

# 2016 Investor Presentation

Noah Holdings Limited (NYSE: NOAH)

*March 2017*



# Disclaimers

This presentation contains forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," "confident" and similar statements. Among other things, the outlook for 2017 and quotations from management in this presentation, as well as Noah's strategic and operational plans, contain forward-looking statements. Noah may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission, in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about Noah's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. All information provided in this presentation is as of the date of this presentation. Noah undertakes no duty to update any information in this presentation or any forward-looking statement as a result of new information, future events or otherwise, except as required under applicable law.

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## Who We Are

### Industry Overview

### Overview of Noah

### Financial Performance

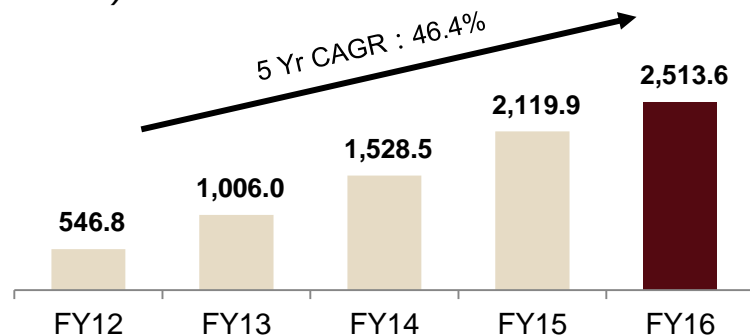
### Appendices



# WE HAVE BEEN GROWING AT A RAPID RATE

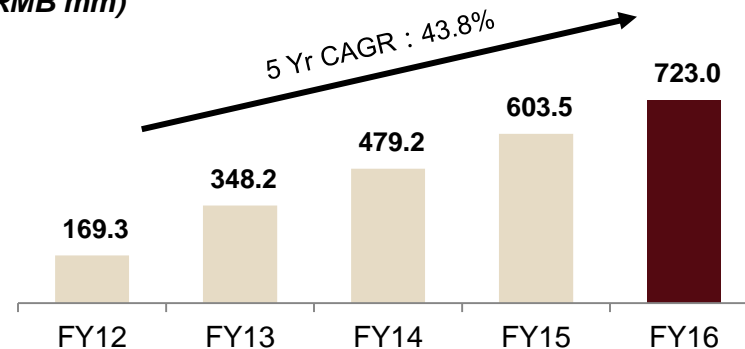
## Net Revenues

(RMB mm)

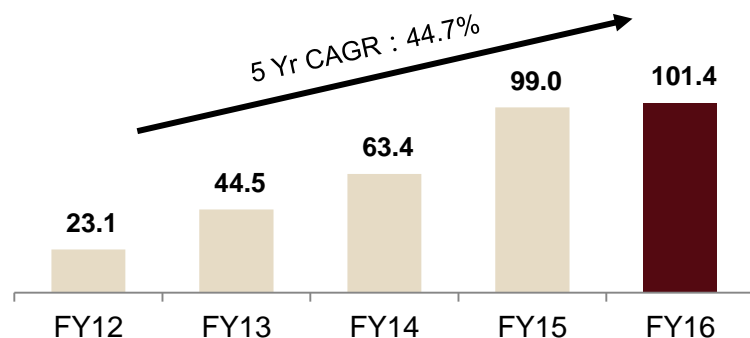


## Non-GAAP Net Income<sup>(1)</sup>

(RMB mm)

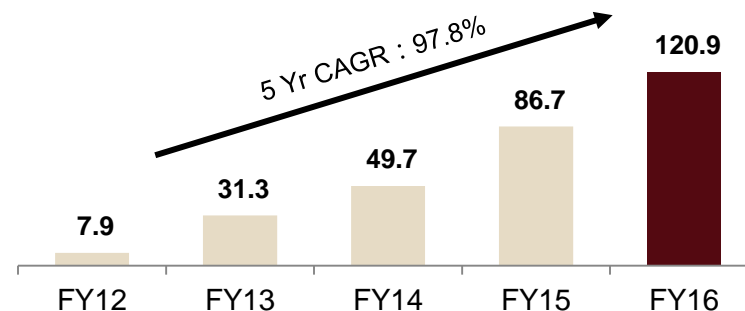


## Transaction Value



## Gopher AUM

(RMB bn)

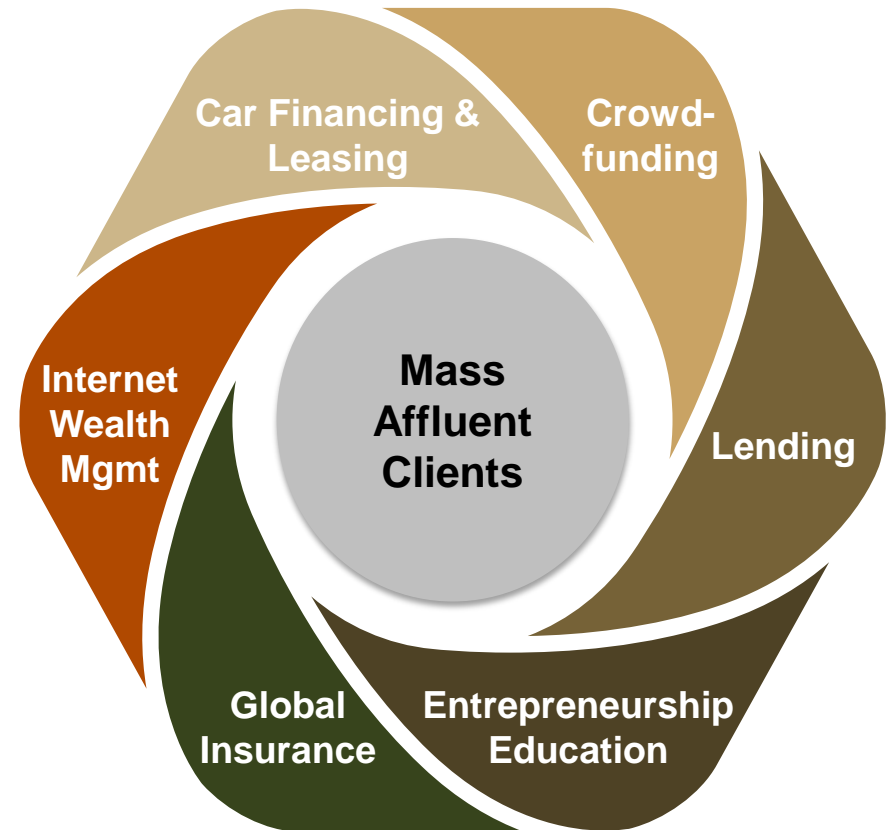
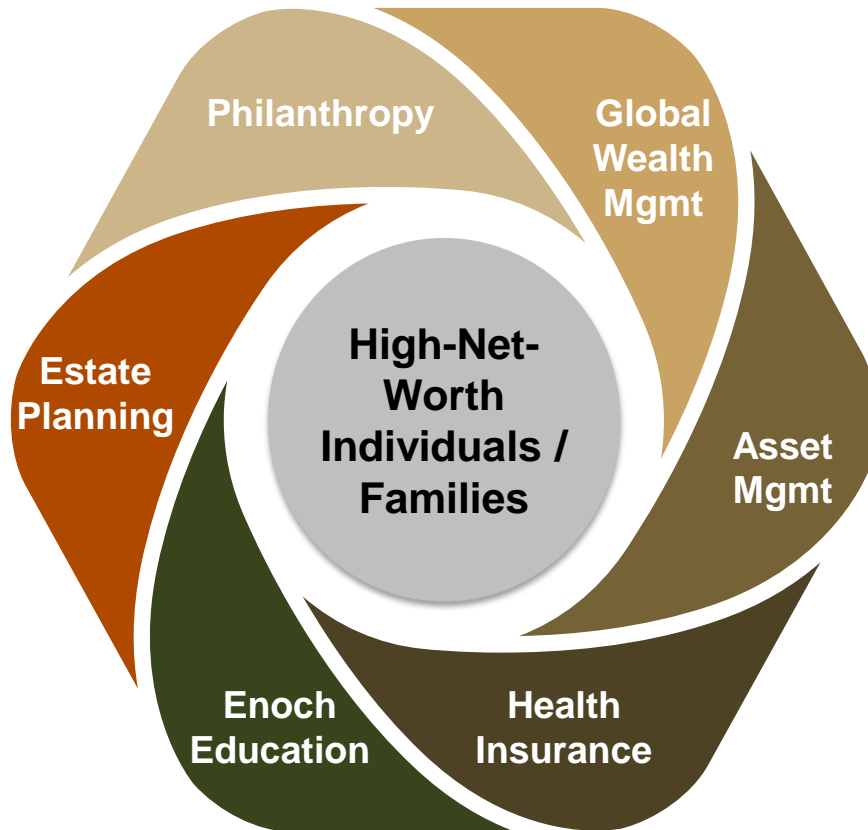


Source: Company Filings

(1) Representing non-GAAP net income attributable to Noah Shareholders, based on non-GAAP financial measures that exclude the effects of all forms of share-based compensation



# WE HAVE CREATED AN ECO-SYSTEM





# WE ARE MORE THAN A WEALTH MANAGER

## Comprehensive Financial Platform



### Wealth Management

- FY16 Transaction Value of USD16.2bn
- Transaction Value 5-Year CAGR 44.7%
- 135,396 Registered Clients



### Asset Management

- FY16 Total AUM at USD17.4bn
- AUM 5-Year CAGR 97.8%
- AUM 51% PE Investment



### Global Platform

- Noah Hong Kong
- Noah US
- Ark Trust (HK & Jersey)
- FY16 Overseas AUM at USD2.4bn



### Internet Financial Services

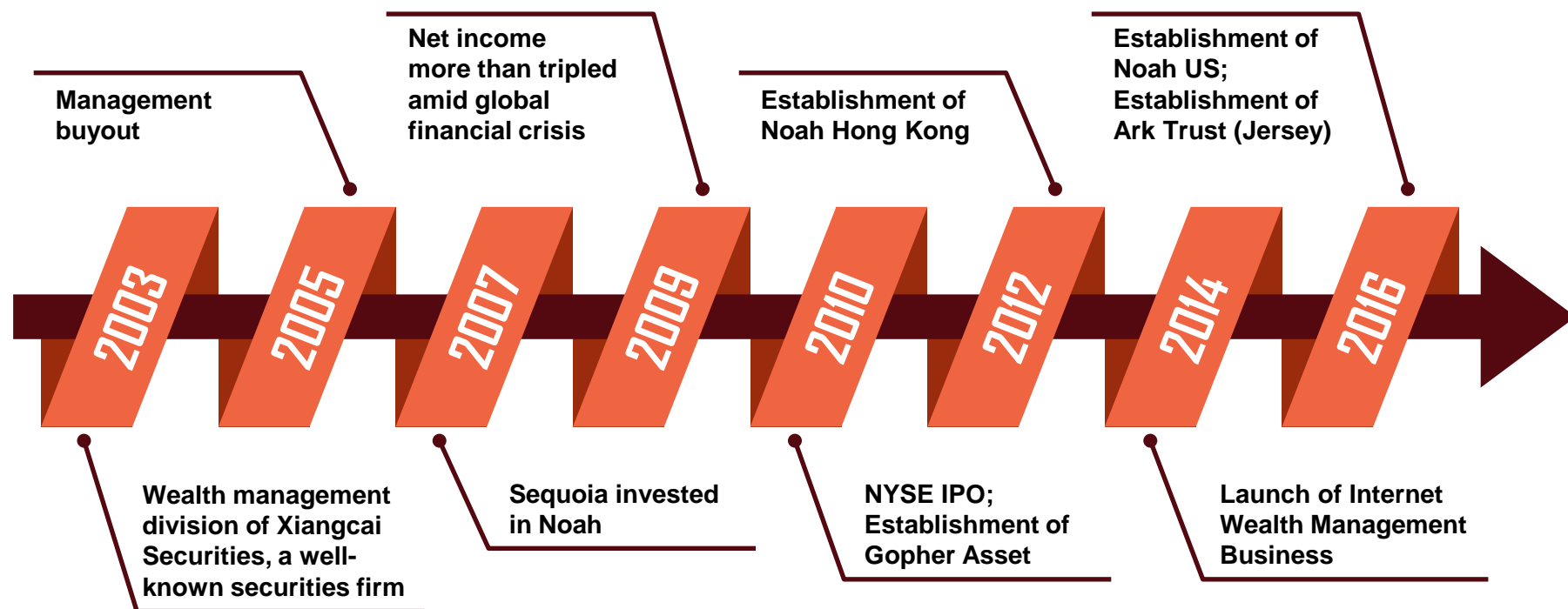
- FY16 Transaction Value at USD2.9bn
- Average Transaction Value of USD48k
- 402,815 Caifupai\* Clients

