage our reputation, business and results of operations.***

我们的风险管理系统，包括政策大纲、信贷评估和诈骗侦测技术及模组，未必足够，可能会影响市场的可靠性，进而损害我们的声誉、业务和运作成果。

The success of our online marketplace relies heavily on our ability to detect, assess and control credit risk, and therefore to prevent fraud. Despite measures we take to assess and manage risk, the information and data we collect may not be sufficient to allow us to adequately capture a borrower applicant's credit risk. Such information and data include, among others, demographic information, credit history with us and with other financial institutions, and employment information and blacklists maintained by other forums and organizations. We constantly update and optimize our risk management system but the system may have loopholes or defects which may prevent us from effectively identifying risks, or the data provided may be inaccurate or stale or insufficient, such that we may misjudge the risk and misalign the risk profile and loan price. The information may also not be sufficient for prediction of future non-payment. Such risks and errors may erode investor confidence in our marketplace and therefore harm our reputation and adversely affect our business and results of operations.

我们在线市场的成功很大程度上依赖于我们检测、评估和控制信用风险的能力，从而防止欺诈。尽管我们采取了评估和管理风险的措施，但我们收集的信息和数据可能不足以让我们充分掌握借款人申请人的信贷风险。这些信息和数据除其他外包括人口信息、我们和其他金融机构的信用记录以及其他论坛和组织维护的就业信息和黑名单。我们不断更新和优化我们的风险管理系统，但该系统可能有漏洞或缺陷，可能妨碍我们有效地识别风险，或提供的数据可能不准确、陈旧或不充分，以致我们可能错误判断风险和错误调整风险状况和贷款价格。这些信息也可能不足以预测未来的不付款情况。这些风险和错误可能会削弱投资者对我们市场的信心，从而损害我们的声誉，并对我们的业务和运营结果产生不利影响。

***Interim period results can vary significantly due to a host of variables and may not accurately reflect the underlying performance of our business.***

由于许多变量的存在，中期业绩可能会有很大的不同，并且可能不能准确地反映我们业务的基本表现。

Our interim period results of operations, including operating revenue, expenses, the number of loans and other key performance indicators, may fluctuate significantly such that comparisons of our operating results period-on-period may not be meaningful. Results of any interim period cannot accurately indicate future performance. Fluctuations may be due to any number of variables, including some beyond our control, such as:

我们的中期运营业绩，包括营业收入、支出、贷款数量和其他主要业绩指标，可能会出现大幅波动，以至于我们的同期经营业绩比较可能没有意义。任何过渡时期的结果都不能准确地表明未来的业绩。波动可能是由于任何数量的变量，包括一些我们无法控制的，如：

- our ability to grow our users base by attracting new and retaining repeat investors and borrowers;  
我们有能力通过吸引新的和留住回头客和借款人来扩大用户基础;
- the volume, quality, mix of loans and the acquisition of investors and borrowers;  
贷款的数量、质量、贷款组合以及对投资者和借款人的收购;

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图28



- the level of operating expenses in the acquisition of investors and borrowers, the growth and maintenance of our business, operations and infrastructure and the timing;  
在收购投资者和借款人方面的营运开支水平、本公司业务、运作和基础设施的增长和维修，以及时间安排;
- disruptions to the telecommunications network or security breaches;  
电讯网络或数字证书认证机构受到干扰;
- general macroeconomic and socio-political factors affecting the market and industry, particularly with respect to interest rates, consumer spending and levels of disposable income;  
影响市场及工业的一般宏观经济及社会政治因素，特别是在利率、消费开支及可支配收入水平方面;
- seasonality of our loan products, which are generally higher in the third and fourth quarters due to national holidays and consumer spending patterns;  
我们贷款产品的季节性，由于国家节假日和消费者支出模式，第三季度和第四季度贷款产品的季节性普遍较高;
- our strategy with a focus on long-term growth instead of immediate profitability; and  
我们的战略着眼于长期增长，而不是眼前的盈利; 以及
- The incurring of expenses related to acquisitions activities of businesses or technologies and potential future charges for impairment of goodwill, if any.  
发生与企业或技术的购置活动有关的费用，以及未来可能发生的商誉减损费用(如有)。

Fluctuations in our interim period results may affect the price of our ADSs in an adverse manner.

我们中期业绩的波动可能会以不利的方式影响我们的存托凭证的价格。

***We incurred net losses in the past and may incur net losses in the future.***

我们过去蒙受了净损失，今后可能蒙受净损失。

We had net losses of RMB389.8 million in 2016. In the three months ended September 30, 2018, we recorded net loss of RMB44.0 million. We had accumulated deficits of RMB2,798.8 million, RMB2,259.2 million (US\$329.0 million) and RMB1,860.4 million (US\$270.9 million) as of December 31, 2016, December 31, 2017 and September 30, 2018, respectively. Although we had net income of RMB539.5 million (US\$78.6 million) and RMB449.4 million (US\$65.4 million) in 2017 and the nine months ended September 30, 2018, respectively, we cannot assure you that we will be able to continue to generate net income in the future. We anticipate that our operating cost and expenses will increase in the foreseeable future as we continue to grow our business, attract investors and borrowers and further enhance and develop our products, enhance our risk management capabilities and increase brand recognition. These efforts may prove more costly than we currently anticipate, and we may not succeed in increasing our revenue sufficiently to offset these higher expenses. There are other factors that could negatively affect our financial condition. For example, the delinquency rates of the loans facilitated may be higher than expected, which may lead to lower than expected revenue, additional expenses and higher provision for assets and liabilities from the investor assurance program. Furthermore, we have adopted share incentive plans in the past and may adopt new share incentive plans in the future, which have caused, and will result in, significant share-based compensation expenses to us. We generate a substantial majority of our total revenues from service fees we collect from borrowers. Any material decrease in our service fees would have a substantial impact on our margin. As a result of the foregoing and other factors, our net income margins may decline or we may incur additional net losses in the future and may not be able to maintain profitability on a quarterly or annual basis.

2016年净亏损3.898亿元人民币。在截至2018年9月30日的三个月中，我们录得净亏损4400万元人民币。截至二〇一六年十二月三十一日、二〇一七年十二月三十一日及二〇一八年九月三十日，我们累积赤字分别为27.988亿元人民币、22.592亿元人民币(3.290亿美元)及18.604亿元人民币(2.709亿美元)。虽然我们在二〇一七年及截至二〇一八年九月三十日的九个月内分别录得5.395亿元人民币(合7,860万美元)及4.494亿元人民币(合6,540万美元)的净利润，但我们不能保证在未来仍能继续创造净利润。我们预期，随着业务持续增长、吸引投资者和借款人、进一步优化和发展产品、提升风险管理能力和品牌认知度，我们的营运成本和开支在可见的将来都会增加。这些努力可能证明比我们目前预期的成本更高，我们可能无法成功地增加我们的收入，以抵消这些更高的费用。还有其他因素可能对我们的财务状况产生负面影响。例如，所协助的贷款的拖欠率可能高于预期，这可能导致低于预期的收入、额外的费用以及投资者担保方案的资产和负债准备金增加。此外，我们过去曾采用股份激励计划，未来可能会采用新的股份激励计划，这已经并将导致我们大量的股份薪酬开支。我们从借款人那里收取的服务费占我们总收入的绝大部分。我们服务费用的任何实质性减少都会对我们的利润产生重大影响。由于上述及其他因素，我们的净利润率可能会下降，或者我们在未来可能会遭受额外的净亏损，并且可能无法维持每季或每年的盈利能力。

***We rely on third party guarantors and Class B investors to provide our investor assurance programs.***

我们依靠第三方保证人和 b 类投资者提供投资者保证计划。

In April 2018, we began to partner with an independent third party guarantor to provide investor assurance programs for newly facilitated loans. In July 2018, we introduced another third party guarantor. Borrowers pay a certain post-origination service fee to such third party guarantor managing the respective investor assurance program, which will be deposited in the respective investor assurance program. Investments made by investors on those loans are protected by the respective investor protection program to the extent of the existing balance of the funds within such investor assurance

program. The service fee rate for such loans is agreed upon by us and the third party guarantors. See “Business—Investor Assurance Programs—Investor Assurance Program Managed by Independent Third Party Guarantors.” We may fail to adequately estimate the performance of loans under such investor assurance programs and determine the service fee rates accurately in collaboration with these third party guarantors, and the investor assurance programs may not be able to repay investors covered by such programs. In addition, our third party guarantors may not be able to manage such investor assurance programs effectively.

2018年4月，我们开始与一个独立的第三方担保人合作，为新推出的贷款提供投资者担保计划。2018年7月，我们推出了另一个第三方担保人。借款人向管理各自投资者保证计划的第三方担保人支付一定的贷款后服务费，该费用将存入各自的投资者保证计划。投资者对这些贷款的投资受到各自投资者保护计划的保护，保护范围是在这种投资者保证计划内的现有资金余额。此类贷款的服务费率由我们和第三方担保人商定。参见《业务—投资者保证计划—由独立第三方保证人管理的投资者保证计划》与这些第三方担保人合作，我们可能无法充分估计投资者担保项目下的贷款业绩，无法准确确定服务费率，投资者担保项目可能无法偿还投资者担保项目覆盖的资金。此外，我们的第三方担保人可能无法有效地管理此类投资者保证计划。

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图29



In July 2018, we launched investor assurance programs by partnering with selective investors, or the Class B investors, who have a higher risk tolerance in exchange for higher earnings in managing the investor protection fund for the remaining investors of the same loan product but with lower level of risk tolerance, or the Class A investors. For each loan facilitated under such investor assurance program, a multilateral loan contract is entered among the borrower, us, one or several Class A investors and a Class B investor. Upon default of the borrower, the Class B investor is obligated to compensate the Class A investors with the funds in the investor assurance program and from the proceeds he received from the repayment of the loans in the Class B investment program, including the principal, interest, fees, other proceeds, if any, collected by the Class B investor. See “Business—Investor Assurance Programs—Investor Assurance Program by Partnering with Class B Investors.” We may fail to adequately estimate the performance of loans under such investor assurance programs and determine the service fee rates accurately, and the investor assurance programs may not be able to repay Class A investors covered by such programs. As the investor assurance program under the names of the Class B investors is typical of smaller amounts as compared to investor assurance program managed by us and third party guarantors, such investor assurance programs may become depleted more easily. If the investor assurance programs managed by third party guarantor or by partnering with Class B investors were depleted and fail to repay investors in case of borrower default, our business and reputation could be material and adversely affected.

2018年7月，我们通过与选择性投资者或b类投资者合作推出了投资者保证计划，b类投资者具有较高的风险承受能力，以换取更高的收益，为同一贷款产品的其余投资者或a类投资者管理投资者保护基金。对于根据这种投资者担保计划提供便利的每笔贷款，借款人、美国、一个或多个a类投资者和一个b类投资者之间签订多边贷款合同。在借款人违约时，b类投资者有义务用投资者担保计划中的资金和b类投资者偿还b类投资计划贷款所得的收益，包括b类投资者收取的本金、利息、费用和其他收益(如有的话)，补偿a类投资者。参阅《业务—投资者保障计划—与b类投资者合作的投资者保障计划》投资者担保项目可能不能充分估计投资者担保项目下的贷款业绩，不能准确确定服务费率，投资者担保项目可能无法偿还投资者担保项目覆盖的a类投资者。由于b类投资者名下的投资者保证计划与我们和第三方担保人管理的投资者保证计划相比，是典型的小额投资者保证计划，这种投资者保证计划可能更容易耗尽。如果由第三方担保人管理的投资者保证计划或与b类投资者合作管理的投资者保证计划耗尽，并且在借款人违约的情况下无法偿还投资者，我们的业务和声誉可能会受到重大影响并受到不利影响。

In addition, we cannot rule out the possibility that the Class B investor might be deemed as providing a form of guarantee to Class A investors. In accordance with the Regulation on the Supervision and Administration of Financing Guarantee Companies, the regulatory authority may ban any person from conducting financing guarantee business without prior approval. If the Class B investors are deemed to be conducting financing guarantee business under the new investor assurance program, the regulatory authority may order the Class B investors to cease business operation, which would materially and adversely affect our business and impede our ability to continue our operations under the new investor assurance program.

此外，我们不能排除b类投资者为a类投资者提供某种形式担保的可能性。根据《融资性担保公司监督管理条例》的规定，未经批准，管理部门可以禁止任何人从事融资性担保业务。如果b类投资者被视为在新的投资者保证计划下从事融资担保业务，监管当局可命令b类投资者停止业务运作，这将对我们的业务产生重大不利影响，并妨碍我们在新的投资者保证计划下继续经营业务的能力。

***We had limited experience managing our investor assurance program. In addition, our liability from investor assurance program managed by Shanghai Caiyin was determined based on both objective and subjective factors and might not be adequate to absorb loan losses if we failed to accurately forecast the expected loss.***

我们在管理投资者保障计划方面经验有限。此外，上海财银投资者担保项目的责任是基于客观和主观两方面因素确定的，如果不能准确预测预期损失，可能不足以吸收贷款损失。

We face the risk that borrowers fail to repay their principals and service fees in full. We established and maintained an investor assurance program which repays investors on our marketplace for loans facilitated prior to April 28, 2018 that were past due. Although we no longer operate the risk reserve fund for loans facilitated after April 28, 2018, as of the date of the prospectus, we still manage the investor assurance program for loans facilitated prior to April 28, 2018 and will continue to repay investors on our marketplace for loans facilitated prior to April 28, 2018 that are past due, until funds in such investor assurance program are depleted or investors for the underlying loans are fully repaid. Under such investor assurance program, we set aside a certain percentage of service fees into designated custody account to cover on a portfolio basis the principal and interest of defaulted loans, payable on a first-loss basis up to the balance of the investor assurance program. The contribution percentage of the investor assurance program was determined based on both objective and subjective factors. We regularly reviewed the borrower’s risk profile, actual loss rate of each loan product facilitated and relevant economic factors to ensure the estimations are kept up-to-date. Consequently, the contribution percentages were updated regularly to ensure that the total investor assurance program contributions, including both upfront and subsequent contributions, are based on the estimated fair value of the probability of loss at loan inception. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies, Judgments and Estimates—Investor Assurance Program.” Actual losses are difficult to forecast, especially if such losses stem from factors beyond our historical experience. We may need to account for future provision for contingent liabilities, which will adversely affect our results of operations. We had limited experience managing our investor assurance program, which was established in December 2015. Furthermore, our products, borrower base and credit assessment capabilities evolved from time to time, and we may not be able to accurately forecast delinquencies of our current target borrower base. Given these challenges, it is possible that we have underestimated or overestimated the liability from investor assurance program. As a result, if we had underestimated the liability from investor assurance program, there could be no

我们面临着借款人无法全额偿还本金和服务费的风险。我们建立并维持了一个投资者保证计划，在我们的市场上偿还投资者在2018年4月28日之前到期的贷款。尽管我们不再为2018年4月28日之后的贷款提供风险准备金，但截至招股说明书之日，我们仍然管理2018年4月28日之前的贷款的投资者担保计划，并将继续通过我们的市场偿还投资者在2018年4月28日之前提供的逾期贷款，直到投资者担保计划的资金耗尽或者潜在贷款的投资者得到全额偿还。根据这种投资者保证计划，我们将一定比例的服务费存入指定的托管账户，以便在投资组合的基础上支付违约贷款的本金和利息，在投资者保证计划的余额之前，按照首次亏损的原则支付。投资者保证计划的贡献率是根据客观和主观因素确定的。我们定期检讨借款人的风险状况、每项贷款产品的实际损失率及相关的经济因素，以确保估计数字保持最新。因此，捐

款百分比定期更新，以确保投资者保证方案的捐款总额，包括前期和后续捐款，以贷款开始时损失概率的估计公允价值为基础。参见“管理层对财务状况和经营成果的讨论和分析——关键的会计政策、判断和估计——投资者保证计划”实际损失很难预测，特别是如果这些损失是由超出我们历史经验的因素造成的。我们可能需要为未来的或有负债准备金，这将对我们的业务结果产生不利影响。我们在管理2015年12月建立的投资者保障计划方面经验有限。此外，我们的产品，借款人基础和信用评估能力不断演变，我们可能无法准确预测我们目前的目标借款人基础的拖欠情况。鉴于这些挑战，我们可能低估或高估了投资者担保计划的责任。因此，如果我们低估了投资者担保计划的责任，就不可能有

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图30

assurance that our restricted cash in the investor assurance program managed by Caiyin would be sufficient to absorb losses or prevent a material adverse effect on our business and reputation. We may, in our discretion, ultimately use our working capital to repay our investors in order to maintain our reputation and our business and results of operation could be materially and adversely affected. If we do not or are not able to repay our investors, our business and reputation could be materially and adversely affected.

保证我们在蔡银管理的投资者保险计划中的限制性现金将足以吸收损失或防止对我们的业务和信誉产生实质性的负面影响。我们可能会自行决定，最终用营运资金偿还投资者，以维持我们的声誉，而我们的业务及经营成果可能会受到重大及不利的影响。如果我们不能或不能偿还我们的投资者，我们的业务和声誉可能会受到重大和不利的影响。

***Our failure to compete effectively could adversely affect our results of operations and market share.***

我们在有效竞争方面的失败可能会对我们的运营结果和市场份额产生不利影响。

Online individual finance market is an emerging industry in China. It provides a new means for consumers to obtain financing and for investors to seek new investment opportunities. As a leading player among China's online individual finance marketplaces, we face fierce competition from other online marketplaces, other online finance service providers as well as traditional financial institutions. Individual finance marketplaces which operate online platforms connecting investors and borrowers compete directly with us for both investors and borrowers. In addition, for borrowers, we compete with other online platforms. We also compete with traditional financial institutions, including credit card issuers, individual finance business units in commercial banks and other individual finance companies.

网上个人理财在我国是一个新兴的行业。它为消费者获得融资和投资者寻求新的投资机会提供了新的手段。作为中国在线个人金融市场的领导者，我们面临着来自其他在线市场、其他在线金融服务提供商以及传统金融机构的激烈竞争。个人金融市场经营的在线平台连接投资者和借款人与我们直接竞争的投资者和借款人。此外，对于借款人，我们与其他在线平台竞争。我们还要与传统的金融机构竞争，包括信用卡发行机构、商业银行的个人金融业务部门和其他个人金融公司。

Our competitors operate with different business models, have different cost structures or participate selectively in different market segments. They may ultimately prove more successful or more adaptable to new regulatory, technological and other developments. Some of our current and potential competitors have significantly more financial, technical, marketing and other resources than we do and may be able to devote greater resources to the development, promotion, sale and support of their platforms. Our competitors may also have more extensive borrower or investor bases, greater brand recognition and brand loyalty and broader partner relationships than us. Additionally, a current or potential competitor may acquire one or more of our existing competitors or form a strategic alliance with one or more of our competitors. Any of the foregoing could adversely affect our business, results of operations, financial condition and future growth.

我们的竞争对手运营着不同的商业模式，有着不同的成本结构，或者有选择地参与不同的细分市场。它们最终可能证明更为成功，或者更能适应新的监管、技术和其它方面的发展。我们目前和潜在的一些竞争对手拥有比我们多得多的财政、技术、营销和其他资源，并且可以投入更多的资源开发、推广、销售和支持他们的平台。我们的竞争对手可能比我们拥有更广泛的借款人或投资者基础，更高的品牌认知度和品牌忠诚度，以及更广泛的合作伙伴关系。此外，当前或潜在的竞争对手可能会收购我们现有的一个或多个竞争对手，或与我们的一个或多个竞争对手形成战略联盟。上述任何一项都可能对我们的业务、运营结果、财务状况和未来增长产生不利影响。

In addition, our competitors may be better at developing new products, responding faster to new technologies and undertaking more extensive marketing campaigns. When new competitors seek to enter our target market, or when existing market participants seek to increase their market share, they sometimes undercut the pricing and/or terms prevalent in that market, which could adversely affect our market share or ability to exploit new market opportunities. Also, since the online individual finance industry in China is relatively new and fast evolving, potential investors and borrowers may not fully understand how our platform works and may not be able to fully appreciate the additional customer protections and features that we have invested in and adopted on our platform as compared to others. Our pricing and terms could deteriorate if we fail to act to meet these competitive challenges. Furthermore, to the extent that our competitors are able to offer more attractive terms to our business partners, such business partners may choose to terminate their relationships with us. If we are unable to compete with such companies and meet the need for innovation in our industry, the demand for our marketplace could stagnate or substantially decline, we could experience reduced revenues and our marketplace could fail to achieve or maintain more widespread market acceptance, any of which could harm our business and results of operations.

此外，我们的竞争对手可能更善于开发新产品，更快地对新技术作出反应，并开展更广泛的营销活动。当新的竞争对手试图进入我们的目标市场时，或当现有市场参与者试图增加其市场份额时，他们有时会削弱该市场的价格和/或通行条款，这可能会对我们的市场份额或开拓新市场机会的能力产生不利影响。此外，由于中国的在线个人金融业相对较新，发展较快，潜在的投资者和借款人可能不完全理解我们的平台是如何运作的，也可能不能充分理解我们在平台上投资和采用的额外的客户保护和功能。如果我们不采取行动应对这些竞争挑战，我们的定价和条款可能会恶化。此外，如果我们的竞争对手能够向我们的商业伙伴提供更具吸引力的条款，这些商业伙伴可能会选择终止与我们的关系。如果我们无法与这些公司竞争，无法满足我们行业对创新的需求，我们市场的需求可能会停滞或大幅下降，我们的收入可能会减少，我们的市场可能无法获得或维持更广泛的市场接受度，任何这些都可能损害我们的业务和运营结果。

***If we fail to promote and maintain our brand in a cost-efficient way, our business and results of operations may be harmed.***

如果我们不能以具有成本效益的方式推广和维护我们的品牌，我们的业务和运营结果可能会受到损害。

We believe that developing and maintaining awareness of our brand effectively is critical to attracting new and retaining existing investors and

borrowers to our marketplace. This depends largely on the effectiveness of our marketing efforts and the success of the channels we use to promote our marketplace. If any of our current marketing channels become less effective, if we are unable to continue to use any of these channels, or if the cost of using these channels were to significantly increase or if we are not successful in generating new channels, we may not be able to attract new investors and borrowers in a cost-effective manner or convert potential investors and borrowers into active investors and borrowers on our marketplace.

我们相信，有效地发展和保持我们的品牌意识，对于吸引新的投资者和现有的借款人来我们的市场是至关重要的。这在很大程度上取决于我们营销努力的有效性以及我们用来推广我们市场的渠道的成功与否。如果我们现有的市场推广渠道成效下降、无法继续使用其中任何一条渠道、或使用这些渠道的成本大幅增加、或未能成功开拓新渠道，我们可能无法以具成本效益的方式吸引新的投资者和借款人，或无法将潜在的投资者和借款人转化为市场上的积极投资者和借款人。

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图31

Our efforts to build our brand have caused us to incur significant expenses, and it is likely that our future marketing efforts will require us to incur significant additional expenses. For example, we plan to continue to advertise our brand on TV shows and sports games to enhance our brand awareness. See “Business—Our Strategies—Focus on and expand small and micro finance services.” The costs of any such advertising campaign is likely to be considerable. These efforts may not result in increased revenues in the immediate future or at all and, even if they do, any increases in revenues may not offset the expenses incurred. If we fail to successfully promote and maintain our brand while incurring substantial expenses, our results of operations and financial condition would be adversely affected, which may impair our ability to grow our business. We operate in a market where the credit infrastructure is still at an early stage of development.

我们建立品牌的努力已经使我们花费了大量的费用，而且很可能我们未来的营销工作将要求我们花费大量的额外费用。例如，我们计划继续在电视节目和体育比赛中宣传我们的品牌，以提高我们的品牌知名度。参见《商业——我们的战略——关注和扩大小额金融服务》任何这样的广告宣传活动的费用都可能是相当可观的。这些努力可能不会在近期或根本不会带来收入的增加，即使增加了，收入的任何增加也不能抵消发生的费用。如果我们不能成功地推广和维持我们的品牌，同时又要承担大量的费用，我们的运营成果和财务状况就会受到不利影响，这可能会削弱我们发展业务的能力。我们所处的市场，信贷基础设施仍处于初级发展阶段。

***We operate in a market where the credit infrastructure is still at an early stage of development.***

我们所处的市场，信贷基础设施仍处于初级发展阶段。

China’s credit infrastructure is still at an early stage of development. The nationwide financial basic credit reporting system operated by the Credit Reference Center, which was established by the People’s Bank of China in 2006, only records limited credit information, such as tax payments, civil lawsuits, foreclosure and bankruptcy. Moreover, this credit database is accessible to data owners themselves and data users who have obtained written authorization from the data owners. In 2015, the People’s Bank of China announced that it would open the credit reporting market to private sectors with a view to spurring competition and innovation, but it may be a long-term process to establish a widely- applicable, reliable and sophisticated credit infrastructure in the market we operate.

中国的信贷基础设施仍处于初级发展阶段。由中国人民银行于2006年建立的信用咨询中心运行的全国财务基本信用报告系统，只记录有限的信用信息，如纳税、民事诉讼、止赎、破产等。此外，数据拥有者本身和已获得数据拥有者书面授权的数据用户可以访问这个信用数据库。2015年，中国人民银行宣布将向私营部门开放信贷报告市场，以促进竞争和创新，但在我们经营的市场上建立一个广泛适用、可靠和先进的信贷基础设施可能是一个长期的过程。

***Our current level of fee rates may decline in the future.***

**我们** 现时的收费水平将来可能会下降。  
**的**

We generate revenues primarily from fees charged for our services in matching investors with individual borrowers and for other services we provide over the life of a loan. We generally collect service fees from our borrowers, and on limited occasions from our investors for our automated investment program services and for loan transfers over our secondary market. These fee rates may be affected by our product mix, the macroeconomic factors as well as the competition in the online individual finance industry. We may be unable to offer attractive service fee rates while driving the growth and profitability of our business. Furthermore, our competitors may lower their fee rates in an effort to lure investors and borrowers away from us. If we reduce our fee rates in order to compete more effectively, the profitability of our business could be adversely affected. If we do not reduce our rates, investors and borrowers may leave our marketplace, and the total service fees we collect may decline. Any material decline in our fee rates or the fees we collect could have a material adverse effect on our business, results of operations and financial condition.

我们的收入主要来自我们在贷款期内为投资者与个人借款人配对服务所收取的费用，以及我们提供的其他服务。我们通常向我们的借款人收取服务费，并在有限的情况下向我们的投资者收取我们的自动化投资计划服务费和二级市场的贷款转移费。这些费率可能会受到我们的产品组合，宏观经济因素，以及在线个人金融业的竞争。我们可能无法提供有吸引力的服务费率，同时推动我们的业务增长和盈利能力。此外，我们的竞争对手可能会降低费率，以吸引投资者和借款人远离我们。如果我们降低费率以便更有效地竞争，我们业务的盈利能力可能会受到不利影响。如果我们不降低利率，投资者和借款人可能会离开我们的市场，我们收取的总服务费可能会下降。我们的费率或收费的任何实质性下降都可能对我们的业务、运营结果和财务状况产生实质性的不利影响。

***Our business depends on the continued efforts of our senior management. If one or more of our key executives were unable or unwilling to continue in their present positions, our business may be severely disrupted.***

我们的业务有赖于高级管理层的不断努力。如果我们的一个或多个主要执行官不能或不愿意继续他们目前的职位，我们的业务可能会受到严重干扰。

Our business operations depend on the continued services of our senior management, particularly the executive officers named in this prospectus. While we have provided different incentives to our management, we cannot assure you that we can continue to retain their services. If one or more of our key executives were unable or unwilling to continue in their present positions, we may not be able to replace them easily or at all, our future growth may be constrained, our business may be severely disrupted and our financial condition and results of operations may be materially and adversely affected, and we may incur additional expenses to recruit, train and retain qualified personnel. In addition, although we have entered into confidentiality and non-competition agreements with our management, there is no assurance that any member of our management team will not join our competitors or form a competing business. If any dispute arises between our current or former officers and us, we may have to incur substantial costs and expenses in order to enforce such agreements in China or we may be unable to enforce them at all.

我们的业务运作依赖于高级管理人员的持续服务，特别是本章程中提到的行政人员。虽然我们为管理层提供了不同的激励措施，但我们不能保证我们能够继续保留他们的服务。如果我们一个或多个主要行政人员不能或不愿继续担任现有职位，我们可能无法轻易或根本无法撤换他们，我们未来的增长可能会受到限制，我们的业务可能会受到严重干扰，我们的财务状况和业务结果可能会受到重大和不利的影  
响，我们可能会招聘、培训和留住合格的人员。此外，虽然我们与管理层签订了保密和非竞争协议，但我们无法保证我们的管理团队中的任何成员不会加入竞争对手或形成竞争业务。如果我们的现任或前任官员与我们之间发生任何争议，我们可能不得不承担大量费用和开支，以便在中国执行这些协议，否则我们可能根本无法执行这些协议。

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图32



***Misconduct, errors and failure to function by our employees and third-party service providers could harm our business and reputation.***

我们的员工和第三方服务提供商的不当行为、错误和未能发挥作用可能会损害我们的业务和声誉。

We are exposed to many types of operational risks, including the risk of misconduct and errors by our employees and third-party service providers. Our business depends on our employees and third-party service providers to interact with potential investors and borrowers, process large numbers of transactions and support the loan collection process, all of which involve the use and disclosure of personal information. We could be materially adversely affected if transactions were redirected, misappropriated or otherwise improperly executed, if personal information was disclosed to unintended recipients or if an operational breakdown or failure in the processing of transactions occurred, whether as a result of human error, purposeful sabotage or fraudulent manipulation of our operations or systems. In addition, the manner in which we store and use certain personal information and interact with investors and borrowers through our marketplace is governed by various PRC laws. It is not always possible to identify and deter misconduct or errors by employees or third-party service providers, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses. If any of our employees or third-party service providers take, convert or misuse funds, documents or data or fail to follow protocol when interacting with investors and borrowers, we could be liable for damages and be subject to regulatory actions and penalties. We could also be perceived to have facilitated or participated in the illegal misappropriation of funds, documents or data, or the failure to follow protocol, and therefore be subject to civil or criminal liability. In addition to our own collecting team, we also use certain third-party service providers for loan collection services. Aggressive practices or misconduct by any of our third-party service providers in the course of collecting loans could damage our reputation.

我们面临许多类型的运营风险，包括我们的员工和第三方服务提供商的不当行为和错误的风险。我们的业务依赖员工和第三方服务提供商与潜在投资者和借款人互动，处理大量交易，并支持贷款收集过程，所有这些都涉及个人信息的使用和披露。如果交易被转移、挪用或以其他方式不当执行，如果个人信息被泄露给非故意接收者，或者如果交易处理中出现操作故障或失败，无论是由于人为错误、蓄意破坏或欺诈性操纵我们的业务或系统，我们都可能受到实质性的不利影响。此外，我们存储和使用某些个人信息的方式，以及通过我们的市场与投资者和借款人进行互动的方式，也受到各种中国法律的管辖。发现和制止雇员或第三方服务提供商的不当行为或错误并非总是可能的，我们为发现和防止这种活动所采取的预防措施可能无法有效控制未知或未经管理的风险或损失。如果我们的任何员工或第三方服务提供商拿走、转换或滥用资金、文件或数据，或在与投资者和借款人互动时不遵守协议，我们将承担损害赔偿赔偿责任，并受到监管行动和处罚。我们还可能被认为协助或参与非法挪用资金、文件或数据，或不遵守协议，因此要承担民事或刑事责任。除了我们自己的收款团队，我们还使用某些第三方服务提供商的贷款收款服务。我们的任何第三方服务提供商在收取贷款过程中的侵略性做法或不当行为都可能损害我们的声誉。

***Cyber-attacks, computer viruses, physical or electronic break-ins or similar disruptions of us or of a third-party, including events beyond our control, could result in disclosure or misuse of confidential information and misappropriation of funds of our investors and borrowers, subject us to liabilities, reduce the attractiveness of our marketplace and cause reputational harm and adversely impact our results of operations and financial condition.***

网络攻击、计算机病毒、物理或电子入侵，或对我们或第三方的类似干扰，包括我们无法控制的事件，可能导致机密信息的披露或滥用，以及我们的投资者和借款人的资金被挪用，使我们承担责任，降低我们市场的吸引力，造成声誉损害，并对我们的运营结果和财务状况产生不利影响。

Our platform collects, stores and processes certain personal and other sensitive data from our investors and borrowers. The massive data that we have processed and stored makes us or third-party service providers who host our servers a target and potentially vulnerable to cyber-attacks, computer viruses, physical or electronic break-ins or similar disruptions. While we have taken steps to protect the confidential information that we have access to, our security measures could be breached. Because techniques used to sabotage or obtain unauthorized access to systems change frequently and generally are not recognized until they are launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. Any accidental or willful security breaches or other unauthorized access to our platform could cause confidential borrower and investor information to be stolen and used for criminal purposes. As personally identifiable and other confidential information is increasingly subject to legislation and regulations in numerous domestic and international jurisdictions, any inability to protect confidential information of our investors and borrowers could result in additional cost and liability for us, damage our reputation, inhibit the use of our platform and harm our business.

我们的平台从投资者和借款人那里收集、存储和处理某些个人和其他敏感数据。我们处理和储存的大量数据使我们或为我们的服务器提供服务的第三方服务提供商成为攻击目标，可能容易受到网络攻击、计算机病毒、物理或电子入侵或类似干扰。虽然我们已采取措施保护我们获得的机密资料，但我们的保安措施可能会被破坏。由于用于破坏或获得未经授权进入系统的技术经常发生变化，而且通常在针对某一目标发射之前无法识别，我们可能无法预测这些技术或执行适当的预防措施。任何意外或故意进入我们平台的数字证书认证机构或其他未经授权的访问都可能导致机密借款人和投资者信息被盗，并被用于犯罪目的。由于个人身份和其他机密信息越来越多地受到众多国内和国际司法管辖区的立法和法规的制约，任何不能保护我们投资者和借款人的机密信息的行为都可能导致我们承担额外的费用和责任，损害我们的声誉，抑制我们平台的使用，并损害我们的业务。

We also face indirect technology, cybersecurity and operational risks relating to the third parties whom we work with to facilitate or enable our business activities, including, among others, third-party online payment service providers who manage accounts for certain borrower and investor funds and external cloud service provider. As a result of increasing consolidation and interdependence of technology systems, a technology failure, cyber-attack or other information or security breach that significantly compromises the systems of one entity could have a material impact on its counterparties. Any cyber-attack, computer viruses, physical or electronic break-ins or similar disruptions of such third-party payment service providers could, among other things, adversely affect our ability to serve our users, and could even result in misappropriation of funds of our investors and borrowers. If that were to occur, both we and third-party payment service providers could be held liable to investors and borrowers who suffer losses from the misappropriation.

我们亦面对与第三者有关的间接技术、网络安全及运作风险，这些第三者与我们合作，以促进或推动我们的业务活动，其中包括为某些借款人及投资者资金管理帐户的第三者网上支付服务供应商，以及外部云端服务供应商。由于技术系统日益巩固和相互依存，对一个实体的系统造成重大损害的技术故障、网络攻击或其他信息或安全漏洞可能对其对手产生重大影响。任何网络攻击、电脑病毒、物理或电子入侵或对这些第三方支付服务提供商的类似干扰，除其他外，都可能对我们为用户服务的能力产生不利影响，甚至可能导致我们的投资者和借款人的资金被挪用。如果这种情况发生，我们和第三方支付服务提供商都要对因挪用公款而蒙受损失的投资者和借款人负责。

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图33



Security breaches or unauthorized access to confidential information could also expose us to liability related to the loss of the information, time-consuming and expensive litigation and negative publicity. If security measures are breached because of third-party action, employee error, malfeasance or otherwise, or if design flaws in our technology infrastructure are exposed and exploited, our relationships with investors and borrowers could be severely damaged, we could incur significant liability and our business and operations could be adversely affected.

数字证书认证机构或未经授权获取机密信息也可能使我们承担与信息丢失有关的责任、费时费力的诉讼和负面宣传。如果保安措施因第三方行动、员工失误、渎职或其他原因而被破坏，或者如果我们的科技基础设施的设计缺陷被暴露和利用，我们与投资者和借款人的关系可能受到严重损害，我们可能承担重大责任，我们的业务和运作可能受到不利影响。

*If we are unable to protect the confidential information of our users and adapt to the relevant regulatory framework regarding protection of such information, our business and operations may be adversely affected.*

如果我们不能保护用户的机密信息，不能适应有关保护这些信息的监管框架，我们的业务和运营可能会受到不利影响。

The PRC government authorities have enacted a series of laws and regulations on the protection of personal information, under which Internet service providers and other network operators are required to comply with the principles of legality, justification and necessity, to clearly indicate the purposes, methods and scope of any information collection and usage, and to obtain the consent of users, as well as to establish a user information protection system with appropriate remedial measures. We have obtained written consent from our users to use their personal information within the scope of authorization and we have taken technical measures to ensure the security of such personal information and to prevent any loss or divergence of personal information from. However, there is uncertainty as to the interpretation and application of such laws. If such laws or regulations are to be interpreted and applied in a manner inconsistent with our current policies and practices, changes to the features of our system may be required and additional costs may be incurred. We cannot assure you that our existing user information protection system and technical measures will be considered sufficient under applicable laws and regulations. If we are unable to address any information protection concerns, or to comply with the then applicable laws and regulations, we may incur additional costs and liability and our reputation, business and operations might be adversely affected. See “Regulations—Regulations Relating to Internet Companies—Regulations on Privacy Protection” for more details.

中国政府制定了一系列保护个人信息的法律法规，要求互联网服务提供商和其他网络运营商遵守合法性、正当性和必要性原则，明确信息收集和使用的目的、方法和范围，征得用户同意，并建立具有适当补救措施的用户信息保护制度。我们已取得使用者的书面同意，在授权范围内使用他们的个人资料，并已采取技术措施，以确保这些个人资料的安全，以及防止个人资料遗失或偏离授权范围。然而，这些法律的解释和适用还存在不确定性。如果这些法例或规例的解释和适用与我们现行的政策和做法不符，我们可能需要改变我们制度的特点，并可能招致额外的费用。我们不能向您保证，我们现有的用户信息保护系统和技术措施将被视为足够的适用法律和法规。如果我们不能解决任何信息保护问题，或不能遵守当时适用的法律和法规，我们可能会承担额外的费用和责任，我们的声誉、业务和运作可能会受到不利影响。详情请参阅《规则—互联网公司的规则—隐私保护规则》。

On June 1, 2017, the Cyber Security Law of the PRC became effective. The law requires network products and services providers as we are, among other things, to strictly preserve the secrecy of user information they collect and to store within mainland China data that is gathered or produced by such network products and services provider in the country. If we are deemed to have violated the law, potential penalties include, depending on the nature of violation, forced shut down of our websites, revocation of business licenses, freezing of assets, and fines imposed on the company ranging from approximately RMB10,000 to RMB1 million or management personnel ranging from approximately RMB5,000 to RMB1 million.

2017年6月1日，《中华人民共和国网络安全法》正式生效。法律要求网络产品和服务提供商，除其他外，严格保护他们收集的用户信息的保密性，并在中国大陆存储这些网络产品和服务提供商在中国收集或生产的数据。如果我们被视为违法，潜在的处罚包括，根据违法性质，强制关闭我们的网站，吊销营业执照，冻结资产，对公司处以大约1万元至100万元人民币的罚款，或对管理人员处以大约5000元至100万元人民币的罚款。

Due to the relatively new nature of the Cyber Security Law of the PRC and the lack of clarification in the statutory law itself as to the circumstances and standard under which the law should apply and violations may be found, there are great uncertainties as to the interpretation and application of the law.

由于《中华人民共和国网络安全法》的性质相对较新，成文法本身对适用该法的情形和标准以及可能发现的违法行为缺乏明确规定，因此，该法的解释和适用存在很大的不确定性。

The law’s vagueness in its own statutory language also indicates that the Cyberspace Administration of China, or the CAC, the designated government enforcement agency, will have broad latitude to direct how the law is interpreted and enforced, thus creating greater uncertainties with regard to the interpretation and application of the law since the government enforcement agency has yet to provide further guidance on the enforcement mechanism of the law. If we are found to have violated the Cyber Security Law of the PRC in a government enforcement action, we may face severe penalties that may result in monetary losses, losses of access to assets essential for daily operation of our business or for the continuance of service provision, and temporary or total disruption of our business for an extended period of time. In addition, the finding of a violation of the Cyber Security Law of the PRC, even if later repealed, may cause damages to our reputation and our brand name, causing users to lose confidence in our service and to refrain from choosing or continuing to use our products and services. All of these consequences may have a material adverse impact on our business, financial condition and results of operations.

法律本身的法定语言含糊不清，也表明中国国家互联网信息办公室，或称为指定的政府执法机构，在指导如何解释和执行法律方面有着广泛的自由度，从而在法律的解释和适用方面制造了更大的不确定性，因为政府执法机构尚未就法律的执行机制提供进一步的指导。如

果我们在政府的执法行动中被发现违反了《中华人民共和国网络安全法》，我们可能会面临严厉的惩罚，这些惩罚可能会导致金钱损失，使我们无法获得业务日常运作所必需的资产或继续提供服务，以及在较长时间内暂时或完全中断我们的业务。此外，违反《中华人民共和国网络安全法》的裁决，即使后来被废除，也可能会损害我们的声誉和品牌名称，导致用户对我们的服务失去信心，不再选择或继续使用我们的产品和服务。所有这些后果都可能对我们的业务、财务状况和运营结果产生实质性的不利影响。

Furthermore, the stringent reporting obligation imposed by the Cyber Security Law of the PRC itself, without a finding of violation, may have a material adverse impact on our business and results of operations. As

此外，《中华人民共和国网络安全法》本身规定的严格报告义务，如果没有发现违法行为，可能会对我们的业务和业务结果产生实质性的不利影响。作为

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图34

we are obligated by the law to inform our users of any security flaw or vulnerability as they are discovered, users may become wary of the existence or frequency of such reports and lose confidence in the security of our system, and thus may be discouraged from choosing or continuing to use our products and services, even if the security flaws or vulnerabilities are readily fixable and can be easily overcome.

根据法例，我们有责任在发现任何保安漏洞或脆弱性时，即时通知我们的用户；用户可能会对这类举报的存在或频率有所警觉，对我们的系统保安失去信心，因此，即使有关的保安漏洞或脆弱性容易修补和克服，我们也不会鼓励用户选择或继续使用我们的产品和服务。

***Any failure by our third-party service providers to comply with applicable anti-money laundering and anti-terrorism financing laws and regulations could damage our reputation.***

我们的第三方服务提供者如果不遵守适用的反洗钱和反资助恐怖主义的法律和条例，就可能损害我们的声誉。

Currently, we rely on our third-party service providers, in particular payment companies that handle the transfer of funds between borrowers and lenders, to have their own appropriate anti-money laundering policies and procedures. The payment companies are subject to anti-money laundering obligations under applicable anti-money laundering laws and regulations and are regulated in that respect by the People's Bank of China. If any of our third-party service providers fails to comply with applicable anti-money laundering laws and regulations, our reputation could suffer and we could become subject to regulatory intervention, which could have a material adverse effect on our business, financial condition and results of operations.

目前，我们依靠我们的第三方服务提供者，特别是处理借款人和贷款人之间资金转移的支付公司，制定自己适当的反洗钱政策和程序。根据适用的反洗钱法律和条例，支付公司必须履行反洗钱义务，并受中国人民银行的监管。如果我们的任何第三方服务提供者不遵守适用的反洗钱法律和条例，我们的声誉可能受到损害，我们可能会受到监管干预，这可能对我们的业务、财务状况和业务结果产生重大不利影响。

In addition, the Interim Measures have imposed on us the obligation of anti-money laundering and anti-terrorism financing. While we are in the process of formulating policies and procedures, including internal controls and “know-your-customer” procedures, aimed at preventing money laundering and terrorism financing, we cannot assure you that we will be able to establish and maintain effective anti-money laundering and anti-terrorism financing policies and procedures to protect our marketplace from being exploited for money laundering or terrorism financing purposes or that such policies and procedures, if adopted, will be deemed to be in compliance with applicable anti-money laundering and anti-terrorism financing laws and regulations, including the Interim Measures.

此外，《临时措施》还要求我们承担反洗钱和反资助恐怖主义的义务。虽然我们正在制定旨在防止洗钱和资助恐怖主义的政策和程序，包括内部控制和“了解你的客户”程序，但我们不能向你保证，我们将能够建立和维持有效的反洗钱和资助恐怖主义的政策和程序，以保护我们的市场不被利用为洗钱或资助恐怖主义的目的，或这些政策和程序，如果通过，将被视为符合适用的反洗钱和资助恐怖主义的法律和法规，包括临时措施。

***If we fail to implement and maintain an effective system of internal controls over financial reporting, we may be unable to accurately report our results of operations, meet our reporting obligations or prevent fraud.***

如果我们不能实施和保持对财务报告的有效内部控制制度，我们可能无法准确报告业务结果，履行报告义务或防止欺诈。

Prior to this offering, we were a private company with limited accounting personnel and other resources with which to address our internal controls and procedures. Our independent registered public accounting firm has not conducted an audit of our internal control over financial reporting. In the course of auditing our consolidated financial statements, we and our independent registered public accounting firm identified two material weaknesses in our internal controls. A material weakness is a deficiency, or combination of deficiencies, in internal controls, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. One material weakness relates to lack of sufficient accounting personnel with U.S. GAAP knowledge and SEC financial reporting requirements, and lack of accounting policies and procedures relating to financial reporting in accordance with U.S. GAAP. The other material weakness relates to our lack of formal risk assessment process and internal control framework over financial reporting, including (i) our lack of a formal Group-wide risk assessment process to identify, assess, address or mitigate the risks identified and internal control over financial reporting framework to maintain effective internal controls within the organization, which may increase risk of error, fraud, misstatement of financial reporting, or non-compliance with related regulations for a U.S. listed Group, and (ii) our lack of an internal audit department and a qualified compliance team to monitor the risk and processes of the company. For details, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Internal Control over Financial Reporting.” Although we have begun to implement measures to address the material weakness, the implementation of these measures may not fully address the material weaknesses and deficiencies in our internal control over financial reporting, and we cannot conclude that they have been fully remedied. In the future we may determine that we have additional material weaknesses, or our independent registered public accounting firm may disagree with our management assessment of the effectiveness of our internal controls. Our failure to correct the material weaknesses and control deficiencies or our failure to discover and address any other material weaknesses or control deficiencies could result in inaccuracies in our financial statements and could also impair our ability to comply with applicable financial reporting requirements and related regulatory

在此之前，我们是一家私人公司，拥有有限的会计人员和其他资源，以解决我们的内部控制和程序。我们的独立注册会计师事务所尚未对我们的财务报告内部控制进行审计。在审计我们的合并财务报表的过程中，我们和我们的独立注册会计师事务所发现了我们内部控制的两个重大缺陷。重大缺陷是内部控制方面的缺陷或缺陷的组合，因此，我们的年度或中期财务报表的重大错报有合理的可能性不会及时防止或发现。一个重大缺陷涉及缺乏具备美国公认会计准则知识和美国证券交易委员会财务报告要求的足够会计人员，以及缺乏按照美国公认会计准则进行财务报告的会计政策和程序。其他重大缺陷涉及我们缺乏正式的财务报告风险评估程序和内部控制框架，包括：（一）我们

缺乏一个正式的全集团风险评估程序，以查明、评估、处理或减轻已查明的风险，以及对财务报告框架的内部控制，以维持组织内部有效的内部控制，这可能增加错误、欺诈、财务报告错报或不遵守美国上市集团相关条例的风险；(二)我们缺乏一个内部审计部门和一个合格的合规小组，以监测公司的风险和流程。详见《管理层关于财务状况和经营成果的讨论与分析——财务报告的内部控制》。虽然我们已经开始采取措施解决重大弱点，但这些措施的执行可能无法充分解决我们在财务报告内部控制方面的重大弱点和缺陷，我们不能断定这些弱点和缺陷已得到充分补救。今后，我们可能会确定我们还有其他重大缺陷，或者我们独立注册的公共会计师事务所可能不同意我们对内部控制有效性的管理评估。我们未能纠正重大弱点和控制缺陷，或未能发现和解决任何其他重大弱点或控制缺陷，可能导致我们的财务报表不准确，也可能损害我们遵守适用的财务报告要求和相关监管的能力

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图35

filings on a timely basis. As a result, our business, financial condition, results of operations and prospects, as well as the trading price of our ADSs, may be materially and adversely affected. Moreover, ineffective internal control over financial reporting significantly hinders our ability to prevent fraud. 及时提交文件。因此，我们的业务、财务状况、运营结果和前景，以及我们的存托凭证的交易价格，可能会受到重大和不利的影响。此外，对财务报告缺乏有效的内部控制，严重阻碍了我们防止欺诈的能力。

Furthermore, it is possible that, had our independent registered public accounting firm conducted an audit of our internal control over financial reporting, such accountant might have identified additional material weaknesses and deficiencies. Upon completion of this offering, we will become subject to the Sarbanes-Oxley Act of 2002. Section 404 of the Sarbanes-Oxley Act, or Section 404, will require that we include a report from management on the effectiveness of our internal control over financial reporting in our annual report on Form 20-F beginning with our annual report for the fiscal year ending December 31, 2019. In addition, once we cease to be an “emerging growth company” as such term is defined in the JOBS Act, our independent registered public accounting firm must attest to and report on the effectiveness of our internal control over financial reporting. Our management may conclude that our internal control over financial reporting is not effective. Moreover, even if our management concludes that our internal control over financial reporting is effective, our independent registered public accounting firm, after conducting its own independent testing, may issue a report that is qualified if it is not satisfied with our internal controls or the level at which our controls are documented, designed, operated or reviewed, or if it interprets the relevant requirements differently from us. In addition, after we become a public company, our reporting obligations may place a significant strain on our management, operational and financial resources and systems for the foreseeable future. We may be unable to timely complete our evaluation testing and any required remediation.

此外，如果我们的独立注册公共会计师事务所对我们的财务报告内部控制进行了审计，这些会计师可能会发现更多的重大弱点和缺陷。此次发售完成后，我们将受制于2002年的萨班斯-奥克斯利法案。美国萨班斯-奥克斯利法案协会第404条，或者说第404条，要求我们在年度报告表格20-F中，从2019年12月31日结束的财政年度的年度报告开始，包括一份来自管理层的关于我们内部控制财务报告有效性的报告。此外，一旦我们不再是“新兴增长型公司”，我们的独立注册公共会计师事务所必须证明并报告我们对财务报告的内部控制的有效性。我们的管理层可能会得出这样的结论：我们对财务报告的内部控制并不有效。此外，即使我们的管理层认为我们对财务报告的内部控制是有效的，我们的独立注册公共会计师事务所在进行独立测试后，如果对我们的内部控制或我们的控制的记录、设计、操作或审查水平不满意，或者对相关要求的解释与我们不同，可能会发布一份合格的报告。此外，在我们成为上市公司后，我们的报告义务可能会在可预见的未来对我们的管理、运营和财务资源及系统造成重大压力。我们可能无法及时完成我们的评估测试和任何需要的补救措施。

During the course of documenting and testing our internal control procedures, in order to satisfy the requirements of Section 404, we may identify other weaknesses and deficiencies in our internal control over financial reporting. In addition, if we fail to maintain the adequacy of our internal control over financial reporting, as these standards are modified, supplemented or amended from time to time, we may not be able to conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404. If we fail to achieve and maintain an effective internal control environment, we could suffer material misstatements in our financial statements and fail to meet our reporting obligations, which would likely cause investors to lose confidence in our reported financial information. This could in turn limit our access to capital markets, harm our results of operations, and lead to a decline in the trading price of our ADSs. Additionally, ineffective internal control over financial reporting could expose us to increased risk of fraud or misuse of corporate assets and subject us to potential delisting from the stock exchange on which we list, regulatory investigations and civil or criminal sanctions. We may also be required to restate our financial statements from prior periods.

在记录和测试我们的内部控制程序的过程中，为了满足第404节的要求，我们可能会发现我们对财务报告的内部控制的其他弱点和缺陷。此外，如果我们不能保持我们对财务报告的内部控制的充分性，因为这些标准不时被修改、补充或修改，我们可能无法持续地得出结论认为，我们对财务报告按照第404条进行了有效的内部控制。如果我们未能建立和维持有效的内部控制环境，我们可能会在财务报表中出现重大错报，并且未能履行我们的报告义务，这可能会导致投资者对我们报告的财务信息失去信心。这反过来会限制我们进入资本市场，损害我们的运作结果，并导致我们的存托凭证的交易价格下跌。此外，对财务报告缺乏有效的内部控制，可能使我们面临更大的欺诈或滥用公司资产的风险，并使我们可能从我们上市的证券交易所除名、监管调查以及民事或刑事制裁。我们也可能被要求重申我们的财务报表从以前的时期。

***Borrower growth and activity on mobile devices depend upon effective use of mobile operating system, networks and standards, which we do not control.***

借款人的增长和在移动设备上的活动取决于移动操作系统、网络和标准的有效使用，而这些是我们无法控制的。

Our loan products are mostly offered through mobile apps. As new mobile devices and platforms are released, it is difficult to predict the problems we may encounter in developing applications for these new devices and platforms, and we may need to devote significant resources to the development, support and maintenance of such applications. In addition, our future growth and our results of operations could suffer if we experience difficulties in the future in integrating our loan products into mobile devices or if problems arise with our relationships with providers of mobile operating systems or mobile app stores, or if we face increased costs to distribute or have users utilize our loan products on mobile devices. We are further dependent on the interoperability of providing our loan products on popular mobile operating systems that we do not control, such as iOS and Android, and any changes in such systems that degrade the accessibility of our loan products or give preferential treatment to competing products could adversely affect the usability of our loan products on mobile devices. In the event that it is more difficult for our users to access and utilize our loan products on their mobile devices, or if our users choose not to access or utilize our loan products on their mobile devices or to use mobile operating systems that do not offer access to our loan products, our user growth could be harmed and our business, financial condition and operating results may be adversely affected.

我们的贷款产品主要通过移动应用程序提供。随着新的移动设备和平台的发布，我们很难预测在为这些新设备和平台开发应用程序时可能遇到的问题，我们可能需要投入大量资源来开发、支持和维护这些应用程序。此外，如果我们未来在将贷款产品集成到移动设备上遇

到困难，或者如果我们与移动操作系统或移动应用程序商店供应商的关系出现问题，或者如果我们面临在移动设备上分销或使用我们的贷款产品的成本增加，那么我们未来的增长和我们的业务结果可能会受到影响。我们进一步依赖于在我们不能控制的流行移动操作系统上提供我们的贷款产品的互操作性，如 iOS 和 Android，以及这些系统中任何降低我们贷款产品可访问性或给予竞争产品优惠待遇的变化都可能对我们的贷款产品在移动设备上的可用性产生不利影响。如果我们的用户更难在他们的移动设备上访问和使用我们的贷款产品，或者如果我们的用户选择不在他们的移动设备上访问或使用我们的贷款产品，或者使用不提供访问我们的贷款产品的移动操作系统，我们的用户增长可能受到损害，我们的业务，财务状况和经营结果可能受到不利影响。

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图36



***Our operations depend on the performance of the Internet infrastructure and telecommunications networks in China.***

我们的业务取决于中国互联网基础设施和电信网络的性能。

Almost all access to the Internet in China is maintained through state-owned telecommunication operators under the administrative control and regulatory supervision of the MIIT. We primarily rely on a limited number of telecommunication service providers to provide us with data communications capacity through local telecommunications lines and Internet data centers to host our servers. We have limited access to alternative networks or services in the event of disruptions, failures or other problems with China's Internet infrastructure or the fixed telecommunications networks provided by telecommunication service providers. With the expansion of our business, we may be required to upgrade our technology and infrastructure to keep up with the increasing traffic on our marketplace. We cannot assure you that the Internet infrastructure and the fixed telecommunications networks in China will be able to support the demands associated with the continued growth in Internet usage.

在中国，几乎所有的互联网接入都是通过国有电信运营商在工信部的行政管理和监管监督下进行的。我们主要依靠数量有限的电信服务提供商，通过本地电信线路和互联网数据中心为我们提供数据通信能力，以托管我们的服务器。如果中国的互联网基础设施或电信服务提供商提供的固定电信网络出现中断、故障或其他问题，我们只能有限地使用替代网络或服务。随着我们业务的扩展，我们可能需要升级我们的技术和基础设施，以跟上我们市场上不断增长的流量。我们不能保证中国的互联网基础设施和固定电信网络能够满足与互联网使用持续增长相关的需求。

In addition, we have no control over the costs of the services provided by telecommunication service providers. If the prices we pay for telecommunications and Internet services rise significantly, our results of operations may be adversely affected. Furthermore, if Internet access fees or other charges to Internet users increase, our user traffic may decline and our business may be harmed.

此外，我们无法控制电讯服务提供商所提供服务的成本。如果我们支付的电信和互联网服务的价格大幅上升，我们的业务结果可能会受到不利影响。此外，如果互联网接入费或对互联网用户收取的其他费用增加，我们的用户流量可能下降，我们的业务可能受到损害。

***Our platform and internal systems rely on software that is highly technical, and if it contains undetected errors, our business could be adversely affected.***

我们的平台和内部系统依赖于高度技术化的软件，如果它包含未被发现的错误，我们的业务可能会受到负面影响。

Our platform and internal systems rely on software that is highly technical and complex. In addition, our platform and internal systems depend on the ability of such software to store, retrieve, process and manage immense amounts of data. In particular, we open credit assessment platforms to these third-party expert consultants, where they have access to a limited amount of desensitized, grouped and tagged borrower data, based on which they use such data to develop their own credit assessment models. The software on which we rely may have contained, and may now or in the future contain, undetected errors or bugs. Some errors may only be discovered after the code has been released for external or internal use. Errors or other design defects within the software on which we rely may result in a negative experience for investors and borrowers using our platform, delay introductions of new features or enhancements, result in errors or compromise our ability to protect borrower or investor data or our intellectual property. Any errors, bugs or defects discovered in the software on which we rely could result in harm to our reputation, loss of borrowers or investors or liability for damages, any of which could adversely affect our business, results of operations and financial condition.

我们的平台和内部系统依赖于高技术性和复杂性的软件。此外，我们的平台和内部系统依赖于这些软件存储、检索、处理和管理海量数据的能力。特别是，我们向这些第三方专家顾问开放信用评估平台，在这些平台上，他们可以获得数量有限的脱敏、分组和标记的借款人数据，并根据这些数据开发自己的信用评估模型。我们所依赖的软件可能已经包含了，而且现在或将来可能包含了未检测到的错误或bug。有些错误可能只有在代码发布供外部或内部使用之后才会被发现。我们所依赖的软件中的错误或其他设计缺陷可能会给使用我们平台的投资者和借款人带来负面体验，推迟引入新功能或增强功能，导致错误或损害我们保护借款人或投资者数据或知识产权的能力。在我们所依赖的软件中发现的任何错误、错误或缺陷都可能导致我们的声誉受损、借款人或投资者的损失或损害赔偿，任何这些都对我们的业务、运营结果和财务状况产生不利影响。

***We may not be able to prevent others from unauthorized use of our intellectual property, which could harm our business and competitive position.***

我们可能无法阻止他人未经授权使用我们的知识产权，这可能损害我们的业务和竞争地位。

We regard our trademarks, domain names, know-how, proprietary technologies and similar intellectual property as critical to our success, and we rely on a combination of intellectual property laws and contractual arrangements, including confidentiality, invention assignment and non-compete agreements with our employees and others to protect our proprietary rights. See also "Business—Intellectual Property." Despite these measures, any of our intellectual property rights could be challenged, invalidated, circumvented or misappropriated, or such intellectual property may not be sufficient to provide us with competitive advantages. In addition, because of the rapid pace of technological change in our industry, parts of our business rely on technologies developed or licensed by third parties, and we may not be able to obtain or continue to obtain licenses and technologies from these third parties on reasonable terms, or at all.

我们认为我们的商标、域名、专有技术和类似的知识产权对我们的成功至关重要，我们依靠知识产权法和合同安排的组合，包括保密、发明转让和与我们的员工和其他人的竞业禁止协议来保护我们的专有权。参见“商业—知识产权”尽管有这些措施，我们的任何知识产权都可能受到质疑、无效、规避或被盗用，或者这些知识产权可能不足以为我们提供竞争优势。此外，由于我们的行业技术变化的速度很快，我们的部分业务依赖于第三方开发或许可的技术，我们可能无法或继续以合理的条件从这些第三方获得许可证和技术，或者根本无法获得。



It is often difficult to maintain and enforce intellectual property rights in China. Statutory laws and regulations are subject to judicial interpretation and enforcement and may not be applied consistently due to the lack of clear guidance on statutory interpretation. Confidentiality, invention assignment and non-compete agreements may be breached by counterparties, and there may not be adequate remedies available to us for any

在中国，维护和执行知识产权往往是困难的。成文法和条例受司法解释和执行的制约，并且由于缺乏对法律解释的明确指导，可能不能连贯一致地适用。保密、发明转让和竞业禁止协议可能会被对手方违反，我们可能没有足够的补救措施

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图37

such breach. Accordingly, we may not be able to effectively protect our intellectual property rights or to enforce our contractual rights in China. Preventing any unauthorized use of our intellectual property is difficult and costly and the steps we take may be inadequate to prevent the misappropriation of our intellectual property. In the event that we resort to litigation to enforce our intellectual property rights, such litigation could result in substantial costs and a diversion of our managerial and financial resources. We can provide no assurance that we will prevail in such litigation. In addition, our trade secrets may be leaked or otherwise become available to, or be independently discovered by, our competitors. To the extent that our employees or consultants use intellectual property owned by others in their work for us, disputes may arise as to the rights in related know-how and inventions. Any failure in protecting or enforcing our intellectual property rights could have a material adverse effect on our business, financial condition and results of operations.

这样的破坏。因此，我们可能无法有效地保护我们的知识产权或在中国执行我们的合同权利。防止任何未经授权使用我们的知识产权是困难和昂贵的，我们采取的步骤可能不足以防止盗用我们的知识产权。如果我们诉诸诉讼以强制执行我们的知识产权，这样的诉讼可能导致巨大的成本和我们的管理和财政资源的转移。我们不能保证我们会在这类诉讼中胜诉。此外，我们的商业机密可能被泄露，或以其他方式被我们的竞争对手获取或独立发现。如果我们的雇员或顾问在为我们工作时使用他人拥有的知识产权，就可能产生关于相关专有技术和发明的权利的争议。任何未能保护或执行我们的知识产权，都可能对我们的业务、财务状况和业务结果产生实质性的不利影响。

***We may be subject to intellectual property infringement claims, which may be expensive to defend and may disrupt our business and operations.***

我们可能会受到知识产权侵权索赔，这可能是昂贵的辩护，并可能破坏我们的业务和运作。

We cannot be certain that our operations or any aspects of our business do not or will not infringe upon or otherwise violate trademarks, patents, copyrights, know-how or other intellectual property rights held by third parties. We may be from time to time in the future subject to legal proceedings and claims relating to the intellectual property rights of others. In addition, there may be third-party trademarks, patents, copyrights, know-how or other intellectual property rights that are infringed by our products, services or other aspects of our business without our awareness. Holders of such intellectual property rights may seek to enforce such intellectual property rights against us in China, the United States or other jurisdictions. If any third-party infringement claims are brought against us, we may be forced to divert management's time and other resources from our business and operations to defend against these claims, regardless of their merits. As the date of this prospectus, the applications for certain trademarks filed by us are still pending. If we are unable to complete these registrations, we may not be able to prohibit unauthorized use or prevent other infringements of these trademarks. In addition, certain of the trademarks we use for the daily operation or promotion of our business have already been registered by independent third parties outside of our control, and such trademarks are currently subject to administrative or legal proceedings. In the event that these administrative and legal proceedings are resolved adversely to us, we may be prohibited from using such trademarks and subject to fines and other legal or administrative sanctions, and our business, financial condition and results of operations may be materially and adversely affected.

我们不能确定我们的业务或我们业务的任何方面没有或不会侵犯或以其他方式侵犯第三方拥有的商标、专利、版权、技术诀窍或其他知识产权。在未来，我们可能会时不时地受到裁判和其他人的知识产权索赔的影响。此外，我们的产品、服务或业务的其他方面可能在我们不知情的情况下侵犯了第三方商标、专利、版权、技术诀窍或其他知识产权。此类知识产权的持有人可寻求在中国、美国或其他司法管辖区对我们执行此类知识产权。如果对我们提出任何第三方侵权索赔，我们可能会被被迫挪用管理层的时间和其他资源，从我们的业务和运营，以捍卫这些索赔，无论其是非曲直。截至本招股说明书日期，本公司提交的某些商标申请仍在审理中。如果我们不能完成这些注册，我们可能无法禁止未经授权的使用或防止其他侵犯这些商标。此外，我们用于日常经营或推广业务的某些商标已经被我们控制范围之外的独立第三方注册，这些商标目前受到行政或裁判管理。如果这些行政和裁判对我们不利，我们可能会被禁止使用这些商标，并受到罚款和其他法律或行政制裁，我们的业务、财务状况和经营结果可能会受到重大和不利的的影响。

Additionally, the application and interpretation of China's intellectual property right laws and the procedures and standards for granting trademarks, patents, copyrights, know-how or other intellectual property rights in China are still evolving and are uncertain, and we cannot assure you that PRC courts or regulatory authorities would agree with our analysis. If we were found to have violated the intellectual property rights of others, we may be subject to liability for our infringement activities or may be prohibited from using such intellectual property, and we may incur licensing fees or be forced to develop alternatives of our own. As a result, our business and results of operations may be materially and adversely affected.

此外，中国知识产权法的适用和解释，以及在中国授予商标、专利、版权、专有技术或其他知识产权的程序和标准仍在不断发展和不确定，我们不能保证中国法院或监管当局会同意我们的分析。如果我们被发现侵犯了他人的知识产权，我们可能会为我们的侵权行为承担责任，或者可能被禁止使用这些知识产权，我们可能需要支付许可费用，或者被迫开发我们自己的替代品。因此，我们的业务和运营结果可能会受到重大和不利的的影响。

***We may be held liable for information or content displayed on, retrieved from or linked to our mobile applications, which may materially and adversely affect our business and operating results.***

我们可能会对移动应用程序上显示、检索或链接的信息或内容负责，这可能会对我们的业务和运营结果产生重大和不利的的影响。

In addition to our website, we also offer individual finance products through our mobile applications, which are regulated by the Administrative Provisions on Mobile Internet Applications Information Services, or the app Provisions, promulgated by the Cyberspace Administration of China, or the CAC, on June 28, 2016 and effective on August 1, 2016. According to the app Provisions, the providers of mobile applications shall not create, copy, publish or distribute information and content that is prohibited by laws and regulations. We have implemented internal control procedures screening the information and content on our mobile applications to ensure their compliance with the app Provisions. However, we cannot assure that all the information or content displayed on, retrieved from or linked to our mobile applications complies with the requirements of the app Provisions at all times. If our mobile applications were found to be violating the app Provisions, we may be subject to

除了我们的网站，我们还通过我们的移动应用程序提供个人金融产品，这些应用程序受到《移动互联网应用程序信息服务管理规定》(app Provisions on Mobile Internet Applications Information Services, 简称 app Provisions)的监管，该规定由国家互联网信息办公室(Cyberspace Administration of China, 简称 CAC)颁布，于2016年6月28日生效。根据《应用程序规定》，移动应用程序供应商不得创建、复制、发布或者传播法律法规禁止的信息和内容。我们已实施内部控制程序，筛选流动应用程序的资料和内容，以确保符合应用程序条文。然而，我们不能保证所有显示、检索或链接到我们流动应用程序的信息或内容在任何时候都符合应用程序规定的要求。如果我们的移动应用程序被发现违反了应用程序规定，我们可能会受到

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administrative penalties, including warning, service suspension or removal of our mobile applications from the relevant mobile application store, which may materially and adversely affect our business and operating results.  
行政处罚，包括警告、暂停服务或将流动应用程序移离有关流动应用程序商店，这可能会对我们的业务和经营业绩造成重大及不利的影响。

***We may from time to time be subject to claims, controversies, lawsuits and legal proceedings, which could have a material adverse effect on our financial condition, results of operations, cash flows and reputation.***

我们可能会时不时地遭遇索赔、争议、诉讼和裁判，这可能会对我们的财务状况、运营结果、现金流和信誉产生实质性的不利影响。

We may from time to time become subject to or involved in various claims, controversies, lawsuits, and legal proceedings. Claims, lawsuits, and litigations are subject to inherent uncertainties, and we are uncertain whether the foregoing claim would develop into a lawsuit. Lawsuits and litigations may cause us to incur defense costs, utilize a significant portion of our resources and divert management's attention from our day-to-day operations, any of which could harm our business. Any settlements or judgments against us could have a material adverse impact on our financial condition, results of operations and cash flows. In addition, negative publicity regarding claims or judgments made against us may damage our reputation and may result in material adverse impact on us.

我们可能时不时地受制于或卷入各种索赔、争议、诉讼和裁判。索赔、诉讼和诉讼都存在固有的不确定性，我们不能确定前述的索赔是否会发展成为诉讼。诉讼和诉讼可能导致我们产生辩护费用，占用我们资源的很大一部分，并转移管理层对我们日常运营的注意力，任何这些都可能会损害我们的业务。对我们不利的任何结算或判决都可能对我们的财务状况、业务结果和现金流产生重大不利影响。此外，有关对我们的索赔或判决的负面宣传可能会损害我们的声誉，并可能对我们造成实质性的不利影响。

***Our borrowers acquired from offline to online, or referred by related parties may sue us based on representations made by our third-party offline borrower acquisition partners or related parties, which may result in costly claims and disrupt our business.***

我们的借款人从线下收购到线上收购，或经关联方介绍，可能会根据我们的第三方线下借款人收购合伙人或关联方的陈述起诉我们，这可能会导致高昂的索赔费用，扰乱我们的业务。

Historically, we utilized an offline-to-online sales channel to promote our services to borrowers. We cooperated with our related party, Jiayin (Shanghai) in connection with the offline-to-online sales channel. Under such cooperation, sales specialists of Jiayin (Shanghai) distributed promotional QR codes in local stores such as consumer electronics stores, restaurants and beauty salons to attract potential borrowers to our Niwodai apps or website. Some investors and borrowers might have been attracted to our marketplace after communicating with or reviewing information provided by our third-party offline borrower acquisition partners. Historically, we also engaged investors and borrowers from referrals from our related parties. See "Business—Our Borrowers and Loan Products Offered to Borrowers—Borrower Acquisition and Retention." Except for our QR codes provided by us, we have not reviewed or approved any information provided by our third-party offline borrower acquisition partners or related parties and, while we do not believe we would have liability for such information, it is possible that an unsatisfied borrower or investor could bring claims against us based on any inaccurate information or representations made by our offline cooperation partner or other third parties. Such claims could be costly and time-consuming to defend and would distract management's attention and create negative publicity, which could adversely affect our reputation and business operations.

过去，我们利用线下到线上的销售渠道向借款人推销自己的服务。我们与我们的关联方嘉荫(上海)在线下到线上销售渠道方面进行了合作。在这种合作下，嘉荫(上海)的销售专员在当地的商店，如消费电子商店、餐馆和美容院分发二维码促销，以吸引潜在的借款人使用我们的 Niwodai 应用程序或网站。一些投资者和借款人可能是在与我们的第三方离线借款人收购合作伙伴沟通或审查提供的信息之后才被我们的市场所吸引的。从历史上看，我们也从相关方面介绍投资者和借款人。见"业务—我们向借款人提供的借款和贷款产品—借款人的获得和保留"除了我们提供的二维码外，我们没有审核或批准第三方离线借款人合作伙伴或相关方提供的任何信息，虽然我们不相信我们对这些信息负有责任，但是不满意的借款人或投资者有可能根据我们离线合作伙伴或其他第三方提供的任何不准确的信息或陈述向我们提出索赔。此类索赔要求的辩护费用高昂，耗时长久，会分散管理层的注意力，造成负面宣传，对我们的声誉和业务运作产生不利影响。

***From time to time we may evaluate and potentially consummate strategic investments or acquisitions, which could require significant management attention, disrupt our business and adversely affect our financial results.***

有时，我们可能会评估和完善战略投资或收购，这可能大量的管理关注，扰乱我们的业务，并对我们的财务结果产生不利影响。

We may evaluate and consider strategic investments, combinations, acquisitions or alliances to further increase the value of our marketplace and better match investors and borrowers. These transactions could be material to our financial condition and results of operations if consummated. If we are able to identify an appropriate business opportunity, we may not be able to successfully consummate the transaction and, even if we do consummate such a transaction, we may be unable to obtain the benefits or avoid the difficulties and risks of such transaction.

我们可以评估和考虑战略投资，组合，收购或联盟，以进一步提高我们的市场价值，更好地匹配投资者和借款人。这些交易一旦完成，将对我们的财务状况和业务结果产生重大影响。如果我们能够找到适当的商机，我们可能无法成功完成交易，而且即使我们完成了这种交易，我们也可能无法获得利益，或避免这种交易的困难和风险。

Strategic investments or acquisitions will involve risks commonly encountered in business relationships, including:

战略投资或收购将涉及业务关系中常见的风险，包括：

- difficulties in assimilating and integrating the operations, personnel, systems, data, technologies, rights, platforms, products and services of the acquired business;  
难以吸收和整合被收购业务的业务、人员、系统、数据、技术、权利、平台、产品和服务；
- inability of the acquired technologies, products or businesses to achieve expected levels of revenue, profitability, productivity or other benefits;  
获得的技术、产品或业务未能达到预期的收入、盈利能力、生产力或其他利益水平；

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- difficulties in retaining, training, motivating and integrating key personnel;  
在留住、培训、激励和整合关键人员方面存在困难;
- diversion of management's time and resources from our daily operations;  
将管理层的时间和资源从我们的日常运作中转移;
- difficulties in maintaining uniform standards, controls, procedures and policies within the combined organizations;  
难以在合并后的组织内维持统一的标准、控制、程序和政策;
- difficulties in retaining relationships with our investors and borrowers, employees and suppliers of the acquired business;  
难以维持与被收购业务的投资者、借款人、雇员和供应商的关系;
- risks of entering markets in which we have limited or no prior experience;  
进入我们以往经验有限或没有经验的市场的风险;
- regulatory risks, including remaining in good standing with existing regulatory bodies or receiving any necessary pre-closing or post-closing approvals, as well as being subject to new regulators with oversight over an acquired business;  
监管风险，包括与现有监管机构保持良好关系，或获得任何必要的关闭前或关闭后批准，以及接受新监管机构对被收购业务的监督;
- assumption of contractual obligations that contain terms that are not beneficial to us, require us to license or waive intellectual property rights or increase our risk for liability;  
承担包含不利于我们的条款、要求我们许可或放弃知识产权或增加我们的责任风险的合同义务;
- failure to successfully further develop the acquired technology;  
未能成功地进一步发展所获得的技术;
- liability for activities of the acquired business before the acquisition, including intellectual property infringement claims, violations of laws, commercial disputes, tax liabilities and other known and unknown liabilities;  
被收购企业在收购前的活动责任，包括知识产权侵权索赔、违法行为、商业纠纷、税务责任以及其他已知和未知责任;
- potential disruptions to our ongoing businesses; and  
我们正在进行的业务可能受到干扰; 以及
- unexpected costs and unknown risks and liabilities associated with strategic investments or acquisitions.  
与战略投资或收购相关的意外成本、未知风险和负债。

We may not make any investments or acquisitions, and any future investments or acquisitions we make may not be successful, may not benefit our business strategy, may not generate sufficient revenues to offset the associated acquisition costs or may not otherwise result in the intended benefits. In addition, we cannot assure you that any future investment in or acquisition of new businesses or technology will lead to the successful development of new or enhanced loan products and services or that any new or enhanced loan products and services, if developed, will achieve market acceptance or prove to be profitable.

我们可能不进行任何投资或收购，我们未来的任何投资或收购可能不会成功，可能不会有利于我们的业务战略，可能不会产生足够的收入来抵消相关的收购成本，或可能不会产生预期的效益。此外，我们不能向你保证，任何未来对新业务或新技术的投资或收购，都会导致新的或增强的贷款产品和服务的成功开发，或任何新的或增强的贷款产品和服务，如果开发，将获得市场接受或证明是有利可图的。

***Competition for employees is intense, and we may not be able to attract and retain the qualified and skilled employees needed to support our business.***

对员工的竞争是激烈的，我们可能无法吸引和留住支持我们业务所需的合格和熟练的员工。

We believe our success depends on the efforts and talent of our employees, including risk management, software engineering, financial and marketing personnel. Our future success depends on our continued ability to attract, develop, motivate and retain qualified and skilled employees. Competition for highly skilled technical, risk management and financial personnel is extremely intense. We may not be able to hire and retain these personnel at compensation levels consistent with our existing compensation and salary structure. Some of the companies with which we compete for experienced employees have greater resources than we have and may be able to offer more attractive terms of employment.

我们相信我们的成功取决于员工的努力和才能，包括风险管理、软件工程、财务和营销人员。我们未来的成功取决于我们继续吸引，发展，激励和留住合格和熟练员工的能力。对高技能技术人员、风险管理者和财务人员的竞争非常激烈。我们可能无法以符合我们现有薪酬和薪资结构的薪酬水平雇用和保留这些人员。与我们竞争有经验员工的一些公司拥有比我们更多的资源，也许能够提供更有吸引力的雇佣条件。

In addition, we invest significant time and expenses in training our employees, which increases their value to competitors who may seek to recruit them. If we fail to retain our employees, we could incur significant expenses in hiring and training new employees, and the quality of our services and our ability to match investors and borrowers could diminish, resulting in a material adverse effect to our business.

此外，我们投入了大量的时间和费用来培训我们的员工，这增加了他们对竞争对手的价值，竞争对手可能会寻求招聘他们。如果我们

不能留住我们的员工，我们可能会在雇佣和培训新员工方面花费大量的开支，我们的服务质量和我们撮合投资者和借款人的能力可能会下降，从而对我们的业务产生实质性的负面影响。

***Increases in labor costs in the PRC may adversely affect our business and results of operations.***

中国劳动力成本的增加可能会对我们的业务和运营结果产生不利影响。

The economy in China has experienced increases in inflation and labor costs in recent years. As a result, average wages in the PRC are expected to continue to increase. In addition, we are required by PRC laws and regulations to pay various statutory employee benefits, including pension, housing fund, medical insurance,

近年来，中国经济经历了通货膨胀和劳动力成本的上升。因此，中国的平均工资预计将继续上涨。此外，中国法律法规要求我们支付各种法定雇员福利，包括养老金、住房公积金、医疗保险、



work-related injury insurance, unemployment insurance and maternity insurance to designated government agencies for the benefit of our employees. We expect that our labor costs, including wages and employee benefits, will continue to increase. Unless we are able to control our labor costs or pass on these increased labor costs to our users by increasing the fees of our services, our financial condition and results of operations may be adversely affected.

工伤保险、失业保险、生育保险交由政府指定机构办理。我们预计我们的劳动力成本，包括工资和员工福利，将继续增加。除非我们能够控制我们的劳动力成本，或者通过增加服务费用将这些增加的劳动力成本转嫁给我们的用户，否则我们的财务状况和运营结果可能会受到负面影响。

***Loss of or failure to maintain relationship with our business partners may adversely affect our business and results of operations.***

失去或不能与我们的业务伙伴保持关系，可能会对我们的业务和业务结果产生不利影响。

We currently work with a number of business partners in various aspects of our business. Pursuing, establishing and maintaining relationships with business partners require significant time and resources as does integrating third-party data and services with our system. Our current agreements with partners generally do not prohibit them from working with our competitors or from offering competing services. Our competitors may be more effective in providing incentives to our partners to favor their products or services, which may in turn reduce the volume of loans facilitated through our marketplace. Certain types of partners may devote more resources to support their own competing businesses. In addition, these partners may not perform as expected under our agreements with them, and we may have disagreements or disputes with them, which could adversely affect our brand and reputation. If we cannot successfully enter into and maintain effective relationships with business partners, our business will be harmed.

我们目前在业务的各个方面与许多商业伙伴合作。寻求、建立和维护与业务伙伴的关系需要大量的时间和资源，将第三方数据和服务与我们的系统整合也是如此。我们目前与合作伙伴的协议一般禁止他们与我们的竞争对手合作或提供竞争性服务。我们的竞争对手可能会更有效地激励我们的合作伙伴支持他们的产品或服务，这反过来可能会减少通过我们的市场促进的贷款量。某些类型的合伙人可能会投入更多的资源来支持他们自己的竞争企业。此外，这些合作伙伴可能不会按照我们与他们达成的协议履行职责，我们可能与他们有分歧或争议，这可能会对我们的品牌和声誉产生不利影响。如果我们不能成功地与业务伙伴建立和维持有效的关系，我们的业务将受到损害。

***We do not have any business insurance coverage.***

我们没有任何商业保险。

Insurance companies in China currently do not offer as extensive an array of insurance products as insurance companies in more developed economies. Currently, we do not have any business liability or disruption insurance to cover our operations. We have determined that the costs of insuring for these risks and the difficulties associated with acquiring such insurance on commercially reasonable terms make it impractical for us to have such insurance. Any uninsured business disruptions may result in our incurring substantial costs and the diversion of resources, which could have an adverse effect on our results of operations and financial condition.

中国的保险公司目前并不像较发达经济体的保险公司那样提供广泛的一系列保险产品。目前，我们没有任何业务责任或扰乱保险，以涵盖我们的业务。我们已经确定，这些风险的保险费用，以及按商业上合理的条件购买这种保险的困难，使我们不可能投保这种保险。任何未投保的业务中断都可能导致我们承担巨大的成本和资源转移，这可能对我们的运营结果和财务状况产生不利影响。

***We may not be able to obtain additional capital on favorable terms or at all.***

我们可能无法以优惠条件或根本无法获得额外资本。

We anticipate that our current cash, cash provided by operating activities and funds available through our current and anticipated bank loans and credit facilities will be sufficient to meet our current and anticipated needs for general corporate purposes. However, we need to make continued investments in facilities, hardware, software, technological systems and to retain talents to remain competitive. Due to the unpredictable nature of the capital markets and our industry, we cannot assure you that we will be able to raise additional capital on terms favorable to us, or at all, if and when required, especially if we experience disappointing operating results. If adequate capital is not available to us as required, our ability to fund our operations, take advantage of unanticipated opportunities, develop or enhance our infrastructure or respond to competitive pressures could be significantly limited, which would adversely affect our business, financial condition and results of operations. If we do raise additional funds through the issuance of equity or convertible debt securities, the ownership interests of our shareholders could be significantly diluted. These newly issued securities may have rights, preferences or privileges senior to those of existing shareholders.

我们预计，我们目前的现金，现金提供的经营活动和资金可通过我们目前和预期的银行贷款和信贷设施，将足以满足我们目前和预期的需求，为一般企业用途。然而，我们需要继续在设施、硬件、软件和技术系统方面进行投资，并留住人才以保持竞争力。由于资本市场和我们的行业的不可预测性，我们不能保证我们能够以对我们有利的条件筹集更多的资金，或者在需要的时候筹集更多的资金，特别是如果我们经历了令人失望的经营业绩。如果我们没有足够的资金来应付需要，我们的运作、利用意外机会、发展或改善基础设施或应付竞争压力的能力可能会大大受到限制，从而对我们的业务、财政状况和运作结果造成不利影响。如果我们通过发行股票或可转换债券筹集额外资金，我们股东的所有权利益可能会被大大稀释。这些新发行的证券可能拥有比现有股东更高的权利、优先权或特权。

***We face risks related to natural disasters, health epidemics and other outbreaks, which could significantly disrupt our operations.***

我们面临着与自然灾害、卫生流行病和其他疾病爆发有关的风险，这些风险可能严重扰乱我们的行动。

We are vulnerable to natural disasters and other calamities. Fire, floods, typhoons, earthquakes, power loss, telecommunications failures, break-ins, war, riots, terrorist attacks or similar events may give rise to server interruptions, breakdowns, system failures, technology platform failures or Internet failures, which could cause the loss or corruption of data or malfunctions of software or hardware as well as adversely affect our ability to provide products and services on our marketplace.

我们容易受到自然灾害和其他灾害的影响。火灾、水灾、台风、地震、电力中断、电讯故障、非法入侵、战争、暴乱、恐怖袭击或类似事件可能导致服务器中断、故障、系统故障、技术平台故障或互联网故障，这可能导致数据丢失或损坏，或软件或硬件故障，以及对我们在市场上提供产品和服务的能力产生不利影响。

Our business could also be adversely affected by the effects of Ebola virus disease, Zika virus disease, H1N1 flu, H7N9 flu, avian flu, Severe Acute Respiratory Syndrome, or SARS, or other epidemics. Our business operations could be disrupted if any of our employees is suspected of having Ebola virus disease, Zika virus disease, H1N1 flu, H7N9 flu, avian flu, SARS or other epidemic, since it could require our employees to be quarantined and/or our offices to be disinfected. In addition, our results of operations could be adversely affected to the extent that any of these epidemics harms the Chinese economy in general.

我们的业务也可能受到埃博拉出血热、兹卡热、H1N1流感、H7N9流感、禽流感、严重急性呼吸综合征、非典或其他流行病的不利影响。如果我们的任何员工被怀疑患有埃博拉出血热、兹卡热、H1N1流感、H7N9流感、禽流感、非典型肺炎或其他流行病，我们的业务就会中断，因为这可能要求我们的员工进行隔离和/或我们的办公室进行消毒。此外，我们的行动结果可能会受到不利影响，以至于任何这些流行病都会对中国整体经济造成损害。

Our headquarters are located in Shanghai, where most of our directors and management and a large majority of our employees currently reside. In addition, most of our system hardware and back-up systems are hosted in leased facilities located in Shanghai. Consequently, we are highly susceptible to factors adversely affecting Shanghai. If any of the abovementioned natural disasters, health epidemics or other outbreaks were to occur in Shanghai, our operation may experience material disruptions, such as temporary closure of our offices and suspension of services, which may materially and adversely affect our business, financial condition and results of operations.

我们的总部设在上海，我们的大多数董事和管理人员和大多数员工目前居住在上海。此外，我们的大部分系统硬件和备份系统主机设在位于上海的租赁设施。因此，我们很容易受到影响上海的不利因素的影响。如果上述任何一种自然灾害、传染病或其他疾病在上海爆发，我们的业务可能会受到重大干扰，如暂时关闭办事处和暂停服务，这可能会对我们的业务、财务状况和业务结果产生重大和不利的影

***Some aspects of our digital operations include open source software, and any failure to comply with the terms of one or more of these open source licenses could negatively affect our business.***

我们数字化运营的某些方面包括开源软件，任何不遵守一个或多个开源许可条款的行为都会对我们的业务产生负面影响。

Some aspects of our digital operations include software covered by open source licenses. The terms of various open source licenses have not been interpreted by PRC courts, and there is a risk that such licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our online and mobile-based channels. If portions of our proprietary software are determined to be subject to an open source license, we could be required to publicly release the affected portions of our source code, re-engineer all or a portion of our technologies if required so by the license, or otherwise be limited in the licensing of our technologies, each of which could reduce or eliminate the value of our technologies and loan products. In addition to risks related to license requirements, usage of open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or controls on the origin of the software. Many of the risks associated with use of open source software cannot be eliminated, and could adversely affect our business.

我们数字化操作的某些方面包括开源许可证覆盖的软件。中国法院尚未解释各种开放源码许可证的条款，而且这些许可证的解释方式可能会对我们的在线和基于移动的渠道施加意想不到的条件或限制。如果我们专有软件的一部分被确定为受开源许可证的约束，我们可能被要求公开发布我们源代码中受影响的部分，如果许可证要求的话，我们可以重新设计我们的全部或部分技术，或者以其他方式限制我们技术的许可，每一项都可能降低或消除我们技术和贷款产品的价值。除了与许可证要求有关的风险外，使用开放源码软件可能比使用第三方商业软件带来更大的风险，因为开放源码许可人一般不对软件的原产地提供保证或控制。许多与使用开放源码软件相关的风险无法消除，并可能对我们的业务产生不利影响。

***Our use of certain leased properties could be challenged by third parties or governmental authorities, which may cause interruptions to our business operations.***

我们对某些租赁物业的使用可能会受到第三方或政府当局的质疑，这可能会干扰我们的业务运作。

As of the date of this prospectus, only an insignificant portion of lessors of the total gross floor area of our leased properties in China have not provided us with their property ownership certificates or any other documentation proving their right to lease those properties to us. If our lessors are not the owners of the properties and they have not obtained consents from the owners or their lessors or permits from the relevant governmental authorities, our leases could be invalidated. If this occurs, we may have to renegotiate the leases with the owners or other parties who have the right to lease the properties, and the terms of the new leases may be less favorable to us. Although we may seek damages from such lessors, such leases may be void and we may be forced to relocate. Any relocation would require us to locate and secure additional facilities, expenditures of additional funds in connection with the relocation and preparation of replacement facilities. This could affect our ability to provide uninterrupted services and harm our reputation. As the date of this prospectus, we have not incurred expenditures associated with the relocation and preparation of replacement facilities.

截至本招股说明书之日，我公司在中国境内租赁物业总建筑面积中，只有一小部分出租人未向我公司提供其物业所有权证明或任何其他文件，证明他们有权将该物业出租给我公司。如果我们的出租人不是房产的所有人，而且他们没有得到房产所有人或其出租人的同意或有关政府当局的许可，我们的租约可能无效。如果发生这种情况，我们可能不得不与业主或其他有权租赁物业的当事人重新谈判租约，新的租约条款可能对我们不利。虽然我们可以要求这样的出租人的损害赔偿，这样的租赁可能是无效的，我们可能被迫搬迁。任何搬迁都需要我们找到和获得更多的设施，并为搬迁和准备更换设施支出更多的资金。这可能会影响我们提供不间断服务的能力，损害我们的声誉。由于本章程的日期，我们尚未发生与搬迁和准备更换设施有关的开支。

In addition, part of our leased properties have been mortgaged by the lessors. As the properties leased registrations were earlier than the time when we signed the lease contracts, according to the relevant PRC laws and regulations, if the mortgagees exercises the mortgage rights and the leased property owners are unwilling to continue to lease the properties to us, there might be a risk that we are unable to continue to rent the properties.

此外，我们出租的部分房产已被出租人抵押。由于出租物业登记的时间早于我们签订租赁合同的时间，根据中华人民共和国有关法律法规，如果抵押人行使抵押权，而出租物业的业主不愿继续出租物业给我们，我们可能无法继续出租物业。

As of the date of this prospectus, a substantial portion of our leasehold interests in leased properties have not been registered with the relevant PRC governmental authorities as required by relevant PRC laws. The failure to register leasehold interests may expose us to potential warnings and penalties.

截至本招股说明书之日，我公司租赁物业权益的很大一部分尚未按照中国有关法律的规定向中国有关政府部门登记。未能登记租赁权益可能使我们面临潜在的警告和惩罚。

## Risks Relating to Our Corporate Structure

### 与公司结构有关的风险

*If the PRC government deems that the Contractual Arrangements in relation to Jiayin Finance do not comply with PRC regulatory restrictions on foreign investment in the relevant industries, or if these regulations or the interpretation of existing regulations change in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations.*

如果中国政府认为与 Jiayin Finance 有关的合同安排不符合中国对相关行业外国投资的监管限制，或者如果这些规定或对现有规定的解释在未来发生变化，我们可能会受到严厉的处罚，或者被迫放弃我们在这些业务中的利益。

Foreign investors are generally not allowed to own more than 50% of the equity interests in a value-added telecommunication service provider (except e-commerce) and major foreign investor must have experience in providing value-added telecommunications services overseas and maintain a good track record in accordance with the Guidance Catalog of Industries for Foreign Investment promulgated in 2007, as amended in 2011, 2015 and 2017, and other applicable laws and regulations.

外国投资者一般不得拥有增值电信业务提供商(电子商务除外)50%以上的股权，主要外国投资者必须具备在海外提供增值电信业务的经验，并根据2007年颁布、2011年、2015年和2017年修订的《外商投资产业指导目录》和其他适用法律法规保持良好的业绩记录。

We are a Cayman Islands company and our subsidiaries in the PRC, or PRC subsidiaries, are considered foreign invested enterprises. We believe the online individual finance services offered through our online marketplace constitute a type of value-added telecommunication services that foreign ownership and investment is restricted and therefore we should operate our online marketplace through a consolidated VIE, Jiayin Finance, to ensure compliance with the relevant PRC laws and regulations. We set up a series of Contractual Arrangements entered into among Shanghai KunJia, Jiayin Finance and the shareholders of Jiayin Finance to conduct our operations in China. For a detailed description of these Contractual Arrangements, see “Corporate History and Structure.” As a result of these Contractual Arrangements, we exert control over Jiayin Finance and its subsidiaries and consolidate their operating results in our financial statements under U.S. GAAP. Niwodai Internet has been operating our online individual finance marketplace business, including, among others, operations of our [www.niwodai.com](#) website and our apps since its incorporation. Niwodai Internet had made applications for value-added telecommunication business license with the relevant local telecommunication regulatory authority before the Interim Measures was promulgated. Due to the lack of detailed rules regulating the online individual finance service and clarification of the nature of this innovative business model, the local telecommunication regulatory authority had tentatively put our applications on hold.

我们是开曼群岛公司，我们在中国的子公司或中国子公司被认为是外资企业。我们相信通过我们的在线市场提供的在线个人金融服务构成了一种增值电信业务，外国所有权和投资受到限制，因此我们应该通过一个合并的 VIE，即 Jiayin Finance 来经营我们的在线市场，以确保遵守相关的中国法律和法规。我们在上海昆嘉、Jiayin Finance 和 Jiayin Finance 的股东之间建立了一系列的合同安排，来进行我们在中国的业务。有关这些合同安排的详细说明，请参阅“公司历史和结构”由于这些合同安排，我们对嘉荫金融及其子公司实施控制，并将其经营业绩纳入我们的财务报表，按照美国公认会计原则编制。Niwodai Internet 自成立以来一直在运营我们的在线个人金融市场业务，其中包括我们的 [www.Niwodai](#) 网站和我们的应用程序的运营。《暂行办法》颁布前，牛窝带互联网已向有关地方电信监管部门申请增值电信业务许可证。由于缺乏对网上个人理财服务的详细规定，以及对这种创新业务模式性质的澄清，当地电信监管部门暂时搁置了我们的申请。

After the Interim Measures came into force, based on our communications with local telecommunication regulatory authorities, online individual finance information intermediaries such as us should apply for value-added telecommunication business license. However, according to the Interim Measures, an online individual finance information intermediary may initiate its application for value-added telecommunication business license only after it completes the required filing with local financial regulatory authority. We are not able to make the necessary filing or apply for the value-added telecommunication business license before completion of filing with local financial regulatory authority.

《暂行办法》实施后，我们等网上个人金融信息中介机构根据与当地电信监管部门的沟通情况，申请电信增值业务许可。但是，根据《暂行办法》，网上个人金融信息中介只有在按规定向当地金融监管机构申报完毕后，才可以提出增值电信业务许可申请。在向当地金融监管机构备案前，不能办理必要的备案或申请增值电信业务许可证。

In the opinion of our PRC counsel, King & Wood Mallesons, our current ownership structure, the ownership structure of Shanghai KunJia, Jiayin Finance and its subsidiaries, and the Contractual Arrangements among Shanghai KunJia, Jiayin Finance and the shareholders of Jiayin Finance are not in violation of existing PRC laws, regulations and rules; and these Contractual Arrangements are valid, binding and enforceable in accordance with their terms and applicable PRC laws and regulations currently in effect. However, King & Wood Mallesons has also advised us that there are substantial uncertainties regarding the interpretation and application of current or future PRC laws, rules and regulations and there can be no assurance that the PRC government will ultimately take a view that is consistent with the opinion of our PRC counsel, King & Wood Mallesons. We have been further advised by our PRC legal counsel that if the PRC government finds that the agreements that establish the structure for operating our online lending information services and Internet related value-added business do not comply with PRC government restrictions on foreign investment in the aforesaid business we engage in, we could be subject to severe penalties including being prohibited from continuing operations.

根据我们的中国法律顾问，金杜律师事务所，我们目前的所有权结构，上海昆嘉，Jiayin Finance 及其子公司的所有权结构，以及上海昆嘉，Jiayin Finance 和 Jiayin Finance 股东之间的合同安排并没有违反现行的中国法律，法规和规则；这些合同安排是有效的，有约束力的，并且可以根据他们的条款和现行适用的中国法律和法规强制执行。然而，金杜律师事务所也告诉我们，中国现行或未来的法律、法规和规章的解释和适用存在很大的不确定性，我们不能保证中国政府最终会采取与我们的中国法律顾问——金杜律师事务所律师的意见一致的观点。我们的中国法律顾问进一步告知我们，如果中国政府发现建立我们网上借贷信息服务和互联网相关增值业务的运营结构的协议不符合中国政府对我们从事上述业务的外国投资的限制，我们可能会受到严厉的处罚，包括被禁止继续经营。

It is uncertain whether any new PRC laws, regulations or rules relating to the “variable interest entity” structure, or the VIE structure, will be adopted or if adopted, what they would provide. In particular, in January

目前尚不确定是否会采用任何新的中国法律、法规或规则，涉及“可变权益实体”结构或 VIE 结构，或如果采用，他们将提供什么。特别是在一月份



2015, the Ministry of Commerce, or the MOC, published a discussion draft of the proposed Foreign Investment Law for public review and comments. Among other things, the draft Foreign Investment Law expands the definition of foreign investment and introduces the principle of “actual control” in determining whether a company is considered a foreign-invested enterprise, or an FIE. Under the draft Foreign Investment Law, VIEs would also be deemed as FIEs, if they are ultimately “controlled” by foreign investors, and be subject to restrictions on foreign investments. However, the draft law has not taken a position on what actions will be taken with respect to the existing companies with the VIE structure, whether or not these companies are controlled by Chinese parties. It is uncertain when the draft would be signed into law and whether the final version would have any substantial changes from the draft. If the ownership structure, Contractual Arrangements and business of our company, our subsidiaries, Jiayin Finance or its subsidiaries are found to be in violation of any existing or future PRC laws or regulations, or we fail to obtain or maintain any of the required permits or approvals, the relevant governmental authorities would have broad discretion in dealing with such violation, including levying fines, confiscating our income or the income of Jiayin Finance or its subsidiaries, revoking the business licenses or operating licenses of Shanghai KunJia, Jiayin Finance or its subsidiaries, shutting down our servers or blocking our online marketplace, discontinuing or placing restrictions or onerous conditions on our operations, requiring us to undergo a costly and disruptive restructuring, restricting or prohibiting our use of proceeds from this offering to finance our business and operations in China, and taking other regulatory or enforcement actions that could be harmful to our business. Any of these actions could cause significant disruption to our business operations and severely damage our reputation, which would in turn materially and adversely affect our business, financial condition and results of operations. If any of these occurrences results in our inability to direct the activities of Jiayin Finance and its subsidiaries, and/or our failure to receive economic benefits from Jiayin Finance and its subsidiaries, we may not be able to consolidate their results into our consolidated financial statements in accordance with U.S. GAAP.

2015年，商务部发布了拟议中的《外商投资法》讨论稿，供公众审议和评论。除其他外，《外国投资法》草案扩大了外国投资的定义，并在确定一家公司是否被视为外商投资企业或外商投资企业时引入了“实际控制”原则。根据《外国投资法》草案，如果可变利益实体最终由外国投资者“控制”，它们也将被视为外商投资企业，并受到外国投资的限制。然而，法律草案并没有对具有 VIE 结构的现有公司采取什么行动表明立场，无论这些公司是否由中方控制。草案何时签署成为法律以及最终版本是否会对草案作出任何重大修改，目前尚不确定。如果我们公司、我们的子公司、Jiayin Finance 或其子公司的所有权结构、合同安排和业务被发现违反了任何现有或未来的中国法律或法规，或者我们未能获得或保持任何所需的许可或批准，相关政府当局在处理这些违规行为时拥有广泛的酌处权，包括征收罚款、没收我们的收入或 Jiayin Finance 或其子公司的收入、撤销上海昆嘉、Jiayin Finance 或其子公司的营业执照或营业执照、关闭我们的服务器或屏蔽我们的网络、停止或对我们的市场运营施加限制或苛刻条件、要求我们进行代价高昂的破坏性重组、或禁止。任何这些行动都可能对我们的业务运作造成重大干扰，严重损害我们的声誉，进而对我们的业务、财务状况和业务结果造成重大和不利的影响。如果任何这些事件导致我们无法指导 Jiayin Finance 及其子公司的活动，和/或我们无法从 Jiayin Finance 及其子公司获得经济利益，我们可能无法按照美国公认会计原则将其结果合并到我们的综合财务报表中。

***We rely on Contractual Arrangements with Jiayin Finance and shareholders of Jiayin Finance for a significant portion of our business operations, which may not be as effective as direct ownership in providing operational control.***

我们的很大一部分业务运营依赖于与嘉荫金融和 Jiayin Finance 股东的合同安排，这种安排在提供运营控制方面可能不如直接所有权那么有效。

We have relied and expect to continue to rely on Contractual Arrangements with our consolidated VIE, Jiayin Finance and the shareholders of Jiayin Finance, to operate our online individual finance marketplace business, including, among others, the operation of [www.niwodai.com](http://www.niwodai.com) and our apps, as well as certain other complementary businesses. For a description of these Contractual Arrangements, see “Corporate History and Structure.” These Contractual Arrangements may not be as effective as direct ownership in providing us with control over our consolidated VIE. For example, Jiayin Finance, or shareholders of Jiayin Finance may fail to fulfill their contractual obligations with us, such as failure to maintain our website and use the domain names and trademarks in a manner as stipulated in the Contractual Arrangements, or taking other actions that are detrimental to our interests.

我们一直依靠并期望继续依靠与合并后的 VIE、嘉银金融和 Jiayin Finance 股东之间的契约安排来运营我们的在线个人金融市场业务，包括 [www.niwodai.com](http://www.niwodai.com) 和我们的应用程序的运营，以及其他一些互补业务。有关这些合同安排的说明，请参阅“公司历史和结构”这些合同安排可能不像直接所有权那样有效地为我们提供对合并后的 VIE 的控制权。例如，嘉银金融或 Jiayin Finance 的股东可能没有履行他们与我们的合同义务，例如没有按照合同安排的规定维护我们的网站和使用域名和商标，或采取其他损害我们利益的行动。

If we had direct ownership of our consolidated VIE, we would be able to exercise our rights as a shareholder to effect changes in the board of directors of consolidated VIE, which in turn could implement changes, subject to any applicable fiduciary obligations, at the management and operational level. However, under the current Contractual Arrangements, we rely on the performance by Jiayin Finance, shareholders of Jiayin Finance of their obligations under the Contractual Arrangements to exercise control over our consolidated VIE. Our consolidated VIE and its shareholders may not act in the best interests of our company or may not perform their obligations under these contracts. Such risks exist throughout the period in which we intend to operate our business through the Contractual Arrangements with Jiayin Finance and shareholders of Jiayin Finance. If any of Jiayin Finance and shareholders of Jiayin Finance is uncooperative or any dispute relating to these contracts remains unresolved, we will have to enforce our rights under these contracts through the operations of PRC laws and arbitration, litigation and other legal proceedings, the outcome of which will be subject to uncertainties. See “—Any failure by Jiayin Finance or shareholders of Jiayin Finance to perform their obligations under our Contractual Arrangements with them would have a material adverse effect on our business.” Therefore, our Contractual

如果我们拥有合并后的 VIE 的直接所有权，我们就能够行使作为股东的权利，对合并后的 VIE 的董事会进行变革，而董事会又可以在管理和运营层面实施变革，但须遵守任何适用的信托义务。然而，根据目前的合同安排，我们依靠嘉银金融公司履行其在合同安排下的义务，对我们合并后的 VIE 实施控制。嘉银金融是 Jiayin Finance 的股东。我们合并的 VIE 及其股东可能不符合我们公司的最大利益，也可能不履行他们在这些合同下的义务。这些风险存在于我们打算通过与嘉荫金融和 Jiayin Finance 股东的合同安排经营业务的整个期间。如果嘉荫金融和 Jiayin Finance 的任何股东不合作，或者与这些合同有关的任何争议仍未解决，我们将不得不通过中国法律、仲裁、诉讼和其他裁



判的运作来强制执行我们在这些合同下的权利，其结果将受到不确定性的影响。见"一嘉荫金融或 Jiayin Finance 股东如果不履行我们与他们签订的合同安排规定的义务，将对我们的业务产生实质性的不利影响。" 因此，我们的合约

Arrangements with Jiayin Finance and shareholders of Jiayin Finance may not be as effective in ensuring our control over the relevant portion of our business operations as direct ownership would be.

与嘉荫金融和 Jiayin Finance 的股东达成的协议，可能无法像直接拥有股权那样有效地确保我们对公司业务相关部分的控制。

***Any failure by Jiayin Finance or shareholders of Jiayin Finance to perform their obligations under our Contractual Arrangements with them would have a material adverse effect on our business.***

嘉荫金融或 Jiayin Finance 的股东如果不能履行我们与他们签订的合同安排规定的义务，将对我们的业务产生重大不利影响。

We have entered into a series of Contractual Arrangements with Jiayin Finance, our consolidated VIE and the shareholders of Jiayin Finance. For a description of these Contractual Arrangements, see “Corporate History and Structure.” If our consolidated VIE or the shareholders of Jiayin Finance fail to perform their respective obligations under the Contractual Arrangements, we may incur substantial costs and expend additional resources to enforce such arrangements. We may also have to rely on legal remedies under PRC laws, including seeking specific performance or injunctive relief, and claiming damages, which we cannot assure you that it will be effective under PRC laws. For example, if the shareholders of Jiayin Finance were to refuse to transfer their equity interests in Jiayin Finance to us or our designee when we exercise the purchase option pursuant to these Contractual Arrangements, or if they were otherwise to act in bad faith toward us, then we may have to take legal actions to compel them to perform their contractual obligations.

我们与嘉银金融、我们合并后的 VIE 以及 Jiayin Finance 的股东签订了一系列合同安排。有关这些合同安排的说明，请参阅“公司历史和结构”如果我们合并的 VIE 或嘉银金融的股东未能履行其在合同安排下的各自义务，我们可能会承担大量费用，并花费额外资源来执行这些安排。我们也可能不得不依靠中国法律下的法律救济，包括寻求具体履行或禁令救济，以及要求损害赔偿，我们不能保证根据中国法律这将是有效的。例如，当我们根据这些合约安排行使购买选择权时，如果 Jiayin Finance 的股东拒绝将他们在 Jiayin Finance 的股权转让给我们或我们的指定人，或者如果他们以其他方式恶意对待我们，那么我们可能不得不采取法律行动，迫使他们履行其合约义务。

All the agreements under our Contractual Arrangements are governed by PRC laws and provide for the resolution of disputes through arbitration in China. Accordingly, these contracts would be interpreted in accordance with PRC laws and any disputes would be resolved in accordance with PRC legal procedures. The legal system in the PRC is not as developed as in some other jurisdictions, such as the United States. As a result, uncertainties in the PRC legal system could limit our ability to enforce these Contractual Arrangements. Meanwhile, there are very few precedents and little formal guidance as to how Contractual Arrangements in the context of a variable interest entity should be interpreted or enforced under PRC laws. There remain significant uncertainties regarding the ultimate outcome of such arbitration should legal action become necessary. In addition, under PRC laws, rulings by arbitrators are final and parties cannot appeal arbitration results in court unless such rulings are revoked or determined unenforceable by a competent court. If the losing parties fail to carry out the arbitration awards within a prescribed time limit, the prevailing parties may only enforce the arbitration awards in PRC courts through arbitration award recognition proceedings, which would require additional expenses and delay. In the event that we are unable to enforce these Contractual Arrangements, or if we suffer significant delay or other obstacles in the process of enforcing these Contractual Arrangements, we may not be able to exert effective control over Jiayin Finance and its subsidiaries, and our ability to conduct our business may be negatively affected. See “—Risks Related to Doing Business in China — Uncertainties in the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to you and us.”

我们合同安排下的所有协议都受中华人民共和国法律管辖，并规定在中国通过仲裁解决争议。因此，这些合同将根据中国法律解释，任何争议将根据中国法律程序解决。中华人民共和国的法律制度不如美国等其他司法管辖区发达。因此，中国法律体系的不确定性可能会限制我们执行这些合同安排的能力。与此同时，在中国法律下如何解释或执行可变权益实体的合同安排方面，几乎没有先例和正式指南。如果有必要采取法律行动，这种仲裁的最终结果仍然存在很大的不确定性。此外，根据中华人民共和国法律，仲裁员的裁决是终局的，除非主管法院撤销或认定仲裁裁决不可执行，否则当事人不得在法院上诉仲裁结果。如果败诉当事人未能在规定的期限内履行仲裁裁决，胜诉当事人只能通过仲裁裁决承认程序在中华人民共和国法院强制执行仲裁裁决，这将需要额外的费用和延误。如果我们不能执行这些契约安排，或者我们在执行这些契约安排的过程中遭遇重大延误或其他障碍，我们可能无法对嘉银金融及其子公司实施有效控制，我们开展业务的能力可能会受到负面影响。详见《在中国做生意的风险—中国法律法规的解释和执行的不确定性可能会限制我可以得到的法律保护》

***The shareholders of our consolidated VIE may have potential conflicts of interest with us, which may materially and adversely affect our business and financial condition.***

合并后的 VIE 的股东可能与我们有潜在的利益冲突，这可能会对我们的业务和财务状况产生重大和不利的的影响。

The equity interests of our consolidated VIE are held by their respective shareholders. Their interests may differ from the interests of our company as a whole. These shareholders may breach, or cause our consolidated VIE to breach, the existing Contractual Arrangements we have with them and our consolidated VIE, which would have a material adverse effect on our ability to effectively control our consolidated VIE and subsidiaries of our consolidated VIE, and receive economic benefits from them. For example, the shareholders of Jiayin Finance may be able to cause our agreements with Jiayin Finance to be performed in a manner adverse to us by, among other things, failing to remit payments due under the Contractual Arrangements to us on a timely basis. We cannot assure you that when conflicts of interest arise, any or all of these shareholders will act in the best interests of our company or such conflicts will be resolved in our favor.

我们合并后的 VIE 的股权由各自的股东持有。他们的利益可能与我们公司的整体利益不同。这些股东可能会违反，或导致我们合并的 VIE，我们与他们现有的合同安排和我们合并的 VIE，这将对我们的有效控制我们合并的 VIE 和我们合并的 VIE 子公司的能力产生实质性的不利影响，并从他们那里获得经济利益。例如，Jiayin Finance 的股东可能会导致我们与嘉荫金融达成的协议以对我们不利的方式履行，其中

包括未能及时将根据合同安排应付的款项汇给我们。我们不能保证当出现利益冲突时，这些股东中的任何一个或所有人都会以我们公司的最大利益为出发点行事，否则这些冲突将以对我们有利的方式得到解决。

Currently, we do not have any arrangements to address potential conflicts of interest between these shareholders and our company, except that we could exercise our call option under the exclusive call option agreement with shareholders of Jiayin Finance to request them to transfer all of their equity interests in Jiayin

目前，我们没有任何安排来解决这些股东和我们公司之间潜在的利益冲突，除了我们可以行使我们的看涨期权根据独家看涨期权协议与嘉银金融的股东，要求他们转让他们在嘉荫的所有权益

Finance to a PRC entity or individual designated by us, to the extent permitted by PRC laws. If we cannot resolve any conflict of interest or dispute between us and the shareholders of our consolidated VIE, we would have to rely on legal proceedings, which could result in the disruption of our business and subject us to substantial uncertainty as to the outcome of any such legal proceedings.

在中华人民共和国法律允许的范围内，向我们指定的中华人民共和国实体或个人提供融资。如果我们不能解决我们与合并后的 VIE 的股东之间的任何利益冲突或争端，我们将不得不依赖裁判，这可能会导致我们的业务中断，并使我们对任何此类裁判的结果有实质性的不确定性。

***Contractual Arrangements in relation to our consolidated VIE may be subject to scrutiny by the PRC tax authorities and they may determine that we or consolidated VIE owe additional taxes, which could negatively affect our financial condition and the value of your investment.***

与我们合并的 VIE 有关的合同安排可能会受到中国税务部门的审查，他们可能会确定我们或合并的 VIE 欠额外税款，这可能会对我们的财务状况和您的投资价值产生负面影响。

Under applicable PRC laws and regulations, arrangements and transactions among related parties may be subject to audit or challenge by the PRC tax authorities. The PRC enterprise income tax law requires every enterprise in China to submit its annual enterprise income tax return together with a report on transactions with its related parties to the relevant tax authorities. The tax authorities may impose reasonable adjustments on taxation if they have identified any related party transactions that are inconsistent with arm's length principles. We may face material and adverse tax consequences if the PRC tax authorities determine that the Contractual Arrangements in relation to our consolidated VIE were not entered into on an arm's length basis in such a way as to result in an impermissible reduction in taxes under applicable PRC laws, regulations and rules, and adjust the income of Jiayin Finance in the form of a transfer pricing adjustment. A transfer pricing adjustment could, among other things, result in a reduction of expense deductions recorded by Jiayin Finance for PRC tax purposes, which could in turn increase their tax liabilities without reducing tax expenses of Shanghai KunJia. In addition, if Shanghai KunJia requests the shareholders of Jiayin Finance to transfer their equity interests in Jiayin Finance at nominal or no value pursuant to these Contractual Arrangements, such transfer could be viewed as a gift and subject Shanghai KunJia to PRC income tax. Furthermore, the PRC tax authorities may impose late payment fees and other penalties on Jiayin Finance for the adjusted but unpaid taxes according to the applicable regulations. Our financial position could be materially and adversely affected if Jiayin Finance's tax liabilities increase or if they are required to pay late payment fees and other penalties.

根据中华人民共和国相关法律法规，关联方之间的安排和交易可能受到中华人民共和国税务机关的审计或质疑。《中华人民共和国企业所得税法》规定，中国企业每年必须向有关税务机关提交企业所得税申报表和与关联方的交易情况报告。税务机关发现关联交易不符合公平交易原则的，可以进行合理的税收调整。如果中华人民共和国税务当局确定，与我们合并的 VIE 有关的合同安排没有在公平交易的基础上达成，导致根据适用的中华人民共和国法律、法规和规则不允许的减税，并以转让定价调整的形式调整 Jiayin Finance 的收入，那么我们可能会面临实质性和不利的税收后果。转让定价调整，除其他外，可能导致嘉荫金融为中国税收目的而记录的费用扣除减少，这反过来又可能增加他们的税收负债，而不减少上海坤嘉的税收费用。此外，如果上海坤嘉要求 Jiayin Finance 的股东根据这些合同安排以名义或无价值转让其在 Jiayin Finance 的股权，这种转让可以被视为一种礼物，并向上海坤嘉征收中国所得税。此外，中华人民共和国税务机关可根据适用的规定对调整后但尚未缴纳的税款征收滞纳金和其他罚款。如果 Jiayin Finance 的税务负担增加，或者他们被要求支付滞纳金和其他罚款，我们的财务状况可能会受到实质性的不利影响。

***We may lose the ability to use and enjoy assets held by Jiayin Finance and Niwodai Internet that are material to the operation of our business if the entity goes bankrupt or becomes subject to a dissolution or liquidation proceeding.***

如果实体破产或者遭遇解散或者清算程序，我们可能会失去使用和享用嘉银金融和牛网所持有的对我们的业务运营具有实质意义的资产的能力。

Jiayin Finance and Niwodai Internet hold certain assets that are material to the operation of our business, including, among others, intellectual properties, hardware and software. We also expect Niwodai Internet to apply for, obtain and hold our value-added telecommunication business license for our online individual finance marketplace business. Under the Contractual Arrangements, Jiayin Finance and Niwodai Internet may not, and the shareholders of Jiayin Finance may not cause them to, in any manner, sell, transfer, mortgage or dispose of their assets or their legal or beneficial interests in the business without our prior consent. However, in the event Jiayin Finance's shareholders breach these Contractual Arrangements and voluntarily liquidate Jiayin Finance or Niwodai Internet, or Jiayin Finance or Niwodai Internet declares bankruptcy and all or part of their assets become subject to liens or rights of third-party creditors, or are otherwise disposed of without our consent, we may be unable to continue some or all of our business activities, or access the risk reserve fund, which could materially and adversely affect our business, financial condition and results of operations. If Jiayin Finance or Niwodai Internet undergoes a voluntary or involuntary liquidation proceeding, independent third-party creditors may claim rights to some or all of these assets, thereby hindering our ability to operate our business, which could materially and adversely affect our business, financial condition and results of operations.

Jiayin Finance 和 Niwodai 互联网持有的某些资产对我们的业务运作非常重要，包括知识产权、硬件和软件。我们还希望新网为我们的在线个人金融市场业务申请、获得并持有我们的增值电信业务经营许可证。根据《合约安排》，Jiayin Finance 及二窝大互联网不得以任何方式出售、转让、按揭或处分其资产或其合法或实益权益，而 Jiayin Finance 的股东亦不得在未经我们事先同意的情况下，要求他们以任何方式出售、转让、按揭或处分其资产或合法或实益权益。然而，如果 Jiayin Finance 的股东违反这些合同安排，自愿清算 Jiayin Finance 或 Niwodai Internet，或 Jiayin Finance 或 Niwodai Internet，并宣布破产，他们的全部或部分资产成为第三方债权人的留置权或权利，或未经我们同意而以其他方式处置，我们可能无法继续部分或全部业务活动，或动用风险准备基金，这可能对我们的业务、财务状况和业务结果产生重大和不利影响。如果 Jiayin Finance 或日本互联网经历了自愿或非自愿的清算程序，独立的第三方债权人可能会对这部分资产的一部分或全部主张权利，从而阻碍了我们经营业务的能力，这可能会对我们的业务、财务状况和经营结果产生重大而不利的影响。

*We rely on the collaboration agreement with Shanghai Caiyin for a material aspect of our business, and such collaboration agreement is subject various risks.*

我们依靠与上海财银的合作协议，在业务的实质方面，这样的合作协议面临着各种风险。

We have entered into a collaboration agreement with Shanghai Caiyin, according to which Shanghai Caiyin provides post-origination loan management services and manages our investor assurance program for loans facilitated prior to April 28, 2018. Though we began to partner with an independent third party guarantor to

我们与上海财银签订了合作协议，根据该协议，上海财银提供贷款后期管理服务，并管理我们在2018年4月28日之前提供的贷款投资者担保计划。虽然我们开始与一个独立的第三方担保人合作

provide such services, Shanghai Caiyin still manages the investor assurance program for all loans facilitated prior to April 28, 2018. If Shanghai Caiyin fails to fulfill its contractual obligations under such collaboration agreement, we may incur substantial costs and expend additional resources to enforce such agreement and our remedies may be limited. We may, in our discretion, ultimately use our working capital to repay our investors in order to maintain our reputation and our business and results of operation could be materially and adversely affected. If we do not or are not able to repay our investors, our business and reputation could be materially and adversely affected.

在提供这些服务的同时，上海财银仍然管理着2018年4月28日之前所有贷款的投资者担保计划。如果上海财银未能履行合作协议规定的合同义务，我们可能会承担巨大的成本，并花费额外的资源来执行该协议，我们的补救措施可能是有限的。我们可能会自行决定，最终用营运资金偿还投资者，以维持我们的声誉，而我们的业务及经营成果可能会受到重大及不利的影响。如果我们不能或不能偿还我们的投资者，我们的业务和声誉可能会受到重大和不利的影响。

Shanghai Caiyin is controlled by our founder, director and chief executive officer, Mr. Dinggui Yan. The shareholders of Shanghai Caiyin may have potential conflicts of interest with us, which may materially and adversely affect our business and financial condition.

上海财银是由我们的创始人，董事长和首席执行官严定贵先生控制的。上海财银的股东可能与我们存在潜在的利益冲突，这可能会对我们的业务和财务状况产生重大而不利的影响。

Furthermore, our collaboration agreement with Shanghai Caiyin may be subject to scrutiny by the PRC tax authorities. We may face material and adverse tax consequences if the PRC tax authorities determine that the collaboration agreement was not entered into on an arm's length basis, and adjust the income of Shanghai Caiyin in the form of a transfer pricing adjustment.

此外，我们与上海财银的合作协议可能会受到中国税务机关的审查。如果中国税务当局确定合作协议没有在正常交易的基础上达成，并以转让定价调整的形式调整上海财银的收入，我们可能会面临实质性和不利的税收后果。

#### **Risks Relating to Doing Business in China**

在中国做生意的风险

*Changes in China's economic, political or social conditions or government policies could have a material adverse effect on our business and results of operations.*

中国经济、政治、社会状况或政府政策的变化可能对我们的业务和业务结果产生实质性的不利影响。

Substantially all of our operations are located in China. Accordingly, our business, prospects, financial condition and results of operations may be influenced to a significant degree by political, economic and social conditions in China generally and by continued economic growth in China as a whole.

实际上我们所有的业务都在中国。因此，我们的业务、前景、财务状况和经营成果可能在很大程度上受到中国总体政治、经济和社会状况以及整个中国经济持续增长的影响。

The Chinese economy differs from the economies of most developed countries in many respects, including the amount of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. Although the Chinese government has implemented measures emphasizing the utilization of market forces for economic reform, the reduction of state ownership of productive assets and the establishment of improved corporate governance in business enterprises, a substantial portion of productive assets in China is still owned by the government. In addition, the Chinese government continues to play a significant role in regulating industry development by imposing industrial policies. The Chinese government also exercises significant control over China's economic growth through allocating resources, controlling payment of foreign currency-denominated obligations, setting monetary policy, and providing preferential treatment to particular industries or companies.

中国经济在政府参与程度、发展水平、增长率、外汇管制和资源配置等方面与大多数发达国家有很大不同。虽然中国政府已经采取措施，强调利用市场力量进行经济改革，减少生产性资产的国家所有权，改善企业的公司治理，但中国仍有相当一部分生产性资产为政府所有。此外，中国政府通过实施产业政策，继续在规范产业发展方面发挥重要作用。中国政府还通过分配资源、控制以外币计价债务的支付、制定货币政策，以及向特定行业或公司提供优惠待遇，对中国经济增长实施重大控制。

While the Chinese economy has experienced significant growth over the past decades, growth has been uneven, both geographically and among various sectors of the economy. The Chinese government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall Chinese economy, but may have a negative effect on us. For example, our financial condition and results of operations may be adversely affected by government control over capital investments or changes in tax regulations. In addition, in the past the Chinese government has implemented certain measures, including interest rate increases, to control the pace of economic growth. These measures may cause decreased economic activity in China, and since 2012, the Chinese economy has slowed down. Any prolonged slowdown in the Chinese economy may reduce the demand for our products and services and materially and adversely affect our business and results of operations.

尽管中国经济在过去几十年里取得了显著的增长，但无论是在地理上还是在经济的各个部门，增长都是不均衡的。中国政府采取了多种措施，鼓励经济增长，引导资源配置。其中一些措施可能有利于整个中国经济，但可能对我们有负面影响。例如，我们的财务状况和业务结果可能会受到政府对资本投资的控制或税收条例变化的不利影响。此外，中国政府过去也采取了包括加息在内的一些措施来控制经济增长的步伐。这些措施可能导致中国经济活动减少，自2012年以来，中国经济已经放缓。中国经济的任何长期放缓都可能减少对我们产品和服务的需求，对我们的业务和运营结果产生实质性和负面的影响。

*A downturn in the Chinese or global economy could reduce the demand for consumer loans and investments, which could materially and adversely affect our business and financial condition.*

中国或全球经济的低迷可能会减少对消费贷款和投资的需求，这可能会对我们的商业和金融状况产生实质性的不利影响。

The global financial markets have experienced significant disruptions between 2008 and 2009 and the United States, Europe and other economies have experienced periods of recessions. The recovery from the

2008年至2009年期间，全球金融市场经历了严重的动荡，美国、欧洲和其他经济体也经历了衰退期。从金融危机中恢复过来



economic downturns of 2008 and 2009 has been uneven and is facing new challenges, including the announcement of Brexit which creates additional global economic uncertainty and the slowdown of the Chinese economy since 2012. It is unclear whether the Chinese economic growth will resume its high growth rate. There is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies adopted by the central banks and financial authorities of some of the world's leading economies, including the United States and China. There have also been concerns over unrest in the Middle East and Africa, which have resulted in volatility in financial and other markets. There have also been concerns about the economic effect of the tensions in the relationship between China and surrounding Asian countries. Economic conditions in China are sensitive to global economic conditions. Any prolonged slowdown in the global or Chinese economy may reduce the demand for consumer loans and investments and have a negative impact on our business, results of operations and financial condition. Additionally, continued turbulence in the international markets may adversely affect our ability to access the capital markets to meet liquidity needs.

2008年和2009年的经济衰退是不平衡的，并且面临着新的挑战，包括 Brexit 宣布增加全球经济的不确定性，以及自2012年以来中国经济放缓。目前尚不清楚中国的经济增长是否会恢复其高增长率。包括美国和中国在内的一些世界主要经济体的中央银行和金融当局采取的扩张性货币和财政政策的长期效果存在相当大的不确定性。人们还对中东和非洲的动乱感到担忧，这些动乱导致了金融和其他市场的动荡。此外，中国与周边亚洲国家关系紧张的经济影响也令人担忧。中国的经济状况对全球经济状况非常敏感。全球或中国经济的任何长期放缓都可能减少对消费贷款和投资的需求，并对我们的业务、运营结果和财务状况产生负面影响。此外，国际市场持续动荡可能对我们进入资本市场满足流动性需求的能力产生不利影响。

***Uncertainties in the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to us.***

中国法律法规的解释和执行的不确定性可能会限制我们可以得到的法律保护。

The PRC legal system is based on written statutes and prior court decisions have limited value as precedents. Since these laws and regulations are relatively new and the PRC legal system continues to rapidly evolve, the interpretations of many laws, regulations and rules are not always uniform and enforcement of these laws, regulations and rules involves uncertainties.

中华人民共和国的法律制度以成文法为基础，以往的法院判决作为判例的价值有限。由于这些法律法规相对较新，中国的法律制度继续迅速发展，许多法律法规和规则的解释并不总是统一的，这些法律法规和规则的执行存在不确定性。

In particular, PRC laws and regulations concerning the online individual finance industry are developing and evolving. Although we have taken measures to comply with the laws and regulations that are applicable to our business operations, including the regulatory principles raised by the CBRC, and avoid conducting any non-compliant activities under the applicable laws and regulations, such as illegal fund-raising, forming capital pool or providing guarantee to investors, the PRC government authority may promulgate new laws and regulations regulating the online individual finance industry in the future. We cannot assure you that our practice would not be deemed to violate any new PRC laws or regulations relating to online individual finance. Moreover, developments in the online individual finance industry may lead to changes in PRC laws, regulations and policies or in the interpretation and application of existing laws, regulations and policies that may limit or restrict online individual finance marketplaces like us, which could materially and adversely affect our business and operations.

特别是，中国有关网上个人金融业的法律法规正在发展和演变。虽然我们已采取措施遵守适用于我们业务运作的法律法规，包括银监会提出的监管原则，避免在适用的法律法规下进行任何不符合规定的活动，例如非法集资、形成资本集合或为投资者提供担保，但中国政府当局今后可能会颁布新的法律法规，监管个人网上金融业。我们不能向您保证，我们的做法不会被视为违反任何与网上个人金融有关的新的中国法律或法规。此外，网上个人金融业的发展可能会导致中国法律、法规和政策的变化，或者现有法律、法规和政策的解释和适用，这些法律、法规和政策可能会限制或限制像我们这样的网上个人金融市场，这可能会对我们的业务和运营产生重大和不利的影响。

From time to time, we may have to resort to administrative and court proceedings to enforce our legal rights. However, since PRC administrative and court authorities have significant discretion in interpreting and implementing statutory and contractual terms, it may be more difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we enjoy than in more developed legal systems. Furthermore, the PRC legal system is based in part on government policies and internal rules (some of which are not published in a timely manner or at all) that may have retroactive effect. As a result, we may not be aware of our violation of these policies and rules until sometime after the violation. Such uncertainties, including uncertainty over the scope and effect of our contractual, property (including intellectual property) and procedural rights, could materially and adversely affect our business and impede our ability to continue our operations.

有时，我们可能不得不诉诸行政和法庭程序，以强制执行我们的合法权利。然而，由于中华人民共和国行政和法院当局在解释和执行法定和合同条款方面拥有很大的自由裁量权，因此要评估行政和法院诉讼的结果以及我们享有的法律保护程度，可能比在更发达的法律体系中更加困难。此外，中华人民共和国的法律制度部分基于可能具有追溯效力的政府政策和内部规则（其中一些没有及时公布或根本没有公布）。因此，我们可能不知道我们违反了这些政策和规则，直到违反之后的某个时候。这种不确定性，包括我们的合同、财产（包括知识产权）和程序权利的范围和影响的不确定性，可能对我们的业务产生重大和不利的影响，并阻碍我们继续运营的能力。

***Substantial uncertainties exist with respect to the enactment timetable, interpretation and implementation of draft PRC Foreign Investment Law and how it may impact the viability of our current corporate structure, corporate governance and business operations.***

《中华人民共和国外国投资法》草案的颁布时间表、解释和实施方面存在很大的不确定性，以及这些不确定性将如何影响我们目前的公司结构、公司治理和业务运作的可行性。

The MOC published a discussion draft of the proposed Foreign Investment Law in January 2015 aiming to, upon its enactment, replace the trio of existing laws regulating foreign investment in China, namely, the Sino-foreign Equity Joint Venture Enterprise Law, the Sino-foreign Cooperative Joint Venture Enterprise Law and the Wholly Foreign-invested Enterprise Law, together with their implementation rules and ancillary regulations. The draft Foreign Investment Law embodies an expected PRC regulatory trend to rationalize its foreign investment regulatory regime in line with prevailing international practice and the legislative efforts to unify the corporate

商务部于2015年1月发布了《外商投资法》草案讨论稿，旨在通过该草案，取代现行的《中外合资企业法》、《中外合作企业法》和《外商独资企业法》三部外商投资法及其实施细则和配套规定。《外国投资法》草案体现了预期的中国监管趋势，即根据现行国际惯例和统一企业的立法努力，使外国投资监管制度合理化

legal requirements for both foreign and domestic investments. Although the MOC has completed soliciting comments on this draft from the public, substantial uncertainties exist with respect to its enactment timetable, interpretation and implementation. The draft Foreign Investment Law, if enacted as proposed, may materially impact the viability of our current corporate structure, corporate governance and business operations in many aspects. 外资和国内投资的法律要求。尽管商务部已完成征求公众对该草案的意见，但在其颁布时间表、解释和实施方面仍存在很大的不确定性。外国投资法草案如果按照提议颁布，可能会在许多方面对我们目前的公司结构、公司治理和商业运作的可行性产生重大影响。

Among other things, the draft Foreign Investment Law expands the definition of foreign investment and introduces the principle of “actual control” in determining whether a company is considered an FIE. The draft Foreign Investment Law specifically provides that entities established in China but “controlled” by foreign investors will be treated as FIEs, whereas an entity set up in a foreign jurisdiction would nonetheless be, upon market entry clearance by the MOC, treated as a PRC domestic investor provided that the entity is “controlled” by PRC entities and/or citizens. In this connection, “foreign investors” refers to the following subjects making investments within the PRC: (i) natural persons without PRC nationality; (ii) enterprises incorporated under the laws of countries or regions other than China; (iii) the governments of countries or regions other than the PRC and the departments or agencies thereunder; and (iv) international organizations. Domestic enterprises under the control of the subjects as mentioned in the preceding sentence are deemed foreign investors, and “control” is broadly defined in the draft law to cover the following summarized categories: (i) holding, directly or indirectly, not less than 50% of shares, equities, share of voting rights or other similar rights of the subject entity; holding, directly or indirectly, less than 50% of the voting rights of the subject entity but having the power to secure at least 50% of the seats on the board or other equivalent decision making bodies, or having the voting power to material influence on the board, the shareholders’ meeting or other equivalent decision making bodies; or (iii) having the power to exert decisive influence, via contractual or trust arrangements, over the subject entity’s operations, financial matters or other key aspects of business operations. Once an entity is determined to be an FIE, it will be subject to the foreign investment restrictions or prohibitions set forth in a “catalog of special administrative measures,” which is classified into the “catalog of prohibitions” and “the catalog of restrictions,” to be separately issued by the State Council later. Foreign investors are not allowed to invest in any sector set forth in the catalog of prohibitions. However, unless the underlying business of the FIE falls within the catalog of restrictions, which calls for market entry clearance by the MOC, prior approval from governmental authorities as mandated by the existing foreign investment legal regime would no longer be required for establishment of the FIE.

除其他外，外国投资法草案扩大了外国投资的定义，并在确定一家公司是否被视为外商投资企业时引入了“实际控制”原则。《外国投资法》草案明确规定，在中国设立但受外国投资者“控制”的实体将被视为外商投资企业，而在外国管辖区设立的实体，经商务部批准进入市场后，仍被视为中华人民共和国国内投资者，条件是该实体受中华人民共和国实体和/或公民“控制”。在这方面，“外国投资者”是指下列在中华人民共和国境内投资的主体：（一）无中国国籍的自然人；（二）根据中国以外国家或者地区的法律设立的企业；（三）中华人民共和国以外国家或者地区的政府及其所属部门或者机构；（四）国际组织。受上句所述主体控制的国内企业被视为外国投资者，法律草案对“控制”作了广义定义，涵盖以下概括类别：（一）直接或间接持有不少于50%的股份、股权、表决权或主体实体的其他类似权利；直接或间接持有主体实体不到50%的表决权，但有权获得董事会或其他同等决策机构至少50%的席位，或有表决权对董事会、股东会议或其他同等决策机构产生实质性影响；或（三）通过合同或信托安排对主体实体的业务、财务事项或其他关键业务方面产生决定性影响。一旦确定某一实体为外商投资企业，该实体将受到“特别行政措施目录”中规定的外商投资限制或禁令的约束，该目录分为“禁令目录”和“限令目录”，后者由国务院另行印发。外国投资者不得投资于禁令目录中规定的任何部门。但是，除非外商投资企业的基本业务属于要求商务部批准进入市场的限制目录，否则，建立外商投资企业不再需要现行外国投资法律制度规定的政府当局事先批准。

The VIE structure, has been adopted by many PRC-based companies, including us, to obtain necessary licenses and permits in the industries that are currently subject to foreign investment restrictions in China. See “—Risks Relating to Our Corporate Structure” and “Corporate History and Structure.” Under the draft Foreign Investment Law, VIEs that are controlled via contractual arrangement would also be deemed as FIEs, if they are ultimately “controlled” by foreign investors. Therefore, for any companies with a VIE structure in an industry category that is on the “catalog of restrictions,” the VIE structure may be deemed a domestic investment only if the ultimate controlling person(s) is/are of PRC nationality (either PRC companies or PRC citizens). Conversely, if the actual controlling person(s) is/are of foreign nationalities, then the VIEs will be treated as FIEs and any operation in the industry category on the “catalog of restrictions” without market entry clearance may be considered as illegal.

Vie 结构已经被包括我们在内的许多 prc 公司采用，以获得在中国目前受到外资限制的行业所需的许可证和执照。见“—与我们的公司结构有关的风险”和“公司的历史和结构”根据《外国投资法》草案，通过合同安排控制的可变利益实体，如果最终由外国投资者“控制”，也将被视为外商投资企业。因此，对于在“限制目录”中的行业类别中拥有 VIE 结构的任何公司，只有在最终控制人是/是中国国籍（中国公司或中国公民）的情况下，VIE 结构才可被视为国内投资。相反，如果实际控制人是/是外国人，那么这些可变利益实体将被视为外商投资企业，在“限制目录”中没有经过市场准入许可的任何行业类别的业务可能被视为非法。

In addition, the draft Foreign Investment Law does not indicate what actions shall be taken with respect to the existing companies with a VIE structure, whether or not these companies are controlled by Chinese parties. Moreover, it is uncertain whether the online individual finance industry, in which Jiayin Finance and its subsidiaries operate, will be subject to the foreign investment restrictions or prohibitions set forth in the “catalog of special administrative measures” to be issued. If the enacted version of the Foreign Investment Law and the final “catalog of special administrative measures” mandate further actions, such as the MOC market entry clearance, to be completed by companies with an existing VIE structure like us, we face uncertainties as to whether such clearance can be timely obtained, or at all. If we are not able to obtain such clearance when required or meet any requirement stipulated by relevant laws and regulations, our VIE structure may be regarded as invalid and illegal. As a result, we would not be able to (i) continue our business in China through our

此外，《外国投资法》草案没有说明对具有可变利益实体结构的现有公司应采取什么行动，无论这些公司是否由中方控制。此外，目前还不确定 Jiayin Finance 及其子公司所在的网上个人金融业是否会受到即将发布的《特别行政措施目录》中规定的外资限制或禁令的约束。如果颁布的《外国投资法》和最终的“特别行政措施目录”要求像我们这样拥有可变利益实体结构的公司完成进一步的行动，例如商务部

的市场准入许可，我们就面临着能否及时获得这种许可的不确定性。如果我们不能在需要时获得许可，或者不能满足相关法律法规规定的任何要求，我们的 VIE 结构可能被视为无效和非法。因此，我们将无法(i)通过我们的

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图49

Contractual Arrangements with Jiayin Finance, Niwodai Internet and shareholders of Jiayin Finance, (ii) exert control over Jiayin Finance and its subsidiaries, (iii) receive the economic benefits of Jiayin Finance and its subsidiaries under such Contractual Arrangements, or (iv) consolidate the financial results of Jiayin Finance and its subsidiaries. Were this to occur, our results of operations and financial condition would be materially and adversely affected and the market price of our ADSs may decline.

与嘉荫金融、二窝带互联网和 Jiayin Finance 股东的契约安排，(ii)控制嘉荫金融及其附属公司，(iii)通过这种契约安排获得 Jiayin Finance 及其附属公司的经济利益，或(iv)整合嘉荫金融及其附属公司的财务业绩。如果出现这种情况，我们的运营结果和财务状况将受到重大和不利的影响，我们的存托凭证的市场价格可能会下降。

The draft Foreign Investment Law, if enacted as proposed, may also materially impact our corporate governance practice and increase our compliance costs. For instance, the draft Foreign Investment Law imposes stringent ad hoc and periodic information reporting requirements on foreign investors and the applicable FIEs. Aside from an investment information report required at each investment, and investment amendment reports, which shall be submitted upon alteration of investment specifics, it is mandatory for entities established by foreign investors to submit an annual report, and large foreign investors meeting certain criteria are required to report on a quarterly basis. Any company found to be non-compliant with these reporting obligations may potentially be subject to fines and/or administrative or criminal liabilities, and the persons directly responsible may be subject to criminal liabilities.

外国投资法草案，如果按照提议颁布，也可能对我们的公司治理实践产生重大影响，并增加我们的合规成本。例如，《外国投资法》草案对外国投资者和适用的外商投资企业规定了严格的临时和定期信息报告要求。除了每项投资要求提交投资信息报告和投资修改报告外，外国投资者设立的实体必须提交年度报告，符合某些标准的大型外国投资者必须每季度提交报告。任何被发现不遵守这些报告义务的公司可能会受到罚款和/或行政或刑事责任，直接责任人可能会受到刑事责任。

***We may be adversely affected by the complexity, uncertainties and changes in PRC regulation of Internet-related businesses and companies, and any lack of requisite approvals, licenses or permits applicable to our business may have a material adverse effect on our business and results of operations.***

中华人民共和国对互联网相关业务和公司的监管的复杂性、不确定性和变化可能会对我们造成不利影响，任何缺乏适用于我们业务的必要批准、许可证或许可的情况都可能对我们的业务和运营结果产生重大不利影响。

The PRC government extensively regulates the Internet industry, including foreign ownership of, and the licensing and permit requirements pertaining to, companies in the Internet industry. These Internet-related laws and regulations are relatively new and evolving, and their interpretation and enforcement involve significant uncertainties. As a result, in certain circumstances it may be difficult to determine what actions or omissions may be deemed to be in violation of applicable laws and regulations.

中国政府广泛规范互联网行业，包括外国对互联网行业公司的所有权以及许可证和许可的要求。这些与互联网有关的法律和规章是相对较新和不断发展的，其解释和执行存在很大的不确定性。因此，在某些情况下，可能难以确定哪些行为或不行为可被视为违反了适用的法律和条例。

We only have contractual control over our website. We do not directly own the website due to the restriction of foreign investment in businesses providing value-added telecommunication services in China, including Internet information provision services. This may significantly disrupt our business, subject us to sanctions, compromise enforceability of related contractual arrangements, or have other harmful effects on us.

我们只有合同控制我们的网站。由于外商投资在中国提供增值电信业务，包括互联网信息提供服务的限制，我们不直接拥有该网站。这可能会严重扰乱我们的业务，使我们受到制裁，损害相关合同安排的可执行性，或对我们产生其他有害影响。

The evolving PRC regulatory system for the Internet industry may lead to the establishment of new regulatory agencies. For example, in May 2011, the State Council announced the establishment of a new department, the Cyberspace Administration of China, or the CAC, (with the involvement of the State Council Information Office, the MIIT, and the Ministry of Public Security). The primary role of this new agency is to facilitate the policy-making and legislative development in this field, to direct and coordinate with the relevant departments in connection with online content administration and to deal with cross-ministry regulatory matters in relation to the Internet industry.

中国不断发展的互联网行业监管体系可能会导致建立新的监管机构。例如，2011年5月，国务院宣布成立一个新的部门，即中国国家互联网信息办公室，简称 CAC (由国务院新闻办公室、工信部和公安部参与)。这一新机构的主要作用是促进这一领域的决策和立法发展，指导和协调有关部门进行网上内容管理，并处理与互联网行业有关的跨部门监管事项。

Our online marketplace, operated by Niwodai Internet, may be deemed to be providing commercial Internet information services, which would require Niwodai Internet to obtain certain value-added telecommunications business license. See “Regulation—Regulations Relating to Internet Companies—Regulations on Value-Added Telecommunication Services.” Furthermore, it is uncertain if Jiayin Finance and its subsidiaries will be required to obtain a separate operating license with respect to our mobile applications in addition to the value-added telecommunications business license.

我们的网上市场，由 Niwodai 互联网经营，可能被视为提供商业互联网信息服务，这将需要 Niwodai 互联网取得一定的增值电信业务许可证。参见《管制—互联网公司的管制—增值电信业务管制》此外，目前还不确定 Jiayin Finance 及其附属公司是否需要在获得增值电信业务许可证的同时，获得与我们的移动应用程序有关的单独经营许可证。

The interpretation and application of existing PRC laws, regulations and policies and possible new laws, regulations or policies relating to the Internet industry have created substantial uncertainties regarding the legality of existing and future foreign investments in, and the businesses and activities of, Internet businesses in China, including our business. We cannot assure you that we have obtained all the permits or licenses required for conducting our business in China or will be able to maintain our existing licenses or obtain new ones. If the PRC government considers that we were operating without the proper approvals, licenses or permits or

中国现行法律、法规政策的解释和适用，以及可能出台的与互联网行业有关的新法律、法规或政策，已经在中国互联网企业(包括我们的业务)的现有和未来外国投资、业务和活动的合法性方面制造了大量的不确定性。我们不能保证我们已经获得了在中国开展业务所需的所有许可证或执照，也不能保留现有的许可证或获得新的许可证。如果中国政府认为我们没有获得适当的批准、执照或许可证或



promulgates new laws and regulations that require additional approvals or licenses or imposes additional restrictions on the operation of any part of our business, it has the power, among other things, to levy fines, confiscate our income, revoke our business licenses, and require us to discontinue our relevant business or impose restrictions on the affected portion of our business. Any of these actions by the PRC government may have a material adverse effect on our business and results of operations.

颁布新的法律和法规，要求额外的批准或许可证，或对我们业务的任何部分的经营施加额外的限制，它有权，除其他外，征收罚款，没收我们的收入，吊销我们的营业执照，并要求我们中止我们的相关业务或对我们业务的受影响部分施加限制。中华人民共和国政府的任何这些行动都可能对我们的业务和业务结果产生实质性的不利影响。

***We rely on dividends and other distributions on equity paid by our PRC subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our PRC subsidiaries to make payments to us could have a material adverse effect on our ability to conduct our business.***

我们依靠我们在中国的子公司支付的股票红利和其他分配来满足我们可能的现金和融资需求，任何对我们在中国的子公司支付给我们的能力的限制可能会对我们进行业务的能力产生实质性的不利影响。

We are a holding company, and we rely on dividends and other distributions on equity paid by our PRC subsidiaries for our cash and financing requirements, including the funds necessary to pay dividends and other cash distributions to our shareholders and service any debt we may incur. If our PRC subsidiaries incur debt on their own behalf in the future, the instruments governing the debt may restrict their ability to pay dividends or make other distributions to us. In addition, the PRC tax authorities may require our PRC subsidiaries to adjust its taxable income under the Contractual Arrangements it currently has in place with Jiayin Finance and its shareholders and Niwodai Internet in a manner that would materially and adversely affect their ability to pay dividends and other distributions to us. See “—Risks Relating to Our Corporate Structure—Contractual Arrangements in relation to our consolidated VIE may be subject to scrutiny by the PRC tax authorities and they may determine that we or consolidated VIE owe additional taxes, which could negatively affect our financial condition and the value of your investment.”

我们是一家控股公司，我们的现金和融资需求，包括支付股息和其他现金分配给我们的股东和偿还我们可能发生的债务所需的资金，都依赖于我们在中国的子公司支付的股息和其他股本分配。如果我们的中国子公司在未来代表他们自己发生债务，管理债务的工具可能会限制他们支付股息或向我们进行其他分配的能力。此外，中国税务当局可能会要求我们的中国子公司根据目前与嘉荫金融及其股东和 Niwodai Internet 签订的合同安排调整其应纳税收入，这将对他们向我们支付股息和其他分配款项的能力产生重大和不利的影响。参见“一与我们的公司结构有关的风险—与我们合并的 VIE 有关的合同安排可能会受到中国税务当局的审查，他们可能会确定我们或合并的 VIE 欠缴欠税款，这可能会对我们的财务状况和您的投资价值产生负面影响。”

Under PRC laws and regulations, our PRC subsidiaries, as wholly foreign-owned enterprises in China, may pay dividends only out of their respective accumulated after-tax profits as determined in accordance with PRC accounting standards and regulations. In addition, a wholly foreign-owned enterprise is required to set aside at least 10% of its accumulated after-tax profits each year, if any, to fund certain statutory reserve funds, until the aggregate amount of such funds reaches 50% of its registered capital. At its discretion, a wholly foreign-owned enterprise may allocate a portion of its after-tax profits based on PRC accounting standards to staff welfare and bonus funds. These reserve funds and staff welfare and bonus funds are not distributable as cash dividends.

根据中国的法律和法规，我们的中国子公司作为在中国的外商独资企业，只能从根据中国会计准则和法规确定的各自累计税后利润中支付股利。此外，外商独资企业每年必须至少从其累计税后利润中提取10%用于资助某些法定准备金，直至这些资金总额达到其注册资本的50%。根据中国会计准则，外资独资企业可自行决定将其税后利润的一部分用于员工福利和奖金。这些储备基金和工作人员福利及奖金基金不作为现金股利分发。

In response to the persistent capital outflow and RMB's depreciation against U.S. dollar in the fourth quarter of 2016, the People's Bank of China and the State Administration of Foreign Exchange, or SAFE, have implemented a series of capital control measures over recent months, including stricter vetting procedures for China-based companies to remit foreign currency for overseas acquisitions, dividend payments and shareholder loan repayments. For instance, the People's Bank of China issued the Circular on Further Clarification of Relevant Matters Relating to Offshore RMB Loans Provided by Domestic Enterprises, or the PBOC Circular 306, on November 22, 2016, which provides that offshore RMB loans provided by a domestic enterprise to offshore enterprises that it holds equity interests in shall not exceed 30% of such equity interests. The PBOC Circular 306 may constrain our PRC subsidiaries' ability to provide offshore loans to us. The PRC government may continue to strengthen its capital controls and our PRC subsidiaries' dividends and other distributions may be subjected to tighter scrutiny in the future. Any limitation on the ability of our PRC subsidiaries to pay dividends or make other distributions to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our business, pay dividends, or otherwise fund and conduct our business. See also “—If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavorable tax consequences to us and our non-PRC shareholders or ADS holders.”

针对2016年第四季度持续的资本外流和人民币对美元贬值，中国人民银行和国家外汇管理局近几个月来实施了一系列资本控制措施，包括对中国公司汇出外币用于海外收购、股息支付和股东贷款偿还的审查程序更加严格。例如，2016年11月22日，中国人民银行发布了《关于进一步明确境内企业提供离岸人民币贷款有关事项的通知》，即中国人民银行第306号通知，规定境内企业向其持有股权的离岸企业提供的离岸人民币贷款不得超过其股权的30%。中国人民银行第306号通知可能会限制我们的中国子公司向我们提供海外贷款的能力。中国政府可能会继续加强其资本管制，我们在中国的子公司的股息和其他分配在未来可能会受到更严格的审查。对我们在中国的子公司支付股息或其他分配给我们的能力的任何限制，都会严重地限制我们的增长能力、投资或收购能够有利于我们的业务、支付股息或以其他方式为我们的业务提供资金和进行我们的业务。另见“一如果我们因中国所得税目的被归类为中国居民企业，这种归类可能会对我们和我们的非中国股东或 ADS 持有人造成不利的纳税后果。”



***PRC regulation of loans to and direct investment in PRC entities by offshore holding companies and governmental control of currency conversion may delay or prevent us from using the proceeds of this offering to make loans to or make additional capital contributions to our PRC subsidiaries, which could materially and adversely affect our liquidity and our ability to fund and expand our business.***

中国监管境外控股公司对中国实体的贷款和直接投资，以及政府对货币兑换的控制，可能会延迟或阻止我们使用此次提供的收益向我们的中国子公司提供贷款或向其提供额外的资本出资，这可能会对我们的流动性以及我们的资金和扩大业务的能力产生重大和不利的影响。

Any funds we transfer to our PRC subsidiaries, either as a shareholder loan or as an increase in registered capital, are subject to approval by or registration with relevant governmental authorities in China. According to

我们转移到中国子公司的任何资金，无论是作为股东贷款还是作为注册资本的增加，都需要得到中国相关政府部门的批准或注册。根据

the relevant PRC regulations on foreign-invested enterprises in China, capital contributions to our PRC subsidiaries are subject to the requirement of making necessary filings in the Foreign Investment Comprehensive Management Information System, or FICMIS, and registration with other governmental authorities in China. In addition, (a) any foreign loan procured by our PRC subsidiaries is required to be registered with SAFE, or its local branches, and (b) each of our PRC subsidiaries may not procure loans which exceed the difference between its registered capital and its total investment amount as recorded in FICMIS. Any medium or long term loan to be provided by us to a VIE of our company must be recorded and registered by the National Development and Reform Committee and the SAFE or its local branches. We may not complete such recording or registrations on a timely basis, if at all, with respect to future capital contributions or foreign loans by us to our PRC subsidiaries. If we fail to complete such recording or registration, our ability to use the proceeds of this offering and to capitalize our PRC operations may be negatively affected, which could adversely affect our liquidity and our ability to fund and expand our business.

中华人民共和国对在华外商投资企业的有关规定，对我们中国子公司的出资须向外商投资综合管理信息系统(FICMIS)进行必要的申报，并在中国其他政府部门进行登记。此外，(a)我们的中国子公司获得的任何外国贷款都必须在国家外汇管理局或其当地的分支机构注册，(b)我们的每个中国子公司不得获得超过其注册资本与其在 FICMIS 中记录的总投资额之差额的贷款。我公司向本公司可变利益实体提供的任何中长期贷款，必须经国家发展和改革委员会及国家外汇管理局或其地方分局登记注册。关于我们未来对中国子公司的出资或外国贷款，我们可能无法及时完成此类记录或注册。如果我们未能完成此类记录或注册，我们使用此次发行所得的能力以及将我们在中国的业务资本化的能力可能会受到负面影响，这可能会对我们的流动性以及我们的融资和扩大业务的能力产生不利影响。

In 2008, the SAFE promulgated the Circular on the Relevant Operating Issues Concerning the Improvement of the Administration of the Payment and Settlement of Foreign Currency Capital of Foreign-Invested Enterprises, or SAFE Circular 142, which used to regulate the conversion by foreign-invested enterprises of foreign currency into Renminbi by restricting the usage of converted Renminbi. On March 30, 2015, the SAFE promulgated the Circular on Reforming the Management Approach Regarding the Foreign Exchange Capital Settlement of Foreign-Invested Enterprises, or SAFE Circular 19. SAFE Circular 19 took effect as of June 1, 2015 and superseded SAFE Circular 142 on the same date. SAFE Circular 19 launched a nationwide reform of the administration of the settlement of the foreign exchange capitals of foreign-invested enterprises and allows foreign-invested enterprises to settle their foreign exchange capital at their discretion, but continues to prohibit foreign-invested enterprises from using the Renminbi fund converted from their foreign exchange capitals for expenditures beyond their business scopes. On June 9, 2016, the SAFE promulgated the Circular on Reforming and Standardizing the Administrative Provisions on Capital Account Foreign Exchange, or SAFE Circular 16. SAFE Circular 19 and SAFE Circular 16 continue to prohibit foreign-invested enterprises from, among other things, using RMB fund converted from its foreign exchange capitals for expenditure beyond its business scope, investment and financing (except for security investment or guarantee products issued by bank), providing loans to non-affiliated enterprises or constructing or purchasing real estate not for self-use. SAFE Circular 19 and SAFE Circular 16 may significantly limit our ability to transfer to and use in China the net proceeds from this offering, which may adversely affect our business, financial condition and results of operations.

2008年，国家外汇局发布了《关于完善外商投资企业外币资金支付结算管理有关操作问题的通知》或《国家外汇局通知142》，以规范外商投资企业外币兑换人民币的行为，限制兑换人民币的使用。2015年3月30日，国家外汇局发布《关于改革外商投资企业外汇资金结算管理办法的通知》，即国家外汇局第19号通知。国家外汇局通知19自2015年6月1日起生效，并取代同日发出的国家外汇局通知142。国家外汇管理局第19号通知对外商投资企业外汇资金结算管理进行了全国性改革，允许外商投资企业自行结算外汇资金，但继续禁止外商投资企业将外汇资金折算成人民币资金用于业务范围以外的支出。2016年6月9日，国家外汇局发布《关于改革和规范资本项目外汇管理规定的通知》，简称《外汇局通知》第16号。国家外汇局第19号通知和国家外汇局第16号通知继续禁止外商投资企业利用外汇资本折算的人民币资金超出经营范围、投融资(银行发行的证券投资或担保产品除外)、向非关联企业提供贷款、建设或购买非自用房地产等。国家外汇管理局第19号通知和第16号通知可能严重限制我们向中国转移和使用此次发行的净收益的能力，这可能会对我们的业务、财务状况和业务结果产生不利影响。

#### ***Fluctuations in exchange rates could have a material adverse effect on our results of operations and the price of our ADSs.***

汇率的波动可能对我们的业务结果和我们的存托凭证价格产生重大的不利影响。

The value of the Renminbi against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in political and economic conditions in China and by China's foreign exchange policies. On July 21, 2005, the PRC government changed its decade-old policy of pegging the value of the Renminbi to the U.S. dollar, and the Renminbi appreciated more than 20% against the U.S. dollar over the following three years. Between July 2008 and June 2010, this appreciation halted and the exchange rate between the Renminbi and the U.S. dollar remained within a narrow band. Since June 2010, the Renminbi has fluctuated against the U.S. dollar, at times significantly and unpredictably. Since June 2010, the PRC government has allowed the Renminbi to appreciate slowly against the U.S. dollar, though there have been periods when the Renminbi has depreciated against the U.S. dollar. In particular, on August 11, 2015, the Renminbi depreciated by approximately 2% against the U.S. dollar. Since then and until the end of 2016, the Renminbi depreciated against the U.S. dollar by approximately 10%. During 2017, the Renminbi appreciated by approximately 7% against the U.S. dollar. Since 2018, the Renminbi has been depreciating against the U.S. dollar. On November 30, 2015, the Executive Board of the International Monetary Fund (IMF) completed the regular five-year review of the basket of currencies that make up the Special Drawing Right, or the SDR, and decided that with effect from October 1, 2016, Renminbi is determined to be a freely usable currency and will be included in the SDR basket as a fifth currency, along with the U.S. dollar, the Euro, the Japanese yen and the British pound. In the fourth quarter of 2016, the RMB has depreciated significantly in the backdrop of a surging U.S. dollar and persistent capital outflows of China. With the development of the

人民币对美元和其他货币的汇率可能会波动，受到中国政治经济形势变化和外汇政策等因素的影响。2005年7月21日，中国政府改变了10年来实行的人民币盯住美元的政策，在接下来的三年里，人民币对美元升值了20%以上。2008年7月至2010年6月期间，这种升值停止，人民币与美元之间的汇率保持在一个狭窄的区间内。自2010年6月以来，人民币兑美元汇率一直波动，有时大幅波动，有时难以预料。自2010年6月以来，中国政府允许人民币对美元缓慢升值，尽管有一段时间人民币对美元贬值。特别是在2015年8月11日，人民币对美元贬值

了大约2%。从那时到2016年底，人民币对美元贬值了大约10%。2017年，人民币对美元升值约7%。自2018年以来，人民币对美元一直在贬值。国际货币基金组织(基金组织)执行局于二〇一五年十一月三十日完成对构成特别提款权的一篮子货币的定期五年检讨，决定自二〇一六年十月一日起，人民币将与美元、欧元、日圆及英镑一起，被确定为可自由使用的货币，并作为第五种货币纳入特别提款权篮子。2016年第四季度，在美元大幅升值和中国持续资本外流的背景下，人民币大幅贬值。随着社会主义市场经济的发展

foreign exchange market and progress towards interest rate liberalization and Renminbi internationalization, the PRC government may in the future announce further changes to the exchange rate system and we cannot assure you that the Renminbi will not appreciate or depreciate significantly in value against the U.S. dollar in the future. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between the Renminbi and the U.S. dollar in the future.

外汇市场和利率自由化和人民币国际化的进展，中国政府可能在未来宣布汇率制度的进一步改革，我们不能保证人民币在未来对美元不会升值或大幅贬值。很难预测未来市场力量或中国或美国政府的政策将如何影响人民币与美元之间的汇率。

Significant revaluation of the Renminbi may have a material and adverse effect on your investment. For example, to the extent that we need to convert U.S. dollars we receive from this offering into Renminbi for our operations, appreciation of the Renminbi against the U.S. dollar would have an adverse effect on the Renminbi amount we would receive from the conversion. Conversely, if we decide to convert our Renminbi into U.S. dollars for the purpose of making payments for dividends on our Class A ordinary shares or ADSs or for other business purposes, appreciation of the U.S. dollar against the Renminbi would have a negative effect on the U.S. dollar amount available to us.

人民币大幅升值可能会对您的投资产生重大的负面影响。举例来说，如果我们需要把这次发行的美元兑换成人民币，人民币对美元的升值会对我们兑换的人民币数额产生不利影响。相反，如果我们决定将人民币兑换成美元，用于支付 a 类普通股或存托凭证的股息，或用于其他商业目的，美元兑人民币升值将对我们可用的美元数额产生负面影响。

Very limited hedging options are available in China to reduce our exposure to exchange rate fluctuations. To date, we have not entered into any hedging transactions in an effort to reduce our exposure to foreign currency exchange risk. While we may decide to enter into hedging transactions in the future, the availability and effectiveness of these hedges may be limited and we may not be able to adequately hedge our exposure or at all.

在中国，可用于减少汇率波动风险的套期保值选择非常有限。迄今为止，我们没有进行任何对冲交易，以减少我们的外汇风险敞口。虽然我们将来可能会决定进行对冲交易，但這些对冲工具的可用性和有效性可能会受到限制，我们可能无法充分对冲我们的风险敞口或根本无法对冲。

In addition, our currency exchange losses may be magnified by PRC exchange control regulations that restrict our ability to convert Renminbi into foreign currency.

此外，由于中国的外汇管制条例限制我们将人民币兑换成外币的能力，我们的货币兑换损失可能会被放大。

***Governmental control of currency conversion may limit our ability to utilize our net revenues effectively and affect the value of your investment.***

政府对货币兑换的控制可能会限制我们有效利用净收入的能力，并影响您的投资价值。

The PRC government imposes controls on the convertibility of the RMB into foreign currencies and, in certain cases, the remittance of currency out of China. We receive substantially all of our net revenues in RMB. Under our current corporate structure, our company in the Cayman Islands relies on dividend payments from our PRC subsidiaries to fund any cash and financing requirements we may have. Under existing PRC foreign exchange regulations, payments of current account items, such as profit distributions and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from SAFE by complying with certain procedural requirements. Therefore, our PRC subsidiaries are able to pay dividends in foreign currencies to us without prior approval from SAFE, subject to the condition that the remittance of such dividends outside of the PRC complies with certain procedures under PRC foreign exchange regulation, such as the overseas investment registrations by the beneficial owners of our company who are PRC residents. But approval from or registration with appropriate government authorities is required where RMB is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of loans denominated in foreign currencies.

中国对人民币与外币的可兑换性实行管制，在某些情况下，还对汇出中国的汇款实行管制。我们大部分的净收入都是以人民币支付的。在我们目前的公司结构下，我们在开曼群岛的公司依靠我们在中国的子公司支付的股息来满足我们可能的现金和融资需求。根据中国现行的外汇管理条例，经常项目的支付，例如利润分配、贸易和与服务有关的外汇交易，可以在未经国家外汇管理局事先批准的情况下，通过遵守一定的程序要求，以外币支付。因此，我们的中国子公司可以向我们支付外币股息，无需事先获得国家外汇管理局的批准，条件是这些股息在中国境外的汇款符合中国外汇管理规定的某些程序，例如我们公司受益所有人是中国居民的海外投资登记。但将人民币兑换成外币并汇出境外支付外币贷款偿还等资本费用，须经有关政府部门批准或者登记。

In light of the flood of capital outflows of China in 2016 due to the weakening RMB, the PRC government has imposed more restrictive foreign exchange policies and stepped up scrutiny of major outbound capital movement. More restrictions and substantial vetting process are put in place by SAFE to regulate cross-border transactions falling under the capital account. The PRC government may at its discretion further restrict access in the future to foreign currencies for current account transactions. If the foreign exchange control system prevents us from obtaining sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our shareholders, including holders of our ADSs.

鉴于2016年人民币贬值导致大量资本外流，中国政府实施了更严格的外汇政策，并加强了对主要外向资本流动的审查。国家外汇管理局实施了更多的限制和实质性的审查程序，以监管属于资本账户的跨境交易。中国政府可酌情进一步限制经常账户交易使用外币。如果外汇管制制度使我们无法获得足够的外币来满足我们的外币需求，我们可能无法以外币支付股息给我们的股东，包括我们的存款证持有人。

***Failure to make adequate contributions to various employee benefit plans and withhold individual income tax on employees' salaries as required by***

*PRC regulations may subject us to penalties.*

未能按照中华人民共和国有关规定为各种员工福利计划缴纳足够的款项，未能按照中华人民共和国有关规定为员工工资预扣个人所得税，将受到处罚。

Companies operating in China are required to participate in various government sponsored employee benefit plans, including certain social insurance, housing funds and other welfare-oriented payment obligations, and

在中国经营的公司被要求参加各种政府资助的员工福利计划，包括某些社会保险、住房基金和其他福利性支付义务，以及

contribute to the plans in amounts equal to certain percentages of salaries, including bonuses and allowances, of our employees up to a maximum amount specified by the local government from time to time at locations where we operate our businesses. The requirement of employee benefit plans has not been implemented consistently by the local governments in China given the different levels of economic development in different locations. Companies operating in China are also required to withhold individual income tax on employees' salaries based on the actual salary of each employee upon payment.

以相当于我们雇员工资(包括奖金和津贴)某个百分比的金额，按照我们经营业务的地点当地政府不时规定的最高金额，向我们的计划作出贡献。由于不同地区的经济发展水平不同，中国地方政府对员工福利计划的要求并不一致。在中国经营的公司也被要求根据每个雇员的实际工资来扣缴雇员的个人所得税。

We have not made adequate employee benefit payments. We may be required to make up the contributions for these plans as well as pay late fees and fines. If we are subject to late fees or fines in relation to the underpaid employee benefits or withhold individual income tax on employees' salaries, our financial condition and results of operations may be adversely affected.

