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Qudian

Investor Presentation

March 2022

Disclaimer

This presentation contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as “may,” “will,” “expect,” “anticipate,” “aim,” “estimate,” “intend,” “plan,” “believe,” “potential,” “continue,” “is/are likely to” or other similar expressions. Such statements are based upon management’s current expectations and current market and operating conditions, and relate to events that involve known or unknown risks, uncertainties and other factors, all of which are difficult to predict and many of which are beyond the Company’s control, which may cause the Company’s actual results, performance or achievements to differ materially from those in the forward-looking statements. Further information regarding these and other risks, uncertainties or factors is included in the Company’s filings with the U.S. Securities and Exchange Commission. The Company does not undertake any obligation to update any forward-looking statement as a result of new information, future events or otherwise, except as required under law.

In addition to U.S. GAAP financials, this presentation includes adjusted net income, a Non-GAAP financial measure. This Non-GAAP financial measure is not defined under U.S. GAAP and is not presented in accordance with U.S. GAAP. The Non-GAAP measure has limitations as an analytical tool and you should not consider it in isolation or as a substitute for an analysis of the Company’s results under U.S. GAAP. There are a number of limitations related to the use of the Non-GAAP financial measure versus its nearest GAAP equivalent. First, adjusted net income is not a substitute for net income or other consolidated statements of operations data prepared in accordance with U.S. GAAP. Second, other companies may calculate such Non-GAAP financial measure differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of the Non-GAAP financial measure as a tool for comparison. Finally, the Non-GAAP financial measure does not reflect the impact of share-based compensation expenses, which have been and may continue to be incurred in the Company’s business. See the Appendix for reconciliation between adjusted net income to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP, which is net income.

Company Overview



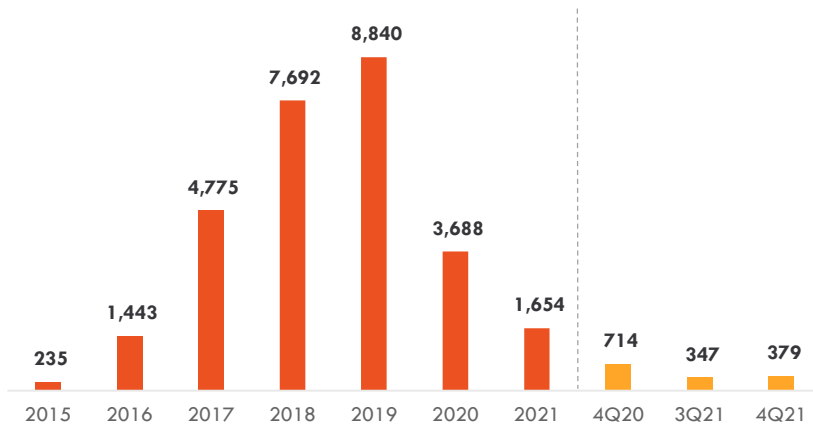
Founded in 2014, Qudian Inc. (“Qudian”) is a leading technology platform empowering the enhancement of online consumer finance experience in China. Qudian has been listed on NYSE since 2017 under the symbol (NYSE:QD). Qudian has raised net proceeds of \$800 million, and cumulatively repurchased US\$574 million from the market.

Qudian’s total revenues and net loss attributable to Qudian Inc.’s shareholders for the fourth quarter of 2021 were RMB379 million and RMB65 million, respectively. Qudian has recorded total revenues of RMB1,654 million and net income attributable to Qudian Inc.’s shareholders of RMB589 million in 2021.

Protecting Stakeholder's Value Despite Tough Market Conditions

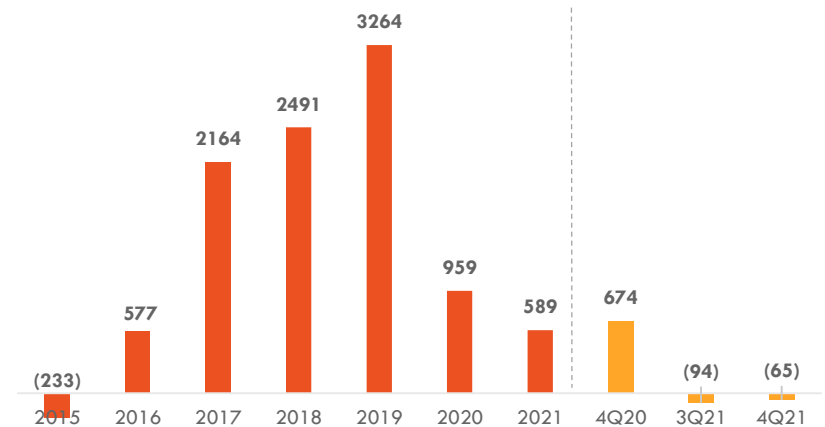
Total Revenue

(RMB mn)