## Open Architecture Product & Service Platform

\* Caifupai is Noah's brand for internet wealth management services



# NOAH'S HISTORY AND KEY MILESTONES





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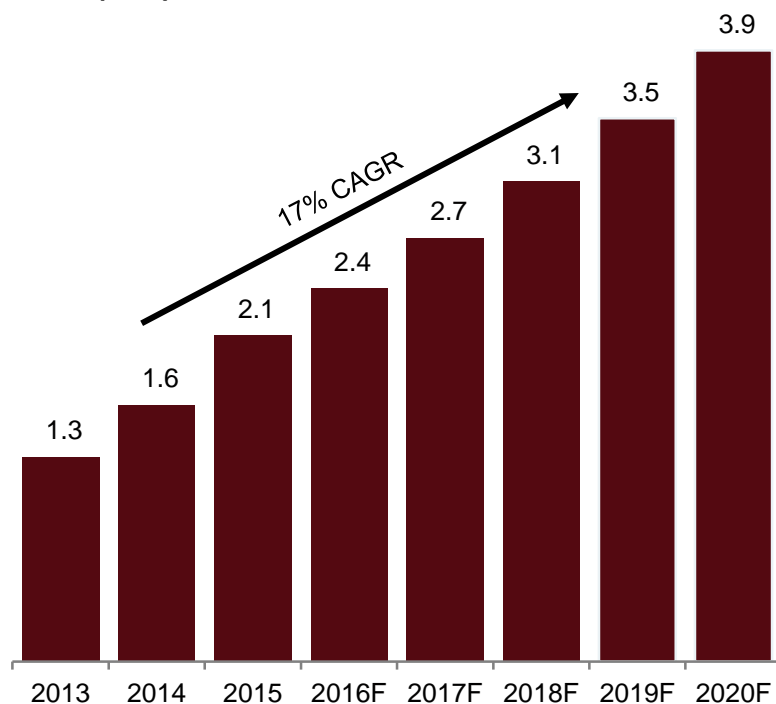
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# STRONG WEALTH CREATION IN CHINA

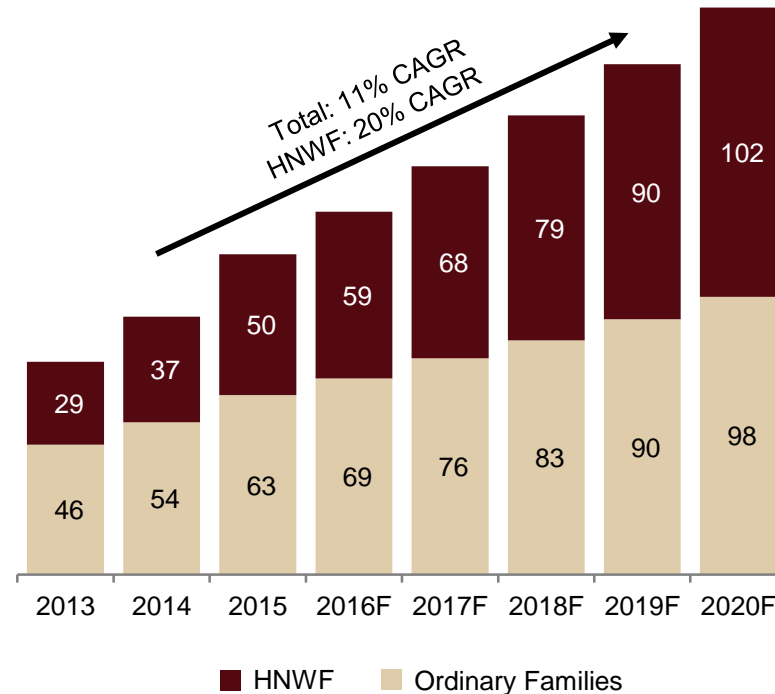
## Number of HNWF<sup>(1)</sup> in China

Families (mm)



## Assets Management Market Size in China from 2013 to 2020F

(RMB tn)



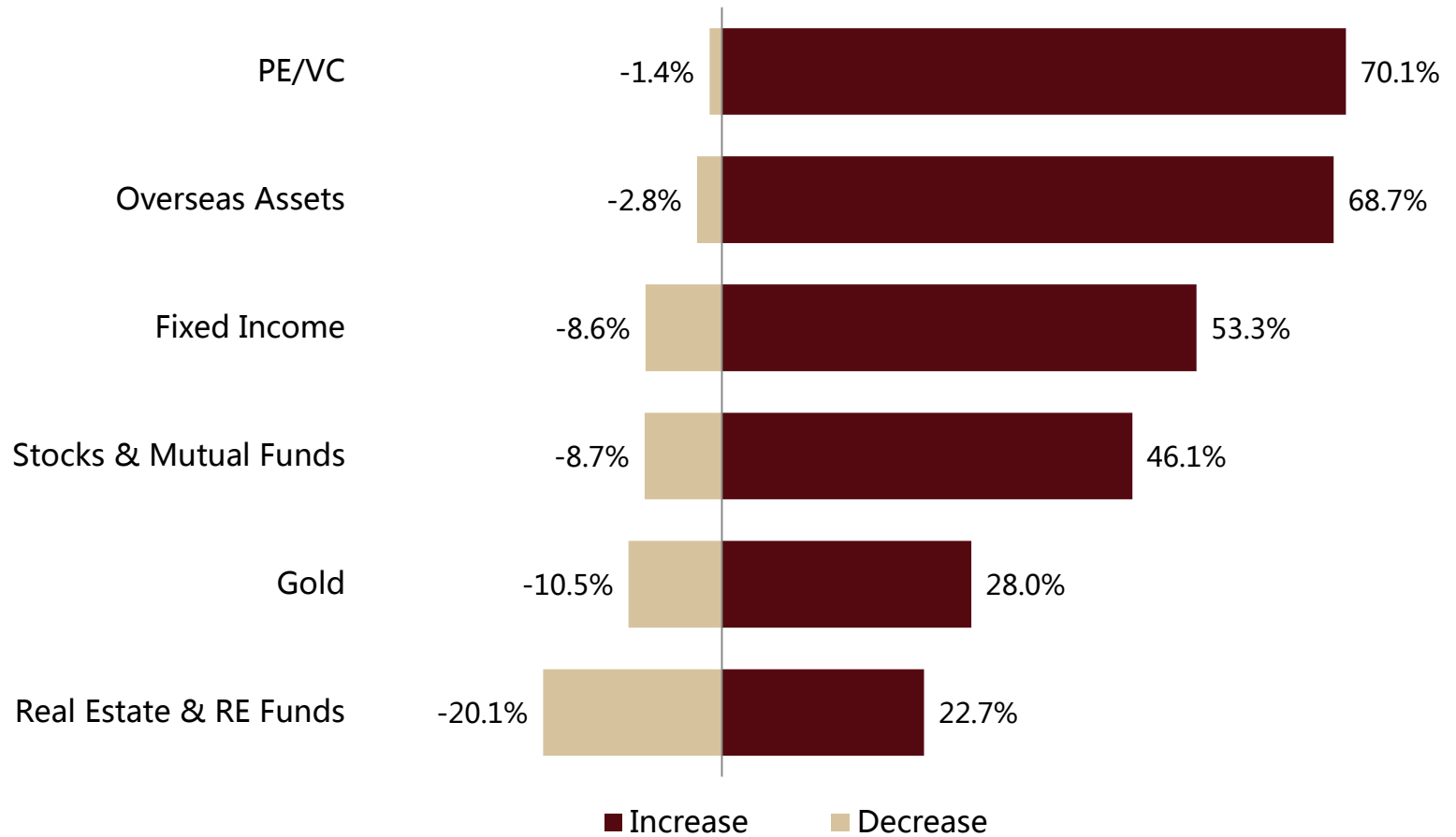
Source: Industrial Bank & BCG report, 2016

(1) HNWF stands for High Net Worth Family, whose investable assets exceed RMB6 mm