我们没有支付足够的员工福利。我们可能被要求为这些计划作出贡献，以及支付滞纳金和罚款。如果我们因少付雇员福利而被征收滞纳金或罚款，或因雇员薪金而被扣留个人所得税，我们的财务状况和营运成果可能会受到不利影响。

***The M&A Rules and certain other PRC regulations establish complex procedures for some acquisitions of Chinese companies by foreign investors, which could make it more difficult for us to pursue growth through acquisitions in China.***

并购规则和中国其他一些规定为外国投资者收购中国公司设立了复杂的程序，这可能使我们更难以通过在中国的收购来追求增长。

The Regulations on Mergers and Acquisitions of Domestic Companies by Foreign Investors, or the M&A Rules, adopted by six PRC regulatory agencies in 2006 and amended in 2009, and some other regulations and rules concerning mergers and acquisitions established additional procedures and requirements that could make merger and acquisition activities by foreign investors more time consuming and complex, including requirements in some instances that the MOC be notified in advance of any change-of-control transaction in which a foreign investor takes control of a PRC domestic enterprise. Moreover, the Anti-Monopoly Law requires that the MOC shall be notified in advance of any concentration of undertaking if certain thresholds are triggered. In addition, the security review rules issued by the MOC that became effective in September 2011 specify that mergers and acquisitions by foreign investors that raise "national defense and security" concerns and mergers and acquisitions through which foreign investors may acquire de facto control over domestic enterprises that raise "national security" concerns are subject to strict review by the MOC, and the rules prohibit any activities attempting to bypass a security review, including by structuring the transaction through a proxy or contractual control arrangement. In the future, we may grow our business by acquiring complementary businesses. Complying with the requirements of the above-mentioned regulations and other relevant rules to complete such transactions could be time consuming, and any required approval processes, including obtaining approval from the MOC or its local counterparts may delay or inhibit our ability to complete such transactions, which could affect our ability to expand our business or maintain our market share.

2006年6个中国监管机构通过并于2009年修订的《外国投资者对中国境内公司的并购管理条例》，或称《并购规则》，以及其他一些有关外国投资者对中国境内企业的控制权变更的法规和规则，建立了额外的程序和要求，可能使外国投资者的并购活动更加费时和复杂，包括在某些情况下要求外国投资者控制中国境内企业的控制权变更事先通知商务部。此外，《反垄断法》规定，如果达到某些阈值，应事先通知商务部承诺的任何集中。此外，2011年9月生效的商务部发布的安全审查规则明确规定，外国投资者提出“国防和安全”担忧的并购，以及外国投资者可能通过其获得对提出“国家安全”担忧的国内企业事实上的控制权的并购，必须接受商务部的严格审查，该规则禁止任何企图绕过安全审查的活动，包括通过代理或合同控制安排来安排交易。在未来，我们可以通过收购互补业务来扩大业务。遵守上述条例和其他相关规则的要求来完成此类交易可能会耗费时间，任何必要的审批程序，包括获得商务部或其当地同行的批准，可能会延误或抑制我们完成此类交易的能力，这可能会影响我们扩大业务或保持市场份额的能力。

***PRC regulations relating to offshore investment activities by PRC residents may limit our PRC subsidiaries' ability to increase their registered capital or distribute profits to us or otherwise expose us or our PRC resident beneficial owners to liability and penalties under PRC law.***

中华人民共和国有关中华人民共和国居民离岸投资活动的法规可能限制我们的中华人民共和国子公司增加其注册资本或向我们分配利润的能力，或使我们或我们的中华人民共和国居民受益所有人承担中华人民共和国法律规定的责任和处罚。

The SAFE promulgated the Circular on Relevant Issues Relating to PRC Resident's Investment and Financing and Roundtrip Investment through Special Purpose Vehicles, or SAFE Circular 37, in July 2014 that requires PRC residents or entities to register with SAFE or its local branch in connection with their establishment or control of an offshore entity established for the purpose of overseas investment or financing. In addition, such PRC residents or entities must update their SAFE registrations when the offshore special purpose vehicle undergoes material events relating to any change of basic information (including change of such PRC residents or entities, name and operation term), increases or decreases in investment amount, transfers or exchanges of shares, or mergers or divisions.

国家外汇管理局于2014年7月发布了《关于中国居民专用车辆投融资和往返投资有关问题的通知》或《国家外汇管理局通知37》，要求中国居民或实体在为境外投资或融资而设立的境外实体设立或控制时，向国家外汇管理局或其境内分支机构登记注册。此外，如离岸专用车辆因基本资料(包括内地居民或实体的变更、名称及营运期限等)、投资金额增减、股份转让或交换、合并或分拆而发生重大事件，上述内地居民或实体必须更新其外汇登记。

SAFE Circular 37 is issued to replace the Circular on Relevant Issues Concerning Foreign Exchange Administration for PRC Residents Engaging

in Financing and Roundtrip Investments through Overseas Special Purpose Vehicles, or SAFE Circular 75.

国家外汇管理局通告第37号，取代国家外汇管理局通告第75号，即《中华人民共和国境外专用车辆融资往返投资业务外汇管理有关问题通告》。

If our shareholders who are PRC residents or entities do not complete their registration with the local SAFE branches, our PRC subsidiaries may be prohibited from distributing their profits and proceeds from any reduction

如果我们的中国居民或实体的股东没有在当地的国家外汇管理局分支机构完成注册，我们的中国子公司可能被禁止分配他们的利润和任何减少的收益



in capital, share transfer or liquidation to us, and we may be restricted in our ability to contribute additional capital to our PRC subsidiaries. Moreover, failure to comply with the SAFE registration described above could result in liability under PRC laws for evasion of applicable foreign exchange restrictions.

在资本、股权转让或清算方面，我们向中国子公司增加资本的能力可能受到限制。此外，如果不遵守上述国家外汇管理局的注册规定，可能会导致中国法律规定的逃避适用外汇限制的责任。

Mr. Dinggui Yan, Mr. Guanglin Zhang and Mr. Yuanle Wu, who directly or indirectly hold shares in our Cayman Islands holding company and who are known to us as being PRC residents have completed the foreign exchange registrations in accordance with SAFE Circular 37.

直接或间接持有本公司开曼群岛控股公司股份、本公司已知为中华人民共和国居民的严鼎贵先生、张广林先生、吴元乐先生已按照国家外汇管理局第37号通知完成外汇登记。

However, we may not be informed of the identities of all the PRC residents or entities holding direct or indirect interest in our company, nor can we compel our beneficial owners to comply with the requirements of SAFE Circular 37. As a result, we cannot assure you that all of our shareholders or beneficial owners who are PRC residents or entities have complied with, and will in the future make or obtain any applicable registrations or approvals required by, SAFE Circular 37. Failure by such shareholders or beneficial owners to comply with SAFE Circular 37, or failure by us to amend the foreign exchange registrations of our PRC subsidiaries, could subject us to fines or legal sanctions, restrict our overseas or cross-border investment activities, limit our PRC subsidiaries' ability to make distributions or pay dividends to us or affect our ownership structure, which could adversely affect our business and prospects.

然而，我们可能不会被告知所有与我们公司有直接或间接利益关系的中华人民共和国居民或实体的身份，我们也不能强迫我们的实益所有人遵守国家外汇管理局第37号通知的要求。因此，我们不能向您保证，我们的所有股东或实益拥有人谁是中华人民共和国居民或实体已遵守，并将在未来作出或获得任何适用的登记或批准所要求的，国家外汇管理局通告第37号。如果这些股东或受益所有人不遵守国家外汇管理局第37号通知，或者我们没有修改我们中国子公司的外汇登记，可能会对我们处以罚款或法律制裁，限制我们的海外或跨境投资活动，限制我们中国子公司向我们分配或支付股息的能力，或者影响我们的所有权结构，这可能会对我们的业务和前景产生不利影响。

***Any failure to comply with PRC regulations regarding the registration requirements for employee share incentive plans may subject the PRC plan participants or us to fines and other legal or administrative sanctions.***

任何不遵守中华人民共和国有关员工股份激励计划登记要求的规定，中华人民共和国计划参与者或我们可能受到罚款和其他法律或行政制裁。

Pursuant to SAFE Circular 37, PRC residents who participate in stock incentive plans in overseas non-publicly-listed companies may submit applications to SAFE or its local branches for the foreign exchange registration with respect to offshore special purpose vehicles. In the meantime, our directors, executive officers and other employees who are PRC citizens, subject to limited exceptions, and who have been granted stock options by us, may follow the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Publicly-Listed Company, promulgated by the SAFE in 2012, or 2012 SAFE Notices. Pursuant to the 2012 SAFE Notices, PRC citizens and non-PRC citizens who reside in China for a continuous period of no less than one year who participate in any stock incentive plan of an overseas publicly listed company, subject to a few exceptions, are required to register with SAFE through a domestic qualified agent, which could be the PRC subsidiaries of such overseas listed company, and complete certain other procedures. In addition, an overseas entrusted institution must be retained to handle matters in connection with the exercise or sale of stock options and the purchase or sale of shares and interests. We and our directors, executive officers and other employees who are PRC citizens or who reside in the PRC for a continuous period of not less than one year and who have been granted stock options will be subject to these regulations when we become an overseas listed company upon the completion of this offering. Failure to complete the SAFE registrations may subject them to fines and legal sanctions, and may also limit our ability to contribute additional capital into our PRC subsidiaries and limit our PRC subsidiaries' ability to distribute dividends to us. We also face regulatory uncertainties that could restrict our ability to adopt additional incentive plans for our directors, executive officers and employees under PRC law. See "Regulation—Regulations Relating to Foreign Exchange—Regulations on Employee Share Incentive Plans of Overseas Publicly-Listed Company."

根据国家外汇管理局第37号通知，在境外非上市公司参与股票激励计划的中国居民，可向国家外汇管理局或其境内分局申请境外特殊用途工具的外汇登记。同时，除有限例外情况外，我公司董事、执行官员和其他中国公民、经我公司授予股票期权的职工，可以按照国家外汇管理局2012年发布的《关于境内个人参与境外上市公司股票激励计划外汇管理有关问题的通知》或《2012年国家外汇管理局通知》办理。根据《2012年国家外汇管理局通知》，中国公民和非中国公民如果在中国连续居住不少于一年，参加境外上市公司的任何股票激励计划，除少数例外情况外，必须通过境内合格代理人(可以是该境外上市公司的中国子公司)向国家外汇管理局注册，并完成若干其他程序。此外，还必须保留境外委托机构，办理行使、出售股票期权和买卖股份、权益的有关事项。我们及我们的董事、行政人员及其他属于中国公民或在中国连续居住不少于一年并获得股票期权的雇员，在本次发行完成后成为海外上市公司时，将受到本规定的约束。未能完成国家外汇管理局的注册可能会受到罚款和法律制裁，也可能会限制我们向中国子公司投入额外资本的能力，并限制我们中国子公司向我们分配股息的能力。我们还面临监管方面的不确定性，这可能会限制我们根据中国法律为董事、执行官员和雇员采用额外激励计划的能力。参见《外汇管理规定——境外上市公司员工股权激励计划管理规定》

The State Administration of Taxation, or SAT, has issued certain circulars concerning employee stock options and restricted shares. Under these circulars, our employees working in China who exercise stock options or are granted restricted shares will be subject to PRC individual income tax. Our PRC subsidiaries have obligations to file documents related to employee stock options or restricted shares with relevant tax authorities and to withhold individual income taxes of those employees who exercise their share options. If our employees fail to pay or we fail to withhold their income taxes

according to relevant laws and regulations, we may face sanctions imposed by the tax authorities or other PRC governmental authorities. See “Regulation—Regulations Relating to Foreign Exchange—Regulations on Employee Share Incentive Plans of Overseas Publicly-Listed Company.”

美国国家税务总局交易委员会已经发布了一些关于员工股票期权和限制性股票的通知。根据这些通知，我们在中国工作的雇员如果行使股票期权或被授予限制性股票，将需缴纳中国个人所得税。我们的中国子公司有义务向相关税务机关提交与员工股票期权或限制性股票有关的文件，并对行使其股票期权的员工代扣代缴个人所得税。如果我们的员工没有按照有关法律法规缴纳所得税或者我们没有扣留他们的所得税，我们可能会受到税务机关或者其他中国政府部门的制裁。参见《外汇管理规定——境外上市公司员工股权激励计划管理规定》

*If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavorable tax consequences to us and our non-PRC shareholders or ADS holders.*

如果我们因中国所得税目的被归类为中国居民企业，这种归类可能会对我们和我们的非中国股东或 ADS 持有人造成不利的税收后果。

Under the PRC Enterprise Income Tax Law and its implementation rules, an enterprise established outside of the PRC with a “de facto management body” within the PRC is considered a resident enterprise and will be subject to the enterprise income tax on its global income at the rate of 25%. The implementation rules define the term “de facto management body” as the body that exercises full and substantial control over and overall management of the business, productions, personnel, accounts and properties of an enterprise. In April 2009, the SAT issued a circular, known as Circular 82, which provides certain specific criteria for determining whether the “de facto management body” of a PRC-controlled enterprise that is incorporated offshore is located in China. Although this circular only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those controlled by PRC individuals or foreigners like us, the criteria set forth in the circular may reflect the SAT’s general position on how the “de facto management body” test should be applied in determining the tax resident status of all offshore enterprises. According to Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident by virtue of having its “de facto management body” in China and will be subject to PRC enterprise income tax on its global income only if all of the following conditions are met: (i) the primary location of the day-to-day operational management is in the PRC; (ii) decisions relating to the enterprise’s financial and human resource matters are made or are subject to approval by organizations or personnel in the PRC; (iii) the enterprise’s primary assets, accounting books and records, company seals, and board and shareholder resolutions, are located or maintained in the PRC; and (iv) at least 50% of voting board members or senior executives habitually reside in the PRC.

根据《中华人民共和国企业所得税法》及其实施细则，在中华人民共和国境外设立并在中华人民共和国境内设有“事实上的管理机构”的企业被视为居民企业，其全球所得按25%的税率征收企业所得税。实施细则将“事实管理机构”定义为对企业的业务、生产、人员、账户和财产行使全面和实质性控制和全面管理的机构。2009年4月，国家税务总局发布了一份通知，称为第82号通知，其中规定了若干具体标准，用以确定在境外注册成立的 prc 控制的企业的“事实上的管理机构”是否位于中国。虽然本通知仅适用于由中国企业或中国企业集团控制的离岸企业，而不适用于由中国个人或像我们这样的外国人控制的离岸企业，但本通知所列标准可能反映了国家税务总局关于在确定所有离岸企业的税务居民身份时应如何适用“事实上的管理机构”检验的一般立场。根据第82号通知，由中华人民共和国企业或中华人民共和国企业集团控制的境外有限公司，由于其“事实上的管理机构”设在中国，将被视为中华人民共和国税务居民，只有满足下列所有条件，才可就其全球收入缴纳中华人民共和国企业所得税：(一)日常业务管理的主要地点设在中华人民共和国；(二)与企业财务和人力资源事项有关的决定通常由中华人民共和国的组织或人员作出或经其批准；(三)企业的主要资产、会计账簿和记录、公司印章以及董事会和股东决议。

We believe none of our entities outside of China is a PRC resident enterprise for PRC tax purposes. See “Taxation—People’s Republic of China Tax Considerations.” However, the tax resident status of an enterprise is subject to determination by the PRC tax authorities and uncertainties remain with respect to the interpretation of the term “de facto management body.” As substantially all of our management members are based in China, it remains unclear how the tax residency rule will apply to our case. If the PRC tax authorities determine that Jiayin Group Inc. or any of our subsidiaries outside of China is a PRC resident enterprise for PRC enterprise income tax purposes, then Jiayin Group Inc. or such subsidiary could be subject to PRC tax at a rate of 25% on its world-wide income, which could materially reduce our net income. In addition, we will also be subject to PRC enterprise income tax reporting obligations. Furthermore, if the PRC tax authorities determine that we are a PRC resident enterprise for enterprise income tax purposes, dividends we pay on, and gains realized on the sale or other disposition of, our ADSs or Class A ordinary shares may be subject to PRC tax, at a rate of 10% in the case of non-PRC enterprises or 20% in the case of non-PRC individuals (in each case, subject to the provisions of any applicable tax treaty), if deemed to be from PRC sources. It is unclear whether non-PRC shareholders of our company would be able to claim the benefits of any tax treaties between their country of tax residence and the PRC in the event that we are treated as a PRC resident enterprise. Any such tax may reduce the returns on your investment in the ADSs or Class A ordinary shares.

我们相信，我们在中国以外的实体均不是中国居民企业。参见“税收—中华人民共和国税收考虑”但是，企业的税务居民身份由中华人民共和国税务机关确定，“事实上的管理机构”一词的解释仍然存在不确定性。由于我们所有的管理层成员基本上都在中国，目前尚不清楚税务居留规则将如何适用于我们的案例。如果中国税务机关认定嘉荫集团或我们在中国境外的任何子公司为中国企业所得税目的的中国居民企业，那么嘉荫集团或这类子公司可以按其全球收入的25%的中国税率纳税，这将大大减少我们的净收入。此外，我们还将承担中国企业所得税申报义务。此外，如果中华人民共和国税务机关确定我们是企业所得税目的的中国居民企业，我们支付的股息，以及出售或其他处置所得的收益，我们的存款保险或 a 类普通股可能需要缴纳中国税，对于非中华人民共和国企业，税率为10%，对于非中华人民共和国个人，税率为20%（在每种情况下，根据任何适用的税收协定的规定），如果被视为来自中华人民共和国。目前尚不清楚，如果我们被视为中国居民企业，我们公司的非中国内地股东是否能够要求其居住国与中国之间的任何税收协定的好处。任何此类税项都可能减少你投资于存托凭证或 a 类普通股的回报。

*We may not be able to obtain certain benefits under relevant tax treaty on dividends paid by our PRC subsidiaries to us through our Hong Kong subsidiary.*

根据有关税务协定，我们可能无法就中国内地附属公司透过我们的香港附属公司支付予我们的股息获得某些利益。

We are a holding company incorporated under the laws of Cayman Islands and as such rely on dividends and other distributions on equity from our PRC subsidiaries to satisfy part of our liquidity requirements. Pursuant to the PRC Enterprise Income Tax Law, a withholding tax rate of 10% currently applies to dividends paid by a PRC “resident enterprise” to a foreign enterprise investor, unless any such foreign investor’s jurisdiction of incorporation has a tax treaty with China that provides for preferential tax treatment. Pursuant to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Tax Evasion on Income, or the Double Tax Avoidance Arrangement, and Circular 81 issued by the SAT, such withholding tax rate may be lowered to 5% if the PRC enterprise is at least 25% held by a Hong Kong enterprise for at least 12 consecutive months prior to distribution of the dividends and is determined by the relevant PRC tax authority to have

satisfied other conditions and requirements under the

我们是一家根据开曼群岛法律注册成立的控股公司，因此依靠来自我们中国子公司的股息和其他权益分配来满足我们的部分流动性需求。根据《中华人民共和国企业所得税法》，中华人民共和国“居民企业”向外国企业投资者支付的股息，目前适用10%的预扣税率，除非该外国投资者的注册管辖区与中国订有税收协定，规定了优惠的税收待遇。根据《内地和香港特别行政区关于对所得避免双重征税和偷漏税的安排》或《内地和香港特别行政区关于对所得避免双重征税和偷漏税的安排》，以及国家税务总局发出的第81号通知，如果中华人民共和国企业在派发股息之前至少连续12个月持有香港企业至少25%的股息，而且中华人民共和国有关税务机关认定该中华人民共和国企业符合《内地和香港特别行政区关于

Double Tax Avoidance Arrangement and other applicable PRC laws. Furthermore, under the Administrative Measures for Non-Resident Enterprises to Enjoy Treatments under Tax Treaties, which became effective in August 2015, the non-resident enterprises shall determine whether they are qualified to enjoy the preferential tax treatment under the tax treaties and file relevant report and materials with the tax authorities. There are also other conditions for enjoying the reduced withholding tax rate according to other relevant tax rules and regulations. See “Taxation—People’s Republic of China Tax Considerations.” We cannot assure you that our determination regarding our qualification to enjoy the preferential tax treatment will not be challenged by the relevant PRC tax authority or we will be able to complete the necessary filings with the relevant PRC tax authority and enjoy the preferential withholding tax rate of 5% under the Double Taxation Arrangement with respect to dividends to be paid by our PRC subsidiaries to Jiayin (HK) Limited, our Hong Kong subsidiary.

双重避税安排及其他适用的中国法律。此外，根据2015年8月生效的《非居民企业享受税收协定优惠待遇管理办法》，非居民企业应确定是否具备享受税收协定优惠待遇的资格，并向税务机关提交相关报告和材料。按照其他有关税法规定享受降低的预提所得税税率还有其他条件。参见“税收—中华人民共和国税收考虑”我们不能保证我们享受优惠税收待遇的资格不会受到中国有关税务当局的质疑，也不能保证我们能够完成向中国有关税务当局提交的必要文件，并根据《双重征税安排》，就我们的中国子公司支付给我们在香港的子公司嘉荫(香港)有限公司的股息享受5%的预扣税优惠。

***We face uncertainty with respect to indirect transfers of equity interests in PRC resident enterprises by their non-PRC holding companies.***

中国居民企业的非中国控股公司间接转让中国居民企业的股权，我们面临不确定性。

According to the Announcement of the SAT on Several Issues Concerning the Enterprise Income Tax on Indirect Property Transfer by Non-Resident Enterprises, or Circular 7, promulgated by the SAT in February 2015, if a non-resident enterprise transfers the equity interests of a PRC resident enterprise indirectly by transfer of the equity interests of an offshore holding company (other than a purchase and sale of shares issued by a PRC resident enterprise in public securities market) without a reasonable commercial purpose, the PRC tax authorities have the power to reassess the nature of the transaction and the indirect equity transfer will be treated as a direct transfer. As a result, the gain derived from such transfer, which means the equity transfer price minus the cost of equity, will be subject to PRC withholding tax at a rate of up to 10%. Under the terms of Circular 7, a transfer which meets all of the following circumstances shall be directly deemed as having no reasonable commercial purposes: (i) over 75% of the value of the equity interests of the offshore holding company are directly or indirectly derived from PRC taxable properties; (ii) at any time during the year before the indirect transfer, over 90% of the total properties of the offshore holding company are investments within PRC territory, or in the year before the indirect transfer, over 90% of the offshore holding company’s revenue is directly or indirectly derived from PRC territory; (iii) the function performed and risks assumed by the offshore holding company are insufficient to substantiate its corporate existence; or (iv) the foreign income tax imposed on the indirect transfer is lower than the PRC tax imposed on the direct transfer of the PRC taxable properties. See “Regulation—Regulations Relating to Tax.”

根据国家税务总局2015年2月发布的《关于非居民企业间接财产转让企业所得税若干问题的公告》(第7号通知)，非居民企业在没有合理商业目的的情况下，通过转让境外控股公司的股权(中国居民企业在公开证券市场上发行的股份除外)间接转让中国居民企业的股权，中国税务机关有权重新评估该交易的性质，该间接股权转让将被视为直接转让。因此，从这种转让中获得的收益，即股权转让价格减去股权成本，将按高达10%的税率征收中国预扣税。根据第7号通知的条款，符合下列所有情况的转让，将被直接视为没有合理的商业目的：(i)离岸控股公司股权价值的75%以上直接或间接来自中国应纳税财产；(ii)在间接转让前一年的任何时间，离岸控股公司全部财产的90%以上是在中国境内的投资，或在间接转让前一年，离岸控股公司90%以上的收入直接或间接来自中国境内；(iii)离岸控股公司履行的职能和承担的风险不足以证明其公司的存在；或(iv)对间接转让征收的外国所得税低于中国对直接转让。参见“规章—与税收有关的规章”

We face uncertainties as to the reporting and other implications of certain past and future transactions where PRC taxable assets are involved, such as offshore restructuring, sale of the shares in our offshore subsidiaries or investments. Our company and our non-PRC resident investors may be subject to filing obligations or taxed or subject to withholding obligations in such transactions, under Circular 7. See “Taxation—People’s Republic of China Tax Considerations.” For transfer of shares in our company by investors that are non-PRC resident enterprises, our PRC subsidiaries may be requested to assist in the filing under Circular 7. As a result, we may be required to expend valuable resources to comply with Circular 7 or to request the relevant transferors from whom we purchase taxable assets to comply with these circulars, or to establish that our company should not be taxed under these circulars, which may have a material adverse effect on our financial condition and results of operations.

在涉及中国应税资产的未来某些交易的报告和其他影响方面，我们面临着不确定性，例如离岸重组、出售我们离岸子公司的股份或投资。根据第7号通知，我们的公司和我们的非中国居民投资者在此类交易中可能需要履行申报义务或纳税义务，或者需要履行预扣义务。参见“税收—中华人民共和国税收考虑”如非中国居民企业的投资者转让本公司的股份，可能会要求本公司在中国的子公司协助根据第7号通知进行申报。因此，我们可能被要求花费宝贵的资源来遵守第7号通知，或者要求我们向其购买应税资产的有关转让人遵守这些通知，或者确定我们的公司不应根据这些通知纳税，这可能对我们的财务状况和经营结果产生重大不利影响。

***The audit report included in this prospectus is prepared by an auditor who is not inspected by the Public Company Accounting Oversight Board and, as such, our investors are deprived of the benefits of such inspection.***

本招股说明书所载的审计报告是由一名审计师编写的，该审计师没有经过上市公司会计监督委员会的审查，因此，我们的投资者被剥夺了这种审查的好处。

Our independent registered public accounting firm that issues the audit report included in our prospectus filed with the U.S. Securities and Exchange Commission, or the SEC, as auditors of companies that are traded publicly in the United States and a firm registered with the U.S. Public Company Accounting Oversight Board, or the PCAOB, is required by the laws of the United States to undergo regular inspections by the PCAOB to assess its compliance with the laws of the United States and professional standards. Because our auditors are

我们的独立注册会计师事务所，作为在美国公开交易的公司以及在美国上市公司会计监督委员会或 PCAOB 注册的公司的审计师，向美国证券交易委员会提交的招股说明书中包含的审计报告，根据美国法律要求接受 PCAOB 的定期检查，以评估其遵守美国法律和专业标准的情况。因为我们的审计师



located in the PRC, a jurisdiction where the PCAOB is currently unable to conduct inspections without the approval of the Chinese authorities, our auditors are not currently inspected by the PCAOB.

目前，上市公司会计监督委员会未经中国当局批准，无法进行检查，因此，我们的审计师目前不受上市公司会计监督委员会检查。

Inspections of other firms that the PCAOB has conducted outside China have identified deficiencies in those firms' audit procedures and quality control procedures, which may be addressed as part of the inspection process to improve future audit quality. This lack of PCAOB inspections in China prevents the PCAOB from regularly evaluating our auditor's audits and its quality control procedures. As a result, investors may be deprived of the benefits of PCAOB inspections.

上市公司会计监督委员会在中国境外对其他事务所进行的检查发现，这些事务所的审计程序和质量控制程序存在缺陷，这些缺陷可以作为检查过程的一部分加以解决，以提高未来的审计质量。由于缺乏对 PCAOB 的检查，PCAOB 无法定期评估我们的审计师的审计及其质量控制程序。因此，投资者可能会被剥夺上市公司会计监管委员会审查的好处。

The inability of the PCAOB to conduct inspections of auditors in China makes it more difficult to evaluate the effectiveness of our auditor's audit procedures or quality control procedures as compared to auditors outside of China that are subject to PCAOB inspections. Investors may lose confidence in our reported financial information and procedures and the quality of our financial statements.

上市公司会计监督委员会无法在中国对审计师进行检查，这使得评估我们的审计师的审计程序或质量控制程序的有效性变得更加困难，相比之下，中国以外的审计师要接受上市公司会计监督委员会的检查。投资者可能会对我们报告的财务信息和程序以及我们财务报表的质量失去信心。

***Proceedings instituted by the SEC against five PRC-based accounting firms, including our independent registered public accounting firm, could result in financial statements being determined to not be in compliance with the requirements of the Exchange Act.***

美国证券交易委员会对五家基于 prc 的会计事务所，包括我们独立注册的公共会计事务所提起的诉讼，可能导致财务报表被认定不符合《外汇法》的要求。

Starting in 2011 the Chinese affiliates of the "big four" accounting firms, including our independent registered public accounting firm, were affected by a conflict between U.S. and PRC law. Specifically, for certain U.S.-listed companies operating and audited in mainland China, the SEC and the PCAOB sought to obtain from the Chinese firms access to their audit work papers and related documents. The firms were, however, advised and directed that under PRC law, they could not respond directly to the U.S. regulators on those requests, and that requests by foreign regulators for access to such papers in China had to be channeled through the China Securities Regulatory Commission, or the CSRC.

从2011年开始，“四大”会计师事务所的中国子公司，包括我们独立注册的公共会计师事务所，都受到了美国和中国法律冲突的影响。具体而言，对于在中国大陆经营和接受审计的某些美国上市公司，美国证券交易委员会和 PCAOB 试图从中国公司那里获取其审计工作文件和相关文件。然而，这些公司被建议和指示，根据中国法律，他们不能直接回应美国监管机构的要求，外国监管机构在中国查阅这些文件的要求必须通过中国证监会。

In late 2012, this impasse led the SEC to commence administrative proceedings under Rule 102(e) of its Rules of Practice and also under the Sarbanes-Oxley Act of 2002 against the Chinese accounting firms, including our independent registered public accounting firm. A first instance trial of the proceedings in July 2013 in the SEC's internal administrative court resulted in an adverse judgment against the firms. The administrative law judge proposed penalties on the firms including a temporary suspension of their right to practice before the SEC, although that proposed penalty did not take effect pending review by the Commissioners of the SEC. On February 6, 2015, before a review by the Commissioner had taken place, the firms reached a settlement with the SEC. Under the settlement, the SEC accepts that future requests by the SEC for the production of documents will normally be made to the CSRC. The firms will receive matching Section 106 requests, and are required to abide by a detailed set of procedures with respect to such requests, which in substance require them to facilitate production via the CSRC. If they fail to meet specified criteria, the SEC retains authority to impose a variety of additional remedial measures on the firms depending on the nature of the failure. Remedies for any future noncompliance could include, as appropriate, an automatic six-month bar on a single firm's performance of certain audit work, commencement of a new proceeding against a firm, or in extreme cases the resumption of the current proceeding against all four firms.

2012年底，这一僵局导致证监会根据其《实践规则》第102(e)条以及2002年《萨班斯-奥克斯利法案》启动了针对中国会计师事务所的行政程序，包括我们独立注册的公共会计师事务所。2013年7月，美国证券交易委员会内部行政法院对诉讼程序进行了一审，结果对这些公司作出了不利判决。行政法官提议对这些公司进行处罚，包括暂停它们在证券交易委员会开业的权利，尽管在证券交易委员会委员进行审查之前，拟议的处罚没有生效。2015年2月6日，在专员进行审查之前，两家公司与 SEC 达成了和解。根据和解协议，证券交易委员会接受未来证券交易委员会提交文件的请求通常将向中国证监会提出。这些公司将收到与第106条相符的申请，并被要求遵守一套详细的申请程序，这些程序实质上要求它们通过中国证监会为生产提供便利。如果他们未达到规定的标准，证券交易委员会保留根据失败的性质对公司实施各种补救措施的权力。对今后任何不遵守规定的补救办法可酌情包括：自动禁止一家公司履行某些审计工作六个月，对一家公司启动新的诉讼程序，或在极端情况下恢复对所有四家公司的现行诉讼程序。

In the event that the SEC restarts the administrative proceedings, depending upon the final outcome, listed companies in the United States with major PRC operations may find it difficult or impossible to retain auditors in respect of their operations in the PRC, which could result in financial statements being determined to not be in compliance with the requirements of the Exchange Act, including possible delisting. Moreover, any negative news about any such future proceedings against these audit firms may cause investor uncertainty regarding China-based, U.S.-listed companies and the



market price of our ADSs may be adversely affected.

如果证券交易委员会重新启动行政程序，根据最终结果，在中国拥有主要业务的美国上市公司可能会发现很难或不可能在中国境内聘请审计师，这可能导致财务报表被确定不符合《交易所法》的要求，包括可能的除名。此外，任何有关未来针对这些审计公司的任何此类诉讼的负面消息，都可能导致投资者对总部位于中国、在美国上市的不确定性，以及我们美国存托凭证的市场价格可能受到不利影响。

If our independent registered public accounting firm was denied, even temporarily, the ability to practice before the SEC and we were unable to timely find another registered public accounting firm to audit and issue an opinion on our financial statements, our financial statements could be determined not to be in compliance with

如果我们的独立注册公共会计师事务所被剥夺，甚至是暂时剥夺了在证券交易委员会执业的能力，而且我们无法及时找到另一家注册公共会计师事务所对我们的财务报表进行审计并发表意见，我们的财务报表就可能被认定不符

the requirements of the Exchange Act. Such a determination could ultimately lead to the delisting of our ADSs from Nasdaq Global Select Market, or Nasdaq, or deregistration from the SEC, or both, which would substantially reduce or effectively terminate the trading of our ADSs in the United States. 《外汇法》的规定。这样的决定可能最终导致我们的美国存托凭证从纳斯达克全球精选市场或纳斯达克退市，或从证券交易委员会撤销注册，或两者兼而有之，这将大幅减少或有效终止我们的美国存托凭证的交易。

## Risks Relating to This Offering and our American Depositary Shares

此次发行及美国存托股票的相关风险

*There has been no public market for our Class A ordinary shares or ADSs prior to this offering, and you may not be able to resell our ADSs at or above the price you paid, or at all.*

在此次发行之前，我们的 a 类普通股或存托凭证没有公开市场，您可能无法按照或高于您所支付的价格转售我们的存托凭证，或根本无法转售。

Prior to this initial public offering, there has been no public market for our Class A ordinary shares or ADSs. We have applied to list our ADSs on the Nasdaq. Our Class A ordinary shares will not be listed on any exchange or quoted for trading on any over-the-counter trading system. If an active trading market for our ADSs does not develop after this offering, the market price and liquidity of our ADSs will be materially and adversely affected.

在这次首次公开募股之前，我们的 a 类普通股或存托凭证还没有公开市场。我们已经申请在纳斯达克上市我们的存托凭证。我们的 a 类普通股不会在任何交易所上市，也不会场外交易系统上市交易。如果我们的存托凭证的活跃交易市场在此次发售后没有发展，我们存托凭证的市场价格和流动性将受到重大和不利的影响。

The initial public offering price for our ADSs was determined based on our negotiations with the underwriters, which may bear no relationship to their market price after the initial public offering. We cannot assure you that an active trading market for our ADSs will develop or that the market price of our ADSs will not decline below the initial public offering price.

我们的存托凭证的首次公开发行价格是根据我们与承销商的谈判确定的，这可能与他们在首次公开发行后的市场价格没有关系。我们不能保证我们的存托凭证会有一个活跃的交易市场，或者我们的存托凭证的市场价格不会低于首次公开发行的价格。

*The market price for our ADSs may be volatile.*

我们存托凭证的市场价格可能会波动。

The trading prices of our ADSs are likely to be volatile and could fluctuate widely due to factors beyond our control. This may happen because of broad market and industry factors, like the performance and fluctuation in the market prices or the underperformance or deteriorating financial results of other listed Internet or other companies based in China that have listed their securities in the United States in recent years. The securities of some of these companies have experienced significant volatility since their initial public offerings, including, in some cases, substantial price declines in their trading prices. The trading performances of other Chinese companies' securities after their offerings, including Internet and e-commerce companies, may affect the attitudes of investors toward Chinese companies listed in the United States, which consequently may impact the trading performance of our ADSs, regardless of our actual operating performance. In addition, any negative news or perceptions about inadequate corporate governance practices or fraudulent accounting, corporate structure or other matters of other Chinese companies may also negatively affect the attitudes of investors towards Chinese companies in general, including us, regardless of whether we have conducted any inappropriate activities. In addition, securities markets may from time to time experience significant price and volume fluctuations that are not related to our operating performance, such as the large decline in share prices in the United States, China and other jurisdictions in late 2008, early 2009 and the second half of 2011, which may have a material adverse effect on the market price of our ADSs.

由于我们无法控制的因素，我们的存托凭证的交易价格很可能波动，并且可能大幅波动。这可能是由于广泛的市场和行业因素，如市场价格的表现和波动，或其他上市互联网或其他总部设在中国的公司近年来在美国上市的业绩不佳或财务状况恶化。其中一些公司的证券自首次公开发行(ipo)以来经历了大幅波动，在某些情况下，其交易价格大幅下跌。包括互联网和电子商务公司在内的其他中国公司上市后的证券交易表现，可能会影响投资者对在美国上市的中国公司的态度，从而可能影响我们的存托凭证的交易表现，无论我们的实际经营表现如何。此外，任何有关公司治理不当或会计舞弊、公司结构或其他中国公司问题的负面消息或看法，也可能对包括我们在内的投资者整体上对中国公司的态度产生负面影响，无论我们是否进行过任何不适当的活动。此外，证券市场可能不时出现与我们的经营业绩无关的重大价格和交易量波动，例如美国、中国和其他地区在2008年底、2009年初和2011年下半年的股价大幅下跌，这可能对我们的存托凭证的市场价格产生重大不利影响。

In addition to the above factors, the price and trading volume of our ADSs may be highly volatile due to multiple factors, including the following:

除上述因素外，我们的存托凭证的价格及成交量可能会因多项因素而大幅波动，其中包括：

- regulatory developments affecting us, our users, or our industry;  
影响我们、我们的用户或我们的行业的监管发展；

- conditions in the online individual finance industries;  
网上个人金融业的状况;
- announcements of studies and reports relating to the quality of our product and service offerings or those of our competitors;  
宣布有关我们或竞争对手产品和服务质量的研究和报告;
- changes in the economic performance or market valuations of other online individual finance marketplaces;  
其他网上个人金融市场的经济表现或市场估值的变化;
- actual or anticipated fluctuations in our quarterly results of operations and changes or revisions of our expected results;  
季度业绩的实际或预期波动, 以及预期业绩的变动或修订;
- changes in financial estimates by securities research analysts;  
证券研究分析师财务预测的变化;
- announcements by us or our competitors of new product and service offerings, acquisitions, strategic relationships, joint ventures or capital commitments;  
我们或我们的竞争对手宣布新产品和新服务、收购、战略关系、合资企业或资本承诺;

- additions to or departures of our senior management;  
加入或离开我们的高级管理层;
- detrimental negative publicity about us, our management or our industry;  
对我们、我们的管理层或我们的行业有害的负面宣传;
- fluctuations of exchange rates between the RMB and the U.S. dollar;  
人民币与美元之间的汇率波动;
- release or expiry of lock-up or other transfer restrictions on our outstanding shares or ADSs; and  
解除本公司已发行股票或存托凭证的锁定期限或其他转让限制或届满; 以及
- sales or perceived potential sales of additional Class A ordinary shares or ADSs.  
额外 a 类普通股或存托凭证的销售或潜在销售。

***If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, the market price for our ADSs and trading volume could decline.***

如果证券或行业分析师没有发表关于我们业务的研究或发表不准确或不利的研究，我们的存托凭证的市场价格和交易量可能会下降。

The trading market for our ADSs will depend in part on the research and reports that securities or industry analysts publish about us or our business. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts who cover us downgrade our ADSs or publish inaccurate or unfavorable research about our business, the market price for our ADSs would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for our ADSs to decline.

我们的存托凭证的交易市场将部分取决于证券或行业分析师发布的关于我们或我们业务的研究和报告。如果研究分析师不建立并保持足够的研究覆盖面，或者如果一个或多个分析师降低我们的存托凭证或发表不准确或不利于我们业务的研究，我们存托凭证的市场价格可能会下降。如果其中一个或多个分析师停止对我们公司的报道，或不能定期发布有关我们的报告，我们可能会失去在金融市场的可见性，这反过来可能导致我们的存托凭证的市场价格或交易量下降。

***Because our initial public offering price is substantially higher than our net tangible book value per share, you will experience immediate and substantial dilution.***

因为我们的首次公开募股价格大大高于我们每股的净有形账面价值，你将立即经历大量稀释。

If you purchase ADSs in this offering, you will pay more for your ADSs than the amount paid by our existing shareholders for their Class A ordinary shares on a per ADS basis. As a result, you will experience immediate and substantial dilution of US\$ per ADS, representing the difference between the initial public offering price of US\$ per ADS, and our net tangible book value per ADS as of September 30, 2018, after giving effect to the net proceeds to us from this offering. In addition, you may experience further dilution to the extent that our Class A ordinary shares are issued upon the exercise of any share options. See “Dilution” for a more complete description of how the value of your investment in our ADSs will be diluted upon completion of this offering.

如果你在此次发行中购买了美国存托凭证，你将为你的美国存托凭证支付比我们现有股东在每份美国存托凭证的基础上为他们的 a 类普通股支付的金额更多。因此，在此次发行的净收益生效后，你将立即体验到每美元 ADS 的实质性稀释，即每美元 ADS 的首次公开发行价与我们截至2018年9月30日的每美元 ADS 的净有形账面价值之间的差额。此外，你可能会经历进一步稀释，以至于我们的 a 类普通股是在行使任何股票期权时发行的。请参阅“稀释”更完整的描述如何您的投资价值在我们的存托凭证将被稀释完成这一提供。

***Because we do not expect to pay dividends in the foreseeable future after this offering, you must rely on price appreciation of our ADSs for return on your investment.***

因为我们不希望可在可预见的未来支付股息后，这一提供，你必须依靠价格增值我们的存款证为您的投资回报。

We currently intend to retain most, if not all, of our available funds and any future earnings after this offering to fund the development and growth of our business. As a result, we do not expect to pay any cash dividends in the foreseeable future. See “Dividend Policy.” Therefore, you should not rely on an investment in our ADSs as a source for any future dividend income.

我们目前打算保留大部分，如果不是全部，我们可用的资金和任何未来的收益后，提供资金的发展和增长，我们的业务。因此，我们预计在可预见的未来不会支付任何现金股息。参见“股利政策”因此，你不应该依赖投资我们的存托凭证作为未来股息收入的来源。

Our board of directors has discretion as to whether to distribute dividends, subject to certain restrictions under Cayman Islands law, namely that our company may only pay dividends out of profits or share premium, and provided always that in no circumstances may a dividend be paid if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business. In addition, our shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our board of directors. Even if our board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of

operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiary, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, the return on your investment in our ADSs will likely depend entirely upon any future price appreciation of our ADSs. There is no guarantee that our ADSs will appreciate in value after this offering or even maintain the price at which you purchased the ADSs. You may not realize a return on your investment in our ADSs and you may even lose your entire investment in our ADSs.

我们的董事会有权决定是否分配股息，但必须遵守开曼群岛法律的某些限制，即我们的公司只能从利润或股票溢价中支付股息，并且在任何情况下都不得支付股息，如果这将导致我们公司无法偿还正常业务过程中到期的债务。此外，我们的股东可以通过普通决议宣布股息，但股息不得超过我们董事会建议的数额。即使我们的董事会决定宣布和支付股息，未来股息的时间、数额和形式，如果有的话，将取决于我们未来的运营结果和现金流、我们的资本要求和盈余、我们从子公司收到的分配数额(如果有的话)、我们的财务状况、合同限制以及董事会认为相关的其他因素。因此，您在我们的存托凭证上的投资回报很可能完全取决于我们存托凭证未来的价格升值。我们不能保证我们的存托凭证会在本次发售之后升值，甚至保持你购买存托凭证的价格。您可能无法实现您在我们的存托凭证上的投资回报，甚至可能失去您在我们的存托凭证上的全部投资。

***Substantial future sales or perceived potential sales of our ADSs in the public market could cause the price of our ADSs to decline.***

我们的存托凭证在公开市场上未来大量的销售或潜在的销售可能会导致存托凭证的价格下降。

Sales of our ADSs in the public market after this offering, or the perception that these sales could occur, could cause the market price of our ADSs to decline. We will issue Class A ordinary shares represented by ADSs in this offering. All ADSs sold in this offering will be freely transferable without restriction or additional registration under the Securities Act. The remaining ordinary shares outstanding after this offering will be available for sale, upon the expiration of the 180-day lock-up period beginning from the date of this prospectus, subject to volume and other restrictions as applicable under Rules 144 and 701 under the Securities Act. Any or all of these shares may be released prior to the expiration of the lock-up period at the discretion of the representatives of the underwriters of this offering. To the extent shares are released before the expiration of the lock-up period and sold into the market, the market price of our ADSs could decline.

我们的存托凭证在公开市场上的销售，或者认为这些销售可能发生，可能导致我们存托凭证的市场价格下降。在此次发行中，我们将发行以存托凭证为代表的 a 类普通股。在此次发行中出售的所有美国存托凭证将自由转让，不受任何限制，或根据《证券法》进行附加注册。此次发行后剩余的普通股将在本招股说明书之日起计的180天锁定期结束后发售，但须遵守《证券法》第144条和第701条规则所规定的数量和其他限制。本次发行的承销商代表可以酌情决定在锁定期结束前释放任何或全部这些股份。如果我们的股票在禁售期结束前被释放并卖给市场，我们的存托凭证的市场价格可能会下跌。

After completion of this offering, certain holders of our ordinary shares may cause us to register under the Securities Act the sale of their shares, subject to the 180-day lock-up period in connection with this offering. Registration of these shares under the Securities Act would result in ADSs representing these shares becoming freely tradable without restriction under the Securities Act immediately upon the effectiveness of the registration. Sales of these registered shares in the form of ADSs in the public market could cause the price of our ADSs to decline.

在此次发行完成后，我们普通股的某些持有者可能会要求我们根据《证券法》登记其股份的出售，但与此次发行有关的180天锁定期限除外。根据《证券法》对这些股票进行登记将导致代表这些股票的资产抵押证券在登记生效后立即根据《证券法》不受限制地自由交易。在公开市场上以存托凭证的形式出售这些登记股份可能会导致存托凭证的价格下跌。

***The voting rights of holders of ADSs are limited by the terms of the deposit agreement, and you may not be able to exercise your right to direct the voting of the underlying Class A ordinary shares which are represented by your ADSs.***

存款保证持有人的投票权受存款协议的条款所限制，你可能无法行使你的权利，直接对由存款保证所代表的相关 a 类普通股进行投票。

As a holder of our ADSs, you will not have any direct right to attend general meetings of our shareholders or to cast any votes at such meetings. You will only be able to exercise the voting rights which attach to the underlying Class A ordinary shares which are represented by your ADSs indirectly by giving voting instructions to the depositary in accordance with the provisions of the deposit agreement. Under the deposit agreement, you may vote only by giving voting instructions to the depositary, as the holder of the underlying Class A ordinary shares which are represented by your ADSs. Upon receipt of your voting instructions, the depositary will endeavor to vote the underlying Class A ordinary shares in accordance with your instructions in the event voting is by poll, and in accordance with instructions received from a majority of holders of ADSs who provide instructions in the event voting is by show of hands. The depositary will not join in demanding a vote by poll. You will not be able to directly exercise any right to vote with respect to the underlying Class A ordinary shares unless you withdraw the shares and become the registered holder of such shares prior to the record date for the general meeting. Under our amended and restated memorandum and articles of association that will become effective immediately prior to completion of this offering, the minimum notice period required to be given by our company to our registered shareholders for convening a general meeting is seven calendar days. When a general meeting is convened, you may not receive sufficient advance notice to enable you to withdraw the underlying shares which are represented by your ADSs and become the registered holder of such shares prior to the record date for the general meeting to allow you to attend the general meeting or to vote directly with respect to any specific matter or resolution which is to be considered and voted upon at the general meeting. In addition, under our amended and restated memorandum and articles of association that will become effective immediately prior to completion of this offering, for the purposes of determining those shareholders who are entitled to attend and vote at any general meeting, our directors may close our register of members and/or fix in advance a record date for such meeting, and such closure of our register of members or the setting of such a record date may prevent you from withdrawing the underlying shares which are represented by your ADSs and becoming the registered holder of such shares prior to the record date, so that you would not be able to attend the general meeting or to vote directly. Where any matter is to be put to a vote at a general meeting, the depositary will, if we request, and subject to the terms of the deposit agreement, endeavor to notify you of the upcoming vote and to deliver our voting materials to you. We cannot assure you that you will receive the voting materials in time to ensure that you can instruct the depositary to vote the underlying shares which are represented by your ADSs. In addition,

作为我们股东大会的持有人，您将没有任何直接权利参加我们的股东大会或在这些会议上投票。你只可根据存款协议的规定，向保管人发出投票指示，以间接代表你的存款保证，行使附连于相关 a 类普通股的投票权。根据存款协议，你只可以向存托人发出投票指示，而存托人是由你的存托凭证代表的相关 a 类普通股的持有人。在收到你的投票指示后，保管人将根据你的指示，在投票以投票方式进行的情况下，并根据收到的多数股东的指示，在投票以举手方式进行的情况下，尽力对相关 a 类普通股进行投票。保存人不会加入要求以投票方式表决。除非你在股东大会记录日期前撤回有关股份并成为该等股份的登记持有人，否则你将不能直接行使有关相关 a 类普通股的投票权。根据我们修改和重申的公司章程和章程，在本次发售完成前立即生效，我们公司要求我们的注册股东召开股东大会的最短通知期限是7个日历日。在召开股东大会时，你可能未能收到足够的预先通知，使你可以在股东大会记录日期前撤回由你的股东大会代表的相关股份，并成为该等股份的登记持有人，以便你可以出席股东大会，或直接就股东大会将审议和表决的任何具体事项或决议进行表决。此外，根据本公司经修订及重述的组织章程大纲及细则，在本次发售完成前即时生效，为确定有权出席及在任何股东大会上投票的股东，本公司董事可终止本公司的成员登记册及/或预先订定有关会议的记录日期，而终止本公司的成员登记册或设定有关记录日期，可能会阻止你撤回由你的股东存托凭证所代表的相关股份，并在有关记录日期前成为该等股份的注册持有人，以致你无法出席股东大会或直接投票。如果在股东大会

上将任何事项付诸表决，保存人将根据我们的请求，并在遵守保存协议条款的情况下，努力将即将进行的表决通知你，并将我们的表决材料交给你。我们不能保证您将及时收到投票材料，以确保您可以指示保存人对您的存托凭证所代表的相关股份进行投票。此外，



the depository and its agents are not responsible for failing to carry out voting instructions or for their manner of carrying out your voting instructions. This means that you may not be able to exercise your right to direct the voting of the underlying shares which are represented by your ADSs, and you may have no legal remedy if the underlying shares are not voted as you requested.

保管人及其代理人对未能执行投票指示或执行你的投票指示的方式概不负责。这意味着你可能无法行使你的权利，直接投票的基础股票所代表的资产负债表，你可能没有法律补救措施，如果基础股票没有按照你的要求投票。

***Except in limited circumstances, the depository for our ADSs will give us a discretionary proxy to vote our Class A ordinary shares underlying your ADSs if you do not instruct the depository how to vote such shares, which could adversely affect your interests.***

除有限情况外，如果你不指示存托人如何投票，我们的存托人会给予我们全权代理，让我们投票决定你的存托人所持有的 a 类普通股，而这可能会对你的利益造成不利影响。

Under the deposit agreement for our ADSs, the depository will give us (or our nominee) a discretionary proxy to vote our Class A ordinary shares underlying your ADSs at shareholders' meetings if you do not give voting instructions to the depository as to how to vote the Class A ordinary shares underlying your ADSs at any particular shareholders' meeting, unless:

根据我们的存款保证协议，如果你在任何特定股东大会上没有就如何投票你的存款保证所持有的 a 类普通股向存款保证人作出投票指示，存款保证人会给予我们(或我们的代名人)一份酌情代理，让我们在股东大会上投票选举你的存款保证所持有的 a 类普通股，除非：

- we have failed to timely provide the depository with our notice of meeting and related voting materials;  
未能及时向保管人提供会议通知及相关表决材料;
- we have instructed the depository that we do not wish a discretionary proxy to be given;  
我们已指示保存人，我们不希望给予全权代理;
- we have informed the depository that there is substantial opposition as to a matter to be voted on at the meeting;  
我们已通知保存人，对于在会议上进行表决的事项，有相当大的反对意见;
- a matter to be voted on at the meeting may have a material adverse impact on shareholders; or  
会议表决的事项可能对股东产生重大不利影响; 或
- voting at the meeting is made on a show of hands.  
会上的投票是举手表决的。

The effect of this discretionary proxy is that, if you fail to give voting instructions to the depository as to how to vote the Class A ordinary shares underlying your ADSs at any particular shareholders' meeting, you cannot prevent our Class A ordinary shares underlying your ADSs from being voted at that meeting, absent the situations described above, and it may make it more difficult for shareholders to influence our management. Holders of our ordinary shares are not subject to this discretionary proxy.

此全权委托书的效果是，如果您未能在任何特定股东大会上向存托人发出投票指示，说明如何投票表决您的资产负债表所依据的 a 类普通股，您不能阻止我们在该次会议上投票表决您的资产负债表所依据的 a 类普通股，除非出现上述情况，这可能会使股东更难影响我们的管理。我们普通股的持有人不受这一全权委托书的约束。

***Your rights to pursue claims against the depository as a holder of ADSs are limited by the terms of the deposit agreement and the deposit agreement may be amended or terminated without your consent.***

你作为存款保证持有人向保管人提出索赔的权利受到存款协议条款的限制，而且存款协议可能在未经你同意的情况下被修改或终止。

Under the deposit agreement, any action or proceeding against or involving the depository, arising out of or based upon the deposit agreement or the transactions contemplated thereby or by virtue of owning the ADSs may only be instituted by you in a state or federal court in the City of New York, and you, as a holder of our ADSs, will have irrevocably waived any objection which you may have to the laying of venue of any such proceeding, and irrevocably submitted to the exclusive jurisdiction of such courts in any such action or proceeding instituted by any person. Also, we may amend or terminate the deposit agreement without your consent. If you continue to hold your ADSs after an amendment to the deposit agreement, you agree to be bound by the deposit agreement as amended. See "Description of American Depositary Shares" for more information.

根据存款协议，由存款协议产生或基于存款协议或存款协议所设想的交易或由于拥有存款协议而针对存款人或涉及存款人的任何行动或程序，只能由你在纽约市的州或联邦法院提起，而你作为存款协议的持有人，将不可撤销地放弃你可能对设定任何此类程序的地点提出的任何反对意见，并在任何人提起的任何此类行动或程序中不可撤销地提交给此类法院的专属管辖权。此外，我们可能修改或终止存款协议未经您的同意。如果你在存款协议修订后继续持有存款抵押品，你同意受修订后的存款协议的约束。详情请参阅“美国存托股票说明”。

***Your right to participate in any future rights offerings may be limited, which may cause dilution to your holdings.***

您参与未来任何供股的权利可能会受到限制，这可能会导致您的持股被稀释。

We may from time to time distribute rights to our shareholders, including rights to acquire our securities. However, we cannot make such rights available to you in the United States unless we register both the rights and the securities to which the rights relate under the Securities Act or an exemption from the registration requirements is available. Under the deposit agreement, the depository will not make rights available to you unless both the rights and the underlying securities to be distributed to ADS holders are either registered under the Securities Act or exempt from registration under the Securities Act. We are under no obligation to file a registration statement with respect to any such rights or securities or to endeavor to cause such a registration statement to be declared effective and we may not be able to establish a necessary exemption from registration under the Securities Act. Accordingly, you may be unable to participate in our rights offerings in the future and may experience dilution in your holdings.

我们可以不时地将权利分配给我们的股东，包括获得我们的证券的权利。然而，我们不能在美国向您提供这些权利，除非我们根据《证券法》登记了这些权利所涉及的权利和证券，或者可以免于登记要求。根据存款协议，保管人将不会向您提供权利，除非向 ADS 持有人分配的权利和基础证券根据《证券法》登记或根据《证券法》豁免登记。我们没有义务提交任何此类权利或证券的登记声明，也没有义务努力促使此类登记声明被宣布为有效，我们可能无法根据《证券法》确立必要的免于登记。因此，您将来可能无法参与我们提供的权益，您的持股可能会遭到稀释。

***You may not receive dividends or other distributions on our Class A ordinary shares and you may not receive any value for them, if it is illegal or impractical to make them available to you.***

您可能不会从我们的 a 类普通股中获得股息或其他分配，如果向您提供这些股份是违法或不切实际的，你也可能不会从中获得任何价值。

The depository of our ADSs has agreed to pay to you the cash dividends or other distributions it or the custodian receives on our Class A ordinary shares or other deposited securities underlying our ADSs, after deducting its fees and expenses. You will receive these distributions in proportion to the number of Class A ordinary shares your ADSs represent. However, the depository is not responsible if it decides that it is unlawful or impractical to make a distribution available to any holders of ADSs. For example, it would be unlawful to make a distribution to a holder of ADSs if it consists of securities that require registration under the Securities Act but that are not properly registered or distributed under an applicable exemption from registration. The depository may also determine that it is not feasible to distribute certain property through the mail. Additionally, the value of certain distributions may be less than the cost of mailing them. In these cases, the depository may determine not to distribute such property. We have no obligation to register under U.S. securities laws any ADSs, ordinary shares, rights or other securities received through such distributions. We also have no obligation to take any other action to permit the distribution of ADSs, ordinary shares, rights or anything else to holders of ADSs. This means that you may not receive distributions we make on our Class A ordinary shares or any value for them if it is illegal or impractical for us to make them available to you. These restrictions may cause a material decline in the value of our ADSs.

我们的存托人已同意向您支付现金股利或其他分配，它或托管人收到我们的 a 类普通股或其他存放证券作为我们的存托人的存托人，扣除其费用和开支。您将按照您的存托凭证所代表的 a 类普通股数量的比例获得这些分配。但是，如果保存人认为向任何存款保证持有人提供分发资料是不合法或不切实际的，则保存人不负责。例如，如果向存托凭证持有人分发的证券包括根据《证券法》需要登记但没有根据适用的登记豁免进行适当登记或分发的证券，则将是非法的。保存人还可以确定，通过邮件分发某些财产是不可行的。此外，某些发行版的价值可能低于邮寄它们的成本。在这种情况下，保存人可以决定不分配这种财产。根据美国证券法，我们没有义务登记通过此类分配获得的任何存托凭证、普通股、权利或其他证券。我们也没有义务采取任何其他行动，允许向存托凭证持有人分发存托凭证、普通股、权利或任何其他东西。这意味着，如果我们向您提供 a 类普通股是非法的或不切实际的，您可能不会收到我们对 a 类普通股所作的分配，或对它们的任何价值。这些限制可能导致我们的存托凭证价值的实质性下降。

***You may be subject to limitations on transfer of your ADSs.***

您可能会受到转移您的存托凭证的限制。

Your ADSs are transferable on the books of the depository. However, the depository may close its transfer books at any time or from time to time when it deems expedient in connection with the performance of its duties. In addition, the depository may refuse to deliver, transfer or register transfers of ADSs generally when our books or the books of the depository are closed, or at any time if we or the depository deems it advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason.

您的存托凭证可以在存托人的账簿上转让。但是，保管人认为与履行其职责有关的适宜时，可以随时或者不时终止其转让书。此外，保存人可以在我们的账簿或保存人账簿关闭时，或在我们或保存人认为由于法律或任何政府或政府机构的任何要求，或根据保存协议的任何规定，或出于任何其他原因，在任何时候拒绝交付、转让或登记存托凭证的转让。

***Certain judgments obtained against us by our shareholders may not be enforceable.***

我们的股东获得的某些对我们不利的判决可能无法强制执行。

We are an exempted company limited by shares incorporated under the laws of Cayman Islands. We conduct substantially all of our operations in China and substantially all of our assets are located in China. In addition, a majority of our directors and executive officers reside within China, and most of the assets of these persons are located within China. As a result, it may be difficult or impossible for you to effect service of process within the United States upon these individuals, or to bring an action against us or against these individuals in the United States in the event that you believe your rights have been infringed under the U.S. federal securities laws or otherwise. Even if you are successful in bringing an action of this kind, the laws of Cayman Islands and of the PRC may render you unable to enforce a judgment against our assets or the assets of our directors and officers. For more information regarding the relevant laws of Cayman Islands and China, see "Enforceability of Civil Liabilities."

我们是根据开曼群岛法律注册成立的股份有限公司。我们大部分的业务都在中国进行，而且我们所有的资产都在中国。此外，我们的大多数董事和执行官员居住在中国境内，这些人员的大多数资产位于中国境内。因此，如果您认为您的权利受到美国联邦证券法或其他法律的侵犯，您可能很难或不可能在美国向这些个人提供诉讼服务，或对我们或这些个人提起诉讼。即使你成功提起这类诉讼，开曼群岛和中华人民共和国的法律也可能使你无法对我们的资产或董事和高级职员资产执行判决。有关开曼群岛和中国相关法律的详细信息，请参阅"民事责任的可执行性"

***You may face difficulties in protecting your interests, and your ability to protect your rights through U.S. courts may be limited, because we are incorporated under Cayman Islands law.***

你可能在保护你的利益方面面临困难，你通过美国法院保护你的权利的能力可能是有限的，因为我们是根据开曼群岛的法律注册的。

We are an exempted company incorporated under the laws of Cayman Islands with limited liability. Our corporate affairs are governed by our memorandum and articles of association, the Companies Law (2018 Revision) of Cayman Islands and the common law of Cayman Islands. The rights of

shareholders to take action against the directors, actions by minority shareholders and the fiduciary duties of our directors owed to us under Cayman Islands law are to a large extent governed by the common law of Cayman Islands. The common law of Cayman Islands is derived in part from comparatively limited judicial precedent in Cayman Islands as well as from the common law of England, the decisions of whose courts are of persuasive authority, but are not binding, on a court in Cayman Islands. The rights of our shareholders and the fiduciary duties of our directors under

我们是根据开曼群岛法律注册成立的豁免公司，拥有有限责任。我们的公司事务受我们的章程和公司章程、开曼群岛的《公司法》(2018年修订版)和开曼群岛的普通法管辖。根据开曼群岛法律，股东对董事采取行动的权利、少数股东的行动以及我们董事对我们的信托责任在很大程度上受开曼群岛普通法的管辖。开曼群岛的普通法部分来自开曼群岛相对有限的司法先例以及英格兰的普通法，其法院的裁决对开曼群岛的法院具有说服力，但不具有约束力。我们股东的权利和董事的受托责任

Cayman Islands law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, Cayman Islands have a less developed body of securities laws than the United States. Some U.S. states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than Cayman Islands. In addition, Cayman Islands companies may not have standing to initiate a shareholder derivative action in a federal court of the United States.

开曼群岛的法律并不像美国某些司法管辖区的成文法或司法先例所规定的那样明确。尤其是开曼群岛的证券法律体系不如美国完善。美国的一些州，比如特拉华州，已经比开曼群岛更充分地发展和司法解释了公司法。此外，开曼群岛的公司可能无权在美国联邦法院提起股东派生诉讼。

Shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to inspect corporate records or to obtain copies of lists of shareholders of these companies. Our directors will have discretion under the post-offering memorandum and articles of association we expect to adopt, to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder resolution or to solicit proxies from other shareholders in connection with a proxy contest.

根据开曼群岛法律，像我们这样的公司的股东不享有查阅公司记录或获得这些公司股东名单副本的一般权利。我们的董事将根据我们预期采用的发行后备忘录和公司章程拥有酌处权，以决定是否以及在什么条件下，我们的股东可以查阅我们的公司记录，但没有义务向我们的股东提供这些记录。这可能会使你更难以获得必要的信息，以确立股东决议所需的任何事实，或在代理权竞争中征求其他股东的代理人。

As a result of all of the above, our public shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as public shareholders of a company incorporated in the United States. For a discussion of significant differences between the provisions of the Companies Law (2018 Revision) of Cayman Islands and the laws applicable to companies incorporated in the United States and their shareholders, see “Description of Share Capital—Differences in Corporate Law.”

由于上述所有原因，我们的公众股东在面对管理层、董事会成员或控股股东采取的行动时，可能比作为在美国成立的公司的公众股东更难以保护自己的利益。关于开曼群岛《公司法》（2018年修订版）的规定与适用于在美国注册的公司及其股东的法律之间的重大差异，请参阅“股本说明—公司法的差异”

#### ***The approval of the CSRC may be required in connection with this offering under PRC law.***

根据中国法律，此次发行可能需要中国证监会的批准。

The M&A Rules requires an overseas special purpose vehicle formed for listing purposes through acquisitions of PRC domestic companies and controlled by PRC companies or individuals to obtain the approval of the CSRC, prior to the listing and trading of such special purpose vehicle’s securities on an overseas stock exchange. The interpretation and application of the regulations remain unclear, and this offering may ultimately require approval from the CSRC. If CSRC approval is required, it is uncertain whether it would be possible for us to obtain the approval and any failure to obtain or delay in obtaining CSRC approval for this offering would subject us to sanctions imposed by the CSRC and other PRC regulatory agencies.

《并购规则》规定，通过收购中国境内公司而成立、由中国公司或个人控制的境外特殊目的机构在境外证券交易所上市交易前，必须获得中国证监会的批准。这些规定的解释和适用仍不清楚，此次发行可能最终需要获得中国证监会的批准。如果需要获得中国证监会的批准，我们是否有可能获得批准还不确定，如果未能获得或推迟获得中国证监会的批准，我们将受到中国证监会和其他中国监管机构的制裁。

Our PRC counsel, King & Wood Mallesons, has advised us based on their understanding of the current PRC law, rules and regulations that the CSRC’s approval is not required for the listing and trading of our ADSs on the Nasdaq in the context of this offering, given that:

我们的中国法律顾问，金杜律师事务所，基于他们对中国现行法律法规的理解，建议我们，在纳斯达克上市和交易我们的存托凭证不需要中国证监会的批准，因为：

- the CSRC currently has not issued any definitive rule or interpretation concerning whether offerings like ours under this prospectus are subject to this regulation;  
中国证监会目前尚未对本招股说明书中的上市公司是否适用本规定作出明确规定或解释；
- we established our PRC subsidiaries by means of direct investment rather than by merger with or acquisition of PRC domestic companies; and  
我们以直接投资方式而非与中国国内公司合并或收购的方式建立我们的中国子公司；以及
- no provision in this regulation clearly classifies contractual arrangements as a type of transaction subject to its regulation.  
本条例中没有明确将合同安排分类为受其管制的交易类型。

However, our PRC counsel, King & Wood Mallesons, has further advised us that there remains some uncertainty as to how the M&A Rules will be interpreted or implemented in the context of an overseas offering and its opinions summarized above are subject to any new laws, regulations and rules or detailed implementations and interpretations in any form relating to the M&A Rules. We cannot assure you that relevant PRC governmental agencies, including the CSRC, would reach the same conclusion as we do. If it is determined that CSRC approval is required for this offering, we may face sanctions by the CSRC or other PRC regulatory agencies for failure to seek CSRC approval for this offering. These sanctions may include fines and penalties on our operations in the PRC, limitations on our operating privileges in the PRC, delays in or restrictions on the repatriation of the proceeds

from this offering into the PRC, restrictions on or prohibition of the payments or

然而，我们的中国金杜律师事务所律师进一步告诉我们，在海外上市的情况下，并购规则将如何解释或实施仍然存在一些不确定性，而且上述概述的意见将受制于任何新的法律、法规和规则，或与并购规则有关的任何形式的详细实施和解释。我们不能保证包括中国证监会在内的相关中国政府机构会得出与我们相同的结论。如果确定此次发行需要中国证监会的批准，我们可能会因为未能就此次发行获得中国证监会的批准而面临中国证监会或其他中国监管机构的制裁。这些制裁可能包括对我们在中国的业务的罚款和处罚，对我们在中国的业务特权的限制，延迟或限制将这种提供的收益汇回中国，限制或禁止付款或



remittance of dividends by our China subsidiary, or other actions that could have a material and adverse effect on our business, financial condition, results of operations, reputation and prospects, as well as the trading price of our ADSs. The CSRC or other PRC regulatory agencies may also take actions requiring us, or making it advisable for us, to halt this offering before the settlement and delivery of the ADSs that we are offering. Consequently, if you engage in market trading or other activities in anticipation of and prior to the settlement and delivery of the ADSs we are offering, you would be doing so at the risk that the settlement and delivery may not occur.

我们的中国子公司汇出股息，或其他可能对我们的业务、财务状况、经营成果、信誉和前景，以及我们的存托凭证的交易价格产生重大和不利影响的行动。中国证监会或其他中国监管机构也可能采取行动，要求我们在我们提供的存托凭证结算和交付之前停止发行，或者建议我们停止发行。因此，如果你在我们所提供的存款保险的结算和交割之前进行市场交易或其他活动，你将面临结算和交割可能无法进行的风险。

***You must rely on the judgment of our management as to the use of the net proceeds from this offering, and such use may not produce income or increase our ADS price.***

您必须依靠我们的管理层的判断来使用这次发售的净收益，这样的使用可能不会产生收入或增加我们的 ADS 价格。

As of September 30, 2018, our cash and cash equivalents and restricted cash were RMB359.8 million (US\$52.4 million). Immediately following the completion of this offering, we expect to receive net proceeds of approximately US\$ million from this offering, after deducting underwriting discounts and the estimated offering expenses payable by us. Out of the net proceeds, we plan to use 30% of the proceeds, or US\$ million, to implement our marketing initiatives, 40% of the proceeds, or US\$ million, for strategic acquisitions of business and assets to strengthen our technologies, and 30% of the proceeds, or US\$ million, for general corporate purposes. See "Use of Proceeds." However, our management will have considerable discretion in the application of the net proceeds received by us. You will not have the opportunity, as part of your investment decision, to assess whether proceeds are being used appropriately. The net proceeds may be used for corporate purposes that do not improve our efforts to achieve or maintain profitability or increase our ADS price. The net proceeds from this offering may be placed in investments that do not produce income or that lose value.

截至2018年9月30日，我们的现金及现金等价物和限制性现金为3.598亿元人民币(合5240万美元)。在此次发行完成后，我们预计在扣除承销折扣和我们应付的估计发行费用后，将立即从此次发行中获得约百万美元的净收益。我们计划从净收益中拿出30% (即百万美元)用于推行我们的营销措施，其中40% (即百万美元)用于战略性收购业务和资产以加强我们的技术，另外30% (即百万美元)用于一般企业用途。参见"收益的使用"然而，我们的管理层在运用我们收到的净收益方面将有相当大的酌处权。作为投资决策的一部分，你将没有机会评估收益是否得到了恰当的使用。净收益可能用于公司的目的，而不改善我们的努力，以实现或维持盈利，或提高我们的 ADS 价格。此次发行的净收益可以投资于不产生收入或失去价值的投资项目。

***The post-offering memorandum and articles of association that we plan to adopt and will become effective immediately prior to the completion of this offering is expected to contain anti-takeover provisions that could discourage a third-party from acquiring us and adversely affect the rights of holders of our ordinary shares and ADSs.***

我们计划通过并将于是次发售完成前立即生效的发售后组织章程大纲及细则，预期会载有反收购条文，可能会阻碍第三者收购我们，并对我们普通股及存托凭证持有人的权利造成不利影响。

We plan to adopt an amended and restated memorandum and articles of association that will become effective immediately prior to the completion of this offering. The post-offering memorandum and articles of association is expected to contain certain provisions that could limit the ability of others to acquire control of our company, including a provision that grants authority to our board of directors to establish and issue from time to time one or more series of preferred shares without action by our shareholders and to determine, with respect to any series of preferred shares, the terms and rights of that series subject to certain terms and conditions. In addition, our amended and restated memorandum and articles of association contain other provisions that could limit the ability of third parties to acquire control of our company or cause us to engage in a transaction resulting in a change of control, including a provision that entitles each Class B ordinary share to ten votes per share in respect of all matters subject to a shareholders' vote. These provisions could have the effect of depriving our shareholders and ADS holders of the opportunity to sell their shares or ADSs at a premium over the prevailing market price by discouraging third parties from seeking to obtain control of our company in a tender offer or similar transactions.

我们计划通过一个修订和重申的组织章程大纲和细则，将生效前立即完成这次发售。发行后的公司章程和章程应包含某些可能限制他人获得对我们公司控制权的条款，其中包括授权我们的董事会不时建立和发行一系列或多系列的优先股，而无需我们的股东采取行动，并在某些条款和条件的限制下，确定任何系列优先股的条款和权利。此外，我们修改和重申的公司章程和公司章程还包括其他一些条款，这些条款可能限制第三方获得对我们公司的控制权的能力，或导致我们进行导致控制权变更的交易，其中包括一项条款，该条款规定，对于所有由股东投票决定的事项，每股 b 类普通股有权获得每股10票。这些规定可能使我们的股东和 ADS 持有人丧失以高于当前市场价格的溢价出售其股份或 ADS 的机会，从而阻止第三方在收购要约或类似交易中寻求获得我们公司的控制权。

***Certain existing shareholders have substantial influence over our company and their interests may not be aligned with the interests of our other shareholders.***

某些现有股东对我们公司有重大影响，他们的利益可能与我们其他股东的利益不一致。

Upon the completion of this offering, our directors and officers will collectively own an aggregate of % of the total voting power of our outstanding Class A ordinary shares, assuming the underwriters do not exercise their over-allotment option. As a result, they have substantial influence



over our business, including significant corporate actions such as mergers, consolidations, sales of all or substantially all of our assets, election of directors and other significant corporate actions. Our amended and restated memorandum and articles of association provide that in respect of all matters subject to a shareholders' vote, each Class A ordinary share is entitled to one vote, and each Class B ordinary share is entitled to ten votes, voting together as one class. Upon

此次发行完成后，假设承销商不行使超额配售选择权，我们的董事和高级人员将共同拥有我们已发行的 a 类普通股总投票权的%。因此，他们对我们的业务有着实质性的影响，包括重大的公司行为，如合并、整合、出售我们的全部或大部分资产、选举董事和其他重大的公司行为。本公司经修订及重述的组织章程大纲及章程细则，规定在一切须经股东表决的事项上，每股 a 类普通股有一票权，每股 b 类普通股有十票权，一同投票为一票。在

the completion of this offering, Mr. Dinggui Yan, our founder, director and chief executive officer, will beneficially own all the Class B ordinary shares issued and outstanding, representing Class A ordinary shares and Class B ordinary shares outstanding, including Class A ordinary shares represented by ADSs newly issued in connection with this offering, assuming the underwriters do not exercise their option to purchase additional ADSs. of the total voting power of our outstanding Class A ordinary shares and will have the ability to control the outcome of all corporate governance matters such as electing directors and approving mergers, acquisitions or other business combination transactions immediately after the completion of this offering.

本公司创办人、董事及首席执行官颜鼎贵先生将有权拥有所有已发行及已发行的 b 类普通股，代表 a 类普通股及已发行的 b 类普通股，包括与本次发行有关的新发行的 a 类普通股，假设承销商不行使其选择权购买额外的存托凭证。A 类普通股的总投票权，并有能力在本次发售完成后立即控制所有公司管治事宜的结果，例如选举董事及批准合并、收购或其他业务合并交易。

They may take actions that are not in the best interest of us or our other shareholders. This concentration of ownership may discourage, delay or prevent a change in control of our company, which could deprive our shareholders of an opportunity to receive a premium for their shares as part of a sale of our company and may reduce the price of the ADSs. These actions may be taken even if they are opposed by our other shareholders, including those who purchase ADSs in this offering. In addition, the significant concentration of share ownership may adversely affect the trading price of the ADSs due to investors' perception that conflicts of interest may exist or arise. In addition, this concentrated control will limit your ability to influence corporate matters and could also discourage others from pursuing any potential merger, takeover or other change of control transactions, which could have the effect of depriving the holders of our ordinary shares and our ADSs of the opportunity to sell their shares at a premium over the prevailing market price. For more information regarding our principal shareholders and their affiliated entities, see "Principal Shareholders."

他们可能采取不符合我们或其他股东最佳利益的行动。这种所有权的集中可能会阻碍、延迟或阻止对我们公司控制权的改变，从而可能剥夺我们的股东作为出售我们的一部分而获得股份溢价的机会，并可能降低美国存托凭证的价格。这些行动可能会采取，即使他们是反对我们的其他股东，包括那些谁购买存托凭证在这次发售。此外，由于投资者认为可能存在或出现利益冲突，股权高度集中可能对存款支付系统的交易价格产生不利影响。此外，这种集中控制将限制你影响公司事务的能力，也可能阻止其他人寻求任何潜在的合并、收购或其他控制权变更交易，这可能会剥夺我们的普通股持有人和我们的存托凭证持有人以高于当前市场价格的溢价出售其股票的机会。有关我们的主要股东及其附属实体的更多信息，请参阅"主要股东"

***We have granted, and may continue to grant, share incentive awards, which may result in increased share-based compensation expenses.***

我们已批出并可能会继续批出股份奖赏，这可能会导致股份薪酬开支增加。

We first adopted our stock option plan in September 2016 for purposes of granting share-based compensation awards to employees, directors and consultants to incentivize their performance and align their interests with ours. The Plan was later amended and restated several times. We account for compensation costs for all share options using a fair-value based method and recognize expenses in our consolidated statements of comprehensive income in accordance with U.S. GAAP. Under the Plan, we are authorized to grant options to purchase ordinary shares of our company. The maximum number of ordinary shares which may be issued pursuant to all awards under the Plan is 13,500,000. As of the date of this prospectus, options to purchase ordinary shares have been granted and are outstanding but no ordinary shares underlying those options have been issued.

我们于二〇一六年九月首次采用股票期权计划，给予雇员、董事及顾问股份奖赏，以激励他们的表现，并使他们的利益与我们的相符。该计划后来经过多次修订和重申。我们使用基于公允价值的方法计算所有股票期权的补偿费用，并根据美国公认会计原则在综合收入报表中确认费用。根据该计划，我们被授权授予期权购买我们公司的普通股。根据该计划的所有裁决，可发行的普通股的最高数量为13,500,000股。截至本招股说明书日期为止，已授予并已发行的购买普通股的期权，但尚未发行这些期权所依据的普通股。

We believe the granting of share incentive awards is of significant importance to our ability to attract and retain employees, and we will continue to grant share incentive awards to employees in the future. As a result, our expenses associated with share-based compensation may increase, which may have an adverse effect on our results of operations.

我们相信发放股份奖励金对我们吸引及挽留员工的能力至为重要，我们日后会继续向员工发放股份奖励金。因此，我们与基于股份的薪酬相关的费用可能会增加，这可能会对我们的运营结果产生不利影响。

***We are an emerging growth company and may take advantage of certain reduced reporting requirements.***

我们是一家新兴的增长型公司，可能会利用某些降低的报告要求。

We are an "emerging growth company," as defined in the JOBS Act, and we may take advantage of certain exemptions from various requirements applicable to other public companies that are not emerging growth companies including, most significantly, not being required to comply with the auditor attestation requirements of Section 404 of Sarbanes-Oxley Act of 2002 for so long as we are an emerging growth company. As a result, if we elect not to comply with such auditor attestation requirements, our investors may not have access to certain information they may deem important.

根据 JOBS 法案的定义，我们是一个"新兴增长型公司"，我们可以利用适用于其他不是新兴增长型公司的上市公司的各种要求的某些豁免，最重要的是，只要我们是一个新兴增长型公司，我们就不需要遵守2002年萨班斯-奥克斯利法案公司法案第404条的审计认证要求。因此，如果我们选择不遵守这样的审计师认证要求，我们的投资者可能无法获得他们认为重要的某些信息。

The JOBS Act also provides that an emerging growth PRC Subsidiary does not need to comply with any new or revised financial accounting

standards until such date that a private company is otherwise required to comply with such new or revised accounting standards. However, we have elected to “opt out” of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted for public companies. This decision to opt out of the extended transition period under the JOBS Act is irrevocable.

《就业法》还规定，新成长的中华人民共和国子公司不需要遵守任何新的或修订的财务会计准则，直到要求私营公司遵守这些新的或修订的会计准则为止。不过，我们已选择「不适用」这项条文，因此我们会在上市公司采用新会计准则或经修订的会计准则时，按规定遵守这些准则。根据《就业法》选择退出延长过渡期的决定是不可撤销的。

*We are a foreign private issuer within the meaning of the rules under the Exchange Act, and as such we are exempt from certain provisions applicable to U.S. domestic public companies.*

我们是《外汇法》规定意义上的外国私人发行人，因此我们不受适用于美国国内上市公司的某些条款的约束。

Because we qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the securities rules and regulations in the United States that are applicable to U.S. domestic issuers, including:

由于我们根据《外汇法》有资格成为外国私人发行人，因此我们不受美国适用于美国本土发行人的证券规则和条例的某些规定的约束，其中包括：

- the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q or current reports on Form 8-K; 根据《外汇法》的规定，要求向证券交易委员会提交表格10-Q的季度报告或表格8-K的当前报告；
- the sections of the Exchange Act regulating the solicitation of proxies, consents, or authorizations in respect of a security registered under the Exchange Act; 《交易所法》中关于就根据《交易所法》注册的证券征求代理人、同意人或授权人的条款；
- the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and 《交易所法》中要求内部人士公开报告其股票所有权和交易活动，以及从短期交易中获利的内部人士的责任；
- the selective disclosure rules by issuers of material nonpublic information under Regulation FD. 根据FD条例，非公开重要信息发布者的选择性披露规则。

We will be required to file an annual report on Form 20-F within four months of the end of each fiscal year. In addition, we intend to publish our results on a quarterly basis as press releases, distributed pursuant to the rules and regulations of the Nasdaq. Press releases relating to financial results and material events will also be furnished to the SEC on Form 6-K. However, the information we are required to file with or furnish to the SEC will be less extensive and less timely compared to that required to be filed with the SEC by U.S. domestic issuers. As a result, you may not be offered the same protections or information that would be made available to you if you were investing in a U.S. domestic issuer.

我们须在每个财政年度结束后的四个月内，以表格20-F提交周年报告。此外，我们打算以新闻稿的形式每季度公布我们的业绩，并根据纳斯达克的规则和条例进行分发。有关财务业绩和重大事件的新闻稿也将以表格6-K的形式提交给证券交易委员会。然而，与美国国内发行人向证券交易委员会提交的申请相比，我们需要向证券交易委员会提交的信息不会那么广泛，也不会那么及时。因此，如果你投资于美国国内发行人，你可能不会得到同样的保护或信息。

As an exempted company incorporated in Cayman Islands, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from the Nasdaq corporate governance listing standards; these practices may afford less protection to shareholders than they would enjoy if we complied fully with the Nasdaq Stock Market Rules.

作为一家在开曼群岛注册的豁免公司，我们被允许在公司治理问题上采用某些母国的做法，这些做法与纳斯达克公司治理上市标准大相径庭；这些做法可能给予股东的保护比我们完全遵守纳斯达克股票市场规则所享有的保护要少。

Nasdaq Stock Market Rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. Certain corporate governance practices in Cayman Islands, which is our home country, may differ significantly from the Nasdaq corporate governance listing standards. Currently, we do not plan to rely on home country practice with respect to our corporate governance after we complete this offering. However, if we choose to follow home country practice in the future, our shareholders may be afforded less protection than they otherwise would enjoy under the Nasdaq corporate governance listing standards applicable to U.S. domestic issuers.

纳斯达克股票市场规则允许像我们这样的外国私人发行者遵循其母国的公司治理实践。作为我们的母国，开曼群岛的某些公司治理做法可能与纳斯达克公司治理上市标准大相径庭。目前，我们打算依赖本国的做法，我们的公司治理后，我们完成了这一提供。然而，如果我们选择在未来遵循本国的做法，我们的股东可能会得到较少的保护，否则他们将享受纳斯达克公司治理上市标准适用于美国国内发行人。

*There is a material risk that we will be a passive foreign investment company, or PFIC, for United States federal income tax purposes, which could result in adverse United States federal income tax consequences to United States holders of our ADSs or Class A ordinary shares.*

为了美国联邦所得税的目的，我们将成为一个被动的外国投资公司，或称为PFIC，这是一个实质性的风险，可能对我们的存托凭证或A类普通股的美国持有者造成不利的美国联邦所得税后果。

A non-United States corporation will be a passive foreign investment company, or PFIC, for United States federal income tax purposes for any taxable year if either (i) at least 75% of its gross income for such year is passive income (including interest or income equivalent to interest) or (ii) at least 50% of the value of its assets (based on an average of the quarterly values of the assets) during such year is attributable to assets that produce or are held for the production of passive income. A separate determination must be made after the close of each taxable year as to whether a non-United States corporation is a PFIC for that year. The determination of whether we will be a PFIC for any taxable year may depend in part upon the value of our goodwill and other unbooked intangibles not reflected on our balance sheets (which may depend upon the market value of the ADSs or Class A ordinary

shares from time to time, which may be volatile) and also may be affected by how, and how quickly, we spend our liquid assets and the cash raised in this offering. In addition, there is uncertainty as to the treatment of our corporate structure and ownership of our consolidated VIE for United States federal income tax purposes. For

如果非美国公司在任何应纳税年度的总收入中至少有75% 是被动收入(包括相当于利息的利息或收入), 或者在该年度至少有50% 的资产价值(根据资产的季度平均价值计算)可归属于产生或持有用于产生被动收入的资产, 则该非美国公司在任何应纳税年度将是被动外国投资公司, 或称为被动外国投资公司。每一纳税年度结束后, 必须单独确定一家 non-United States 公司是否为该年度的太平洋投资委员会。我们是否在任何应纳税年度成为投资者委员会的决定, 可能部分取决于我们的商誉价值和其他未入账的无形资产的价值, 而这些价值并没有反映在我们的资产负债表上(这可能取决于存托凭证或 a 类普通股的市场价值, 而这些价值可能会不时出现波动), 也可能受到我们如何以及多快地使用我们的流动资产和在本次发行中筹集的现金的影响。此外, 在处理我们的公司结构和我们的综合 VIE 为美国联邦所得税目的的所有权方面存在不确定性。为了

United States federal income tax purposes, we consider ourselves to own the stock of our consolidated VIE and its subsidiaries. If it is determined, contrary to our view, that we do not own the stock of our consolidated VIE and its subsidiaries for United States federal income tax purposes (for instance, because the relevant PRC authorities do not respect these arrangements), we may be treated as a PFIC for the current year or any future taxable year.

美国联邦所得税的目的，我们认为自己拥有我们的合并 VIE 及其子公司的股票。如果出于美国联邦所得税的目的(例如，由于中国有关当局不尊重这些安排)，与我们的观点相反，我们不拥有合并的 VIE 及其子公司的股票，我们可能被视为当年或未来任何纳税年度的 PFIC。

We aim to utilize our proprietary technology to facilitate loans to borrowers that are funded by individual investors, rather than by using our own capital. As such, fees received from borrowers are recorded as service income on our consolidated statements of operations. However, the treatment of certain of such fees as services or interest income is unclear for purposes of the PFIC rules and there are uncertainties in the application of the PFIC rules to a company with our particular business operations, in particular related to the classification of our income as active or passive and to certain of our funding structures. Accordingly, based on the projected composition and classification of our income and assets and the nature of our business operations, we believe that there is a material risk that we will be a PFIC for United States federal income tax purposes for 2018, and in future taxable years, and we can give no assurances in this respect.

我们的目标是利用我们的专有技术，以方便借款人的贷款是由个人投资者资助，而不是使用我们自己的资本。因此，从借款人收取的费用在我们的综合业务报表中被记录为服务收入。然而，对于服务费或利息收入等某些费用的处理方式，就《个人理财规则》的目的而言并不明确，而且在适用《个人理财规则》适用于从事我们特定业务的公司方面存在不确定性，特别是在将我们的收入分类为主动或被动以及我们的某些融资结构方面。因此，根据我们的收入和资产的预计构成和分类以及我们的业务活动的性质，我们认为存在着一个实质性的风险，即我们在2018年和今后的纳税年度将成为美国联邦所得税的基准投资者委员会，我们在这方面不能作出任何保证。

If we are a PFIC for any taxable year during which a United States person holds ADSs or Class A ordinary shares, certain adverse United States federal income tax consequences could apply to such United States person, including burdensome reporting requirements. Prospective investors who are United States holders are strongly encouraged to consult their tax advisors regarding the potential application of the PFIC rules to our company. See “Taxation—Passive Foreign Investment Company.”

如果我们是持有美国存托凭证或 A 类普通股的任何应纳税年度的投资者委员会，则某些不利的美国联邦所得税后果可适用于这些美国人，包括繁琐的报告要求。我们强烈鼓励作为美国持有人的潜在投资者咨询他们的税务顾问，了解对我们公司适用 PFIC 规则的可能性。参见“税收—被动型外国投资公司”

***We will incur increased costs as a result of being a public company, particularly after we cease to qualify as an “emerging growth company.”***

作为一家上市公司，我们将承担更多的成本，尤其是在我们不再具备“新兴增长型公司”的资格之后

Upon completion of this offering, we will become a public company and expect to incur significant legal, accounting and other expenses that we have not incurred as a private company. The Sarbanes-Oxley Act of 2002, as well as rules subsequently implemented by the SEC and the Nasdaq, impose various requirements on the corporate governance practices of public companies. As a company with less than US\$1.07 billion in gross annual revenue for our last fiscal year, we qualify as an “emerging growth company” pursuant to the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002 in the assessment of the emerging growth company’s internal control over financial reporting and permission to delay adopting new or revised accounting standards until such time as those standards apply to private companies. However, we have elected to “opt out” of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted for public companies. This decision to opt out of the extended transition period under the JOBS Act is irrevocable.

在此次发行完成后，我们将成为一家上市公司，并期望招致重大的法律、会计和其他费用，我们没有发生作为一家私营公司。2002年的《萨班斯-奥克斯利法案》，以及随后由美国证券交易委员会和纳斯达克实施的规定，对上市公司的公司治理实践施加了各种各样的要求。作为一家上一财年年收入总额少于10.7亿美元的公司，根据《就业法案》，我们有资格成为一家“新兴增长型公司”。新兴成长型公司可以利用规定的减少报告和其他一般适用于上市公司的要求。这些条款包括在评估新兴成长型公司对财务报告的内部控制时，免除2002年《萨班斯-奥克斯利法案》404节规定的审计师认证要求，并允许推迟采用新的或修订的会计准则，直到这些准则适用于私营公司。不过，我们已选择「不适用」这项条文，因此我们会在上市公司采用新会计准则或经修订的会计准则时，按规定遵守这些准则。根据《就业法》选择退出延长过渡期的决定是不可撤销的。

We expect these rules and regulations to increase our legal and financial compliance costs and to make some corporate activities more time-consuming and costly. After we are no longer an “emerging growth company,” we expect to incur significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002 and the other rules and regulations of the SEC. For example, as a result of becoming a public company, we will need to increase the number of independent directors and adopt policies regarding internal controls and disclosure controls and procedures. We also expect that operating as a public company will make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. In addition, we will incur additional costs associated with our public company reporting requirements. It may also be more difficult for us to find qualified persons to serve on our board of directors or as executive officers. We are currently evaluating and monitoring developments with respect to these rules and regulations, and we cannot predict or estimate with any degree of certainty the amount of additional costs we may incur or the timing of such costs.

我们预计这些规则和条例将增加我们的法律和财务合规成本，并使一些公司活动更加耗时和昂贵。在我们不再是一家“新兴增长型公司”之后，我们预计将承担大量费用，并投入大量管理工作，以确保遵守2002年美国萨班斯-奥克斯利法案交易委员会第404条和其他规章制度的要求。例如，作为成为上市公司的结果，我们将需要增加独立董事的数量，并采取有关内部控制和披露控制及程序的政策。我们还预计，作为一个上市公司运营将使我们更难和更昂贵的获得董事和官员责任保险，我们可能会被要求接受减少的政策限制和保险范围，或招致更高的成本，以获得相同或类似的保险。此外，我们还将承担与上市公司报告要求相关的额外费用。我们也可能更难找到合格的人员担任我们的董事会或执行官员。我们目前正在评估和监测这些规则和条例的发展情况，我们无法有任何把握地预测或估计我们可能产生的额外费用的数额或这些费用的时间。



In the past, shareholders of a public company often brought securities class action suits against the company following periods of instability in the market price of that company's securities. If we were involved in a class action suit, it could divert a significant amount of our management's attention and other resources from our business and operations, which could harm our results of operations and require us to incur significant expenses to defend the suit. Any such class action suit, whether or not successful, could harm our reputation and restrict our ability to raise capital in the future. In addition, if a claim is successfully made against us, we may be required to pay significant damages, which could have a material adverse effect on our financial condition and results of operations.

过去，上市公司的股东经常在该公司证券的市场价格出现不稳定时期后对该公司提起证券集体诉讼。如果我们卷入一场集体诉讼，它可能会将我们管理层的大量注意力和其他资源从我们的业务和运营中转移出去，这可能会损害我们的运营成果，并要求我们承担大量费用来为诉讼辩护。任何此类集体诉讼，无论是否成功，都可能损害我们的声誉，并限制我们未来筹集资金的能力。此外，如果对我们的索赔成功，我们可能被要求支付重大损失，这可能对我们的财务状况和经营结果产生实质性的不利影响。

## SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

### 关于货运代理报表的特别说明

This prospectus contains forward-looking statements that reflect our current expectations and views of future events. The forward-looking statements are contained principally in the sections entitled "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business." Known and unknown risks, uncertainties and other factors, including those listed under "Risk Factors," may cause our actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements.

本章程载有前瞻性陈述，反映我们对未来事件的现时期望和看法。前瞻性陈述主要包含在“招股说明书摘要”、“风险因素”、“管理层对财务状况和经营结果的讨论和分析”和“业务”部分。已知和未知的风险、不确定因素和其他因素，包括“风险因素”下所列的因素，可能导致我们的实际结果、业绩或成绩与前瞻性陈述所表达或暗示的结果、业绩或成绩有重大差异。

You can identify some of these forward-looking statements by words or phrases such as "may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "is/are likely to," "potential," "continue" or other similar expressions. We have based these forward-looking statements largely on our current expectations and projections about future events that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements include statements relating to:

你可以用诸如“may”、“will”、“expect”、“aim”、“estimate”、“intend”、“plan”、“believe”、“is / are likely to”、“potential”、“continue”或其他类似的表达方式来确定一些前瞻性陈述。我们的这些前瞻性报表主要基于我们当前对未来事件的预期和预测，我们认为这些预期和预测可能会影响我们的财务状况、运营结果、业务战略和财务需求。这些前瞻性声明包括以下方面的声明：

- our strategies;  
我们的策略;
- our future business development, financial condition and results of operations;  
我们未来的业务发展、财务状况和经营成果;
- the expected growth of the online individual finance market in China;  
中国在线个人理财市场的预期增长;
- our expectations regarding demand for and market acceptance of our products and services;  
我们对产品和服务的需求和市场接受程度的期望;
- our expectations regarding our relationships with our investors and borrowers;  
我们对与投资者和借款人关系的期望;
- competition in our industry;  
本行业的竞争;
- general economic and business condition in China and elsewhere; and  
中国及其他地区的整体经济及营商情况; 以及
- relevant government policies, laws and regulations relating to our industry.  
与本行业有关的政府政策、法律和法规。

These forward-looking statements involve various risks and uncertainties. Although we believe that our expectations expressed in these forward-looking statements are reasonable, our expectations may later be found to be incorrect. Our actual results could be materially different from our expectations. Important risks and factors that could cause our actual results to be materially different from our expectations are generally set forth in "Prospectus Summary—Our Challenges," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Business," "Regulation" and other sections in this prospectus. You should thoroughly read this prospectus and the documents that we refer to with the understanding that our actual future results may be materially different from and worse than what we expect. We qualify all of our forward-looking statements by these cautionary statements.

这些前瞻性陈述涉及各种风险和不确定性。虽然我们认为，我们在这些前瞻性声明中表达的期望是合理的，但我们的期望后来可能被发现是不正确的。我们的实际结果可能与我们的预期大相径庭。在本招股说明书的“招股说明书摘要——我们的挑战”、“风险因素”、“管理层关于财务状况和经营业绩的讨论和分析”、“业务”、“监管”等章节中，一般都列出了可能导致我们的实际业绩与我们的预期大相径庭的重要风险和因素。你应该仔细阅读这份招股说明书和我们所提到的文件，并了解到我们未来的实际结果可能与我们的预期有重大差别，甚至比我们预期的更糟。我们用这些告诫性的陈述来限定我们所有的前瞻性陈述。

This prospectus contains certain data and information that we obtained from various government and private publications, including industry data and information from iResearch. Statistical data in these publications also include projections based on a number of assumptions. Our industry may not grow at the rate projected by market data, or at all. Failure of this market to grow at the projected rate may have a material and adverse effect on our business and the market price of our ADSs. In addition, the rapidly changing nature of the online consumer finance industry results in significant uncertainties for any projections or estimates relating to the growth prospects or future condition of our market. Furthermore, if any one or more of the assumptions underlying the market data are later found to be incorrect, actual results may differ from the projections based on these assumptions. You

should not place undue reliance on these forward-looking statements.

本招股说明书包含我们从各种政府和私人出版物获得的某些数据和信息，包括行业数据和来自 iResearch 的信息。这些出版物中的统计数据还包括基于若干假设的预测。我们的行业可能不会以市场数据预测的速度增长，或者根本不会。如果这个市场没有以预期的速度增长，可能会对我们的业务和我们的存托凭证的市场价格产生重大的不利影响。此外，网上消费金融行业的快速变化性质，对我们市场的增长前景或未来状况的任何预测或估计，都会带来重大的不确定性。此外，如果后来发现市场数据所依据的任何一个或多个假设不正确，实际结果可能与基于这些假设的预测不同。你不应该过分依赖这些前瞻性的陈述。

The forward-looking statements made in this prospectus relate only to events or information as of the date on which the statements are made in this prospectus. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. You should read this prospectus and the documents that we refer to in this prospectus and have filed as exhibits to the registration statement, of which this prospectus is a part, completely and with the understanding that our actual future results may be materially different from what we expect.

本招股说明书中的前瞻性陈述仅涉及截至本招股说明书中陈述之日的事件或信息。除法律规定外，我们没有义务在作出声明的日期之后公开更新或修订任何前瞻性声明，无论这些声明是由于新的信息、未来事件或其他原因而作出的，或反映出意外事件的发生。你应该阅读本招股说明书和我们在本招股说明书中提到的文件，并将其作为本招股说明书(本招股说明书是登记说明书的一部分)的展品提交，但有一项谅解，即我们未来的实际结果可能与我们的预期有重大差异。

## USE OF PROCEEDS

### 收益的使用

We estimate that we will receive net proceeds from this offering of approximately US\$ \_\_\_\_\_ million, or approximately US\$ \_\_\_\_\_ million if the underwriters exercise their option to purchase additional ADSs in full, after deducting underwriting discounts and commissions and the offering expenses payable by us. These estimates are based upon an assumed initial offering price of US\$ \_\_\_\_\_ per ADS, the midpoint of the estimated range of the initial public offering price shown on the front cover page of this prospectus. A US\$1.00 increase (decrease) in the assumed initial public offering price of US\$ \_\_\_\_\_ per ADS would increase (decrease) the net proceeds of this offering by US\$ \_\_\_\_\_ million, or approximately US\$ \_\_\_\_\_ million if the underwriters exercise their option to purchase additional ADSs in full.

我们估计，在扣除承销折扣和佣金以及我们应付的承销费用后，如果承销商行使其全额购买额外存款保险的选择权，我们将从这次发售中获得约百万美元的净收益，或约百万美元。这些估计数字是基于每股 ADS 的假定首次公开发行(ipo)价格，即本招股说明书首页所示的首次公开发行(ipo)估计价格区间的中点。每次 ADS 的假定首次公开发行价格增加(减少)1美元，将使此次发行的净收益增加(减少)100万美元，如果承销商行使其全额购买附加 ADS 的选择权，则净收益将增加(减少)约100万美元。

The primary purposes of this offering are to create a public market for our shares for the benefit of all shareholders, retain talented employees by providing them with equity incentives and obtain additional capital. We plan to use the net proceeds of this offering as follows:

此次发行的主要目的是为了所有股东的利益，为我们的股票创造一个公开的市场，通过提供股权激励来留住有才能的员工，并获得额外的资本。我们计划使用此次发行的净收益如下：

- 30% of the proceeds, or US\$ \_\_\_\_\_ million, will be used to implement our marketing initiatives to further build our brand awareness and expand our investor and borrower base;  
其中30% (即百万美元)将用于推行市场推广措施，以进一步提高我们的品牌知名度，并扩大我们的投资者和借款人基础；
- 40% of the proceeds, or US\$ \_\_\_\_\_ million, will be used to conduct strategic acquisitions of business and assets to strengthen our technologies, particularly big data analytics and risk management capabilities, although currently we have not entered into any binding agreement for any acquisition nor identified any definite acquisition target; and  
40% 的收益(即百万美元)将用于进行业务和资产的战略收购，以加强我们的技术，特别是大数据分析和风险管理能力，尽管目前我们尚未就任何收购达成任何有约束力的协议，也未确定任何明确的收购目标；以及
- 30% of the proceeds, or US\$ \_\_\_\_\_ million, will be used to for general corporate purposes, including working capital, operating expenses and capital expenditures.  
收益的30%，即百万美元，将用于一般公司用途，包括营运资金、营运费用和资本支出。

The amounts and timing of any expenditures will vary depending on the amount of cash generated by our operations, and the rate of growth, if any, of our business, and the present plans and business conditions. Accordingly, our management will have significant flexibility in applying and discretion to apply the net proceeds of the offering. If an unforeseen event occurs or business conditions change, we may use the proceeds of this offering differently than as described in this prospectus.

任何支出的数额和时间都会有所不同，这取决于我们运营所产生的现金数额、我们业务的增长速度(如果有的话)以及目前的计划和业务状况。因此，我们的管理层将有很大的灵活性，在申请和酌情应用净收益的发行。如果发生不可预见的事件或业务条件发生变化，我们可以使用此次发行的收益不同于本招股说明书所述。

In utilizing the proceeds from this offering, we are permitted under PRC laws and regulations to provide funding to our PRC subsidiary only through loans or capital contributions, and to our VIE only through loans, and only if we satisfy the applicable government registration and approval requirements. We cannot assure you that we will be able to meet these requirements on a timely basis, if at all. See “Risk Factors—Risks Relating to Doing Business in China—PRC regulation of loans to and direct investment in PRC entities by offshore holding companies and governmental control of currency conversion may or prevent us from using the proceeds of this offering to make loans to or make additional capital contributions to our PRC subsidiaries, which could materially and adversely affect our liquidity and our ability to fund and expand our business.”

根据中国法律和法规的规定，我们只能通过贷款或出资的方式向我们的中国子公司提供资金，并且只能通过贷款的方式向我们的 VIE 提供资金，前提是我们必须满足相关的政府注册和批准要求。我们不能保证我们能够及时满足这些要求，如果有的话。见“风险因素—在中国做生意的相关风险—中国对境外控股公司向中国实体提供贷款和直接投资的监管，以及政府对货币兑换的控制，可能或阻止我们使用此次发行的收益向我们在中国的子公司提供贷款或作出额外的资本出资，这可能会对我们的流动性和我们的资金和扩大业务的能力产生重大和不利的影响。”

Pending use of the net proceeds, we intend to hold our net proceeds in demand deposits or invest them in interest-bearing government securities.

在未动用净收益之前，我们打算将净收益存入活期存款，或投资于有息政府债券。

## DIVIDEND POLICY 股息政策

In March 2018, Jiayin Finance paid a cash dividend of RMB400 million to its shareholders. Jiayin Group Inc. has not previously declared or paid cash dividends on our Class A ordinary shares and we have no plan to declare or pay any dividends in the foreseeable future on our Class A ordinary shares or ADSs. We currently intend to retain most, if not all, of our available funds and any future earnings to operate and expand our business.

2018年3月，嘉荫金融向股东支付了4亿元人民币的现金股息。嘉银集团此前没有对a类普通股宣布或支付现金股息，在可预见的将来，我们也没有计划宣布或支付a类普通股或存托凭证的股息。我们目前打算保留大部分，如果不是全部，我们可用的资金和任何未来的收益来经营和扩大我们的业务。

We are a holding company incorporated in the Cayman Islands. In order for us to distribute any dividends to our shareholders and ADS holders, we may rely on dividends distributed by our PRC subsidiaries. Certain payments from our PRC subsidiaries to us may be subject to PRC withholding income tax. In addition, regulations in the PRC currently permit payment of dividends of a PRC company only out of accumulated distributable after-tax profits as determined in accordance with its articles of association and the accounting standards and regulations in China. Each of our PRC subsidiaries is required to set aside at least 10% of its after-tax profit based on PRC accounting standards every year to a statutory common reserve fund until the aggregate amount of such reserve fund reaches 50% of the registered capital of such subsidiary. Such statutory reserves are not distributable as loans, advances or cash dividends. See “Risk Factors—Risks Relating to Doing Business in China—We rely on dividends and other distributions on equity paid by our PRC subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our PRC subsidiaries to make payments to us could have a material adverse effect on our ability to conduct our business.”

我们是在开曼群岛注册成立的控股公司。为了使我们能够向我们的股东和ADS持有者分配任何红利，我们可以依靠我们在中国的子公司分配红利。我们在中国的子公司向我们支付的某些款项可能需要缴纳中国预扣所得税。此外，中华人民共和国的法规目前允许中华人民共和国公司的股利只能从根据公司章程和中国会计准则和法规确定的累计可分配税后利润中支付。根据中国会计准则，我们的每个中国子公司必须每年将至少10%的税后利润拨出法定公积金，直至公积金总额达到该子公司注册资本的50%。此类法定准备金不可作为贷款、垫款或现金股利分发。参见“风险因素—与在中国做生意有关的风险—我们依靠我们在中国的子公司支付的股息和其他股权分配来满足我们可能的现金和融资需求，对我们在中国的子公司支付给我们的能力的任何限制都可能对我们经营业务的能力产生实质性的不利影响。”

Our board of directors has discretion as to whether to distribute dividends, subject to certain requirements of Cayman Islands law. In addition, our shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our directors. Under Cayman Islands law, a Cayman Islands company may pay a dividend out of either profit or share premium account, provided that in no circumstances may a dividend be paid if this would result in the company being unable to pay its debts as they fall due in the ordinary course of business. Even if our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the board of directors may deem relevant. Any dividend declared on our ordinary shares shall be payable equally to holders of Class A and Class B ordinary shares. If we pay any dividends on our ordinary shares, we will pay those dividends which are payable in respect of the Class A ordinary shares underlying our ADSs to the depositary, as the registered holder of such Class A ordinary shares, and the depositary then will pay such amounts to our ADS holders in proportion to the Class A ordinary shares underlying the ADSs held by such ADS holders, subject to the terms of the deposit agreement, including the fees and expenses payable thereunder. See “Description of American Depositary Shares.” Cash dividends on our ordinary shares, if any, will be paid in U.S. dollars.

根据开曼群岛法律的某些规定，我们的董事会有权决定是否分配股息。此外，我们的股东可以通过普通决议宣布股息，但是股息不得超过董事会建议的数额。根据开曼群岛法律，开曼群岛公司可以从利润或股票溢价账户中支付股息，但在任何情况下，如果支付股息会导致公司无力偿还正常经营过程中到期的债务，则不得支付股息。即使我们的董事会决定支付股息，其形式、频率和金额将取决于我们未来的运营和收益、资本要求和盈余、一般财务状况、合同限制以及董事会可能认为相关的其他因素。我们普通股宣布的任何股息应平均支付给a类和b类普通股股东。如果我们以普通股支付股息，我们会以a类普通股的登记持有人身份，向存托人支付与我们的存托股息有关的a类普通股股息，存托人随后会根据存托协议的条款，按照a类普通股股东持有的存托股息的比例向我们的存托股息持有人支付该等股息，包括根据存托协议应支付的费用和开支。参见“美国存托股票描述”我们普通股的现金股利，如果有的话，将以美元支付。

## CAPITALIZATION 资本化

The following table sets forth our capitalization as of September 30, 2018:

下表列出了我们截至2018年9月30日的资本总额：

- on an actual basis;  
在实际的基础上；
- on a pro forma basis to reflect (i) the designation of all ordinary shares beneficially owned by Mr. Dinggui Yan, our founder, director and chief executive officer, into Class B ordinary shares on a one-for-one-basis upon the completion of this offering; (ii) the designation of all of the remaining outstanding ordinary shares into Class A ordinary shares on a one-for-one-basis upon the completion of this offering; and  
(i)在本次发售完成后，将本公司创始人、董事及首席执行官严定贵先生实益拥有的所有普通股指定为 b 类普通股；(ii)在本次发售完成后，将所有剩余的已发行普通股指定为 a 类普通股指定为一对一普通股；以及
- a pro forma as adjusted basis to give effect to (i) the designation of all ordinary shares beneficially owned by Mr. Dinggui Yan, our founder, director and chief executive officer, into Class B ordinary shares on a one-for-one-basis upon the completion of this offering; (ii) the designation of all of the remaining outstanding ordinary shares into Class A ordinary shares on a one-for-one-basis upon the completion of this offering; and (iii) the issuance and sale of Class A ordinary shares in the form of ADSs by us in this offering at an assumed initial public offering price of US\$ per ADS, the midpoint of the estimated range of the initial public offering price shown on the front cover of this prospectus, after deducting the underwriting discounts and commissions and estimated offering expenses payable by us and assuming no exercise of the underwriters' option to purchase additional ADSs.  
句子太长，请短一点。

The as adjusted adjustments reflected below are subject to change and are based upon available information and certain assumptions that we believe are reasonable. Our additional paid-in capital, total shareholders' equity and total capitalization following the completion of this offering are subject to adjustment based on the actual initial public offering price and other terms of this offering determined at pricing.

下列经调整后的数字可能会有所变动，并以现有资料和我们认为合理的某些假设为基础。我们的额外实收资本、股东权益总额以及此次发行完成后的总资本将根据实际首次公开发行价格和此次发行的其他条款进行调整。

You should read this table together with our consolidated financial statements and the related notes included elsewhere in this prospectus and the information under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

请连同本公司之综合财务报表及有关附注，以及「管理层对财务状况及营运结果的讨论及分析」一栏内的资料，一并阅读本表

	As of September 30, 2018 截至2018年9月30日					
	Actual 实际		Pro Forma		Pro Forma As Adjusted 修改后的形式表	
	RMB 人民币	US\$ 美元	RMB 人民币	US\$ 美元	RMB 人民币	US\$ 美元
	(in thousands, except for share and per share data) (以千计，不包括股票和每股数据)					
<b>Shareholders' (deficits)/equity:</b>						
股东(赤字)/股本:						
Ordinary shares						
普通股	—	—				
Additional paid-in capital(1)						
额外实收资本(1)	349,446	50,880				
Accumulated deficits	(2,209,813)					
累积赤字	(2,209,813)	(321,755)				
Total shareholders' deficits	(1,860,367)	(270,875)				
股东赤字总额	(1,860,367)	(270,875)				
Total capitalization	(1,860,367)	(270,875)				
资本总额	(1,860,367)	(270,875)				

- (1) A US\$1.00 increase (decrease) in the assumed initial public offering price of US\$ per ADS, the mid-point of the estimated range of the initial public offering price shown on the cover page of this prospectus, would increase (decrease) each of additional paid-in capital, total shareholders' equity and total capitalization by US\$ million, assuming the number of ADSs offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated expenses payable by us.  
假设本招股说明书封面页所载的我们提供的存托凭证数目与本招股说明书封面页所载的估计首次公开招股价格范围的中点相同，即每股美元的假设首次公开招股价格增加(减少)1.00美元，则在扣除估计的承销折扣、佣金和估计应付的费用后，每股增加(减少)的实收资本、股东权益总额和资本总额将增加(减少)100万美元。





## DILUTION

### 稀释

If you invest in the ADSs, your interest will be diluted to the extent of the difference between the initial public offering price per ADS and our net tangible book value per ADS after this offering. Dilution results from the fact that the initial public offering price per Class A ordinary share is substantially in excess of the book value per ordinary share attributable to the existing shareholders for our presently outstanding ordinary shares.

如果您投资于存托凭证，您的利益将被稀释到每个存托凭证的首次公开募股价格和我们每个存托凭证的有形账面价值之间的差额。稀释的原因是，每股 a 类普通股的首次公开发行价格大大高于现有股东占据我们目前流通的普通股的每股普通股的账面价值。

Our net tangible book value as of September 30, 2018, was approximately US\$ million, or US\$ per ordinary share and US\$ per ADS. Net tangible book value per ordinary share represents the amount of total tangible assets, minus the amount of total liabilities, divided by the total number of ordinary shares outstanding. Dilution is determined by subtracting pro forma net tangible book value per ordinary share from the assumed public offering price per Class A ordinary share.

截至2018年9月30日，我们的有形账面价值约为百万美元，即每普通股美元和每 ADS 美元。每股普通股的有形账面净值是有形资产总额减去负债总额，再除以流通在外的普通股总数。稀释是通过从假定的每股 a 类普通股公开发行价格中减去预计的每股普通股的有形账面价值来确定的。

Without taking into account any other changes in such net tangible book value after September 30, 2018, other than to give effect to the issuance and sale of ADSs in this offering at an assumed initial public offering price of US\$ per ADS, the midpoint of the estimated public offering price range, and after deducting of underwriting discounts and commissions and estimated offering expenses payable by us and assuming the over-allotment option is not exercised, our pro forma as adjusted net tangible book value as of September 30, 2018 would have been US\$ per outstanding ordinary share, including Class A ordinary shares underlying our outstanding ADSs, or US\$ per ADS. This represents an immediate [increase] in net tangible book value of US\$ per ordinary share, or US\$ per ADS, to existing shareholders and an immediate dilution in net tangible book value of US\$ per ordinary share, or US\$ per ADS, to investors purchasing ADSs in this offering. The following table illustrates such dilution:

在不考虑二〇一八年九月三十日后该等有形账面净值的任何其他变动的情况下，除了为了使这次发售的资产负债表的发行和出售生效，而假设的首次公开发售价格为每股美元，即估计公开发售价格区间的中点，并在扣除承销折扣和佣金以及我们应付的估计发售费用，并假设没有行使超额配售选择权之后，我们截至二〇一八年九月三十日的预估调整有形账面净值为每股已发行的普通股美元，包括我们已发行的资产负债表内的 a 类普通股，即每股美元。这意味着现有股东的有形净账面价值(即每普通股每美元，即每 ADS 美元)立即增加，并立即稀释了购买此次发行的 ADS 的投资者的有形净账面价值(即每普通股每美元，即每 ADS 美元)。下表说明了这种稀释：

	Per Ordinary 每名普通人 Share 分享	Per ADS 每个 ADS
Assumed initial public offering price per Class A ordinary share 假设首次公开募股价格每股 a 类普通股	US\$ 美 元	US\$ 美 元
Net tangible book value as of September 30, 2018 截至2018年9月30日的有形账面净值	US\$ 美 元	US\$ 美 元
Pro forma net tangible book value per ordinary share 预计每股普通股的有形净账面价值	US\$ 美 元	US\$ 美 元
Pro forma net tangible book value per ordinary share after giving effect to this offering 在本次发生产生效后，预计每股普通股的有形净账面价值	US\$ 美 元	US\$ 美 元
Increase in net tangible book value attributable to the automatic conversion of all of our outstanding preferred shares and this offering 有形账面净值的增加归因于我们所有已发行优先股的自动转换和此次发行	US\$ 美 元	US\$ 美 元
Amount of dilution in net tangible book value to new investors in the offering 有形净账面价值对新投资者的稀释金额	US\$ 美 元	US\$ 美 元

The pro forma as adjusted information discussed above is illustrative only.

上面讨论的形式上的调整信息只是说明性的。

A US\$1.00 change in the assumed public offering price of US\$ per ADS would, in the case of an increase, increase and, in the case of a decrease, decrease our pro forma as adjusted net tangible book value as described above by US\$ million, the pro forma as adjusted net tangible book value per ordinary share and per ADS by US\$ per ordinary share and US\$ per ADS, and the dilution per ordinary

share and per ADS to new investors in this offering by US\$                      per ordinary share and US\$                      per ADS, respectively, assuming no change to the number of ADSs offered by us as set forth on the cover page of this prospectus, and after deducting underwriting discounts and commissions and estimated offering expenses. Our net tangible book value following the completion of this offering is subject to adjustment based on the actual initial public offering price of the ADSs and other terms of this offering determined at pricing.

假设每股 ADS 的公开发行价格变动1.00美元，如果上述调整后的有形账面净值增加1.00美元，如果下降1.00美元，则我们的预估值增加1.00美元，预估值增加1.00美元，预估值增加1.00美元，预估值增加1.00美元，预估值增加1.00美元，预估值增加1.00美元，预估值增加1.00美元，预估值增加1.00美元，预估值增加1.00美元。本次发行完成后，我们的净有形账面价值将根据存托凭证的实际首次公开发行价格和本次发行的其他条款进行调整。

The following table summarizes, on a pro forma as adjusted basis as of September 30, 2018, the differences between the existing shareholders as of September 30, 2018 and the new investors with respect to the number of ordinary shares (in the form of ADSs or shares) purchased from us in this offering, the total consideration paid and the average price per ordinary share paid and per ADS at an assumed initial public offering price of US\$ per ADS before deducting estimated underwriting discounts and commissions and estimated offering expenses. The

下表概述截至二〇一八年九月三十日为止，现有股东与新投资者在是次发售向我们购入的普通股数目(以存托凭证或股份形式)、支付的代价总额、以假设的首次公开发售价格每股美元支付的普通股的平均价格及每股存托凭证的差额，然后扣除估计折扣、佣金及估计发售费用。这个

[Table of Contents](#) 目录提示：本档系@财报牛牛（公众号：caibaoniao）通过第三方翻译软件从英文招股书翻译成中文的版本，仅供参考。

total number of ordinary shares does not include Class A ordinary shares underlying the ADSs issuable upon the exercise of the over-allotment option granted to the underwriters.

普通股总数不包括因行使超额配售选择权而发行的资产负债表所包含的 a 类普通股。

	Ordinary shares 普通股 purchased 购买		Total consideration 总价值		Average 平均 数 price per 单位 价格 ordinary 普通 的 share 分享	Average 平均 数 price per 单位 价格 ADS 美国广播 公司
	Number 数目	Percent 百分比 <small>(in US\$ thousands, except for percentages) (以千美元计, 不包括百分比)</small>	Amount 金额	Percent 百分比	US\$	US\$
Existing shareholders 现有股东			US\$ 美 元		US\$ 美 元	US\$ 美 元
New investors 新投资者		%	US\$ 美 元	%	US\$ 美 元	US\$ 美 元
Total 合计			US\$ 美 元		US\$ 美 元	US\$ 美 元
		100.0%		100.0%		

The as adjusted information discussed above is illustrative only. Our net tangible book value following the completion of this offering is subject to adjustment based on the actual initial public offering price of our ADSs and other terms of this offering determined at pricing.

上面讨论的调整后的信息只是说明性的。本次发行完成后，我们的净有形账面价值将根据我们存托凭证的实际首次公开发行价格和其他条款进行调整。

**EXCHANGE RATE INFORMATION**

汇率资料

Our reporting currency is the RMB because all of our operations are conducted in China and substantially all of our revenues and expenses are denominated in RMB. This prospectus contains translations of RMB amounts into U.S. dollars at specific rates solely for the convenience of the reader. The conversion of RMB into U.S. dollars in this prospectus is based on the rate certified for customs purposes by the Federal Reserve Bank of New York. Unless otherwise noted, all translations from RMB to U.S. dollars and from U.S. dollars to RMB in this prospectus are made at the rate as of the end of the applicable period, that is, RMB6.8680 to US\$1.00, the rate in effect as of September 28, 2018, as applicable. We make no representation that any RMB or U.S. dollar amounts could have been, or could be, converted into U.S. dollars or RMB, as the case may be, at any particular rate, the rates stated below, or at all. The PRC government imposes control over its foreign currency reserves in part through direct regulation of the conversion of RMB into foreign exchange and through restrictions on foreign trade. On December 14, 2018, the rate was RMB6.9050 to US\$1.00.

我们的报告货币是人民币，因为我们所有的业务都在中国进行，而且我们所有的收入和支出都是以人民币计价的。本招股说明书载有人民币兑换成美元的具体汇率，完全是为了方便读者。本招股说明书中人民币兑换美元的汇率是根据纽约联邦储备银行海关认证的汇率计算的。除非另有说明，本招股说明书中所有人民币兑美元及美元兑人民币的汇率均为适用期结束时的汇率，即6.8680元人民币兑1.00美元，适用时为2018年9月28日生效的汇率。我们没有陈述任何人民币或美元数额可能已经或可能转换为美元或人民币，因为情况可能是，在任何特定的汇率，下面说明的汇率，或根本不。中国政府通过对人民币兑换外汇的直接管制和对外贸易的限制来控制其外汇储备。2018年12月14日，汇率为6.9050元人民币兑1.00美元。

The following table sets forth information concerning exchange rates between the RMB and the U.S. dollar for the periods indicated. These rates are provided solely for your convenience and are not necessarily the exchange rates that we used in this prospectus or will use in the preparation of our periodic reports or any other information to be provided to you.

下表列出所述期间人民币与美元汇率的有关信息。这些汇率完全是为了您的方便而提供的，并不一定是我们在本计划书中使用的汇率，也不一定是我们在编写定期报告或向您提供任何其他资料时使用的汇率。

Period 句号	Certified Exchange Rate 核证汇率			
	Period End 期末	Average 平均数 <sup>(1)</sup> (RMB per US\$1.00)	Low 低	High 高
2013				
2013年	6.0537	6.1412	6.2438	6.0537
2014				
2014年	6.2046	6.1704	6.2591	6.0402
2015				
2015年	6.4778	6.2869	6.4896	6.1870
2016				
2016年	6.9430	6.6549	6.9580	6.4480
2017				
2017年	6.5063	6.7350	6.9575	6.4773
2018				
2018年				
June 六月	6.6171	6.4651	6.6235	6.3850
July 七月	6.8038	6.7164	6.8102	6.6123
August 八月	6.8300	6.8453	6.9330	6.8018
September 九月	6.8680	6.8551	6.8880	6.8270
October 十月	6.9737	6.9191	6.9737	6.8680
November 十一月	6.9558	6.9367	6.9558	6.8894
December (through December 14, 2018) 十二月(至二〇一八年十二月十四日)	6.9050	6.8818	6.9077	6.8343

Source: Federal Reserve Statistical Release  
资料来源: 美联储统计发布

Notes:

备注:

- (1) Annual averages were calculated by using the average of the exchange rates on the last day of each month during the relevant year. Monthly averages are calculated by using the average of the daily rates during the relevant month.  
年平均数是根据有关年度每月最后一天的平均汇率计算出来的。月平均数是根据有关月份内每日差饷的平均数计算出来的。

## ENFORCEABILITY OF CIVIL LIABILITIES

### 民事责任的可执行性

#### Cayman Islands

##### 开曼群岛

We are incorporated under the laws of the Cayman Islands as an exempted company with limited liability. We are incorporated in the Cayman Islands because of certain benefits associated with being a Cayman Islands company, such as political and economic stability, an effective judicial system, a favorable tax system, the absence of foreign exchange control or currency restrictions and the availability of professional and support services. However, the Cayman Islands has a less developed body of securities laws as compared to the United States and these securities laws provide less protection for investors as compared to the United States. In addition, Cayman Islands companies may not have standing to sue before the federal courts of the United States.

我们是根据开曼群岛的法律注册成立的，是一家拥有美国有限责任的豁免公司。我们在开曼群岛注册是因为作为一家开曼群岛公司的某些好处，如政治和经济稳定、有效的司法制度、有利的税收制度、没有外汇管制或货币限制以及提供专业和支助服务。然而，与美国相比，开曼群岛的证券法体系不够完善，这些证券法对投资者的保护也不如美国。此外，开曼群岛的公司可能没有向美国联邦法院提起诉讼的资格。

Our constitutional documents do not contain provisions requiring that disputes, including those arising under the securities laws of the United States, between us, our officers, directors and shareholders, be subject to arbitration.

我们的宪法文件并没有规定我们、我们的官员、董事和股东之间的纠纷，包括根据美国证券法发生的纠纷，必须经过仲裁。

Substantially all of our assets are located outside the United States. In addition, most of our directors and executive officers are nationals or residents of jurisdictions other than the United States and all or a substantial portion of their assets are located outside the United States. As a result, it may be difficult for investors to effect service of process within the United States upon us or these persons, or to enforce judgments obtained in U.S. courts against us or them, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States. It may also be difficult for you to enforce judgments obtained in U.S. courts based on the civil liability provisions of the U.S. federal securities laws against us and our officers and directors.

实际上我们所有的资产都在美国境外。此外，我们的大多数董事和执行官员都是美国以外司法管辖区的国民或居民，他们的全部或相当一部分资产都位于美国境外。因此，投资者可能难以在美国境内向我们或这些人提供法律程序服务，或难以执行在美国法院对我们或他们作出的判决，包括根据美国证券法或美国任何州的民事责任条款作出的判决。你也可能很难执行根据美国联邦证券法的民事责任条款在美国法院对我们及我们的高级职员和董事作出的判决。

We have appointed Cogency Global Inc. as our agent to receive service of process with respect to any action brought against us in the U.S. District Court for the Southern District of New York in connection with this offering under the federal securities laws of the United States or of any State in the United States or any action brought against us in the Supreme Court of the State of New York in the County of New York in connection with this offering under the securities laws of the State of New York.

我们已指定 Cogency Global inc. 作为我们的代理人，接受在纽约南区美国地方法院就根据美国联邦证券法或美国任何州的联邦证券法对我们提起的任何诉讼，或就根据纽约州证券法对我们提起的任何诉讼在纽约州最高法院对我们提起的任何诉讼。

Maples and Calder (Hong Kong) LLP, our counsel as to Cayman Islands law, has advised us that there is uncertainty as to whether the courts of the Cayman Islands would (i) recognize or enforce judgments of U.S. courts obtained against us or our directors or officers that are predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States, or (ii) entertain original actions brought in the Cayman Islands against us or our directors or officers that are predicated upon the securities laws of the United States or any state in the United States.

我们的开曼群岛法律顾问 Maples and Calder (Hong Kong) LLP 告诉我们，开曼群岛法院是否会(i)承认或执行美国法院根据美国证券法或美国任何州的证券法的民事责任规定对我们或我们的董事或高级职员作出的判决，或(ii)接受在开曼群岛对我们或我们的董事或高级职员提出的根据美国或美国任何州的证券法作出的原始诉讼，尚不确定。

Maples and Calder (Hong Kong) LLP has informed us that although there is no statutory enforcement in the Cayman Islands of judgments obtained in the federal or state courts of the United States (and the Cayman Islands are not a party to any treaties for the reciprocal enforcement or recognition of such judgments), a judgment obtained in such jurisdiction will be recognized and enforced in the courts of the Cayman Islands at common law, without any re-examination of the merits of the underlying dispute, by an action commenced on the foreign judgment debt in the Grand Court of the Cayman Islands, provided such judgment (a) is given by a foreign court of competent jurisdiction, (b) imposes on the judgment debtor (a liability to pay a liquidated sum for which the judgment has been given), (c) is final and conclusive, (d) is not in respect of taxes, a fine or a penalty; and (e) was not obtained in a manner and is not of a kind the enforcement of which is contrary to natural justice or the public policy of the Cayman Islands. However, the Cayman Islands courts are unlikely to enforce a judgment obtained from the U.S. courts under civil liability provisions of the U.S. federal securities law if such judgment is determined by the courts of the Cayman Islands to give rise to obligations to make payments that are penal or punitive in nature. Because such a determination has not yet been made by a court of the Cayman Islands, it is uncertain whether such civil liability judgments from U.S. courts would be enforceable in the Cayman Islands.

句子太长，请短一点。然而，开曼群岛法院不大可能执行根据美国联邦证券法民事责任条款从美国法院获得的判决，如果这种判决是由开曼群岛法院决定产生支付刑事或惩罚性质款项的义务。由于开曼群岛的法院尚未作出这样的裁定，美国法院的这种民事责任判决能否在开曼群岛强制执行尚不确定。



## The People's Republic of China

### 中华人民共和国

We have been advised by King & Wood Mallesons, our PRC counsel, that there is uncertainty as to whether the courts of the PRC would (i) recognize or enforce judgments of U.S. courts obtained against us or our directors or officers that are predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States, or (ii) entertain original actions brought in the PRC against us or our directors or officers that are predicated upon the securities laws of the United States or any state in the United States.

我们的中华人民共和国法律顾问金杜律师事务所告知我们，中华人民共和国法院是否会(i)承认或执行美国法院根据美国或美国任何州的证券法的民事责任条款对我们或我们的董事或高级职员作出的判决，或(ii)受理在中华人民共和国对我们或我们的董事或高级职员根据美国或美国任何州的证券法提起的原始诉讼。

King & Wood Mallesons has advised us that the recognition and enforcement of foreign judgments are provided for under PRC Civil Procedure Law. Under the PRC Civil Procedure Law, courts in the PRC may recognize and enforce foreign judgments pursuant to treaties between the PRC and the country where the judgment is rendered or on principles of reciprocity between jurisdictions. If there are neither treaties nor reciprocity arrangements between the PRC and a foreign jurisdiction where a judgment is rendered, according to the PRC Civil Procedure Law, the recognition and enforcement of a foreign judgment in the PRC may be resolved through diplomatic channels. King & Wood Mallesons has advised us further that under PRC law, courts in China will not recognize or enforce a foreign judgment against us or our directors and officers if they decide that the judgment violates the basic principles of PRC law or national sovereignty, security or social public interest. As of the date of this prospectus, the PRC does not have any treaties or other arrangements that provide for reciprocal recognition and enforcement of foreign civil judgments with the United States or the Cayman Islands. As a result, there is further uncertainty as to whether and on what basis a PRC court would enforce judgments rendered by a United States or Cayman Islands court.

金杜律师事务所法院建议我们，外国判决的承认和执行是根据《中华人民共和国民事诉讼法》规定的。根据《中华人民共和国民事诉讼法》，中华人民共和国法院可以根据中华人民共和国与作出判决的国家之间的条约或者管辖权之间的互惠原则，承认和执行外国判决。根据《中华人民共和国民事诉讼法》，中华人民共和国与作出判决的外国法域之间没有条约或者互惠安排的，可以通过外交途径解决外国判决在中华人民共和国的承认和执行问题。金杜律师事务所进一步告诉我们，根据中华人民共和国法律，如果中国法院判决违反中华人民共和国法律或国家主权、安全或社会公共利益的基本原则，中国法院将不承认或执行对我们或我们的董事和官员的外国判决。截至本招股说明书之日，中华人民共和国与美国或开曼群岛没有任何条约或其他安排规定相互承认和执行外国民事判决。因此，中华人民共和国法院是否执行美国或开曼群岛法院作出的判决以及根据什么执行判决的问题更加不确定。

## CORPORATE HISTORY AND STRUCTURE 企业历史及架构

### Corporate History

#### 企业历史

The origin of our business can be traced back to 2011. Mr. Dinggui Yan, our founder, director and chief executive officer, commenced an individual finance marketplace in 2011 through several entities controlled by him in China. In June 2015, Mr. Dinggui Yan acquired Jiayin Finance, a shell company previously known as Furen Technology Limited and listed on the National Equities Exchange and Quotations Co., Ltd., or the NEEQ. In September 2015, Niwodai Internet was established as a wholly-owned subsidiary of Jiayin Finance to develop our online individual finance marketplace business. Mr. Dinggui Yan launched Shanghai Caiyin in September 2015. We entered into a collaboration agreement with Shanghai Caiyin in 2015 to engage Shanghai Caiyin to provide post-origination loan management services and manage our investor assurance program for loans facilitated prior to April 28, 2018. See “—Collaboration Agreement with Shanghai Caiyin.” In December 2015, Shanghai Caiyin also acquired the servicing rights and obligations of all outstanding loan contracts facilitated by Niwodai Finance, which operated our founder’s individual finance marketplace at that time, as well as the obligation to continue to provide guarantee on those loans. Niwodai Finance subsequently ceased to operate the individual financing business. We launched our online individual financing marketplace in December 2015.

我们业务的起源可以追溯到2011年。严鼎贵先生，我们的创始人，董事和首席执行官，在2011年通过他在中国控制的几个实体开始了个人金融市场。2015年6月，严鼎贵先生收购了嘉荫金融，一家空壳公司，之前被称为福人科技有限公司，并在全国中小企业股份转让系统上市。2015年9月，尼沃代互联网成为嘉荫金融的全资子公司，发展我们的在线个人金融市场业务。严丁贵先生于2015年9月推出了《上海采银》。我们于2015年与上海财银签订了合作协议，在2018年4月28日之前与上海财银签订合作协议，提供贷款后贷款管理服务，并管理我们的投资者担保计划。参见“——与上海财银的合作协议”在2015年12月，上海财银还获得了所有未偿还借款合同的服务权利和义务，以及继续提供担保的义务。尼沃代金融其后停止经营个人理财业务。我们在2015年12月推出了在线个人融资市场。

In December 2017, we incorporated Jiayin Group Inc. under the laws of the Cayman Islands as our offshore holding company, and in January 2018, we established a wholly-owned subsidiary in the British Virgin Islands, Jiayin Holdings Limited, and a wholly-owned subsidiary in Hong Kong, Jiayin (HK) Limited, to be our intermediate holding companies, to facilitate our initial public offering in the United States. Jiayin Finance was delisted from NEEQ in April 2018 in preparation for this offering. In June 2018, we incorporated Shanghai KunJia as a wholly-foreign owned entity in China. As a result of the restructuring in 2018, we hold equity interest in Shanghai KunJia through our current offshore structure. At the same time, Shanghai KunJia entered into a series of contractual arrangements with Jiayin Finance and its shareholders among which several agreements were terminated and simultaneously replaced in October 2018 for the purpose of registering pledges of equity interest in Jiayin Finance with the government authority. As a result of these Contractual Arrangements, we are the primary beneficiary of Jiayin Finance and its subsidiaries, and, therefore, have consolidated the financial results of Jiayin Finance and its subsidiaries in our consolidated financial statements in accordance with U.S. GAAP. See “—Contractual Arrangements among Shanghai KunJia, Jiayin Finance and the shareholders of Jiayin Finance.”

2017年12月，我们根据开曼群岛法律注册成立嘉银集团为离岸控股公司；2018年1月，我们在英属维尔京群岛成立全资附属公司嘉银控股有限公司，并在嘉荫成立全资附属公司，作为我们的中间控股公司，以便我们在美国进行首次公开发行。Jiayin Finance在2018年4月从NEEQ名单中除名，为这次发行做准备。2018年6月，我们将上海坤佳注册为中国的外商独资企业。由于2018年的重组，我们通过目前的离岸结构持有上海坤嘉的股权。与此同时，上海坤佳与嘉银金融及其股东达成了一系列合同安排，其中一些协议于2018年10月被终止，同时被取代，目的是向政府当局登记在Jiayin Finance的股权质押。由于这些合同安排，我们是Jiayin Finance及其子公司的主要受益者，因此，我们已经根据美国公认会计原则，将嘉荫金融及其子公司的财务结果合并到我们的合并财务报表中。参见“-上海昆嘉、Jiayin Finance和Jiayin Finance股东之间的契约安排”

We currently operate our online individual finance marketplace in China mainly through Niwodai Internet. Jiayin Finance operates our website [www.jiayinfintech.cn](http://www.jiayinfintech.cn) and Niwodai Internet operates [www.niwodai.com](http://www.niwodai.com) and our apps, through which we offer our loan products and investment services.

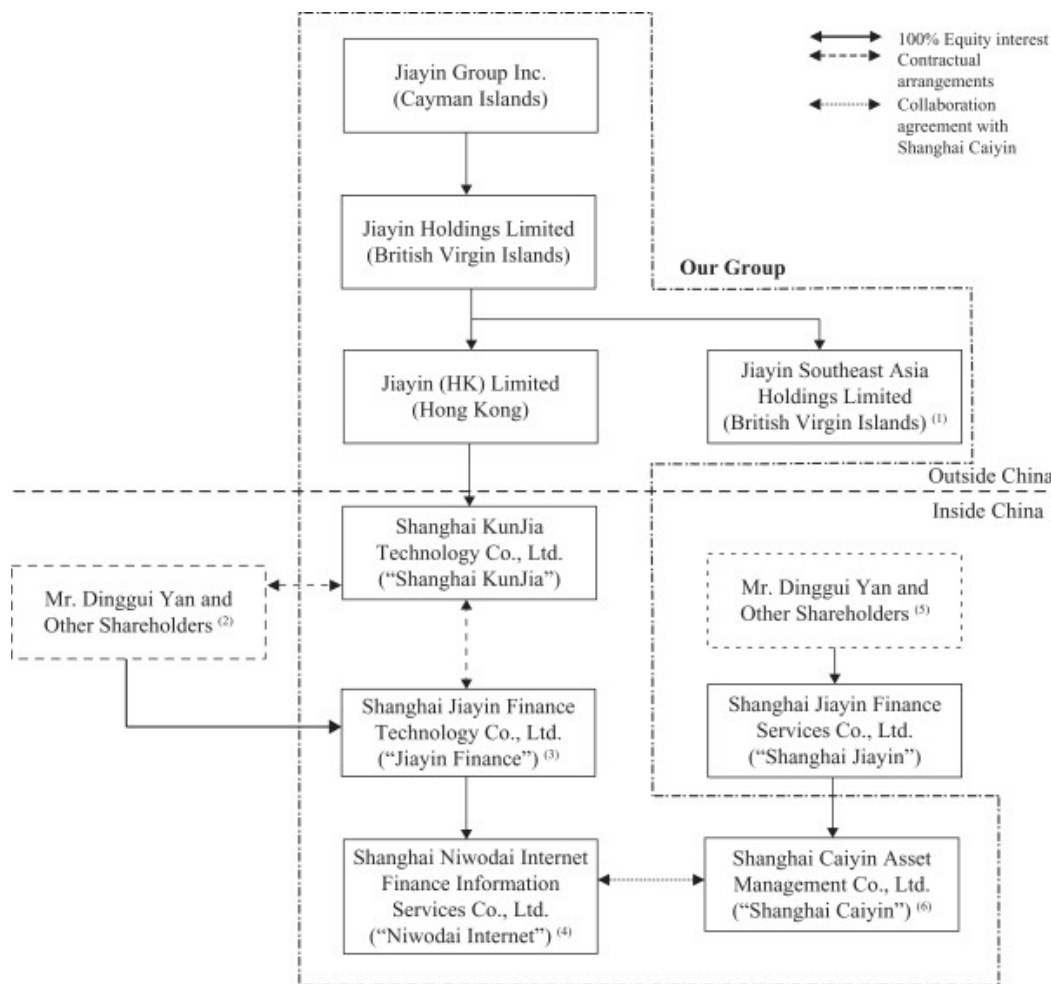
我们目前主要通过互联网运营我们在中国的在线个人金融市场。嘉银金融运营着我们的网站 [www.jiayinfintech.cn](http://www.jiayinfintech.cn)，Niwodai Internet运营着 [www.Niwodai.com](http://www.Niwodai.com) 和我们的应用程序，我们通过这些应用程序提供我们的贷款产品和投资服务。

**Corporate Structure**

**企业架构**

The following diagram illustrates our corporate structure, including the names, places of incorporation and the proportion of ownership interests in our significant subsidiaries and consolidated affiliated entities and their subsidiaries as of the date of this prospectus:

下图显示截至本招股章程发出日期为止，本公司的法团架构，包括本公司重要附属公司及合并附属公司及其附属公司的名称、成立地点及拥有权益的比例：



- (1) Jiayin Southeast Asia Holdings Limited was established in February 2018 to develop and operate our overseas business. See “Business—Overseas Development.”  
嘉荫东南亚控股有限公司成立于2018年2月，致力于海外业务的拓展和经营。参见《商业—海外发展》
- (2) Jiayin Finance is owned as to 58% by Mr. Dinggui Yan, our founder, director and chief executive officer, 27% by Shanghai Jinnmushuihuotu Investment Center (Limited Partnership), or Jinnmushuihuotu Investment, 12% by Mr. Guanglin Zhang, and 3% by Mr. Yuanle Wu, who both are employees of our company. Jinnmushuihuotu Investment is established in connection with the share incentive plan of Jiayin Finance. See “Management—Share Incentive Plans—2016 Share Incentive Plan.” The general partner of Jinnmushuihuotu Investment is Jinnmushuihuotu Marketing, which is controlled by Mr. Dinggui Yan.  
本公司创始人、董事兼首席执行官严鼎贵先生持有58%的股份，上海金木水火土投资中心(有限合伙)持有27%的股份，张广林先生持有12%的股份，吴元乐先生持有3%的股份。金木水火土投资有限公司是配合 Jiayin Finance 股权激励计划而成立的。参见《管理—股权激励计划—2016年股权激励计划》金木水火土投资的普通合伙人是严鼎贵先生控股的金木水火土营销公司。
- (3) Jiayin Finance entered into Contractual Arrangements with Shanghai KunJia. See “—Contractual Arrangements among Shanghai KunJia, Jiayin Finance and shareholders of Jiayin Finance.”  
嘉荫金融与上海昆嘉签订了合同安排。参见“-上海昆嘉、Jiayin Finance 和 Jiayin Finance 股东之间的契约安排”
- (4) Niwodai Internet operates our online peer-to-peer individual finance marketplace.  
Niwodai 互联网运营着我们的在线 p2p 个人金融市场。

- (5) Shanghai Jiayin is owned 75% by Mr. Dinggui Yan and 25% by Shanghai Bangfan Investment Limited Partnership, or Shanghai Bangfan. The general partner of Shanghai Bangfan is Mr. Dinggui Yan, who has whole voting and investment power of Shanghai Bangfan. Mr. Dinggui Yan also owns substantially all the economic interest in Shanghai Bangfan. The rest of the economic interest in Shanghai Bangfan is owned by Mr. Guanglin Zhang.  
Shanghai Jiayin 75% 股权归严鼎贵先生所有，25% 归上海邦帆投资有限合伙公司所有。上海邦帆的普通合伙人是严鼎贵先生，他拥有上海邦帆的全部投票权和投资权。严鼎贵先生还拥有上海邦帆的大部分经济权益。上海邦帆的其余经济利益归张广林先生所有。
- (6) Shanghai Caiyin provides post-origination loan management services and manages our investor assurance program for loans facilitated prior to April 28, 2018. See “—Collaboration Agreement with Shanghai Caiyin.”  
上海财银在2018年4月28日之前提供贷款后期贷款管理服务，并管理我们的投资者担保计划。参见“一一与上海财银的合作协议”

### **Contractual Arrangements among Shanghai KunJia, Jiayin Finance and the Shareholders of Jiayin Finance**

#### 上海坤嘉、 Jiayin Finance 与 Jiayin Finance 股东的契约安排

Due to PRC legal restrictions on foreign ownership and investment in, among other areas, value-added telecommunications services, which include the operations of Internet content providers, or ICPs, we, similar to all other entities with foreign incorporated holding company structures operating in our industry in China, currently conduct these activities mainly through Jiayin Finance and its subsidiaries over which we exercise effective control through Contractual Arrangements among Shanghai KunJia, Jiayin Finance and its shareholders.

由于中国法律限制外资拥有和投资增值电信服务，其中包括互联网内容提供商(简称 ICPs)的业务，我们目前主要通过 Jiayin Finance 及其子公司进行这些活动，通过上海坤嘉、 in Finance 及其股东之间的合同安排对这些活动进行有效控制。

The Contractual Arrangements allow us to:

根据合同安排，我们可以：

- exercise effective control over Jiayin Finance;  
对嘉荫金融实行有效控制;
- receive substantially all of the economic benefits of Jiayin Finance; and  
获得 Jiayin Finance 大部分的经济利益; 以及
- have an exclusive call option to purchase all or part of the equity interests in and/or assets of Jiayin Finance when and to the extent permitted by laws.  
拥有独家买入期权，可在法例容许的范围内，全部或部分购入 Jiayin Finance 的股权及 / 或资产。

As a result of these Contractual Arrangements, we are the primary beneficiary of Jiayin Finance and its subsidiaries, and, therefore, have consolidated the financial results of Jiayin Finance and its subsidiaries in our consolidated financial statements in accordance with U.S. GAAP.

由于这些合同安排，我们是 Jiayin Finance 及其子公司的主要受益者，因此，我们已经根据美国公认会计原则，将嘉荫金融及其子公司的财务结果合并到我们的合并财务报表中。

In the opinion of King & Wood Mallesons, our PRC counsel:

我们的中华人民共和国金杜律师事务所律师认为：

- the ownership structure of Jiayin Finance, currently and immediately after giving effect to this offering, is in compliance with PRC laws or regulations currently in effect; and  
Jiayin Finance 的股权结构，现时及在此次发售即时生效后，是否符合中华人民共和国现行法律或法规的规定; 及
- the Contractual Arrangements among Jiayin Finance and its shareholders, governed by PRC law, currently and immediately after giving effect to this offering, are valid and binding under PRC law, and do not and will not result in any violation of applicable PRC laws or regulations currently in effect.  
嘉荫金融与其股东之间的合同安排，受中华人民共和国法律管辖，目前和立即生效后，根据中华人民共和国法律是有效和有约束力的，不会，也不会导致任何违反中华人民共和国现行适用的法律或法规。

The following is a summary of the currently effective Contractual Arrangements by and among Shanghai KunJia, Jiayin Finance and the shareholders of the Jiayin Finance.

以下是上海昆嘉、 Jiayin Finance 和 Jiayin Finance 股东之间现行有效合同安排的摘要。

#### **Agreements that provide us with effective control over Jiayin Finance**

使我们能有效控制 Jiayin Finance 的协议

**Power of Attorney.** Pursuant to the power of attorney issued by Jiayin Finance and its shareholders, each shareholder of Jiayin Finance, has irrevocably appointed the board of directors of Shanghai KunJia to act as such shareholder's exclusive attorney-in-fact to exercise all shareholder rights, including the right to attend and vote on shareholder's meetings and appoint legal representatives, directors, supervisors and executive officers. In addition, the board of directors of Shanghai KunJia is also entitled to appropriate, use or otherwise dispose all dividends and other distributions. Furthermore, all activities of the board of directors of Shanghai KunJia in connection with the equity interest of Jiayin Finance shall be considered activities of the shareholders of Jiayin Finance, including in the execution of the exclusive call option agreement. The board of directors of Shanghai

授权书。根据嘉银金融及其股东签发的授权书，嘉银金融的各个股东不可撤销地任命上海昆嘉董事会为该股东的独家事实代理人，行使所有股东权利，包括出席股东大会和表决的权利，以及任命法定代表人、董事、监事和执行官员的权利。此外，上海坤佳董事会还有权适当、使用或以其他方式处理所有股息和其他分配。此外，上海坤嘉董事会与嘉银金融股权有关的一切活动，包括执行独家看涨期权协议，均应视为 Jiayin Finance 股东的活动。上海董事会



KunJia may delegate the power of attorney prescribed under this power of attorney to others without prior approval or notification. Jiayin Finance disclaims all rights and powers entrusted to the directors of Shanghai KunJia. The power of attorney will remain in force for so long as the shareholder remains a shareholder of Jiayin Finance.

昆甲可以将本委托书规定的委托书委托他人代理，无需事先批准或通知。嘉荫金融拒绝承认上海昆嘉董事的一切权利和权力。只要股东仍然是 Jiayin Finance 的股东，授权书就将继续有效。

**Equity Pledge Agreement.** Pursuant to the equity interest pledge agreements among Shanghai KunJia, Jiayin Finance and each of the shareholders of Jiayin Finance, the shareholders of Jiayin Finance have pledged all of their equity interest in Jiayin Finance as a continuing first priority security interest, as applicable, to respectively guarantee Jiayin Finance's performance of its obligations under the relevant Contractual Arrangements, which include the exclusive consultation and service agreement, exclusive call option agreement and power of attorney agreement provided that the guaranteed obligation shall not exceed the expected market capitalization of Jiayin Finance, which is US\$20 billion, multiplied by their respective shareholding percentage. If Jiayin Finance breaches its contractual obligations under these agreements, Shanghai KunJia, as pledgee, will be entitled to certain rights regarding the pledged equity interests. In the event of such breaches, Shanghai KunJia's rights include forcing the auction or sale of all or part of the pledged equity interests of Jiayin Finance and receiving proceeds from such auction or sale in accordance with PRC law to the extent the rights of Shanghai KunJia under the Contractual Arrangements are satisfied. In the event of significant decrease in value of the equity interest of Jiayin Finance, in addition to the foregoing remedies, Shanghai KunJia is also entitled to entrust notary with the proceeds from such auction or sale, or requiring the shareholders, as pledgor, to provide other forms of security acceptable to Shanghai KunJia. It is also agreed that any subscription of additional registered capital of Jiayin Finance or any equity interests transferred among those shareholders will automatically be subject to this agreement and the shareholders will be obligated to register pledge of such equity interest in ten business days. During the term of the applicable equity interest pledges, such shareholder will not dispose of the pledged equity interests or create or allow any encumbrance on the pledged equity interests. Each equity interest pledge will remain effective until the full performance of the contractual agreements, including the settlement of payment by Jiayin Finance and its shareholders and indemnification of any losses caused by Jiayin Finance, if applicable, and termination of such contractual agreements. We have registered pledges of equity interest in Jiayin Finance with the relevant office of the administration for industry and commerce in accordance with the *PRC Property Rights Law*.

股权质押协议。根据上海昆嘉、Jiayin Finance 和嘉银金融各股东之间的股权质押协议，Jiayin Finance 股东已将其在嘉银金融的全部股权作为适用的持续第一优先担保权，分别担保嘉银金融履行相关合同安排规定的义务，包括独家咨询和服务协议、独家看涨期权协议和授权委托书，条件是担保债务不得超过嘉银金融预期的200亿美元市值乘以各自的持股比例。如果 Jiayin Finance 违反这些协议规定的合同义务，作为质权人的上海坤佳将有权享有质押股权的某些权利。如果发生此类违规行为，上海坤佳的权利包括强制拍卖或出售 Jiayin Finance 的全部或部分质押股权，以及在上海坤佳根据《合同安排》享有的权利得到满足的情况下，根据中国法律从此类拍卖或出售中获得收益。如果嘉荫金融的股权价值大幅度降低，除上述补救措施外，上海坤嘉还有权委托公证人支付拍卖或出售所得款项，或者要求出质股东提供上海坤嘉认可的其他担保形式。双方还同意，认购 Jiayin Finance 的任何额外注册资本或在这些股东之间转让的任何股权将自动受本协议约束，股东有义务在10个营业日内登记该股权权益质押。在适用的权益质押期内，该股东不得处分质押的权益，不得对质押的权益设置或允许设置任何负担。在合同协议全面履行，包括嘉银金融及其股东支付款项、赔偿嘉银金融在适用情况下造成的任何损失以及终止合同协议之前，每项股权权益质押仍然有效。我们已根据《中华人民共和国物权法》，向工商行政管理机关登记了在 Jiayin Finance 的股权质押。

#### **Agreement that allows us to receive economic benefits from Jiayin Finance**

让我们从 Jiayin Finance 获得经济利益的协定

**Exclusive Consultation and Service Agreement.** Pursuant to the Exclusive Consultation and Service Agreement between Shanghai KunJia and Jiayin Finance, Shanghai KunJia has the exclusive right to provide Jiayin Finance with consulting and other services. Without Shanghai KunJia's prior written consent, Jiayin Finance may not accept any services subject to this agreement from any third party. In exchange, Shanghai KunJia is entitled to receive a service fee on a quarterly basis and at an amount equivalent to all of its net income. Shanghai KunJia has the right to determine the service fee to be charged to Jiayin Finance under this agreement by considering, among other things, the complexity of the services, the actual time that may be spent and cost that may be incurred for providing such services, as well as the value and comparable price on the market of the service provided. Shanghai KunJia will exclusively enjoy all the rights, property rights and intellectual property rights created as a result of the performance of this agreement. Without prior written consent of Shanghai KunJia, Jiayin Finance shall not enter into any transactions which may materially affect Jiayin Finance's assets, liabilities, business operations, equity interests and other legal interests. Unless Shanghai KunJia terminates this agreement in advance or otherwise required by law, this agreement will remain effective for ten years and automatically extend for another ten years upon any expiration date. Jiayin Finance may not terminate this agreement unilaterally.

独家咨询及服务协议。根据上海昆嘉与 Jiayin Finance 之间的独家咨询和服务协议，上海昆嘉拥有为 Jiayin Finance 提供咨询和其他服务的独家权利。未经上海坤佳事先书面同意，Jiayin Finance 不得接受任何第三方提供的服务。作为交换，上海坤佳有权按季度收取相当于其全部净收入的服务费。上海坤佳有权决定根据本协议向 Jiayin Finance 收取的服务费用，其中考虑的因素包括服务的复杂性、提供这些服务可能花费的实际时间和成本，以及所提供服务的市场价值和可比价格。上海坤佳将独享本协议所产生的一切权利、财产权和知识产权。未经上海昆嘉事先书面同意，Jiayin Finance 不得进行任何可能对 Jiayin Finance 的资产、负债、经营、股权和其他合法权益产生重大影响的交易。除非上海坤嘉提前终止本协议或法律另有规定，本协议有效期为10年，到期日自动延长10年。Jiayin Finance 不得单方面终止该协议。

#### **Agreement that provides us with the option to purchase the equity interests in Jiayin Finance**

该协议让我们可选择购买 Jiayin Finance 的股权

**Exclusive Call Option Agreement.** Pursuant to the exclusive call option agreements among Shanghai KunJia, Jiayin Finance and shareholders of Jiayin Finance, Jiayin Finance and each of their shareholders have

独家看涨期权协议。根据上海昆嘉、 Jiayin Finance 和 Jiayin Finance、 Jiayin Finance 的股东以及他们各自的股东之间的排他性买入期权协议,



irrevocably granted Shanghai KunJia an exclusive option to purchase, or have its designated person or persons to purchase, at its discretion at any time, to the extent permitted under PRC law, all or part of such shareholder's equity interests in the applicable, or all or part of the assets, of Jiayin Finance for RMB1, or the minimum purchase price as permitted by PRC laws. Shareholders of Jiayin Finance promise to make all efforts to enable Shanghai KunJia to exercise its option, including but not limited to resignation and granting options and right to earnings of Shanghai KunJia. Without Shanghai KunJia's prior written consent, Jiayin Finance and its shareholders have agreed that they shall not amend its articles of association, increase or decrease the registered capital, sell or otherwise dispose of its assets or beneficial interest, create or allow any encumbrance on its assets or other beneficial interests, provide any loans or guarantees and etc. Jiayin Finance and its shareholders undertake to appoint persons designated by Shanghai KunJia as directors of Jiayin Finance. Unless Shanghai KunJia terminates this agreement in advance or otherwise required by law, this agreement will remain effective for ten years and automatically extend for another ten years upon any expiration date. Jiayin Finance may not terminate this agreement unilaterally.

不可撤销地授予上海昆嘉独家选择权，在中国法律允许的范围内，以人民币1元或中国法律允许的最低购买价格，在任何时候，以中国法律允许的价格购买上述股东在适用的 Jiayin Finance 资产中的全部或部分股权。Jiayin Finance 股东承诺将尽一切努力让上海昆嘉行使其期权，包括但不限于上海昆嘉的辞职、授予期权和收益权。未经上海昆嘉事先书面同意，嘉荫金融及其股东同意，不得修改公司章程，不得增减注册资本，不得变卖或处分其资产或受益权益，不得对其资产或其他受益权益设置或允许设置任何负担，不得提供任何贷款或担保等。嘉荫金融及其股东承诺任命上海昆嘉指定的人士为 Jiayin Finance 董事。除非上海坤嘉提前终止本协议或法律另有规定，本协议有效期为10年，到期日自动延长10年。Jiayin Finance 不得单方面终止该协议。

## Collaboration Agreement with Shanghai Caiyin

### 与上海采银签订合作协议

According to the collaboration agreement between Niwodai Internet and Shanghai Caiyin, Shanghai Caiyin provides post-origination loan management services and manages the investor assurance program for loans facilitated prior to April 28, 2018 to pay investor in case of borrower default.

根据牛窝带互联网与上海财银的合作协议，上海财银提供创业后贷款管理服务，并管理2018年4月28日前贷款的投资者担保计划，以便在借款人违约的情况下向投资者支付贷款。

Pursuant to the collaboration agreement, Shanghai Caiyin shall pay Niwodai Internet the full overdue amount and authorizes Niwodai Internet to withdraw such amount from risk reserve fund. Niwodai Internet may also request Shanghai Caiyin to repay the full amount of outstanding loan and service fees in certain occasions, including (i) when the borrower is sued or otherwise deemed unable to repay the loan, (ii) when there is a significant adverse change in the business operation or financial condition of Shanghai Caiyin, including major litigation, cessation of business, significant investment, sealing up of property, major loss or changes of internal control or accounting methods, (iii) when Niwodai Internet reasonable believes Shanghai Caiyin is no longer able or suitable to perform its post-origination services or (iv) in other occasions that adversely affect interest of investors of Niwodai Internet or Shanghai Caiyin's capacity to perform its obligations. Niwodai Internet has exclusive right to determine such percentage at any time. After Shanghai Caiyin pays investor, Shanghai Caiyin is authorized to collect the loan from the defaulting borrower.

根据合作协议，上海财银应向牛网支付全部逾期金额，并授权牛网从风险准备基金中提取该金额。在某些情况下，如果借款人被起诉或被认为无力偿还贷款，如果上海财银的业务经营或财务状况发生重大不利变化，包括重大诉讼、停业、重大投资、封存资产、重大损失或内部控制或会计方法的变更，如果上海财银有理由认为上海财银不再能够或不适合提供创业后服务，或者如果其他情况对投资者利益产生不利影响，如果上海财银履行义务的能力受到影响，则可以要求上海财银全额偿还未偿还的贷款和服务费。牛窝带互联网在任何时候都拥有独家确定这个百分比的权利。上海财银支付投资者后，授权上海财银向违约借款人收取贷款。

Niwodai is eligible to collect the amount of service fees in excess of the amount paid by Shanghai Caiyin to the investors out of the risk reserve fund, minus reasonable operation costs. Furthermore, Niwodai Internet reserves the right to terminate the agreement at any time and engage other parties to perform the guarantee services. Unless terminated by Niwodai Internet, this agreement will remain effective indefinitely.

牛窝带可以从风险准备基金中扣除合理的经营成本，向投资者收取超过上海财银支付的金额的服务费。此外，Niwodai 互联网保留在任何时候终止协议的权利，并委托其他各方提供担保服务。除非被 Niwodai 互联网终止，否则该协议将无限期有效。

As a result of this collaboration agreement, we are the primary beneficiary of Shanghai Caiyin, and, therefore, have consolidated the financial results of Shanghai Caiyin in our consolidated financial statements in accordance with U.S. GAAP.

由于这项合作协议，我们是上海财银的主要受益者，因此，根据美国公认会计原则，我们已经将上海财银的财务业绩整合到我们的合并财务报表中。

**SELECTED CONSOLIDATED FINANCIAL DATA**  
选定综合财务数据

The following selected consolidated statements of operations data for the years ended December 31, 2016 and 2017 and selected consolidated balance sheets data as of December 31, 2016 and December 31, 2017 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. Our consolidated financial statements are prepared and presented in accordance with U.S. GAAP. The following selected consolidated statements of operations for the nine months ended September 30, 2017 and 2018 and the selected consolidated balance sheet as of September 30, 2018 have been derived from our unaudited interim condensed consolidated financial statements included elsewhere in this prospectus and have been prepared on the same basis as our audited consolidated financial statements.

下列截至2016年12月31日、2016年和2017年12月31日年度的选定综合业务报表数据和截至2016年12月31日和2017年12月31日的选定综合资产负债表数据来自本章程其他部分所载的经审计的综合财务报表。我们的合并财务报表是按照美国公认会计原则编制和提交的。以下是截至2017年9月30日和2018年9月30日的9个月的选定合并业务报表和截至2018年9月30日的选定合并资产负债表，它们来自本章程其他地方所载的未经审计的中期简要合并财务报表，并且是按照与我们已审计合并财务报表相同的基础编制的。

Our historical results are not necessarily indicative of results expected for future periods. You should read this Selected Consolidated Financial and Operating Data section together with our consolidated financial statements and the related notes and the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section included elsewhere in this prospectus.

我们的历史结果并不一定代表未来期望的结果。你应阅读本章程其他部分所载的选定综合财务及营运数据章节、综合财务报表及有关附注，以及「管理层对财务状况及营运结果的讨论及分析」章节。

	Year Ended December 31, 截至十二月三十一日止的一年			Nine Months Ended September 30, 九个月截至九月三十日		
	2016	2017		2017	2018	
	RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	RMB 人民币	US\$ 美元
	(in thousands, except for share, per share data) (以千为单位，每股数据除外)					
<b>Selected Consolidated Statements of Operations</b>						
合并业务报表选编						
<b>Net revenue</b>						
净收入	591,098	2,250,850	327,730	1,480,755	2,171,683	316,203
<b>Operating cost and expenses</b>						
营运成本及费用						
Origination and servicing	(143,201)	(229,353)		(141,244)	(284,035)	
创立和服务	143,201)	229,353)	(33,394)	141,244)	(284,035))	(41,356)
Allowance for uncollectible accounts receivable and contract assets						
无法收回的应收帐款和合同资产备抵	(125,672)	(130,943)	(19,066)	(49,174)	(187,618)	27,318
Provision for assets and liabilities from investor assurance program						
投资者保证计划中的资产和负债准备金	(223,604)	(42,463)	(6,183 6183)	(6,314 6314)	(426,710)	(62,130)
Sales and marketing				(600,055)		(81,920)
销售和市场营销	(467,725)	(884,866)	(128,839)	(600,055))	(562,630)	(81,920))
General and administrative			(13,919)			
一般及行政事务	(54,990)	(95,597 95,597)	13,919)	(65,226)	(83,272 83,272)	(12,125)
Research and development		(180,967)		(113,811)		
研究及发展	(88,705)	180,967)	(26,349)	113,811)	(112,387)	(16,364)
<b>Total operating cost and expenses</b>	<b>(1,103,897)</b>	<b>(1,564,189)</b>	<b>(227,750)</b>	<b>(975,824)</b>	<b>(1,656,652)</b>	<b>(241,213)</b>
营运成本及费用总额	<b>1,103,897)</b>	<b>1564189)</b>	<b>227,750)</b>	<b>975,824)</b>	<b>1,656,652)</b>	<b>241,213)</b>
<b>Profit (Loss) from operation</b>						
营业利润(亏损)	<b>(512,799)</b>	<b>686,661)</b>	<b>99,980)</b>	<b>504,931)</b>	<b>515,031)</b>	<b>74,990)</b>
Interest income						
利息收入	1,454	1,922	280	1,383	1,042	152
Other income, net						
其他收入，净额	3,328	12,609	1,836	8,667	12,039	1,753
<b>Income (Loss) before income tax</b>						
所得税前收入(损失)	<b>(508,017)</b>	<b>701,192)</b>	<b>102,096)</b>	<b>514,981)</b>	<b>528,112)</b>	<b>76,895)</b>
Income tax benefit (expense)						(11,458)
所得税优惠(费用)	118,266	(161,647)	(23,536)	(118,719)	(78,689)	11,458)

**Net income (loss)**  
净收益(亏损)

(389,751)    539,545    78,560    396,262    449,423    65,437

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	Year Ended December 31, 截至十二月三十一日止的一年			Nine Months Ended September 30, 九个月截至九月三十日		
	2016	2017		2017	2018	
	RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	RMB 人民币	US\$ 美元
<b>Net income (loss) per share</b> 每股净收益(亏损)						
Basic 基础	(1.95 (1.95 元))	2.70	0.39	1.98	2.25	0.33
Diluted 稀释	(1.95 (1.95 元))	2.70	0.39	1.98	2.25	0.33
<b>Weighted average shares used in calculating net income (loss) per share:</b> 用于计算每股净收益(亏损)的加权平均数:						
Basic 基础	200,000,000 二十万	200,000,000 二十万	200,000,000 二十万	200,000,000 二十万	200,000,000 二十万	200,000,000 二十万
Diluted 稀释	200,000,000 二十万	200,000,000 二十万	200,000,000 二十万	200,000,000 二十万	200,000,000 二十万	200,000,000 二十万

The following table sets forth our total assets, total liabilities and total net deficit as of the dates indicated.