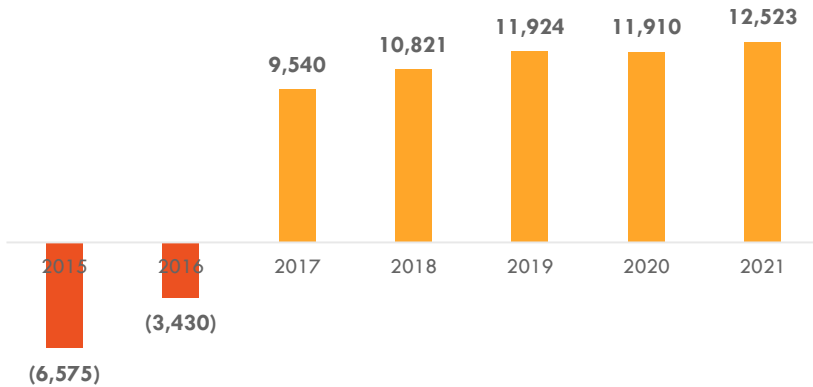
Net Income Attributable to Shareholders (GAAP)

(RMB mn)



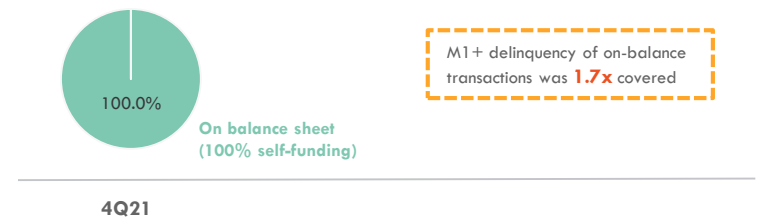
Net Assets

(RMB mn)



Composition of outstanding balance⁽¹⁾

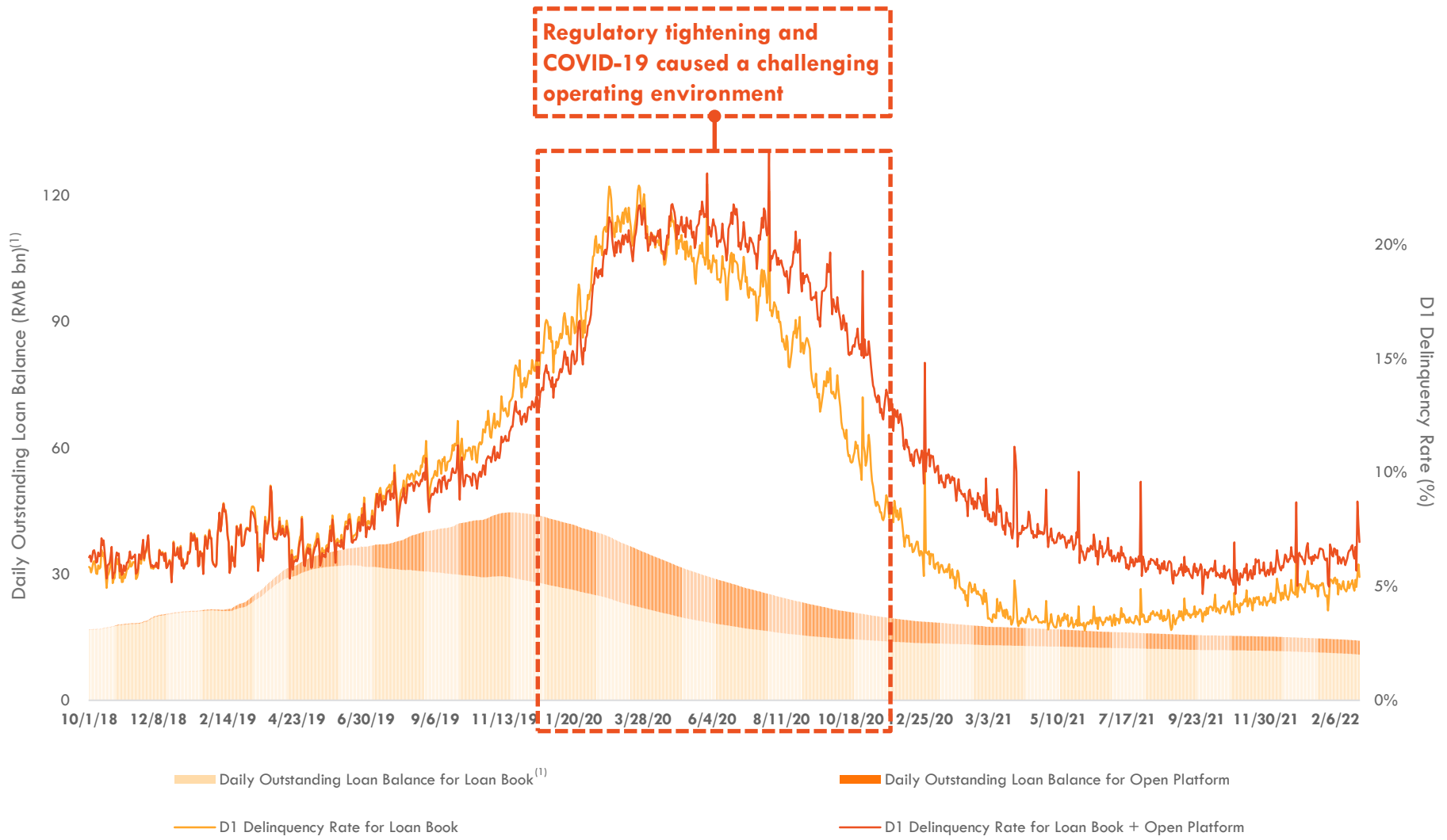
(RMB)