# STRONG PREFERENCE FOR ALTERNATIVE INVESTMENTS

## Chinese HNWIs' Plans for Asset Allocation

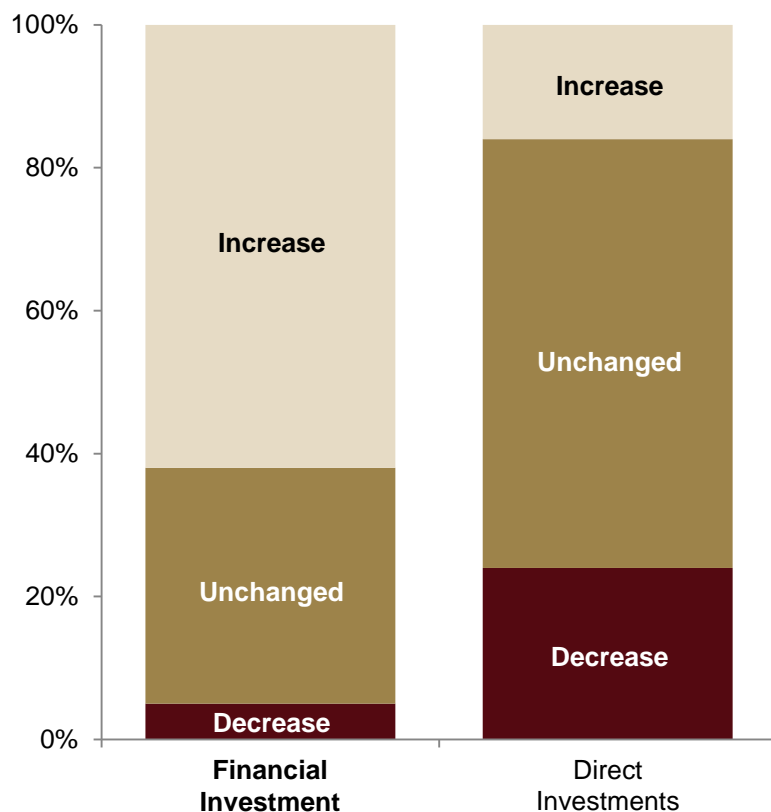




# CHINESE HNWIS ARE EXPECTED TO MAKE MORE FINANCIAL INVESTMENTS IN NEW ECONOMY SECTORS

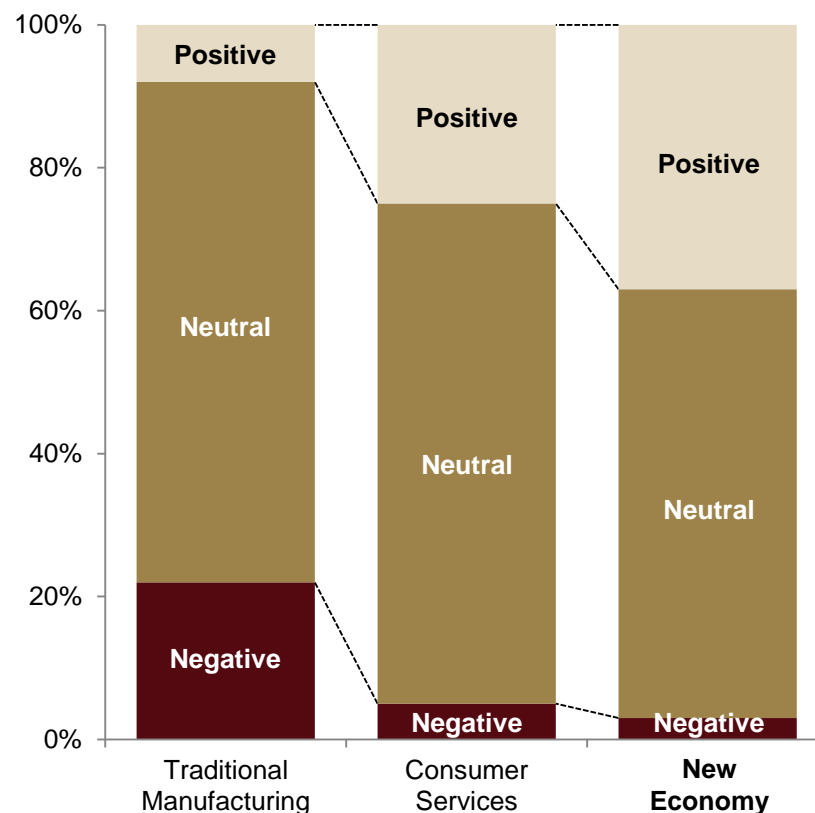
## Investment trends of Chinese HNWIs

% of HNWIs



## HNWIs' views on prospects of various industries

% of HNWIs





# NEW OPPORTUNITIES IN NEW ECONOMY

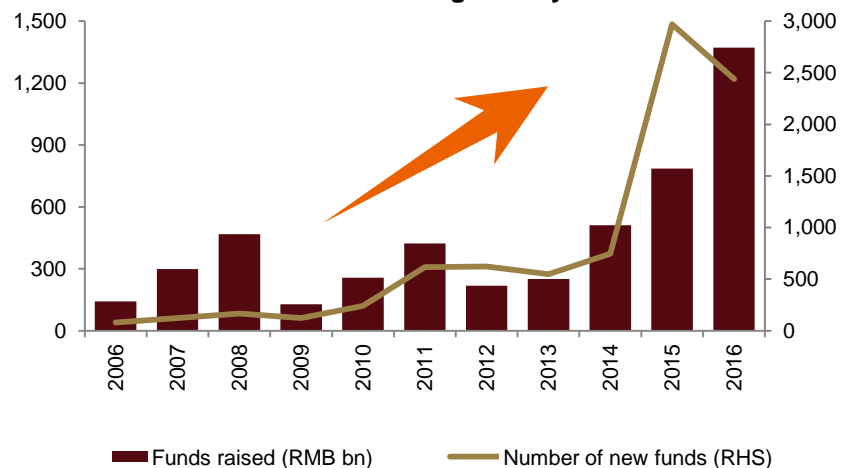


\* Companies shown here are invested directly or indirectly by Gopher Asset

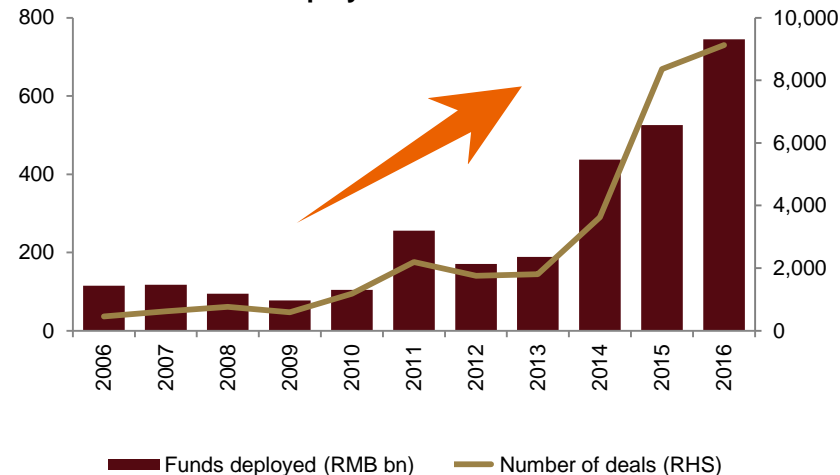


# PE/VC INVESTMENTS IN CHINA ARE ON THE RISE

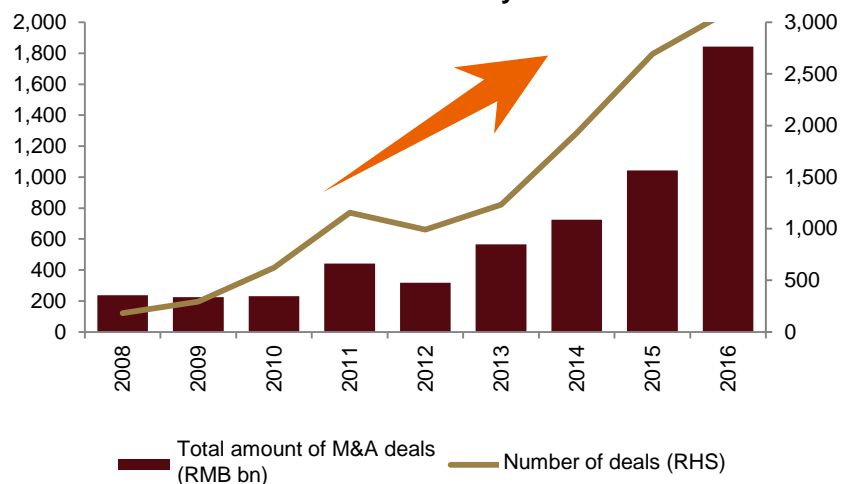
## Fund-raising activity



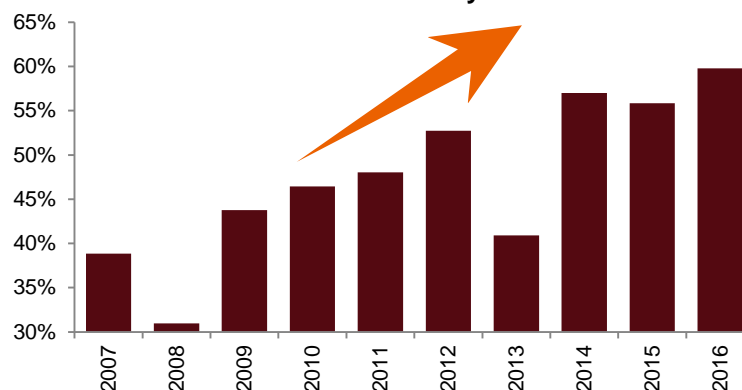
## Deployment of Funds



## M&A activity



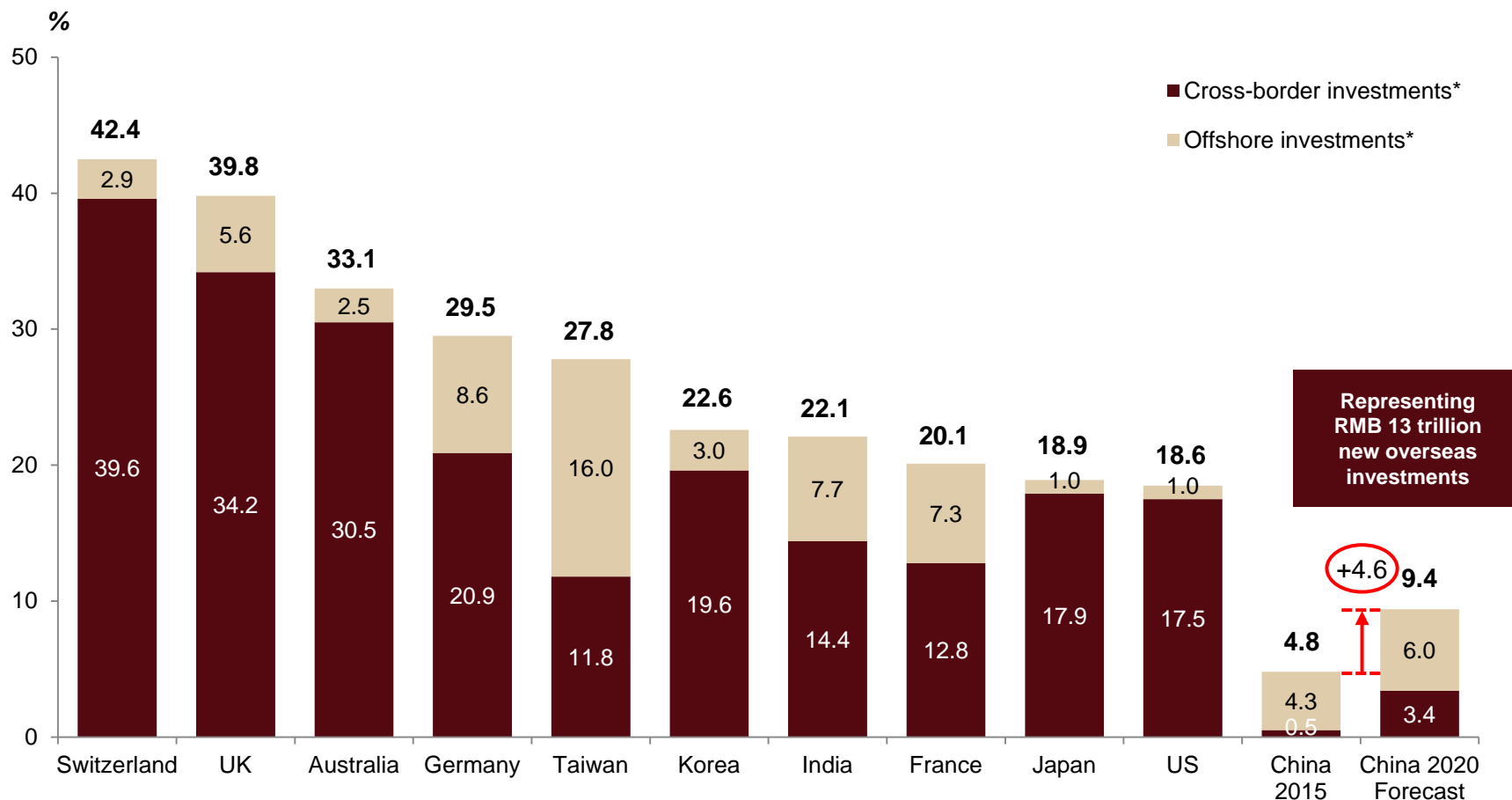
## Share of IPOs backed by PE/VC funds



Source: Zero2IPO



# CHINESE HNWIs ARE EXPECTED TO MAKE MORE OUTBOUND INVESTMENTS



\* Cross-border investments refer to investments conducted via pilot capital account programs such as QDII, QDLP, SH-HK Connect programs; direct overseas investments are classified as offshore investments

Source: Industrial Bank & BCG report, 2016



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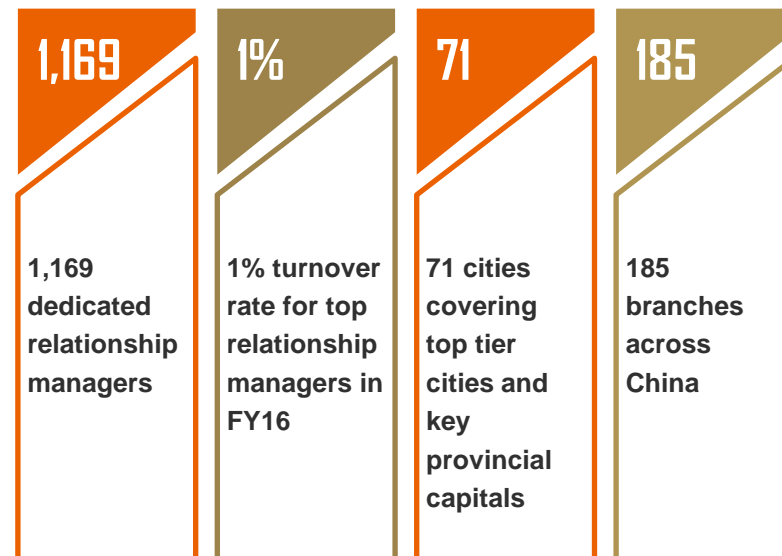
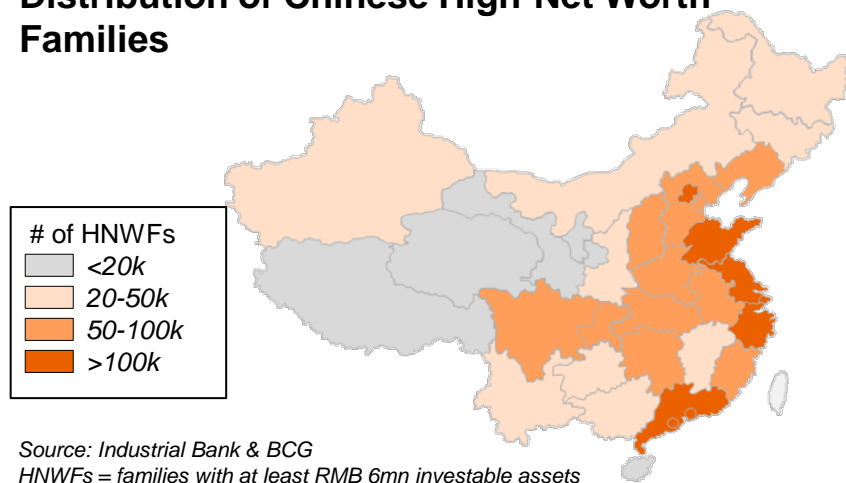
Financial Performance