下表列出截至所示日期的总资产、总负债和总净亏损。

	As of December 31, 截至十二月三十一日,			As of September 30, 截至9月30日,	
	2016	2017		2018	
	RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	US\$ 美元
<b>Summary Consolidated Balance Sheets</b> 综合资产负债表摘要					
Total assets 资产总额	2,025,937	2,530,532	368,453	1,353,771	197,113
Total liabilities 负债总额	4,586,420	4,462,074	649,691	3,214,138	467,988
Total deficit 赤字总额	(2,560,483) 2560483)	(1,931,542) 1931542)	(281,238) 281,238)	(1,860,367) 1,860,367)	(270,875) 270,875)

The following table sets forth a summary of our cash flows for the period presented:

下表列出了本公司在所述期间的现金流量摘要:

	Year Ended December 31, 截至十二月三十一日止的一年			Nine Months Ended 九个月结束 September 30, 九月三十日	
	2016	2017		2018	
	RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	US\$ 美元
<b>Selected Consolidated Cash Flow Data:</b> 选定综合现金流量数据:					
Net cash generated by operating activities 业务活动产生的现金净额	257,500	104,752	15,252	133,130*	19,384*
Net cash provided by (used in) investing activities 投资活动提供的现金净额	(89,682)	61,215	8,913	(14,245)	(2,074)
Net cash provided by (used in) financing activities (用于)融资活动的现金净额	181,054	13,876	2,021	(504,000)	(73,384)
Cash, cash equivalents and restricted cash at beginning of period 期初现金、现金等价物和限制性现金	232,617	581,489	84,666	761,332	110,852
Cash, cash equivalents and restricted cash at end of period 期末现金、现金等价物和限制性现金	581,489	761,332	110,852	376,217	54,778

- \* Our net cash generated by operating activities for the nine month ended September 30, 2018 includes repayment from Niwodai Finance of RMB398.1 million (US\$58.0 million) of amounts due from related parties, which is mostly funded by a dividend of RMB400.0 million (US\$58.2 million) distributed to shareholders of Jiayin Finance, including Mr. Dinggui Yan, who also controls Niwodai Finance. Without this related party transaction, we would have had operating cash outflows for the nine months ended September 30, 2018.
- 在截至2018年9月30日的9个月内，我们的经营活动产生的净现金包括来自 Niwodai 金融公司的3.981亿元人民币(合5800万美元)，其中大部分资金来自分配给 Jiayin Finance 股东的4亿元人民币(合5820万美元)红利，其中包括同时控制着牛棚大金融公司的桂定言先生。如果没有这笔关联方交易，我们在截至2018年9月30日的9个月里就会有经营性现金流出。

## Non-GAAP Measures

### 非公认会计原则措施

#### Adjusted Net Income (loss)

##### 调整后净收益(亏损)

We use adjusted net income (loss), a non-GAAP financial measure, in evaluating our operating results and for financial and operational decision-making purposes. We believe that adjusted net income (loss) helps identify underlying trends in our business by excluding the impact of share-based compensation expenses (net of tax effect of nil), which are non-cash charges. We believe that adjusted net income (loss) provides useful information about our operating results, enhances the overall understanding of our past performance and future prospects and allows for greater visibility with respect to key metrics used by our management in its financial and operational decision-making.

我们使用调整净收益(损失)，一个非一般公认会计原则的财务措施，在评估我们的经营成果和财务和经营决策的目的。我们相信调整后的净收入(亏损)有助确定我们业务的基本趋势，因为我们排除了非现金收费的按股份计算的补偿开支(即不扣除税项影响)的影响。我们相信，调整后的净收入(亏损)提供了有关我们经营业绩的有用信息，加强了对我们过去业绩和未来前景的总体了解，并使我们的管理层在财务和运营决策中使用的关键指标得到更大的关注。

Year Ended December 31, 截至十二月三十一日止的一年			Nine Months Ended September 30, 九个月截至九月三十日		
2016	2017		2017	2018	
RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	RMB 人民币	US\$ 美元
(in thousands) (千)					

#### Adjusted net income (loss)<sup>(1)</sup>

##### 调整后净收益(亏损)<sup>(1)</sup>

	(349,834)	628,941	91,576	471,196	471,175	68,604
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(1) Adjusted net income (loss) is defined as net income (loss) excluding share-based compensation expenses (net of tax effect of nil).

调整后净收入(亏损)的定义为净收入(亏损)，不包括以股份为基础的补偿费用(不扣除税收影响)。

Adjusted net income (loss) is not defined under U.S. GAAP and are not presented in accordance with U.S. GAAP. This non-GAAP financial measure has limitations as analytical tools, and when assessing our operating performance, cash flows or our liquidity, investors should not consider them in isolation, or as a substitute for net income (loss), cash flows provided by operating activities or other consolidated statements of operation and cash flow data prepared in accordance with U.S. GAAP.

调整后的净收入(损失)在美国公认会计原则下没有定义，也没有按照美国公认会计原则提出。这种非公认会计原则的财务指标作为分析工具具有局限性，在评估我们的经营业绩、现金流量或流动性时，投资者不应孤立地考虑这些指标，也不应将其作为净收入(损失)、经营活动提供的现金流量或其他合并的经营报表以及按照美国公认会计原则编制的现金流量数据的替代指标。

We mitigate these limitations by reconciling the non-GAAP financial measure to the most comparable U.S. GAAP performance measure, all of which should be considered when evaluating our performance.

我们通过将非公认会计原则的财务指标与美国最具可比性的公认会计原则的绩效指标进行协调来减轻这些限制，在评估我们的绩效时应该考虑所有这些因素。

The following table reconciles our adjusted net income (loss) in the years presented to the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP, which is net income (loss):

下表按照美国一般公认会计原则计算和列报的最直接可比的财务指标，即净收入(损失)，核对了我们列报年份的调整后净收入(损失)：

	Year Ended December 31, 截至十二月三十一日止的一年			Nine Months Ended 九个月结束 September 30, 九月三十日		
	2016	2017		2017	2018	
	RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	RMB 人民币	US\$ 美元
(in thousands) (千)						
Net income (loss)						
净收益(亏损)	(389,751)	539,545	78,560	396,262	449,423	65,437
Add: share-based compensation expenses (net of tax effect of nil)						
加：以股份为基础的补偿费用(不包括税收影响)	39,917	89,396	13,016	74,934	21,752	3,167
Adjusted net income (loss)						
调整后净收益(亏损)	(349,834)	628,941	91,576	471,196	471,175	68,604

## Selected Operating Data

### 部分操作数据

We regularly review a number of metrics to evaluate our business, measure our performance, identify trends, formulate financial projections and make strategic decisions. The table below sets forth the selected operating data for the periods and as of the dates indicated:

我们定期回顾一些衡量标准，以评估我们的业务，衡量我们的业绩，确定趋势，制定财务预测和战略决策。下表列出了所列各期间和截至所列日期的选定业务数据：

	Year Ended December 31, 截至十二月三十一日止的一年		Nine Months Ended 九个月结束 September 30, 九月三十日		
	2016	2017	2017	2018	
	(in thousands) (千)				
Number of borrowers 借款人数量	210	2,855	2,855	1,773	2,385
Number of repeat borrowers 重复借款人数量	9	1,201		708	756
Number of investors 投资者数量	278	273		207	277
Number of repeat investors 重复投资者数量	123	157		116	216
Number of borrowings 借款数量	219	5,215		3,049	2,494
Number of investment transactions 投资交易数量	1,419	7,114		4,448	3,138

	Year Ended December 31, 截至十二月三十一日止的一年			Nine Months Ended 九个月结束 September 30, 九月三十日		
	2016	2017		2017	2018	
	RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	RMB 人民币	US\$ 美元
	(in millions) (以百万计)					
Loan origination volume* 批出贷款总额*		19,845				
Loan origination volume invested by investors and automated investment programs, excluding reinvestments 投资者投资的贷款发放量和自动化投资程序，不包括再投资	11,822	19,845	2,889	12,039	17,076	2,486
Loan origination volume invested by automatic reinvestments 通过自动再投资投资的贷款发放量				8,971		
Investment volume* 投资额*	10,198	14,400	2,097	8,971	9,175	1,336
Volume of loans transferred on secondary loan market 二手贷款市场转移的贷款额	1,624	5,445	793	3,068	7,901	1,150
Investments made by investors 投资者的投资	15,699	21,769	3,170	13,154	19,240	2,801
Investments made by automated investment programs, excluding reinvestments 通过自动化投资程序进行的投资，不包括再投资	11,850	14,895	2,169	8,203	16,528	2,407
Automated reinvestments enabled by automated investment program 通过自动化投资程序实现自动化再投资	560	1,291	188	876	636	93
	4,918	6,068	884	3,305	9,415	1,371
	6,372	7,536	1,097	4,022	6,477	943

\* Loan origination volume during a period is not equal to the investment volume in the same period as (i) the investment volume includes the amount of investment transactions, excluding automatic reinvestments, in respect of transferred loans on the secondary market, and a small amount of investments into the automated investment programs during the subscription period, which are not accounted for in the loan origination volume; and (ii) the loan origination volume includes the amount of loans that are originated on our platform which are matched with automated reinvestments enabled by our automated investment program, which is not accounted for in the investment volume.  
一段期间的贷款批出额不等于同一期间的投资额，因为(i)投资额包括就第二市场已转让贷款而言的投资交易金额(不包括自动再投资)，以及在认购期内对自动化投资计划的少量投资，而这些投资金额并未计入贷款批出额；及(ii)贷款批出额包括源自我们平台的贷款金额，这些贷款金额与我们的自动化投资程序启动的自动化再投资相配合，但并未计入投资额。

	Year Ended December 31, 截至十二月三十一日止的一年			Nine Months Ended 九个月结束 September 30, 九月三十日		
	2016	2017		2017	2018	
	RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	RMB 人民币	US\$ 美元



Average investment amount per investor 每个投资者的平均投资额	56,453	79,856	11,627	54,786	69,345	10,097
Average borrowing amount per borrowing 每次平均借款金额	53,742	3,805	554	3,948	6,846	997

[Table of Contents](#) 目录提示：本档案系@财报牛牛（公众号：caibaoniao）通过第三方翻译软件从英文招股书翻译成中文的版本，仅供参考。

	As of December 31, 截至 十二月三十一日,		As of September 30, 截至9月30日,
	2016	2017	2018
	(in millions) (以百万计)		
Outstanding principal* 未偿还本金 *	14,397	16,171	15,586

\* Such amounts include loans covered by the investor assurance program that was acquired from Niwodai Finance of RMB4,311 million, RMB1,461 million and RMB88 million as of December 31, 2016, 2017 and September 30, 2018.  
这些贷款包括投资者担保计划提供的贷款，截至2016年12月31日、2017年12月31日和2018年9月30日，从 Niwodai Finance 获得的贷款分别为43.11亿元人民币、14.61亿元人民币和8800万元人民币。

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### 管理层对财务状况和经营成果的探讨与分析

*The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the consolidated financial statements and related notes that appear in this prospectus. In addition to historical consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and in this prospectus, particularly in the section titled "Risk Factors."*

以下关于我们财务状况和经营成果的讨论和分析，应结合本招股说明书中的合并财务报表和相关附注一并阅读。除了历史综合财务信息，下面的讨论包含反映我们的计划、估计和信念的前瞻性陈述。我们的实际结果可能与前瞻性陈述中讨论的结果有重大差异。可能导致或促成这些差异的因素包括下文和本招股说明书中讨论的那些因素，特别是在“风险因素”一节中

### Overview

#### 概览

We are a leading online individual finance marketplace in China connecting individual investors and individual borrowers. The origin of our business can be traced back to 2011. We are one of the first online individual finance marketplaces in China, according to iResearch, and have built a trusted brand with a demonstrated track record of delivering value to both investors and borrowers.

我们是中国领先的在线个人金融市场，连接个人投资者和个人借款人。我们业务的起源可以追溯到2011年。我们是中国最早的在线个人金融市场之一，根据艾瑞咨询的说法，我们已经建立了一个值得信赖的品牌，在向投资者和借款者提供价值方面，我们已经证明了自己的记录。

We offer standard loan products with fixed terms and repayment schedules generally ranging from RMB5,000 to RMB30,000 via the Niwodai borrower app and our website. We strategically focused on facilitating mid-to long-term consumer loans with a term of 12 months or more, as we believe such loan products are best positioned to generate attractive returns, and at the same time, capture the financing needs of quality borrowers. In the nine months ended September 30, 2018, approximately 3,138,000 investment transactions were made by approximately 277,000 investors, with an aggregate investment volume of RMB19.2 billion (US\$2.8 billion). In the nine months ended September 30, 2018, approximately 2,385,000 borrowings were facilitated on our marketplace, with an aggregate loan origination volume of approximately RMB17.0 billion (US\$2.5 billion).

我们通过 Niwodai 借款人应用程序和我们的网站提供标准的贷款产品，贷款期限和还款时间表一般从5000元到30000元不等。我们的策略重点是促进为期12个月或以上的中长期消费者贷款，因为我们相信这类贷款产品最适合产生具吸引力的回报，同时也能满足优质借款人的融资需求。在截至2018年9月30日的9个月中，约有27.7万投资者进行了313.8万笔投资交易，总投资额达192亿元人民币(合28亿美元)。在截至2018年9月30日的9个月中，我们的市场借款量约为238.5万笔，总贷款额约为170亿元人民币(合25亿美元)。

Our online marketplace embraces significant opportunities presented by a financial system that leaves many creditworthy individuals underserved. We provide borrowers with fast and convenient access to credit at affordable and competitive rates, while we offer investors convenient and quick access to an alternative asset class with attractive returns. We neither use our own capital to invest in loans facilitated through our marketplace nor provide loan guarantees to our investors other than through our investor protection program.

我们的在线市场拥有金融系统提供的重大机遇，这使得许多信誉良好的个人得不到服务。我们为借款人提供快捷方便的贷款渠道，贷款利率低廉且具竞争力，同时我们为投资者提供方便快捷的另类资产类别，回报颇具吸引力。我们既不使用我们自己的资本投资于通过我们的市场促进的贷款，也不提供贷款担保给我们的投资者，除非通过我们的投资者保护计划。

We have achieved significant growth in recent periods. The increase in loan origination volume facilitated by us contributed to significant growth of our net revenue and net profit. Our net revenue grew by 280.8% from RMB591.1 million in 2016 to RMB2,250.9 million (US\$327.7 million) in 2017. We recognized net income of RMB539.5 million (US\$78.6 million) in 2017, as compared with the net loss of RMB389.8 million in 2016. Our net revenue grew by 46.7% from RMB1,480.8 million in the nine months ended September 30, 2017 to RMB2,171.7 million (US\$316.2 million) in the same period in 2018. Our net profit grew by 13.4% from RMB396.3 million in the nine months ended September 30, 2017 to RMB449.4 million (US\$65.4 million) in the same period in 2018.

我们在最近几个时期取得了显著的增长。在我们的帮助下，贷款发放量的增加促进了我们净收入和净利润的显著增长。我们的净收入从2016年的5.911亿元人民币增长到2017年的22.509亿元人民币(合3.277亿美元)，增长了280.8%。2017年净利润为5.395亿元人民币(合7.860万美元)，而2016年净亏损为3.898亿元人民币。我们的净收入从2017年9月30日结束的9个月的14.808亿元人民币增长到2018年同期的21.717亿元人民币(合3.162亿美元)，增长了46.7%。在截至2017年9月30日的9个月中，我们的净利润从3.963亿元人民币增长到2018年同期的4.494亿元人民币(合6540万美元)，增长了13.4%。

### Key Factors Affecting Our Results of Operations

影响我们运营结果的关键因素

## *Economic Conditions*

### 经济状况

The demand for online personal credit services is dependent upon overall economic conditions in China. General economic factors, including the interest rate environment, regional salary and disposable income levels and unemployment rates, may affect borrowers' willingness to seek loans and investors' ability and desire to invest in loans. For example, significant increases in interest rates could cause potential borrowers to defer obtaining loans as they wait for interest rates to stabilize or decrease. Additionally, a slowdown in the economy, such as from a rise in the unemployment rate and a decrease in real income, may affect individuals' level of

网上个人信用服务的需求取决于中国的整体经济状况。一般的经济因素，包括利率环境、地区工资和可支配收入水平以及失业率，可能会影响借款人寻求贷款的意愿和投资者投资贷款的能力和愿望。例如，利率的大幅上升可能导致潜在的借款人在等待利率稳定或下降时推迟获得贷款。此外，经济放缓，如失业率上升和实际收入减少，可能会影响个人的

disposable income. This may negatively affect borrowers' repayment capability, which in turn may decrease their willingness to seek loans and potentially cause an increase in default rates. If actual or expected default rates increase generally in China or in the personal credit market, investors may delay or reduce their investments in loan products in general.

可支配收入。这可能对借款人的还款能力产生不利影响，进而可能降低他们寻求贷款的意愿，并可能导致违约率上升。如果实际或预期的违约率在中国或个人信贷市场普遍上升，投资者一般可能会推迟或减少对贷款产品的投资。

### ***Regulatory Environment in China***

#### **中国的监管环境**

The regulatory environment for the online personal credit industry in China is developing and evolving, creating both challenges and opportunities that could affect our financial performance. Due to the relatively short history of the online personal credit industry in China, the PRC regulatory environment for such industry has been constantly evolving, with new legislation and trial programs instituted in the recent years. PRC government officials from a number of agencies and departments have expressed support for the development of the online individual finance industry in China, and expressed the need for strengthening the regulation and supervision of the industry.

中国网上个人信用行业的监管环境正在发展和演变，这既带来了挑战，也带来了机遇，可能会影响我们的财务表现。由于中国网上个人信用行业的历史相对较短，中国对这类行业的监管环境一直在不断演变，近年来出台了新的立法和试点项目。来自多个机构和部门的中国政府官员表示支持中国网上个人金融业的发展，并表示需要加强对该行业的监管和监督。

Unfavorable changes in any of these general industry conditions could negatively affect demand for our services. See "Risk Factors—Risks Relating to Our Business and Industry—The laws and regulations governing online individual finance industry in China are developing and evolving and subject to changes. If we fail to comply with existing and future applicable laws, regulations or requirements of local regulatory authorities, our business, financial condition and results of operations would be materially and adversely affected" for more information.

这些一般行业条件的任何不利变化都可能对我们的服务需求产生负面影响。参见“风险因素—与我们的业务和行业有关的风险—中国网上个人金融业的法律法规正在发展和演变，并受到变化的影响。如果我们不遵守现行和未来适用的法律、法规或地方监管当局的要求，我们的业务、财务状况和业务结果将受到重大和不利的影响”。

We will continue to make efforts to ensure that we are compliant with the existing laws, regulations and governmental policies relating to our industry and to comply with new laws and regulations or changes under existing laws and regulations that may arise in the future. While new laws and regulations or changes to existing laws and regulations could make loans more difficult to be accepted by investors or borrowers on terms favorable to us, or at all, these events could also provide new product and market opportunities.

我们将继续努力，确保我们遵守与本行业有关的现行法律、法规和政府政策，遵守新的法律和法规，或在今后可能出现的现行法律和法规下的变化。虽然新的法律法规或对现有法律法规的修改可能会使投资者或借款人更难以接受对我们有利的条款，或根本无利的条款，但这些事件也可能提供新的产品和市场机会。

### ***Ability to Acquire Investors and Borrowers Cost Effectively***

#### **以有效成本收购投资者和借款人的能力**

Our ability to increase the loan volume facilitated through our marketplace largely depends on our ability to attract potential investors and borrowers through sales and marketing efforts. Our sales and marketing efforts include those related to borrower and investor acquisition and retention, and general marketing. We intend to continue to dedicate significant resources to our sales and marketing efforts and constantly seek to improve the effectiveness of these efforts.

我们能否通过我们的市场增加贷款额，很大程度上取决于我们能否通过销售和市场推广来吸引潜在的投资者和借款人。我们的销售 and 市场营销工作包括与借款人和投资者的获得和保留，以及一般市场营销相关的工作。我们打算继续为我们的销售和市场努力投入大量资源，并不断寻求提高这些努力的有效性。

### ***Effectiveness of Risk Control Framework***

#### **风险控制框架的有效性**

Our ability to effectively evaluate a borrower's risk profile and likelihood of default may directly affect our results of operations. If a borrower defaults, we may not be able to collect the outstanding service fees from the borrower. The effectiveness of our risk and credit assessment system also directly affects the performance of the loans we facilitated, which has a significant impact on our results of operations. For loans facilitated on our marketplace prior to April 28, 2018, we established and maintained an investor assurance program contributed by borrowers on our marketplace to repay investors on our marketplace. We allocated part of the total transaction price first to the investor assurance program, and our net revenue was recognized net of the stand-ready liabilities associated with investor assurance program. We regularly reviewed the borrower's risk profile, actual loss rate of each loan product facilitated and relevant economic factors to ensure the estimations were kept up-to-date and determine the contribution percentages to the investor assurance program managed by us while minimizing the need for future provision for contingent liabilities. See "Business—

User Protection—Investor Assurance Program” for more details.

我们有效评估借款人风险状况和违约可能性的能力可能会直接影响我们的业务结果。如果借款人违约，我们可能无法向借款人收取未偿还的服务费。我们的风险和信用评估系统的有效性也直接影响到我们协助的贷款的表现，这对我们的业务结果有重大影响。对于在2018年4月28日之前在我们的市场上得到促进的贷款，我们建立并维持了一个投资者保证计划，由我们市场上的借款人提供，以偿还我们市场上的投资者。我们首先将总交易价格的一部分分配给投资者担保计划，我们的净收入是扣除与投资者担保计划相关的准备好的负债后确认的。我们定期审查借款人的风险状况、每个贷款产品的实际损失率和相关的经济因素，以确保估计数据保持最新，并确定对我们管理的投资者保证计划的贡献百分比，同时尽量减少对未来或有负债准备金的需求。详情请参阅「业务—用户保障—投资者保障计划」。

## **Product Offering and Pricing**

### 产品供应和定价

Our ability to maintain profitability largely depends on our ability to continually optimize our product offering and to accurately price the loans facilitated through our marketplace. We offer primarily standard loan products of fixed terms and repayment schedules. We offer primarily standard loan products with fixed terms and repayment schedules ranging from RMB5,000 to RMB30,000. We currently offer our standard loan products with a term of 12 months, and in 2016 and 2017, we have also offered standard loan products with terms ranging from one to 18 months. We also offer an option to draw down another loan with a term of 12 months, within his or her credit limit to selective quality borrowers who have a loan outstanding and consistent repayment history with us since February 2018.

我们保持盈利能力在很大程度上取决于我们的能力，不断优化我们的产品提供和准确的定价贷款促进了我们的市场。我们主要提供标准贷款产品的固定条款和还款时间表。我们主要提供标准贷款产品，固定还款期限为5000至30000元人民币。我们目前提供为期12个月的标准贷款产品，在2016年和2017年，我们还提供为期1至18个月的标准贷款产品。我们亦提供另一项选择，在信贷限额内提取另一笔为期12个月的贷款予自2018年2月以来一直有还款记录的优质贷款人。

Our growth to date has depended on, and our future success will depend in part on, successfully meeting borrower and investor demand with new and innovative loan and investment products. We have made and intend to continue to make efforts to develop loan and investment products for investors and borrowers. We constantly evaluate the popularity of our existing product offering and develop new products and services that cater to the ever evolving needs of our investors and borrowers. Failure to continue to successfully develop and offer innovative products and for such products to gain broad acceptance by our investors and borrowers could adversely affect our operating results and we may not recoup the costs of launching and marketing new products.

迄今为止，我们的增长取决于，我们未来的成功将部分取决于，成功地满足借款人和投资者的需求，新的和创新的贷款和投资产品。我们已经并打算继续努力，为投资者和借款人开发贷款和投资产品。我们不断评估现有产品的受欢迎程度，并开发新产品和服务，以满足不断变化的需求，我们的投资者和借款人。如果不能继续成功地开发和提供创新产品，并使这些产品获得投资者和借款人的广泛接受，可能会对我们的经营业绩产生不利影响，我们可能无法收回推出和销售新产品的成本。

In response to market competition or further developments, we may spend more efforts promoting certain loan products, manage the growth in volume of certain loan products, introduce new products or adjust the pricing of our existing products. In addition, as we offer guarantee services in the form of an investor assurance program managed by us for loans facilitated prior to April 28, 2018 to cover potential defaults, the product mix also has a significant impact on our liabilities from risk reserve fund, given the different levels of default risks associated with different products. Any material change in the product mix could have a significant impact on our revenue and profitability.

为应对市场竞争或进一步发展，我们可能会加大力度推广某些贷款产品，管理某些贷款产品数量的增长，引进新产品或调整现有产品的定价。此外，我们以投资者保证计划的形式提供担保服务，由我们负责管理，以便在二〇一八年四月二十八日前提供贷款，以应付潜在的违约风险。由于不同产品的违约风险程度不同，这个产品组合对我们的风险储备基金的负债也有重大影响。产品组合的任何重大变化都会对我们的收入和盈利能力产生重大影响。

## **Ability to Compete Effectively**

### 有效竞争的能力

Our business and results of operations depend on our ability to compete effectively in the markets in which we operate. The online individual finance marketplace industry in China is intensely competitive, and we expect that competition to persist and intensify in the future. In addition to competing with other individual finance marketplaces, we also compete with other types of financial products and companies that attract borrowers, investors or both. With respect to borrowers, we primarily compete with traditional financial institutions, such as individual finance business units in commercial banks, credit card issuers and other individual finance companies. With respect to investors, we primarily compete with other investment products and asset classes, such as equities, bonds, investment trust products, bank savings accounts, real estate and alternative asset classes. If we are unable to compete effectively, the demand for our marketplace could stagnate or substantially decline, we could experience reduced revenues or our marketplace could fail to maintain or achieve more widespread market acceptance, any of which could harm our business and results of operations.

我们的业务和经营成果取决于我们在我们经营的市场中有效竞争的能力。中国的网上个人金融市场行业竞争日趋激烈，我们预计这种竞争将在未来持续并加剧。除了与其他个人金融市场竞争，我们还与其他类型的金融产品和公司竞争，吸引借款人，投资者或双方。至于借款人方面，我们主要与传统的金融机构竞争，例如商业银行的个别金融业务单位、信用卡发行机构及其他个别金融公司。在投资者方面，我们主要与其他投资产品及资产类别竞争，例如股票、债券、投资信托产品、银行储蓄帐户、房地产及另类资产类别。如果我们不能有效地竞争，对我们市场的需求可能停滞或大幅下降，我们可能会经历收入减少或我们的市场可能无法维持或实现更广泛的市场接受，任何可能损害我们的业务和业务结果。

## **Credit Performance**

### 信贷表现

Our operating results and financial condition are directly affected by the performance of the loans we facilitate. We closely monitor key loan



performance data, including the data set out below, to track the lifetime performance of our loans and adjust our risk management strategies accordingly.

我们的经营业绩和财务状况直接受到贷款业绩的影响。我们密切监察主要贷款表现数据，包括下列数据，以追踪我们贷款的终身表现，并相应调整我们的风险管理战略。

### ***M3+ Delinquency Rate by Vintage***

#### 按年份分列的 m 3 + 拖欠率

We refer to loans facilitated during a specified time period as a vintage. We define “M3+ Delinquency Rate By Vintage” as the total amount of principal for all loans in a vintage for which any repayment was more than 90 days past due as of a particular date, less the total amount of past due principal recovered for such loans, and

我们把在特定时期内的贷款称为葡萄酒。我们将“M3 + 年份拖欠率”定义为某一年份的所有贷款的本金总额，如果该年份的任何还款在某一特定日期之前已逾期90天以上，则减去为该等贷款追回的逾期本金总额，以及

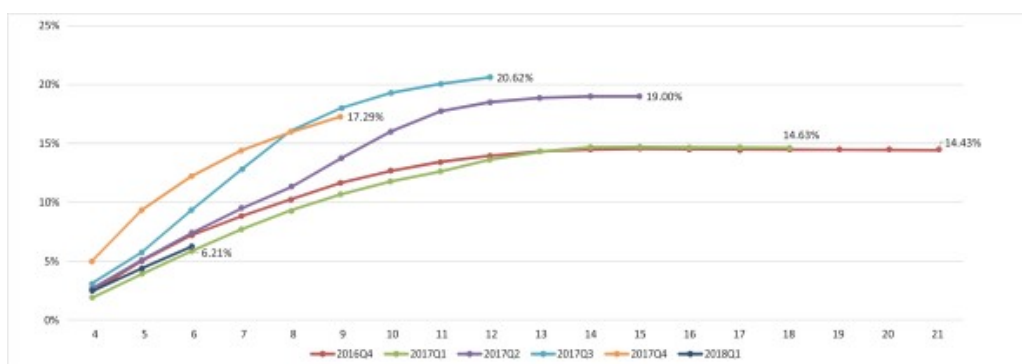
divided by the total amount of principal for all loans in such vintage. We calculate M3+ Delinquency Rate by Vintage for quarter vintage as the weighted average of the M3+ Delinquency Rate by Vintage for each month in such quarter by loan origination volume. 除以该年份所有贷款的本金总额。我们计算了每季度 m 3 + 拖欠率的年份，作为每个月 m 3 + 拖欠率的加权平均数。

As we continuously explore and optimize our product offering, the mix of our loan products evolved over time. We believe a change of loan products generally leads to a change in borrowing profile. We gradually phased out of the historical practice of using offline referrals to acquire borrowers and no longer offer offline standard loan products and non-standard loan products or serve borrowers referred to us offline. Currently, we offer online standard loan products with a term of 12 months. We rolled out such online standard loan products in October 2016, and we plan to continue to offer such products to our borrowers. See “Business—Our borrowers and Loan Products Offered to Borrowers.” As such, we believe the credit performance of our current products, namely the online standard loan products with a term of 12 months, is more indicative of future credit performance of loans facilitated through our marketplace.

随着我们不断探索和优化我们的产品提供，我们的贷款产品组合随着时间的推移而演变。我们认为，贷款产品的改变通常会导致借款状况的改变。我们逐渐淘汰了传统的通过线下转介获得借款人的做法，不再提供线下标准贷款产品和非标准贷款产品，也不再为线下转介给我们的借款人提供服务。目前，我们提供为期12个月的在线标准贷款产品。我们在2016年10月推出了这类网上标准贷款产品，并计划继续向借款人提供这类产品。请参阅「业务—借款人及提供予借款人的贷款产品」因此，我们相信我们现有产品(即12个月期限的网上标准贷款产品)的信贷表现，更能反映透过我们的市场促进的贷款未来的信贷表现。

The following chart and table display the historical cumulative M3+ Delinquency Rate by Vintage for such loan products.

下面的图表和表格显示了这些贷款产品按年份分列的历史累积 M3 + 拖欠率。



Vintage 复古风	Month on Book 按月预订																				
	4th 第四名	5th 第五名	6th 第六名	7th 第七名	8th 第八名	9th 第九名	10th 第十名	11th 第十一名	12th 第十二名	13th 第十三名	14th 第十四名	15th 第十五名	16th 第十六名	17th 第十七名	18th 第十八名	19th 第十九名	20th 第二十名	21th 第二十一名			
2016Q4 二〇一六年第四季	2.35%	5.01%	7.19%	8.80%	10.24%	11.65%	12.66%	13.43%	13.96%	14.32%	14.48%	14.55%	14.52%	14.50%	14.48%	14.46%	14.45%	14.43%			
2017Q1 二〇一七年第一季	1.86%	3.90%	5.83%	7.69%	9.31%	10.68%	11.77%	12.60%	13.63%	14.29%	14.68%	14.71%	14.68%	14.65%	14.63%	—	—	—			
2017Q2 二〇一七年第二季	2.66%	5.09%	7.35%	9.46%	11.27%	13.73%	16.01%	17.74%	18.52%	18.88%	19.01%	19.00%	—	—	—	—	—	—			
2017Q3 二〇一七年第三季	3.10%	5.74%	9.33%	12.77%	16.08%	18.00%	19.30%	20.06%	20.62%	—	—	—	—	—	—	—	—	—			
2017Q4 二〇一七年第四季	4.99%	9.35%	12.22%	14.41%	15.96%	17.29%	—	—	—	—	—	—	—	—	—	—	—	—			
2018Q1 二〇一八年第一季	2.41%	4.38%	6.21%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			

Historically, we have been able to effectively manage the quality of our products and achieve a balance between the growth of loan origination volume and realized delinquency rates. In the fourth quarter of 2017, however, changes to regulatory landscape and increasing market uncertainties significantly affected borrower behaviors, which led to a negative impact on loan quality across many online individual finance marketplace platforms, including ours. This impact is particularly noticeable for loans facilitated during the fourth quarter of 2017. We believe that this impact is temporary and will subside gradually in 2018, as demonstrated by a decrease in the M3+ Delinquency Rate by Vintage for loans facilitated in the first quarter of 2018 to a more normal range. See “Regulation—Regulations Relating to Online Individual Finance Services.”

从历史上看，我们一直能够有效地管理我们产品的质量，并在贷款发放量的增长和已实现的拖欠率之间取得平衡。然而，在2017年第四季度，监管环境的变化和不断增加的市场不确定性显著影响了借款人的行为，导致了对许多在线个人金融市场平台贷款质量的负面影响，包括我们的平台。对于2017年第四季度的贷款来说，这种影响尤其明显。我们认为，这种影响是暂时的，并将在2018年逐渐消退，2018年第一季度促进贷款的 Vintage 贷款 M3 + 拖欠率下降到一个更正常的范围就证明了这一点。参见“监管—与网上个人金融服务有关的监管”

**Delinquency Rate by Balance**

#### 按结余划分的拖欠比率

We define the delinquency rates by balance as the total outstanding principal for loans where the longest past due period of an repayment was 1 to 30, 31 to 60, 61 to 90, 90 to 180 and more than 180 calendar days as of

我们以余额来定义拖欠率，即贷款的未偿还本金总额，其中最长的逾期还款期为截至2005年12月30日为止的1至30日、31至60日、61至90日、90至180日和超过180日历年日

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a certain date as a percentage of the total outstanding principal for the loans on our marketplace net of the outstanding principal repaid by the investor assurance program as of such date. We consider our delinquency rate by balance as an indicator of our loan performance and quality of our assets in general. The following table provides the delinquency rate by balance for all outstanding loans on our marketplace as of the respective dates indicated. 在我们的市场上的贷款总未偿还本金的一定比例，不包括由投资者保证计划偿还的未偿还本金。我们认为我们的拖欠率平衡作为一个指标，我们的贷款业绩和我们的资产质量一般。下表提供了截至有关日期我们市场上所有未偿还贷款的余额拖欠率。

As of截至	Delinquent for 拖欠				More than 180 days 超过180天
	1-30 days 1-30天	31-60 days 31-60天	61-90 days 61-90天 (%)	91 -180 91-180 days 日	
June 30, 2016 2016年6月30日	1.41	2.09	1.56	4.21	5.76
December 31, 2016 2016年12月31日	1.08	1.85	1.30	3.97	9.23
June 30, 2017 2017年6月30日	1.05	1.82	1.13	3.15	10.91
December 31, 2017 2017年12月31日	2.14	2.25	1.20	2.84	9.37
June 30, 2018 2018年6月30日	1.27	2.64	2.72	5.58	8.92
September 30, 2018 2018年9月30日	1.40	2.95	2.77	6.55	9.51

Our delinquency rate is influenced by our product mix. The amounts related to our offline loan products also includes loans facilitated by Niwodai Finance, and therefore represent a higher delinquency rate than our online loan products. The following table sets forth the outstanding principal of delinquent loans by product.

我们的拖欠率受产品组合的影响。与我们的线下贷款产品相关的金额还包括由 Niwodai Finance 提供的贷款，因此代表着比我们的线上贷款产品更高的拖欠率。下表按产品列出未偿还贷款的本金额。

	Delinquent for 拖欠				More than 180 days 超过180天
	1-30 days 1-30天	31-60 days 31-60天	61-90 days 61-90天 (in millions) (以百万计)	90-180 days 90-180天	
As of December 31, 2016 截至2016年12月31日					
Current loan products 目前的贷款产品	24	11	11	28	3
Other online standard loan products 其他网上标准贷款产品	6	1	0	0	0
Offline loan products 线下贷款产品	481	239	165	509	1,258
<b>Total</b> 合计	<b>511</b>	<b>251</b>	<b>176</b>	<b>537</b>	<b>1,261</b>
As of December 31, 2017 截至2017年12月31日					
Current loan products 目前的贷款产品	257	84	45	75	23
Other online standard loan products 其他网上标准贷款产品	320	54	4	9	7
Offline loan products 线下贷款产品	302	208	137	361	1,472
<b>Total</b> 合计	<b>879</b>	<b>346</b>	<b>186</b>	<b>445</b>	<b>1,502</b>
As of September 30, 2018 截至2018年9月30日					
Current loan products 目前的贷款产品	354	288	261	513	156
Other online standard loan products 其他网上标准贷款产品	10	7	6	18	29
Offline loan products 线下贷款产品	141	134	111	345	1,292

<b>Total</b>					
合计	<u>505</u>	<u>429</u>	<u>378</u>	<u>876</u>	<u>1,477</u>

The loan balance presented includes loans that are covered by the investor assurance program managed by us, the loans that are covered by the investor assurance program managed other independent third parties, and mortgage loans.

贷款余额包括由我们管理的投资者担保计划覆盖的贷款，由投资者担保计划管理的其他独立第三方的贷款，以及抵押贷款。

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The following table sets forth the outstanding monthly service fees we are entitled to collect (tax included) of underlying delinquent loans by product.

下表列出了我们有权收取的每月服务费(包括税收)的潜在拖欠贷款的产品。

	Delinquent for 拖欠				
	1-30 days 1-30天	31-60 days 31-60天	61-90 days 61-90天	90-180 days 90-180天	More than 180 days 超过180天
As of December 31, 2016 截至2016年12月31日					
Current loan products 目前的贷款产品	2	1	1	1	—
Other online standard loan products 其他网上标准贷款产品	2	—	—	—	—
Offline loan products 线下贷款产品	47	23	17	50	122
<b>Total</b> <b>合计</b>	<b>51</b>	<b>24</b>	<b>18</b>	<b>51</b>	<b>122</b>
As of December 31, 2017 截至2017年12月31日					
Current loan products 目前的贷款产品	30	10	5	9	3
Other online standard loan products 其他网上标准贷款产品	93	15	1	2	1
Offline loan products 线下贷款产品	31	21	14	37	142
<b>Total</b> <b>合计</b>	<b>154</b>	<b>46</b>	<b>20</b>	<b>48</b>	<b>146</b>
As of September 30, 2018 截至2018年9月30日					
Current loan products 目前的贷款产品	20	18	16	59	18
Other online standard loan products 其他网上标准贷款产品	1	1	1	2	4
Offline loan products 线下贷款产品	14	13	11	35	128
<b>Total</b> <b>合计</b>	<b>35</b>	<b>32</b>	<b>28</b>	<b>96</b>	<b>150</b>

## Components of Results of Operations

运作结果的组成部分

### Net Revenue

净收入

Our net revenue result from fees charged for providing services, including loan facilitation services, post-origination services and other revenues. In accordance with the agreements with our investors and borrowers, we collect service fees from borrowers through our marketplace in facilitating loan transactions. We also charge investors service fees for automated investment programs and for loan transfers over our secondary loan market. In addition, we charge other fees contingent on future events, such as penalty fees for late payments.

我们的净收入来自提供服务所收取的费用，包括贷款促进服务、贷款后服务和其他收入。根据我们与投资者和借款人的协议，我们通过我们的市场向借款人收取服务费，以促进贷款交易。我们还向投资者收取服务费的自动投资计划和贷款转让我们的二级贷款市场。此外，我们还根据未来的情况收取其他费用，如逾期付款的罚款。

Our net revenue is presented net of VAT. Prior to April 28, 2018, our net revenue was fees billed net of stand-ready liabilities associated with the investor assurance program managed by us and cash incentives. As we discontinued managing investor assurance program for loans facilitated after April 28, 2018, we no longer charge service fees associated with guarantee services. Therefore, we no longer allocate a portion of collectible service fees to the fair value of the stand-ready liability from the investor assurance program. Our net revenue is recognized as revenues from loan facilitation services, revenues from post-origination services and other revenues.

我们的净收入是不含增值税的。在2018年4月28日之前，我们的净收入是扣除与我们管理的投资者担保计划和现金激励相关的准备好的负债的费用。由于我们在2018年4月28日之后终止了投资者担保管理计划，我们不再收取与担保服务相关的服务费。因此，我们不再从投资者保证计划中分配一部分可收回服务费用到备用负债的公允价值中。我们的净收入被确认为来自贷款促进服务的收入，来自贷款后服务的收入和其他收入。



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The following table sets forth the breakdown of our net revenue by service and products provided both in absolute amount and as a percentage of our total net revenue for the periods presented:

下表按服务和产品提供的净收入的绝对数额及占净收入总额的百分比列出有关期间的分项数字：

	Year Ended December 31, 截至十二月三十一日止的一年					Nine Months Ended September 30, 九个月截至九月三十日				
	2016		2017			2017		2018		
	RMB 人民币	%	RMB 人民币	US\$ 美元	%	RMB 人民币	%	RMB 人民币	US\$ 美元	%
Net revenue 净收入	(in thousands, except for percentages) (以千计, 除了百分比)									
Loan facilitation services 贷款促进服务	508,147	85.9	1,856,584	270,324	82.5	1,237,906	83.6	1,682,527	244,980	77.5
Post-origination services 订立贷款后服务	6,833	1.2	125,438	18,264	5.6	74,236	5.0	170,380	24,808	7.8
Other revenue 其他收入	76,118	12.9	268,828	39,142	11.9	168,613	11.4	318,776	46,415	14.7
<b>Total 合计</b>	<b>591,098</b>	<b>100.0</b>	<b>2,250,850</b>	<b>327,730</b>	<b>100.0</b>	<b>1,480,755</b>	<b>100.0</b>	<b>2,171,683</b>	<b>316,203</b>	<b>100.0</b>

	Year Ended December 31, 截至十二月三十一日止的一年					Nine Months Ended September 30, 九个月截至九月三十日				
	2016		2017			2017		2018		
	RMB 人民币	%	RMB 人民币	US\$ 美元	%	RMB 人民币	%	RMB 人民币	US\$ 美元	%
Net revenue 净收入	(in thousands, except for percentages) (以千计, 除了百分比)									
Current loan products 目前的贷款产品	18,913	3.2	714,400	104,018	31.7	329,356	22.2	1,813,531	264,056	83.6
Other online standard products 其他网上标准产品	13,427	2.3	778,155	113,302	34.6	548,670	37.1	113,927	16,588	5.2
Offline and non-standard loan products 离线和非标准贷款产品	484,300	81.9	585,744	85,286	26.0	478,063	32.3	32,804	4,776	1.5
Other services 其他服务	74,458	12.6	172,551	25,124	7.7	124,666	8.4	211,421	30,783	9.7
<b>Total 合计</b>	<b>591,098</b>	<b>100.0</b>	<b>2,250,850</b>	<b>327,730</b>	<b>100.0</b>	<b>1,480,755</b>	<b>100.0</b>	<b>2,171,683</b>	<b>316,203</b>	<b>100.0</b>

For each loan facilitated on our platform prior to April 28, 2018, we consider the loan facilitation service, guarantee service and post-origination service as three separate services. We allocated total transaction price among these three performance obligations. The transaction price was allocated first to the stand-ready liabilities associated with risk reserve fund, if any, as discussed under “—Critical Accounting Policies, Judgments and Estimates—Investor Assurance Program” and then allocated between loan facilitation services and post-origination services based on our best estimate selling price. See “—Critical Accounting Policies, Judgments and Estimates—Revenue Recognition.” As we no longer operate the investor assurance program for loans facilitated after April 28, 2018, the transaction price is no longer allocated to the guarantee liabilities but only between two performance obligations, loan facilitation service and post-origination service.

对于在二〇一八年四月二十八日前在我们的平台上获批的每笔贷款，我们认为促进贷款服务、担保服务和贷款后服务是三项独立的服务。我们在这三种履行义务中分配了总交易价格。交易价格首先分配给与风险准备基金相关的备用负债(如果有的话)，然后根据我们的最佳估计销售价格对促进贷款服务和贷款后服务之间进行分配。见“—关键的会计政策、判断和估计—收入确认”由于我们在二〇一八年四月二十八日后不再为贷款提供投资者保证计划，交易价格不再分配给担保负债，而只分配给两项履行责任，即贷款促进服务和贷款后服务。

#### Loan Facilitation Services

##### 贷款促进服务

For each loan successfully matched and facilitated through our marketplace, we collect service fees from the borrower and for loans facilitated prior to April 28, 2018, allocated a certain amount to our investor assurance program. Further, we allocate the remaining fees between loan facilitation services and post-origination services that we provide. Loan facilitation service fees are the portion of service fees collected from borrowers for our matchmaking services connecting investors and borrowers and facilitating the origination of loan transactions. Revenues from loan facilitation services are recognized at the time a loan is originated between the investor and the borrower and the loan principal is transferred to the borrower, at which time the facilitation service is considered complete.

对于通过我们的市场成功匹配和促进的每笔贷款，我们向借款人收取服务费，并在2018年4月28日之前为贷款提供便利，为我们的投资者担保计划计划拨出一定数额的资金。此外，我们会把余下的费用分配予贷款促进服务和贷款订立后服务。贷款促进服务费是向借款人收取

的服务费中的一部分，用以联系投资者和借款人，促进贷款交易的发展。贷款促进服务的收入在投资者与借款人之间发放贷款并将贷款本金转移给借款人时确认，此时促进服务已经完成。

*Post-origination Service*

订立后服务

Post-origination service fees consist of the portion of service fees collected from borrowers in relation to services we provide after loan origination, such as repayment monitoring, repayment facilitation and loan collection. Revenues from post-origination services are recognized evenly over the term of the underlying loans as the post-origination services are a series of distinct services that are substantially the same and that have the same pattern of transfer to the investors.

贷款后服务费包括向借款人收取的部分服务费，与贷款后提供的服务有关，例如还款监察、促进还款及收取贷款。由于贷款后服务是一系列实质上相同且向投资者转移模式相同的独特服务，因此贷款后服务的收入在贷款期内均匀确认。

*Other Revenue*

其他收入

Others mainly represent service fees charged to investors, including the fees for automated investment programs and for loan transfers over our secondary loan market, penalty fees for late payments, service fees for early repayment and other fees. Under ASC 606, service fees derived from investors through the automated investment program are initially estimated based on historical experience of returns on similar investment products and current trends. The service fees are recognized on a straight-line basis over the term of the investment period. We record service fee only when it becomes probable that a significant reversal in the amount of cumulative revenue will not occur.

其他主要是向投资者收取的服务费，包括自动化投资项目的费用和二级贷款市场的贷款转移费用、逾期付款的罚款费用、提前还款的服务费和其他费用。根据 ASC 606，通过自动化投资程序向投资者收取的服务费最初是根据类似投资产品的历史回报和当前趋势估算的。服务费在投资期内按直线法确认。我们记录服务费，只有当它成为可能的数额的累积收入将不会发生重大逆转。

Under ASC 606, penalty fees are contingency-based variable considerations and constrained by the occurrence of delinquency or prepayment. They are recognized when the uncertainty associated with the variability is resolved, that is, when the underlying event occurs and the fees are collected. The service fees for transferring loans between investors are recognized when the transfer is completed and service fees are collected from the investors. In addition, revenues from guarantee services are recognized at the expiry of the guarantee term.

根据 ASC 606，罚款费用是基于可变因素的考虑，并受到拖欠或预付的限制。当与可变性相关的不确定性得到解决时，也就是当潜在事件发生并收取费用时，就可以认识到这些问题。投资者之间转移贷款的服务费在转移完成并向投资者收取服务费时确认。此外，担保服务收入在担保期满时确认。

The following table sets forth the breakdown of our other revenue, both in absolute amount and as a percentage of our total net revenue for the periods presented:

下表列出我们其他收入的细目，包括收入的绝对数额和占净收入总额的百分比：

	Year Ended December 31, 截至十二月三十一日止的一年					Nine Months Ended September 30, 九个月截至九月三十日				
	2016		2017			2017		2018		
	RMB 人民币	%	RMB人 人民币	US\$美 元	%	RMB人 人民币	%	RMB人 人民币	US\$美 元	%
Other revenue 其他收入	(in thousands, except for percentages) (以千计，除了百分比)									
Revenue from automated investment programs 来自自动化投资项目的收入	64,187	10.9	156,563	22,796	6.9	112,185	7.6	191,838	27,933	8.9
Release of guarantee liabilities 免除担保责任	1,660	0.3	96,277	14,018	4.3	43,947	3.0	107,355	15,631	4.9
Others 其他	10,271	1.7	15,988	2,328	0.7	12,481	0.8	19,583	2,851	0.9
<b>Total other revenue 其他收入总额</b>	<b>76,118</b>	<b>12.9</b>	<b>268,828</b>	<b>39,142</b>	<b>11.9</b>	<b>168,613</b>	<b>11.4</b>	<b>318,776</b>	<b>46,415</b>	<b>14.7</b>

## Operating Costs and Expenses

### 营运成本及开支

Our operating costs and expenses primarily consist of origination and servicing expenses, sales and marketing expenses, general and administrative expenses, research and development expenses, allowance for uncollectible accounts receivable and contract assets and provision for assets and liabilities from investor assurance program. We expect our operating expenses to increase in absolute amount in the foreseeable future as our business grows. The following table sets forth our operating costs and expenses both in absolute amount and as a percentage of our total net revenue for the period presented:

我们的运营成本和费用主要包括开办费用和服务费用、销售和营销费用、一般和行政费用、研发费用、无法收回的应收帐款和合同资产备抵以及投资者保险计划的资产和负债备抵。我们预计，随着业务的增长，在可预见的未来，我们的运营费用将会绝对增加。下表列出本公司在本报告所述期间的经营成本和费用的绝对数额及其占净收入总额的百分比：

	Year Ended December 31, 截至十二月三十一日止的一年						Nine Months Ended September 30, 九个月截至九月三十日					
	2016		2017				2017		2018			
	RMB 人民币	%	RMB 人民币	US\$ 美元	%	RMB 人民币	%	RMB 人民币	US\$ 美元	%		
<b>Operating cost and expenses</b>	<b>(in thousands, except for percentages) (以千计，除了百分比)</b>											
营运成本及费用												
Origination and servicing 创立和服务	143,201	24.2	229,353	33,394	10.2	141,244	9.5	284,035	41,356	13.1		
Allowance for uncollectible accounts receivable and contract assets 无法收回的应收帐款和合同资产备抵	125,672	21.3	130,943	19,066	5.8	49,174	3.3	187,618	27,318	8.6		
Provision for assets and liabilities from investor assurance program 投资者保证计划中的资产和负债准备金	223,604	37.8	42,463	6,183	1.9	6,314	0.4	426,710	62,130	19.6		
Sales and marketing 销售和市场营销	467,725	79.1	884,866	128,839	39.3	600,055	40.5	562,630	81,920	25.9		
General and administrative 一般及行政事务	54,990	9.3	95,597	13,919	4.2	65,226	4.4	83,272	12,125	3.8		
Research and development 研究及发展	88,705	15.0	180,967	26,349	8.0	113,811	7.7	112,387	16,364	5.2		
<b>Total operating cost and expenses</b>	<b>1,103,897</b>	<b>186.7</b>	<b>1,564,189</b>	<b>227,750</b>	<b>69.4</b>	<b>975,824</b>	<b>65.8</b>	<b>1,656,652</b>	<b>241,213</b>	<b>76.2</b>		

The following table sets forth our operating cost and expenses paid to related parties both in absolute amount and as a percentage of our total net revenue for the periods presented:

下表列出我们支付给关联方的营运成本和费用的绝对金额和占我们总净收入的百分比：

	Year Ended December 31, 截至十二月三十一日止的一年						Nine Months Ended September 30, 九个月截至九月三十日					
	2016		2017				2017		2018			
	RMB 人民币	%	RMB 人民币	US\$ 美元	%	RMB 人民币	%	RMB 人民币	US\$ 美元	%		
<b>Operating cost and expenses paid to related parties:</b>	<b>(in thousands, except for percentages) (以千计，除了百分比)</b>											
支付给关联方的营运成本和费用:												
Sales and marketing 销售和市场营销	112,049	19.0	252,702	36,794	11.2	191,088	12.9	54,205	7,892	2.5		
Origination and servicing 创立和服务	—	—	2,420	352	0.1	77	0.0	8,551	1,245	0.4		
<b>Total</b>	<b>112,049</b>	<b>19.0</b>	<b>255,122</b>	<b>37,146</b>	<b>11.3</b>	<b>191,165</b>	<b>12.9</b>	<b>62,756</b>	<b>9,137</b>	<b>2.9</b>		

### Origination and Servicing

#### 创办及服务

Origination and servicing expenses consist primarily of variable expenses including costs related to credit assessment, user and system support, payment processing services and collection, associated with facilitating and servicing loans, salaries and benefits for the personnel who work on credit

checking, data processing and analysis, loan origination, user and system support and loan collection.

发放及服务开支主要包括可变开支，包括与信贷评估、用户及系统支援、付款处理服务及收款有关的开支，以及与贷款促进及服务有关的开支，以及从事信贷审查、数据处理及分析、贷款发放、用户及系统支援及贷款收集工作的人员的薪金及福利。

#### *Provision for Assets and Liabilities from Investor Assurance Program*

##### 投资者担保计划中的资产和负债准备金

Provision for assets and liabilities from investor assurance program consists primarily of losses resulting from the excess of stand ready liabilities over total service fees that can be collected by us, as well as the amount of expected delinquent loans exceeding the stand-ready liability at the end of a certain period for loans facilitated prior to April 28, 2018.

投资者保证计划的资产和负债准备金主要包括由于备用负债超过我们可以收取的服务费总额而造成的损失，以及在2018年4月28日之前提供的贷款在一定期限结束时预期的拖欠贷款超过备用负债的数额。

#### *Allowance for Uncollectible Accounts Receivable and Contract Assets*

##### 无法收回的应收帐款和合同资产备抵

Allowance for uncollectible accounts receivable and contract assets consists primarily allowance for the total amount of service fees we have not collected, but to which we are entitled according to our agreements with borrowers. We record the allowance for uncollectible accounts receivable and contract assets based on estimates, historical experience and other factors surrounding the credit risk of specific customers which is essentially the net expected cumulative loss rates used in determining the fair value of guarantee liabilities under each product type.

无法收回的应收帐款和合同资产备抵主要包括我们尚未收取的服务费总额备抵，但根据我们与借款人的协议，我们有权获得这些费用。我们根据估计、历史经验和围绕特定客户信用风险的其他因素，记录无法收回的应收帐款和合同资产的备抵，本质上是用于确定每种产品类型担保负债公允价值的预期累计净损失率。

#### *Sales and Marketing*

##### 销售及市场推广

Sales and marketing expenses consist primarily of variable marketing and promotional expenses, including those related to borrower and investor acquisition and retention, and general brand and awareness building, such as search engine marketing expenses and referral fees charged by other parties. Sales and marketing expenses also include salaries, benefits and share-based compensation related to our sales and marketing staff.

销售和营销费用主要包括各种营销和促销费用，包括与借款人和投资者获得和保留有关的费用，以及一般的品牌和意识建设费用，如搜索引擎营销费用和其他各方收取的介绍费。销售和营销费用还包括与销售和营销人员有关的薪水、福利和股份补偿。

#### *General and Administrative*

##### 一般及行政事务

General and administrative expenses consist primarily of share-based compensation, salaries and benefits related to accounting and finance, business development, legal, human resources and other personnel, as well as professional service fees related to various corporate activities.

一般和行政费用主要包括股份报酬、与会计和财务、业务发展、法律、人力资源和其他人员有关的薪金和福利，以及与各种公司活动有关的专业服务费。

#### *Research and Development*

##### 研究及发展

Research and development expenses consist primarily of salaries, benefits and share-based compensation related to technology and product development personnel, as well as rental expenses related to offices for our technology and product development personnel.

研发费用主要包括与技术和产品开发人员有关的薪金、福利和基于分享的报酬，以及与技术和产品开发人员办公室有关的租金费用。

#### *Share-Based Compensation*

##### 基于股份的薪酬

The following table sets forth the effect of share-based compensation expenses on our operating cost and expenses line items, both in an absolute amount and as a percentage of total net revenue for the periods presented.

下表按绝对数额和所列期间净收入总额的百分比列出了按份额计算的补偿费用对经营成本和费用细列项目的影

Year Ended December 31, 截至十二月三十 一日止的一年	Nine Months Ended September 30, 九个月截至 九月三十日
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	2016		2017			2017		2018		
	RMB 人民币	%	RMB 人民币	US\$ 美元	%	RMB 人民币	%	RMB 人民币	US\$ 美元	%
	(in thousands, except for percentages) (以千计, 除了百分比)									
Share-based compensation 以股份为基础的薪酬										
Origination and servicing 创立和服务	2,356	0.4	1,620	236	0.1	1,654	0.1	(838)	(122)	(0.0)
Sales and marketing 销售和市场营销	16,777	2.8	34,831	5,071	1.5	30,813	2.1	8,316	1,211	0.4
General and administrative 一般及行政事务	9,309	1.6	24,326	3,542	1.1	19,247	1.3	7,625	1,110	0.4
Research and development 研究及发展	11,475	1.9	28,619	4,167	1.3	23,220	1.6	6,649	968	0.3
<b>Total share-based compensation 按股份计算的薪酬总额</b>	<b>39,917</b>	<b>6.7</b>	<b>89,396</b>	<b>13,016</b>	<b>4.0</b>	<b>74,934</b>	<b>5.1</b>	<b>21,752</b>	<b>3,167</b>	<b>1.1</b>



## **Taxation**

### **税务**

#### ***Cayman Islands***

##### **开曼群岛**

We are an exempted company incorporated in the Cayman Islands. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax. The Cayman Islands does not impose a withholding tax on payments of dividends to shareholders.

我们是在开曼群岛注册的豁免公司。开曼群岛目前没有收入税、公司税或资本利得税，也没有遗产税、遗产税或赠与税。开曼群岛不对向股东支付股息征收预扣税。

#### ***Hong Kong***

##### **香港**

Our subsidiary incorporated in Hong Kong is subject to Hong Kong profit tax at a rate of 16.5%. No Hong Kong profit tax has been levied as we did not have assessable profit that was earned in or derived from the Hong Kong subsidiary during the periods presented. Hong Kong does not impose a withholding tax on dividends.

我们在香港注册成立的附属公司须缴纳香港利得税，税率为16.5%。由于在有关期间内，我们没有从该香港附属公司赚取或得自该香港附属公司的应评税利润，因此并无征收香港利得税。香港并无就股息征收预扣税。

#### ***PRC***

##### **中华人民共和国**

Under the PRC Enterprise Income Tax Law, or the EIT Law, the standard enterprise income tax rate for domestic enterprises and foreign invested enterprises is 25%. A "high and new technology enterprise" is entitled to a favorable statutory tax rate of 15% and such qualification is reassessed by relevant governmental authorities every three years. Niwodai Internet was qualified as a "high and new technology enterprise" and thus was subject to a preferential statutory tax rate of 15% from 2017 to 2019.

根据《中华人民共和国企业所得税法》或《企业所得税法》，内资企业和外商投资企业的标准企业所得税率为25%。"高新技术企业"享受15%的法定税率优惠，并由政府有关部门每三年重新评估一次。牛网被评为"高新技术企业"，从2017年到2019年享受15%的优惠法定税率。

We are subject to VAT at a rate of 6% on the services we provide to customers, less any deductible VAT we have already paid or borne. We are also subject to surcharges on VAT payments in accordance with PRC law. VAT has been phased in since May 2016 to replace the business tax that was previously applicable to the services we provide. During the periods presented, we were not subject to business tax on the services we provide.

我们向客户提供的服务需要缴纳6%的增值税，扣除我们已经支付或承担的任何可扣除的增值税。根据中国法律，我们还要收取增值税附加费。增值税自2016年5月起逐步实行，以取代以前适用于我们提供的服务的营业税。在本报告所述期间，我们提供的服务无须缴纳营业税。

Dividends paid by our wholly foreign-owned subsidiary in China to our intermediary holding company in Hong Kong will be subject to a withholding tax rate of 10%, unless the relevant Hong Kong entity satisfies all the requirements under the Arrangement between the PRC and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes on Income and Capital and receives approval from the relevant tax authority. If our Hong Kong subsidiary satisfies all the requirements under the tax arrangement and receives approval from the relevant tax authority, then the dividends paid to the Hong Kong subsidiary would be subject to withholding tax at the standard rate of 5%.

除非有关香港实体符合《中华人民共和国和香港特别行政区关于对所得和资本避免双重征税和防止偷漏税的安排》的所有规定，并得到有关税务当局的批准，否则我们在中国的全外资附属公司向我们在香港的中介控股公司支付的股息将征收10%的预扣税率。如果我们的香港子公司符合有关税务安排的所有规定，并得到有关税务当局的批准，那么支付给香港子公司的股息将按5%的标准税率征收预扣税。

If our holding company in the Cayman Islands or any of our subsidiaries outside of China were deemed to be a "resident enterprise" under the PRC Enterprise Income Tax Law, it would be subject to enterprise income tax on its worldwide income at a rate of 25%.

根据《中华人民共和国企业所得税法》，如果我们在开曼群岛的控股公司或我们在中国境外的任何子公司被认定为"居民企业"，则其全球收入将按25%的税率征收企业所得税。

## **Critical Accounting Policies, Judgments and Estimates**

## 关键会计政策、判断和估计

An accounting policy is considered critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time such estimate is made, and if different accounting estimates that reasonably could have been used, or changes in the accounting estimates that are reasonably likely to occur periodically, could materially impact the consolidated financial statements.

如果会计政策要求根据在作出这种估计时对高度不确定的事项所作的假设作出会计估计，而且如果本来可以合理使用的不同的会计估计数，或合理地可能定期发生的会计估计数的变化，可能对合并财务报表产生重大影响，则会计政策就被视为至关重要。

We prepare our consolidated financial statements in conformity with U.S. GAAP, which requires us to make judgments, estimates and assumptions. We continually evaluate these estimates and assumptions based on the most recently available information, our own historical experiences and various other assumptions that we believe to be reasonable under the circumstances. Since the use of estimates is an integral component of the financial reporting process, actual results could differ from our expectations as a result of changes in our estimates. Some of our accounting policies require a higher degree of judgment than others in their application and require us to make significant accounting estimates.

我们根据美国公认会计原则编制合并财务报表，这要求我们做出判断、估计和假设。我们不断评估这些估计和假设的基础上最近可用的信息，我们自己的历史经验和各种其他假设，我们认为是合理的情况下。由于使用估计数是财务报告程序的一个组成部分，因此由于估计数的变化，实际结果可能与我们的预期不同。我们的一些会计政策在应用时需要比其他政策更程度的判断力，并要求我们做出重大的会计估计。

The following descriptions of critical accounting policies, judgments and estimates should be read in conjunction with our consolidated financial statements and other disclosures included in this prospectus. When reviewing our consolidated financial statements, you should consider (i) our selection of critical accounting policies, (ii) the judgments and other uncertainties affecting the application of such policies and (iii) the sensitivity of reported results to changes in conditions and assumptions.

下列关于重要会计政策、判断和估计的说明应与我们的合并财务报表以及本说明书所载的其他披露内容一并阅读。在审阅我们的综合财务报表时，应考虑(i)我们选择的重要会计政策，(ii)影响这些政策实施的判断和其他不确定因素，以及(iii)报告结果对条件和假设变化的敏感性。

### *Basis of Presentation, Combination and Consolidation*

#### 表示、合并与整合的基础

All of our online individual finance marketplace business is now carried out by our consolidated variable interest entities. Our consolidated financial statements include the assets, liabilities, revenues, expenses and cash flows that were directly attributable to our business for all periods presented. Since we and the subsidiaries, our consolidated VIE and its subsidiaries and consolidated affiliated entities that operated our online marketplace business are under common control of Mr. Dingui Yan, the assets and liabilities have been stated at historical carrying amounts. In addition, our consolidated financial statements have been prepared as if the current corporate structure had been in existence throughout the periods presented. Our consolidated statements of operations consist of all costs and expenses related to us. Income tax liability was calculated as if we had filed separate tax returns for all the periods presented.

我们所有的在线个人金融市场业务现在是由我们的综合可变利益实体。我们的合并财务报表包括资产，负债，收入，费用和现金流量，这些都是直接归因于我们的业务在所提出的所有时期。由于我们和我们的子公司，我们的合并 VIE 及其子公司和经营我们在线市场业务的合并关联实体都在丁贵严先生的共同控制之下，资产和负债以历史账面金额表示。此外，我们编制合并财务报表时，仿佛在所提交的整个期间都存在现行的公司结构。我们的综合业务报表包括与我们有关的所有成本和费用。所得税义务的计算方法是，如果我们已经提交了单独的所有期间的纳税申报表。

We conduct our online individual finance marketplace business in China through our consolidated VIE and its subsidiary. Due to PRC legal restrictions on foreign ownership and investment in value-added telecommunications services, and Internet content provision services in particular, we conduct our online operations in China through a series of Contractual Arrangements entered into among Shanghai KunJia, Jiayin Finance and its shareholders. Jiayin Finance and its wholly-owned subsidiary Niwodai Internet hold certain assets that are material to the operation of our business, including, among others, intellectual properties, hardware and software. We also expect Niwodai Internet to apply for, obtain and hold our value-added telecommunication business license for our online individual finance marketplace business. Most of our revenues, costs and expenses directly related to loan facilitation and servicing in China are generated through Niwodai Internet. As a result of the Contractual Arrangements, we have the ability to direct the activities of Jiayin Finance and that most significantly impact its economic performance, and to obtain a majority of the residual returns of Jiayin Finance. We are considered the primary beneficiary of Jiayin Finance, and accordingly the entity is our variable interest entity under U.S. GAAP and we consolidate its results in our consolidated financial statements. Any changes in PRC laws and regulations that affect our ability to control Jiayin Finance might preclude us from consolidating the entity in the future.

我们通过合并的 VIE 及其子公司在中国开展在线个人金融市场业务。由于中国法律限制外资拥有和投资增值电信业务，特别是互联网内容提供服务，我们通过一系列合同安排在中国进行我们的在线业务，上海昆嘉，Jiayin Finance 和它的股东。嘉荫金融及其全资子公司 Niwodai 互联网持有的某些资产对我们的业务运营非常重要，包括知识产权、硬件和软件。我们还希望新网为我们的在线个人金融市场业务申请、获得并持有我们的增值电信业务许可证。我们的大部分收入，成本和费用直接相关的贷款便利化和服务在中国是通过互联网产生的。根据《合约安排》，我们有能力指导 Jiayin Finance 的活动，对其经济表现影响最大，并获得 Jiayin Finance 大部分的剩余回报。我们被认为是 Jiayin Finance 的主要受益者，因此根据美国公认会计原则，该实体是我们的可变权益实体，我们将其结果整合到我们的综合财务报表中。中国法律法规中任何影响我们控制 Jiayin Finance 能力的变化都可能使我们将来无法合并这个实体。

In accordance with the Collaboration Agreement with Shanghai Caiyin, Shanghai Caiyin provide guarantee services for the loans facilitated by Niwodai Internet. Borrowers pay Shanghai Caiyin certain post-origination service fees as determined by Niwodai Internet. Niwodai is also eligible to collect the amount of serve fees in excess of the amount paid by Shanghai Caiyin to Niwodai Internet out of the investor assurance program managed by Shanghai Caiyin, minus reasonable operation costs. Furthermore, Niwodai Internet reserves the right to terminate the agreement at any time and engage other parties to perform the guarantee services. Therefore, we are also considered the primary beneficiary of Shanghai Caiyin, and accordingly the entity is our variable interest entity under U.S. GAAP and we consolidate its results in our consolidated financial statements.

根据与上海财银的合作协议，上海财银为牛网贷款提供担保服务。借款人支付上海彩印一定的贷款后服务费用，由牛窝带互联网确定。在上海财银管理的投资者保障计划中，牛网还可以收取超过上海财银支付给牛网的服务费，减去合理的运营成本。此外，Niwodai 互联网保留在任何时候终止协议的权利，并委托其他各方提供担保服务。因此，我们也被认为是上海财银的主要受益者，因此根据美国公认会计原则，该实体是我们的可变权益实体，我们将其结果整合到我们的综合财务报表中。

Our historical results for any period presented are not necessarily indicative of the results to be expected for any future period. Although we believe that the assumptions underlying our consolidated financial statements and the allocations made to us are reasonable, our basis of presentation and allocation methodologies required significant assumptions, estimates and judgments. Using a different set of assumptions, estimates and judgments would have materially impacted our financial position and results of operations.

我们提供的任何时期的历史结果都不一定表明对未来任何时期的预期结果。虽然我们认为，我们的综合财务报表所依据的假设以及向我们提供的拨款是合理的，但我们提出和分配方法的基础需要重大的假设、估计和判断。使用一套不同的假设、估计和判断会对我们的财务状况和运营结果产生重大影响。

## Revenue Recognition

### 收入确认

#### *Before adoption of ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)"*

在采用 ASU 2014-09 之前, "客户合同收入(专题606)"

We provide services mainly as an online marketplace connecting investors with borrowers. We provide three services for loans facilitated on our marketplace: loan facilitation service, post-origination service (e.g. cash processing and collection services) and guarantee services.

我们提供的服务主要是作为一个连接投资者和借款人的在线市场。我们为市场上的贷款提供三项服务: 贷款促进服务、批核贷款后服务(例如现金处理及收款服务)及担保服务。

Our marketplace enables investors to directly invest in loans that can be selected, at the investors' discretion, from hundreds of new lending opportunities to pre-approved borrowers that are posted on our marketplace every day. Investors also have the option to use the automated investment program whereby borrowers are selected automatically and the funds are automatically allocated among pre-approved borrowers. The automated investment program automatically reinvests investors' funds as soon as a loan is repaid, enabling the investors to accelerate the reinvestment of investment proceeds without having to continually revisit our mobile application.

我们的市场使投资者能够直接投资于贷款, 这些贷款可以根据投资者的判断选择, 从数以百计的新贷款机会到每天张贴在我们市场上的事先批准的借款人。投资者还可选择使用自动化投资程序, 自动选择借款人, 资金自动分配给事先批准的借款人。自动化投资程序在贷款偿还后立即自动对投资者的资金进行再投资, 使投资者能够加快投资收益的再投资, 而无需不断重新审视我们的移动应用程序。

Historically, we have typically charged a portion of service fees at loan origination with the remaining service fees collected on a monthly basis, which are payable by the borrowers for all services provided. The upfront fees collected were RMB2.0 billion and RMB2.9 billion (US\$422.2 million) during the years ended December 31, 2016 and 2017, respectively. We have stopped charging upfront service fees to comply with the new regulatory requirements since February 2018 for all loans facilitated through our online marketplace. We also charge service fees to investors for using the automated investment program which equal to a certain percentage of the actual return in excess of the expected rate of return from the investments, payable at the end of the investment period. No application fee is charged to borrowers or investors. For certain loan products, borrowers have the option of early repayment and upon termination they do not have the obligation to pay the remaining monthly service fees to us.

过去, 我们一般会在贷款发放时收取部分服务费, 其余服务费则按月收取, 借款人须就所提供的服务缴付。在截至二〇一六年十二月三十一日及二〇一七年, 所收取的前期费用分别为20亿元人民币及29亿元人民币(合4.222亿美元)。自二〇一八年二月起, 我们已停止就所有透过网上市场提供的贷款收取预缴服务费, 以符合新的监管要求。我们还向使用自动化投资程序的投资者收取服务费, 这些费用相当于超过投资预期回报率的实际回报的一定百分比, 应在投资期结束时支付。申请人或投资者无须缴付申请费用。就某些贷款产品而言, 借款人可选择提早还款, 而在贷款终止时, 他们无须支付余下的每月服务费给我们。

In order to be more competitive by providing a certain level of assurance to the investors, we maintain an investor assurance program managed by Shanghai Caiyin for the benefit of the investors who invested in loans facilitated prior to April 28, 2018 on our marketplace. In the event of borrowers' default, investors are entitled to receive unpaid interest and principal under the terms of the investor assurance program. We, through Shanghai Caiyin, a consolidated variable interest entity, are obligated to make the payment to the investors to the extent that the funds under the investor assurance program managed by Shanghai Caiyin are available. In the event of insufficient funds, we are required to make payments to investors as soon as the funding is replenished from future collections of service fees. Given that we effectively take on all of the credit risk of the borrowers and are compensated by the service fee charged, we deem the guarantee as a service and recognize a stand-ready obligation for our guarantee exposure in accordance with ASC Topic 460, Guarantees (see accounting policy for investor assurance program).

为了通过向投资者提供一定程度的保证来提高竞争力, 我们维持了一个由上海财银管理的投资者保证计划, 这个计划是为了在2018年4月28日之前在我们的市场上投资贷款的投资者的利益。在借款人违约的情况下, 根据投资者保证计划的条款, 投资者有权获得未支付的利息和本金。我们, 通过上海财银, 一个合并的可变权益实体, 有义务在上海财银管理的投资者保障计划下的资金可用的范围内向投资者支付款项。如果资金不足, 我们必须尽快从日后收取的服务费中补充资金给投资者。鉴于我们有效地承担了借款人的所有信用风险, 并由收取的服务费予以补偿, 我们将担保视为一项服务, 并根据 ASC 议题460, 担保(见投资者担保计划的会计政策), 确认我们的担保风险是一项随时可以履行的义务。

#### *Multiple element revenue recognition*

### 多要素收入确认

For each loan facilitated on the marketplace, we consider the loan facilitation services and post-origination services as a multiple deliverable revenue arrangement under ASC 605. We have concluded that although we do not sell those services independently, the deliverables have standalone value as others do sell them independently in the market and they have value to the customer independently.

对于在市场上促进的每一笔贷款, 我们将贷款促进服务和贷款后服务视为 ASC 605 下的多重可交付收入安排。我们得出的结论是, 虽然我们不是独立销售这些服务, 但可交付产品具有独立的价值, 因为其他人确实独立销售这些产品, 而且这些产品对客户具有独立的价值。

Guarantee services are accounted for in accordance with ASC Topic 460, Guarantees. We allocate the service fees collected consistent with the guidance in ASC 605-25. We first allocate the amount equal to the fair value of the stand-ready liability from the investor assurance program, if any. Then the remaining fees are allocated to the loan facilitation services and post-origination services using their relative estimated selling prices.

担保服务按照美国证券交易委员会460号会计准则核算。我们根据ASC 605-25的指导意见来分配收取的服务费。我们首先分配的金额等于公平价值的备用负债从投资者保证计划，如果有的话。然后，余下的费用将用于贷款促进服务和贷款后服务，使用其相对估计销售价格。

We do not have vendor specific objective evidence (“VSOE”) of selling price for the loan facilitation services or post-origination services because we do not provide loan facilitation services or post-origination

由于我们没有提供贷款促进服务或贷款后服务，因此我们没有供应商指定的客观证据证明贷款促进服务或贷款后服务的售价



services separately. Although other vendors may sell these services separately, third-party evidence (“TPE”) of selling price of the loan facilitation services and post origination services do not exist as public information is not available regarding the amount of fees our competitors may charge for those services. As a result, we generally use our best estimate of selling prices of loan facilitation services and post origination services as the basis of revenue allocation. In estimating the selling price for the loan facilitation services and post origination services, we consider the cost incurred to deliver such services, profit margin for similar arrangements, market demand, effect of competition on our services, and other market factors.

分别提供服务。虽然其他供应商可以单独出售这些服务，但是没有第三方证据证明贷款促进服务和贷款后服务的销售价格，因为没有公开信息说明我们的竞争对手可能对这些服务收取多少费用。因此，我们一般以贷款促进服务和贷款后服务销售价格的最佳估计作为收入分配的基础。在估算贷款促进服务和贷款后服务的售价时，我们会考虑提供这些服务的成本、类似安排的利润率、市场需求、竞争对我们服务的影响，以及其他市场因素。

For each type of service, we recognize revenues when the following four revenue recognition criteria are met for each revenue type: (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred or services have been rendered, (iii) the selling price is fixed or determinable, and (iv) collectability is reasonably assured.

对于每一类服务，我们确认收入的条件是：(一)有令人信服的安排证据存在，(二)交货或已提供服务，(三)销售价格是固定的或可确定的，以及(四)可收取性得到合理保证。

Although we provide loan facilitation services at loan inception and provides guarantee services and post-origination services during the term of the loan, the service fees are contingent upon actual repayment from the borrowers and thus, the revenue related to the service fees is also contingent and will become determinable until the contingency (i.e., the borrower’s repayments) are resolved. Accordingly we recognize revenue upon collection of service fees.

虽然我们在贷款初期提供贷款便利服务，并在贷款期内提供担保服务和贷款后服务，但服务费取决于借款人的实际还款情况，因此与服务费有关的收入也是有条件的，在意外事件(即借款人的还款)得到解决之前是可以确定的。因此，我们在收取服务费时确认收入。

#### *Revenue from loan facilitation services*

##### 贷款促进服务的收入

We recognize revenues on loan facilitation services when the loan facilitation services are completed and the cash allocated to it is received. For upfront fees that are partially refundable to the borrowers, we estimated the refund based on historical loan performance including early repayment rate and average loan months, and recorded a corresponding refund liabilities upon receiving upfront fees.

当贷款促进服务完成并收到分配给它的现金时，我们确认贷款促进服务的收入。至于部分可退还予借款人的预缴费用，我们会根据过往的贷款表现(包括提早还款率及平均贷款月数)估算退还款额，并在收取预缴费用后，记录相应的退还款项负债。

#### *Revenue from post-origination services*

##### 订立服务后的收入

The fee collected upfront allocated to post-origination services are deferred and recognized over the period of the loan on a straight line basis. We recorded such deferred fees as deferred revenues, and presented it as accrued expenses and other current liabilities on our consolidated balance sheet. The fees collected from monthly installments allocated to post-origination services are recognized upon collection.

贷款后服务所收取的前期费用会延迟计算，并在贷款期内以直线方式确认。我们将这些递延费用记录为递延收入，并将其作为应计费用和其他流动负债列入我们的综合资产负债表。透过每月分期付款所收取的费用会在收取时确认。

#### *Other revenue*

##### 其他收入

Service fees derived from investors using the automated investment program are recorded in other revenue. It represents the fees paid by the investors when the actual rate of return exceeds the expected rate of return stated in the investment program agreement and recognized as revenue upon maturity of this investment tool when the amount becomes fixed and determinable. The revenue of service fee recognized for the years ended December 31, 2016 and 2017 was RMB9.6 million and RMB144.5 million (US\$21.0 million), respectively.

使用自动化投资程序的投资者所产生的服务费用记入其他收入。指投资者在实际收益率超过投资计划协议规定的预期收益率时所支付的费用，当收益数额变为固定且可确定时，在该投资工具到期时确认为收入。截至二〇一六年十二月三十一日及二〇一七年十二月三十一日止年度的服务费收入分别为人民币九百六十万元及人民币一亿四千四百五十万元(合二千一百万美元)。

Other revenue also includes revenue from guarantee services recognized at the expiry of the guarantee term, penalty fees for loan prepayment and late payment, and service fee for transferring loans between investors on our marketplace. The penalty fees, which are fees paid to us, will be received as a certain percentage of past due amounts in the case of late payments or a certain percentage of interest over the prepaid principal loan amount in the



case of prepayment. Penalty fees recognized when the underlying event occurs and the fees are collected. The service fees for transferring loans between investors are recognized when the transfer is completed and service fees are collected from the investors. In May 2018, we ceased collecting one-time prepayment service fees.

其他收入还包括在担保期满时确认的担保服务收入、贷款提前还款和逾期还款的罚款以及投资者之间在我们的市场上转移贷款的服务费。罚款是支付给我们的费用，如果逾期付款，将按过去到期金额的一定百分比收取，如果预付，则按预付本金的一定百分比收取利息。当相关事件发生并收取罚款时确认的罚款。投资者之间转移贷款的服务费在转移完成并向投资者收取服务费时确认。2018年5月，我们停止收取一次性预付服务费。

*After adoption of ASU 2014-09, "Revenue from Contracts with Customers" (Topic 606)" with full retrospective method*

采用了 ASU 2014-09"客户合同收入"(专题606)全回溯法

We have adopted ASU 2014-09, Revenue from Contracts with Customers (Topic 606) and all subsequent ASUs that modified ASC 606 on January 1, 2018 using the full retrospective method which requires us to present our financial statements for all periods as if Topic 606 had been applied to all prior periods.

我们已经采用了 ASU 2014-09、客户合同收益(专题606)以及所有随后的 ASC 606在2018年1月1日使用完全回溯方法修改了 ASC 606，这要求我们提交所有期间的财务报表，就像专题606已经应用于所有以前期间一样。

The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, we apply the following steps:

指导意见的核心原则是，一个实体应确认收入，以反映向客户转让所承诺的货物或服务的数额，其数额应反映该实体期望为这些货物或服务获得的对价。为实现这一核心原则，我们采取以下步骤：

- Step 1: Identify the contract(s) with a customer  
步骤1: 与客户确定合同
- Step 2: Identify the performance obligations in the contract  
第二步: 确定合同中的履约义务
- Step 3: Determine the transaction price  
第三步: 确定交易价格
- Step 4: Allocate the transaction price to the performance obligations in the contract  
步骤4: 将交易价格分配给合同中的履约义务
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation  
步骤5: 当(或作为)实体满足履约义务时确认收入

We determine that both the investors and the borrowers are our customers. We assess ability and intention to pay the service fees of both borrowers and investors when they become due and determines if the collection of the service fees is probable, based on historical experiences as well as the credit due diligence performed on each borrower prior to loan origination. We consider the loan facilitation service, guarantee service and post-origination service as three separate services, of which, the guarantee service is accounted for in accordance with ASC Topic 460, Guarantees. While the post-origination service is within the scope of ASC Topic 860, the ASC Topic 606 revenue recognition model is applied due to the lack of definitive guidance in ASC Topic 860. The loan facilitation service and post-origination service are two separate performance obligations under ASC 606, as these two deliverables are distinct in that customers can benefit from each service on its own and the our promises to deliver the services are separately identifiable from each other in the contract.

我们确定投资者和借款人都我们的客户。我们根据借款人和投资者的历史经验以及贷款发放前的信贷尽职调查，评估他们支付服务费的能力和意愿，并决定是否有可能收取服务费。我们认为贷款促进服务、担保服务和贷后服务是三种不同的服务，其中，担保服务按ASC 题目460，担保。虽然贷款后服务属于ASC 主题860的范围，但由于ASC 主题860缺乏明确的指导，因此应用ASC 主题606收入确认模型。贷款促进服务和贷款后服务是ASC 606下的两项不同的服务义务，因为这两项服务是不同的，客户可以自行受惠于每项服务，而我们提供服务的承诺在合约中是分开。

We determine the total transaction price to be the service fees chargeable from the borrowers, net of value-added tax. The transaction price includes variable consideration in the form of prepayment risk of the borrowers. We reflect in the transaction price the borrower's prepayment risk and estimate variable consideration for these contracts using the expected value approach on the basis of historical information and current trends of the repayment percentage of the borrowers. The transaction price is allocated amongst the guarantee service, if any, and two performance obligations.

我们确定的总交易价格为向借款人收取的服务费，扣除增值税。交易价格包括借款人提前还款风险形式的可变对价。我们在交易价格中反映借款人的提前还款风险，并根据借款人还款百分比的历史信息和当前趋势，采用预期价值法估计这些合同的可变代价。交易价格在担保服务(如果有的话)和两个履约义务之间进行分配。

We first allocate the transaction price to the guarantee liabilities, if any, in accordance with ASC Topic 460, Guarantees which requires the guarantee to be measured initially at fair value based on the stand-ready obligation. Then the remaining considerations are allocated to the loan facilitation services and post-origination services using their relative standalone selling prices consistent with the guidance in ASC 606. We do not have observable standalone selling price information for the loan facilitation services or post-origination services because we do not provide loan facilitation services or post-origination services on a standalone basis. There is no direct observable standalone selling price for similar services in the market reasonably available to us. As a result, the estimation of standalone selling price involves significant judgment. We use expected cost plus margin approach to estimate the standalone selling prices of loan facilitation services and post-origination services as the basis of revenue allocation. In estimating the standalone selling price for the loan facilitation services and post-origination services, we consider the cost incurred to deliver such services, profit margin for similar arrangements, customer demand, effect of competitors on our services, and other market factors.

我们首先根据ASC 专题460，将交易价格分配给担保责任(如果有的话)，担保要求根据随时准备的义务以公允价值最初计量担保。然后，其余的考虑分配给贷款促进服务和贷款后服务，使用其相对独立销售价格符合ASC 606的指导。由于我们没有独立提供贷款促进服务或贷款后服务，因此我们没有可观察到的贷款促进服务或贷款后服务的独立售价资料。我们并没有直接观察到市面上同类服务的独立销售价格。因此，估计独立销售价格涉及重大的判断。我们采用预期成本加利润的方法，估计贷款促进服务和贷款后服务的独立销售价格，作为收入分配的基础。在估算贷款促进服务和贷款后服务的独立销售价格时，我们会考虑提供这些服务的成本、类似安排的利润率、客户需求、竞争对手对我们服务的影响，以及其他市场因素。

For each type of service, we recognize revenue when (or as) the entity satisfies the service/ performance obligation by transferring the promised service (that is, an asset) to customers based on the underlying contract terms excluding consideration of impairment of contract assets or accounts receivable. Revenues from loan facilitation services are recognized at the time a loan is originated between the investor and the borrower and the loan

principal is transferred to the borrower, at which time the facilitation service is considered completed. Revenues from post-origination services are recognized evenly over the term of the underlying loans as the post-origination services are a series of distinct services that are substantially the same and that have the same pattern of transfer to the investors. Revenues from guarantee services are recognized at the expiry of the guarantee term.

对于每种类型的服务，我们确认收入，当(或作为)实体通过将承诺的服务(即资产)转移给客户来满足服务 / 履行义务时，基于基础合同条款，不包括对合同资产或应收帐款减值的考虑。贷款促进服务的收入在投资者与借款人之间发放贷款并将贷款本金转移给借款人时确认，在此时，促进服务被认为已经完成。由于贷款后服务是一系列实质上相同且向投资者转移模式相同的独特服务，因此贷款后服务的收入在贷款期内均匀确认。担保服务收入在担保期满时确认。

For upfront fees that are partially refundable to the borrowers, we estimated the refund based on historical prepayment rate and recorded a corresponding refund liabilities upon receiving upfront fees.

至于部分可退还予借款人的预缴费用，我们会根据过往的预缴费率估计退款额，并在收取预缴费用后记录相应的退款负债。

#### *Other revenue*

#### 其他收入

Under ASC 606, service fees derived from investors using the automated investment programs are initially estimated based on historical experience of returns on similar investment products and current trends. The service fees are recognized on a straight-line basis over the term of the investment period. The service fees related to the automated investment program are due at the end of the investment period. The investment period refers to the period of time when the investments are matched with loans and are generating returns for the investors. We record service fees only when it becomes probable that a significant reversal in the amount of cumulative revenue will not occur. The revenue of service fee recognized under ASC 606 for the years ended December 31, 2016 and 2017 was RMB64.2 million and RMB156.7 million, respectively. The weighted average investment period was 8.5 months and 8.7 months for the years ended December 31, 2016 and 2017, respectively.

根据 ASC 606，从使用自动化投资程序的投资者获得的服务费用最初是根据类似投资产品的历史回报和当前趋势估算的。服务费在投资期内按直线法确认。与自动化投资项目有关的服务费应在投资期结束时缴纳。投资期是指投资与贷款相匹配并为投资者产生回报的时期。我们记录服务费，只有当它成为可能的数额的累积收入将不会发生重大逆转。截至二〇一六年十二月三十一日及二〇一七年十二月三十一日止的年度，根据 ASC 606 确认的服务费收入分别为人民币6420万元及人民币1.567亿元。在截至2016年12月31日和2017年12月31日的年度中，加权平均数的投资期分别为8.5个月和8.7个月。

Other revenue also includes revenue from guarantee services recognized at the expiry of the guarantee term, penalty fees for loan prepayment and late payment, and service fee for transferring loans between investors on the platform. Under ASC 606, penalty fees are contingency-based variable considerations and constrained by the occurrence of delinquency or prepayment. They are recognized when the uncertainty associated with the variability is resolved, that is, when the underlying event occurs and the fees are collected. The service fees for transferring loans between investors are recognized when the transfer is completed and service fees are collected from the investors.

其他收入还包括在担保期限届满时确认的担保服务收入、贷款提前还款和逾期还款的罚款以及在平台上投资者之间转移贷款的服务费。根据 ASC 606，罚款费用是基于可变因素的考虑，并受到拖欠或预付的限制。当与可变性相关的不确定性得到解决时，也就是当潜在事件发生并收取费用时，就可以认识到这些问题。投资者之间转移贷款的服务费在转移完成并向投资者收取服务费时确认。

#### *Incentives to investors*

#### 对投资者的激励

To expand our market presence, we provide incentives to investors in a form that either reduces the amount of investment required to purchase financial products or entitles them to receive higher interest rates in the products they purchase. Such incentives are accounted for as a reduction of revenue in accordance with ASC 606.

为了扩大我们的市场占有率，我们向投资者提供激励措施，要么减少购买金融产品所需的投资额，要么使他们在购买的产品中获得更高的利率。根据 ASC 606，这些奖励被视为收入减少。

#### *Accounts receivable and contract assets, net*

#### 应收帐款及合约资产净值

Contract assets represent our right to consideration in exchange for services that our company has transferred to the customer before payment is due. Since our right to monthly fees is conditional on whether or not the borrowers repay in advance, we record a corresponding contract asset for the monthly service fees allocated to loan facilitation service and post-origination service that have already been delivered in relation to loans facilitated on our platform when recognizing revenue from loan facilitation service and post-origination service. In addition, our right to the consideration for the service fee derived from automated investment program is conditional on the actual return of the investment; therefore, a corresponding contract asset is recorded when the revenue of service fee is recognized.

合同资产代表我们的权利，以交换服务，我们的公司已转让给客户的付款到期。由于我们取得月费的权利是以借款人是否预先偿还为条件，因此我们在确认贷款促进服务和贷款后服务的收入时，会将已在我们的平台上提供的贷款所涉及的每月服务费用，记录在相应的合约资产内，以便分配给贷款促进服务和贷款后服务。此外，我们从自动化投资计划中获得服务费代价的权利是以投资的实际回报为条件的；因此，在确认服务费收入时，记录相应的合同资产。

Prior to February 2018, our right to consideration for the monthly fees of facilitation service is conditional on the borrowers' actual payment, as the borrower had the right to early terminate the loan contract prior to the maturity of the loans and are not obligated to pay the remaining monthly fees. As such, we recorded a corresponding contract asset based on the estimate of the payment when recognizing revenue from loan facilitation service prior to February 2018.

在2018年2月前，我们有权按借款人的实际还款额考虑每月的便利服务费用，因为借款人有权在贷款到期前提早终止贷款合约，而无须支付余下的每月费用。因此，我们在2018年2月之前确认贷款促进服务收入时，根据付款估计数记录了相应的合同资产。

Starting from February 2018, according to the contractual agreement with borrower, upon inception of a loan, we have unconditional right to the first six months' service fee for loans facilitated on our marketplace at loan inception regardless of the subsequent timing of the borrower' repayment of the loan. Therefore, we recorded accounts receivables up to total fees collectible in the first six months and contract assets for fees collectible in the subsequent months when recognizing revenue from loan facilitation service subsequent to February 2018.

由二〇一八年二月开始，根据与借款人的合约协议，在贷款开始时，无论借款人其后何时偿还贷款，我们均有权无条件取得首六个月在我们的市场促成的贷款服务费。因此，在确认2018年2月之后的贷款促进服务收入时，我们记录了前6个月可收取费用的应收账款总额和随后几个月可收取费用的合同资产。

Accounts receivable and contract assets are stated at the historical carrying amount net of write-off and allowance for collectability in accordance with ASC Topic 310. We established an allowance for uncollectible accounts receivable and contract assets based on estimates, historical experience and other factors surrounding the credit risk of specific customers which is essentially the expected net accumulated loss rates used in determining the fair value of guarantee liabilities under each product type. The profile of the borrowers are similar under each product; therefore, we apply a consistent credit risk management framework to the entire portfolio of borrowers under each product. For individual customers where there is an observable indicator of impairment such as fraud, a specific allowance is provided. We evaluate and adjust the allowance for accounts receivable and contract assets on a quarterly basis or more often as necessary. Uncollectible accounts receivable and contract assets are written off when the consideration entitled by us is due and a settlement is reached for an amount that is less than the historical loan principal or when we have determined the balance will not be collected. Accounts receivable and contract assets are identified as uncollectible if the amount remains outstanding for 90 calendar days past due after the maturity of the underlying loan contract term, and no other factor evidences the possibility of collecting the delinquent amounts. Hence, we determined to write off corresponding accounts receivable and contract assets and provisions for accounts receivable and contract assets 90 calendar days after the last payment due date of the underlying loan contract terms. We recognize contract assets only to the extent that we believe it is probable that they will collect substantially all of the consideration to which it will be entitled in exchange for the services transferred to the customer.

应收帐款和合同资产按照 ASC 主题310的规定，以历史账面净值(核销)和备抵(可收回性)表示。我们根据估计、历史经验和围绕特定客户信用风险的其他因素，建立了无法收回的应收帐款和合同资产备抵，实质上是用于确定每种产品类型担保负债公允价值的预期累计损失率。每个产品的借款人情况都是相似的，因此，我们对每个产品的整个借款人组合应用了一个一致的信贷风险管理框架。对于存在欺诈等可观察到的减值指标的个人客户，将提供具体的津贴。我们每季度评估和调整应收帐款和合同资产的备抵，必要时更频繁。无法收回的应收帐款和合同资产注销时，我们的对价到期，达成的结算金额低于历史贷款本金，或当我们确定余额将不能收回。如果应收帐款和合同资产在相关贷款合同期限到期后90个日历日内仍未收回，且没有其他因素证明有可能收回拖欠金额，则确定为无法收回。因此，我们决定在相关贷款合同条款最后到期日后90个日历日注销相应的应收帐款和合同资产以及应收帐款和合同资产的准备金。我们确认合同资产的唯一条件是，我们相信他们有可能收取大部分对价，作为对转移给客户的服务的交换。

The aggregate amount of the transaction price allocated to performance obligations that are unsatisfied pertaining to post-origination service were RMB62.6 million and RMB171.1 million (US\$24.9 million) as of December 31, 2016 and 2017, among which approximately 42% and 70% of the remaining performance obligations will be recognized by us over the following 12 months, respectively, with the remainder recognized thereafter.

截至2016年12月31日和2017年12月31日，分配给与贷款后服务有关的未清偿履约义务的交易价格总额分别为6260万元人民币和1.711亿元人民币(2490万美元)，其中约42%和70%的剩余履约义务将由我们在随后12个月内确认，其余部分在此后确认。

Revenue recognized for the years ended December 31, 2016 or 2017 from performance obligations satisfied (or partially satisfied) in prior periods pertaining to adjustments to variable consideration due to the change of estimated prepayment rate and refund upfront fees was immaterial.

2016年12月31日或2017年12月31日终了年度确认的收入来自以前各期因可变对价调整而履行的义务(或部分履行义务)，这些调整是由于预付款率和预付费用退款的变化，因此并不重要。

We used practical expediency in applying full retrospective method on completed contracts in transitioning to ASC 606. For completed contracts that have variable consideration, we used the transaction price at the date the contract was completed rather than estimating variable consideration amounts in the comparative reporting periods.

我们采用实用的权宜之计，对已完成的合同采用完全追溯法过渡到 ASC 606。对于有可变对价的已完成合同，我们使用的是合同完成之日的交易价格，而不是在比较报告期间估计可变对价金额。

We determine that the investor and borrower acquisition cost paid based on the amount of investment or borrowing represent costs to obtain a contract qualifying for capitalization since these payments are directly related to sales achieved during a period. Such cost was not material during the periods presented.

我们确定，投资者和借款人根据投资或借款金额支付的购置成本代表获得资本化合同的成本，因为这些付款与一段时期内实现的销售直接相关。在本报告所述期间，这种费用并不大。

### ***Investor Assurance Program***

#### 投资者保障计划

We maintain an investor assurance program through Shanghai Caiyin for the benefits of investors who invested in unsecured loans through our marketplace in loans facilitated prior to April 2018 and to provide guarantee to investors through the same investor assurance program that was acquired from Niwodai Finance. Under the investor assurance program, we set aside the service fees charged by Shanghai Caiyin into designated restricted cash accounts to be used to cover the principal and interest of defaulted loans on a portfolio basis, payable on a first-loss basis up to the balance of the investor assurance program. We repay the aggregate amounts of principal and respective interest, which are due based on the repayment schedule, to investors typically within a few days upon borrowers' default, and no later than three weeks thereafter. In accordance with the terms of the investor assurance program, an investor is entitled to compensation for losses resulting from defaulted loans within 15 calendar days of the due date.

我们通过上海财银保持了一个投资者保证计划，为那些在2018年4月之前通过我们的市场投资于无担保贷款的投资者提供保证，并且通过与从 Niwodai Finance 获得的相同的投资者保证计划为投资者提供保证。根据投资者保证计划，我们将上海财银收取的服务费存入指定的

受限制现金账户，用于支付以投资组合为基础的违约贷款的本金和利息，在投资者保证计划余额之前，按照首次亏损的原则支付。我们根据还款时间表，在借款人违约后的几天内，最迟不超过三个星期，向投资者偿还本金和各自的利息总额。根据投资者保证计划的条款，投资者有权在到期日起15个日历日内对拖欠贷款造成的损失获得赔偿。

Default payments to investors can only be made from the investor assurance program when there are sufficient funds available. Our obligation under the investor assurance program to make payments is limited to

只有在资金充足的情况下，投资者才能从投资者保险计划中获得违约赔偿。根据投资者保证计划，我们的付款义务仅限于



the amount of the restricted cash at any point in time and we are obliged to compensate investors once the restricted cash balance is replenished again from contributions of future borrowers. Once the investor is paid for a borrower's default, any future amount recovered is contributed into the investor assurance program. We regularly review actual loss rate of each loan product facilitated and relevant economic factors to ensure estimations are kept up-to-date. For the loans facilitated before April 28, 2018 under the investor assurance program managed by us, we intend to use our own working capital to fund the investor assurance program after April 28, 2018 when the balance of the investor assurance fund is depleted.

限制性现金的数额在任何时间点，我们有义务补偿投资者一旦限制性现金余额再次从未来的借款人的缴款。一旦投资者为借款人的违约付款，未来收回的任何金额都将纳入投资者担保计划。我们定期检讨每个贷款产品的实际损失率和相关的经济因素，以确保估计数字保持最新。对于在2018年4月28日之前由我们管理的投资者保证计划下的贷款，我们打算在2018年4月28日之后，当投资者保证基金的余额耗尽时，使用我们自己的周转资金为投资者保证计划提供资金。

At loan inception, we are required to record liability from the investor assurance program in accordance with ASC Topic 460-10, which incorporates the expectation of potential future payments under the guarantee and takes into account both non-contingent and contingent aspects of the guarantee.

在贷款开始时，我们被要求根据 ASC 议题460-10记录投资者担保方案的负债，该议题包括担保下对未来可能付款的预期，并考虑到担保的非或有和或有方面。

Subsequently, the liability from the investor assurance program is measured in a combination of two components: (i) ASC Topic 460 component; and (ii) ASC Topic 450 component. The liability recorded based on ASC Topic 460 is determined on a loan-by-loan basis and it is reduced when we are released from the underlying risk, either when the loan is repaid by the borrower or when the lender is compensated in the event of a default. This component is a stand ready obligation which is not subject to the probable threshold used to record a contingent obligation. When we are released from the stand-ready liability upon expiration of the underlying loan, we record a corresponding amount as net revenue in the consolidated statement of comprehensive income (loss). The other component is a contingent liability determined based on probable loss considering the actual historical performance and current condition, representing the future payouts under the investor assurance program in excess of the stand-ready liability and is measured using the guidance in ASC Topic 450, Contingencies. The ASC Topic 450 contingent component is determined on a collective basis and loans with similar risk characteristics are pooled into cohorts for purposes of measuring incurred losses. The ASC Topic 450 contingent component is recognized as part of operating expenses in the consolidated statement of comprehensive income (loss). At all times the recognized liability (including the stand-ready liability and contingent liability) is at least equal to the probable estimated losses of the guarantee portfolio. When a discounted cash flow model is used to determine fair value, the significant input used in the valuation model is the discount rate applied to calculate the present value of the projected cash flows which is based on market rates. The discounted rate used in the model is 15% for the years ended December 31, 2016 and 2017. We also estimated the markup margin by looking at several comparable business models. The expected collection rate of defaulted loans was based on the average historical collection rate of our products.

随后，来自投资者保证计划的负债是以两个组成部分的组合来衡量的：(i) ASC 主题460组成部分；和(ii) ASC 主题450组成部分。以 ASC Topic 460为基础而记录的负债是以贷款为基础，当借款人偿还贷款或贷款人因拖欠还款而获得补偿时，我们不用承担相关风险，负债额便会减少。这一部分是一项随时可用的债务，不受用于记录或有债务的可能门槛的限制。当我们在相关贷款到期时免除备用负债时，我们在综合收益(损失)综合表中记录相应数额为净收入。另一个组成部分是基于实际历史业绩和当前状况的可能损失确定的或有负债，代表投资者保证计划下超过备用负债的未来支出，并使用 ASC 主题450，意外开支的指导进行衡量。主题450或有部分是在集体基础上确定的，具有类似风险特征的贷款集中在一起，用于计量已发生的损失。或有部分在综合收益(损失)综合表中确认为业务费用的一部分。在任何时候，确认的负债(包括备用负债和或有负债)至少等于担保资产组合可能的估计损失。当使用贴现/公允价值模型确定公允价值时，估值模型中使用的重要输入是用于计算基于市场汇率的预计现金流现值的贴现率。在截至2016年12月31日和2017年12月31日的年度里，该模型使用的折现率为15%。我们还通过研究几种可比较的商业模式来估算利润率。预期的拖欠贷款回收率是基于我们产品的平均历史回收率。

As our stand-ready liability is not traded in an active market with readily observable prices, we use significant unobservable inputs to measure the fair value of stand-ready liabilities upon initial recognition. Stand-ready liabilities are categorized in the Level 3 valuation hierarchy based on the significance of unobservable factors in the overall fair value measurement. We estimate the fair value of the stand-ready liability by estimating expected net accumulated loss rates, based on historical net accumulated loss rate for each product type and incorporating a markup margin. A discounted cash flow methodology was used to estimate the fair value of the guarantee liabilities. The significant unobservable inputs used in the fair value measurement of guarantee liabilities include the expected net accumulated loss rates applied in the valuation models. The weighted average expected net accumulated loss rates applied for year 2016 and 2017 are 20.3% and 13.4%, respectively. Such decrease in the accumulated loss rate is attributable to the overall improvement of our credit assessment process and strategic change in product mix as we ceased offering certain products with higher delinquency rates. These inputs in isolation can cause significant increases or decreases in fair value.

由于我们的现成负债不是在一个活跃的市场上以现成的价格进行交易，我们在初步确认时使用大量不可观测的投入来衡量现成负债的公允价值。根据公允价值计量总体中不可观测因素的重要性，准备好的负债在第3级估值层次中分类。我们通过估计预期净累计损失率，根据每一产品类型的历史净累计损失率，并加上利润率，来估计备用负债的公允价值。采用贴现/美元方法来估算担保负债的公允价值。担保负债公允价值计量中使用的大量不可观测的投入包括估值模型中使用的预期净累计损失率。加权平均数银行预计2016年和2017年的净累计损失率分别为20.3%和13.4%。累计亏损率下跌，是因为我们停止提供某些拖欠比率较高的产品，令信贷评估程序整体有所改善，以及产品组合出现策略性转变。这些单独的投入可能导致公允价值的显著增加或减少。

The increase in the expected net accumulated loss rates can significantly increase the fair value of stand-ready liability of the loan newly facilitated upon initial recognition; conversely a decrease in the net expected accumulated loss rates can significantly decrease the fair value of stand-ready liability of the loan newly facilitated upon initial recognition. When a discounted cash flow model is used to determine fair value, the significant

input used in the valuation model is the discount rate applied to calculate the present value of the projected cash flows which is based on market rates. We also estimated the markup margin by looking at several

预期净累积损失率的增加可大大提高新提供贷款在初始确认时的备用负债的公允价值;相反,预期净累积损失率的减少可大大降低新提供贷款在初始确认时的备用负债的公允价值。当使用贴现/公允价值模型确定公允价值时,估值模型中使用的重要输入是用于计算基于市场汇率的预计现金流现值的贴现率。我们还通过查看几个标记边距来估计标记边距

comparable business models. The expected net accumulated loss rate of underlying loans was based on the average historical net accumulated loss rate of our products.

类似的商业模式。基础贷款的预期净累计损失率是基于我们产品的平均历史净累计损失率。

The asset from the investor assurance program is recognized initially at loan inception corresponding to the stand-ready liability recognized, and represents service fees that are collectible by both Shanghai Caiyin and Niwodai Internet. The asset from the investor assurance program is accounted for as a financial asset and is measured at fair value at inception, representing the fair value of service fees receivable from the underlying loans that are expected to be used for the estimated payout of the corresponding guarantee liabilities. We consider the probable future service fees collectible and take into account any expected prepayments and potential loan defaults in estimating its fair value. If the initial fair value of the financial asset is less than the stand-ready guarantee liability arising from new business under the investor assurance program, the shortage is recorded as an expense in "Provision for assets and liabilities from investor assurance program" in the respective period. At each reporting date, we estimate the future cash flows and assess whether there is any indicator of impairment. If the carrying amount of the asset from the investor assurance program exceeds the expected cash to be received, an impairment loss is recorded for the asset not recoverable and is reported as part of "provision for assets and liabilities from investor assurance program" in the statements of comprehensive income (loss).

来自投资者保险计划的资产在贷款初始阶段确认，与已确认的备用负债相对应，代表上海财银和牛窝带互联网收取的服务费。来自投资者保险计划的资产作为金融资产入账，并在开始时按公允价值计量，代表预计用于相应担保负债估计偿付额的应收基础贷款服务费的公允价值。我们认为未来可能收取的服务费，并考虑到任何预期的预付款和潜在的贷款违约估计其公允价值。如果金融资产的初始公允价值低于根据投资者担保计划开展的新业务产生的随时准备担保负债，则短缺在相应期间的“投资者担保计划资产和负债准备金”中记作费用。在每个报告日期，我们估计未来的现金流量，并评估是否有任何减值指标。如果投资者保证计划资产的账面金额超过预期收到的现金，则对不可收回的资产记录减值损失，并在综合收入(损失)报表中作为“投资者保证计划资产和负债准备金”的一部分报告。

The investor assurance program also covers the outstanding loans covered by investor assurance program acquired from Niwodai Finance in 2015, of which the associated guarantee liabilities are separately recorded as "other guarantee liabilities" in the consolidated balance sheet. Service fees collected from all the loans, including loans newly facilitated by us and loans related to other guarantee liabilities acquired in the 2015, are utilized to pay out on both liabilities from investor assurance program and other guarantee liabilities. Notwithstanding the foregoing, service fees related to new loans facilitated by us constitute most of the service fees we collected.

投资者担保方案还涵盖2015年从 Niwodai Finance 获得的投资者担保方案覆盖的未偿贷款，其中相关的担保负债在综合资产负债表中单独记录为“其他担保负债”。所有贷款收取的服务费，包括我们新提供的贷款和2015年获得的与其他担保负债有关的贷款，均用于支付投资者担保方案的负债和其他担保负债。尽管如此，与我们协助的新贷款有关的服务费仍是我们收取的大部分服务费。

We discontinued managing investor assurance program for loans facilitated after April 28, 2018. Instead, we introduced investor assurance program operated by third party guarantors and by Class B investors. We no longer charge service fees associated with guarantee services and meanwhile free from allocating collectible service fees to the fair value of the stand-ready liability from the investor assurance program in accordance with ASC Topic 460. However the switch from investor assurance program managed by us to the investor assurance program managed by third party guarantors and by partnering with Class B investors does not impact our revenue recognition on loan origination services, post-origination services and other revenues, which are still accounted from under ASC Topic 606. Given we no longer assume obligation in compensating investors upon borrower's default, we do not recognize assets and liabilities from investor assurance program and provision for assets and liabilities from investor assurance program since April 28, 2018.

在2018年4月28日之后，我们终止了投资者担保管理计划。相反，我们引入了由第三方担保人和 b 类投资者操作的投资者保证计划。我们不再收取与担保服务有关的服务费，同时免除了根据 ASC 议题460从投资者保险计划中将可收取的服务费分配到公允价值的随时准备的责任。然而，由我们管理的投资者保证计划向由第三方担保人管理的投资者保证计划以及与 b 类投资者的合作，并不影响我们在贷款发放服务、贷款发放后服务和其他收入方面的收入确认，这些收入仍然来自 ASC 议题606。鉴于我们不再承担在借款人违约时赔偿投资者的义务，自2018年4月28日起，我们不再从投资者担保计划和投资者担保计划中确认资产和负债。

## **Income Taxes**

### **所得税**

Current income taxes are provided for in accordance with the laws of the relevant tax authorities.

现行所得税依照有关税务机关的法律规定征收。

Deferred income taxes are provided using assets and liabilities method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are recognized to the extent that these assets are more likely than not to be realized. In making such a determination, management considers all positive and negative evidence, including future reversals of projected future taxable income and results of recent operation. Deferred tax assets are then reduced by a valuation allowance through a charge to income tax expense when, in the opinion of management, it is more like than not that a portion of or all of the deferred tax assets will not be realized.

递延所得税是使用资产和负债方法提供的，该方法要求确认递延所得税资产和负债对财务报表所列事项的预期未来税务后果。根据这种方法，递延税项资产和负债是根据财务报表与资产和负债税收基础之间的差异确定的，使用的是预计差异将发生逆转的当年有效的税率。递延税项资产在这些资产更有可能变现而不是不变现的情况下确认。在作出这样的决定时，管理层考虑了所有正面和负面的证据，包括预计未来应纳税收入的逆转和最近业务的结果。当管理层认为递延所得税资产的一部分或全部不能变现时，递延所得税资产通过对所得税费用的扣除而通过估值备抵减少递延所得税资产。

We account for uncertainty in income taxes recognized in the consolidated financial statements by applying a two-step process to determine the amount of the benefit to be recognized. First, the tax position must be

我们通过应用一个两步过程来确定应确认的福利金额，来解释合并财务报表中确认的所得税的不确定性。首先，税务状况必须是

evaluated to determine the likelihood that it will be sustained upon external examination by the taxing authorities. If the tax position is deemed more-likely-than-not to be sustained (defined as a likelihood of more than fifty percent of being sustained upon an audit, based on the technical merits of the tax position), the tax position is then assessed to determine the amount of benefits to recognize in the consolidated financial statements. The amount of the benefits that may be recognized is the largest amount that has a greater than 50% likelihood of being realized upon ultimate settlement. Interest and penalties on income taxes will be classified as a component of the provisions for income taxes. We did not recognize any income tax due to uncertain tax position or incur any interest and penalties related to potential underpaid income tax expenses for the two years ended December 31, 2016 and 2017.

评估，以确定税务当局进行外部检查是否可持续。如果税收状况被认为更有可能持续(根据税收状况的技术优点，被定义为在审计后持续的可能性超过50%)，则对税收状况进行评估，以确定在合并财务报表中确认的利益数额。可确认的利益数额是在最终结算时实现的可能性超过50%的最大数额。所得税的利息和罚款将列为所得税规定的一个组成部分。在截至2016年12月31日和2017年12月31日的两年内，由于税收状况不确定，我们不承认任何所得税，也不承担任何与可能支付的所得税开支有关的利息和罚款。

### *Measurement of Share-based Compensation*

#### 基于股份的薪酬计量

In September 2016, Jiayin Finance adopted a share incentive plan, or the 2016 Share Incentive Plan. For information regarding the 2016 Share Incentive Plan, see “Management—Share Incentive Plans—2016 Share Incentive Plan.” In September 2016 and October 2018, options to purchase 13,321,500 and 2,851,600 shares of Jiayin Finance were issued pursuant to the 2016 Share Incentive Plan to certain of our employees, respectively.

2016年9月，嘉荫金融实施了股权激励计划，即2016年股权激励计划。有关2016年股权激励计划的信息，请参阅《管理层—股权激励计划—2016年股权激励计划》二〇一六年九月及二〇一八年十月，我们根据二〇一六年股份奖励计划，分别向部分员工发出购买13,321,500股及2,851,600股 Jiayin Finance 股的期权。

[In \_\_\_\_\_, we adopted a share incentive plan, or the 2018 Share Incentive Plan, which will become effective upon the completion of this offering. For information regarding the 2018 Share Incentive Plan, see “Management—Share Incentive Plans—2018 Share Incentive Plan.” In \_\_\_\_\_, options to purchase 323,462,000,000 shares of Jiayin Group Inc. were issued pursuant to the 2018 Share Incentive Plan to certain of our employees to replace the 16,173,100 options granted to such individuals under the 2016 Share Incentive Plan, each 20,000 options under the 2018 Share Incentive Plan replacing one option under the 2016 Share Incentive Plan.]

[在年，我们采用了股份奖励计划，或称2018年股份奖励计划，该计划将在这次发售完成后生效。有关2018年股权激励计划的信息，请参阅《管理层—股权激励计划—2018年股权激励计划》年，根据2018年股权激励计划，嘉银集团向部分员工发放了购买323,462,000,000股股票的期权，以取代2016年股权激励计划授予这些员工的16,173,100份期权，2018年股权激励计划每20,000份期权取代2016年股权激励计划下的一份期权]

Share-based payment transactions with employees are measured based on the grant date fair value of the equity instrument issued and recognized as compensation expense on a graded vesting basis, over the requisite service period, with a corresponding impact reflected in additional paid-in capital. The expected term represents the period that share-based awards are expected to be outstanding, giving consideration to the contractual terms of the share-based awards, vesting schedules and expectations of future employee exercise behavior. Volatility is estimated based on annualized standard deviation of daily stock price return of comparable companies for the period before valuation date and with similar span as the expected expiration term. We account for forfeitures of the share-based awards when they occur. Previously recognized compensation cost for the awards is reversed in the period that the award is forfeited. Amortization of share-based compensation is presented in the same line item in the consolidated statements of operations as the cash compensation of those employees receiving the award.

与雇员进行的以股份为基础的交易是根据在必要的服务期间内按分级归属权确认的股本工具的授予日公允价值计量的，相应的影响反映在额外实收资本中。预期期限是指预期以股份为基础的奖励将会出现的时期，同时考虑到以股份为基础的奖励的合同条款、归属表和对未来员工行为的预期。波动性是根据估值日期之前可比公司每日股价回报率的年化标准差估计的，其跨度与预期到期时间相似。当股份奖励发生时，我们将对其没收负责。先前确认的裁定赔偿费用在没收裁定赔偿金期间予以撤销。基于股份的报酬摊销额与领取赔偿金的雇员的现金报酬列在合并业务报表的同一细列项目中。

Modifications of the terms or conditions of the awards are treated as an exchange of the original awards for new awards. Incremental compensation cost is measured and recognized as the excess, if any, of the fair value of the modified award over the fair value of the original award immediately before the terms are modified.

对裁定赔偿金条款或条件的修改被视为以原裁定赔偿金交换新裁定赔偿金。增量补偿费用是在条款修改之前计量并确认为修改后的裁定额的公允价值超过原裁定额的公允价值的部分(如有的话)。

In March 2016, the FASB issued ASU 2016-09 Compensation—Stock Compensation (Topic 718): Improvements to Employee Share Based Payment Accounting, which among other items, provides an accounting policy election to account for forfeitures as they occur, rather than to account for them based on an estimate of expected forfeitures. The ASU takes effect for public business entities for annual periods beginning after December 15, 2016, and interim periods within those annual periods. We adopted this ASU and had elected to early adopt account for forfeitures as they occur and applied it retrospectively for the years ended December 31, 2016.

2016年3月，美国财务会计准则委员会(FASB)发布了2016-09年度 ASU 薪酬—股票补偿(议题718)：改进基于员工股份支付会计，其中提供了一个会计政策选择，以记录发生的没收，而不是基于预期没收的估计。自2016年12月15日起，美国公共事业单位对公共事业单位实行年度管理，并在这些年度管理期内实行过渡管理。我们采纳了这个 ASU，并且已经选择在没收行为发生时尽早采纳这个账户，并且追溯到2016年12月31日结束的年份。



Excluding the options containing market and service vesting conditions, we calculated the estimated fair value of the options on the respective grant dates using a binomial option pricing model with assistance from independent valuation firms, with the following assumptions:  
我们在独立评估公司的协助下，使用二项式期权定价模型计算了不包含市场及服务归属条件的期权在各授予日的估计公允价值，并假设：

	September 30, 2016 2016年9月30日
Risk-free interest rate 无风险利率	2.54%
Estimated volatility rate 估计波动率	50.46%
Dividend yield 股息率	0.0%
Contractual term (in years) 合同期限(以年为单位)	4.5
Exercise price 行权价格	RMB3.5 3.5元
Fair value of share options 股票期权的公允价值	RMB18.2 人民币18.2元

The risk-free rate of interest is based on the yield curve of US Sovereign Bond as of the valuation date. Volatility is estimated based on annualized standard deviation of daily stock price return of comparable companies for the period before valuation date and with similar span as the expected expiration term.

无风险利率以截至估值日的美国主权债券收益率曲线为基础。波动性是根据估值日期之前可比公司每日股价回报率的年化标准差估计的，其跨度与预期到期时间相似。

Determining the fair value of the share options required us to make complex and subjective judgments, assumptions and estimates, which involved inherent uncertainty. Had we used different assumptions and estimates, the resulting fair value of the share options and the resulting share-based compensation expenses could have been different.

确定股票期权的公允价值需要我们做出复杂和主观的判断、假设和估计，其中包含固有的不确定性。如果我们使用不同的假设和估计，股票期权的公允价值和由此产生的基于股票的报酬费用可能是不同的。

The following table sets forth the fair value of options and ordinary shares estimated at the dates of option grants indicated below with the assistance from an independent valuation firm:

下表列出在一家独立估值公司的协助下，在下文所述期权授予日期估计的期权和普通股的公允价值：

Date of Options Grant 期权授予日期	Options Granted 选择同意	Exercise Price 运动价格	Fair Value of Option 公允价值选择	Fair Value of Ordinary Shares 公允价值普通的股票	Discount for Lack of Marketability 优惠缺乏市场化	Discount Rate 折扣税率	Type of Valuations 种类估值
September 30, 2016 2016年9月30日		RMB3.5 3.5元	RMB18.2 人民币18.2元	RMB21.4 人民币21.4元	26%	28%	Retrospective 回顾展
October 11, 2018 2018年10月11日	13,321,500	RMB3.5 3.5元	[ ]	[ ]	[ ]	[ ]	[ ]

The following table sets forth share-based compensation expenses recognized for the periods presented:

下表列出所列期间确认的按份额计算的赔偿费用：

In determining the fair value of our ordinary shares, we applied the income approach / discounted cash flow, or DCF, analysis based on our projected cash flow using management's best estimate as of the valuation date. The determination of the fair value of our ordinary shares requires complex and subjective judgments to be made regarding our projected financial and operating results, our unique business risks, the liquidity of our shares and our operating history and prospects at the time of valuation.

在确定我们普通股的公允价值时，我们采用了收益法 / 贴现现金流量法，或者简称 DCF，这种分析基于我们在估值日期使用管理层最佳估计的预计现金流量。要确定我们普通股的公允价值，需要对我们预计的财务和经营业绩、我们独特的业务风险、我们股票的流动性以及我们在估值时的经营历史和前景作出复杂和主观的判断。



The major assumptions used in calculating the fair value of ordinary shares include:

计算普通股公允价值所采用的主要假设包括:

- Weighted average cost of capital, or WACC: The discount rates we listed in the table above were based on the WACCs determined based on a consideration of the factors, including risk-free rate, comparative industry risk, equity risk premium, company size and non-systematic risk factors.  
加权平均资本成本: 我们在上表中列出的贴现率是基于对无风险利率、相对行业风险、股票风险溢价、公司规模和非系统性风险因素等因素的考虑而确定的。
- Comparable companies: In deriving the WACCs, which are used as the discount rates under the income approach, six publicly traded companies were selected for reference as our guideline companies.  
可比较的公司: 在推算 WACCs 时, 我们选择了六家上市公司作为我们的指导公司。
- Discount for lack of marketability, or DLOM: DLOM was quantified by the Finnerty's Average-Strike put options model. Under this option-pricing model, which assumed that the put option is struck at the average price of the stock before the privately held shares can be sold, the cost of the put option was considered as a basis to determine the DLOM. This option pricing model is one of the methods commonly used in estimating DLOM as it can take into consideration factors like timing of a liquidity event, such as an initial public offering, and estimated volatility of our shares. The farther the valuation date is from an expected liquidity event, the higher the put option value and thus the higher the implied DLOM. The lower DLOM is used for the valuation, the higher is the determined fair value of the ordinary shares. DLOM remained 26% in the period from inception to 2016.  
缺乏市场性的折扣, 或 DLOM: DLOM 由 Finnerty 的 Average-Strike 看跌期权模型量化。在这种期权定价模型中, 假设看跌期权在私人持有的股票被出售之前按股票的平均价格买入, 看跌期权的成本被作为确定 DLOM 的基础。这个期权定价模型是估计 DLOM 的常用方法之一, 因为它可以考虑流动性事件的时间, 如首次公开招股, 以及估计我们股票的波动性等因素。估值日期与预期流动性事件的距离越远, 看跌期权价值就越高, 因此隐含的 DLOM 就越高。低 DLOM 用于估值, 高 DLOM 用于确定普通股的公允价值。从开始到2016年, DLOM 仍然占26%。

The income approach involves applying appropriate discount rates to estimated cash flows that are based on earnings forecasts. The assumptions used in deriving the fair values are consistent with our business plan. These assumptions include: no material changes in the existing political, legal and economic conditions in China; our ability to retain competent management, key personnel and staff to support our ongoing operations; and no material deviation in market conditions from economic forecasts. These assumptions are inherently uncertain. The risks associated with achieving our forecasts were assessed in selecting the appropriate discount rates.

收入方法包括对基于收益预测的估计现金流量适用适当的贴现率。推导公允价值所用的假设与我们的商业计划一致。这些假设包括：中国现有的政治、法律和经济条件没有实质性变化；我们有能力留住胜任的管理人员、关键人员和工作人员，以支持我们正在进行的业务；市场条件没有实质性偏离经济预测。这些假设本质上是不确定的。在选择适当的贴现率时，评估了与实现我们的预测相关的风险。

The estimates will not be necessary to determine the fair value of new awards once the underlying shares begin trading.

一旦相关股票开始交易，这些估计数字无需用来确定新奖励的公允价值。

## Results of Operation

### 运作结果

The following tables set forth a summary of our consolidated results of operations for the periods presented, a percentage of our total net revenue. This information should be read together with our consolidated financial statements and related notes included elsewhere in this prospectus.

以下表格概述了我们在报告所述期间的合并业务结果，占我们净收入总额的百分比。此信息应与我们的综合财务报表和本招股说明书其他地方的相关附注一起阅读。

	Year Ended December 31, 截至十二月三十一日止的一年					Nine Months Ended September 30, 九个月截至九月三十日				
	2016		2017			2017		2018		
	RMB 人民币	%	RMB 人民币	US\$ 美元	%	RMB 人民币	%	RMB 人民币	US\$ 美元	%
	(in thousands, except for percentages) (以千计, 除了百分比)									
<b>Net revenue</b>										
净收入	591,098	100.0	2,250,850	327,730	100.0	1,480,755	100.0	2,171,683	316,203	100.0
<b>Operating cost and expenses</b>										
营运成本及费用										
Origination and servicing	(143,201)	(24.2)	(229,353)		(10.2)	(141,244)		(284,035)		
创立和服务	143,201	(24.2))	229,353	(33,394)	(10.2))	141,244	(9.5)	(284,035))	(41,356)	(13.1)
Allowance for uncollectible accounts receivable and contract assets							(3.3)		(27,318)	
无法收回的应收帐款和合同资产备抵	(125,672)	(21.3)	(130,943)	(19,066)	(5.8)	(49,174)	(3.3))	(187,618)	27,318)	(8.6)
Provision for assets and liabilities from investor assurance program										
投资者保证计划中的资产和负债准备金	(223,604)			(6,183)	(1.9)	(6,314)	(0.4)	(426,710)	(62,130)	(19.6)
Sales and marketing	(223,604))	(37.8)	(42,463)	6183)	(1.9))	6314)	(0.4))	(426,710)	(81,920)	
销售和市场营销	(467,725)	(79.1)	(884,866)	(128,839)	(39.3)	(600,055)	(40.5)	(562,630)	(81,920))	(25.9)
General and administrative		(9.3)	(95,597)	(13,919)	(4.2)		(4.4)	(83,272)		(3.8)
一般及行政事务	(54,990)	(9.3))	95,597)	13,919)	(4.2))	(65,226)	(4.4))	83,272)	(12,125)	(3.8))
Research and development		(15.0)	(180,967)		(8.0)		(7.7)			(5.2)
研究及发展	(88,705)	(15.0))	180,967)	(26,349)	(8.0))	113,811)	(7.7))	(112,387)	(16,364)	(5.2))
<b>Total operating cost and expenses</b>	<b>(1,103,897)</b>		<b>(1,564,189)</b>	<b>(227,750)</b>		<b>(975,824)</b>		<b>(1,656,652)</b>	<b>(241,213)</b>	
营运成本及费用总额	<b>1,103,897)</b>	<b>(186.7)</b>	<b>1564189)</b>	<b>227,750)</b>	<b>(69.4)</b>	<b>975,824)</b>	<b>(65.8)</b>	<b>1,656,652)</b>	<b>241,213)</b>	<b>(76.2)</b>
<b>Income (Loss) from operation</b>										
营运收入(亏损)	<b>(512,799)</b>	<b>(86.7)</b>	<b>686,661</b>	<b>99,980</b>	<b>30.6</b>	<b>504,931</b>	<b>34.2</b>	<b>515,031</b>	<b>74,990</b>	<b>23.8</b>
Interest income										
利息收入	1,454	0.2	1,922	280	0.1	1,383	0.1	1,042	152	0.0
Other income, net										
其他收入, 净额	3,328	0.6	12,609	1,836	0.6	8,667	0.6	12,039	1,753	0.6
<b>Income (Loss) before income tax</b>										
所得税前收入(损失)	<b>(508,017)</b>	<b>(85.9)</b>	<b>701,192</b>	<b>102,096</b>	<b>31.3</b>	<b>514,981</b>	<b>34.9</b>	<b>528,112</b>	<b>76,895</b>	<b>24.4</b>
Income tax expense					(7.2)		(8.0)		(11,458)	
所得税费用	118,266	20.0	(161,647)	(23,536)	(7.2))	(118,719)	(8.0))	(78,689)	11,458)	(3.6)
<b>Net income (loss)</b>										
净收益(亏损)	<b>(389,751)</b>	<b>(65.9)</b>	<b>539,545</b>	<b>78,560</b>	<b>24.1</b>	<b>396,262</b>	<b>26.9</b>	<b>449,423</b>	<b>65,437</b>	<b>20.8</b>

Nine Months Ended September 30, 2018 Compared to Nine Months Ended September 30, 2017

截至二零一八年九月三十日的九个月与截至二零一七年九月三十日的九个月比较

*Net revenue.* Our net revenue increased from RMB1,480.8 million in the nine months ended September 30, 2017 to RMB2,171.7 million (US\$316.2 million) in the same period in 2018, primarily due to the increase in the

净收入。我们的净收入从截至2017年9月30日的9个月的14.808亿元人民币增长到2018年同期的21.717亿元人民币(3.162亿美元)，主要是由于

loan origination volume facilitated through our marketplace, which increased from approximately RMB8.0 billion in the nine months ended September 30, 2017 to RMB17.0 billion (US\$2.5 billion) in the same period in 2018. As we discontinued managing investor assurance program for loans facilitated after April 28, 2018, we no longer charge service fees associated with guarantee services and meanwhile free from allocating collectible service fees to the fair value of the stand-ready liability from the investor assurance program. The total service fees we were entitled to collect from our borrowers, net of value-added tax, increased slightly from RMB3.2 billion in the nine months ended September 30, 2017 to RMB3.3 billion in the same period in 2018. Accordingly, the stand-ready liability from investor assurance program managed by us as a percentage of the total service fee we are entitled to collect associated with the newly facilitated loans decreased from 43.7% in the nine months ended September 30, 2017 to 29.4% in the same period in 2018. 透过我们的市场，贷款额由截至二〇一七年九月三十日的九个月约80亿元人民币，增加至二〇一八年同期的170亿元人民币(约25亿美元)。由于我们在2018年4月28日之后终止了投资者担保管理计划，我们不再收取与担保服务相关的服务费，同时免除了从投资者担保计划中将可收取的服务费分配到公允价值的随时可用的负债。扣除增值税后，我们向借款人收取的服务费总额由截至二〇一七年九月三十日的九个月的32亿元人民币，轻微上升至二〇一八年同期的33亿元人民币。因此，我们管理的投资者担保计划的随时准备负债占我们有权收取的与新提供便利贷款有关的服务费总额的百分比，从截至二〇一七年九月三十日的九个月的43.7%降至二〇一八年同期的29.4%。

*Operating costs and expenses.* Our total operating costs and expenses increased from RMB975.8 million in the nine months ended September 30, 2017 to RMB1,656.7 million (US\$241.2 million) in the same period in 2018, primarily attributable to the increase in the provision for assets and liabilities from investor assurance program, allowance for uncollectible accounts receivable and contract assets, sales and marketing expenses and origination and servicing expenses. Our total operating costs and expenses as a percentage of net revenue increased from 65.8% in the nine months ended September 30, 2017 to 76.2% in the same period in 2018, as a result of additional provision recorded in the nine months ended September 30, 2018.

营运成本及费用。我们的总运营成本及支出从截至2017年9月30日的9个月的9.758亿元人民币增加到2018年同期的16.567亿元人民币(2.412亿美元)，主要是由于投资者保险计划的资产和负债准备金、坏账准备金和合同资产、销售和营销费用以及贷款和服务费用的增加。由于截至二〇一八年九月三十日的九个月录得额外拨备，我们的总营运成本及支出占净收入的百分比，由二〇一七年九月三十日止的九个月内的65.8%，上升至二〇一八年同期的76.2%。

- *Origination and servicing expenses.* Our origination and servicing expenses increased from RMB141.2 million in the nine months ended September 30, 2017 to RMB284.0 million (US\$41.4 million) in the same period in 2018, in line with the increase in the volume of loans facilitated through our marketplace.  
开支及服务费用。我们的借贷及服务开支由截至二〇一七年九月三十日的九个月内的1.412亿元人民币，增加至二〇一八年同期的2.84亿元人民币(合4,140万美元)，与透过我们的市场提供的贷款数额增加相符。
- *Provision for assets and liabilities from investor assurance program.* We recorded provision for assets and liabilities from investor assurance program of RMB6.3 million and RMB426.7 million (US\$62.1 million) in the nine months ended September 30, 2017 and 2018, respectively, to record additional guarantee liabilities incurred in connection with the increased default rates following the negative publicity with respect to the difficulties, or even suspension of operation in some cases, encountered by certain individual lending marketplaces since June 2018.  
投资者保证计划中的资产和负债准备金。在截至二〇一七年九月三十日及二〇一八年九月三十日的九个月内，我们分别从投资者保障计划录得630万元人民币及4.267亿元人民币(合6,210万美元)的资产及负债准备金，以记录个别贷款市场自二〇一八年六月以来，因违约率上升而招致的额外担保负债。
- *Allowance for uncollectible accounts receivable and contract assets.* Our allowance for uncollectible accounts receivable and contract assets increased from RMB49.2 million to RMB187.6 million (US\$27.3 million) in the nine months ended September 30, 2017 and 2018, respectively, primarily due to the increase in uncollected service fees in connection with the increase in the volume of loans facilitated through our marketplace.  
无法收回的应收帐款和合同资产备抵。在截至2017年9月30日和2018年9月30日的9个月中，我们的坏账准备金和合同资产分别从4920万元人民币增加到1.876亿元人民币(合2730万美元)，主要是由于通过我们的市场促成的贷款数量增加导致未收取的服务费用增加。
- *Sales and marketing expenses.* Our sales and marketing expenses decreased from RMB600.1 million in the nine months ended September 30, 2017 to RMB562.6 million (US\$81.9 million) in the same period in 2018, and our sales and marketing expenses as a percentage of our net revenues decreased from 40.5% in the nine months ended September 30, 2017 to 25.9% in the same period in 2018, as we engaged more repeat investors in the nine months ended September 30, 2018 compared to the same period in 2017, the acquisition cost of which accounted for in sales and marketing expenses is significantly lower than that of new investors and borrowers.  
销售和市场营销费用。我们的销售和市场营销开支从截至二〇一七年九月三十日的九个月内的6.001亿元人民币下降至二〇一八年同期的5.626亿元人民币(约合8,190万美元)，我们的销售和市场营销开支占净收入的百分比从截至二〇一七年九月三十日的九个月内的40.5%下降至二〇一八年同期的25.9%，因为我们在截至二〇一八年九月三十日的九个月内聘请了更多的重复投资者，与二〇一七年同期相比，收购成本占销售和市场营销开支的百分比明显低于新投资者和借款人。
- *General and administrative expenses.* Our general and administrative expenses increased from RMB65.2 million in the nine months ended September 30, 2017 to RMB83.3 million (US\$12.1 million) in the same period in 2018, primarily due to the increase of payroll expenses and professional service fees incurred.  
一般及行政开支。我们的一般及行政开支由截至二〇一七年九月三十日的九个月内的六千五百二十万元人民币，增加至二〇一八年同期的八千三百三十万元人民币(一千二百一十万美元)，主要是由于薪酬开支及专业服务费用增加。

- *Research and development expenses.* Our research and development expenses remained relatively stable at RMB113.8 million and RMB112.4 million (US\$16.4 million), in the nine months ended September 30, 2017 and 2018, respectively.  
研究及发展开支。在截至二〇一七年九月三十日及二〇一八年九月的九个月内，我们的研发开支保持相对稳定，分别为1.138亿元人民币及1.124亿元人民币(合1,640万美元)。

*Interest income.* We recognized interest income of RMB1.4 million and RMB1.0 million (US0.2 million) in the nine months ended September 30, 2017 and 2018, respectively, in connection with our bank deposits.

利息收入。在截至2017年9月30日和2018年9月30日的9个月中，我们分别认定与我们的银行存款有关的利息收入为140万元人民币和100万元人民币(约合20万美元)。

*Other income, net.* We recognized other income of RMB8.7 million and RMB12.0 million (US\$1.8 million) in the nine months ended September 30, 2017 and 2018, respectively, primarily as a result of government subsidies received.

其他收入，净额。截至2017年9月30日和2018年9月30日的9个月中，我们确认其他收入分别为870万元人民币和1200万元人民币(合180万美元)，主要是政府补贴的结果。

*Income before income taxes.* As a result of foregoing, we recognized income before income taxes of RMB515.0 million and RMB528.1 million (US\$76.9 million) in the nine months ended September 30, 2017 and 2018, respectively.

所得税前收入。综上所述，截至2017年9月30日和2018年9月30日的9个月中，我们确认的税前收入分别为5.150亿元人民币和5.281亿元人民币(合7,690万美元)。

*Income tax expenses.* We recognized tax expenses of RMB118.7 million and RMB78.7 million (US\$11.5 million) in the nine months ended September 30, 2017 and 2018, respectively, as a result of operating gains in such periods.

所得税费用。在截至2017年9月30日和2018年9月30日的9个月中，我们分别确认了由于上述期间的经营收益而产生的税收支出为1.187亿元人民币和7,870万元人民币(合1,150万美元)。

*Net income (loss).* As a result of foregoing, we recorded net income of RMB396.3 million and RMB449.4 million (US\$65.4 million) in the nine months ended September 30, 2017 and 2018, respectively.

净收益(亏损)。综上所述，在截至2017年9月30日和2018年9月30日的9个月中，我们的净利润分别为3.963亿元人民币和4.494亿元人民币(合6,540万美元)。

#### **Year Ended December 31, 2017 Compared to Year Ended December 31, 2016**

##### **截至二零一七年十二月三十一日止年度与二零一六年十二月三十一日止年度比较**

*Net revenue.* Our net revenue increased from RMB591.1 million in 2016 to RMB2,250.9 million (US\$327.7 million) in 2017, primarily due to the increase in the loan origination volume facilitated through our marketplace, which increased from approximately RMB11.8 billion in 2016 to RMB19.8 billion (US\$2.9 billion) in 2017. The total service fees we were entitled to collect from our borrowers, net of value-added tax, increased from RMB2.7 billion in 2016 to RMB5.9 billion in 2017. The increase in net revenue was also due to the decrease of the stand-ready liability from investor assurance program managed by us as a percentage of the total service fees we are entitled to collect associated with newly facilitated loans from 73.5% in 2016 to 47.6% in 2017.

净收入。我们的净收入从2016年的5.911亿元人民币增加到2017年的22.509亿元人民币(3.277亿美元)，主要是由于通过我们的市场促成的贷款发放量增加，从2016年的约118亿元人民币增加到2017年的198亿元人民币(29亿美元)。扣除增值税后，我们向借款人收取的服务费总额由二〇一六年的27亿元人民币增加至二〇一七年的59亿元人民币。净收入增加的另一个原因是，我们管理的投资者担保计划的随时准备负债占我们有权收取的与新资助贷款相关的服务费用总额的百分比从2016年的73.5%降至2017年的47.6%。

*Operating costs and expenses.* Our total operating costs and expenses increased from RMB1,103.9 million in 2016 to RMB1,564.2 million (US\$227.8 million) in 2017, primarily attributable to the increase in the sales and marketing expenses, research and development expenses, and origination and servicing expenses, partially offset by the decrease of the provision for assets and liabilities from investor assurance program. Our total operating costs and expenses as a percentage of net revenue decreased from 186.7% in 2016 to 69.4% in 2017, as the growth of our net revenue exceeded the growth of our operating costs and expenses with increasing economies of scale.

营运成本及费用。我们的营运成本及支出总额由二零一六年的11.039亿元人民币，上升至二零一七年的15.642亿元人民币(合2.278亿美元)，主要由于销售及市场推广支出、研发支出，以及创业及服务支出增加，但投资者保障计划的资产及负债拨备减少，部分抵销了上升的成本及支出。我们的总营运成本和支出占净收入的百分比，由二〇一六年的186.7%下降至二〇一七年的69.4%，原因是我们净收入的增长超过了规模经济下营运成本和支出的增长。

- *Origination and servicing expenses.* Our origination and servicing expenses increased from RMB143.2 million in 2016 to RMB229.4 million (US\$33.4 million) in 2017, in line with the increase in the volume of loans facilitated through our marketplace.  
开支及服务费用。我们的创业及服务开支由二〇一六年的1.432亿元人民币，增加至二〇一七年的2.294亿元人民币(合3,340万美元)，与透过我们的市场提供的贷款量增加相符。
- *Provision for assets and liabilities from investor assurance program.* We recorded provision for assets and liabilities from investor assurance program of RMB223.6 million and RMB42.5 million (US\$6.2 million) in 2016 and 2017, respectively, as a result of our enhanced risk management capabilities to reduce the delinquency rate of loans facilitated in 2017.  
投资者保证计划中的资产和负债准备金。由于我们提高了风险管理能力，以降低2017年的贷款拖欠率，我们在2016年和2017年分别从投资者保险计划中为资产和负债提取了2.236亿元人民币和4,250万元人民币(620万美元)的准备金。

- *Allowance for uncollectible accounts receivable and contract assets.* We recorded allowance for uncollectible accounts receivable and contract assets of RMB125.7 million and RMB130.9 million (US\$19.1 million) in 2016 and 2017, respectively, as a result of our enhanced risk management capabilities, despite the increase in contract assets in connection with the increase in loan volume from 2016 to 2017. 无法收回的应收帐款和合同资产备抵。尽管从2016年到2017年贷款量增加，合同资产增加，风险管理能力提高，但我们还是为2016年和2017年的无法收回的应收帐款和合同资产分别计提了备抵，备抵金额为1.257亿元人民币和1.309亿元人民币(合1910万美元)。
- *Sales and marketing expenses.* Our sales and marketing expenses increased from RMB467.7 million in 2016 to RMB884.9 million (US\$128.8 million) in 2017, primarily due to the increase in expenses associated with our continued user acquisition methods. Our sales and marketing expenses as a percentage of our net revenues decreased from 79.1% in 2016 to 39.3% in 2017 during the same period, as we engaged more repeat investors and borrowers in 2017 compared to 2016, the acquisition 销售和市场费用。我们的销售和营销费用从2016年的4.677亿元人民币增加到2017年的8.849亿元人民币(1.288亿美元)，主要是由于我们继续采用用户获取方法的费用增加。我们的销售和营销费用占净收入的比例从2016年的79.1%下降到2017年同期的39.3%，因为2017年与2016年相比，我们吸引了更多的回头客和借款人



cost of which accounted for in sales and marketing expenses is significantly lower than that of new investors and borrowers. 其成本占销售和市场推广的费用明显低于新的投资者和借款人。

- *General and administrative expenses.* Our general and administrative expenses increased from RMB55.0 million in 2016 to RMB95.6 million (US\$13.9 million) in 2017, primarily due to the increase of payroll expenses in 2017, including share-based compensation. 一般及行政开支。我们的一般和行政支出从2016年的5500万元人民币增加到2017年的9560万元人民币(合1390万美元)，主要是由于2017年工资支出的增加，包括以股份为基础的补偿。
- *Research and development expenses.* Our research and development expenses increased from RMB88.7 million in 2016 to RMB181.0 million (US\$26.3 million) in 2017, primarily due to the increase of payroll expenses in 2017, in connection with the growth of employee headcount and share-based expenses in line with the expansion of our business. 研究及发展开支。我们的研发支出从2016年的8,870万元人民币增加到2017年的1.81亿元人民币(2,630万美元)，主要原因是2017年随着我们业务的扩大，员工人数和股份支出增加。

*Interest income.* We recognized interest income of RMB1.5 million and RMB1.9 million (US\$0.3 million) in 2016 and 2017, respectively, in connection our bank deposits.

利息收入。2016年和2017年，我们的银行存款的利息收入分别为150万元人民币和190万元人民币(合30万美元)。

*Other income, net.* We recognized other income of RMB3.3 million and RMB12.6 million (US\$1.8 million) in 2016 and 2017, respectively primarily as a result of government subsidies received.

其他收入，净额。2016年和2017年的其他收入分别为330万元人民币和1260万元人民币(180万美元)，主要是政府补贴的结果。

*Income/(loss) before income taxes.* As a result of foregoing, we recognized loss before income taxes of RMB508.0 million in 2016 and income before income taxes of RMB701.2 million (US\$102.1 million) in 2017.

扣除所得税前的收入 / (亏损)。综上所述，我们承认2016年税前损失为5.080亿元人民币，2017年税前收入为7.012亿元人民币(合1.021亿美元)。

*Income tax benefit (expenses).* We recognized tax benefit of RMB118.3 million in 2016, as a result of operating losses in 2016, and tax expenses of RMB161.6 million (US\$23.5 million) in 2017, as a result of operating gains in 2017.

所得税优惠(费用)。我们确认2016年因2016年经营亏损而获得的税收优惠为1.183亿元人民币，2017年因2017年经营收益而获得的税收支出为1.616亿元人民币(合2350万美元)。

*Net income (loss).* As a result of foregoing, we recorded net loss of RMB389.8 million in 2016 and net income of RMB539.5 million (US\$78.6 million) in 2017.

净收益(亏损)。综上所述，我们2016年录得净亏损3.898亿元人民币，2017年录得净利润5.395亿元人民币(合7860万美元)。

## Selected Quarterly Results of Operations

### 部分季度营运结果

The following table sets forth our historical unaudited consolidated selected quarterly results of operations for the periods indicated.

下表列出了我们未经审计的历史合并选定的各个时期的季度业务结果。

	For the Three Months Ended 截至二零一零年三月底的三个月						
	March 31, 三月三十 一日 2017	June 30, 六月三十 日 2017	September 30, 九月三十日 2017	December 31, 十二月三十 一日 2017	March 31, 三月三十 一日 2018	June 30, 六 月三十日 2018	September 30, 九月三十日 2018
	(in RMB thousands) (以千元计)						
Revenue 收入	264,737	510,242	705,776	770,095	983,256	680,261	508,166
Operating Cost and Expenses 营运成本及开支	(239,366)	(330,250)	(406,208)	(588,365)	(657,629)	(435,054)	563,970
Net (loss)/income before income tax 所得税前收入净额(亏损)	27,086	187,499	300,396	186,211	334,005	248,011	(53,906)
Net (loss)/income 净(亏损) / 收入	20,842	144,274	231,145	143,283	283,136	210,239	(43,954)

The table below sets forth the selected quarterly operating data for the periods indicated:

下表列出所述期间选定的季度业务数据:

	For the Three Months Ended 截至二零一零年三月底的三个月						
	March 31, 三月三十 一日 2017	June 30, 六月三 十日 2017	September 30, 九月三十日 2017	December 31, 十二月三十 一日 2017	March 31, 三月三十 一日 2018	June 30, 六月三 十日 2018	September 30, 九月三十日 2018
	(in RMB millions) (以百万元计)						
Investment Volume* 投资额 *	4,202	4,013	4,939	8,615	7,861	6,771	4,608
Loan Origination Volume* 批出贷款数量 *	2,660	4,110	5,268	7,807	7,113	5,772	4,109

\* Loan origination volume during a period is not equal to the investment volume in the same period as (i) the investment volume includes the amount of investment transactions, excluding automatic reinvestments, in respect of transferred loans on the secondary market, and a small amount of investments into the automated investment programs during the subscription period, which are not accounted for in the loan origination volume; and (ii) the loan origination volume includes the amount of loans that are originated on our platform which are matched with automated reinvestments enabled by our automated investment program, which is not accounted for in the investment volume.

一段期间的贷款批出额不等于同一期间的投资额，因为(i)投资额包括就第二市场已转让贷款而言的投资交易金额(不包括自动再投资)，以及在认购期内对自动化投资计划的少量投资，而这些投资金额并未计入贷款批出额；及(ii)贷款批出额包括源自我们平台的贷款金额，这些贷款金额与我们的自动化投资程序启动的自动化再投资相配合，但并未计入投资额。

Our business operations were negatively impacted by unfavorable market developments in the market in June and July 2018. See “Risk Factors—Any negative publicity with respect to us, the online individual finance industry in general and our third-party partners may materially and adversely affect our business and results of operations.” Investors’ willingness to invest on our marketplace declined and the loan origination volume on our marketplace decreased temporarily in response to negative publicity about the difficulties, or even suspension of operation in some cases, encountered by certain individual lending marketplaces. Borrowers’ willingness to repay was also negatively impacted by the negative publicity, which resulted in higher default rates. Given the unfavorable market developments, we have been strategically balancing our business growth and loan quality. In particular, we have proactively strengthened risk assessment on loans, which had resulted in a more selective loan application approval process. In view of the risk of increased default rates, we also recognized a more significant amount of provision for assets and liabilities from investor assurance program. As a result, our net revenue decreased from RMB983.3 million in the three months ended March 31, 2018 to RMB680.3 million in the three months ended June 30, 2018 and further to RMB508.2 million in the three months ended September 30, 2018. Our revenue from loan facilitation services and post-origination services decreased in connection with the decrease of the loan origination volume. Meanwhile, our provision for assets and liabilities from investor assurance program for the three months ended March 31, 2018, June 30, 2018 and September 30, 2018 were RMB164.4 million, nil and RMB262.3 million, respectively. As a result, our net income decreased from RMB283.1 million in the three months ended March 31, 2018 to RMB210.2 million in the three months ended June 30, 2018, and we recorded net loss of RMB44.0 million in the three months ended September 30, 2018. Starting in the second half of July 2018, PRC government started implementing monetary and fiscal policies to provide more liquidity in the market, which to some extent alleviated investors’ concerns, and we expect our results of operations to recover. See “Summary—Recent Developments.”

2018年6月和7月，我们的业务运营受到市场不利发展的负面影响。见“风险因素—任何对我们、整个网上个人金融业和我们的第三方合作伙伴的负面宣传，都可能对我们的业务和运营结果产生重大和不利的影响。”由于个别贷款市场遭遇困难的负面宣传，甚至在某些情况下暂停营运，投资者对本港市场的投资意欲下降，本港市场的贷款批出量亦暂时减少。借款人的还款意愿也受到负面宣传的负面影响，这导致了更高的违约率。鉴于不利的市场发展，我们一直在战略上平衡我们的业务增长和贷款质量。我们特别积极加强对贷款的风险评估，令审批贷款申请的程序更具选择性。鉴于违约率上升的风险，我们也从投资者保证计划中确认了更多的资产和负债准备金。因此，我们的净收入从截至2018年3月31日的三个月的9.833亿元人民币下降到截至2018年6月30日的三个月的6.803亿元人民币，并在截至2018年9月30日的三个月进一步下降到5.082亿元人民币。随着贷款批出量减少，我们在促进贷款服务和批出贷款后服务方面的收入亦相应减少。此外，在截至二零一八年三月三十一日、二零一八年六月三十日及二零一八年九月三十日的三个月内，我们透过投资者保障计划为资产及负债提取的准备金分别为1.644亿元人民币、零及2.623亿元人民币。因此，我们的净利润从截至2018年3月31日的三个月的2.831亿元人民币下降到截至2018年6月30日的三个月的2.102亿元人民币，在截至2018年9月30日的三个月中，我们录得4,400万元人民币的净亏损。从2018年7月下半月开始，中国政府开始实施货币和财政政策，为市场提供更多的流动性，这在一定程度上缓解了投资者的担忧，我们预计我们的操作结果将会复苏。参见“摘要—最近的发展”

## Selected Balance Sheet Items

### 选定资产负债表项目

The following table sets forth selected balance sheet items as of the dates indicated.

下表列出截至所示日期的选定资产负债表项目。

	As of December 31, 截至十二月三十一日			As of September 30, 2018 截至2018年9月30日	
	2016	2017		RMB 人民币	US\$ 美元
	RMB 人民币	RMB 人民币	US\$ 美元		
			(in thousands) (千)		
Accounts receivable, net 应收帐款，网	—	—	—	169,992	24,751
Contract assets, net 合约资产净值	394,686	799,291	116,379	513,840	74,817
Assets from investor assurance program, net 来自投资者保证计划的资产净值	161,476	270,276	39,353	19,671	2,864
Total assets 资产总额	2,025,937	2,530,532	368,453	1,353,771	197,113

Liabilities from investor assurance program					
来自投资者担保计划的负债	2,173,767	3,017,124	439,302	2,424,503	353,015
Other guarantee liabilities					
其他担保负债	2,000,070	701,228	102,101	63,985	9,316
Total liabilities				3,214,138	
负债总额	4,586,420	4,462,074	649,691	3214138	467,988
Total net liabilities					
净负债共计	2,560,483	1,931,542	281,238	1,860,367	270,875

#### *Accounts receivable, contract assets, and assets from investor assurance program*

来自投资者保障计划的应收帐款、合同资产和资产

The aggregate amount of accounts receivable, contract assets, and assets from investor assurance program represents the total amount of service fees we have not collected, but are entitled to according to agreement, from borrowers. Such aggregate amount increased from RMB556.1 million as of December 31, 2016 to RMB1,069.6 million (US\$155.7 million) as of December 31, 2017, primarily (i) as we ceased to collect upfront fees and (ii) due to the increased loan origination volume. Such aggregate amount decreased from RMB1,069.6 million (US\$155.7 million) as of December 31, 2017 to RMB703.5 million (US\$102.4 million) as of September 30, 2018, primarily because we discontinued to charge service fees for investor assurance program for loans facilitated after April 28, 2018.

来自投资者保险计划的应收帐款、合同资产和资产总额代表我们尚未收取但根据协议有权从借款人处获得的服务费总额。有关总额由二〇一六年十二月三十一日的5.561亿元人民币，增加至二〇一七年十二月三十一日的10.696亿元人民币(合1.557亿美元)，主要原因是(i)我们停止收取前期费用，以及(ii)贷款额增加。总金额由二〇一七年十二月三十一日的十亿六千九百六十万元人民币(一亿五千五百七十万美元)，下降至二〇一八年九月三十日的七亿零三百五十万元人民币(一亿零二百四十万美元)，主要是因为我们在二〇一八年四月二十八日后停止收取投资者保证计划的贷款服务费。

#### *Liabilities from investor assurance program*

来自投资者担保计划的负债

Liabilities from investor assurance program represents expected net payout associated with loans facilitated on the platform of Niwodai Internet prior to April 28, 2018 in connection with the investor assurance program managed by us. The increase in liabilities from investor assurance program from December 31, 2016 to December 31, 2017 was in line with the increase in loan origination volume. The decrease in liabilities from investor assurance program from December 31, 2017 to September 30, 2018 was due to the decrease in loan origination volume covered by the investor assurance program managed by us as we no longer operate investor assurance program for loans facilitated after April 28, 2018. Liabilities from the investor assurance program are expected to wind down by the first quarter of 2020.

来自投资者保险计划的负债是2018年4月28日之前在Niwodai互联网平台上与我们管理的投资者保险计划相关的预期净支出。二〇一六年十二月三十一日至二〇一七年十二月三十一日期间，投资者担保计划的负债增幅与贷款发放量的增幅相符。从2017年12月31日到2018年9月30日，投资者担保计划的负债减少是由于我们管理的投资者担保计划所覆盖的贷款额减少，因为我们在2018年4月28日之后不再为贷款提供投资者担保计划。投资者担保计划的负债预计将在2020年第一季度逐步减少。

#### *Other guarantee liabilities*

其他担保负债

Other guarantee liabilities represent expected net payout associated with servicing rights and obligations Shanghai Caiyin acquired from Niwodai Finance in December 2015, and are expected to wind down substantially by the end of 2018.

其他担保债务代表了上海财银2015年12月从牛窝大金金融获得的服务权利和义务的预期净支出，预计到2018年底将大幅减少。

### **Liquidity and Capital Resources**

#### *流动资金及资本资源*

Our primary source of liquidity has been cash provided by operating activities, and funds provided by our shareholders, including through capital contributions and loans from related parties, which has historically been sufficient to meet our working capital and substantially all of our capital expenditure requirements.

我们的主要流动资金来源是经营活动提供的现金，以及股东提供的资金，包括出资和关联方的贷款，这些资金历来足以满足我们的营运资本和大部分资本支出需求。

In 2016 and 2017, we generated positive cash flows from our operating activities of RMB257.5 million and RMB104.8 million (US\$15.3 million), respectively. In the nine months ended September 30, 2018, net cash generated from operating activities was RMB133.1 million (US\$19.4 million).

2016年和2017年，我们的经营活动产生了正现金流，分别为2.575亿元人民币和1.048亿元人民币(合1,530万美元)。在截至2018年9月30日的9个月中，经营活动产生的净现金为1.331亿元人民币(合1940万美元)。

As of September 30, 2018, we had cash, cash equivalents and restricted cash of RMB376.2 million (US\$54.8 million). The restricted cash primarily represented the amount of cash we set aside in a fund in accordance with the investor assurance program managed by us to repay the liability from the investor assurance program and other guarantee liabilities. When payouts were made under the investor assurance program upon occasions of default, such payouts will reduce the balance of our restricted cash. We monitor the balance of the investor assurance program managed by us on a regular basis, and adjusted the percentage of fund we set aside into such fund to ensure such fund can sufficiently cover the expected payouts. In 2016, 2017 and the nine months ended September 30, 2018, net payouts related to our investor assurance program were RMB1.1 billion, RMB3.2 billion

(US\$0.5 billion) and RMB2.5 billion (US\$0.4 billion), which exceeded our net revenue of RMB0.6 billion, RMB2.3 billion (US\$0.3 billion) and RMB2.2 billion (US\$0.3 billion) in the same periods, respectively. In view of potential shortfall between the aggregate net payouts and contribution from investors, we deposited our own working capital of RMB349.2 million (US\$50.8 million) into the designated account for the purpose of the investor assurance program in the nine-month period of 2018. In 2016, 2017 and the nine months ended September 30, 2018, contribution from borrowers was RMB1.4 billion, RMB2.9 billion (US\$0.4 billion) and RMB2.0 billion (US\$0.3 billion), respectively, which in aggregate, was less than the net payouts related to our investor assurance program and compensated by the contribution from our own working capital. We keep

截至2018年9月30日，我们拥有现金、现金等价物和限制性现金3.762亿元人民币(合5480万美元)。限制性现金主要是我们根据我们管理的投资者保证计划为偿还投资者保证计划和其他保证责任而在基金中留出的现金数额。在违约的情况下，如果根据投资者保证计划进行了支付，这种支付将减少我们受限制现金的余额。我们定期监控由我们管理的投资者保证计划的余额，并调整我们留给该基金的资金百分比，以确保该基金能够充分支付预期的支出。在二〇一六年、二〇一七年及截至二〇一八年九月三十日的九个月内，我们投资者保险计划的净支出分别为11亿元人民币、32亿元人民币(5亿美元)及25亿元人民币(4亿美元)，超过同期我们的净收入(6亿元人民币、23亿元人民币(3亿美元)及22亿元人民币(3亿美元)。鉴于净支出总额与投资者供款之间可能出现短缺，我们在二〇一八年的九个月内，将自有营运资本3.492亿元人民币(合5,080万美元)存入指定帐户，以进行投资者保证计划。在二〇一六年、二〇一七年及截至二〇一八年九月三十日的九个月内，借款人的供款分别为14亿元人民币、29亿元人民币(4亿美元)及20亿元人民币(3亿美元)，合计少于我们投资者保险计划的净支出，并以我们自有营运资金的供款作为补偿。我们保持

monitoring the balances of our investor assurance program and will compensate investors from our working capital when the balance is depleted. We expect our net income and operating cash flow to further increase in accordance with the expansion of our business in the coming years. Moreover, a large portion of net pays are related to the loans covered by other guarantee liabilities, which have been substantially settled by the end of 2018. As such, we believe we will have sufficient working capital from future cash inflows to compensate investors covered by the investor assurance program managed by us.

监督我们的投资者保证计划的余额，并将补偿投资者从我们的营运资金时，余额用尽。我们预计我们的净收入和经营现金流量将进一步增加，随着我们的业务在未来几年的扩大。此外，支付净额的很大一部分与其他担保负债所涵盖的贷款有关，这些贷款到2018年底已基本结清。因此，我们相信，我们将从未来的现金流入中获得足够的营运资本，以补偿我们管理的投资者保证计划所涵盖的投资者。

We believe that our anticipated cash flows from operating activities will be sufficient to meet our anticipated working capital requirements and capital expenditures in the ordinary course of business for the next twelve months. We may, however, need additional cash resources in the future if we experience changes in business conditions or other developments, or if we find and wish to pursue opportunities for investment, acquisition, capital expenditure or similar actions. If we determine that our cash requirements exceed the amount of cash and cash equivalents we have on hand at the time, we may seek to issue equity or debt securities or obtain credit facilities. The issuance and sale of additional equity would result in further dilution to our shareholders. The incurrence of indebtedness would result in increased fixed obligations and could result in operating covenants that would restrict our operations. We cannot assure you that financing will be available in amounts or on terms acceptable to us, if at all. See “Risk Factors—Risks Relating to Our Business and Industry—We may not be able to obtain additional capital on favorable terms or at all.”

我们相信，我们预期的经营活动现金流量将足以满足我们预期的周转资本需求和未来12个月的正常业务过程中的资本支出。然而，如果我们的业务状况或其他发展出现变化，或者我们发现并希望寻找投资、收购、资本开支或类似行动的机会，我们将来可能需要额外的现金资源。如果我们确定我们的现金需求超过了我们当时手头的现金和现金等价物，我们可能会寻求发行股票或债务证券或获得信贷便利。增发和出售股权将进一步稀释我们股东的权益。负债的发生将导致固定债务的增加，并可能导致限制我们业务的经营契约。我们不能向您保证，融资将在数额或条件可接受的我们，如果在所有。见“风险因素—与我们工商业有关的风险—我们可能无法以优惠条件或根本无法获得额外资本。”

Our ability to manage our working capital, including liabilities from the quality assurance program, contract assets and other assets and accrued expenses and other liabilities, may materially affect our financial condition and results of operations.

我们管理营运资本的能力，包括质量保证计划的负债、合同资产和其他资产以及应计费用和其他负债，可能会对我们的财务状况和运营结果产生重大影响。

The following table sets forth a summary of our cash flows for the period presented:

下表列出了本公司在所述期间的现金流量摘要:

For the year ended December 31, 截至十二月三十一日为止的一年			For nine months ended September 30, 到9月30日为止的9个月里		
2016	2017		2017	2018	
RMB 人民币	RMB 人民币	US\$ 美元	RMB 人民币	RMB 人民币	US\$ 美元
(in thousands) (千)					

**Summary Consolidated Cash Flow Data:**

综合现金流量数据摘要:

Net cash generated by operating activities 业务活动产生的现金净额	257,500	104,752	15,252	5,303	133,130*	19,384*
Net cash provided by (used in) investing activities 投资活动提供的现金净额	(89,682)	61,215	8,913	70,765	(14,245)	(2,074)
Net cash provided by (used in) financing activities (用于)融资活动的现金净额	181,054	13,876	2,021	11,949	(504,000)	(73,384)
Cash, cash equivalents and restricted cash at beginning of year 年初现金、现金等价物和限制性现金	232,617	581,489	84,666	581,489	761,332	110,852
Cash, cash equivalents and restricted cash at end of year 年终现金、现金等价物和限制性现金	581,489	761,332	110,852	669,506	376,217	54,778

\* Our net cash generated by operating activities for the nine month ended September 30, 2018 includes repayment from Niwodai Finance of RMB398.1 million (US\$58.0 million) of amounts due from related parties, which is mostly funded by a dividend of RMB400.0 million (US\$58.2 million) distributed to shareholders of Jiayin Finance, including Mr. Dinggui Yan, who also controls Niwodai Finance. Without this related party transaction, we would have had operating cash outflows for the nine months ended September 30, 2018.

在截至2018年9月30日的9个月内，我们的经营活动产生的净现金包括来自 Niwodai 金融公司的3.981亿元人民币(合5800万美元)，其中大部分资金来自分配给 Jiayin Finance 股东的4亿元人民币(合5820万美元)红利，其中包括同时控制着牛棚大金融公司的桂定言先生。如果没有这笔关联方交易，我们在截至2018年9月30日的9个月里就会有经营性现金流出。

**Operating Activities**



## 营运活动

Net cash generated by operating activities was RMB133.1 million (US\$19.4 million) in the nine months ended September 30, 2018, primarily due to net income of RMB449.4 million (US\$65.4 million), adjusted for

在截至二〇一八年九月三十日的九个月内，经营活动产生的现金净额为1.331亿元人民币(合1,940万美元)，主要来自净收入4.494亿元人民币(合6,540万美元)

allowance for uncollectible accounts receivable and contract assets of RMB187.6 million (US\$27.3 million), share-based compensation of RMB21.8 million (US\$3.2 million) and depreciation and amortization of RMB7.5 million (US\$1.1 million) partially offset by changes in working capital of RMB533.2 million (US\$77.6 million). Changes in operating assets and liabilities primarily consisted of (i) a decrease in liabilities from investor assurance program of RMB653.8 million (US\$95.2 million) in connection with the discontinuance of the investor assurance program managed by us and payouts from such program, and (ii) a decrease in other guarantee liabilities of RMB576.1 million (US\$83.9 million) in connection with the guarantee provided to outstanding loans facilitated by Niwodai Finance, partially offset by (i) a decrease in amounts due from related parties of RMB373.1 million (US\$54.3 million) primarily in connection with the collection of amounts due from Niwodai Finance, and (ii) an increase in assets from investor assurance program of RMB250.6 million (US\$36.5 million) in connection with the collection of such assets and (iii) an increase in tax payable of RMB190.6 million (US\$27.8 million).