Note:

(1) Outstanding balance of loan book business, includes (i) off and on balance sheet loans directly or indirectly funded by our institutional funding partners or our own capital, net of cumulative write-offs and (ii) does not include auto loans from Dabai Auto business.

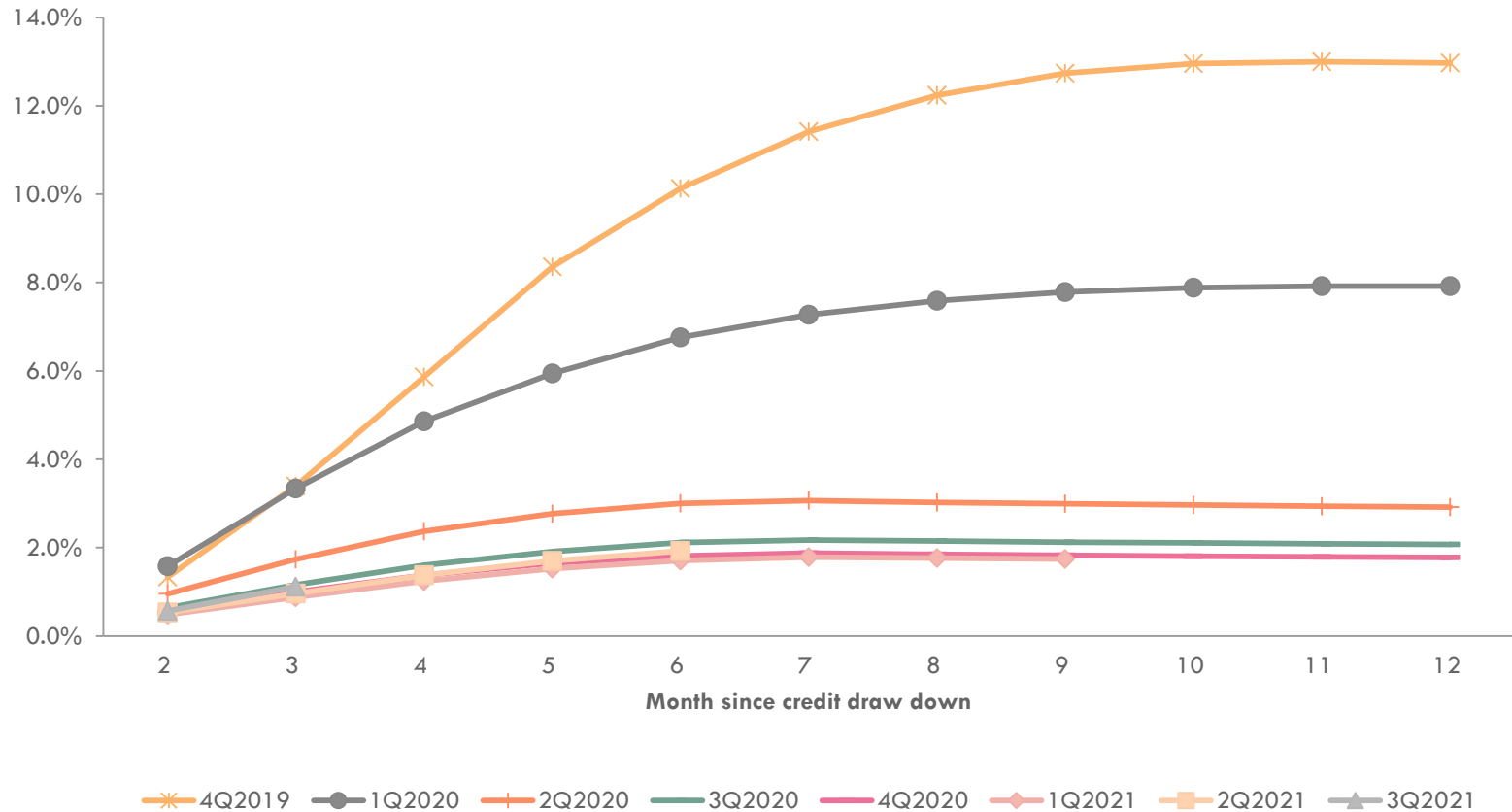
D1 delinquency Back to Normal Rates



Note:
(1) Including cumulative charge-offs and guarantee payments

Credit Performance Managed within Targets

M1+ Delinquency Rate by Vintage⁽¹⁾



Notes:
(1)