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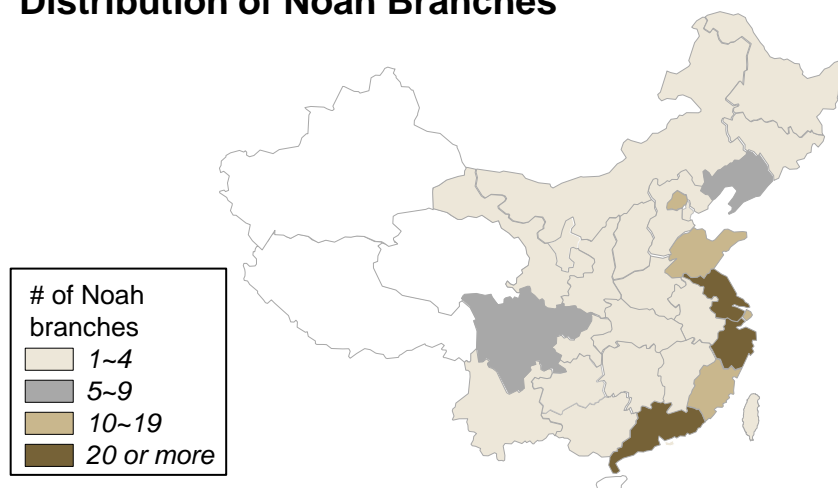


# NATIONWIDE NETWORK COVERAGE & STABLE SALES TEAM

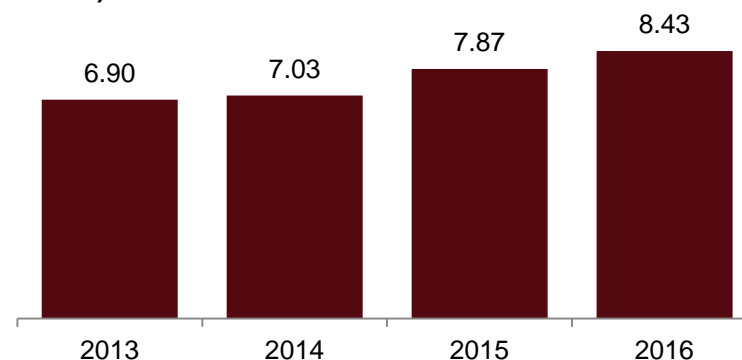
## Distribution of Chinese High-Net Worth Families



## Distribution of Noah Branches



## Noah's Average Transaction Value per Client (RMB mm)

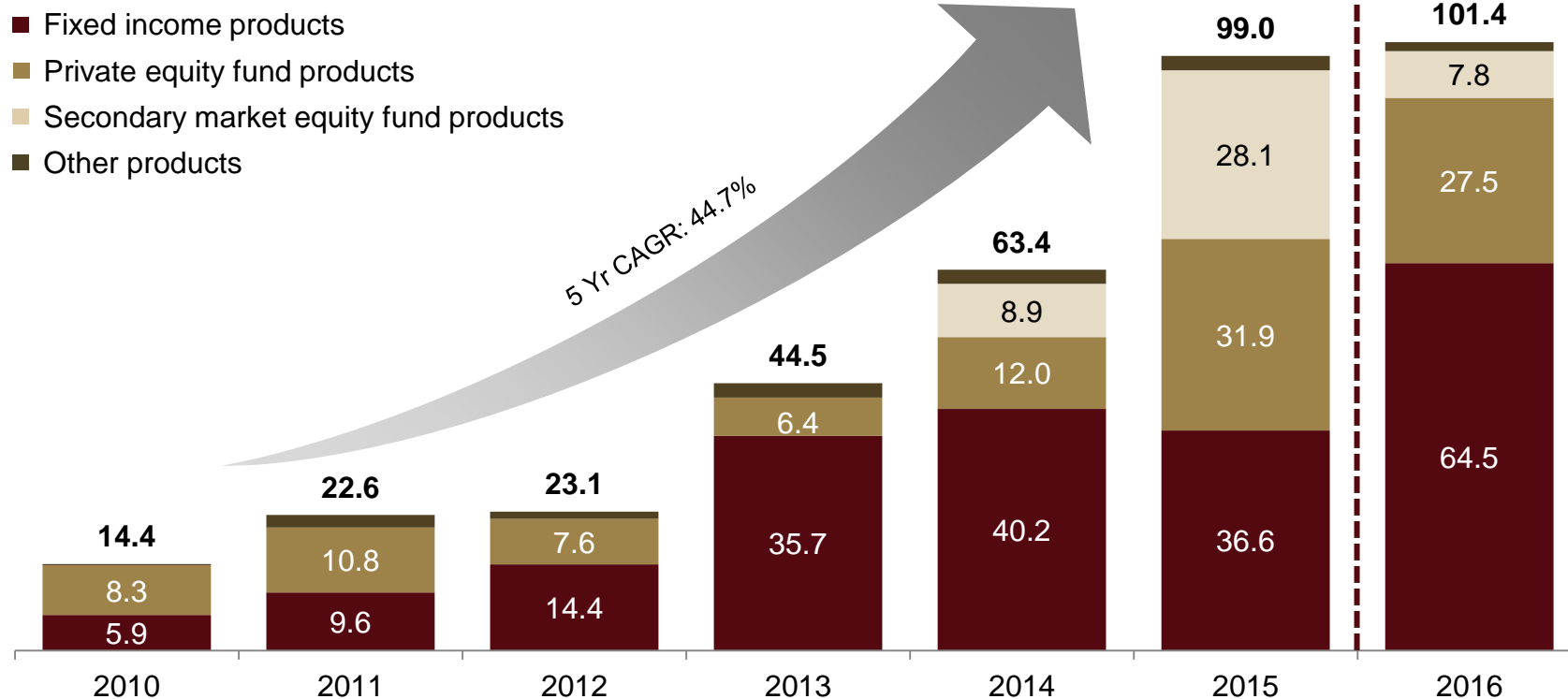




# OVERVIEW OF WEALTH MANAGEMENT BUSINESS

## Transaction Value of Wealth Management Products

(RMB bn)



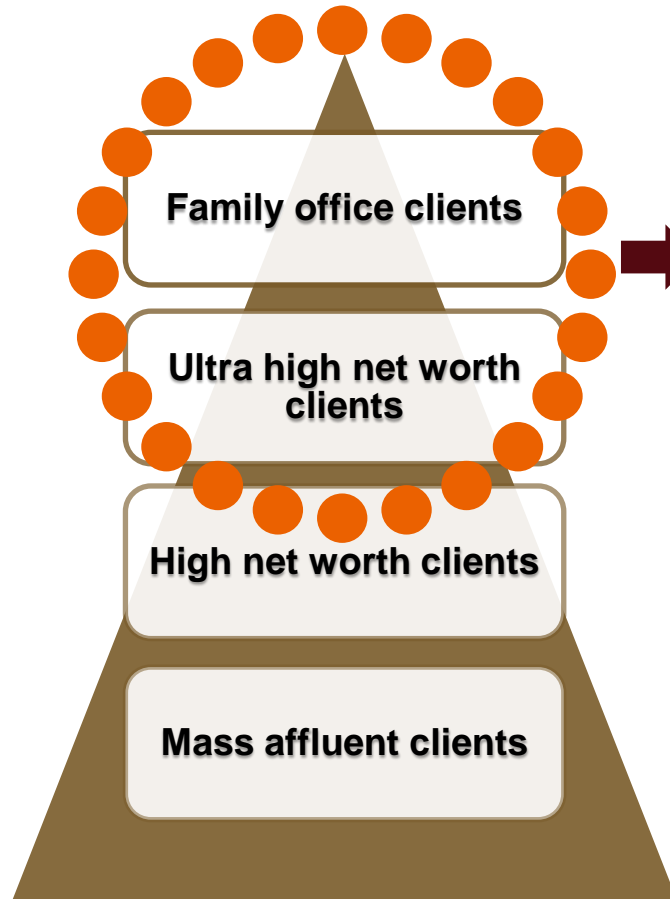
\* Secondary market equity products were included in "other products" before 2013

\*\* Mutual fund products were not included in "other products" since 2016

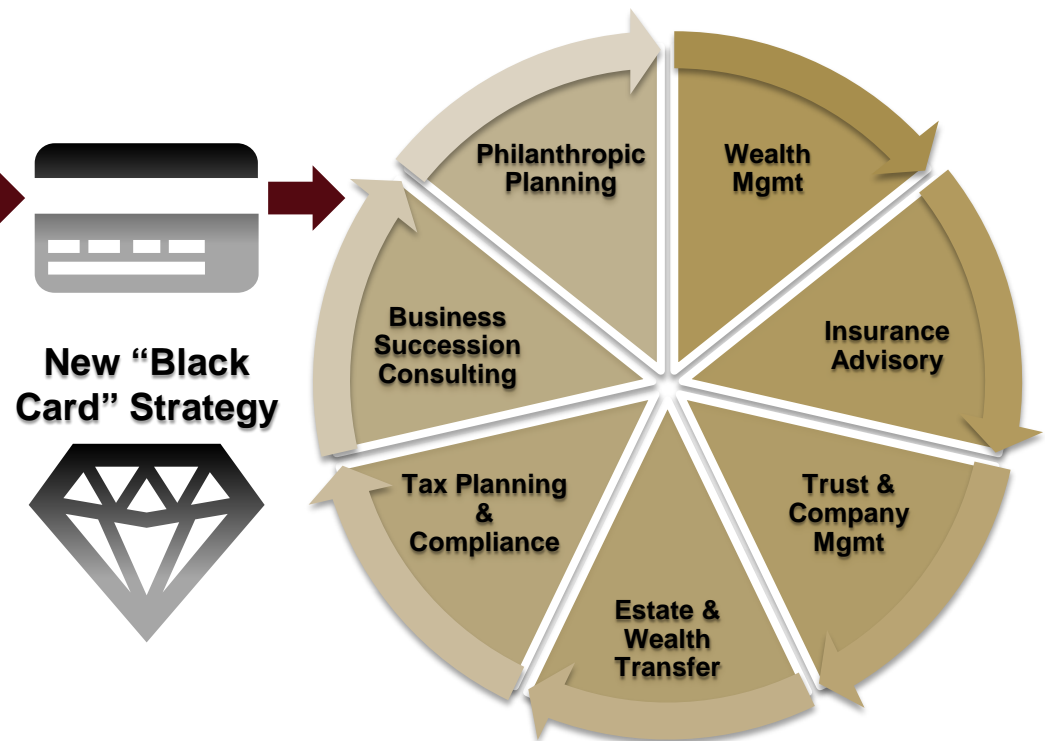


# DIFFERENTIATED CLIENT SERVICES

## Noah Client Segments



## Noah Black Card focused on servicing Noah's most high-end clients





# DIVERSIFICATION OF FIXED INCOME PRODUCTS

## Supply Chain Financing:



*Backed by companies with high creditworthiness*



## Consumer Financing:



*A new "blue sea" as working class disposable income rises at a fast pace*



## Mezzanine financing:

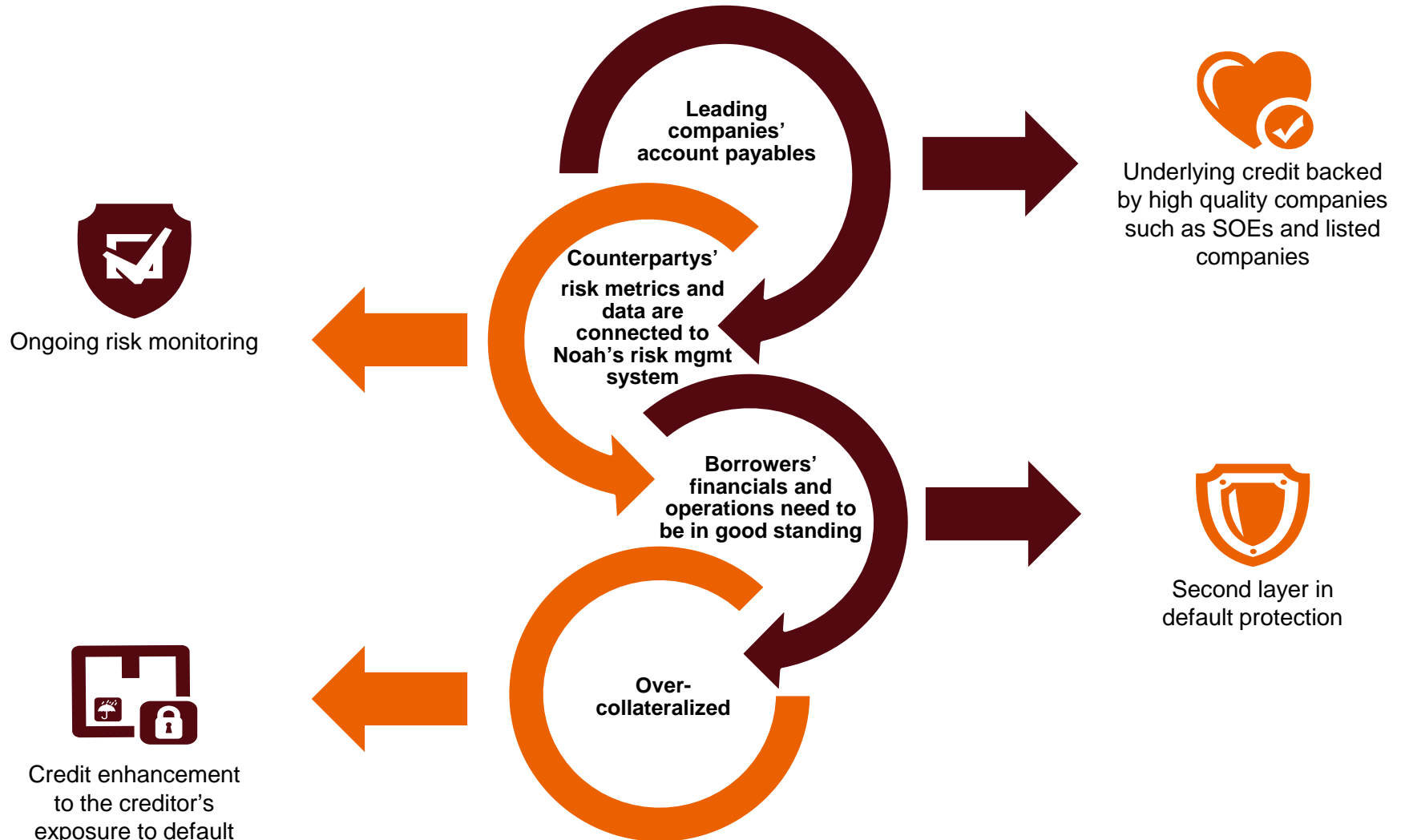


*Mezzanine credit (hybrid of debt and equity) to finance pre-IPO and listed companies*





# NOAH'S FACTORING BUSINESS — SECURING HIGH QUALITY CREDIT PRODUCTS





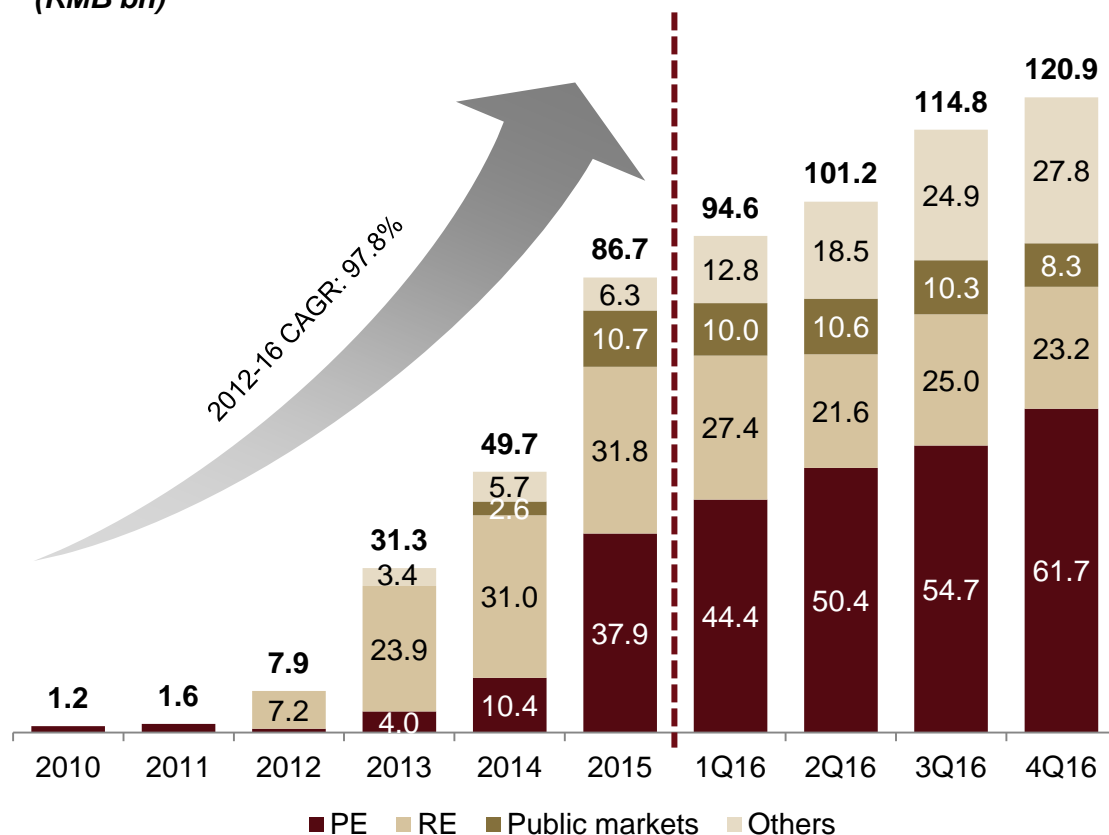
# OVERVIEW OF ASSET MANAGEMENT BUSINESS

## 歌斐資產 GOPHER

ASSET MANAGEMENT

AUM\*

(RMB bn)



China Fund of Funds Association

Best Fund of Funds  
Most Active Fund of Funds  
Best Market-Oriented Fund of Funds



Best Performing RMB FoF



Best Active RMB FoF  
Best Real Estate Manager



Best Active RMB FoF  
Best Performing RMB FoF



Best Performing Real Estate FoF  
in China

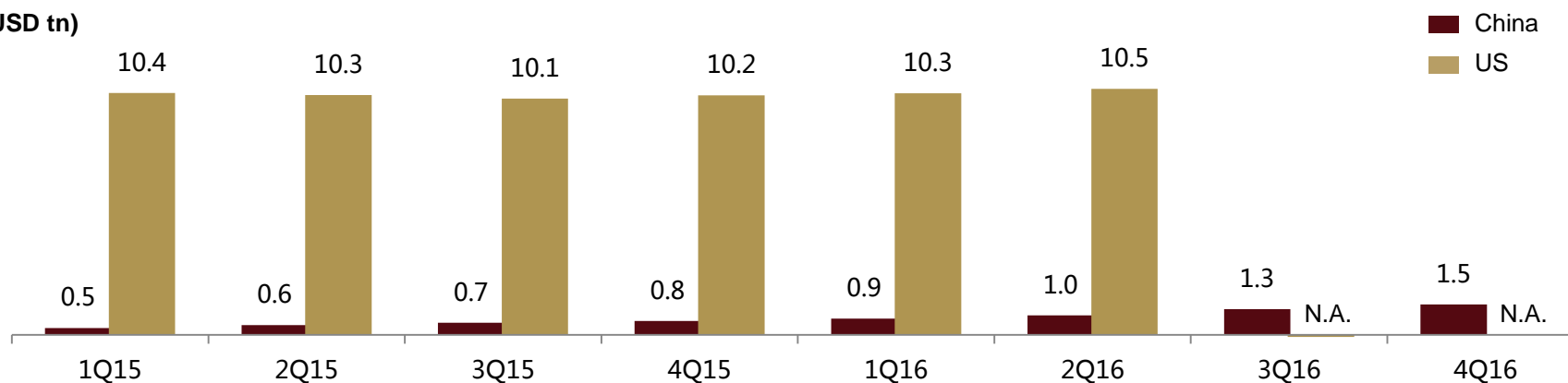
\* Note: Assets under management figures shown is on historical cost basis, not NAV, except for public market products



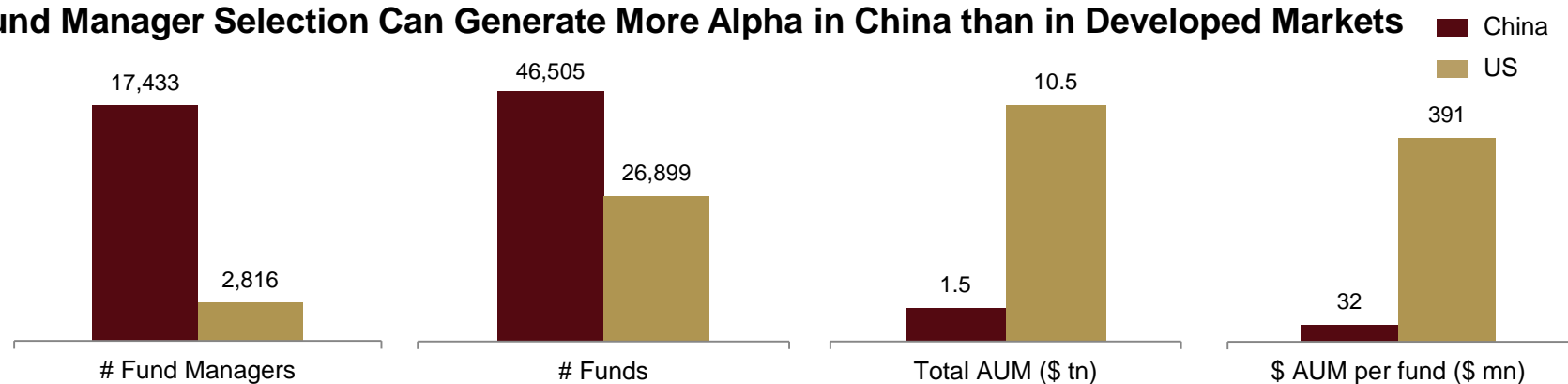
# THE NEED FOR FOF INVESTMENTS IN CHINA

## Comparison of Private Investment Fund AUM in China and US

(USD tn)



## Fund Manager Selection Can Generate More Alpha in China than in Developed Markets



Source: AMAC, SEC, Wind

\* Included in the charts are PE/VC funds, hedge funds, real estate funds and other private alternative investment funds  
Most recent data points are as of December 2016 for China and as of June 2016 for US



# HIGHLIGHTS OF ASSET MANAGEMENT BUSINESS

## TOP 20 RMB VC Funds

2. Sequoia China (红杉中国)\*
4. Qiming Venture (启明创投)\*
6. IDG Capital\*
7. GGV Capital (纪源资本)\*
8. Northern Light VC (北极光创投)\*
9. Shenzhen Capital (深创投)\*
10. Legend Capital (君联资本)\*
11. Banyan Capital (高榕资本)\*
12. GSR Ventures (金沙江创投)\*
13. SAIF Partners (赛富投资基金)\*
15. Fortune Capital (达晨创投)\*

Source: China FOF Association

## TOP 20 RMB PE Funds

2. CDH Investments (鼎晖投资)\*
3. Hillhouse Capital (高瓴资本)\*
6. IDG Capital\*
8. Legend Capital (君联资本)\*
11. Carlyle Group\*
13. JD Capital (九鼎投资)\*
15. Warburg Pincus\*
18. CITIC Capital (中信资本)\*

Source: China FOF Association

## TOP 10 USD PE Funds

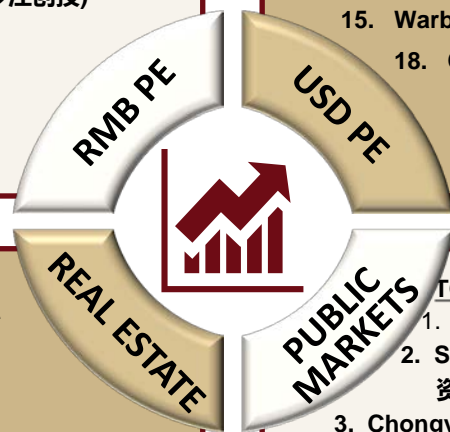
1. Blackstone Group\*
2. Goldman Sachs
3. Carlyle Group\*
4. KKR\*
5. TPG\*
6. Oaktree Capital\*
7. Apollo Global Mgmt\*
8. Bain Capital\*
9. Lone Star Funds
10. Warburg Pincus\*

Source: Preqin

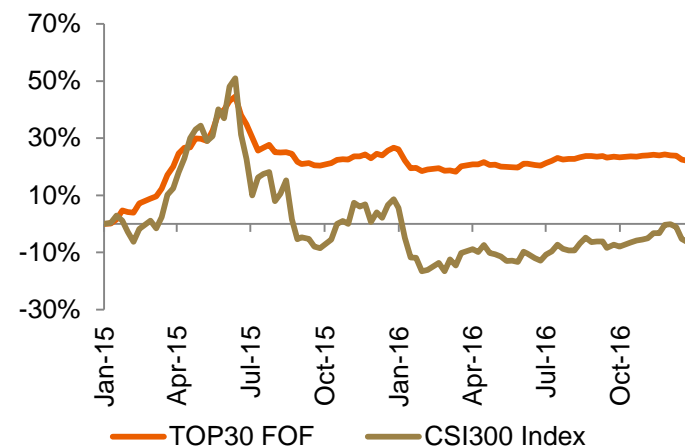
## TOP 10 RMB Hedge Funds

1. Dapu Fund (大朴资产)
2. Springs Capital (淡水泉投资)\*
3. Chongyang Inv't (重阳投资)\*
4. Daoyi Fund (道谊资产)
5. DF Asset (鼎锋资产)\*
6. F&D Assets (富恩德资产)
7. Heju Fund (和聚投资)\*
8. Huizheng Inv't (惠正投资)
9. Elitimes Capital (菁英时代)
10. Greenwoods Asset (景林资产)\*

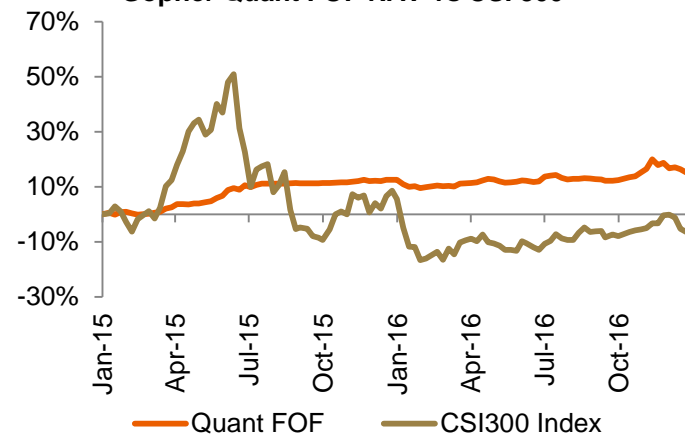
Source: ChinaFund



## Gopher Long/Short FOF NAV vs CSI 300



## Gopher Quant FOF NAV vs CSI 300



\* Asterisk and bolding indicate the partners Noah have cooperated with



# REAL ESTATE SHIFTS TO FOCUS ON VALUE-ADDED

Our NEW strategy: Buy it, Fix it, Sell it

Old strategy:



Residential  
development  
financing

New strategy:



Selling the  
property with  
capital gains

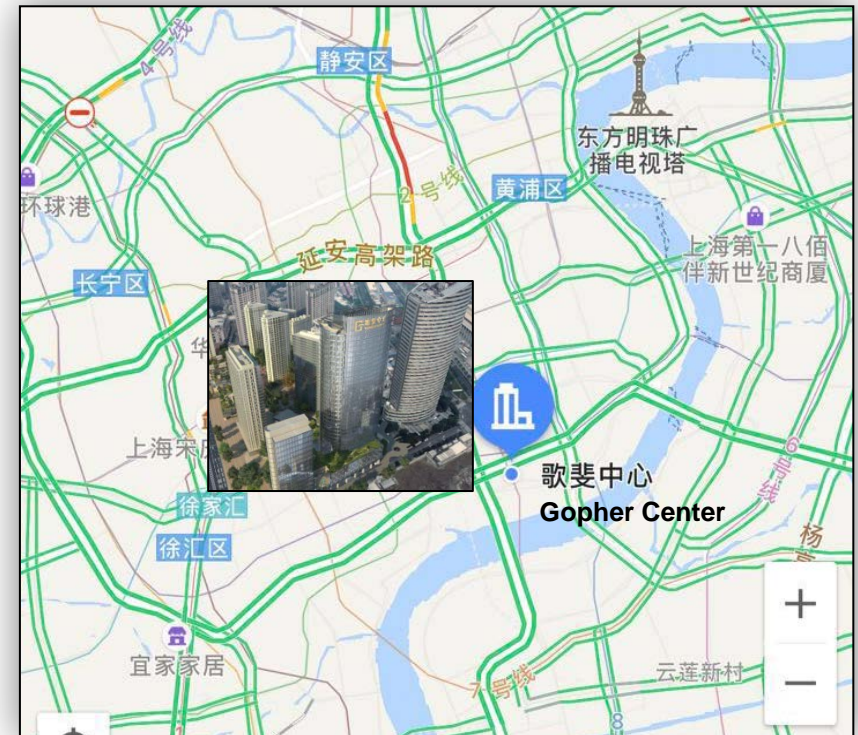


Fixing the  
property to  
improve value



Acquiring  
undervalued  
assets that need  
improvement

Gopher Center is the office building acquired and operated by Gopher

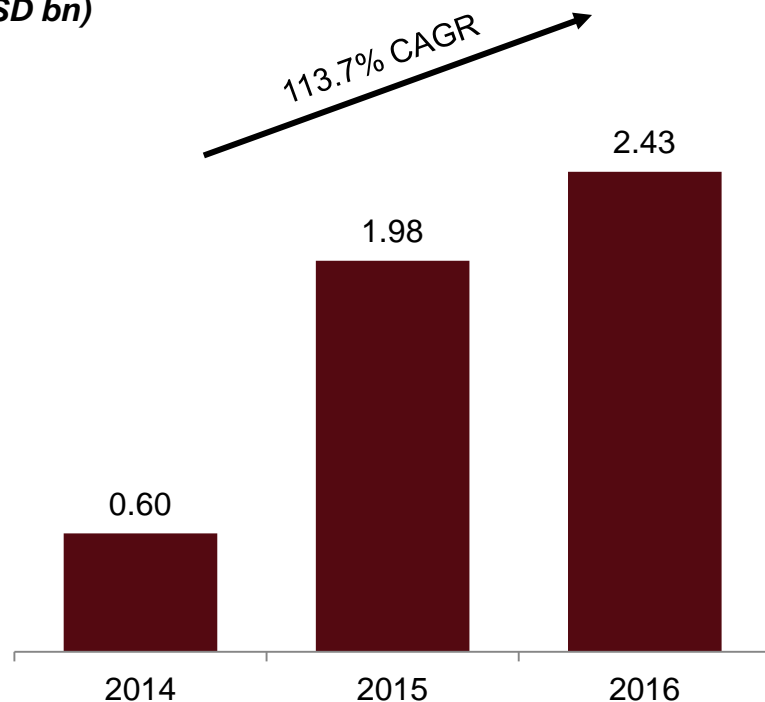




# GLOBAL ASSET MANAGEMENT PLATFORM

## Overseas AUM

(USD bn)



**In 2016:**  
 Noah US was established  
 Ark Trust (Jersey) was established

## Noah's Global Industry Leaders



### Zhe Yin, Chairman and CEO of Gopher

- Co-Founder of Noah Holdings
- Over 20 years of experience in wealth management and asset management



### PV Wang, CO-CIO, PE Partner of Gopher

- Partner at Adams Street Partners
- Over 20 years of global private equity investment experience



### William Ma, CO-CIO, Public Markets Partner of Gopher

- Founding Partner of Penjing Asset Mgmt (acquired by Gottex Fund Mgmt)
- A globally recognized leader in public markets and hedge fund investments



### Elise Huang, CEO of Noah US

- Partner at WestSummit Capital
- Head of US Investment at Vertex Venture Holdings
- 20 years of experience in PE investments in Hi-Tech industries in Silicon Valley



# OVERVIEW OF INTERNET WEALTH MANAGEMENT BUSINESS

## Noah's High-Net-Worth Clients



### Cross-sell



## Online Private Bank Focused on Distribution of Standardized Products



### Key target group



## Mass Affluent Clients



Caifupai's mass affluent clients can be converted to Noah's HNW clients as they become wealthier and gain more trust in Noah brand

## Demonstration of Caifupai's interface:



## FY2014

Trans value: RMB 1.4 bn  
Avg trans value: RMB 150k  
Net revenues: RMB 17 mm  
Registered clients: 29k

## FY2015

Trans value: RMB 12.0 bn  
Avg trans value: RMB 180k  
Net revenues: RMB 57 mm  
Registered clients: 277k

## FY2016

Trans value: RMB 20.1 bn  
Accum. trans value: RMB 33.5 bn  
Avg trans value: RMB 332k  
Net revenues: RMB 50 mm  
Registered clients: 403k



# CLIENT EDUCATION AND COMMUNICATIONS





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**Financial Performance**

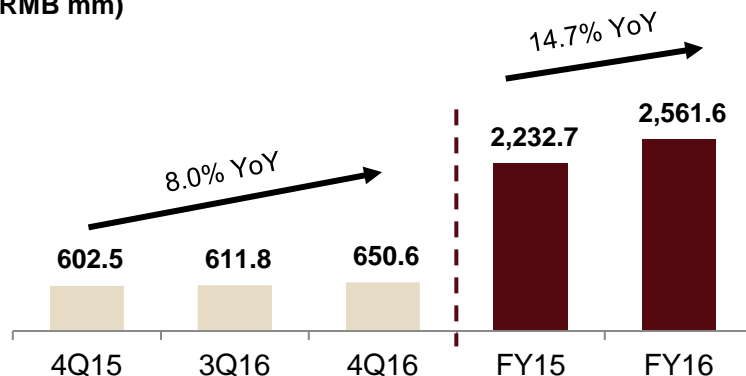
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# SOLID 4Q & FY16 PERFORMANCE

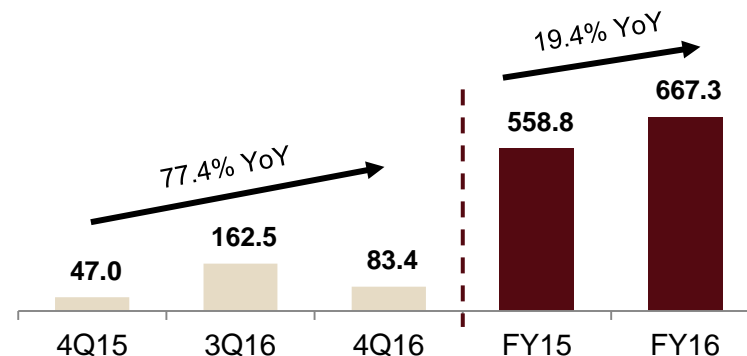
## Revenues

(RMB mm)



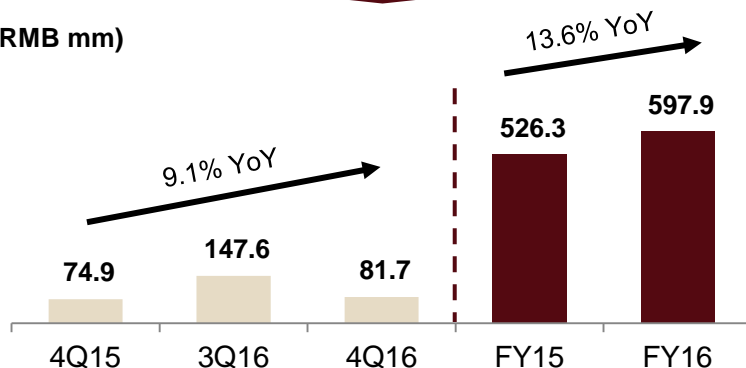
## Income from Operations<sup>(1)</sup>

(RMB mm)



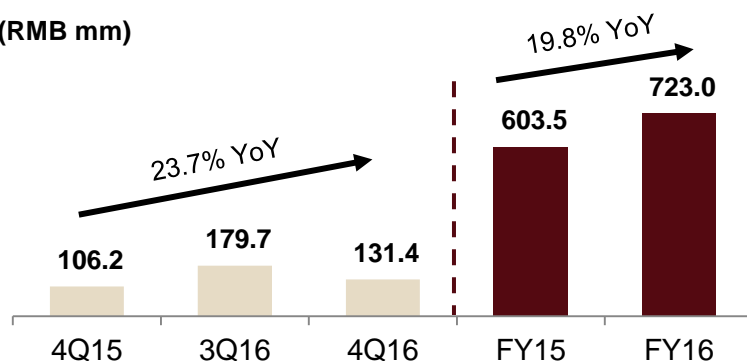
## Net Income

(RMB mm)



## Non-GAAP Net Income<sup>(2)</sup>

(RMB mm)



Source: Company Filings

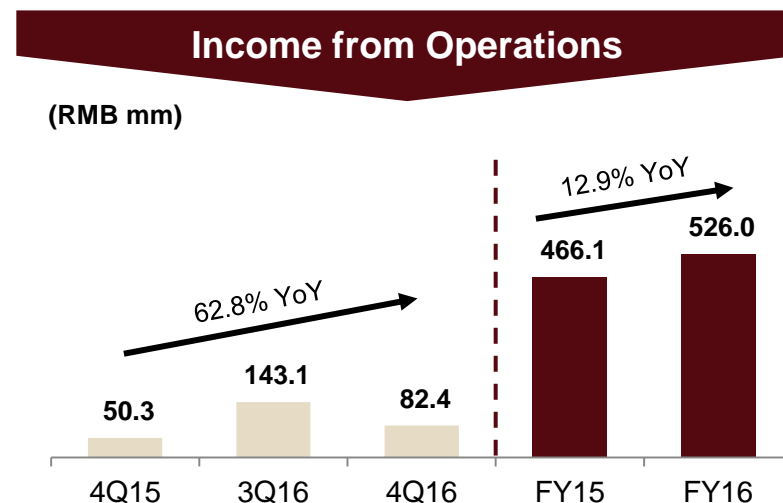
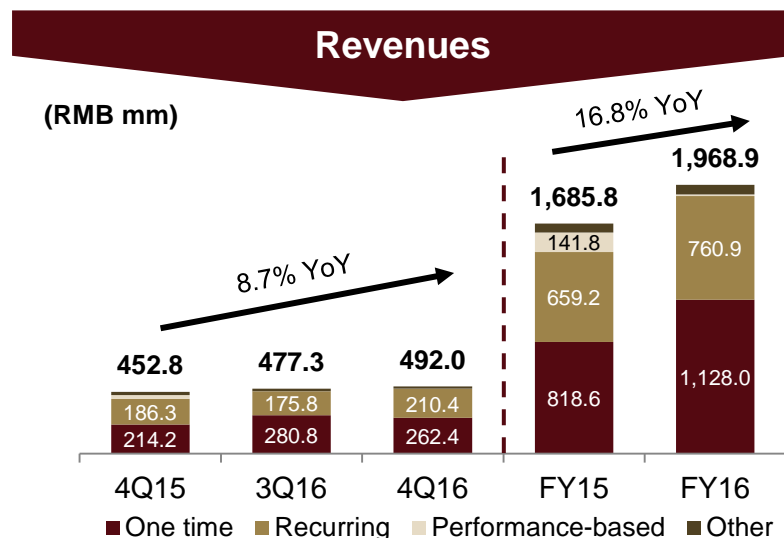
(1) Company received RMB 16.8mm, RMB 43.2mm, RMB 14.1mm in government subsidies in 4Q15, 3Q16 and 4Q16 respectively. For the full year 2015 & 2016, company received RMB 132.7mm and RMB 162.4mm in government subsidies respectively

(2) Representing non-GAAP net income attributable to Noah Shareholders, based on non-GAAP financial measures that exclude the effects of all forms of share-based compensation



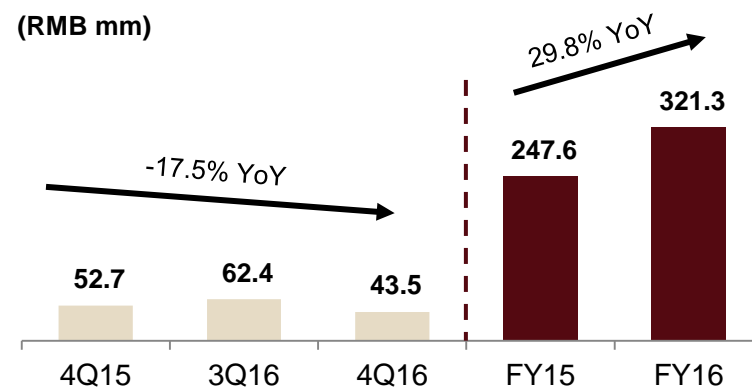
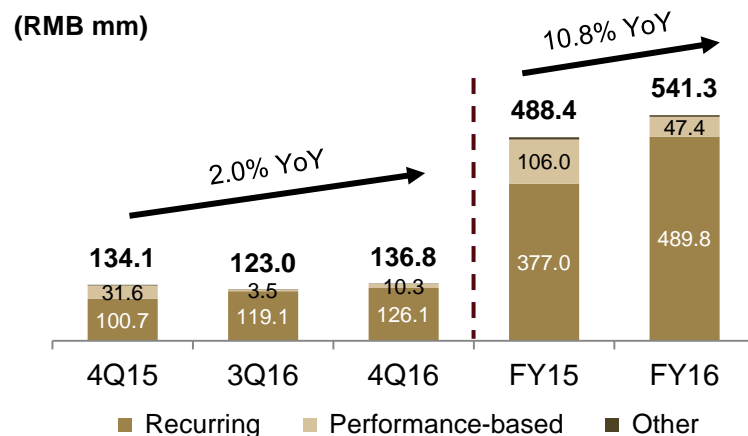
# 4Q & FY16 FINANCIAL BREAKDOWN BY SEGMENT

## Wealth Management



(1) Wealth management business received RMB 15.0mm, RMB 35.0mm and RMB 9.2mm government subsidies in 4Q15, 3Q16 and 4Q16 respectively

## Asset Management



(1) For asset management, one-time commissions are included in other revenues

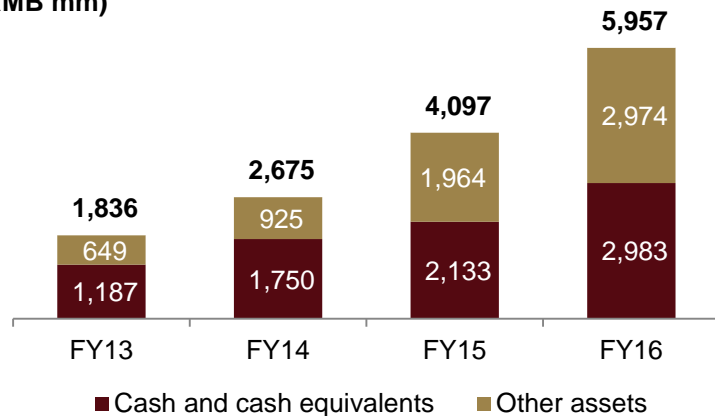
(2) Asset management business received RMB 1.4mm, RMB 8.2mm and RMB 4.8mm government subsidies in 4Q15, 3Q16 and 4Q16 respectively



# A CASH-GENERATIVE ASSET-LIGHT BUSINESS

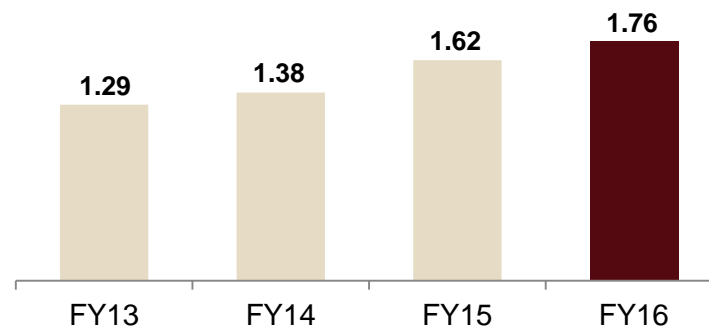
## Total Assets vs Total Cash

(RMB mm)



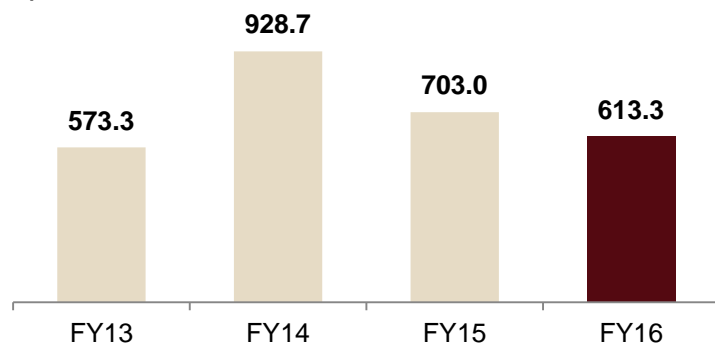
## Total Assets / Total Equity

(Ratio)



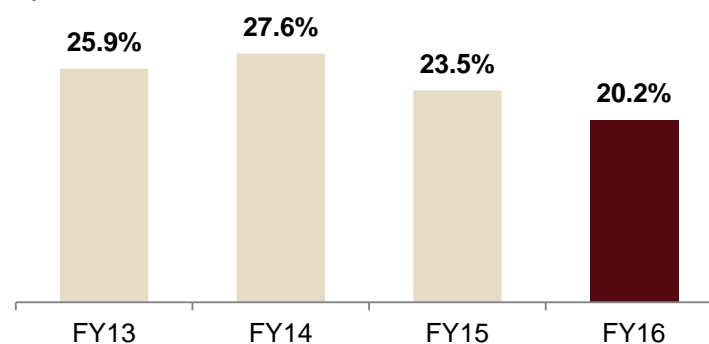
## Operational Cash Flow

(Ratio)



## Return on Equity

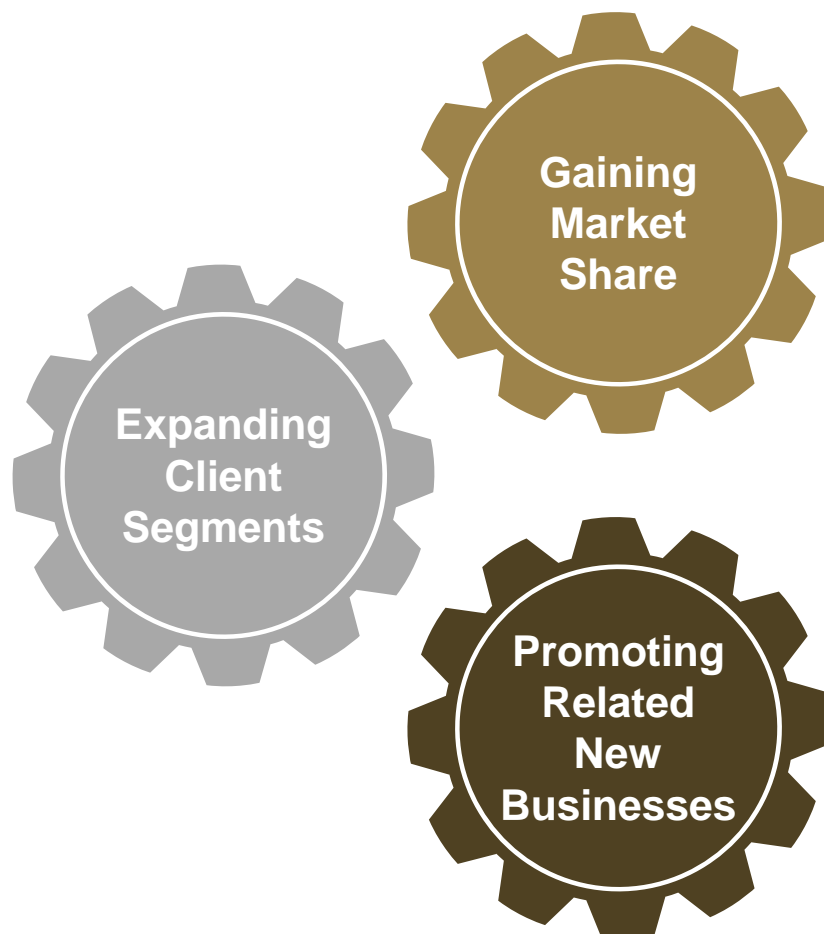
(Ratio)



Source: Company data



# NOAH'S LONG TERM GROWTH DRIVERS



**FY2017 Guidance:**

**RMB 825mn to RMB 860mn**

Non-GAAP net income  
attributable to Noah shareholders  
Implied 14.1%-18.9% YoY growth



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## Appendix 1: Major Shareholders

### Major Share Ownership As of December 31, 2016

Shareholder	Ownership %	Title
Jingbo Wang*	24.7%	Chairman, CEO, Co-Founder
Sequoia China	13.5%	
Frances Chia-Yue Chang	7.6%	Chief Marketing Officer
Zhe Yin**	5.9%	Co-Founder, CEO of Gopher AM
Boquan He	5.9%	
Greenwoods Asset Mgmt	4.9%	
Ward Ferry Management	2.9%	
Wellington Management	2.8%	
Total	68.2%	

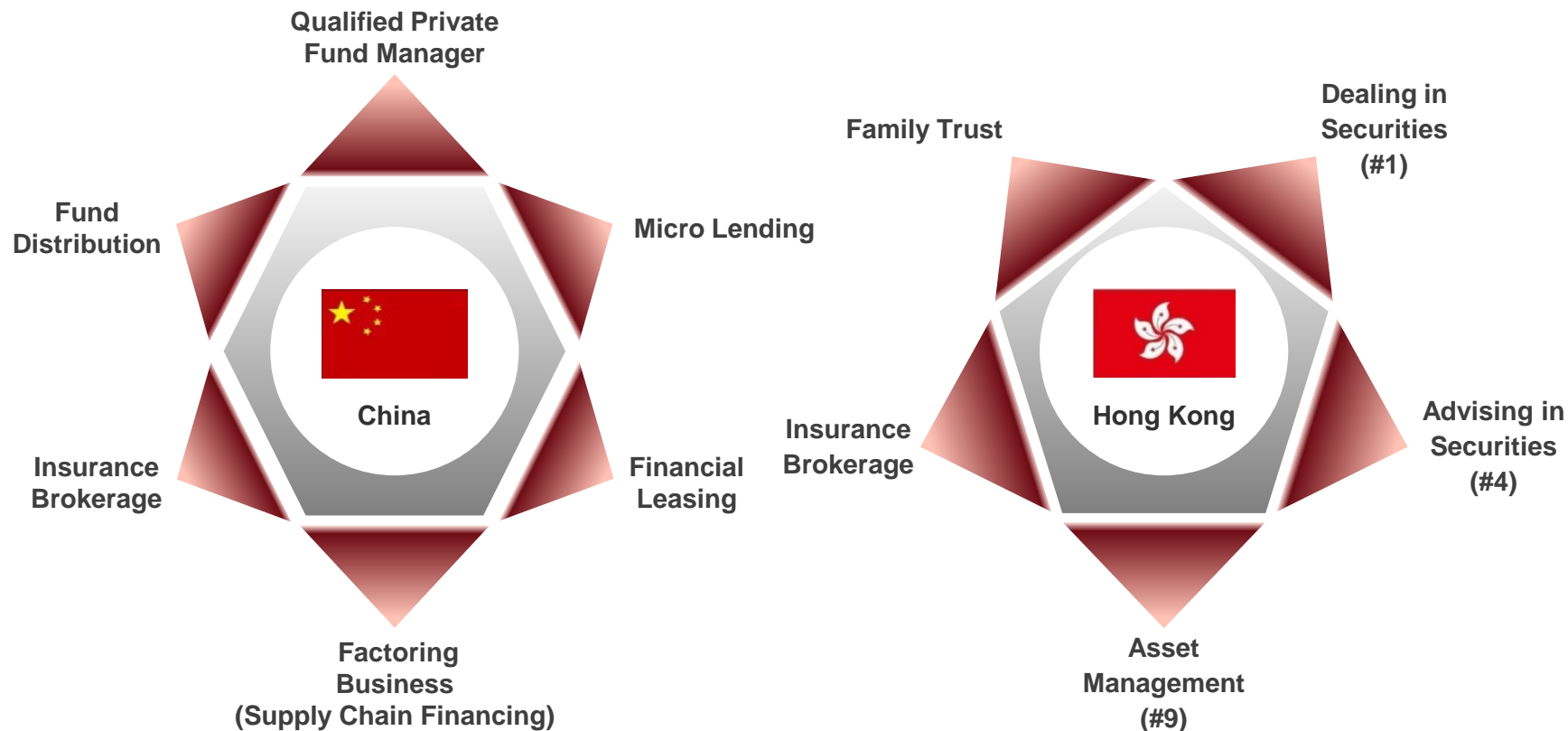
\* Under the Dual-Class Share Structure, Class B shareholder Ms. Jinbo Wang has 51% of total voting rights

\*\* Under the Dual-Class Share Structure, Class B shareholder Mr. Zhe Yin has 12% of total voting rights

Source: Company data, Nasdaq

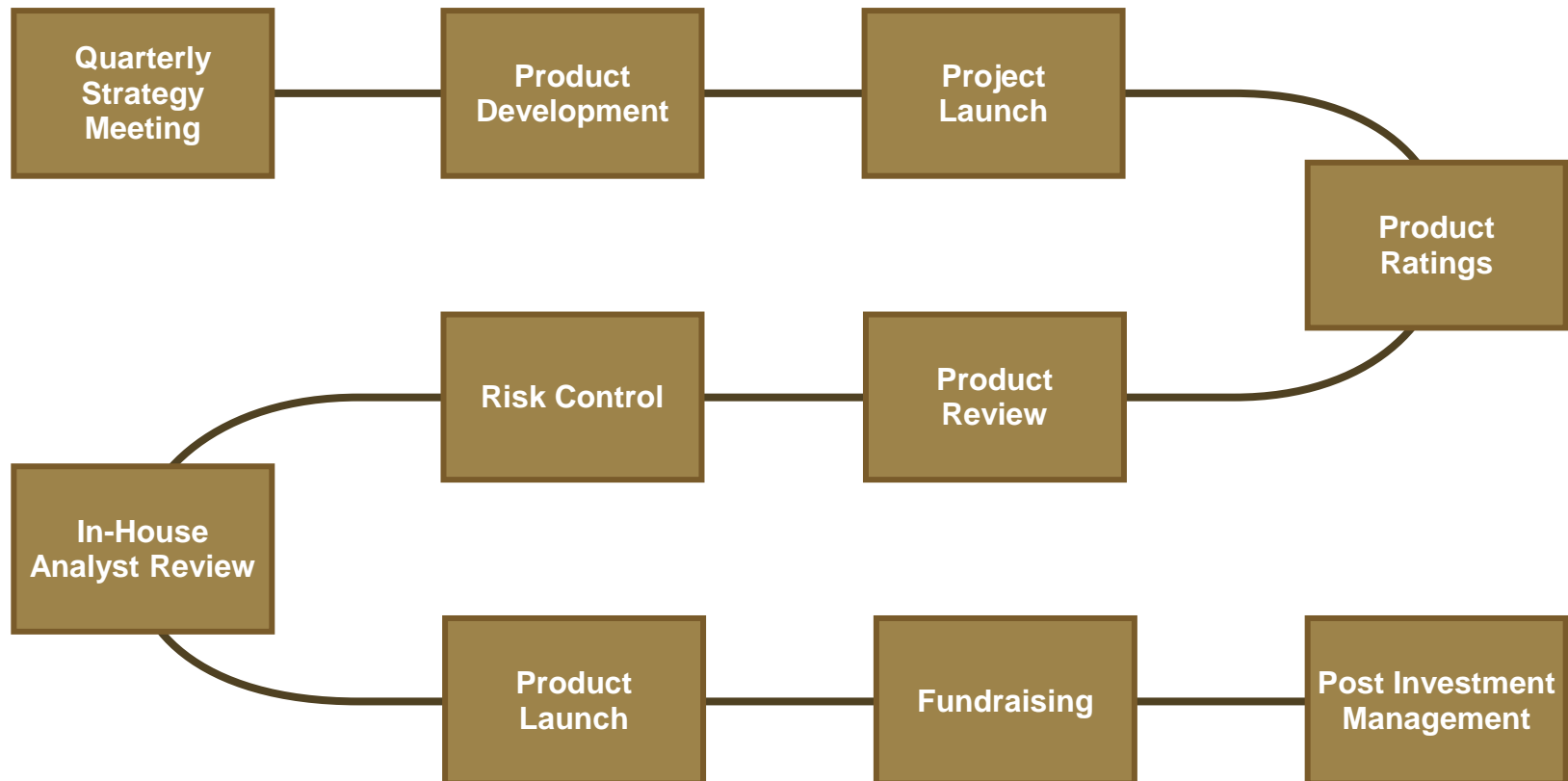


## Appendix 2: Noah's Licenses and Certifications





## Appendix 3: Stringent Products' Selection and Portfolio Monitoring Process





## Appendix 4-1: Management Profiles



**Jingbo Wang**

Co-founder,  
Chairman, Group CEO

- Over 20 years of experience in asset management and wealth management services
- Head of the private banking department at Xiangcai Securities
- Deputy head of ABN AMRO Xiangcai Fund Management Co., Ltd
- Head of the asset management department at Xiangcai Securities



**Zhe Yin**

Co-founder, and  
CEO of Gopher Asset  
Management

- Over 15 years of experience in asset management and wealth management services
- Deputy general manager of the wealth management department at Xiangcai Securities
- Wealth and product manager at Bank of Communications of China
- Executive MBA degree from China Europe International Business School



**Kenny Lam**

Group President

- Global Partner, McKinsey & Company
- Co-leader, McKinsey Asia Financial Services Practice and Head of McKinsey Asia Private Banking and Wealth Management Practice
- Over 17 years of experience in strategic and operational transformations for global and regional leading financial institutions
- M.A. (Honors) in Law from Oxford University and B.S. in Finance Magna Cum Laude from the Wharton School of the University of Pennsylvania



## Appendix 4-2: Management Profiles



**Shang Chuang**  
Chief Financial  
Officer

- CEO and Executive Director, Noah Hong Kong
- Vice President, IBD & Asia Private Equity, Bank of America Merrill Lynch
- Over 13 years of experience in financial services
- B.S. in Finance Magna Cum Laude from the Stern School of Business, New York University



**Frances Chang**  
Chief Marketing  
Officer

- CEO for China, ABN AMRO Asset Management Asia
- CEO for Greater China and South East Asia, Robeco
- 25+ years of experience in asset management
- MA in Library Science from UCLA



**Harry Tsai**  
Chief Operating  
Officer

- COO for North Asia, ABN AMRO
- COO and Executive Vice President, Yuanta Securities of Taiwan
- 25+ years of experience in securities, asset management and lending
- M.S. in Chemical Engineering from University of Southern California
- MBA in Finance from University of Illinois, Urbana-Champaign



# Appendix 5: Awards & Industry Recognitions

## Noah's Awards



Best Third Party  
Wealth Management  
Company



Best Wealth  
Management Institution



Best Asset / Wealth  
Management



Best Wealth Manager –  
China Domestic



China Most Innovative  
Wealth Management  
Service Provider



China's Highest Potential  
Listed Company (No.12)



China Best Employer



Best Wealth Management  
Company



Top 100 Fast Growing  
Companies Listed in the  
US



Highly Commended for  
Outstanding Private Bank  
for Organic Growth  
Strategy



Most Popular Independent  
WM Institution

## Gopher's Awards



Best Fund of Funds  
Most Active Fund of Funds  
Best Market-Oriented Fund of  
Funds

China Fund of  
Funds Association



Best Performing RMB FoF



Best Active RMB FoF  
Best Real Estate Manager



Best Active RMB FoF  
Best Performing RMB FoF



Best Performing Real Estate  
FoF in China



**Thank You!**



***“Patience plays a vital role in spiritual growth and wealth accumulation. Without patience, the heart unravels.”***

*Ms. Jingbo Wang*