计提坏账准备和合同资产1.876亿元人民币(合2730万美元)，股票补偿2180万元人民币(合320万美元)，折旧和摊销750万元人民币(合110万美元)，部分被营运资本变动5.332亿元人民币(合7760万美元)抵销。句子太长，请短一点。

Net cash provided by operating activities was RMB104.8 million (US\$15.3 million) in 2017, primarily due to net income of RMB539.5 million (US\$78.6 million), adjusted for allowance for uncollectible accounts receivable and contract assets of RMB130.9 million (US\$19.1 million), share based compensation of RMB89.4 million (US\$13.0 million), depreciation and amortization of RMB4.1 million (US\$0.6 million) and changes in working capital. Changes in working capital primarily consisted of (i) a decrease in other guarantee liabilities of RMB1,298.8 million (US\$189.1 million) in connection with the guarantee provided to outstanding loans facilitated by Niwodai Finance, (ii) an increase in contract assets of RMB535.5 million (US\$78.0 million) in connection with uncollected service fees and (iii) an increase in assets from investor assurance program of RMB108.8 million (US\$15.8 million) in connection with the increased loan volume facilitated in 2017, partially offset by (i) an increase in liabilities from investor assurance program of RMB843.4 million (US\$122.8 million) in connection with the increase in loan origination volume, (ii) an increase in tax payables of RMB153.4 million (US\$22.3 million) and (iii) an increase in accrued expenses and other current liabilities of RMB97.7 million (US\$14.2 million).

2017年，经营活动提供的现金净额为1.048亿元人民币(合1530万美元)，主要是由于净收入5.395亿元人民币(合7860万美元)，调整了坏账准备和合同资产1.309亿元人民币(合1910万美元)，股权报酬为8,940万元人民币(合1300万美元)，折旧和摊销为410万元人民币(合60万美元)，以及流动资本的变化。句子太长，请短一点。

Net cash provided by operating activities was RMB257.5 million in 2016, primarily due to changes in working capital, partially offset by the net loss of RMB389.8 million, adjusted for allowance for uncollectible accounts receivable and contract assets of RMB125.7 million, share-based compensation of RMB39.9 million, and depreciation and amortization of RMB1.1 million. Changes in working capital primarily consisted of (i) an increase in liabilities from investor assurance program of RMB1,897.9 million in connection with the increased loan volume facilitated in 2016 and (ii) an decrease in assets from investor assurance program of RMB126.9 million, partially offset by (i) a decrease in other guarantee liabilities of RMB907.1 million in connection with the guarantee provided to outstanding loans facilitated by Niwodai Finance, (ii) an increase in contract assets of RMB517.2 million in connection with uncollected service fees and (iii) an increase in deferred tax assets of RMB118.3 million.

2016年，经营活动提供的现金净额为2.575亿元人民币，主要原因是营运资本发生变化，部分被3.898亿元人民币的净亏损抵消，其中调整了坏账准备和合同资产1.257亿元人民币，以股票形式支付的补偿为3,990万元人民币，折旧和摊销为110万元人民币。营运资本变动主要包括：(一)投资者担保计划负债增加18.979亿元人民币，原因是2016年促成贷款额增加；(二)投资者担保计划资产减少1.269亿元人民币，部分被下列因素抵销：(一)牛棚贷款为未偿还贷款提供担保，其他担保负债减少9.071亿元人民币；(二)未收服务费合同资产增加5.172亿元人民币；(三)递延税务资产增加1.183亿元人民币。

## **Investing Activities**

### **投资活动**

Net cash used in investing activities was RMB14.2 million (US\$2.1 million) in the nine months ended September 30, 2018, primarily due to purchase of property and equipment.

截至2018年9月30日的9个月中，投资活动的净现金使用量为1,420万元人民币(合210万美元)，主要用于购买房地产和设备。

Net cash provided by investing activities was RMB61.2 million (US\$8.9 million) in 2017, due to repayment received from a related party of RMB83.0 million (US\$12.1 million), partially offset by the purchase of property and equipment of RMB21.7 million (US\$3.2 million).

2017年，投资活动提供的现金净额为6,120万元人民币(890万美元)，原因是关联方偿还了8,300万元人民币(1,210万美元)，但购买了2,170万元人民币(320万美元)的财产和设备，部分抵消了这一数字。

Net cash used in investing activities was RMB89.7 million in 2016, primarily due to loans to a related party, Shanghai Jiayin, of RMB83.0 million, and purchase of property and equipment of RMB6.7 million.

2016年用于投资活动的净现金为8,970万元人民币，主要来自对关联方 Shanghai Jiayin 的贷款8,300万元人民币，以及购买的物业和设备670万元人民币。

## **Financing Activities**

## 筹资活动

Net cash used in financing activities was RMB504.0 million (US73.4 million) in the nine months ended September 30, 2018, primarily due to dividend distributed to shareholders of Jiayin Finance of RMB400.0

在截至2018年9月30日的9个月中，融资活动的净现金使用额为5.040亿元人民币(合7340万美元)，主要是由于向嘉荫金融的股东分发了400元人民币的股息

million (US\$58.2 million) and repayment of amounts due to our related parties Jiayin Zhuoyue, Shanghai Jiayin and Jiayin Credit. (5,820万美元)及偿还与我们有关人士所欠的款项嘉荫卓越、Shanghai Jiayin 及 Jiayin Credit。

Net cash provided by financing activities was RMB13.9 million (US\$2.0 million) in 2017, due to loans from a related party, Jiayin Credit.

由于关联方嘉荫信贷的贷款，2017年融资活动提供的现金净额为1390万元人民币(200万美元)。

Net cash provided by financing activities was RMB181.1 million in 2016, due to capital contribution from shareholders of RMB100.0 million and loans from related parties of RMB81.1 million.

2016年融资活动提供的现金净额为1.811亿元人民币，其中股东出资1亿元人民币，关联方贷款8110万元人民币。

## Capital Expenditures

### 资本支出

We made capital expenditures of RMB6.7 million, RMB21.7 million (US\$3.1 million) and RMB14.2 million (US\$2.1 million) in 2016, 2017 and the nine months ended September 30, 2018. In these periods, our capital expenditures were mainly used for purchase of equipment, including servers, computers and other office equipment, and office renovation. We will continue to make capital expenditures to meet the expected growth of our business.

2016年、2017年和截至2018年9月30日的9个月，我们的资本支出分别为670万元人民币、2170万元人民币(310万美元)和1420万元人民币(210万美元)。在这些时期，我们的资本支出主要用于购买设备，包括服务器、计算机和其他办公设备，以及办公室装修。我们将继续进行资本性支出，以满足业务的预期增长。

## Commitments

### 承诺

The following table set forth our contractual obligations as of September 30, 2018:

下表列出了我们截至2018年9月30日的合同义务：

	Payment due by period 按期付款									
	Total 合计		Less than 1 少于1 Year 年份		1-3 Years 1-3岁		3-5 Years 3-5 岁		More than 5 超过5个 Years 年份	
	RMB 人 民币	US\$ 美 元	RMB 人 民币	US\$ 美 元	RMB 人 民币	US\$ 美 元	RMB 人 民 币	US\$ 美 元	RMB 人 民 币	US\$ 美 元
Operating lease commitments 经营租赁承诺	46,117	6,715	20,481	2,982	25,636	3,733	—	—	—	—

(in thousands) (千)

As of September 30, 2018, we recorded liabilities from investor assurance program of RMB2,424.5 million (US\$353.0 million) and other guarantee liabilities of RMB64.0 million (US\$9.3 million). We expect liabilities from investor assurance program to wind down by the first quarter of 2020 and other liabilities to wind down by the end of 2018. Prior to April 28, 2018, we collected fees for services rendered in respect of our investor assurance program, which fees will be contributed to the risk reserve fund of our investor assurance program and utilized to pay off our liability from the investor assurance program and other guarantee liabilities. As we do not manage the investor assurance program for loans facilitated after April 28, 2018, we expect to pay off these liabilities with working capital, including future cash inflows accounted for in our contract assets and accounts receivables and assets from investor assurance program, once the restricted cash related to the investor assurance program has been depleted. See "Business—Investor Assurance Program—Investor Assurance Program Managed by Us."

截至2018年9月30日，我们记录的投资者担保项目负债为24.245亿元人民币(3.53亿美元)，其他担保负债为6400万元人民币(930万美元)。我们预计投资者担保计划的债务将在2020年第一季度逐渐减少，其他债务将在2018年底逐渐减少。在2018年4月28日之前，我们就投资者保险计划收取服务费，这些费用将捐献给我们投资者保险计划的风险准备基金，并用于支付我们从投资者保险计划和其他保险责任的责任。由于我们不管理2018年4月28日以后贷款的投资者担保计划，我们预计一旦与投资者担保计划相关的限制性现金耗尽，将用周转资金偿还这些负债，包括未来现金流入我们的合同资产和应收账款，以及来自投资者担保计划的资产。参见"业务—投资者保障计划—我们管理的投资者保障计划"

Other than the above, we did not have any significant capital and other commitments, long-term obligations, or guarantees as of September 30, 2018.

除此之外，截至2018年9月30日，我们没有任何重大的资本和其他承诺、长期债务或担保。

## Off-Balance Sheet Commitments and Arrangements

### 资产负债表外承付款项和安排

We have not entered into any material financial guarantees or other commitments to guarantee the payment obligations of any third parties and do not assume credit risk in loans facilitated through our marketplace. We have not entered into any derivative contracts that are indexed to our shares and classified as shareholder's equity or that are not reflected in our consolidated financial statements. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing, hedging or product development services with us.

我们没有签订任何实质性的财政担保或其他承诺，以保证任何第三方的付款义务，也不承担通过我们的市场促进的贷款的信用风险。我们没有签订任何与我们的股份挂钩并被归类为股东权益的衍生合约，也没有在我们的合并财务报表中反映出来。此外，我们没有任何保留或或有权益的资产转移到一个未合并的实体，作为信贷，流动性或市场风险支持这种实体。我们对任何向我们提供融资、流动资金、市场风险或信贷支持，或与我们从事租赁、对冲或产品开发服务的未合并实体没有任何可变利益。

## Internal Control Over Financial Reporting

### 财务报告的内部控制

Prior to this offering, we have been a private company with limited accounting personnel and other resources with which to address our internal control over financial reporting. Our independent registered public accounting firm has not conducted an audit of our internal control over financial reporting. However, in the course of auditing our consolidated financial statements as of December 31, 2017, we and our independent registered public accounting firm identified two material weaknesses in our internal control over financial reporting, as defined in the standards established by the Public Company Accounting Oversight Board of the United States. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

在此之前，我们一直是一家私营公司与有限的会计人员和其他资源，以解决我们的内部控制财务报告。我们的独立注册会计师事务所尚未对我们的财务报告内部控制进行审计。然而，在审计我们截至2017年12月31日的合并财务报表的过程中，我和我的独立注册公共会计师事务所发现，根据美国上市公司会计监督委员会制定的标准，我们对财务报告的内部控制存在两个重大缺陷。重大弱点是对财务报告的内部控制存在缺陷或缺陷的组合，这种缺陷使我们的年度或中期财务报表的重大错报有合理的可能性不能及时防止或发现。

Two material weaknesses relate to:

两个重大弱点涉及：

- our lack of sufficient accounting personnel with U.S. GAAP knowledge and SEC financial reporting requirements, and lack of accounting policies and procedures relating to financial reporting in accordance with U.S. GAAP;  
缺乏具备美国公认会计原则知识和美国证券交易委员会财务报告要求的足够会计人员，以及缺乏符合美国公认会计原则的与财务报告有关的会计政策和程序；
- our lack of formal risk assessment process and internal control framework over financial reporting, including (i) our lack of a formal group-wide risk assessment process to identify, assess, address or mitigate the risks identified and internal control over financial reporting, or even non-compliance with related regulations for a U.S. listed Group and (ii) our lack of an internal audit department and a qualified compliance team to monitor the risk and processes of the company.  
我们缺乏正式的财务报告风险评估程序和内部控制框架，包括(一)我们缺乏正式的整体集团范围的风险评估程序，以识别、评估、处理或减轻已查明的风险，以及对财务报告框架进行内部控制，以维持组织内部的有效内部控制，这可能增加错误、欺诈、财务报告错报，甚至不遵守美国上市集团相关规定的风险；(二)我们缺乏内部审计部门和合格的合规团队，以监测公司的风险和流程。

In response to the identified material weakness, we are in the process of implementing a number of measures to address the material weakness that has been identified, including: hiring a new reporting officer and an additional senior financial reporting manager with experience in U.S. GAAP accounting and SEC reporting to lead accounting and financial reporting matters; participating in trainings and seminars provided by professional services firms on a regular basis; providing internal training to our current accounting team on US GAAP knowledge; setting up a systematic accounting manual for US GAAP and financial closing process; establishing an audit committee upon the closing of the IPO; hiring internal auditors and perform self-assessment of internal control effectiveness on a continuous basis; and engaging professional service companies to help implement SOX 404 compliance together with the establishment of internal audit function.

针对已查明的重大缺陷，我们正在实施一些措施，以解决已查明的重大缺陷，包括：聘用一名新的报告干事和一名在美国公认会计原则会计和证券交易委员会报告方面具有经验的高级财务报告经理，领导会计和财务报告事务；定期参加专业服务公司提供的培训和研讨会；就美国公认会计原则知识向我们现有的会计团队提供内部培训；为美国公认会计原则和财务结算程序制定系统的会计手册；在首次公开招股结束时设立一个审计委员会；聘用内部审计员并持续对内部控制有效。

However, we cannot assure you that we will complete implementation of these measures in a timely manner. See “Risk Factors—Risks Relating to Our Business and Industry—If we fail to implement and maintain an effective system of internal controls over financial reporting, we may be unable to accurately report our results of operations, meet our reporting obligations or prevent fraud.”

然而，我们不能向你保证，我们将及时完成这些措施的执行。见“风险因素——与我们的业务和行业有关的风险——如果我们不能实施和维持一个有效的财务报告内部控制制度，我们可能无法准确地报告我们的业务结果，履行我们的报告义务或防止欺诈。”

As a company with less than US\$1.07 billion in gross annual revenue for our last fiscal year, we qualify as an “emerging growth company” pursuant to the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002, in the assessment of the emerging growth company’s internal control over financial reporting. The JOBS Act also provides that an emerging growth company does not need to comply with any new or revised financial accounting standards until such date that a private company is otherwise required to comply with such new or revised accounting standards. However, we have elected to “opt out” of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted for public companies. This decision to opt out of the extended transition period under the JOBS Act is irrevocable.

作为一家上一财年年收入总额少于10.7亿美元的公司，根据《就业法案》，我们有资格成为一家“新兴增长型公司”。新兴成长型公司

可以利用规定的减少报告和其他一般适用于上市公司的要求。这些条款包括在评估新兴成长型公司对财务报告的内部控制时，免除2002年《萨班斯-奥克斯利法案404节规定的审计师认证要求。《就业法》还规定，新兴成长型公司不需要遵守任何新的或经修订的财务会计准则，直到要求私营公司遵守这种新的或经修订的会计准则为止。不过，我们已选择「不适用」这项条文，因此我们会在上市公司采用新会计准则或经修订的会计准则时，按规定遵守这些准则。根据《就业法》选择退出延长过渡期的决定是不可撤销的。



## **Holding Company Structure**

### **控股公司结构**

Jiayin Group Inc. is a holding company with no material operations of its own. We conduct our operations primarily through our subsidiary, consolidated VIE and its subsidiaries and consolidated affiliated entity in China. As a result, Jiayin Group Inc.'s ability to pay dividends depends upon dividends paid by our PRC subsidiary. If our existing PRC subsidiary or any newly formed ones incur debt on their own behalf in the future, the instruments governing their debt may restrict their ability to pay dividends to us. In addition, our wholly foreign-owned subsidiary in China is permitted to pay dividends to us only out of its retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. Under PRC law, each of our subsidiary, our consolidated VIE and its subsidiaries and consolidated affiliated entity in China is required to set aside at least 10% of its after-tax profits each year, if any, to fund certain statutory reserve funds until such reserve funds reach 50% of its registered capital. In addition, our wholly foreign-owned subsidiary in China may allocate a portion of its after-tax profits based on PRC accounting standards to enterprise expansion funds and staff bonus and welfare funds at its discretion, and our consolidated VIEs and their subsidiaries may allocate a portion of its after-tax profits based on PRC accounting standards to a discretionary surplus fund at their discretion. The statutory reserve funds and the discretionary funds are not distributable as cash dividends. Remittance of dividends by a wholly foreign-owned company out of China is subject to examination by the banks designated by SAFE. Our PRC subsidiary has not paid dividends and will not be able to pay dividends until they generate accumulated profits and meet the requirements for statutory reserve funds.

嘉荫集团是一家没有实质性业务的控股公司。我们主要通过我们在中国的子公司、合并的 VIE 及其子公司和合并的关联实体进行经营。因此，嘉荫集团的股息支付能力取决于我们在中国的子公司支付的股息。如果我们现有的中国子公司或任何新成立的子公司在未来以他们自己的名义发生债务，管理他们债务的工具可能会限制他们向我们支付股息的能力。此外，根据中国会计准则和规定，我们在中国的全外资子公司只能从其留存收益中支付股息。根据中华人民共和国法律，我们的每一个子公司，我们合并的 VIE 及其子公司和合并的附属实体，在中国被要求每年拨出至少 10% 的税后利润，如果有的话，为某些法定储备基金提供资金，直到这些储备基金达到其注册资本的 50%。此外，根据中国会计准则，我们在中国的全外资子公司可自行决定将其税后利润的一部分分配给企业扩张基金、员工奖金和福利基金，而我们综合的可变利益实体及其子公司可自行决定将其税后利润的一部分分配给自行决定的盈余基金。法定准备金和可自由支配资金不能作为现金股利分配。外商独资企业将股利汇出境外，由外汇局指定的银行审查。我们的中国子公司尚未支付股息，在产生累积利润并满足法定准备金要求之前，将不能支付股息。

## **Quantitative and Qualitative Disclosures about Market Risk**

### **市场风险的定量和定性披露**

#### **Foreign Currency Risk**

##### **外汇风险**

All of our revenues and substantially all of our expenses are denominated in Renminbi. The functional currency of our company, Jiayin Group Inc., Jiayin Holdings Limited and Jiayin (HK) Limited is the U.S. dollar. The functional currency of our subsidiary in the PRC, the VIE and its subsidiaries and consolidated affiliated entities is the Renminbi. We use Renminbi as our reporting currency. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at the rates of exchange ruling at the balance sheet date. Transactions in currencies other than the functional currency during the year are converted into functional currency at the applicable rates of exchange prevailing when the transactions occurred. Transaction gains and losses are recognized in the statements of operations.

我们所有的收入和大部分的开支都是以人民币计价的。我们公司嘉银集团、嘉银控股有限公司和嘉银(香港)有限公司的计价货币是美元。我们在中国的子公司、VIE 及其子公司和合并关联实体的功能货币为人民币。我们使用人民币作为报告货币。以功能性货币以外的货币计价的货币资产和负债按资产负债表日的汇率折算为功能性货币。一年内以功能性货币以外的货币进行的交易按交易发生时适用的汇率折算成功能货币。交易损益在业务报表中确认。

We do not believe that we currently have any significant direct foreign exchange risk and have not used any derivative financial instruments to hedge exposure to such risk. Although in general our exposure to foreign exchange risks should be limited, the value of your investment in our ADSs will be affected by the exchange rate between U.S. dollar and RMB because the value of our business is effectively denominated in Renminbi, while our ADSs will be traded in U.S. dollars.

我们认为目前没有任何重大的直接外汇风险，亦没有使用任何衍生金融工具对冲这类风险。虽然一般而言，我们对外汇风险的承担应该是有限的，但你对我们的美元存款保险的投资价值会受到美元与人民币之间的汇率的影响，因为我们的业务价值实际上是以人民币计价的，而我们的美元存款保险将以美元交易。

The conversion of Renminbi into foreign currencies, including U.S. dollars, is based on rates set by the PBOC. The PRC government allowed the Renminbi to appreciate by more than 20% against the U.S. dollar between July 2005 and July 2008. Between July 2008 and June 2010, the exchange rate between the Renminbi and the U.S. dollar had been stable and traded within a narrow band. Since June 2010, the PRC government has allowed the RMB to appreciate slowly against the U.S. dollar, though there have been periods when the Renminbi has depreciated against the U.S. dollar. In particular, on August 11, 2015, the PBOC allowed the Renminbi to depreciate by approximately 2% against the U.S. dollar. Since then, the Renminbi has fluctuated against the U.S. dollar, at times significantly and unpredictably. From August 11, 2015 until the end of 2016, the Renminbi depreciated against the U.S. dollar by approximately 10%. During 2017, the Renminbi appreciated by approximately 7% against the U.S. dollar. Since 2018, the Renminbi has been depreciating against the U.S. dollar. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between the Renminbi and the U.S. dollar in the future. It is difficult to predict how long the current situation may last and when and how

the relationship between the Renminbi and the U.S. dollar may change again.

人民币兑换外币，包括美元，是以中国人民银行制定的汇率为基础的。从2005年7月到2008年7月，中国政府允许人民币对美元升值超过20%。2008年7月至2010年6月期间，人民币兑美元汇率一直保持稳定，在一个狭窄的区间内交易。自2010年6月以来，中国政府允许人民币对美元缓慢升值，尽管有一段时间人民币对美元贬值。尤其是在2015年8月11日，中国人民银行允许人民币对美元贬值约2%。自那以后，人民币兑美元汇率一直波动，有时大幅波动，有时不可预测。从2015年8月11日到2016年底，人民币对美元贬值了大约10%。2017年，人民币对美元升值约7%。自2018年以来，人民币对美元一直在贬值。很难预测未来市场力量或中国或美国政府的政策将如何影响人民币与美元之间的汇率。很难预测目前的形势会持续多久，以及人民币和美元的关系会在何时和如何再次发生变化。

To the extent that we need to convert U.S. dollars into Renminbi for our operations, appreciation of the Renminbi against the U.S. dollar would have an adverse effect on the Renminbi amount we receive from the conversion. Conversely, if we decide to convert Renminbi into U.S. dollars for the purpose of making payments for dividends on our ordinary shares or ADSs or for other business purposes, appreciation of the U.S. dollar against the Renminbi would have a negative effect on the U.S. dollar amounts available to us.

在我们需要把美元兑换成人民币的情况下，人民币对美元的升值会对我们兑换成人民币的金额产生不利影响。相反，如果我们决定将人民币兑换成美元，用于支付我们的普通股或存款支付券的红利或其他商业用途，美元对人民币升值将对我们可用的美元数额产生负面影响。

We estimate that we will receive net proceeds of approximately US\$ million from this offering if the underwriters do not exercise their option to purchase additional ADSs, after deducting underwriting discounts and commissions and the estimated offering expenses payable by us, based on the initial offering price of US\$ per ADS. Assuming that we convert the full amount of the net proceeds from this offering into Renminbi, a 10% appreciation of the U.S. dollar against the Renminbi, from the exchange rate of RMB6.8680 for US\$1.00 as of September 28, 2018 to a rate of RMB7.5548 to US\$1.00, will result in an increase of RMB million in our net proceeds from this offering. Conversely, a 10% depreciation of the U.S. dollar against the Renminbi, from the exchange rate of RMB6.8680 for US\$1.00 as of September 28, 2018 to a rate of RMB6.1812 to US\$1.00, will result in a decrease of RMB million in our net proceeds from this offering.

我们估计，如果承销商不行使选择权购买额外的存托凭证，在扣除承销折扣和佣金，以及按每个存托凭证的初始发售价格计算的我们应付的估计发售费用后，我们将从这次发售中获得约百万美元的净收益。假设我们将此次发行的净收益全部兑换成人民币，美元对人民币升值10%，从2018年9月28日人民币6.8680兑1美元，升值到7.5548兑1美元，我们此次发行的净收益将增加100万元人民币。相反，美元对人民币贬值10%，由二〇一八年九月二十八日1美元兑6.8680元人民币贬值至6.1812元人民币兑1.00美元，将令本公司此次发行的净收益减少100万元人民币。

### **Interest Rate Risk**

#### 利率风险

We have not been exposed to material risks due to changes in market interest rates, and we have not used any derivative financial instruments to manage our interest risk exposure. However, we cannot provide assurance that we will not be exposed to material risks due to changes in market interest rate in the future.

我们没有因为市场利率的变化而面临重大风险，也没有使用任何衍生金融工具来管理我们的利率风险。然而，我们不能保证我们将来不会因为市场利率的变化而面临重大风险。

The fluctuation of interest rates may affect the demand for loan services on our marketplace. For example, a decrease in interest rates may cause potential borrowers to seek lower-priced loans from other channels. A high interest rate environment may lead to an increase in competing investment options and dampen investors' desire to invest on our marketplace. We do not expect that the fluctuation of interest rates will have a material impact on our financial condition. However, we cannot provide assurance that we will not be exposed to material risks due to changes in market interest rate in the future.

利率的波动可能会影响我们市场对贷款服务的需求。例如，利率下降可能导致潜在的借款人从其他渠道寻求价格更低的贷款。高利率环境可能导致竞争性投资选择的增加，并抑制投资者在我们的市场上投资的愿望。我们预计利率的波动不会对我们的财务状况产生重大影响。然而，我们不能保证我们将来不会因为市场利率的变化而面临重大风险。

After the completion of this offering, we may invest the net proceeds we receive from the offering in interest-earning instruments. Investments in both fixed rate and floating rate interest earning instruments carry a degree of interest rate risk. Fixed rate securities may have their fair market value adversely impacted due to a rise in interest rates, while floating rate securities may produce less income than expected if interest rates fall.

本次发售完成后，我们可以将发售所得的净收益投资于赚取利息的工具。对固定利率和浮动利率收益工具的投资都带有一定程度的利率风险。由于利率上升，固定利率证券的公允价值可能受到不利影响，而浮动利率证券如果利率下降，可能产生低于预期的收入。

### **Concentration of Credit Risk**

#### 信用风险集中

Financial instruments that potentially expose us to significant concentration of credit risk primarily include in the financial lines of cash and cash equivalents. As of December 31, 2017, our cash and cash equivalents were deposited in financial institutions located in the PRC.

可能使我们面临大量信用风险的金融工具主要包括现金和现金等价物的金融额度。截至2017年12月31日，我们的现金及现金等价物已存入位于中国境内的金融机构。

There are no revenues from customers which individually represent greater than 10% of the total net revenues for the year ended December 31, 2017. There are no customers of ours that accounted for greater than 10% of our carrying amount of accounts receivable as of December 31, 2017.

在截至2017年12月31日的财政年度中，每个客户的收入都不超过总净收入的10%。截至2017年12月31日，我们的客户中没有一个客户的账面应收帐款超过10%。

### ***Inflation***

#### **通货膨胀**

Since our inception, inflation in China has not materially impacted our results of operations. According to the National Bureau of Statistics of China, the year-over-year percent changes in the consumer price index for December 2016 and 2017 were increases of 2.1% and 1.8%, respectively. Although we have not in the past been materially affected by inflation since our inception, we can provide no assurance that we will not be affected in the future by higher rates of inflation in China.

自我们成立以来，中国的通货膨胀并没有对我们的运营结果产生实质性的影响。根据中国国家统计局的数据，2016年12月和2017年12月的消费者价格指数同比增长率分别为2.1%和1.8%。尽管我们自成立以来没有受到通胀的实质性影响，但我们无法保证未来不会受到中国通胀率上升的影响。

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[Table of Contents](#) 目录 提示：本文档系@财报牛牛（公众号：caibaoniao）通过第三方翻译软件从英文招股书翻译成中文的版本，仅供参考。

#### **Recent Accounting Pronouncements**

##### 近期会计公告

A list of recent accounting announcements that are relevant to us is included in note 2(y) to our consolidated financial statements included elsewhere in this prospectus.

与我们有关的近期会计公告列于本计划书其他地方的合并财务报表附注2(y)。

## INDUSTRY OVERVIEW 行业概览

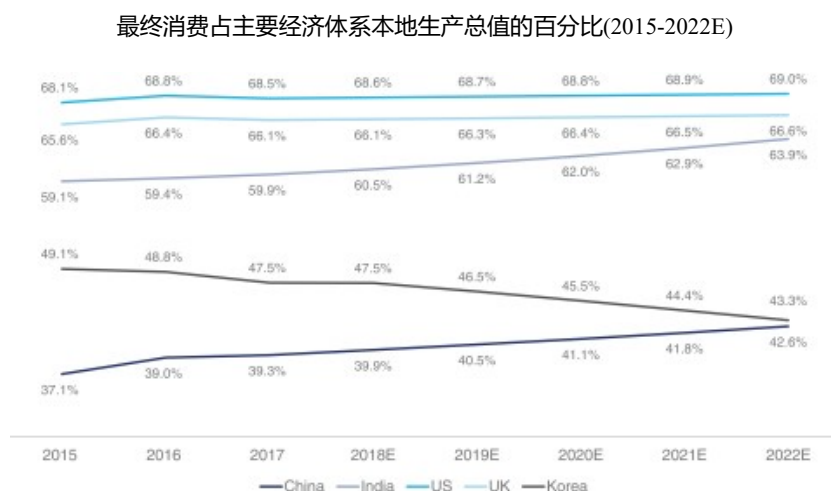
### China's Economic Development

#### 中国的经济发展

China has witnessed a rapid economic growth in the past decades. As a result of China's economic development and rising disposable income per capita, consumption in China has been growing rapidly. According to the National Bureau of Statistics of China, final consumption in China, defined as expenditure on goods and services that are used for the direct satisfaction of an individual or collective needs, grew from 2015 to 2017 at a CAGR of 11.5% and the ratio of final consumption to GDP also increased from 37.1% to 39.3%. Despite the significant growth, the relative size of China's consumption as a percentage of total GDP is still low compared to other developed economies, such as the United States and the United Kingdom, according to iResearch, suggesting tremendous growth potential. According to iResearch, China's final consumption is expected to reach US\$10.0 trillion in 2022, representing a CAGR of 7.5% from 2017 to 2022.

在过去的几十年中，中国经济发展迅速。由于中国经济的发展和人均可支配收入的提高，中国的消费一直在快速增长。根据中国国家统计局的数据，中国的最终消费——定义为直接用于满足个人或集体需求的商品和服务支出——从2015年到2017年以11.5%的复合年增长率增长，最终消费占GDP的比例也从37.1%增长到39.3%。根据艾瑞咨询公司的研究，尽管中国的消费增长显著，但是相对于其他发达经济体，比如美国和英国，中国的消费占GDP的比例仍然很低，这表明中国有巨大的增长潜力。根据艾瑞咨询公司的数据，中国的最终消费预计在2022年达到10.0万亿美元，即2017年至2022年的复合年增长率为7.5%。

Final Consumption as Percentage of GDP of Major Economies (2015-2022E)



The transformation of China's economy is partially fueled by the rise of the digital economy, which has reshaped traditional businesses in various aspects while creating new business models, such as new retail and online consumer finance marketplaces. In 2017, the number of Internet users and mobile Internet users in China reached 751.2 million and 723.6 million, respectively, and are expected to reach 1,069.0 million and 1,048.8 million in 2022, respectively, according to iResearch. China's Internet penetration rate is expected to increase from 54.0% in 2017 to 74.6% in 2022. Over the same period, the penetration rate of mobile Internet in China is expected to grow from 61.9% to 73.9%.

数字经济的兴起在一定程度上推动了中国经济的转型，数字经济在各个方面重塑了传统企业，同时创造了新的商业模式，比如新的零售和在线消费金融市场。根据 iResearch 的数据，2017年，中国的互联网用户和移动互联网用户分别达到7.512亿和7.236亿，预计2022年将分别达到10.69亿和10.488亿。中国的互联网普及率预计将从2017年的54.0% 上升到2022年的74.6%。同期，中国移动互联网的普及率预计将从61.9% 增长到73.9%。

The widespread use of the Internet in China has significantly facilitated the matching of supply and demand in the market in a highly efficient and cost-effective manner that has never been witnessed before under traditional business models. Individual borrowers increasingly prefer to borrow from online individual finance platforms due to the availability and convenience of the loan offerings that they provide, compared to traditional brick-and-mortar financial institutions.

互联网在中国的广泛使用极大地促进了市场供求的匹配，其高效率和高成本效益的方式在传统商业模式下前所未见。与传统的实体金融机构相比，个人借款人越来越倾向于从在线个人金融平台借款，因为他们提供的贷款具有可用性和便利性。

### China's Online Individual Finance Market

## 中国在线个人理财市场

Online individual finance refers to peer-to-peer direct lending through the Internet. China's online individual finance market has experienced gradual and stable growth, and the number of online investors and borrowers in this market reached approximately 15.3 million and 10.1 million, in 2017, respectively. From 2015 to 2017, the size of China's online individual finance market as measured by transaction volume grew from

网上个人理财是指通过互联网进行点对点的直接借贷。中国的网上个人金融市场经历了逐步稳定的增长，2017年网上投资者和借款者分别达到了1530万和1010万。从2015年到2017年，以交易量衡量的中国个人网上金融市场的规模从2008年的10亿美元增长到2009年的10亿美元



US\$134.8 billion to US\$312.1 billion, representing a CAGR of 52.1%, and is expected to reach US\$807.8 billion in 2022. Set forth below are the historical transaction volumes of China's online individual finance market for the years indicated:  
1,348亿美元至3,121亿美元，复合年增长率为52.1%，预计在2022年达到8,078亿美元。以下是中国网上个人金融市场历年来的交易量：

*China Online Individual Finance Transaction Volume (2015-2022E)*



Platforms that offer mid-to long-term loans are currently the major players in China's online individual finance market. Set forth below are the historical outstanding balances of China's online individual finance market as of the end of the years indicated:

提供中长期贷款的平台目前是中国在线个人金融市场的主要参与者。以下是截至年底中国网上个人金融市场的历史未清余额：

*China Online Individual Finance Market Size by Duration (2015-2022E)*



Compared with the short-term loan market, the market for mid-to long-term loans has demonstrated stronger growth momentum as a result of the following factors: (i) longer terms are conducive to better liquidity management and more effective duration matching; (ii) the stricter risk management and higher borrower quality effectively address investors' investment demands and allow for more stable investment returns; and (iii) the mid-to long-term loan market enjoys more favorable regulatory environment, as explained in detail below.

与短期贷款市场相比，中长期贷款市场表现出较强的增长势头，主要是由于以下因素：(一)较长期有利于更好的流动性管理和更有效的期限匹配；(二)更严格的风险管理和更高的借款人质量有效地满足投资者的投资需求，并获得更稳定的投资回报；以及(三)中长期贷款市场享有更有利的监管环境，详见下文。

Among China's major mid-to long-term online individual finance marketplaces, Niwodai ranked No. 1 in terms of borrower satisfaction rates and borrowers' willingness to recommend our platform to others, according to an online survey conducted by iResearch in January 2018, and ranked third in terms of transaction volume in the first half of 2018, according to iResearch.

iResearch 在2018年1月进行的一项在线调查显示，在中国主要的中长期在线个人金融市场中，《牛网代》在借款人满意度和借款人向他人推荐我们平台的意愿方面排名第一，在2018年上半年的交易量方面排名第三。

## Regulatory Environment and Implications for Market Players

### 监管环境及对市场参与者的影响

The rapid growth of China's online individual finance market has attracted a large number of market players. However, business failures have surfaced in recent years due to fierce competition and surging leverage ratios, creating a negative public perception of online individual finance players. In an effort to control risks and maintain market integrity, PRC regulatory authorities, including the China Banking Regulatory Commission and the People's Bank of China have issued guidelines and policy directives that impose stricter requirements on online individual finance platforms. The requirements focus on the qualification, operation model, information disclosure and custody accounts practice of these platforms. In addition, under the new regulations, the part of the APR that exceeds 36% per annum is invalid and void. See "Regulation."

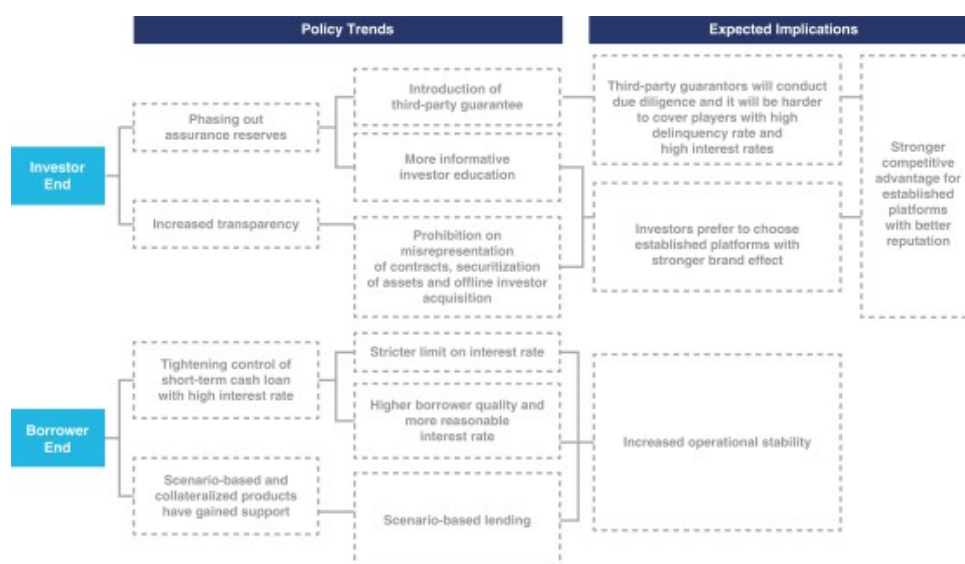
我国网上个人金融市场的快速发展吸引了大量的市场参与者。然而，近年来，由于激烈的竞争和杠杆比率的飙升，企业倒闭已经浮出水面，给公众造成了对网上个人金融从业者的负面印象。为了控制风险和维护市场完整性，中国监管机构，包括中国银行业监督管理委员会和中国人民银行已经发布了指导方针和政策指令，对网上个人金融平台实施更严格的要求。对这些平台的资质、运营模式、信息披露和托管会计实务等方面提出了相应的要求。此外，根据新的规定，年利率超过36%的部分是无效的。参见"规则"

While tighter regulations may increase the overall compliance costs and lead to the shutdown of some platforms that are unable to meet the heightened requirements, such regulations may enhance the competitive advantage of established market players that are compliant with the regulations. Given the requirement that all relevant interests and fees should be included when calculating APR, it has become increasingly difficult for short-term loan providers to maintain their profitability while complying with the 36% APR limit under the new regulations.

虽然更严格的规章制度可能会增加整体遵守成本，导致一些无法满足更高要求的平台关闭，但此类规章制度可能会增强符合规章制度的既有市场参与者的竞争优势。由于要求在计算年利率时应包括所有相关利息和费用，短期贷款提供者越来越难以在遵守新规定的36%年利率限制的同时维持其盈利能力。

The flowchart below sets forth future regulatory trends and their potential favorable implications for established online individual finance platforms, according to iResearch.

下面的流程图阐述了未来的监管趋势及其对已建立的在线个人金融平台的潜在有利影响。



## Key Factors for the Success of China's Online Individual Finance Service Providers

我国网上个人金融服务提供者成功的关键因素

A number of key factors are critical to the success of market players in China's online individual finance industry, including:

中国在线个人金融行业市场参与者成功的关键因素包括:

### *Effective Borrower Acquisition*

有效取得借款人

Due to the typically small loan sizes, a sufficiently large borrower base is critical for players in this market to achieve scale and profitability. As a result, successful players in the online individual finance industry need to differentiate themselves by accurately identifying and efficiently acquiring prospective borrowers. They should have the capacity to build effective borrower acquisition channels based on their analysis of borrowing and consumption patterns and establish targeted marketing strategies.

由于贷款规模通常较小，足够大的借款人基础对于这个市场的参与者实现规模和盈利能力至关重要。因此，在线个人金融行业的成功参与者需要通过准确识别和有效获得潜在的借款人来使自己与众不同。它们应当有能力根据对借款和消费模式的分析，建立有效的借款人获取渠道，并制定有针对性的营销战略。

### *Robust Risk Management and Analytics Capability*

强大的风险管理和分析能力

A large majority of the population in China still has very limited credit history. Given the shortage of credit data, it is essential for online individual finance platforms to utilize non-credit data to help build their risk management capabilities. The development of new technologies, such as machine learning and big data analytics, has enabled online individual finance platforms to leverage non-credit online data, such as e-commerce, social media and personal data, to evaluate borrowers' risk profiles and perform more accurate credit assessment.

中国绝大多数人的信用记录仍然非常有限。由于信贷资料短缺，网上个人金融平台必须利用非信贷资料，协助建立其风险管理能力。机器学习和大数据分析等新技术的发展，使在线个人金融平台能够利用电子商务、社交媒体和个人数据等非信用在线数据，评估借款人的风险状况，并进行更准确的信用评估。

### *Efficient Matching of Investors and Borrowers*

#### 投资者与借款人的有效配对

The ability to accurately match the needs of investors and borrowers, including numerous invest-in and cash-out requests, is also a distinctive feature of successful market players in China's online individual finance industry. This ability is built upon an online individual finance platform's liquidity management capabilities and access to sufficient funding. Improper liquidity management can lead to the mismatch between investor's expected timing of exit and the loan's maturity date, thereby negatively affecting our investors and borrowers. An algorithm-based system that is able to accurately and efficiently match investments with borrowings is a key success factor for online individual finance platforms.

能够准确地满足投资者和借款者的需求，包括大量的投入和现金取出请求，也是中国在线个人金融行业成功市场参与者的区辨特征。这种能力建立在个人在线金融平台的流动性管理能力和获得充足资金的基础之上。不恰当的流动性管理会导致投资者预期的退出时机与贷款到期日不匹配，从而对我们的投资者和借款人造成负面影响。一个基于算法的系统，能够准确和有效地匹配与借款的投资是一个关键的成功因素在线个人金融平台。

### *Post-lending Management Capability*

#### 借阅后管理能力

As Circular 57 prohibits the increase in size of any investor assurance fund and requires online individual finance platforms to gradually phase out of their current risk reserve funds, third-party guarantees have become increasingly important in protecting investors' interests against delinquency risks. Precise borrower risk profiling and the ability to predict future delinquency rate and loan default losses are essential components of an online individual finance platform's successful post-lending management capability.

由于第57号通知禁止增加任何投资者保证基金的规模，并要求网上个人金融平台逐步淘汰现有的风险准备金，第三方担保在保护投资者利益免受违约风险方面变得越来越重要。精确的借款人风险分析和预测未来拖欠率和贷款违约损失的能力是在线个人金融平台成功的贷后管理能力的重要组成部分。

### *Reputation and Brand Awareness*

#### 声誉与品牌意识

As an increasing number of non-complaint and less-established online individual finance platforms exit the online individual loan market, the competitiveness of the best performing market players increases. An online individual finance platform's reputation, which reflects its level of creditworthiness among investors and borrowers, is a key distinguishing factor among competing online individual finance platforms. With the gradual phase-out of quality assurance funds, investors will place more weights on a platform's operating scale and reputation when making investment decisions. According to iResearch, the key supporting factors for an online individual finance platform's reputation are: (i) high user stickiness and retention rate, achieved through effective user management; (ii) effective liquidity management, which helps safeguard investors' flexible options for exiting investments; and (iii) accurate risk pricing capability, which allows the platform to set reasonable interest rates for different types of borrowers that are commensurate with their risk profiles.

随着越来越多不投诉和不太成熟的在线个人金融平台退出在线个人贷款市场，表现最好的市场参与者的竞争力增强。在线个人理财平台的声誉，反映了其在投资者和借款人中的信誉水平，是在线个人理财平台竞争中的一个关键区别因素。随着质量保证基金的逐步淘汰，投资者在做出投资决策时将更多地考虑平台的经营规模和声誉。根据 iResearch 的资料，影响网上个人理财平台声誉的主要支持因素包括：(i) 透过有效的用户管理而达致的高用户粘性和保留率；(ii) 有效的流动资金管理，有助保障投资者退出投资的灵活选择；及(iii) 准确的风险定价能力，让平台为不同类别的借款人订定合理的利率，与他们的风险状况相称。

## BUSINESS 商业

### Overview

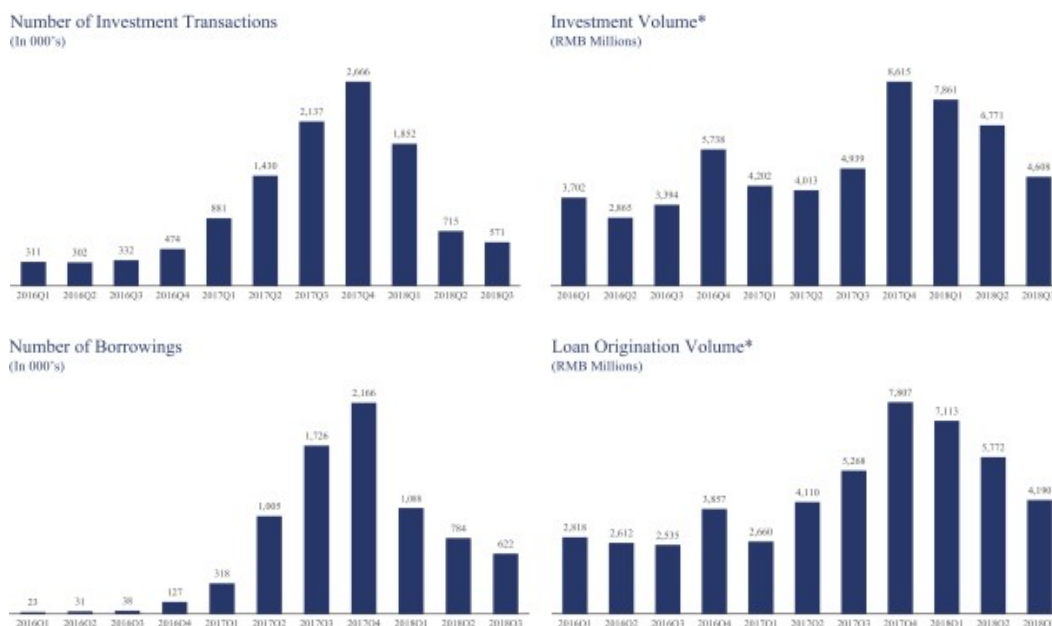
#### 概览

We are a leading online individual finance marketplace in China connecting individual investors and individual borrowers. The origin of our business can be traced back to 2011. We are one of the first online individual finance marketplaces in China, according to iResearch, and have built a trusted brand with a demonstrated track record of delivering value to both investors and borrowers.

我们是中国领先的在线个人金融市场，连接个人投资者和个人借款人。我们业务的起源可以追溯到2011年。我们是中国最早的在线个人金融市场之一，根据艾瑞咨询的说法，我们已经建立了一个值得信赖的品牌，在向投资者和借款者提供价值方面，我们已经证明了自己的记录。

We were the third largest individual finance marketplace in China in terms of transaction volume in the first half of 2018 for mid-to long-term loans, according to iResearch. We strategically focused on facilitating mid-to long-term consumer loans with an average term of 12 months or more, as we believe such loan products are best positioned to generate attractive returns for our investors, and at the same time, capture the financing needs of quality borrowers. With a highly scalable capital-light business model, we have been able to grow our marketplace and reinforce our strengths through network effects. We have experienced strong growth in 2016 and 2017, as illustrated by the charts below:

艾瑞咨询(iResearch)的数据显示，2018年上半年，就中长期贷款交易量而言，我们是中国第三大个人金融市场。我们的策略重点是促进平均为期12个月或以上的中长期消费贷款，因为我们相信这类贷款产品最适合为我们的投资者带来具吸引力的回报，同时也能满足优质借款人的融资需求。凭借高度可扩展的轻资本商业模式，我们已经能够通过网络效应发展我们的市场并增强我们的优势。2016年和2017年，我们经历了强劲的增长，如下图所示：



\* Loan origination volume during a period is not equal to the investment volume in the same period as (i) the investment volume includes the amount of investment transactions, excluding automatic reinvestments, in respect of transferred loans on the secondary market, and a small amount of investments into the automated investment programs during the subscription period, which are not accounted for in the loan origination volume; and (ii) the loan origination volume includes the amount of loans that are originated on our platform which are matched with automated reinvestments enabled by our automated investment program, which is not accounted for in the investment volume. 一段期间的贷款批出额不等于同一期间的投资额，因为(i)投资额包括就二级市场已转让贷款而言的投资交易金额(不包括自动再投资)，以及在认购期内对自动化投资计划的少量投资，而这些投资金额并未计入贷款批出额；及(ii)贷款批出额包括源自我们平台的贷款金额，这些贷款金额与我们的自动化投资程序启动的自动化再投资相配合，但并未计入投资额。

We are committed to facilitating effective, transparent, secure and fast connections between investors and borrowers, whose needs are underserved by traditional financial institutions. Our marketplace, empowered by highly automated process and technologies, provides a streamlined user experience. We ranked first in terms of borrower satisfaction and borrowers' willingness to recommend the marketplace to others among all mid-to long-term online individual finance platforms in China, according to an online survey conducted by iResearch in January 2018.

我们致力促进投资者与借款人之间有效、透明、安全和快速的联系，因为传统金融机构未能充分满足他们的需求。我们的市场，由高度自动化的过程和技术授权，提供了一个简化的用户体验。Iresearch 在2018年1月进行的一项在线调查显示，在中国所有中长期在线个人金融平台中，我们在借款人满意度和借款人向他人推荐该市场的意愿方面排名第一。





Our marketplace appeals to high-quality investors by offering convenient and fast access to various investment opportunities with attractive returns. Our installment products featuring monthly principal and interest repayment provide investors with attractive liquidity. Our investors exhibit high levels of stickiness to our marketplace, and tend to invest increasing amounts of funds on our marketplace over time. In the nine months ended September 30, 2018, the average investment amount of our investors was approximately RMB69,000 (US\$10,097), while the average investment amount of repeat investors reached approximately RMB86,000 (US\$12,522). The total investment volume facilitated by us was RMB19.2 billion (US\$2.8 billion) in the nine months ended September 30, 2018, 96.1% of which was contributed by repeat investors who had successfully invested on our marketplace before. In the nine months ended September 30, 2018, 97.2% of our investors invested in our *Youdaozhitou* automated investment programs, which automatically matches investors and borrowers and reinvests investment proceeds in accordance with the investors' investment period and loan duration. In addition, we have established a vibrant secondary loan market on our marketplace where investors can transfer their loan assets to other investors. Our ability to match loan terms and investment periods effectively offers our investors flexible options to exit their investments.

我们的市场吸引高素质的投资者，为他们提供方便快捷的投资渠道，获得丰厚的回报。我们的分期付款产品以每月还本付息为特色，为投资者提供极具吸引力的流动资金。我们的投资者对我们的市场表现出高度的粘性，并且随着时间的推移倾向于在我们的市场上投资越来越多的资金。截至2018年9月30日的9个月中，我们投资者的平均投资额约为6.9万元人民币(合1.097万美元)，而回头客的平均投资额约为8.6万元人民币(合1.2522万美元)。截至二〇一八年九月三十日止的九个月内，我们的总投资额为192亿元人民币(合28亿美元)，其中96.1%来自曾在我们的市场成功投资的回头客。在截至2018年9月30日的9个月中，97.2%的投资者投资于我们的 *Youdaozhitou* 自动化投资项目，该项目根据投资者的投资期和贷款期限自动匹配投资者和借款人，并对投资收益进行再投资。此外，我们在我们的市场上建立了一个充满活力的二级贷款市场，投资者可以将他们的贷款资产转移给其他投资者。我们的能力，以配合贷款条款和投资期有效提供我们的投资者灵活的选择，以退出他们的投资。

Our borrowers are typically creditworthy individuals with stable salary income and/or credit history, but underserved by traditional financial institutions. We primarily utilize diverse online borrower acquisition channels including online advertising channels such as websites, search engines, app stores as well as online partnerships with online traffic marketplaces which have access to quality borrowers. Our online average borrower acquisition cost per new borrower was RMB203 (US\$29.6) in the nine months ended September 30, 2018, representing 3.0% of the average loan principal borrowed by our borrowers in the nine months ended September 30, 2018, which is lower than that of the industry average of 3.4% in the same period, according to iResearch. We offer online standard loan products with fixed terms and repayment schedules generally ranging from RMB5,000 to RMB30,000 via the *Niwodai* borrower app and our website.

我们的借款人通常是信誉良好的个人，有稳定的工资收入和/或信用记录，但传统金融机构对其服务不足。我们主要利用不同的在线借款人获取渠道，包括在线广告渠道，如网站、搜索引擎、应用程序商店，以及与能够接触到优质借款人的在线流量市场的在线合作伙伴关系。根据 iResearch 的数据，在截至二〇一八年九月三十日的九个月内，我们的网上借款人平均每个新借款人的购置成本为203元人民币(合29.6美元)，占借款人在截至二〇一八年九月三十日的九个月内平均贷款本金的3.0%，低于同期业内平均贷款本金的3.4%。我们通过 *Niwodai* 借款人应用程序和我们的网站提供在线标准贷款产品，贷款期限和还款时间表一般从5000元到30000元不等。

We operate a highly secure and open platform with a proprietary and effective risk assessment model and a comprehensive risk management system. We build our risk assessment model based on our first-hand and proprietary user and transaction data generated from our loan process as well as multiple layers of background and behavioral data from more than ten third-party sources. Our model employs advanced big data analytics and sophisticated algorithms to accurately assess the risk profiles of potential borrowers. We have also established reliable systematic risk management procedures. To supplement our risk management efforts, we also selectively collaborate with third-party expert consultants with strong credit assessment capabilities to help us further screen and re-assess the creditworthiness of applicants and identify creditworthy potential borrowers based on desensitized user data.

我们运作一个高度安全和开放的平台，拥有专有和有效的风险评估模型和全面的风险管理系统。我们建立风险评估模型的基础是我们的第一手和专有用户和交易数据，这些数据来自我们的贷款流程，以及来自十多个第三方来源的多层背景和行为数据。我们的模型采用了先进的大数据分析和复杂的算法来准确评估潜在借款人的风险状况。我们还建立了可靠的系统风险管理程序。为了补充我们的风险管理工作，我们还有选择性地与具有强大信用评估能力的第三方专家顾问合作，帮助我们进一步筛选和重新评估申请人的信用可靠性，并根据不敏感的用户数据确定可信赖的潜在借款人。

We generate revenues primarily from fees charged for our services in matching investors and borrowers and for other services we provide over the life of a loan. We generally collect service fees from our borrowers, and on limited occasions from our investors for our automated investment program services and for loan transfers over our secondary market. As an online individual finance marketplace, we do not use our own capital to invest in loans facilitated through our marketplace.

我们的收入主要来自我们为投资者和借款人牵线搭桥而收取的费用，以及我们在贷款期限内提供的其他服务。我们通常向我们的借款人收取服务费，并在有限的情况下向我们的投资者收取我们的自动化投资计划服务费和二级市场的贷款转移费。作为一个在线个人金融市场，我们不使用自己的资本投资贷款促进通过我们的市场。

We have achieved significant growth in recent periods. The increase in loan origination volume facilitated by us contributed to significant growth of our net revenue and net profit. Our net revenue grew by 280.8% from RMB591.1 million in 2016 to RMB2,250.9 million (US\$327.7 million) in 2017. We recognized net income of RMB539.5 million (US\$78.6 million) in 2017, as compared with the net loss of RMB389.8 million in 2016. Our net revenue grew by 46.7% from RMB1,480.8 million in the nine months ended September 30, 2017 to RMB2,171.7 million (US\$316.2 million) in the same period in 2018. Our net profit grew by 13.4% from RMB396.3 million in the nine months ended September 30, 2017 to RMB449.4 million (US\$65.4 million) in the same period in 2018.

我们在最近几个时期取得了显著的增长。在我们的帮助下，贷款发放量的增加促进了我们净收入和净利润的显著增长。我们的净收入从2016年的5.911亿元人民币增长到2017年的22.509亿元人民币(合3.277亿美元)，增长了280.8%。2017年净利润为5.395亿元人民币(合7,860万美元)，而2016年净亏损为3.898亿元人民币。我们的净收入从2017年9月30日结束的9个月的14.808亿元人民币增长到2018年同期的21.717亿元人民币(合3.162亿美元)，增长了46.7%。在截至2017年9月30日的9个月中，我们的净利润从3.963亿元人民币增长到2018年同期的4.494亿元人民币(合6540万美元)，增长了13.4%。

## Our Business Model

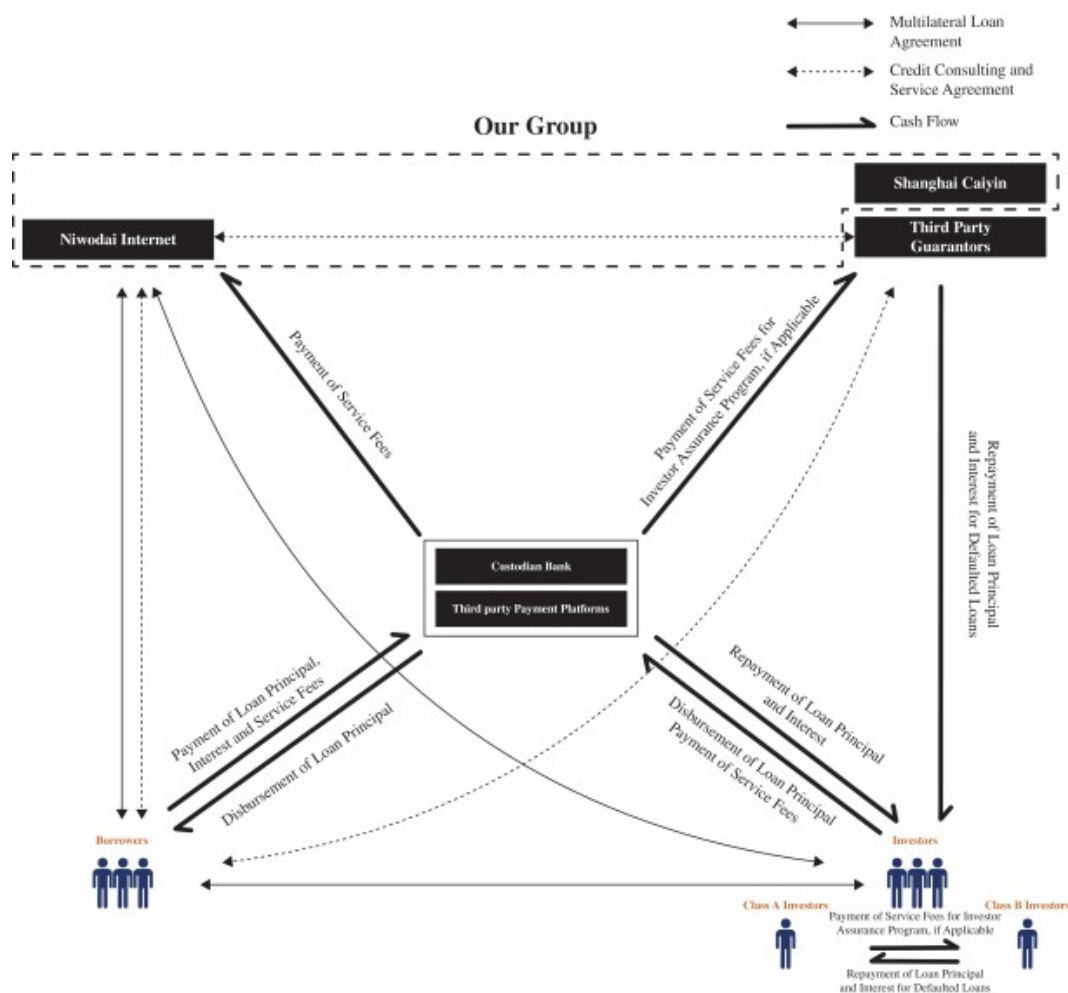
### 我们的商业模式

We are a leading online individual finance marketplace in China connecting individual investors and individual borrowers. We focused on the online individual finance segment facilitating mid-to long-term loans. According to iResearch, we were the third largest individual finance marketplace in China in terms of transaction volume in the first half of 2018 offering loans with an average term of 12 months or more. Our online marketplace embraces the significant opportunities offered by China's current financial system which has only limited coverage and leaves many creditworthy individuals underserved. We offer investors convenient access to an alternative asset class with attractive returns, while providing borrowers with fast and convenient access to credit at competitive rates.

我们是中国领先的在线个人金融市场，连接个人投资者和个人借款人。我们的重点是促进中长期贷款的在线个人金融部分。根据艾瑞咨询公司的数据，就2018年上半年的交易量而言，我们是中国第三大个人金融市场，提供的贷款平均期限为12个月或更长。我们的在线市场拥抱了中国当前金融体系提供的巨大机遇，这种体系只有有限的覆盖范围，让许多有信誉的个人得不到服务。我们为投资者提供方便的途径，获得回报丰厚的另类资产类别，同时为借款人提供快捷方便的贷款途径，贷款利率具有竞争力。

In accordance with the multilateral loan agreements among the borrower, one or multiple investors and us, investor provide loans to borrowers on our marketplace at fixed interest rates. In accordance with the credit consulting and service agreements, we generally collect service fees from our borrowers in connection with loan facilitation, post-origination services and for loans facilitated prior to April 28, 2018, services of our investor assurance program. We also collect on limited occasions from our investors for our automated investment program services and for loan transfers over our secondary market. On April 28, 2018, we began to partner with an independent third party guarantor to manage our investor assurance program for loans facilitated since then and we introduced another third party guarantor in July 2018. Borrowers, investors and us enter into multilateral loan agreements substantially similar to the ones for loans covered by the investor assurance program managed by us. In addition, borrowers enter into credit consulting and service agreements with the third party guarantor. Pursuant to such agreements, borrowers pay us service fees in connection with loan facilitation and pay service fees for services of investor assurance program directly to the third party guarantors. In July 2018, we also launched investor assurance program by partnering with selective investors, or the Class B investors, who have a higher risk tolerance in exchange for higher earnings in managing the investor protection fund for the remaining investors of the same loan product but with less risk tolerances, or the Class A investors. Borrowers enter into multilateral loan agreements with Class A and Class B investors and us. Pursuant to such agreements, investors provide loans to the borrowers at fixed interest rates. We collect from the borrowers service fees in connection with loan facilitation and post-origination services while the Class B investors collect the service fees for investor assurance program services. Service fees for investor assurance programs collected by us, third party guarantors and Class B investors for each of their investment are deposited in the respective investor assurance programs and managed separately. See "—Investor Assurance Programs." We no longer operate investor assurance program for loans facilitated after April 28, 2018. As such, other than the investor assurance program managed by us for loans facilitated prior to April 28, 2018, we neither use our own capital to invest in loans facilitated through our marketplace nor provide guarantees to our investors. In the nine months ended September 30, 2018, transactions for more than 277,000 investors and 2,385,000 borrowers were facilitated through our marketplace. With a highly scalable capital-light business model, we have been able to grow our marketplace and further strengthen our operations through network effects.

根据借款人、一个或多个投资者与我们之间的多边贷款协议，投资者在我们的市场上以固定利率向借款人提供贷款。根据信贷顾问及服务协议，我们一般向借款人收取与贷款便利化、贷款后服务，以及在二〇一八年四月二十八日前提供的投资者保证计划服务有关的服务费。我们还收集有限的场合，我们的投资者为我们的自动化投资计划服务和贷款转移我们的二级市场。2018年4月28日，我们开始与一个独立的第三方担保人合作，管理我们的投资者担保计划，从那时起，我们推出了另一个第三方担保人在2018年7月。借款人、投资者和我们签订的多边贷款协议与我们管理的投资者担保计划所涵盖的贷款协议大体相似。此外，借款人与第三方担保人签订信贷咨询和服务协议。根据此类协议，借款人直接向第三方担保人支付与贷款促进有关的服务费和投资者保证计划服务的服务费。2018年7月，我们还推出了投资者保证计划，与选择性投资者合作，或 b 类投资者，谁有更高的风险容忍度，以换取更高的收益管理投资者保护基金的投资者相同的贷款产品，但较少的风险容忍度，或 a 类投资者。借款人与 a 类及 b 类投资者及我们签订多边贷款协议。根据这些协议，投资者以固定利率向借款人提供贷款。我们向借款人收取与贷款便利化及贷款后服务有关的服务费用，而 b 类投资者则收取投资者保证计划服务的服务费用。我们、第三方保证人和 b 类投资者为每项投资收取的投资者保证计划服务费存入各自的投资者保证计划，并分别管理。参见“—投资者保障计划”2018年4月28日之后，我们不再为贷款提供投资者担保计划。因此，除了2018年4月28日之前由我们管理的投资者担保计划以外，我们既不使用自己的资本投资于通过我们的市场促成的贷款，也不为我们的投资者提供担保。在截至2018年9月30日的9个月中，超过27.7万投资者和238.5万借款人通过我们的市场进行了交易。随着一个高度可扩展的轻资本的业务模式，我们已经能够扩大我们的市场和进一步加强我们的业务通过网络的影响。



## Our Value Propositions to Investors

### 我们对投资者的价值主张

Our marketplace provides investors with the following benefits:

我们的市场为投资者提供了以下好处:

- Attractive returns*  
具吸引力的回报

  - We provide investors with opportunities to invest in consumer loans, which are not traditionally available to individual investors in China. 我们为投资者提供投资消费贷款的机会，这在中国传统上是个人投资者无法获得的。
  - We offer investors attractive returns, which currently range from 5.0% to 11.0% on an annualized basis after service fees. The annualized return for a majority of our investment volume is above 8.0%. 我们向投资者提供有吸引力的回报，目前在扣除服务费后的年回报率在5.0%到11.0%之间。我们大部分投资额的年回报率在8.0%以上。
- Flexible investment options*  
灵活的投资选择

  - Our marketplace offers an array of investment options including individual loans originated by borrowers or transferred by other investors and automated investment programs with different durations, return rates and repayment schedules. 我们的市场提供了一系列投资选择，包括由借款人发放或由其他投资者转移的个人贷款，以及不同期限、回报率和还款时间表的自动化投资项目。



- Our investing tools enable investors to either monitor and manage their investments themselves or use the investment programs we offer to allocate and manage their investments.  
我们的投资工具可以让投资者自己监控和管理他们的投资，或者使用我们提供的投资程序来分配和管理他们的投资。
- Our vibrant secondary loan market provides flexible options for exiting investments.  
我们充满活力的二级贷款市场为退出投资提供了灵活的选择。
- *Effective risk management*  
有效的风险管理
  - Leveraging our technology capabilities, we have developed a proprietary, efficient and reliable credit assessment model.  
利用我们的技术能力，我们开发了一个专有的、高效的和可靠的信用评估模型。

## Our Value Propositions to Borrowers

### 我们对借款人的价值主张

Our marketplace provides borrowers with the following benefits:

我们的市场为借款人提供了以下好处:

- *Convenient access to credit*  
方便获得信贷
  - We use technology to provide financing services to creditworthy borrowers underserved by traditional financial institutions. As they use our marketplace and build up credit history, we may offer them higher credit limits.  
我们利用技术向信誉良好的借款人提供融资服务，而传统金融机构对这些借款人的服务不够。由于他们使用我们的市场和建立信用历史，我们可能会提供他们更高的信贷限额。
  - Our services are available to borrowers 24/7 through our mobile applications and website. Borrowers can easily submit loan applications and monitor loan repayment status online.  
透过流动应用程序及网页，借款人可全日24小时使用我们的服务。借款人可轻易在网上递交贷款申请及监察还款情况。
- *Streamlined user experience*  
简化用户体验
  - Following the step-by-step instructions provided on our platform, prospective borrowers can easily submit a loan application after providing certain basic personal and credit information.  
根据我们平台上提供的一步一步的指导，潜在的借款人只要提供一些基本的个人和信用信息，就可以很容易地提交贷款申请。
  - Our proprietary credit assessment system generally completes credit assessment and makes decisions within minutes.  
我们专有的信用评估系统一般在几分钟内完成信用评估并做出决定。
  - Leveraging our sophisticated and proprietary algorithms and big-data analytics capabilities, we are able to accurately assess borrowers' risk profiles and quickly match borrowers' loan applications with investors. In the nine months ended September 30, 2018, 87% of loans facilitated through our marketplace were fully subscribed and funded within two hours.  
利用我们复杂的专有算法和大数据分析能力，我们能够准确评估借款人的风险状况，并迅速将借款人的贷款申请与投资者进行匹配。在截至二〇一八年九月三十日止的九个月内，透过本港市场提供的贷款中，87%在两小时内获得全数认购及融资。

## Our Strengths

### 我们的优势

We believe our following competitive strengths contribute to our success and differentiate us from our competitors:

我们相信我们以下的竞争优势有助于我们的成功，并将我们与竞争对手区分开来:

### *Leading online individual finance marketplace with a long operating history and strong brand recognition*

#### 领先的在线个人金融市场具有悠久的运营历史和强大的品牌认知

We are a leading individual finance marketplace in China connecting individual investors and individual borrowers. We strategically focused on

facilitating mid-to long-term consumer loans with an average term of 12 months or more, as we believe such products are best positioned to generate attractive returns for our investors, and at the same time, capture the financing needs of quality borrowers. Currently, we offer three kinds of online standard loan products, each with a term of 12 months. According to iResearch, we were the third largest individual finance marketplace in China in terms of transaction volume in the first half of 2018 for mid- to long-term loans.

我们是中国领先的个人金融市场，连接个人投资者和个人借款人。我们的策略重点是促进平均为期12个月或以上的中长期消费者贷款，因为我们相信这类产品最适合为我们的投资者带来有吸引力的回报，同时也能满足优质借款人的融资需求。目前，我们提供三种在线标准贷款产品，每种为期12个月。艾瑞咨询的数据显示，就2018年上半年中长期贷款交易量而言，我们是中国第三大个人金融市场。

We have built a trusted brand with a demonstrated track record of delivering value to both investors and borrowers. The origin of our business can be traced back to 2011. We are one of the first online individual

我们已经建立了一个值得信赖的品牌，在为投资者和借款者创造价值方面，我们已经证明了自己的记录。我们业务的起源可以追溯到2011年。我们是第一个在线个人



finance marketplaces in China, according to iResearch. In the nine months ended September 30, 2018, approximately 3,138,000 investment transactions were made by approximately 277,000 investors, with an aggregate investment volume of RMB14.6 billion (US\$2.2 billion). In the nine months ended September 30, 2018, approximately 2,494,000 borrowings were facilitated on our marketplace, with an aggregate loan origination volume of approximately RMB17.1 billion (US\$2.49 billion). We ranked first in terms of borrower satisfaction and borrowers' willingness to recommend the marketplace to others among all mid-to long-term online individual finance platforms in China, according to an online survey conducted by iResearch in January 2018.

根据艾瑞咨询公司的调查，中国的金融市场。在截至2018年9月30日的9个月中，约有27.7万投资者进行了313.8万笔投资交易，总投资额达146亿元人民币(合22亿美元)。在截至2018年9月30日的9个月中，我们的市场借款量约为249.4万笔，总贷款额约为171亿元人民币(合24.9亿美元)。iResearch在2018年1月进行的一项在线调查显示，在中国所有中长期在线个人金融平台中，我们在借款人满意度和借款人向他人推荐该市场的意愿方面排名第一。

We are committed to facilitating effective, transparent, secure and fast connections between investors and borrowers, whose needs are underserved by traditional financial institutions. We believe that our scale, trusted brand and comprehensive proprietary risk management capabilities allow us to effectively serve our investors and borrowers and help build a more efficient and inclusive financial system in China.

我们致力促进投资者与借款人之间有效、透明、安全和快速的联系，因为传统金融机构未能充分满足他们的需求。我们相信，我们的规模、可信赖的品牌和全面的专有风险管理能力，使我们能够有效地服务于我们的投资者和借款人，并帮助在中国建立一个更有效率和更具包容性的金融体系。

### *Attractive and scalable capital-light business model*

#### 有吸引力和可扩展的轻资本业务模式

We currently operate our business as a pure online marketplace through which we match investors and borrowers. We neither use our own capital to invest in loans facilitated through our marketplace nor provide loan guarantees to our investors other than our investor assurance program managed by us for loans facilitated prior to April 28, 2018. In addition, as our online marketplace covers the entire loan transaction process, we are able to minimize the need for physical infrastructure, lower our operating costs, and provide a flexible, cost-efficient and time-saving mechanism for matching investors and borrowers.

我们目前的业务是一个纯粹的在线市场，通过这个市场，我们为投资者和借款人牵线搭桥。除了在2018年4月28日之前由我们管理的投资者担保计划之外，我们既不使用自己的资本投资于通过我们的市场促进的贷款，也不向投资者提供贷款担保。此外，由于我们的网上市场涵盖整个贷款交易过程，我们可以减少对实体基础设施的需求，降低运营成本，并提供一个灵活、具成本效益及省时的机制，让投资者与借款人配对。

With a highly scalable capital-light business model, we have been able to grow the scale of our marketplace and further strengthen our operations through network effects. As our scale increases, higher loan origination volume generates more data that we can leverage to improve the accuracy of our credit assessment model, enabling us to improve the effectiveness of own borrower screening and to provide higher quality credit assets to investors. Improved investment performance increases investors' trust in our marketplace, lowering the risk premiums that are charged for lending through our marketplace and allowing us to offer more competitive rates to attract additional high-quality borrowers. This results in a virtuous cycle which enables us to continuously improve the performance of our marketplace. As the loans facilitated through our marketplace are funded mostly by individual investors, we are not subject to evolving market conditions and regulations that specifically impact financial institutions and other institutional funding providers. The relatively stable regulatory framework, which applies to our operations, enhances users' confidence in our marketplace and helps us further attract investors and borrowers.

随着一个高度可扩展的轻资本业务模式，我们已经能够扩大我们的市场规模，并通过网络效应进一步加强我们的业务。随着我们规模的扩大，更高的贷款发放量产生了更多的数据，我们可以利用这些数据来提高我们信用评估模型的准确性，从而提高我们对借款人筛选的效率，并为投资者提供更高质量的信贷资产。投资表现的改善增加了投资者对我们市场的信任，降低了通过我们市场贷款的风险溢价，并使我们能够提供更具竞争力的利率，以吸引更多高质量的借款人。这就形成了一个良性循环，使我们能够不断改善我们市场的表现。由于透过我们的市场提供的贷款大部分是由个人投资者提供，因此我们不会受制于不断演变的市场条件和规则，而这些条件和规则会对金融机构和其他机构融资提供者产生特别的影响。适用于我们运作的相对稳定的规管架构，提高了用户对我们市场的信心，并有助我们进一步吸引投资者和借款人。

### *Proprietary and reliable credit assessment model based on a highly secure and systematic platform*

#### 基于高度安全和系统平台的专有和可靠的信用评估模型

We have developed a proprietary, effective and reliable credit assessment model. Our proprietary credit assessment model utilizes advanced big data analytics and sophisticated algorithms to accurately assess the risk profiles of potential borrowers. We have built our model based on our proprietary user and transaction data covering approximately 4.3 million borrowers and 7.4 million borrowings accumulated through years of operations, as well as background and behavioral data from more than ten third-party sources, effectively maximizing the probability of accurately identifying trustworthy borrowers and mitigating the risk of over-reliance on any single credit factor or source. We continuously refine, test and optimize our model as our marketplace continues to accumulate and collect more credit data in our operation. Our open and comprehensive risk management approach also enables us to further strengthen our platform as we continuously benchmark and refine our in-house risk models by leveraging the results

from our third-party expert consultants.

我们开发了一个专有的、有效的和可靠的信用评估模型。我们专有的信用评估模型利用先进的大数据分析和复杂的算法来准确评估潜在借款人的风险状况。我们建立模型的依据是我们的专用户和交易数据，这些数据涵盖了经过多年运作积累的大约430万借款人和740万借款人，以及来自10多个第三方来源的背景和行为数据，有效地最大限度地提高了准确识别可靠借款人的可能性，并减少了过度依赖任何单一信贷因素或来源的风险。我们不断完善，测试和优化我们的模式，因为我们的市场不断积累和收集更多的信用数据在我们的运作。我们的开放及全面的风险管理方法，亦有助我们利用第三方专家顾问的成果，不断评估及完善内部风险模型，从而进一步加强我们的平台。

Our systematic risk management procedures cover the entire loan lifecycle, from authentication of credit information, fraud detection, credit assessment, pricing, to loan collection. Our risk management capabilities are demonstrated by our ability to maximize our overall risk-adjusted-return and achieve an optimal balance between approval rate and delinquency rate.

我们的系统化风险管理程序涵盖整个贷款周期，从信用信息认证、欺诈检测、信用评估、定价到贷款收集。我们的风险管理能力体现在我们有能力最大限度地提高我们的整体风险调整收益，并在批准率和拖欠率之间取得最佳平衡。

### ***High-quality and loyal investor base with stable funding***

高质量和忠诚的投资者基础，稳定的资金来源

We have a high-quality investor base. We target individual investors rather than institutional investors, which effectively enhances our bargaining power and reduces investor concentration risk, thus increasing the stability of our funding. We continuously attract and retain investors through our diverse and tailored investment solutions and our streamlined and smooth user experience facilitated by our highly automated process. Investment products available on our marketplace offer attractive returns. The annualized return for a majority of our investment volume is above 8.0%. Our *Youdao* automated investment programs provide a simple and seamless investment experience as they automatically match investors and borrowers and reinvest investment proceeds in accordance with investors' investment period and loan duration. At the same time, *Youdao* diversifies concentration risk and minimizes liquidity risk. In 2016, 2017 and the nine months ended September 30, 2018, 74.9%, 83.6% and 97.2% of the investment volume facilitated through our marketplace utilized our *Youdao* service, which provides our investors with ready and efficient access to investment products with attractive returns. In addition, we established a vibrant secondary loan market on our marketplace where investors can sell their loan assets to other investors through which we are able to match substantially all of the loan assets within 24 hours. Our ability to match loan terms and investment periods effectively offers investors flexible options for exiting investments.

我们拥有高质量的投资者基础。我们的目标客户是个人投资者而非机构投资者，这有效提高了我们的议价能力，降低了投资者的集中风险，从而增加了我们资金的稳定性。我们不断吸引和留住投资者，通过我们的多样化和量身定制的投资解决方案，以及我们的高度自动化的流程促进的简化和顺利的用户体验。投资产品在我们的市场提供有吸引力的回报。我们大部分投资额的年回报率在8.0%以上。我们的优导直投自动化投资项目提供了一个简单而无缝的投资体验，因为它们自动匹配投资者和借款人，并根据投资者的投资期限和贷款期限再投资收益。同时，优导直投可以分散集中风险，降低流动性风险。在2016年、2017年和截至2018年9月30日的9个月中，通过我们的市场促成的投资额的74.9%、83.6%和97.2%使用了我们的优导直投服务，这为我们的投资者提供了方便、高效的投资产品获得有吸引力的回报。此外，我们在我们的市场上建立了一个充满活力的二级贷款市场，投资者可以将他们的贷款资产出售给其他投资者，通过这个市场，我们可以在24小时内大体匹配所有的贷款资产。我们的能力，以配合贷款条款和投资期有效提供投资者退出投资的灵活选择。

To further enhance investor loyalty and retention rate, we utilize differentiated marketing strategies and provide value-added services to investors of different VIP levels, which are based on their investment amount and frequency. As a result, we have witnessed an increase in their investment amounts. The number of investors on our marketplace remained relatively stable at more than 270,000 in 2016 and 2017, while the average investment amount of our investors increased by 41.5% from RMB56,453 (US\$8,220) per investor in 2016 to RMB79,856 (US\$11,627) per investor in 2017. In the nine months ended September 30, 2018, the average investment amount per investor was approximately RMB69,000 (US\$10,047). 96.1% of the investment volume in the nine months ended September 30, 2018 were attributable to repeat investors. Our marketplace also features a high proportion of repeat borrowers. Out of the total loan volume facilitated through our marketplace in the nine months ended September 30, 2018, 33.7% was generated from repeat borrowers who had successfully borrowed on our marketplace before.

为进一步提高投资者忠诚度和保留率，我们采用差异化营销策略，根据不同VIP级别的投资者的投资额和投资频率，为他们提供增值服务。因此，我们看到他们的投资额有所增加。我们市场的投资者数目在二〇一六年及二〇一七年保持相对稳定，超过27万人，而我们投资者的平均投资额则由二〇一六年的每名投资者人均56,453元人民币(合8,220美元)，上升至二〇一七年的每名投资者人均79,856元人民币(合11,627美元)，升幅达41.5%。在截至2018年9月30日的9个月中，每位投资者的平均投资额约为6.9万元人民币(合1.0047万美元)。在截至2018年9月30日的9个月中，96.1%的投资额来自重复投资者。我们的市场也有很高比例的重复借款者。在截至二〇一八年九月三十日的九个月内，透过我们的市场提供的贷款总额中，有33.7%来自曾在我们的市场成功借款的回头客。

### ***Effective online borrower acquisition channels with supported by an open platform***

有效的网上借款人收购渠道，并有开放式平台支援

We primarily utilize diverse borrower online acquisition channels including online marketing channels such as websites, search engines, app stores as well as online partnerships with online traffic marketplaces which have access to quality borrowers. We engaged most of our borrowers through online marketing channels in 2017. Our open and comprehensive risk management approach also helps us acquire high-quality borrowers. After we exhaust our internal credit assessment model and process, we engage reputable third-party expert consultants to help further screen and re-assess the creditworthiness of applicants and identify potential borrowers. We selectively collaborate with third-party expert consultants who have demonstrated strong credit assessment capabilities with a strong track record of maintaining superior credit quality while achieving reasonable delinquency rate. In the nine months ended September 30, 2018, our third-party expert consultants helped us identify more than 520,000 additional qualified borrowers from our applicant pool, which effectively lowered our customer acquisition costs. Our success is based on our secure IT infrastructure equipped with desensitized user data that allows third-party expert consultants to test and develop their algorithms without jeopardizing our user data privacy.

我们主要利用不同的借款人在线收购渠道，包括网站、搜索引擎、应用程序商店等在线营销渠道，以及与能够接触到优质借款人的在线流量市场的在线合作伙伴关系。2017年，我们通过在线营销渠道与大多数借款人进行了接触。我们开放和全面的风险管理方法，也有助于我们获得高质量的借款人。在用尽我们的内部信用评估模式和程序后，我们聘请信誉良好的第三方专家顾问，帮助进一步筛选和重新评估申请人的信用可靠性，并确定潜在的借款人。我们有选择性地与第三方专家顾问合作，这些顾问具备强大的信用评估能力，在维持优良的信用品质的同时，达到合理的拖欠比率。在截至2018年9月30日的9个月中，我们的第三方专家顾问帮助我们我们从申请人中确定了超过52万名额外的合格借款人，这有效地降低了我们的客户获取成本。我们的成功是基于我们的安全IT基础设施，配备了脱敏的用户数据，允许第三方专家顾问测试和开发他们的算法，而不损害我们的用户数据隐私。

As a result of our borrower acquisition capabilities, our online average borrower acquisition cost per new borrower was RMB203 (US\$29.6) in the nine months ended September 30, 2018, representing 3.0% of the average loan principal borrowed by our borrowers in the nine months ended

September 30, 2018, which is lower than that of the industry average of 3.4%, according to iResearch.

根据 iResearch 的数据，由于我们具备借款人收购能力，在截至二〇一八年九月三十日的九个月内，我们每个新借款人的网上借款人平均收购成本为203元人民币(合29.6美元)，占借款人截至二〇一八年九月三十日的九个月内平均贷款本金的3.0%，低于行业平均收购本金的3.4%。

#### *Visionary and experienced management team*

有远见和经验丰富的管理团队

Our founder, director and chief executive officer, Mr. Dinggui Yan, is a pioneer in China's peer-to-peer lending service industry. He has been leading our group since the inception of our business. Prior to founding our group,

我们的创始人、董事和首席执行官，严鼎贵先生，是中国网络借贷服务业的先驱。自从我们公司成立以来，他一直领导着我们的团队。在成立我们集团之前

Mr. Yan has over 17 years of experience spanning across the technology and finance sectors. Members of our management team possess a unique combination of technology and finance backgrounds, with an average of 15 years of relevant industry experience. Our chief financial officer, Mr. Chunlin Fan, previously worked at prestigious investment banks and technology companies including Nomura, Macquarie, ICBC International and Microsoft, where he was involved in multiple high-profile transactions. Our chief technology officer, Mr. Jiong Feng held senior positions at Microsoft and Alibaba prior to joining us. Our management prudently operates our business with a determined focus on risk awareness and has developed robust risk management capabilities. In addition, our management team is supported by an experienced and devoted staff. With extensive work experience, proven execution capabilities and extensive knowledge of China's online individual finance market, we are confident to further enhance our leading position in China's online individual finance industry.

严先生在技术和金融领域拥有超过17年的经验。我们的管理团队拥有独特的技术和金融背景，平均有15年的相关行业经验。我们的首席财务官范春林先生之前曾在著名的投资银行和科技公司工作，包括野村证券、麦格理、中国工商银行国际和微软，在那里他参与了多项引人注目的交易。我们的首席技术官，Jiong Feng先生在加入我们之前曾在微软和阿里巴巴担任高级职位。我们的管理层谨慎地经营我们的业务，坚定地注重风险意识，并发展了强大的风险管理能力。此外，我们的管理团队是由一个经验丰富和忠诚的工作人员支持。凭借丰富的工作经验、可靠的执行能力以及对中国在线个人金融市场的广泛了解，我们有信心进一步提升我们在中国在线个人金融行业的领先地位。

## **Our Strategies**

### 我们的策略

To achieve our mission, we plan to further enhance our competitive advantage and pursue the following strategies to expand our business:

为了完成我们的使命，我们计划进一步提高我们的竞争优势，并采取以下策略来拓展我们的业务：

### *Focus on and expand small and micro finance services*

#### 重视和扩大小额信贷服务

We will continuously upgrade our individual finance marketplace to provide loan facilitation services. We strive to increase the number of investors and incentivize higher investment amounts on our marketplace by offering diversified investment options with attractive risk-adjusted returns and better liquidity. We will continue to develop customized products to meet our investors' various duration preferences. We will seek to expand our current investor base of individuals to include small and micro enterprises. Leveraging our big-data analytics capabilities, we will carry out targeted marketing campaigns to attract high-net-worth investors. In addition, we plan to continue to enhance our brand awareness by advertising our *Niwodai* brand on TV shows and sports games.

我们将不断提升个人金融市场，以提供贷款便利化服务。我们致力于增加投资者的数量，并通过提供具有吸引力的风险调整回报和更好的流动性的多元化投资选择来激励我们市场上更高的投资额。我们将继续开发定制的产品，以满足我们的投资者的不同持续期偏好。我们将寻求扩大我们目前的个人投资者基础，以包括小型和微型企业。利用我们的大数据分析能力，我们将开展有针对性的营销活动，以吸引高净值投资者。此外，我们计划继续通过在电视节目和体育比赛中宣传我们的 *Niwodai* 品牌来提高我们的品牌知名度。

We plan to expand our borrower base by attracting new borrowers and retaining existing ones. We will continue to diversify our loan product offerings, including scenario-based loan products with different durations. We also plan to provide loan products with risk-adjusted APRs. We expect to provide lower APR and higher credit limits to borrowers with higher credit quality as our borrowers enter into different stages of their lives and qualify for higher credit limits. We will also optimize our sales and marketing efforts to broaden our borrower reach and achieve more effective borrower acquisition through multiple online borrower acquisition channels. We will strive to leverage our robust risk management and big-data analytics capabilities to identify creditworthy borrowers and increase our application approval rate, while maintaining a low delinquency rate. In addition, we plan to continue to use promotional campaigns to enhance borrower stickiness.

我们计划通过吸引新的借款人和保留现有的借款人来扩大借款人基础。我们将继续使我们的贷款产品多样化，包括基于场景的不同期限的贷款产品。我们还计划为贷款产品提供经风险调整的年利率。随着我们的借款人进入不同的人生阶段，并有资格获得更高的信贷限额，我们希望为信贷质量更高的借款人提供更低的年利率和更高的信贷限额。我们亦会优化销售及市场推广工作，以扩大借款人的网络覆盖范围，并透过多个网上借款人收购渠道，更有效地收购借款人。我们将努力利用我们强大的风险管理和大数据分析能力来识别有信誉的借款人，提高我们的申请批准率，同时保持低拖欠率。此外，我们计划继续利用促销活动来提高借款人的粘性。

### *Strengthen our risk management capabilities*

#### 加强我们的风险管理能力

We will continue to strengthen our open and comprehensive risk management platform. We will focus on enhancing our existing technologies such as big data analytics, and exploring cutting-edge technologies, including artificial intelligence. We will also further develop our proprietary algorithms to increase the automation and predictive capabilities of our risk management system. In addition, we will continue to engage reputable third-party expert consultants to help further screen and re-assess the creditworthiness of our loan applicants and incorporate their risk management expertise to improve our own risk management capabilities throughout the lifecycle of the loans. These efforts will enable us to further increase the efficiency of our marketplace.

我们会继续加强开放和全面的风险管理平台。我们将重点加强我们现有的技术，如大数据分析，并探索尖端技术，包括人工智能。我们还将进一步开发我们的专有算法，以提高我们风险管理系统的自动化和预测能力。此外，我们会继续聘请信誉良好的第三方专家顾问，进一步筛选及重新评估贷款申请人的信贷质素，并加入他们的风险管理专业知识，以提升我们在贷款周期内的风险管理能力。这些努力将使我们能够进一步提高我们的市场效率。

### *Strengthen data technologies*

#### 加强数据技术

We have made and will continue to make substantial efforts in advancing our data processing and analytics capabilities. As our business develops, we will be able to collect more first-hand user and transaction data about our borrowers. Furthermore, we will continue to collect user background and other behavioral information which

我们已经并将继续作出重大努力，提高我们的数据处理和分析能力。随着我们业务的发展，我们将能够收集更多的第一手用户和交易数据，我们的借款人。此外，我们将继续收集用户背景和其他行为信息



we are authorized to use from third-party sources, maximizing the probability of accurately identifying trustworthy borrowers and effectively reducing the risk of over-reliance on any single factor or source. We will continue to enhance our data processing and labeling system by continuously collecting credit and behavioral data of borrowers throughout the lifecycle of the loans. We will further refine and optimize our own credit assessment model utilizing the large amounts of data we collect and accumulate.

我们被授权从第三方来源使用，最大限度地提高准确识别可信赖借款人的可能性，并有效地降低过度依赖任何单一因素或来源的风险。我们将继续加强我们的数据处理和标签系统通过不断收集信贷和行为数据的借款人在整个生命周期的贷款。我们将利用收集和积累的大量数据进一步完善和优化我们自己的信用评估模型。

In addition, we rely on our data processing and labeling system to efficiently manage our business. For instance, we use the behavioral data from our existing borrowers to build borrower profiles. We plan to implement targeted marketing campaigns towards potential borrowers that fit closely into designated profiles to improve our marketing effectiveness.

此外，我们依靠我们的数据处理和标签系统，以有效地管理我们的业务。例如，我们使用现有借款人的行为数据来建立借款人档案。我们计划针对符合指定条件的潜在借款人开展有针对性的营销活动，以提高我们的营销效果。

### *Expand our international business*

#### 拓展我们的国际业务

Leveraging upon our proprietary technologies and operational expertise accumulated in China, we intend to expand our business overseas. We plan to provide consumer finance services in Southeast Asia and other emerging markets with significant demand for consumer finance solutions. We plan to cooperate with local partners who have strong local presence and stable funding sources. Combining our risk management capabilities and the local expertise of our partners, we believe we will be able to deliver accessible and convenient financial services to overseas investors and borrowers.

凭借我们在中国积累的专有技术和运营经验，我们有意拓展海外业务。我们计划在东南亚和其他新兴市场提供消费金融服务，满足消费金融解决方案的巨大需求。我们计划与当地合作伙伴进行合作，这些合作伙伴拥有强大的当地存在和稳定的资金来源。结合我们的风险管理能力和合作伙伴在本地的专业知识，我们相信我们能够海外投资者和借款人提供便捷的金融服务。

We also intend to pursue additional strategic alliances and acquisitions that are complementary to our existing business. We plan to explore strategic relationships with overseas companies throughout our value chain. At the same time, we also believe that our excellent reputation and market leadership make us attractive to our overseas partners. We will carefully assess international opportunities with a goal towards long-term value creation.

我们还打算寻求更多的战略联盟和收购，以补充我们现有的业务。我们计划在整个价值链中探索与海外公司的战略关系。同时，我们也相信我们良好的信誉和市场领导地位使我们对海外合作伙伴具有吸引力。我们将以创造长期价值为目标，认真评估国际机遇。

### **Our Investors and Loan Investment Services**

#### 我们的投资者及贷款投资服务

##### *Target Investors*

##### 目标投资者

Our target investors are individuals living in major cities in China. We seek to attract individual investors and provide them with attractive alternative investment opportunities. We have experienced strong growth in recent years in average investment amount per investor in recent years. The table below sets forth certain of our operating metrics for our investors for the years indicated.

我们的目标投资者是居住在中国主要城市的个人。我们致力吸引个人投资者，并为他们提供具吸引力的另类投资机会。近年来，我们经历了投资者平均投资额的强劲增长。下面的表格列出了我们为投资者设定的年度运营指标。

	For the Year Ended December 31, 截至十二月三十一日止的一年		For the Nine Months 九个月 Ended 结束 September 30, 九月 三十日 2018
	2016	2017	
<b>Number of investors:</b> 投资者数目:	278,074	272,591	277,459
<b>Investment volume (in RMB millions):</b> 投资额(百万元人民币):	15,698	21,768	19,240

Our investors exhibit high level of stickiness to our marketplace, and tend to invest increasing amounts of funds over time. Out of the total investment volume facilitated through our marketplace in 2016, 2017 and the nine months ended September 30, 2018, 85.1%, 92.0% and 96.1%, respectively, was attributable to repeat investors who had successfully invested through our marketplace before. 57.6% and 78.0% of our investors in 2017 and the nine months ended September 30, 2018, respectively, were repeat investors. The average investment amount of our repeat investors



reached approximately RMB86,000 (US\$12,522) in the nine months ended September 30, 2018, while the average investment amount of all of our investors was approximately 69,000 (US\$10,097) in the same period in 2018.

我们的投资者对我们的市场表现出高度的粘性，并且随着时间的推移倾向于投资越来越多的资金。在二〇一六年、二〇一七年及截至二〇一八年九月三十日的九个月内，透过我们的市场进行的投资总额中，分别有85.1%、92.0%及96.1%是由于曾透过我们的市场成功进行投资的回头客所带动。在2017年和截至2018年9月30日的9个月中，分别有57.6%和78.0%的投资者是重复投资者。在截至2018年9月30日的9个月中，我们的重复投资者的平均投资额达到约86,000元人民币(合12,522美元)，而我们所有投资者的平均投资额在2018年同期约为69,000元人民币(合10,097美元)。

## *Investment Services Offered to Investors*

### 为投资者提供的投资服务

We assist investors on our marketplace to allocate their assets into different consumer loan products through our Niwodai investor app. Investors may either use the self-discretionary investing tool or deploy our automated investment programs we offer to allocate and manage their investments.

我们通过我们的 Niwodai 投资者应用程序，在我们的市场上协助投资者将他们的资产分配到不同的消费者贷款产品。投资者可以使用自主投资工具，也可以使用我们提供的自动投资程序来分配和管理他们的投资。

### *Self-discretionary Investing Tool*

#### 自我酌情投资工具

Investors may directly invest in loans listed on our marketplace based on loan characteristics and borrower profiles. We provide a set of filters to help investors choose among thousands of loans on our marketplace. An investor can quickly identify specific loans based on screening criteria, such as interest rate, term, loan amount, borrower profile and the borrowing history of the borrower on our marketplace. The minimum threshold for an investing commitment made through our self-discretionary investing tool is RMB50 (US\$7.3). Upon subscription to a specific loan, an investor agrees to lend a certain amount of funds to the borrower until maturity of the loan and the investor is not able to demand repayment or otherwise withdraw the investment during the term of the loan. Funds will be transferred from the investor's account with our custodian bank, or the custody account, to the borrower once the loan is subscribed. Investors may liquidate their investment in the loan prior to its maturity by transferring their rights in the loan to another investor through our secondary loan market. See "—Secondary Loan Market." Otherwise, upon maturity, the investment amount and interest will be deposited into the investor's account. We do not charge any fees for the use of our self-discretionary investing tool. In the nine months ended September 30, 2018, approximately 2.8% of the total investment amount on our marketplace was invested using our self-discretionary investing tool.

投资者可以直接投资在我们的市场上列出的贷款基于贷款的特点和借款人的概况。我们提供一套过滤器，以帮助投资者选择在我们的市场上成千上万的贷款。投资者可以根据筛选标准，如利率、期限、贷款金额、借款人概况和借款人在我们市场上的借款历史，快速识别特定的贷款。通过我们的自主投资工具做出投资承诺的最低门槛是50元人民币(合7.3美元)。认购特定贷款时，投资者同意借给借款人一定数额的资金，直至贷款到期，在贷款期限内，投资者不能要求还款或以其他方式撤回投资。一旦贷款被认购，资金将从投资者在我们托管银行的账户或保管账户转移到借款人。投资者可以在贷款到期前，通过我们的二级贷款市场将他们在贷款中的权利转让给另一个投资者，从而结清他们在贷款中的投资。请参阅「—二级贷款市场」否则，到期时，投资金额和利息将存入投资者的账户。我们使用自行决定的投资工具不收取任何费用。在截至2018年9月30日的9个月里，我们市场上大约有2.8%的投资是使用我们的自主投资工具进行的。

### *Automated Investment Program*

#### 自动化投资计划

We offer automated investment programs through our *Youdao* service (有道智投), which allow our investors to enjoy attractive returns of various loan products available on our marketplace in an efficient manner. The automated investment programs are tailor-made for varied duration and investment goals through various program offerings. By opting for such investment programs, investors authorize us to make investments and when necessary transfer their creditors' rights on their behalf to other investors on our marketplace. Upon the commitment of investments, investors deposit funds into their custody accounts and will be locked during the subscription period. During the subscription period, no investment returns will be generated. We automatically select loans with the same or similar duration and risk profile into our automated investment programs and our system automatically matches investments in the investment program to loans in accordance with investment timeline and duration of the loans, and at the same time, diversifies concentration risk and minimize liquidity risk as much as possible. Upon the expiration of the subscription period, an investor's committed fund will automatically be invested by our system into one or multiple loans on our marketplace which will have the same aggregate principal amount as the investment amount. The loans will also have a weighted-average interest rate that is usually higher than the quoted expected rate of return of the investment program. Upon repayment of a loan within the investment period, the fund will be automatically reinvested according to investors' prior authorization.

我们通过优导直投服务()提供自动化投资项目，让我们的投资者以高效的方式享受市场上各种贷款产品的诱人回报。自动化的投资计划是为不同的期限和投资目标量身定制的，通过各种计划的产品。通过选择这样的投资项目，投资者授权我们进行投资，并在必要时代表他们将债权人的权利转让给我们市场上的其他投资者。一旦承诺投资，投资者将资金存入他们的保管账户，并在认购期间锁定。在认购期内，不会获得任何投资回报。我们自动选择具有相同或相似期限和风险特征的贷款进入我们的自动化投资程序，我们的系统根据投资时间表和贷款期限自动匹配投资程序和贷款，同时尽可能多样化集中风险和最小化流动性风险。在认购期满后，投资者的承诺资金将自动由我们的系统投资到我们的市场上的一个或多个贷款，将有相同的总本金金额作为投资额。这些贷款的加权平均利率通常高于投资计划的预期回报率。在投资期内偿还贷款后，基金将根据投资者的事先授权自动再投资。

We strive to match investments with loans of the same duration at the time of the investment, however, in certain circumstances, we may fail to do so. As we historically offered offline loan products with a weighted average term of more than 30 months, these long-term offline loans were and will be matched with investments of shorter duration until the remaining term of such loans equals or become shorter than the investments on our marketplace. In addition, in view of the financing needs of our borrowers and investment appetite of our investors, we design our automated investment programs and determine the respective amounts of the automated investment programs of different investing periods to be offered to investors, based on approved loan applications to be funded and loans underlying outstanding automated investment programs which will be transferred. We incentivize investors to invest in the automated investment programs particularly in need of funding by adjusting the expected rate of return and providing vouchers and cash coupons

to investors who invest

我们努力使投资与投资时期相同的贷款相匹配，但在某些情况下，我们可能做不到这一点。由于我们以往提供的线下贷款产品的加权平均数超过30个月，这些长期线下贷款过去和将来都会与短期投资相匹配，直到这些贷款的剩余期限等于或短于我们市场上的投资期限。此外，鉴于我们借款人的融资需求和投资者的投资欲望，我们设计自动化投资程序，并根据已批准的贷款申请和将要转移的未偿付自动化投资程序的贷款，确定不同投资期向投资者提供的自动化投资程序的各自金额。我们鼓励投资者投资自动化投资项目，特别是在需要资金的情况下，通过调整预期回报率，并向投资者提供代金券和现金券

in such automated investment programs. Despite our efforts, we may fail to estimate the amount of loans and investments in each of our automated investment programs, which will lead to potential duration mismatch between the loans and the investment programs. Further, as our automated investment programs reinvest the amount repaid by borrowers, the remaining term of such investment program is usually shorter than the loan products we offer. Upon maturity of the investing period, the automated investment program transfers the outstanding loans invested by such program on the secondary loan market, and repay investors principal and interest upon successful transfer of all loans invested by such automated investment program. In the three months ended September 30, 2018, the average time between maturity of the investment period and repayment of investors was 10 hours. During the investing period, investors are not allowed to withdraw their funds from the investment program with fixed investing periods. Investors are also not allowed to transfer their investment on the secondary market during the first period of the investment program immediately after its subscription period, or the close period, which ranges from one to three months. Depending on different investment programs, the minimum investment amount into the automated investment programs ranges from RMB50 to RMB5,000. The expected return of such investment programs is generally between 5.0% to 11.0%, taking into account promotional campaigns we initiate from time to time. We charged an average service fee for the automated investment programs of approximately 1.3% of the investment return in the nine months ended September 30, 2018. Upon the expiration of the investment period, our system automatically disburses the principal and the return of the investment, net of the service fee to the investor's account with our custodian bank.

在这种自动化的投资项目中。尽管我们做出了努力，但我们可能无法估计每个自动化投资项目的贷款和投资额，这将导致贷款和投资项目之间潜在的持续时间不匹配。此外，由于我们的自动化投资项目对借款人偿还的金额进行再投资，这种投资项目的剩余期限通常短于我们提供的贷款产品。在投资期到期时，自动化投资程序将该程序投资的未偿还贷款转移到二级贷款市场，并在该自动化投资程序投资的所有贷款成功转移后偿还投资者本金和利息。在截至2018年9月30日的三个月中，投资期到期与投资者偿还期之间的平均时间为10小时。在投资期内，投资者不得从固定投资期的投资项目中提取资金。投资者也不得在认购期结束后的第一个投资期内，或在1至3个月的收市期间，在二级市场转移其投资。根据不同的投资项目，自动化投资项目的最低投资额在50元至5000元之间。考虑到我们不时发起的促销活动，此类投资项目的预期回报率一般在5.0%至11.0%之间。在截至2018年9月30日的9个月中，我们为自动化投资项目收取了约占投资回报1.3%的平均服务费。在投资期满后，我们的系统自动支付本金和投资回报，扣除服务费到我们托管银行的投资者账户。

Set forth below is a summary of our major automated investment programs:

以下是我们主要自动化投资项目的摘要:

<u>Investment Programs</u> 投资计划	Investment Features
Fixed investing periods 固定投资期	Investment Features 投资特色 Up to 18 months. Principals and interests are collected at the end of the investing period. Investors cannot extend the investing period at maturity. However, investors may elect to reinvest their investment proceeds in a new investment program with fixed investing periods upon the maturity of the current investment program. In 2016 and 2017, the average investing period was 265 days and 252 days, respectively. 长达18个月。在投资期结束时收取本金和利息。投资者不能在到期时延长投资期限。然而，投资者可以选择将他们的投资收益再投资于一个新的投资项目，该项目在当前投资项目到期时有固定的投资期限。在2016年和2017年，平均投资期分别为265天和252天
Step-up returns 升级回报	There is no fixed term for the 没有固定的期限step-up 加强 return program. Investments in the 返回程序。在香港的投资step-up 加强 returns program will be automatically reinvested until the investor opts to transfer his or her creditor's rights of the loans in the program in the secondary loan market. Investors are eligible to transfer their investments after the close period which currently is a month. A longer commitment of funds is rewarded with progressive interest rates. 回报计划将自动再投资，直到投资者选择转让其债权人的贷款计划在二级贷款市场。投资者有资格在目前为期一个月的收市后转让其投资。更长时间的资金承诺将得到累进利率的回报

In 2016, 2017 and the nine months ended September 30, 2018, the average amount invested by each investor through our automated investment programs was RMB44,613, RMB70,577 (US\$10,276) and RMB67,561 (US\$9,837), respectively. In 2016, 2017 and the nine months ended September 30, 2018, the average annualized rate of return of such investments was 10.0%, 9.2% and 9.0%, respectively.

在2016年、2017年和截至2018年9月30日的9个月中，每位投资者通过我们的自动化投资程序平均投资额分别为44613元人民币、70577元人民币(合10276美元)和67561元人民币(合9837美元)。在二零一六年、二零一七年及截至二零一八年九月三十日的九个月内，这些投资的平均年回报率分别为10.0%、9.2%及9.0%。

In July 2018, we started to provide a Class B investment program to certain investors with higher risk tolerance in exchange for higher earnings. Such investment program is available to repeat investors on an invitation-only basis. See "Business—Investor Assurance Programs—Investor Assurance Program by Partnering with Class B Investors."

2018年7月，我们开始向某些具有较高风险承受能力的投资者提供b类投资项目，以换取更高的收益。这种投资计划只接受受邀请的重复投资者。参阅《业务—投资者保障计划—与b类投资者合作的投资者保障计划》

## Secondary Loan Market

## 第二按揭市场

We have established a secondary loan market on our marketplace to provide flexible options for exiting investments. Loans held by investors for no less than 30 days and with principal balances of no less than RMB50 (US\$7.3) may be posted on our marketplace for transfer once certain other conditions are met. Investments in our automated investment programs may also be transferred on the secondary loan market upon the expiration of the

我们已经在我们的市场上建立了二级贷款市场，为退出投资提供灵活的选择。投资者持有不少于30天、本金余额不少于50元人民币(合7.3美元)的贷款，一旦满足某些其他条件，可在我们的市场上公布转让。在我们的自动化投资计划的投资也可以转移到二级贷款市场到期的

close period. When an investor elects to transfer his or her investment in the automated investment program, all loans under such investment will be posted on the secondary market at the same time. Our automated investment program may also automatically initiate transfers to optimize the matching of durations of the loans and investments. See “—Automated Investment Programs.” We expect such transfers initiated by automated investment program to decrease as the historical long term loans wind down. In the nine months ended September 30, 2018, 21.7% of the volume of the loans transferred on the secondary loan market were initiated by our investors, and 78.3% of the volume of loans transferred on the secondary loan market were initiated automatically. Once a loan is available on the secondary market, our system automatically matches the loan with automated investment programs, and loans not matched with automated investment programs will be posted for investors’ selection.

闭环周期。当投资者选择在自动化投资程序中转移其投资时，该投资项下的所有贷款将同时在二级市场上公布。我们的自动化投资程序也可能自动启动转移，以优化贷款和投资的期限匹配。参见“—自动化投资程序”我们预计，随着历史长期贷款逐渐减少，由自动化投资程序启动的此类转移将会减少。在截至二〇一八年九月三十日止的九个月内，在二手贷款市场转让的贷款中，有21.7%是由我们的投资者主动提供，而在二手贷款市场转让的贷款中，有78.3%是自动提供的。一旦在二级市场上可以获得贷款，我们的系统将自动匹配贷款与自动投资程序，并且不匹配自动投资程序的贷款将张贴供投资者选择。

To facilitate the loan transfer, our system automatically generates a transfer price, which equals the sum of outstanding principal amount and accumulated return. Upon a successful transfer, the transferor will be charged a transfer service fee at a rate of 3% of the transfer price. In 2016, 2017 and the nine months ended September 30, 2018, the total transfer service fee we charged was approximately RMB0.7 million, RMB0.7 million and RMB0.8 million, respectively. Investors may withdraw the offers to transfer at any time before such offers are accepted by transferees. Once an offer to transfer is accepted by a transferee, our system will automatically instruct the custodian bank to debit the transferee’s account of the amount of the transfer price and credit the transferor’s account for the transfer price minus the transfer service fees, which will be paid to us, and the transferee will become the creditor of the transferred loan at the same time. If the transfer fails to be completed within 48 hours after a loan is posted, the post will be automatically taken off our secondary loan market and investors may elect to transfer again at any time. Although a successful transfer is not guaranteed, substantially all of the loans listed on our secondary market was successfully transferred within one day in 2017, and in the nine months ended September 30, 2018, more than 99.9% of the loans was successfully transferred on the first attempt during such periods. In 2016, 2017 and the nine months ended September 30, 2018, the total investment volume on our secondary loan market was RMB11.9 billion, RMB14.9 billion (US\$2.2 billion) and RMB16.5 billion (US\$2.4 billion), respectively, equals to approximately 84.5%, 97.2% and 96.8% of our loan origination volume, which does not include the investment volume on our secondary loan market, in the respective periods.

为了方便贷款转移，我们的系统自动生成一个转移价格，等于未偿还本金和累计回报的总和。转让成功后，转让方将收取转让服务费，费率为转让价格的3%。2016年、2017年和截至2018年9月30日的9个月，我们收取的转账服务费总额分别约为70万元人民币、70万元人民币和80万元人民币。投资者可在受让人接纳转让建议前随时撤回转让建议。一旦受让人接受转让要约，我们的系统将自动指示托管银行将转让价款的金额从受让人的账户中扣除，并将转让价款扣除转让人的账户中的金额，再扣除将向我们支付的转让服务费，受让人同时成为转让贷款的债权人。如果转让未能在贷款发放后48小时内完成，该职位将自动从我们的二级贷款市场上撤销，投资者可以选择在任何时间再次转让。虽然成功转让贷款并无保证，但在二〇一七年，大部分在二手市场上市的贷款均在一天内成功转让。在截至二〇一八年九月三十日的九个月内，超过99.9%的贷款在这段期间首次成功转让。在二〇一六年、二〇一七年及截至二〇一八年九月三十日的九个月内，香港二手贷款市场的总投资额分别为119亿元人民币、149亿元人民币(22亿美元)及165亿元人民币(24亿美元)，相等于香港二手贷款总额的约84.5%、97.2%及96.8%，当中并不包括二手贷款市场的投资额。

## **Investor Acquisition and Retention**

### 投资者收购与保留

We advertise our brand and investment services on search engines, app stores and third-party portal websites. We also engage in various branding initiatives such as advertising our *Niwodai* brand on TV shows and sports games, to enhance our brand awareness. In addition, we believe reputation and word-of-mouth drive continued organic growth in our investor base. Such expenses are recorded as sales and marketing expenses on the consolidated statements of comprehensive income.

我们在搜索引擎、应用商店和第三方门户网站上宣传我们的品牌和投资服务。我们也参与各种品牌推广活动，例如在电视节目和体育游戏中宣传我们的 *Niwodai* 品牌，以提高我们的品牌知名度。此外，我们相信信誉和口碑推动了我们投资者基础的持续有机增长。这类费用在综合收入的合并报表中记为销售和营销费用。

We conduct a variety of promotional campaigns to attract investors, including referral rewards, log-in rewards, vouchers and cash coupons. We sometimes launch promotional campaigns where investors can enjoy a higher expected annualized rate of return if the investment is made within the campaign period to attract new investors and to enhance investor retention and loyalty. We also send text message reminders to existing investors to notify them of our campaigns and available coupons. These promotional campaigns are recorded as incentives to investors in a form that either reduces the amount of investment required to purchase financial products or entitles them to receive higher interest rates in the products they purchase, which are accounted for as a reduction of revenue. Set forth below is our investor acquisition cost per investor, including incentives provided to them for the periods indicated:

我们举办各式各样的推广活动，包括介绍奖励、登入奖励、代金券及现金券等，以吸引投资者。我们有时发起促销活动，如果投资是在活动期间内进行，以吸引新的投资者，并提高投资者的留住率和忠诚度，投资者可以享受更高的预期年回报率。我们还向现有的投资者发送短信提醒，通知他们我们的活动和可用的优惠券。这些促销活动被记录为对投资者的激励措施，其形式要么减少购买金融产品所需的投资额，要么使投资者有权对其购买的产品享受较高的利率，这些利率被视为收入的减少。下面列出了我们投资者每个投资者的收购成本，包括在指定期限内向他们提供的奖励：

	December 31, 十二月三十一日		Nine Months Ended 九个月结束 September 30, 九月 三十日 2018
	2016	2017 (RMB) (人民币)	
New investor 新投资者	854	811	778
Repeat investor 重复投资者	1,358	1,947	2,045



The investor acquisition cost for repeat investors increased from 2016 to 2017 as we provided investors more incentives to our repeat investors to encourage more frequent investment activities of larger amounts to match the increased loan origination volume in 2017. Our investor acquisition cost for repeat investors increased slightly and the same for new investors decreased in the nine months ended September 30, 2018, as the investment activities on our marketplace was relevantly sufficient to match the loan origination volume during that time.

从2016年到2017年，重复投资者的投资者收购成本增加了，因为我们向重复投资者提供了更多的激励措施，鼓励更频繁、更大数额的投资活动，以配合2017年增加的贷款发放量。在截至2018年9月30日的9个月中，我们的投资者收购成本为回头客略有上升，而新投资者的收购成本则有所下降，因为我们市场上的投资活动相应地足以与当时的贷款发放量相匹配。

Based on the stickiness of our investors evidenced by the amount and frequency of their investments, we categorize them into 13 levels: V-0, through V-12, in order representing investors with limited transaction history on our marketplace to repeat investors that have made extensive investments on our marketplace. We customize our campaign efforts based on the VIP levels of our investors. We provide exclusive investment campaigns to our investors with higher VIP levels who are also eligible to receive a variety of value-added services, such as complimentary access to certain first-class lounges at certain airports.

根据我们投资者的投资数量和频率所证明的粘性，我们将他们分为13个等级：V-0到V-12，以代表在我们市场上有限交易历史的投资者，重复在我们市场上进行广泛投资的投资者。我们根据我们投资者的VIP级别定制我们的活动。我们为投资者提供高贵宾级别的独家投资活动，他们也有资格获得各种增值服务，例如在某些机场的某些头等舱休息室可以免费使用。

Historically, we also acquired investors through referrals from our related party, Jiayin Zhuoyue, a company controlled by our founder, director and chief executive officer, Mr. Dingui Yan, and benefited from its extensive sales network. We no longer receive referrals from Jiayin Zhuoyue since August 2017. Jiayin Zhuoyue also assists us to provide certain value-added services to our investors with higher VIP levels.

历史上，我们也通过我们的关联方，嘉银卓越，我们的创始人，董事和首席执行官严鼎贵先生控制的公司，收购投资者，并受益于其广泛的销售网络。自2017年8月起，我们不再接受来自 Jiayin Zhuoyue 的转介。嘉银卓越还协助我们为投资者提供一定的增值服务，达到更高的VIP级别。

## **Our Borrowers and Loan Products Offered to Borrowers**

我们为借款人提供的借款及贷款产品

### **Target Borrowers**

对象借款人

We target the large and growing number of creditworthy individual borrowers in China who are underserved by traditional financial institutions and receptive to Internet finance solutions. Our borrowers typically belong to the young urban working class with stable salary and/or credit history.

我们的目标客户是中国越来越多信用良好的个人借款人，他们没有得到传统金融机构的充分服务，也不愿接受互联网金融解决方案。我们的借款人通常属于年轻的城市工薪阶层，有稳定的工资和/或信用记录。

From the launch of our business through September 30, 2018, we successfully facilitated loan transactions for over 4.3 million borrowers. The number of our borrowers grew by 12.6 times from approximately 0.2 million in 2016 to over 2.9 million in 2017. We strategically target the young generation and cultivate their loyalty on our marketplace, aiming to capture the vast growth opportunities as our borrowers enter into different stages of their lives and qualify for higher credit limits. In the nine months ended September 30, 2018, 81.8% of our borrowers were between 20 and 35 years of age.

自开业至二〇一八年九月三十日，我们成功为超过四百三十万借款人提供贷款服务。我们的借款人数量增加了12.6倍，从2016年的大约20万增加到2017年的超过290万。我们策略性地瞄准年轻一代，培养他们对我们市场的忠诚度，目的是在我们的借款人进入他们生命的不同阶段并有资格获得更高的信贷限额时，抓住巨大的增长机会。在截至2018年9月30日的9个月中，81.8%的借款人年龄在20至35岁之间。

### **Borrower Acquisition and Retention**

借款人的获取和保留

We utilize various online channels to attract individual borrowers to our marketplace. Our online channels primarily include:

我们利用各种在线渠道吸引个人借款人来到我们的市场。我们的在线渠道主要包括：

- *Online advertising.* We work with app stores to promote our mobile apps and place online advertisements with various Internet companies. We also purchase paid advertisement placements on major online search engines in China.  
在线广告。我们与应用程序商店合作，推广我们的移动应用程序，并与各种互联网公司发布在线广告。我们还在中国主要的在线搜索引擎上购买付费广告位置。

- *Online Partnerships.* We collaborate with certain online traffic marketplaces which have access to quality borrowers and acquire through those marketplace.  
网上伙伴关系。我们与某些在线流量交易市场合作，这些交易市场可以接触到高质量的借款人，并通过这些市场进行收购。

Such expenses are recorded as sales and marketing expenses on the consolidated statements of comprehensive income. The borrower acquisition cost per borrower was RMB226, RMB129 and RMB203 in 2016, 2017 and the nine months ended September 30, 2018. The borrower acquisition cost per borrower decreased from 2016 to 2017 as we offered certain online standard loan products with a shorter term, and the price of online advertisement and traffic were cheaper than those for mid-to long-term loan products. Our borrower acquisition cost increased from 2017 to the nine months ended September 30, 2018 due to the change of our product mix and increased price of online advertisement and traffic in the first half of 2018.

这类费用在综合收入的合并报表中记为销售和营销费用。2016年、2017年和截至2018年9月30日的9个月中，每位借款人的借款成本分别为226元、129元和203元。从2016年到2017年，每个借款人的借款成本下降了，因为我们提供了一些短期的在线标准贷款产品，而且在线广告和流量的价格比中长期贷款产品便宜。我们的借款人收购成本从2017年增加到截至2018年9月30日的9个月，原因是我们的产品组合发生变化，以及2018年上半年在线广告和流量价格上涨。

### *Historical Practice of Offline and Offline-to-Online Referral*

#### 线下和线下转诊的历史实践

In 2016 and 2017, as we were in the process of developing our online marketplace, we acquired a significant portion of our borrowers through referrals from our related party, Jiayin (Shanghai), benefiting from its extensive offline sales network. We also acquired an insignificant number of borrowers through offline referrals by independent third parties. We gradually phased out this historical practice as we established a significant business presence of our online marketplace. Since August 2017, we no longer receive such offline referrals from Jiayin (Shanghai), and we no longer engage borrowers offline since February 2018.

在2016年和2017年，我们正在发展我们的在线市场，通过我们的关联方嘉荫(上海)的推荐，我们获得了相当一部分借款人，这得益于其广泛的线下销售网络。我们还通过独立第三方的线下推荐获得了少量的借款人。我们逐步淘汰了这种历史性的做法，因为我们建立了我们的在线市场的重要业务存在。自2017年8月以来，我们不再接收来自嘉荫(上海)的线下转介，自2018年2月以来，我们也不再接触线下借款人。

In the first half of 2018, we explored an offline-to-online sales channel to promote our services to borrowers, in collection with our related party Jiayin (Shanghai). Since August 2018, we no longer receive referrals from such offline-to-online sales channel.

在2018年上半年，我们探索了一个线下到线上销售渠道，以推广我们的服务，借款人收集与我们的关联方嘉荫(上海)。自2018年8月起，我们不再接受这种线下到线上销售渠道的推荐。

In addition, we maintain a specific borrower retention strategy and focus on boosting repeat borrower volume. We send text message reminders to existing borrowers to notify them of their updated credit assessment status, our promotional campaigns and coupon opportunities available to them. Borrowers' credit assessment results are adjusted based on their performance of repayment obligations for existing loans and updated personal information, which may allow them to apply for loans with higher credit limits. Out of the total loan origination volume through our marketplace in 2016 and 2017, 4.3% and 42.1%, respectively, was generated from repeat borrowers. The repeat borrowing rate, which represents our repeat borrowers as a percentage of all of our borrowers, increased from 4.5% in 2016 to 42.1% in 2017.

此外，我们维持一个具体的借款人保留战略，并重点提高重复借款人数量。我们会向现有借款人发出短讯提醒，通知他们最新的信贷评估状况、我们的推广活动，以及为他们提供的优惠券机会。借款人的信贷评估结果会根据他们对现有贷款的还款义务的履行情况和最新的个人资料作出调整，以便他们申请信贷上限较高的贷款。在2016年和2017年通过我们市场批出的贷款总额中，分别有4.3%和42.1%来自重复借款人。重复借款利率(代表我们重复借款人占有所有借款人的百分比)从2016年的4.5%上升至2017年的42.1%。

### *Loan Products Offered to Borrowers*

#### 提供予借款人的贷款产品

We offer primarily standard loan products, which are all unsecured consumer loans to our borrowers. Currently, we offer only online standard products. All of the loans facilitated through our marketplace feature fixed interest rates. To provide a transparent marketplace, interest rates, service fees and other charges are all clearly disclosed to borrowers upfront.

我们主要提供标准的贷款产品，这些都是我们的借款人的无担保消费贷款。目前，我们只提供在线标准产品。所有的贷款通过我们的市场促进固定利率。为了提供一个透明的市场，利率、服务费和其他费用都明确地向借款人提前披露。

#### *Online standard loan products*

#### 网上标准贷款产品

We currently offer standard loan products with a term of 12 months. In 2016 and 2017, we have also offered online standard loan products with terms ranging from one to 18 months. However, in response to the changing regulatory environment in December 2017 and shifting demands of our target borrower base, we strategically shifted our focus to mid-term loans with a term of 12 months. Currently, the APR for our online standard loan products are all approximately 36%. We offer three types of online standard loan products to borrowers we engaged online or through offline-to-online channels. We strategically designed these products to target borrowers with different types of available credentials and therefore different credit limits, as set forth below.

我们目前提供为期12个月的标准贷款产品。在二〇一六年及二〇一七年，我们亦推出网上标准贷款产品，贷款期由一个月至十八个月不等。然而，为了应对2017年12月不断变化的监管环境和我们目标借款人基础不断变化的需求，我们战略性地将重点转向12个月期限的中期贷款。目前，我们的在线标准贷款产品的年利率都在36%左右。我们为网上或线下至线上的借款人提供三种网上标准贷款产品。我们策略性地设计了这些产品，以针对具有不同类型可用凭证的借款人，因此具有不同的信贷限额，如下所述。

Name姓名	Credentials Required 所需证书	Range of range Credit 信用 Limit 限制
Jiaka 女名女子名	Credit card information 信用卡资料	RMB3,000 – RMB30,000 人民 币3,000元至3万元

<p>Jiaying 佳英</p>	<p>Payroll, social security account or housing provident account information 工资单、社会保障账户或住房公积金账户信息</p>	<p>RMB4,000 – RMB50,000 人民币4,000元至5万元</p>
<p>Miaola 女名女子名</p>	<p>No major credential requirement 没有主要的证书要求</p>	<p>RMB1,000 – RMB8,000 人民币1000元至8000元</p>

We generally only allow our borrowers to draw down one outstanding loan at a time, and to selective quality borrowers who have a loan outstanding and consistent repayment history with us, we offer an option to draw down another loan and enter into a separate loan agreement in connection with such loan since February 2018. In the nine months ended September 30, 2018, 41,807 of our borrowers drew down an aggregate loan origination volume for Jiadai of RMB216.9 million.

我们一般只容许借款人一次提取一笔未偿还贷款，而对于有优质贷款而又与我们有连续还款记录的选择性借款人，我们自2018年2月起提供另一笔贷款的选择权，并就该笔贷款另行签订贷款协议。在截至2018年9月30日的9个月里，我们的借款人中有41807人为嘉代申请了总额为2.169亿元人民币的贷款。

### Offline loan products

#### 线下贷款产品

We offered various offline products prior to February 2018 in the process of optimizing the mix of our loan products. We facilitated our offline loan products mainly to borrowers referred to us by our related party, Jiayin (Shanghai), from its offline sales network. Certain of such offline products are also standard loans. Our offline standard loan products require similar credentials to our online standard loan products. We offered offline standard loan products ranging from RMB13,600 to RMB200,000 with a term ranging from 12 to 36 months. We also offered certain non-standard products on a trial basis. In 2016 and 2017, 95.0% and 41.2% of the total amount of non-standard loan products we facilitated were secured products backed by residential properties. Other examples of non-standard loan products include cash loan products and loans offered to owners of micro enterprises.

在2018年2月之前，我们在优化贷款产品组合的过程中提供了各种线下产品。我们促进了我们的线下贷款产品，主要是借款人介绍给我们的关联方，嘉荫(上海)，从其线下销售网络。某些这样的离线产品也是标准贷款。我们的离线标准贷款产品需要与在线标准贷款产品相似的凭证。我们提供13600至20万元人民币的离线标准贷款产品，贷款期限为12至36个月。我们还提供了一些非标产品的试验基础。在二〇一六年及二〇一七年，我们协助的非标准贷款产品中，分别有95.0%及41.2%是以住宅物业作抵押的产品。非标准贷款产品的其他例子包括向微型企业所有者提供的现金贷款产品和贷款。

### Evolution of our product mix

#### 我国产品结构的演变

We explored various loan products in the process of developing our online individual finance marketplace. The mix of our loan products evolves as we gradually establish the business presence of our online marketplace. We launched our individual finance marketplace in December 2015. Since then, we started to engage borrowers through online channels and introduced our online standard loan products to them besides our offline loan products on a trial basis. We tested and refined our IT infrastructure and risk management system to ensure competency, before we officially rolled out our online standard loan products in October 2016. Since the launch of our business in December 2015 and up to February 2018, we also acquired a significant portion of borrowers through referrals from offline channels, and offered such borrowers primarily our offline standard products, as well as our non-standard loan products. We gradually phased out this practice as we established the significant business presence of our online marketplace.

我们在开发在线个人金融市场的过程中探索了各种贷款产品。随着我们逐步建立在线市场的商业地位，我们贷款产品的组合也在不断发展。我们在2015年12月推出了个人金融市场。从那时起，我们开始通过在线渠道聘请借款人，并在试验的基础上向他们介绍我们的线上标准贷款产品。在2016年10月正式推出我们的在线标准贷款产品之前，我们测试并完善了我们的IT基础设施和 risk 管理系统，以确保能力。自2015年12月开业至2018年2月，我们还通过线下渠道获得了相当一部分借款人，并主要向这些借款人提供我们的线下标准产品，以及非标准贷款产品。我们逐步淘汰了这种做法，因为我们建立了我们的在线市场的重要业务存在。

We offered online standard products with various terms ranging from one to 18 months before we strategically shifted our focus to mid-term loans with a term of 12 months. We currently only offer online standard loan products with a term of 12 months and most of the loans we facilitated since 2018 was with a term of 12 months.

我们提供在线标准产品，各种条款从一个月到18个月不等，然后我们战略性地将我们的重点转移到12个月的中期贷款。我们目前只提供为期12个月的在线标准贷款产品，自2018年以来，我们提供的大部分贷款为期12个月。

Set forth below is a summary of our product mix for the periods and as of the dates indicated.

下面列出的是我们的产品组合的概要为时期和日期指明。

	Average Loan 平均贷款额			Weighted 加权			Weighted 加权			Loan Origination 批出贷款			
	Amount 金额			Average Term 平均期限			Average APR 平均年利率			Volume 音量			
	2016	2017	2018Q3 二〇一八年第三季	2016	2017	2018Q3 二〇一八年第三季	2016	2017	2018Q3 二〇一八年第三季	2016	2017	2018Q3 二〇一八年第三季	
(RMB) (人民币)			(months) (个月)			(%)			(in RMB Millions) (百万人民币)				
Current loan products 目前的贷款产品	8,744	8,999	6,897	12.0	12.0	12.0	27.7%	35.7%	35.1%	782	6,649	17,006	
Other online standard loan products 其他网上标准贷款产品	3,163	1,956	2,130	3.9	2.7	3.0	153.5%	186.2%	35.4%	222	8,692	61	
Offline loan products 线下贷款产品	178,762	138,514	151,172	31.8	34.6	31.4	17.1%	21.4%	20.1%	10,819	4,506	9	
										As of 截至 December 31, 十二月三十一日		As of 截至 September 30, 九月三十日	

	<u>2016</u>	<u>2017</u>	<u>2018</u>
	(in millions) (以百万计)		
Outstanding principal of loans facilitated through our marketplace 通过我们的市场促进的未偿还贷款本金			
Current loan products 目前的贷款产品	561	4,414	10,579
Other online standard loan products 其他网上标准贷款产品	128	2,198	286
Offline loan products 线下贷款产品	<u>9,399</u>	<u>8,098</u>	<u>4,633</u>
Total 合计	<u>10,088</u>	<u>14,710</u>	<u>15,498</u>

We offered substantial amount of offline loan products in 2016 and 2017. As our offline loan products generally have a longer term and a larger loan amount than our current loan products, offline loan products still represent a significant portion of our outstanding principal. We expect such products to phase out gradually in 2020.

我们在2016年和2017年提供了大量的线下贷款产品。由于我们的线下贷款产品通常比我们目前的贷款产品有更长的期限和更大的贷款金额，线下贷款产品仍然占我们未偿还本金的很大一部分。我们预计这类产品将在2020年逐步淘汰。

In 2016 and 2017, we charged higher APRs for certain short-term online standard loan products. We offered such products primarily to attract a broader borrower base. As such products had short terms such as three months, we were able to observe more repayment cycles and accumulate massive repayment data of a large borrower base in a short period of time, identify quality borrowers and grow our borrower base. The number of our borrowers grew from approximately 210,000 in 2016 to approximately 2,855,000 in 2017, and the number of repeat borrowers grew from approximately 9,000 in 2016 to approximately 1,201,000. The short-term nature of such loans also led to high principal turnover ratio. While we facilitated other online standard loan products of RMB8,691.6 million in 2017, representing 43.8% of the loan origination volume in 2017, revenue contributed by such products only represented 34.6% of the net revenue in such period. In response to the changing regulatory environment in December 2017 and shifting demands of our target borrower base, we strategically shifted to focus on online standard loan products with a term of 12 months, and at the same time, adjusted the APR of our loan products to below 36%. Despite the decrease in APR, relatively larger loan amount and longer loan term of our current loan products allowed us to increase our profit margin. In 2017 and the nine months ended September 30, 2018, our net profit margin, which represents our net income divided by our net revenue, was 24.0% and 20.4%, respectively.

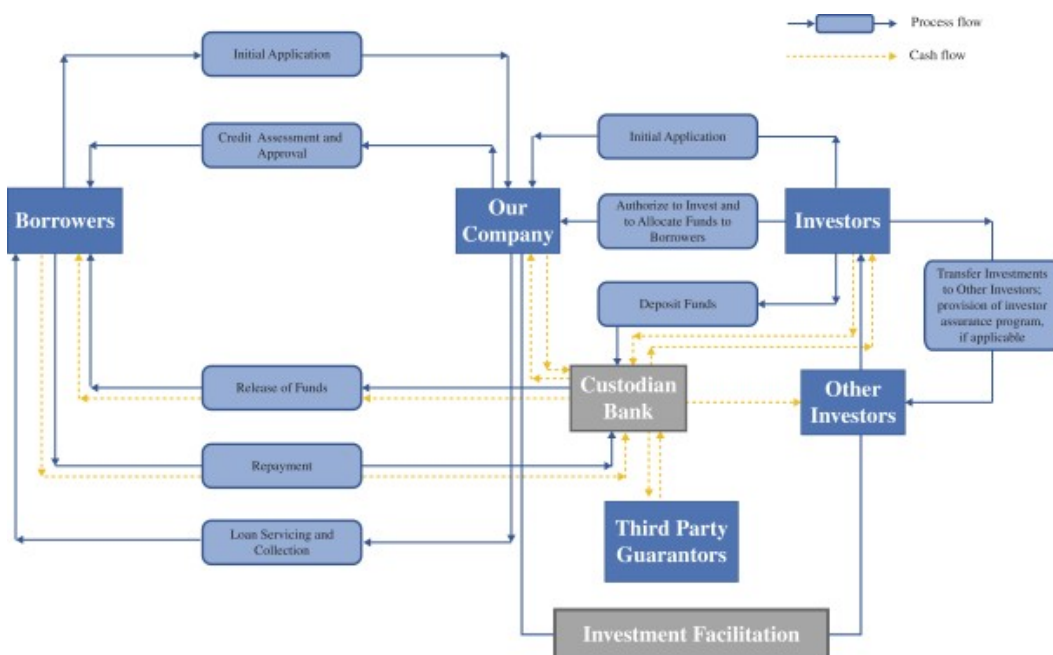
在2016年和2017年，我们对某些短期在线标准贷款产品收取了更高的年利率。我们提供这些产品主要是为了吸引更广泛的借款人基础。由于这类产品的还款期较短，例如三个月，因此我们能够观察到更多的还款周期，并能在短时间内收集大型借款人基数的大量还款数据，确定优质借款人，扩大借款人基数。我们的借款人数量从2016年的大约21万人增加到2017年的大约285.5万人，重复借款人数量从2016年的大约9000人增加到大约120.1万人。此类贷款的短期性质也导致本周转率偏高。虽然我们在2017年推出了其他网上标准贷款产品86.916亿元人民币，占2017年贷款总额的43.8%，但这些产品带来的收入仅占同期净收入的34.6%。为了应对2017年12月不断变化的监管环境和我们目标借款人基础不断变化的需求，我们策略性地将重点转移到为期12个月的网上标准贷款产品上，同时将我们贷款产品的年利率调整到低于36%。尽管年利率下降，相对较大的贷款金额和较长的贷款期限，我们目前的贷款产品允许我们增加我们的利润率。在2017年和截至2018年9月30日的9个月中，我们的第一净收益率收入占净收入的比例分别为24.0%和20.4%。

## Our Marketplace and Transaction Processes

### 我们的市场和交易流程

We provide a streamlined and smooth user experience for investors and borrowers. The process on our mobile apps and website is designed to be simple, seamless and efficient while our marketplace leverages sophisticated, proprietary technologies to make it possible.

我们为投资者和借款人提供简化和流畅的用户体验。我们的移动应用程序和网站的设计过程是简单、无缝和高效的，而我们的市场利用复杂的专有技术使其成为可能。





## **Transaction Process for Investors**

### 投资者的交易程序

#### *Application*

##### 申请

After an investor has used a mobile phone number to register a user account on our marketplace, he or she is required to provide his or her name and identity card number and link one of his or her bank accounts with the user account with us before the user can make an investment.

当投资者使用流动电话号码在我们的市场上注册一个用户帐户后，他或她必须提供他或她的姓名和身份证号码，并将他或她的一个银行帐户与我们的用户帐户联系起来，才能进行投资。

#### *Investment and Loan Allocation*

##### 投资及贷款分配

An investor on our marketplace needs to open a personal custody account with our custodian bank. The investor may deposit funds from his or her linked bank account into the custody account. When making an investment utilizing the self-discretionary investing tool, pursuant to the multilateral loan agreement the investor authorizes the custodian bank on his or her behalf to allocate funds to the borrower. For investors opting for the automated investment programs, upon expiration of the subscription period, our system will automatically match the investment with one or more loans in the relevant automated investment program and generate multilateral loan agreements accordingly. Our system automatically reinvests the investor's investment proceeds as soon as a loan is repaid during the term of the investment program, enabling investors to accelerate reinvestment of repayments they receive without having to revisit our app. We offered investor assurance programs to repay investors on our marketplace for loans that are past due. See “—User Protection—Investor Assurance Programs.”

我们市场上的投资者需要在我们的托管银行开立一个个人托管账户。投资者可以将其挂钩银行账户的资金存入托管账户。在利用自行酌定的投资工具进行投资时，根据多边贷款协定，投资者授权托管银行代表其向借款人分配资金。对于选择自动化投资方案的投资者，在认购期届满时，我们的系统将自动将投资与相关自动化投资方案中的一笔或多笔贷款配对，并据此生成多边贷款协议。我们的系统自动再投资投资者的投资收益一旦贷款偿还期间的投资计划，使投资者能够加快再投资他们收到的偿还，而不必重新审查我们的应用程序。我们提供投资者保证计划，以偿还投资者对我们的贷款市场过期。参见“—用户保护—投资者保障计划”

#### *Transfer*

##### 转移

Our investors may elect to transfer his investment in selected loans or all loans in an investment program to other investors after a close period. Such loans are placed on the secondary loan market. Once another investor commits to buying such loan, we instruct the custodian bank to transfer the corresponding funds from the purchasing investor to the transferring investor, net of the service fees to us.

我们的投资者可以选择在一个投资项目结束后，将他在选定贷款或所有贷款中的投资转移给其他投资者。这些贷款被放在二级贷款市场上。一旦另一个投资者承诺购买这种贷款，我们指示托管银行将相应的资金从购买投资者转移到转让投资者，扣除服务费用。

## **Transaction Process for Borrowers**

### 借款人的交易程序

#### *Application*

##### 申请

An applicant can submit a loan application after he or she has registered a user account using a valid mobile phone number. First time applicants are required to present their PRC identity cards to us via their phone camera or webcam for identity verification. The images of their identity cards will be automatically captured and recognized by our authentication module and authenticated against personal identity data in the database of the Ministry of Public Security of China. In addition, based on the instructions within our Niwodai borrower app or on our website, applicants are also required to do specific poses facing the front camera to complete automatic biometric recognition. Our system authenticates the face recognition result against the database of the Ministry of Public Security of China to detect if it matches the identity card provided by the applicant.

申请人可在使用有效的流动电话号码登记用户后，提交贷款申请。首次申请人须透过手机摄影机或网上摄影机向本处出示其中国国籍身份证，以核实身份。他们的身份证图像将由我们的身份认证模块自动获取和识别，并根据中国公安部数据库中的个人身份数据进行认证。此外，根据我们的 Niwodai 借阅者应用程序或我们的网站上的说明，申请者还需要做一些面向前摄像头的特定姿势，以完成生物特征的自动识别。本系统对中国公安部数据库中的人脸识别结果进行认证，检测是否与申请人提供的身份证相符。

In addition to the identity card, applicants are required to provide basic personal information, including educational level, marital status, occupation, address and bank account information for our credit assessment. Applicants also authorize us to collect data from third parties for purposes of credit assessment. If the applicants have previously applied for loans through our marketplace, they do not need to go through the procedures again,

but may supplement or update their personal information if there are any changes. Furthermore, certain loan products require applicants to provide other specific credentials, including credit card information, payroll or housing funding account information.

除身份证外，申请人亦须提供基本的个人资料，包括学历、婚姻状况、职业、地址及银行帐户资料，以便本处作信贷评估。申请人亦授权本公司向第三者收集资料作信贷评估之用。如果申请人已经通过我们的市场申请贷款，他们不需要再次通过程序，但可以补充或更新他们的个人信息，如果有任何变化。此外，某些贷款产品要求申请人提供其他特定凭证，包括信用卡信息、工资单或住房融资账户信息。

### *Credit Assessment and Approval*

#### 信贷评估及审批

Our credit assessment model automatically computes a credit score for the applicant upon receipt of his or her credit information. The system then assigns a credit limit, annualized fixed interest rate and service fee rates

我们的信用评估模型自动计算信用评分的申请人收到他或她的信用信息。然后系统分配一个信用额度，年化固定利率和服务费率

for the corresponding score to the applicant if the application is approved. If the applicants have previously applied for loans on our marketplace, their credit scores may be adjusted upwards or downwards based on their performance of repayment obligations and updated personal information. Please see “—Credit Assessment and Risk Management System” for a detailed description of our credit assessment and risk management system.

如申请获得批准，申请人可获得相应的分数。如申请人曾经在我们的市场上申请贷款，他们的信用评分可能会根据其还款义务的履行情况和最新的个人资料而上调或下调。有关我们的信用评估及风险管理系统的详细说明，请参阅「信用评估及风险管理系统」。

## Funding

### 资金

After obtaining credit approval, prospective borrowers may submit the final request with loan amount and loan term within the limit of the credit approval. Our automated investment programs will first try to match the prospective borrowers' applications with investors that have subscribed to such programs. If the loan has not been matched automatically through automated investment programs, it will then be listed on our marketplace for investors to view and subscribe. Although there is no guarantee of full subscription, given our sophisticated algorithms and sufficient funding availability, it normally takes less than 70 minutes for a loan to be fully subscribed. In 2017, approximately 85% of the total number of loans facilitated through our marketplace were fully subscribed and funded within two hours. Upon the full subscription of a loan (including through our automated investment programs), our system will automatically generate a multilateral loan agreement among the borrower, one or multiple prospective investors and us which will become effective immediately. We will then instruct the custodian bank to transfer the funding from the investors' account to the borrower's account. We currently do not collect any upfront service fee from borrowers.

在获得信用批准后，潜在的借款人可以在信用批准的限度内提交贷款金额和贷款期限的最终申请。我们的自动化投资项目将首先尝试将潜在的借款人的应用程序与已经订阅此类项目的投资者进行匹配。如果贷款没有通过自动投资程序自动匹配，那么它将在我们的市场上列出，供投资者查看和认购。虽然不能保证全额认购，但考虑到我们先进的算法和充足的资金供应，通常需要不到70分钟的时间才能获得全额认购。在2017年，大约85%的贷款总数通过我们的市场促进完全认购和资金在两个小时内。在全数认购贷款(包括透过我们的自动化投资计划)后，我们的系统会自动在借款人、一位或多位潜在投资者及我们之间产生多边贷款协议，该协议将立即生效。然后，我们将指示托管银行将资金从投资者账户转移到借款人账户。我们目前不向借款人收取任何预付服务费。

## Loan Servicing and Collection

### 贷款服务及收款

We provide repayment reminder services through our in-app notification or SMSs by our service representatives before the due date for each scheduled repayment. Repayments are typically made automatically as the custodian bank collect the amount due from borrower's account as authorized. We charge penalties on a per day basis for past due loan principal. Our borrowers may elect to make full prepayments prior to the date for scheduled repayment once three months have elapsed since origination. We used to collect a one-time prepayment service fee which was terminated in May 2018.

我们会透过应用程式内通知服务或短讯服务，在每次还款限期前由服务代表提供还款提示服务。当托管银行根据授权从借款人的账户收取到期金额时，通常会自动进行还款。我们对逾期贷款本金收取每天一次的罚款。我们的借款人可以选择在预定还款日期之前全额提前还款。我们曾经收取一次性的预付服务费，该服务已于2018年5月终止。

In the event of a repayment default, we utilize different strategies based on the severity of the delinquency.

在发生还款违约的情况下，我们根据违约的严重程度采取不同的策略。

- Upon two days prior to the due date, SMS reminders are sent automatically to borrowers.  
在到期日前两天，短信提醒将自动发送给借款人。
- Within one to seven days past due, we will contact the defaulting borrower by phone to understand reasons for the nonpayment and inform them of consequences of past-due repayments. We are exploring to make automatic voice calls to the defaulting borrowers to achieve operating efficiency.  
在逾期一至七天内，我们会致电拖欠还款的借款人，了解拖欠原因，并通知他们逾期还款的后果。我们正在研究为违约的借款人拨打自动语音电话，以达到营运效率。
- After a loan is past due for over seven days, we constantly contact the defaulting borrowers to remind them to repay the defaulting loan.  
当一笔贷款超过七天到期后，我们会不断联系拖欠的借款人，提醒他们偿还拖欠的贷款。
- Once a payment is past due for more than 45 days, we initiate judicial proceedings against the defaulting borrower or resort to online arbitration and judicial enforcement of the arbitration award. We have included in the multilateral loan agreement an arbitration clause which elects online arbitration as dispute resolution method since July 2018. We believe such online arbitration will allow us to quickly enforce our rights and recover the repayment amount we made on behalf of the defaulting borrower and other fees and expenses.  
一旦逾期45天以上，我们将对违约借款人启动司法程序，或诉诸网上仲裁和仲裁裁决的司法执行。自2018年7月起，我们在多边贷款协议中加入了一项仲裁条款，选择网上仲裁作为解决争端的方法。我们相信这样的网上仲裁将使我们能够迅速行使我们的权利，收回我们代表违约借款人支付的还款金额以及其他费用和开支。

We outsource most of our collection services to third-party collection agencies while maintaining a small in-house collection team. We generally utilize our in-house team to collect loans past due for a shorter period of time, and engage third-party collection agencies to collect loans past due for a longer period of time. We also engage third party law firms to assist us in judicial proceedings. We set up key performance indicators, or KPIs, for our in-house collection team and third-party collection agencies to evaluate their collection efficiency and compliance with relevant laws, regulations and internal procedures. Our collection quality assurance team continuously monitors the performance and compliance of our in-house collection team and third-party collection agencies to ensure that they employ appropriate collection methods to achieve better collection performance through KPI tracking, phone call recording assessment, complaint call feedback, internal training and examination.

我们将大部分收集服务外包给第三方收集机构，同时维持一个小型的内部收集团队。我们通常利用我们的内部团队收集过期贷款的时间较短，并聘请第三方收款机构收集过期贷款的时间较长。我们还聘请第三方律师事务所协助我们进行司法程序。我们为内部收款小组及第三方收款机构设立主要表现指标，以评估他们的收款效率及是否符合相关法例、规例及内部程序。我们的收集品质保证小组不断监察内部收集小组和第三方收集机构的表现和遵守情况，以确保他们采用适当的收集方法，通过 KPI 跟踪、电话录音评估、投诉电话反馈、内部培训和审查，提高收集品质。

## Credit Assessment and Risk Management System

### 信用评估与风险管理系统

We operate a highly secure and open platform with proprietary and effective credit assessment model and comprehensive risk management system. Leveraging advanced technologies, including artificial intelligence and big data analytics, we continuously refine, test and optimize our model as our marketplace continues to accumulate and collect more credit data in our operations.

我们运营着一个高度安全和开放的平台，拥有专有和有效的信用评估模型和全面的风险管理系统。利用先进的技术，包括人工智能和大数据分析，我们不断改进、测试和优化我们的模式，因为我们的市场不断积累和收集更多的信用数据在我们的业务。

Our credit assessment model and risk management system have undergone significant evolution. We started building an online credit assessment model since the launch of our online marketplace in December 2015. As we engaged substantial numbers of borrowers offline in 2016 and 2017, we collected information of such borrowers offline in collaboration with our related party Jiayin Credit and manually input such information into our system. We also utilized traditional risk management methodologies such as in-person interviews for borrowers engaged offline for a brief period after the inception of our business. Our borrower engagement efforts gradually shifted from offline to online as our online credit assessment capabilities improved. We no longer offer offline loan products since February 2018 and have fully automated data collection and risk management methodologies accordingly.

我国的信用评估模式和风险管理体系都经历了重大的演变。自从2015年12月我们的在线市场推出以来，我们开始建立一个在线信用评估模型。在2016年和2017年，我们联系了大量离线借款人，与我们的关联方嘉银信贷合作，收集了这些借款人的离线信息，并手动将这些信息输入我们的系统。我们还利用了传统的风险管理方法，例如在我们业务开始后的一个短暂时期内，对离线的借款人进行面对面的访谈。随着我们在线信用评估能力的提高，我们的借款人参与努力逐渐从线下转移到线上。自2018年2月以来，我们不再提供离线贷款产品，并相应地采用了全自动化的数据收集和风险管理方法。

## Data Collection and Pre-processing

### 数据收集和预处理

The first step of our credit assessment process is to collect data from the applicant, which consists of information directly provided by the applicant and information that we collect from third parties with the applicant's authorization. The list below presents the typical types of data that we used as input for our credit assessment.

我们的信用评估程序的第一步是从申请人那里收集数据，包括申请人直接提供的信息和我们经申请人授权从第三方收集的信息。下面列出了我们用作信用评估输入的典型数据类型。

#### Proprietary Data

##### 专有数据

- Data directly provided by the applicant, including PRC identity card OCR verification and live biometric verification as well as the applicant's Debit/credit card number or bank card number, mobile number, social security account and housing provident account information, and job-related information
- 申请人直接提供的资料，包括中华人民共和国身份证光学字符识别及实时生物特征识别，以及申请人的扣帐/信用卡号码或银行卡号码、流动电话号码、社会保障帐户及住房公积金帐户资料，以及与工作有关的资料
- Mobile communication behavior
- 移动通信行为
- Historical credit data accumulated through our marketplace
- 通过我们的市场积累的历史信用数据
- Behavioral data of the applicant's behavior on our marketplace
- 申请人在我们市场上行为的行为数据
- Repayment performance data for repeat borrowers
- 重复借款人的还款表现数据

#### Data from Third Parties

##### 来自第三方的数据

- Personal identity information maintained by an organization authorized by the Ministry of Public Security of China
- \* 由中国公安部授权的组织保存的个人身份信息
- Credit assessment result from third-parties
- 第三方的信用评估结果
- Online data maintained by industry anti-fraud service providers for cross-checking
- 由业界反诈骗服务供应商保存的网上数据供交叉核对
- Online data from Internet service providers
- 互联网服务供应商提供的在线数据
- Online shopping and payment behaviors on certain popular Chinese online retail and mobile commerce platforms
- 中国某些热门网上零售和移动商务平台上的网上购物和支付行为

We feed the raw, unstructured data that we collect into our data pre-processing module to generate high quality structured data as input for our credit assessment modules. Our data pre-processing procedures involve data cleaning, data normalization and feature extraction.

我们将收集的原始数据和非结构化数据输入我们的数据预处理模块，以生成高质量的结构化数据，作为我们信用评估模块的输入。我们的数据/数据预处理过程包括数据清理、数据规范化和特征提取。



## Credit Assessment Model

### 信用评估模型

Our credit assessment system includes three main modules-authentication module, anti-fraud module and scorecard module. In addition, we collaborate with third-party expert consultants to supplement our own credit assessment model.

我们的信用评估系统主要包括三个模块：认证模块、反欺诈模块和记分卡模块。此外，我们与第三方专家顾问合作，以补充我们自己的信用评估模式。

- Authentication Module  
认证模组

The authentication module is a personal information authentication system that verifies and authenticates the identity of the applicant through the information provided by the applicant and third parties. With OCR and facial recognition technologies, the authentication module is able to automatically verify the identity card provided by applicants and their self-taken video against the Ministry of Public Security identity card database. We also cross check the personal and credit information, including social insurance and housing provident account information, against data from third parties to verify the authenticity of the data.

认证模块是一个个人信息认证系统，通过申请人和第三方提供的信息验证和认证申请人的身份。利用 OCR 和面部识别技术，认证模块能够自动对照公安部身份证数据库核实申请人提供的身份证及其自拍视频。我们还交叉检查个人和信用信息，包括社会保险和住房公积金账户信息，对照第三方的数据，以核实数据的真实性。

- Anti-Fraud Module  
反诈骗模组

We have a large database of past fraud accounts information and sophisticated rules in detecting fraudulent behaviors. We have been working closely with multiple partners in a joint effort to identify emerging fraudulent schemes, scams, trends, threats, and criminal organizations and have accumulated massive data relating to fraud. The database we maintain enables us to fine-tune the rules we set and enhance our fraud detection capabilities. Utilizing graph mining technology, this module analyzes each applicant's social proximity or relationships, such as through phone calls and SMSs, to known fraudsters in our database to determine the applicant's likelihood of also being a fraudster. In addition, this module also takes into consideration variables such as specific login device, GPS location, IP address and WiFi network connectivity to detect inconsistency and unusual features of applicants. We also continuously evolve this module to detect fraud clusters across device, environment, behavior and social dimensions. We also maintain a blacklist after detecting any fraudulent borrowers.

我们有一个庞大的数据库，里面有过去欺诈账户的信息，以及发现欺诈行为的复杂规则。我们一直与多个合作伙伴密切合作，共同努力查明新出现的欺诈计划、骗局、趋势、威胁和犯罪组织，并积累了大量与欺诈有关的数据。我们维护的数据库使我们能够微调我们设置的规则，并增强我们的欺诈检测能力。利用图形挖掘技术，该模块分析每个申请人的社会接近或关系，如通过电话和短信，在我们的数据库中已知的欺诈者，以确定申请人也是一个欺诈者的可能性。此外，该模块还考虑到特定的登录设备、GPS 位置、IP 地址和 WiFi 网络连接等变量，以检测申请人的不一致性和不寻常的特征。我们还不断发展这个模块，以检测跨设备、环境、行为和社会维度的欺诈集群。在发现任何欺诈性借款人后，我们还保留了一份黑名单。

- Scorecard Module  
记分卡模块

After a prospective borrower has passed the fraud detection module, we initiate a credit review using our proprietary scorecard module to generate a score for the prospective borrower, which ultimately drives the decision on whether to extend credit and the amount to be extended. Our scorecard module utilizes data we collected from the borrower, such as the credit card transaction record and repayment history, social security and housing provident account information, and data from external parties we are authorized by the borrower to collect. We generally assign the highest score for borrowers who demonstrate the most solid financial position and consistent repayment history. We started using the scorecard module since 2016 and it evolved over time as our product mix evolved and our credit assessment capabilities improve. As part of our credit assessment efforts, we also adapt our scorecard module to our borrower base, which shifted from offline to online and has evolved as we engage borrowers through different channels from time to time. We currently collaborate with more than 250 borrower acquisition channels, while we only collaborated with approximately 100 channels in 2016. Our scorecard module analyzes a different set of data for each loan application compared to earlier versions of the module and we continually test, validate and optimize it by changing the types of data it analyzes and the relative weights of various types of data. In particular, as the quality and availability of various data from third parties which is input in our scorecard module changes over time, we refine our scorecard module accordingly. We currently collaborate with more than 20 third-party data providers, while we only collaborate with only a few in 2016. Continuously refined by machine learning algorithms and the high volume of transaction data we collect, especially proprietary credit repayment records, our scorecard module currently analyzes a large number of variables for each loan application and enables us to better differentiate between creditworthy borrowers and lower quality borrowers. We also enhanced the stability of our scorecard module in view of increased amounts of loan

在潜在借款人通过欺诈检测模块后，我们使用我们的专有记分卡模块启动信用审查，为潜在借款人生成一个分数，最终决定是否提供信贷以及提供多少信贷。我们的记分卡模块利用我们从借款人那里收集的数据，如信用卡交易记录和还款历史、社会保障和住房公积金账户信息，以及我们经借款人授权收集的外部各方的数据。我们通常为那些表现出最稳健的财务状况和持续的还款历史的借款人打分最高。我们从2016年开始使用记分卡模块，随着我们产品组合的演变和我们信用评估能力的提高，它也随着时间的推移而演变。作



为我们信用评估工作的一部分，我们还调整了我们的记分卡模块，以适应我们的借款人基础，从线下转移到线上，并随着我们不时通过不同渠道吸引借款人而不断发展。目前，我们与250多个借款人收购渠道合作，而在2016年，我们只与大约100个渠道合作。我们的记分卡模块分析每个贷款申请的不同数据集，并与该模块的早期版本进行比较，我们通过更改所分析的数据类型和各种数据类型的相对权重来不断测试、验证和优化它。特别是，随着第三方输入到记分卡模块中的各种数据的质量和可用性不断变化，我们相应地改进了记分卡模块。目前，我们与20多家第三方数据提供商合作，而在2016年，我们只与少数几家公司合作。通过机器学习算法和我们收集的大量交易数据，特别是专有的信用还款记录，我们的记分卡模块目前分析了每个贷款申请的大量变量，使我们能够更好地区分信用良好的借款人和低质量的借款人。鉴于贷款数额的增加，我们还加强了记分卡模块的稳定性

applications we receive. As such, the credit scores generated by our scorecard module are not directly comparable across different time periods. Currently the credit scores of our borrowers range from 0 to 100, while 100 represents the lowest credit risk associated with the borrower and 0 represents the highest. We generally reject borrowers with a credit score lower than 0, who we believe have low repayment willingness or capability. Set forth below is a breakdown of loan origination volume by the range of the credit scores of our borrowers as of the time of the loan origination.

我们收到的申请。因此，我们的记分卡模块生成的信用评分在不同的时间段内是无法直接比较的。目前，我们的借款人的信用评分范围从0到100，而100代表与借款人相关的最低信用风险，0代表最高。我们通常拒绝信用评分低于0的借款人，我们认为他们的还款意愿或能力较低。以下是贷款发放量按借款人在贷款发放时的信用评分范围所作的分项数字。

Credit Risk Level/信贷风险水平	Year Ended December 31, 截至十二月三十一日止的一年				Nine Months Ended September 30, 九个月 截至九月三十日	
	2016		2017		2018	
	(in RMB (以人民币计算) millions) 百万)	%	(in RMB (以人民币计算) millions) 百万)	%	(in RMB (以人民币计算) millions) 百万)	%
60+						
60 +	155	15.4	213	1.5	1,316	7.7
40-60	298	29.7	7,593	51.8	7,316	42.9
20-40	228	22.7	2,412	16.5	6,269	36.7
0-20	321	32.2	4,439	30.2	2,166	12.7
<b>Total 合计</b>	<b>1,002</b>	<b>100.0</b>	<b>14,657</b>	<b>100.0</b>	<b>17,067</b>	<b>100.0</b>

- Open Credit Assessment Platform  
开放式学分评估平台

We utilize an open risk management platform. In addition to the credit assessment efforts of our risk management team, we cooperate with leading third-party expert consultants to improve our credit assessment modules from time to time. Following our strict data security policies, we open credit assessment platforms to these third-party expert consultants, where they have access to a limited amount of desensitized, grouped and tagged borrower data, based on which they use such data to develop their own credit assessment models. After we exhaust our internal credit assessment model, we engage reputable third-party expert consultants to help further screen and re-assess the creditworthiness of applicants and identify creditworthy potential borrowers. We deploy and test new models developed by our third-party expert consultants on an ongoing basis for a small portion of users in our test environment. We monitor the subsequent loan performance through repayment cycles and agree for the third-party expert consultants to roll out a new model after it is confirmed to maintain superior credit quality while achieving low delinquency rate. Our third-party expert consultants receive a certain percentage of the service fees we receive from the borrowers. In 2017, our third-party expert consultants helped us identify 7% of the total loan volume facilitated during that period of time. We can incorporate successful models of our third-party expert consultants to our credit assessment model with their consent. At the same time, we continuously refine our own credit assessment model in order to benefit from such cooperation with our third-party expert consultants. We account for the rate and performance of borrowers identified by third-party expert consultants when we evaluate the performance of our internal risk management team. We believe such open platform incentivizes vibrant and healthy collaboration and competition among our internal credit assessment team and our third-party expert consultants.

我们利用一个开放的风险管理平台。除了我们风险管理团队的信用评估工作，我们还与领先的第三方专家顾问合作，不时改进我们的信用评估模块。根据我们严格的数据安全政策，我们向这些第三方专家顾问开放信用评估平台，他们可以访问数量有限的脱敏、分组和标记的借款人数据，他们根据这些数据开发自己的信用评估模型。在用尽我们的内部信用评估模型之后，我们聘请信誉良好的第三方专家顾问，帮助进一步筛选和重新评估申请人的信用可靠性，并确定信用可靠的潜在借款人。我们在测试环境中为一小部分用户持续部署和测试由第三方专家顾问开发的新模型。我们透过还款周期监察其后的贷款表现，并同意由第三方专家顾问推出一新模式，该模式经确认能维持优良的信贷素质，同时达致低拖欠比率。我们的第三方专家顾问从借款人那里收取一定比例的服务费。在2017年，我们的第三方专家顾问帮助我们确定了7%的总贷款额促进在这段时间。我们可以纳入成功的模式，我们的第三方专家顾问，我们的信用评估模式与他们的同意。同时，我们不断完善我们自己的信用评估模型，以便受益于这种合作与我们的第三方专家顾问。当我们评估我们内部风险管理团队的表现时，我们会考虑由第三方专家顾问确定的借款人的利率和表现。我们相信，这样的开放平台激励了我们内部信用评估团队和第三方专家顾问之间充满活力和健康的合作和竞争。

## Pricing

### 定价

Our credit assessment model automatically assigns the appropriate credit line, monthly interest rate and amount of service fees for each approved applicant based on the result of credit assessment and our risk management strategies. Borrowers' credit assessment results may be adjusted based on their performance of repayment obligation and updated personal information. Rejected applicants may also become eligible for reapplication after a certain period of time based on our proprietary risk management strategies.

我们的信用评估模型根据信用评估结果和我们的风险管理策略，自动为每个获批申请人指定合适的信用额度、每月利率和服务费金额。借款人的信贷评估结果可能会因应他们履行还款义务的情况及最新的个人资料而作出调整。被拒绝的申请人也可能成为合格的重新申请后，一段时间的基础上，我们的专有风险管理战略。

### ***Risk Management Team***

#### 风险管理小组

We have a risk management committee, comprised of nine members, that meets regularly to examine the credit, liquidity and operational risks on our marketplace. Our risk management team is responsible for designing

我们有一个风险管理委员会，由9名成员组成，定期开会审查我们市场上的信用、流动性和操作风险。我们的风险管理团队负责设计

and implementing the risk management and credit assessment policies and processes, loan performance analysis, credit model validation and credit decisioning performance. Our risk management team engage in various risk management activities, including reporting on performance trends, monitoring of loan concentrations and stability, performing economic stress tests on loans, randomly auditing loan decisions by our credit assessment model and conducting peer benchmarking and external risk assessments.

执行风险管理和信用评估政策和流程、贷款业绩分析、信用模型验证和信用决策业绩。我们的风险管理团队从事各种风险管理活动，包括报告业绩趋势、监测贷款集中度和稳定性、对贷款进行经济压力测试、根据我们的信用评估模型随机审计贷款决定、进行同行基准评估和外部风险评估。

## User Protection

### 用户保护

We have adopted policies and taken measures to cultivate a risk-cognizant culture. Whenever an investor intends to make an investment, our system will remind the investor to read the risk awareness disclosure showing risks related to the investment.

我们采取了政策和措施，培养风险意识文化。当投资者有意进行投资时，我们的系统会提醒投资者阅读显示投资相关风险的风险意识披露。

## Custodian Bank and Third-Party Payment Service Providers

### 托管银行和第三方支付服务提供商

We have engaged Hengfeng Bank to provide fund custody services for our marketplace, pursuant to which Hengfeng Bank sets up separate custody accounts for our investors and borrowers, and assumes fund custody functions including settlement, accounting and safeguarding funds flow through our marketplace since June 2017. We cooperate with third-party payment service providers to transfer funds between bank accounts of our investors and borrowers and their custody accounts.

我们已聘请恒丰银行为我们的市场提供资金托管服务，根据该服务，恒丰银行为我们的投资者和借款人设立独立托管账户，并自2017年6月起承担资金托管职能，包括结算、会计和保障资金流通。我们与第三方支付服务提供商合作，在投资者和借款人的银行账户及其托管账户之间转移资金。

## Investor Assurance Programs

### 投资者保障计划

#### *Investor Assurance Program Managed by Us*

#### 由我们管理的投资者保障计划

We have established an investor assurance program which is primarily in the form of a risk reserve fund contributed by borrowers to repay investors on our marketplace for loans that were past due and to provide guarantee to investors through the same investor assurance program that was acquired from Niwodai Finance. In accordance with the policy of such investor assurance program published on our website, such investor assurance program covers on a portfolio basis the principal and interest of defaulted loans, payable on a first-loss basis up to the balance of the investor assurance program. Default payments to investors can only be made from the investor assurance program unless the investor assurance program is depleted. Once the investor is paid for a borrower's default, any future amount recovered will be contributed into the investor assurance program and we compensate investors once the investor assurance program is replenished again. As a result, investors will bear the risk that they will not be able to fully recover their investment principal and unpaid interest. We regularly review the borrowers' risk profiles, actual loss rate of each loan product facilitated and relevant economic factors to ensure the delinquency estimations are kept up-to-date and determine the contribution percentages to the investor assurance program.

我们已经建立了一个投资者保证计划，主要是以风险储备基金的形式，由借款人在我们的市场上偿还投资者过期贷款，并通过从Niwodai金融公司获得的同样的投资者保证计划向投资者提供保证。根据我们网站上公布的此类投资者保证计划的政策，此类投资者保证计划以投资组合为基础，涵盖违约贷款的本金和利息，在投资者保证计划的余额之前，以首次亏损为基础支付。除非投资者保证计划耗尽，否则只能通过投资者保证计划向投资者支付违约金。一旦投资者为借款人的违约行为得到偿付，任何未来收回的金额将被纳入投资者保险计划，一旦投资者保险计划再次得到补充，我们将对投资者进行补偿。因此，投资者将承担无法完全收回其投资本金和未支付利息的风险。我们定期检讨借款人的风险状况、每项贷款产品的实际损失率及相关的经济因素，以确保拖欠估计数字及时更新，并确定对投资者保证计划的贡献百分比。

The risk reserve fund for all loans facilitated before April 28, 2018 is managed by Shanghai Caiyin. Set forth below is a summary of certain metrics of the investor assurance program managed by us as well as a few of our liquidity indicators as of the dates indicated.