Total potential receivables at risk M1+ delinquency rate by vintage refers to, with respect to on- and off-balance sheet transactions facilitated under the loan book business during a specified time period, the total potential outstanding principal balance of the transactions that are delinquent for more than 30 days up to twelve months after origination, divided by the total initial principal of the transactions facilitated in such vintage. Delinquencies may increase or decrease after such 12-month period

4Q21 Segment Highlights

Small Credit Facilitation



RMB3.0bn total amount of transactions

QoQ decreased by 12%

During 4Q21



2.7mn outstanding borrowers

QoQ decreased by 3%

As of December 31, 2021



RMB2.6bn outstanding loans⁽¹⁾

QoQ decreased by 14%

As of December 31, 2021



3.9Months

weighted average loan tenure

During 4Q21

RMB 1,000 loan balance per borrower

As of December 31, 2021

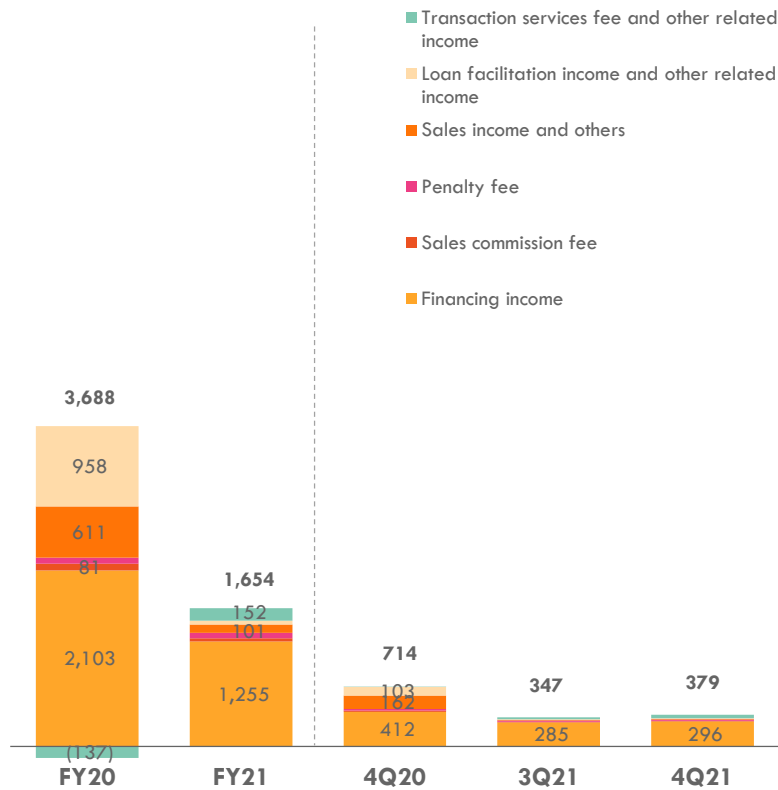
Notes:

(1) Includes off and on balance sheet loans directly or indirectly funded by our institutional funding partners or our own capital, net of cumulative write-offs and it does not include auto loans from Dabai Auto business and loans from transaction services business