2018年4月28日前所有贷款的风险准备基金由上海财银管理。下面是我们管理的投资者保证计划的某些指标的摘要，以及我们在指定日期的一些流动性指标。

	As of 截至 December 31, 十二月 三十一日		As of 截至 March 31, 三月三十 一日	As of 截至 June 30, 六月三十 日	As of 截至 September 30, 九月三十日
	2016	2017	2018	2018	2018
	(in RMB millions, except for months) (除个月外, 以百万元人民币计)				
Outstanding principal of loans covered by investor assurance program managed by us* 由我们管理的投资者保险计划覆盖的未偿还贷款本金 *	13,557	16,136	17,532	13,789	8,813 8813
Liability from investor assurance program 来自投资者担保计划的责任	2,174	3,017	3,103	2,642	2,425 2425
Other guarantee liabilities 其他担保负债	2,000	701	440	226	64
Restricted cash 限制性现金	382	155	31	22	16
Assets from investor assurance program, net* 来自投资者保证计划的资产净额 *	161	270	324	27	20
Accounts receivable and contract assets, net 应收帐款及合约资产净值	395	799	1,200	1,148	684
Weighted average remaining term of loans under the investor assurance program managed by us 在美国管理的投资者保障计划下的剩余贷款加权平均数	24.8	13.9	13.6	11.3	8.8

\* Such amounts include outstanding balance of, or assets from investor assurance program for, unsecured loans facilitated through our marketplace covered by the investor assurance program managed by us and loans covered in the investor assurance program that was acquired from Niwodai Finance. The liabilities associated with such loans were accounted for in liability from investor assurance program and other guarantee liabilities, respectively.  
这些金额包括投资者担保计划的未清余额，或者来自投资者担保计划的资产，通过我们管理的投资者担保计划提供的市场担保的无担保贷款，以及从 Niwodai Finance 收购的投资者担保计划提供的贷款。与此类贷款相关的负债分别计入投资者担保计划的负债和其他担保负债。

As we don't manage the investor assurance programs for loans facilitated after April 28, 2018, proceeds from loans facilitated afterwards no longer contribute to the investor assurance program managed by us. Other than contribution from part of the remaining monthly repayment of loans facilitated prior to April 28, 2018, the investor assurance program managed by us will not be further replenished after April 28, 2018. In view of these changes, in order to provide investors on our platform further assurance on their investments, we will compensate investors from our working capital if the investor assurance program managed by us is depleted. We believe we will have sufficient working capital from future cash inflows to compensate investors covered by the investor assurance program managed by us. Our working capital from future cash flows includes, among others, assets from the investor assurance program relating to future fees we expect to receive for services rendered in respect of our investor assurance program, and accounts receivable and contract assets with regards to future non-guarantee service fees. On the one hand, assuming there is no significant market volatility, we expect payouts for such liabilities to decrease through the periods as the loans covered by such program feature monthly repayments, which will reduce the liability recorded. On the other hand, we have achieved increasing net income from our business operations and operating cash inflows in the past and expect such amounts to further increase in accordance with the expansion of our business in the coming years. As such, we expect the investors for loans covered by our investor assurance program to be fully compensated.

由于我们不管理2018年4月28日之后促成的贷款的投资者担保计划，贷款后的收益不再对我们管理的投资者担保计划作出贡献。除了在2018年4月28日之前提供的部分剩余每月还款之外，我们管理的投资者保证计划在2018年4月28日之后将不再得到进一步补充。鉴于这些变化，为了在我们的平台上为投资者提供进一步的投资保证，如果我们管理的投资者保证计划耗尽，我们将从我们的营运资金中补偿投资者。我们相信，我们将从未来的现金流入中获得足够的营运资本，以补偿我们管理的投资者保险计划所涵盖的投资者。我们来自未来现金流的营运资本包括来自投资者保险计划的资产，这些资产与我们期望通过投资者保险计划所提供的服务收取的未来费用有关，以及与未来非担保服务费有关的应收帐款和合同资产。一方面，假设没有重大的市场波动，我们预计这些负债的支出会随着这些计划所涵盖的贷款具有每月偿还的特点而减少，这将减少所记录的负债。另一方面，我们过去从业务运作和营运现金流入所得的净收入不断增加，并预期随着我们业务在未来几年的扩展，净收入会进一步增加。因此，我们希望投资者对我们的投资者保险计划所覆盖的贷款得到充分补偿。

#### ***Investor Assurance Program Managed by an Independent Third Party Guarantor***

##### 由独立第三方担保人管理的投资者保险计划

On April 28, 2018, we began to partner with an independent third party guarantor to provide investor assurance program services for loans newly facilitated since after. In July 2018, we introduced another third party guarantor. Each of the third party guarantors enters into credit consulting and service agreement with borrowers and us for loans covered by the respective investor assurance programs managed by them. Borrowers pay service fees for such services directly to the guarantor, which will be deposited in the respective investor assurance program. Investments made by investors on those loans are protected by the respective investor protection program to the extent of the existing balance of the fund within such investor assurance program. The service fee rate for such loans is agreed upon by us and the third party guarantors. We no longer operate investor assurance program for these loans.

2018年4月28日，我们开始与一个独立的第三方担保人合作，为自年以来新推出的贷款提供投资者担保计划服务。2018年7月，我们推出了另一个第三方担保人。每个第三方担保人与借款人和我们签订信用咨询和服务协议，以获得由他们管理的各自的投资者担保计划所涵盖的贷款。借款人直接向担保人支付服务费，这些费用将存入各自的投资者保险计划。投资者对这些贷款的投资受到各自投资者保护计划的保护，保护范围是基金在这种投资者保证计划内的现有余额。此类贷款的服务费率由我们和第三方担保人商定。我们不再为这些贷款实施投资者担保计划。

#### ***Investor Assurance Program by Partnering with Class B Investors***

##### 与 b 类投资者合作的投资者保障计划

In July 2018, we launched investor assurance programs by partnering with selective investors, or the Class B investors, who have a higher risk tolerance in exchange for higher earnings in managing the investor assurance for the other investors who invest in the same loan product but with lower level of risk tolerance, or the Class A investors. The minimum investment amount for such Class B investment program is RMB1 million. The investment of Class B investors are matched with a number of loans on our marketplace and each of such loans are matched with Class A and Class B investors at the same time. We adjust the ratio of the investment amount by Class A and Class B investors in each loan based on projection of the loan performance. As of the date of the prospectus, investments from Class B investors constitute 5% of the principal of such loan at the time of origination.

2018年7月，我们通过选择与选择性投资者或 b 类投资者合作推出了投资者保证计划，b 类投资者具有较高的风险承受能力，以换取更高的收益，为其他投资于相同贷款产品但风险承受能力较低的投资者或 a 类投资者管理投资者保证。此类 b 类投资项目的最低投资额为100万元人民币。B 类投资者的投资与我们市场上的许多贷款相匹配，而且每个这样的贷款都与 a 类和 b 类投资者同时匹配。我们根据贷款业绩的

预测，调整 a 类和 b 类投资者在每笔贷款中的投资额比例。截至招股说明书日期，b 类投资者的投资占订立该等贷款时本金的5%。

For each loan facilitated under such investor assurance program, a multilateral loan contract is entered among the borrower, us, one or several Class A investors and a Class B investor. The borrower is required to pay certain fees to the Class B investor, which will be contributed to the investor assurance program deposited as restricted cash under the name of the Class B investor. Upon default of the borrower, the Class B investor is

对于根据这种投资者担保计划提供便利的每笔贷款，借款人、美国、一个或多个 a 类投资者和一个 b 类投资者之间签订多边贷款合同。借款人必须向 b 类投资者支付一定的费用，这些费用将作为投资者保证计划的一部分，以 b 类投资者的名义作为限制性现金存入银行。在借款人违约时，b 类投资者为



obligated to compensate the Class A investors with the funds in the investor assurance program and from proceeds he received from the repayment of the loans in the Class B investment program, including the principal, interest, fees, other proceeds, if any, collected by the Class B investor. The investor assurance program is separately managed for each Class B investor under each of his or her investment in the Class B investment program. Upon the maturity of the loans the Class B investors invested in and after the repayment to the Class A investors, Class B investor is entitled to the residual balance of such investor assurance program. We do not assume any liabilities to repay Class A or Class B investors of such loans, even if the balance of the fund and the proceeds received by the Class B investors are not sufficient to fully compensate all Class A investors of such loans.

A类投资者有义务用投资者保险计划的资金和b类投资者偿还b类投资计划贷款的收益，包括b类投资者收取的本金、利息、费用和其他收益(如有的话)，向a类投资者进行赔偿。投资者保证计划在每个b类投资者的b类投资计划下单独管理。B类投资者投资于a类投资者的贷款到期后，b类投资者有权获得该投资者担保计划的剩余余额。即使基金结余及b类投资者所得收益不足以全数补偿所有a类投资者的贷款，我们亦不会承担任何偿还a类或b类投资者有关贷款的责任。

In the three months ended September 30, 2018, we had 74 Class B investors, who invested RMB96.1 million in the Class B investment program, which provides investor assurance program to investments of Class A investors of RMB1,825.7 million, respectively.

在截至2018年9月30日的三个月中，我们有74名b类投资者，他们在b类投资项目中投资了9610万元人民币。b类投资项目为a类投资者分别投资18.257亿元人民币提供投资者担保项目。

We utilize a mix of the investor assurance program managed by third party guarantors and by partnering with Class B investors as of the date of the prospectus. We believe we have experienced a relatively smooth switch of the investor assurance programs, and the investors' enthusiasm was not negatively impacted by investor assurance program provided by third parties other than us. The investors' continued interest in our marketplace was evidenced by the increased investment volume on our marketplace from RMB2.0 billion in April 2018 to RMB2.6 billion in May 2018. In April 2018, the investment volume contributed by new and repeat investors was RMB295.3 million and RMB1,737.6 million, respectively, and in May 2018, the investment volume contributed by new and repeat investors was RMB210.7 million and RMB2,355.5 million, respectively. Our investment volume was negatively impacted by unfavorable market developments in June and July 2018, which we believe was not associated with the switch of the investor assurance program. See "Risk Factors—Any negative publicity with respect to us, the online individual finance industry in general and our third-party partners may materially and adversely affect our business and results of operations."

自招股说明书之日起，我们采用由第三方担保人管理的投资者保证计划和与b类投资者合作管理的混合模式。我们相信我们已经经历了一个相对平稳的投资者担保项目的转变，投资者的积极性并没有受到我们以外的第三方提供的投资者担保项目的负面影响。投资者对我们市场的持续兴趣体现在我们市场的投资额从2018年4月的20亿元人民币增加到2018年5月的26亿元人民币。2018年4月，新投资者和回头客投资额分别为2.953亿元人民币和17.376亿元人民币；2018年5月，新投资者和回头客投资额分别为2.107亿元人民币和23.555亿元人民币。我们的投资量受到了2018年6月和7月不利市场发展的负面影响，我们认为这与投资者担保计划的转变没有关系。见"风险因素—任何对我们、整个网上个人金融业和我们的第三方合作伙伴的负面宣传，都可能对我们的业务和运营结果产生重大和不利的影响。"

As of September 30, 2018, 71.7% and 28.3% of the outstanding principal were covered by the investor assurance program managed by us and the third party guarantors, and all historical defaults on loans covered by the investor assurance program had been repaid. We stopped advertising our investor assurance program in February 2018 in compliance with PRC regulations.

截至2018年9月30日，71.7%和28.3%的未偿还本金由我们和第三方担保人管理的投资者担保计划覆盖，所有投资者担保计划覆盖的贷款的历史违约已经偿还。根据中国法规，我们在2018年2月停止了投资者保证计划的广告宣传。

## User Service

### 用户服务

We believe that our dedication and devotion to superior user service is a significant contributor to our growth. To better serve our users, we adopt user-oriented business practices, including offering user service hotlines and online user service support on our mobile apps and WeChat account. We also offer clear and concise guidelines on our website and within our app to guide investors and borrowers throughout the transaction process. In addition, we provide an online discussion forum, where our current and potential users can communicate with each other and our user service agents. Finally, our user service team frequently reaches out to our users to seek their feedback. We maintain a user complaint feedback channel to improve our products and services. As of December 31, 2017, we had 103 employees in our dedicated user service department.

我们相信，我们的奉献精神 and 奉献精神，以优越的用户服务是一个重要的贡献，我们的增长。为了更好地为用户服务，我们采取了以用户为导向的商业做法，包括在我们的移动应用程序和微信账户上提供用户服务热线和在线用户服务支持。我们还在我们的网站和应用程序中提供简明扼要的指南，以指导投资者和借款人在整个交易过程中。此外，我们还提供了一个在线讨论论坛，在这里我们的现有用户和潜在用户可以相互交流，以及我们的用户服务代理。最后，我们的用户服务团队经常联系我们的用户，寻求他们的反馈。我们维持一个用户投诉反馈渠道，以改善我们的产品和服务。截至2017年12月31日，我们在专门的用户服务部门共有103名员工。

## Overseas Development

### 海外发展

Leveraging on the proprietary technology and operation experience accumulated in China, we are exploring business opportunities in other developing countries with a significant size of low-to mid- income population. We believe that these low-to mid- income populations is currently underserved by local financial systems similar to the financial market situation in China and our credit assessment and risk management system can be readily deployed in these countries.

我们利用在中国积累的专有技术和运营经验，正在其他中低收入人口众多的发展中国家探索商机。我们认为，这些中低收入人口目前没有得到与中国金融市场情况类似的当地金融体系的充分服务，我们的信用评估和风险管理体系可以随时在这些国家部署。

We established our Indonesia office in 2018 to supervise our development in the Southeast Asia. We plan to serve investors and borrowers in the Southeast Asia and other emerging markets with significant demands for

我们于2018年在印度尼西亚设立办事处，监督我们在东南亚的发展。我们计划为东南亚和其他新兴市场的投资者和借款人提供大量的

consumer finance solutions. We plan to cooperate with local partners with strong local presence and stable funding sources. With our risk management technologies and the local expertise of our partners, we believe we will be able to deliver accessible and convenient financial services to our overseas investors and borrowers.

消费金融解决方案。我们计划与当地合作伙伴进行合作，这些合作伙伴拥有强大的当地存在和稳定的资金来源。凭借我们的风险管理技术和本地合作伙伴的专业知识，我们相信能够为海外投资者和借款人提供便捷的金融服务。

## Our Technology and IT Infrastructure

### 我们的科技及资讯科技基础设施

The success of our business is dependent on our strong technological capabilities that support us in delivering superior user experience, safeguarding information on our platform, increasing operational efficiency and enabling innovations. Principal components of our technology system include:

我们业务的成功取决于我们强大的技术能力，支持我们提供卓越的用户体验，保护我们平台上的信息，提高运营效率和实现创新。我们的科技系统的主要组成部分包括：

- *Big data analytics capabilities.* Leveraging a massive user base, we have been continuously improving our data mining and user behavior analytics capabilities, which enable us to build a comprehensive credit profile for each borrower as the basis for our quick and accurate credit decisions. Our data mining and analytics capabilities also allow us to provide an array of automated investment programs to investors and empower numerous aspects of our operations, such as management of the loan lifecycle for borrowers, proprietary fraud detection, graph mining, risk management and financial modeling.  
大数据分析能力。利用庞大的用户基础，我们一直在不断改善我们的数据挖掘和用户行为分析能力，这使我们能够为每个借款人建立一个全面的信用档案，作为我们快速和准确的信贷决策的基础。我们的数据挖掘和分析能力还允许我们向投资者提供一系列自动化投资程序，并授权我们操作的许多方面，如借款人的贷款生命周期管理、专有欺诈检测、图表挖掘、风险管理和金融建模。
- *Artificial Intelligence technologies.* We put together a dedicated team focusing on internal Artificial Intelligence technologies development. Based on the comprehensive range of voice, image and video data collected through our platform, we have strengthened our data-centric machine learning technologies. We also achieved important milestones in the areas of human-computer interaction, OCR and facial recognition, which have been utilized in our risk management system and enabled us to build up a secured and stable platform.  
人工智能技术。我们组建了一个专注于内部人工智能技术开发的团队。基于平台收集的语音、图像和视频数据的综合范围，我们加强了以数据为中心的机器学习技术。我们还在人机交互、光学字符识别和人脸识别等领域取得了重要的里程碑式的进展，这些技术已经应用于我们的风险管理系统，并使我们能够建立一个安全稳定的平台。
- *Highly automated process.* Throughout the life cycle of our loan products, we maintain a highly automated management process to monitor the registration, application, verification, credit assessment, decision making, funding and collections, which enables our self-developed *Niwodai* apps to provide a superior user experience. Our user-friendly *Niwodai* apps grant investors and borrowers a convenient access to our product features, allow them to digest relevant information, and find the loan products that match their needs.  
高度自动化的过程。在我们的贷款产品的整个生命周期内，我们维持一个高度自动化的管理流程，监控注册、申请、验证、信用评估、决策、资金筹措和收款，这使我们自行开发的 *Niwodai* 应用程序能够提供更好的用户体验。我们用户友好的 *Niwodai* 应用程序为投资者和借款人提供了一个方便的途径来使用我们的产品功能，使他们能够消化相关信息，并找到符合他们需求的贷款产品。
- *Data security.* We maintain an effective cyber security system to monitor and manage the traffic to our platform on a real-time basis. Our system is designed to automatically detect suspicious activities and an alert will be instantly sent to our IT team. To minimize the risk of a cyber-attack, we keep and constantly update an internal blacklist of malicious IP addresses. For our daily operation, we collect and store certain personal information, including sensitive information such as people's ID card numbers and bank accounts information. We retrieve such information only upon user's consent and store all data in an encrypted form. We also implement multiple layers of security to insulate our databases from unauthorized access and use sophisticated security protocols for communication among applications.  
资料保安。我们设有有效的网络安全系统，以实时监控及管理平台的网络流量。我们的系统设计自动缺陷可疑活动和警报将立即发送到我们的 IT 团队。为了尽量减少网络攻击的风险，我们保留并不断更新恶意 IP 地址的内部黑名单。在我们的日常运作中，我们收集和储存某些个人信息，包括敏感信息，如人们的身份证号码和银行账户信息。我们只在用户同意的情况下检索这些信息，并以加密形式存储所有数据。我们还实现了多层安全性，将数据库与未经授权的访问隔离开来，并使用复杂的安全协议在应用程序之间进行通信。
- *Stability.* We utilize multiple data centers in different cities and maintain data redundancy through a real-time multi-layer data backup system to ensure the reliability of our network. We have implemented a disaster recovery program which enables us to react appropriately in an emergency and instantly start transferring our data to a back-up data center if needed.  
稳定性。我们利用不同城市的多个数据中心，通过一个实时的多层数据备份系统来维护数据冗余，以确保网络的可靠性。我们实现了一个灾难恢复计划，使我们能够在紧急情况下作出适当反应，并在需要时立即开始将数据传输到备份数据中心。

## Research and Development

## 研究及发展

We had a dedicated research and development team consisting of 355 full-time employees as of December 31, 2017. We implement an agile development approach, which is an iterative and incremental method of managing the design of our products and information technology with an aim to provide new products and services in a highly flexible and interactive manner. We maintain a matrix management system that streamlines the workflows of the entire development process. We implement effective code review, version control

截至2017年12月31日，我们拥有一个由355名全职员工组成的专职研发团队。我们实施敏捷开发方法，这是一种迭代和增量的方法来管理我们的产品和信息技术的设计，目的是以一种高度灵活和交互的方式提供新的产品和服务。我们维护一个矩阵管理系统，该系统可以简化整个开发过程的工作流程。我们实现了有效的代码审查和版本控制

procedures and documentation procedures to achieve higher development efficiency and maintain our high quality code repository. We also maintain an effective log management system for our engineers to conduct log analysis and solve technical issues. We have developed different user-friendly Niwodai apps for investors and for borrowers. The mobile apps enable investors and borrowers to access our marketplace at any time or location that is convenient and are continuously updated for additional features.

程序和文件程序，以实现更高的开发效率和维护我们的高质量代码存储库。我们还维护有效的日志管理系统，以便工程师进行日志分析和解决技术问题。我们为投资者和借款人开发了不同的用户友好型 Niwodai 应用程序。移动应用程序使投资者和借款人可以在任何时间或地点访问我们的市场，这是方便的，并不断更新的额外功能。

## Intellectual Property

### 知识产权

We regard our trademarks, domain names, copyrights, know-how, proprietary technologies and similar intellectual property as critical to our success, and we rely on trademark and trade secret law and confidentiality, invention assignment and non-compete agreements with our employees and others to protect our proprietary rights. We have registered 28 trademarks in the PRC. We are the registered holder of 12 domain names, including [www.niwodai.com](http://www.niwodai.com). We also have 33 copyrights for our proprietary techniques in connection with our systems.

我们认为我们的商标、域名、版权、技术诀窍、专利技术和类似的知识产权对我们的成功至关重要，我们依靠商标和商业秘密法、保密、发明转让和与我们的员工和其他人的竞业禁止协议来保护我们的专利权。我们在中国注册了28个商标。我们是12个域名的注册持有者，包括 [www.niwodai.com](http://www.niwodai.com)。我们还拥有与我们系统相关的专有技术的33个版权。

## Competition

### 竞争

Online individual finance market is an emerging industry in China. It provides a new means for consumers to obtain financing and for investors to seek new investment opportunities. As a leading online individual finance marketplace in China, we face fierce competition from other online marketplaces, online finance service providers as well as traditional financial institutions. Individual finance marketplaces which operate online platforms connecting investors and borrowers compete directly with us for both investors and borrowers. In addition, for borrowers, we compete with other online platforms that engage in the online leading business. We also compete with traditional financial institutions, including credit card issuers, individual finance business units in commercial banks and other individual finance companies. With respect to investors, we primarily compete with providers of other investment products and asset classes, such as equities, bonds, investment trust products, bank savings accounts and real estate. Some of our larger competitors have substantially broader products or service offerings and richer financial resources to support heavy spending on sales and marketing. We believe that our ability to compete effectively for investors and borrowers depends on many factors, including the variety of our products, user experiences on our marketplace, the effectiveness of our risk management system, the returns offered to investors, our marketing and selling efforts and the strength and reputation of our brands.

网上个人理财在我国是一个新兴的行业。它为消费者获得融资和投资者寻求新的投资机会提供了新的手段。作为中国领先的在线个人金融市场，我们面临着来自其他在线市场、在线金融服务提供商以及传统金融机构的激烈竞争。个人金融市场经营的在线平台连接投资者和借款人与我们直接竞争的投资者和借款人。此外，对于借款人，我们与其他从事在线领先业务的在线平台竞争。我们还要与传统的金融机构竞争，包括信用卡发行机构、商业银行的个人金融业务部门和其他个人金融公司。在投资者方面，我们主要与其他投资产品和资产类别的提供者竞争，如股票、债券、投资信托产品、银行储蓄账户和房地产。我们的一些较大的竞争对手拥有更广泛的产品或服务，以及更丰富的财政资源来支持大量的销售和营销支出。我们相信，我们为投资者和借款人进行有效竞争的能力取决于许多因素，包括我们产品的多样性、市场上的用户体验、我们风险管理体系的有效性、为投资者提供的回报、我们的营销和销售努力，以及我们品牌的实力和声誉。

In addition, as our business continues to grow rapidly, we face significant competition for talents, including management, engineers, product managers and risk management personnel. The success of our growth strategy depends in part on our ability to retain existing personnel and attract additional talents.

此外，随着我们的业务持续快速增长，我们面临着人才的激烈竞争，包括管理，工程师，产品经理和风险管理人才。我们成长战略的成功部分取决于我们留住现有人员和吸引更多人才的能力。

## Employees

### 雇员

We had 688, 797 and 822 employees as of December 31, 2016, 2017 and September 30, 2018, respectively. The number of our employees has increased over time commensurate with the expansion of our business. The following table sets forth the breakdown of our employees as of September 30, 2018 by function:

截至二〇一六年十二月三十一日、二〇一七年十二月三十日及二〇一八年九月三十日，我们分别有688,797及822名雇员。随着业务的扩展，我们的员工人数也在不断增加。下表载列截至二〇一八年九月三十日按职能划分的雇员详情：

<u>Functions功能</u>	<u>Number of 数目 Employees 雇员</u>
Origination and servicing department 创办及服务部门	123
General and administrative department 总务及行政部门	159
Sales and marketing department 销售和市场部	186
Research and development department 研发部	<u>354</u>
Total 合计	<u><u>822</u></u>

As of September 30, 2018, all of our employees were based in Shanghai.

截至2018年9月30日，我们所有的员工都在上海工作。



We believe we offer our employees competitive compensation packages and dynamic work environment that encourages initiatives. As a result, we have generally been able to attract and retain qualified personnel and maintain a stable core management team. We plan to hire more experienced and talented employees in the areas such as big data analytics, risk management and operation management as we expand our business.

我们相信，我们为员工提供具有竞争力的薪酬待遇和鼓励创新的动态工作环境。因此，我们基本上能够吸引和留住合格的人员，并维持一个稳定的核心管理团队。随着我们业务的扩张，我们计划在大数据分析、风险管理和运营管理等领域招聘更多有经验和才能的员工。

As required by PRC regulations, we participate in various statutory employee benefit plans, including social insurance funds, namely a pension contribution plan, a medical insurance plan, an unemployment insurance plan, a work-related injury insurance plan and a maternity insurance plan, and a housing provident fund. We are required under PRC law to make contributions to employee benefit plans at specified percentages of the salaries, bonuses and certain allowances of our employees, up to a maximum amount specified by the local government from time to time. In addition, we purchased employer's liability insurance and additional commercial health insurance to increase insurance coverage of our employees. We enter into standard labor, confidentiality and non-compete agreements with our employees. The non-compete restricted period typically expires two years after the termination of employment, and we agree to compensate the employee with a certain percentage of his or her pre-departure salary during the restricted period.

按照中华人民共和国法规的要求，我们参加各种法定的雇员福利计划，包括社会保险基金，即养老金缴款计划、医疗保险计划、失业保险计划、工伤保险计划和生育保险计划，以及住房公积金。根据中华人民共和国法律，我们必须按照雇员工资、奖金和某些津贴的特定百分比，为雇员福利计划作出贡献，但不得超过当地政府不时规定的最高金额。此外，我们还购买了雇主的责任保险和额外的商业健康保险，以增加我们雇员的保险范围。我们与员工签订标准的劳动合同、保密协议和竞业禁止协议。竞业禁止限制期通常在解雇后两年到期，我们同意在限制期内用员工离职前工资的一定百分比作为补偿。

We believe that we maintain a good working relationship with our employees, and we have not experienced any major labor disputes.

我们相信我们与员工保持着良好的工作关系，我们没有经历过任何重大的劳资纠纷。

## Facilities

### 设施

Our principal executive offices are located on leased premises comprising 9,101 square meters in Shanghai, China. We lease our premises from unrelated third parties under operating lease agreements.

我们的主要行政办公室位于租赁房地产包括9101平方米在上海，中国。根据经营租赁协议，我们从不相关的第三方那里租赁房屋。

Our servers are primarily hosted at third-party Internet data centers. We believe that we will be able to obtain adequate facilities, principally through leasing, to accommodate our future expansion plans.

我们的服务器主要托管在第三方互联网数据中心。我们相信，我们将能够获得足够的设施，主要是通过租赁，以满足我们未来的扩展计划。

## Insurance

### 保险业

We provide social security insurance including pension insurance, unemployment insurance, work-related injury insurance and medical insurance for our employees. We also provide additional commercial medical insurance coverage for our key management. We do not maintain business interruption insurance, general third-party liability insurance, product liability insurance or key-man insurance. We consider our insurance coverage to be sufficient for our business operations in China and in line with market practice.

我们为职工提供社会保险，包括养老保险、失业保险、工伤保险和医疗保险。我们还提供额外的商业医疗保险覆盖我们的重点管理。我们不提供业务中断保险、一般第三方责任保险、产品责任保险或关键人员保险。我们认为我们的保险范围足以满足我们在中国的业务运作，并符合市场惯例。

## Legal Proceedings

### 裁判

We are currently not a party to any material legal or administrative proceedings. We may from time to time be subject to various legal or administrative claims and proceedings arising in the ordinary course of business. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management's time and attention.

我们目前不是任何实质性法律或行政诉讼的当事方。我们可能会不时受到各种法律或行政索赔和程序产生的正常业务过程。诉讼或任何其他法律或行政程序，无论结果如何，都可能导致巨大的成本和我们资源的转移，包括我们管理层的时间和注意力。





## REGULATION 规章制度

This section sets forth a summary of the most significant laws, regulations and rules that affect our business activities in the PRC and our shareholders' rights to receive dividends and other distributions from us.

本节概述了影响我们在中国经营活动的最重要的法律、法规和规章，以及我们的股东从我们处获得股息和其他分配的权利。

### Regulations Relating to Online Individual Finance Services

#### 网上个人理财服务规例

Due to the relatively brief history of the online individual finance industry in China, the regulatory framework governing our industry has not developed comprehensively. Even though few specific regulations on online individual finance industry have been issued in the past two years, detailed guidance and interpretation has yet to be promulgated by the regulators. Under PRC laws and regulations, our business practice of online individual finance services is usually categorized as online lending information intermediary services.

由于我国网上个人金融业发展历史相对较短，管理我国网上个人金融业的监管框架还没有得到全面发展。尽管过去两年中，对网上个人金融业的具体规定很少出台，但监管机构尚未颁布具体的指导和解释。根据中国的法律法规，我们的网上个人金融服务业务通常被归类为网上借贷信息中介服务。

#### *Regulations on Online Peer-to-Peer Lending Intermediary Information Services*

##### 网上网络借贷中介信息服务条例

On July 18, 2015, the *Guidelines on Promoting the Healthy Development of Online Finance Industry*, or the Guidelines, were promulgated by ten PRC regulatory authorities, including the PBOC, the MIIT and the CBRC. The Guidelines define online peer-to-peer lending as direct lending between individuals through an online platform, which is under the supervision of the CBRC and governed by the *PRC Contract Law*, the *General Principles of the Civil Law of the PRC*, and related judicial interpretations promulgated by the Supreme People's Court. Pursuant to the Guidelines, a company that provides online peer-to-peer lending information intermediary services shall function clearly as an information intermediary and provide information services rather than provide credit enhancement services or engage in illegal fund-raising.

2015年7月18日，包括中国人民银行、工信部和银监会在内的10个中国监管机构颁布了《促进网络金融业健康发展的指导原则》。指导方针将网上网络借贷定义为个人之间通过网上平台进行的直接借贷，该平台在银监会的监督下，受《中华人民共和国合同法》、《中华人民共和国民事诉讼法通则》以及最高人民法院颁布的相关司法解释的管辖。根据《指引》，提供网上网络借贷服务的公司必须清楚地发挥信息中介机构的作用，提供信息服务，而不是提供信用增级服务或从事非法集资。

On April 12, 2016, the General Office of the State Council issued the *Circular on Implementation Scheme of Special Rectification of Risks in Online Finance Industry*, which emphasizes that the online peer-to-peer lending information intermediary platforms shall operate as information intermediaries and must not engage in certain activities, including but not limited to, setting up capital pool, extending loans, raising illegal fund. Online peer-to-peer lending information intermediary platforms are also required to separate funds of lenders and borrowers from their own funds through custodian services provided by qualified banks. As the implementation rules for online peer-to-peer lending information intermediary platforms, on April 13, 2016, the CBRC issued the *Circular on Implementation Scheme of Special Rectification of Risks in Online Peer-to-Peer Lending Industry*. By categorizing the market players based on their different levels of legal compliance, the CBRC started to regulate the online peer-to-peer lending information intermediary service industry.

2016年4月12日，国务院办公厅下发《关于网上金融业风险专项整治实施方案的通知》，强调网上网络借贷信息中介平台应从事信息中介活动，不得从事包括但不限于设立资金池、发放贷款、筹集违法资金等活动。在线网络借贷信息中介平台也被要求通过合格银行提供的托管服务将贷款人和借款人的资金与他们自己的资金分开。作为中国网络借贷银行网上信息中介平台实施细则，中国银监会于2016年4月13日发布《关于中国网络借贷网上信息产业风险专项整治实施方案的通知》。中国银监会根据市场参与者的不同法律合规程度对其进行分类，开始对网上网络借贷信息中介服务行业进行监管。

On August 17, 2016, the CBRC, the MIIT, the Ministry of Public Security of the PRC, or the MPS, and the CAC jointly issued the *Interim Measures on Administration of Business Activities of Online Lending Information Intermediaries*, or the Interim Measures.

2016年8月17日，中国银监会、工信部、公安部、公安部、网信办联合发布《网络借贷信息中介商务活动管理暂行办法》。

The Interim Measures require the online peer-to-peer lending information intermediary service providers to (i) substantially include "online lending information intermediary" in its business scope filed with the local registration regulatory authority; (ii) complete a filing with local financial regulatory authority; and (iii) apply for appropriate telecommunication business license in accordance with relevant provisions issued by competent telecommunication regulatory authority after completion of the filing with local financial regulatory authority.

《暂行办法》要求网络网络借贷信息中介服务提供者：(一)在向当地注册监管机构备案的业务范围中大量纳入"网络借贷信息中介"; (二)

向当地金融监管机构备案; (三)在向当地金融监管机构备案后, 按照电信监管机构颁发的有关规定申请相应的电信业务许可证。

According to the Interim Measures, online peer-to-peer lending information intermediary service providers shall not engage in or accept entrustment to engage in certain activities, including, among others, (i) financing for themselves directly or indirectly, (ii) holding lenders' funds, including accepting, collecting or gathering funds of lenders directly or indirectly, (iii) providing security to lenders or promising break-even principals and interests directly or in a disguised form, (iv) raising funds by issuing financial products on their own as wealth management products, (v) splitting the maturity term of any financing project, (vi) conducting securitization and (vii) operating equity crowd-funding.

根据《暂行办法》, 网上网络借贷信息中介服务提供者不得从事或接受委托从事某些活动, 其中包括: (一)直接或间接为自己融资; (二)持有贷款人资金, 包括直接或间接接受、收集或收集贷款人资金; (三)为贷款人提供担保或直接或变相承诺盈亏平衡的委托人和利益; (四)通过发行金融产品作为理财产品筹集资金; (五)分割任何融资项目的期限; (六)进行证券化; (七)经营股权集资。

The Interim Measures require that online peer-to-peer lending information intermediary service providers shall restrict the maximum balance of fund borrowed by the same borrower on the same online peer-to-peer lending information intermediary platform as well as on several such online peer-to-peer lending information intermediary platforms so as to prevent credit concentration risks. The maximum balance of fund borrowed by any individual on the same online peer-to-peer lending information intermediary platform shall be RMB200,000, and the aggregate maximum balance of fund borrowed by the same individual on all online peer-to-peer lending information intermediary platforms shall be RMB1,000,000. The maximum balance of fund borrowed by any entity or other kind of organization on the same online peer-to-peer lending information intermediary platform shall be RMB1,000,000, and the aggregate maximum balance of fund borrowed by any entity or other kind of organization on all online peer-to-peer lending information intermediary platforms shall be RMB5,000,000.

《暂行办法》要求网上网络借贷信息中介服务提供者限制同一借款人在同一网上网络借贷信息中介平台以及多个网上网络借贷信息中介平台上的最大借款余额，以防范信贷集中风险。同一个人 在同一网上网络借贷信息中介平台上借款的最高余额为20万元人民币，同一个人 在所有网上网络借贷信息中介平台上借款的最高余额总计为100万元人民币。任何单位或其他组织在同一网上网络借贷信息中介平台上的资金借款最高余额为100万元人民币，任何单位或其他组织在所有网上网络借贷信息中介平台上的资金借款最高余额总计为500万元人民币。

With respect to the online peer-to-peer lending information intermediary platforms established prior to the implementation of the Interim Measures, provided that such platforms have not been in compliance with the applicable requirements of the Interim Measures, the local financial regulatory authority would require such platforms to make correction or rectification within a 12-month transition period specified by the Interim Measures.

关于《暂行办法》实施前建立的网上网络借贷信息中介平台，如果该平台不符合《暂行办法》的适用要求，当地金融监管部门将要求该平台在《暂行办法》规定的12个月过渡期内进行更正或整改。

Pursuant to the Interim Measures, if an online peer-to-peer lending information intermediary service provider violates any applicable laws, regulations or relevant regulatory provisions relating to online peer-to-peer lending information intermediary services, sanctions could be imposed by the local financial regulatory authority or other relevant regulatory authorities, including, among others, supervision interviews, regulatory warning, correction order, condemnation, negative credit record and publication, fine up to RMB30,000, and criminal liabilities if the act constitutes a criminal offense.

根据《暂行办法》，如果网上网络借贷信息中介服务提供者违反与网上网络借贷信息中介服务有关的任何适用法律、法规或相关监管规定，当地金融监管部门或其他相关监管部门可以对其进行处罚，包括监督访谈、监管警告、纠正令、定罪、负信用记录和公布，处以3万元以下罚款，构成犯罪的，还可以追究刑事责任。

In accordance with the Guidelines and the Interim Measures, the CBRC, the MIIT and the State Administration for Industry and Commerce jointly issued *the Guidelines on the Filing-based Administration of the Online Lending Information Intermediaries* on October 28, 2016, setting out detailed rules on the filing-based administrative regime of online lending information intermediaries that require local financial regulators to register, publicize and archive the basic information of online lending information intermediaries within their respective jurisdictions.

根据《指引》和《暂行办法》，中国银监会、工信部和国家工商行政管理总局于2016年10月28日联合发布了《网络借贷信息中介机构备案管理指引》，对网络借贷信息中介机构备案管理制度作了详细规定，要求地方金融监管机构对本辖区网络借贷信息中介机构的基本信息进行登记、公开和存档。

In accordance with the Guidelines and the Interim Measures, the CBRC issued the *Guidelines on Funds Custodian Business in Online Lending Industry*, or the Custodian Guidelines on February 22, 2017, which further clarifies the custodian requirement for the funds of lenders and borrowers held by online peer-to-peer lending information intermediary service providers. Pursuant to the Custodian Guidelines, an online peer-to-peer lending information intermediary service provider shall only designate one qualified commercial bank as its fund custodian institution for the funds of lenders and borrowers held by it. To the extent that the relevant online peer-to-peer lending information intermediary service providers and commercial banks are not in full compliance with the Custodian Guidelines, they are required to make correction or rectification within a six-month rectification period specified by the Custodian Guidelines.

根据《指导意见》和《暂行办法》，银监会于2017年2月22日发布了《网络借贷资金托管业务指导意见》，进一步明确了网络网络借贷信息中介服务提供者持有的借贷资金的托管要求。根据托管指导方针，在线网络借贷信息中介服务提供者只能指定一家合格的商业银行作为其基金托管机构，为其持有的贷款人和借款人提供资金。如果有关的网上网络借贷信息中介服务提供者和商业银行没有完全遵守《托管指南》的规定，他们必须在《托管指南》规定的六个月内进行纠正或更正。

In accordance with the Guidelines and the Interim Measures, the CBRC further issued the *Guidelines on Information Disclosure of Business Activities of Online Lending Information Intermediaries*, or the Disclosure Guidelines, on August 23, 2017. The Disclosure Guidelines further clarifies the disclosure requirements for online peer-to-peer lending information intermediary service providers. Pursuant to the Disclosure Guidelines, online peer-to-peer lending information intermediary service providers shall disclose certain required information on their websites and all the other Internet channels, including mobile applications, WeChat or Weibo official account. The Disclosure Guidelines also require online peer-to-peer lending information intermediary service providers to record all the disclosed information and keep such information in writing for no less than five years from the disclosure date. To the extent that the relevant online peer-to-peer lending information intermediary service providers are not in full compliance with the Disclosure Guidelines, they are required to make correction or rectification within a six-month rectification period specified by the Disclosure Guidelines.

根据《指引》和《暂行办法》，银监会于2017年8月23日进一步发布了《网络借贷信息中介机构业务活动信息披露指引》或《披露指引》。披露指南进一步明确了在线网络借贷信息中介服务提供者的披露要求。根据披露指南，在线网络借贷信息中介服务提供者应在其网站和所有其他互联网渠道上披露某些必要信息，包括移动应用程序、微信或微博官方账户。披露指南还要求在线网络借贷信息中介服务提供者记录所有披露的信息，并将这些信息以书面形式保存至少5年，自披露之日起算。如有关的网上网络借贷资讯中介服务供应商没有完全遵守《披露指引》，他们须在《披露指引》指定的六个月内作出更正或更正。

On December 1, 2017, the Office of the Leading Group for the Special Campaign against Internet Financial Risks and the Office of the Leading Group for the Special Campaign against Peer-to-peer Lending Risks jointly issued the *Circular on Regulating and Rectifying of "Cash Loan" Services*, or Circular 141. Circular 141 sets out the principles and general requirements for the conduct of "cash loan" business by online small loan companies, P2P platforms and banking financial institutions (for the purpose of Circular 141, including banks, trust companies and consumer financial companies). Circular 141 focuses on regulating the "cash loans" with features of no user scenario, specified uses of loan proceeds, specified customer base, or collateral, etc. Circular 141 sets forth several general principles with respect to the regulation of "cash loan" business, including: (i) no organization or individual may conduct the "cash loan" lending business without obtaining relevant approval; (ii) the aggregated borrowing costs of borrowers charged by institutions in the form of interest and various fees should be annualized and subject to the limit on interest rate of private lending provided by the judicial department; (iii) institutions engaged in cash, among others, loan business must follow the "know-your-customer" process and prudentially assess and determine the borrower's suitability, credit limit and cooling-off period, etc; and (iv) all institutions engaged in cash, among others, loan business must enhance their internal risk control and prudentially use the "data-driven" risk management models.

2017年12月1日，互联网金融风险专项整治工作领导小组办公室与网络借贷风险专项整治工作领导小组办公室联合发布《关于规范和纠正现金贷款业务的通知》，即第141号通知。第141号通知规定了网上小额贷款公司、P2P平台和银行金融机构(包括银行、信托公司和消费者金融公司)开展"现金贷款"业务的原则和一般要求。第141号通知的重点是规范"现金贷款"，其特点是没有用户情况、贷款收益的特定用途、特定客户基础或抵押品等。第141号通知阐述规范「现金贷款」业务的一般原则，包括：(一)任何组织或个人未经相关批准，不得经营「现金贷款」贷款业务；(二)机构以利息及各种费用形式收取的借款人合计借款成本按年计算，并须遵守司法机关提供的私人贷款利率上限；(三)从事现金业务的机构，其中包括从事现金业务的机构，必须遵循「认识你的客户」程序，审慎评估及确定借款人的适用性、信贷上限及冷却期等；以及(四)所有从事现金业务的机构，包括贷款业务的机构，必须加强。

On December 8, 2017, the Office of the Leading Group for the Special Campaign against Peer-to-peer Lending Risks released the *Notice on The Improvement and Acceptance of the Peer-to-Peer Online Lending Risk*, or Circular 57. Circular 57 requires local financial regulator, local CBRC, the People's Bank local branch, local public security, local communication administrative department and local AIC to jointly inspect and accept whether an internet lending information intermediary or P2P company complies with the Interim Measures. The P2P company can only be filed records, or P2P Filing, with the local financial regulator after receiving acceptance certificate or document issued jointly by local financial regulator and local CBRC. Normally, the P2P Filing should be completed before April 2018 according to the Circular 57. Circular 57 forbids several credit assignment models, including: (i) providing asset securitization services or transfer creditor's rights in form of packaged assets, securitized assets, trust assets or fund shares; (ii) certain credit transfer from related individual party of the P2P company to the lender on the platform; and (iii) using credit right from the peer-to-peer lending platform as a pledge to borrow money from other lenders.

2017年12月8日，抵御网络借贷风险特别运动领导小组办公室发布了《关于改善和接受 p2p 网络借贷风险的通知》，即第57号通知。第57号通知要求地方金融监管机构、地方银监会、人民银行地方分行、地方公安、地方通信管理部门和地方工商行政管理局联合检查接受网络借贷信息中介机构或 P2P 公司是否符合《暂行办法》。P2p 公司只能在收到当地金融监管机构和当地银监会联合发布的认可证书或文件后，向当地金融监管机构提交记录或 P2P 备案。根据第57号通告，一般而言，P2P 申报应于2018年4月前完成。第57号通知禁止了几种信用转让模式，包括：(i)提供资产证券化服务或以打包资产、证券化资产、信托资产或基金份额的形式转让债权；(ii)从 P2P 公司的关联方平台上的贷款方进行某些信用转让；以及(iii)利用网络借贷平台上的信用权作为质押从其他贷款方借款。

On August 13, 2018, the Office of the Leading Group for the Special Campaign against Peer-to-peer Lending Risks issued the Notice on Conducting Compliance Inspection on P2P Lending Platforms, or the Notice on Compliance Inspection, which requires that P2P lending platforms, local internet finance associations and relevant governmental authorities conduct compliance inspections based on a checklist of 108 compliance criteria and that such inspections shall be completed by December 31, 2018. The Notice on Compliance Inspection further states that only P2P lending platforms which pass the compliance check and satisfy a period of operations and tests may apply for filing.

2018年8月13日，抵御网络借贷风险特别运动领导小组办公室发布了《关于对 P2P 借贷平台进行合规检查的通知》，或称《合规检查通知》，要求 P2P 借贷平台、地方互联网金融协会和相关政府部门根据108合规标准清单进行合规检查，此类检查应在2018年12月31日前完成。《合规检查通知》进一步规定，只有通过合规检查并满足一定操作和测试期限的 P2P 借贷平台才能申请备案。

We have taken various measures to comply with the Interim Measures, the Custodian Guidelines, the Disclosure Guidelines and other laws and regulations that are applicable to our business operations. For example, we have ceased certain practice that could be regarded as a form of credit enhancement or guarantee and engaged Hengfeng Bank as the fund custodian institution for the funds of lenders and borrowers. However, given that detailed regulations and guidance in the area of online peer-to-peer lending information intermediary services are yet to be promulgated, we cannot be certain that our existing practice would not be deemed to violate any existing or future laws, regulations and rules. See "Risk Factors—Risks Relating to Our Business and Industry—The laws and regulations governing online individual finance industry in China are developing and evolving and subject to changes. If we fail to comply with existing and future applicable laws, regulations or requirements of local regulatory authorities, our business, financial condition and results of operations would be materially and adversely affected."

我们已经采取了各种措施来遵守《暂行办法》、《托管准则》、《披露准则》以及其他适用于我们经营活动的法律法规。例如，我们已停止某些可被视为信用提升或担保形式的做法，并委聘恒丰银行为贷款人及借款人的资金保管机构。然而，由于在线网络借贷信息中介服务领域的详细规定和指导尚未公布，我们不能确定我们现有的做法是否会被视为违反任何现有或未来的法律、法规和规则。参见"风险因素—与我们的业务和行业有关的风险—中国网上个人金融业的法律法规正在发展和演变，并受到变化的影响。如果我们不遵守当地监管机构现有和未来适用的法律、法规或要求，我们的业务、财务状况和运营结果将受到重大和不利的影响。"

### **Regulations on Loans between Individuals**

### 个人间贷款规定

Pursuant to the *PRC Contract Law*, a contract is null and void under any of the following circumstances: (i) the contract is concluded through the use of fraud or coercion by one party and thereby damages the interest of

根据《中华人民共和国合同法》的规定，有下列情形之一的，合同无效：(一)一方当事人采取欺诈或者胁迫手段订立合同，损害当事人利益的



the state; (ii) malicious collusion is conducted to damage the interest of the state, the community or any third parties; (iii) an illegitimate purpose is concealed under the guise of legitimate forms of acts; (iv) the contract damages the public interest; or (v) the mandatory provisions of the laws and administrative regulations are violated. A loan agreement becomes effective when an individual lender provides loan to an individual borrower provided that the agreement does not fall into any such circumstance under the *PRC Contract Law*.

(二)恶意串通，损害国家、社会或者第三人利益的；(三)以合法形式掩盖不正当目的的；(四)损害公共利益的；(五)违反法律、行政法规的强制性规定的。个人贷款人向个人借款人提供贷款时，贷款协议生效，但协议不属于《中华人民共和国合同法》规定的任何情形。

In accordance with the *Provisions on Several Issues Concerning Laws Applicable to Trials of Private Lending Cases* issued by the Supreme People's Court on August 6, 2015, or the Private Lending Judicial Interpretations, which became effective on September 1, 2015, in the event that loans are made through an online peer-to-peer lending information intermediary platform and such platform only provides information intermediary services, courts shall dismiss any claim concerned against the platform demanding the repayment of loans by the platform as a guarantor.

根据最高人民法院2015年8月6日发布的《关于审理民间借贷案件适用法律若干问题的规定》，或者2015年9月1日生效的《民间借贷司法解释》，如果贷款是通过网络借贷信息中介平台发放的，且该平台只提供信息中介服务，法院应驳回对平台要求担保人偿还贷款的任何相关索赔。

In addition, the interest rates charged under the loan agreement shall not violate the applicable provisions of the PRC laws and regulations. The Private Lending Judicial Interpretations also provide that agreements between lenders and borrowers on loans with interest rates below 24% per annum are valid and enforceable. As to the loans with interest rates per annum between 24% (exclusive) and 36% (inclusive), if the interest on the loans has already been paid to the lender, and so long as such payment has not damaged the interest of the state, the community or any third parties, the courts will turn down the borrower's request to demand the return of the excess interest payment. If the annual interest rate of a private loan is higher than 36%, the agreement on the excess part of the interest is invalid, and if the borrower requests the lender to return the part of interest exceeding 36% of the annual interest that has been paid, the courts will support such requests. The interest rates of all our loan products are below 36% and certain loans financed by our automated loan investment programs have interest rates that exceed 24%. In addition, on August 4, 2017, the Supreme People's Court issued the *Circular of Several Suggestions on Further Strengthening the Judicial Practice Regarding Financial Cases*, which provides, among others, that (i) the claim of the borrower under a financial loan agreement to adjust or cut down the part of interest exceeding 24% per annum on the basis that the aggregate amount of interest, compound interest, default interest, liquidated damages and other fees collectively claimed by the lender is overly high shall be supported by the PRC courts; and (ii) in the context of Internet finance disputes, if the online peer-to-peer lending information intermediary platforms and the lender circumvent the upper limit of the judicially protected interest rate by charging intermediate fee, it shall be determined as invalid. Furthermore, under Circular 141, the overall borrowing costs charged to borrowers should be calculated by loan interest together with all relevant fees and presented in an annualized form, which shall comply with above provisions on private lending. See "Risk Factors—Risks Relating to Our Business—Changes in PRC regulations relating to interest rates for marketplace and micro-credit lending could have a material adverse effect on our business."

此外，贷款协议规定的利率不得违反中华人民共和国法律法规的有关规定。《私人贷款司法解释》还规定，贷款人和借款人之间关于年利率低于24%的贷款的协议是有效和可执行的。至于年利率在24%（包括在内）至36%（包括在内）之间的贷款，如果贷款利息已经支付给贷款人，而且只要这种支付没有损害国家、社区或任何第三方的利益，法院将驳回借款人要求退还多付利息的请求。如果私人贷款的年利率高于36%，关于超额部分利息的协议无效，如果借款人要求贷款人返还超过已支付年利率36%的利息，法院将支持这种要求。我们所有贷款产品的利率都低于36%，由我们的自动化贷款投资计划融资的某些贷款的利率超过24%。此外，2017年8月4日，最高人民法院发布《关于进一步加强金融案件司法实践若干建议的通知》，其中规定：(i)借款人根据金融贷款协议，以贷款人集体申索的利息、复利、违约利息、liquidated damage 和其他费用总额过高为由，要求调整或削减年利率超过24%的部分，应得到中国法院的支持；(ii)在互联网金融纠纷中，如果网络借贷信息中介平台和贷款人规避受司法保护的利率上限，收取无效费用，则认定为无效利率。此外，根据第141号通知，向借款人收取的总借款成本应以贷款利息连同所有相关费用一起计算，并以年度形式列报，这应符合上述有关私人借贷的规定。见“风险因素—与我们业务有关的风险—中国有关市场利率和小额信贷贷款的法规的修改可能对我们的业务产生实质性的不利影响。”

In addition, pursuant to the *PRC Contract Law*, a creditor may assign its rights under an agreement to a third party, provided that the debtor is notified. Upon due assignment of the creditor's rights, the assignee is entitled to the creditor's rights and the debtor must perform the relevant obligations under the agreement for the benefit of the assignee. We also provide loan transfer services on our platform where lenders can transfer the loans they hold to other lenders upon the maturity of the automated loan investment products.

此外，根据《中华人民共和国合同法》，债权人可以将协议规定的权利转让给第三人，但必须通知债务人。一旦债权到期转让，受让人有权享有债权，债务人必须为受让人的利益履行协议规定的有关义务。我们还在我们的平台上提供贷款转移服务，在自动化贷款投资产品到期时，放款人可以将他们持有的贷款转移给其他放款人。

### **Regulations on Illegal Fund-Raising**

#### **非法集资条例**

The *Measures for the Banning of Illegal Financial Institutions and Illegal Financial Business Operations* promulgated by the State Council in July 1998 and revised in 2011, and the *Circular on Relevant Issues Concerning the Penalty on Illegal Fund-Raising* issued by the General Office of the State Council in July 2007, explicitly prohibit illegal public fund-raising. Anyone who engages in illegal funding raising will be subject to administrative penalty from one time to five times of the illegal revenues, cessation of operation or even criminal liabilities. In addition, the Interim Measures and the Custodian Guidelines purport, among other things, to require each online peer-to-peer lending information intermediary service

provider to separate its own funds from the funds of lenders and borrowers, choose one qualified commercial bank as the fund custodian institution for the

1998年7月国务院发布、2011年修订的《关于取缔非法金融机构和非法金融业务的办法》和2007年7月国务院办公厅发布的《关于惩治非法集资有关问题的通知》明确禁止非法公开集资。任何人非法集资，将受到相当于非法收入一倍至五倍的行政处罚、停业处分甚至刑事责任。此外，《暂行办法》和《托管准则》主张，除其他外，要求每家网上网络借贷信息中介服务提供者将自有资金与贷款人和借款人的资金分开，选择一家合格的商业银行作为基金托管机构

funds of lenders and borrowers, and limit the maximum amount of the loan borrowed by one individual. According to the Custodian Guidelines, online peer-to-peer lending information intermediary service providers are further required to review and verify the records and information of their custody accounts with their fund custodian institutions on a daily basis.

贷款人和借款人的资金，并限制最高贷款额的个人借款。根据托管指导方针，在线网络借贷信息中介服务提供商还被要求每天审查和核实他们在基金托管机构的托管账户的记录和信息。

We act as an information intermediary for and are not a party to the loans facilitated through our platform. We rely on third-party payment processors in handling funds transfer and settlement. We intend to migrate to a new system and have entered into a custody account arrangement with Hengfeng Bank, whereby the funds of lenders and borrowers will be deposited into and settled by custody accounts under its management. See “Risk Factors—Risks Relating to Our Business and Industry—The laws and regulations governing online individual finance industry in China are developing and evolving and subject to changes. If we fail to comply with existing and future applicable laws, regulations or requirements of local regulatory authorities, our business, financial condition and results of operations would be materially and adversely affected.”

我们作为一个信息中介，而不是通过我们的平台促进贷款的一方。我们依靠第三方支付平台处理资金转移和结算。我们打算实行新制度，并与恒丰银行签订托管账户安排，由恒丰银行管理的托管账户存入借款人和贷款人的资金，并进行结算。参见“风险因素—与我们的业务和行业有关的风险—中国网上个人金融业的法律法规正在发展和演变，并受到变化的影响。如果我们不遵守当地监管机构现有和未适用的法律、法规或要求，我们的业务、财务状况和运营结果将受到重大和不利的影响。”

### **Regulations on Anti-money Laundering**

#### **反洗钱条例**

The PRC Anti-money Laundering Law promulgated by the PBOC on October 31, 2006 and effective since January 2007, stipulates that special non-financial institutions which are required by relevant regulations to perform obligations of anti-money laundering shall comply with the anti-money laundering obligations. The PBOC and other regulatory authorities issued a series of administrative regulations and rules to specify the anti-money laundering obligations of financial institutions and special non-financial institutions.

中国人民银行于2006年10月31日颁布并于2007年1月起施行的《中华人民共和国反洗钱法》规定，依照有关规定履行反洗钱义务的特殊非金融机构应当履行反洗钱义务。中国人民银行和其他监管部门颁布了一系列行政法规和规章，明确了金融机构和特殊非金融机构的反洗钱义务。

Furthermore, the Guidelines, the Interim Measures and the Custodian Guidelines require online peer-to-peer lending information intermediary service providers to comply with certain anti-money laundering requirements, including the establishment of a customer identification program, the monitoring and reporting of suspicious transactions, the preservation of customer information and transaction records, and the provision of assistance to the public security authority and judicial authority in investigations and proceedings in relation to anti-money laundering matters.

此外，《准则》、《临时措施》和《托管准则》要求网上网络借贷信息中介服务提供商遵守某些反洗钱要求，包括建立客户识别程序，监测和报告可疑交易，保存客户信息和交易记录，以及在与反洗钱事项有关的调查和诉讼中向公安当局和司法当局提供协助。

While we are in the process of formulating policies and procedures, including internal controls and “know-your-customer” procedures, aimed at preventing money laundering and terrorism financing, we cannot assure you that we will be able to establish and maintain anti-money laundering policies and procedures which can effectively protect our platform from being exploited for money laundering or terrorism financing purposes, or that such policies and procedures, if adopted, will be deemed to be fully in compliance with all applicable anti-money laundering laws and regulations, including the Interim Measures. See “Risk Factors—Risks Relating to Our Business and Industry—Any failure by our third-party service providers to comply with applicable anti-money laundering and anti-terrorism financing laws and regulations could damage our reputation.”

虽然我们正在制定旨在防止洗钱和资助恐怖主义的政策和程序，包括内部控制和“了解你的客户”程序，但我们不能向你保证，我们将能够建立和维持反洗钱政策和程序，有效地保护我们的平台不被用于洗钱或资助恐怖主义的目的，或者这些政策和程序，如果通过，将被视为完全符合所有适用的反洗钱法律和法规，包括临时措施。见“风险因素—与我们的工商业有关的风险—我们的第三方服务提供者如不遵守适用的反洗钱和反恐融资法律法规，可能损害我们的声誉。”

### **Regulations Relating to Foreign Investment**

#### **外商投资条例**

Investment activities in the PRC by foreign investors shall comply with applicable laws and regulations on foreign investment such as the *Guidance Catalog of Industries for Foreign Investment*, or the Catalog, which was promulgated and is amended from time to time by the MOFCOM and the NDRC. The Catalog divides industries into two categories in terms of foreign investment, namely (i) industries in which foreign investment is encouraged; and (ii) industries in which foreign investment is restricted or prohibited, which was updated by the Special Administrative Measures on Access of Foreign Investment (Negative List 2018) on July 28, 2018, or the Special Administrative Measures. Pursuant to the Special Administrative Measures, foreign investment in value-added telecommunication services (with certain exceptions to E-commerce) is restricted.

外国投资者在中华人民共和国境内的投资活动，应当遵守有关外商投资的法律、法规，如商务部、国家发改委发布并不时修订的《外

商投资产业指导目录》或者《外商投资产业指导目录》。《目录》按外商投资分为两类，即(一)鼓励外商投资的行业；(二)限制或禁止外商投资的行业。《外商投资准入特别管理办法》(2018年7月28日《负面清单》)或《特别管理办法》对《目录》进行了更新。根据《特别管理办法》，对外商投资增值电信业务(电子商务除外)实行限制。

Foreign investment in telecommunications companies in the PRC is also governed by the *Provisions on Administration of Foreign-Invested Telecommunications Enterprises*, or the *Foreign-Invested Telecommunications Enterprises Provisions*, which was promulgated by the State Council on December 11,

外商在中国境内投资电信企业也适用国务院12月11日发布的《外商投资电信企业管理规定》或《外商投资电信企业规定》，

2001, and amended on September 10, 2008 and February 6, 2016. The Foreign-Invested Telecommunications Enterprises Provisions prohibit a foreign investor from holding over 50% of the total equity interest in any value-added telecommunication service business in China. In addition, the major foreign investor who invests in a foreign-invested value-added telecommunications enterprise and operates the value-added telecommunication service business in China must demonstrate a good track record and experience in operation of value-added telecommunication service business.

并于2008年9月10日及2016年2月6日修订。《外商投资电信企业规定》禁止外国投资者持有中国电信增值业务50%以上的股权。此外，投资于外商投资的增值电信企业，在中国经营增值电信服务业务的主要外国投资者，必须在经营增值电信服务业务方面有好的业绩和经验。

In addition, a foreign-invested enterprise in PRC shall comply with other regulations on its incorporation, operation and changes, such as the *Law of the People's Republic of China on Wholly Foreign-owned Enterprises (amended in 2016)*, the *Law of the People's Republic of China on Sino-Foreign Equity Joint Ventures (amended in 2016)*, the *Law of the People's Republic of China on Sino-Foreign Cooperative Joint Ventures (amended in 2017)* and the *Interim Administrative Measures for the Record-filing of the Incorporation and Change of Foreign-invested Enterprises (amended in 2017)*.

此外，在中华人民共和国境内的外商投资企业必须遵守其他有关设立、经营和变更的规定，如《中华人民共和国外商独资企业法》(2016年修订)、《中华人民共和国中外合资经营企业法》(2016年修订)、《中华人民共和国中外合作经营企业法》(2017年修订)和《外商投资企业设立和变更备案暂行管理办法》(2017年修订)。

## Regulations Relating to Internet Companies

### 有关互联网公司的规例

#### *Regulations on Value-Added Telecommunication Services*

##### 电信增值业务条例

The *Telecommunications Regulations of the PRC*, or the Telecommunications Regulations, promulgated by the State Council on September 25, 2000 and amended on July 29, 2014 and February 6, 2016, provide a regulatory framework for telecommunication service providers in the PRC. The Telecommunications Regulations require telecommunication service providers to obtain an operating license prior to the commencement operations. The Telecommunications Regulations categorize telecommunication services into basic telecommunication services and value-added telecommunication services. According to the Catalog of Telecommunication Business, attached to the Telecommunications Regulations, both information services and online data processing and transaction processing services provided via fixed network, mobile network and Internet fall within value-added telecommunication services.

国务院于2000年9月25日公布并于2014年7月29日和2016年2月6日修订的《中华人民共和国电信条例》，或称《电信条例》，为中国电信服务提供商提供了监管框架。《电信条例》要求电信服务提供商在开始运营前取得经营许可证。《电信条例》将电信业务分为基本电信业务和增值电信业务。根据《电信条例》所附的《电信业务目录》，通过固定网络、移动网络和互联网提供的信息服务、在线数据处理和交易处理服务均属于增值电信业务。

In July 2017, the MIIT promulgated the *Administrative Measures on Telecommunication Business Operating Licenses*. Under these regulations, a commercial operator of value-added telecommunication services must first obtain a license for value-added telecommunication service business, or VATS License, from the MIIT or its provincial level counterparts.

2017年7月，工信部颁布了《电信营业证管理办法》。根据这些规定，从事增值电信业务的商业经营者，必须先取得工信部或其省级同行颁发的增值电信业务经营许可证，即《电视监控系统许可证》。

In July 2006, the Ministry of Information Industry of the PRC, the predecessor of the MIIT, issued the *Circular on Strengthening the Administration of Foreign Investment in the Operation of Value-added Telecommunication Business*, which prohibits holders of telecommunication business licenses from leasing, transferring or selling their licenses in any form, or providing any resource, sites or facilities, to any foreign investor intending to conduct such business in China.

2006年7月，工业和信息化部的前身中华人民共和国信息产业部发布《关于加强外商投资经营增值电信业务管理的通知》，禁止电信业务许可证持有人以任何形式向有意在中国经营增值电信业务的外国投资者出租、转让或出售其许可证，或提供任何资源、场地或设施。

Before the issuance of the Interim Measures in August 2016, there was no clear or official regulation or guidance from the PRC government as to whether online peer-to-peer lending information intermediary service was a type of value-added telecommunication services and whether its provider should be subject to value-added telecommunication regulations. After the Interim Measures came into force, an online peer-to-peer lending information intermediary platform shall apply for appropriate telecommunication business license in accordance with relevant provisions issued by competent telecommunication regulatory authority after completion of its filing with local financial regulatory authority. However, the relevant implementation rules regarding such telecommunication business license is yet to be issued or specified and therefore currently we are not able to make the necessary application for the VATS License.

在2016年8月《暂行办法》颁布之前，中国政府对于网上网络借贷信息中介服务是否是一种增值电信业务，以及其提供商是否应受增值电信业务监管，没有明确或官方的规定或指导。《暂行办法》实施后，网上网络借贷信息中介平台向当地金融监管部门备案后，应当按照电信主管部门颁发的有关规定申请相应的电信业务许可证。但是，该电信业务许可证的有关实施细则尚未颁发或规定，因此，目前我们无法提出必要的电视监控系统许可证申请。

Furthermore, as we are providing online peer-to-peer lending information intermediary service through mobile applications to mobile device users, we cannot assure you that we will not be required to apply for an operating license for our mobile applications in the future. See “Risk Factors—Risks Relating to Our Business

此外，由于我们正在通过移动应用程序向移动设备用户提供在线网络借贷信息中介服务，我们不能保证我们将来不需要为我们的移动应用程序申请运营许可证。见“风险因素—与我们业务有关的风险”



and Industry—The laws and regulations governing online individual finance industry in China are developing and evolving and subject to changes. If we fail to comply with existing and future applicable laws, regulations or requirements of local regulatory authorities, our business, financial condition and results of operations would be materially and adversely affected.”

行业—中国网上个人金融业的法律法规正在发展和演变，并会随着时代的变化而变化。如果我们不遵守当地监管机构现有和未来适用的法律、法规或要求，我们的业务、财务状况和运营结果将受到重大和不利的影 响。”

### **Regulation on Mobile Internet Applications Information Services**

#### **移动互联网应用信息服务条例**

In addition to the Telecommunications Regulations and other regulations above, mobile application information service providers are especially regulated by the *Administrative Provisions on Mobile Internet Applications Information Services*, or the APP Provisions, which were promulgated by the CAC, on June 28, 2016 and became effective on August 1, 2016. According to the APP Provisions, the CAC and its local counterparts shall be responsible for the supervision and administration of nationwide or local mobile application information, respectively.

除了上述《电信条例》和其他条例外，移动应用信息服务提供商特别受到《移动互联网应用信息服务管理规定》（APP 规定）的监管。该规定由 CAC 于2016年6月28日颁布，并于2016年8月1日生效。根据《中国移动应用程序规定》，中国移动通信总局和地方移动通信总局分别负责全国和地方移动应用程序信息的监督管理工作。

Under the APP Provisions, mobile application information service providers are required to obtain relevant qualifications prescribed by laws and regulations and shall be responsible for the supervision and administration of mobile application information required by laws and regulations and implement the information security management responsibilities strictly, including but not limited to: (i) authenticating the identity information of the registered users, (ii) protecting user information, and obtaining the consent of users while collecting and using users’ personal information in a lawful and proper manner, (iii) establishing information content audit and management mechanism, and taking against any information content in violation of laws or regulations depending on circumstances, and (iv) recording and keeping users’ log information the same for sixty (60) days.

《APP 规定》要求移动应用信息服务提供商取得法律法规规定的相关资质，负责法律法规要求的移动应用信息的监督管理，严格履行信息安全管理职责，包括但不限于：(i)认证注册用户身份信息，(ii)保护用户信息，在合法、正当收集和使用用户个人信息的同时取得用户同意，(iii)建立信息内容审计和管理机制，根据情况对违反法律法规的信息内容进行处理，(iv)记录和保存用户日志信息六十(60)天。

We have implemented necessary programs in our mobile application to make sure the collection, protection and preservation of user information are in compliance with the APP Provisions in all material aspects.

我们已经我们的移动应用程序中实施了必要的程序，以确保用户信息的收集、保护和保存在所有实质方面都符合 APP 规定。

### **Regulations on Internet Security**

#### **互联网安全规则**

Internet information in China is regulated and restricted from a national security standpoint. The Standing Committee of the National People’s Congress, or the SCNPC, has enacted the *Decisions on Maintaining Internet Security* on December 28, 2000 and further amended on August 27, 2009, which may subject violators to criminal punishment for any effort to: (i) gain improper entry into a computer or system of strategic importance; (ii) disseminate politically disruptive information; (iii) leak state secrets; (iv) spread false commercial information; or (v) infringe intellectual property rights. In 1997, the MPS has promulgated measures that prohibit use of the Internet in ways which, among other things, result in a leakage of state secrets or a spread of socially destabilizing content. If an Internet information service provider violates these measures, the MPS and its local counterparts may revoke its operating license and shut down its websites.

从国家安全的角度来看，中国的互联网信息是受到管制和限制的。全国人民代表大会常务委员会于2000年12月28日制定《关于维护互联网安全的决定》，并于2009年8月27日作进一步修订，对下列行为的违法者可能予以刑事处罚：(一)不正当进入具有战略重要性的计算机系统；(二)传播具有政治破坏性的信息；(三)泄露国家秘密；(四)传播虚假商业信息；(五)侵犯知识产权。1997年，公安部颁布措施，禁止以泄露国家机密或传播破坏社会稳定的内容等方式使用互联网。如果互联网信息服务提供商违反了这些措施，公安部及其当地同行可能吊销其营业执照并关闭其网站。

Pursuant to the *Network Security Law of the PRC* promulgated by the SCNPC on November 7, 2016 and effective on June 1, 2017, network operators, including online peer-to-peer lending information intermediary service providers, shall comply with laws and regulations and fulfill their obligations to safeguard security of the network when conducting business and providing services, and take all necessary measures pursuant to laws, regulations and compulsory national requirements to safeguard the safe and stable operation of the networks, respond to network security incidents effectively, prevent illegal and criminal activities, and maintain the integrity, confidentiality and usability of network data.

根据2016年11月7日人大常委会颁布并于2017年6月1日生效的《中华人民共和国网络安全法》，网络运营商，包括网上网络借贷信息中介服务提供者，在开展业务和提供服务时，应当遵守法律法规，履行维护网络安全的义务，依据法律法规和国家强制性要求，采取一切必要措施，保障网络安全稳定运行，有效应对网络安全事件，防止非法和犯罪活动，保持网络数据的完整性、保密性和可用性。



We have, in accordance with relevant provisions on the state network security and the requirements of the state's system for classified protection of information security, conducted the record-filing of class determination and class testing of information system, possessed perfect network security facility and management system such as firewall, intrusion detection, data encryption and disaster recovery, etc.

我们根据国家有关网络安全的规定和国家信息安全分类保护体系的要求，对信息系统进行了分类确定和分类测试的备案，拥有完善的防火墙、入侵检测、数据加密、灾难恢复等网络安全设施和管理系统。

## **Regulations on Privacy Protection**

### 私隐保护规例

The *Several Provisions on Regulating the Market Order of Internet Information Services*, issued by the MIIT in December 2011, provide that an Internet information service provider may not collect any user personal information or provide any such information to third parties without the consent of a user. An Internet information service provider must expressly inform the users of the method, content and purpose of the collection and processing of such user personal information and may only collect such information necessary for the provision of its services. An Internet information service provider is also required to properly maintain the user personal information, and in case of any leak or likely leak of the user personal information, online peer-to-peer lending service providers must take immediate remedial measures and, in severe circumstances, make an immediate report to the telecommunication regulatory authority.

工业和信息化部2011年12月发布的《互联网信息服务市场秩序管理若干规定》规定，互联网信息服务提供商未经用户同意，不得收集用户个人信息或者向第三方提供用户个人信息。互联网信息服务提供者必须明确告知用户收集和处理此类用户个人信息的方法、内容和目的，并且只能收集提供其服务所必需的此类信息。互联网信息服务提供者也必须妥善维护用户的个人信息，如果发生任何泄露或可能泄露用户个人信息的情况，在线网络借贷服务提供者必须立即采取补救措施，并在严重情况下，立即向电信监管机构报告。

In addition, pursuant to the *Decision on Strengthening the Protection of Online Information* issued by the SCNPC in December 2012 and the *Order for the Protection of Telecommunication and Internet User Personal Information* issued by the MIIT in July 2013, any collection and use of user personal information must be subject to the consent of the user, abide by the principles of legality, rationality and necessity and be within the specified purposes, methods and scopes.

此外，根据2012年12月两会《关于加强网络信息保护的決定》和2013年7月工信部《关于保护电信和互联网用户个人信息的決定》，收集和使用用户个人信息必须经用户同意，遵循合法、合理、必要的原则，并符合规定的目的、方法和范围。

Pursuant to the *Ninth Amendment to the Criminal Law of the PRC* issued by the SCNPC in August 2015 and became effective in November, 2015, any Internet service provider that fails to fulfill the obligations related to Internet information security administration as required by applicable laws and refuses to rectify upon orders shall be subject to criminal penalty. On May 8, 2017, the Supreme People's Court and the Supreme People's Procuratorate released the *Interpretations on Several Issues Concerning the Application of Law in the Handling of Criminal Cases Involving Infringement of Citizens' Personal Information*, or the Personal Information Judicial Interpretations, which became effective on June 1, 2017. The Personal Information Judicial Interpretations provide more practical conviction and sentencing criteria for the infringement of citizens' personal information and mark a milestone for the criminal protection of citizens' personal information.

根据2015年8月两会通过并于2015年11月生效的《中华人民共和国刑法第九修正案》，互联网服务提供者不履行法律规定的互联网信息安全管理义务，拒不改正的，依法追究刑事责任。2017年5月8日，最高人民法院、最高人民检察院发布《关于办理侵犯公民个人信息刑事案件适用法律若干问题的解释》或者《个人信息司法解释》，自2017年6月1日起施行。《个人信息司法解释》为侵犯公民个人信息提供了更为实用的定罪量刑标准，标志着公民个人信息刑事保护的一个里程碑。

Furthermore, the Interim Measures require online peer-to-peer lending information intermediary service providers to reinforce the management of information of lenders and borrowers, so as to ensure the legitimacy and security regarding the collection, processing and use of information of lenders and borrowers. Online peer-to-peer lending information intermediary service providers should also keep confidential the information of lenders and borrowers collected in the course of their business, and should not use such information for any other purpose except for services they provide without the consent of lenders or borrowers.

此外，《暂行办法》要求网络借贷信息中介服务提供者加强对贷款人和借款人信息的管理，以确保贷款人和借款人信息的收集、处理和使用的合法性和安全性。在线网络借贷信息中介服务提供者也应该对在其业务过程中收集到的放款人和借款人的信息保密，并且不应该将这些信息用于任何其他目的，除非他们未经放款人或借款人同意而提供的服务。

While we have taken measures to protect the confidential information that we have access to, our security measures could be breached. Any accidental or willful security breaches or other unauthorized access to our platform could cause confidential information of lenders and borrowers to be stolen and used for criminal purposes. Security breaches or unauthorized access to confidential information could also expose us to liability related to the loss of information, time-consuming and expensive litigation and negative publicity. See "Risk Factors—Risks Relating to Our Business and Industry—If we are unable to protect the confidential information of our users and adapt to the relevant regulatory framework regarding protection of such information, our business and operations may be adversely affected."

虽然我们已采取措施保护可接触的机密资料，但我们的保安措施可能会被破坏。任何意外或故意的数字证书认证机构或其他未经授权的访问我们的平台可能会导致机密信息的贷款人和借款人被盗，并用于犯罪目的。数字证书认证机构或未经授权获取机密信息也可能使我们承担与信息丢失、费时费钱的诉讼和负面宣传有关的责任。见「风险因素—与本公司业务有关的风险—若我们不能保障用户的机密资料及适应有关保障这些资料的规管架构，我们的业务及运作可能会受到不利影响。」

## **Regulations on Internet Advertising**

### 网络广告管理规定

The *Interim Measures for Administration of Internet Advertising*, or the Internet Advertising Measures, were promulgated by the SAIC and

became effective on September 1, 2016. According to the Internet Advertising Measures, Internet advertisers are responsible for the authenticity of the content of advertisements. Internet advertisements shall be distinguishable and prominently marked as “advertisements” in order to enable consumers to identify them as advertisements. It is required that publishing and circulating advertisements through the Internet shall not affect the normal use of the Internet by users. It is not allowed to induce users to click on the content of advertisements by any fraudulent means, or to attach advertisements or advertising links in the emails without permission.

国家工商行政管理总局发布《互联网广告管理暂行办法》，自2016年9月1日起施行。根据《互联网广告办法》，互联网广告主对广告内容的真实性负有责任。网络广告应当有明显的“广告”标记，使消费者能够识别为广告。通过互联网发布、传播广告，不得影响用户正常使用互联网。不得以任何欺诈手段诱使使用者点击广告内容，或未经许可在电邮内附上广告或广告连结。

## Regulations on Intellectual Property Rights

### 知识产权条例

The PRC has adopted comprehensive legislation governing intellectual property rights, including copyrights, patents, trademarks and domain names.

中华人民共和国通过了有关知识产权的全面立法，包括版权、专利、商标和域名。

**Copyright.** Copyright in the PRC, including copyrighted software, is principally protected under the *PRC Copyright Law* and related regulations and rules. Under the *PRC Copyright Law*, the term of protection for copyrighted software is 50 years.

版权所有。中国的版权，包括受版权保护的软件，主要受《中华人民共和国版权法》及相关法律法规的保护。根据中华人民共和国著作权法，著作权软件的保护期限为50年。

**Patent.** The *PRC Patent Law* provides for patentable inventions, utility models and designs, which must meet three conditions: novelty, inventiveness and practical applicability. The State Intellectual Property Office under the State Council is responsible for examining and approving patent applications. The duration of a patent right is either 10 years or 20 years from the date of application, depending on the type of patent right.

专利。中华人民共和国专利法规定了发明、实用新型和外观设计专利，必须满足新颖性、创造性和实用性三个条件。国务院知识产权局负责专利申请的审批工作。专利权的期限自申请之日起10年或20年，取决于专利权的类型。

**Trademark.** The *PRC Trademark Law* promulgated on August 23, 1982 and revised on February 22, 1993, October 27, 2001 and August 30, 2013 respectively, and its implementation rules promulgated on August 3, 2002 and revised on April 29, 2014, protect registered trademarks. The *PRC Trademark Law* has adopted a “first-to-file” principle with respect to trademark registration. The Trademark Office under the SAIC is responsible for the registration and administration of trademarks throughout the PRC, and grants a term of ten years to registered trademarks and another ten years if requested upon expiry of the initial or extended term. Trademark license agreements must be filed with the Trademark Office for record.

商标。《中华人民共和国商标法》于1982年8月23日公布，并分别于1993年2月22日、2001年10月27日和2013年8月30日修订。《商标法》及其实施细则于2002年8月3日公布，2014年4月29日修订，保护注册商标。《中华人民共和国商标法》对商标注册采取“先登记”的原则。国家工商行政管理总局下属的商标局负责中华人民共和国全国的商标注册和管理，对注册商标给予10年的期限，如果要求在初始期限或延长期限届满时再给予10年的期限。商标许可协议必须向商标局备案。

**Domain Name.** Domain names are protected under the *Administrative Measures on the Internet Domain Names* promulgated by the MIIT and effective on November 1, 2017. The MIIT is the major regulatory authority responsible for the administration of the PRC Internet domain names. The registration of domain names in PRC is on a “first-apply-first-registration” basis. A domain name applicant will become the domain name holder upon the completion of the application procedure. Our major domain name “niwodai.com” has been registered.

域名。域名受工业和信息化部颁布的《互联网域名管理办法》保护，该办法自2017年11月1日起施行。工信部是负责管理中华人民共和国互联网域名的主要监管机构。中华人民共和国的域名注册采用“先申请后首次注册”的方式。域名申请人在完成申请程序后将成为域名持有人。我们的主要域名“niwodai.com”已经注册。

## Regulations Relating to Mergers and Acquisitions

### 与并购有关的规定

Six PRC regulatory authorities, including the CSRC, jointly adopted the *Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors*, or the M&A Rules, which became effective in September 2006 and were amended on June 22, 2009. The M&A Rules, among other things, require offshore SPVs formed for overseas listing purposes through acquisitions of PRC domestic companies and controlled by PRC companies or individuals, to obtain the approval of the CSRC prior to publicly listing their securities on an overseas stock exchange.

包括中国证监会在内的6个中国监管机构联合通过了《外国投资者对内资企业并购管理条例》，或称《并购规则》，该条例于2006年9月生效，并于2009年6月22日修订。除其他外，《并购规则》规定，通过收购中国国内公司而成立的、由中国公司或个人控制的、为海外上市目的而成立的离岸特殊目的公司，在其证券在海外证券交易所公开上市前，必须获得中国证监会的批准。

While the implementation of the M&A Rules remains unclear, we believe, based on the advice of our PRC counsel, that CSRC approval is not required in the context of this offering because: (i) the PRC Subsidiary was established by means of direct investment rather than by a merger with or an acquisition of any PRC domestic companies as defined under the M&A Rules, and was not a PRC domestic company as defined under the M&A Rules, and (ii) no explicit provision in the M&A Rules classifies the respective contractual arrangements among our PRC Subsidiary, our consolidated VIE and its shareholders as a type of acquisition transaction falling under the M&A Rules. However, as there has been no official interpretation or clarification of the M&A Rules, there is uncertainty as to how this regulation will be interpreted or implemented. See “Risk Factors—Risks Relating to This Offering and our American Depositary Shares—The approval of the CSRC may be required in connection with this offering under PRC law.”

虽然《并购规则》的实施情况仍不明朗，但根据我们的中国法律顾问的建议，我们认为本次发行不需要中国证监会的批准，因为：(i)中国子公司是通过直接投资而不是通过合并或收购《并购规则》所界定的中国国内公司的方式成立的，而且不是《并购规则》所界定的中国

内公司; (ii) 《并购规则》没有明确规定将我们子公司、我们合并的 VIE 及其股东之间的相关合同安排归类为《并购规则》所界定的一种收购交易。但是, 由于对合并和收购规则没有正式解释或澄清, 对于如何解释或执行这一规则存在不确定性。见“风险因素一与此次发行和我们的美国存托股票有关的风险—根据中国法律, 此次发行可能需要中国证监会的批准。”

## Regulations Relating to Foreign Exchange

### 外汇管理条例

#### *Regulations on Foreign Currency Exchange*

#### 外币兑换条例

The principal regulations governing foreign currency exchange in China are the *Foreign Exchange Administration Regulations*, most recently amended in August 2008. Under the *Foreign Exchange*

中国管理外汇兑换的主要法规是《外汇管理条例》, 最近一次修订是在2008年8月。外汇项下

*Administration Regulations*, payments of current account items, such as profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from the SAFE by complying with certain procedural requirements. By contrast, approval from or registration with appropriate regulatory authorities is required where RMB is to be converted into foreign currency and remitted out of China to pay capital account items, such as direct investment, repayment of foreign currency-denominated loans, repatriation of investment and investment in securities outside of China.

《管理条例》规定，利润分配、利息支付、贸易和与服务有关的外汇交易等经常项目，未经国家外汇局事先批准，可以按照一定的程序规定以外币支付。相比之下，将人民币兑换成外币并汇出境外支付资本账户项目，如直接投资、偿还外币贷款、投资汇回国内、境外证券投资等，则需经有关监管部门批准或登记。

On February 13, 2015, the SAFE promulgated the *Circular on Further Simplifying and Improving the Administration of the Foreign Exchange Concerning Direct Investment*, or SAFE Circular 13. After SAFE Circular 13 became effective on June 1, 2015, instead of applying for approvals regarding foreign exchange registrations of foreign direct investment and offshore direct investment from the SAFE, entities and individuals will be required to apply for such foreign exchange registrations from qualified banks. The qualified banks, under the supervision of the SAFE, will directly examine the applications and conduct the registration.

2015年2月13日，国家外汇局发布《关于进一步简化和完善直接投资外汇管理的通知》13。自2015年6月1日国家外汇管理局第13号通知生效以来，有关单位和个人不再向国家外汇管理局申请外商直接投资外汇登记和境外直接投资外汇登记，而是向合格银行申请外汇登记。符合条件的银行在国家外汇局的监管下，直接对申请进行审核和登记。

On March 30, 2015, the SAFE promulgated SAFE Circular 19, to expand the reform nationwide. Under SAFE Circular 19, the foreign exchange capital in the capital account of foreign-invested enterprises upon the confirmation of rights and interests of monetary contribution by the local branches of the SAFE (or the book-entry registration of monetary contribution by the banks) can be settled at the banks based on the actual operation needs of the enterprises. The proportion of discretionary settlement of foreign exchange capital of foreign-invested enterprises is currently 100%. The SAFE can adjust such proportion in due time based on the circumstances of international balance of payments. However, SAFE Circular 19 and SAFE Circular 16 promulgated by the SAFE in June 2016 continue to prohibit foreign-invested enterprises from, among other things, using RMB fund converted from its foreign exchange capitals for expenditure beyond its business scope, investment and financing (except for security investment or guarantee products issued by bank), providing loans to non-affiliated enterprises or constructing or purchasing real estate not for self-use. See “Risk Factors—Risks Relating to Doing Business in China—PRC regulation of loans to and direct investment in PRC entities by offshore holding companies and governmental control of currency conversion may delay or prevent us from using the proceeds of this offering to make loans to or make additional capital contributions to our PRC Subsidiaries, which could materially and adversely affect our liquidity and our ability to fund and expand our business.”

2015年3月30日，国家外汇局发布《外汇局通知》第19号，在全国范围内推进改革。根据国家外汇管理局第19号通知，外商投资企业资本账户的外汇资金，经国家外汇管理局地方分局确认出资权益(或银行出资簿记登记)后，可根据企业实际经营需要在银行结算。目前，外商投资企业自行结算外汇资金的比例为100%。国家外汇局可根据国际收支情况及时调整这一比例。但是，国家外汇局2016年6月发布的第19号通知和第16号通知继续禁止外商投资企业利用外汇资本折算的人民币资金超出经营范围、投融资(银行发行的证券投资或担保产品除外)、向非关联企业提供贷款、建设或购买非自用房地产等。参见“风险因素—在中国做生意的相关风险—中国对境外控股公司向中国实体提供贷款和直接投资的监管以及政府对货币兑换的控制可能会延误或阻止我们使用此次发行的收益向我们的中国子公司提供贷款或向其提供额外的资本出资，这可能会对我们的流动性以及我们的融资和扩大业务的能力产生重大和不利的影响。”

On January 26, 2017, the SAFE issued the *Circular on Further Improving Reform of Foreign Exchange Administration and Optimizing Genuineness and Compliance Verification*, or SAFE Circular 3, which stipulates several capital control measures with respect to the outbound remittance of profit from domestic entities, including (i) under the principle of genuine transaction, banks shall check board resolutions regarding profit distribution, the original version of tax filing records and audited financial statements; and (ii) domestic entities shall hold income to account for previous years' losses before remitting the profits. Moreover, pursuant to SAFE Circular 3, domestic entities shall make detailed explanations of the sources of capital and utilization arrangements, and provide board resolutions, contracts and other proof when completing the registration procedures in connection with an outbound investment.

2017年1月26日，国家外汇局发布《关于进一步完善外汇管理体制，优化资本真实性与合规性核查的通知》(简称《外汇局通知》)，对境内单位利润的境外汇出规定了若干资本管理措施，包括：(一)在真实交易原则下，银行应当对利润分配决议、原纳税记录和经审计的财务报表进行核对；(二)境内单位在汇出利润前，应当对往年亏损进行收入入账核算。此外，根据国家外汇管理局第三号通知，境内单位应当详细说明资金来源和使用安排，并在办理境外投资登记手续时提供董事会决议、合同等证明。

### ***Regulations on Foreign Exchange Registration of Offshore Investment by PRC Residents***

#### **中华人民共和国居民境外投资外汇登记管理条例**

The SAFE promulgated the *Circular on Issues Concerning the Administration of Foreign Exchange of Offshore Investment and Financing through Special Purpose Vehicles and Round-Tripping Investment by PRC Resident*, or SAFE Circular 37, on July 4, 2014, which replaced the former circular commonly known as “SAFE Circular 75.” SAFE Circular 37 requires PRC residents to register with local branches of the SAFE in connection with their direct establishment or indirect control of an offshore entity, for the purpose of offshore investment and financing, with such PRC residents' legally owned assets or equity interests in domestic enterprises or offshore assets or interests, referred to in SAFE Circular 37 as a “special purpose vehicle.” SAFE Circular 37 further requires amendment to the registration in the event of any significant changes with respect to the special purpose

vehicle, such as increase or decrease of capital contributed by PRC residents, share transfer or exchange,

国家外汇管理局于2014年7月4日发布《关于中华人民共和国居民境外特殊用途投融资外汇管理有关问题的通知》或《国家外汇管理局通知37》，取代原通知《国家外汇管理局通知75》国家外汇管理局第37号通知规定，中华人民共和国居民直接设立或间接控制境外实体，以境外投资和融资为目的，在境内企业或境外资产或权益中的合法拥有资产或权益，在国家外汇管理局第37号通知中称为“特殊目的工具”国家外汇管理局通告第37号进一步规定，如果特殊用途工具发生重大变化，如中国居民出资增加或减少、股份转让或交换、



merger, division or other material event. In the event that a PRC shareholder holding interests in a special purpose vehicle fails to fulfill the required SAFE registration, the PRC subsidiaries of that special purpose vehicle may be prohibited from making profit distributions to the offshore parent and from carrying out subsequent cross-border foreign exchange activities, and the special purpose vehicle may be restricted in its ability to contribute additional capital into its PRC subsidiaries. Furthermore, failure to comply with the various SAFE registration requirements described above could result in liability under PRC law for evasion of foreign exchange controls. Mr. Dinggui Yan, Mr. Guanglin Zhang and Mr. Yuanle Wu, who directly or indirectly hold shares in our Cayman Islands holding company and who are known to us as being PRC residents, have completed their SAFE registration pursuant to SAFE Circular 37.

合并、分立或其他重大事件。如果在特殊用途工具中持有权益的中国股东未能履行所要求的国家外汇管理局登记，该特殊用途工具的中国子公司可能被禁止向离岸母公司分配利润和进行随后的跨境外汇活动，特殊用途工具向其中国子公司增加资本的能力可能受到限制。此外，如果不遵守上述各种国家外汇管理局的登记要求，根据中华人民共和国法律，可能会因逃避外汇管制而承担责任。直接或间接持有本公司开曼群岛控股公司股份、本公司已知为中华人民共和国居民的严鼎贵先生、张广林先生和吴元乐先生，已依照国家外汇管理局第37号通知办理外汇登记。

### **Regulations on Employee Share Incentive Plans of Overseas Publicly-Listed Company**

#### 境外上市公司员工股权激励计划管理规定

Pursuant to the *Circular on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Share Incentive Plan of Overseas Publicly-Listed Company*, issued by the SAFE in February 2012, individuals participating in any share incentive plan of any overseas publicly listed company who are PRC citizens or non-PRC citizens who reside in China for a continuous period of not less than one year, subject to a few exceptions, are required to register with the SAFE through a domestic qualified agent, which could be a PRC subsidiary of such overseas publicly listed company, and complete certain other procedures. We and our executive officers and other employees who are PRC citizens or non-PRC citizens who reside in China for a continuous period of not less than one year and have been granted options will be subject to these regulations upon the completion of this offering. Failure by these individuals to complete their SAFE registrations may subject us and them to fines and other legal sanctions. See “Risk Factors—Risks Relating to Doing Business in China—Any failure to comply with PRC regulations regarding the registration requirements for employee share incentive plans may subject the PRC plan participants or us to fines and other legal or administrative sanctions.”

根据国家外汇管理局2012年2月发布的《关于境内个人参与境外上市公司股权激励计划外汇管理有关问题的通知》，境外上市公司参与股权激励计划的个人，如果是中国公民或非中国公民，在中国境内连续居住不少于一年，除少数例外情况外，必须通过境内合格代理机构向国家外汇管理局登记，该代理机构可以是境外上市公司的境内子公司，并完成其他若干程序。我们及我们的行政人员和其他属于中华人民共和国公民或非中华人民共和国公民的雇员，如果在中国连续居住不少于一年，并已被授予选择权，则在本次发售完成后，将受到这些规定的约束。如果这些个人未能完成他们的国家外汇管理局登记，我们和他们可能会受到罚款和其他法律制裁。见“风险因素—在中国做生意的风险—任何不遵守中国有关员工股份激励计划登记要求的规定的行为可能使中国计划参与者或我们受到罚款和其他法律或行政制裁。”

The SAT has issued certain circulars concerning employee share options and restricted shares. Under these circulars, our employees working in China who exercise share options will be subject to PRC individual income tax. Our PRC Subsidiary has obligations to file documents related to employee share options with relevant tax authorities and to withhold individual income taxes of those employees who exercise their share options. If our employees fail to pay or we fail to withhold their income taxes according to relevant laws and regulations, we may face sanctions imposed by the tax authorities or other PRC regulatory authorities.

国家税务总局发布了一些关于员工股票期权和限制性股票的通知。根据这些通知，我们在中国工作的员工如果行使股票期权，将要缴纳中国个人所得税。我们的中国子公司有义务向相关税务机关提交与员工股票期权有关的文件，并对行使股票期权的员工代扣代缴个人所得税。如果我们的员工没有按照有关法律法规缴纳所得税或者我们没有扣留他们的所得税，我们可能会受到税务机关或者其他中华人民共和国监管部门的制裁。

### **Regulations on Dividend Distribution**

#### 关于股利分配的规定

Under our current corporate structure, our Cayman Islands holding company may rely on dividend payments from our PRC Subsidiary, which is a wholly foreign-owned enterprise incorporated in China, to fund any cash and financing requirements we may have. The principal regulations governing distribution of dividends of foreign-invested enterprises include the *Foreign-Invested Enterprise Law of the PRC*, as amended in September 2016, and its implementation rules and the *Company Law of the PRC*. Under these laws and regulations, wholly foreign-owned enterprises in China may pay dividends only out of their accumulated after-tax profits, if any, determined in accordance with PRC accounting standards and regulations. In addition, wholly foreign-owned enterprises in China are required to allocate at least 10% of their respective accumulated profits each year, if any, to fund certain reserve funds until these reserves have reached 50% of the registered capital of the enterprises. Wholly foreign-owned companies may, at their discretion, allocate a portion of their after-tax profits based on PRC accounting standards to staff welfare and bonus funds. These reserves are not distributable as cash dividends.

在我们目前的公司结构下，我们在开曼群岛的控股公司可以依靠我们在中国成立的中国子公司的股息支付来满足我们可能的现金和融资需求。外商投资企业股利分配的主要规定包括2016年9月修订的《中华人民共和国外商投资公司法》及其实施细则和《中华人民共和国公司法》。根据这些法律法规，在中国的外商独资企业只能从根据中国会计准则和规章确定的累计税后利润(如有的话)中支付股利。此外，要求在华外商独资企业每年拨出各自累计利润的至少10% (如有的话)作为一定准备金，直至这些准备金达到企业注册资本的50%。根据中国

会计准则，外资独资公司可自行决定将其税后利润的一部分分配给员工福利和奖金基金。这些准备金不能作为现金股利分配。

### **Regulations Relating to Employment**

#### 与雇佣有关的规例

The *PRC Labor Law* and the *PRC Labor Contract Law* require that employers must execute written employment contracts with full-time employees. All employers must compensate their employees with wages

《中华人民共和国劳动法》和《中华人民共和国劳动合同法》规定，用人单位必须与全职雇员签订书面雇佣合同。所有雇主都必须向雇员支付工资

equal to at least the local minimum wage standards. Violations of the *PRC Labor Law* and the *PRC Labor Contract Law* may result in the imposition of fines and other administrative sanctions, and serious violations may result in criminal liabilities.

至少相当于当地最低工资标准。违反《中华人民共和国劳动法》和《中华人民共和国劳动合同法》，可能会受到罚款和其他行政处罚，严重违法可能会导致刑事责任。

Enterprises in China are required by PRC laws and regulations to participate in certain employee benefit plans, including social insurance funds, namely a pension fund, a medical insurance fund, an unemployment insurance fund, a work-related injury insurance fund and a maternity insurance fund, and a housing provident fund, and contribute to the funds in amounts equal to certain percentages of salaries, including bonuses and allowances, of the employees as specified by the local government from time to time at locations where they operate their businesses or where they are located. According to the *Social Insurance Law of the PRC*, an employer that fails to make social insurance contributions may be ordered to rectify the non-compliance and pay the required contributions within a stipulated deadline and be subject to a late fee of up to 0.05% or 0.2% per day, as the case may be. If the employer still fails to rectify the failure to make social insurance contributions within the stipulated deadline, it may be subject to a fine ranging from one to three times the amount overdue. See “Risk Factors—Risks Relating to Our Business and Industry—Increases in labor costs in the PRC may adversely affect our business and results of operations.” In addition, the *Individual Income Tax Law of the PRC* requires companies operating in China to withhold individual income tax on employees’ salaries based on the actual salary of each employee upon payment.

中华人民共和国法律法规规定，中国企业必须参加社会保险基金(养老基金、医疗保险基金、失业保险基金、工伤保险基金、生育保险基金、住房公积金)等职工福利计划，并按照当地政府规定的职工在企业所在地或者所在地的工资比例，按照一定比例缴纳包括奖金、津贴在内的职工工资。根据《中华人民共和国社会保险法》，未缴纳社会保险费的用人单位，可以责令其纠正违规行为，并在规定的期限内缴纳所需的保险费，并视情况每天缴纳0.05%或0.2%的滞纳金。如果用人单位仍然不能在规定的期限内缴纳社会保险费，可以处以逾期金额一倍至三倍的罚款。见“风险因素—与我们工商业有关的风险—中国劳动力成本的增加可能会对我们的业务和运营结果产生不利影响。”此外，《中华人民共和国个人所得税法》规定，在中国经营的公司必须根据每个雇员支付的实际工资，对雇员的工资代扣代缴个人所得税。

We have not made adequate contributions to employee benefit plans, as required by applicable PRC laws and regulations. See “Risk Factors—Risks Relating to Doing Business in China—Failure to make adequate contributions to various employee benefit plans and withhold individual income tax on employees’ salaries as required by PRC regulations may subject us to penalties.” We have recorded accruals for the estimated underpaid amounts for the current employees in our financial statements.

我们没有按照中国相关法律法规的要求为员工福利计划做出足够的贡献。见“风险因素—在中国做生意的风险—未能按照中华人民共和国条例的要求为各种员工福利计划提供足够的捐款和扣缴员工工资的个人所得税，我们可能会受到处罚我们在财务报表中记录了在职雇员估计的低支付金额。

## Regulations Relating to Tax

### 有关税务的规例

#### *Dividend Withholding Tax*

#### 股息预扣税

Pursuant to the *Enterprise Income Tax Law of the PRC*, or the EIT Law and its implementation rules, which became effective on January 1, 2008, if a non-resident enterprise has not set up an organization or establishment in the PRC, or has set up an organization or establishment but the income derived has no actual connection with such organization or establishment, it will be subject to a withholding tax on its PRC-sourced income at a rate of 10%. Pursuant to the *Arrangement between Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Tax Evasion on Income*, the withholding tax rate in respect to the payment of dividends by a PRC resident enterprise to a Hong Kong resident enterprise is reduced to 5% from a standard rate of 10% if the Hong Kong enterprise directly holds at least 25% of the PRC enterprise. Pursuant to the *Circular on Issues Concerning the Application of the Dividend Clauses of Tax Agreements* issued by the SAT, or SAT Circular 81, a Hong Kong resident enterprise must meet the following conditions, among others, in order to enjoy the reduced withholding tax: (i) it must directly own the required percentage of equity interests and voting rights in the PRC resident enterprise; and (ii) it must have directly owned such percentage in the PRC resident enterprise throughout the 12 months prior to receiving the dividends. There are also other conditions for enjoying the reduced withholding tax rate according to other relevant tax rules and regulations. In August 2015, the SAT promulgated the *Administrative Measures for Non-Resident Taxpayers to Enjoy Treatments under Tax Treaties*, or SAT Circular 60, which became effective on November 1, 2015. SAT Circular 60 provides that non-resident enterprises are not required to obtain pre-approval from the relevant tax authority in order to enjoy the reduced withholding tax rate. Instead, non-resident enterprises and their withholding agents may, by self-assessment and on confirmation that the prescribed criteria to enjoy the tax treaty benefits are met, directly apply the reduced withholding tax rate, and file necessary forms and supporting documents when performing tax filings, which will be subject to post-tax filing examinations by the relevant tax authorities. Accordingly, Jiayin (HK) Limited may be able to enjoy the 5% withholding tax rate for the dividends they receive from our PRC Subsidiary, if it satisfies the conditions prescribed under SAT Circular 81 and other relevant tax regulations and

根据2008年1月1日起施行的《中华人民共和国企业所得税法》或者《企业所得税法》及其实施细则，非居民企业未在中华人民共和国境内设立机构、事业单位，或者已经设立机构、事业单位，但所得与该机构、事业单位没有实际关系的，对其所得按10%的比例征收代扣代缴税款。根据《中华人民共和国内地和香港特别行政区关于对所得避免双重征税和偷漏税的安排》，如果香港企业直接持有中华人民共和国企业至少25%的股份，中华人民共和国居民企业向香港居民企业支付股息的预扣税率由10%的标准税率降至5%。根据国家税务总局发布的《关于适用税收协定股利条款有关问题的通知》或者国家税务总局第81号通知，香港居民企业必须具备以下条件，才能享受减免预提税：

(一)必须直接拥有中华人民共和国居民企业所规定的股权百分比和表决权; (二)必须在收到股利前的12个月内直接拥有中华人民共和国居民企业的股权百分比。按照其他有关税法规定享受降低的预提所得税税率还有其他条件。2015年8月,国家税务总局颁布了《非居民纳税人享受税收协定待遇管理办法》,即国家税务总局第60号通知,自2015年11月1日起施行。国家税务总局第60号通知规定,非居民企业无须取得有关税务机关的预先批准,即可享受降低的预扣税率。非居民企业及其扣缴义务人在自我评估和确认符合享受税收协定优惠的规定条件后,可以直接适用降低的预扣税率,并在申报纳税时提交必要的表格和证明文件,由有关税务机关进行纳税申报后审查。因此,如果嘉荫(香港)有限公司符合《国家税务总局通告》第81号及其他有关税务条例所订明的条件,则该公司从中国内地子公司收取的股息,可享有5%的预扣税税率

rules. However, according to SAT Circular 81 and SAT Circular 60, if the relevant tax authorities consider the transactions or arrangements we have are for the primary purpose of enjoying a favorable tax treatment, the relevant tax authorities may adjust the favorable withholding tax in the future. 规则。但是，根据国家税务总局第81号通知和国家税务总局第60号通知，如果有关税务机关认为我们的交易或安排主要是为了享受税收优惠待遇，今后有关税务机关可以调整优惠的预提税。

## Enterprise Income Tax

### 企业所得税

The EIT Law and its implementing rules are the principal regulations governing enterprise income tax in the PRC. The EIT Law imposes a uniform enterprise income tax rate of 25% on all resident enterprises in the PRC, including foreign-invested enterprises. Under the EIT Law, an enterprise established outside China with its “de facto management body” located within China is considered a “resident enterprise”, which means that it is treated in a manner similar to a PRC domestic enterprise for enterprise income tax purposes. The implementing rules of the EIT Law define “de facto management body” as a managing body that in practice exercises “substantial and overall management and control over the production and operations, personnel, accounting, and properties” of the enterprise.

企业所得税法及其实施细则是我国企业所得税的主要法规。《企业所得税法》对中国境内的所有居民企业，包括外商投资企业，规定统一的企业所得税税率为25%。根据《企业所得税法》，在中国境外设立的企业，其“事实上的管理机构”设在中国境内的，被视为“居民企业”，这意味着就企业所得税而言，其待遇与中国境内企业相似。《企业所得税法》实施细则将“事实管理机构”界定为实际上对企业的生产经营、人事、会计、财产实行实质性全面管理和控制的管理机构。

The SAT issued the *Circular on Issues Concerning the Identification of Chinese-Controlled Offshore Incorporated Enterprises as Resident Enterprises in Accordance With the Actual Standards of Organizational Management*, or SAT Circular 82 in 2009. According to SAT Circular 82, a Chinese-controlled offshore incorporated enterprise will be regarded as a PRC resident enterprise by virtue of having a “de facto management body” in China and will be subject to PRC enterprise income tax on its worldwide income only if all of the following criteria are met: (i) the primary location of the day-to-day operational management is in China; (ii) decisions relating to the enterprise’s financial and human resource matters are made or are subject to approval by organizations or personnel in China; (iii) the enterprise’s primary assets, accounting books and records, company seals, and board and shareholders meeting minutes are located or maintained in China; and (iv) 50% or more of voting board members or senior executives habitually reside in China.

国家税务总局于2009年发布了《关于按照组织管理实际标准确定中国控股境外股份有限公司为居民企业有关问题的通知》，即国家税务总局第82号通知。根据国家税务总局第82号通知，中国控制的境外有限责任公司由于在中国设有“事实上的管理机构”而被视为中华人民共和国居民企业，只有满足下列所有条件，才可对其全球收入征收中华人民共和国企业所得税：(一)日常经营管理的主要地点在中国；(二)与企业财务和人力资源事项有关的决定由中国境内的组织或人员作出或经其批准；(三)企业的主要资产、会计账簿和记录、公司印章以及董事会和股东会议记录常设或保存在中国；(四)50%或更多的董事会成员。

If we were to be considered a PRC resident enterprise, we would be subject to PRC enterprise income tax at the rate of 25% on our global income. In such case, our profitability and cash flow may be materially reduced as a result of our global income being taxed under the EIT Law. We believe that none of our entities outside of China is a PRC resident enterprise for PRC tax purposes. However, the tax resident status of an enterprise is subject to determination by the PRC tax authorities and uncertainties remain with respect to the interpretation of the term “de facto management body.”

如果我们被认为是中国居民企业，我们将被征收中国企业所得税，税率为我们全球收入的25%。在这种情况下，我们的盈利能力和现金流可能会大幅减少，因为我们的全球收入被征税的企业所得税法。我们相信，我们在中国境外的实体均不是用于中国税务目的的中国居民企业。但是，企业的税务居民身份由中华人民共和国税务机关确定，“事实上的管理机构”一词的解释仍然存在不确定性。

In the event that we are considered to be a PRC resident enterprise, interest paid to our overseas shareholders or ADS holders who are non-PRC resident enterprises as well as gains realized by such shareholders or ADS holders from the transfer of our shares or ADSs may be regarded as PRC-sourced income and as a result be subject to PRC withholding tax at a rate of up to 10%, subject to any reduction or exemption set forth in relevant tax treaties, and similarly, dividends paid to our overseas shareholders or ADS holders who are non-PRC resident individuals, as well as gains realized by such shareholders or ADS holders from the transfer of our shares or ADSs, may be regarded as PRC-sourced income and as a result be subject to PRC withholding tax at a rate of 20%, subject to any reduction or exemption set forth in relevant tax treaties.

如果我们被视为中国居民企业，我们向非中国居民企业的海外股东或 ADS 持有人支付的利息，以及这些股东或 ADS 持有人通过转让我们的股份或 ADS 而获得的收益，可被视为生产者责任收入，因此须向中国缴纳10%以下的预扣税，但须遵守相关税务条约中规定的任何减免或豁免，同样地，向我们的海外股东或非居民个人 ADS 持有人支付的股息，以及这些股东或 ADS 持有人通过转让我们的股份或 ADS 而获得的收益，可被视为生产者责任收入，并因此须缴纳中国20%的预扣税，但须遵守。

SAT issued the *Bulletin on Issues of Enterprise Income Tax on Indirect Transfers of Assets by Non-PRC Resident Enterprises*, or SAT Bulletin 7, on February 3, 2015, which replaced or supplemented certain previous rules under the circular commonly known as “SAT Circular 698.” Under SAT Bulletin 7, an “indirect transfer” of assets, including equity interests in a PRC resident enterprise, by non-PRC resident enterprises may be re-characterized and treated as a direct transfer of PRC taxable assets, if such arrangement does not have a reasonable commercial purpose and was established for the purpose of avoiding payment of PRC enterprise income tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax. According to SAT Bulletin 7, “PRC taxable assets” include assets attributed to an establishment in China, immovable

properties in China, and equity investment in PRC resident enterprises. In respect of an indirect offshore transfer of assets of a PRC establishment, the relevant gain is to be regarded as effectively connected

2015年2月3日，国家税务总局发布了《非中华人民共和国居民企业间接转让资产企业所得税问题公告》(简称《国家税务总局第7号公告》)，取代或补充了《国家税务总局第698号通知》中的某些规定。根据《国家税务总局第7号公告》，非中国居民企业“间接转让”资产，包括中国居民企业的股权，如果这种安排没有合理的商业目的，而且是为了避免缴纳中国企业所得税而设立的，可以重新定性为中国应纳税资产。因此，从这种间接转让中获得的收益可能需要缴纳中国企业所得税。根据《国家税务总局公告》第7期，“中国应税资产”包括归属于中国境内机构的资产、在中国境内的不动产和在中国境内企业的股权投资。对于中华人民共和国机构资产的间接离岸转让，相关收益应视为有效关联。



with the PRC establishment and therefore included in its enterprise income tax filing, and would consequently be subject to PRC enterprise income tax at a rate of 25%. Where the underlying transfer relates to the immovable properties in China or to equity investment in a PRC resident enterprise, which is not effectively connected to a PRC establishment of a non-resident enterprise, a PRC enterprise income tax at 10% would apply, subject to available preferential tax treatment under applicable tax treaties or similar arrangements, and the party who is obligated to make the transfer payments has the withholding obligation. There is uncertainty as to the implementation details of SAT Bulletin 7. If SAT Bulletin 7 was determined by the tax authorities to be applicable to some of our transactions involving PRC taxable assets, our offshore subsidiaries conducting the relevant transactions might be required to spend valuable resources to comply with SAT Bulletin 7 or to establish that the relevant transactions should not be taxed under SAT Bulletin 7. See "Risk Factors—Risks Relating to Doing Business in China—We face uncertainty with respect to indirect transfers of equity interests in PRC resident enterprises by their non-PRC holding companies."

并因此纳入其企业所得税申报，因此将按25%的税率缴纳中国企业所得税。如果基础转让涉及中国境内的不动产或中国居民企业的股权投资，而该股权投资与中国境内设立的非居民企业没有实际联系，则根据适用的税收协定或类似安排，在享受税收优惠待遇的前提下，中国企业所得税率为10%，有义务支付转让款的一方有预扣义务。国家税务总局第7号公报的实施细节尚不明确。如果税务机关确定第7号税务公报适用于我们涉及中国应税资产的一些交易，我们进行有关交易的离岸子公司可能需要动用宝贵的资源来遵守第7号税务公报，或确定有关交易不应根据第7号税务公报纳税。参见"风险因素—在中国做生意的相关风险—我们面临非中国控股公司间接转移中国居民企业股权的不确定性。"

Under applicable PRC laws, payers of PRC-sourced income to non-PRC residents are generally obligated to withhold PRC income taxes from the payment. In the event of a failure to withhold, the non-PRC residents are required to pay such taxes on their own. Failure to comply with the tax payment obligations by the non-PRC residents will result in penalties, including full payment of taxes owed, fines and default interest on those taxes.

根据中华人民共和国法律的规定，非中华人民共和国居民从中国取得的所得，其支付者一般有从中国缴纳所得税的义务。如果未能扣缴，非中华人民共和国居民必须自行缴纳税款。非中华人民共和国居民不履行纳税义务将受到处罚，包括全额缴纳所欠税款、罚款和这些税款的违约利息。

#### **PRC Value-Added Tax**

##### **中华人民共和国增值税**

In November 2011, the MOF and the SAT promulgated the *Pilot Plan for Imposition of Value-Added Tax to Replace Business Tax*, pursuant to which, a VAT was imposed to replace the business tax in the transport and shipping industry and some of the modern service industries in certain pilot regions from January 1, 2012. The pilot plan for replacing business tax with VAT was expanded to all regions and industries as of May 1, 2016 according to the *Circular on Fully Promoting the Pilot Plan for Replacing Business Tax with Value-Added Tax* promulgated by the MOF and the SAT in March 2016. Entities or individuals conducting business in the service industry in the PRC are required to pay a value-added tax, or VAT, at a rate of 6% with respect to revenues derived from the provision of online information services. A taxpayer is allowed to offset the qualified input VAT paid on taxable purchases against the output VAT chargeable on the revenue from services provided.

2011年11月，财政部、国家税务总局颁布《增值税代替营业税试点方案》，从2012年1月1日起，在部分试点地区开征增值税，取代运输航运业和部分现代服务业的营业税。根据财政部、国家税务总局2016年3月发布的《关于全面推进增值税代替营业税试点方案的通知》，自2016年5月1日起，增值税代替营业税试点方案扩大到所有地区和行业。在中国从事服务业的单位或个人，提供在线信息服务所得收入必须缴纳增值税，税率为6%。纳税人可以从应税收入中扣除应纳税所得额的进项税额，抵扣应纳税所得额的出项税额。



## MANAGEMENT

### 管理

#### Directors and Executive Officers

#### 董事及行政人员

The following table sets forth information regarding our executive officers and directors as of the date of this prospectus.

下表列出截至本招股说明书之日有关本公司执行干事及董事的资料。

<u>Directors and Executive Officers</u> 董事及行政人员	<u>Age</u> <u>年</u> <u>龄</u>	<u>Position/Title</u> <u>职位/ 职衔</u>
Dingguai Yan 丁桂燕	50	Founder, director and chief executive officer 创始人、董事和首席执行官
Jiong Feng Chunlin Fan 范春林	44	Chief technology officer 首席技术官 Chief financial officer 首席财务官
Yifang Xu 许一方	42	Director Appointee and chief risk officer 被任命的董事和首席风险官
Libin Wang 王立斌	41	Director Appointee* and vice president of finance 被任命的董事和财务副总裁
Yuhchang Hwang 黄裕昌	32	Independent Director Appointee* 获委任的独立董事 *
Meng Rui 孟锐	63	Independent Director Appointee* 获委任的独立董事 *
	51	

\* Each of Ms. Xu, Mr. Wang, Mr. Hwang and Mr. Rui has accepted our appointment to be a director of our company, effective upon the SEC's declaration of effectiveness of our registration statement on Form F-1, of which this prospectus is a part.  
徐女士、王先生、黄先生、芮先生各自接受委任为本公司董事，自证监会关于本招股说明书所列表格 F-1 登记声明生效之日起生效。

**Mr. Dinguai Yan**, 50, is our founder, and has served as our director since 2015, and as our chief executive officer since 2016. He has also been the chief executive officer of Niwodai Internet since 2014, and the chairman and general manager of Jiayin Finance since 2011. Prior to founding our company, Mr. Yan served as the general manager of Beijing Tianrongxin Network Safety Technology Co., Ltd. in the region of Zhejiang from 2007 to 2010. From 2000 to 2006, Mr. Yan served as the general manager of Shanghai Tongtian Information Technology Co., Ltd. Mr. Yan received a master's degree from China Europe International Business School in 2016 and a bachelor's degree from Xidian University in 1990.

50岁的严鼎贵先生是我们的创始人，自2015年以来一直担任我们的董事，自2016年以来担任我们的首席执行官。他还从2014年起担任牛网首席执行官，从2011年起担任嘉银金融董事长兼总经理。在我公司成立之前，2007年至2010年任北京天融信网络安全技术有限公司浙江地区总经理。2000年至2006年，严先生担任上海通天信息技术有限公司总经理。2016年严先生获中欧国际工商学院硕士学位，1990年获西安电子科技大学本科学位。

**Mr. Jiong Feng**, 44, has been our chief technology officer since 2014. Prior to joining our company, Mr. Feng worked as a chief architect for commercial products at Cheetah Mobile Inc. from 2013 to 2014. From 2010 to 2013, Mr. Feng worked as an engineering director at Alibaba Group. From 2000 to 2010, Mr. Feng worked mainly as a development engineer at US headquarters of Microsoft Corporation. Mr. Feng received his MBA from Seattle University in 2009, a master's degree in computer science from Shanghai Jiaotong University in 2000, and a bachelor's degree in electronic engineering with a dual degree in international finance from Shanghai Jiaotong University in 1997.

44岁的Jiong Feng先生从2014年开始担任我们的首席技术官。在加入我们公司之前，冯先生曾于2013年至2014年在猎豹移动公司担任商业产品的首席架构师。从2010年到2013年，冯先生在阿里巴巴集团担任工程总监。从2000年到2010年，冯先生主要担任微软公司美国总部的开发工程师。冯先生2009年在西雅图大学获得工商管理硕士学位，2000年在上海交通大学获得计算机科学硕士学位，1997年在上海交通大学获得电子工程学士学位，并获得国际金融双学位。

**Mr. Chunlin Fan**, 42, has been the chief financial officer in our company since January 2016. Prior to joining our company, Mr. Fan served as the chief financial officer and leader of the strategic development department at Shanghai Richtech Engineering Co., Ltd. from 2014 to 2016. From 2013 to 2014, Mr. Fan worked as a member of investment decision committee and senior vice president of investment at Shenyin & Wanguo Investment Co. Ltd. From 2011 to 2012, Mr. Fan worked as an executive director at the department of ECM at IBCB International Capital Limited. From 2008 to 2011, Mr. Fan worked as a vice president of the department of investment banking at Macquarie Capital. From 2007 to 2008, Mr. Fan served as a financial manager of US headquarters of Microsoft Corporation. Mr. Fan received his MBA from University of Michigan's Ross School of Business in 2007, and a bachelor's degree in engineering from Shanghai Jiaotong University in 1998.

范春林先生，42岁，自2016年1月起担任本公司首席财务官。在加入我们公司之前，范先生曾于2014年至2016年担任上海锐驰工程有限公司首席财务官和战略发展部领导。2013年至2014年，范先生任申银万国投资有限公司投资决策委员会委员、投资高级副总裁。2011年至2012年，范先生在中国工商银行国际金融有限公司ECM部担任执行董事。从2008年到2011年，范先生担任麦格理资本投资银行部副总裁。2007年至2008年，范先生担任微软公司美国总部财务经理。范先生于2007年在密歇根大学密歇根大学罗斯商学院获得工商管理硕士学位。

位，1998年在上海交通大学获得工程学学士学位。

**Ms. Yifang Xu**, 41, will serve as our director immediately upon the effectiveness of our registration statement on Form F-1, of which this prospectus is a part. Ms. Xu has been our chief risk officer since July 2018. Prior to joining our company, Ms. Xu worked as a director in risk management department at Ant Financial Services Group from 2016 to 2018, leading various lending business solution consultancy and delivery in risk management to consumer banks and leading fin-tech lending companies. From 2015 to 2016, Ms. Xu served as a chief operating officer at Shanghai Fujin Finance and Information Service Corporation, commonly known as Huasheng Finance. From 2004 to 2015, Ms. Xu held various positions in Capital One Financial Corporation (NYSE: COF) in risk management, product management and distribution channel management with credit card business and direct banking, including senior analyst, manager, senior manager and department director. Ms. Xu

41岁的徐逸芳女士将在本公司表格 F-1 登记声明生效后立即担任本公司董事。本公司表格 F-1 是本公司招股说明书的一部分。徐女士从 2018 年 7 月开始担任我们的首席风险官。在加入我们公司之前，徐女士从 2016 年到 2018 年在蚂蚁金服银行担任风险管理部主任，领导各种贷款业务解决方案咨询和风险管理交付给消费银行和领先的金融科技贷款公司。2015 年至 2016 年，徐女士担任上海富锦金融信息服务公司(俗称华盛金融)首席运营官。从 2004 年到 2015 年，徐女士在第一资本金融公司(NYSE: COF)担任多个职位，包括信用卡业务和直接银行业务的风险管理、产品管理和分销渠道管理，包括高级分析师、经理、高级经理和部门总监。徐女士

received her MBA from Kellogg School of Management, Northwestern University in 2004, a master's degree in economics from University of International Business and Economics in 2000, and a bachelor's degree in economics from Nanjing University of Aeronautics and Astronautics in 1997. 2004年在凯洛格管理学院获得工商管理硕士学位，2000年在西北大学获得经济学硕士学位，1997年在南京航空航天大学获得经济学学士学位。

**Mr. Libin Wang**, 32, will serve as our director immediately upon the effectiveness of our registration statement on Form F-1, of which this prospectus is a part. Mr. Wang has been our vice president of finance since 2018. He served as a financial supervisor in our company from 2017 to 2018, and as our asset management supervisor from 2015 to 2017. Prior to joining our company, Mr. Wang worked at China Sino-Trans Shipping Agency Shanghai Co., Ltd. and its subsidiaries from 2008 to 2014, responsible for financial-related work. Mr. Wang received his master's degree in accounting from Fudan University in 2015 and his bachelor's degree in financial management from Shanghai Second Polytechnic University in 2008.

32岁的王立斌先生将在本公司表格 F-1 登记声明生效后立即担任本公司董事。本公司表格 F-1 是本公司登记声明的一部分。王先生从 2018 年起担任我们的财务副总裁。他在 2017 年至 2018 年期间担任我们公司的财务主管，并在 2015 年至 2017 年期间担任我们的资产管理主管。在加入本公司之前，王先生于 2008 年至 2014 年在中国外轮代理上海有限公司及其子公司工作，负责财务相关工作。王先生于 2015 年获得复旦大学会计学硕士学位，2008 年获得上海第二工业大学财务管理学士学位。

**Mr. Yuhchang Hwang**, 63, will serve as our independent director immediately upon the effectiveness of our registration statement on Form F-1, of which this prospectus is a part. Since 2013, Mr. Hwang has been working at China Europe International Business School as a professor in accounting, the department chair in finance and accounting, and a co-director of China Europe International Business School center on China innovation. He has also served as an emeritus professor in Arizona State University since 2013, and served as its assistant professor and a tenured associate professor from 1987 to 1995 and 1995 to 2001, respectively. Since 2015, Mr. Hwang has been an independent director, chair of the compensation committee, and member of the audit committee and strategy committee of Shanghai Jahwa United Co., Ltd. (SSE: 600315), and the chair of its nominating committee since 2018. Mr. Hwang has also worked as an independent director of Red Avenue New Materials Group Co., Ltd. (SSE: 603650) since 2016, and the chair of its audit committee, compensation committee and nominating committee since 2017. Mr. Hwang has also served as an independent director, chair of the compensation committee and member of the audit committee and nominating committee of Oppl Lighting Co., Ltd. (SSE: 603515) since 2017. From January 2018 to May 2018, Mr. Hwang worked as an independent director, chair of the compensation committee and member of the audit committee of Chongqing Iron & Steel Company Limited (SEHK: 1053). From 2015 to 2017, Mr. Hwang was as an independent director, chair of the audit committee, and member of the compensation committee and strategy committee of Shanghai Tianji Technology Co., Ltd. (SZSE: 300245). From 2012 to 2018, Mr. Hwang worked as an independent director, chair of the audit committee, and member of the compensation committee and strategy committee of Baoshan Iron & Steel Co., Ltd. (SSE: 600019). Mr. Hwang received his Ph.D. in business administration from University of California, Berkeley in 1987, and a master's degree in science from National Chengchi University in 1979.

63岁的黄裕昌先生将在我们表格 F-1 的注册声明生效后立即担任我们的独立董事，本招股说明书是该表格的一部分。自 2013 年以来，黄先生一直在中欧国际工商学院担任会计学教授、金融和会计系主任，以及中欧国际工商学院中国创新研究中心联合主任。自 2013 年以来，他还在亚利桑那州立大学担任名誉教授，并分别在 1987 年至 1995 年和 1995 年至 2001 年担任助理教授和终身副教授。自 2015 年以来，黄先生一直担任独立董事、薪酬委员会主席、上海家化联合股份有限公司审计委员会和战略委员会成员(上证所: 600315)，并自 2018 年起担任提名委员会主席。黄先生自 2016 年起担任红大道新材料集团有限公司独立董事，自 2017 年起担任审计委员会、薪酬委员会和提名委员会主席。黄先生自 2017 年起担任欧普照明有限公司独立董事、薪酬委员会主席、审计委员会和提名委员会成员(上证所: 603515)。2018 年 1 月至 2018 年 5 月，黄先生担任独立董事、薪酬委员会主席和重庆钢铁股份有限公司审计委员会委员(联交所: 1053)。2015 年至 2017 年，黄先生担任上海天际科技有限公司独立董事、审计委员会主席、薪酬委员会和战略委员会委员(深圳证券交易所: 300245)。2012 年至 2018 年，黄先生担任宝钢独立董事、审计委员会主席、薪酬委员会和战略委员会委员(上证所: 600019)。黄先生于 1987 年获加州大学伯克利分校工商管理博士学位，1979 年获国立政治大学理学硕士学位。

**Mr. Meng Rui**, 51, will serve as our director immediately upon the effectiveness of our registration statement on Form F-1, of which this prospectus is a part. Mr. Rui has been a professor of finance and accounting at China Europe International Business School since 2012, and has held the title of Zhongkun Group chair in finance at China Europe International Business School since 2015. Mr. Rui is also a tenured professor at the Chinese University of Hong Kong and held various positions in the Chinese University of Hong Kong from 2002 to 2012, including a senior research associate of the Institute of Economics and Finance from 2005 to 2012, a deputy director of the Center for Institutions and Governance from 2005 to 2012, and a program director of master of accountancy and executive master of professional accountancy from 2003 to 2012. From 1997 to 2002, Mr. Rui served as a deputy director of the China accounting and finance center at the Hong Kong Polytechnic University. He also serves as an independent director of COSCO Shipping Energy Transportation Co., Ltd. (SEHK: 1138, SSE:600026) since 2016, an independent director and chairman of the audit committee of Shanghai Winner Information Technology Co., Inc. (SZSE: 300609) since 2017, an independent director of Shang Gong Group Co., Ltd. (SSE: 600843) since 2017, an independent director of China Education Group (SEHK: 839) since 2017 and an independent director of Country Garden Service Holding Company Limited (SEHK: 6098) since 2018. From 2015 to 2018, Mr. Rui worked as an independent director of Midea Group Co., Ltd. (SZSE: 000333). Mr. Rui is also a member of various professional committees, including but not limited to American Finance Association, Financial Management Association, American Accounting Association and Hong Kong Securities Institute. He is also a vice president of Hong Kong Financial Engineering Association. Mr. Rui received his Ph.D. in business administration and MBA in 1997 and 1996, respectively, both from University of

51岁的孟锐先生将在我们表格 F-1 的注册声明生效后立即担任我们的董事，本招股说明书是其中的一部分。芮先生自 2012 年起担任中欧国际工商学院金融和会计教授，并自 2015 年起担任中欧国际工商学院中坤集团金融讲座教授。芮先生还是香港中文大学的终身教授，2002 年至 2012 年在香港中文大学担任过各种职位，包括 2005 年至 2012 年在经济与金融研究所担任高级研究员，2005 年至 2012 年担任制度与治理中心副主任，2003 年至 2012 年担任会计学硕士项目主任和专业会计执行硕士。1997 年至 2002 年，芮先生担任香港理工大学中国会计与金融中心副主任。自 2016 年起担任中远船舶能源运输有限公司(联交所: 1138，上交所: 600026)独立董事；自 2017 年起担任上海威纳信息技

术有限公司(深交所: 300609)独立董事和审计委员会主席;自2017年起担任上工集团有限公司(上交所: 600843)独立董事;自2017年起担任中国教育集团(联交所: 839)独立董事;自2018年起担任碧桂园服务控股有限公司(联交所: 6098)独立董事。从2015年到2018年,芮先生担任美的集团有限公司的独立董事(深圳证券交易所: 000333)。芮先生也是多个专业委员会的成员,包括但不限于美国金融协会、财务管理协会、美国会计协会和香港证券学会。他也是香港金融工程协会副会长。芮先生分别于1997年和1996年获得东京大学工商管理博士学位和工商管理硕士学位

Houston, a master's degree in economics from Oklahoma State University in 1993, and a bachelor's degree in international economics from University of International Relations in 1990.

1993年在奥克拉荷马州立大学获得经济学硕士学位，1990年在国际关系大学获得国际经济学学士学位。

## Board of Directors

### 董事会

Our board of directors will consist of five directors upon the SEC's declaration of effectiveness of our registration statement on Form F-1, of which this prospectus forms a part. A director is not required to hold any shares in our company to qualify to serve as a director. A director who is in any way, whether directly or indirectly, interested in a contract, transaction or arrangement, or a proposed contract, transaction or arrangement, with our company is required to declare the nature of his interest at a meeting of our directors. A general notice given to our directors by any director to the effect that he is a member, shareholder, director, partner, officer or employee of any specified company or firm and is to be regarded as interested in any contract, transaction or arrangement which may thereafter be made with that company or firm, shall be deemed to be a sufficient declaration of interest with respect to any such contract, transaction or arrangement so made or entered into, and after such notice it shall not be necessary for such director to give any further or special notice relating to any particular contract, transaction or arrangement. A director may vote in respect of any contract, transaction or arrangement, or any proposed contract, transaction or arrangement, notwithstanding that he may be interested therein and if he does so his vote shall be counted and he may be counted in the quorum at any meeting of the directors at which any such contract, transaction or arrangement is considered and voted upon. Our board of directors may exercise all of the powers of our company to borrow money, to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock or other securities whenever money is borrowed or as security for any debt, liability or obligation of our company or of any third-party. None of our directors has a service contract with us that provides for benefits upon termination of service.

我们的董事会将由五名董事组成，根据证券交易委员会关于我们的注册声明(表格 F-1)的有效性声明，本声明书是其中的一部分。董事不需要持有我们公司的任何股份就有资格担任董事。董事如以任何方式，不论是直接或间接，对本公司的合约、交易或安排，或拟议的合约、交易或安排感兴趣，必须在本公司董事会议上申报其利益的性质。任何董事向本公司董事发出的一般性通知，大意是他是指明公司或公司的成员、股东、董事、合伙人、高级职员或雇员，并将被视为对其后可能与该公司或公司订立的任何合同、交易或安排感兴趣，应被视为就如此订立或达成的任何此类合同、交易或安排足以申报利益，而且在此类通知发出后，该董事无须就任何特定合同、交易或安排发出任何进一步或特别通知。董事可就任何合约、交易或安排，或任何拟议的合约、交易或安排进行表决，尽管他可能对此感兴趣，如果他这样做，他的表决应予计算，并可在审议和表决任何此类合约、交易或安排的董事会议上被计入法定人数。我们的董事会可以行使我们公司的所有权力，借款，抵押或充作其承诺，财产和未称资本，或其任何部分，并发行债券，债券股票或其他证券，无论何时借款或作为担保的任何债务，责任或义务，我们的公司或任何第三方。我们的董事都没有与我们签订服务合同，规定终止服务时的福利。

## Committees of the Board of Directors

### 董事会委员会

Prior to the completion of this offering, we intend to establish an audit committee, a compensation committee and a nominating and corporate governance committee under the board of directors. We intend to adopt a charter for each of the three committees prior to the completion of this offering. Each committee's members and functions are described below.

在此次发行完成之前，我们打算在董事会下设立一个审计委员会、一个薪酬委员会以及一个提名和公司治理委员会。我们打算在这次发售完成之前为三个委员会通过一个章程。每个委员会的成员和职能说明如下。

**Audit Committee.** Our audit committee will consist of Mr. Yuhchang Hwang and Mr. Meng Rui, and will be chaired by Mr. Yuhchang Hwang. Mr. Yuhchang Hwang and Mr. Meng Rui satisfy the "independence" requirements of Rule 5605(a)(2) of the Nasdaq Stock Market Rules and meets the independence standards under Rule 10A-3 under the Exchange Act. Our board of directors has also determined that each of Mr. Yuhchang Hwang and Mr. Meng Rui qualifies as an "audit committee financial expert" within the meaning of the SEC rules and possesses financial sophistication within the meaning of the Listing Rules of the Nasdaq Stock Market. The audit committee will oversee our accounting and financial reporting processes and the audits of the financial statements of our company. The audit committee will be responsible for, among other things:

审计委员会。我们的审计委员会将由黄禹昌先生和孟睿先生组成，由黄禹昌先生担任主席。黄禹昌先生和孟睿先生符合《纳斯达克证券市场规则》第5605(a)(2)条的“独立性”要求，并符合《交易所法》第10A-3条规定的独立性标准。我们的董事会还认定黄禹昌先生和孟睿先生均符合证券交易委员会规则意义上的“审计委员会财务专家”资格，并具有纳斯达克股票市场上市规则意义上的财务复杂性。审计委员会将监督我们的会计和财务报告程序以及审计我们公司的财务报表。审计委员会的职责包括：

- selecting our independent registered public accounting firm and pre-approving all auditing and non-auditing services permitted to be performed by our independent registered public accounting firm;  
选择我们独立注册的会计师事务所，并预先批准我们独立注册的会计师事务所提供的所有审计和非审计服务；
- reviewing with our independent registered public accounting firm any audit problems or difficulties and management's response and approving all proposed related party transactions, as defined in Item 404 of Regulation S-K;  
与我们的独立注册会计师事务所一起审查任何审计问题或困难，以及管理层的回应，并批准 S-K 条例第404条所规定的所有拟议的关联方交易；

- discussing the annual audited financial statements with management and our independent registered public accounting firm;  
与管理层和我国独立注册的会计师事务所讨论年度经审计的财务报表;
- annually reviewing and reassessing the adequacy of our audit committee charter;  
每年检讨及重新评估审计委员会章程是否足够;
- meeting separately and periodically with the management and our internal auditor and our independent registered public accounting firm;  
与管理层、我们的内部审计师和我们的独立注册会计师事务所分别并定期开会;



- reporting regularly to the full board of directors; and  
定期向董事会全体成员汇报；及
- such other matters that are specifically delegated to our audit committee by our board of directors from time to time.  
其他董事会不时特别委托审计委员会处理的事项。

**Compensation Committee.** Our compensation committee will consist of Mr. Yuhchang Hwang, Ms. Yifang Xu and Mr. Libin Wang, and will be chaired by Mr. Libin Wang. Mr. Yuhchang Hwang satisfies the “independence” requirements of Rule 5605(a)(2) of the Nasdaq Stock Market Rules. Our compensation committee will assist the board in reviewing and approving the compensation structure, including all forms of compensation, relating to our directors and executive officers. Our chief executive officer may not be present at any committee meeting during which his compensation is deliberated upon. The compensation committee will be responsible for, among other things:

赔偿委员会。我们的薪酬委员会将由黄禹昌先生、徐一方女士和王立斌先生组成，由王立斌先生担任主席。黄禹昌先生符合纳斯达克股票市场规则第5605(a)(2)条的“独立性”要求。我们的薪酬委员会将协助董事会审查和批准与我们的董事和执行官员有关的薪酬结构，包括各种形式的薪酬。我们的首席执行官不得出席审议其薪酬问题的任何委员会会议。薪酬委员会的职责之一是：

- reviewing and approving to the board with respect to the compensation for our chief executive officer;  
审查和批准董事会对我们的首席执行官的报酬；
- overseeing and making recommendations with respect to the compensation for our officers and employees other than the chief executive officer;  
就行政总裁以外的高级人员及雇员的薪酬作出监督及建议；
- reviewing and recommending to the board with respect to the compensation and benefits of our directors;  
审查董事的薪酬和福利，并向董事会提出建议；
- selecting, or receiving advise from compensation and benefits consultants, legal counsel or other advisors after taking into consideration all factors relevant to that person’s independence from management; and  
在考虑到有关个人独立于管理层的所有因素后，选择或接受赔偿和福利顾问、法律顾问或其他顾问的建议；以及
- reviewing and administrating all long-term incentive compensation, stock option, annual bonuses, employee pension and welfare benefit plans.  
审查和管理所有的长期激励报酬，股票期权，年度奖金，员工养老金和福利计划。

**Nominating and Corporate Governance Committee.** Our nominating and corporate governance committee will consist of Mr. Dinggui Yan, Mr. Yifang Xu and Mr. Libin Wang, and will be chaired by Mr. Dinggui Yan. The nominating and corporate governance committee will assist the board in selecting individuals qualified to become our directors and in determining the composition of the board of directors and its committees. The nominating and corporate governance committee will be responsible for, among other things:

提名及企业管治委员会。我们的提名和公司治理委员会将由严定贵先生、许一方先生和王立斌先生组成，并由严定贵先生担任主席。提名和公司治理委员会将协助董事会挑选有资格成为我们董事的个人，并确定董事会及其委员会的组成。提名和公司治理委员会将负责以下事项：

- identifying and recommending nominees for election or re-election to our board of directors or for appointment to fill any vacancy;  
确定并推荐获提名人士，以供选举或再度当选为本局董事会成员，或委任他们填补空缺；
- reviewing the performance of each incumbent director and considering the results of such evaluation when determining whether or not to recommend the retention of such director;  
审查每位现任董事的表现，并在决定是否建议保留该董事时考虑这种评价的结果；
- advising the board policies and procedures with respect to corporate governance matters;  
就企业管治事宜向董事会提供意见；
- monitoring compliance with our code of business conduct and ethics, including reviewing the adequacy and effectiveness of our procedures to ensure proper compliance;  
监察遵守本署业务操守及道德守则的情况，包括检讨本署程序是否足够及有效，以确保妥善遵守守则；
- evaluating its own performance on an annual basis; and  
每年评估本身的表现；以及
- reporting to the board on its findings and actions periodically.  
定期向委员会汇报其调查结果和行动。

## Duties of Directors

### 董事的职责



Under Cayman Islands law, our directors owe fiduciary duties to our company, including a duty of loyalty, a duty to act honestly, and a duty to act in what they consider in good faith to be in our best interests. Our directors must also exercise their powers only for a proper purpose. Our directors also owe to our company a duty to exercise the skill they actually possess and such care and diligence that a reasonably prudent person would exercise in comparable circumstances. It was previously considered that a director need not exhibit in the performance of his duties a greater degree of skill than may reasonably be expected from a person of his knowledge and experience. However, English and Commonwealth courts have moved towards an objective

根据开曼群岛法律，我们的董事对我们公司负有受托责任，包括忠诚的责任，诚实行事的责任，以及按照他们认为符合我们最大利益的善意行事的责任。我们的董事也必须为了适当的目的而行使他们的权力。我们的董事们也有责任运用他们实际掌握的技能，以及一个相当谨慎的人在类似情况下会运用的谨慎和勤奋。过去人们认为，董事在履行职责时不必表现出比他的知识和经验所能合理预期的更高的技能。然而，英国和联邦法院已经朝着一个目标前进

standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands. In fulfilling their duty of care to us, our directors must ensure compliance with our memorandum and articles of association, as amended and restated from time to time. Our company has the right to seek damages if a duty owed by our directors is breached. In limited exceptional circumstances, a shareholder may have the right to seek damages in our name if a duty owed by our directors is breached.

在所需技能和照料方面采用标准，开曼群岛可能会采用这些管理当局的做法。在履行他们对我们的注意义务时，我们的董事必须确保遵守我们的章程和组织章程，经过不时的修改和重申。如果董事违反了本公司的义务，本公司有权要求损害赔偿。在有限的特殊情况下，如果我们的董事违反了其应尽的义务，股东有权以我们的名义要求损害赔偿。

The functions and powers of our board of directors include, among others:

我们董事会的职能和权力包括:

- convening shareholders' annual general meetings and reporting its work to shareholders at such meetings;  
召开股东年度大会，并在会上向股东汇报工作;
- declaring dividends and distributions;  
宣布股利和分配;
- appointing officers and determining the term of office of officers;  
委任高级人员及决定高级人员的任期;
- exercising the borrowing powers of our company and mortgaging the property of our company; and  
行使公司借款权，以公司财产作抵押; 及
- approving the transfer of shares of our company, including the registering of such shares in our share register.  
批准转让本公司的股份，包括在本公司的股份登记册登记该等股份。

## Terms of Directors and Executive Officers

### 董事及行政人员条款

Unless otherwise determined by our company in general meeting, our company shall have not less than three directors, and there shall be no maximum number of directors. Our directors may be elected by an ordinary resolution of our shareholders, or by a resolution of our board of directors (whether to fill a casual vacancy or as an addition to the existing board). Our directors are not subject to a term of office and hold office until the expiration of his or her term or his or her successor shall have been elected and qualified, or until his or her office is otherwise vacated. A director will be removed from office automatically if, among other things, the director (i) becomes bankrupt or makes any arrangement or composition with his creditors; (ii) dies or is found to be or becomes of unsound mind; (iii) resigns by notice in writing to our company; (iv) without special leave of absence from our board of directors, is absent from three consecutive meetings of the board and the board resolves that his office be vacated; or (v) is prohibited by any applicable law from being a director. The compensation of our directors may be determined by the board of directors or by an ordinary resolution. There is no mandatory retirement age for directors.

除非本公司在股东大会上另有决定，否则本公司董事人数不得少于三人，且不得超过董事人数上限。我们的董事可以通过股东的一般决议或者董事会的决议(填补一个临时空缺或者作为现有董事会的补充)来选举。我们的董事不受任期限制，直到他或她的任期结束，或者他或她的继任者被选出并具备资格，或者直到他或她的职位空缺为止。如果董事(i)破产或与债权人作出任何安排或协议; (ii)死亡或被发现精神不健全或精神不健全; (iii)以书面通知本公司辞职; (iv)未经本公司董事会特别许可，连续三次缺席董事会会议，而董事会决定撤销其职务; 或(v)受任何适用法律禁止担任董事，则董事将被自动免职。我们董事的报酬可以由董事会决定，也可以由普通决议决定。董事没有强制性的退休年龄。

Our officers are appointed by and serve at the discretion of our board of directors.

我们的管理人员由董事会任命，并由董事会酌情决定。

## Employment Agreements and Indemnification Agreements

### 就业协议和赔偿协议

We expect to enter into employment agreements with our executive officers. Each of our executive officers is employed for a specified time period, which will be automatically extended unless either we or the executive officer gives prior written notice to terminate such employment. We may terminate the employment for cause, at any time, without notice or remuneration, for certain acts of the executive officer, including but not limited to the commitments of any serious or persistent breach or non-observance of the terms and conditions of the employment, conviction of a criminal offense other than one which in the opinion of the board does not affect the executive's position, willful disobedience of a lawful and reasonable order, misconducts being inconsistent with the due and faithful discharge of the executive officer's material duties, guilty of fraud or dishonesty, or habitual neglect of his or her duties. An executive officer may terminate his or her employment at any time with a three-month prior written notice.

我们希望与我们的行政人员签订就业协议。我们的每一位行政人员都被雇用一段特定的时间，这段时间将自动延长，除非我们或行政

人员事先书面通知终止这种雇用。我们可以在任何时候因执行官员的某些行为，包括但不限于任何严重或持续违反或不遵守雇用条款和条件的承诺、对委员会认为不影响执行官员地位的刑事犯罪的定罪、故意违抗合法和合理的命令、行为不符合执行官员应有的和忠实地履行其物质职责、犯有欺诈或不诚实行为或经常疏忽职责，而终止雇用。执行官员可在任何时候提前三个月书面通知终止其雇用。

Each executive officer has agreed to hold, both during and after the employment agreement expires or is earlier terminated, in strict confidence and not to use or disclose to any person, corporation or other entity without written consent, any confidential information, except for the benefit of us. Each executive officer has also agreed to assign to our company all his or her all inventions, improvements, designs, original works of authorship, formulas, processes, compositions of matter, computer software programs, databases, mask works,

每位执行干事都同意在雇用协议期满或提前终止雇用协议期间和之后严格保密，未经书面同意不使用或向任何人、公司或其他实体透露任何机密信息，但对我们有利的情况除外。每一位执行官员也同意将他或她的所有发明、改进、设计、原创作品、公式、过程、物质组成、计算机软件程序、数据库、掩码作品等分配给我们公司

concepts and trade secrets which the executive officer may solely or jointly conceive or develop or reduce to practice, or cause to be conceived or developed or reduced to practice, during the period of the executive officer's employment with us that are either related to the scope of the employment or make use of the resources of the company. In addition, all executive officers have agreed to be bound by non-competition and non-solicitation restrictions set forth in their agreements. Specifically, each executive officer has agreed to devote all his or her working time, attention and skills to our business and use best efforts to perform his or her duties. Moreover, each executive officer has agreed not to, for a certain period following termination of his or her employment or expiration of the employment agreement: (i) carry on or be engaged, concerned or interested directly or indirectly whether as shareholder, director, employee, partner, agent or otherwise carry on any business in direct competition with us, (ii) solicit or entice away or attempt to solicit or entice away any of our customer, client, representative or agent, or (iii) employ, solicit or entice away or attempt to employ, solicit or entice away any of our officer, manager, consultant or employee.

行政人员在受雇于本公司期间，可能单独或共同构思、发展或减少实践，或促使构思、发展或减少实践的与受雇范围或使用公司资源有关的概念及商业秘密。此外，所有执行干事都同意受其协议中规定的不竞争和不招标限制的约束。具体而言，每位执行官员都同意将其全部工作时间、注意力和技能投入到我们的业务中，并尽最大努力履行其职责。此外，每名行政人员已同意在其受雇或雇佣合约届满后的一段期间内，不得(i)直接或间接以股东、董事、雇员、合伙人、代理人或以其他方式经营任何与本公司直接竞争的业务，或(ii)招揽或诱使或企图招揽或诱使本公司的任何客户、客户、代表或代理人，或(iii)招揽、诱使或企图招聘、诱使或诱使本公司的任何高级人员、经理、顾问或雇员离职。

We expect to enter into indemnification agreements with our directors and executive officers, pursuant to which we will agree to indemnify our directors and executive officers against certain liabilities and expenses incurred by such persons in connection with claims made by reason of their being such a director or officer.

我们期望与我们的董事和执行官员签订赔偿协议，根据这些协议，我们将同意赔偿我们的董事和执行官员因为他们是这种董事或执行官员而提出的索赔而承担的某些责任和费用。

## Interested Transactions

### 有兴趣的交易

A director may, subject to any separate requirement for audit committee approval under applicable law or the Nasdaq Stock Market Rules, vote in respect of any contract or transaction in which he or she is interested, provided that the nature of the interest of any directors in such contract or transaction is disclosed by him or her at or prior to its consideration and any vote in that matter.

董事可就其感兴趣的任何合同或交易进行表决，但须遵守适用法律或《纳斯达克股票市场规则》规定的审计委员会批准的任何单独要求，条件是哪位董事在该合同或交易中的利益性质是由他或她在该合同或交易的审议和对该事项的任何表决之前披露的。

## Compensation of Directors and Executive Officers

### 董事和执行官员的报酬

In 2017, we paid an aggregate of RMB2.2 million (US\$0.3 million) in cash and benefits to our executive officers, and we did not have non-executive directors during that period. We did not pay any other cash compensation or benefits in kind to our directors and executive officers. We have not set aside or accrued any amount to provide pension, retirement or other similar benefits to our directors and executive officers. Our PRC subsidiaries, consolidated VIE and its subsidiaries and consolidated affiliated entities are required by law to make contributions equal to certain percentages of each employee's salary for his or her pension insurance, medical insurance, unemployment insurance and other statutory benefits and a housing provident fund. Our board of directors may determine compensation to be paid to the directors and the executive officers. The compensation committee will assist the directors in reviewing and approving the compensation structure for the directors and the executive officers.

2017年，我们总共向执行董事支付了220万元人民币(合30万美元)的现金和福利，在此期间我们没有非执行董事。我们没有向董事和执行官员支付任何其他现金补偿或实物福利。我们没有预留或累积任何款项，以向董事及执行人员提供退休金、退休金或其他类似福利。我们的中国子公司、合并VIE及其子公司和合并关联实体依法必须缴纳相当于每位员工工资一定百分比的养老保险、医疗保险、失业保险和其他法定福利以及住房公积金。我们的董事会可以决定支付给董事和执行官员的报酬。薪酬委员会将协助董事审查和批准董事和执行官员的薪酬结构。

## Share Incentive Plans

### 股票激励计划

We maintain share incentive plans in order to attract, motivate, retain and reward talent, provide additional incentives to our officers, employees, directors and other eligible persons, and promote the success of our business and the interests of our shareholders.

我们维持股份奖励计划，目的是吸引、激励、挽留和奖励人才，为高级人员、雇员、董事和其他合格人士提供额外奖励，以及促进我们业务的成功和股东的利益。

## 2016 Share Incentive Plan

### 二〇一六年股份奖励计划

In September 2016, Jiayin Finance adopted the 2016 Share Incentive Plan, which allowed Jiayin Finance to grant share-based awards of such company to our founders, employees and officers. The maximum number of shares that may be issued pursuant to all awards under the 2016 plan is 13,500,000 shares of Jiayin Finance. In September 2016 and October 2018, 13,321,500 and 2,851,600 share options were granted to certain of our employees and officers at exercise prices of RMB3.5 per share, which have vesting periods of 3.5 years. All 13,500,000 shares of Jiayin Finance underlying the 2016 Share Incentive Plan is held by Jinnushuihuotu Investment, and upon the exercise of the share options, our employees and officers become a limited partner of Jinnushuihuotu Investment, which allows such grantees to enjoy beneficial ownership in Jiayin Finance representing the respective awards granted. As of the date of the prospectus, the sole general partner of Jinnushuihuotu Investment is Jinnushuihuotu Marketing, which is controlled by Mr. Dinggui Yan.

2016年9月，嘉银金融实施了2016年股权激励计划，允许嘉银金融对创始人、员工和管理人员进行股权激励。根据2016年计划，根据所有裁决可能发行的股票数量上限为13,500,000股 Jiayin Finance 股票。在二〇一六年九月及二〇一八年十月，我们分别以每股3.5元人民币的行使价，向部分雇员及高级人员批出13,321,500及2,851,600份股份认购权，归属期为3.5年。作为2016年股权激励计划基础的嘉银金融全部13,500,000股股票由金木水火土投资持有，在行使股票期权后，我们的员工和高级职员成为金木水火土投资的有限合伙人，该投资允许这些受让人代表各自的奖励在 Jiayin Finance 享有实益所有权。截至招股说明书之日，金木水火土投资的唯一普通合伙人为金木水火土营销公司，该公司由严鼎贵先生控股。

The table below summarizes, as of the date of this prospectus, the options we have granted to our directors and executive officers. 下表总结了截至本招股说明书之日，我们已经授予我们的董事和执行官员的选择权。

Name姓名	Position职位	Underlying Options Awarded潜在的期权获奖名单	Option Exercise Price运动价格	Grant Date授予日期	Option Expiration Date截止日期
Jiong Feng	Chief technology officer 首席技术官	*	RMB3.5 3.5元	September 30, 2016 2016年9月30日	September 29, 2020 2020年9月29日
Chunlin Fan 范春林	Chief financial officer 首席财务官	*	RMB3.5 3.5元	September 30, 2016 2016年9月30日	September 29, 2020 2020年9月29日
Yifang Xu 许一方	Director Appointee and chief risk officer 被任命的董事和首席风险官	*	RMB3.5 3.5元	October 11, 2018 2018年10月11日	September 29, 2020 2020年9月29日
Libin Wang 王立斌	Director Appointee and vice president of finance 被任命的财务总监和副总裁	*	RMB3.5 3.5元	September 30, 2016 2016年9月30日	September 29, 2020 2020年9月29日

\* Less than 1% of our outstanding shares. 不到我们已发行股份的1%。

The accumulated compensation expenses recorded for the options granted in September 2016 were RMB151.0 million (USD\$22.0 million) as of September 30, 2018, with RMB30.9 million to be recognized thereafter.

截至二〇一八年九月三十日，二〇一六年九月获批期权的累计补偿费用为1.51亿元人民币(合2,200万美元)，其后确认的累计补偿费用为3,090万元人民币。

### [2018 Share Incentive Plan

#### [2018年股份奖励计划

In , we adopted our 2018 Share Incentive Plan to replace the 2016 Share Incentive Plan, which permits the grant of options to purchase our ordinary shares. The maximum number of ordinary shares may be subject to equity awards pursuant to the 2018 Share Incentive Plan is 54,000,000 initially. In , we granted options to purchase a total of 64,692,400 ordinary shares to our employees at a weighted average exercise price of US\$ per share to replace the 16,173,100 options granted to such individuals under the 2016 Share Incentive Plan, each four options under the 2018 Share Incentive Plan replacing one option under the 2016 Share Incentive Plan. The options vest on a three-year schedule starting , and will expire on .

年，我们采用了2018年股票激励计划，以取代2016年股票激励计划，该计划允许授予期权购买我们的普通股。根据2018年股份奖励计划，普通股的最高数量最初可能是54,000,000股。在2016年，我们授予期权以每股64,692,400美元的行使价格购买我们的雇员的普通股，以取代在2016年股票奖励计划中授予这些个人的16,173,100份期权，在2018年股票奖励计划中每4份期权取代2016年股票奖励计划中的一份期权。期权授予一个三年的时间表开始，将到期日。

We established Dream Glory L.P. to hold awards granted pursuant to our 2018 Share Incentive Plan. In November 2017, we transferred the 2,700 ordinary shares held by New Dream held on behalf of the Jinmushuihuotu Investment to Dream Glory L.P. in view of the establishment of the 2018 Share Incentive Plan.

根据我们2018年的股权激励计划，我们成立了梦想企业(Dream Glory l.p.)来获得奖金。2017年11月，我们将代表金木水火土投资公司持有的2,700股新梦普通股转移至梦辉有限合伙，以制定2018年股权激励计划。

As the 2018 Share Incentive Plan replaced the 2016 Share Incentive Plan and following the sub-division of our ordinary shares, Dream Glory L.P. held 54,000,000 ordinary shares pursuant to our 2018 Share Incentive Plan. As of the date of the prospectus, there were (i) 54,000,000 ordinary shares issued to Dream Glory L.P. pursuant to our 2018 Share Incentive Plan, of which there were ordinary shares underlying vested options held by Dream Glory L.P. and ordinary shares underlying unvested options that are issued but deemed to be not outstanding held by Dream Glory L.P., (ii) ordinary shares issuable upon the exercise of outstanding options and (iii) ordinary shares reserved for future issuance.

随着2018年股权激励计划取代了2016年的股权激励计划，继我们的普通股分拆之后，梦辉基金根据2018年股权激励计划持有54,000,000

股普通股。截至招股章程发出日期，根据我们的二〇一八年股份奖励计划，共有(i)54,000,000股普通股发行予骏辉，当中包括由骏辉持有的普通股及未获授予的普通股，这些普通股已发行但被视为未被骏辉持有；(ii)透过行使已发行期权而可发行的普通股；以及(iii)预留作日后发行的普通股。

The following paragraphs summarize the terms of the 2018 Share Incentive Plan.

以下段落概述了2018年股票激励计划的条款。

*Plan Administration.* Our board of directors or a committee appointed by our board of directors acts as the plan administrator. The board of directors or the committee may also delegate one or more members of our board of directors to grant or amend awards or take other administrative actions.

计划管理。我们的董事会或由我们的董事会指定的委员会担任计划管理人。董事会或委员会也可以委派一名或多名董事会成员授予或修改裁决或采取其他行政措施。

*Types of Awards.* The 2018 Share Incentive Plan authorizes the grant of options to purchase ordinary shares, the award of restricted shares and the award of restricted share units.

奖项类别。2018年股份奖励计划授权授予期权以购买普通股、授予限制性股份和授予限制性股份。



*Award Agreements.* Each award under the 2018 Share Incentive Plan shall be evidenced by an award agreement between the award recipient and our company, which may be any written notice, agreement, terms and conditions, contract or other instrument or document evidencing such award.

授予协议。2018年股份奖励计划下的每一份奖励应由奖励接受者和我们公司之间的授予协议证明，该协议可以是任何书面通知、协议、条款和条件、合同或证明此类授予的其他文书或文件。

*Eligibility.* The plan administrator may select among the following eligible individuals to whom an award may be granted: (i) our employees, (ii) consultants or advisers contracted directly with us, who render bona fide services to us (except in connection with the offer or sale of securities in a capital-raising transaction or which directly or indirectly promote or maintain a market for our securities), and (iii) directors who are not our employees; provided however that awards shall not be granted to consultants or non-employee directors who are resident of any country in the European Union and any other country, which pursuant to the applicable laws, does not allow grants to non-employee.

申请资格。计划管理人可以从下列合格个人中挑选可以获得奖励的人：(一)我们的雇员、(二)直接与我们签订合同的顾问或顾问，他们向我们提供真正的服务(融资交易中要约或出售证券的情况除外，或者直接或间接促进或维持我们证券市场的情况除外)，以及(三)非我们雇员的董事；但是，不得向根据适用法律不允许向非雇员发放奖励的欧盟任何国家和任何其他国家的顾问或非雇员董事发放奖励。

*Term of Awards.* Each award under the 2018 Share Incentive Plan shall vest or be exercised not more than four years after the date of grant unless extended by the plan administrator. Each share award is subject to earlier termination as set forth in the 2018 Share Incentive Plan. The award is only exercisable before the eligible individual's termination of service with us, except as determined otherwise by the plan administrator or set forth in the award agreement.

奖学金年期。2018年股份奖励计划下的每笔奖励金应在奖励日期之后四年内授予或行使，除非计划管理人予以延长。根据2018年股票奖励计划的规定，每份股票奖励可提前终止。除非计划管理人另有决定或在授予协议中作出规定，否则该授予只能在符合资格的个人终止与我们的服务之前执行。

*Vesting Schedule and Other Restrictions.* The plan administrator has discretion in determining the individual vesting schedules and other restrictions applicable to the awards granted under the 2018 Share Incentive Plan. The vesting schedule is set forth in the award agreement.

归属时间表及其他限制。计划管理人可酌情决定适用于根据2018年股份奖励计划授予的奖励的个人归属时间表和其他限制。归属时间表在授予协议中有所规定。

*Exercise Price and Purchase Price.* The plan administrator has discretion in determining the price of the awards, which can be fixed or variable related to the fair market value of the underlying ordinary shares and are subject to a number of limitations.

执行价格和购买价格。计划管理人可酌情决定赔偿金的价格，该价格可以是固定的，也可以是基础普通股的公允市场价值相关的变数，并受若干限制。

*Acceleration of Vesting upon Corporate Transaction.* Upon the occurrence of a change in control event, the plan administrator may accelerate the vesting, make provision for a cash payment in settlement of, or for the assumption, substitution or exchange of any or all outstanding awards (or the cash, securities or other property deliverable to the holder(s) of any or all outstanding awards) based upon, to the extent relevant in the circumstances, the distribution or consideration payable to holders of the ordinary shares upon or in respect of such event.

加快公司交易中的股权归属。控制权发生变更时，计划管理人可加速归属，为现金付款作出准备，以结算或承担、替换或交换任何或所有未清偿的奖金(或任何或所有未清偿的奖金可交付给持有人的现金、证券或其他财产)，其依据是在有关情况下，在该事件发生时或就该事件而支付给普通股持有人的分配或对价。

*Termination.* The 2018 Share Incentive Plan shall expire on the tenth anniversary of the date when our board of directors adopted the 2018 Share Incentive Plan.

终止。2018年股票激励计划将在董事会通过2018年股票激励计划的十周年之日到期。

*Amendment, Suspension or Termination.* No amendment, modification or termination of the 2018 Share Incentive Plan shall, without the prior written consent of the award recipients, adversely affect in any material way any award that has been granted or awarded prior to such amendment, suspension or termination. Subject to the above, the plan administrator may at any time terminate, amend or modify the 2018 Share Incentive Plan, except where shareholder approval is required to comply with applicable laws or where the amendment relates to (i) any increases in the number of shares available under the 2018 Share Incentive Plan (other than any adjustment permitted under the 2018 Share Incentive Plan), or (ii) an extension of the term of the 2018 Share Incentive Plan or the exercise period for an option beyond ten years from the date of grant. To the extent permissible under the applicable laws, our board of directors may decide to follow home country practice not to seek shareholder approval for any amendment or modification of the 2018 Share Incentive Plan.

修改、暂停或终止。未经获奖者事先书面同意，2018年股份奖励计划的任何修改、修改或终止，不得对在此种修改、暂停或终止之前授予或授予的任何奖励产生任何实质性的不利影响。在符合上述规定的情况下，计划管理人可随时终止、修订或修改2018年股份奖励计划，但须经股东批准才符合适用法律的情况除外，或有关修订涉及(i)2018年股份奖励计划所提供股份数目的任何增加(2018年股份奖励计划所准许的任何调整除外)，或(ii)延长2018年股份奖励计划的期限或期权自授予之日起超过十年的行使期限。在适用法律允许的范围内，我们

的董事会可以决定遵循母国的做法，不就2018年股票激励计划的任何修改或修改寻求股东批准。

*Transfer Restrictions.* Subject also to all the transfer restrictions under the applicable laws and regulations and the restrictions set forth in the applicable award agreement, all awards are non-transferable and will not be subject in any manner to sale, transfer, anticipation, alienation, assignment, pledge, encumbrance or charge.]

转让限制。除适用法律和条例规定的所有转让限制以及适用裁决协议中规定的限制外，所有裁决均不得转让，不得以任何方式进行销售、转让、预期、转让、转让、质押、抵押或收费。]

## PRINCIPAL SHAREHOLDERS

### 主要股东

The following table sets forth information concerning the beneficial ownership of our ordinary shares as of the date of this prospectus by:

下表载列截至本招股说明书日期有关本公司普通股实益拥有权的资料:

- each of our directors and executive officers;  
我们的每一位董事及行政人员;
- each person known to us to beneficially own more than 5% of our ordinary shares.  
据我们所知，每个人都拥有超过5%的普通股。

The total number of ordinary shares outstanding as of the date of this prospectus is 200,000,000.

本招股说明书截止日已发行的普通股总数为200,000,000股。

Beneficial ownership is determined in accordance with the rules and regulations of the SEC. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, we have included shares that the person has the right to acquire within 60 days, including through the exercise of any option, warrant, or other right or the conversion of any other security. These shares, however, are not included in the computation of the percentage ownership of any other person.

受益所有权依照证券交易委员会的规章制度确定。在计算某人实益拥有的股份数目和该人的百分比所有权时，我们已包括该人有权在60天内购买的股份，包括通过行使任何期权、认股权证或其他权利或转换任何其他担保。然而，这些股份不包括在任何其他人的所有权百分比的计算中。

The total number of ordinary shares outstanding immediately prior to the completion of this offering will be \_\_\_\_\_, comprising Class A ordinary shares and \_\_\_\_\_ Class B ordinary shares, which is based upon (i) the re-designation of all ordinary shares beneficially owned by Mr. Dinggui Yan, our founder, director and chief executive officer, into \_\_\_\_\_ Class B ordinary shares on a one-for-one-basis immediately prior to the completion of this offering; (ii) the re-designation of all of the remaining outstanding ordinary shares into \_\_\_\_\_ Class A ordinary shares on a one-for-one-basis immediately prior to the completion of this offering; and (iii) \_\_\_\_\_ ordinary shares issued in connection with this offering (assuming the underwriters do not exercise their option to purchase additional ADSs), but excludes \_\_\_\_\_ ordinary shares issued but deemed to be not outstanding, \_\_\_\_\_ ordinary shares issuable upon the exercise of outstanding share options and \_\_\_\_\_ ordinary shares reserved for future issuance under our share incentive plan. Immediately prior to the completion of this offering, ordinary shares issued but deemed to be not outstanding will be designated into \_\_\_\_\_ Class A ordinary shares. The underwriters may choose to exercise the over-allotment option in full, in part or not at all.

句子太长，请短一点。在此次发行完成之前，已发行但被视为未发行的普通股将被指定为 a 类普通股。承销商可以选择全额、部分或根本不行使超额配售选择权。

	Ordinary Shares 普通股 Beneficially Owned Prior 有权 受益人 to This Offering 这个产品		Ordinary Shares 普通股 Beneficially 有益的 Owned After This Offering 本次发行后的所有权			
	Number 数目	Percentage 百分比	Class A 甲类 ordinary 普通的 shares 股份	Class B B 类 ordinary 普通的 shares 股份	Percentage of total 总数 ordinary shares 普通股 on an as-在-一 个. converted basis 折算基	Percentage of total 总数 aggregate 集 voting 投票 power** 力 量
<b>Directors and Executive Officers:</b> 董事及行政人员:						
Dinggui Yan(1) 丁桂艳(1)	170,000,000 170000000					85.0
Jiong Feng Chunlin Fan 范春林	* *	*				*
Yifang Xu 许一方	*	*				*
Libin Wang 王立斌	*	*				*
Yuhchang Hwang 黄裕昌	—	—				

Meng Rui 孟锐	—	—
Directors and Executive Officers as a Group 董事和执行干事作为一个集团	170,000,133	85.0
<b>Principal Shareholders:</b> 主要股东:		
Yan Entities(1) 燕体(1)	170,000,000	85.0
Sunshinewoods Holdings Limited(3) 新森林控股有限公司(三)	24,000,000 2400万	12.0

\* Beneficially owns less than 1% of our total outstanding shares.