Financial Highlights

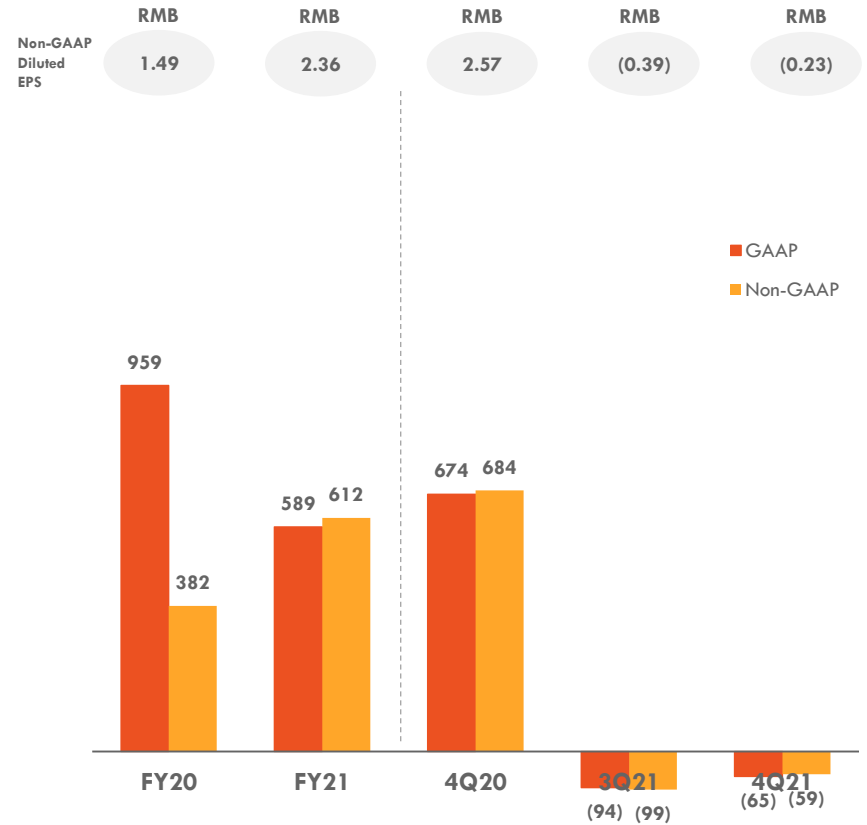
Total Revenue

(RMB mn)



GAAP and Non-GAAP Net (Loss)/Income attributable to Qudian Inc's shareholders⁽¹⁾

(RMB mn, except for EPS numbers)



Notes:
(1)

Non-GAAP net income represents net income before share-based compensation expense, excluding convertible bonds buyback income.

Financial Highlights (Cont'd)

Cost of Revenues

(RMB mn)

As % of Revenue

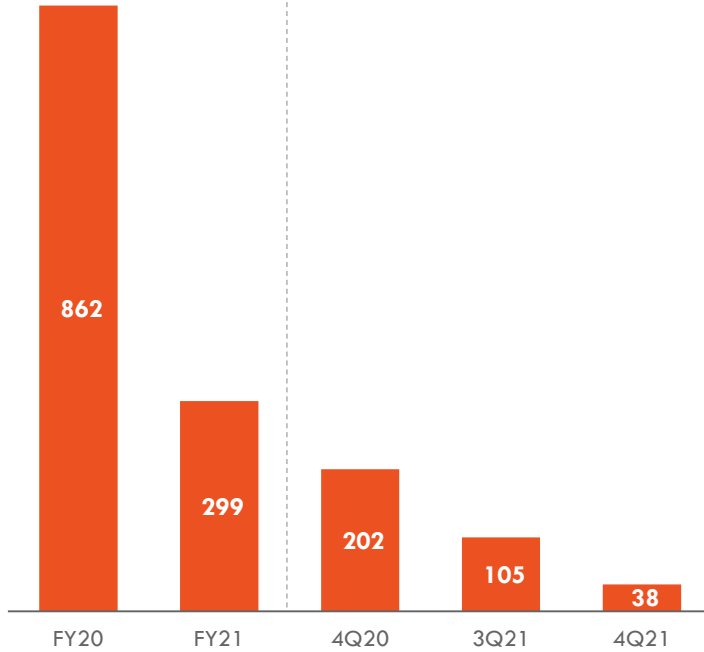
23%

18%

28%

30%

10%



Operating Expenses

(RMB mn)

As % of Revenue

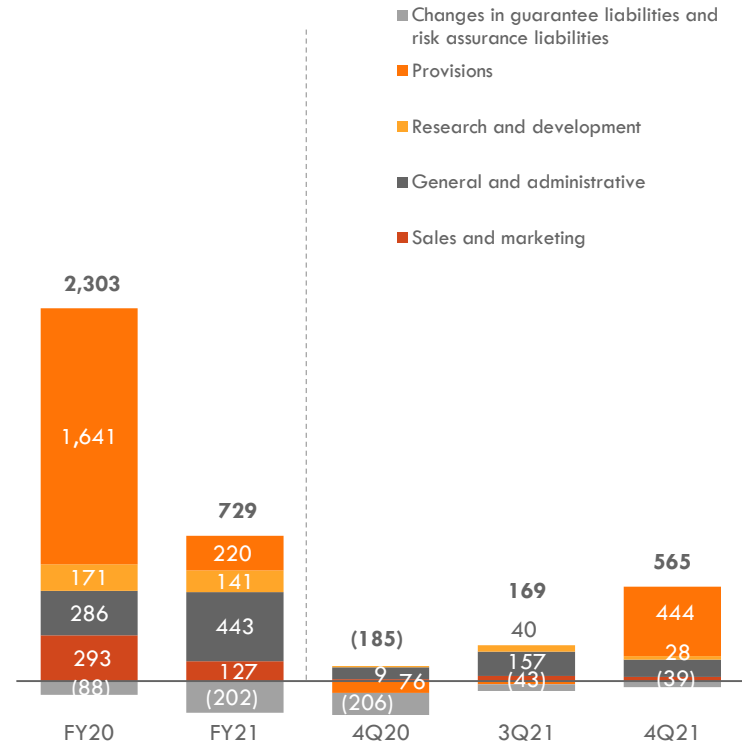
62%

44%

N/A

49%

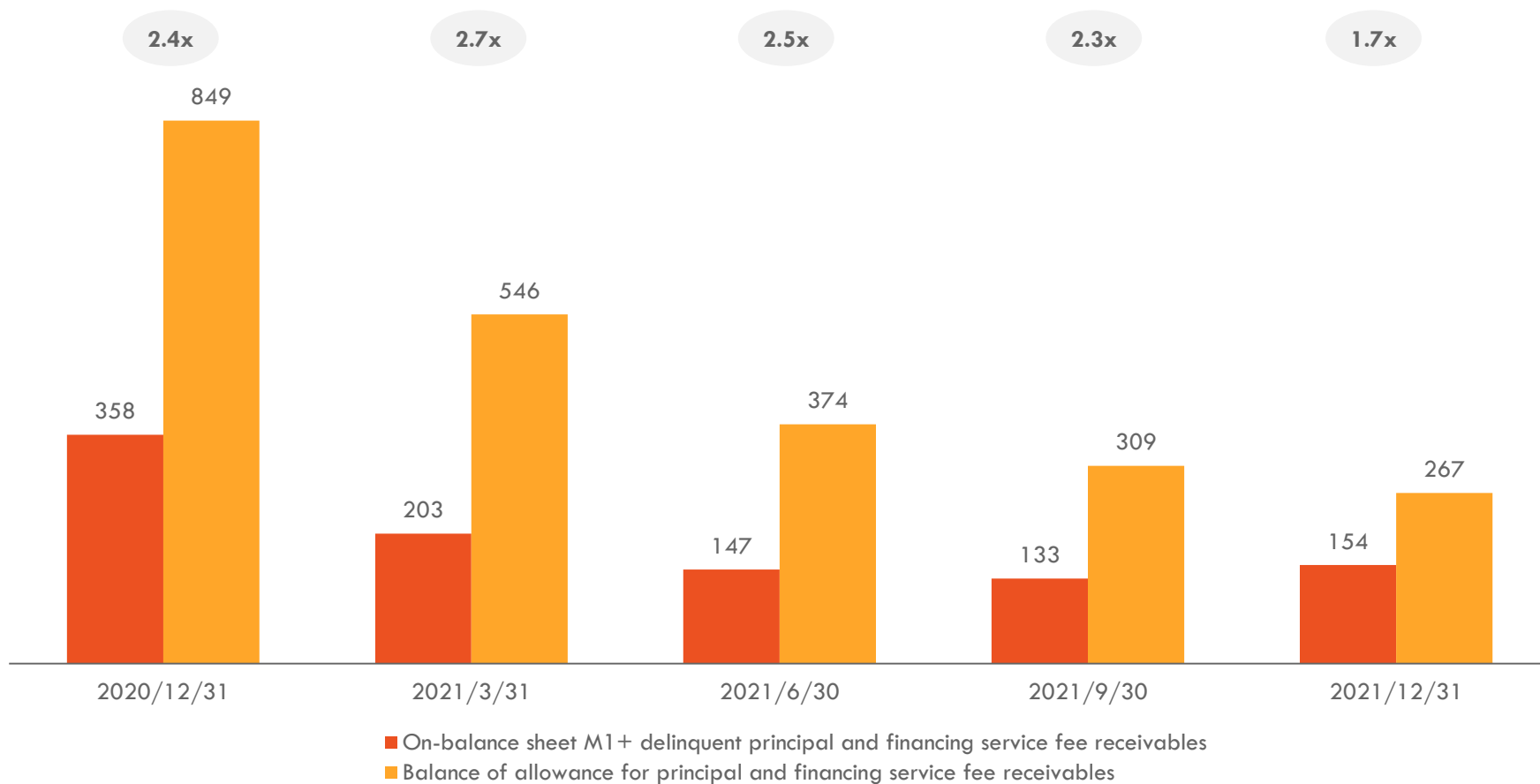
149%



Financial Highlights (Cont'd)

M1+ Delinquency Coverage Ratio⁽¹⁾⁽²⁾

(RMB mn)



Notes:

- (1) Defined as the balance of allowance for principal and financing service fee receivables at the end of a period, divided by the total balance of outstanding principal and financing service fee receivables for on-balance sheet transactions for which any installment payment was more than 30 calendar days past due as of the end of such period, excluding charged-off amounts. The amount charged-off has been fully covered by allowance provided by the Company
- (2) Includes on-balance sheet M1+ delinquent principal and financing service fee receivables



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Appendix

Income Statements

(in millions, except for EPS numbers)	For the Year Ended		For the Three Months Ended		
	31-Dec-20	31-Dec-21	31-Dec-20	30-Sep-21	31-Dec-21
	Audited RMB	Unaudited RMB	Unaudited RMB	Unaudited RMB	Unaudited RMB
Financing income	2,103	1,255	412	285	296
Loan facilitation income and other related income	958	43	103	9	10
Transaction services fee and other related income	(137)	152	3	21	42
Sales commission fee	81	36	15	8	8
Sales income and others	611	101	162	7	7
Penalty fees	72	67	19	17	16
Total revenues	3,688	1,654	714	347	379
Operating cost and expenses:					
Cost of revenues	(862)	(299)	(202)	(105)	(38)
Sales and marketing	(293)	(127)	(13)	(33)	(28)
General and administrative	(286)	(443)	(76)	(157)	(110)
Research and development	(171)	(141)	(9)	(40)	(23)
Changes in guarantee liabilities and risk assurance liabilities ⁽¹⁾	88	201	206	43	39
Provision for receivables and other assets	(1,641)	(220)	76	19	(444)
Total operating cost and expenses	(3,165)	(1,029)	(17)	(273)	(604)
Other operating income	343	82	50	9	57
Income from operations	866	707	747	83	(168)
Net (loss)/income before income taxes	1,221	846	750	(45)	(10)
Income tax expenses	(262)	(260)	(76)	(50)	(56)
Net (loss)/income	959	586	674	(95)	(66)
Less: net loss attributable to non-controlling interest shareholders	-	(3)	-	(1)	(1)
Net (loss)/income attributable to Qudian Inc.'s shareholders	959	589	674	(94)	(65)
Basic EPS	3.78	2.32	2.66	(0.37)	(0.26)
Diluted EPS	3.59	2.27	2.54	(0.37)	(0.26)
Add: Share-based compensation expenses	45	35	5	7	6
Less: Convertible bonds buyback income	622	12	(5)	12	(0.04)
Non-GAAP net (loss)/Income attributable to Qudian Inc.'s shareholders	382	612	684	(99)	(59)
Basic EPS	1.51	2.42	2.69	(0.39)	(0.23)
Diluted EPS	1.49	2.36	2.57	(0.39)	(0.23)

Note:

(1) The amount includes the change in fair value of the guarantee liabilities accounted in accordance with ASC 815, "Derivative", and the change in risk assurance liabilities accounted in accordance with ASC 450, "Contingencies" and ASC 460, "Guarantees".

Balance Sheets

(in millions)	As of		
	31-Dec-20 Audited RMB	30-Sep-21 Unaudited RMB	31-Dec-21 Unaudited RMB
Current Assets:			
Cash and cash equivalents	1,538	1,693	2,065
Restricted cash ⁽¹⁾	135	287	178
Derivative instrument	-	-	17
Short-term investments	5,042	6,090	5,927
Short-term loan principal and financing service fee receivables	3,940	2,742	2,372
Short-term finance lease receivables	180	62	32
Short-term contract assets	93	13	28
Other current assets	762	1,222	1,599
Non-current Assets:			
Long-term finance lease receivables	29	2	-
Operating lease right-of-use assets	211	654	301
Investment in equity method investee	349	219	86
Long-term investments	210	255	286
Property and equipment, net	303	557	659
Intangible assets	8	9	11
Long-term contract assets	23	2	-
Deferred tax assets, net	155	56	67
Other non-current assets	419	569	443
Total Assets	13,398	14,432	14,071

Note:
(1)

Restricted cash mainly represents (i) security deposits held in designated bank accounts for the guarantee of on-and-off balance sheet transactions; and (ii) cash held by the consolidated trusts through segregated bank accounts. Such restricted cash is not available to fund the general liquidity needs of the Company

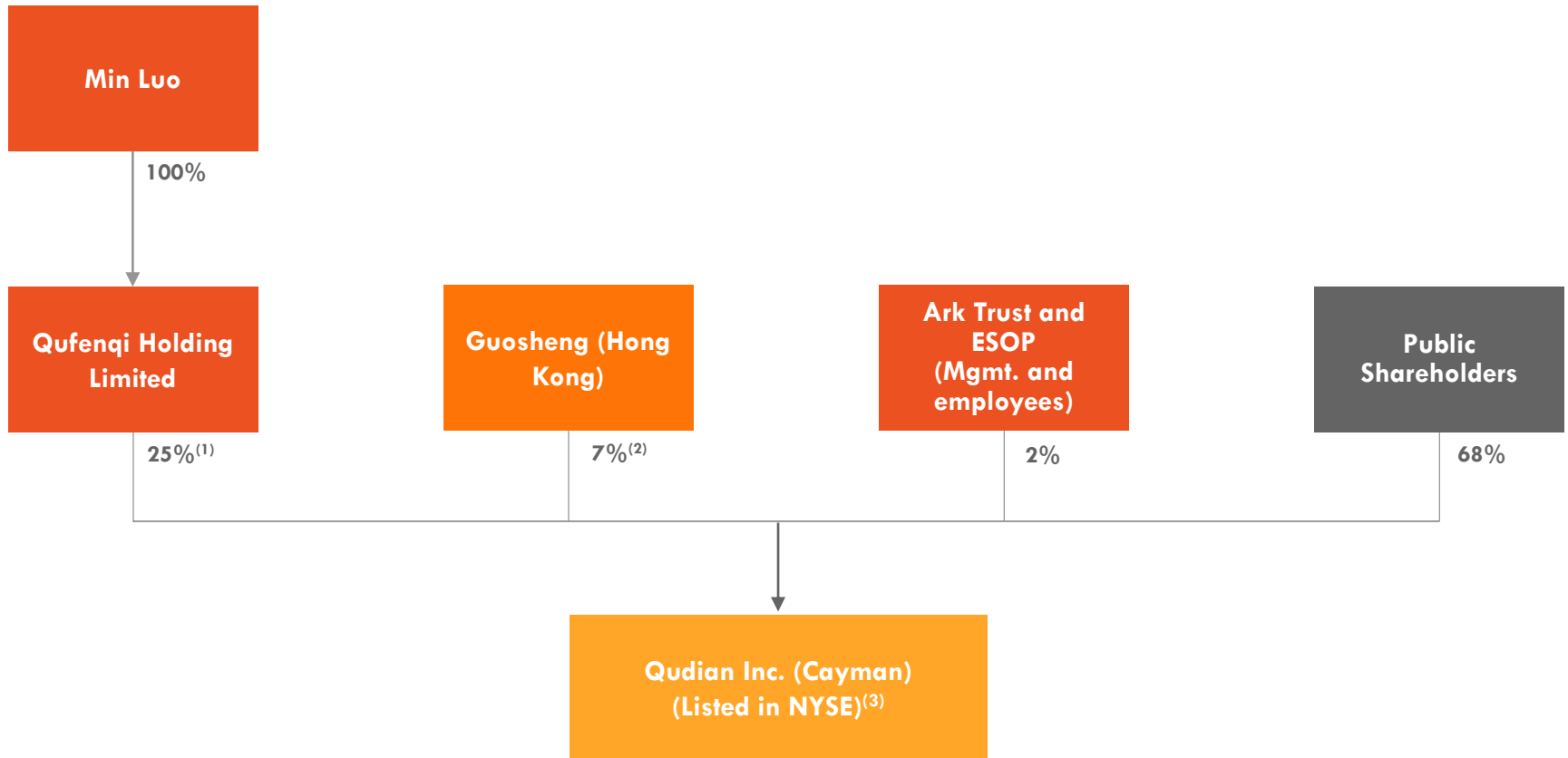
Balance Sheets

(in millions)	As of		
	31-Dec-20 Audited RMB	30-Sep-21 Unaudited RMB	31-Dec-21 Unaudited RMB
Liabilities:			
Current Liabilities:			
Short-term lease liabilities	24	65	35
Accrued expenses and other current liabilities	337	376	380
Guarantee liabilities and risk assurance liabilities ⁽¹⁾	31	1	1
Income tax payable	81	53	78
Non-current Liabilities:			
Deferred tax liabilities, net	11	28	49
Convertible senior notes	822	687	681
Long-term lease liabilities	80	488	169
Long-term borrowings and interest payables	102	145	145
Other non-current liabilities	-	3	10
Total liabilities	1,488	1,846	1,548
Total shareholders' equity	11,910	12,586	12,523
Total liabilities and shareholders' equity	13,398	14,432	14,071

Note:
(1)

The amount includes the balance of the guarantee liabilities accounted in accordance with ASC 815, "Derivative", and the balance of risk assurance liabilities accounted in accordance with ASC 450, "Contingencies" and ASC 460, "Guarantees".

Shareholding Structure



Notes:

- (1) Including 4,125,698 Class B ordinary shares subject to the Guosheng proxy, providing Guosheng HK the power to exercise the voting rights
- (2) Represents (i) 12,670,000 Class A ordinary shares held by Guosheng HK and (ii) 4,125,698 Class B ordinary shares subject to the Guosheng proxy
- (3) Total number of shares outstanding (unaudited) is 253,734,823 as of December 31, 2021

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An aerial architectural rendering of a modern city. In the foreground, a large, multi-tiered stadium with a curved roof is the central focus. To its left, a wide river flows through the city. In the background, several high-rise apartment buildings are visible, and the city extends towards rolling hills under a clear sky. The entire scene is overlaid with a semi-transparent orange filter.

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THANK YOU