实益拥有不到我们总流通股的1%。

\*\* For each person and group included in this column, percentage of voting power is calculated by dividing the voting power beneficially owned by such person or group by the voting power of all of our Class A and Class B ordinary shares as a single class. In respect of all matters subject to a shareholders' vote, each Class A ordinary share is entitled to one vote, and each Class B ordinary share is entitled to ten votes, voting together as one class. Each Class B ordinary share is convertible into one Class A ordinary share at any time

对于本栏所包括的每一个人和组别，其表决权百分比的计算方法是将该人或组别实益拥有的表决权除以我们所有 a 类普通股和 b 类普通股作为一个单一类别的表决权。股东投票决定的一切事项，a 类普通股每股有一票，b 类普通股每股有十票，共同投票为一票。每一份 b 类普通股可随时兑换成一份 a 类普通股

by the holder thereof. Class A ordinary shares are not convertible into Class B ordinary shares under any circumstances. Upon any transfer of Class B ordinary shares by a holder to any person or entity which is not an affiliate of such holder, such Class B ordinary shares shall be automatically and immediately converted into the equivalent number of Class A ordinary shares. 由其持有人。A类普通股在任何情况下均不得转换为b类普通股。持有人将b类普通股转让予并非该持有人关联的任何人士时，该b类普通股将自动及立即转换为相等数目的a类普通股

- (1) Represents (i) 116,000,000 ordinary shares held by New Dream, a limited liability company established in the British Virgin Islands and (ii) 54,000,000 ordinary shares held by Dream Glory L.P. a limited partnership established in the British Virgin Islands. New Dream is wholly owned by Mr. Dinggui Yan and Mr. Dinggui Yan is the sole director of New Dream. The registered address of New Dream is Sertus Incorporations (BVI) Limited, Sertus Chambers, P.O. Box 905, Quastisky Building, Road Town, Tortola, British Virgin Islands. Dream Glory L.P. is established to hold awards granted pursuant to our share incentive plan. The general partner of Dream Glory L.P. is New Dream, which is controlled by Mr. Dinggui Yan. The registered address of Dream Glory L.P. is Sertus Chambers, P.O. Box 905, Quastisky Building, Road Town, Tortola, British Virgin Islands. The 116,000,000 ordinary shares held by New Dream will be designated into Class B ordinary shares on a one-for-one-basis upon the completion of this offering.

代表(i)新梦公司(New Dream)持有的116,000,000股普通股，该公司是在英属维尔京群岛成立的有限公司集团，以及(ii)在英属维尔京群岛成立的有限合伙企业 Dream Glory 持有的54,000,000股普通股。《新梦》由严鼎贵先生全资拥有，严鼎贵先生是《新梦》的唯一董事。新梦实业有限公司注册地址：英属维尔京群岛英属维尔京群岛路镇奎斯蒂斯基大厦905信箱。梦想荣耀有限合伙公司是根据我们的股权激励计划设立的。梦辉企业(有限合伙)的普通合伙人是由丁桂岩先生控股的新梦企业。梦想荣耀的注册地址是 Sertus Chambers, p.o. Box 905, quastisky Building, Road Town, 托尔托拉岛。新梦公司持有的116,000,000股普通股将在此次发行完成后以一对一的方式指定为 b 类普通股。

- (2) Represents 24,000,000 ordinary shares held by Sunshinewoods Holdings Limited, or Sunshinewoods, a limited liability company established in the British Virgin Islands. Sunshinewoods is wholly owned by Mr. Guanglin Zhang, an employee of our company. Mr. Guanglin Zhang is the sole director of Sunshinewoods. The registered address of Sunshinewoods is Sertus Incorporations (BVI) Limited, Sertus Chambers, P.O. Box 905, Quastisky Building, Road Town, Tortola, British Virgin Islands.

代表 Sunshinewoods Holdings Limited 或 Sunshinewoods 所持有的24,000,000股普通股，Sunshinewoods 是在英属维尔京群岛成立的有限公司集团。森森伍德是我公司员工张广林先生的全资子公司。张广林先生是 Sunshinewoods 唯一的董事。森森伍德公司注册地址：英属维尔京群岛英属维尔京群岛路镇奎斯蒂斯基大厦905信箱。

As of the date of this prospectus, none of our outstanding ordinary shares is held by record holders in the United States. We are not aware of any of our shareholders being affiliated with a registered broker-dealer or being in the business of underwriting securities.

截至本招股说明书之日，我们已发行的普通股中没有一股是由美国的记录持有人持有的。我们不知道我们的任何股东与注册经纪自营商或从事承销证券业务。

We are not aware of any arrangement that may, at a subsequent date, result in a change of control of our company.

我们不知道任何安排，可能在随后的日期，导致改变控制我们的公司。

## RELATED PARTY TRANSACTIONS

### 关联交易

#### Transactions with Jiayin Zhuoyue and Jiayin (Shanghai)

##### 与嘉荫卓越、嘉荫(上海)的交易

We engaged Jiayin Zhuoyue to refer investors to us. We engaged Jiayin (Shanghai) to refer borrowers to us through its offline network until August 2017, and we also collaborate with Jiayin (Shanghai) in connection with our offline-to-online borrower acquisition channel. Jiayin Zhuoyue also assists us to provide certain value-added services to our investors with higher VIP levels. We pay Jiayin Zhuoyue and Jiayin (Shanghai) referral service fees. Jiayin Zhuoyue and Jiayin (Shanghai) are both controlled by Mr. Dinggui Yan, our founder, director and chief executive officer.

我们聘请嘉荫卓越投资公司为我们介绍投资者。在2017年8月之前，我们通过嘉银(上海)的线下网络向我们推荐借款人，并与嘉银(上海)在线下到线上的借款人收购渠道方面进行合作。嘉荫卓越还协助我们为投资者提供一定的增值服务，达到更高的VIP级别。我们支付嘉荫卓越和嘉荫(上海)中介服务费用。嘉音卓越和嘉音(上海)均由公司创始人、董事、首席执行官严鼎贵先生控股。

We incurred RMB112.0 million, RMB106.3 million (US\$15.5 million) and RMB51.7 million (US\$7.5 million) of referral service fees to Jiayin Zhuoyue in 2016, 2017 and nine months ended September 30, 2018, respectively. We incurred RMB146.4 million (US\$21.3 million) and RMB2.5 million (US\$0.4 million) of referral service fees to Jiayin (Shanghai) in 2017 and the nine months ended September 30, 2018, respectively.

2016年、2017年和截至2018年9月30日的9个月，我们分别向 Jiayin Zhuoyue 发放了1.12亿元人民币、1.063亿元人民币(合1,550万美元)和5,170万元人民币(合750万美元)的介绍服务费。在二〇一七年及截至二〇一八年九月三十日的九个月内，我们分别向嘉荫(上海)支付了1.464亿元人民币(合2,130万美元)及250万元人民币(合40万美元)的介绍服务费。

Amounts due to Jiayin Zhuoyue were RMB7.5 million, RMB10.4 million (US\$1.5 million) and RMB5.9 million (US\$0.9 million) as of December 31, 2016 and 2017 and September 30, 2018, respectively. Amounts due to Jiayin (Shanghai) were RMB18.1 million (US\$2.6 million) as of December 31, 2017. Such amounts represent fees payable to Jiayin Zhuoyue and Jiayin (Shanghai) for referring borrowers and investors to us.

截至二〇一六年十二月三十一日及二〇一七年十二月三十日及二〇一八年九月三十日，嘉荫卓越欠款分别为750万元人民币、1040万元人民币(150万美元)及590万元人民币(90万美元)。截至2017年12月31日，嘉荫(上海)的欠款为1810万元人民币(260万美元)。这笔费用是付给嘉荫卓越和嘉荫(上海)介绍借款人和投资者给我们的费用。

#### Transactions with Jiayin Credit

##### 与嘉荫信贷银行的交易

We engaged Jiayin Credit to conduct onsite credit information collection and verification for our borrowers referred by our offline partners. Jiayin Credit also serves as one of our data sources that provide us credit data for risk management. Jiayin Credit is controlled by Mr. Dinggui Yan, our founder, director and chief executive officer.

我们聘请嘉银信贷为线下合作伙伴介绍的借款人进行现场信用信息收集和验证。嘉银信贷也是我们的数据来源之一，为我们的风险管理提供信贷数据。嘉银信贷由公司创始人、董事、首席执行官严鼎贵先生控股。

We incurred RMB2.4 million (US\$0.4 million) and RMB8.6 million (US\$1.3 million) of fees to Jiayin Credit in connection to the credit services in 2017 and the nine months ended September 30, 2018, respectively.

2017年和截至2018年9月30日的9个月内，我们分别向 Jiayin Credit 发放了240万元人民币(40万美元)和860万元人民币(130万美元)的信贷服务费用。

In addition, Jiayin Credit made certain payments on behalf of us. In 2016, 2017 and the nine months ended September 30, 2018, Jiayin Credit made payments of RMB81.1 million, RMB13.9 million (US\$2.0 million) and RMB0.4 million (US\$0.1 million) on behalf of us in 2016, 2017 and nine months ended September 30, 2018.

此外，嘉荫信用证还代表我们支付了一些款项。2016年、2017年和截至2018年9月30日的9个月中，嘉荫信贷代表我们在2016年、2017年和截至2018年9月30日的9个月中支付了8110万元人民币、1390万元人民币(200万美元)和40万元人民币(10万美元)。

Amounts due to Jiayin Credit was RMB90.1 million and RMB106.4 million (US\$15.5 million) as of December 31, 2016 and 2017. Such amounts represent fees in relation to the credit services payable to Jiayin Credit and certain payments made by Jiayin Credit on behalf of us. Such amounts have been fully settled in 2018.

截至2016年12月31日和2017年12月31日，嘉荫信贷欠款分别为9010万元人民币和1.064亿元人民币(合1550万美元)。这些金额是支付给嘉银信用证的信用服务费用，以及嘉银信用证代表我方支付的某些款项。这些款项已于2018年全部结清。

## Transactions with Shanghai Jiayin

### 与上海嘉荫的交易

We made certain payments on behalf of Shanghai Jiayin of RMB83.0 million in 2016. As of December 31, 2016, amounts due from Shanghai Jiayin was RMB83.0 million. Such amounts was settled in 2017.

2016年我们代表上海嘉荫支付了8300万元人民币。截至2016年12月31日，来自 Shanghai Jiayin 的欠款为8,300万元人民币。这些款项在2017年结清。

## Transaction with Shanghai Jiajie Assets Management Co., Ltd.

### 上海嘉杰交易资产管理有限公司。

We made payments of RMB7.7 million (US\$1.1 million) on behalf of Shanghai Jiajie Assets Management Co., Ltd., or Jiajie Assets. Such amount was fully repaid by June 2018.

我们代表上海嘉捷资产管理有限公司支付了770万元人民币(110万美元)。这笔款项已于2018年6月全数偿还。

## Transaction with Niwodai Finance

### 与 Niwodai 金融公司的交易

In December 2015, Shanghai Caiyin acquired the servicing rights and obligations of all outstanding loan facilitated by Niwodai Finance, a subsidiary of Shanghai Jiayin and an entity providing offline individual finance

2015年12月，上海财银获得了由上海嘉荫子公司和一家提供线下个人金融服务的实体 Niwodai Finance 提供的所有未偿还贷款的服务权利和义务



services controlled by the Mr. Dingui Yan, our founder, director and chief executive officer, as well as the obligation to continue to provide guarantee on those loans through investor assurance program that was previously managed by Niwodai Finance. In accordance with the agreement, Niwodai Finance agreed to pay Shanghai Caiyin an aggregate amount of RMB700.0 million as the total consideration, in view of customer recognition of the Niwodai brand and proprietary technology of Niwodai Finance, the benefits of which were shared with us free of charge and not reflected in our financial statements. At the time of the transaction, the investor assurance fund managed by Niwodai Finance had funds of RMB136.3 million, and accordingly, the amounts due from Niwodai Finance to Shanghai Caiyin were RMB563.7 million at the time of the agreement, which amounts represent the contractual consideration net of funds remaining in the investor assurance program of Niwodai Finance. We deemed this transaction to be a business acquisition under common control under ASC 805-50-15 as both the transferring entity, Niwodai Finance, and the receiving entities, Jiayin Finance and Shanghai Caiyin, were controlled by Mr. Yan in this transaction. As the acquired intangible assets are internally developed by Niwodai Finance and are not specifically identifiable or are inherent in a continuing business, Niwodai Finance did not record them as assets on its book. We recognized such assets acquired from Niwodai Finance at their carrying amount, which is nil, at the date of transfer, as a result of the business acquisition under the common control. We recorded a guarantee liability in connection with the transaction of RMB2.9 billion as “other guarantee liabilities” in the consolidated balance sheet. The difference between the total consideration of RMB700 million and the RMB2.9 billion other guarantee liabilities was included in the beginning balance of the equity for the periods presented. As of December 31, 2016, 2017 and as of September 30, 2018, other guarantee liabilities were RMB2,000.1 million, RMB701.2 million (US\$102.1 million) and RMB64.0 million (US\$9.3 million), respectively. As of December 31, 2016, 2017 and as of September 30, 2018 respectively, amounts due from Niwodai Finance were RMB562.8 million, RMB517.7 million (US\$75.4 million) and RMB119.6 million (US\$17.4 million), respectively. Such amounts represent outstanding fee payable to us in connection with the agreement, net of funds remaining in the investor assurance program of Niwodai Finance at the date of the transaction which were deducted from the consideration payable. In accordance with the agreement with Niwodai Finance, such amounts were payable on demand of us, prior to the time when the terms of the outstanding loans facilitated by Niwodai Finance expire. Substantially all of the loans covered by the investor assurance program previously managed by Niwodai Finance will mature by the end of 2018. Accordingly, other guarantee liabilities are expected to be substantially paid out by the end of 2018. Meanwhile, the amounts due from Niwodai Finance have been fully settled in 2018.

由我们的创始人、董事和首席执行官严定贵先生控制的服务，以及继续通过投资者担保计划为这些贷款提供担保的义务，该计划以前由 Niwodai 金融公司管理。根据协议，鉴于客户对牛窝带金融的品牌和专利技术的认可，牛窝带金融同意向上海财银支付总额为7亿元人民币的报酬。牛窝带金融的利益是免费与我们分享的，并没有反映在我们的财务报表中。在交易时，牛窝带金融管理的投资者保险基金资金为1.363亿元人民币，因此，牛窝带金融到上海财银的应付款在签订协议时为5.637亿元人民币，这是牛窝带金融投资者保险计划中剩余资金的合同对价净额。我们认为这笔交易是 ASC 805-50-15共同控制下的一笔业务收购，因为在这笔交易中，转让实体牛窝大金融和接受实体 Jiayin Finance 和上海财银都受到严先生的控制。由于收购的无形资产是 Niwodai Finance 在内部开发的，无法具体识别，或者是继续经营业务所固有的，因此 Niwodai Finance 没有将其作为资产记录在账面上。我们确认这些资产从 Niwodai 金融公司获得，其账面金额为零，在转让之日，作为共同控制下的业务收购的结果。我们在合并资产负债表中将29亿元人民币交易的担保责任记为“其他担保责任”。7亿元人民币对价总额与29亿元人民币其他担保负债之间的差额已计入有关期间的股本期初余额。截至二零一六年十二月三十一日及二零一八年九月三十日，其他担保负债分别为20亿元人民币、7亿120万元人民币(1.021亿美元)及6,400万元人民币(930万美元)。截至二零一六年十二月三十一日、二零一七年十二月三十一日及二零一八年九月三十日，Niwodai Finance 的应收帐款分别为5.628亿元人民币、5.177亿元人民币(合7,540万美元)及1.196亿元人民币(合1,740万美元)。这些金额是根据协议应付给我们的未付费用，扣除了在交易之日 Niwodai 金融公司投资者保证计划中的剩余资金，这些资金已从应付对价中扣除。根据与 Niwodai 金融公司达成的协议，这些款项应在 Niwodai 金融公司协助的未偿贷款期限到期之前应我们的要求支付。此前由 Niwodai Finance 管理的投资者担保计划所覆盖的大部分贷款将在2018年底到期。因此，其他担保负债预计将在2018年底前大幅偿还。与此同时，Niwodai Finance 的欠款已于2018年全部结清。

## Contractual Arrangements with Jiayin Finance and Its Shareholders

### 嘉荫金融及其股东的契约安排

See “Corporate History and Structure—Contractual Arrangements among Shanghai KunJia, Jiayin Finance and the Shareholders of Jiayin Finance.”

参见《企业历史与结构—上海昆嘉、Jiayin Finance 与 Jiayin Finance 股东之间的契约安排》

## Collaboration Agreement with Shanghai Caiyin

### 与上海采银签订合作协议

See “Corporate History and Structure—Collaboration Agreement with Shanghai Caiyin.”

详见《企业历史与结构——与上海财银的合作协议》

## Private Placements

### 定向配售

See “Description of Share Capital—History of Securities Issuances and Transfers.”

参见“股本描述—证券发行和转让的历史”

## **Share Incentive Plan**

股份奖励计划

See “Management—Share Incentive Plans.”

参见“管理—股票激励计划”

## **Employment Agreements and Indemnification Agreements**

就业协议和赔偿协议

See “Management—Employment Agreements and Indemnification Agreements.”

见“管理—雇佣协议和赔偿协议”

## DESCRIPTION OF SHARE CAPITAL

### 股本描述

We are a Cayman Islands company and our affairs are governed by our amended and restated memorandum and articles of association and the Companies Law (as amended) of the Cayman Islands, or the Companies Law, and the common law of the Cayman Islands.

我们是一家开曼群岛公司，我们的事务受我们经修订和重申的公司章程和条例以及经修订的《开曼群岛公司法》或《公司法》和《开曼群岛普通法》管辖。

As of the date of this prospectus, our authorized share capital consists of US\$50,000 divided into 10,000,000,000 ordinary shares with a par value US\$0.000000005 each. As of the date of this prospectus, the total number of ordinary shares outstanding is 200,000,000. All of our issued and outstanding ordinary shares are fully paid.

截至本招股说明书之日，本公司的授权股本为5万美元，分为面值0.0000000005美元的10,000,000,000普通股。截至本招股说明书之日，已发行普通股总数为20万股。我们所有已发行和已发行的普通股都已全额支付。

Immediately prior to the completion of this offering, there will be Class A ordinary shares and Class B ordinary shares outstanding, assuming the underwriters do not exercise the over-allotment option and excludes ordinary shares issued but deemed to be not outstanding, ordinary shares issuable upon the exercise of outstanding share options and ordinary shares reserved for future issuance under our share incentive plan. Immediately prior to the completion of this offering, ordinary shares issued but deemed to be not outstanding will be re-designated into Class A ordinary shares on a one-for-one basis.

假设承销商没有行使超额配售选择权，并不包括已发行但被视为非已发行的普通股、在行使已发行的已发行股份认购权时可发行的普通股，以及根据我们的股份奖励计划预留作日后发行的普通股，则在是次发行完成前，将会有 a 类普通股及 b 类普通股发行。在此次发行完成前，已发行但被视为未发行的普通股将以一对一的方式重新指定为 a 类普通股。

All of our ordinary shares issued and outstanding prior to the completion of the offering are and will be fully paid, and all of our Class A ordinary shares to be issued in the offering will be issued as fully paid. Our authorized share capital immediately prior to the completion of this offering will be US\$50 divided into 84,000,000 Class A ordinary shares with a par value US\$0.000000005 each, 116,000,000 Class B ordinary shares with a par value US\$0.000000005 each and 9,800,000,000 shares of a par value US\$0.000000005 each of such class or classes (however designated) as our board of directors may determine in accordance with the amended and restated memorandum and articles of association.

我们所有在发行完成之前已发行和已发行的普通股都将全额支付，我们在发行中将发行的所有 a 类普通股都将全额支付。在此次发行完成之前，我们的授权股本为50美元，分为面值84,000,000股 a 类普通股，每股面值0.000000005美元，116,000,000股面值0.000000005美元的 b 类普通股，以及面值9,800,000,000股面值0.000000005美元的 a 类普通股，作为我们的董事会可根据修订和重申的公司章程和条例来决定这些类别或类别(不论指定如何)。

Assuming that we obtain the requisite shareholder approval, immediately prior to the completion of this offering, we will adopt an amended and restated memorandum and articles of association, or post-IPO memorandum and articles of association, which will replace our current memorandum and articles of association in its entirety. The following are summaries of material provisions of our post-IPO memorandum and articles of association and the Companies Law as they relate to the material terms of our Class A and Class B ordinary shares that we expect will become effective immediately prior to the completion of this offering.

假设我们在本次发售完成前获得所需的股东批准，我们将通过一份经修订和重述的组织章程大纲和细则，或上市后的组织章程大纲和细则，这将完全取代我们现有的组织章程大纲和细则。以下是本公司上市后的组织章程大纲及章程细则，以及《公司法》中有关本公司 a 类及 b 类普通股的重要条款的摘要，我们预期这些条款会在本次发售完成前立即生效。

### Exempted Company

#### 获豁免公司

We are an exempted company incorporated with limited liability under the Companies Law. The Companies Law distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary resident company except for the exemptions and privileges listed below:

我们是根据《公司法》与有限责任注册成立的豁免公司。《公司法》区分了普通居民公司和豁免公司。在开曼群岛注册但主要在开曼群岛以外开展业务的任何公司均可申请注册为豁免公司。获豁免公司的规定基本上与普通居民公司相同，但下列豁免及特权除外：

- an exempted company does not have to file an annual return of its shareholders with the Registrar of Companies;  
获豁免的公司无须向公司注册处处长提交股东周年申报表;
- an exempted company is not required to open its register of members for inspection;  
获豁免的公司无须开立会员登记册以供查阅;

- an exempted company does not have to hold an annual general meeting;  
获豁免的公司无须举行周年大会;
- an exempted company may issue no par value, negotiable or bearer shares;  
获豁免的公司不得发行面值、可转让或无记名股票;
- an exempted company may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);  
获豁免的公司可就日后征收任何税项获得承诺(该等承诺通常首先作出为期20年);
- an exempted company may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;  
获豁免的公司可继续在另一司法管辖区注册,并在开曼群岛注销注册;

- an exempted company may register as a limited duration company; and  
获豁免的公司可注册为有限期公司; 以及
- an exempted company may register as a segregated portfolio company.  
获豁免的公司可注册为独立投资组合公司。

## Ordinary Shares

### 普通股

#### *General*

#### 将军

All of our outstanding Class A and Class B ordinary shares are fully paid and non-assessable. Our shareholders who are non-residents of the Cayman Islands may freely hold and vote their ordinary shares.

本公司所有已发行的 a 类及 b 类普通股均已全数缴付，无须课税。非开曼群岛居民的股东可以自由持有和投票其普通股。

#### *Dividends*

#### 股息

The holders of our ordinary shares are entitled to receive such dividends as may be declared by our board of directors subject to our post-IPO memorandum and articles of association and the Companies Law. In addition, our shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our directors. Under Cayman Islands law, dividends may be paid only out of profits or share premium, provided that, immediately after the payment, we will be able to pay our debts as they become due in the ordinary course of business. Any dividend declared on our ordinary shares shall be payable equally to holders of Class A and Class B ordinary shares.

我们普通股的持有人有权获得我们的董事会可能宣布的股息，但须遵守我们上市后的公司章程和组织章程以及《公司法》。此外，我们的股东可以通过普通决议宣布股息，但是股息不得超过董事会建议的数额。根据开曼群岛法律，股息只能从利润或股票溢价中支付，前提是在支付股息后，我们能够立即支付正常业务过程中到期的债务。我们普通股宣布的任何股息应平均支付给 a 类和 b 类普通股股东。

#### *Register of Members*

#### 成员登记册

Under Cayman Islands law, we must keep a register of members and there must be entered therein:

根据开曼群岛法律，我们必须保存一份成员登记册，并且必须在其中登记：

- the names and addresses of the members, a statement of the shares held by each member, and of the amount paid or agreed to be considered as paid, on the shares of each member;  
成员的姓名和地址，每名成员所持股份的说明，以及每名成员所持股份的已支付或同意视为已支付的数额；
- the date on which the name of any person was entered on the register as a member; and  
任何人士登记成为会员的日期；以及
- the date on which any person ceased to be a member.  
任何人不再是会员的日期。

Under Cayman Islands law, the register of members of our company is prima facie evidence of the matters set out therein (i.e. the register of members will raise a presumption of fact on the matters referred to above unless rebutted) and a member registered in the register of members will be deemed as a matter of Cayman Islands law to have legal title to the shares as set against its name in the register of members. Upon the closing of this public offering, our company's register of members will be immediately updated to reflect the issue of Class A ordinary shares by us to [Name of Depository], as the depository (or its custodian or nominee). Once our register of members has been updated, the shareholders recorded in the register of members shall be deemed to have legal title to the shares set against their name in the register of members.

根据开曼群岛法律，我们公司的成员登记册是其中所列事项的初步证据（即成员登记册将就上述事项提出事实推定，除非遭到反驳），在成员登记册上登记的成员将被视为开曼群岛法律事项，对成员登记册上与其姓名相对应的股份拥有法律所有权。本次公开发行结束后，我们公司的成员登记册将立即更新，以反映我们作为存托人（或其托管人或代理人）向[存托人名称]发行 a 类普通股的情况。一旦我们的会员登记册被更新，记录在会员登记册上的股东将被视为对在会员登记册上与其姓名相对应的股份拥有法定所有权。

If the name of any person is incorrectly entered in or omitted from the register of members, or if default is made or unnecessary delay takes place

in entering on the register the fact of any person having ceased to be a member, the person or member aggrieved or any member or the company itself may apply to the Grand Court of the Cayman Islands for an order that the register be rectified, and the Court may either refuse such application or it may, if satisfied of the justice of the case, make an order for the rectification of the register.

如果任何人的姓名被错误地输入或从成员登记册中删除，或者如果在登记册上输入任何人已不再是成员的事实时发生了违约或不必要的延误，受害的人或成员或任何成员或公司本身可向开曼群岛大法院申请命令更正登记册，法院可以拒绝这种申请，或者如果法官认为案件公正，法院可以命令更正登记册。

### *Voting Rights*

#### 投票权

In respect of all matters subject to a shareholders' vote, each registered holder of Class A ordinary shares is entitled to one vote per share, and each registered holder of Class B ordinary shares is entitled to ten votes per share. Holders of Class A ordinary shares and Class B ordinary shares shall, at all times, vote together on all resolutions submitted to a shareholders' vote. Holders of our ordinary shares have the right to receive notice of, attend, speak and vote at general meetings of our company. At any general meeting a resolution put to the vote of

就所有须由股东投票决定的事项而言，每名 a 类普通股登记持有人每股享有一票，而每名 b 类普通股登记持有人每股享有十票。A 类普通股股东和 b 类普通股股东在任何时候都应对提交股东表决的所有决议一并表决。我们普通股的持有者有权在我们公司的股东大会上接受通知、出席、发言和投票。在任何一次大会上将一项决议付诸表决

the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman or by one or more shareholders present in person or by proxy (or, if a corporation or other non-natural person, by its duly authorized representative or proxy) who together hold shares which carry in aggregate not less than ten percent of the votes attaching to all issued and outstanding shares of our company that carry the right to vote at the general meeting. An ordinary resolution to be passed by the shareholders requires the affirmative vote of a simple majority of the votes cast in a general meeting, while a special resolution requires the affirmative vote of no less than two-thirds of the votes cast in a general meeting. Both ordinary resolutions and special resolutions may also be passed by a unanimous written resolution signed by all the shareholders of our company, as permitted by the Companies Law and our post-IPO memorandum and articles of association. A special resolution will be required for important matters such as a change of name or making changes to our memorandum and articles of association. 会议应以举手方式决定，除非(在举手表决结果宣布之前)由主席或出席会议的一个或多个股东要求进行投票，或由代理人(如果是公司或其他非自然人，由其正式授权的代表或代理人)要求进行投票，他们共同持有的股票总计占本公司所有已发行和流通股票所附表决权的百分之十以上，并在股东大会上拥有表决权。由股东通过的普通决议需要股东大会投票的简单多数的赞成票，而特别决议则需要股东大会投票的不少于三分之二的赞成票。普通决议和特别决议也可以由我公司全体股东一致签署的书面决议通过，这是《公司法》和我公司上市后的备忘录和章程所允许的。如有重要事项，例如更改公司名称或更改公司章程大纲及章程细则，需要特别决议。

### **General Meetings and Shareholder Proposals**

#### **股东大会及股东建议**

As a Cayman Islands exempted company, we are not obliged by the Companies Law to call shareholders' annual general meetings. Our post-IPO memorandum and articles of association provide that we may (but are not obliged to) in each year hold a general meeting as our annual general meeting in which case we will specify the meeting as such in the notices calling it, and the annual general meeting will be held at such time and place as may be determined by our directors.

作为开曼群岛的豁免公司，根据《公司法》，我们没有义务召开股东周年大会。我们在首次公开招股后的组织章程大纲及章程细则订明，我们每年可以(但没有义务)举行股东大会，作为我们的周年大会。在这种情况下，我们会在召开股东大会的通知中指明会议的具体日期，而周年大会的时间及地点将由我们的董事决定。

Cayman Islands law provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our post-IPO memorandum and articles of association allow any two or more of our shareholders, who together hold shares which carry in aggregate not less than ten percent of all votes attaching to all of the issued and outstanding shares of our company, to requisition an extraordinary general meeting of our shareholders, in which case the directors are obliged to call such meeting and to put the resolutions so requisitioned to a vote at such meeting.

开曼群岛法律规定股东只有有限的权利要求召开股东大会，而且没有规定股东有任何权利在股东大会上提出任何建议。但是，这些权利可以在公司章程中规定。我们的上市后备忘录和公司章程允许我们的任何两个或两个以上的股东，他们共同持有的股份总计不少于我们公司所有已发行和流通股票投票权的百分之十，可以要求召开我们的股东特别大会，在这种情况下，董事们有义务召开特别大会，并在特别大会上投票表决所要求的决议。

A quorum required for a meeting of shareholders consists of one or more shareholders, who together hold shares which carry in aggregate not less than one-third (1/3rd) of all votes attaching to all issued and outstanding shares of our company that carry the right to vote at such general meeting, present in person or by proxy or, if a corporation or other non-natural person, by its duly authorized representative. Advance notice of at least seven calendar days is required for the convening of our annual general meeting and other shareholders meetings.

股东大会的法定人数由一个或多个股东组成，他们持有的股份总计不少于本公司所有已发行和流通股票所附表决票的三分之一(三分之一)，这些表决票有权在股东大会上亲自出席或委托他人出席，如果是公司或其他非自然人，则由其正式授权的代表出席。召开我们的年度股东大会和其他股东大会至少需要提前七个日历日通知。

### **Conversion**

#### **转换**

Each Class B ordinary share is convertible into one Class A ordinary share at any time at the option of the holder thereof. Class A ordinary shares are not convertible into Class B ordinary shares under any circumstances. Upon any transfer of Class B ordinary shares by a holder to any person or entity which is not an affiliate of such holder, such Class B ordinary shares shall be automatically and immediately converted into the equivalent number of Class A ordinary shares.

每股 b 类普通股可在持有人选择的任何时间转换为一股 a 类普通股。A 类普通股在任何情况下均不得转换为 b 类普通股。持有人将 b 类普通股转让予并非该持有人关联的任何人士或实体时，该 b 类普通股应自动并立即转换为相等数目的 a 类普通股。

### **Transfer of Ordinary Shares**

#### **转让普通股**



Subject to the restrictions in our post-IPO memorandum and articles of association as set out below, any of our shareholders may transfer all or any of his or her ordinary shares by an instrument of transfer in the usual or common form or any other form approved by our board.

在遵守本公司在首次公开招股后的组织章程大纲及章程细则的限制下，本公司任何股东均可以通过一般或普通形式的转让文书，或经本公司董事会批准的任何其他形式，转让其全部或任何普通股。

Our board of directors may, in its absolute discretion, decline to register any transfer of any ordinary share which is not fully paid up or on which we have a lien. Our directors may also decline to register any transfer of any ordinary share unless:

我们的董事会有绝对的自由裁量权，可以拒绝登记任何普通股的转让，如果这些普通股没有完全支付或者我们对其拥有留置权。本公司董事亦可拒绝登记任何普通股的转让，除非：

- the instrument of transfer is lodged with us, accompanied by the certificate for the ordinary shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- 转让文书须连同与转让文书有关的普通股证明书及本公司董事会可能合理要求的其他证据，以证明转让人有权进行转让；

- the instrument of transfer is in respect of only one class of shares;  
转让文书只适用于一类股份;
- the instrument of transfer is properly stamped, if required;  
如有需要，转让文书已盖妥印章;
- in the case of a transfer to joint holders, the number of joint holders to whom the ordinary share is to be transferred does not exceed four;  
and  
如转让予联名持有人，获转让普通股的联名持有人数目不得超过四人; 及
- the ordinary shares transferred are free of any lien in favor of us.  
转让的普通股对我们没有任何留置权。

If our directors refuse to register a transfer they are obligated to, within two months after the date on which the instrument of transfer was lodged, send to each of the transferor and the transferee notice of such refusal. The registration of transfers of shares or of any class of shares may, after compliance with any notice requirement of the designated stock exchange, be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any calendar year) as our board of directors may determine.

如果我们的董事拒绝登记转让，他们有义务在转让文书递交之日起两个月内，将拒绝转让的通知发送给每一个转让人和受让人。股份或任何类别股份的转让登记，在遵守指定证券交易所的任何通知要求后，可在我们董事会可能决定的时间和期限内暂停(不超过任何历年的整个三十(30)天)。

### **Liquidation**

#### **清盘**

On a return of capital on the winding up of our company, if the assets available for distribution amongst our shareholders shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed amongst our shareholders in proportion to the par value of the shares held by them at the commencement of the winding up, subject to a deduction from those shares in respect of which there are monies due, of all monies payable to our company for unpaid calls or otherwise. If our assets available for distribution are insufficient to repay all of the paid-up capital, the assets will be distributed so that the losses are borne by our shareholders in proportion to the par value of the shares held by them. Any distribution of assets or capital to a holder of a Class A ordinary share and a holder of a Class B ordinary share will be the same in any liquidation event. We are an exempted company with limited liability incorporated under the Companies Law, and under the Companies Law, the liability of our members is limited to the amount, if any, unpaid on the shares respectively held by them. Our memorandum of association contains a declaration that the liability of our members is so limited.

就本公司清盘时的资本回报而言，如可供本公司股东分配的资产足以在清盘开始时偿还全部股本，则盈余须按本公司股东在清盘开始时持有的股份的面值比例分配予本公司股东，但须从已到期的股份中扣除因未偿还催缴款项或其他原因而须支付予本公司的所有款项。如果我们可供分配的资产不足以偿还所有实收资本，我们将分配这些资产，以便我们的股东按照他们所持股份的面值比例承担损失。任何将资产或资本分配给 a 类普通股股东和 b 类普通股股东的做法，在任何清算事件中都是相同的。我们是一家根据《公司法》注册成立的豁免公司，根据《公司法》，我们的会员所承担的法律責任限于他们所持有的股份的未支付数额，如果有的话。我们是一家根据《公司法》注册的有限責任。我们的组织章程大纲包含一项声明，声明我们的成员的责任是如此有限。

### **Calls on Ordinary Shares and Forfeiture of Ordinary Shares**

#### **普通股认购与普通股的没收**

Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their ordinary shares in a notice served to such shareholders at least fourteen calendar days prior to the specified time and place of payment. The ordinary shares that have been called upon and remain unpaid on the specified time are subject to forfeiture, subject to certain terms and conditions.

我们的董事会可以在规定的付款时间和地点之前至少十四个日历日向股东发出通知，要求股东支付其普通股的任何未付款项。在某些条款和条件的限制下，在规定时间内被要求支付但仍未支付的普通股可予以没收。

### **Redemption, Repurchase and Surrender of Ordinary Shares**

#### **普通股的赎回、回购及放弃**

We may issue shares on terms that such shares are subject to redemption, at our option or at the option of the holders thereof, on such terms and in such manner as may be determined, before the issue of such shares, by our board of directors or by a special resolution of our shareholders. Our company may also repurchase any of our shares provided that the manner and terms of such purchase have been approved by our board of directors or by ordinary resolution of our shareholders, or are otherwise authorized by our memorandum and articles of association. Under the Companies Law, the redemption or repurchase of any share may be paid out of our company's profits or out of the proceeds of a fresh issue of shares made for the purpose of such redemption or repurchase, or out of capital (including share premium account and capital redemption reserve) if the company can, immediately

following such payment, pay its debts as they fall due in the ordinary course of business. In addition, under the Companies Law no such share may be redeemed or repurchased (a) unless it is fully paid up, (b) if such redemption or repurchase would result in there being no shares outstanding, or (c) if the company has commenced liquidation. In addition, our company may accept the surrender of any fully paid share for no consideration.

我们可以发行股票，条件是这些股票可以赎回，由我们选择或由其持有人选择，条件和方式可能决定，在发行这些股票之前，由我们的董事会或我们的股东的特别决议。我们公司也可以回购我们的任何股份，只要这种购买的方式和条款已经得到我们的董事会或我们的股东的普通决议，或者得到我们的组织章程大纲和章程的授权。根据《公司法》，任何股份的赎回或回购可从本公司的利润或为赎回或回购而新发行的股份所得款项中支付，或从资本(包括股份溢价帐及赎回资本储备)中支付，但公司必须能够在付款后立即偿还在正常业务运作中到期的债项。此外，根据《公司法》，该等股份不得赎回或赎回(a)，除非该等股份已全数清缴；(b)如该等赎回或回购会导致没有未赎回股份；或(c)如公司已进行清盘程序。此外，本公司可以接受任何全额支付的股份无偿退还。

### *Variations of Rights of Shares*

#### 股权变动

If at any time the share capital is divided into different classes of shares, the rights attached to any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, be varied either with the unanimous written consent of the holders of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

如果股本在任何时候分成不同类别的股份，除非该类别股份的发行条款另有规定，任何类别股份的权利可以在该类别股份的已发行股份的持有人一致书面同意或在类别股份的持有人另行举行的会议上通过的特别决议的批准下更改。

### *Inspection of Books and Records*

#### 查阅书籍及纪录

Holders of our ordinary shares will have no general right under Cayman Islands law to inspect or obtain copies of our list of shareholders or our corporate records (other than a right to receive copies of our memorandum and articles of association, any special resolutions which have been passed by our shareholders, and our register of mortgages and charges). However, we will provide our shareholders with annual audited financial statements. See "Where You Can Find Additional Information."

根据开曼群岛法律，我们普通股的持有者无权查阅或获得我们的股东名单或公司记录的副本(除了有权获得我们的组织章程大纲和章程、我们的股东通过的任何特别决议以及我们的抵押和押记登记册的副本)。然而，我们将提供我们的股东年度审计财务报表。请参阅"在哪里可以找到其他信息"

### *Changes in Capital*

#### 资本变动

Our shareholders may from time to time by ordinary resolutions:

我们的股东可以不时通过普通决议:

- increase the share capital by such sum, to be divided into shares of such classes and amount, as the resolution prescribes; 增加股本数额，按照决议规定分成等级和数额的股份;
- consolidate and divide all or any of our share capital into shares of a larger amount than our existing shares; 将我们的全部或任何股本合并并划分为数额大于我们现有股本的股份;
- sub-divide our existing shares, or any of them into shares of a smaller amount than that fixed by our memorandum of association; provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share will be the same as it was in case of the share from which the reduced share is derived; and 将本公司现有股份，或其中任何股份，细分为较本公司组织章程大纲所定金额为少的股份；但在细分时，每减少股份所支付的金额与未支付的金额(如有的话)所占的比例，须与衍生减少股份的比例相同；以及
- cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of our share capital by the amount of the shares so canceled. 取消在决议通过之日尚未被任何人取得或同意取得的任何股份，并将取消的股份数额减去我们的股本数额。

However, no alteration contemplated above, or otherwise, may be made to the par value of the Class A ordinary shares or Class B ordinary shares unless an identical alteration is made to the par value of the Class B ordinary shares and Class A ordinary shares, as the case may be.

不过，a类普通股或b类普通股的票面价值，除非b类普通股和a类普通股的票面价值作出相同的变更(视情况而定)，否则a类普通股或b类普通股的票面价值不得作上述或其他变更。

Subject to the Companies Law, our shareholders may by special resolution reduce our share capital and any capital redemption reserve in any manner authorized by law.

在遵守《公司法》的前提下，我们的股东可以通过特别决议，以法律授权的任何方式减少我们的股本和任何赎回资本准备金。

### *Differences in Corporate Law*

#### 公司法的差异

The Companies Law is modeled after that of the English companies' legislation but does not follow recent English law statutory enactments, and accordingly there are significant differences between the Companies Law and the current Companies Act of England. In addition, the Companies Law differs from laws applicable to Delaware corporations and their shareholders. Set forth below is a summary of certain significant differences between the

provisions of the Companies Law applicable to us and the laws applicable to Delaware corporations and their shareholders.

《公司法》模仿了英国公司立法，但没有遵循最近的英国法律成文法，因此，《公司法》与现行的《英国公司法》存在显著差异。此外，《公司法》不同于适用于特拉华州公司及其股东的法律。下文概述了适用于我们的《公司法》条款与适用于特拉华州公司及其股东的法律之间的某些重大差异。

### *Mergers and Similar Arrangements*

#### 合并及类似安排

The Companies Law permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) “merger” means the

《公司法》允许开曼群岛公司之间以及开曼群岛公司与非开曼群岛公司之间进行合并。为此目的，(a)「合并」是指

merging of two or more constituent companies and the vesting of their undertakings, property and liabilities in one of such companies as the surviving company and (b) a “consolidation” means the combination of two or more constituent companies into a consolidated company and the vesting of the undertakings, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (a) a special resolution of the shareholders of each constituent company, and (b) such other authorization, if any, as may be specified in such constituent company’s articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies together with a declaration as to the solvency of the consolidated or surviving company, a declaration as to the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Dissenting shareholders have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

两间或多间成分公司合并，并将其业务、财产及责任归属于其中一间公司(例如尚存的公司)，以及(b)「合并」是指两间或多间成分公司合并为一间合并公司，并将该等公司的业务、财产及责任归属于该合并公司。为了进行这种合并或合并，每个成员公司的董事必须批准一项合并或合并的书面计划，该计划必须获得(a)每个成员公司股东的特别决议和(b)该成员公司章程中可能具体规定的任何其他授权。合并或合并的书面计划必须提交公司注册处处长，同时声明合并公司或尚存公司的偿付能力，声明每个成员公司的资产和负债，并承诺向每个成员公司的成员和债权人提供合并或合并证书副本，并在开曼群岛公报上公布合并或合并的通知。持异议的股东如果遵循规定的程序，除某些例外情况下，有权获得其股份的公允价值(如果当事各方未达成协议，则由开曼群岛法院决定)。根据这些法定程序进行的合并或合并不需要法院批准。

Separate from the statutory provisions relating to mergers and consolidations, the Companies Law also contains statutory provisions that facilitate the reconstruction and amalgamation of companies by way of schemes of arrangement, provided that the arrangement is approved by a majority in number of each class of shareholders and creditors with whom the arrangement is to be made, and who must in addition represent three-fourths in value of each such class of shareholders or creditors, as the case may be, that are present and voting either in person or by proxy at a meeting, or meetings, convened for that purpose. The convening of the meetings and subsequently the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the court can be expected to approve the arrangement if it determines that:

除了与合并有关的法定条文外，《公司法》亦载有法定条文，便利公司以安排计划的方式进行重组和合并，但有关安排须得到拟与之作出安排的每类股东和债权人的多数通过，而且这些股东和债权人还必须代表为此目的而亲自出席或由代理人出席会议或召开会议的每类股东或债权人的四分之三价值。开曼群岛大法院必须批准召开会议和随后作出安排。虽然持异议的股东有权向法院表达不应批准交易的意见，但如果法院确定：

- the statutory provisions as to the due majority vote have been met;  
符合关于应有多数票的法定规定;
- the shareholders have been fairly represented at the meeting in question and the statutory majority are acting bona fide without coercion of the minority to promote interests adverse to those of the class;  
股东在有关会议上得到公平的代表，法定多数股东在没有胁迫少数股东的情况下善意行事，以促进不利于该类股东的利益;
- the arrangement is such that may be reasonably approved by an intelligent and honest man of that class acting in respect of his interest; and  
有关安排可获该类别的聪明及诚实人士就其利益而作出的合理批准; 及
- the arrangement is not one that would more properly be sanctioned under some other provision of the Companies Law.  
根据《公司法》的其他条文，这项安排不会更适当地受到制裁。

The Companies Law also contains a statutory power of compulsory acquisition which may facilitate the “squeeze out” of dissentient minority shareholders upon a tender offer. When a tender offer is made and accepted by holders of 90% of the shares affected (within four months), the offeror may, within a two-month period commencing on the expiration of such four month period, require the holders of the remaining shares to transfer such shares to the offeror on the terms of the offer. An objection can be made to the Grand Court of the Cayman Islands, but this is unlikely to succeed in the case of an offer which has been so approved unless there is evidence of fraud, bad faith or collusion.

《公司法》还载有强制收购的法定权力，这可能有助于在收购要约时“挤出”持异议的小股东。当90%受影响股份的持有人提出并接受投标要约(在四个月内)，要约人可在该四个月期满起计的两个半月内，要求余下股份的持有人按要约条款将该等股份转让予要约人。可以向开曼群岛大法院提出反对意见，但如果要约获得批准，除非有欺诈、恶意或串通的证据，否则反对意见不大可能成功。

If an arrangement and reconstruction by way of scheme of arrangement is thus approved and sanctioned, or if a tender offer is made and accepted, in accordance with the foregoing statutory provisions, a dissenting shareholder would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of United States corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

如果以安排计划的方式作出的安排和重建因此得到批准和认可，或者如果根据上述法律规定提出并接受了投标要约，持异议的股东将没有与评估权相当的权利，而美国公司持异议的股东通常可以享有这种权利，提供了按照司法确定的股份价值获得现金付款的权利。

### *Shareholders' Suits*

#### 股东诉讼

In principle, we will normally be the proper plaintiff and as a general rule a derivative action may not be brought by a minority shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority in the Cayman Islands, the Cayman Islands court can be expected to apply and follow the common law principles (namely the rule in *Foss v. Harbottle* and the exceptions thereto) which permit a minority shareholder to commence a class action against, or a derivative action in the name of, a company to challenge the following acts in the following circumstances:

原则上，我们通常是适当的原告，作为一般规则，衍生诉讼不得由少数股东提起。然而，根据在开曼群岛十有八九具有说服力的英国当局，开曼群岛法院可望适用和遵守普通法原则（即 *Foss 诉 Harbottle* 案的规则及其例外情况），这些原则允许少数股东对公司提起集体诉讼或以公司名义提起的派生诉讼，在下列情况下对下列行为提出质疑：

- a company acts or proposes to act illegally or ultra vires;  
公司作出或者提议作出非法或者越权的行为；
- the act complained of, although not ultra vires, could only be effected duly if authorized by more than a simple majority vote that has not been obtained; and  
被申诉的行为虽然不是越权行为，但只有经未获得的简单多数票授权才能适当生效；以及
- those who control the company are perpetrating a “fraud on the minority.”  
那些控制公司的人犯下了“欺骗少数人”的罪行

### *Directors' Fiduciary Duties*

#### 董事受托责任

Under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components, the duty of care and the duty of loyalty. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of, and disclose to shareholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director must act in a manner he or she reasonably believes to be in the best interests of the corporation.

根据特拉华州的公司法，特拉华州公司的董事对公司及其股东负有受托责任。这种义务有两个组成部分，注意义务和忠诚义务。注意义务要求董事诚信行事，谨慎行事，正常谨慎的人在类似情况下也会这样做。根据这一义务，董事必须告知自己，并向股东披露所有合理可用的有关重大交易的重要信息。忠诚义务要求董事必须以他或她有理由相信符合公司最大利益的方式行事。

A director must not use his or her corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interests of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder not shared by the shareholders generally. In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, the director must prove the procedural fairness of the transaction and that the transaction was of fair value to the corporation.

董事不得利用其公司职位谋取个人利益或好处。这一义务禁止董事进行自我交易，并规定公司及其股东的最大利益优先于董事、高级管理人员或控股股东拥有的通常不由股东分享的任何利益。一般而言，董事的行动被认为是知情的基础上、本着诚信和真诚地相信所采取的行动符合公司的最大利益。然而，这一推定可能会被违反受托责任之一的证据推翻。如果董事提出有关交易的这种证据，董事必须证明交易的程序公正性，证明交易对公司具有公平价值。

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company, and therefore he or she owes the following duties to the company—a duty to act bona fide in the best interests of the company, a duty not to make a personal profit out of his or her position as director (unless the company permits him or her to do so), a duty not to put himself or herself in a position where the interests of the company conflict with his or her personal interests or his or her duty to a third-party and a duty to exercise powers for the purpose for which such powers were intended. A director of a Cayman Islands company owes to the company a duty to exercise the skill they actually possess and such care and diligence that a reasonably prudent person would exercise in comparable circumstances. It was previously considered that a director need not exhibit in the performance of his or her duties a greater degree of skill than may reasonably be expected from a person of his or her knowledge and experience. However, there are indications that the English and commonwealth courts are moving towards an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands.

根据开曼群岛法律，开曼群岛公司的董事是公司的受托人，因此他或她对公司的义务一为公司的最大利益善意行事的义务，不利用其董事职位牟取个人利益的义务（除非公司允许他或她这样做），不将自己置于公司的利益与他或她的个人利益或他或她对第三方的义务相冲突的地位的义务，以及为了这种权力的目的而行使权力的义务。开曼群岛公司的董事对公司负有责任，必须行使他们实际拥有的技能，以及合理谨慎的人在类似情况下会行使的谨慎和勤奋。过去曾认为，董事在履行职责时不必表现出比他或她的知识和经验所能合理期望的更高的技能。然而，有迹象表明，英格兰和联邦法院在所需技能和照料方面正朝着客观标准的方向发展，开曼群岛很可能遵循这些主管部门的做法。



Under our post-IPO memorandum and articles of association, directors who are in any way, whether directly or indirectly, interested in a contract or proposed contract or arrangement with our company must declare the nature of their interest at a meeting of the board of directors. A director may vote in respect of any contract, transaction or arrangement, or any proposed contract, transaction or arrangement, notwithstanding that he may be interested therein and if he does so his vote shall be counted and he may be counted in the quorum at any meeting of our directors at which any such contract, transaction or arrangement is considered and voted upon.

根据我们上市后的组织章程大纲及章程细则，董事如以任何方式，不论是直接或间接，对我们公司的合约或拟议合约或安排感兴趣，必须在董事会会议上申报其利益性质。董事可就任何合约、交易或安排，或任何拟议的合约、交易或安排进行表决，尽管他可能对此感兴趣，如果他这样做，他的投票将被计算在审议和表决任何此类合约、交易或安排的董事会议的法定人数中。

### ***Indemnification***

#### **赔偿**

Cayman Islands law does not limit the extent to which a company's memorandum and articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime.

开曼群岛法律不限制公司章程和公司章程对高级管理人员和董事的赔偿，除非开曼群岛法院认为任何此类规定违反公共政策，例如对民事欺诈或犯罪后果提供赔偿。

Our post-IPO memorandum and articles of association provides that our company shall indemnify our directors (including alternate directors) and officers and their personal representatives against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by such persons, other than by reason of any such person's own dishonesty, wilful default or fraud, in or about the conduct of our company's business or affairs (including as a result of any mistake of judgment) or in the execution or discharge of his duties, powers, authorities or discretions, including any costs, expenses, losses or liabilities incurred by such persons in defending (whether successfully or otherwise) any civil proceedings concerning our company or our affairs in any court whether in the Cayman Islands or elsewhere. This standard of conduct is generally the same as permitted under the Delaware General Corporation Law for a Delaware corporation. In addition, we have entered into indemnification agreements with our directors and executive officers that provide such persons with additional indemnification beyond that provided in our post-offering amended and restated memorandum and articles of association.

我们在上市后的组织章程大纲及章程细则规定，我们的董事(包括候补董事)、高级管理人员及其个人代表，在我们公司的业务或事务(包括任何判决错误)或在执行或履行其职责、权力、授权或酌情决定时，除因上述人士本身不诚实、故意违约或欺诈而引致或承担的一切诉讼、法律程序、费用、费用、损失、损害赔偿或责任外，亦须向他们作出赔偿，包括上述人士在任何法庭(不论是否成功)就我们公司或我们的事务进行任何民事诉讼(不论是否在开曼群岛或其他地方)。这种行为标准通常与美国特拉华州特拉华州普通公司法法案所允许的特拉华州公司的行为标准相同。此外，我们已经与我们的董事和执行官员签订了赔偿协议，向这些人员提供超出我们发售后修正和重申的组织章程和条款规定的额外赔偿。

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers or persons controlling us under the foregoing provisions, we have been informed that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

至于根据《证券法》产生的赔偿责任可以允许我们的董事、高级职员或控制我们的人员根据上述规定，我们已被告知，证券交易委员会认为，这种赔偿违反了《证券法》所表明的公共政策，因此是不可执行的。

### ***Shareholder Action by Written Resolution***

#### **以书面决议形式提起股东诉讼**

Under the Delaware General Corporation Law, a corporation may eliminate the right of shareholders to act by written consent by amendment to its certificate of incorporation. The Companies Law and our post-IPO memorandum and articles of association provide that shareholders may approve corporate matters by way of a unanimous written resolution signed by or on behalf of each shareholder who would have been entitled to vote on such matter at a general meeting without a meeting being held.

根据《特拉华州普通公司法》，公司可以通过修改公司注册证书，取消股东通过书面同意采取行动的权利。《公司法》及本公司上市后的组织章程大纲及章程细则订明，股东可透过由每名股东或其代表签署的一致书面决议批准公司事宜，而每名股东本有权在大会上就该等事宜进行表决，而无须举行会议。

### ***Shareholder Proposals***

#### **股东建议**

Under the Delaware General Corporation Law, a shareholder has the right to put any proposal before the annual meeting of shareholders, provided it complies with the notice provisions in the governing documents. A special meeting may be called by the board of directors or any other person authorized to do so in the governing documents, but shareholders may be precluded from calling special meetings.

根据《特拉华州普通公司法》，股东有权在年度股东大会上提出任何建议，只要该建议符合管理文件中的通知规定。董事会或者董事会文件授权的其他人员可以召开特别会议，但股东不得召开特别会议。

Cayman Islands law does not provide shareholders any right to put proposal before a meeting and provides limited rights for shareholders to requisition a general meeting. However, these rights may be provided in articles of association. Our post-IPO memorandum and articles of association allow any two or more our shareholders, who together hold shares which carry in aggregate not less than ten percent of all votes attaching to all of the issued and outstanding shares of our company, to requisition an extraordinary general meeting of our shareholders. As an exempted Cayman Islands company, we are not obliged by law to call shareholders' annual general meetings.

开曼群岛法律没有规定股东有任何权利向股东大会提出建议，并规定股东有限的权利要求召开股东大会。但是，这些权利可以在公司章程中规定。我们的上市后备忘录和公司章程允许我们的任何两个或两个以上的股东，他们持有的股份总计不少于我们公司所有已发行和流通股票投票权的百分之十，可以要求召开一次特别股东大会。作为开曼群岛的豁免公司，我们没有法律义务召开股东年度大会。

### *Cumulative Voting*

#### 累积选举制

Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially

根据《特拉华州普通公司法，除非公司的公司注册证明明确规定，否则不允许有关董事选举的累积选举制。潜在的累积选举制

facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled for a single director, which increases the shareholder's voting power with respect to electing such director. There are no prohibitions in relation to cumulative voting under the laws of the Cayman Islands but our post-IPO memorandum and articles of association do not provide for cumulative voting.

有利于少数股东在董事会中的代表性，因为它允许少数股东投出股东有权选举单一董事的所有投票，这增加了股东在选举该董事方面的表决权。在开曼群岛的法律中没有关于累积选举制的禁令，但是我们上市后的备忘录和公司章程中没有关于累积选举制的规定。

### ***Removal of Directors***

#### **撤销董事职务**

Under the Delaware General Corporation Law, a director of a corporation may be removed with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. Under our post-IPO memorandum and articles of association, directors can be removed by a special resolution of our shareholders. In addition, a director's office shall be vacated if the director (i) becomes bankrupt or makes any arrangement or composition with his creditors; (ii) is found to be or becomes of unsound mind or dies; (iii) resigns his office by notice in writing to the Company; (iv) without special leave of absence from our board of directors, is absent from three consecutive meetings of the board and the board resolves that his office be vacated; or (v) is prohibited by law from being a director.

根据《特拉华州普通公司法》，除非公司注册证书另有规定，公司的董事可以在有投票权的流通股过半数的同意下被免职。根据我们上市后的备忘录和公司章程，董事可以通过股东的特别决议被免职。此外，如果董事(i)破产或与债权人作出任何安排或组成；(ii)被发现或变得精神不健全或死亡；(iii)以书面通知公司辞职；(iv)未经本公司董事会特别许可，连续三次缺席董事会会议，董事会决定撤销其职务；或(v)法律禁止其担任董事，则董事的职务应予撤销。

### ***Transactions with Interested Shareholders***

#### **与利益相关股东的交易**

The Delaware General Corporation Law contains a business combination statute applicable to Delaware public corporations whereby, unless the corporation has specifically elected not to be governed by such statute by amendment to its certificate of incorporation, it is prohibited from engaging in certain business combinations with an "interested shareholder" for three years following the date on which such person becomes an interested shareholder. An interested shareholder generally is one which owns or owned 15% or more of the target's outstanding voting shares within the past three years. This has the effect of limiting the ability of a potential acquirer to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, among other things, prior to the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction that resulted in the person becoming an interested shareholder. This encourages any potential acquirer of a Delaware public corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

《特拉华州普通公司法》载有一项适用于特拉华州上市公司的企业合并法规，根据这项法规，除非该公司通过修改公司注册证书明确选择不受此类法规管辖，否则在该人成为有利害关系的股东之日起的三年内，不得与该"有利害关系的股东"从事某些企业合并。有利害关系的股东通常是在过去三年内拥有或持有目标公司15%或以上有表决权的已发行股份的股东。这样做的效果是限制了潜在收购者对目标提出双重报价的能力，在这种报价中，所有股东都不会得到平等对待。除其他外，如果在该股东成为有利害关系的股东之日之前，董事会批准业务合并或导致该人成为有利害关系的股东的交易，则该法规不适用。这鼓励特拉华州上市公司的任何潜在收购者与目标公司的董事会协商任何收购交易的条款。

Cayman Islands law has no comparable statute. As a result, we cannot avail ourselves of the types of protections afforded by the Delaware business combination statute. However, although Cayman Islands law does not regulate transactions between a company and its significant shareholders, it does provide that such transactions entered into must be bona fide in the best interests of the company, for a proper corporate purpose and not with the effect of perpetrating a fraud on the minority shareholders.

开曼群岛的法律没有类似的法规。因此，我们不能利用特拉华州企业合并法所提供的保护类型。然而，尽管开曼群岛法律没有对公司与其重要股东之间的交易作出规定，但法律确实规定，为了公司的正当目的而进行的此类交易必须是善意的，不得对少数股东造成欺诈。

### ***Dissolution and Winding Up***

#### **解散和清盘**

Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation's outstanding shares. The Delaware General Corporation Law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board of directors. Under the Companies Law, our company may be dissolved, liquidated or wound up by either an order of the courts of the Cayman Islands or by a special resolution of our shareholders, or by an ordinary resolution of our shareholders on the basis that our company is unable to pay its debts as they fall due.

根据特拉华州普通公司法，除非董事会批准解散的提议，否则解散必须得到持有公司总投票权100%的股东的批准。只有在董事会提出解散的情况下，才能以公司流通股的简单多数批准解散。美国特拉华州普通公司法允许特拉华州公司在其公司注册证书中加入董事会提出的解散方案的绝对多数表决要求。根据《公司法》，我们的公司可通过开曼群岛法院的命令或我们的股东的特别决议，或通过我们的股东的普通决议解散、清算或清盘，理由是我们的公司无力偿还到期债务。

### *Variation of Rights of Shares*

#### 股权变更

If at any time, our share capital is divided into different classes of shares, under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the

如果在任何时候，我们的股本被划分为不同的股份类别，根据《特拉华州普通公司法》，一个公司可以改变一类股份的权利，经过大多数股东的同意

outstanding shares of such class, unless the certificate of incorporation provides otherwise. Under our post-IPO memorandum and articles of association and as permitted by the Companies Law, if our share capital is divided into more than one class of shares, we may vary the rights attached to any class either with the unanimous written consent of [all of] the holders of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

公司注册证明书另有规定者除外。根据我们上市后的公司章程和组织章程，以及《公司法》的规定，如果我们的股本被分成一个以上的股份类别，我们可以在获得该类别已发行股份的所有持有人的一致书面同意或在该类别股份的持有人另行举行的会议上通过的特别决议的批准下，更改该类别股份的附加权利。

### ***Amendment of Governing Documents***

#### 修订规管文件

Under the Delaware General Corporation Law, a corporation's governing documents may be amended with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. Under the Companies Law, our post-IPO memorandum and articles of association may only be amended by a special resolution of our shareholders.

根据《特拉华州普通公司法》，除非公司注册证书另有规定，公司的管理文件可以随着有投票权的大多数流通股的批准而修改。根据《公司法》，我们的上市后备忘录和公司章程只能由我们的股东通过特别决议才能修改。

### ***Inspection of Books and Records***

#### 查阅书籍及纪录

Under the Delaware General Corporation Law, any shareholder of a corporation may for any proper purpose inspect or make copies of the corporation's stock ledger, list of shareholders and other books and records.

根据《特拉华州普通公司法》，公司的任何股东都可以出于任何正当目的查阅或复制公司的股票分类账、股东名单和其他账簿和记录。

Holders of our shares will have no general right under Cayman Islands law to inspect or obtain copies of our list of shareholders or our corporate records (other than a right to receive copies of our memorandum and articles of association, any special resolutions which have been passed by our shareholders, and our register of mortgages and charges). However, we intend to provide our shareholders with annual reports containing audited financial statements.

根据开曼群岛法律，我们的股票持有人没有查阅或获取我们的股东名单或公司记录副本的一般权利(除了有权获得我们的章程和组织章程、我们的股东通过的任何特别决议以及我们的抵押和押记登记册的副本)。然而，我们打算向股东提供包含审计财务报表的年度报告。

### ***Anti-takeover Provisions***

#### 反收购条文

Some provisions of our post-IPO memorandum and articles of association may discourage, delay or prevent a change of control of our company or management that shareholders may consider favorable, including a provision that authorizes our board of directors to issue preferred shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preferred shares without any further vote or action by our shareholders subject to certain terms and conditions.

我们上市后的章程和公司章程的一些条款可能会阻止、延迟或阻止股东认为有利的对我们公司或管理层控制权的变更，包括授权我们的董事会发行一个或多个系列的优先股，并指定这些优先股的价格、权利、优先权、特权和限制，而不需要我们的股东进一步投票或采取行动，但须遵守某些条款和条件。

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our memorandum and articles of association for a proper purpose and for what they believe in good faith to be in the best interests of our company.

然而，根据开曼群岛法律，我们的董事只能出于适当的目的和出于他们本着诚意认为符合我们公司最大利益的原因，行使我们的组织章程和条例赋予他们的权利和权力。

### ***Rights of Non-resident or Foreign Shareholders***

#### 非居民或外国股东的权利

There are no limitations imposed by foreign law or by our post-IPO memorandum and articles of association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our ordinary shares. In addition, there are no provisions in our post-IPO memorandum and articles of association governing the ownership threshold above which shareholder ownership must be disclosed.

对于非居民或外国股东持有或行使本公司普通股表决权的权利，外国法律或本公司上市后的章程和公司章程没有任何限制。此外，我国上市后的备忘录和公司章程中没有规定股东所有权必须披露的所有权门槛。

## History of Securities Issuances and Transfers

### 证券发行及转让历史

Upon our incorporation on December 21, 2017, we issued (i) 8,500 ordinary shares with a par value of US\$0.0001 to New Dream Capital Holdings Limited, (ii) 1,200 ordinary shares with a par value of US\$0.0001 to Sunshinewoods Holdings Limited, (iii) 299 ordinary shares with a par value of US\$0.0001 to Eastar Capital Holdings Limited, and (iv) 1 ordinary share with a par value of US\$0.0001 to Sertus Nominees (Cayman) Limited which was instantly transferred to Eastar Capital Holdings Limited on the same day. On November 28, 2018, 2,700 ordinary shares held by New Dream was transferred to Dream Glory L.P.

我们于二〇一七年十二月二十一日成立为法团后，发行了(i)8,500股面值0.0001美元的普通股予新梦资本控股有限公司、(ii)1,200股面值0.0001美元的普通股予 Sunshinewoods Holdings Limited、(iii)299股面值0.0001美元的普通股予易达资本控股有限公司，以及(iv)1股面值0.0001美元的普通股予 Sertus (Cayman) Limited，该等普通股于同日即时转让予易达资本控股有限公司。2018年11月28日，新梦集团持有的2700股普通股被转移到了梦辉有限合伙企业。



On December 19, 2018, each of the 500,000,000 shares with a par value of US\$0.0001 each in the capital of the Company (including all issued shares and all unissued shares) was subdivided into 20,000 shares with a par value of US\$0.000000005 each, such that, following the sub-division, the authorized share capital of the Company became US\$50,000 divided into 10,000,000,000,000 shares with a par value of US\$0.000000005 each, of which 200,000,000 shares were issued and outstanding as follows: (i) 6,000,000 shares were held by Eastar Capital Holdings Limited (resulting from the sub-division of the 300 shares originally held by it), (ii) 116,000,000 shares were held by New Dream Capital Holdings (resulting from the sub-division of the 8,500 shares originally held by it), (iii) 24,000,000 shares were held by Sunshinewoods Holdings Limited (resulting from the sub-division of the 1,200 shares originally held by it), and (iv) 54,000,000 shares were held by Dream Glory L.P (resulting from the sub-division of the 2,700 shares originally held by it).

句子太长，请短一点。

*Options, Shares Appreciation Rights, Restricted or Unrestricted Shares*

期权、股份增值权、限制性或非限制性股份

See “Management—Share Incentive Plans.”

参见“管理—股票激励计划”

## DESCRIPTION OF AMERICAN DEPOSITORY SHARES 美国存托股份说明

### American Depositary Shares

#### 美国存托股票

, as depositary, will register and deliver American Depositary Shares, also referred to as ADSs. Each ADS will represent Class A ordinary shares (or a right to receive Class A ordinary shares) deposited with , as custodian for the depositary. Each ADS will also represent any other securities, cash or other property which may be held by the depositary. The depositary's office at which the ADSs will be administered is located at . [Name of Depositary]'s principal executive office is located at .

, 作为存托人，将登记和交付美国存托股票，也称为美国存托股票。每份 ADS 将代表存放在存托人处的 a 类普通股(或接受 a 类普通股的权利)。每份存托凭证亦代表存托人可能持有的任何其他证券、现金或其他财产。管理存款保险单的保存人办公室设在。[存托机构名称]主要执行办事处位于。

You may hold ADSs either (A) directly (i) by having an American Depositary Receipt, also referred to as an ADR, which is a certificate evidencing a specific number of ADSs, registered in your name, or (ii) by having uncertificated ADSs registered in your name in the direct registration system, or (B) indirectly by holding a security entitlement in ADSs through your broker or other financial institution. If you hold ADSs directly, you are a registered ADS holder, also referred to as an ADS holder. This description assumes you are an ADS holder. If you hold the ADSs indirectly, you must rely on the procedures of your broker or other financial institution to assert the rights of ADS holders described in this section. You should consult with your broker or financial institution to find out what those procedures are.

你可以(a)(i)直接持有存托凭证，亦称为存托凭证(ADR)，这是一份证明某特定数量存托凭证的证书，以你的名义注册，或(ii)在直接注册系统中以你的名义注册无证书存托凭证，或(b)通过你的经纪人或其他金融机构间接持有存托凭证的美国存托凭证。如果你直接持有 ADS，你就是注册的 ADS 持有者，也称为 ADS 持有者。这个描述假设你是一个 ADS 持有者。如果您间接持有存托凭证，您必须依靠您的经纪人或其他金融机构的程序来维护本节所述的存托凭证持有人的权利。你应向你的经纪或财务机构查询有关手续。

The direct registration system, or DRS, is a system administered by The Depository Trust Company, or DTC, under which the depositary may register the ownership of uncertificated ADSs, which ownership is confirmed by periodic statements sent by the depositary to the registered holders of uncertificated ADSs.

直接登记制度(DRS)是由存托公司(DTC)管理的一种制度，根据这种制度，保存人可以登记无证书的存托凭证的所有权，保存人向无证书的存托凭证的注册持有人发出定期声明，确认其所有权。

As an ADS holder, we will not treat you as one of our shareholders and you will not have shareholder rights. Cayman Islands law governs shareholder rights. The depositary will be the holder of the shares underlying your ADSs. As a registered holder of ADSs, you will have ADS holder rights. A deposit agreement among us, the depositary, ADS holders and all other persons indirectly or beneficially holding ADSs sets out ADS holder rights as well as the rights and obligations of the depositary. New York law governs the deposit agreement and the ADSs.

作为一个 ADS 的持有者，我们不会把你当作我们的股东，你也不会有股东权利。开曼群岛法律管理股东权利。存托人将是你的存托凭证的股票持有人。作为 ADSs 的注册持有者，您将拥有 ADS 持有者权利。我们、保管人、ADS 持有人和间接或受益持有 ADS 的所有其他人之间的存款协议规定了 ADS 持有人的权利以及保管人的权利和义务。纽约法律管辖存款协议和存款保险单。

The following is a summary of the material provisions of the deposit agreement. For more complete information, you should read the entire deposit agreement and the form of ADR. See "Where You Can Find Additional Information" for directions on how to obtain copies of those documents.

以下是保证金协议实质性条款的概述。要了解更详细的信息，你应该阅读整个存款协议和 ADR 表格。有关如何索取这些文件副本的说明，请参阅"Where You Can Find Additional Information"。

### Dividends and Other Distributions

#### 股息和其他分配

##### *How will you receive dividends and other distributions on the shares?*

你将如何获得股息和其他分配的股票？

The depositary has agreed to pay or distribute to ADS holders the cash dividends or other distributions it or the custodian receives on shares or other deposited securities, upon payment or deduction of its fees and expenses. You will receive these distributions in proportion to the number of shares your ADSs represent.

保管人同意在支付或扣除其费用和开支后，向 ADS 持有人支付或分发其或保管人收到的股票或其他保管证券的现金股利或其他分配。您将根据您的 ads 所代表的份额按比例收到这些分配。

*Cash.* The depositary will convert any cash dividend or other cash distribution we pay on the shares into U.S. dollars, if it can do so on a reasonable basis and can transfer the U.S. dollars to the United States. If that is not possible or if any government approval is needed and cannot be obtained, the deposit agreement allows the depositary to distribute the foreign currency only to those ADS holders to whom it is possible to do so. It will hold the foreign currency it cannot convert for the account of the ADS holders who have not been paid. It will not invest the foreign currency and it will not be liable for any interest.

现金。存托机构将把我们在股票上支付的任何现金股利或其他现金分配转换成美元，如果它能在合理的基础上这样做，并能将美元转移到美国。如果不可能做到这一点，或者如果需要政府批准而且无法获得批准，存款协议允许保存人仅将外币分配给那些可能这样做的 ADS 持有人。它将持有不能兑换的外币，作为未支付的 ADS 持有人的账户。它不会投资外币，也不会支付任何利息。

Before making a distribution, any withholding taxes, or other governmental charges that must be paid will be deducted. See “Taxation” for additional information. It will distribute only whole U.S. dollars and cents and will round fractional cents to the nearest whole cent. If the exchange rates fluctuate during a time when the depositary cannot convert the foreign currency, you may lose some or all of the value of the distribution.

在作出分配之前，任何预扣税款，或其他必须支付的政府费用将被扣除。有关其他资料，请参阅「税务」。它将只分发整个美元和美分，并将小数美分四舍五入到最接近的整数美分。如果汇率在存托人无法兑换外币期间波动，你可能会损失部分或全部分配货币的价值。

*Shares.* The depository may, and shall if we so request in writing, distribute additional ADSs representing any shares we distribute as a dividend or free distribution. The depository will only distribute whole ADSs. It will try to sell shares which would require it to deliver a fraction of an ADS (or ADSs representing those shares) and distribute the net proceeds in the same way as it does with cash. If the depository does not distribute additional ADSs, the outstanding ADSs will also represent the new shares. The depository may sell a portion of the distributed shares (or ADSs representing those shares) sufficient to pay its fees and expenses in connection with that distribution.

股票。保管人可以，也应该，如果我们书面要求，分发表代表我们作为分红或免费分发的任何股份的额外的存托凭证。保管人将只分发全部存款凭证。它将试图出售股份，这将要求它提供一部分的 ADS (或代表这些股份的 ADS)，并以与现金同样的方式分配净收益。如果存托人没有分发额外的存托凭证，那么已发行的存托凭证也将代表新股。保管人可以出售一部分已分配的股份(或代表这些股份的股份转让证券)，以支付与该分配有关费用和开支。

*Rights to Purchase Additional Shares.* If we offer holders of our securities any rights to subscribe for additional shares or any other rights, the depository may (i) exercise those rights on behalf of ADS holders, (ii) distribute those rights to ADS holders or (iii) sell those rights and distribute the net proceeds to ADS holders, in each case after deduction or upon payment of its fees and expenses. To the extent the depository does not do any of those things, it will allow the rights to lapse. In that case, you will receive no value for them. The depository will exercise or distribute rights only if we ask it to and provide satisfactory assurances to the depository that it is legal to do so. If the depository will exercise rights, it will purchase the securities to which the rights relate and distribute those securities or, in the case of shares, new ADSs representing the new shares, to subscribing ADS holders, but only if ADS holders have paid the exercise price to the depository. U.S. securities laws may restrict the ability of the depository to distribute rights or ADSs or other securities issued on exercise of rights to all or certain ADS holders, and the securities distributed may be subject to restrictions on transfer. In this case, the depository may deliver restricted depository shares that have the same terms as the ADSs described in this section except for changes needed to put the necessary restrictions in place.

购买额外股份的权利。如果我们向我们的证券持有人提供认购额外股份或任何其他权利的任何权利，保管人可以(i)代表 ADS 持有人行使这些权利，(ii)将这些权利分配给 ADS 持有人，或(iii)出售这些权利，并将净收益分配给 ADS 持有人，在每种情况下均可扣除或支付其费用和开支。如果保管人没有做任何这些事情，那么它将允许这些权利失效。在这种情况下，您将得不到任何价值。只有我们要求保存人行使或分配权利，并向保存人提供令人满意的保证，表明这样做是合法的，保存人才能行使或分配权利。如果存托人行使权利，它将购买与权利相关的证券并分发这些证券，或者在股票的情况下，代表新股票的新的存托凭证，以认购 ADS 持有人，但前提是 ADS 持有人向存托人支付了行使价格。美国证券法可能限制保管人向所有或某些 ADS 持有人分发权利或 ADSs 或行使权利而发行的其他证券的能力，分发的证券可能受到转让限制。在这种情况下，保管人可交付与本节所述的存托凭证条款相同的限制性存托凭证，但为实行必要的限制而需要作出的修改除外。

*Other Distributions.* The depository will send to ADS holders anything else we distribute on deposited securities by any means it thinks is legal, fair and practical. If it cannot make the distribution in that way, the depository has a choice. It may decide to sell what we distributed and distribute the net proceeds, in the same way as it does with cash. Or, it may decide to hold what we distributed, in which case ADSs will also represent the newly distributed property. However, the depository is not required to distribute any securities (other than ADSs) to ADS holders unless it receives reasonably satisfactory evidence from us that it is legal to make that distribution. The depository may sell a portion of the distributed securities or property sufficient to pay its fees and expenses in connection with that distribution. U.S. securities laws may restrict the ability of the depository to distribute securities to all or certain ADS holders, and the securities distributed may be subject to restrictions on transfer.

其他发行版。存托人将向 ADS 持有人发送我们以其认为合法、公平和实用的任何方式发行的存托证券上的任何其他内容。如果不能以这种方式进行分发，则由保管人作出选择。它可能会决定出售我们分发的东西，并以同样的方式分配净收益，就像用现金一样。或者，它可能决定保留我们分发的内容，在这种情况下，ADSs 也将表示新分发的属性。但是，除非从我们收到合理的令人满意的证据表明作出这种分发是合法的，否则保管人无须向 ADS 持有人分发任何证券(除了存托凭证)。保管人可以出售已分配的证券或财产的一部分，足以支付与该分配有关费用和开支。美国证券法可能限制保管人向所有或某些 ADS 持有人分发证券的能力，分发的证券可能受到转让限制。

The depository is not responsible if it decides that it is unlawful or impractical to make a distribution available to any ADS holders. We have no obligation to register ADSs, shares, rights or other securities under the Securities Act. We also have no obligation to take any other action to permit the distribution of ADSs, shares, rights or anything else to ADS holders. This means that you may not receive the distributions we make on our shares or any value for them if it is illegal or impractical for us to make them available to you.

如果保管人认为向任何 ADS 持有人提供分发资料是非法或不切实际的，则保管人不负责。根据《证券法》，我们没有义务登记存款凭证、股票、权利或其他证券。我们也没有义务采取任何其他行动，允许分发存托凭证，股份，权利或任何其他东西给存托凭证持有人。这意味着你可能不会收到我们的分配我们的股票或任何价值，如果它是非法的或不切实际的，我们提供给你。

## Deposit, Withdrawal and Cancellation

### 存款、取款及取消

#### *How are ADSs issued?*

#### 如何发出存款保险单？

The depository will deliver ADSs if you or your broker deposits shares or evidence of rights to receive shares with the custodian. Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, the depository will register the appropriate

number of ADSs in the names you request and will deliver the ADSs to or upon the order of the person or persons that made the deposit.

如果你或你的经纪人存入股份或证明有权收取托管人的股份，存托人将交付存托凭证。在支付其费用和开支以及任何税收或收费，例如印花税或股票转让税或收费后，保管人将以您要求的名义登记适当数量的存款保证，并将按照存款人的命令交付存款保证。

***How can ADS holders withdraw the deposited securities?***

Ads 持有人如何提取已存放的证券？

You may surrender your ADSs, for the purpose of withdrawal, at the depositary's office. Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, the

你可以在保管处交出你的存款凭证以便提款。在支付其费用和开支以及任何税收或收费，如印花税或股票转让税或费用后，

depository will deliver the shares and any other deposited securities underlying the ADSs to the ADS holder or a person the ADS holder designates at the office of the custodian. Or, at your request, risk and expense, the depository will deliver the deposited securities at its office, if feasible. The depository may charge you a fee and its expenses for instructing the custodian regarding delivery of deposited securities.

存托人会将有股份及任何其他存放证券交付予存托凭证持有人或存托凭证持有人指定的人士。或者，根据您的要求，风险和费用，如果可行的话，保管人将在其办公室交付所存放的证券。保管人可以向托管人收取指示交付保管证券的费用和开支。

### *How do ADS holders interchange between certificated ADSs and uncertificated ADSs?*

Ads 持有人如何在有证书的 ADSs 和无证书的 ADSs 之间进行交换？

You may surrender your ADR to the depository for the purpose of exchanging your ADR for uncertificated ADSs. The depository will cancel that ADR and will send to the ADS holder a statement confirming that the ADS holder is the registered holder of uncertificated ADSs. Alternatively, upon receipt by the depository of a proper instruction from a registered holder of uncertificated ADSs requesting the exchange of uncertificated ADSs for certificated ADSs, the depository will execute and deliver to the ADS holder an ADR evidencing those ADSs.

您可以将您的 ADR 交给保管人，以便将您的 ADR 换成无证书的 ADR。保管人将取消 ADR，并向 ADS 持有人发送一份声明，确认 ADS 持有人是无证书 ADSs 的注册持有人。或者，在保管人收到无证书的存托凭证的注册持有人的适当指示，要求交换无证书的存托凭证以换取有证书的存托凭证时，保管人将执行并向存托凭证持有人交付一份 ADR 证明这些存托凭证。

## Voting Rights

### 投票权

#### *How do you vote?*

你怎么投票？

ADS holders may instruct the depository how to vote the number of deposited shares their ADSs represent. If we request the depository to solicit your voting instructions (and we are not required to do so), the depository will notify you of a shareholders' meeting and send or make voting materials available to you. Those materials will describe the matters to be voted on and explain how ADS holders may instruct the depository how to vote. For instructions to be valid, they must reach the depository by a date set by the depository. The depository will try, as far as practical, subject to the laws of the Cayman Islands and the provisions of our articles of association or similar documents, to vote or to have its agents vote the shares or other deposited securities as instructed by ADS holders. If we do not request the depository to solicit your voting instructions, you can still send voting instructions, and, in that case, the depository may try to vote as you instruct, but it is not required to do so.

Ads 持有人可以指示存托人如何投票表决其存托凭证所代表的存托股份数量。如果我们要求保管人征求你们的投票指示(我们没有这样做的要求)，保管人将通知你们股东大会，并向你们发送或提供投票材料。这些材料将说明将要投票的事项，并解释 ADS 持有人可能如何指示保管人如何投票。为使指示有效，这些指示通常在保管人指定的日期前送达保管人。保管人将尽可能根据开曼群岛的法律和我们的公司章程或类似文件的规定，按照 ADS 持有人的指示，对股票或其他保管证券进行表决或让其代理人进行表决。如果我们不要求保管人征求您的投票指示，您仍然可以发送投票指示，在这种情况下，保管人可以试图按照您的指示投票，但没有这样做的要求。

*Except by instructing the depository as described above, you won't be able to exercise voting rights unless you surrender your ADSs and withdraw the shares. However, you may not know about the meeting enough in advance to withdraw the shares.*

除非如上所述指示存托人，否则你将无法行使投票权，除非你交出存托凭证并撤回股份。但是，你可能没有足够的时间提前知道会议的内容来撤回股份。

If we timely asked the depository to solicit your instructions but the depository does not receive voting instructions from you by the specified date, it will consider you to have authorized and directed it to give a discretionary proxy to a person designated by us to vote the number of deposited securities represented by your ADSs. The depository will give a discretionary proxy in those circumstances to vote on all questions at to be voted upon unless we notify the depository that:

如果我们及时要求保管人征求你的指示，但保管人在指定日期之前没有收到你的投票指示，则保管人将认为你已授权并指示保管人给予我们指定的人一个酌情委托书，以投票表决你的保管人所代表的保管证券的数目。在这种情况下，保管人将酌情授予代理权，以便对将要付诸表决的所有问题进行表决，除非我们通知保管人：

- we do not wish to receive a discretionary proxy;  
我们不希望收到全权委托书;
- there is substantial shareholder opposition to the particular question; or  
有大量股东反对该问题; 或
- the particular question would have an adverse impact on our shareholders.  
这个问题会对我们的股东产生负面影响。

We are required to notify the depositary if one of the conditions specified above exists.

如果存在上述条件之一，我们必须通知保存人。

We cannot assure you that you will receive the voting materials in time to ensure that you can instruct the depositary to vote your shares. In addition, the depositary and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions. This means that you may not be able to exercise voting rights and there may be nothing you can do if your shares are not voted as you requested.

我们不能保证您将及时收到投票材料，以确保您可以指示保存人投票您的股份。此外，保存人及其代理人不对未能执行表决指示或执行表决指示的方式负责。这意味着你可能无法行使投票权，如果你的股票没有按照你的要求投票，你可能无能为力。

In order to give you a reasonable opportunity to instruct the depositary as to the exercise of voting rights relating to Deposited Securities, if we request the depositary to act, we agree to give the depositary notice of any

为了给你一个合理的机会指示保管人行使与被保管证券有关的表决权，如果我们要求保管人采取行动，我们同意给予保管人任何



such meeting and details concerning the matters to be voted upon as far in advance of the meeting date as practicable. Under the post-offering memorandum and articles of association, we expect to adopt, the minimum notice period required to convene a general meeting is seven calendar days. 在可行的情况下，尽量在会议日期之前举行该等会议，并就有待表决的事项提供详细资料。根据发售后的组织章程大纲及章程细则，我们预期会采用召开股东大会的最短通知期限为七个历日。

## Fees and Expenses

### 费用及开支

Persons depositing or withdrawing shares or ADS holders must pay:

存取股票或 ADS 持有人必须支付:

\$5.00 (or less) per 100 ADSs (or portion of 100 ADSs) 每100个存款保险计划 \$5.00(或以下)(或100个存款保险计划的部分)

\$.05 (or less) per ADS 每个 ADS \$.05(或以下)

A fee equivalent to the fee that would be payable if securities distributed to you had been shares and the shares had been deposited for issuance of ADSs 如果分发给你的证券是股票，而且这些股票已存入用于发行存款凭证，则应支付相当于该费用的费用

\$.05 (or less) per ADS per calendar year 每历年 \$.05(或以下)

Registration or transfer fees 注册或转让费用

Expenses of the depository 存款人的开支

Taxes and other governmental charges the depository or the custodian has to pay on any ADSs or shares underlying ADSs, such as stock transfer taxes, stamp duty or withholding taxes 存托人或托管人必须为任何存托凭证或作为存托凭证的股票缴纳的税款和其他政府费用，如股票转让税、印花税或预扣税

Any charges incurred by the depository or its agents for servicing the deposited securities 保管人或其代理人为保管的证券提供服务而支付的任何费用

For:

用途:

Issuance of ADSs, including issuances resulting from a distribution of shares or rights or other property 发行存托凭证，包括因分配股份或权利或其他财产而发行的存托凭证

Cancellation of ADSs for the purpose of withdrawal, including if the deposit agreement terminates 为提取而取消存款凭证，包括如果存款协议终止

Any cash distribution to ADS holders 任何分配给 ADS 持有人的现金

Distribution of securities distributed to holders of deposited securities (including rights) that are distributed by the depository to ADS holders 向存放证券持有人分发由存放机构向 ADS 持有人分发的证券(包括权利)

Depository services 托管服务

Transfer and registration of shares on our share register to or from the name of the depository or its agent when you deposit or withdraw shares 当您存取股份时，将本公司股份登记册上的股份转让或登记至存款人或其代理人的名称或从存款人或其代理人的名称转让或登记

Cable, telex and facsimile transmissions (when expressly provided in the deposit agreement) converting foreign currency to U.S. dollars 将外币兑换成美元的电报、电传和传真传输(在存款协议中有明确规定时)

As necessary 必要时

As necessary 必要时

The depository collects its fees for delivery and surrender of ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The depository collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depository may collect its annual fee for depository services by deduction from cash distributions or by directly billing investors or by charging the book-entry system accounts of participants acting for them. The depository may collect any of its fees by deduction from any cash distribution payable (or by selling a portion of securities or other property distributable) to ADS holders that are obligated to pay those fees. The depository may generally refuse to provide fee-attracting services until its fees for those services are paid.

存托人直接向投资者收取交付和退还存托凭证的费用，投资者为提取存托凭证而存放股票或交付存托凭证，或向代表存托凭证的中间人收取费用。保管人通过从分发金额中扣除这些费用，或通过出售一部分可分发财产来支付费用，向投资者收取分发费用。保管人收取保管服务年费，可以从现金分配中扣除，也可以直接向投资者开具账单，或者向代表保管服务的参与人的记帐制度账户收取费用。保管人可以从应付的现金分配款中扣除任何费用(或者出售一部分证券或其他可分配财产)，向有义务支付这些费用的 ADS 持有人收取任何费用。保管人一般可以拒绝提供收取费用的服务，直到支付了这些服务的费用。

From time to time, the depositary may make payments to us to reimburse us for costs and expenses generally arising out of establishment and maintenance of the ADS program, waive fees and expenses for services provided to us by the depositary or share revenue from the fees collected from ADS holders. In performing its duties under the deposit agreement, the depositary may use brokers, dealers or other service providers that are owned by or affiliated with the depositary and that may earn or share fees, spreads or commissions.

保管人可不时向我们支付费用，以补偿我们因建立和维持 ADS 计划而产生的一般费用和开支，免除保管人向我们提供服务的费用和开支，或从 ADS 持有人收取的费用中分享收入。保管人在履行保管协议规定的职责时，可以利用由保管人拥有或附属于保管人的经纪人、交易商或其他服务提供者，这些经纪人、交易商或服务提供者可以赚取或分享费用、利差或佣金。

The depositary may convert currency itself or through any of its affiliates and, in those cases, acts as principal for its own account and not as agent, advisor, broker or fiduciary on behalf of any other person and

存托人可以自己或通过其任何附属公司兑换货币，在这种情况下，作为自己账户的委托人，而不是代表任何其他人的代理人、顾问、经纪人或受托人，并且

earns revenue, including, without limitation, transaction spreads, that it will retain for its own account. The revenue is based on, among other things, the difference between the exchange rate assigned to the currency conversion made under the deposit agreement and the rate that the depository or its affiliate receives when buying or selling foreign currency for its own account. The depository makes no representation that the exchange rate used or obtained in any currency conversion under the deposit agreement will be the most favorable rate that could be obtained at the time or that the method by which that rate will be determined will be the most favorable to ADS holders, subject to the depository's obligations under the deposit agreement. The methodology used to determine exchange rates used in currency conversions is available upon request.

获得收入，包括但不限于交易利差，并将保留为自己的帐户。除其他外，收入的基础是根据存款协议确定的货币兑换汇率与存款人或其附属机构为自己的账户买卖外币时收到的汇率之间的差额。保存人没有说明，根据存款协议进行的任何货币转换所使用或获得的汇率将是当时可以获得的最有利的汇率，或者说明确定该汇率的方法将是对存款协议持有人最有利的汇率，但受保存人根据存款协议承担的义务的限制。用于确定货币兑换所使用的汇率的方法可根据要求提供。

## Payment of Taxes

### 缴付税款

You will be responsible for any taxes or other governmental charges payable on your ADSs or on the deposited securities represented by any of your ADSs. The depository may refuse to register any transfer of your ADSs or allow you to withdraw the deposited securities represented by your ADSs until those taxes or other charges are paid. It may apply payments owed to you or sell deposited securities represented by your ADSs to pay any taxes owed and you will remain liable for any deficiency. If the depository sells deposited securities, it will, if appropriate, reduce the number of ADSs to reflect the sale and pay to ADS holders any proceeds, or send to ADS holders any property, remaining after it has paid the taxes.

您将负责任何税收或其他政府费用支付您的存款证券或存款证券所代表的任何您的存款证券。存托人可以拒绝登记任何转让您的存托凭证或允许您提取存托凭证代表您的存托凭证，直到这些税款或其他费用支付。它可以用欠你的款项或出售你的存款证券代表你的存款证券来支付你所欠的税款，你仍须为任何不足之处承担责任。如果存托人出售存放证券，它将在适当情况下减少存托凭证的数量，以反映出售情况，并向存托凭证持有人支付任何收益，或将缴纳税款后剩余的任何财产送交存托凭证持有人。

## Tender and Exchange Offers; Redemption, Replacement or Cancellation of Deposited Securities

### 投标及交易要约; 赎回、更换或取消已存放证券

The depository will not tender deposited securities in any voluntary tender or exchange offer unless instructed to do by an ADS holder surrendering ADSs and subject to any conditions or procedures the depository may establish.

除非接到 ADS 持有人交出 ADSs 的指示，并遵守保存人可能制定的任何条件或程序，否则保存人不会在任何自愿投标或交易所要约中投标存放的证券。

If deposited securities are redeemed for cash in a transaction that is mandatory for the depository as a holder of deposited securities, the depository will call for surrender of a corresponding number of ADSs and distribute the net redemption money to the holders of called ADSs upon surrender of those ADSs.

如果存放证券在交易中被赎回为现金，而交易对于存放证券持有人而言是强制性的，存放证券将要求交出相应数量的存放证券，并在交出这些存放证券时将净赎回款项分配给被称为存放证券的持有人。

If there is any change in the deposited securities such as a sub-division, combination or other reclassification, or any merger, consolidation, recapitalization or reorganization affecting the issuer of deposited securities in which the depository receives new securities in exchange for or in lieu of the old deposited securities, the depository will hold those replacement securities as deposited securities under the deposit agreement. However, if the depository decides it would not be lawful and to hold the replacement securities because those securities could not be distributed to ADS holders or for any other reason, the depository may instead sell the replacement securities and distribute the net proceeds upon surrender of the ADSs.

存放证券发生变更的，如分立、合并或其他重新分类，或影响存放证券发行人的合并、合并、资本重组或重组，而存放在人其中以新证券换取或代替旧存放证券，存放人将根据存放协议将这些替换证券作为存放证券持有。但是，如果保存人决定不合法并持有替代证券，因为这些证券不能分配给 ADS 持有人或出于任何其他原因，保存人可转而出售替代证券，并在交出替代证券时分配净收益。

If there is a replacement of the deposited securities and the depository will continue to hold the replacement securities, the depository may distribute new ADSs representing the new deposited securities or ask you to surrender your outstanding ADRs in exchange for new ADRs identifying the new deposited securities.

如更换已存放的证券，而存托人将继续持有更换的证券，存托人可分发表代表新存放证券的新的美国存托凭证，或要求你交出未偿还的美国存托凭证，以换取识别新存放证券的新的美国存托凭证。

If there are no deposited securities underlying ADSs, including if the deposited securities are canceled, or if the deposited securities underlying ADSs have become apparently worthless, the depository may call for surrender or of those ADSs or cancel those ADSs upon notice to the ADS holders.

如果没有已存入的证券作为美国存托凭证，包括已存入的证券被取消，或已存入的证券作为美国存托凭证显然已变得毫无价值，存托凭证可在通知美国存托凭证持有人后，要求放弃或取消这些美国存托凭证或取消这些美国存托凭证。

### Reclassifications, Recapitalizations and Mergers

#### 重新分类、资本重组和合并

If we:	Then:
如果我们:	然后:
<hr/> <ul style="list-style-type: none"><li>• Change the nominal or par value of our shares</li><li>• 更改我们股票的面值或票面价值</li></ul>	<hr/> <ul style="list-style-type: none"><li>• The cash, shares or other securities received by the depositary will become deposited securities. Each ADS will automatically represent its equal share of the new deposited securities.</li><li>• 存托人收到的现金、股票或其他证券将成为存托证券。每个 ADS 将自动代表其相等份额的新存入的证券。</li></ul>

If we: 如果我们:	Then: 然后:
<ul style="list-style-type: none"><li>• Reclassify, split up or consolidate any of the deposited securities •重新分类、拆分或合并任何已存放的证券</li></ul>	<ul style="list-style-type: none"><li>• The depository may distribute new ADSs representing the new deposited securities or ask you to surrender your outstanding ADRs in exchange for new ADRs identifying the new deposited securities. •存托人可分发表代表新存放证券的新存托凭证，或要求你交出未偿还的存托凭证，以换取识别新存放证券的新存托凭证。</li></ul>
<ul style="list-style-type: none"><li>• Distribute securities on the shares that are not distributed to you •用没有分发给你的股票分发表券</li></ul>	
<ul style="list-style-type: none"><li>• Recapitalize, reorganize, merge, liquidate, sell all or substantially all of our assets, or take any similar action •调整资本结构、重组、合并、清算、出售全部或大部分资产，或采取任何类似行动</li></ul>	

## Amendment and Termination

### 修订及终止

#### *How may the deposit agreement be amended?*

#### 如何修订存款协议？

We may agree with the depository to amend the deposit agreement and the ADRs without your consent for any reason. If an amendment adds or increases fees or charges, except for taxes and other governmental charges or expenses of the depository for registration fees, facsimile costs, delivery charges or similar items, or prejudices a substantial right of ADS holders, it will not become effective for outstanding ADSs until 30 days after the depository notifies ADS holders of the amendment. *At the time an amendment becomes effective, you are considered, by continuing to hold your ADSs, to agree to the amendment and to be bound by the ADRs and the deposit agreement as amended.*

我们可能会因任何理由而未经你的同意，与保管人同意修改存款协议及存款保证书。如果一项修正案增加或增加了费用或收费，但税收和其他政府收费或保存人的登记费、传真费、递送费或类似项目的开支除外，或损害了ADS持有人的实质性权利，则该修正案在保存人将修正案通知ADS持有人之后30天内不会对未清算的存托凭证生效。在修正案生效时，如果你继续持有你的存款抵押证券，你将被视为同意修正案，并受到存款抵押证券和经修正的存款协议的约束。

#### *How may the deposit agreement be terminated?*

#### 如何终止存款协议？

The depository will initiate termination of the deposit agreement if we instruct it to do so. The depository may initiate termination of the deposit agreement if:

如果我们指示保管人终止保证金协议，保管人将开始终止保证金协议。在下列情况下，保管人可以提出终止保管协议:

- 60 days have passed since the depository told us it wants to resign but a successor depository has not been appointed and accepted its appointment;  
自保存人告诉我们它要辞职以来，已过了60天，但尚未指定继任保存人并接受其任命;
- we delist the ADSs from an exchange on which they were listed and do not list the shares on another exchange;  
我们将这些美国存托凭证从其上市的交易中摘牌，并且不在其他交易所上市;
- we appear to be insolvent or enter insolvency proceedings;  
我们似乎无力偿债或进入破产程序;
- all or substantially all the value of the deposited securities has been distributed either in cash or in the form of securities;  
已存放证券的全部或实质上全部价值已以现金或证券形式分配;
- there are no deposited securities underlying the ADSs or the underlying deposited securities have become apparently worthless;  
不存在作为存款保证的存款证券或作为存款保证的存款证券显然已变得毫无价值; 或
- there has been a replacement of deposited securities.  
已经有了一种证券替代品。

If the deposit agreement will terminate, the depository will notify ADS holders at least 30 days before the termination date. At any time after the termination date, the depository may sell the deposited securities. After that, the depository will hold the money it received on the sale, as well as any other cash it is holding under the deposit agreement, unsegregated and without liability for interest, for the pro rata benefit of the ADS holders that have

not surrendered their ADSs. Normally, the depositary will sell as soon as practicable after the termination date.

如果存款协议终止，保存人将在终止日期前至少30天通知 ADS 持有人。保管人可以在终止日后的任何时间出售所保管的证券。在此之后，存托人将保留出售所得的资金，以及根据存托协议所持有的任何其他现金，不分离且不承担利息责任，按比例保留尚未交还存托凭证的存托凭证持有人的利益。一般而言，保管人会在终止日期后尽快出售。

After the termination date and before the depositary sells, ADS holders can still surrender their ADSs and receive delivery of deposited securities, except that the depositary may refuse to accept a surrender for the

在终止日期后及存托人出售存托凭证前，存托人仍可交出其存托凭证及收取交付的存托证券，但存托人可拒绝接受存托人交出存托凭证

purpose of withdrawing deposited securities if it would interfere with the selling process. The depository may refuse to accept a surrender for the purpose of withdrawing sale proceeds until all the deposited securities have been sold. The depository will continue to collect distributions on deposited securities, but, after the termination date, the depository is not required to register any transfer of ADSs or distribute any dividends or other distributions on deposited securities to the ADSs holder (until they surrender their ADSs) or give any notices or perform any other duties under the deposit agreement except as described in this paragraph.

如撤回已存放证券会影响销售过程，则撤回已存放证券的目的。保管人可以拒绝接受为取回出售所得而退保，直至所有保管证券售出为止。保存人将继续收取对存放证券的分发，但在终止日期之后，保存人无须向存放证券持有人登记任何存放证券的转让，或分发存放证券的任何股息或其他分发（直至他们交出存放证券），或发出任何通知或履行存放协议规定的任何其他职责，本段所述情况除外。

It will not invest the money and has no liability for interest. The depository's only obligations will be to account for the money and other cash. After termination our only obligations will be to indemnify the depository and to pay fees and expenses of the depository that we agreed to pay.

它不会投资这笔钱，也没有利息负债。保管人的唯一义务是说明这笔钱和其他现金的去向。在终止后，我们唯一的义务将是赔偿保管人和支付费用和开支的保管人，我们同意支付。

## Limitations on Obligations and Liability

### 义务和责任的限制

#### *Limits on our Obligations and the Obligations of the Depository; Limits on Liability to Holders of ADSs*

对我们的义务和保存人的义务的限制；对存款保险单持有人的赔偿责任限制

The deposit agreement expressly limits our obligations and the obligations of the depository. It also limits our liability and the liability of the depository. We and the depository:

交存协议明确规定了我们的义务和保存人的义务。它还限制了我们的责任和保管人的责任。我们和保管人：

- are only obligated to take the actions specifically set forth in the deposit agreement without negligence or bad faith;  
只有责任采取存款协议具体规定的行动，不存在过失或者恶意；
- are not liable if we are or it is prevented or delayed by law or circumstances beyond our or its control from performing our or its obligations under the deposit agreement;  
如果我们无法履行存款协议规定的义务，或存款协议因法律或我们或其控制范围以外的情况而无法履行或延迟履行我们的义务，我们不承担任何责任；
- are not liable if we or it exercises discretion permitted under the deposit agreement;  
如本公司或其行使按金协议所容许的酌情权，则不负任何法律责任；
- are not liable for the inability of any holder of ADSs to benefit from any distribution on deposited securities that is not made available to holders of ADSs under the terms of the deposit agreement, or for any special, consequential or punitive damages for any breach of the terms of the deposit agreement;  
对于任何存款保证持有人未能受益于存款保证持有人根据存款保证协议条款未能获得的存款保证分销，或因任何违反存款保证协议条款而获得的任何特别、相应或惩罚性损害赔偿，概不负责；
- have no obligation to become involved in a lawsuit or other proceeding related to the ADSs or the deposit agreement on your behalf or on behalf of any other person;  
没有义务代表你或代表任何其他人参与与存款保证书或存款协议有关的诉讼或其他程序；
- are not liable for the acts or omissions of any securities depository, clearing agency or settlement system; and  
对证券托管、结算代理或交收系统的作为或不作为不负责任；以及
- may rely upon any documents we believe or it believes in good faith to be genuine and to have been signed or presented by the proper person.  
可以依赖任何我们相信或它真诚地相信是真实的，并由适当的人签署或提交的文件。

In the deposit agreement, we and the depository agree to indemnify each other under certain circumstances.

在存款协议中，我们与保管人约定在某些情况下互相赔偿。

## Requirements for Depository Actions

### 交存诉讼的规定

Before the depository will deliver or register a transfer of ADSs, make a distribution on ADSs, or permit withdrawal of shares, the depository may require:



在保存人交付或登记存托凭证的转让、对存托凭证进行分发或许可撤回股份之前，保存人可要求：

- payment of stock transfer or other taxes or other governmental charges and transfer or registration fees charged by third parties for the transfer of any shares or other deposited securities;  
支付股票转让或其他税款或其他政府收费，以及第三方为转让任何股票或其他存放的证券而收取的转让或登记费；
- satisfactory proof of the identity and genuineness of any signature or other information it deems necessary; and  
令人满意地证明其认为必要的任何签字或其他资料的身份和真实性；以及
- compliance with regulations it may establish, from time to time, consistent with the deposit agreement, including presentation of transfer documents.  
符合规章制度，它可以建立，不时，与存款协议一致，包括提交转让文件。

The depositary may refuse to deliver ADSs or register transfers of ADSs when the transfer books of the depositary or our transfer books are closed or at any time if the depositary or we think it advisable to do so.

如果保管人或我们认为可取，保管人可以在保管人或我们认为适宜的任何时候，在保管人或我们认为适宜的时候，在保管人的转账簿或我们认为适宜的任何时候，拒绝交付存托凭证或登记转让存托凭证。

## Your Right to Receive the Shares Underlying your ADSs

你获得资产负债表所依据股份的权利

ADS holders have the right to cancel their ADSs and withdraw the underlying shares at any time except:

美国存托凭证持有人有权在任何时候取消其存托凭证，并撤回相关股票，但以下情况除外：

- when temporary delays arise because: (i) the depository has closed its transfer books or we have closed our transfer books; (ii) the transfer of shares is blocked to permit voting at a shareholders' meeting; or (iii) we are paying a dividend on our shares;  
(一)保管人已结清转让账簿或我们已结清转让账簿；(二)股份转让被阻止，以便在股东大会上进行表决；或(三)我们向股东支付股息；
- when you owe money to pay fees, taxes and similar charges; or  
当你欠款支付费用、税款及类似费用时；或
- when it is necessary to prohibit withdrawals in order to comply with any laws or governmental regulations that apply to ADSs or to the withdrawal of shares or other deposited securities.  
必须禁止为遵守适用于股票存托凭证的任何法律或政府条例而撤回股票或其他存放的证券时。

This right of withdrawal may not be limited by any other provision of the deposit agreement.

这种提款权不受存款协议任何其他条款的限制。

## Pre-release of ADSs

### 预先发放存款保险单

The deposit agreement permits the depository to deliver ADSs before deposit of the underlying shares, unless requested in writing by us to cease doing so. This is called a pre-release of the ADSs. The depository may also deliver shares upon cancellation of pre-released ADSs (even if the ADSs are canceled before the pre-release transaction has been closed out). A pre-release is closed out as soon as the underlying shares are delivered to the depository. The depository may receive ADSs instead of shares to close out a pre-release. The depository may pre-release ADSs only under the following conditions: (i) before or at the time of the pre-release, the person to whom the pre-release is being made represents to the depository in writing that it or its customer owns the shares or ADSs to be deposited; (ii) the pre-release is fully collateralized with cash or other collateral that the depository considers appropriate; and (iii) the depository must be able to close out the pre-release on not more than five business days' notice. In addition, the depository will limit the number of ADSs that may be outstanding at any time as a result of pre-release to no more than % of the amount of shares on deposit, although the depository may disregard the limit from time to time if it thinks it is appropriate to do so. The depository has full discretion on how and to what extent it may disregard the limit for the amount of ADSs that may be outstanding at any time as a result of pre-release.

存款协议允许存托人在存放相关股份之前交付存托凭证，除非我们以书面形式要求停止这样做。这被称为 ADSs 的预发布。存托人也可以在取消预先发布的存托凭证时交付股份(即使在预先发布的交易结束之前取消了存托凭证)。一旦相关股票交付存托机构，预先发行即告结束。存款人可以接受存款凭证，而不是股票，以结束发行前的交易。保存人只能在下列条件下预先释放存托凭证：(一)在预先释放之前或之时，接受预先释放的人以书面形式向保存人表示，它或其客户拥有将要存放的股票或存托凭证；(二)预先释放凭证以保存人认为适当的现金或其他抵押品充分抵押；(三)保存人必须能够在不超过五个营业日的通知后终止预先释放。此外，保存人将把因预先发放而在任何时候可能未清偿的存款凭证的数目限制在不超过存款股份数额的%，不过，保存人如认为适当，可不时忽略这一限制。保存人有充分的酌处权，可以决定如何以及在多大程度上无视因预先释放而在任何时候可能未清偿的存款保证数额的限制。

## Direct Registration System

### 直接登记制度

In the deposit agreement, all parties to the deposit agreement acknowledge that the Direct Registration System, also referred to as DRS, and Profile Modification System, also referred to as Profile, will apply to uncertificated ADSs upon acceptance thereof to DRS by DTC. DRS is a system administered by DTC under which the depository may register the ownership of uncertificated ADSs, which ownership will be confirmed by periodic statements sent by the depository to the registered holders of uncertificated ADSs. Profile is required feature of DRS that allows a DTC participant, claiming to act on behalf of a registered holder of ADSs, to direct the depository to register a transfer of those ADSs to DTC or its nominee and to deliver those ADSs to the DTC account of that DTC participant without receipt by the depository of prior authorization from the ADS holder to register that transfer.

在存款协议中，存款协议的所有各方承认，直接登记系统(亦称为 DRS)和配置文件修改系统(亦称为 Profile)，在存款公司接受无证书存款协议后，将适用于无证书存款协议。存款登记制度是存款公司管理的一种制度，根据这种制度，保存人可以登记无证书存款登记制度的所有权，保存人向无证书存款登记制度的注册持有人发出的定期声明将确认这种所有权。简介是存款抵押贷款登记册的必要特征，允许存款抵押贷款登记册参与人声称代表已登记的存款抵押贷款登记册持有人，指示保存人登记这些存款抵押贷款登记册转让给存款抵押贷款登记册参与人声称代表已登记的存款抵押贷款登记册账户，而无需保存人事先获得存款抵押贷款登记册持有人的授权。

In connection with and in accordance with the arrangements and procedures relating to DRS/Profile, the parties to the deposit agreement

understand that the depository will not determine whether the DTC participant that is claiming to be acting on behalf of an ADS holder in requesting registration of transfer and delivery as described in the paragraph above has the actual authority to act on behalf of the ADS holder (notwithstanding any requirements under the Uniform Commercial Code). In the deposit agreement, the parties agree that the depository's reliance on and compliance with instructions received by the depository through the DRS/Profile system and in accordance with the deposit agreement will not constitute negligence or bad faith on the part of the depository.

关于并按照与存款登记册 / 概要有关的安排和程序，存款协议的当事方理解，保存人将不确定声称代表存款登记册持有人申请登记上段所述的转让和交付的存款登记册参与方是否具有代表存款登记册持有人行事的实际权力(尽管《统一商法典》有任何要求)。在存款协议中，缔约方商定，保存人依赖并遵守保存人通过 drs / profile 系统并根据存款协议收到的指示，不构成保存人的疏忽或恶意行为。

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[Table of Contents](#) 目录 提示：本档案系@财报牛牛（公众号：caibaoniao）通过第三方翻译软件从英文招股书翻译成中文的版本，仅供参考。

#### **Shareholder Communications; Inspection of Register of Holders of ADSs**

##### 股东通信. 对存款支付凭证持有人登记册的检查

The depository will make available for your inspection at its office all communications that it receives from us as a holder of deposited securities that we make generally available to holders of deposited securities. The depository will send you copies of those communications or otherwise make those communications available to you if we ask it to. You have a right to inspect the register of holders of ADSs, but not for the purpose of contacting those holders about a matter unrelated to our business or the ADSs.

保管人将提供您在其办公室查阅所有来自我们作为存放证券持有人的通信，我们一般提供给存放证券持有人。如果我们要求，保存人会将这些信函的副本寄给你，或以其他方式将这些信函提供给你。您有权查阅存托凭证持有人的登记册，但不是为了就与我们业务或存托凭证无关的事项与这些持有人联系。

## SHARES ELIGIBLE FOR FUTURE SALE

### 未来可出售的股份

Upon completion of this offering, we will have \_\_\_\_\_ ADSs outstanding, representing \_\_\_\_\_ ordinary shares, or approximately % of our outstanding ordinary shares, assuming the underwriters do not exercise their option to purchase additional ADSs (or approximately % of our outstanding ordinary shares, if the underwriters exercise in full their option to purchase additional ADSs). All of the ADSs sold in this offering will be freely transferable by persons other than our “affiliates” without restriction or further registration under the Securities Act. Sales of substantial amounts of ADSs in the public market could adversely affect prevailing market prices of the ADSs. Prior to this offering, there has been no public market for our Class A ordinary shares or the ADSs, and while we will apply to list the ADSs on the Nasdaq, we cannot assure you that a regular trading market for our ADSs may develop in the ADSs. Our Class A ordinary shares will not be listed on any exchange or quoted for trading on any over-the-counter trading system. We do not expect that a trading market will develop for our ordinary shares not represented by the ADSs.

在这次发售完成后，假设承销商不行使购买额外存款保险的选择权，我们将拥有已发行的存款保险，代表普通股，或约占我们已发行的普通股的%（或约占我们已发行的普通股的%，如果承销商行使全部购买额外存款保险的选择权）。在此次发行中出售的所有存托凭证将可以自由转让给除我们“附属公司”以外的任何人，不受任何限制，或根据《证券法》进行进一步登记。在公开市场上出售大量存托凭证可能会对存托凭证的现行市场价格产生不利影响。在此次发行之前，我们的a类普通股或存托凭证还没有公开市场，虽然我们将申请在纳斯达克上市存托凭证，但我们不能保证我们的存托凭证会在存托凭证中形成一个正常的交易市场。我们的a类普通股不会在任何交易所上市，也不会场外交易系统上市交易。我们并不指望我们的普通股会有一个交易市场，而这些普通股并不是存托凭证所代表的。

### Lock-Up Agreements

#### 禁售协议

[We have agreed that we will not offer, sell, contract to sell, pledge, grant any option, right or warrant to purchase, sell any option or contract to purchase, purchase any option or contract to sell, lend, make any short sale or otherwise transfer or dispose of (including entering into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequence of ownership interests), directly or indirectly, any of the ADSs or ordinary shares or any securities that are convertible into or exchangeable for, or that represent the right to receive, the ADSs or ordinary shares or any substantially similar securities, without the prior written consent of the representatives on behalf of the underwriters for a period ending 180 days after the date of this prospectus, except issuances pursuant to the exercise of employee share options outstanding on the date hereof and certain other exceptions.]

句子太长，请短一点

[Our directors and executive officers, our existing shareholders and certain of our option holders have agreed, subject to some exceptions, not to sell, transfer or dispose of, directly or indirectly,] any of our ordinary shares, any ADSs or otherwise, or any securities convertible into or exchangeable or exercisable for our ordinary shares, or for ADSs or, for a period ending 180 days after the date of this prospectus. After the expiration of the 180-day period, the ordinary shares or ADSs held by our directors, executive officers or our existing shareholders may be sold subject to the restrictions under Rule 144 under the Securities Act or by means of registered public offerings.]

[我们的董事和执行官员，我们现有的股东和我们的某些期权持有人已经同意，除一些例外情况外，不得直接或间接出售、转让或处置我们的任何普通股，任何存托凭证或其他证券，或任何可转换为我们的普通股，或可转换为或可转换为我们的普通股，或可转换为存托凭证的证券，或在本招股说明书日期后180天终了期限内。在180天期限届满之后，我们的董事、执行官员或现有股东持有的普通股或存托凭证可以按照《证券法》规则144的限制或以注册公开发行方式出售

### Rule 144

#### 规则144

All of our ordinary shares outstanding prior to this offering are “restricted securities” as that term is defined in Rule 144 under the Securities Act and may be sold publicly in the United States only under an effective registration statement under the Securities Act or pursuant to an available exemption from the registration requirements.

我们在此次发行之前行发行的所有普通股都是《证券法》第144条规则所界定的“限制性证券”，只有根据《证券法》的有效登记声明或根据登记要求的现有豁免，才能在美国公开出售。

In general, under Rule 144 as currently in effect, beginning 90 days after the date of this prospectus, a person who is not deemed to have been our affiliate at any time during the three months preceding a sale and who has beneficially owned restricted securities within the meaning of Rule 144 for more than six months would be entitled to sell an unlimited number of those shares, subject only to the availability of current public information about us. A non-affiliate who has beneficially owned restricted securities for at least one year from the later of the date these shares were acquired from us or from our affiliate would be entitled to freely sell those shares.

一般而言，根据目前生效的第144条，从本招股说明书之日起90天后开始，任何人如果在出售前三个月内任何时候不被视为是我们的附属公司，并且在第144条意义内实益持有限制性证券超过六个月，则有权出售不限数量的这些股票，但须视有关我们的当前公开信息而定。

非附属机构如果在从我们或我们的附属机构购入受限制证券之日起至少一年内实益拥有这些股票，则有权自由出售这些股票。

Our affiliates who have beneficially owned “restricted securities” for at least six months would be entitled to sell within any three-month period a number of restricted shares that does not exceed the greater of the following:

如果我们的联营公司实益拥有“限制性证券”至少六个月，则有权在任何三个月期间内出售若干限制性股票，但不得超过下列两项中的较大数额:

- 1% of the then outstanding ordinary shares, including shares represented by ADSs, which will equal approximately Class A  
ordinary shares immediately after this offering, assuming the  
1% 的当时已发行的普通股，包括以存款保险计划代表的股份

underwriters do not exercise their option to purchase additional ADSs, (or Class A ordinary shares if the underwriters exercise their option to purchase additional ADSs in full); or 承销商没有行使选择权购买额外的存托凭证(或如承销商行使选择权购买额外的存托凭证，则属 a 类普通股); 或

- the average weekly trading volume of our ordinary shares, including shares represented by ADSs on the Nasdaq during the four calendar weeks preceding the date on which notice of the sale on Form 144 is filed with the SEC. 我们普通股的平均每周成交量，包括在表格144上的出售通知提交给证券交易委员会前四个星期内在纳斯达克上市的美囯存托凭证所代表的股票。

Affiliates who sell restricted securities under Rule 144 may not solicit orders or arrange for the solicitation of orders, and they are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us. [In addition, in each case, shares held by our affiliates would remain subject to lock-up arrangements and would only become eligible for sale when the lock-up period expires.]

根据规则第144条出售受限制证券的附属公司不得招揽订单或安排招揽订单，它们还须遵守某些销售规定和通知要求，并须遵守关于我们的现有公开信息。[此外，在每一种情况下，我们的附属公司所持有的股份将继续受制于锁定安排，只有在锁定期结束时才有资格出售。]

## Rule 701

### 规则701

Beginning 90 days after the date of this prospectus, persons other than affiliates who purchased ordinary shares under a written compensatory plan or other written agreement executed prior to the completion of this offering may be entitled to sell such shares in the United States in reliance on Rule 701. Rule 701 permits affiliates to sell their Rule 701 shares under Rule 144 without complying with the holding period requirements of Rule 144. Rule 701 further provides that non-affiliates may sell these shares in reliance on Rule 144 subject only to its manner-of-sale requirements. However, the Rule 701 shares would remain subject to lock-up arrangements and would only become eligible for sale when the lock-up period expires.

自本招股说明书之日起90天后，根据书面补偿计划或在本次发售完成之前签订的其他书面协议购买普通股的附属公司以外的其他人员，可依据第701条规则，有权在美国出售这些股份。细则701允许附属公司根据细则144出售其细则701股份，但不遵守细则144的持有期要求。细则701进一步规定，非联营公司可依据细则144出售这些股份，但仅受其销售方式要求的限制。然而，细则701股份将继续受制于锁定安排，只有在锁定期结束时才有资格出售。

## Form S-8

### 表格 S-8

We intend to file a registration statement on Form S-8 under the Securities Act covering all ordinary shares which are either subject to outstanding options or may be issued upon exercise of any options or other equity awards which may be granted or issued in the future pursuant to our stock plans. We expect to file this registration statement as soon as practicable after the date of this prospectus. Shares registered under any registration statements will be available for sale in the open market, except to the extent that the shares are subject to vesting restrictions with us or the contractual restrictions described below.

我们打算根据《证券法》的 S-8表格提交一份登记声明，其中包括所有普通股，这些普通股要么受制于未到期的期权，要么在行使任何期权或其他股权授予时发行，而这些期权或股权授予将来可能根据我们的股票计划授予或发行。我们希望在本次招股说明书日期之后尽快提交这份注册声明。根据任何登记报表注册的股份将可在公开市场上出售，除非股份受到与我们的归属限制或下文所述的合同限制。



## TAXATION

### 税务

*The following summary of Cayman Islands, the PRC and U.S. federal income tax consequences of an investment in the ADSs or Class A ordinary shares is based upon laws and relevant interpretations thereof in effect as of the date of this prospectus, all of which are subject to change. This summary does not deal with all possible tax consequences relating to an investment in the ADSs or Class A ordinary shares, such as the tax consequences under state, local and other tax laws, or tax laws of jurisdictions other than the Cayman Islands, the PRC and the United States. To the extent that the discussion relates to matters of Cayman Islands tax law, it represents the opinion of Maples and Calder (Hong Kong) LLP, our Cayman Islands counsel. To the extent that the discussion relates to matters of the PRC tax law, it represents the opinion of King & Wood Mallesons, our PRC counsel. Based on the facts and subject to the limitations set forth herein, the statements of law or legal conclusions under the caption “—United States Federal Income Taxation” constitute the opinion of Kirkland & Ellis LLP, our United States counsel, as to the material United States federal income tax consequences to United States Holders (as defined below) of an investment in the ADSs or the Class A ordinary shares to which such ADSs relate.*

以下关于开曼群岛、中华人民共和国和美国联邦所得税对投资美国存托凭证或 a 类普通股的影响的摘要，依据的是自本招股说明书之日起生效的法律及相关解释，所有这些都可能会发生变化。本摘要并不涉及投资于存托凭证或 a 类普通股的所有可能的税务后果，例如州、地方和其他税法，或开曼群岛、中华人民共和国和美国以外司法管辖区的税法所规定的税务后果。就讨论涉及开曼群岛税法的事项而言，它代表了我们的开曼群岛律师 Maples and Calder (Hong Kong) LLP 的意见。就讨论涉及中华人民共和国税法的事项而言，它代表了我们的中华人民共和国法律顾问金杜律师事务所的意见。根据事实并在遵守本文所述限制的前提下，标题为“——美国联邦所得税”的法律陈述或法律结论构成我们的美国律师，美国凯易律师事务所法律有限责任公司的意见，即美国联邦所得税对美国持有人投资于存托凭证或与此类存托凭证有关的 a 类普通股的实质性后果(如下文所定义)。

#### Cayman Islands Taxation

##### 开曼群岛税收

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to us levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or, after execution, brought within the jurisdiction of the Cayman Islands. The Cayman Islands is not party to any double tax treaties that are applicable to any payments made to or by our company. There are no exchange control regulations or currency restrictions in the Cayman Islands.

开曼群岛目前不根据利润、收入、收益或增值对个人或公司征税，也不征收遗产税或遗产税。开曼群岛政府除了对在开曼群岛管辖范围内执行或执行后执行的票据适用印花税外，不可能对我们征收其他实质性税款。开曼群岛不是适用于向本公司支付或由本公司支付的任何双重税务条约的缔约国。开曼群岛没有外汇管制条例或货币限制。

Payments of dividends and capital in respect of our Class A ordinary shares or ADSs will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of a dividend or capital to any holder of our Class A ordinary shares or ADSs, nor will gains derived from the disposal of our Class A ordinary shares or ADSs be subject to Cayman Islands income or corporation tax.

在开曼群岛，我们 a 类普通股或存托凭证的股息和资本支付将不征税，向我们 a 类普通股或存托凭证的任何持有人支付股息或资本支付也不需要预扣，处置我们 a 类普通股或存托凭证的收益也不需要缴纳开曼群岛的所得税或公司税。

#### People's Republic of China Tax Considerations

##### 中华人民共和国税收考虑

Under the EIT Law, an enterprise established outside the PRC with a “de facto management body” within the PRC is considered a PRC resident enterprise for PRC enterprise income tax purposes and is generally subject to a uniform 25% enterprise income tax rate on its worldwide income as well as tax reporting obligations. Under the Implementation Rules of the Enterprise Income Tax Law, a “de facto management body” is defined as a body that has material and overall management and control over the manufacturing and business operations, personnel and human resources, finances and properties of an enterprise. In addition, SAT Circular 82 issued in April 2009 specifies that certain offshore-incorporated enterprises controlled by PRC enterprises or PRC enterprise groups will be classified as PRC resident enterprises if all of the following conditions are met: (a) senior management personnel and core management departments in charge of the daily operations of the enterprises have their presence mainly in the PRC; (b) their financial and human resources decisions are subject to determination or approval by persons or bodies in the PRC; (c) major assets, accounting books and company seals of the enterprises, and minutes and files of their board's and shareholders' meetings are located or kept in the PRC; and (d) half or more of the enterprises' directors or senior management personnel with voting rights habitually reside in the PRC. If the PRC tax authorities deem our company or any of our overseas subsidiaries as a PRC resident enterprise for PRC enterprise income tax purposes, a number of unfavorable PRC tax consequences could follow. We or the overseas subsidiaries, as the case may be, would be subject to the PRC enterprise income tax at the rate of 25% on worldwide income. Also, a 10% withholding tax would be imposed on dividends we pay to our non-PRC enterprise shareholders and with respect to gains derived by our non-PRC enterprise shareholders from transferring our ADS or Class A ordinary shares and potentially a 20% of withholding tax would be imposed on dividends we pay to our non-PRC individual shareholders and with respect to gains derived by such non-PRC

根据企业所得税法，在中华人民共和国境外设立并在中华人民共和国境内设有“事实上的管理机构”的企业，就中华人民共和国企业所

得税而言，被视为中华人民共和国居民企业，一般对其全球收入征收统一的25%企业所得税税率以及纳税申报义务。根据《企业所得税法实施细则》，"事实管理机构"的定义是对企业的生产和经营活动、人员和人力资源、财务和财产实行物质和全面管理和控制的机构。此外，国家税务总局于2009年4月发出的第82号通知证明，若中国企业或中国企业集团控制的某些境外法人企业符合下列全部条件，将被列为中国居民企业：(a)负责企业日常运作的高级管理人员和核心管理部门主要设在中国境内；(b)其财务和人力资源决定须由中国境内的个人或机构作出决定或批准；(c)企业的主要资产、会计账簿和公司印章，以及其董事会和股东会议的会议记录和文件通常设在或保存在中国境内；(d)半数或以上拥有表决权的企业董事。如果中国税务机关认为我公司或我公司的任何海外子公司为中国企业所得税目的的中国居民企业，一些不利的中国税收后果可能随之而来。我们或海外子公司，视情况而定，将按全球收入25%的税率缴纳中国企业所得税。此外，我们向非中国内地企业股东支付的股息以及非中国内地企业股东转让我们的 ADS 或 a 类普通股所得的收益将征收10%的预扣税，我们向非中国内地个人股东支付的股息以及非中国内地企业股东获得的收益可能征收20%的预扣税

individual shareholders from transferring our ADS or Class A ordinary shares. These rates may be reduced by an applicable tax treaty. 个人股东转让我们的 ADS 或 a 类普通股。这些税率可以根据适用的税收协定减少。

SAT issued the Bulletin on Issues of Enterprise Income Tax on Indirect Transfers of Assets by Non-PRC Resident Enterprises, or SAT Bulletin 7, on February 3, 2015, which replaced or supplemented certain previous rules under the circular commonly known as “SAT Circular 698.” Under SAT Bulletin 7, an “indirect transfer” of assets, including equity interests in a PRC resident enterprise, by non-PRC resident enterprises may be re-characterized and treated as a direct transfer of PRC taxable assets, if such arrangement does not have a reasonable commercial purpose and was established for the purpose of avoiding payment of PRC enterprise income tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax. According to SAT Bulletin 7, “PRC taxable assets” include assets attributed to an establishment in China, immovable properties in China, and equity investment in PRC resident enterprises. In respect of an indirect offshore transfer of assets of a PRC establishment, the relevant gain is to be regarded as effectively connected with the PRC establishment and therefore included in its enterprise income tax filing, and would consequently be subject to PRC enterprise income tax at a rate of 25%. Where the underlying transfer relates to the immovable properties in China or to equity investment in a PRC resident enterprise, which is not effectively connected to a PRC establishment of a non-resident enterprise, a PRC enterprise income tax at a rate of 10% would apply, subject to available preferential tax treatment under applicable tax treaties or similar arrangements, and the party who is obligated to make the transfer payments has the withholding obligation. There is uncertainty as to the implementation details of SAT Bulletin 7. If SAT Bulletin 7 were determined by the tax authorities to be applicable to some of our transactions involving PRC taxable assets, our offshore subsidiaries conducting the relevant transactions might be required to spend valuable resources to comply with SAT Bulletin 7 or to establish that the relevant transactions should not be taxed under SAT Bulletin 7. See “Risk Factors—Risks Relating to Doing Business in China—We face uncertainty with respect to indirect transfers of equity interests in PRC resident enterprises by their non-PRC holding companies.”

2015年2月3日，国家税务总局发布了《非中华人民共和国居民企业间接转让资产企业所得税问题公告》（简称《国家税务总局第7号公告》），取代或补充了《国家税务总局第698号通知》中的某些规定。根据《国家税务总局第7号公告》，非中国居民企业“间接转让”资产，包括中国居民企业的股权，如果这种安排没有合理的商业目的，而且是为了避免缴纳中国企业所得税而设立的，可以重新定性为中国应纳税资产。因此，从这种间接转让中获得的收益可能需要缴纳中国企业所得税。根据《国家税务总局公告》第7期，“中国应税资产”包括归属于中国境内机构的资产、在中国境内的不动产和在中国境内企业的股权投资。对于中华人民共和国机构的资产的间接离岸转让，相关收益应被视为与中华人民共和国机构有实际联系，因此包括在其企业所得税申报中，并因此应按25%的税率缴纳中华人民共和国企业所得税。如果基础转让涉及中国境内的不动产或中国居民企业的股权投资，而该项转让与中国境内设立的非居民企业没有实际联系，则根据适用的税务条约或类似安排规定的税收优惠待遇，适用10%的中国企业所得税税率，有义务支付转让款项的一方有预扣义务。国家税务总局第7号公告的实施细节尚不明确。如果税务机关确定第7号税务公告适用于我们涉及中国应税资产的一些交易，我们进行有关交易的离岸子公司可能需要动用宝贵的资源来遵守第7号税务公告，或确定有关交易不应根据第7号税务公告纳税。参见“风险因素—在中国做生意的相关风险—我们面临非中国控股公司间接转移中国居民企业股权的不确定性。”

Pursuant to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Tax Evasion on Income, or the Tax Arrangement, where a Hong Kong resident enterprise which is considered a non-PRC tax resident enterprise directly holds at least 25% of a PRC enterprise, the withholding tax rate in respect of the payment of dividends by such PRC enterprise to such Hong Kong resident enterprise is reduced to 5% from a standard rate of 10%, subject to approval of the PRC local tax authority. Pursuant to SAT Circular 81, a resident enterprise of the counter-party to such Tax Arrangement should meet the following conditions, among others, in order to enjoy the reduced withholding tax under the Tax Arrangement: (i) it must directly own the required percentage of equity interests and voting rights in such PRC resident enterprise; and (ii) it should directly own such percentage in the PRC resident enterprise anytime in the 12 months prior to receiving the dividends.

根据《中华人民共和国内地和香港特别行政区关于对所得避免双重征税和偷漏税的安排》或《税务安排》，凡被视为非中华人民共和国居民企业的香港居民企业直接持有中华人民共和国企业至少25%的股息，经中华人民共和国当地税务机关批准，该中华人民共和国企业向该香港居民企业支付股息的预扣税率由标准税率的10%降至5%。根据国家税务总局第81号通知，该税收安排的对方的居民企业，除其他外，应满足以下条件，才能享受税收安排下的减免预提税：（一）必须直接拥有该中华人民共和国居民企业所规定的股权和表决权的百分比；（二）在收取股息前12个月内的任何时间内直接拥有该中华人民共和国居民企业的股权百分比。

## United States Federal Income Tax Considerations

### 美国联邦所得税考虑

The following discussion describes the material United States federal income tax consequences to a United States Holder (as defined below), under current law, of an investment in our ADSs or Class A ordinary shares in the offering. This discussion is based on the federal income tax laws of the United States as of the date of this prospectus, including the United States Internal Revenue Code of 1986, as amended, or the Code, existing and proposed Treasury Regulations promulgated thereunder, judicial authority, published administrative positions of the United States Internal Revenue Service, or IRS, and other applicable authorities, all as of the date of this prospectus. All of the foregoing authorities are subject to change, which change could apply retroactively and could significantly affect the tax consequences described below. We have not sought any ruling from the IRS with respect to the statements made and the conclusions reached in the following discussion and there can be no assurance that the IRS or a court will agree with our statements and conclusions. This discussion, moreover, does not address the U.S. federal estate, gift, Medicare, and alternative minimum tax considerations, or any state, local and non-U.S. tax considerations, relating to the ownership or disposition of our ADSs or Class A ordinary shares. Except as specifically described below, this discussion does not address any of the consequences of holding

下面的讨论描述了根据现行法律，美国联邦所得税对美国投资者投资我们的存托凭证或发行中的 a 类普通股所产生的实质性后果。这

一讨论的基础是截至本招股说明书之日的美国联邦所得税法，包括经修正的1986年《美国国内税法》或该法、根据该法颁布的现行和拟议的《财政条例》、司法当局、美国国内税务局(IRS)公布的行政职位以及其他适用当局，所有这些都是截至本招股说明书之日的情况。所有上述权力机构都可能发生变化，这种变化可能具有追溯效力，并可能大大影响下文所述的税收后果。我们没有要求国税局就以下讨论中所作的声明和得出的结论作出任何裁决，也不能保证国税局或法院会同意我们的声明和结论。此外，本次讨论并未涉及美国联邦财产、礼品、医疗保险和替代性最低税收考虑，或任何州、地方和非美国税收考虑，涉及我们的存托凭证或 a 类普通股的所有权或处置。除非如下文所述，本讨论不涉及持有的任何后果

ADSs or Class A ordinary shares through a bank, financial institution or other entity, or a branch thereof, located, organized or resident outside the United States, including withholding taxes or reporting obligations applicable to accounts maintained with non-United States financial institutions (through which a United States Holder may hold our ADSs or Class A ordinary shares).

存款保证或 a 类普通股通过银行、金融机构或其他实体或其分支机构，设在、组织或居住在美国境外，包括预扣税或适用于在 non-United States 金融机构开立的账户的报告义务(美国持有者可通过该账户持有我们的存款保证或 a 类普通股)。

This discussion applies only to a United States Holder (as defined below) that holds ADSs or Class A ordinary shares as capital assets for United States federal income tax purposes (generally, property held for investment). The discussion neither addresses the tax consequences to any particular investor nor describes all of the tax consequences applicable to persons in special tax situations, such as:

本讨论仅适用于美国持有人(如下文所定义)持有美国联邦所得税目的的资本资产存款证或 a 类普通股(一般为投资目的持有的财产)。讨论既没有涉及对任何特定投资者的税收后果，也没有说明适用于处于特殊税收情况的人的所有税收后果，例如：

- banks and certain other financial institutions;  
银行及若干其他金融机构;
- insurance companies;  
保险公司;
- pension plans;  
退休金计划;
- cooperatives;  
合作社;
- regulated investment companies;  
受监管的投资公司;
- real estate investment trusts;  
房地产投资信托基金;
- brokers or dealers in stocks and securities, or currencies;  
股票、证券或货币的经纪人或交易商;
- persons who use or are required to use a mark-to-market method of accounting;  
使用或被要求使用按市价计价的会计方法的人;
- certain former citizens or residents of the United States subject to Section 877 of the Code;  
某些受该守则第877条规限的美国前公民或居民;
- entities subject to the United States anti-inversion rules;  
受美国反倒置规则约束的实体;
- tax-exempt organizations or entities (including private foundations);  
免税的组织或实体(包括私人基金会);
- persons subject to the alternative minimum tax provisions of the Code;  
受本守则替代最低税率规定管制的人士;
- persons whose functional currency is other than the United States dollar;  
功能货币不是美元的人员;
- persons holding ADSs or Class A ordinary shares as part of a straddle, hedging, conversion or integrated transaction;  
持有作为跨运、对冲、转换或综合交易一部分的存托凭证或 a 类普通股的人;
- persons that actually or constructively own ADSs or Class A ordinary shares representing 10% or more of our voting power or value;  
实际或有建设性地拥有占本公司投票权或价值10% 或以上的存款保障证或 a 类普通股的人士;
- persons who acquired ADSs or Class A ordinary shares pursuant to the exercise of an employee stock option or otherwise as compensation;  
因行使雇员股票期权或以其他方式作为补偿而购买存款凭证或 a 类普通股的人士;
- partnerships or other pass-through entities, or persons holding ADSs or Class A ordinary shares through such entities;  
合伙企业或其他转手实体，或通过这些实体持有存款抵押品或 a 类普通股的人;
- persons required to accelerate the recognition of any item of gross income with respect to our ADSs or Class A ordinary shares as a result of such income being recognized on an applicable financial statement; or  
须加快确认我们的存款凭证或 a 类普通股的任何毛收入项目的人士，因为该等收入已在适用的财务报表上确认; 或

- persons that held, directly, indirectly or by attribution, ADSs or Class A ordinary shares or other ownership interests in us prior to this offering.  
在本次发售之前，直接、间接或通过归属、存托凭证或 a 类普通股或其他所有权利益持有本公司股份的人。

If a partnership (including an entity or arrangement treated as a partnership for United States federal income tax purposes) holds the ADSs or Class A ordinary shares, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. A partnership or partner in a partnership holding ADSs or Class A ordinary shares should consult its own tax advisors regarding the tax consequences of investing in and holding the ADSs or Class A ordinary shares.

如果合伙企业(包括为美国联邦所得税目的被视为合伙企业的实体或安排)持有存托凭证或 a 类普通股，合伙企业合伙人的纳税待遇一般取决于合伙人的地位和合伙企业的活动。持有存托凭证或 a 类普通股的合伙企业或合伙人，应就投资和持有存托凭证或 a 类普通股的税务后果咨询其税务顾问。

**THE FOLLOWING DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE. HOLDERS SHOULD CONSULT**

以下讨论仅供参考，并不能代替仔细的税务规划和建议。持有者应该咨询



**THEIR OWN TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE UNITED STATES FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER THE FEDERAL ESTATE OR GIFT TAX LAWS OR THE LAWS OF ANY STATE, LOCAL OR NON-UNITED STATES TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.**

他们自己的税务顾问关于美国联邦所得税法适用于他们的特殊情况，以及根据联邦遗产或礼品税法或任何州、地方或非美国征税管辖区或根据任何适用的税务条约产生的任何税务后果。

For purposes of the discussion below, a “United States Holder” is a beneficial owner of the ADSs or Class A ordinary shares that is, for United States federal income tax purposes:

为下文讨论的目的，“美国持有人”是美国存托凭证或A类普通股的受益所有人，即为美国联邦所得税目的：

- an individual who is a citizen or resident of the United States;  
是美国公民或居民的个人；
- a corporation (or other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;  
在美国、其任何州或哥伦比亚特区或根据美国法律设立或组织的公司(或为美国联邦所得税目的被视为公司的其他实体)；
- an estate, the income of which is subject to United States federal income taxation regardless of its source; or  
财产，其收入无论来自何处均须纳入美国联邦所得税；或
- a trust, if (i) a court within the United States is able to exercise primary jurisdiction over its administration and one or more United States persons have the authority to control all of its substantial decisions or (ii) in the case of a trust that was treated as a domestic trust under the law in effect before 1997, a valid election is in place under applicable Treasury Regulations to treat such trust as a domestic trust.  
A 信托，如果(一)美国境内的一个法院能够对其行政行为行使主要管辖权，并且一个或多个美国人有权控制其所有实质性决定，或者(二)如果信托基金根据1997年之前生效的法律被视为国内信托基金，则根据适用的《财政部条例》进行有效选择，将此种信托基金视为国内信托基金。

The discussion below assumes that the representations contained in the deposit agreement and any related agreement are true and that the obligations in such agreements will be complied with in accordance with their terms.

下文的讨论假定，存款协议和任何有关协议中所载的陈述是真实的，这些协议中的义务将根据其条款得到遵守。

### Passive Foreign Investment Company

#### 被动式外商投资公司

A non-United States corporation such as ourselves will be a passive foreign investment company, or PFIC, for United States federal income tax purposes for any taxable year if, applying applicable look-through rules, either:

像我们这样的 non-United States 公司在任何应纳税年度都将是—家被动的外国投资公司，或称为 PFIC，如果适用适用的审查规则：

- at least 75% of its gross income for such year is passive income; or  
该年度的总收入至少有75%为被动收入；或
- at least 50% of the value of its assets (determined based on a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income.  
在该年度内，至少50%的资产价值(以季度平均数计算)可归属产生或持有作生产被动收入用途的资产。

For this purpose, passive income generally includes dividends, interest (or income equivalent to interest), royalties and rents (other than certain royalties and rents derived in the active conduct of a trade or business and not derived from a related person). We will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation in which we own, directly or indirectly, at least 25% (by value) of the stock.

为此目的，被动收入一般包括股息、利息(或相当于利息的收入)、特许权使用费和租金(某些特许权使用费和租金除外，这些特许权使用费和租金来自某一行业或业务的活动，而且不是来自有关人士)。我们将被视为拥有相应的资产份额，并从我们直接或间接拥有至少25%(按价值计算)股份的任何其他公司的收入中获得相应份额。

Although the law in this regard is unclear, we treat our consolidated VIE and its subsidiaries as being owned by us for United States federal income tax purposes, not only because we exercise effective control over the operation of these entities but also because we are entitled to substantially all of their economic benefits, and, as a result, we consolidate their results of operations in our consolidated United States GAAP financial statements. If it were determined, however, that we are not the owner of our consolidated VIE and its subsidiaries for United States federal income tax purposes, the composition of our income and assets would change and we may be a PFIC for the current year or any future taxable year.



尽管这方面的法律尚不明确，但我们将合并的 VIE 及其子公司视为美国联邦所得税目的下的所有，这不仅是因为我们对这些实体的经营行使有效控制，而且也因为我们有权获得它们的大部分经济利益，因此，我们将它们的经营成果合并到我们的合并的美国公认会计准则财务报表中。然而，如果确定我们不是为了美国联邦所得税目的而合并的 VIE 及其子公司的所有者，那么我们的收入和资产构成将会改变，我们可能成为本年度或未来任何纳税年度的 PFIC。

We aim to utilize our proprietary technology to facilitate loans to borrowers that are funded by individual investors, rather than by using our own capital. As such, fees received from borrowers are recorded as services

我们的目标是利用我们的专有技术，以方便借款人的贷款是由个人投资者资助，而不是使用我们自己的资本。因此，从借款人收取的费用被记录为服务

income on our consolidated statements of operations. However, the treatment of certain of such fees as services or interest income is unclear for purposes of the PFIC rules. In addition, changes in the composition of our income or composition of our assets may cause us to become a PFIC. The determination of whether we will be a PFIC for any taxable year may depend in part upon the value of our goodwill and other unbooked intangibles not reflected on our balance sheets (which may depend upon the market value of the ADSs or Class A ordinary shares from time to time, which may be volatile) and also may be affected by how, and how quickly, we spend our liquid assets and the cash raised in this offering. In estimating the value of our goodwill and other unbooked intangibles, we have taken into account our anticipated market capitalization following the listing of the ADSs or Class A ordinary shares on Nasdaq. Among other matters, if our market capitalization is less than anticipated or subsequently declines, we may be or become a PFIC for the current or future taxable years because our liquid assets and cash (which are for this purpose considered assets that produce passive income) may then represent a greater percentage of our overall assets. Further, while we believe our classification methodology and valuation approach is reasonable, it is possible that the IRS may challenge our classification or valuation of our goodwill and other unbooked intangibles, and we may be or become a PFIC for the current or one or more future taxable years.

我们的合并经营报表的收入。然而，对于某些此类费用如服务费或利息收入的处理方式，就《投资者金融情报委员会规则》而言并不明确。此外，我们的收入构成或资产构成的变化可能会导致我们成为一个太平洋工业化国家。我们是否在任何应纳税年度成为投资者委员会的决定，可能部分取决于我们的商誉价值和其他未入账的无形资产的价值，而这些价值并没有反映在我们的资产负债表上(这可能取决于存托凭证或 a 类普通股的市场价值，而这些价值可能会不时出现波动)，也可能受到我们如何以及多快地使用我们的流动资产和在本次发行中筹集的现金的影响。在估算我们的商誉和其他未登记的无形资产的价值时，我们已经考虑到了我们预期的美国存托凭证或 a 类普通股在纳斯达克上市后的市值。在其他事项中，如果我们的市值比预期少或随后下降，我们可能成为或成为当前或未来的应税年度的基于投资工业化的资产，因为我们的流动资产和现金(为此目的被认为是产生被动收入的资产)可能会代表我们整体资产的更大的百分比。此外，虽然我们认为我们的分类方法和估值方法是合理的，但是国税局可能会质疑我们对商誉和其他未计入账目的无形资产分类或估值，而且我们可能在当前或一个或一个以上的未来纳税年度成为或成为一个太平洋投资理事会。

Given the foregoing and based on the projected composition and classification of our income and assets, including the proceeds from this offering, and the nature of our business operations, we believe that there is a material risk that we will be a PFIC for United States federal income tax purposes for 2018, and in future taxable years. However, the determination of PFIC status is based on an annual determination that cannot be made until the close of a taxable year, involves extensive factual investigation, including ascertaining the fair market value of all of our assets on a quarterly basis and the character of each item of income that we earn, and is subject to uncertainty in several respects. In addition, there are uncertainties in the application of the PFIC rules to a company with our particular business operations, in particular related to the classification of our income as active or passive and to certain of our funding structures. Accordingly, we cannot assure you that we will not be a PFIC for our current taxable year ending December 31, 2018, or for any future taxable year or that the IRS will not take the position that we are a PFIC. Kirkland & Ellis LLP, our United States tax counsel, therefore expresses no opinion with respect to our PFIC status for any taxable year or our beliefs and expectations relating to such status set forth in this discussion.

鉴于上述情况，并根据我们收入和资产的预计构成和分类，包括此次发行的收益，以及我们业务运营的性质，我们认为存在一个重大风险，即我们将成为2018年美国联邦所得税目的的太平洋投资委员会，以及在未来的纳税年度。然而，确定产业投资者委员会地位所依据的是年度确定，直到应纳税年度结束才能作出确定，涉及广泛的事实调查，包括每季度确定我们所有资产的公平市场价值和我们赚取的每一项收入的性质，并在若干方面受到不确定性的影响。此外，对于一家从事我们特定业务的公司，在适用该规则方面存在不确定性，特别是在将我们的收入分为主动收入和被动收入以及我们的某些融资结构方面。因此，我们不能向您保证，我们不会成为我们目前的应税年度截止2018年12月31日，或任何未来的应税年度，或美国国税局不会采取的立场，我们是一个太平洋投资委员会。因此，我们的美国税务律师，凯易律师事务所法律有限责任公司，对我们在任何应纳税年度的 PFIC 地位或我们在本文中阐述的与这种地位相关的信念和期望没有任何意见。

If we are a PFIC for any taxable year during which you hold ADSs or Class A ordinary shares, we will continue to be treated as a PFIC with respect to you for all succeeding years during which you hold ADSs or Class A ordinary shares, unless we were to cease to be a PFIC and you make a “deemed sale” election with respect to the ADSs or Class A ordinary shares. If such election is made, you will be deemed to have sold the ADSs or Class A ordinary shares you hold at their fair market value and any gain from such deemed sale would be subject to the rules described in the following two paragraphs. After the deemed sale election, so long as we do not become a PFIC in a subsequent taxable year, the ADSs or Class A ordinary shares with respect to which such election was made will not be treated as shares in a PFIC and, as a result, you will not be subject to the rules described below with respect to any “excess distribution” you receive from us or any gain from an actual sale or other disposition of the ADSs or Class A ordinary shares. You are strongly urged to consult your tax advisors as to the possibility and consequences of making a deemed sale election if we are and then cease to be a PFIC and such an election becomes available to you.

如果我们是投资者委员会，而你在任何应课税年度内持有存托凭证或 a 类普通股，则在你持有存托凭证或 a 类普通股的其后所有年度内，我们将继续被视为投资者委员会，除非我们不再是投资者委员会，而你就存托凭证或 a 类普通股作出「当作出售」选择。如果作出这项选择，你将被视为已按其公平市价出售你持有的存款抵押品或 a 类普通股，而从这项当作出售所得的任何收益，将受以下两段所述的规则所规限。在当作出售选择后，只要我们在下一个应课税年度不成为股票投资委员会，有关的股票投资收益或 a 类普通股不会被视为股票投资委员会的股份，因此，你从我们收取的任何“超额分配”，或从实际出售或以其他方式处置股票投资收益或 a 类普通股而获得的任何收益，将不受下述规则的约束。我们强烈建议你咨询你的税务顾问，如果我们是，然后停止成为一个投资者委员会，这样的选择对你来说是可行的，那么这样做的可能性和后果是什么。

If we are a PFIC for any taxable year during which you hold ADSs or Class A ordinary shares, then, unless you make a “mark-to-market” election (as discussed below), you generally will be subject to special adverse tax rules with respect to any “excess distribution” that you receive from us and any gain that you recognize from a sale or other disposition, including a pledge, of ADSs or Class A ordinary shares. For this purpose, distributions that you receive in a taxable year that are greater than 125% of the average annual distributions that you received during the shorter of the three preceding

taxable years or your holding period for the ADSs or Class A ordinary shares will be treated as an excess distribution. Under these rules:

如果我们作为投资者委员会，而你在任何应课税年度内持有存托凭证或 a 类普通股，则除非你作出「按市值计价」的选择(如下文所述)，否则你一般会就我们从收取的任何「超额分配」，以及你因出售存托凭证或 a 类普通股而确认的任何收益，受到特别不利的税务规则的规管。为此，你在应课税年度所收到的分配款项，如超过你在前三个应课税年度或你持有存款保证或 a 类普通股的较短期间所收到的平均年分配款项的125%，便会被视为超额分配。根据这些规则：

- the excess distribution or recognized gain will be allocated ratably over your holding period for the ADSs or Class A ordinary shares; 超额分配或认可收益将在你的持有期内按比例分配给存托凭证或 a 类普通股;

- the amount of the excess distribution or recognized gain allocated to the taxable year of distribution or gain, and to any taxable years in your holding period prior to the first taxable year in which we were a PFIC, will be treated as ordinary income; and 分配给应课税的分配或收益年度的超额分配或认可收益，以及在本公司为投资者委员会的首个应课税年度之前的任何应课税持有年度的超额分配或认可收益，将会被视为普通收入；及
- the amount of the excess distribution or recognized gain allocated to each other taxable year will be subject to the highest tax rate in effect for individuals or corporations, as applicable, for each such year and the resulting tax will be subject to the interest charge generally applicable to underpayments of tax. 超额分配或认可收益分配予每个应课税年度的款额，须按每个该年度适用于个人或法团的最高税率缴税，而所得税则须按一般适用于少缴税款的利息收费缴税。

If we are a PFIC for any taxable year during which you hold ADSs or Class A ordinary shares and any of our non-United States subsidiaries or other corporate entities in which we own equity interests is also a PFIC, you would be treated as owning a proportionate amount (by value) of the shares of each such non-United States entity classified as a PFIC (each such entity, a lower tier PFIC) for purposes of the application of these rules. You should consult your own tax advisor regarding the application of the PFIC rules to any lower tier PFICs.

如果我们是一个投资者委员会，在任何应纳税年度，您持有美国存托凭证或 a 类普通股，我们在 non-United States 拥有股权的任何子公司或其他公司实体也是一个投资者委员会，您将被视为拥有一定数额(按价值计算)的股份，每个这样的非美国实体被归类为投资者委员会(每个这样的实体，一个较低层次的投资者委员会)，以适用本规则。你应该咨询你自己的税务顾问关于适用的投资工业化联合会规则的任何较低层级的公共工业化联合会。

If we are a PFIC for any taxable year during which you hold ADSs or Class A ordinary shares, then in lieu of being subject to the tax and interest-charge rules discussed above, you may make an election to include gain on our ADSs or Class A ordinary shares as ordinary income under a mark-to-market method, provided that our ADSs or Class A ordinary shares constitute “marketable stock.” Marketable stock is stock that is regularly traded on a qualified exchange or other market, as defined in applicable Treasury regulations. We expect that our ADSs, but not our ordinary shares, will be listed on the Nasdaq, which is a qualified exchange or other market for these purposes. Consequently, if the ADSs are listed on the Nasdaq and are regularly traded, and you are a holder of ADSs, we expect that the mark-to-market election would be available to you if we are or become a PFIC, but no assurances are given in this regard.

如果我们是投资者委员会，而你在任何应课税年度内持有存托凭证或 a 类普通股，则你可以选择将我们的存托凭证或 a 类普通股的收益，按照按市值计价法计算为普通收入，但以我们的存托凭证或 a 类普通股构成「流通股」为准。有价证券是指在合格的交易所或其他市场上定期交易的股票，如适用的财务条例所界定。我们期望我们的存托凭证，而不是我们的普通股，将在纳斯达克上市，这是一个合格的交易所或其他市场为这些目的。因此，如果存托凭证在纳斯达克上市并且经常交易，并且你是存托凭证的持有者，我们希望如果我们是或成为一个基于市值的存托凭证，我们将为你提供存托凭证，但是在这方面没有给予任何保证。

If you make a mark-to-market election, it will be effective for the taxable year for which the election is made and all subsequent taxable years unless the ADSs are no longer regularly traded on a qualified exchange or other market, or the IRS consents to the revocation of the election. In light of the risk that we will be a PFIC for 2018, United States Holders are urged to consult their tax advisors regarding the availability of the mark-to-market election, and whether making the election would be advisable in such United States Holder’s particular circumstances

如果你作出按市值计价的选择，该选择将在选择的应课税年度及其后所有应课税年度生效，除非该等存托凭证不再在合格的交易所或其他市场定期买卖，或美国国税局同意撤销该选择。鉴于2018年我们将成为太平洋投资委员会的风险，我们敦促美国持有人就是否可以进行按市值计价的选举，以及在这种美国持有人的特殊情况下进行选举是否可取，咨询其税务顾问

Because a mark-to-market election cannot be made for any lower-tier PFICs that we may own, if we were a PFIC for any taxable year, a United States Holder that makes the mark-to-market election may continue to be subject to the tax and interest charges under the general PFIC rules with respect to such United States Holder’s indirect interest in any investments held by us that are treated as an equity interest in a PFIC for United States federal income tax purposes.

由于不能对我们可能拥有的任何较低级别的公司进行按市值计价的选择，如果我们在任何应纳税年度是一个公司投资者委员会，根据该委员会的一般规则，进行按市值计价的选择的美国持有人可能继续受到该美国持有人在持有的任何投资中的间接利益的税收和利息收费，这些投资就美国联邦所得税而言被视为在公司投资者委员会中的股权。

In certain circumstances, a shareholder in a PFIC may avoid the adverse tax and interest-charge regime described above by making a “qualified electing fund” election to include in income its share of the corporation’s income on a current basis. However, you may make a qualified electing fund election with respect to the ADSs or Class A ordinary shares only if we agree to furnish you annually with a PFIC annual information statement as specified in the applicable Treasury regulations. We currently do not intend to prepare or provide the information that would enable you to make a qualified electing fund election.

在某些情况下，投资者委员会的股东可以通过作出“合格选择基金”选择，将其在当期公司收入中所占份额列入收入，从而避免上述不利的税收和利息收费制度。不过，阁下只有在我们同意每年向阁下提供适用的库务署规例所指明的投资者委员会年度资料陈述书的情况下，才可就存托凭证或 a 类普通股作出合格的基金选择。我们现时并不打算准备或提供有关资料，让阁下可以作出合格的基金选择。

A United States Holder that holds the ADSs or Class A ordinary shares in any year in which we are a PFIC will be required to file an annual report containing such information as the United States Treasury Department may require.

在我们作为投资者委员会的任何年度持有美国存托凭证或 a 类普通股的美持有者，将被要求提交一份载有美国财政部可能要求的信息的年度报告。

You are strongly encouraged to consult your own tax advisor regarding the application of the PFIC rules to your ownership and disposition of the ADSs or Class A ordinary shares and the availability, application and consequences of the elections discussed above.

我们强烈建议你向你自己的税务顾问咨询有关对你拥有和处置存托凭证或 a 类普通股的适用性和适用性以及上述选举的后果的问题。

## ADSS

### 数据存储系统

If you own our ADSSs, then you should be treated as the owner of the underlying Class A ordinary shares represented by those ADSSs for United States federal income tax purposes. Accordingly, deposits or withdrawals of Class A ordinary shares for ADSSs should not be subject to United States federal income tax.

如果你拥有我们的存托凭证，那么你应该被视为美国联邦所得税目的存托凭证所代表的基础 a 类普通股的所有者。因此，存款或提取 a 类普通股作为存托凭证不应缴纳美国联邦所得税。

The United States Treasury Department and the IRS have expressed concerns that United States holders of American depository shares may be claiming foreign tax credits in situations where an intermediary in the chain of ownership between the holder of an American depository share and the issuer of the security underlying the American depository share has taken actions that are inconsistent with the ownership of the underlying security by the person claiming the credit. Such actions (for example, a pre-release of an American depository share by a depository) also may be inconsistent with the claiming of the reduced rate of tax applicable to certain dividends received by non-corporate United States holders of American depository shares, including individual United States holders. Accordingly, the availability of foreign tax credits or the reduced tax rate for dividends received by non-corporate United States Holders, each discussed below, could be affected by actions taken by intermediaries in the chain of ownership between the holder of an ADS and our company.

美国财政部和美国国税局表示关切的是，如果美国存托股票持有人与美国存托股票发行人之间的所有权链中的中间人采取了不符合要求抵免的人对基础证券的所有权的行动，美国存托股票的美国持有人可能要求外国税收抵免。这种行动(例如，由保存人预先发行美国存托股票)也可能不符合美国存托股票的非公司美国持有人，包括美国个人持有人收到的某些股息所适用的减税率的主张。因此，下文讨论的美国非公司持有人获得外国税收抵免或股息减税的情况，都可能受到 ADS 持有人和我们公司之间所有权链中的中间人采取的行动的影响。

## Dividends and Other Distributions on the ADSSs or Class A Ordinary Shares

### 存托凭证或 a 类普通股的股息及其他分配

Subject to the passive foreign investment company rules discussed above, the gross amount of any distribution that we make to you with respect to the ADSSs or Class A ordinary shares (including any amounts withheld to reflect PRC withholding taxes) will be taxable as a dividend, to the extent paid out of our current or accumulated earnings and profits, as determined under United States federal income tax principles. Such income (including any withheld taxes) will be includable in your gross income on the day actually or constructively received by you, if you own the Class A ordinary shares, or by the depository, if you own ADSSs. Because we do not intend to determine our earnings and profits on the basis of United States federal income tax principles, any distribution paid generally will be reported as a “dividend” for United States federal income tax purposes. Such dividends will not be eligible for the dividends-received deduction allowed to qualifying corporations under the Code.

在遵守上述被动式外国投资公司规则的前提下，根据美国联邦所得税原则，我们向贵公司提供的有关存托凭证或 a 类普通股的任何分配总额(包括为反映中国预扣税而扣除的任何款项)，将作为股息征税，以我们当前或累积的收益和利润支付为限。如果你持有 a 类普通股，这些收入(包括扣缴税款)将包括在你实际或建设性收到的当天的总收入中。如果你持有存托凭证，这些收入将包括在你的存托凭证中。因为我们不打算根据美国联邦所得税原则确定我们的收入和利润，所以为了美国联邦所得税的目的，所支付的任何分配一般都将作为“红利”报告。该等股息将不符合《守则》所容许符合资格的公司扣除股息的资格。

Dividends received by a non-corporate United States Holder may qualify for the lower rates of tax applicable to “qualified dividend income,” if the dividends are paid by a “qualified foreign corporation” and other conditions discussed below are met. A non-United States corporation is treated as a qualified foreign corporation (i) with respect to dividends paid by that corporation on shares (or American depository shares backed by such shares) that are readily tradable on an established securities market in the United States (which we expect to be the case for the ADSSs but not for the ordinary shares) or (ii) if such non-United States corporation is eligible for the benefits of a qualifying income tax treaty with the United States that includes an exchange of information program. However, a non-United States corporation will not be treated as a qualified foreign corporation if it is a passive foreign investment company in the taxable year in which the dividend is paid or the preceding taxable year. As discussed above under “—Passive Foreign Investment Company,” we believe that there is a material risk that we will be a PFIC for 2018, and in future taxable years.

如果股息由“合格外国公司”支付，且符合下文讨论的其他条件，美国非公司持有人收到的股息可享受适用于“合格股息收入”的较低税率。非美国公司被视为符合以下条件的合格外国公司：(一)该公司就其在美国既定证券市场上易于交易的股票(或由此类股票支持的美国存托股票)所支付的股息(我们预计美国存托股票将是这种情况，但普通股不是这种情况)；或(二)如果该 non-United States 公司有资格享受与美国签订的包括信息交换方案在内的合格所得税条约的好处。然而，如 non-United States 公司在派发股息的纳税年度或上一个纳税年度为被动外国投资公司，则该公司不会被视为合格的外国公司。正如上文在“被动外国投资公司”项下所讨论的那样，我们认为存在一个实质性的风险，即我们将在2018年成为一家太平洋投资委员会，并在未来纳税年度成为该委员会。

Under a published IRS Notice, common or ordinary shares, or American depository shares representing such shares, are considered to be readily tradable on an established securities market in the United States if they are listed on the Nasdaq, as our ADSSs (but not our ordinary shares) are expected to be. Based on existing guidance, it is unclear whether the Class A ordinary shares will be considered to be readily tradable on an established securities market in the United States, because only the ADSSs, and not the underlying Class A ordinary shares, will be listed on a securities market in the United States. We believe, but we cannot assure you, that dividends we pay, if any, on the Class A ordinary shares that are represented by ADSSs, but not on the ordinary shares that are not so represented, will, subject to applicable limitations, be eligible for the reduced rates of taxation. In addition, if we are

treated as a PRC resident enterprise under the PRC tax law (see “Taxation—People’s Republic of China Tax Considerations”), then we may be eligible for the benefits of the income tax treaty between the United States

根据已公布的美国国税局公告，代表普通股或普通股的美国存托股票，如果是在美国纳斯达克上市，就会被视为可以在美国的既定证券市场进行交易，而我们的存托凭证(不包括我们的普通股)预期是在美国纳斯达克上市的。根据现有的指导方针，目前尚不清楚 a 类普通股是否会被视为在美国的既定证券市场容易交易，因为在美国的证券市场上上市的只有美国存托凭证，而不是相关的 a 类普通股。我们相信，但我们不能向你保证，如果我们以存款保险计划代表的 a 类普通股支付股息，而不是以非存款保险计划代表的普通股，在适用的限制下，我们将有资格享受减免税率。此外，如果根据中华人民共和国税法，我们被视为中华人民共和国居民企业(见“税收—中华人民共和国税收考虑”)，那么我们可能有资格享受美国所得税协定的好处



and the PRC. If we are eligible for such benefits, then dividends that we pay on our Class A ordinary shares, regardless of whether such shares are represented by ADSs, would, subject to applicable limitations, be eligible for the reduced rates of taxation. 及中华人民共和国。如果我们有资格享受这些福利，那么我们以 a 类普通股支付的股息，无论这些股息是否由存款保险计划代表，在适用的限制下，都有资格享受减免税率。

Even if dividends would be treated as paid by a qualified foreign corporation, a non-corporate United States Holder will not be eligible for reduced rates of taxation if it does not hold our ADSs or Class A ordinary shares for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date or if the United States Holder elects to treat the dividend income as “investment income” pursuant to Section 163(d)(4) of the Code. In addition, the rate reduction will not apply to dividends of a qualified foreign corporation if the non-corporate United States Holder receiving the dividend is obligated to make related payments with respect to positions in substantially similar or related property.

即使股利被视为由合格的外国公司支付，但如果美国非公司持有人在除息日前60天开始的121天期间内没有持有我们的存款保证或 a 类普通股超过60天，或者如果美国持有人根据《守则》第163(d)(4)条选择将股利收入视为“投资收入”，美国非公司持有人也没有资格享受减税。此外，如果获得股息的美股非公司持有人有义务就基本相似或相关财产的头寸支付相关款项，则减息将不适用于合格外国公司的股息。

You should consult your own tax advisors regarding the availability of the lower tax rates applicable to qualified dividend income for any dividends that we pay with respect to the ADSs or Class A ordinary shares, as well as the effect of any change in applicable law after the date of this prospectus.

有关我们就存托凭证或 a 类普通股支付的任何股息是否适用于合格股息收入的较低税率，以及本招股说明书日期后适用法律的任何变更的影响，你应咨询你的税务顾问。

Any PRC withholding taxes imposed on dividends paid to you with respect to the ADSs or Class A ordinary shares generally will be treated as foreign taxes eligible for credit against your United States federal income tax liability, subject to the various limitations and disallowance rules that apply to foreign tax credits generally. For purposes of calculating the foreign tax credit, dividends paid to you with respect to the ADSs or Class A ordinary shares will be treated as income from sources outside the United States and generally will constitute passive category income. The rules relating to the determination of the foreign tax credit are complex, and you should consult your tax advisors regarding the availability of a foreign tax credit in your particular circumstances.

任何中华人民共和国预扣税款支付给您的股息，就存托凭证或 a 类普通股一般将被视为外国税收抵免资格抵免您的美国联邦所得税义务，受各种限制和不允许规则，适用于外国税收抵免一般。就计算外国税收抵免而言，就存托凭证或 a 类普通股支付给您的股息将被视为来自美国境外的收入，一般构成被动类收入。有关确定外国税收抵免的规则是复杂的，你应该咨询你的税务顾问关于在你的特定情况下外国税收抵免的可用性。

## Disposition of the ADSs or Class A Ordinary Shares

### 资产负债表或 a 类普通股的处置

You will recognize gain or loss on a sale or exchange of the ADSs or Class A ordinary shares in an amount equal to the difference between the amount realized on the sale or exchange and your tax basis in the ADSs or Class A ordinary shares. Subject to the discussion under “—Passive Foreign Investment Company” above, such gain or loss generally will be capital gain or loss. Capital gains of a non-corporate United States Holder, including an individual, that has held the ADSs or Class A ordinary shares for more than one year currently are eligible for reduced tax rates. The deductibility of capital losses is subject to limitations.

您将确认在出售或交换存托凭证或 a 类普通股时的收益或亏损，金额等于在出售或交换时实现的金额与您在存托凭证或 a 类普通股中的纳税基础之间的差额。根据上文“被动型外国投资公司”的讨论，这种损益一般为资本收益或损失。持有美国存托凭证或 a 类普通股超过一年的美国非公司持有人(包括个人)的资本收益目前有资格享受减税。资本损失的可扣除性受到限制。

Any gain or loss that you recognize on a disposition of the ADSs or Class A ordinary shares generally will be treated as United States-source income or loss for foreign tax credit limitation purposes. However, if we are treated as a PRC resident enterprise for PRC tax purposes and PRC tax is imposed on gain from the disposition of the ADSs or Class A ordinary shares (see “Taxation—People’s Republic of China Tax Considerations”), then a United States Holder that is eligible for the benefits of the income tax treaty between the United States and the PRC may elect to treat the gain as PRC-source income for foreign tax credit purposes. If such an election is made, the gain so treated will be treated as a separate class or “basket” of income for foreign tax credit purposes. You should consult your tax advisors regarding the proper treatment of gain or loss, as well as the availability of a foreign tax credit, in your particular circumstances.

任何收益或损失，您确认处置的美国存托凭证或 a 类普通股通常将被视为美国来源的收入或损失为外国税收抵免的限制目的。然而，如果我们因中国税务目的而被视为中国居民企业，而中国对处置存款保险单或 a 类普通股的收益征税(见“税务—中华人民共和国税务考虑”)，那么有资格享受美国与中国之间所得税协定的收益的美国持有人可以选择将该收益作为外国税收抵免目的的生产者来源收入。如果进行了这样的选择，为了外国税收抵免的目的，这样处理的收益将被视为单独的一类或“一篮子”收入。你应该咨询你的税务顾问，了解如何正确处理收益或损失，以及在你的特殊情况下是否可以获得外国税收抵免。

## Information Reporting and Backup Withholding

### 信息报告和备份扣缴

Information reporting to the IRS and backup withholding generally will apply to dividends in respect of our ADSs or Class A ordinary shares, and the proceeds from the sale or exchange of our ADSs or Class A ordinary shares, that are paid to you within the United States (and in certain cases, outside the United States), unless you furnish a correct taxpayer identification number and make any other required certification, generally on IRS Form W-9, or you otherwise establish an exemption from information reporting and backup withholding. Backup withholding is not an additional tax. Amounts withheld as backup withholding generally are allowed as a credit against your United States federal income tax liability, and you may be entitled to obtain a refund of any excess.

向美国税务局报告和备份扣缴的信息通常适用于我们的存托凭证或 a 类普通股的股息，以及在美国境内(在某些情况下，在美国境外)向您支付的存托凭证或 a 类普通股的销售或交换所得收益，除非您提供了正确的纳税人识别号并作出任何其他必要的证明，通常在美国税务局表格 W-9 上，或者您以其他方式确立了免于信息报告和备份扣缴的豁免。备份扣缴不是额外的税收。扣留的金额作为备份扣留一般被允许作为抵免你的美国联邦所得税义务，你可能有权获得任何超额的退款。

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[Table of Contents](#) 目录提示：本档案系@财报牛牛（公众号：caibaoniao）通过第三方翻译软件从英文招股书翻译成中文的版本，仅供参考。

amounts withheld under the backup withholding rules if you file an appropriate claim for refund with the IRS and furnish any required information in a timely manner.

如果你向美国国税局提出适当的退款要求，并及时提供任何必要的信息，那么根据备份扣缴规则被扣留的金额。

United States Holders should consult their tax advisors regarding the application of the information reporting and backup withholding rules.

美国持有人应就信息报告和备份扣缴规则的适用问题征求其税务顾问的意见。

### Information with Respect to Foreign Financial Assets

#### 有关境外金融资产的资料

United States Holders who are individuals (and certain entities closely held by individuals) generally will be required to report our name, address and such information relating to an interest in the ADSs or Class A ordinary shares as is necessary to identify the class or issue of which the ADSs or Class A ordinary shares are a part. These requirements are subject to exceptions, including an exception for ADSs or Class A ordinary shares held in accounts maintained by certain financial institutions and an exception applicable if the aggregate value of all “specified foreign financial assets” (as defined in the Code) does not exceed US\$50,000.

作为个人的美国持有人(以及由个人密切持有的某些实体)一般须报告我们的名称、地址以及与存款抵押品或 a 类普通股权益有关的必要信息，以确定存款抵押品或 a 类普通股所属的类别或发行。这些要求有例外情况，包括某些金融机构账户持有的存款支付系统或 a 类普通股的例外情况，以及所有“特定外国金融资产”(《守则》定义)的总价值不超过50,000美元的例外情况。

United States Holders should consult their tax advisors regarding the application of these information reporting rules.

美国持有人应就这些信息报告规则的适用问题征求其税务顾问的意见。

## UNDERWRITING

### 承销

Under the terms and subject to the conditions in an underwriting agreement dated the date of this prospectus, the underwriters named below, for whom Roth Capital Partners, LLC and Shenwan Hongyuan Securities (H.K.) Limited are acting as representatives, have severally agreed to purchase, and we have agreed to sell to them, severally, the number of ADSs indicated below:

根据本招股说明书日期签订的承销协议的条款及条件，以下列出的承销商，即 Roth Capital Partners, LLC 及申湾宏源证券(香港)有限公司作为代表的承销商，已分别同意购入及出售下列数目的美国存托凭证：

Name姓名	Number of ADSs 存款 保险计划数目
Roth Capital Partners, LLC	
Roth Capital Partners, LLC	
Shenwan Hongyuan Securities (H.K.) Limited	
神湾宏源证券(香港)有限公司	
<b>Total:</b>	
总分:	

The underwriters and the representatives are collectively referred to as the “underwriters” and the “representatives,” respectively. The underwriters are offering the ADSs subject to their acceptance of the ADSs from us and subject to prior sale. The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the ADSs offered by this prospectus are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the ADSs offered by this prospectus if any such ADSs are taken. However, the underwriters are not required to take or pay for the ADSs covered by the underwriters’ over-allotment option described below.

承保人和代表分别统称为“承保人”和“代表”。承销商提供美国存托凭证的条件是他们接受我们的美国存托凭证，并以事先出售为条件。承销协议规定，若干承销商支付和接受本招股说明书所提供的存托凭证的义务，须经其律师批准某些法律事项，并须符合某些其他条件。承销商有义务接受和支付本招股说明书提供的所有存托凭证，如果任何此类存托凭证被接受。但是，承销商不必接受或支付下文所述承销商超额配售选择权所涵盖的存托凭证。

The underwriters initially propose to offer part of the ADSs directly to the public at the offering price listed on the cover page of this prospectus and part to certain dealers at a price that represents a concession not in excess of US\$ per ADS under the initial public offering price. After the initial offering of the ADSs, the offering price and other selling terms may from time to time be varied by the representatives.

承销商最初建议以本招股说明书封面所列的发行价直接向公众发售部分存保计划，并以首次公开招股价下每份存保计划不超过美元的价格向某些交易商发售部分存保计划。在首次发售存托凭证之后，发售价格和其他出售条款可由代表不时更改。

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to an additional ADSs at the public offering price listed on the cover page of this prospectus, less underwriting discounts and commissions. The underwriters may exercise this option solely for the purpose of covering over-allotments, if any, made in connection with the offering of the ADSs offered by this prospectus. To the extent the option is exercised, each underwriter will become obligated, subject to certain conditions, to purchase about the same percentage of the additional ADSs as the number listed next to the underwriter’s name in the preceding table bears to the total number of ADSs listed next to the names of all underwriters in the preceding table.

我们已授予承销商一项期权，由本招股说明书日期起计30日内，可按本招股说明书封面所列公开发售价格购买多达一项附加存托凭证，扣除承销折扣及佣金。承销商行使此选择权的唯一目的是涵盖因发售本招股说明书所提供的存托凭证而获得的超额股份(如有的话)。在行使选择权的情况下，根据某些条件，每个承销商有义务购买额外的存托凭证的百分比，与上表中承销商名称旁边所列数字与上表所有承销商名称旁边所列存托凭证总数的百分比大致相同。

The following table shows the per ADS and total public offering price, underwriting discounts and commissions, and proceeds before expenses to us. These amounts are shown assuming both no exercise and full exercise of the underwriters’ option to purchase up to an additional ADSs.

下表显示每个 ADS 和总公开发行价格，承销折扣和佣金，以及收益之前的开支给我们。这些数额是假定承销商不行使和充分行使选择权购买最多一笔存托凭证。

	Per 每名雇员 ADS 美国广播 公司	Total 合计	
		No Exercise 不运动	Full 全额 Exercise 运动
Public offering price 公开发价	US\$ 美 元	US\$ 美 元	US\$ 美 元

Underwriting discounts and commissions to be paid by us:	US\$		US\$
承销我们支付的折扣和佣金:	美	元	美
Proceeds, before expenses, to us	元		元
收益, 扣除开支, 归我们	US\$		US\$
	美	元	美
	元		元

The estimated offering expenses payable by us, exclusive of the underwriting discounts and commissions, are approximately US\$ .

除承销折扣和佣金外, 我们应支付的估计发行费用约为美元。

[The underwriters have informed us that they do not intend sales to discretionary accounts to exceed 5% of the total number of ADSs offered by them.]

[承销商通知我们, 他们不打算将销售额超过他们提供的存款证总数的5%。]

Some of the underwriters are expected to make offers and sales both inside and outside the United States through their respective selling agents. Any offers or sales in the United States will be conducted by broker-dealers registered with the SEC.

一些承销商预计将通过他们各自的销售代理商在美国国内外进行报价和销售。在美国的任何出价或销售都将由在美国证券交易委员会注册的经纪自营商进行。

We intend to apply for the listing of our ADSs on the Nasdaq under the trading symbol “ .”  
我们打算申请在纳斯达克上市我们的美国存托凭证的交易符号”

[We and all directors and officers, all existing shareholders and option holders] have agreed that, without the prior written consent of the representatives on behalf of the underwriters, we and they will not, during the period ending 180 days after the date of this prospectus (the “restricted period”):

[我们与所有董事及高级人员、所有现有股东及期权持有人]同意，在本招股说明书日期后180天内(“限制期”)，未经承销商代表事先书面同意，本公司及承销商不得：

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any ordinary shares, ADSs or any securities convertible into or exercisable or exchangeable for ordinary shares or ADSs;  
发售、质押、出售、出售、出售任何期权或合约以购买、购买任何期权或合约以出售、授予任何期权、权利或授权以直接或间接方式购买、出借或转让或处置任何普通股、存款抵押品或任何可转换为或可行使或交换为普通股或存款抵押品的证券；
- file any registration statement with the Securities and Exchange Commission relating to the offering of any ordinary shares, ADSs or any securities convertible into or exercisable or exchangeable for ordinary shares or ADSs; or  
向证券交易委员会提交任何有关发售任何普通股、存托凭证或任何可转换为普通股或存托凭证的证券的登记声明；或
- enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of ordinary shares or ADSs,  
订立任何互换或其他安排，全部或部分转让普通股或存托凭证所有权的任何经济后果，

whether any such transaction described above is to be settled by delivery of ordinary shares, ADSs or such other securities, in cash or otherwise. In addition, we and each such person agrees that, without the prior written consent of the representatives on behalf of the underwriters, we or such other person will not, during the restricted period, make any demand for, or exercise any right with respect to, the registration of any ordinary shares, ADSs or any security convertible into or exercisable or exchangeable for ordinary shares or ADSs.

上述任何交易是否以现金或其他方式交付普通股、存款抵押品或其他有价证券。此外，本公司及每名上述人士同意，未经代表承销商的代表事先书面同意，本公司或上述人士不得在限制期内要求或行使任何普通股、存款保证或任何可转换为普通股或存款保证或可转换或转换为普通股或存款保证的证券的登记。

The restrictions described in the preceding paragraph are subject to certain exceptions.

上段所述的限制除某些例外情况外。

The representatives, in their sole discretion, may release the ordinary shares, ADSs and other securities subject to the lock-up agreements described above in whole or in part at any time.

代表可自行决定在任何时间全部或部分释放受上述锁定协议约束的普通股、存托凭证和其他证券。

In order to facilitate the offering of the ADSs, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the ADSs. Specifically, the underwriters may sell more ADSs than they are obligated to purchase under the underwriting agreement, creating a short position. A short sale is covered if the short position is no greater than the number of ADSs available for purchase by the underwriters under the over-allotment option. The underwriters can close out a covered short sale by exercising the over-allotment option or purchasing ADSs in the open market. In determining the source of shares to close out a covered short sale, the underwriters will consider, among other things, the open market price of shares compared to the price available under the over-allotment option. The underwriters may also sell ADSs in excess of the over-allotment option, creating a naked short position. The underwriters must close out any naked short position by purchasing ADSs in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the ADSs in the open market after pricing that could adversely affect investors who purchase in this offering. As an additional means of facilitating this offering, the underwriters may bid for, and purchase, ADSs in the open market to stabilize the price of the ADSs. Finally, the underwriters may reclaim selling concessions allowed to an underwriter or a dealer for distributing the ADSs in this offering, if the syndicate repurchases previously distributed ADSs to cover syndicate short positions or to stabilize the price of the ADSs. These activities may raise or maintain the market price of the ADSs above independent market levels or prevent or retard a decline in the market price of the ADSs. The underwriters are not required to engage in these activities and may end any of these activities at any time.

为了便利发售存托凭证，承销商可能从事稳定、维持或以其他方式影响存托凭证价格的交易。具体来说，承销商出售的美国存托凭证可能多于承销协议规定的购买义务，形成空头头寸。如果卖空头寸不超过承销商根据超额配售选择权可购买的存托凭证数目，则为卖空头寸。承销商可以通过行使超额配售选择权或在公开市场购买存托凭证来完成备兑卖空交易。在决定股票来源以完成备兑卖空交易时，承销商会考虑股票的公开市场价格与超额配售选择权的价格。承销商还可能出售超过超额配售选择权的存托凭证，形成无担保空头头寸。承销商必须在公开市场购买存托凭证，以结清任何无担保空头头寸。如果承销商担心，在公开市场上定价后，存托凭证的价格可能会有下行压力，从而对购买此次发行的投资者造成不利影响，则更有可能建立无担保空头头寸。作为促进这种发行的另一种手段，承销商可以在公开市场上投标和购买存托凭证，以稳定存托凭证的价格。最后，如果辛迪加回购以前分发的存托凭证，以弥补辛迪加的空头头寸或稳定存托

凭证的价格，那么承销商可要求承销商或经销商在本次发售中分发存托凭证的出售优惠。这些活动可能提高或维持存托凭证的市场价格高于独立的市场水平，或阻止或延缓存托凭证市场价格的下降。保险公司不需要从事这些活动，可以在任何时候结束这些活动。

We and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

我们和承销商已经同意互相赔偿某些责任，包括《证券法》规定的责任。

A prospectus in electronic format may be made available on websites maintained by one or more underwriters, or selling group members, if any, participating in this offering. The representatives may agree to

电子形式的招股说明书可在参与本次发售的一家或多家承销商或销售团体成员(如有的话)所管理的网站上提供。代表可同意



allocate a number of ADSs to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters that may make Internet distributions on the same basis as other allocations.

将一些存托凭证分配给承销商，以出售给其在线经纪账户持有人。互联网分配将由代表分配给承销商，这些承销商可能在与其它分配相同的基础上进行互联网分配。

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

承销商及其分支机构是提供全面服务的金融机构，从事各种活动，包括证券交易、商业和投资银行、金融咨询、投资管理、投资研究、本金投资、对冲、融资和经纪活动。某些保险公司及其附属公司不时为我们提供各种财务咨询和投资银行服务，并可能在未来为我们提供这些服务，因此他们会收取或将会收取惯常的费用和开支。

In addition, in the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve our securities and instruments. The underwriters and their respective affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

此外，在其各种业务活动的正常过程中，承销商及其有关联公司可以进行或持有一系列广泛的投资，并积极地为自己的账户和客户的账户交易债券和股票证券(或相关衍生证券)和金融工具(包括银行贷款)，并且可以在任何时候持有这些证券和工具的多头和空头头寸。这种投资和证券活动可能涉及我们的证券和工具。承销商及其附属公司也可就这些证券或工具提出投资建议，或发表或表达独立的研究意见，并可随时持有或建议客户购买这些证券和工具的多头或空头头寸。

The address of Roth Capital Partners, LLC is 888 San Clemente Drive Suite 400, Newport Beach, California 92660, United States of America. The address of Shenwan Hongyuan Securities (H.K.) Limited is Level 19, 28 Hennessy Road, Hong Kong.

Roth Capital Partners, LLC 的地址是 San Clemente Drive Suite 400888号，加利福尼亚州纽波特比奇，92660，美国。深湾宏源证券(香港)有限公司的地址为香港轩尼诗道28号19楼。

## Pricing of the Offering

### 发售价格

Prior to this offering, there has been no public market for our Class A ordinary shares or ADSs. The initial public offering price was determined by negotiations between us and the representatives. Among the factors considered in determining the initial public offering price were our future prospects and those of our industry in general, our sales, earnings and certain other financial and operating information in recent periods, and the price-earnings ratios, price-sales ratios, market prices of securities, and certain financial and operating information of companies engaged in activities similar to ours.

在此次发行之前，我们的a类普通股或存托凭证还没有公开市场。首次公开发行的价格是由我们和代表之间的谈判决定的。决定首次公开招股价格的因素包括我们及整个行业的前景、近期的销售、盈利及若干其他财务及营运资料，以及从事与我们类似活动的公司的市盈率、市销率、证券市价，以及某些财务及营运资料。

## Selling Restrictions

### 销售限制

No action may be taken in any jurisdiction other than the United States that would permit a public offering of the ADSs or the possession, circulation or distribution of this prospectus in any jurisdiction where action for that purpose is required. Accordingly, the ADSs may not be offered or sold, directly or indirectly, and neither the prospectus nor any other offering material or advertisements in connection with the ADSs may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable laws, rules and regulations of any such country or jurisdiction.

除美国以外的任何司法管辖区均不得采取任何行动，允许在任何司法管辖区为此目的采取行动，公开发售美国存托凭证或拥有、分发或散发本招股说明书。因此，不得直接或间接提供或出售发行股票，招股说明书或与发行股票有关的任何其他发行材料或广告均不得在任何国家或司法管辖区内分发或公布，但在符合任何此种国家或司法管辖区的任何适用法律、规则和条例的情况下除外。

## Australia

## 澳大利亚

This document has not been lodged with the Australian Securities & Investments Commission and is only directed to certain categories of exempt persons. Accordingly, if you receive this document in Australia:

该文件没有向澳大利亚证券和投资委员会提交，只针对某些类别的豁免人员。因此，如果你在澳大利亚收到这份文件：

(a) you confirm and warrant that you are either:

(a) 你确认并保证你是：

(i) “sophisticated investor” under section 708(8)(a) or (b) of the Corporations Act 2001 (Cth) of Australia, or the Corporations Act;

(i) 根据澳大利亚《2001年公司法》第708(8)(a)或(b)条或《公司法》规定的“精明投资者”；

- (ii) “sophisticated investor” under section 708(8)(c) or (d) of the Corporations Act and that you have provided an accountant’s certificate to the company which complies with the requirements of section 708(8)(c)(i) or (ii) of the Corporations Act and related regulations before the offer has been made;
- (ii)根据《公司法》第708(8)(c)或(d)条规定的“精明投资者”，而且在提出要约之前，你已向该公司提供符合《公司法》第708(8)(c)(i)或(ii)条及相关规定的会计师证明书;
- (iii) person associated with the company under section 708(12) of the Corporations Act; or
- (iii)根据《公司法》第708(12)条与公司有关联的人; 或
- (iv) “professional investor” within the meaning of section 708(11)(a) or (b) of the Corporations Act;
- (iv)《公司法》第708(11)(a)或(b)条所指的“专业投资者”;

and to the extent that you are unable to confirm or warrant that you are an exempt sophisticated investor, associated person or professional investor under the Corporations Act, any offer made to you under this document is void and incapable of acceptance;

如你无法确认或证实你是根据《公司法》获豁免的老练投资者、联系人或专业投资者，根据本文件向你提出的任何要约均属无效及不能接纳;

(b) you warrant and agree that you will not offer any of the ADSs issued to you pursuant to this document for resale in Australia within 12 months of those ADSs being issued unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act.

(b)阁下保证并同意阁下不会提供根据本文件向阁下发出的任何存托凭证，以供在发出存托凭证后12个月内在澳大利亚转售，除非根据《公司法》第708条，任何此种转售要约不受发出披露文件的要求的限制。

## Canada

### 加拿大

The ADSs may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the ADSs must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

如《国家文书》第45-106章招股说明书豁免条款或《证券法》(安大略省)第73.3(1)条所界定的那样，只能向购买或被视为购买的买方出售存托凭证，并且如《国家文书》第31-103章登记要求、豁免条款和持续注册义务所界定的那样，存托凭证是允许客户的。任何转售存托凭证必须根据适用的证券法的招股说明书要求的豁免或不受其约束的交易进行。

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

加拿大某些省份或地区的证券立法可以为购买者提供撤销或损害赔偿的补救措施，如果本招股说明书(包括其任何修正案)载有撤销或损害赔偿不正当手法引诱，条件是购买者在购买者所在省份或地区的证券立法规定的时限内行使撤销或损害赔偿的补救措施。买方应参阅买方所在省份或地区证券立法的任何适用条款，以了解这些权利的具体情况，或咨询法律顾问。

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 *Underwriting Conflicts* (“NI 33-105”), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

根据国家文书33-105承销冲突(“NI 33-105”)第3A.3条(或非加拿大司法管辖区的政府发行或担保的证券的第3A.4条)，承销商无须遵守国家文书33-105条关于本次发售的承销商利益冲突的披露要求。

## Cayman Islands

### 开曼群岛

This prospectus does not constitute an invitation or offer to the public in the Cayman Islands of the ADSs, whether by way of sale or subscription. The underwriters have not offered or sold, and will not offer or sell, directly or indirectly, any ADSs in the Cayman Islands.

本招股说明书不构成向开曼群岛公众发出的邀请或要约，不论是以出售或认购的方式。承销商没有提供或出售，也不会直接或间接提供或出售开曼群岛的任何存托凭证。

迪拜国际金融中心

This document relates to an Exempt Offer, as defined in the Offered Securities Rules module of the DFSA Rulebook, or the OSR, in accordance with the Offered Securities Rules of the Dubai Financial Services Authority. This document is intended for distribution only to Persons, as defined in the OSR, of a type specified in those rules. It must not be delivered to, or relied on by, any other Person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The Dubai Financial Services Authority has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it. The ADSs to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the ADSs offered should conduct their own due diligence

本文件涉及根据迪拜金融服务管理局的《证券发售规则》，即《证券发售规则手册》的《证券发售规则》模块所界定的豁免发售。本文件仅用于分发给在 OSR 中定义的那些规则中指定的类型的人员。不得交付或依赖任何其他人。迪拜金融服务管理局没有责任审查或核实与豁免优惠有关的任何文件。迪拜金融服务管理局没有批准这一文件，也没有采取步骤核实其中所载信息，对此没有责任。与本文件有关的存托凭证可能流动性不足和 / 或受到转售限制。所提供的存款保证的准买家应自行进行尽职审查

on the ADSs. If you do not understand the contents of this document you should consult an authorized financial adviser.  
在存款保险单上。如果您不理解本文件的内容，您应该咨询授权的财务顾问。

## European Economic Area

### 欧洲经济区

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”) an offer to the public of any shares which are the subject of the offering contemplated by this prospectus may not be made in that Relevant Member State unless the prospectus has been approved by the competent authority in such Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that an offer to the public in that Relevant Member State of any shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

对于已实施招股说明书指令的欧洲经济区每个成员国(每个成员国为“相关成员国”)，除非招股说明书已得到相关成员国主管当局的批准，或在适当情况下得到另一相关成员国的批准，并通知该相关成员国的主管当局，否则不得在该相关成员国向公众发出本招股说明书所设想的招股说明书所涉及的任何股份的要约，除非招股说明书已在该相关成员国实施，否则可在任何时候根据招股说明书指令的下列豁免向公众发出要约：

to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

授权或受规管在金融市场经营业务的法律实体，或如果没有授权或受规管，其公司目的只是投资于证券的法律实体；

to any legal entity which has two or more of (i) an average of at least 250 employees during the last financial year; (ii) a total balance sheet of more than €43,000,000 and (iii) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;

(i)在上一个财政年度平均雇员不少于250人；(ii)资产负债表总额超过43,000,000元；及(iii)如上一个年度或合并帐目所示，每年净营业额超过50,000,000元；

by the underwriters to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than “qualified investors” as defined in the Prospectus Directive) subject to obtaining the prior consent of the representatives for any such offer; or

如果有关成员国已执行2010年《修订指令》的有关规定，则自然人或法人(不包括《招股说明书指令》所界定的“合格投资者”)须事先征得代表的同意才可提出任何此类要约；或

in any other circumstances falling within Article 3(2) of the Prospectus Directive; provided that no such offer of shares shall result in a requirement for the publication by us or any representative of a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

在招股说明书指令第3(2)条范围内的任何其他情况下；但不得要求我们或招股说明书的任何代表根据招股说明书指令第3条公布招股说明书或根据招股说明书指令第16条补充招股说明书。

Any person making or intending to make any offer of shares within the EEA should only do so in circumstances in which no obligation arises for us or any of the underwriters to produce a prospectus for such offer. Neither we nor the underwriters have authorized, nor do they authorize, the making of any offer of shares through any financial intermediary, other than offers made by the underwriters which constitute the final offering of shares contemplated in this prospectus.

任何在欧洲经济区内提出或打算提出任何股份要约的人，只应在我们或任何承销商没有义务为该要约提供招股说明书的情况下提出要约。我们和承销商都没有授权，也没有授权通过任何金融中介发出任何股票收购要约，除非承销商提出的收购要约构成本招股说明书所设想的最终发售股票。

For the purposes of this provision, and your representation below, the expression an “offer to the public” in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase any shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

为了本条款的目的，以及您在下文中的陈述，关于任何相关成员国的任何股份的“向公众提供”一词系指以任何形式和任何方式就提供的要约条款和任何股份的充分信息进行沟通，以使投资者能够决定购买任何股份，因为在相关成员国，通过任何措施实施相关成员国的指令，这一点可能会有所不同，而“指令”一词系指第2003 / 71 / ec 号指令(包括在相关成员国实施的2010年修订指令)，并包括每个相关成员国的任何相关实施措施。“2010年修订指令”一词。

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any shares under, the offer of shares contemplated by this prospectus will be deemed to have represented, warranted and agreed to and with us and each underwriter that:

有关会员国境内的每一个人，凡收到有关本招股说明书所设想的股份要约的任何通知，或根据本招股说明书所设想的要约购买任何股份，将被视为代表、担保并与我们和每一个承销商商定，即：

- it is a “qualified investor” within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and  
在有关成员国实施招股说明书指令第2(1)(e)条时属于法律意义上的“合格投资者”；以及
- in the case of any shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the shares acquired by it in the offering have not been acquired on  
如该公司以金融中介形式取得任何股份，则如招股章程指示第3(2)条所述，(i)该公司在发售时所取得的股份并非在

behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than “qualified investors” (as defined in the Prospectus Directive), or in circumstances in which the prior consent of the representatives has been given to the offer or resale; or (ii) where shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those shares to it is not treated under the Prospectus Directive as having been made to such persons.

除了招股说明书指示所界定的“合格投资者”以外的任何有关成员国的人士(或在代表已事先同意招股说明书或转售的情况下)，或(ii)如果招股说明书是以合格投资者以外的任何有关成员国的人士的名义取得的，则向招股说明书指示所界定的有关成员国向招股说明书所界定的合格投资者以外的任何有关成员国的人士向招股说明书所界定的有关股份的招股说明书并不视为已向这些人士提供。

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are “qualified investors” (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, or the Order, and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

此外，在联合王国，本文件仅分发给，并且仅针对，随后提出的任何要约只能针对“合格投资者”(如招股说明书指令所界定的)(i)在与《2000年金融服务和市场法》(经修订的《2005年金融服务和市场法令》)(《金融促进法令》)第19条第5款所述投资有关的事项方面具有专业经验的人(或《金融促进法令》)，以及/或(ii)属于《金融促进法令》第49条第2款(a)至(d)项范围内的高净值公司(或以其他方式可合法联系的人)的人(所有这些人。在联合王国，非有关人员不得采取行动或依赖本文件。在联合王国，本文件所涉及的任何投资或投资活动只能向有关人士提供，并将与有关人士合作进行。

## **Hong Kong**

### **香港**

The ADSs may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the ADSs may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to ADSs which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder.

句子太长，请短一点。

## **Japan**

### **日本**

The ADSs have not been and will not be registered under the Financial Instruments and Exchange Law of Japan, and ADSs will not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to any exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

这些存单过去和将来都没有根据《日本金融工具和汇兑法》进行登记，并且不会直接或间接地在日本提供或出售存单，也不会提供或出售给或为了任何日本居民的利益而提供或出售存单(此处所使用的术语是指居住在日本的任何人，包括根据日本法律组建的任何公司或其他实体)，或提供其他人直接或间接地在日本提供或转售给日本居民，除非根据《金融工具和汇兑法》和日本任何其他适用的法律、条例和部长级指导方针的任何豁免或以其他方式遵守。

## **Korea**

### **韩国**

The ADSs may not be offered, sold and delivered directly or indirectly, or offered or sold to any person for reoffering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the Korea Securities and Exchange Act and the Foreign Exchange Transaction Law and the decrees and regulations thereunder. The ADSs have not been registered with the Financial Services Commission of Korea for public offering in Korea. Furthermore, the ADSs may not be resold to Korean residents unless the purchaser of the ADSs complies with all applicable regulatory requirements (including but not limited to government approval requirements under the



Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with the purchase of the ADSs.

除非根据韩国适用的法律和条例，包括《韩国证券和交易法》和《外汇交易法》及其下的法令和条例，否则不得直接或间接地向韩国境内或任何韩国居民提供、出售和交付存托凭证，或向任何人提供或出售存托凭证以便直接或间接地再提供或转售。这些存托凭证尚未在韩国金融服务委员会(Financial Services Commission of Korea)注册，以便在韩国进行公开发售。此外，除非存款抵押贷款证券的购买者在购买存款抵押贷款证券时遵守所有适用的监管要求(包括但不限于《外汇交易法》及其附属法令和条例规定的政府批准要求)，否则不得将存款抵押贷款证券转售给韩国居民。

## ***Kuwait***

### 科威特

Unless all necessary approvals from the Kuwait Ministry of Commerce and Industry required by Law No. 31/1990 “Regulating the Negotiation of Securities and Establishment of Investment Funds,” its Executive Regulations and the various Ministerial Orders issued pursuant thereto or in connection therewith, have been given in relation to the marketing and sale of the ADSs, these may not be marketed, offered for sale, nor sold in the State of Kuwait. Neither this prospectus (including any related document), nor any of the information contained therein is intended to lead to the conclusion of any contract of whatsoever nature within Kuwait.

除非“规范证券谈判和设立投资基金”的第31 / 1990号法律要求得到科威特工商部的一切必要批准，否则不得在科威特国销售、出售或出售这些证券。本招股说明书(包括任何有关文件)及其中所载任何资料均无意导致在科威特境内订立任何性质的合同。

## ***Malaysia***

### 马来西亚

No prospectus or other offering material or document in connection with the offer and sale of the securities has been or will be registered with the Securities Commission of Malaysia, or Commission, for the Commission’s approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the securities may not be circulated or distributed, nor may the securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services License; (iii) a person who acquires the securities as principal, if the offer is on terms that the securities may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the securities is made by a holder of a Capital Markets Services License who carries on the business of dealing in securities. The distribution in Malaysia of this prospectus is subject to Malaysian laws. This prospectus does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

根据2007年《资本市场和服务法》，没有向马来西亚证券委员会或证券委员会登记招股说明书或与证券要约和出售有关的其他要约材料或文件，以供证券委员会批准。句子太长，请短一点。本招股说明书在马来西亚的分发须遵守马来西亚法律。本招股说明书不构成、也不得用于根据2007年《资本市场和服务法》向证券交易委员会登记招股说明书的公开发行或发行、认购或收购、邀请认购或收购任何证券。

## ***People’s Republic of China***

### 中华人民共和国

This prospectus has not been and will not be circulated or distributed in the PRC, and ADSs may not be offered or sold, and will not be offered or sold to any person for re-offering or resale, directly or indirectly, to any resident of the PRC except pursuant to applicable laws and regulations of the PRC.

本招股说明书过去、现在和将来都不会在中国传阅或发行，除依照中华人民共和国有关法律法规外，不得要约或出售给任何人，也不得要约或出售给任何人，以便直接或间接向中华人民共和国居民转售或出售。

## ***Qatar***

### 卡塔尔

In the State of Qatar, the offer contained herein is made on an exclusive basis to the specifically intended recipient thereof, upon that person’s request and initiative, for personal use only and shall in no way be construed as a general offer for the sale of securities to the public or an attempt to do business as a bank, an investment company or otherwise in the State of Qatar. This prospectus and the underlying securities have not been approved or licensed by the Qatar Central Bank or the Qatar Financial Center Regulatory Authority or any other regulator in the State of Qatar. The information contained in this prospectus shall only be shared with any third parties in Qatar on a need to know basis for the purpose of evaluating the contained offer. Any distribution of this

在卡塔尔国，此处所载的要约是根据具体预定的要约接受者的要求和主动提出的，仅供个人使用，绝不应被解释为向公众出售证券的一般要约，或企图在卡塔尔国作为银行、投资公司或其他机构开展业务。本招股说明书和相关证券尚未得到卡塔尔中央银行或卡塔尔金融中心监管局或卡塔尔国任何其他监管机构的批准或许可。本招股说明书所载信息只应在需要知道的基础上与卡塔尔境内的任何第三方分享，以便对所载要约进行评估。这个的任何分布



prospectus by the recipient to third parties in Qatar beyond the terms hereof is not permitted and shall be at the liability of such recipient. 接受方在本协议条款之外向卡塔尔境内第三方提供招股说明书是不允许的，应由接受方承担责任。

### *Saudi Arabia*

#### 沙特阿拉伯

This prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority. The Capital Market Authority does not make any representation as to the accuracy or completeness of this prospectus, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this prospectus. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this prospectus you should consult an authorized financial adviser.

除非根据资本市场管理局发布的《证券要约管理条例》的规定，否则本招股说明书不得在沙特阿拉伯公开发行。资本市场管理局并无就本招股说明书的准确性或完整性作出任何陈述，并明确表示对本招股说明书任何部分所引致或因依赖而招致的任何损失不负任何法律责任。有关证券的准买家应自行进行尽职审查，以确保有关证券的资料准确无误。如果您不理解本招股说明书的内容，您应该咨询授权的财务顾问。

### *Singapore*

#### 新加坡

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of our ADSs may not be circulated or distributed, nor may our ADSs be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore, or SFA, (ii) to a relevant person or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to compliance with conditions set forth in the SFA.

本招股说明书尚未向新加坡金融管理局登记为招股说明书。句子太长，请短一点。

Where our ADSs are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor as defined in Section 4A of the SFA) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor; shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the ADSs under Section 275 of the SFA, except: (1) to an institutional investor (for corporations under Section 274 of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

句子太长，请短一点。

### *Switzerland*

#### 瑞士

The ADSs will not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or SIX, or on any other stock exchange or regulated trading facility in Switzerland. This prospectus has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland.

这些存托凭证不会在瑞士公开发行，也不会六家瑞士交易所或六家瑞士交易所上市，也不会瑞士的任何其他证券交易所或受监管的交易设施上市。编写本招股说明书时，没有考虑到《瑞士债务法》第652a条或第1156条规定的发行招股说明书披露标准或第27条及其后各条规定的上市招股说明书披露标准。上市规则或任何其他证券交易所或瑞士受监管交易设施的上市规则。

Neither this prospectus nor any other offering or marketing material relating to our company or the ADSs have been or will be filed with or approved by any Swiss regulatory authority. In particular, this prospectus will

本招股说明书或与我公司或美国存托凭证有关的任何其他招股说明书或营销材料均未向瑞士任何监管当局提交或将由瑞士监管当局批

准。特别是，本招股说明书

not be filed with, and the offer of the ADSs will not be supervised by, the Swiss Financial Market Supervisory Authority, and the offer of the ADSs has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (the “CISA”). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of the ADSs.

瑞士金融市场监管局不会监督存托凭证的提供，《瑞士联邦集体投资计划法》(“CISA”)过去没有、将来也不会批准存托凭证的提供。根据中国钢铁工业协会集体投资计划向收购者提供的投资者保护不包括收购者。

## **Taiwan**

### 台湾

The ADSs have not been and will not be registered or filed with, or approved by, the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be offered or sold in Taiwan through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan or relevant laws and regulations that require a registration, filing or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer or sell the ADSs in Taiwan.

这些存托凭证过去没有，将来也不会根据相关证券法律法规在台湾中华民国金融监督管理委员会证券管理局注册、存档或批准，也不得在台湾通过公开发行或构成台湾证券交易法或相关法律法规意义上的发行要约的情况下，通过台湾中华民国金融监督管理委员会证券管理局的注册、存档或批准进行发行或销售。台湾境内没有任何人士或机构获授权在台湾发售或出售存托凭证。

## **United Arab Emirates**

### 阿拉伯联合酋长国

This prospectus is not intended to constitute an offer, sale or delivery of shares or other securities under the laws of the United Arab Emirates, or the UAE. The ADSs have not been and will not be registered under Federal Law No. 4 of 2000 Concerning the Emirates Securities and Commodities Authority and the Emirates Security and Commodity Exchange, or with the UAE Central Bank, the Dubai Financial Market, the Abu Dhabi Securities Market or with any other UAE exchange.

本招股说明书无意构成阿拉伯联合酋长国或阿联酋法律规定的股票或其他证券的要约、出售或交割。2000年《关于阿联酋证券和商品管理局及阿联酋证券和商品交易所的第4号联邦法》，或阿联酋中央银行、迪拜金融市场、阿布扎比证券市场或阿联酋任何其他交易所，没有也不会对这些存托凭证进行登记。

The offering, the ADSs and interests therein have not been approved or licensed by the UAE Central Bank or any other relevant licensing authorities in the UAE, and do not constitute a public offer of securities in the UAE in accordance with the Commercial Companies Law, Federal Law No. 8 of 1984 (as amended) or otherwise.

有关发售、存托凭证及其权益并未获得阿联酋中央银行或阿联酋任何其他相关发牌当局的批准或发牌，亦不构成阿联酋根据《商业公司法》、1984年第8号联邦法(经修订)或其他方式公开发售证券。

In relation to its use in the UAE, this prospectus is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the ADSs may not be offered or sold directly or indirectly to the public in the UAE.

关于其在阿联酋的使用，本招股说明书是严格保密和私人的，只分发给少数投资者，不得提供给原收件人以外的任何人，不得复制或用于任何其他目的。在ADSs的利益可能不会提供或出售直接或间接给阿联酋的公众。

## **United Kingdom**

### 联合王国

Each underwriter has represented and agreed that:

每个保险商都代表并同意:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (“FSMA”) received by it in connection with the issue or sale of the ADSs in circumstances in which Section 21(1) of the FSMA does not apply to us; and  
在《金融服务和市场法》第21(1)条不适用于我们的情况下，它只传达或促使传达它收到的与发行或出售存托凭证有关的投资活动的邀请或诱因(《2000年金融服务和市场法》第21条的含义范围内);

- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the ADSs in, from or otherwise involving the United Kingdom.  
它已遵守并将遵守《反洗钱措施框架》的所有适用条款，涉及它在联合王国境内、从联合王国境内或以其他方式进行的任何与发展支助措施有关的活动。



**EXPENSES RELATED TO THIS OFFERING**

与此次发售有关的费用

Set forth below is an itemization of the total expenses, excluding underwriting discounts and commissions, which are expected to be incurred in connection with the offer and sale of the ADSs by us. With the exception of the SEC registration fee and the Financial Industry Regulatory Authority filing fee, all amounts are estimates.

下面列出的是总支出的分项列表，不包括承销折扣和佣金，这些支出预计将与我们提供和出售存托凭证有关。除了美国证券交易委员会的注册费和金融业监管机构的备案费外，所有的金额都是估计数。

SEC registration fee 证券交易委员会注册费	US\$ 美 元
Nasdaq listing fee 纳斯达克上市费	
Financial Industry Regulatory Authority filing fee 金融业监管局备案费	
Printing and engraving expenses 印刷及雕刻费用	
Legal fees and expenses 诉讼费用及开支	
Accounting fees and expenses 会计费用和开支	
Miscellaneous 杂项	
Total 合计	US\$ 美 元

These expenses will be borne by us, except for underwriting discounts and commissions, which will be borne by us in proportion to the numbers of ADSs sold in the offering by us.

这些费用将由我们承担，但承销折扣和佣金除外，这些费用将由我们承担，与我们在发行中出售的存托凭证数量成比例。

## LEGAL MATTERS

### 法律事务

The validity of the ADSs and certain other legal matters with respect to U.S. federal and New York State law in connection with this offering will be passed upon for us by Kirkland & Ellis International LLP. Certain legal matters with respect to U.S. federal and New York State law in connection with this offering will be passed upon for the underwriters by Simpson Thacher & Bartlett LLP. The validity of the Class A ordinary shares represented by the ADSs offered in this offering and other certain legal matters as to Cayman Islands law will be passed upon for us by Maples and Calder (Hong Kong) LLP. Legal matters as to the PRC law will be passed upon for us by King & Wood Mallesons and for the underwriters by Tian Yuan Law Firm. Kirkland & Ellis International LLP may rely upon Maples and Calder (Hong Kong) LLP with respect to matters governed by Cayman Islands law, and King & Wood Mallesons with respect to matters governed by the PRC law. Simpson Thacher & Bartlett LLP may rely upon Tian Yuan Law Firm with respect to matters governed by the PRC law.

美国联邦法律和纽约州法律中与此次发售有关的存托凭证和其他一些法律事项的有效性将由凯易律师事务所国际有限责任公司为我们通过。与此次发行有关的美国联邦法律和纽约州法律的某些法律问题将由 Simpson Thacher & Bartlett LLP 代为承销。此次发售的美国存托凭证所代表的 A 类普通股的有效性，以及有关开曼群岛法律的其他法律事宜，将由 Maples and Calder (Hong Kong) LLP 代表我们处理。有关中华人民共和国法律的法律事项将由金杜律师事务所和天元律师事务所代为通过。凯易律师事务所国际有限责任公司可就开曼群岛法律所管辖的事宜，依赖枫树和考尔德(香港)有限责任公司，就中华人民共和国法律所管辖的事宜，依赖金杜律师事务所有限责任公司。在中华人民共和国法律管辖的事项上，Simpson Thacher & Bartlett LLP 可以依赖天元律师事务所。

## EXPERTS

### 专家

Our consolidated financial statements as of December 31, 2016 and 2017 and for each of the two years in the period ended December 31, 2017 and the related financial statement schedule included in this prospectus have been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP, an independent registered public accounting firm, as stated in their report appearing herein (which report expresses an unqualified opinion on the financial statements and financial statement schedule and includes explanatory paragraphs referring to the translation of Renminbi amounts to United States dollar amounts for the convenience of readers in the United States of America as well as the retrospective adoption of revenue standards under ASC 606). Such consolidated financial statements and financial statement schedule have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

我们截至2016年12月31日和2017年12月31日的合并财务报表，以及截至2017年12月31日的两年期间的每一年的合并财务报表和本招股说明书中的相关财务报表附表已经由美国德勤注册会计师事务所有限责任公司审计，该公司是一家独立注册的公共会计师事务所，在其报告中声明(该报告对财务报表和财务报表附表表达了无保留的意见，并包括解释性段落，提及为方便美国读者而将人民币换算成美元数额，以及追溯采用 ASC 606规定的收入标准)。这些合并财务报表和财务报表附表是依据这些公司作为会计和审计专家的权力提出的报告编制的。

The offices of Deloitte Touche Tohmatsu Certified Public Accountants LLP are located at Bund Center, 30<sup>th</sup> Floor 222 Yan An Road East, Shanghai, the People's Republic of China.

德勤注册会计师事务所位于中华人民共和国上海延安东路222号外滩中心30楼。

## WHERE YOU CAN FIND ADDITIONAL INFORMATION

你可以在哪里找到更多的信息

We have filed with the SEC a registration statement on Form F-1, including relevant exhibits, under the Securities Act with respect to the underlying Class A ordinary shares represented by the ADSs to be sold in this offering. We have also filed with the SEC a related registration statement on Form F-6 to register the ADSs. This prospectus, which constitutes a part of the registration statement on Form F-1, does not contain all of the information contained in the registration statement. You should read our registration statements and their exhibits and schedules for further information with respect to us and the ADSs.

我们已经根据《证券法》向证券交易委员会提交了一份关于表格 F-1 的登记声明，包括相关证据，涉及在此次发行中出售的由美国存托凭证代表的基础 a 类普通股。我们还向美国证券交易委员会提交了表格 F-6 的相关注册声明，以注册存托凭证。本章程为表格 F-1 登记声明的一部分，并不包含登记声明所载的全部资料。你应该阅读我们的注册声明及其证物和时间表，以获得有关我们和存款保险单的进一步信息。

Immediately upon the effectiveness of the registration statement of which this prospectus is a part, we will become subject to periodic reporting and other informational requirements of the Exchange Act as applicable to foreign private issuers. Accordingly, we will be required to file reports, including annual reports on Form 20-F, and other information with the SEC. As a foreign private issuer, we are exempt from the rules of the Exchange Act prescribing, among other things, the furnishing and content of proxy statements to shareholders, and Section 16 short swing profit reporting for our officers and directors and for holders of more than 10% of our ordinary shares.

本招股说明书所载的注册声明一旦生效，我们将立即接受《外汇法》中适用于外国私人发行人的定期报告和其他信息要求。因此，我们将被要求向证券交易委员会提交报告，包括表格 20-F 的年度报告和其他信息。作为一家外国私人发行商，我们不受《交易所法》规则的约束，其中包括向股东提供委托书及其内容，以及第 16 条为的高级职员和董事以及持有我们 10% 以上普通股的股东提供短期利润报告。

All information filed with the SEC can be obtained over the Internet at the SEC's website at [www.sec.gov](http://www.sec.gov) or inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. You can request copies of these documents, upon payment of a duplicating fee, by writing to the SEC. Please call the SEC at 1-800-SEC-0330 or visit the SEC website for further information on the operation of the public reference rooms.

提交给证券交易委员会的所有信息可以通过互联网在证券交易委员会的网站 [www.SEC.gov](http://www.SEC.gov) 上获得，或在证券交易委员会维护的公共参考设施上检查和复制，该设施位于 N.E. 100 f Street, d.c. 20549。你可以书面向证券交易委员会索要这些文件的复印件，但需缴纳复印费。请致电 1-800-SEC-0330 与证监会联络，或浏览证监会网页，了解公众资料室的运作情况。

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**  
独立注册会计师事务所报告

To the Shareholders and Board of Directors of Jiayin Group Inc.

致嘉银集团股东及董事会。

**Opinion on the Financial Statements**

关于财务报表的意见

We have audited the accompanying consolidated balance sheets of Jiayin Group Inc. (the “Company”), its subsidiaries, and variable interest entities (collectively referred to as the “Group”) as of December 31, 2016 and 2017, the related consolidated statements of comprehensive income (loss), changes in shareholders’ deficit and cash flows for each of the two years in the period ended December 31, 2017, and the related notes and the financial statement schedule listed in Schedule I (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2016 and 2017, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2017, in conformity with the accounting principles generally accepted in the United States of America.

我们审计了所附截至2016年12月31日和2017年12月31日嘉银集团(“公司”)、其子公司和可变利益实体(统称“集团”)的合并资产负债表、相关的综合收入(损失)合并报表、截至2017年12月31日的两年期间股东赤字和现金流量的变化，以及附表一所列的相关附注和财务报表附表(统称“财务报表”)。我们认为，各财务报表按照美利坚合众国普遍接受的会计原则，在所有重大方面公允列报了该集团截至2016年12月31日和2017年12月31日的财务状况以及2017年12月31日终了期间每年的营运结果和现金流量。

**Change in Accounting Principle**

会计原则的变化

As discussed in Note 2(y) to the financial statements, the Group has changed its method of accounting for revenue recognition in the accompanying financial statements due to retrospective adoption of Accounting Standards Update No. 2014-09 Revenue from Contracts with Customers (Topic 606), as amended, in fiscal year 2018.

正如财务报表附注2(y)所述，由于追溯采用经2018财政年度修订的《会计准则更新第2014-09号客户合同收入》(议题606)，集团改变了所附财务报表中收入确认的会计处理方法。

**Convenience Translation**

便利翻译

Our audits also comprehended the translation of Renminbi amounts into United States dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 2(h). Such United States dollar amounts are presented solely for the convenience of the readers in the United States of America.

我们的审计工作亦包括将人民币金额转换为美元金额，而我们认为这种转换是按照注2(h)所述的基准进行的。提出这种美元数额完全是为了方便美利坚合众国的读者。

**Basis for Opinion**

意见的依据

These financial statements are the responsibility of the Group’s management. Our responsibility is to express an opinion on the Group’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

这些财务报表是集团管理层的职责。我们的职责是根据我们的审计结果对集团的财务报表提出意见。我们是一家在美国上市公司会计监督委员会(PCAOB)注册的公共会计事务所，按照美国联邦证券法以及美国证券交易委员会和 PCAOB 的适用规则和条例，我们必须对公司保持独立。

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

我们根据 PCAOB 的标准进行审计。这些标准要求我们计划和进行审计，以便对财务报表是否没有因错误或欺诈而出现重大错报获得合理的保证。公司没有要求，也没有聘请我们执行，其内部控制的财务报告的审计。作为我们审计的一部分，我们被要求了解财务报告的内部控制，但不是为了对公司财务报告的内部控制的有效性发表意见。因此，我们不发表这样的意见。

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

我们的审计包括执行评估财务报表重大错报风险的程序，无论是由于错误还是欺诈，以及执行应对这些风险的程序。这些程序包括在测试的基础上审查关于财务报表中的金额和披露的证据。我们的审计工作还包括评价管理部门采用的会计原则和作出的重大估计，以及评价财务报表的总体列报情况。我们相信我们的审计为我们的意见提供了一个合理的基础。

/s/ Deloitte Touche Tohmatsu Certified Public Accountants LLP

德勤注册会计师有限公司  
Shanghai, China  
中国·上海  
July 30, 2018  
2018年7月30日

September 14, 2018 as to retrospective adoption of revenue standards under ASC 606 described in Note 2(o), November 30, 2018 as to the convenience translation described in Note 2(h), and December 19, 2018 as to the effect of stock split described in Note 9  
就备注2(o)、二〇一八年十一月三十日(h)及二〇一八年十二月十九日(注9)所述股票拆分的影响，分别追溯采用备注2(o)、备注2(h)及备注3(o)所述 ASC 606的收入标准

We have served as the Group's auditor since 2018.

我们自2018年起担任集团的审计师。

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JIAYIN GROUP INC.  
嘉银集团股份有限公司。  
CONSOLIDATED BALANCE SHEETS  
综合资产负债表  
(Amounts in thousands, except for share and per share data)  
(除股票和每股数据外，以千计的金额)

	As of December 31, 截至十二月三十一日。		
	2016	2017	US\$ 美元 (Note 2(h)) (注2(h))
	RMB 人民币	RMB 人民币	
<b>ASSETS</b>			
资产			
Cash and cash equivalents			
现金及现金等价物	199,038	606,097	88,249
Restricted cash			
限制性现金	382,451	155,235	22,603
Amounts due from related parties			
关连人士应缴的款项	645,724	517,685	75,376
Contract assets, net (net of allowance for uncollectible contract assets of RMB 125,915 and RMB 255,268 as of December 31, 2016 and 2017, respectively)			
合同资产净额(截至2016年12月31日和2017年12月31日，合同资产坏账准备金分别为125,915元和255,268元)	394,686	799,291	116,379
Assets from investor assurance program, net			
来自投资者保证计划的资产净值	161,476	270,276	39,353
Prepaid expenses and other current assets			
待摊费用及其他流动资产	115,469	118,309	17,226
Deferred tax assets			
递延税项资产	119,489	38,390	5,590
Property and equipment			
财产和设备	5,397	23,870	3,476
Other long-term assets			
其他长期资产	2,207,220	1,379	201
<b>TOTAL ASSETS</b>			
总资产	<b>2,025,937</b>	<b>2,530,532</b>	<b>368,453</b>
<b>LIABILITIES AND EQUITY</b>			
负债及资产			
<b>Liabilities including amounts of the consolidated VIEs without recourse to the Company (Note 2(b)):</b>			
负债，包括没有追索权的综合可变利益实体的金额(注2(b))：			
Payroll and welfare payable			
应付工资和福利	62,018	105,386	15,344
Amounts due to related parties			
应付关联方的款项	97,590	134,949	19,649
Liabilities from investor assurance program			
来自投资者担保计划的负债	2,173,767	3,017,124	439,302
Other guarantee liabilities			
其他担保负债	2,000,070	701,228	102,101
Tax payables			
应付税款	50,578	203,990	29,702
Refund liabilities			
退还债务	156,804	156,111	22,730
Accrued expenses and other current liabilities			
应计费用和其他流动负债	45,593	143,286	20,863
<b>TOTAL LIABILITIES</b>			
负债总额	<b>4,586,420</b>	<b>4,462,074</b>	<b>649,691</b>
<b>Commitments and Contingencies (Note 11)</b>			
承付款项和意外开支(注11)			
<b>SHAREHOLDERS' DEFICIT</b>			
股东赤字			

Ordinary shares\* (US\$ 0.00000005 par value; 10,000,000,000 shares authorized, 200,000,000 shares issued and outstanding as of December 31, 2016 and 2017)

普通股 \* (票面价值0.00000005美元; 认可股份10,000,000,000,000股, 截至2016年12月31日和2017年12月31日已发行和流通的股份200,000,000股)

Additional paid-in capital	0	0	0
额外实收资本	238,298	327,694	47,713
Accumulated deficit	(2,798,781)	(2,259,236)	(328,951)
累积亏损	<u>2798781</u> )	<u>2259236</u> )	<u>(328,951)</u> )
<b>TOTAL SHAREHOLDERS' DEFICIT</b>	<b>(2,560,483</b>	<b>(1,931,542</b>	<b>(281,238</b>
股东亏损总额	<u><b>2560483</b></u> )	<u><b>1931542</b></u> )	<u><b>281,238</b></u> )
<b>TOTAL LIABILITIES AND DEFICIT</b>			
负债与赤字总额	<u><b>2,025,937</b></u>	<u><b>2,530,532</b></u>	<u><b>368,453</b></u>

\* Authorized and outstanding share amount reflect the 20,000-for-1 stock split effected on December 19, 2018. See Note 9 for information on stock split.

已授权及未偿还股份金额反映于二〇一八年十二月十九日生效的20,000股对1股股票分割。有关股票拆分的信息, 请参阅注9。

The accompanying notes are an integral part of these consolidated financial statements.

附注是这些合并财务报表不可分割的一部分。

JIAYIN GROUP INC.  
嘉银集团股份有限公司。  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)  
综合收入(损失)合并报表  
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2017  
截至2016年12月31日和2017年12月31日  
(Amounts in thousands, except for share and per share data)  
(除股票和每股数据外，以千计的金额)

	Year ended December 31, 截至十二月三十一日止的一年		
	2016	2017	
	RMB 人民币	RMB 人民币	US\$ 美元 (Note 2(h)) (注 2(h))
<b>Net revenue</b>			
净收入	591,098	2,250,850	327,730
<b>Operating cost and expenses:</b>			
营运成本及开支:			
Origination and servicing	(143,201)	(229,353)	
创立和服务	143,201)	229,353)	(33,394)
Allowance for uncollectible contract assets			
无法收现的合同资产备抵	(125,672)	(130,943)	(19,066)
Provision for assets and liabilities from investor assurance program	(223,604)		
投资者保证计划中的资产和负债准备金	(223,604))	(42,463)	(6,183 6183)
Sales and marketing			
销售和市场营销	(467,725)	(884,866)	(128,839)
General and administrative			
一般及行政事务	(54,990)	95,597)	13,919)
Research and development			
研究及发展	(88,705)	180,967)	(26,349)
<b>Total operating cost and expenses</b>	<b>(1,103,897)</b>	<b>(1,564,189)</b>	<b>(227,750)</b>
营运成本及费用总额	<b>1,103,897)</b>	<b>1564189)</b>	<b>227,750)</b>
<b>Income (Loss) from operation</b>			
营运收入(亏损)	<b>(512,799)</b>	<b>686,661)</b>	<b>99,980)</b>
Interest income			
利息收入	1,454	1,922	280
Other income, net			
其他收入，净额	3,328	12,609	1,836
<b>Income (Loss) before income taxes</b>			
所得税前收入(损失)	<b>(508,017)</b>	<b>701,192)</b>	<b>102,096)</b>
Income tax benefit (expense)			
所得税优惠(费用)	118,266	(161,647)	(23,536)
<b>Net income (loss)</b>			
净收益(亏损)	<b>(389,751)</b>	<b>539,545)</b>	<b>78,560)</b>
<b>Other comprehensive income (loss), net of tax of nil</b>			
其他综合收入(亏损)，无须课税			
Foreign currency translation adjustments			
外币折算调整	—	—	—
<b>Comprehensive income (loss)</b>			
综合收入(亏损)	<b>(389,751)</b>	<b>539,545)</b>	<b>78,560)</b>
<b>Net income (loss) per share*:</b>			
每股净收益(亏损)*:			
- Basic			
- 基本	(1.95 (1.95元))	2.70	0.39
- Diluted			
- 稀释	(1.95 (1.95元))	2.70	0.39
<b>Weighted average shares used in calculating net income (loss) per share*:</b>			
用以计算每股净收益(亏损)*的加权平均数:			
- Basic	200,000,000	200,000,000	200,000,000
- 基本	二十万	二十万	二十万

- Diluted	200,000,000	200,000,000	200,000,000
- 稀释	二十万	二十万	二十万

\* All per share and weighted average share amounts have been adjusted to retrospectively reflect the 20,000-for-1 stock split effected on December 19, 2018. See Note 9 for information on stock split.  
 所有每股和加权平均数的数额已经过调整，以追溯反映在2018年12月19日生效的20,000换1股票分割。有关股票拆分的信息，请参阅注9。

The accompanying notes are an integral part of these consolidated financial statements.

附注是这些合并财务报表不可分割的一部分。

JIAYIN GROUP INC.  
嘉银集团股份有限公司。  
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT  
股东赤字变动综合报表  
(Amounts in thousands, except for share and per share data)  
(除股票和每股数据外，以千计的金额)

	Ordinary 一般 shares* 股份*	RMB 人民 币	Additional 附加 paid-in capital 实收资本	RMB 人民币	Accumulated 累积 deficit 赤字	RMB 人民币	Accumulated 累积 other comprehensive 其他综合性 income 收入	RMB 人民币	Total deficit 赤字总额
	Number 数目		RMB 人民币		RMB 人民币		RMB 人民币		RMB 人民币
Balance at January 1, 2016 二零一六年一月一日的结余	200,000,000 二十万	0	98,381		(2,409,030 2409030)		—		(2,310,649 2310649)
Capital contribution from shareholders 股东出资	—	—	100,000 10万		—		—		100,000 10万
Net loss 净亏损	—	—	—		(389,751)		—		(389,751)
Foreign currency translation adjustments 外币折算调整	—	—	—		—		—		—
Share-based compensation 以股份为基础的薪酬	—	—	39,917		—		—		39,917
Balance at December 31, 2016 二〇一六年十二月三十一日的结余	200,000,000 二十万	0	238,298		(2,798,781 2798781)		—		(2,560,483 2560483)
Net income 净收入	—	—	—		539,545		—		539,545
Foreign currency translation adjustments 外币折算调整	—	—	—		—		—		—
Share-based compensation 以股份为基础的薪酬	—	—	89,396		—		—		89,396
Balance at December 31, 2017 二〇一七年十二月三十一日的结余	200,000,000 二十万	0	327,694		(2,259,236 2259236)		—		(1,931,542 1931542)

\* Number of ordinary share reflects the 20,000-for-1 stock split effected on December 17, 2018. See Note 9 for information on stock split.  
普通股数目反映于二〇一八年十二月十七日生效的20,000比1股票拆分。有关股票拆分的信息，请参阅注9。

The accompanying notes are an integral part of these consolidated financial statements.

附注是这些合并财务报表不可分割的一部分。

JIAYIN GROUP INC.  
嘉银集团股份有限公司。  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
合并现金流量表  
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2017  
截至2016年12月31日和2017年12月31日  
(Amounts in thousands, except for share and per share data)  
(除股票和每股数据外，以千计的金额)

	Year ended December 31, 截至十二月三十一日止 的一年		
	2016	2017	
	RMB 人民币	RMB 人民币	US\$ 美元 (Note2(h)) (注2(h))
<i>Cash flows from operating activities</i> 经营活动现金流量			
Net income (loss) for the year 年度净收入(亏损)	(389,751)	539,545	78,560
<i>Adjustments to reconcile net income (loss) to net cash flows from operating activities:</i> 调节净收入(损失)与业务活动现金流量净额的调整数:			
Allowance for uncollectible contract assets 无法收现的合同资产备抵	125,672	130,943	19,066
Share-based compensation 以股份为基础的薪酬	39,917	89,396	13,016
Depreciation and amortization 折旧及摊销	1,119	4,098	597
Gain from disposal of property, equipment and software 处置财产、设备和软件所得收益	(12)	—	—
<i>Changes in operating assets and liabilities:</i> 营业资产和负债的变动:			
Assets from investor assurance program 来自投资者保障计划的资产	(126,854) (126,854)	(108,800) 108,800)	(15,842) 15,842)
Contract assets 合约资产	(517,189)	(535,548)	(77,977) 77,977)
Prepaid expenses and other current assets 待摊费用及其他流动资产	(25,707) 25,707)	(2,840) 2840)	(414)
Amount due from/to related parties 应收 / 应付有关人士的款项	3,099	68,564	9,983
Deferred tax assets 递延税项资产	(118,266) 118,266)	81,099	11,808
Liabilities from investor assurance program 来自投资者担保计划的负债	1,897,943	843,357	122,795
Other guarantee liabilities 其他担保负债	(907,130) 907,130)	(1,298,842) 1,298,842)	(189,115)
Payroll and welfare payable 应付工资和福利	47,506	43,368	6,315
Tax payables 应付税款	50,788	153,412	22,337
Refund liabilities 退还债务	141,815	(693)	(101)
Accrued expenses and other current liabilities 应计费用和其他流动负债	34,550	97,693	14,224
<b>Net cash provided by operating activities</b> 业务活动提供的现金净额	<b>257,500</b>	<b>104,752</b>	<b>15,252</b>
<i>Cash flows from investing activities</i> 来自投资活动的现金流			
Purchases of property and equipment 购置财产和设备	(6,736) 6736)	(21,743)	(3,166)
Sale of property, equipment and software 财产、设备和软件的销售	12	—	—
Loan to a related party 向关联方的贷款	(82,958) (82,958))	—	—

Repayment from a related party 关联方的还款	—	82,958	12,079
<b>Net cash provided by (used in) investing activities</b> 投资活动提供的现金净额	<b>(89,682)</b>	<b>61,215</b>	<b>8,913 8913</b>
<i>Cash flows from financing activities</i> 筹资活动的现金流量			
Loans from related parties 关联方的贷款	81,054	13,876	2,021
Capital contribution from shareholders 股东出资	100,000 10万	—	—
<b>Net cash provided by financing activities</b> 筹资活动提供的现金净额	<b>181,054</b>	<b>13,876</b>	<b>2,021</b>
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash 汇率变动对现金、现金等价物和限制性现金的影响	—	—	—
<b>Net change in cash, cash equivalents and restricted cash</b> 现金、现金等价物和限制性现金变动净额	<b>348,872</b>	<b>179,843</b>	<b>26,186</b>
<b>Cash, cash equivalents and restricted cash at beginning of the year</b> 年初现金、现金等价物和限制性现金	<b>232,617</b>	<b>581,489</b>	<b>84,666</b>
<b>Cash, cash equivalents and restricted cash at end of the year</b> 年终现金、现金等价物和限制性现金	<b>581,489</b>	<b>761,332</b>	<b>110,852</b>
Supplemental disclosure of cash flow information: 现金流量信息的补充披露:			
Income taxes paid (Note) 已缴所得税(注)	13,666	91,032	13,255
Note: 2017 amount has been revised to correct an error identified subsequent to the issuance of the financial statements. 注: 对2017年数额进行了修订, 以纠正财务报表发布后发现的一个错误。			
Reconciliation to amounts on consolidated balance sheets 对合并资产负债表上的金额进行调节			
Cash and cash equivalents 现金及现金等价物	199,038	606,097	88,249
Restricted cash 限制性现金	382,451	155,235	22,603
Total cash, cash equivalents and restricted cash 现金、现金等价物和限制性现金共计	<u>581,489</u>	<u>761,332</u>	<u>110,852</u>

The accompanying notes are an integral part of these consolidated financial statements.

附注是这些合并财务报表不可分割的一部分。



JIAYIN GROUP INC.  
嘉银集团股份有限公司。  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
合并财务报表附注  
(Amounts in thousands, except for share and per share data)  
(除股票和每股数据外，以千计的金额)

**1. ORGANIZATION AND PRINCIPAL ACTIVITIES 组织和主要活动**

Jiayin Group Inc. (the “Company”) is an exempted company incorporated with limited liabilities in the Cayman Islands under the laws of the Cayman Islands in December 2017.

嘉银集团股份有限公司(“公司”)是2017年12月在开曼群岛根据开曼群岛法律注册成立的免责公司。

The Company, its subsidiaries and its variable interest entities and their subsidiary (collectively referred to as the “Group”) provide individual finance services in the People’s Republic of China (“PRC”) by connecting investors with borrowers through a proprietary internet platform.

该公司、其附属公司及其可变权益实体及其附属公司(统称「集团」)透过一个专有的互联网平台，将投资者与借款人联系起来，在中华人民共和国提供个人金融服务。

The Group began the operations mainly through its PRC entities in 2015. In June 2015, Shanghai Jiayin Finance Technology Co., Ltd (“Jiayin Finance”, previously known as Furen Technology Limited, also the “VIE”), a shell company listed on the National Equities Exchange and Quotations Co., Ltd., or the NEEQ, was acquired by Mr. Yan (the “Founder”) as a listing vehicle. In September 2015, Jiayin Finance formed a wholly-owned subsidiary Shanghai Niwodai Internet Finance Information Services Co., Ltd (“Niwodai Internet”) to develop online individual finance services.

集团于二〇一五年开始主要透过其中国公司进行有关业务。2015年6月，上海嘉荫金融科技有限公司(“嘉荫金融”，前身为富人科技有限公司，也称为“VIE”)，一家在全国中小企业股份转让系统股份有限公司或 NEEQ 上市的空壳公司，被严先生(方正)收购作为上市载体。2015年9月，嘉银金融成立了全资子公司上海牛窝带互联网金融信息服务有限公司(“牛窝带互联网”)，发展在线个人金融服务。

In September 2015, Shanghai Caiyin Asset Management Co., Ltd (“Shanghai Caiyin”) was established by the Founder to provide the guarantee services to the loans facilitated through Niwodai Internet. Upon formation, Shanghai Caiyin entered into an agreement (see Note 2(b)) with Niwodai Internet through which Niwodai Internet has the power to direct the activities that most significantly affects the economic performance of Shanghai Caiyin and will be able to receive the economic benefits of Shanghai Caiyin that could be significant to Shanghai Caiyin. Therefore Niwodai Internet is considered the primary beneficiary of Shanghai Caiyin and consolidates Shanghai Caiyin.

2015年9月，方正成立了上海财银资产管理有限公司(简称“上海财银”)，通过互联网为贷款提供担保服务。上海财银成立后，与牛窝带互联网签订了协议(见注2(b))，牛窝带互联网有权指导对上海财银经济表现影响最大的活动，并将能够获得上海财银可能对上海财银具有重大意义的经济效益。因此，牛窝带互联网被认为是上海彩印的主要受益者，并巩固了上海彩印。

In December 2015, Shanghai Caiyin acquired the servicing rights and obligations of all outstanding loan contracts facilitated by Shanghai Niwodai Finance Information Co., Ltd. (“Niwodai Finance”), an entity providing offline individual finance services controlled by the Founder, as well as the obligation to continue to provide guarantee on those loans through investor assurance program that was previously managed by Niwodai Finance. Meanwhile, the Group acquired a group of selective intangible assets, including the Niwodai brand, the Niwodai website, and Niwodai Finance’s proprietary technology, which the Group believed would greatly benefit the development of the Group’s online loan facilitation business, from Niwodai Finance. Niwodai Finance agreed to pay Shanghai Caiyin an aggregate amount of RMB700 million as the total consideration. At the time of the transaction, the investor assurance fund managed by Niwodai Finance had funds of RMB136.3 million, and accordingly, the amounts due from Niwodai Finance to pay Shanghai Caiyin was RMB563.7 million at the time of the agreement, which represents the contractual consideration net of funds remaining in the investor assurance program of Niwodai Finance. The transaction is referred to as the “2015 Acquisition”. The Group deemed the 2015 Acquisition to be a business acquisition under common control under ASC 805-50-15 as both the transferring entity, Niwodai Finance, and the receiving entities, Jiayin Finance and Shanghai Caiyin, were controlled by Mr. Yan in the 2015 Acquisition. As the acquired intangible assets are internally developed by Niwodai Finance and are not specifically identifiable or are inherent in a continuing business, Niwodai Finance did not record them as assets on its book. The Group recognized such assets acquired from Niwodai Finance at their carrying amount, which is nil, at the date of transfer, as a result of the business acquisition under the common control. The Group recorded a guarantee liability in connection with the transaction of RMB 2.9 billion as “other guarantee liabilities” in the consolidated balance sheet. Meanwhile, the difference between the total consideration of RMB700 million and the RMB2.9 billion other guarantee liabilities was included in the beginning balance of the equity for the periods presented. The liability gradually depletes as Shanghai Caiyin fulfills its guarantee obligations and is expected to wind down by the end of 2019, one year after the due date of the last repayment of loans facilitated by Niwodai Finance (see Note 6).

2015年12月，上海财银获得了上海牛窝带金融信息有限公司(“牛窝带金融”)提供的所有未清贷款合同的服务权利和义务，该公司是由创始人控制的提供离线个人金融服务的实体，并有义务继续通过以前由牛窝带金融管理的投资者担保计划为这些贷款提供担保。与此同时，集团从 Niwodai Finance 收购了一批有选择的无形资产，包括 Niwodai 品牌、Niwodai 网站和 Niwodai Finance 的专利技术。集团相信，这些技术将极大地促进集团在线贷款便利化业务的发展。牛窝带金融同意向上海财银支付总额为7亿元人民币的赔偿金。在交易时，牛窝带金融管理的投资者保险基金资金为1.363亿元人民币，因此，牛窝带金融支付上海财银的款项在签订协议时为5.637亿元人民币，这是牛窝带金融投资者保险计划剩余资金的合同对价净额。这笔交易被称为“2015年收购”。集团认为，2015年的收购是 ASC 805-50-15共同控制下的一项业务收购，因为在2015年的收购中，转让实体牛窝大金融和接收实体 Jiayin Finance 和上海财银均由严先生控制。由于收购的无形资产是 Niwodai Finance 在内部开发的，无法具体识别，或者是继续经营业务所固有的，因此 Niwodai Finance

没有将其作为资产记录在账面上。专家组确认，由于在共同控制下进行的商业收购，从 Niwodai Finance 购买的这些资产在转让之日的账面金额为零。集团在合并后的资产负债表中，将29亿元人民币的交易作为"其他担保负债"记录在担保责任项下。同时，7亿元人民币对价总额与29亿元人民币其他担保负债之间的差额已计入有关期间的权益期初余额。随着上海财银履行其担保义务，这一负债逐渐减少，预计将在2019年年底结束，比 Niwodai 金融公司最后一次偿还贷款的截止日期晚一年(见注6)。

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JIAYIN GROUP INC.  
嘉银集团股份有限公司。  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
合并财务报表附注  
(Amounts in thousands, except for share and per share data)  
(除股票和每股数据外，以千计的金额)

**1. ORGANIZATION AND PRINCIPAL ACTIVITIES 组织和主要活动 - continued - 继续**

In order to raise capital through an initial public offering in the United States, the Group has undertaken a series of transactions as the listing entity (“Reorganization”):

为了在美国通过首次公开发行筹集资金，本集团作为上市实体进行了一系列交易(“重组”)：

The Company was established in December 2017 as the proposed listing entity by the same shareholders of Jiayin Finance. As PRC laws and regulations prohibit and restrict foreign ownership of internet value-added businesses, the Company established, through a BVI and a Hong Kong intermediary company, a wholly-owned foreign invested subsidiary in the PRC, Shanghai Kunjia Technology Co., Ltd. (“Shanghai Kunjia” or “WFOE”) in June 2018.

本公司于二〇一七年十二月成立，是由同一批 Jiayin Finance 股东建议上市的实体。由于中国法律和法规禁止和限制外资拥有互联网增值业务，该公司于2018年6月通过英属维尔京群岛和香港中介公司在中国设立了外商独资子公司上海坤嘉科技有限公司(“上海坤嘉”或“外商独资企业”)。

WFOE entered into a series of contractual arrangements (Note 2(b)) in June 2018 with Jiayin Finance (the “VIE”) and the shareholders of the VIE. The series of contractual agreements include Power of Attorney Agreement, Exclusive Purchase Agreement, Exclusive Consultation and Service Agreement, and Equity Pledge Agreement. The Group believes that these contractual agreements would enable WFOE to (1) have power to direct the activities that most significantly affects the economic performance of the VIE and its subsidiary and (2) receive the economic benefits of the VIE and its subsidiary that could be significant to them. Accordingly, the Group believes that WFOE is the primary beneficiary of the VIE and its subsidiary. Jiayin Finance, Niwodai Internet and Shanghai Caiyin are collectively referred to as “VIEs”.

外商独资企业于二〇一八年六月与嘉银金融及其股东签订一系列合约安排(注2(b))。一系列的合同协议包括委托书协议、独家采购协议、独家咨询服务协议和股权质押协议。集团认为，这些合同协议将使外商独资企业(1)有权指导对可变利益实体及其子公司的经济业绩影响最大的活动，(2)获得可能对其有重要意义的可变利益实体及其子公司的经济利益。因此，集团认为外商独资企业是 VIE 及其子公司的主要受益者。Jiayin Finance、二窝带互联网和上海采银统称为“VIEs”。

The Group considered the Reorganization as a reorganization of entities under common control. Accordingly, the accompanying financial statements have been prepared using historical cost basis as if the reorganization had occurred at the beginning of the first period presented.

工作组认为，重组是共同控制下实体的重组。因此，所附财务报表是按历史成本编制的，仿佛重组发生在提交的第一个期间开始时。

The share and per share data relating to the ordinary shares issued by Jiayin Group Inc. are presented as if the Reorganization occurred at the beginning of the first period presented.

与嘉银集团发行的普通股有关的股份和每股数据，如同重组发生在提交的第一个周期开始时一样。

As of June 30, 2018, the Company’s principal subsidiaries and VIEs are as follows:

截至二〇一八年六月三十日，本公司的主要附属公司及 vie 如下：

Name 姓名	Date of 日期 incorporation/ 注册 / establishment 建立 or 或 acquisition 获得	Place of 地点 incorporation/ 注册 / establishment 建立	Percentage 百分比 of legal 合法的 ownership 所有权	Principal activities 主要活动
<b>Wholly owned subsidiaries</b>				
<b>全资子公司</b>				
Jiayin Holdings Limited 嘉银控股有限公司	January 2018 二零一八年一 月	BVI 英属维 尔京群岛	100%	Investment Holding 投资控股
Jiayin (HK) Limited 嘉荫(香港)有限公司	January 2018 二零一八年一 月	Hong Kong 香港	100%	Investment Holding 投资控股

Jiayin Southeast Asia Holdings Limited 嘉荫东南亚控股有限公司	February 2018 二零一八年二 月	BVI 英属维 尔京群岛	100%	Investment Holding 投资控股
Shanghai Kunjia Technology Co., Ltd. ("Shanghai Kunjia" or "WFOE") 上海坤佳科技有限公司("上海坤佳"或"外商独资企 业")	June 2018 二零 一八年六月	Shanghai 上 海	100%	Investment Holding 投资控股
<b>VIEs</b> 女名女子名				
Shanghai Jiayin Finance Technology Co., Ltd. ("Jiayin Finance") 上海嘉音金融科技有限公司	June 2015 二零 一五年六月	Shanghai 上 海	100%	Technology service 科技服务 Technology development 科技发展
Shanghai Niwodai Internet Finance Information Services Co., Ltd. ("Niwodai Internet") 上海牛窝带互联网金融信息服务有限公司	September 2015 二零一五年九 月	Shanghai 上 海	100%	and consumer finance services 以及消费金融公司服务
Shanghai Caiyin Asset Management Co., Ltd. ("Shanghai Caiyin") 上海财银资产管理有限公司("上海财银")	September 2015 二零一五年九 月	Shanghai 上 海	100%	Guarantee services 担保服务

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JIAYIN GROUP INC.  
嘉银集团股份有限公司。  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
合并财务报表附注  
(Amounts in thousands, except for share and per share data)  
(除股票和每股数据外，以千计的金额)

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要**

**(a) Basis of presentation and consolidation**

(a) 列报和合并的依据

The accompanying consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”).

随附的公司合并财务报表是根据美国公认的会计原则编制的。

**(b) Principles of consolidation**

(b) 合并原则

**Variable interest entity**

可变权益实体

The consolidated financial statements include the financial information of the Company, its wholly owned subsidiaries and its consolidated variable interest entities (“VIEs”). All intercompany balances and transactions have been eliminated upon consolidation.

合并财务报表包括本公司、其全资子公司及其合并可变利益实体的财务资料。所有公司间的余额和交易在合并时已经冲销。

**The VIE Arrangement with Shanghai Caiyin**

与上海财银的 VIE 安排

In December 2015, Niwodai Internet entered into an agreement with Shanghai Caiyin through which Shanghai Caiyin will provide guarantee services for the loans facilitated by Niwodai Internet. Shanghai Caiyin will charge the borrowers a service fee at certain percentage of facilitated loan amount (“charge rate”) and will repay the loan and respective interests to investors within certain days upon borrowers’ default. The charge rate of the guarantee services is determined by Niwodai Internet who has the right to adjust it at any time at its discretion based on the actual performance of the loans facilitated. Niwodai Internet also has the right to collect from the excess of the guarantee services Shanghai Caiyin charges over the payment for default loans after deducting a reasonable cost incurred by Shanghai Caiyin. Furthermore, Niwodai Internet reserves the right to terminate the agreement at any time and engage other parties to perform the guarantee services. Upon termination, Niwodai Internet should assist Shanghai Caiyin to continue to perform guarantee services for existing loans. Shanghai Caiyin does not have business other than guarantee services during the periods presented. Through the aforementioned agreement Niwodai Internet has obtained the power to direct the activities that most significantly affects the economic performance of Shanghai Caiyin and will be able to receive the economic benefits of Shanghai Caiyin that could be significant to Shanghai Caiyin. Therefore, Niwodai Internet is considered the primary beneficiary of Shanghai Caiyin and has consolidated Shanghai Caiyin since its incorporation.

2015年12月，二窝带互联网与上海财银达成协议，上海财银将为二窝带互联网提供贷款担保服务。上海财银将按贷款额的一定比例向借款人收取服务费(“费率”)，并在借款人违约后的一定日期内向投资者偿还贷款及相关利息。担保服务的收费率由 Niwodai Internet 确定，Niwodai 有权根据所协助贷款的实际履行情况随时调整担保服务。在扣除上海财银发生的合理费用后，二窝带互联网还有权收取上海财银拖欠贷款的超额担保服务费。此外，Niwodai 互联网保留在任何时候终止协议的权利，并委托其他各方提供担保服务。终止后，二窝带互联网应协助上海财银继续为现有贷款提供担保服务。在上述期间，上海财银除担保服务外，没有其他业务。通过上述协议，二窝带互联网获得了指导影响上海财银经济表现最重要的活动的权力，并将能够获得上海财银的经济效益，这对上海财银可能意义重大。因此，二窝带互联网被认为是上海财银的主要受益者，并且自成立以来已经巩固了上海财银。

**The VIE Arrangement with Shanghai Kunjia, the WFOE**

Vie 与外商独资企业上海昆嘉的协议

As PRC laws and regulations prohibit and restrict foreign ownership of internet value added businesses, the Company operates its business, primarily through the VIEs. In June 2018, the Company, through its wholly owned foreign invested subsidiary, Shanghai Kunjia or WFOE, entered into a series of contractual arrangements (“VIE agreements”) with Jiayin Finance and its respective shareholders that enable the Company to (1) have power to direct the activities that most significantly affects the economic performance of the VIE and its subsidiary, and (2) receive the economic benefits of the VIE and its subsidiary that could be significant to the VIE and its subsidiary.



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(b) Principles of consolidation - continued

(b)合并原则——继续

Variable interest entity - continued

可变权益实体-继续

The VIE Arrangement with Shanghai Kunjia, the WFOE - continued

外商独资企业与上海昆嘉的 VIE 协议继续进行

his or her attorney-in-fact to exercise all of his or her rights as a shareholder of Jiayin Finance including, but not limited to, the right (1) to make and sign the relevant shareholders' general meeting decision on behalf of the shareholders of Jiayin Finance; (2) in accordance with the law and Jiayin Finance's Charter of shareholders exercise the right to enjoy all the rights of shareholders, including but not limited to the right of shareholders to vote, sell or transfer or pledge or dispose of all or any part of Jiayin Finance's shares; and (3) designate and appoint the legal representative, chairman, director, supervisor, general manager and other senior management of Jiayin Finance as the authorized representative of the company. This power of attorney is irrevocable and continues to be in force during the period when the authorized person is a shareholder of WFOE, from the date of signature of this power of attorney.

其事实上行使其作为 Jiayin Finance 股东的所有权利，包括但不限于：(1)代表嘉银金融股东作出和签署有关股东大会决定的权利；(2)根据法律和嘉银金融的《股东章程》，行使股东享有的所有权利，包括但不限于股东表决权、出售、转让或质押权或处分全部或部分 Jiayin Finance 股份的权利；(3)指定和任命嘉银金融的法定代表人、董事长、董事、监事、总经理和其他高级管理人员为公司的授权代表。本授权书是不可撤销的，在授权人为外商独资企业股东期间，自本授权书签署之日起继续有效。

Exclusive Purchase Agreement:

独家购买协议:

Pursuant to the Exclusive Purchase Agreement among WFOE, Jiayin Finance and the four shareholders of Jiayin Finance, the four shareholders and Jiayin Finance shall irrevocably grant WFOE, to purchase or appoint one or more persons from WFOE at any time to purchase all or part of the shares which is not subject to legal restriction or assets held by the four shareholders or Jiayin Finance. Except for WFOE and the designated person, no third party shall have the right to purchase shares and assets or other shares and assets related to the four shareholders. The consideration of the purchase should be RMB 1 or the lowest price permitted by the PRC laws. The effective time period of this agreement is ten years, and will be automatically extended to further years.

根据外商独家采购协议，Jiayin Finance、Jiayin Finance 及四个股东，四个股东及 Jiayin Finance 不可撤销地准许外商独家采购公司在任何时候从外商独家采购或任命一个或多个个人购买全部或部分不受法律限制的股份或四个股东或 Jiayin Finance 持有的资产。除外商独资企业及指定人员外，任何第三方均无权购买与四名股东有关的股份及资产或其他股份及资产。对价为人民币1元或中国法律允许的最低价格。本协议有效期为十年，并自动延长至年。

The agreements that transfer economic benefits to the Company include:

向本公司转让经济利益的协议包括:

Exclusive Consultation and Service Agreement:

独家咨询和服务协议:

Pursuant to the Exclusive Consultation and Service Agreement between WFOE and Jiayin Finance, WFOE has the exclusive right to provide Jiayin Finance with consulting and other services. Without WFOE's prior written consent, Jiayin Finance may not accept any services subject to this agreement from any third party. WFOE has the right to determine the service fee to be charged to Jiayin Finance under this agreement by considering, among other things, the complexity of the services, the actual cost that may be incurred for providing such services, as well as the value and comparable price on the market of the service provided. WFOE will have the exclusive ownership of all intellectual property rights created as a result of the performance of this agreement. Unless WFOE terminates this agreement in advance or otherwise provided by law, this agreement will remain effective for ten years and shall automatically extend the term of this agreement prior to its expiration. Jiayin Finance may not terminate this agreement unilaterally.

根据外商独家咨询及服务协议，外商独家向 Jiayin Finance 提供咨询及其他服务。外商独家向 Jiayin Finance 提供咨询及服务。未经外商独资企业事先书面同意，Jiayin Finance 不得接受任何第三方提供的服务。根据本协议，外商独资企业有权决定向 Jiayin Finance 收取的服务费用，其中包括考虑服务的复杂性、提供服务可能产生的实际成本，以及所提供服务的市场价值和可比价格。由于本协议的执行，外商独占所有的知识产权。除非外商独资企业提前终止本协议或法律另有规定，否则本协议有效期为10年，并自动延长本协议有



效期。 Jiayin Finance 不得单方面终止该协议。

Equity Pledge Agreement:

股权质押协议:

Pursuant to the Equity Pledge Agreement among WFOE, Jiayin Finance and the four shareholders, in order to ensure that Jiayin Finance and its shareholders will fulfill the obligations under the power of attorney, the exclusive consultation and service agreement, and the exclusive purchase agreement (collectively “the Main Agreement”), the four shareholders have pledged 100% equity interest in Jiayin Finance to WFOE. According to the Main Agreement, the pledgee has the right to charge the service fee to Jiayin Finance. Those shareholders and WFOE also agree that without a prior written consent of the pledgee, they shall not

根据外商独资企业 Jiayin Finance 分公司与四大股东签订的股权质押协议，为确保嘉银金融及其股东履行委托书、独家咨询服务协议和独家收购协议(统称为"主协议")规定的义务，四大股东向外商独资企业承诺持有嘉银金融100% 的股权。根据主协议，质权人有权向 Jiayin Finance 收取服务费。 这些股东和外商独资企业也同意，未经质权人事先书面同意，他们不得

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(b) Principles of consolidation - continued

(b)合并原则——继续

Variable interest entity - continued

可变权益实体-继续

The VIE Arrangement with Shanghai Kunjia, the WFOE - continued

外商独资企业与上海昆嘉的 VIE 协议继续进行

Equity Pledge Agreement - continued:

股权质押协议-续:

transfer the shares or set up any pledge or other form of guarantee which may affect the rights and interests of the pledgee. Jiayin Finance is in process of registering the equity pledge with the relevant office of Administration for Industry and Commerce in accordance with the PRC Property Rights Law.

转让可能影响质权人权益的股份、设立质押或者其他担保形式。 Jiayin Finance 正在根据《中华人民共和国物权法》向有关的工商行政管理局办理股权质押登记手续。

These contractual arrangements allow the Company, through its wholly owned subsidiary WFOE, to effectively control the VIEs, and to derive substantially all of the economic benefits from them. Accordingly, the Company has consolidated the financial results of the VIEs.

这些合同安排使公司能够通过其全资子公司外商独资企业有效地控制这些可变利益实体，并从中获得基本上所有的经济利益。因此，公司合并了 vie 的财务结果。

The Company believes that the contractual arrangements with the VIEs are in compliance with PRC law and are legally enforceable. However, uncertainties in the PRC legal system could limit the Company's ability to enforce the contractual arrangements. If the legal structure and contractual arrangements were found to be in violation of PRC laws and regulations, the PRC government could:

本公司相信与可变利益实体的合约安排符合中国法律，并具有法律效力。然而，中国法律体系的不确定性可能会限制公司执行合同安排的能力。如果法律结构和合同安排被发现违反中国的法律和法规，中国政府可以：

- revoke the Group's and operating licenses;  
撤销本集团及其营业执照;
- levy fines on the Group;  
向本集团征收罚款;
- confiscate any of our income that they deem to be obtained through illegal operations;  
没收他们认为通过非法经营获得的收入;
- shut down the Group's services;  
关闭本集团的服务;
- discontinue or restrict the Group's operations in China;  
中止或限制集团在中国的业务;
- impose conditions or requirements with which the Group may not be able to comply;  
提出本集团可能无法遵守的条件或要求;
- require the Group to change corporate structure and contractual arrangements;  
要求集团改变公司架构及合约安排;
- restrict or prohibit the use of the proceeds from overseas offerings to finance the Group's PRC consolidated VIEs' business and operations;  
and  
限制或禁止将海外发售所得款项用作集团在中国综合实体内的业务及运作; 以及
- take other regulatory or enforcement actions that could be harmful to the Group's business.  
采取其他可能对集团业务有害的监管或执法行动。

The following condensed financial statement balances and amounts of the Company's VIEs, were included in the accompanying consolidated

financial statements after the elimination of intercompany balances and transactions among the Company, its subsidiaries and its VIEs.

以下简要财务报表余额和本公司可变利益实体的金额，在冲销本公司、其子公司及其可变利益实体之间的公司间余额和交易后，列入所附的综合财务报表。

	As of December 31, 截至十二	
	月三十一日。	
	2016	2017
	RMB 人民币	RMB 人民币
<b>TOTAL ASSETS</b>		
总资产	2,025,937	2,530,532
Payroll and welfare payable		
应付工资和福利	62,018	105,386
Amounts due to related parties		
应付关联方的款项	97,590	134,949
Liabilities from investor assurance program		
来自投资者担保计划的负债	2,173,767	3,017,124
Other guarantee liabilities		
其他担保负债	2,000,070	701,228
Tax payables		
应付税款	50,578	203,990
Refund liabilities		
退还债务	156,804	156,111
Accrued expenses and other current liabilities		
应计费用和其他流动负债	45,593	143,286
<b>TOTAL LIABILITIES</b>		
负债总额	4,586,420	4,462,074

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2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要** - continued - 继续

*(b) Principles of consolidation* - continued

(b)合并原则——继续

*Variable interest entity* - continued

可变权益实体-继续

**The VIE Arrangement with Shanghai Kunjia, the WFOE** - continued

外商独资企业与上海昆嘉的 VIE 协议继续进行

Equity Pledge Agreement - continued:

股权质押协议-续:

	Year ended December 31, 截至十二月三十一日止的一年	
	2016	2017
	RMB 人民币	RMB 人民币
Net revenue 净收入	591,098	2,250,850
Operating income (loss) 营业收入(亏损)	(512,799)	686,661
Net income (loss) 净收益(亏损)	(389,751)	539,545
Net cash provided by operating activities 业务活动提供的现金净额	257,500	104,752
Net cash provided by (used in) investing activities 投资活动提供的现金净额	(89,682)	61,215
Net cash provided by financing activities 筹资活动提供的现金净额	181,054	13,876

The VIEs contributed 100% of the Group's consolidated revenue for years ended December 31, 2016 and 2017. As of December 31, 2016 and 2017, the VIEs accounted for an aggregate of 100% of the consolidated total assets, and 100% of the consolidated total liabilities. Total assets not associated with the VIEs was less than 1% as of December 31, 2016 and 2017.

在截至二零一六年十二月三十一日及二零一七年十二月三十一日的年度内，可变利益实体为集团提供了100%的综合收入。截至二零一六年十二月三十一日及二零一七年十二月三十一日，这些可变利益实体合计占综合资产总值的100%，以及综合负债总值的100%。截至二零一六年十二月三十一日及二零一七年，与可变利益实体无关的总资产少于1%。

There are no terms in any arrangements, considering both explicit arrangements and implicit variable interests that require the Company or its subsidiaries to provide financial support to the VIEs. However, if the VIEs were ever to need financial support, the Group may, at its option and subject to statutory limits and restrictions, provide financial support to its VIEs through loans to the shareholders of the VIEs or entrustment loans to the VIEs.

任何安排都没有条款，考虑到明确的安排和隐含的可变利益，要求公司或其子公司为可变利益实体提供财政支持。然而，如果这些可变利益实体需要财政支持，集团可选择在符合法定限额和限制的情况下，通过向这些可变利益实体的股东提供贷款或向这些可变利益实体提供委托贷款，为其可变利益实体提供财政支持。

The Group believes that there are no assets held in the VIEs that can be used only to settle obligations of the VIEs, except for registered capital and the PRC statutory reserves. As the VIEs are incorporated as limited liability companies under the PRC Company Law, creditors of the VIEs do not have recourse to the general credit of the Company for any of the liabilities of the VIEs. Relevant PRC laws and regulations restrict the VIEs from transferring a portion of their net assets, equivalent to the balance of its statutory reserve and its share capital, to the Company in the form of loans and advances or cash dividends. Please refer to Note 12 for disclosure of restricted net assets.

本集团认为，除注册资本和中华人民共和国法定准备金外，可变利益实体中没有任何资产可用于结清可变利益实体的债务。由于上述可变利益实体是根据《中华人民共和国公司法》以有限责任公司的形式注册成立，因此上述可变利益实体的债权人无权就上述可变利益实体的任何负债向本公司的一般信贷追索权。中国相关法律法规规定，可变利益实体不得以贷款、垫款或现金股利的形式，将相当于其法定准备金和股本余额的部分净资产转移给本公司。有关披露受限制净资产的资料，请参阅注12。

*(c) Use of estimates*

(c)估计数的使用

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. Changes in estimates are recorded in the period they are identified.

按照美国公认会计原则编制财务报表要求管理部门作出影响财务报表日期所报资产和负债数额以及报告期间所报收入和支出数额的估计和假设。实际结果可能与这些估计不同。估计数的变化记录在确定期间。

The Group bases its estimates on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Significant accounting estimates reflected in the Group's financial statements include allowance for uncollectible contract assets, provision for assets and liabilities from investor assurance program, valuation allowances for deferred tax assets, valuation of share-based awards, measurement of assets and liabilities from investor assurance program, and allocation of considerations under revenue arrangements with various performance obligations.

专家组根据历史经验和认为在当时情况下合理的其他各种因素作出估计，其结果构成对其他来源不明显的资产和负债账面价值作出判断的依据。集团财务报表所反映的重要会计估计数包括无法收现的合同资产备抵、投资者保证计划提取的资产和负债备抵、递延税项资产的估值备抵、股票奖励的估值、投资者保证计划提取的资产和负债的计量，以及根据各种履约义务的收入安排分配考虑因素。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

*(d) Fair value*

(d)公允价值

Fair value is considered to be the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Group considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability.

公允价值被认为是在计量日市场参与者之间有序交易中，出售资产或为转移负债而支付的价格。在确定需要或允许按公允价值入账的资产和负债的公允价值计量时，专家组考虑它将在其中进行交易的主要或最有利的市场，并考虑市场参与者在为资产或负债定价时将使用的假设。

Authoritative literature provides a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The level in the hierarchy within which the fair value measurement in its entirety falls is based upon the lowest level of input that is significant to the fair value measurement as follows:

权威文献提供了一个公允价值层次结构，该结构将用于衡量公允价值的估值技术的投入优先分为三大层次。公允价值计量完全落实的层次结构中的级别以对公允价值计量具有重要意义的最低投入级别为基础，具体如下：

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

第1级适用于在活跃市场上有相同资产或负债的报价的资产或负债。

Level 2 applies to assets or liabilities for which there are inputs other than quoted prices included within Level 1 that are observable for the asset or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

第二级适用于第一级报价以外投入的资产或负债，例如活跃市场中类似资产或负债的报价；交易量不足或交易不频繁市场（活跃市场较少）中相同资产或负债的报价；或模式衍生的估值，其中可观察到或可主要从可观察到的市场数据中得出或得到证实的重要投入。

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

第3级适用于估值方法中对计量资产或负债的公允价值具有重要意义的不可观测的投入的资产或负债。

The carrying values of financial instruments, which consist of cash and cash equivalents, restricted cash, amounts due from/to related parties, contract assets, assets from investor assurance program, prepaid expenses and other assets, and other liabilities, approximate their fair value mainly due to the short-term nature of these instruments.

金融工具的账面价值，包括现金和现金等价物、限制性现金、关联方应付款项、合同资产、投资者担保计划资产、预付费用和其他资产以及其他负债，主要由于这些工具的短期性质而接近其公允价值。

The Group does not have any assets or liabilities that are recorded at fair value subsequent to initial recognition on a recurring or non-recurring basis during the periods presented.

在本报告所述期间，本集团没有任何经常性或非经常性资产或负债在初次确认后按公允价值入账。

*(e) Certain risks and concentrations*

(e)某些风险和浓度

As of December 31, 2016 and 2017, substantially all of the Group's cash and cash equivalents as well as restricted cash were held in major financial institutions located in the PRC, which management considers to be of high credit quality.

截至二〇一六年十二月三十一日及二〇一七年十二月三十一日，集团大部分现金及现金等价物及受限制现金均存放于中国境内的主要金融机构，管理层认为这些机构具有高信贷素质。

No customer represented greater than 10% or more of the total net revenues or receivables for the year ended December 31, 2016 and 2017.

在截至二〇一六年十二月三十一日及二〇一七年十二月三十一日止的财政年度，没有任何客户的净收入或应收帐款超过总收入的10%。

*(f) Foreign currency risk*

(f) 外币风险

The RMB is not a freely convertible currency. The State Administration for Foreign Exchange, under the authority of the Peoples Bank of China, controls the conversion of RMB into other currencies. The value of the RMB is subject to changes in central government policies, international economic and political developments affecting supply and demand in the China Foreign Exchange Trading System market. The Group's cash and cash equivalents and denominated in RMB amounted to RMB 199,038 and RMB 606,097 as of December 31, 2016 and 2017, respectively.

人民币不是可自由兑换的货币。国家外汇管理局受中国人民银行管理，对人民币兑换其他货币实行管理。人民币的价值取决于中央政府政策的变化，以及影响中国外汇交易体系市场供求的国际经济和政治发展。截至二〇一六年十二月三十一日及二〇一七年十二月三十一日，集团的现金及现金等价物以人民币为单位，分别为199,038元及606,097元。



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

*(g) Foreign currency translation*

(g) 外币折算

The functional currency of Jiayin Group Inc. is in US dollars (“US\$”). The functional currency of the Group’s subsidiaries and VIEs in the PRC is Renminbi (“RMB”). The determination of the respective functional currency is based on the criteria stated in ASC 830, Foreign Currency Matters. The Group also uses RMB as its reporting currency. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at the rates of exchange ruling at the balance sheet date. Transactions in currencies other than the functional currency are measured and recorded in the functional currency at the exchange rate prevailing on the transaction date. Translation gains and losses are recognized in the statements of comprehensive income (loss).

嘉银集团的实用货币是美元(“US\$”)。集团子公司及其在中国内地的权益实体的计算货币为人民币。确定各自的功能货币是基于 ASC 830，外币事项中规定的标准。集团亦以人民币作为报告货币。以功能性货币以外的货币计价的货币资产和负债按资产负债表日的汇率折算为功能性货币。以功能性货币以外的货币进行的交易按交易日当时的汇率以功能性货币计量和记账。折算损益在综合收益(损失)表中确认。

The Company with functional currency of US\$ translates its operating results and financial positions into RMB, the Group’s reporting currency. Assets and liabilities are translated using the exchange rates in effect on the balance sheet date. Equity amounts are translated at historical exchange rates. Revenues, expenses, gains and losses are translated using the average rates for the year. Translation adjustments are reported as cumulative translation adjustments and are shown as a separate component in the statements of comprehensive income (loss).

功能货币为美元的公司将其经营业绩和财务状况转换为人民币，即集团的报告货币。资产和负债按资产负债表日生效的汇率折算。权益金额按历史汇率折算。收入、费用、收益和损失用当年的平均汇率折算。翻译调整数作为累计翻译调整数列报，并在综合收入(损失)报表中作为单独部分列报。

*(h) Convenience translation*

(h) 方便翻译

The Group’s financial statements are stated in RMB. Translations of balances in the consolidated balance sheets, and the related consolidated statements of comprehensive income (loss), shareholders’ equity and cash flows from RMB into US dollars as of and for the year ended December 31, 2017 are solely for the convenience of the readers and were calculated at the rate of US\$1.00=RMB 6.8680, representing the noon buying rate set forth in the H.10 statistical release of the U.S. Federal Reserve Board on September 28, 2018. No representation is made that the RMB amounts could have been, or could be, converted, realized or settled into US\$ at that rate on September 28, 2018, or at any other rate.

本集团之财务报表以人民币列报。综合资产负债表中的余额，以及相关的综合收益(损失)、股东权益和截至2017年12月31日的年度人民币现金流转换成美元的综合报表，完全是为了方便读者，计算汇率为1.00元人民币6.8680，相当于2018年9月28日美国联邦储备委员会 h. 10 统计公布的中午买入率。没有任何陈述表明人民币汇率在2018年9月28日或以任何其他汇率已经或可能被转换、实现或结算为美元。

*(i) Cash and cash equivalents*

(一) 现金及现金等价物

Cash and cash equivalents consist of cash on hand and demand deposits which are highly liquid and have original maturities of three months or less and are unrestricted as to withdrawal or use.

现金及现金等价物包括手头现金和活期存款，这些存款具有高度的流动性，原始到期日不超过三个月，在提款或使用方面不受限制。

*(j) Investor assurance program*

(j) 投资者保障计划

The Group maintains an investor assurance program through the consolidated VIE, Shanghai Caiyin, for the benefits of investors who invested on unsecured loans through its marketplace. Under the investor assurance program, the Group sets aside the service fees charged by Shanghai Caiyin into designated restricted cash accounts to be used to cover the principal and interest of defaulted loans on a portfolio basis, payable on a first-loss basis up to the balance of the investor assurance program. The Group repays the aggregate amounts of principal and respective interest, which are

due based on the repayment schedule, to investors typically within a few days upon borrowers' default. In accordance with the terms of the investor assurance program, an investor is entitled to compensation for losses resulting from defaulted loans within 15 calendar days of the due date.

集团通过合并后的 VIE 上海财银实施投资者保障计划，为通过其市场投资无担保贷款的投资者提供保障。根据投资者担保计划，集团将上海财银收取的服务费存入指定的受限制现金账户，用于支付以投资组合为基础的违约贷款的本金和利息，在投资者担保计划余额之前，按照首次亏损的原则支付。本集团会在借款人违约后数天内，根据还款时间表，向投资者偿还本金及有关利息的总额。根据投资者保证计划的条款，投资者有权在到期日起15个日历日内对拖欠贷款造成的损失获得赔偿。

Default payments to investors can only be made from the investor assurance program when there are sufficient funds available. The Group's obligation under the investor assurance program to make payments is limited to the amount of the restricted cash at any point in time and the Group is obliged to compensate

只有在资金充足的情况下，投资者才能从投资者保险计划中获得违约赔偿。根据投资者保证计划，本集团的付款义务仅限于在任何时间点的限制性现金数额，本集团有义务予以赔偿

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(j) *Investor assurance program* - continued

(j) 投资者保障计划-继续

investors once the restricted cash balance is replenished again from contributions of future borrowers. Once the investor is paid for a borrower's default, any future amount recovered is contributed into the investor assurance program. The Group regularly reviews the actual net accumulated loss rate of each loan product facilitated and relevant economic factors to ensure the estimations are kept up-to-date. For the loans facilitated before April 28, 2018 under the investor assurance program managed by the Group, the Group intends to use its own working capital to fund the investor assurance program after April 28, 2018 when the balance of the investor assurance fund is depleted.

一旦受限制的现金余额再次从未来借款人的贡献中得到补充，投资者就会受到影响。一旦投资者为借款人的违约付款，未来收回的任何金额都将纳入投资者担保计划。专家组定期审查所协助的每个贷款产品的实际净累计损失率和相关的经济因素，以确保估计数不断更新。对于2018年4月28日前根据集团管理的投资者保证计划提供的贷款，集团打算在2018年4月28日投资者保证基金余额耗尽后，使用自有周转资金为投资者保证计划提供资金。

At the loan inception, the Group is required to record liability from investor assurance program in accordance with ASC Topic 460-10, which incorporates the expectation of potential future payments under the guarantee and takes into account both non-contingent and contingent aspects of the guarantee.

在贷款开始时，集团必须按照 ASC 议题460-10记录投资者担保方案的负债，其中包括担保项下对未来可能付款的预期，并考虑到担保的非或有和或有方面。

Subsequently, the liability from investor assurance program is measured in a combination of two components: (i) ASC Topic 460 component; and (ii) ASC Topic 450 component. The liability recorded based on ASC Topic 460 is determined on a loan by loan basis and it is reduced when the Group is released from the underlying risk, meaning when the loan is repaid by the borrower or when the lender is compensated in the event of a default. This component is a stand ready obligation which is not subject to the probable threshold used to record a contingent obligation. When the Group is released from the stand-ready liability upon expiration of the underlying loan, the Group records a corresponding amount as net revenue in the consolidated statement of comprehensive income (loss). The other component is a contingent liability determined based on probable loss considering the actual historical performance and current condition, representing the future payouts under the investor assurance program in excess of the stand-ready liability and is measured using the guidance in ASC Topic 450, Contingencies. The ASC Topic 450 contingent component is determined on a collective basis and loans with similar risk characteristics are pooled into cohorts for purposes of measuring incurred losses. The ASC Topic 450 contingent component is recognized as part of operating expenses in the consolidated statement of comprehensive income (loss) as "provision for assets and liabilities from investor assurance program". At all times the recognized liability (including the stand-ready liability and contingent liability) is at least equal to the probable estimated losses of the guarantee portfolio.

随后，来自投资者保证计划的责任是通过两个组成部分的组合来衡量的：(i) ASC 主题460组成部分；和(ii) ASC 主题450组成部分。以 ASC Topic 460为基础而记录的负债是以贷款为基础确定的，并在集团免除相关风险(即借款人偿还贷款或贷款人在违约情况下获得赔偿)时减少。这一部分是一项随时可用的债务，不受用于记录或有债务的可能门槛的限制。当本集团在相关贷款到期时免除备用负债时，本集团会在综合收益(损失)综合表中记录相应数额的净收入。另一个组成部分是基于实际历史业绩和当前状况的可能损失确定的或有负债，代表投资者保证计划下超过备用负债的未来支出，并使用 ASC 主题450，意外开支的指导进行衡量。主题450或有部分是在集体基础上确定的，具有类似风险特征的贷款集中在一起，用于计量已发生的损失。主题450或有部分在综合收入(损失)综合表中被确认为业务费用的一部分，作为"投资者保证计划的资产和负债准备金"。在任何时候，确认的负债(包括备用负债和或有负债)至少等于担保资产组合可能的估计损失。

As the Group's stand-ready liability is not traded in an active market with readily observable prices, the Group uses significant unobservable inputs to measure the fair value of stand-ready liabilities upon initial recognition. Stand-ready liabilities are categorized in the Level 3 valuation hierarchy based on the significance of unobservable factors in the overall fair value measurement. The Group estimates the fair value of the stand-ready liability by estimating expected net accumulated loss rates for each product type, based on historical net accumulated loss rate for each product type and incorporating a markup margin. A discounted cash flow methodology was used to estimate the fair value of the guarantee liabilities. The significant unobservable inputs used in the fair value measurement of guarantee liabilities include the expected net accumulated loss rates applied in the valuation models. The weighted average expected net accumulated loss rates applied for year 2016 and 2017 are 20.3% and 13.4%, respectively. These inputs in isolation can cause significant increases or decreases in fair value. The increase in the expected net accumulated loss rates can significantly increase the fair value of stand-ready liability of the loan newly facilitated upon initial recognition; conversely a decrease in the expected net accumulated loss rates can significantly decrease the fair value of stand-ready liability of the loan newly facilitated upon initial recognition. When a discounted cash flow model is used to determine fair value, the significant input used in the valuation model is the discount rate applied to present value the projected cash flows which is based on market rates. The Group also estimated the markup margin by

由于本集团的备用负债不是在活跃的市场上以易于观察的价格进行交易，因此本集团在初始确认时使用大量不可观察的投入来衡量备

用负债的公允价值。根据公允价值计量总体中不可观测因素的重要性，准备好的负债在第3级估值层次中分类。专家组根据每一产品类别的历史净累计损失率估计每一产品类别的预期净累计损失率，并加上加价幅度，从而估计备用负债的公允价值。采用贴现 / 美元方法来估算担保负债的公允价值。担保负债公允价值计量中使用的大量不可观测的投入包括估值模型中使用的预期净累计损失率。加权平均数银行预计2016年和2017年的净累计损失率分别为20.3%和13.4%。这些单独的投入可能导致公允价值的显著增加或减少。预期净累积损失率的增加可大大提高新提供贷款在初始确认时的备用负债的公允价值；相反，预期净累积损失率的减少可大大降低新提供贷款在初始确认时的备用负债的公允价值。当使用贴现 / 公允价值模型确定公允价值时，估值模型中使用的重要输入是用于现值的贴现率，即基于市场利率的预计现金流量。集团亦估计加价幅度为

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续**

**(j) Investor assurance program - continued**

(j)投资者保障计划-继续

looking at several comparable business models. The expected net accumulated loss rate of underlying loans was determined based on the average historical net accumulated loss rate of the Group's products.

看看几种类似的商业模式。基础贷款的预期净累计损失率是根据本集团产品的历史平均净累计损失率确定的。

The asset from investor assurance program is recognized initially at loan inception corresponding to the stand-ready liability recognized, and represents service fees that are collectible by both Shanghai Caiyin and Niwodai Internet. The asset from investor assurance program is accounted for as a financial asset and is measured at fair value at inception, representing the fair value of service fees receivable from the underlying loans that are expected to be used for the estimated payout of the corresponding guarantee liabilities. The Group considers the probable future service fees collectible and takes into account of any expected prepayments and potential loan defaults in estimating its fair value. If the initial fair value of the financial asset is less than the stand-ready guarantee liability arising from new business under the investor assurance program, the shortage is recorded as an expense in "Provision for assets and liabilities from investor assurance program" in the respective period. At each reporting date, the Group estimates the future cash flows and assesses whether there is any indicator of impairment. If the carrying amounts of the asset from investor assurance program exceed the expected cash to be received, an impairment loss is recorded for the asset not recoverable and is reported as part of "provision for assets and liabilities from investor assurance program" in the statements of comprehensive income (loss).

来自投资者保险计划的资产在贷款初始阶段确认，与已确认的备用负债相对应，代表上海财银和牛窝带互联网收取的服务费。来自投资者保险计划的资产作为金融资产入账，并在开始时按公允价值计量，代表预计用于相应担保负债估计支出的应收基础贷款服务费的公允价值。本集团考虑可能收取的未来服务费，并在估算其公允价值时考虑到任何预期的预付款和潜在的贷款违约。如果金融资产的初始公允价值低于根据投资者担保计划开展的新业务产生的随时准备担保负债，则短缺在相应期间的"投资者担保计划资产和负债准备金"中记作费用。在每个报告日期，专家组估计未来现金流量，并评估是否存在任何减值指标。如果投资者保证计划资产的账面金额超过预期收到的现金，则对不可收回的资产记录减值损失，并在综合收入(损失)报表中作为"投资者保证计划资产和负债准备金"的一部分报告。

The investor assurance program also covers the outstanding loans acquired from Niwodai Finance in the 2015 Acquisition, of which the associated guarantee liabilities are separately recorded as "other guarantee liabilities" in the Group's consolidated balance sheet (see Note 1). Service fees collected from all the loans, including loans newly facilitated by the Group and loans related to other guarantee liabilities acquired in the 2015 Acquisition, are utilized to pay out on both liabilities from investor assurance program and other guarantee liabilities. However, service fees collected from all the loans are principally related to new loans facilitated by the Group.

投资者担保方案还涵盖2015年收购期间从 Niwodai Finance 获得的未偿贷款，其中相关的担保负债在集团的综合资产负债表中单独记录为"其他担保负债"(见注1)。从所有贷款收取的服务费，包括该集团新提供的贷款和与2015年收购中获得的其他担保负债有关的贷款，均用于支付投资者担保方案的负债和其他担保负债。然而，所有贷款收取的服务费主要与集团提供的新贷款有关。

As of December 31, 2016 and 2017, the total outstanding loan balances, the maximum potential undiscounted future payments as determined under ASC Topic 460, payable to the investors in relation to the existing loans covered by the investor assurance program, the remaining weighted average contractual term of the underlying loans under the investor assurance program and the expected net accumulated loss rate is presented in the following tables:

截至2016年12月31日和2017年12月31日，未偿还贷款余额总额，根据 ASC 议题460确定的未来最大潜在未贴现付款额，与投资者担保计划所涵盖的现有贷款有关的应付给投资者，投资者担保计划所涵盖的潜在贷款的剩余加权平均数合同期限和预期净累计损失率列于下表：

	Current 目 前 loan products 产品	Other 其 他 online 在 线 standard 标准 loan 贷款 products 产品	Offline and 离线和 non- 非 standard 标准 loan 贷款 products 产 品	Loans 贷款 related to 与... 有关 other 其他 guarantee 保 证 liabilities 负 债
As of December 31, 2016 截至2016年12月31日				
Total outstanding loan balances 未偿还贷款余额总额	561,482	127,827	8,557,093	4,310,600
Maximum potential undiscounted future payments 未来未贴现最大潜在付款额	587,642	135,241	9,858,530	4,818,955

Remaining weighted average contractual term (months)				
合同期剩余加权平均数(个月)	8.9	9.4	28.2	17.5
Expected net accumulated loss rate on outstanding loans				
未偿还贷款的预期净累计损失率	21.8%	12.7%	21.2%	39.0%

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(j) Investor assurance program - continued

(j) 投资者保障计划-继续

As of December 31, 2017 截至2017年12月31日	Current 目前 loan 贷款 products 产 品	Other 其他 online 在线 standard 标 准 loan 贷款 products 产 品	Offline and non-非 standard 标 准 loan 贷款 products 产 品	Loans 贷款 related to 与...有关 other 其他 guarantee 保 证 liabilities 负 债
Total outstanding loan balances 未偿还贷款余额总额	4,413,584	2,198,226	8,063,135	1,460,619
Maximum potential undiscounted future payments 未来未贴现最大潜在付款额	4,629,783	2,281,060	9,033,985	1,548,277
Remaining weighted average contractual term (months) 合同期剩余加权平均数(个月)	8.5	4.8	19.9	7.4
Expected net accumulated loss rate on outstanding loans 未偿还贷款的预期净累计损失率	11.0%	19.0%	19.4%	38.6%

(k) Restricted cash

(k) 限制性现金

Restricted cash primarily represents funds managed by the Group through designated deposit accounts for the investor assurance program. Services fees collected from borrowers are utilized to net payout on both liabilities from investor assurance program and other guarantee liabilities. There is no other use of these funds except for making payments to investors for default loans that are subject to the investor assurance program.

限制性现金主要是集团通过投资者保证计划指定的存款账户管理的资金。从借款人收取的服务费用用于投资者担保计划和其他担保负债的净支付。这些资金没有其他用途，只是用于向投资者支付受投资者保证计划约束的违约贷款。

The balance of restricted cash as of December 31, 2016 and 2017 is comprised of the following:

截至二〇一六年十二月三十一日及二〇一七年十二月三十一日的限用现金结余包括:

	Year ended December 31, 截至十二月三十一日止的一年	
	2016 RMB 人民 币	2017 RMB 人民 币
Restricted cash related to: 与下列有关的限制性现金:		
Investor assurance program 投资者保障计划	382,451	154,742
Others 其他	—	493
Total restricted cash 限制性现金总额	<u>382,451</u>	<u>155,235</u>

The movement of restricted cash related to the investor assurance program, that covers both liabilities from investor assurance program and other guarantee liabilities for the years ended 2016 and 2017 is presented as follows:

与投资者担保方案有关的限制性现金流动情况如下，该方案涵盖2016年和2017年终了年度投资者担保方案的负债和其他担保负债:



	Year ended December 31, 截至十二月三十一日止的一年	
	2016	2017
	RMB 人民币	RMB 人民币
Beginning balance 开始平衡	129,085	382,451
Contribution from borrowers (1) 借款人的供款(1)	1,399,787	2,940,554
Gross payouts related to other guarantee liabilities (2) 与其他担保负债有关的支付总额(二)	(2,049,764)	(1,735,561)
Gross recoveries related to other guarantee liabilities (2) 与其他担保负债有关的追回总额(2)	2049764	1735561
Gross payouts related to liabilities from investor assurance program 与投资者保险计划负债有关的支出总额	1,142,634	436,719
Gross recoveries related to liabilities from investor assurance program 从投资者保证计划追回的负债总额	(758,590)	(2,676,725)
Ending balance 期末余额	<u>519,299</u>	<u>807,304</u>
	<u>382,451</u>	<u>154,742</u>

- (1) Contribution from borrowers represents service fees charged by Shanghai Caiyin on loans that were facilitated by the Group in the period presented.  
借款人出资是指上海财银在本报告所述期间向集团提供的贷款收取的服务费。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(k) Restricted cash - continued

(k) 限制性现金-继续

- (2) Gross payouts related to other guarantee liabilities represents the cash amount paid to investors upon the default of loans in relation to the 2015 Acquisition in the period presented; gross recoveries related to other guarantee liabilities is the cash amount received subsequently from borrowers and service fees recovered in the period presented.  
与其他担保负债有关的支付总额是指在所报期间与2015年购置有关的贷款违约时支付给投资者的现金数额；与其他担保负债有关的收回总额是指随后从借款人收到的现金数额和在所报期间收回的服务费。

(l) Property and equipment

(l) 财产和设备

Property and equipment is generally stated at historical cost and depreciated on a straight-line basis over the estimated useful lives of the assets. Depreciation and amortization expense of long-lived assets is included in either origination and servicing expenses, selling and marketing expenses, general and administrative expenses, or research and development expenses as appropriate. Property and equipment consist of the following and depreciation is calculated on a straight-line basis over the following estimated useful lives:

财产和设备一般按历史成本列报，并在资产估计使用年限内按直线折旧。长期资产的折旧和摊销费用包括起始和服务费用、销售和营销费用、一般和管理费用，或者研究和开发费用。财产和设备包括以下部分，折旧按以下估计使用年限按直线法计算：

Category 类别	Estimated useful life 估计使用寿命
Electronic equipment 电子设备	3 years 3年
Office equipment & Furniture 办公室设备及家具	5 years 5年
Motor vehicles 汽车	4 years 4年
Leasehold improvement 租赁权益改善	Shorter of the lease term or expected useful life 租赁期限或预期使用年限中的较短者
Software 软件	10 years 10年

(m) Value-added taxes ("VAT")

(m) 增值税

The Group is subject to VAT at the rate of 6% given that they are classified as a general tax payer. VAT is reported as a deduction to revenue when incurred and amounted to RMB 139,075 and RMB 273,785 for the years ended December 31, 2016 and 2017, respectively. Entities that are VAT general taxpayers are allowed to offset qualified input VAT paid to suppliers against their output VAT liabilities. Net VAT balance between input VAT and output VAT is recorded in the line item of accrued expense and other current liabilities on the face of balance sheet.

本集团属于一般纳税人，须缴纳6%的增值税。在截至2016年12月31日和2017年12月31日的年度，增值税分别作为已发生和达到139,075元人民币和273,785元人民币的收入扣除申报。属于增值税普通纳税人的单位，可以从其产生的增值税负债中抵扣支付给供应商的符合条件的进项税额。进项增值税与出项增值税之间的净增值税差额记入资产负债表表面的应计费用项目和其他流动负债项目。

(n) Share-based compensation

(n) 按股份计算的薪酬

Share-based payment transactions with employees are measured based on the grant date fair value of the equity instrument issued and recognized as compensation expense on a graded vesting basis, over the requisite service period, with a corresponding impact reflected in additional paid-in

capital.

与雇员进行的以股份为基础的交易是根据在必要的服务期间内按分级归属权确认的股本工具的授予日公允价值计量的，相应的影响反映在额外实收资本中。

The expected term represents the period that share-based awards are expected to be outstanding, giving consideration to the contractual terms of the share-based awards, vesting schedules and expectations of future employee exercise behavior. Volatility is estimated based on annualized standard deviation of daily stock price return of comparable companies for the period before valuation date and with similar span as the expected expiration term. The Group accounts for forfeitures of the share-based awards when they occur. Previously recognized compensation cost for the awards is reversed in the period that the award is forfeited. Amortization of share-based compensation is presented in the same line item in the consolidated statements of comprehensive income (loss) as the cash compensation of those employees receiving the award.

预期期限是指预期以股份为基础的奖励将会出现的时期，同时考虑到以股份为基础的奖励的合同条款、归属表和对未来员工行为的预期。波动性是根据估值日期之前可比公司每日股价回报率的年化标准差估计的，其跨度与预期到期时间相似。本集团对发生的股份奖励的没收负责。先前确认的裁定赔偿费用在没收裁定赔偿金期间予以撤销。综合收入(损失)合并报表同一细列项目列报按股份计算的报酬摊销额，作为领取赔偿金的雇员的现金报酬。

Modifications of the terms or conditions of the awards are treated as an exchange of the original awards for new awards. Incremental compensation cost is measured and recognized as the excess, if any, of the fair value of the modified award over the fair value of the original award immediately before the terms are modified.

对裁定赔偿金条款或条件的修改被视为以原裁定赔偿金交换新裁定赔偿金。增量补偿费用是在条款修改之前计量并确认为修改后的裁定额的公允价值超过原裁定额的公允价值的部分(如有的话)。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(n) Share-based compensation - continued

(n)按股份计算的薪酬—续

In March 2016, the FASB issued ASU 2016-09 Compensation—Stock Compensation (Topic 718): Improvements to Employee Share Based Payment Accounting, which among other items, provides an accounting policy election to account for forfeitures as they occur, rather than to account for them based on an estimate of expected forfeitures. The ASU takes effect for public business entities for annual periods beginning after December 15, 2016, and interim periods within those annual periods. The Group adopted this ASU and has elected to account for forfeitures as they occur and applied it retrospectively for the year ended December 31, 2016.

2016年3月，美国财务会计准则委员会(FASB)发布了2016-09年度 ASU 薪酬—股票补偿(议题718)：改进基于员工股份的支付会计，其中提供了一个会计政策选择，以记录发生的没收，而不是基于预期没收的估计。自2016年12月15日起，美国公共事业单位对公共事业单位实行年度管理，并在这些年度管理期内实行过渡管理。专家组通过了这一机构单位，并选择对发生的没收行为负责，并追溯到2016年12月31日终了的年度。

(o) Revenue Recognition

(十五)收入确认

*Before adoption of ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)"*

在采用 ASU 2014-09之前，“客户合同收入(专题606)”

The Group provides services mainly as an online marketplace connecting investors with borrowers. The Group provides three services for loans facilitated on its platform: loan facilitation service, post-origination service (e.g. cash processing and collection services) and guarantee service.

集团主要提供网上服务，将投资者与借款人联系起来。集团在其平台上提供三项贷款服务：贷款促进服务、贷款后处理服务(例如现金处理及收款服务)及担保服务。

The Group's platform enables investors to directly invest in loans that can be selected, at the investors' discretion, from hundreds of new lending opportunities to pre-approved borrowers that are posted on the Group's marketplace every day. Investors also have the option to use the automated investment programs whereby the funds are automatically allocated among pre-approved borrowers. The automated investment programs automatically reinvests investors' funds as soon as a loan is repaid, enabling the investors to accelerate the reinvestment of cash flows without having to continually revisit the Group's mobile application.

集团的平台让投资者可直接投资于每天张贴在集团市场上的贷款项目，这些贷款项目可由投资者自行选择，从数以百计的新贷款机会，到事先获得批准的借款人。投资者还可以选择使用自动化投资程序，根据该程序，资金将自动分配给事先批准的借款人。自动化投资程序在贷款偿还后立即自动对投资者的资金进行再投资，使投资者能够加快现金流的再投资，而无需不断重新审查集团的移动应用程序。

Historically, the Group has typically charged a portion of service fees at loan origination with the remaining service fees collected on a monthly basis, which are payable by the borrowers for all services provided. The upfront fees are due when the underlying loan is successfully facilitated, and monthly fees are due on the same day when the monthly repayment of principal and interest is due. The upfront fees collected were RMB 2,005,600 and RMB 2,870,316 during the years ended December 31, 2016 and 2017, respectively. The Group has stopped charging upfront service fees to comply with the new regulatory requirements since February 2018 for all loans facilitated through its online marketplace. The Group also charges service fees to investors for using the automated investment programs which equal to a certain percentage of the actual return in excess of the expected rate of return from the investments, payable at the end of the investment period. No application fee is charged to borrowers or investors. For certain loan products, borrowers have the option of early repayment and upon termination they do not have the obligation to pay the remaining monthly service fees to the Group.

一直以来，集团在贷款时一般会收取部分服务费，其余服务费则按月收取，借款人须就所提供的服务缴付。前期费用在成功协助相关贷款时到期，每月费用在每月本金和利息到期的当天到期。在截至二〇一六年十二月三十一日及二〇一七年收取的前期费用分别为2,005,600元及2,870,316元。自二〇一八年二月起，集团已停止就所有透过其网上市场发放的贷款收取预付服务费，以符合新的监管要求。本集团还向使用自动化投资程序的投资者收取服务费，这些费用相当于超出投资预期回报率的实际回报率的一定百分比，应在投资期结束时支付。申请人或投资者无须缴付申请费用。对于某些贷款产品，借款人可选择提前还款，在终止贷款时，他们没有义务向本集团支付剩余的每月服务费。

In order to be more competitive by providing a certain level of assurance to the investors, the Group maintains an investor assurance program for the benefit of the investors using its marketplace. In the event of borrowers' default, marketplace investors are entitled to receive unpaid interest

and principal under the terms of the investor assurance program. The Group, through its consolidated VIE entity, Shanghai Caiyin, is obligated to make the payment to the investors to the extent that the funds under the investor assurance program are available. In the event of insufficient funds, the Group is required to make payments to investors as soon as the funding is replenished from future collections of service fees. Given that the Group effectively takes on all of the credit risk of the borrowers and is compensated by the service fee charged, the Group deems the guarantee as a service and recognizes a stand-ready obligation for its guarantee exposure in accordance with ASC Topic 460, Guarantees (see accounting policy for investor assurance program).

为了通过向投资者提供一定程度的保证来提高竞争力，本集团为使用其市场的投资者设立了一个投资者保证计划。在借款人违约的情况下，市场投资者有权根据投资者保证计划的条款获得未支付的利息和本金。通过合并后的 VIE 实体上海财银，集团有义务在投资者担保计划资金允许的范围内向投资者支付款项。在资金不足的情况下，一旦资金从未来收取的服务费中得到补充，本集团必须尽快向投资者支付款项。鉴于本集团实际上承担了借款人的所有信贷风险，并收取服务费作为补偿，本集团认为担保是一种服务，并承认根据 ASC 议题460"担保"(见投资者担保方案的会计政策)，本集团对其担保风险负有随时承担的义务。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(o) Revenue Recognition - continued

(十五)收入确认—继续

*Multiple element revenue recognition*

多要素收入确认

For each loan facilitated on the platform, the Group considers the loan facilitation service and post-origination service as a multiple deliverable revenue arrangement under ASC 605. The Group has concluded that although it does not sell those services independently, the deliverables have standalone value as others do sell them independently in the market and they have value to the customer independently.

对于在该平台促成的每笔贷款，集团认为贷款促进服务和贷款后服务是ASC 605下的一项多重交付成果的收入安排。专家组的结论是，虽然专家组没有独立销售这些服务，但这些服务具有独立价值，因为其他公司确实在市场上独立销售这些服务，而且这些服务对客户具有独立价值。

Guarantee service is accounted for in accordance with ASC Topic 460, Guarantees. The Group allocates the service fees collected consistent with the guidance in ASC 605-25. It first allocates the amount equal to the fair value of the stand-ready liability from the investor assurance program. Then the remaining fees are allocated to the loan facilitation services and post-origination services using their relative estimated selling prices.

担保服务按美国证券交易委员会议题460，担保书核算。本集团将根据ASC 605-25的指南分配所收取的服务费用。它首先分配的数额等于公平价值的备用负债从投资者保证计划。然后，余下的费用将用于贷款促进服务和贷款后服务，使用其相对估计销售价格。

The Group does not have vendor specific objective evidence (“VSOE”) of selling price for the loan facilitation services or post-origination services because it does not provide loan facilitation services or post-origination services separately. Although other vendors may sell these services separately, third-party evidence (“TPE”) of selling price of the loan facilitation services and post origination services do not exist as public information is not available regarding the amount of fees our competitors may charge for those services. As a result, the Group generally uses its best estimate of selling prices of loan facilitation services and post origination services as the basis of revenue allocation. In estimating the selling price for the loan facilitation services and post origination services, the Group considers the cost incurred to deliver such services, profit margin for similar arrangements, market demand, effect of competition on its services, and other market factors.

由于集团没有单独提供贷款促进服务或贷款后服务，因此集团没有供应商指定的客观证据证明贷款促进服务或贷款后服务的售价。虽然其他供应商可以单独出售这些服务，但是没有第三方证据证明贷款促进服务和贷款后服务的销售价格，因为没有公开信息说明我们的竞争对手可能对这些服务收取多少费用。因此，集团一般以贷款促进服务及贷款后服务的最佳估计售价作为收入分配的基础。在估算贷款促进服务及批出贷款后服务的售价时，本集团会考虑提供有关服务的成本、类似安排的利润率、市场需求、竞争对其服务的影响，以及其他市场因素。

For each type of service, the Group recognizes revenues when the following four revenue recognition criteria are met for each revenue type: (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred or services have been rendered, (iii) the selling price is fixed or determinable, and (iv) collectability is reasonably assured.

对于每一类服务，当每一类收入符合下列四项收入确认标准时，本集团即确认收入：(一)存在有说服力的安排证据，(二)已交付或已提供服务，(三)销售价格固定或可确定，以及(四)可收取性得到合理保证。

Although the Group provides loan facilitation service at loan inception and provides guarantee service and post-origination service during the term of the loan, the service fees are contingent upon the delivery of post-origination service, which is provided monthly during the term of the loan, and actual repayment from the borrowers, thus, the revenue related to the service fees is not considered fixed and determinable until the contingency (i.e., the borrower’s repayment) has been resolved. Accordingly the Group recognizes revenue upon collection of service fees, net of value-added tax (“VAT”). Monthly service fees allocated to either facilitation or post-origination services are not recognized until the fees are collected in accordance with ASC 605-25, when the amount is no longer contingency on delivery of post-origination services.

虽然本集团在贷款开始时提供贷款便利服务，并在贷款期内提供担保服务及贷款后服务，但服务费须视乎贷款期内每月提供的贷款后服务，以及借款人的实际还款额而定，因此服务费收入在有关意外事故(即借款人的还款)解决前，并不视为固定及可确定。因此，本集团确认收入的服务费收取，净增值税(“增值税”)。每月服务费，无论是拨予促进服务或批出服务合约后的服务，均不会获得确认，直至有关服务费用按照《建筑物能源效益守则》第605-25号收取，而有关金额不再是批出服务后的意外开支。

*Revenue from loan facilitation services*

贷款促进服务的收入

The Group recognizes revenues on loan facilitation services when the loan facilitation service is completed (i.e., at the time a loan is originated between the investor and the borrower and the principal loan balance is transferred to the borrower), and the cash allocated to it is received. For upfront fees that are partially refundable to the borrowers, the Group estimated the refund based on historical loan performance including early repayment rate and average loan months, and recorded a corresponding refund liabilities upon receiving upfront fees.

本集团在贷款促进服务完成时(即在投资者与借款人之间发放贷款并将本金贷款余额转移给借款人时)确认贷款促进服务的收入,并收到分配给它的现金。至于可获部分退还原借款人的预缴费用,本集团根据过往的贷款表现(包括提早还款率及平均贷款月数)估计退还金额,并在收取预缴费用后记录相应的退款负债。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(o) Revenue Recognition - continued

(十五)收入确认—继续

Revenue from post-origination services

订立服务后的收入

The fee collected upfront allocated to post-origination services are deferred and recognized over the period of the loan on a straight line basis when the underlying services are delivered. The Group recorded such deferred fees as deferred revenue, and presented it as accrued expenses and other current liabilities on its consolidated balance sheet. The fees collected from monthly installments allocated to post-origination services are recognized upon collection.

先期收取的费用会延迟计算，并在贷款期内，在提供相关服务时以直线方式确认。该集团将这些递延费用记作递延收入，并将其作为应计费用和其他流动负债列入其合并资产负债表。透过每月分期付款所收取的费用会在收取时确认。

Other revenue

其他收入

Service fees derived from investors using the automated investment programs are recorded in other revenue. It represents the fees paid by the investors when the actual rate of return exceeds the expected rate of return stated in the investment program agreement and recognized as revenue upon maturity of this investment program when the amount becomes fixed and determinable. The revenue of service fee recognized for the years ended December 31, 2016 and 2017 was RMB 9,600 and RMB 144,466, respectively.

使用自动化投资程序的投资者所产生的服务费用记入其他收入。指投资者在实际收益率超过投资计划协议中规定的预期收益率时所支付的费用，当收益额变为固定且可确定时，确认为本投资计划到期时的收入。截至二〇一六年十二月三十一日及二〇一七年十二月三十一日止年度的服务费收入分别为九千六百元及十四万四千四百六十六元。

Other revenue also includes revenue from guarantee services recognized at the expiry of the guarantee term (see Note 6), penalty fees for loan prepayment and late payment, and service fee for transferring loans between investors on the Group's platform. The penalty fees, which are fees paid to the Group, will be received as a certain percentage of past due amounts in the case of late payments or a certain percentage of interest over the prepaid principal loan amount in the case of prepayment. Penalty fees are recognized when the underlying event occurs and the fees are collected. The service fees for transferring loans between investors are recognized when the transfer is completed and service fees are collected from the investors.

其他收入还包括在担保期届满时确认的担保服务收入(见注6)、提前还款和逾期还款的罚款，以及在集团平台上在投资者之间转移贷款的服务费。罚款是支付给本集团的费用，如果逾期付款，将按过期应付金额的一定百分比收取，如果预付，则按预付本金的一定百分比收取。罚款费用在相关事件发生并收取罚款时确认。投资者之间转移贷款的服务费在转移完成并向投资者收取服务费时确认。

The revenue by type of service is as follows:

按服务类别划分的收入如下:

	Year ended December 31, 截至十二月三十一日止的一年	
	2016	2017
	RMB 人民币	RMB 人民币
Loan facilitation services 贷款促进服务	45,449	1,293,982
Post-origination services 订立贷款后服务	664	86,382
Other revenue 其他收入	16,654	273,317
Total 合计	<u>62,767</u>	<u>1,653,681</u>



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(o) Revenue Recognition - continued

(十五)收入确认—继续

*Incentives to investors*

对投资者的激励

To expand its market presence, the Group provides incentives to investors in a variety of forms that either reduces the amount of investment required to purchase financial products or entitles them to receive higher interest rates in the products they purchase. Such incentives are accounted for as a reduction of revenue in accordance with subtopic ASC 605-50.

为了扩大市场占有率，本集团以多种形式向投资者提供激励措施，以减少购买金融产品所需的投资额，或使投资者有权获得更高的产品利率。根据 ASC 605-50分专题，这些奖励被视为收入减少。

	Year ended December 31, 截至十二月三十一日止的一年	
	2016	2017
	RMB 人民币	RMB 人民币
Incentives paid to: 给予以下人员的奖励:		
New investors 新投资者	61,049	69,150
Returning investors 回归投资者	49,490	100,000
Total incentives paid to investors 支付给投资者的奖励总额	<u>110,539</u>	<u>169,150</u>

*After adoption of ASU 2014-09, "Revenue from Contracts with Customers" (Topic 606)" with full retrospective method*

采用了 ASU 2014-09"客户合同收入"(专题606)全回溯法

The Group has adopted ASU 2014-09, Revenue from Contracts with Customers (Topic 606) and all subsequent ASUs that modified ASC 606 on January 1, 2018 using the full retrospective method which requires the Group to present its financial statements for all periods as if Topic 606 had been applied to all prior periods.

专家组采用了2014-09年度 ASU、与客户的合同收入(议题606)以及后来所有 ASC 606于2018年1月1日采用完全追溯方法修改的 ASC 606，该方法要求专家组提交所有期间的财务报表，就像议题606适用于以往所有期间一样。

The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, the Group applies the following steps:

指导意见的核心原则是，一个实体应确认收入，以反映向客户转让所承诺的货物或服务的数额，其数额应反映该实体期望为这些货物或服务获得的对价。为实现这一核心原则，专家组采取以下步骤：

- Step 1: Identify the contract (s) with a customer  
步骤1: 与客户确定合同
- Step 2: Identify the performance obligations in the contract  
第二步: 确定合同中的履约义务
- Step 3: Determine the transaction price  
第三步: 确定交易价格
- Step 4: Allocate the transaction price to the performance obligations in the contract  
步骤4: 将交易价格分配给合同中的履约义务
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation  
步骤5: 当(或作为)实体满足履约义务时确认收入

The Group determines that both the investors and the borrowers are its customers. The Group assesses ability and intention to pay the service fees of both borrowers and investors when they become due and determines if the collection of the service fees is probable, based on historical experiences as well as the credit due diligence performed on each borrower prior to loan origination. The Group considers the loan facilitation service, guarantee service and post-origination service as three separate services, of which, the guarantee service is accounted for in accordance with ASC Topic 460, Guarantees. While the post-origination service is within the scope of ASC Topic 860, the ASC Topic 606 revenue recognition model is applied due to the lack of definitive guidance in ASC Topic 860. The loan facilitation service and post-origination service are two separate performance obligations under ASC 606, as these two deliverables are distinct in that customers can benefit from each service on its own and the Group's promises to deliver the services are separately identifiable from each other in the contract.

本集团确定投资者及借款人均为其客户。该小组根据历史经验以及贷款发放前对每个借款人进行的信贷尽职调查，评估借款人和投资者在到期时支付服务费的能力和意愿，并确定是否有可能收取服务费。本集团认为贷款促进服务、担保服务及贷款后服务是三项独立的服务，其中担保服务按 ASC 议题460「担保」计算。虽然贷款后服务属于 ASC 主题860的范围，但由于 ASC 主题860缺乏明确的指导，因此应用 ASC 主题606收入确认模型。贷款促进服务和贷款后服务是 ASC 606项目下的两项不同的服务责任，因为这两项服务是不同的，客户可以自行受惠于每项服务，而集团提供服务的承诺在合约中亦分别列明。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(o) Revenue Recognition - continued

(十五)收入确认—继续

*Incentives to investors* - continued

对投资者的激励措施-持续

The Group determines the total transaction price to be the service fees chargeable from the borrowers, net of value-added tax. The Group's transaction price includes variable consideration in the form of prepayment risk of the borrowers. The Group reflects in the transaction price the borrower's prepayment risk and estimates variable consideration for these contracts using the expected value approach on the basis of historical information and current trends of the repayment percentage of the borrowers. The transaction price is allocated amongst the guarantee service, if any, and two performance obligations.

本集团确定的总交易价格为向借款人收取的服务费、增值税净额。本集团之成交价格包括可变对价，即借款人之提前还款风险。小组在交易价格中反映借款人的提前还款风险，并根据历史资料和借款人还款百分比的当前趋势，采用预期价值法估计这些合同的可变对价。交易价格在担保服务(如果有的话)和两个履约义务之间进行分配。

The Group first allocates the transaction price to the guarantee liabilities, if any, in accordance with ASC Topic 460, Guarantees which requires the guarantee to be measured initially at fair value based on the stand-ready obligation. Then the remaining considerations are allocated to the loan facilitation services and post-origination services using their relative standalone selling prices consistent with the guidance in ASC 606. The Group does not have observable standalone selling price information for the loan facilitation services or post-origination services because it does not provide loan facilitation services or post-origination services on a standalone basis. There is no direct observable standalone selling price for similar services in the market reasonably available to the Group. As a result, the estimation of standalone selling price involves significant judgment. The Group uses expected cost plus margin approach to estimate the standalone selling prices of loan facilitation services and post-origination services as the basis of revenue allocation. In estimating its standalone selling price for the loan facilitation services and post-origination services, the Group considers the cost incurred to deliver such services, profit margin for similar arrangements, customer demand, effect of competitors on the Group's services, and other market factors.

本集团首先根据 ASC 议题460(担保)将交易价格分配给担保责任(如果有的话)，该议题要求担保最初以公允价值计量，基于随时准备的义务。然后，其余的考虑分配给贷款促进服务和贷款后服务，使用其相对独立销售价格符合 ASC 606的指导。由于集团没有独立提供贷款促进服务或贷款后服务，因此没有可见的贷款促进服务或贷款后服务的独立售价资料。本集团在市场上合理地获得类似服务，但没有直接观察到的独立销售价格。因此，估计独立销售价格涉及重大的判断。集团采用预期成本加利润的方法，估计贷款促进服务及贷款后服务的独立销售价格，作为分配收入的基础。在估算贷款促进服务及贷款后服务的独立销售价格时，本集团会考虑提供这些服务的成本、类似安排的利润率、客户需求、竞争对手对本集团服务的影响，以及其他市场因素。

For each type of service, the Group recognizes revenue when (or as) the entity satisfies the service/ performance obligation by transferring the promised service (that is, an asset) to customers based on the underlying contract terms excluding consideration of impairment of contract assets or accounts receivable. Revenues from loan facilitation services are recognized at the time a loan is originated between the investor and the borrower and the principal loan balance is transferred to the borrower, at which time the facilitation service is considered completed. Revenues from post-origination services are recognized evenly over the term of the underlying loans as the post-origination services are a series of distinct services that are substantially the same and that have the same pattern of transfer to the investors. Revenues from guarantee services are recognized at the expiry of the guarantee term.

对于每一类服务，本集团确认收入时(或作为)实体满足服务 / 履行义务，将承诺的服务(即资产)转让给客户的基础合同条款，不包括对合同资产或应收帐款减值的考虑。贷款促进服务的收入在投资者与借款人之间发放贷款时确认，贷款本金余额转移给借款人，此时促进服务即被视为完成。由于贷款后服务是一系列实质上相同且向投资者转移模式相同的独特服务，因此贷款后服务的收入在贷款期内均匀确认。担保服务收入在担保期满时确认。

For upfront fees that are partially refundable to the borrowers, the Group estimated the refund based on historical prepayment rate and recorded a corresponding refund liabilities upon receiving such fees.

对于部分退还借款人的预付费，本集团根据以往的预付费率估算退款额，并在收到这些费用时记录相应的退款负债。

*Other revenue*

其他收入

Under ASC 606, service fees derived from investors using the automated investment programs are initially estimated based on historical experience of returns on similar investment products and current trends. The service fees are recognized on a straight-line basis over the term of

the investment period. The service fees related to the automated investment programs are due at the end of the investment period. The investment period refers to the period of time when the investments are matched with loans and are generating returns for the investors. The Group records service fees only when it becomes probable that a significant reversal in the amount of cumulative revenue will not occur. The revenue of service fee recognized under ASC 606 for the years ended December 31, 2016 and 2017 was RMB 64,187 and RMB 156,563, respectively. The

根据 ASC 606，从使用自动化投资程序的投资者获得的服务费用最初是根据类似投资产品的历史回报和当前趋势估算的。服务费在投资期内按直线法确认。与自动化投资项目有关的服务费应在投资期结束时缴纳。投资期是指投资与贷款相匹配并为投资者产生回报的时期。只有在累积收入数额很可能不会出现重大逆转时，本集团才记录服务费。截至二〇一六年十二月三十一日及二〇一七年十二月三十一日止的年度，根据 ASC 606确认的服务费收入分别为人民币64,187元及156,563元。这个

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(o) Revenue Recognition - continued

(十五)收入确认—继续

Other revenue - continued

其他收入-继续

weighted average investment period was 8.5 months and 8.7 months for the years ended December 31, 2016 and 2017, respectively. 截至2016年12月31日及2017年12月31日止的财政年度，加权平均数投资期分别为8.5个月及8.7个月。

Other revenue also includes revenue from guarantee services recognized at the expiry of the guarantee term (see Note 5), penalty fees for loan prepayment and late payment, and service fee for transferring loans between investors on the Group's platform. Under ASC 606, penalty fees are contingency-based variable considerations and constrained by the occurrence of delinquency or prepayment. They are recognized when the uncertainty associated with the variability is resolved, that is, when the underlying event occurs and the fees are collected. The service fees for transferring loans between investors are recognized when the transfer is completed and service fees are collected from the investors.

其他收入还包括在担保期届满时确认的担保服务收入(见注5)、提前还款和逾期还款的罚款，以及在集团平台上在投资者之间转移贷款的服务费。根据 ASC 606，罚款费用是基于可变因素的考虑，并受到拖欠或预付的限制。当与可变性相关的不确定性得到解决时，也就是当潜在事件发生并收取费用时，就可以认识到这些问题。投资者之间转移贷款的服务费在转移完成并向投资者收取服务费时确认。

The following table illustrates the disaggregation of revenue by product the Group offered in 2016 and 2017 respectively:

下表显示集团2016年和2017年按产品分列的收入：

For the year ended December 31, 2016 截至二〇一六年十二月三十一日的财政年度	Loan facilitation 促进贷款 services 服务	Post-origination 订立后 services 服务	Other revenues 其他收入	Total 合 计 RMB 人 民币
	RMB 人民币	RMB 人民币	RMB 人民币	RMB 人 民币
Current loan products 目前的贷款产品	18,761	116	36	18,913
Other online standard loan products 其他网上标准贷款产品	11,812	169	1,446	13,427
Offline and non-standard loan products 离线和非标准贷款产品	477,574	6,548	178	484,300
Other services 其他服务	—	—	74,458	74,458
Total 合计	<u>508,147</u>	<u>6,833</u>	<u>76,118</u>	<u>591,098</u>
For the year ended December 31, 2017 截至二〇一七年十二月三十一日的财政年度	Loan facilitation 促进贷款 services 服务	Post-origination 订立后 services 服务	Other revenues 其他收入	Total 合 计 RMB 人 民币
	RMB 人民币	RMB 人民币	RMB 人民币	RMB 人 民币
Current loan products 目前的贷款产品	678,003	21,067	15,330	714,400
Other online standard loan products 其他网上标准贷款产品	637,860	60,070	80,225	778,155
Offline and non-standard loan products 离线和非标准贷款产品	540,721	44,301	722	585,744
Other services 其他服务	—	—	172,551	172,551
Total 合计	<u>1,856,584</u>	<u>125,438</u>	<u>268,828</u>	<u>2,250,850</u>



*Incentives to investors*

对投资者的激励

To expand its market presence, the Group provides incentives to investors in a form that either reduces the amount of investment required to purchase financial products or entitles them to receive higher interest rates in the products they purchase. Such incentives are accounted for as a reduction of revenue in accordance with ASC 606.

为扩大市场占有率，本集团向投资者提供奖励措施，以减少购买金融产品所需的投资额，或使投资者在购买的产品中获得较高的利率。根据 ASC 606，这些奖励被视为收入减少。

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续**

**(o) Revenue Recognition - continued**

**(十五)收入确认—继续**

*Contract assets, net*

合约资产净值

Contract assets represent the Group's right to consideration in exchange for services that the Company has transferred to the customer before payment is due. Since the Group's right to monthly fees is conditional on whether or not the borrowers repay in advance, the Group records a corresponding contract asset for the monthly service fees allocated to loan facilitation service and post-origination service that have already been delivered in relation to loans facilitated on the Group's platform when recognizing revenue from loan facilitation service and post-origination service. In addition, the Group's right to the consideration for the service fee derived from automated investment programs is conditional on the actual return of the investment; therefore, a corresponding contract asset is recorded when the revenue of service fee is recognized. No accounts receivable is recorded since the Group does not have unconditional right to the consideration if the borrowers choose to early terminate and are not obligated to pay the remaining service fees.

合同资产代表本集团在付款到期前向客户转让的服务，以换取本集团的对价权。由于集团每月收取费用的权利取决于借款人是否提前还款，因此集团在确认贷款促进服务及贷款后服务的收入时，会将已在集团平台提供的贷款所涉及的每月服务费，记录在相应的合约资产内，以供分配予贷款促进服务及贷款后服务。此外，本集团获得自动化投资方案所得服务费代价的权利取决于投资的实际回报；因此，在确认服务费收入时记录相应的合同资产。由于如果借款人选择提前终止借款，并且没有义务支付剩余的服务费用，本集团没有无条件权利获得应收帐款。

Contract assets are stated at the historical carrying amount net of write-off and allowance for collectability in accordance with ASC Topic 310. The Group established an allowance for uncollectible contract assets based on estimates, historical experience and other factors surrounding the credit risk of specific customers which is essentially the expected net accumulated loss rates used in determining the fair value of guarantee liabilities under each product type. The profile of the borrowers are similar under each product; therefore, the Group applies a consistent credit risk management framework to the entire portfolio of borrowers under each product. For individual customers where there is an observable indicator of impairment such as fraud, a specific allowance is provided. The Group evaluates and adjusts its allowance for uncollectible contract assets on a quarterly basis or more often as necessary. Uncollectible contract assets are written off when the consideration entitled by the Group is due and a settlement is reached for an amount that is less than the outstanding historical balance or when the Group has determined the balance will not be collected. Contract assets are identified as uncollectible if the amount remains outstanding for 90 calendar days past due after the maturity of the underlying loan contract term, and no other factor evidences the possibility of collecting the delinquent amounts. Hence, the Group determined to write off corresponding contract assets and provisions for contract assets 90 calendar days after the last payment due date of the underlying loan contract terms. The Company recognizes contract assets only to the extent that the Group believes it is probable that they will collect substantially all of the consideration to which it will be entitled in exchange for the services transferred to the customer.

根据 ASC 议题310，合同资产按历史账面净值(核销)和可收回备抵列报。小组根据估计数、历史经验和围绕特定客户信用风险的其他因素，确定了无法收回的合同资产备抵，这种风险基本上是确定每一产品类别担保负债公允价值时使用的预期累计净损失率。每个产品的借款人情况相似；因此，小组对每个产品的整个借款人组合适用一致的信贷风险管理框架。对于存在欺诈等可观察到的减值指标的个人客户，将提供具体的津贴。本集团每季度或根据需要更经常地评估和调整无法收回的合同资产备抵。无法收回的合同资产在本集团有权支付的对价到期、结算金额低于未清历史余额或本集团已确定余额无法收回时注销。如果合同资产在相关贷款合同期限到期后90个日历日内仍未收回，而且没有其他因素证明有可能收回拖欠金额，则确定合同资产为无法收回。因此，本集团决定在相关贷款合同条款最后到期日后90个日历日注销相应的合同资产和合同资产条款。本公司确认合同资产的唯一条件是，本集团认为，本公司有可能收回其有权获得的大部分报酬，以换取向客户提供的服务。

The Group's contract assets as of December 31, 2016 and 2017 are as follows:

截至二〇一六年十二月三十一日及二〇一七年十二月三十一日，集团的合约资产如下：

As of December 31, 2016 截至2016年12月31日	Contract 合约 assets 资产	Allowance for 免税额 uncollectible 无法收集的 contract assets 合同资产	Contract assets, 合同资产, net 网
	RMB 人 民币	RMB 人民 币	RMB 人民 币
Current loan products 目前的贷款产品	23,140	(5,633)	17,507

Other online standard loan products 其他网上标准贷款产品	14,032	(2,456 2456)	11,576
Offline and non-standard loan products 离线和非标准贷款产品	462,295	(117,826)	344,469
Other services 其他服务	<u>21,134</u>	<u>—</u>	<u>21,134</u>
Total 合计	<u>520,601</u>	<u>(125,915 125,915)</u>	<u>394,686</u>

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(o) Revenue Recognition - continued

(十五)收入确认—继续

Contract assets, net - continued

合约资产，净继续

As of December 31, 2017 截至2017年12月31日	Contract 合 assets 资产 RMB 人民 币	Allowance for 免税额 uncollectible 无法收集的 contract assets 合同资产 RMB 人民币	Contract assets, 合同资产, net 网 RMB 人民币
Current loan products 目前的贷款产品	352,981	(50,002) (50,002))	302,979
Other online standard loan products 其他网上标准贷款产品	166,873	(46,415)	120,458
Offline and non-standard loan products 离线和非标准贷款产品	528,205	(158,851) (158,851))	369,354
Other services 其他服务	6,500 6500	—	6,500 6500
Total 合计	<u>1,054,559</u>	<u>(255,268) 255,268)</u>	<u>799,291</u>

The movement of contract assets for the years ended December 31, 2016 and 2017 are as follows:

截至二〇一六年十二月三十一日及二〇一七年的合约资产变动情况如下:

	Opening 开 放 balance as of 余额 January 1, 一月一日 2016 RMB 人民 币	Addition in 加入 the current 水流 year 年 RMB 人民 币	Collection in 收集 the current 水流 year 年 RMB 人民 币	Write off in 注销 the current 水流 year 年 RMB 人民 币	Ending 结束 balance as of 余额 December 31, 十二月三十 一日 2016 RMB 人民币
Current loan products 目前的贷款产品	4,286	18,877	(23)	—	23,140
Other online standard loan products 其他网上标准贷款产品	2,726	11,981	(675)	—	14,032
Offline and non-standard loan products 离线和非标准贷款产品	7	484,122	(21,834) 21,834)	—	462,295
Other services 其他服务	3,164	74,458	(56,488)	—	21,134
Total 合计	<u>10,183</u>	<u>589,438</u>	<u>(79,020)</u>	<u>—</u>	<u>520,601</u>

	Opening 开 放 balance as of 余额 January 1, 一月一日 2017	Addition in 加入 the current 水流 year 年	Collection in 收集 the current 水流 year 年	Write off in 注销 the current 水流 year 年	Ending 结束 balance as of 余额 December 31, 十二月三十 一日 2017
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	RMB 人民币	RMB 人民币	RMB 人民币	RMB 人民币	RMB 人民币
Current loan products					
目前的贷款产品	23,140	699,070	(369,229)	—	352,981
Other online standard loan products					
其他网上标准贷款产品	14,032	697,930	(543,556)	(1,533)	166,873
Offline and non-standard loan products			(519,055)		
离线和非标准贷款产品	462,295	585,022	(519,055)	(57)	528,205
Other services					6,500
其他服务	<u>21,134</u>	<u>172,551</u>	<u>(187,185)</u>	<u>—</u>	<u>6500</u>
Total			(1,619,025)	(1,590)	
合计	<u>520,601</u>	<u>2,154,573</u>	<u>1619025</u>	<u>1590</u>	<u>1,054,559</u>

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(o) Revenue Recognition - continued

(十五)收入确认—继续

Contract assets, net - continued

合约资产，净继续

The movement of allowance for uncollectible contract assets for the years ended December 31, 2016 and 2017 are as follows:  
截至2016年12月31日和2017年12月31日的年度无法收回的合同资产备抵的变动情况如下：

	As of 截至 January 1, 一月一日 2016 RMB 人 民币	Current 目 前 period net 周期净额 provision 条款 RMB 人 民币	Current 目前 period 时期 write-off 注销 RMB 人民币	As of 截至 December 31, 十二月三十 一日 2016 RMB 人民币
Current loan products				
目前的贷款产品	—	(5,633)	—	(5,633)
Other online standard loan products		(2,456)		(2,456)
其他网上标准贷款产品	—	2456)	—	2456)
Offline and non-standard loan products				
离线和非标准贷款产品	(243)	(117,583)	—	(117,826)
Other services				
其他服务	—	—	—	—
Total				(125,915)
合计	(243)	(125,672)	—	125,915)

	As of 截至 January 1, 一月一日 2017 RMB 人 民币	Current 目 前 period net 周期净额 provision 条款 RMB 人 民币	Current 目前 period 时期 write-off 注销 RMB 人民币	As of 截至 December 31, 十二月三十 一日 2017 RMB 人民币
Current loan products				(50,002)
目前的贷款产品	(5,633)	(44,369)	—	(50,002))
Other online standard loan products	(2,456)			
其他网上标准贷款产品	2456)	(45,492)	1,533	(46,415)
Offline and non-standard loan products				(158,851)
离线和非标准贷款产品	(117,826)	(41,082)	57	(158,851))
Other services				
其他服务	—	—	—	—
Total	(125,915)			(255,268)
合计	125,915)	(130,943)	1,590	255,268)

The aggregate amount of the transaction price allocated to performance obligations that are unsatisfied pertaining to post-origination service are RMB62,626 and RMB 171,100 as of December 31, 2016 and 2017 respectively, among which approximately 42% and 70% of the remaining performance obligations will be recognized by the Group over the following 12 months, respectively, with the remainder recognized thereafter.

截至2016年12月31日、2016年12月31日和2017年12月31日，分配给与订立后服务有关的未清偿履约义务的交易价格总额分别为62,626元人民币和171,100元人民币，其中约42%和70%的剩余履约义务将由本集团在随后12个月内确认，其余部分在其后确认。

Revenue recognized for the years ended December 31, 2016 or 2017 from performance obligations satisfied (or partially satisfied) in prior periods pertaining to adjustments to variable consideration due to the change of estimated prepayment rate and refund upfront fees was immaterial.

2016年12月31日或2017年12月31日终了年度确认的收入来自以前各期因可变对价调整而履行的义务(或部分履行义务)，这些调整是由于预付款率和预付费退款的变化，因此并不重要。

The Group used practical expedient in applying full retrospective method on completed contracts in transiting to ASC 606. For completed contracts that have variable consideration, the Group used the transaction price at the date the contract was completed rather than estimating variable consideration amounts in the comparative reporting periods.

在过渡到 ASC 606时，专家组采用了实用的权宜之计，对已完成的合同采用完全追溯的方法。对于考虑因素可变的已完成合同，专家组使用的是合同完成之日的交易价格，而不是在比较报告期间估计可变考虑因素数额。

The Group determines that the investor and borrower acquisition cost paid based on the amount of investment or borrowing represents costs to obtain a contract qualifying for capitalization since these payments are directly related to sales achieved during a period. Such cost was not material during the periods presented.

专家组确定，根据投资或借款数额支付的投资者和借款人购置费用是获得资本化合同的费用，因为这些付款与一个时期内实现的销售直接相关。在本报告所述期间，这种费用并不大。



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

*(p) Employee defined contribution plan*

(p) 雇员固定供款计划

Full time employees of the Group in the PRC participate in a government mandated multi-employer defined contribution plan pursuant to which certain pension benefits, medical care, unemployment insurance, employee housing fund and other welfare benefits are provided to employees. Chinese labor regulations require that the Group makes contributions to the government for these benefits based on a certain percentage of the employee's salaries. The Group has no legal obligation for the benefits beyond the contributions. The total amount that was expensed as incurred was RMB 55,588 and RMB 82,053 for the years ended December 31, 2016 and 2017, respectively.

集团在中国的全职雇员参加政府规定的多雇主固定缴款计划，根据该计划，向雇员提供某些养老金、医疗保险、失业保险、雇员住房基金和其他福利。中国劳动法规要求集团按员工工资的一定比例向政府缴纳这些福利。本集团并无法律责任追讨供款以外的利益。截至二〇一六年十二月三十一日及二〇一七年十二月三十一日止的年度，已支出的总金额分别为人民币55,588元及82,053元。

*(q) Origination and servicing expense*

(q) 开支及服务费用

Origination and servicing expenses consist primarily of variable expenses including costs related to credit assessment, user and system support, payment processing services and collection, associated with facilitating and servicing loans, salaries and benefits for the personnel who work on credit checking, data processing and analysis, loan origination, user and system support and loan collection.

发放及服务开支主要包括可变开支，包括与信贷评估、用户及系统支援、付款处理服务及收款有关的开支，以及与贷款促进及服务有关的开支，以及从事信贷审查、数据处理及分析、贷款发放、用户及系统支援及贷款收集工作的人员的薪金及福利。

*(r) Sales and marketing expenses*

(r) 销售及市场推广费用

Sales and marketing expenses primarily consist of variable marketing and promotional expenses, including those related to borrower and investor acquisition and retention, and general brand and awareness building. Salaries and benefits expenses related to the Group's sales and marketing personnel and other expenses related to the Group's sales and marketing team are also included in the sales and marketing expenses. The Group's investor and borrower acquisition expenses include charges by third-party online channels for online marketing services such as search engine marketing and search engine optimization, and referral fees charged by other parties relating to borrower and investor acquisition. For the years ended December 31, 2016 and 2017, the advertising expenses were RMB 6,854 and RMB 21,828, respectively.

销售和营销费用主要包括各种营销和促销费用，包括与借款人和投资者获得和保留有关的费用，以及一般品牌和知名度建设的费用。与集团销售及市场推广人员有关的薪金及福利开支，以及与集团销售及市场推广团队有关的其他开支，亦包括在销售及市场推广开支内。该集团的投资者和借款人收购费用包括第三方在线渠道收费的在线营销服务，如搜索引擎营销和搜索引擎优化，以及其他方面收取的有关借款人和投资者收购的介绍费。截至2016年12月31日和2017年12月31日，广告费用分别为6854元和21828元。

*(s) Government grant*

(s) 政府拨款

Government grants are primarily referred to the amounts received from various levels of local governments from time to time which are granted for general corporate purposes and to support its ongoing operations in the region. The grants are determined at the discretion of the relevant government authority and there are no restrictions on their use. The government subsidies are recorded as other income in the period the cash is received. The government grants received by the Group amount to RMB 4,310 and RMB 12,471 for the years ended December 31, 2016 and 2017, respectively.

政府赠款主要是指不时从各级地方政府收到的用于一般公司目的和支持其在该区域正在进行的业务的赠款。补助金由有关政府当局酌情决定，对其使用没有任何限制。政府补贴在收到现金期间作为其他收入入账。在截至二〇一六年十二月三十一日及二〇一七年十二月三十一日的财政年度，集团获得的政府拨款分别为4,310元及12,471元。

*(t) Income taxes*

(t)所得税

Current income taxes are provided for in accordance with the laws of the relevant tax authorities.

现行所得税依照有关税务机关的法律规定征收。

Deferred income taxes are provided using assets and liabilities method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are recognized to the extent that these assets are more likely than not to be realized. In making such a determination, the

递延所得税是使用资产和负债方法提供的，该方法要求确认递延所得税资产和负债对财务报表所列事项的预期未来税务后果。根据这种方法，递延税项资产和负债是根据财务报表与资产和负债税收基础之间的差异确定的，使用的是预计差异将发生逆转的当年有效的税率。递延税项资产在这些资产更有可能变现而不是不变现的情况下确认。在作出这样的决定时，

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(t) *Income taxes* - continued

(t) 所得税——继续

management consider all positive and negative evidence, including future reversals of projected future taxable income and results of recent operation. Deferred tax assets are then reduced by a valuation allowance through a charge to income tax expense when, in the opinion of management, it is more like than not that a portion of or all of the deferred tax assets will not be realized.

管理层考虑所有正面和负面的证据，包括预计未来应纳税收入的逆转和最近经营的结果。当管理层认为递延所得税资产的一部分或全部不能变现时，递延所得税资产通过对所得税费用的扣除而通过估值备抵减少递延所得税资产。

The Group accounts for uncertainty in income taxes recognized in the consolidated financial statements by applying a two-step process to determine the amount of the benefit to be recognized. First, the tax position must be evaluated to determine the likelihood that it will be sustained upon external examination by the taxing authorities. If the tax position is deemed more-likely-than-not to be sustained (defined as a likelihood of more than fifty percent of being sustained upon an audit, based on the technical merits of the tax position), the tax position is then assessed to determine the amount of benefits to recognize in the consolidated financial statements. The amount of the benefits that may be recognized is the largest amount that has a greater than 50% likelihood of being realized upon ultimate settlement. Interest and penalties on income taxes will be classified as a component of the provisions for income taxes. The Group did not recognize any income tax due to uncertain tax position or incur any interest and penalties related to potential underpaid income tax expenses for the years ended December 31, 2016 and 2017.

本集团对合并财务报表中确认的所得税的不确定性进行了说明，采用了两个步骤来确定应确认的养恤金数额。首先，必须对税收状况进行评估，以确定其在税务当局进行外部审查后维持下去的可能性。如果税收状况被认为更有可能持续(根据税收状况的技术优点，被定义为在审计后持续的可能性超过50%)，则对税收状况进行评估，以确定在合并财务报表中确认的利益数额。可确认的利益数额是在最终结算时实现的可能性超过50%的最大数额。所得税的利息和罚款将列为所得税规定的一个组成部分。2016年12月31日终了年度、2016年终了年度和2017年终了年度，由于税务状况不确定，本集团不承认任何所得税，也不承担任何与可能支付的所得税费用有关的利息和罚款。

(u) *Comprehensive income (loss)*

(u) 综合收入(亏损)

Comprehensive income (loss) includes all changes in equity except those resulting from investments by owners and distributions to owners. For the years presented, total comprehensive income (loss) included net income (loss) and foreign currency translation adjustments.

综合收益(损失)包括除所有者投资和分配给所有者之外的所有权益变动。在本报告所述年份，全面收入(损失)总额包括净收入(损失)和外币折算调整数。

(v) *Income (loss) per share*

(v) 每股收入(亏损)

Basic income (loss) per share are computed by dividing net income (loss) attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the period.

每股基本收益(亏损)的计算方法是，将可归因于普通股股东的净收益(亏损)除以该期间流通在外的普通股加权平均数。

Diluted income (loss) per ordinary share reflects the potential dilution that could occur if securities or other contracts to issue ordinary shares were exercised or converted into ordinary shares. Ordinary share equivalents of stock options are calculated using the treasury stock method. Ordinary share equivalents are excluded from the computation in income periods should their effects be anti-dilutive.

每股普通股的稀释收益(损失)反映了如果发行普通股的证券或其他合同被行使或转换为普通股时可能发生的稀释。股票期权的普通股等价物采用库存股票法计算。如果普通股等价物的影响是防稀释的，则不计入收入期间的计算。

(w) *Segment reporting*

(w) 分部报告

The Group uses management approach to determine operation segment. The management approach considers the internal organization and reporting used by the Group's chief operating decision maker ("CODM") for making decisions, allocation of resource and assessing performance.

集团使用管理方法来确定业务段。管理方法考虑到集团首席运营决策者("CODM")用于决策、资源分配和业绩评估的内部组织和报告。

The Group's CODM has been identified as the Chief Executive Officer who reviews the consolidated results of operations when making decisions about allocating resources and assessing performance of the Group. The Group operates and manages its business as a single segment.

该小组的 CODM 被确定为首席执行官，负责在作出分配资源的决定和评估小组业绩时审查综合业务成果。本集团以单一业务部门经营及管理业务。

The Group's long-lived assets are substantially all located in the PRC and substantially all of the Group's revenues are derived from within the PRC. Therefore, no geographical segments are presented.

集团的长期资产大部分位于中国境内，集团的收入大部分来自中国境内。因此，没有提出地理区段。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(x) Operating leases

(x) 经营租约

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Rentals applicable to such operating leases are recognized on a straight line basis over the lease term. Certain of the operating lease agreements contain rent holidays. Rent holidays are considered in determining the straight line rent expense to be recorded over the lease term.

资产所有权的绝大部分报酬和风险仍属出租人所有的租赁，视为经营租赁。适用于此类经营租赁的租金在租赁期内按直线法确认。某些经营租赁协议包含租金假期。在确定在租赁期内记录的直线租金费用时，考虑了租金假期。

(y) Recent accounting pronouncements

最近的会计公告

Recently Adopted Accounting Guidance

最近通过的会计指导

In May 2014, the Financial Accounting Standards Board (“FASB”) issued ASU 2014-09, “Revenue from Contracts with Customers (Topic 606)”. Under the standard, revenue is recognized when a customer obtains control of promised goods or services in an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

2014年5月，财务会计准则委员会(FASB)发布了ASU 2014-09“客户合同收入(专题606)”。根据这一标准，当客户获得对承诺的货物或服务控制权，其金额反映了该实体希望以这些货物或服务换取的对价时，即确认收入。此外，标准要求披露的性质，金额，时间和不确定性的收入和现金流量产生的合同与客户。

The Group elected to adopt the standard effective January 1, 2018, using the full retrospective method, and restated the accompanying financial statements for the two years ended December 31, 2017 to reflect the adoption. The Group has not made any change to the underlying contract terms with the borrower and the investor in conjunction with its adoption of ASC 606. The cumulative adjustment primarily arises from the timing of revenue recognition for service fees collected in monthly installments related to loan products being recognized earlier under the standard. Under Topic 605, the Group the transaction fees collected in monthly installments are considered contingent upon the borrowers’ payment and post-origination services which are delivered each month, and therefore are recognizable as revenue until the contingency is resolved (i.e., upon receipt of the monthly installment and delivery of monthly post-origination services). Upon adoption of the ASU, revenue is recognized upon the successful facilitation of the loans provided on the platform using the total consideration estimated to be received and allocated to the different performance obligations based upon their relative fair value. In addition, service fees from investor automated investment programs is recognized over the term of the investment programs instead of being recognized upon collection under Topic 605.

该集团选择采用完全追溯方法，从2018年1月1日起生效，并重申了所附截至2017年12月31日的两年期财务报表，以反映采用该标准的情况。本集团在采用ASC 606时，并没有改变与借款人及投资者的基本合约条款。累积调整主要是由于按照标准较早确认的贷款产品的服务费按月分期收取的确认收入的时间。在议题605下，本集团认为每月分期付款的交易费取决于借款人的付款和每月提供的贷款后服务，因此在意外事故得到解决之前(即在收到每月分期付款和贷款后提供的每月服务之后)，本集团认为这些费用属于收入。在采用空分单位时，收入在平台上提供的贷款得到成功便利后确认，使用估计收到的总价值，并根据相对公允价值分配给不同的履约义务。此外，来自投资者自动投资程序的服务费用在投资程序期限内确认，而不是在专题605下的收款时确认。

Impacts to Previously Reported Results

对先前报告结果的影响

Adoption of the standards related to revenue recognition impacted previously reported results as follows:

采用与收入确认有关的标准对以前报告的结果产生了如下影响:

	As previously 如前所述 reported 报 告	New revenue 新收入 standard adjustment 标准调整	As restated 如上所述
Year Ended December 31, 2016 截至二〇一六年十二月三十一日的一年			

	RMB 人民币	RMB 人民币	RMB 人民币
<i>Statements of comprehensive income</i>			
综合收益表			
Net revenue			
净收入	62,767	528,331	591,098
Allowance for uncollectible contract assets			
无法收现的合同资产备抵	—	(125,672)	(125,672)
Income tax benefit			
所得税优惠	218,931	(100,665)	118,266
Net loss			
净亏损	(691,745)	301,994	(389,751)
Comprehensive loss			
综合损失	(691,745)	301,994	(389,751)
Net loss per share—Basic*	(3.46)		(1.95)
每股净损失—基本 *	(3.46))	1.51	(1.95元))
Net loss per share—Diluted*	(3.46)		(1.95)
每股净亏损—摊薄 *	(3.46))	1.51	(1.95元))

\* All per share amounts have been adjusted to retrospectively reflect the 20,000-for-1 stock split effected on December 19, 2018. See Note 9 for information on stock split.

所有每股金额均已作出追溯性调整，以反映于二〇一八年十二月十九日生效的20,000股换1股比例。有关股票拆分的信息，请参阅注9。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(y) Recent accounting pronouncements - continued

(y)最近的会计公告——续

Impacts to Previously Reported Results - continued

对先前报告的结果的影响-持续

Year Ended December 31, 2017 截至二〇一七年十二月三十一日的一年	As previously 如前所述 reported 报 告	New revenue 新收入 standard adjustment 标准调整	As restated 如上所述
	RMB 人民币	RMB 人民币	RMB 人民币
<i>Statements of comprehensive income</i>			
<i>综合收益表</i>			
Net revenue 净收入	1,653,681	597,169	2,250,850
Allowance for uncollectible contract assets 无法收现的合同资产备抵	—	(130,943)	(130,943)
Income tax expense 所得税费用	(40,703)	(120,944)	(161,647)
Net income 净收入	194,263	345,282	539,545
Comprehensive income 综合收入	194,263	345,282	539,545
Net income per share—Basic* 每股净收入—基本 *	0.97	1.73	2.70
Net income per share—Diluted* 每股净收益—摊薄后 *	0.97	1.73	2.70
Year Ended December 31, 2016 截至二〇一六年十二月三十一日的一年	As previously 如前所述 reported 报 告	New revenue 新收入 standard adjustment 标准调整	As restated 如上所述
	RMB 人民币	RMB 人民币	RMB 人民币
<i>Net revenue</i>			
<i>净收入</i>			
Loan facilitation services 贷款促进服务	45,449	462,698	508,147
Post-origination services 订立贷款后服务	664	6,169	6,833
Other revenues 其他收入	16,654	59,464	76,118
Year Ended December 31, 2017 截至二〇一七年十二月三十一日的一年	As previously 如前所述 reported 报 告	New revenue 新收入 standard adjustment 标准调整	As restated 如上所述
	RMB 人民币	RMB 人民币	RMB 人民币
<i>Net revenue</i>			
<i>净收入</i>			
Loan facilitation services 贷款促进服务	1,293,982	562,602	1,856,584
Post-origination services 订立贷款后服务	86,382	39,056	125,438
Other revenues 其他收入	273,317	(4,489 4489)	268,828



As of December 31, 2016 截至2016年12月31日	As previously 如前所述 reported 报 告 <u>RMB 人民币</u>	New revenue 新收入 standard adjustment 标准调整 <u>RMB 人民币</u>	As restated 如上所述 <u>RMB 人民币</u>
<i>Balance Sheets</i> 资产负债表			
Contract assets, net 合约资产净值	—	394,686	394,686
Deferred tax assets 递延税项资产	220,153	(100,664)	119,489
Accrued expenses and other current liabilities 应计费用和其他流动负债	56,735	(11,142)	45,593
Accumulated deficit 累积亏损	(3,103,945) 3,103,945)	305,164	(2,798,781) 2798781)

As of December 31, 2017 截至2017年12月31日	As previously 如前所述 reported 报 告 <u>RMB 人民币</u>	New revenue 新收入 standard adjustment 标准调整 <u>RMB 人民币</u>	As restated 如上所述 <u>RMB 人民币</u>
<i>Balance Sheets</i> 资产负债表			
Contract assets, net 合约资产净值	—	799,291	799,291
Deferred tax assets 递延税项资产	259,998	(221,608) 221,608)	38,390
Accrued expenses and other current liabilities 应计费用和其他流动负债	216,049	(72,763)	143,286
Accumulated deficit 累积亏损	(2,909,682) 2909682)	650,446	(2,259,236) 2259236)

Adoption of the standard had no impact to cash flow from or used in operating, financing, or investing activities on the consolidated cash flows statements.

采用这一标准对综合现金流量表上的经营、融资或投资活动的现金流量没有影响。

\* All per share amounts have been adjusted to retrospectively reflect the 20,000-for-1 stock split effected on December 19, 2018. See Note 9 for information on stock split.  
所有每股金额均已作出追溯性调整，以反映于二〇一八年十二月十九日生效的20,000股换1股比例。有关股票拆分的信息，请参阅注9。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(y) *Recent accounting pronouncements* - continued

(y)最近的会计公告——续

*Recent Accounting Guidance Not Yet Adopted*

近期未采用的会计准则

In January 2016, the Financial Accounting Standard Board (“FASB”) issued ASU 2016-01, “Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities” This guidance revises the accounting related to the classification and measurement of investments in equity securities as well as the presentation for certain fair value changes in financial liabilities measured at fair value, and amends certain disclosure requirements. The guidance requires that all equity investments, except those accounted for under the equity method of accounting or those resulting in the consolidation of the investee, be accounted for at fair value with all fair value changes recognized in income. For financial liabilities measured using the fair value option, the guidance requires that any change in fair value caused by a change in instrument-specific credit risk be presented separately in other comprehensive income until the liability is settled or reaches maturity. The guidance is effective for interim and annual reporting periods in fiscal years beginning after December 15, 2017, with early adoption permitted for certain provisions. A reporting entity would generally record a cumulative-effect adjustment to beginning retained earnings as of the beginning of the first reporting period in which the guidance is adopted. The Group does not expect the adoption of ASU 2016-01 to have a significant impact on the consolidated financial statements.

2016年1月，财务会计准则委员会(“财务会计准则委员会”)发布了2016-01年会计准则，“金融工具—总体(分题825-10)：金融资产和金融负债的确认和计量”。该指南要求所有股权投资，除根据股权会计方法核算的投资或导致被投资企业合并的投资外，均按公允价值核算，并在收入中确认所有公允价值变动。对于使用公允价值选项计量的金融负债，指导意见要求，在负债结清或到期之前，因特定工具信用风险变化而引起的公允价值变化应在其他综合收入中单独列报。该指南对于2017年12月15日之后开始的财政年度的中期和年度报告期有效，并允许某些条款提前通过。报告实体通常会在采用指导意见的第一个报告期开始时记录累积效应调整留存收益。本集团并不认为采用2016-01年度亚洲财务联盟会对合并财务报表产生重大影响。

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance supersedes existing guidance on accounting for leases with the main difference being that operating leases are to be recorded in the statement of financial position as right-of-use assets and lease liabilities, initially measured at the present value of the lease payments. For operating leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election not to recognize lease assets and liabilities. For public business entities, the guidance is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early application of the guidance is permitted. In transition, entities are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. As of December 31, 2017, the Group has RMB 29,105 of future minimum operating lease commitments that are not currently recognized on its consolidated balance sheets (Note 11). Therefore, the Group would expect changes to its consolidated balance sheets for the recognition of these and any additional leases entered into in the future upon adoption.

2016年2月，财务会计准则委员会发布了ASU 2016-02，租赁(议题842)。该指南取代了现有的租赁会计准则，主要区别在于经营租赁应作为使用权资产和租赁负债记入财务状况表，最初按租赁付款的现值计量。经营期在12个月以下的租赁，允许承租人选择不确认租赁资产和负债的会计政策。对于公共企业实体，该指导对于2018年12月15日以后开始的财政年度有效，包括这些财政年度内的过渡期。允许早期应用指南。在过渡时期，要求各实体在提交租赁的最早期间开始时，采用经修改的回溯方法确认和计量租赁。截至2017年12月31日，集团拥有29,105元人民币的未来最低经营租赁承诺，这些承诺目前尚未在其综合资产负债表上确认(注11)。因此，本集团期望对其合并资产负债表进行修改，以确认这些租约以及今后通过后签订的任何其他租约。

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. This ASU is intended to improve financial reporting by requiring timelier recording of credit losses on loans and other financial instruments held by financial institutions and other organizations. This ASU requires the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. This ASU requires enhanced disclosures to help investors and other financial statement users better understand significant estimates and judgments used in estimating credit losses, as well as the credit quality and underwriting standards of the Group’s portfolio. These disclosures include qualitative and quantitative requirements that provide additional information about the amounts recorded in the financial statements. For public business entities, the guidance is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. Early application of the pending content that links to this paragraph is permitted for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The Group is in the process of evaluating the impact of adoption of this guidance on its consolidated financial statements.

2016年6月，美国财务会计准则委员会发布了美国财务会计准则委员会第2016-13号，金融工具—信贷损失(议题326)：金融工具信贷损失的计量。该单位旨在改进财务报告，要求更及时地记录金融机构和其他组织持有的贷款和其他金融工具的信贷损失。这个ASU要求根据历史经验、当前状况以及合理和可支持的预测，计量在报告日期持有的金融资产的所有预期信贷损失。该单位要求加强披露，

以帮助投资者和其他财务报表使用者更好地了解用于估计信贷损失的重要估计和判断，以及集团投资组合的信贷质量和承销标准。这些披露包括提供关于财务报表所记录数额的补充资料的定性和定量要求。对于公共企业实体，该指导对于2019年12月15日以后开始的财政年度是有效的，包括这些财政年度内的过渡期。2018年12月15日以后的财政年度，包括这些财政年度内的过渡期，允许尽早适用与本款相关的未决内容。本集团现正评估采用本指引对其合并财务报表的影响。

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JIAYIN GROUP INC.  
嘉银集团股份有限公司。  
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(y) Recent accounting pronouncements - continued

(y)最近的会计公告——续

Recent Accounting Guidance Not Yet Adopted - continued

最近的会计指导尚未采用-继续

In August 2016, the FASB issued ASU No. 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Payments. The primary purpose of the ASU is to reduce the diversity in practice that has resulted from the lack of consistent principles on this topic. For public business entities, the guidance in the ASU is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. Early adoption is permitted for all entities. Entities must apply the guidance retrospectively to all periods presented but may apply it prospectively from the earliest date practicable if retrospective application would be impracticable. The Group does not expect the adoption of this guidance will have a significant impact on its consolidated financial statements.

2016年8月，财务会计准则委员会发布了美国会计准则委员会第2016-15号，现金流量表(议题230)：某些现金收支的分类。亚洲联盟的主要目的是减少由于在这个问题上缺乏一致的原则而造成的实践中的多样性。对于公共企业实体，亚利桑那州立大学的指导在2017年12月15日之后的财政年度有效，包括这些财政年度的过渡期。允许所有实体尽早采用。各实体必须追溯性地对所提出的所有期间适用指导意见，但如果追溯性适用行不通，则可从可行的最早日期开始预期性地适用指导意见。本集团预计，这一指导意见的通过不会对其合并财务报表产生重大影响。

In May 2017, the FASB issued ASU No. 2017-09, Compensation—Stock Compensation (Topic 718): Scope of Modification Accounting. This ASU provides clarity and reduce both diversity in practice and cost and complexity when applying the guidance in Topic 718 to a change to the terms and conditions of a share-based payment award. This guidance is to be applied prospectively to an award modified on or after the adoption date. The guidance is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2017. The Group does not expect the adoption of this guidance will have a significant impact on its consolidated financial statements.

2017年5月，美国财务会计准则委员会发布了美国会计准则委员会第2017-09号《薪酬—股票补偿》(议题718)：变更会计的范围。该单位在将议题718中的指导意见用于修改股份付款授予的条款和条件时，提供了明确性，并减少了实践中的多样性以及成本和复杂性。本指导意见将适用于在通过日期或之后修改的裁决。指导意见是有效的年度期间，和过渡期内的这些年度期间，从2017年12月15日开始。本集团预计，这一指导意见的通过不会对其合并财务报表产生重大影响。

3. ASSETS FROM INVESTOR ASSURANCE PROGRAM 投资者保证计划资产

The movement of the assets from investor assurance program for the years ended December 31, 2016 and 2017 is as follow:

截至2016年12月31日及2017年12月31日的年度，投资者保障计划的资产变动情况如下：

	Opening 开放 balance at 平衡 January 1, 一月一日 2016 RMB 人民 币	Assets arising 产生的资产 from new from new 新 business 商业	Subsequent 其后 collections 收 集 during the 在 工作期间 year 年	Ending 结束 Balance at 收 支平衡 December 31, 十二月三十一 日 2016 RMB 人民币
Current loan products 目前的贷款产品	—	117,067	(99,899) 99,899)	17,168
Other online standard loan products 其他网上标准贷款产品	—	24,515	(19,383)	5,132
Offline and non-standard loan products 离线和非标准贷款产品	34,621	1,773,709	(1,669,154) 1669154)	139,176
Total 合计	<u>34,621</u>	<u>1,915,291</u>	<u>(1,788,436) 1,788,436)</u>	<u>161,476</u>

	Opening 开放 balance at 平衡 January 1, 一月一日 2017 RMB 人民 币	Assets arising 产生的资产 from new 从 新 business 商业	Subsequent 其后 collections 收 集 during the 在 工作期间 year 年	Ending 结束 Balance at 收 支平衡 December 31, 十二月三十一 日 2017 RMB 人民币
Current loan products 目前的贷款产品	17,168	863,955	(879,936)	1,187
Other online standard loan products 其他网上标准贷款产品	5,132	1,366,901	(1,153,347)	218,686
Offline and non-standard loan products 离线和非标准贷款产品	139,176	535,736	(624,509)	50,403
Total 合计	161,476	2,766,592	(2,657,792)	270,276

The allowance for uncollectible assets from investor assurance program were nil and nil for years ended December 31, 2016 and 2017.

截至2016年12月31日和2017年12月31日，投资者担保计划无法收回资产备抵为零，无备抵。

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**4. PROPERTY AND EQUIPMENT 财产和设备**

Property and equipment consisted of the followings:

财产和设备包括以下内容:

	Year ended December 31, 截至 十二月三十一日止的一年	
	2016	2017
	RMB 人民币	RMB 人民币
Leasehold improvement 租赁权益改善	—	6,587
Motor vehicles 汽车	1,246	1,246
Electronic equipment 电子设备	4,078	17,237
Office equipment & furniture 办公室设备及家具	1,234	3,849
Software 软件	695	905
Total costs 总成本	<u>7,253</u>	<u>29,824</u>
Less: accumulated depreciation and amortization 减: 累计折旧和摊销	<u>1,856</u>	<u>5,954</u>
Property and equipment, net 财产和设备, 净	<u>5,397</u>	<u>23,870</u>

For the years ended December 31, 2016 and 2017, depreciation expenses were RMB 1,119 and RMB 4,098 respectively.

截至二〇一六年十二月三十一日及二〇一七年十二月三十一日的年度，折旧开支分别为1,119元及4,098元。

**5. LIABILITIES FROM INVESTOR ASSURANCE PROGRAM 投资者担保计划的负债**

The Group's movement on liabilities from investor assurance program for the years ended December 31, 2016 and 2017 is as follows:

集团截至二〇一六年十二月三十一日及二〇一七年十二月三十一日止年度的投资者保证计划负债变动情况如下:

	Current loan 本期贷款 products 产 品	Other online 其他网上 standard loan 标准贷款 products 产 品	Offline and 离线和 non-非 standard 标 准 loan 贷款 products 产 品	Total 合计 RMB 人民币
	RMB 人民币	RMB 人民币	RMB 人民币	RMB 人民币
Opening balance at January 1, 2016 二〇一六年一月一日的期初结余	418	153	275,252	275,823
Liabilities arising from new business 新业务引起的负债	117,067	24,515	1,773,709	1,915,291
Net payout for loans originated in 2015 2015年贷款净支出	(403)	(129)	(44,960)	(45,492)
Net payout for loans originated in 2016 2016年贷款净支出	(40,703)	(13,851)	(139,245)	(193,799)
Release on expiration 到期释放	(36)	(1,446)	(178)	(1,660)

Contingent liability 或有负债	69,001	9,016	145,587	223,604
Ending Balance at December 31, 2016 截至二〇一六年十二月三十一日的期末结余	<u>145,344</u>	<u>18,258</u>	<u>2,010,165</u>	<u>2,173,767</u>
	<b>Current loan 本期贷款 products 产 品</b>	<b>Other online 其他网上 standard loan 标准贷款 products 产 品</b>	<b>Offline and 离线和 non-非 standard 标 准 loan 贷款 products 产 品</b>	<b>Total 合计 RMB 人民 币</b>
	<b>RMB 人民币</b>	<b>RMB 人民币</b>	<b>RMB 人民 币</b>	<b>RMB 人民 币</b>
Opening balance at January 1, 2017 二〇一七年一月一日的期初结余	145,344	18,258	2,010,165	2,173,767
Liabilities arising from new business 新业务引起的负债	863,955	1,366,901	535,736	2,766,592
Net payout for loans originated in 2015 2015年贷款净支出	15	5	(111,850)	(111,830)
Net payout for loans originated in 2016 2016年贷款净支出	(131,470)	(9,468)	111,850	111,830
Net payout for loans originated in 2017 2017年贷款净支出	131,470)	9468)	(654,448)	(795,386)
Release on expiration 到期释放	(190,904)	(190,904)	(736,452)	(34,849)
Contingent liability 或有负债	190,904)	(736,452)	(34,849)	96,205
Ending Balance at December 31, 2017 截至二〇一七年十二月三十一日的期末结余	(15,330)	(80,225)	(722)	96,277
	—	42,462	1	42,463
	<u>671,610</u>	<u>601,481</u>	<u>1,744,033</u>	<u>3,017,124</u>

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**6. OTHER GUARANTEE LIABILITIES 其他担保责任**

Other guarantee liabilities represent the liabilities accrued for the expected net payment in relation to guarantee services of the existing loans from the 2015 Acquisition, that were facilitated by Niwodai Finance through offline channels (see Note 1). The net payments were made from the funds in the investor assurance program (See note 2(k)). The movement is as follows:

其他担保负债是 Niwodai Finance 通过离线渠道提供的与2015年收购的现有贷款担保服务有关的预期支付净额应计负债(见注1)。净付款是从投资者保证计划的资金中支付的(见注2(k))。活动内容如下:

	Year ended December 31, 截至 十二月三十一日止的一年	
	2016 RMB 人民币	2017 RMB 人民币
Opening balance 期初余额	2,907,200	2,000,070
Additional accruals 额外应计项目	—	—
Net payouts during the year 年内的净支出	(907,130)	(1,298,842)
Ending balance 期末余额	<u>2,000,070</u>	<u>701,228</u>

**7. SHARE-BASED COMPENSATION 以股权为基础的薪酬**

The following table presents the classification of the Group's share-based compensation expenses:

下表列出本集团按股份计算的薪酬支出分类:

	Year ended December 31, 截至十二月三十一日止的 一年	
	2016 RMB 人 民币	2017 RMB 人 民币
Origination and servicing 创立和服务	2,356	1,620
General and administrative 一般及行政事务	9,309	24,326
Research and development 研究及发展	11,475	28,619
Sales and marketing 销售和市场营销	16,777	34,831
Total 合计	<u>39,917</u>	<u>89,396</u>

In September 2016, Jiayin Finance approved an employee incentive plan (the "Plan") and utilized a limited liability partnership ("LLP") as a vehicle to hold 13,500,000 shares that will be used under the Plan. The shares were contributed by the Founder, representing 27% of Jiayin Finance's total outstanding shares at the time. A company controlled by the Founder is the general partner ("GP") of the LLP.

2016年9月，嘉荫金融批准了一项员工激励计划("计划")，并利用一家有限责任公司("LLP")作为工具，持有该计划将使用的13,500,000股股票。这些股份由方正出资，占嘉荫金融当时已发行股份总额的27%。由方正控制的公司是有限责任合伙公司的普通合伙人。

The purpose of the LLP is to allow employees of the Group to receive share-based incentives. The LLP has no activities other than administrating the Plan and does not have any employees. On behalf of the Group and subject to approval of board of director of the Company, the Founder, as the controller of LLP has the authority to select the eligible participants to whom awards will be granted; determine the number of shares covered; and establish the terms, conditions and provision of such awards.

有限责任合约旨在让集团员工获得股份奖励。有限责任合伙人除了管理该计划外没有其他活动，也没有任何雇员。创办人作为有限责

任法律顾问公司的管理人，有权代表集团并经公司董事局批准，挑选合格的参与者获得奖赏；决定所涵盖的股份数目；以及订立有关奖赏的条款、条件和规定。

The Plan allows the grantees to hold options to purchase LLP shares from the GP or the designated persons to indirectly hold the equity shares of Jiayin Finance.

该计划允许受让人持有从普通股公司购买有限责任公司股份的期权，或者由指定人间接持有嘉荫金融公司的股份。

In September 2016, Jiayin Finance granted options to acquire certain LLP shares, equivalent of 13,321,500 ordinary shares of Jiayin Finance with the exercise price of RMB 3.5 per share to employees of the Group pursuant to the Plan. Options have a 4.5-year life and vest at 15%, 25%, 30%, and 30% respectively at March 31, 2017, 2018, 2019 and 2020 respectively. For illustration purposes, all the share information disclosed in this section refers to the shares of Jiayin Finance the grantees are entitled through LLP shares.

2016年9月，Jiayin Finance 授予嘉荫金融若干有限合伙股票的期权，根据该计划，嘉荫金融以每股3.5元人民币的行权价格向集团员工购买了相当于13,321,500股普通股的嘉荫金融股票。期权的有效期为4.5年，于二〇一七年三月三十一日、二〇一八年、二〇一九年及二〇二〇年三月三十日分别为15%、25%、30%及30%。为说明起见，本节所披露的所有股份信息均指嘉荫金融的股份，受让人通过有限合伙股份享有这些股份。

The awards are in substance share-based expenses incurred by the controlling Founder on behalf of the Company. The related expenses are reflected in the Company's consolidated financial statements as

奖励是指控股方代表公司发生的基于实质股份的费用。有关费用反映在公司的合并财务报表如下

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**7. SHARE-BASED COMPENSATION 以股权为基础的薪酬 - continued - 继续**

share-based compensation expenses with an offsetting to additional paid-in capital. Given the shares owned by the LLP for the purpose of the Plan are existing outstanding shares of Jiayin Finance, the option does not have dilution effect on income per share (see Note 9).

以股份为基础的补偿费用，以抵消额外的实收资本。由于有限合伙为该计划而持有的股份是嘉荫金融现有的已发行股份，因此该期权对每股收益不会产生稀释效应(见注9)。

Binomial options pricing model was applied in determining the estimated fair value of the options granted. The model requires the input of highly subjective assumptions including the estimated expected stock price volatility and, the exercise multiple for which employees are likely to exercise share options. For expected volatilities, the Group has made reference to the historical price volatilities of ordinary shares of several comparable companies in the same industry as the Group. For the exercise multiple, the Group has no historical exercise patterns as reference, thus the exercise multiple is based on management's estimation, which the Group believes is representative of the future exercise pattern of the options. The risk-free rate for periods within the contractual life of the option is based on the China Government Bond with maturity similar to the maturity of the options as of valuation. The estimated fair value of the ordinary shares, at the option grant dates, was determined with assistance from an independent third party valuation firm. The Group's management is ultimately responsible for the determination of the estimated fair value of its ordinary shares.

采用二项式期权定价模型确定所授期权的估计公允价值。该模型需要输入高度主观的假设，包括估计的预期股价波动和员工可能行使股票期权的行使倍数。至于预期的波动，本集团参考了本集团同行业内数间同类公司普通股的历史价格波动。就演习倍数而言，专家组没有历史演习模式作为参考，因此演习倍数以管理层的估计为基础，专家组认为，管理层的估计代表了未来的演习模式。期权合同期限内的无风险利率以期权到期日与估值时期相似的中国国债为基础。在期权授予日，普通股的估计公允价值是在一家独立的第三方评估公司的协助下确定的。集团管理层最终负责确定其普通股的估计公允价值。

The following assumptions were applied to estimate the fair value of the options at the date of grant:

以下假设被用于估计授予赠款之日期权的公允价值:

	<b>2016</b>
Average risk-free rate of interest 平均无风险利率	2.54%
Estimated volatility rate 估计波动率	50.46%
Dividend yield 股息率	0.00%
Time to maturity 成熟的时间	4.5 years 4.5年
Fair value per underlying ordinary share of Jiayin Finance Jiayin Finance 相关普通股每股公允价值	RMB 21.38 人民币21.38元

The weighted average grant date fair value of options granted during the year ended December 31, 2016 was RMB 18.16 per shares. For the years ended December 31, 2016 and 2017, the Group recognized share-based compensation expense of RMB 39,917 and RMB 89,396, respectively.

在截至2016年12月31日的一年中，加权平均数授予期权的公允价值为每股18.16元人民币。截至2016年12月31日和2017年12月31日止的年度，集团确认的股份薪酬费用分别为39,917元和89,396元。

A summary of the aggregate option activity and information regarding options outstanding as of December 31, 2017 is as follows:

截至2017年12月31日，期权合计活动和未决期权信息摘要如下:

Number of Options 选择 (in 000s) (在000年 代)	Weighted 加权 Average 平均数 Exercise 运动 Price 价格 RMB 人 民币	Weighted 加 权 Average 平均 数 Remaining 余下部分 Contract Life 合约年期 Years 年份	Aggregate 总量 Intrinsic 内在的 Value 价值 RMB 人 民币
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Options outstanding at January 1, 2016 截至2016年1月1日尚未结清的期权	—	—		
Options granted in 2016 2016年授予的期权	13,322	3.5		
Options forfeited in 2016 2016年放弃的选择权	<u>(176)</u>	<u>3.5</u>		
Options outstanding at December 31, 2016 截至2016年12月31日未清偿期权	13,146	3.5	<u>4.25</u>	<u>192,749</u>
Options granted in 2017 2017年授予的期权	—	—		
Options forfeited in 2017 2017年放弃的选择权	<u>(1,912)</u> 1912)	<u>3.5</u>		
Options outstanding at December 31, 2017 截至2017年12月31日未清偿期权	<u>11,234</u>	<u>3.5</u>	<u>3.25</u>	<u>164,714</u>
Options exercisable at December 31, 2017 可于二〇一七年十二月三十一日行权的期权	<u>1,685</u>	<u>3.5</u>	<u>3.25</u>	<u>24,707</u>
Options vested or expected to be vested at December 31, 2017 到2017年12月31日期权归属或预期归属	<u>11,234</u>	<u>3.5</u>	<u>3.25</u>	<u>164,714</u>

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7. SHARE-BASED COMPENSATION 以股权为基础的薪酬 - continued - 继续

As of December 31, 2016 and 2017, there was RMB 164,357 and RMB 74,962 in total unrecognized compensation cost related to non-vested stock options, which is expected to be recognized over a weighted-average period of 3.25 years and 2.25 years.  
截至二〇一六年十二月三十一日及二〇一七年十二月三十一日，与非既定股票期权有关的未确认薪酬总成本分别为164,357元及74,962元。预计未确认股票期权的加权平均确认为3.25年及2.25年。

8. INCOME TAXES 所得税

Income tax expense consist of the following:

所得税费用包括:

	Year ended December 31, 截至十二月三十一日止的一年	
	2016	2017
	RMB 人民币	RMB 人民币
Current income tax expense:		
当期所得税费用:		
PRC		
中华人民共和国	—	80,548
Deferred income tax expense (benefit):		
递延所得税费用(福利):		
PRC	(118,266)	
中华人民共和国	<u>118,266</u>	<u>81,099</u>
Total income tax expense (benefit)	(118,266)	
所得税总费用(福利)	<u>118,266</u>	<u>161,647</u>

*Cayman Islands*

开曼群岛

Jiayin Group Inc. is incorporated in the Cayman Islands. Under the current laws of the Cayman Islands, Jiayin Group Inc. is not subject to income or capital gains taxes. In addition, dividend payments are not subject to withholdings tax in the Cayman Islands.

嘉荫集团在开曼群岛注册成立。根据开曼群岛的现行法律，嘉荫集团不必缴纳所得税或资本利得税。此外，在开曼群岛，股息支付不用缴纳税款。

*Hong Kong*

香港

The Company subsidiary, Jiayin (HK) Limited, is located in Hong Kong and is subject to an income tax rate of 16.5% for taxable income earned in Hong Kong. Additionally, payments of dividends by the subsidiary incorporated in Hong Kong to the Company are not subject to any Hong Kong withholding tax. No provision for Hong Kong Profits tax has been made in the consolidated financial statements as it has no assessable income for the years ended December 31, 2016 and 2017.

该公司的附属公司嘉荫(香港)有限公司位于香港，在香港赚取的应课税收入须缴纳16.5%的所得税。此外，在香港注册成立的附属公司向该公司支付股息，无须在香港缴交预扣税。由于香港利得税在截至二零一六年十二月三十一日及二零一七年十二月三十一日的年度没有应予评税的入息，因此综合财务报表并无就香港利得税作出拨备。

*PRC*

中华人民共和国

Under the Law of the People's Republic of China on Enterprise Income Tax ("EIT Law"), the Group's subsidiaries and VIEs incorporated in the PRC are subject to statutory rate of 25%. High-technology enterprises may obtain a preferential tax rate of 15% provided they meet the related criteria. Niwodai Internet received approval from certain government authorities to be classified as a "High and New Technology Enterprise" ("HNTE") and became subject to a 15% statutory tax rate from 2017 to 2019.

根据《中华人民共和国企业所得税法》(《企业所得税法》),集团在中国注册的子公司和可变利益实体的法定税率为25%。高新技术企业符合有关条件的,可以享受15%的税率优惠。Niwodai 互联网获得了某些政府部门的批准,被列为"高新技术企业"("HNTE"),并从2017年至2019年实行15%的法定税率。

Uncertainties exist with respect to how the current income tax law in the PRC applies to the Group's overall operations, and more specifically, with regard to tax residency status. The EIT Law includes a provision specifying that legal entities organized outside of the PRC will be considered residents for Chinese Income tax purposes if the place of effective management or control is within the PRC. The implementation rules to the EIT Law provide that non-resident legal entities will be considered PRC residents if substantial and overall management and control over the manufacturing and business operations, personnel, accounting and properties, occurs within the PRC. Despite the present uncertainties resulting from the limited PRC tax

中华人民共和国现行所得税法如何适用于集团的整体业务,特别是税务居民身份方面存在不确定性。《企业所得税法》中有一条规定,凡在中华人民共和国境外组织的法人,如果其有效管理或控制的地点在中华人民共和国境内,将被视为中国所得税居民。《企业所得税法》的实施细则规定,在中华人民共和国境内对制造业和商业运作、人员、会计和财产进行实质性和全面的管理和控制时,非居民法人将被视为中华人民共和国居民。尽管中华人民共和国有限的税收造成了目前的不确定性

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**8. INCOME TAXES 所得税 - continued - 继续**

**PRC - continued**

中国-继续

guidance on the issue, the Group does not believe that the legal entities organized outside of the PRC within the Group should be treated as residents for EIT law purposes. If the PRC tax authorities subsequently determine that the Company and its subsidiaries registered outside the PRC should be deemed resident enterprises, the Company and its subsidiaries registered outside the PRC will be subject to the PRC income taxes, at a statutory income tax rate of 25%. The Company and its subsidiaries outside the PRC do not have any assessable profits as of December 31, 2016 and 2017, therefore, the Group is not subject to any uncertain tax position.

在该问题上的指导意见中，专家组认为，出于经济转型期法律目的，在中华人民共和国以外组织的法律实体不应被视为居民。如果中华人民共和国税务当局随后决定，该公司及其在中华人民共和国境外注册的子公司应被视为居民企业，该公司及其在中华人民共和国境外注册的子公司将按25%的法定所得税率缴纳中华人民共和国所得税。截至二零一六年十二月三十一日及二零一七年十二月三十一日，本公司及其在中华人民共和国境外的附属公司并无任何应评税利润，因此，本集团并不受任何不确定的税务状况所影响。

According to PRC Tax Administration and Collection Law, the statute of limitations is three years if the underpayment of taxes is due to computational errors made by the taxpayer or withholding agent. The statute of limitations will be extended five years under special circumstances, which are not clearly defined (but an underpayment of tax liability exceeding RMB0.1 million is specifically listed as a special circumstance). In the case of a related party transaction, the statute of limitations is ten years. There is no statute of limitations in the case of tax evasion. From inception to the calendar year of 2017, the Group is subject to examination of the PRC tax authorities.

根据《中华人民共和国税收征管法》，如果纳税人或扣缴义务人的计算错误导致少缴税款，消灭时效为三年。在特殊情况下，消灭时效将延长五年，但没有明确规定(但少缴税款超过10万元人民币将被明确列为特殊情况)。如果是关联方交易，最高消灭时效为10年。在逃税案件中无消灭时效。由成立至2017历年，本集团须接受中华人民共和国税务机关的审查。

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

递延所得税反映了用于财务报告目的的资产和负债账面金额与用于所得税目的的金额之间暂时差异的净税收影响。

The following table sets forth the significant components of the deferred tax assets and deferred tax liabilities:

下表列出递延税项资产和递延税项负债的重要组成部分：

	Year Ended December 31, 截至十二月三十一日止的一年	
	2016 RMB 人民币	2017 RMB 人民币
Deferred tax assets		
递延税项资产		
Payroll and welfare payable		
应付工资和福利	11,377	9,513
Accrued expenses		19,622
应计开支	6,328	19,622
Allowance for uncollectible contract asset		
无法收回合同资产备抵	31,479	63,817
Liabilities from investor assurance program		
来自投资者担保计划的负债	641,632	331,331
Net loss carryforward		
结转净损失	180,350	519,065
Others		
其他	—	4,179
Gross deferred tax assets		
递延税项资产总额	871,166	947,527
Valuation allowances		
估价免税额	(619,533)	(619,533)
Net deferred tax assets		
递延税项资产净额	251,633	327,994



Deferred tax liabilities		
递延税项负债		
Uncollected revenues		(289,604)
未收税收入	<u>(132,144)</u>	<u>289,604)</u>
Total deferred tax liabilities		(289,604)
递延税项负债总额	<u>(132,144)</u>	<u>289,604)</u>
Net deferred tax assets		
递延税项资产净额	<u>119,489</u>	<u>38,390</u>

The Group considers positive and negative evidence to determine whether some portion or all of the deferred tax assets will more likely than not be realized. This assessment considers, among other matters, the nature, frequency and severity of recent losses, forecasts of future profitability, the duration of statutory carryforward periods, the Group's experience with tax attributes expiring unused and tax planning alternatives. Valuation allowances of RMB 619,533 and RMB 619,533 have been established for deferred tax assets as of December 31, 2016 and 2017, respectively, based on a more likely than not threshold due to

专家组审议了正面和负面证据，以确定部分或全部递延税项资产是否更有可能变现。本评估考虑的因素包括近期亏损的性质、频率和严重程度、未来盈利能力的预测、法定结转期的持续时间、集团过期未用的税务属性的经验以及其他税务规划方案。递延税项资产在二零一六年十二月三十一日及二零一七年十二月三十一日的估值免税额分别为619,533元及619,533元

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8. INCOME TAXES 所得税 - continued - 继续

PRC - continued

中国-继续

accumulated loss and uncertainty of sufficient profit generated in future years for certain subsidiary within the Group. The Group's ability to realize deferred tax assets depends on its ability to generate sufficient taxable income within the carryforward periods provided for in the tax law.

集团内部某些子公司未来几年产生的足够利润的累积亏损和不确定性。本集团实现递延所得税资产的能力取决于其能否在税法规定的结转期内产生足够的应纳税收入。

At December 31, 2016 and 2017, tax loss carry-forward amounted to RMB 721,398 and RMB 2,076,261, and would expire from calendar year 2021 to 2022, respectively. The Group operates its business through its subsidiaries and VIEs. The Group does not file consolidated tax returns, therefore, losses from individual subsidiaries or the VIEs may not be used to offset other subsidiaries' or VIEs' earnings within the Group.

截至二〇一六年十二月三十一日及二〇一七年十二月三十一日，税务亏损结转为721,398元人民币及2,076,261元人民币，分别于二〇二一至二〇二二历年届满。集团透过其附属公司及vie经营业务。本集团不提交综合纳税申报表，因此，个别附属公司或可变利益实体的亏损不得用于抵销本集团内其他附属公司或可变利益实体的收益。

In accordance with the EIT Law, dividends, which arise from profits of foreign invested enterprises ("FIEs") earned after January 1, 2008, are subject to a 10% withholding income tax. In addition, under tax treaty between the PRC and Hong Kong, if the foreign investor is incorporated in Hong Kong and qualifies as the beneficial owner, the applicable withholding tax rate is reduced to 5%, if the investor holds at least 25% in the FIE, or 10%, if the investor holds less than 25% in the FIE. A deferred tax liability should be recognized for the undistributed profits of PRC subsidiaries unless the Company has sufficient evidence to demonstrate that the undistributed dividends will be reinvested and the remittance of the dividends will be postponed indefinitely. The Group plans to indefinitely reinvest undistributed profits earned from its China subsidiaries in its operations in the PRC. Therefore, no withholding income taxes for undistributed profits of the Group's PRC subsidiaries have been provided as of December 31, 2016 and 2017. The aggregate undistributed earnings of the Group's PRC subsidiaries that are available for distribution was nil as of December 31, 2016 and 2017.

根据《企业所得税法》，外商投资企业在2008年1月1日后取得的利润所产生的股息，可征收10%的预扣所得税。此外，根据中华人民共和国与香港的税收协定，如果外国投资者在香港注册成立并具备实益所有人资格，如果投资者在外商投资企业中持有至少25%的股份，适用的预扣税率降至5%；如果投资者在外商投资企业中持有少于25%的股份，适用的预扣税率降至10%。除非公司有足够证据证明未分配的股利将被重新投资，股利的汇付将无限期推迟，否则递延税务责任应被确认为中华人民共和国子公司的未分配利润。集团计划无限期地将其中国子公司的未分配利润再投资于其在中国的业务。因此，截至二〇一六年十二月三十一日及二〇一七年十二月三十一日，集团中国子公司的未分配利润并无预扣所得税。截至二〇一六年十二月三十一日及二〇一七年十二月三十一日，集团中国子公司可供分配的未分配盈利总额为零。

A deferred tax liability should be recorded for taxable temporary differences attributable to the excess of financial reporting amounts over tax basis amounts, including those differences attributable to a more than 50% interest in a domestic subsidiary. However, recognition is not required in situations where the tax law provides a means by which the reported amount of that investment can be recovered tax-free and the enterprise expects that it will ultimately use that means. The Group does not accrue deferred tax liabilities on the earnings of the VIEs given that the Group's VIEs had accumulated deficits as of December 31, 2016 and 2017.

递延税项负债应记入应纳税的临时差异，这些差异可归因于财务报告金额超过税基金额，包括归因于国内子公司超过50%的利息的差异。但是，如果税法规定可以免税收回所报告的投资数额，而企业预计最终将使用这种手段，则不需要承认。鉴于本集团于二零一六年十二月三十一日及二零一七年十二月三十一日的可变利益实体已累积赤字，故本集团不会就可变利益实体的收益累计递延税项负债。

Reconciliations of the differences between PRC statutory income tax rate and the Group's effective income tax rate for the years ended December 31, 2016 and 2017 are as follows:

截至2016年12月31日和2017年12月31日的年度，中国法定所得税率与集团实际所得税率之间的差异调节如下：

	Year Ended December 31, 截至十二月三十一日止的一年	
	2016 RMB 人民币	2017 RMB 人民币
Statutory income tax rate 法定所得税率	25%	25%
Non-deductible expenses 不可扣除的开支	(2%)	4%

Effect of lower rates due to HNTE status 由于 HNTE 状态导致的低发病率的影响	—	(6%)
Effective tax rate 实际税率	<u>23%</u>	<u>23%</u>

The effect of the tax holiday on the income (loss) per share is as follows:

免税期对每股所得(亏损)的影响如下:

	Year Ended December 31, 截至十二月三十一日止的一年	
	2016 RMB 人民币	2017 RMB 人民币
Tax saving amount due to HNTE status 具有净额百分比身份的节税金额	—	29,739
Income (loss) per share effect-basic and diluted* 每股收入(亏损)效应 -- 基本及摊薄 *	—	0.15

\* All per share amounts have been adjusted to retrospectively reflect the 20,000-for-1 stock split effected on December 19, 2018. See Note 9 for information on stock split.  
所有每股金额均已作出追溯性调整，以反映于二〇一八年十二月十九日生效的20,000股换1股比例。有关股票拆分的信息，请参阅注9。

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**9. INCOME (LOSS) PER SHARE 每股收入(亏损)**

The Company authorized a total of 500,000,000 shares with a par value of US\$0.0001 upon its establishment on December 21, 2017, of which 10,000 shares are issued and outstanding.

该公司于二〇一七年十二月二十一日成立时，共批出面值0.0001美元的500,000,000股股票，其中10,000股已发行及流通。

Following the approval of the Group's Board on December 19, 2018, the Group split each of its ordinary shares to 20,000 ordinary shares. All share and per share information, including the basic and diluted earnings (loss) per share calculation for all periods presented have been retrospectively adjusted based on the new number of shares.

继集团董事局于二〇一八年十二月十九日批准后，集团将每股普通股分拆为20,000股。所有股票及每股信息，包括基本及摊薄后每股收益(损失)的计算，已按新股数量进行追溯性调整。

The following table sets forth the computation of basic and diluted net income (loss) per share attribute to ordinary shareholders after the stock split:

下表列出股票分割后普通股股东每股基本净收益和稀释净收益(损失)的计算方法:

	Year Ended December 31, 截至十二月三十一日止的一年	
	2016 RMB 人民币	2017 RMB 人民币
Net income (loss) attributable to ordinary shareholders – basic and diluted 应归因于普通股股东的净收益(亏损)——基本和稀释	(389,751)	539,545
Weighted average number of ordinary shares outstanding – basic 已发行普通股加权平均数-基本	200,000,000 二十万	200,000,000 二十万
Plus: shares that have dilution effect 附加: 具有稀释效应的股票	—	—
Weighted average number of ordinary shares outstanding – diluted 已发行普通股加权平均数稀释	200,000,000 二十万	200,000,000 二十万
Basic net income (loss) per share 每股基本净收益(亏损)	(1.95 (1.95元))	2.70
Diluted net income (loss) per share 摊薄后每股净收益(亏损)	(1.95 (1.95元))	2.70

The Group does not have shares with anti-dilutive effect for the year ended December 31, 2016 and 2017.

在截至二〇一六年十二月三十一日及二〇一七年十二月三十一日的财政年度，本集团并无具有防稀释作用的股份。

**10. RELATED PARTY TRANSACTIONS 关联交易**

The table below sets forth the major related parties and their relationships with the Group, with which the Group entered into truncations during the year ended December 31, 2016 and December 31, 2017:

下表列出了在2016年12月31日终了年度和2017年12月31日终了年度，专家组与之截断的主要相关方及其与专家组的关糸:

Name of related parties 关联方名称	Relationship with the group 与团体的关系
Shanghai Jiayin Finance Services Co., Ltd ("Shanghai Jiayin") 上海嘉音金融服务有限公司	Entity controlled by Mr. Yan, 由严先生控制的实体 the Founder and Chairman of the Group 集团创办人及主席
Jiayin (Shanghai) Finance Information Service Co., Ltd ("Jiayin (Shanghai)") 嘉音(上海)金融信息服务有限公司("嘉音(上海)")	Entity controlled by Mr. Yan, 由严先生控制的实体 the Founder and Chairman of the Group 集团创办人及主席

Shanghai Niwodai Finance Information Service Co., Ltd (“Niwodai Finance”)  
上海牛窝带金融信息服务有限公司("牛窝带金融")

Entity controlled by Mr. Yan,  
由严先生控制的实体  
the Founder and Chairman of the Group  
集团创办人及主席

Shanghai Jiayin Zhuoyue Wealth Management Co., Ltd (“Jiayin Zhuoyue”)  
上海嘉荫卓越财富管理有限公司

Entity controlled by Mr. Yan,  
由严先生控制的实体  
the Founder and Chairman of the Group  
集团创办人及主席

Jiayin Credit Investigation Service Co., Ltd  
 (“Jiayin Credit”)  
嘉荫征信服务有限公司

Entity controlled by Mr. Yan,  
由严先生控制的实体  
the Founder and Chairman of the Group  
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**10. RELATED PARTY TRANSACTIONS 关联交易 - continued - 继续**

The Group entered into the following transactions with its related parties:  
本集团与其关联方进行了下列交易:

	Year ended December 31, 截至十二月三十一日止的一年	
	2016	2017
	RMB 人民币	RMB 人民币
<b>Services provided by related parties:</b>		
有关人士提供的服务:		
Jiayin Zhuoyue (1) 嘉荫卓越(一)	112,049	106,256
Jiayin (Shanghai) (1) 嘉荫(上海)(1)	—	146,446
Jiayin Credit(2) 嘉荫信贷(2)	—	2,420 2420
Total 合计	112,049	255,122
	Year ended December 31, 截至十二月三十一日止的一年	
	2016	2017
	RMB 人民币	RMB 人民币
<b>Loans to a related party:</b>		
对关联方的贷款:		
Shanghai Jiayin (3) 上海嘉荫(3)	82,958	—
Total 合计	82,958	—
<b>Loans from a related party</b>		
关联方贷款		
Jiayin Credit (4) 嘉荫信贷(4)	81,054	13,876
Total 合计	81,054	13,876

- (1) Jiayin Zhuoyue and Jiayin (Shanghai) referred investors and borrowers to the Group and charged referral service fees.  
嘉荫卓越和嘉荫(上海)将投资者和借款人介绍给集团并收取介绍服务费。
- (2) Jiayin Credit provided credit services for the Group and charged credit service fees.  
嘉荫信贷为集团提供信贷服务，并收取信贷服务费用。
- (3) The balance mainly refers to the payments made by the Group on behalf of Shanghai Jiayin.  
余额主要是集团代表 Shanghai Jiayin 支付的款项。
- (4) The balance mainly refers to certain payments made by Jiayin Credit on behalf of the Group.  
余额主要是指嘉荫信贷集团代表集团支付的部分款项。

The following table present amounts due from and due to related parties as of December 31, 2016 and 2017:

下表列出截至2016年12月31日和2017年12月31日相关各方应付款项:

	As of December 31, 截至十二月三十一日	
	2016	2017
	RMB 人民币	RMB 人民币
<b>Amount due from related parties</b> 关连人士应缴的款项		

Niwodai Finance (1)	562,766	517,685
Shanghai Jiayin (2)		
上海嘉荫(2)	<u>82,958</u>	<u>—</u>
Total		
合计	<u>645,724</u>	<u>517,685</u>
<b>Amount due to related parties</b>		
应付关联人士的款项		
Jiayin Zhuoyue (3)		
嘉荫卓越(3)	7,467	10,449
Jiayin Credit (4)		
嘉荫信贷(4)	90,123	106,420
Jiayin (Shanghai) (5)		
嘉荫(上海)(5)	<u>—</u>	<u>18,080</u>
Total		
合计	<u>97,590</u>	<u>134,949</u>

(1) The balance mainly consists of receivable from Niwodai Finance resulting from the 2015 Acquisition (see Note 1), and loans to Niwodai Finance.

余额主要包括2015年收购产生的尼沃大金融公司的应收款(见注1)和尼沃大金融公司的贷款。

(2) Balances mainly represents the amount of loans to Shanghai Jiayin.

贷款余额主要反映对 Shanghai Jiayin 的贷款额。



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**10. RELATED PARTY TRANSACTIONS 关联交易 - continued - 继续**

- (3) Balances mainly represents the amount of service fees payable to Jiayin Zhuoyue.  
结余主要反映应付予 Jiayin Zhuoyue 的服务费。
- (4) Balance as of December 31, 2016 represents RMB 90,123 loans from Jiayin Credit.  
截至2016年12月31日，来自 Jiayin Credit 的贷款余额为90123元人民币。

The Group received RMB 81,054 loan from Jiayin Credit to support the Group's working capital management during the year ended December 31, 2016. There was no repayment on loans of related party to Jiayin Credit during the year ended December 31, 2016.

在截至二〇一六年十二月三十一日的财政年度，集团从 Jiayin Credit 获得81,054元人民币贷款，以支持集团的营运资本管理。截至二〇一六年十二月三十一日为止的一年内，关联方对 Jiayin Credit 的贷款并无偿还。

Balance as of December 31, 2017 represents RMB 103,999 loans from Jiayin Credit and RMB 2,421 accounts payable in relation to credit assessment service provided by Jiayin Credit.

截至2017年12月31日，来自 Jiayin Credit 的贷款余额为103999元人民币，与嘉荫信贷提供的信用评估服务有关的应付帐款为2421元人民币。

The Group received RMB 13,876 loan from Jiayin Credit to support the Group's working capital management and recorded RMB 2,421 accounts payable in relation to the credit assessment service provided by Jiayin Credit during the year ended December 31, 2017. There was no repayment on loans of related party and no repayment on accounts payable to Jiayin Credit during the year ended December 31, 2017.

在截至2017年12月31日的财政年度，嘉荫信贷集团从 Jiayin Credit 获得13,876元人民币贷款，以支持集团的营运资本管理，并就嘉荫信贷提供的信用评估服务录得2,421元应付帐款。在截至二〇一七年十二月三十一日的年度内，关联方的贷款没有偿还，而应付帐款亦没有向 Jiayin Credit 偿还贷款。

- (5) Balances mainly represents the service fees payable to Jiayin (Shanghai).  
余额主要是应付予嘉荫(上海)的服务费。

Amounts due from/to related parties are non-interest bearing, unsecured, and due on demand.

向有关连人士支付的款项属无息、无抵押及应收帐款。

**11. COMMITMENTS AND CONTINGENCIES 承诺和意外开支**

Lease Obligations

**租赁义务**

The Group leases office premises under operating leases. The term of each lease agreement vary and may contain renewal options. Rental payments under operating leases are charged to cost of revenues or operating expenses on the straight-line basis over the period of the lease based on contract terms. Rental expenses under operating leases for the years ended December 31, 2016 and 2017 were RMB15,047 and RMB22,886, respectively.

本集团以经营租赁方式租赁办公房地。每个租赁协议的期限不同，可能包含续租选项。经营租赁项下的租金支出按合同条款在租赁期内按直线法计入收入成本或经营费用。截至二〇一六年十二月三十一日及二〇一七年十二月三十一日止年度的营运租约租金支出分别为15047元人民币及22886元人民币。

Future minimum lease payments under non-cancelable operating leases as of December 31, 2017 were as follows:

截至2017年12月31日，不可取消经营租赁项下的未来最低租赁付款额如下：

Year ending of December 31: 截至十二月三十一日止年度:	RMB 人民币
2018	
2018年	15,287
2019	
2019年	9,291
2020	
2020年	3,947

2021	
2021年	580
Total	
合计	<u>29,105</u>

Capital and other commitments

资本和其他承诺

The Group did not have significant capital and other commitments, long-term obligations, or guarantees other than those relating to the investor assurance program, as of December 31, 2016 and 2017.

截至2016年12月31日和2017年12月31日，除了与投资者保证计划有关的资本和其他承诺、长期债务或担保外，集团没有其他重要资本和其他承诺。

Contingencies

意外事故

The Group is subject to legal proceedings and regulatory actions in the ordinary course of business. The results of such proceedings cannot be predicted with certainty, but the Group does not anticipate that the

在正常的业务过程中，集团将受到裁判和监管行动的影响。这些程序的结果无法肯定地预测，但专家组预计

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(除股票和每股数据外，以千计的金额)

11. COMMITMENTS AND CONTINGENCIES 承诺和意外开支 - continued - 继续

Contingencies - continued

意外开支-继续

final outcome arising out of any such matter will have a material adverse effect on the consolidated business, financial position, cash flows or results of operations taken as a whole. As of December 31, 2017, the Group is not a party to any material legal or administrative proceedings. 任何此类事项所产生的最终结果将对合并业务、财务状况、现金流量或整体业务结果产生重大不利影响。截至二〇一七年十二月三十一日，本集团并非任何重大法律或行政诉讼的当事人。

12 RESTRICTED NET ASSETS 限制性净资产

The Company's ability to pay dividends is primarily dependent on the Company receiving distributions of funds from its subsidiaries. Relevant PRC statutory laws and regulations permit payments of dividends by the VIEs and subsidiaries of the VIEs incorporated in PRC only out of their retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. The consolidated results of operations reflected in the consolidated financial statements prepared in accordance with U.S. GAAP differ from those reflected in the statutory financial statements of the Company's subsidiaries.

公司支付股息的能力主要取决于公司从其子公司收到的资金分配。中国的相关法律法规允许在中国注册的可变利益实体及其子公司支付股息，但仅限于根据中国会计准则和法规确定的可变利益实体的留存收益。根据美国公认会计原则编制的合并财务报表所反映的合并业务结果与公司子公司法定财务报表所反映的不同。

Under PRC law, the Company's subsidiaries, VIEs and the subsidiaries of the VIEs located in the PRC (collectively referred as the "PRC entities") are required to provide for certain statutory reserves, namely a general reserve, an enterprise expansion fund and a staff welfare and bonus fund. The PRC entities are required to allocate at least 10% of their after tax profits on an individual company basis as determined under PRC accounting standards to the statutory reserve and has the right to discontinue allocations to the statutory reserve if such reserve has reached 50% of registered capital on an individual company basis. In addition, the registered capital of the PRC entities is also restricted.

根据中华人民共和国法律，公司的子公司、可变利益实体和在中国的可变利益实体的子公司(统称为"中华人民共和国实体")必须提供某些法定准备金，即一般准备金、企业发展基金和员工福利及奖金基金。根据中华人民共和国会计准则的规定，中华人民共和国实体必须将其税后利润的至少10%按个别公司分配给法定准备金，如果法定准备金按个别公司分配达到注册资本的50%，则有权中止对法定准备金的分配。此外，中华人民共和国实体的注册资本也受到限制。

Amounts restricted that include paid in capital and statutory reserve funds, as determined pursuant to PRC GAAP, are RMB 176,564 and RMB 217,199 as of December 31, 2016 and 2017.

截至2016年12月31日和2017年12月31日，根据中华人民共和国公认会计原则确定的限额包括以资本和法定准备金形式缴纳的限额为176,564元人民币和217,199元人民币。

13. SUBSEQUENT EVENTS 其后事件

The Group has evaluated subsequent events through July 30, 2018, the date on which the consolidated financial statements were available to be issued.

专家组对截至2018年7月30日的后续事件进行了评估，2018年7月30日是发布综合财务报表的日期。

In March 2018, Jiayin Finance paid a cash dividend with the total amount of RMB 400,000 to its shareholders.

2018年3月，嘉荫金融向股东支付了总额为40万元人民币的现金股息。

Since April 28, 2018, the Group began to partner with an unrelated third party guarantor to provide post-origination services and guarantee services for loans newly facilitated since April 28, 2018. Borrowers pay service fees for such services directly to the guarantor. The Group no longer operates investor assurance program for those loans. For the loans facilitated before April 28, 2018 under the investor assurance program managed by the Group, the Group expects to elect to use its own working capital to fund the investor assurance program after April 28, 2018 when the balance of the investor assurance fund is depleted.

自二〇一八年四月二十八日起，集团开始与一名无关联的第三方担保人合作，为自二〇一八年四月二十八日起新提供的贷款提供贷款后服务及担保服务。借款人直接向担保人支付服务费。集团不再为这些贷款实施投资者担保计划。对于2018年4月28日之前根据集团管理的投资者保证计划提供的贷款，集团希望在2018年4月28日投资者保证基金余额耗尽之后，选择使用自有周转资金为投资者保证计划提供资金。



[Table of Contents](#) 目录提示：本档案系@财报牛牛（公众号：caibaoniao）通过第三方翻译软件从英文招股书翻译成中文的版本，仅供参考。

**JIAYIN GROUP INC.**  
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**ADDITIONAL INFORMATION—FINANCIAL STATEMENTS SCHEDULE I**  
补充资料—财务报表附表一  
**CONDENSED FINANCIAL INFORMATION OF PARENT COMPANY BALANCE SHEETS**  
母公司资产负债表财务信息的浓缩  
**(AMOUNT IN THOUSANDS, EXCEPT SHARE AND SHARE RELATED DATA)**  
(数量以千计，共享和共享相关数据除外)

	<u>As of December 31, 截至十二月三十一日.</u>		
	2016	2017	
	RMB 人民币	RMB 人民币	US\$ 美元
<b>Assets</b>			
资产			
<b>Current assets</b>			
流动资产			
Cash and cash equivalents			
现金及现金等价物	0	0	0
<b>Total current assets</b>			
流动资产总额	0	0	0
Investments in subsidiaries and VIEs	(2,560,483)	(1,931,542)	(281,238)
对附属公司和 vie 的投资	2560483)	1931542)	281,238)
<b>Total assets</b>	(2,560,483)	(1,931,542)	(281,238)
资产总额	2560483)	1931542)	281,238)
<b>Equity</b>			
股票			
Ordinary shares			
普通股	0	0	0
Accumulated deficit	(2,560,483)	(1,931,542)	(281,238)
累积亏损	2560483)	1931542)	281,238)
<b>Total deficit</b>	(2,560,483)	(1,931,542)	(281,238)
赤字总额	2560483)	1931542)	281,238)
<b>Total liabilities and deficit</b>	(2,560,483)	(1,931,542)	(281,238)
负债与赤字总额	2560483)	1931542)	281,238)

[Table of Contents](#) 目录提示：本档系@财报牛牛（公众号：caibaoniao）通过第三方翻译软件从英文招股书翻译成中文的版本，仅供参考。

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**ADDITIONAL INFORMATION—FINANCIAL STATEMENTS SCHEDULE I**  
补充资料—财务报表附表一  
**CONDENSED FINANCIAL INFORMATION OF PARENT COMPANY STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
母公司综合收益(亏损)报表的浓缩财务信息  
**(AMOUNT IN THOUSANDS, EXCEPT SHARE AND SHARE RELATED DATA)**  
(数量以千计，共享和共享相关数据除外)

	Year ended December 31, 截至十二月三十一日止的一年		
	2016 RMB 人民币	2017 RMB 人民币	US\$ 美元
Equity in earnings of subsidiaries and VIEs 子公司和 vic 的权益收益	(389,751)	539,545	78,560
<b>Net income (loss)</b> 净收益(亏损)	<u>(389,751)</u>	<u>539,545</u>	<u>78,560</u>
Other comprehensive income (loss) 其他综合收益(亏损)	—	—	—
Comprehensive income (loss) 综合收入(亏损)	<u>(389,751)</u>	<u>539,545</u>	<u>78,560</u>

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[Table of Contents](#) 目录提示：本档系@财报牛牛（公众号：caibaoniao）通过第三方翻译软件从英文招股书翻译成中文的版本，仅供参考。

**JIAYIN GROUP INC.**  
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**ADDITIONAL INFORMATION—FINANCIAL STATEMENTS SCHEDULE I**  
补充资料—财务报表附表一  
**CONSOLIDATED STATEMENTS OF COMPANY CASH FLOW STATEMENTS**  
公司现金流量表合并表  
**(AMOUNT IN THOUSANDS, EXCEPT FOR SHARE AND PER SHARE DATA)**  
(数额以千计，但不包括股份及每股数据)

	Year ended December 31, 截至十二月三十一日止的一年		
	2016	2017	US\$ 美元
	RMB 人民币	RMB 人民币	
<b>Cash flows from operating activities</b>			
经营活动现金流量			
Net (loss) income for the year			
年度净(亏损)收入	(389,751)	539,545	78,560
Share of results of subsidiaries and VIEs			
子公司和可变利益实体业绩份额	389,751	(539,545)	(78,560)
Net cash (used in)/from operating activities			
现金净额(用于)/来自经营活动	—	—	—
<b>Cash flows from investing activities</b>			
来自投资活动的现金流			
Net cash from investing activities			
投资活动现金净额	—	—	—
<b>Cash flows from financing activities</b>			
筹资活动的现金流量			
Net cash from financing activities			
筹资活动现金净额	—	—	—
Effect of foreign exchange rate changes on cash and cash equivalents			
汇率变动对现金和现金等价物的影响	—	—	—
Net decrease in cash and cash equivalents			
现金及现金等价物净减少	—	—	—
Cash and cash equivalents at beginning of year			
年初现金及现金等价物	0	0	0
Cash and cash equivalents at end of the year			
年终现金及现金等价物	0	0	0



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NOTES TO SCHEDULE I  
附表一注释

1. Schedule I has been provided pursuant to the requirements of Rule 12-04(a) and 5-04(c) of Regulation S-X, which require condensed financial information as to the financial position, changes in financial position and results of operations of a parent company as of the same dates and for the same periods for which audited consolidated financial statements have been presented when the restricted net assets of consolidated subsidiaries exceed 25 percent of consolidated net assets as of the end of the most recently completed fiscal year.  
附表一是根据 S-X 条例细则 12-04(a) 和 5-04(c) 的要求提供的，其中要求提供关于截至最近完成的财政年度结束时限制性资产超过合并净资产 25% 的同一日期和同一时期的财务状况、财务状况变化和母公司经营结果的简要财务资料。
2. As disclosed in Note 1 to the consolidated financial statements, the Company was incorporated on December 21, 2017 in the Cayman Islands to be the holding company of the Group. The Company undertook a series of transactions to redomicile its business from PRC to the Cayman Islands. The Company has presented Schedule I as if Cayman Islands parent company has been incorporated on January 1, 2016.  
正如综合财务报表注 1 所披露，本公司于二〇一七年十二月二十一日在开曼群岛注册成为集团的控股公司。公司进行了一系列交易，将其业务从中华人民共和国迁至开曼群岛。本公司提交附表一时，似乎开曼群岛母公司已于二〇一六年一月一日注册成立。
3. The condensed financial information has been prepared using the same accounting policies as set out in the consolidated financial statements except that the equity method has been used to account for investments in its subsidiaries and VIEs. For the parent company, the Company records its investments in subsidiaries and VIEs under the equity method of accounting as prescribed in ASC 323, Investments—Equity Method and Joint Ventures. Such investments are presented on the Condensed Balance Sheets as “Investment in subsidiaries and VIEs” and share of their earnings as “Equity in earnings of subsidiaries and VIEs” on the Condensed Statements of Comprehensive Income (Loss).  
简要财务信息的编制采用了与合并财务报表相同的会计政策，只是在核算其子公司和可变利益实体的投资时采用了权益法。对于母公司，公司按照 ASC 323、investments — equity Method 和 Joint Ventures 规定的权益会计方法记录其对子公司和 vie 的投资。这些投资在资产负债表中列报为“对子公司和 vie 的投资”，在综合收益(损失)表中列报为“子公司和 vie 的收益权益”。
4. Certain information and footnote disclosures normally included in financial statements prepared in accordance with US GAAP have been condensed or omitted. The footnote disclosure certain supplemental information relating to the operations of the Company and, as such, these statements should be read in conjunction with the notes to the accompanying Consolidated Financial Statements.  
通常包括在按照美国公认会计原则编制的财务报表中的某些信息和脚注披露被压缩或省略。脚注披露与公司运营有关的某些补充信息，因此，这些报表应与所附合并财务报表的附注一并阅读。
5. As of December 31, 2016 and 2017, there were no material contingencies, significant provisions of long-term obligations, mandatory dividend or redemption requirements of redeemable stocks or guarantees of the Company.  
截至 2016 年 12 月 31 日和 2017 年 12 月 31 日，没有重大或有事项、长期债务的重大准备金、强制分红或赎回可赎回股票或公司担保的要求。
6. Translations of balances in the additional financial information of Parent Company- Financial Statements Schedule I from RMB into US\$ as of and for the year ended December 31, 2017 are solely for the convenience of the readers and were calculated at the rate of US\$1.00= RMB6.8680, representing the noon buying rate set forth in the H.10 statistical release of the U.S. Federal Reserve Board on September 28, 2018. No representation is made that the RMB amounts could have been, or could be, converted, realized or settled into US\$ at that rate on September 28, 2018, or at any other rate.  
母公司附加财务资料-财务报表附表一的结余从人民币到截至二零一七年十二月三十一日止年度的美元折算为美元，完全是为了方便读者，折算汇率为 1.00 美元 / 6.8680 元人民币，即美国联邦储备委员会于二零一八年九月二十八日发布的 h. 10 统计报告中所载的中午买入汇率。没有任何陈述表明人民币汇率在 2018 年 9 月 28 日或以任何其他汇率已经或可能被转换、实现或结算为美元。

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UNAUDITED INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS  
未经审计的中期综合资产负债表  
(Amounts in thousands, except for share and per share data)  
(除股票和每股数据外，以千计的金额)

	As of December 31, 截至十二月三十一日, 2017	As of September 30, 截至9月30日, 2018	
	RMB 人民币	RMB 人民币	US\$ 美元 (Note 2(d)) (注2(d))
<b>ASSETS</b>			
资产			
Cash and cash equivalents		359,788	
现金及现金等价物	606,097		52,386
Restricted cash		16,429	
限制性现金	155,235		2,392
Amounts due from related parties		119,572	
关连人士应缴的款项	517,685		17,410
Accounts receivable, net (net of allowance for uncollectible receivables of RMB 24,697 as of September 30, 2018)			
应收帐款，净额(截至2018年9月30日，已扣除坏账准备金24,697元人民币)	—	169,992	24,751
Contract assets, net (net of allowance for uncollectible contract assets of RMB 255,268 and RMB 312,714 as of December 31, 2017 and September 30, 2018, respectively)			
合约资产净值(截至二〇一七年十二月三十一日及二〇一八年九月三十日，合约资产净值分别为人民币255,268元及312,714元)	799,291	513,840	74,817
Assets from investor assurance program, net		19,671	
来自投资者保证计划的资产净值	270,276		2,864
Prepaid expenses and other current assets		84,123	
待摊费用及其他流动资产	118,309		12,248
Deferred tax assets		38,390	
递延税项资产	38,390		5,590
Property and equipment		31,480	
财产和设备	23,870		4,584
Other long-term assets		486	
其他长期资产	1,379		71
<b>TOTAL ASSETS</b>			
总资产	<b>2,530,532</b>	<b>1,353,771</b>	<b>197,113</b>
<b>LIABILITIES AND EQUITY</b>			
负债及资产			
<b>Liabilities including amounts of the consolidated VIEs without recourse to the Company (Note 2(b)):</b>			
负债，包括没有追索权的综合可变利益实体的金额(注2(b))：			
Payroll and welfare payable		69,484	
应付工资和福利	105,386		10,117
Amounts due to related parties		5,901	
应付关联方的款项	134,949		859
Liabilities from investor assurance program		2,424,503	
来自投资者担保计划的负债	3,017,124		353,015
Other guarantee liabilities		63,985	
其他担保负债	701,228		9,316
Tax payables		394,591	
应付税款	203,990		57,454
Refund liabilities		98,709	
退还债务	156,111		14,372
Accrued expenses and other current liabilities		156,965	
应计费用和其他流动负债	143,286		22,855
<b>TOTAL LIABILITIES</b>			
负债总额	<b>4,462,074</b>	<b>3,214,138</b>	<b>467,988</b>

**Commitments and Contingencies (Note 10)**

承付款项和意外开支(注10)

**SHAREHOLDERS' DEFICIT**

股东赤字

Ordinary shares\* (US\$ 0.000000005 par value; 10,000,000,000 shares authorized,  
200,000,000 shares issued and outstanding as of December 31, 2017 and September 30, 2018,  
respectively)

普通股 \* (2017年12月31日和2018年9月30日分别为面值0.000000005美元;  
10,000,000,000股认可股票, 发行和流通股200,000,000股)

Additional paid-in capital

额外实收资本

Accumulated deficit

累积亏损

**TOTAL SHAREHOLDERS' DEFICIT**

股东亏损总额

**TOTAL LIABILITIES AND DEFICIT**

负债与赤字总额

	0	0	0
		349,446	
	327,694		50,880
	(2,259,236)	(2,209,813)	
	2259236)		(321,755)
	<b>(1,931,542)</b>	<b>(1,860,367)</b>	<b>(270,875)</b>
	<b>1931542)</b>	<b>1,860,367)</b>	<b>270,875)</b>
	<b>2,530,532</b>	<b>1,353,771</b>	<b>197,113</b>

\* Authorized and outstanding share amount reflect the 20,000-for-1 stock split effected on December 19, 2018.  
已授权及未偿还股份金额反映于二〇一八年十二月十九日生效的20,000股对1股股票分割。

The accompanying notes are an integral part of these consolidated financial statements.

附注是这些合并财务报表不可分割的一部分。

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UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
未经审计的中期综合综合全面收入报表  
(Amounts in thousands, except for share and per share data)  
(除股票和每股数据外，以千计的金额)

	Nine months ended September 30, 截至9月30日的9个月		
	2017	2018	US\$ 美元 (Note 2(d)) (注 2(d))
	RMB 人民币	RMB 人民币	US\$ 美元 (Note 2(d)) (注 2(d))
<b>Net revenue</b>			
净收入	1,480,755	2,171,683	316,203
<b>Operating cost and expenses:</b>			
营运成本及开支:			
Origination and servicing	(141,244)	(284,035)	
创立和服务	141,244)	(284,035))	(41,356)
Allowance for uncollectible accounts receivable and contract assets			(27,318)
无法收回的应收帐款和合同资产备抵	(49,174)	(187,618)	27,318)
Provision for assets and liabilities from investor assurance program			
投资者保证计划中的资产和负债准备金	(6,314 6314)	(426,710)	(62,130)
Sales and marketing	(600,055)	(562,630)	(81,920)
销售和市场营销	(600,055))	(562,630)	(81,920))
General and administrative		(83,272)	
一般及行政事务	(65,226)	83,272)	(12,125)
Research and development	(113,811)		
研究及发展	113,811)	(112,387)	(16,364)
<b>Total operating cost and expenses</b>	<b>(975,824</b>	<b>(1,656,652</b>	<b>(241,213</b>
营运成本及费用总额	<b>975,824)</b>	<b>1,656,652)</b>	<b>241,213)</b>
<b>Income from operation</b>			
经营收入	<b>504,931</b>	<b>515,031</b>	<b>74,990</b>
Interest income			
利息收入	1,383	1,042	152
Other income, net			
其他收入，净额	8,667	12,039	1,753
<b>Income before income taxes</b>			
所得税前收入	<b>514,981</b>	<b>528,112</b>	<b>76,895</b>
Income tax expense			(11,458)
所得税费用	(118,719)	(78,689)	11,458)
<b>Net income</b>			
净收入	<b>396,262</b>	<b>449,423</b>	<b>65,437</b>
<b>Other comprehensive income, net of tax of nil</b>			
其他综合收入，不计税净额			
Foreign currency translation adjustments			
外币折算调整	—	—	—
<b>Comprehensive income</b>			
综合收入	<b>396,262</b>	<b>449,423</b>	<b>65,437</b>
<b>Net income per share*:</b>			
每股净收益*：			
- Basic			
- 基本	1.98	2.25	0.33
- Diluted			
- 稀释	1.98	2.25	0.33
<b>Weighted average shares used in calculating net income per share*:</b>			
用于计算每股净收益*的加权平均数:			
- Basic	200,000,000	200,000,000	200,000,000
- 基本	二十万	二十万	二十万
- Diluted	200,000,000	200,000,000	200,000,000
- 稀释	二十万	二十万	二十万

- \* All per share and weighted average share amounts have been adjusted to retrospectively reflect the 20,000-for-1 stock split effected on December 19, 2018.  
所有每股和加权平均数的数额已经过调整，以追溯反映在2018年12月19日生效的20,000换1股票分割。

The accompanying notes are an integral part of these consolidated financial statements.

附注是这些合并财务报表不可分割的一部分。

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JIAYIN GROUP INC.  
嘉银集团股份有限公司。  
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT  
未经审计的股东赤字变动中期简明合并报表  
(Amounts in thousands, except for share and per share data)  
(除股票和每股数据外，以千计的金额)

	Ordinary 一般 shares* 股份*	RMB 人民 币	Additional 附加 paid-in capital 实收资本	RMB 人民币	Accumulated 累积 deficit 赤字	RMB 人民币	Accumulated 累积 other comprehensive 其他综合性 income 收入	RMB 人民币	Total deficit 赤字总额
	Number 数目		RMB 人民币		RMB 人民币		RMB 人民币		RMB 人民币
Balance at January 1, 2017 二零一七年一月一日的结余	200,000,000 二十万	—	238,298		(2,798,781 2798781)		—		(2,560,483 2560483)
Net income 净收入	—	—	—		396,262		—		396,262
Foreign currency translation adjustments 外币折算调整	—	—	—		—		—		—
Share-based compensation 以股份为基础的薪酬	—	—	74,934		—		—		74,934
Balance at September 30, 2017 余额于二零一七年九月三十日	200,000,000 二十万	—	313,232		(2,402,519 (2,402,519))		—		(2,089,287 2089,287)
	Ordinary 一般 Shares* 股份*	RMB 人民 币	Additional 附加 paid-in capital 实收资本	RMB 人民币	Accumulated 累积 deficit 赤字	RMB 人民币	Accumulated 累积 other comprehensive 其他综合性 income 收入	RMB 人民币	Total deficit 赤字总额
	Number 数目		RMB 人民币		RMB 人民币		RMB 人民币		RMB 人民币
Balance at January 1, 2018 二〇一八年一月一日的结余	200,000,000 二十万	—	327,694		(2,259,236 2259236)		—		(1,931,542 1931542)
Net income 净收入	—	—	—		449,423		—		449,423
Dividend distributed to shareholders 分配给股东的股息	—	—	—		(400,000 (40万英镑))		—		(400,000 (40万英镑))
Foreign currency translation adjustments 外币折算调整	—	—	—		—		—		—
Share-based compensation 以股份为基础的薪酬	—	—	21,752		—		—		21,752
Balance at September 30, 2018 余额于二〇一八年九月三十日	200,000,000 二十万	—	349,446		(2,209,813 2,209,813)		—		(1,860,367 1,860,367)

\* Number of ordinary share reflects the 20,000-for-1 stock split effected on December 17, 2018.  
普通股数目反映于二〇一八年十二月十七日生效的20,000比1股票拆分。

The accompanying notes are an integral part of these consolidated financial statements.

附注是这些合并财务报表不可分割的一部分。

JIAYIN GROUP INC.  
嘉银集团股份有限公司。  
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
未经审计的中期现金流量浓缩合并报表  
(Amounts in thousands, except for share and per share data)  
(除股票和每股数据外，以千计的金额)

	Nine months ended September 30, 截至9月30日的9个月		
	2017 RMB 人民币	2018 RMB 人民币	US\$ 美元 (Note2(d)) (注2(d))
<i>Cash flows from operating activities</i> 经营活动现金流量			
Net income (loss) for the year 年度净收入(亏损)	396,262	449,423	65,437
<i>Adjustments to reconcile net income (loss) to net cash flows from operating activities:</i> 调节净收入(损失)与业务活动现金流量净额的调整数:			
Share-based compensation 以股份为基础的薪酬	74,934	21,752	3,167
Depreciation and amortization 折旧及摊销	2,535	7,528	1,096
Allowance for uncollectible accounts receivable and contract assets 无法收回的应收帐款和合同资产备抵	49,174	187,618	27,318
<i>Changes in operating assets and liabilities:</i> 营业资产和负债的变动:			
Assets from investor assurance program 来自投资者保障计划的资产	11,337	250,605	36,489
Contract assets and accounts receivable 合同资产和应收帐款	(410,431)	(72,158)	(10,505)
Prepaid expenses and other current assets 待摊费用及其他流动资产	(15,437)	34,186	4,978
Amount due from/to related parties 应收/应付有关人士的款项	40,864	373,065	54,318
Liabilities from investor assurance program 来自投资者担保计划的负债	597,408	(653,800)	(95,195)
Other guarantee liabilities 其他担保负债	(951,938)	(576,066)	(83,877)
Payroll and welfare payable 应付工资和福利	(4,716)	(35,902)	(5,227)
Tax payables 应付税款	(4,716)	(35,902)	5,227
Refund liabilities 退还债务	146,196	190,601	27,752
Accrued expenses and other current liabilities 应计费用和其他流动负债	3,053	(57,401)	(8,358)
	66,062	13,679	1,991
<b>Net cash generated by operating activities</b> 业务活动产生的现金净额	<b>5,303</b>	<b>133,130</b>	<b>19,384</b>
<i>Cash flows from investing activities</i> 来自投资活动的现金流			
Purchases of property and equipment 购置财产和设备	(12,193)	(14,245)	(2,074)
Loan to related parties 向关联方提供的贷款	—	(7,700)	(1,121)
Repayment from related parties 偿还有关人士的款项	82,958	7,700	1,121
<b>Net cash provided by (used in) investing activities</b> 投资活动提供的现金净额	<b>70,765</b>	<b>(14,245)</b>	<b>(2,074)</b>
<i>Cash flows from financing activities</i> 筹资活动的现金流量			
Loans from related parties 关联方的贷款	11,949	365	53



Repayment to related parties			
偿还有关人士的款项	—	(104,365)	(15,196)
Dividend distributed to shareholders		(400,000)	
分配给股东的股息		(40万英	(58,241)
	—	镑)	58,241)
<b>Net cash provided by (used in) financing activities</b>			
(用于)融资活动的现金净额	<b>11,949</b>	<b>(504,000)</b>	<b>(73,384)</b>
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash			
汇率变动对现金、现金等价物和限制性现金的影响	—	—	—
<b>Net change in cash, cash equivalents and restricted cash</b>			
现金、现金等价物和限制性现金变动净额	<b>88,017</b>	<b>(385,115)</b>	<b>(56,074)</b>
<b>Cash, cash equivalents and restricted cash at beginning of the period</b>			
期初现金、现金等价物和限制性现金	<b>581,489</b>	<b>761,332</b>	<b>110,852</b>
<b>Cash, cash equivalents and restricted cash at end of the period</b>			
期末现金、现金等价物和限制性现金	<b>669,506</b>	<b>376,217</b>	<b>54,778</b>
Supplemental disclosure of cash flow information:			
现金流量信息的补充披露:			
Income taxes paid			
缴纳所得税	47,057	70,392	10,249
Reconciliation to amounts on consolidated balance sheets			
对合并资产负债表上的金额进行调节			
Cash and cash equivalents			
现金及现金等价物	406,015	359,788	52,386
Restricted cash			
限制性现金	263,491	16,429	2,392
Total cash, cash equivalents and restricted cash			
现金、现金等价物和限制性现金共计	<u>669,506</u>	<u>376,217</u>	<u>54,778</u>

The accompanying notes are an integral part of these consolidated financial statements.

附注是这些合并财务报表不可分割的一部分。

JIAYIN GROUP INC.  
嘉银集团股份有限公司。  
NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
未经审计的中期简要综合财务报表附注  
(Amounts in thousands, except for share and per share data)  
(除股票和每股数据外，以千计的金额)

**1. ORGANIZATION AND PRINCIPAL ACTIVITIES 组织和主要活动**

JIAYIN Group Inc. (the “Company”) is an exempted company incorporated with limited liabilities in the Cayman Islands under the laws of the Cayman Islands in December 2017.

嘉银集团股份有限公司(“公司”)是2017年12月在开曼群岛根据开曼群岛法律注册成立的免责公司。

The Company, its subsidiaries and its variable interest entities and their subsidiary (collectively referred to as the “Group”) provide individual finance services in the People’s Republic of China (“PRC”) by connecting investors with borrowers through a proprietary internet platform.

该公司、其附属公司及其可变权益实体及其附属公司(统称「集团」)透过一个专有的互联网平台，将投资者与借款人联系起来，在中华人民共和国提供个人金融服务。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要**

**(a) Basis of presentation and consolidation**

**(a) 列报和合并的依据**

The accompanying unaudited interim condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”).

随附的公司未经审计的中期简要综合财务报表是根据美利坚合众国公认的会计原则编制的。

The accompanying unaudited interim condensed consolidated financial statements include the financial information of the Company, its subsidiaries and its consolidated variable interest entity (“VIE”). All intercompany balances and transactions have been eliminated in consolidation. The unaudited interim condensed consolidated financial statements have been prepared in accordance with the rules and regulations of the Security and Exchange Commission and U.S. generally accepted accounting standards for interim financial reporting. The results of operations for the nine-month periods ended September 30, 2017 and 2018 are not necessarily indicative of the results for the full years.

随附的未经审计的中期浓缩合并财务报表包括公司、其子公司及其合并可变权益实体(VIE)的财务信息。所有公司间的余额和交易已在合并中冲销。未经审计的中期简要综合财务报表是根据安全和交易委员会的细则和条例以及美国公认的中期财务报告会计准则编制的。截至二〇一七年九月三十日及二〇一八年九个月期间的营运结果，并不一定能反映整个年度的营运结果。

The accompanying unaudited interim condensed consolidated financial statements should be read in conjunction with the financial statements, accounting policies and notes thereto included in the Group’s audited consolidated financial statements for each of the two years in the period ended December 31, 2017. In the opinion of the management, the accompanying unaudited interim condensed consolidated financial statements reflect all normal recurring adjustments, which are necessary for a fair presentation of financial results for the interim periods presented. The Group believes that the disclosures are adequate to make the information presented not misleading. The accompanying unaudited interim condensed consolidated financial statements have been prepared using the same accounting policies as used in the preparation of the Group’s consolidated financial statements for each of the two years in the period ended December 31, 2017.

所附未经审计的中期简要综合财务报表应与集团2017年12月31日终了期间两年期已审计综合财务报表所列财务报表、会计政策及其附注一并阅读。管理当局认为，所附未经审计的临时精简合并财务报表反映了所有正常的经常性调整，这些调整对于公允列报所列临时期间的财务结果是必要的。专家组认为，这些披露足以使所提供的信息不具有误导性。所附未经审计的中期简要综合财务报表的编制采用了与2017年12月31日终了期间两年期集团合并财务报表编制过程中使用的相同的会计政策。

The financial information as of December 31, 2017 presented in the unaudited interim condensed consolidated financial statements is derived from the audited consolidated financial statements for the year ended December 31, 2017.

未经审计的中期浓缩合并财务报表中显示的截至2017年12月31日的财务信息来自截至2017年12月31日年度的已审计合并财务报表。

**(b) Principles of consolidation**

**(b) 合并原则**

**Variable interest entity**

**可变权益实体**

The unaudited condensed consolidated financial statements include the condensed financial statements of the Company, its wholly owned subsidiaries, and consolidated VIEs. All intercompany transactions and balances have been eliminated.

未经审计的压缩合并财务报表包括公司、其全资子公司的压缩财务报表和综合 vie。所有公司间的交易和余额都已消除。

In December 2015, Niwodai Internet entered into an agreement with Shanghai Caiyin in relation to the guarantee services provided to investors. Through the agreement Niwodai Internet has obtained the power to direct the activities that most significantly affects the economic performance of Shanghai Caiyin and will be able to receive the economic benefits of Shanghai Caiyin that could be significant to Shanghai Caiyin. Therefore, Niwodai Internet is considered the primary beneficiary of Shanghai Caiyin and has consolidated Shanghai Caiyin since its incorporation.

2015年12月，牛窝带互联网与上海财银签署了向投资者提供担保服务的协议。通过该协议，新网获得了指导影响上海财银经济表现最重要的活动的权力，并将能够获得上海财银的经济效益，这可能对上海财银具有重要意义。因此，牛窝带互联网被认为是上海财银的主要受益者，并且自成立以来已经巩固了上海财银。



	<u>2017</u> RMB 人民币	<u>2018</u> RMB 人民币
Net revenue 净收入	1,480,755	2,171,683
Operating income 营业收入	504,931	515,031
Net income 净收入	396,262	449,423
Net cash generated by operating activities 业务活动产生的现金净额	5,303	133,130
Net cash provided by (used in) investing activities 投资活动提供的现金净额	70,765	(14,245 14,245)
Net cash provided by (used in) financing activities (用于)融资活动的现金净额	11,949	(504,000)

The VIEs contributed 100% of the Group's consolidated revenue for nine months ended September 30, 2017 and 2018. As of December 31, 2017 and September 30, 2018, the VIEs accounted for an aggregate of 100% of the consolidated total assets, and 100% of the consolidated total liabilities. Total assets not associated with the VIEs was less than 1% as of December 31, 2017 and September 30, 2018.

在截至二〇一七年九月三十日及二〇一八年九月的九个月内，可变利益实体为集团贡献了100%的综合收入。截至二零一七年十二月三十一日及二零一八年九月三十日，这些可变利益实体合计占综合资产总额的100%，以及综合负债总额的100%。截至二〇一七年十二月三十一日及二〇一八年九月三十日，与可变利益实体无关的总资产少于1%。

JIAYIN GROUP INC.

嘉银集团股份有限公司。

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未经审计的中期简要综合财务报表附注

(Amounts in thousands, except for share and per share data)

(除股票和每股数据外，以千计的金额)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

### (b) Principles of consolidation - continued

#### (b)合并原则——继续

#### Variable interest entity - continued

#### 可变权益实体-继续

The Group believes that there are no assets held in the VIEs that can be used only to settle obligations of the VIEs, except for registered capital and the PRC statutory reserves. As the VIEs are incorporated as limited liability companies under the PRC Company Law, creditors of the VIEs do not have recourse to the general credit of the Company for any of the liabilities of the VIEs. Relevant PRC laws and regulations restrict the VIEs from transferring a portion of their net assets, equivalent to the balance of its statutory reserve and its share capital, to the Company in the form of loans and advances or cash dividends. Amounts restricted that include paid in capital and statutory reserve funds, as determined pursuant to PRC GAAP, are RMB 217,199 and RMB 217,199 as of December 31, 2017 and September 30, 2018.

本集团认为，除注册资本和中华人民共和国法定准备金外，可变利益实体中没有任何资产可用于结清可变利益实体的债务。由于上述可变利益实体是根据《中华人民共和国公司法》以有限责任公司的形式注册成立，因此上述可变利益实体的债权人无权就上述可变利益实体的任何负债向本公司的一般信贷追索权。中国相关法律法规规定，可变利益实体不得以贷款、垫款或现金股利形式，将相当于其法定准备金和股本余额的部分净资产转移给本公司。截至2017年12月31日和2018年9月30日，根据中华人民共和国公认会计原则确定的限额包括以资本和法定准备金形式缴纳的限额为217,199元人民币和217,199元人民币。

### (c) Use of estimates

#### (c)估计数的使用

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. Changes in estimates are recorded in the period they are identified.

按照美国公认会计原则编制财务报表要求管理部门作出影响财务报表日期所报资产和负债数额以及报告期间所报收入和支出数额的估计和假设。实际结果可能与这些估计不同。估计数的变化记录在确定期间。

The Group bases its estimates on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Significant accounting estimates reflected in the Group's financial statements include allowance for uncollectible accounts receivable and contract assets, provision for assets from risk prevention program, valuation allowances for deferred tax assets, valuation of share-based awards, measurement of assets and liabilities from investor assurance program, and allocation of considerations under revenue arrangements with various performance obligations.

专家组根据历史经验和认为在当时情况下合理的其他各种因素作出估计，其结果构成对其他来源不明显的资产和负债账面价值作出判断的依据。集团财务报表中反映的重要会计估计包括坏账准备金和合同资产、风险防范计划中的资产准备金、递延税项资产的估值准备金、股票奖励计价、投资者担保计划中的资产和负债计量，以及各种业绩义务下收入安排的考虑因素分配。

### (d) Convenience translation

#### (d)方便翻译

The Group's financial statements are stated in RMB. Translations of balances in the consolidated balance sheets, and the related consolidated statements of comprehensive income (loss), shareholders' equity and cash flows from RMB into US dollars as of and for the nine months period ended September 30, 2018 are solely for the convenience of the readers and were calculated at the rate of US\$1.00=RMB 6.8680, representing the noon buying rate set forth in the H.10 statistical release of the U.S. Federal Reserve Board on September 28, 2018. No representation is made that the RMB amounts could have been, or could be, converted, realized or settled into US\$ at that rate on September 28, 2018, or at any other rate.

本集团之财务报表以人民币列报。截至二〇一八年九月三十日止的九个月期间，综合资产负债表的余额，以及相关的综合收益(亏损)、股东权益及人民币现金流转换成美元的综合报表，均为方便读者而计算，汇率为1.00元人民币6.8680，即二〇一八年九月二十八日美国联邦储备局 h. 10统计公布的中午买入率。没有任何陈述表明人民币汇率在2018年9月28日或以任何其他汇率已经或可能被转换、实现或结算为美元。

***(e) Investor assurance program***

**(e) 投资者保障计划**

*Investor assurance program managed by consolidated VIE*

**合并后的 VIE 管理的投资者担保计划**

Since its inception, the Group maintains an investor assurance program through its consolidated VIE, Shanghai Caiyin, for the benefits of investors who invested on unsecured loans through its marketplace. Under the investor assurance program, the Group sets aside the service fees charged by Shanghai Caiyin into designated restricted cash accounts to be used to cover the principal and interest of defaulted loans on a portfolio basis, payable on a first-loss basis up to the balance of the investor assurance program.

自成立以来，集团通过其合并的 VIE 上海财银，维持一个投资者保证计划，为通过其市场投资无担保贷款的投资者提供福利。根据投资者担保计划，集团将上海财银收取的服务费存入指定的受限制现金账户，用于支付以投资组合为基础的违约贷款的本金和利息，在投资者担保计划余额之前，按照首次亏损的原则支付。



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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续**

**(e) Investor assurance program - continued**

(e) 投资者保障计划-继续进行

*Investor assurance program managed by consolidated VIE - continued*

由合并后的 VIE 管理的投资者保证计划继续进行

At the loan inception, the Group recorded liability from investor assurance program in accordance with ASC Topic 460-10, which incorporates the expectation of potential future payments under the guarantee and takes into account both non-contingent and contingent aspects of the guarantee. The Group estimates the fair value of the stand-ready liability by estimating net expected accumulated loss rates for each product type, based on historical net accumulated loss rate for each product type and incorporating a markup margin. The weighted average expected net accumulative loss rates applied for the nine months ended September 30, 2017 and 2018 is 21.0% and 15.9% respectively. Subsequently, the liability from investor assurance program is measured in a combination of two components: (i) ASC Topic 460 component; and (ii) ASC Topic 450 component. 在贷款开始时，集团根据 ASC 议题460-10记录投资者担保方案的负债，其中包括担保项下对未来可能付款的预期，并考虑到担保的非或有和或有方面。专家组根据每一产品类别的历史净累计损失率估计每一产品类别的预期净累计损失率，并加上加价幅度，从而估计了备用负债的公允价值。加权平均数预计截至2017年9月30日和2018年9个月的净累计亏损率分别为21.0%和15.9%。随后，来自投资者保证计划的责任是通过两个组成部分的组合来衡量的：(i) ASC 主题460组成部分；和(ii) ASC 主题450组成部分。

As of December 31, 2017 and September 30, 2018, the total outstanding loan balances, the maximum potential undiscounted future payments as determined under ASC Topic 460, payable to the investors in relation to the existing loans covered by the investor assurance program, the remaining weighted average contractual term of the underlying loans under the investor assurance program and the expected net accumulated loss rate is presented in the following tables:

截至2017年12月31日和2018年9月30日，未偿还贷款余额总额，根据 ASC 主题460确定的未来最大潜在未贴现还款额，与投资者担保计划覆盖的现有贷款有关的应付给投资者的款项，根据投资者担保计划的潜在贷款的剩余加权平均数合同期限和预期净累计损失率列于下表：

	Current 目前 loan 贷款 products 产 品	Other 其他 online 在线 standard 标 准 loan 贷款 products 产 品	Offline and non- 非 standard 标 准 loan 贷款 products 产 品	Loans 贷款 related to 与... 有关 other 其他 guarantee 保 证 liabilities 负 债
As of December 31, 2017 截至2017年12月31日				
Total outstanding loan balances 未偿还贷款余额总额	4,413,584	2,198,226	8,063,135	1,460,619
Maximum potential undiscounted future payments 未来未贴现最大潜在付款额	4,629,783	2,281,060	9,033,985	1,548,277
Remaining weighted average contractual term (months) 合同期剩余加权平均数(个月)	8.5	4.8	19.9	7.4
Expected net accumulated loss rate on outstanding loans 未偿还贷款的预期净累计损失率	11.0%	19.0%	19.4%	38.6%
As of September 30, 2018 截至2018年9月30日				
Total outstanding loan balances 未偿还贷款余额总额	3,843,731	251,944	4,630,020	87,730
Maximum potential undiscounted future payments 未来未贴现最大潜在付款额	3,959,855	270,793	5,055,889	89,208
Remaining weighted average contractual term (months) 合同期剩余加权平均数(个月)	6.7	9.1	12.8	1.5

Expected net accumulated loss rate on outstanding loans

未偿还贷款的预期净累计损失率

10.7%

15.9%

21.2%

34.5%

On April 28, 2018, Shanghai Caiyin ceased to provide investor assurance program for new loans facilitated by the Group. However, the investor assurance program for existing unsecured loans facilitated prior to April 28, 2018 were still served by Shanghai Caiyin. The Group used its own working capital to fund the investor assurance program for those loans when the balance of the investor assurance fund is depleted.

2018年4月28日，上海财银停止为集团新增贷款提供投资者担保服务。然而，对于2018年4月28日之前的现有无担保贷款，投资者担保计划仍由上海财银提供。当投资者保证基金的余额耗尽时，本集团使用自己的营运资金为投资者保证计划提供资金。

*Investor assurance program managed by independent third parties*

由独立第三方管理的投资者保证计划

Starting on April 28, 2018, all newly facilitated unsecured loans are subject to an investor assurance program managed Shenzhen Rongxinbao Non-financial Guarantee Co., Ltd. (“Shenzhen Rongxinbao”), an

由二〇一八年四月二十八日起，所有新推出的无抵押贷款均受由深圳市融信宝有限公司管理的投资者保证计划管理

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

### (e) *Investor assurance program* - continued

#### (e) 投资者保障计划-继续进行

*Investor assurance program managed by independent third parties* - continued

由独立第三方管理的投资者保证计划-继续

unrelated third party guarantee company. All the borrowers obtaining new loans are required to enter into service agreement with Shenzhen Rongxinbao, according to which Shenzhen Rongxinbao will compensate investors for losses on principal and interest from borrower's default. The Group has facilitated a total of RMB 6,249 million unsecured loans that are subject to the investor assurance program managed by Rongxinbao for the nine months ended September 30, 2018.

无关第三方担保公司。所有获得新贷款的借款人都必须与深圳融信宝签订服务协议，根据该协议，深圳融信宝将赔偿投资者因借款人违约而蒙受的本金和利息损失。在截至2018年9月30日的9个月中，该集团共提供了62.49亿元人民币的无担保贷款，这些贷款受融信宝管理的投资者担保计划管理。

Starting on July 3, 2018, a part of unsecured loans newly facilitated by the Group are subject to an investor assurance program managed by China United SME Guarantee Corporation ("Sino Guarantee"), an unrelated third party guarantee company. Borrowers of those loans are required to enter into a separate agreement with Sino Guarantee and to contribute to an investor protection fund managed by Sino Guarantee. Investments made by investors on those loans are protected by the investor protection fund to the extent of the existing balance of the fund. The Group has facilitated a total of RMB 269 million unsecured loans that are subject to the investor assurance program managed by Sino Guarantee for the nine months ended September 30, 2018.

自二〇一八年七月三日起，本集团新推出的部分无抵押贷款将受中国联合中小企业担保公司(中国联合担保公司)管理的投资者担保计划管理。这些贷款的借款人必须与信和担保另行签订协议，并向信和担保管理的投资者保护基金捐款。投资者对这些贷款的投资在基金现有余额的范围内受投资者保护基金的保护。在截至2018年9月30日的9个月中，该集团共提供了2.69亿元人民币的无担保贷款，这些贷款受到信和担保公司管理的投资者担保计划的保护。

The Group does not assume any liabilities if the balance of the fund is not sufficient to fully compensate all investors.

如果基金余额不足以充分补偿所有投资者，本集团不承担任何债务。

*Investor assurance program partnering with Class B Investors*

与 b 类投资者合作的投资者保证计划

In July 2018, the Group launched an investor assurance programs by partnering with selective unrelated third party individual investors ("Class B investors"), who are willing to take higher risks in exchange for higher returns from managing the investor assurance for other investors who invest in the same loan product but with lower level of risk tolerance ("Class A investors"). The minimum investment amount for such Class B investment program is RMB1 million. The investment of Class B investors are matched with a number of loans on the Group's marketplace and each of such loans are matched with Class A and Class B investors at the same time.

二〇一八年七月，集团推出投资者保证计划，与选择性无关的第三方个人投资者（「b 类投资者」）合作，为其他投资于相同贷款产品但风险承受能力较低的投资者（「a 类投资者」）管理投资者保证，以换取较高回报。此类 b 类投资项目的最低投资额为100万元人民币。B 类投资者的投资与集团市场上的多笔贷款相匹配，每笔贷款都与 a 类和 b 类投资者同时匹配。

The borrower is required to pay certain non-refundable fees to the Class B investor, which will be contributed to an investor assurance program and deposited in a separated restricted cash account under the name of the Class B investor. Upon default of the borrower, the Class B investor is obligated to compensate the Class A investors with the funds in the investor assurance program and from proceeds he/she received from the repayment of the loans in the Class B investment program, including the principal, interest, fees, other proceeds, if any, collected by the Class B investor. The investor assurance program is separately managed for each Class B investor under each of the corresponding investment in the Class B investment program. Upon the maturity of the loans the Class B investors invested in and after the repayment to the Class A investors, Class B investor is entitled to the residual balance of such investor assurance program. The Group does not assume any liabilities to repay Class A or Class B investors of such loans, even if the balance of the fund and the proceeds received by the Class B investors are not sufficient to fully compensate all Class A investors of such loans. The Group has facilitated a total of 1,922 million unsecured loans that are subject to the investor assurance program partnering with Class B investors for the nine months ended September 30, 2018.

借款人须向 b 类投资者支付某些不可退还的费用，这些费用将用于投资者保证计划，并以 b 类投资者的名义存入一个独立的受限制现金账户。在借款人违约时，b 类投资者有责任用投资者担保计划的资金，以及 b 类投资者偿还 b 类投资计划贷款的收益，包括 b 类投

投资者收取的本金、利息、费用及其他收益(如有的话)，补偿 a 类投资者。投资者保证计划在 b 类投资计划的每个相应投资项下为每个 b 类投资者单独管理。B 类投资者投资于 a 类投资者的贷款到期后，b 类投资者有权获得该投资者担保计划的剩余余额。本集团不承担任何偿还 a 类或 b 类投资者有关贷款的责任，即使基金结余及 b 类投资者所得收益不足以全数补偿所有 a 类投资者有关贷款。该集团在截至二〇一八年九月三十日的九个月内，与 b 类投资者合作推出共 19.22 亿宗无抵押贷款。

The Group no longer provides any form of guarantee for new loans facilitated through the marketplace since April 28, 2018 and therefore does not record liability from investor assurance program associated with those loans.

自 2018 年 4 月 28 日以来，该集团不再为通过市场促进的新贷款提供任何形式的担保，因此不记录与这些贷款有关的投资者担保计划的负债。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(f) Restricted Cash

(f) 限额现金

The balance of restricted cash as of December 31, 2017 and September 30, 2018 is comprised of the following:

截至二〇一七年十二月三十一日及二〇一八年九月三十日的限制性现金余额如下:

	As of 截至	
	December 31, 2017 2017年12月31日 RMB 人民币	September 30, 九月三十日 2018 RMB 人民币
Restricted cash related to: 与下列有关的限制性现金:		
Investor assurance program 投资者保障计划	154,742	15,929
Other 其他	493	500
Total restricted cash 限制性现金总额	<u>155,235</u>	<u>16,429</u>

The movement of restricted cash related to investor assurance program that covers both liabilities from investor assurance program and other guarantee liabilities for the nine months periods ended September 30, 2017 and 2018 is presented as follows:

截至2017年9月30日和2018年9月30日的9个月期间，与投资者担保方案有关的限制性现金流动情况如下:

	Nine months ended 九个月结束 September 30, 九月三十日	
	2017 RMB 人民币	2018 RMB 人民币
Opening balance 期初余额	382,451	154,742
Contribution from borrowers(1) 借款人的供款(1)	1,708,634	2,030,985
Contribution from Shanghai Caiyin 来自上海采银的贡献	—	349,236
Gross payouts related to other guarantee liabilities(2) 与其他担保负债有关的支付总额(二)	(1,324,426)	(755,013)
Gross recoveries related to other guarantee liabilities(2) 与其他担保负债有关的追回总额(2)	372,488	117,770
Gross payouts related to liabilities from investor assurance program 与投资者保险计划负债有关的支出总额	(1,470,203)	(2,322,574)
Gross recoveries related to liabilities from investor assurance program 从投资者保证计划追回的负债总额	1,470,203	232,2574
Ending balance 期末余额	<u>581,203</u>	<u>440,783</u>
	<u>250,147</u>	<u>15,929</u>

(1) Contribution from borrowers represents service fees charged by Shanghai Caiyin on loans that were facilitated by the Group in the period presented.  
借款人出资是指上海财银在本报告所述期间向集团提供的贷款收取的服务费。

(2) Gross payouts related to other guarantee liabilities represents the cash amount paid to investors upon the default of loans in relation to the 2015 Acquisition in the period presented; gross recoveries related to other guarantee liabilities is the cash amount received subsequently from borrowers and service fee recovered in the period presented.  
与其他担保负债有关的支付总额是指在所报期间内与2015年购置有关的贷款违约时支付给投资者的现金数额；与其他担保负债有关的收回总额是指随后从借款人收到的现金数额和在所报期间收回的服务费。

**(g) Revenue recognition**

**(七)收入确认**

The Group has adopted ASU 2014 09, Revenue from Contracts with Customers (Topic 606) and all subsequent ASUs that modified ASC 606 on January 1, 2018 using the full retrospective method which requires the Group to present its financial statements for all periods as if Topic 606 had been applied to all prior periods.

专家组采用了 ASU 201409、与客户的合同收入(议题606)以及后来所有 ASC 606于2018年1月1日采用完全追溯方法修改的 ASC 606，该方法要求专家组提交所有期间的财务报表，就像议题606适用于以往所有期间一样。

For the nine months ended September 30, 2018, substantially all of the loans facilitated by the Group are online standard loan products with a typical term of twelve months. The majority of the service fees are collected in the first three months and are not refundable to the borrowers.

截至二〇一八年九月三十日止的九个月内，本集团提供的贷款大部分为网上标准贷款产品，通常为十二个月。大部分服务费是在首三个月内收取，不会退还予借款人。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(g) Revenue recognition - continued

(七)收入确认—继续

*Disaggregation of revenue*

收入分类

All of the Group's revenue for the nine months ended September 30, 2017 and 2018 were generated from the PRC. The following table illustrates the disaggregation of revenue by services the Group offered:

集团截至二〇一七年九月三十日及二〇一八年九个月的全部收入均来自中国。下表按集团提供的服务分列收入：

For the nine months ended September 30, 2017 截至2017年9月30日的9个月	Loan facilitation 促进贷款 services 服务	Post-origination 订立后 services 服务	Other revenues 其他收入	Total 合计 RMB 人民币
	RMB 人民币	RMB 人民币	RMB 人民币	
Current loan products 目前的贷款产品	308,888	10,123	10,345	329,356
Other online standard loan products 其他网上标准贷款产品	481,825	33,927	32,918	548,670
Offline and non-standard loan products 离线和非标准贷款产品	447,193	30,186	684	478,063
Other services 其他服务	—	—	124,666	124,666
Total 合计	<u>1,237,906</u>	<u>74,236</u>	<u>168,613</u>	<u>1,480,755</u>

For the nine months ended September 30, 2018 截至2018年9月30日的9个月	Loan facilitation 促进贷款 services 服务	Post-origination 订立后 services 服务	Other revenues 其他收入	Total 合计 RMB 人民币
	RMB 人民币	RMB 人民币	RMB 人民币	
Current loan products 目前的贷款产品	1,681,560	114,991	16,980	1,813,531
Other online standard loan products 其他网上标准贷款产品	51	24,294	89,582	113,927
Offline and non-standard loan products 离线和非标准贷款产品	916	31,095	793	32,804
Other services 其他服务	—	—	211,421	211,421
Total 合计	<u>1,682,527</u>	<u>170,380</u>	<u>318,776</u>	<u>2,171,683</u>

The revenue of the service fee derived from investors using the automated investment programs for the nine months ended September 30, 2017 and 2018 was RMB 112,185 and RMB 191,838, respectively. The weighted average investment period is 8.4 months and 8.3 months for the nine months ended September 30, 2017 and 2018, respectively.

截至2017年9月30日和2018年9月30日的9个月中，投资者使用自动投资程序获得的服务费收入分别为112,185元和191,838元。在截至2017年9月30日和2018年9月的9个月中，加权平均数的投资期分别为8.4个月和8.3个月。

The Group provides incentives to investors in a form that either reduces the amount of investment required to purchase financial products or entitles them to receive higher interest rates in the products they purchase. Such incentives are accounted for as a reduction of revenue in accordance with ASC 606.

本集团向投资者提供奖励，以减少购买金融产品所需的投资额，或使投资者有权获得所购买产品的较高利率。根据 ASC 606，这些奖励被视为收入减少。



	Nine months ended 九个月 结束 September 30, 九月三十日	
	<u>2017</u>	<u>2018</u>
	RMB 人 民币	RMB 人 民币
Incentives paid to: 给予以下人员的奖励:		
New investors 新投资者	36,156	60,909
Returning investors 回归投资者	<u>52,286</u>	<u>132,563</u>
Total incentives paid to investors 支付给投资者的奖励总额	<u>88,442</u>	<u>193,472</u>

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续**

**(g) Revenue recognition - continued**

(七)收入确认—继续

**Disaggregation of revenue - continued**

收入分列-继续

*Accounts receivable and contract assets, net*

应收帐款及合约资产净值

Prior to February 2018, the Group's right to consideration for the monthly fees of facilitation service is conditional on the borrowers' actual payment, as the borrower had the right to early terminate the loan contract prior to the loan maturity and are not obligated to pay the remaining monthly fees. As such, the Group recorded a corresponding contract asset based on the estimate of the payment when recognizing revenue from loan facilitation service prior to February 2018.

在2018年2月之前，专家组有权根据借款人的实际付款情况考虑每月的便利服务费，因为借款人有权在贷款到期之前提前终止贷款合同，并且不必支付剩余的每月费用。因此，专家组在确认2018年2月之前贷款便利化服务收入时，根据付款估计数记录了相应的合同资产。

Starting from February 2018, according to the contractual agreement with borrower, upon inception of the loan, the Group has the unconditional right to the first six months' service fee for the loans facilitated on the Group's platform at loan inception regardless of the subsequent timing of the borrower' repayment of the loan. Therefore, the Group recorded accounts receivable up to total fees collectible in the first six months and contract assets for fees collectible in the subsequent months when recognizing revenue from loan facilitation service subsequent to February 2018.

由二〇一八年二月起，根据集团与借款人的合约协议，集团在贷款开始时有权无条件就集团平台提供的贷款收取首六个月的服务费，而不论借款人其后何时偿还贷款。因此，当确认2018年2月以后贷款促进服务的收入时，集团记录了前6个月的收费总额和随后几个月的收费合同资产应收帐款。

Uncollectible accounts receivable and contract assets and are written off when the consideration entitled by the Group is due and a settlement is reached for an amount that is less than the outstanding historical balance or when the Group has determined the balance will not be collected. Accounts receivable and contract assets are identified as uncollectible if the amount remains outstanding for 90 calendar days past due after the maturity of the underlying loan contract term, and no other factor evidences the possibility of collecting the delinquent amounts. Hence, the Group determined to write off corresponding accounts receivable and contract assets and provisions for accounts receivable and contract assets 90 calendar days after the last payment due date of the underlying loan contract terms.

无法收回的应收帐款和合同资产，在集团有权支付的款项到期并达成结算数额少于未清历史余额或集团确定余额不会收回时予以注销。如果应收帐款和合同资产在相关贷款合同期限到期后90个日历日内仍未收回，且没有其他因素证明有可能收回拖欠金额，则确定为无法收回。因此，集团决定在相关贷款合同条款最后到期日后90个日历日注销相应的应收帐款和合同资产，以及应收帐款和合同资产的准备金。

The Group's accounts receivable as of September 30, 2018 are as follows:

集团截至2018年9月30日的应收帐款如下:

	Accounts 帐目 receivable 应收帐款 RMB 人 人民币	Allowance for 免税额 uncollectible 无法收集的 receivables 应 收帐款	Accounts 帐目 receivable, 应收帐款, net 网 RMB 人 人民币
Current loan products 目前的贷款产品	194,001	(24,697)	169,304
Other online standard loan products 其他网上标准贷款产品	—	—	—
Offline and non-standard loan products 离线和非标准贷款产品	—	—	—
Other services 其他服务	688	—	688

Total				
合计		<u>194,689</u>	<u>(24,697)</u>	<u>169,992</u>

The aging of accounts receivables as of September 30, 2018 is presented as follows:

截至2018年9月30日的应收账款账龄分析如下:

	Current 目 前 loan 贷款 products 产品	Other 其他 online 在线 standard 标准 loan 贷 款 products 产品	Offline and 离线和 non-standard 非标准的 loan 贷款 products 产品	Other 其他 Services 服务	Total 合计
	RMB 人 民币	RMB 人民币	RMB 人民币	RMB 人民币	RMB 人 民币
0-90 days 0-90天	189,305	—	—	688	189,993
Over 90 days 超过90天	<u>4,696</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>4,696</u>
Total 合计	<u>194,001</u>	<u>—</u>	<u>—</u>	<u>688</u>	<u>194,689</u>

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(除股票和每股数据外，以千计的金额)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(g) Revenue recognition - continued

(七)收入确认—继续

Disaggregation of revenue - continued

收入分列-继续

Accounts receivable and contract assets, net - continued

应收帐款及合约资产净值

The movement of accounts receivable for the nine months ended September 30, 2018 is as follows:  
截至2018年9月30日的9个月内，应收帐款的变动情况如下：

	Opening 开放 balance as of 余额 January 1, 2018 2018年1月1日	Addition in the current 水流 period 时 期	Collection in the current 水流 period 时 期	Write off in the current 水流 period 时 期	Ending 结束 balance as of 余额 September 30, 2018 2018年9月30日
	RMB 人民币	RMB 人民币	RMB 人民币	RMB 人民币	RMB 人民币
Current loan products 目前的贷款产品	—	906,948	(712,947)	—	194,001
Other online standard loan products 其他网上标准贷款产品	—	2	(2)	—	—
Offline and non-standard loan products 离线和非标准贷款产品	—	18	(18)	—	—
Other services 其他服务	—	4,252	(3,564)	—	688
Total 合计	—	911,220	(716,531)	—	194,689

The movement of allowance for uncollectible accounts receivable for the nine months ended September 30, 2018 is as follows:

截至2018年9月30日的9个月无法收回的应收帐款备抵的变动情况如下：

	As of 截至 January 1, 一月一日 2018	Current 目前 period net 周期净额 provision 条款	Current 目前 period 时期 write- off 注 销	As of 截至 September 30, 九月三十日 2018
	RMB 人 民币	RMB 人 民币	RMB 人民币	RMB 人民币
Current loan products 目前的贷款产品	—	(24,697)	—	(24,697)
Other online standard loan products 其他网上标准贷款产品	—	—	—	—
Offline and non-standard loan products 离线和非标准贷款产品	—	—	—	—
Total 合计	—	(24,697)	—	(24,697)

The Group's contract assets as of December 31, 2017 and September 30, 2018 are as follows:

截至二〇一七年十二月三十一日及二〇一八年九月三十日，集团的合约资产如下：

As of December 31, 2017 截至2017年12月31日

	Contract 合 约 assets 资产	Allowance for 免税额 uncollectible 无法收集的 contract assets 合同资产	Contract assets, 合同资产, net 网
	<u>RMB 人民 币</u>	<u>RMB 人民币</u>	<u>RMB 人民币</u>
Current loan products 目前的贷款产品	352,981	(50,002 (50,002))	302,979
Other online standard loan products 其他网上标准贷款产品	166,873	(46,415)	120,458
Offline and non-standard loan products 离线和非标准贷款产品	528,205	(158,851 (158,851))	369,354
Other services 其他服务	6,500 6500	—	6,500 6500
Total 合计	<u>1,054,559</u>	<u>(255,268 255,268)</u>	<u>799,291</u>

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(g) Revenue recognition - continued

(七)收入确认—继续

Disaggregation of revenue - continued

收入分列-继续

Accounts receivable and contract assets, net - continued

应收帐款及合约资产净值

As of September 30, 2018 截至2018年9月30日	Contract 合约 assets 资 产 <u>RMB 人 民币</u>	Allowance for 免税额 uncollectible 无法收集的 contract assets 合同资产 <u>RMB 人民币</u>	Contract assets, 合同资产, net 网 <u>RMB 人民币</u>
Current loan products 目前的贷款产品	458,322	(150,479)	307,843
Other online standard loan products 其他网上标准贷款产品	28,800	(9,428) 9428)	19,372
Offline and non-standard loan products 离线和非标准贷款产品	339,432	(152,807)	186,625
Other services 其他服务	—	—	—
Total 合计	<u>826,554</u>	<u>(312,714)</u>	<u>513,840</u>

The movement of contract assets for the nine months ended September 30, 2017 and 2018 are as follows:

截至二〇一七年九月三十日及二〇一八年九个月的合约资产变动情况如下:

	Opening 开放 balance as of 余额 January 1, 2017 2017年1月1日 <u>RMB 人民币</u>	Addition in 加入 the current 水流 period 时期 <u>RMB 人民 币</u>	Collection in 收集 the current 水 流 period 时期 <u>RMB 人民币</u>	Write off in 注销 the current 水流 period 时 期 <u>RMB 人民 币</u>	Ending 结束 balance as of 余额 September 30, 九月三十日 2017 <u>RMB 人民币</u>
Current loan products 目前的贷款产品	23,140	319,011	(169,226)	—	172,925
Other online standard loan products 其他网上标准贷款产品	14,032	515,752	(332,607)	(1,659)	195,518
Offline and non-standard loan products 离线和非标准贷款产品	462,295	477,379	(408,849)	(46)	530,779
Other services 其他服务	21,134	124,666	(115,671)	—	30,129
Total 合计	<u>520,601</u>	<u>1,436,808</u>	<u>1,026,353</u>	<u>(1,705)</u> (1705)	<u>929,351</u>

	As of 截至 January 1, — 月一日 2018 <u>RMB 人民币</u>	Addition in 加入 the current 水流 period 时期 <u>RMB 人民 币</u>	Collection in 收集 the current 水 流 period 时期 <u>RMB 人民币</u>	Write off in 注销 the current 水流 period 时 期 <u>RMB 人民 币</u>	As of 截至 September 30, 九月三十日 2018 <u>RMB 人民币</u>
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	RMB 人民 币	RMB 人民 币	RMB 人民币	RMB 人民 币	RMB 人民币
Current loan products 目前的贷款产品	352,980	889,602	(750,443)	(33,817)	458,322
Other online standard loan products 其他网上标准贷款产品	166,873	24,344	(100,335)	(62,082)	28,800
Offline and non-standard loan products 离线和非标准贷款产品	528,205	31,994	(211,191)	(9,576)	339,432
Other services 其他服务	6,500	207,169	(213,669)	—	—
Total 合计	<u>1,054,558</u>	<u>1,153,109</u>	<u>(1,275,638)</u>	<u>(105,475)</u>	<u>826,554</u>

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 重要会计政策摘要 - continued - 继续

(g) Revenue recognition - continued

(七)收入确认—继续

Disaggregation of revenue - continued

收入分列-继续

Accounts receivable and contract assets, net - continued

应收帐款及合约资产净值

The movement of allowance for uncollectible contract assets for nine months ended September 30, 2017 and 2018 are as follows:  
截至2017年9月30日和2018年9月30日的9个月无法收回的合同资产备抵的变动情况如下:

	As of 截至 January 1, 一月一日 2017 <u>RMB 人民 币</u>	Current 目 前 period net 周期净额 provision 条款 <u>RMB 人 民币</u>	Current 目 前 period 时期 write-off 注销 <u>RMB 人民币</u>	As of 截至 September 30, 九月三十日 2017 <u>RMB 人民币</u>
Current loan products 目前的贷款产品	(5,633)	11,812	-	(17,445)
Other online standard loan products 其他网上标准贷款产品	2,456	(2,993)	1,659	(3,790)
Offline and non-standard loan products 离线和非标准贷款产品	(117,826)	(34,369)	46	(152,149)
Total 合计	<u>(125,915)</u> <u>125,915)</u>	<u>(49,174)</u>	<u>1,705</u>	<u>(173,384)</u>

	As of 截至 January 1, 一月一日 2018 <u>RMB 人民 币</u>	Current 目 前 period net 周期净额 provision 条款 <u>RMB 人 民币</u>	Current 目 前 period 时期 write-off 注销 <u>RMB 人民币</u>	As of 截至 September 30, 九月三十日 2018 <u>RMB 人民币</u>
Current loan products 目前的贷款产品	(50,002)	134,294	33,817	(150,479)
Other online standard loan products 其他网上标准贷款产品	(46,415)	(25,095)	62,082	(9,428)
Offline and non-standard loan products 离线和非标准贷款产品	(158,851)	(3,532)	9,576	(152,807)
Total 合计	<u>(255,268)</u> <u>255,268)</u>	<u>(162,921)</u>	<u>105,475</u>	<u>(312,714)</u>

The Group did not recognize any contract liabilities during the periods presented. The aggregate amount of the transaction price allocated to performance obligations that are unsatisfied pertained to post-origination service as of December 31, 2017 and September 30, 2018 are RMB 171,100 and RMB 269,822, respectively, among which approximately 70% and 90% of the remaining performance obligations will be recognized by the Group over the respective following 12 months, respectively, with the remainder recognized thereafter.

在报告所述期间，专家组没有确认任何合同债务。截至2017年12月31日和2018年9月30日，分配给与订立后服务有关的未满足履约义务的交易价格总额分别为171,100元人民币和269,822元人民币，其中约70%和90%的剩余履约义务将分别在随后12个月内由本集团确认，其余部分在此后确认。

Revenue recognized in the current period from performance obligations satisfied (or partially satisfied) in prior periods pertaining to adjustments to variable consideration due to the change of estimated prepayment rate and refund upfront fees was immaterial for nine months ended

September 30, 2017 and 2018 respectively.

2017年9月30日、2017年9月30日和2018年9月30日终了的9个月中，由于估计提前付款率和退款预付费率的变动而对以往各期与可变对价调整有关的履约义务得到满足(或部分满足)而确认的本期收入并不重要。

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**3. ASSETS FROM INVESTOR ASSURANCE PROGRAM 投资者保证计划资产**

The movement of the assets from investor assurance program for nine months ended September 30, 2017 and 2018 is as follows:

截至二〇一七年九月三十日及二〇一八年九月三十日的九个月内，资产从投资者保证计划转移的情况如下：

	Opening balance 期初余额 at January 1, 2017 2017年1月1日 <u>RMB 人民币</u>	Assets arising from 产生于 new business 新业 务 <u>RMB 人民币</u>	Subsequent 其后 collections during 期间收集 the period 这段 时间 <u>RMB 人民币</u>	Ending 结束 Balance at 收 支平衡 September 30, 九月三十日 2017 <u>RMB 人民币</u>
Current loan products 目前的贷款产品	17,168	497,817	(512,916)	2,069
Other online standard loan products 其他网上标准贷款产品	5,132	558,725	(481,204)	82,653
Offline and non-standard loan products 离线和非标准贷款产品	<u>139,176</u>	<u>467,500</u>	<u>(541,259)</u>	<u>65,417</u>
Total 合计	<u>161,476</u>	<u>1,524,042</u>	<u>(1,535,379)</u> <u>1535,379)</u>	<u>150,139</u>
	Opening balance 期初余额 at January 1, 2018 2018年1月1日 <u>RMB 人民币</u>	Assets arising from 产生于 new business 新业 务 <u>RMB 人民币</u>	Subsequent 其后 collections during 期间收集 the period 这段 时间 <u>RMB 人民币</u>	Ending 结束 Balance at 收 支平衡 September 30, 九月三十日 2018 <u>RMB 人民币</u>
Current loan products 目前的贷款产品	1,187	968,732	(969,919)	—
Other online standard loan products 其他网上标准贷款产品	218,686	373	(218,642)	417
Offline and non-standard loan products 离线和非标准贷款产品	<u>50,403</u>	<u>710</u>	<u>(31,859)</u>	<u>19,254</u>
Total 合计	<u>270,276</u>	<u>969,815</u>	<u>(1,220,420)</u> <u>1,220,420)</u>	<u>19,671</u>

The allowance for uncollectible assets from investor assurance program were nil and nil for nine months ended September 30, 2017 and 2018.

截至2017年9月30日和2018年9月的9个月中，投资者担保计划的坏账准备金为零，零。

**4. LIABILITIES FROM INVESTOR ASSURANCE PROGRAM 投资者担保计划的负债**

A summary of the Group's liabilities from investor assurance program movement activities is presented as follows:

本集团因投资者担保计划活动而产生的负债概述如下：

	Current loan 本期贷款 products 产品 <u>RMB 人民币</u>	Other online 其他网上 standard loan 标准贷款 products 产品 <u>RMB 人民币</u>	Offline and 离线和 non- 非 standard 标准 loan 贷款 products 产品 <u>RMB 人民币</u>	Total 合计 <u>RMB 人民币</u>
Opening balance at January 1, 2017 二〇一七年一月一日的期初结余	145,344	18,258	2,010,165	2,173,767
Liabilities arising from new business 新业务引起的负债	497,817	558,725	467,500	1,524,042

Net payout for loans originated in 2015 2015年贷款净支出	16	5	(77,969) 77,969)	(77,948) 77,948)
Net payout for loans originated in 2016 2016年贷款净支出	(113,511)	(8,240) 8240)	(423,245)	(544,996)
Net payout for loans originated in 2017 2017年贷款净支出	(57,748)	(198,120) 198,120)	(10,188)	(266,056) 266,056)
Release on expiration 到期释放	(10,345)	(32,918)	(684)	(43,947)
Contingent liability 或有负债	—	6,313	1	6,314
Ending Balance at September 30, 2017 截至二〇一七年九月三十日的期末结余	<u>461,573</u>	<u>344,023</u>	<u>1,965,580</u>	<u>2,771,176</u>

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4. LIABILITIES FROM INVESTOR ASSURANCE PROGRAM 投资者担保计划的负债 - continued - 继续

	Current loan 本期贷款 products 产 品 <u>RMB 人民 币</u>	Other online 其他网上 standard loan 标准贷款 products 产 品 <u>RMB 人民币</u>	Offline and 离线和 non- 非 standard 标准 loan 贷款 products 产品 <u>RMB 人民币</u>	Total 合计 <u>RMB 人民币</u>
Opening balance at January 1, 2018 2018年1月1日的期初结余	671,610	601,481	1,744,033	3,017,124
Liabilities arising from new business 新业务引起的负债	968,732	373	710	969,815
Net payout for loans originated in 2015 2015年贷款净支出	—	—	(70,619)	(70,619)
Net payout for loans originated in 2016 2016年贷款净支出	(59)	(3,602)	(530,820)	(534,481)
Net payout for loans originated in 2017 2017年贷款净支出	(591,258)	(388,209)	(142,112)	(1,121,579)
Net payout for loans originated in 2018 2018年贷款的净支出	(154,737)	(146)	(229)	(155,112)
Release on expiration 到期释放	(16,980) 16,980)	(89,582)	(793)	(107,355)
Contingent liability 或有负债	<u>88,604</u>	<u>1,894</u>	<u>336,212</u>	<u>426,710</u>
Ending Balance at September 30, 2018 截至二〇一八年九月三十日的期末结余	<u>965,912</u>	<u>122,209</u>	<u>1,336,382</u>	<u>2,424,503</u>

5. OTHER GUARANTEE LIABILITIES 其他担保责任

The movement of other guarantee liabilities for nine months ended September 30, 2017 and 2018 is as follows:

截至二零一七年九月三十日及二零一八年九个月的其他担保负债变动如下:

	Nine months ended September 30, 截至9 月30日的9个月	
	2017	2018
	<u>RMB 人民币</u>	<u>RMB 人民币</u>
Opening balance 期初余额	2,000,070	701,228
Additional accruals 额外应计项目	—	—
Net payouts during the period 本报告所述期间净支出	(951,938) <u>951,938</u>	(637,243) <u>(637,243)</u>
Ending balance 期末余额	<u>1,048,132</u>	<u>63,985</u>

6. SHARE-BASED COMPENSATION 以股权为基础的薪酬

The following table presents the classification of the Group's share-based compensation expenses:

下表列出本集团按股份计算的薪酬支出分类:

Nine months ended September 30, 截至9  
月30日的9个月

	<u>2017</u>	<u>2018</u>
	RMB 人民币	RMB 人民币
Origination and servicing 创立和服务	1,654	(838)
Sales and marketing 销售和市场营销	30,813	8,316
General and administrative 一般及行政事务	19,247	7,625
Research and development 研究及发展	<u>23,220</u>	<u>6,649</u>
Total 合计	<u><u>74,934</u></u>	<u><u>21,752</u></u>

As of December 31, 2017 and September 30, 2018, there was RMB 74,962 and RMB30,809 in total unrecognized compensation cost related to non-vested stock options, which is expected to be recognized over a weighted-average period of 2.25 years and 1.5 years.

截至二〇一七年十二月三十一日及二〇一八年九月三十日，与非既定股票期权有关的未确认薪酬总成本分别为74,962元及30,809元。预计未确认股票期权的加权平均期为2.25年及1.5年。

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JIAYIN GROUP INC.  
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**7. INCOME TAXES 所得税**

The current and deferred component of income tax expenses which are substantially attributable to the Group's PRC subsidiaries, VIE and subsidiaries of the VIE, are as follows

所得税费用中主要归因于集团在中国的子公司、VIE 和 VIE 的子公司的当期和递延部分如下

	Nine months ended September 30, 截至9月 30日的9个月	
	2017 RMB 人民币	2018 RMB 人民币
Current income tax expense 当期所得税费用	118,719	78,689
Deferred income tax expense 递延所得税费用	—	—
<b>Total income tax expense 所得税费用总额</b>	<b>118,719</b>	<b>78,689</b>

The effective tax rate is based on expected income and statutory tax rates. For interim financial reporting, the Group estimates the annual tax rate based on projected taxable income for the full year and records an interim income tax provision in accordance with guidance on accounting for income taxes in an interim period. As the year progresses, the Group refines the estimates of the year's taxable income as new information becomes available.

实际税率是基于预期收入和法定税率。对于中期财务报告，本集团根据全年预计应纳税收入估算年度税率，并根据中期所得税会计准则记录中期所得税准备。随着时间的推移，该集团完善的估计，今年的应税收入作为新的信息变得可用。

The Group's effective tax rate for the nine months ended September 30, 2017 and 2018 was 23% and 15% respectively.

集团在截至二〇一七年九月三十日及二〇一八年九个月的实际税率分别为百分之二十三及百分之十五。

The Group did not incur any interest and penalties related to potential underpaid income tax expenses.

该集团没有发生任何与可能支付的所得税费用不足有关的利息和罚款。

**8. INCOME PER SHARE 每股收入**

The following table sets forth the computation of basic and diluted net income (loss) per share attribute to ordinary shareholders:

下表列出属于普通股股东的基本及摊薄后每股净收益(亏损)的计算方法:

	Nine months ended September 30, 截至9月 30日的9个月	
	2017 RMB 人民币	2018 RMB 人民币
Net income attributable to ordinary shareholders – basic and diluted 应分配给普通股股东的净收益——基本和稀释	396,262	449,423
Weighted average number of ordinary shares* outstanding – basic 普通股加权平均数 * 已发行股票-基本	200,000,000 二十万	200,000,000 二十万
Plus: shares that have dilution effect 附加: 具有稀释效应的股票	—	—
Weighted average number of ordinary shares* outstanding – diluted 已发行普通股加权平均数 * 稀释	200,000,000 二十万	200,000,000 二十万
Basic net income per share 每股基本净收益	1.98	2.25
Diluted net income per share 摊薄后每股净收益	1.98	2.25

The Group does not have shares with anti-dilutive effect for the nine months ended September 30, 2017 and 2018.

在截至二〇一七年九月三十日及二〇一八年九月三十日的九个月内，本集团不持有具防稀释作用的股份。

\* Number of ordinary share reflects the 20,000-for-1 stock split effected on December 19, 2018.  
普通股数目反映于二〇一八年十二月十九日生效的20,000比1股票拆分。

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**9. RELATED PARTY TRANSACTIONS 关联交易**

The table below sets forth the major related parties and their relationships with the Group, with which the Group entered into truncations during the year ended December 31, 2017 and September 30, 2018:

下表列出了在2017年12月31日终了年度和2018年9月30日终了年度期间与专家组进行削减的主要相关方及其与专家组的的关系:

Name of related parties 关联方名称	Relationship with the group 与团体的关系
Shanghai Jiajie Assets Management Co., Ltd ("Jiajie Assets") 上海嘉捷资产管理有限公司	Entity controlled by Mr. Yan, 由严先生控制的实体 the Founder and Chairman of the Group 集团创办人及主席
Jiayin (Shanghai) Finance Information Service Co., Ltd ("Jiayin (Shanghai)") 嘉音(上海)金融信息服务有限公司("嘉音(上海)")	Entity controlled by Mr. Yan, 由严先生控制的实体 the Founder and Chairman of the Group 集团创办人及主席
Shanghai Niwodai Finance Information Service Co., Ltd ("Niwodai Finance") 上海牛窝带金融信息服务有限公司("牛窝带金融")	Entity controlled by Mr. Yan, 由严先生控制的实体 the Founder and Chairman of the Group 集团创办人及主席
Shanghai Jiayin Zhuoyue Wealth Management Co., Ltd ("Jiayin Zhuoyue") 上海嘉荫卓越财富管理有限公司	Entity controlled by Mr. Yan, 由严先生控制的实体 the Founder and Chairman of the Group 集团创办人及主席
Jiayin Credit Investigation Service Co., Ltd ("Jiayin Credit") 嘉荫征信服务有限公司	Entity controlled by Mr. Yan, 由严先生控制的实体 the Founder and Chairman of the Group 集团创办人及主席

The Group entered into the following transactions with its related parties:

本集团与其关联方进行了下列交易:

	Nine months ended September 30, 截至9月30日的9个月	
	2017 RMB 人民币	2018 RMB 人民币
<b>Services provided by related parties:</b>		
有关人士提供的服务:		
Jiayin Zhuoyue (1) 嘉荫卓越(一)	67,764	51,746
Jiayin (Shanghai) (1) 嘉荫(上海)(1)	123,324	2,459
Jiayin Credit (2) 嘉荫信贷(2)	77	8,551 8551
<b>Total</b> 合计	<u>191,165</u>	<u>62,756</u>

- Jiayin Zhuoyue and Jiayin (Shanghai) referred investors and borrowers to the Group and charged referral service fees.  
嘉荫卓越和嘉荫(上海)将投资者和借款人介绍给集团并收取介绍服务费。
- Jiayin Credit provided credit services for the Group and charged credit service fees.  
嘉荫信贷为集团提供信贷服务，并收取信贷服务费用。

Nine months ended September 30, 截至9月30日的9个月

	<u>2017</u>	<u>2018</u>
	RMB 人民币	RMB 人民币
<b>Loans to a related party:</b>		
对关联方的贷款:		
Jiajie Assets (1)		
嘉杰资产(1)	—	7,700 7700
<b>Total</b>		
合计	—	7,700 7700
<b>Loans from a related party</b>		
关联方贷款		
Jiayin Credit (2)		
嘉荫信贷(2)	11,949	365
<b>Total</b>		
合计	11,949	365

- (1) The balance mainly refers to the payments made by the Group on behalf of Jiajie Assets, which was repaid by Jiajie Assets by 2018 June.  
余额主要是指集团代表嘉杰资产支付的款项，嘉杰资产在2018年6月前偿还。
- (2) The balance mainly refers to certain payments made by Jiayin Credit on behalf of the Group.  
余额主要是指嘉荫信贷集团代表集团支付的部分款项。

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9. RELATED PARTY TRANSACTIONS 关联交易 - continued - 继续

The following table present amounts due from and due to related parties as of December 31, 2017 and September 30, 2018:  
下表列出截至2017年12月31日和2018年9月30日相关各方的应付款项:

	As of 截至 December 31, 十二月三十 一日 2017 RMB 人民币	As of 截至 September 30, 九月三十日 2018 RMB 人民币
<b>Amount due from related parties</b>		
关连人士应缴的款项		
Niwodai Finance (1)	517,685	119,572
<b>Amount due to related parties</b>		
应付关联人士的款项		
Jiayin Zhuoyue (2)		
嘉荫卓越(二)	10,449	5,901
Jiayin Credit (3)		
嘉荫信贷(3)	106,420	—
Jiayin (Shanghai) (2)		
嘉荫(上海)(2)	18,080	—
<b>Total</b>		
合计	134,949	5,901

- (1) The balance mainly consists of receivable from Niwodai Finance resulting from the 2015 Acquisition and loans to Niwodai Finance. The Group has collected all the outstanding balance of due from Niwodai Finance subsequent to the September 30, 2018. The Group has not declared and paid any dividends subsequent to September 30, 2018.  
余额主要包括2015年收购产生的 Niwodai Finance 应收款和向 Niwodai Finance 提供的贷款。集团已收回二〇一八年九月三十日后在 Niwodai Finance 所欠的全部未偿还余额。集团在二〇一八年九月三十日后没有宣布及派发任何股息。
- (2) Balances mainly represent the amount of loans from and service fees payable to these related parties.  
余额主要是指应付给这些关联方的贷款金额和服务费。
- (3) Balance as of December 31, 2017 represents RMB 103,999 loans from Jiayin Credit and RMB 2,421 accounts payable in relation to credit assessment service provided by Jiayin Credit. The Group received RMB 13,876 loan from Jiayin Credit to support the Group's working capital management and recorded RMB 2,421 accounts payable in relation to the credit assessment service provided by Jiayin Credit during the year ended December 31, 2017. There was no repayment on loans of related party and no repayment on accounts payable to Jiayin Credit during the year ended December 31, 2017.  
截至2017年12月31日，来自 Jiayin Credit 的贷款余额为103999元人民币，与嘉荫信贷提供的信用评估服务有关的应付帐款为2421元人民币。在截至2017年12月31日的财政年度，嘉荫信贷集团从 Jiayin Credit 获得13,876元人民币贷款，以支持集团的营运资本管理，并就嘉荫信贷提供的信用评估服务录得2,421元应付帐款。在截至二〇一七年十二月三十一日的年度内，关联方的贷款没有偿还，而应付帐款亦没有向 Jiayin Credit 偿还贷款。
- During the nine months ended September 30, 2018, the Group received RMB 365 loan from Jiayin Credit to support the Group's working capital management and recorded RMB 8,551 accounts payable in relation to the credit assessment service. The Group has repaid all the outstanding balance due to Jiayin Credit during the nine months ended September 30, 2018. There was no balance as of September 30, 2018 from Jiayin Credit.  
在截至二〇一八年九月三十日的九个月内，集团从 Jiayin Credit 获得365元人民币贷款，以支援集团的营运资本管理，并在信用评估服务方面录得8,551元应付帐款。在截至二〇一八年九月三十日的九个月内，本集团已偿还所有欠嘉荫信贷的未偿还款项。截至2018年9月30日，Jiayin Credit 没有余额。

Amounts due from/to related parties are non-interest bearing, unsecured, and due on demand.

向有关连人士支付的款项属无息、无抵押及应收帐款。

10. COMMITMENTS AND CONTINGENCIES 承诺和意外开支

Lease Obligations

## 租赁义务

The Group leases office premises under operating leases. The term of each lease agreement vary and may contain renewal options. Rental payments under operating leases are charged to cost of revenues or operating expenses on the straight-line basis over the period of the lease based on contract terms. Rental expenses under operating leases for nine months ended September 30, 2017 and 2018 were RMB 16,288 and RMB 18,777, respectively.

本集团以经营租赁方式租赁办公房地。每个租赁协议的期限不同，可能包含续租选项。经营租赁项下的租金支出按合同条款在租赁期内按直线法计入收入成本或经营费用。截至二〇一七年九月三十日及二〇一八年九月三十日止的九个月营运租约的租金开支分别为16,288元及18,777元。

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10. COMMITMENTS AND CONTINGENCIES 承诺和意外开支 - continued - 继续

Lease Obligations - continued

租赁义务-续

Future minimum lease payments under non-cancelable operating leases as of September 30, 2018 were as follows:

截至2018年9月30日，不可取消经营租赁项下的未来最低租赁付款额如下：

Year ending of December 31: 截至十二月三十一日止年度:	RMB 人民币
2018	
2018年	5,962
2019	
2019年	19,043
2020	
2020年	18,096
2021	
2021年	3,016
<b>Total</b>	<u>46,117</u>
合计	

Capital and other commitments

资本和其他承诺

The Group did not have significant capital and other commitments, long-term obligations, or guarantees other than those relating to the investor assurance program, as of December 31, 2017 and September 30, 2018.

截至二〇一七年十二月三十一日及二〇一八年九月三十日，除投资者保证计划外，集团并无大量资本及其他承诺、长期债务或担保。

Contingencies

意外事故

The Group is subject to legal proceedings and regulatory actions in the ordinary course of business. The results of such proceedings cannot be predicted with certainty, but the Group does not anticipate that the final outcome arising out of any such matter will have a material adverse effect on the consolidated business, financial position, cash flows or results of operations taken as a whole. As of September 30, 2018, the Group is not a party to any material legal or administrative proceedings.

在正常的业务过程中，集团将受到裁判和监管行动的影响。此类程序的结果无法肯定地预测，但专家组预计，任何此类事项的最终结果都不会对合并业务、财务状况、现金流量或整体业务结果产生重大不利影响。截至二〇一八年九月三十日，本集团并非任何重大法律或行政诉讼的当事人。

11. SUBSEQUENT EVENTS 其后事件

The Group has evaluated subsequent events through November 30, 2018, the date on which the unaudited condensed consolidated financial statements were available to be issued.

专家组对截至2018年11月30日未经审计的合并财务报表发布日期的后续事件进行了评价。

In October 2018, the Group has newly granted a total of 2.8 million options to its employees in relation to the employee incentive plan established in September 2016. Each option has an exercise price of RMB 3.5 per share and a vesting period of 3.5 years.

在二〇一八年十月，集团就二〇一六年九月制定的员工奖励计划，新批出合共280万个期权予员工。每种期权的行使价格为每股3.5元人民币，归属期为3.5年。

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[Table of Contents](#) 目录 提示：本文档系@财报牛牛（公众号：caibaoniao）通过第三方翻译软件从英文招股书翻译成中文的版本，仅供参考。



**PART II**  
**第 II 部**  
**INFORMATION NOT REQUIRED IN PROSPECTUS**  
**招股章程无须提供的资料**

**ITEM 6. INDEMNIFICATION OF DIRECTORS AND EXECUTIVE OFFICERS.**

**第六项 董事及行政人员的赔偿。**

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime. The registrant's articles of association provide that the registrant shall indemnify every director and officer of the registrant against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by such persons, other than by reason of any such person's own dishonesty, wilful default or fraud, in or about the conduct of the registrant's business or affairs (including as a result of any mistake of judgment) or in the execution or discharge of his duties, powers, authorities or discretions, including any costs, expenses, losses or liabilities incurred by such persons in defending (whether successfully or otherwise) any civil proceedings concerning the registrant or its affairs in any court whether in the Cayman Islands or elsewhere.

开曼群岛法律没有限制公司章程对高级管理人员和董事提供赔偿的范围，除非开曼群岛法院认为任何此类规定违反公共政策，例如对民事欺诈或后果或犯罪提供赔偿。登记人的组织章程规定，登记人应赔偿登记人的每一位董事和高级职员，赔偿他们在执行或履行其职责、权力、权力或酌情决定时所遭受或承受的一切诉讼、法律程序、费用、收费、费用、损失、损害或赔偿责任，但因其本身的不诚实、故意失责或欺诈行为、在执行或履行其职责、权力、权力或酌情决定时所遭受的损失或赔偿，包括这些人为在开曼群岛或其他地方的任何法院就登记人或其事务进行的任何民事诉讼(无论是否成功)而遭受的任何费用、费用、损失或赔偿。

Pursuant to the form of indemnification agreement filed as Exhibit 10.3 to this Registration Statement, we will agree to indemnify our directors and executive officers against certain liabilities and expenses that they incur in connection with claims made by reason of their being a director or officer of our company.

根据本登记声明表10.3中提交的赔偿协议，我们将同意赔偿我们的董事和执行官员因为他们是我们的董事或高级职员而招致的某些债务和费用。

The Underwriting Agreement, the form of which is filed as Exhibit 1.1 to this Registration Statement, will also provide for indemnification of us and our officers and directors.

承销协议的格式载于本注册声明的附表1.1，并将为本公司及其高级人员和董事提供赔偿。

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to directors, officers or persons controlling us pursuant to the foregoing provisions, we have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

根据上述规定，对于根据《1933年证券法产生的责任的赔偿，我们被告知，证券交易委员会认为这种赔偿违反了《证券法》中的公共政策，因此是不可执行的。

**ITEM 7. RECENT SALES OF UNREGISTERED SECURITIES.**

**第七项 最近销售的非注册证券。**

We are incorporated as Jiayin Group Inc. on December 21, 2017 and has since then issued and sold the securities described below without registering the securities under the Securities Act. None of these transactions involved any underwriters' underwriting discounts or commissions, or any public offering. We believe that each of the following issuances was exempt from registration under the Securities Act in reliance on Regulation S or Rule 701 under the Securities Act or pursuant to Section 4(2) of the Securities Act regarding transactions not involving a public offering.

我们在2017年12月21日注册成为嘉银集团股份有限公司，从那时起，我们发行并出售了下述证券，但没有根据《证券法》对证券进行登记。这些交易都不涉及承销商的承销折扣或佣金，也不涉及任何公开发行。我们认为，根据《证券法》第s条或第701条，或根据《证券法》关于不涉及公开发行的交易的第4(2)条，下列发行的每一份证券都免于根据《证券法》进行登记。

<u>Purchaser 买方</u>	<u>Date of Sale or 出售 日期或 Issuance 发行</u>	<u>Title and Number of Securities 证券名称及数目</u>	<u>Consideration 考虑 (in US\$) (以美 元计)</u>	<u>Underwriting 承销 Discount and 折 扣及 Commission 委 员会</u>
New Dream Capital Holdings Limited 新梦资本控股有限公司	December 21, 2017 2017年12月21日	8,500 ordinary shares 8500股普通 股 <sup>(1)</sup>	0.85	Not Applicable 不适用
Sunshinewoods Holdings Limited 森森伍德控股有限公司	December 21, 2017 2017年12月21日	1,200 ordinary shares 1200股普通 股 <sup>(1)</sup>	0.12	Not Applicable 不适用

Eastar Capital Holdings Limited 易达资本控股有限公司	December 21, 2017 2017年12月21日	299 ordinary shares 299股普通股 (1)	0.0299	Not Applicable 不适用
Sertus Nominees (Cayman) Limited 开曼群岛有限公司	December 21, 2017 2017年12月21日	1 ordinary share 1份普通股 <sup>(1)</sup>	0.0001	Not Applicable 不适用
Eastar Capital Holdings Limited 易达资本控股有限公司	December 21, 2017 2017年12月21日	1 ordinary share 1份普通股 <sup>(1)(2)</sup>	0.0001	Not Applicable 不适用

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- (1) Such ordinary shares with par value of US\$0.0001 were subsequently sub-divided into 20,000 ordinary shares with par value US\$0.000000005 on December 19, 2018.  
这些面值为0.0001美元的普通股其后于二〇一八年十二月十九日再细分为面值为0.00000005美元的20,000股普通股。
- (2) Eastar Capital Holdings Limited purchased one ordinary share from Sertus Nominees (Cayman) Limited at the par value of \$0.0001 on the same day the share was issued.  
易达资本控股有限公司在股票发行当日，以面值0.0001元向 Sertus nomines (Cayman) Limited 购入一股普通股。

#### **ITEM 8. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.**

##### **第8项 证据和财务报表附表。**

###### (a) Exhibits

###### (a) 展品

See Exhibit Index for a complete list of all exhibits filed as part of this registration, which Exhibit Index is incorporated herein by reference.

参见展品索引作为本注册的一部分所有展品归档的完整列表，展品索引在此通过参考合并。

###### (b) Financial Statement Schedules

###### (b) 财务报表附表

Schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the Combined and Consolidated Financial Statements or the Notes thereto.

由于合并财务报表或其附注中要求提供的信息不适用或显示在合并财务报表或附注中，因此没有提供附表。

#### **ITEM 9. UNDERTAKINGS.**

##### **第9项 承诺。**

The undersigned registrant hereby undertakes to provide to the underwriter at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant under the provisions described in Item 6, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

下列签名登记人承诺于承保协议订明的结束时，向承保人提供这些面额的证书，并按承保人要求的名称登记，以便迅速交付给每一个购买人。对于根据《证券法》产生的赔偿，可以根据第6项的规定允许登记人的董事、高级管理人员和控制人员获得赔偿，或者以其他方式获得赔偿，已经通知登记人，证券交易委员会认为，这种赔偿违反了《证券法》所述的公共政策，因此无法强制执行。如果该董事、高级管理人员或控制人员就所登记的证券提出赔偿要求（除了登记人为成功地作为登记人的任何行动、诉讼或诉讼进行辩护而支付或支付的费用以外），登记人将向具有适当司法管辖权的法院提出这种赔偿是否违反《证券法》所述的公共政策并将由对这种问题的最终裁决管辖的问题，除非其律师认为此事已通过控制性先例得到解决。

The undersigned registrant hereby undertakes that:

下列签名登记人在此承诺：

- (1). For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant under Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.  
为了确定根据《证券法》承担的任何责任，依据《证券法》第430A条提交的作为本登记声明一部分的招股说明书格式中遗漏的信息，以及登记人根据《证券法》第424(b)(1)或(4)或497(h)条提交的招股说明书格式中所包含的信息，在该声明宣布生效时应被视为本登记声明的一部分。
- (2). For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.  
为了确定根据《证券法》承担的任何责任，包含招股说明书形式的生效后的每项修订应被视为与其中所提供的证券有关的新的登记说明，此类证券当时的发售应被视为其首次善意发售。



**JIAYIN GROUP INC.**  
嘉银集团股份有限公司。

**EXHIBIT INDEX**

展品索引

<b>Exhibit 展品 Number数目</b>	<b>Description of Document文件说明</b>
1.1* 1.1 *	Form of Underwriting Agreement 承销协议表格
3.1	<a href="#">Memorandum of Association of the Registrant, as currently in effect 注册人的组织章程大纲，现行有效</a>
3.2	<a href="#">Amended and Restated Memorandum and Articles of Association of the Registrant, as effective upon the completion of this offering 经修订及重述的登记人组织大纲及章程细则，于本发售完成后生效</a>
4.1* 4.1 *	Form of Registrant's Specimen American Depositary Receipt (included in Exhibit 4.3) 登记人样本美国存託凭证表格(载于附表4.3)
4.2* 4.2 *	Registrant's Specimen Certificate for Ordinary Shares 普通股登记人证明书样本
4.3* 4.3 *	Form of Deposit Agreement between the Registrant and _____, as depositary 登记人与作为保管人之间存款协议的格式
5.1	<a href="#">Opinion of Maples and Calder (Hong Kong) LLP regarding the validity of the ordinary shares being registered Maples 及 Calder (Hong Kong) LLP 对注册普通股有效性的意见</a>
8.1	<a href="#">Opinion of Maples and Calder (Hong Kong) LLP regarding certain Cayman Island tax matters (included in Exhibit 5.1) Maples and Calder (Hong Kong) LLP 对开曼群岛某些税务事项的意见(见附表5.1)</a>
8.2	<a href="#">Opinion of King &amp; Wood Mallesons regarding certain PRC tax matters (included in Exhibit 99.2) 金杜律师事务所对某些中国税务事项的意见(见表99.2)</a>
10.1* 10.1 *	2016 Share Incentive Plan 二〇一六年股份奖励计划
10.2* 10.2 *	2018 Share Incentive Plan, as effective upon the completion of this offering 2018年股份奖励计划，在本次发售完成后生效
10.3	<a href="#">Form of Indemnification Agreement with the Registrant's directors and executive officers 与注册人的董事和执行官员签订的赔偿协议格式</a>
10.4	<a href="#">Form of Employment Agreement between the Registrant and an executive officer of the Registrant 登记人与登记人执行官员之间的雇用协议格式</a>
10.5	<a href="#">Power of Attorney Agreement concerning Shanghai Jiayin Finance Technology Co., Ltd. among Shanghai KunJia Technology Co., Ltd., Dinggui Yan, Guanglin Zhang, Yuanle Wu, Shanghai Jinnushuihuotu Investment Center (Limited Partnership) and Shanghai Jiayin Finance Technology Co., Ltd., dated October 15, 2018 (English Translation) 2018年10月15日，上海市嘉银金融科技有限公司、定贵严、张广林、吴元乐、上海金木水火土投资中心(有限合伙)、上海嘉银金融科技有限公司签订了上海嘉银金融科技有限公司委托书</a>
10.6	<a href="#">Equity Pledge Agreement concerning Shanghai Jiayin Finance Technology Co., Ltd. among Shanghai KunJia Technology Co., Ltd., Dinggui Yan and Shanghai Jiayin Finance Technology Co., Ltd., dated October 15, 2018 (English Translation) 2018年10月15日，上海昆嘉金融科技有限公司、定贵严、上海嘉荫金融科技有限公司与上海嘉荫金融科技有限公司之间的股权质押协议(英文翻译)</a>
10.7	<a href="#">Equity Pledge Agreement concerning Shanghai Jiayin Finance Technology Co., Ltd. among Shanghai KunJia Technology Co., Ltd., Guanglin Zhang and Shanghai Jiayin Finance Technology Co., Ltd., dated October 15, 2018 (English Translation) 2018年10月15日，上海坤嘉科技股份有限公司、张广林、上海嘉荫金融科技股份有限公司与上海嘉荫金融科技股份有限公司签订了股权质押协议</a>
10.8	<a href="#">Equity Pledge Agreement concerning Shanghai Jiayin Finance Technology Co., Ltd. among Shanghai KunJia Technology Co., Ltd., Yuanle Wu and Shanghai Jiayin Finance Technology Co., Ltd., dated October 15, 2018 (English Translation) 2018年10月15日，上海昆嘉金融科技有限公司、吴元乐、上海嘉荫金融科技有限公司与上海嘉荫金融科技有限公司签订了上海嘉荫金融科技股权质押协议</a>
10.9	<a href="#">Equity Pledge Agreement concerning Shanghai Jiayin Finance Technology Co., Ltd. among Shanghai KunJia Technology Co., Ltd., Jinnushuihuotu Investment Center (Limited Partnership) and Shanghai Jiayin Finance Technology Co., Ltd., dated October 15, 2018 (English Translation) 上海嘉音金融科技有限公司、金木水火土投资中心(有限合伙)、上海嘉音金融科技有限公司的股权质押协议，日期为2018年10月15日</a>

- 10.10 [Exclusive Call Option Agreement concerning Shanghai Jiayin Finance Technology Co., Ltd. among Shanghai KunJia Technology Co., Ltd., Dinggui Yan, Guanglin Zhang, Yuanle Wu, Shanghai Jinnushuihuotu Investment Center \(Limited Partnership\) and Shanghai Jiayin Finance Technology Co., Ltd., dated October 15, 2018 \(English Translation\) 上海嘉银金融科技有限公司与上海嘉银金融科技有限公司、定贵严、张广林、吴元乐、上海金木水土投资中心\(有限合伙\)、上海嘉银金融科技有限公司签订的独家看涨期权协议于2018年10月15日生效](#)
- 10.11 [Exclusive Consultation and Service Agreement between Shanghai Jiayin Finance Technology Co., Ltd. and Shanghai KunJia Technology Co., Ltd., dated June 29, 2018 \(English Translation\) 上海嘉银金融科技有限公司与上海坤嘉科技有限公司于2018年6月29日签订独家咨询与服务协议](#)
- 10.12 [Collaboration Agreement between Shanghai Caiyin Asset Management Co., Ltd. and Shanghai Niwodai Internet Finance Information Services Co., Ltd., dated December 1, 2015 \(English Translation\) 上海财银资产管理有限公司与上海牛窝带互联网金融信息服务有限公司合作协议，日期为2015年12月1日](#)

**Table of Contents** 目录提示：本文档系@财报牛牛（公众号：caibaoniao）通过第三方翻译软件从英文招股书翻译成中文的版本，仅供参考。

<u>Exhibit</u> <u>展品</u> <u>Number</u> 数目	<u>Description of Document</u> 文件说明
21.1	<a href="#">Principal subsidiaries, variable interest entities and principal affiliated entities held by the variable interest entities of the Registrant</a> 注册人可变利益实体持有的主要子公司、可变利益实体和主要关联实体
23.1	<a href="#">Consent of Deloitte Touche Tohmatsu Certified Public Accountants LLP., Independent Registered Public Accounting Firm</a> 独立注册会计师事务所，德勤注册会计师事务所
23.2	<a href="#">Consent of Maples and Calder (Hong Kong) LLP (included in Exhibit 5.1)</a> 枫叶及考尔德(香港)有限合伙企业的同意书(见附表5.1)
23.3	<a href="#">Consent of King &amp; Wood Mallesons (included in Exhibit 99.2)</a> 金杜律师事务所的同意书(见表99.2)
23.5	<a href="#">Consent of Yifang Xu</a> 许一方同意书
23.6	<a href="#">Consent of Libin Wang</a> 王立斌同意书
23.7	<a href="#">Consent of Yuhchang Hwang</a> 黄玉昌同意
23.8	<a href="#">Consent of Meng Rui</a> 孟锐的同意书
23.9	<a href="#">Consent of iResearch</a> 同意的 iResearch
24.1	<a href="#">Powers of Attorney (included on signature page in Part II of this Registration Statement)</a> 授权委托书(包括在本注册声明第二部分的签名页)
99.1	<a href="#">Code of Business Conduct and Ethics of the Registrant</a> 商业行为守则及商业道德守则
99.2	<a href="#">Opinion of King &amp; Wood Mallesons regarding certain PRC law matters</a> 金杜律师事务所对某些中华人民共和国法律事项的意见

\* To be filed by amendment.  
以修改方式提交。

\*\* Previously filed.  
先前提交的。

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### Signatures

#### 签名

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-1 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the PRC, on December 19, 2018.

根据1933年证券法登记委员会的要求，登记人证明其有合理的理由相信其符合表格 F-1 的所有备案要求，并已正式促使本登记声明在 2018年12月19日由中华人民共和国正式授权的下列签名人代表其签署。

Jiayin Group Inc. 嘉荫集团股份有限公司

By: 作 /s/ Dinggui Yan

者: /s/ Dinggui Yan

Name: Dinggui Yan

姓名: 丁桂燕

Title: Director and chief executive officer

标题: 董事兼首席执行官

POWER OF ATTORNEY

授权书

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints each of Mr. Dinggui Yan and Mr. Chunlin Fan as an attorney-in-fact with full power of substitution, for him or her in any and all capacities, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the registrant to comply with the Securities Act of 1933, as amended (the "Securities Act"), and any rules, regulations and requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Securities Act of ordinary shares of the registrant (the "Shares"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form F-1 (the "Registration Statement") to be filed with the Securities and Exchange Commission with respect to such Shares, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462(b) under the Securities Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

句子太长，请短一点。

Pursuant to the requirements of the Securities Act, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

根据《证券法》的要求，本登记声明已由下列人员以身份和日期签署。

<u>Signature</u> 签名	<u>Title</u> 标题	<u>Date</u> 日期
<u>/s/ Dinggui Yan</u> <u>/ s / Dinggui Yan</u> Name: Dinggui Yan 姓名: 丁桂燕	Director and chief executive officer 董事兼首席执行官 (principal executive officer) (首席行政主任)	December 19, 2018 2018 年12月19日
<u>/s/ Jiong Feng</u> <u>S / Jiong Feng</u> Name: Jiong Feng 姓名: Jiong Feng	Chief technology officer 首席技术官	December 19, 2018 2018 年12月19日
<u>/s/ Chunlin Fan</u> <u>/ s / 樊春林</u> Name: Chunlin Fan 姓名: 范春林	Chief financial officer 首席财务官 (principal financial and (主要财务及 accounting officer) 会计主任)	December 19, 2018 2018 年12月19日
<u>/s/ Yifang Xu</u> <u>/ s / 许一方</u> Name: Yifang Xu 姓名: 徐一方	Chief risk officer 首席风险官	December 19, 2018 2018 年12月19日

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**SIGNATURE OF AUTHORIZED REPRESENTATIVE IN THE UNITED STATES**  
在美国的授权代表签字

Pursuant to the Securities Act of 1933, the undersigned, the duly authorized representative in the United States of Jiayin Group Inc., has signed this registration statement or amendment thereto in New York on December 19, 2018.

根据1933年证券法的规定，以下签名人，即佳音集团在美国的正式授权代表，已于2018年12月19日在纽约签署本登记声明或其修正案。

Authorized U.S. Representative 美国授权代表

By: 作 /s/ Siu Fung Ming \_\_\_\_\_

者: /s/ 萧凤鸣 \_\_\_\_\_

Name: /s/ Siu Fung Ming / s/ 萧凤鸣

姓名:

Title: Assistant Secretary 助理秘书长

标题: