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Investor Presentation

August 2021

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.

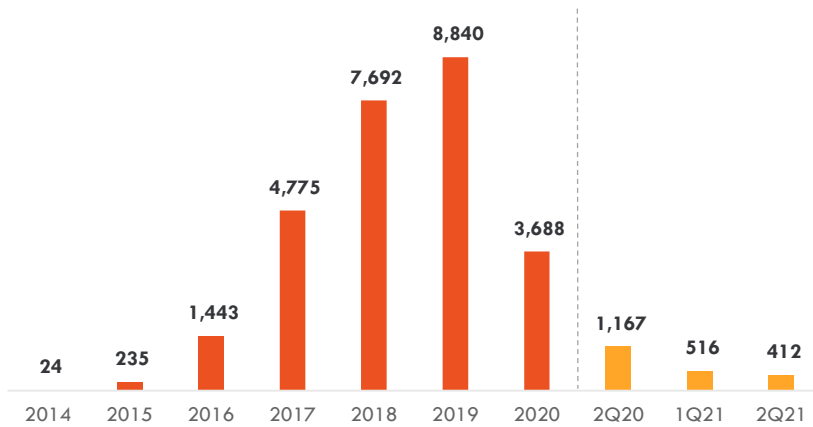
Qudian’s total revenues and net income attributable to Qudian Inc.’s shareholders for the second quarter of 2021 was RMB412 million and RMB270 million. Qudian has recorded total revenues of RMB3,688 million and net income of RMB959 million in 2020. As of June 30, 2021, Qudian had over 2,000 employees.

With solid balance sheet and entrepreneurial talents, we started to explore and invest in offline extra-curriculum enrichment centers in 2020 expecting a promising future of extra-curriculum enrichment programs for kids in China.

Protecting Stakeholder's Value Despite Tough Market Conditions

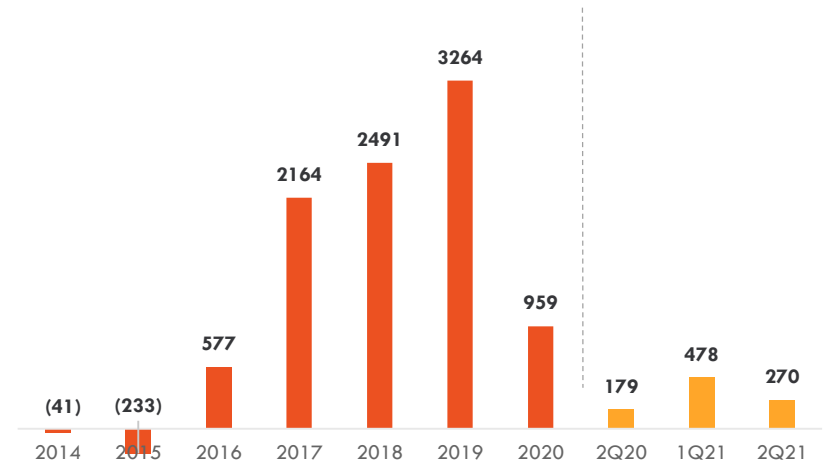
Total Revenue

(RMB mn)



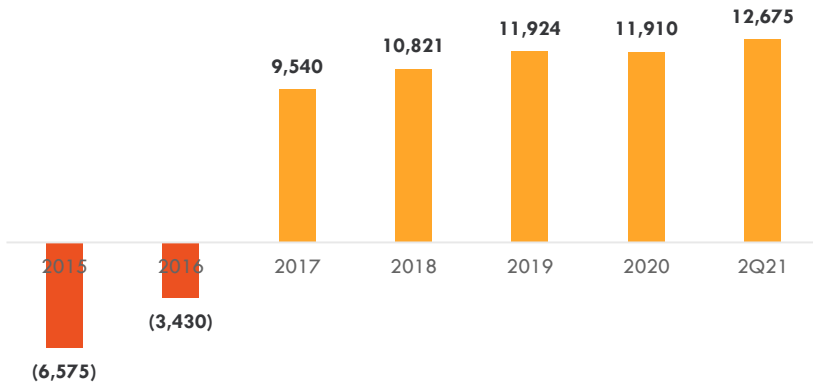
Net Income Attributable to Shareholders (GAAP)

(RMB mn)



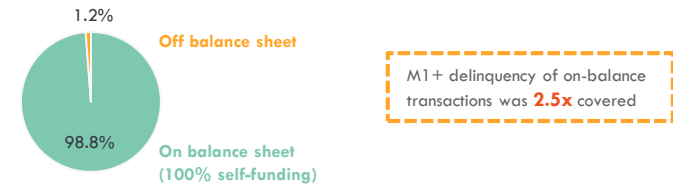
Net Assets

(RMB mn)



Composition of outstanding balance⁽¹⁾

(RMB)

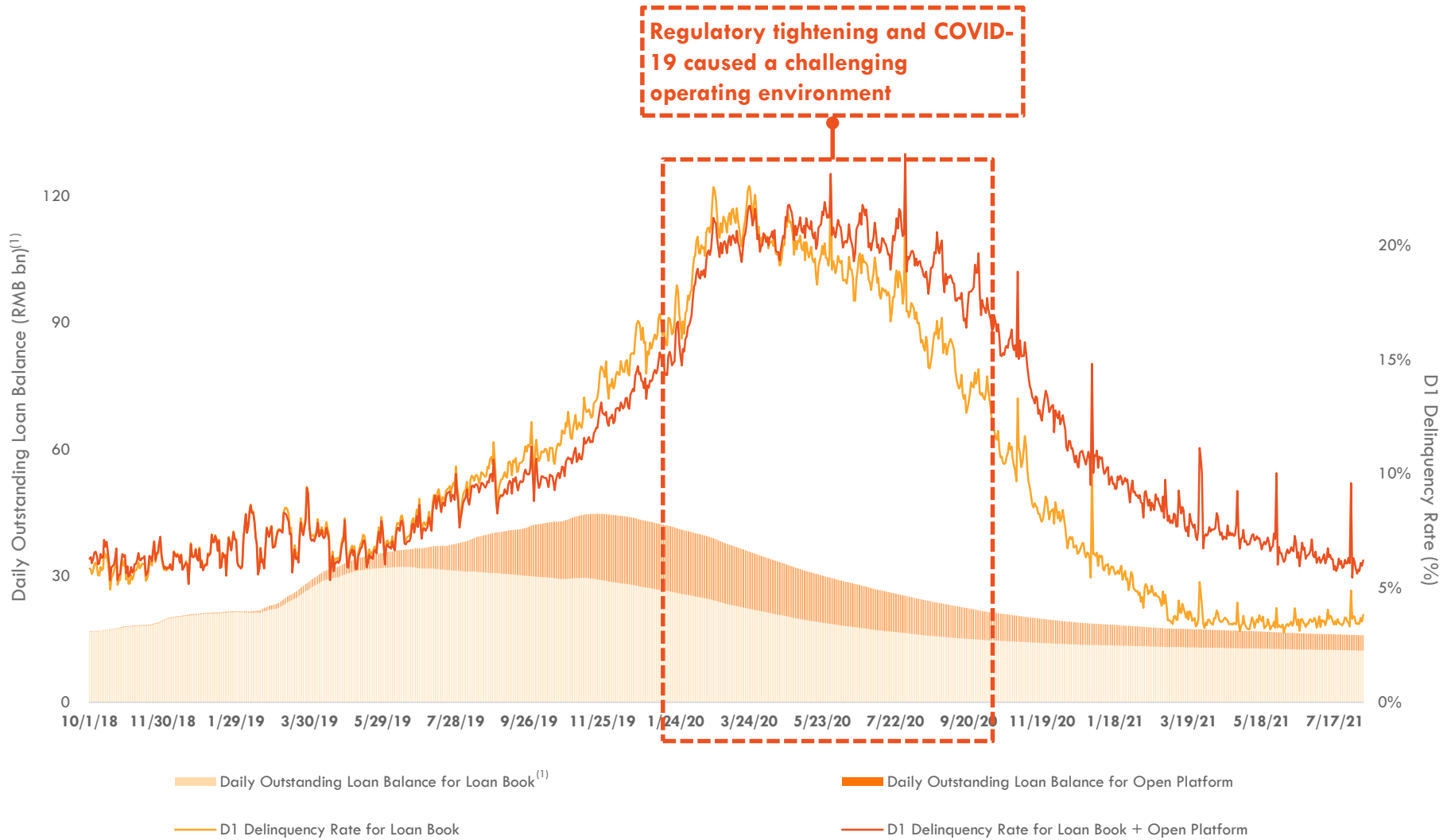


2Q21

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.

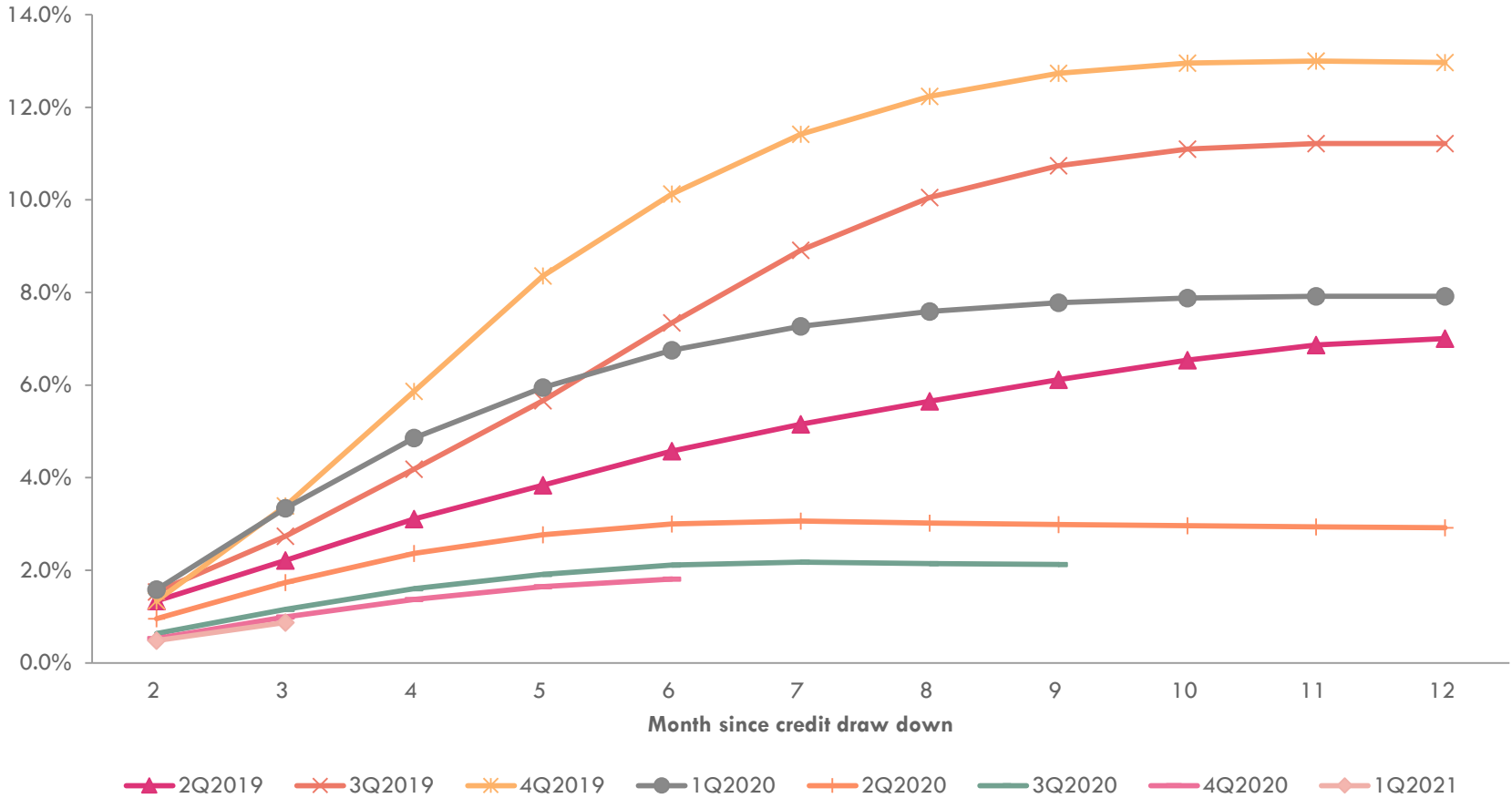
D1 delinquency Back to Normal Rates



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

2Q21 Segment Highlights

Small Credit Facilitation



RMB3.9bn total amount of transactions

QoQ decreased by 12%

During 2Q21



2.86mn outstanding borrowers

QoQ decreased by 4%

As of June 30, 2021



RMB3.5bn outstanding loans⁽¹⁾

QoQ decreased by 14%

As of June 30, 2021



4.4Months

weighted average loan tenure

During 2Q21

RMB 1 200 loan balance per borrower

As of June 30, 2021

Open Platform



RMB0.14bn total amount of transactions

QoQ decreased by 33%

During 2Q21



6.2Months

weighted average loan tenure

During 2Q21

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

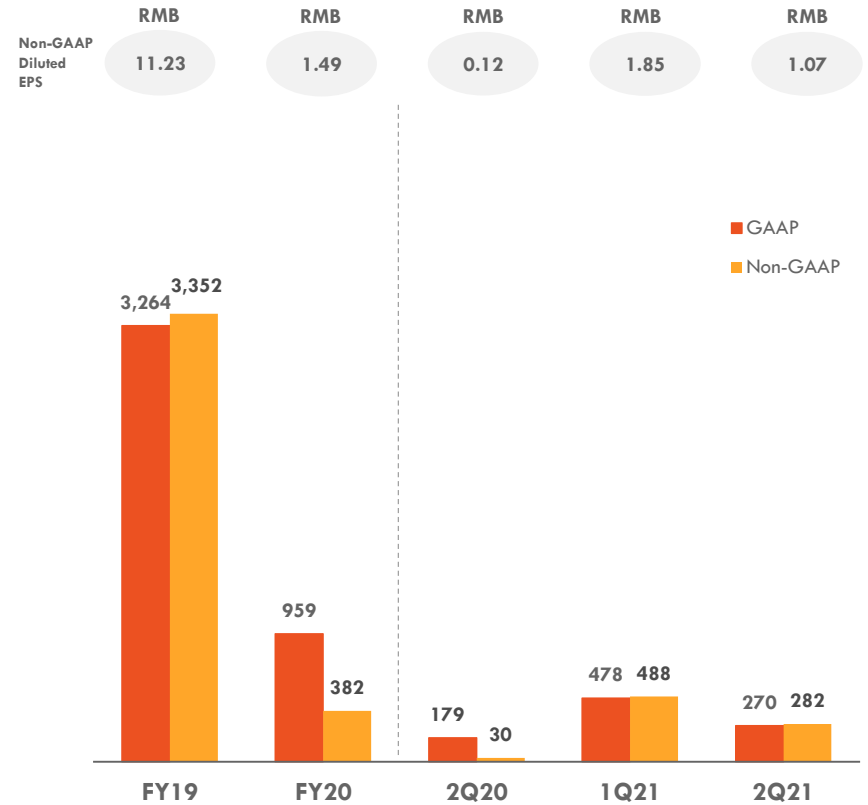
Total Revenue

(RMB mn)



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

(RMB mn, except for EPS numbers)

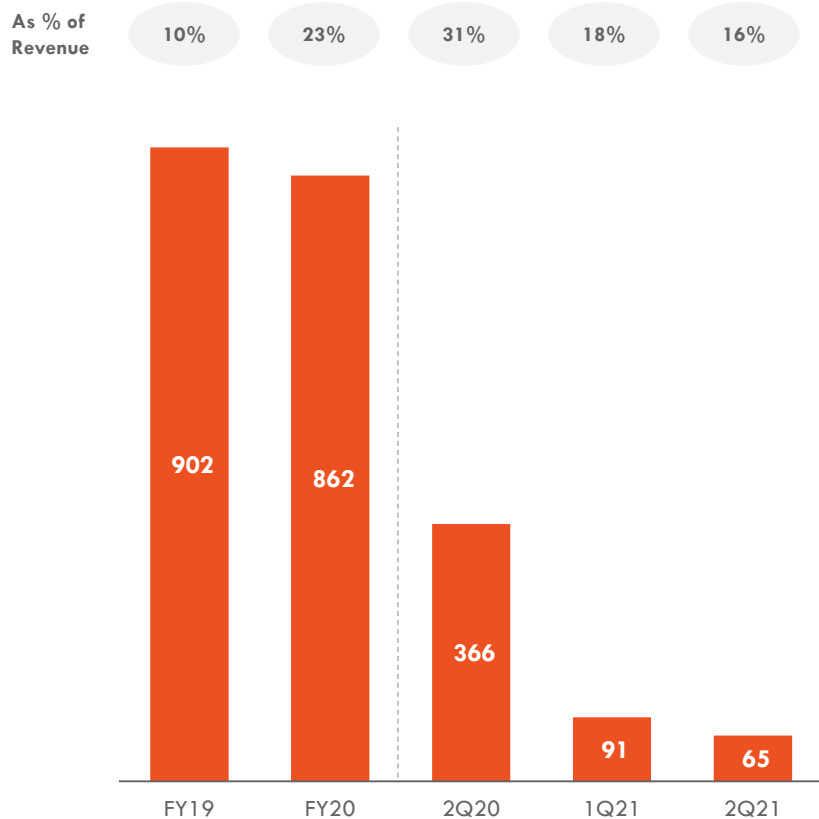


Notes:
(1) Non-GAAP net income represents net income before share-based compensation expense, excluding convertible bonds buyback income.

Financial Highlights (Cont'd)

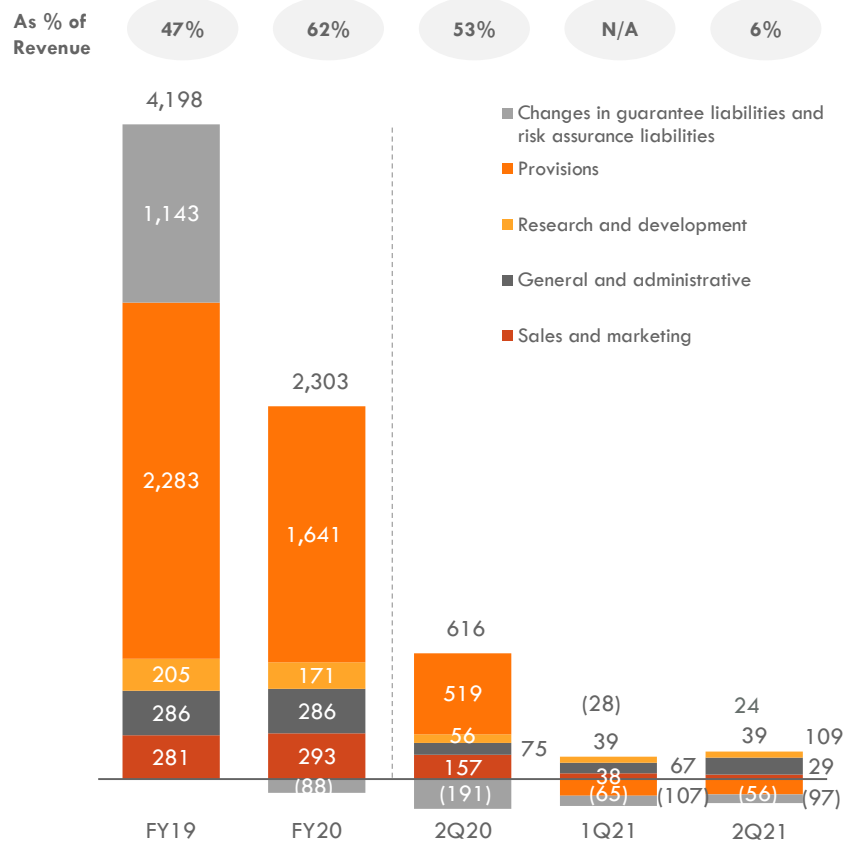
Cost of Revenues

(RMB mn)



Operating Expenses

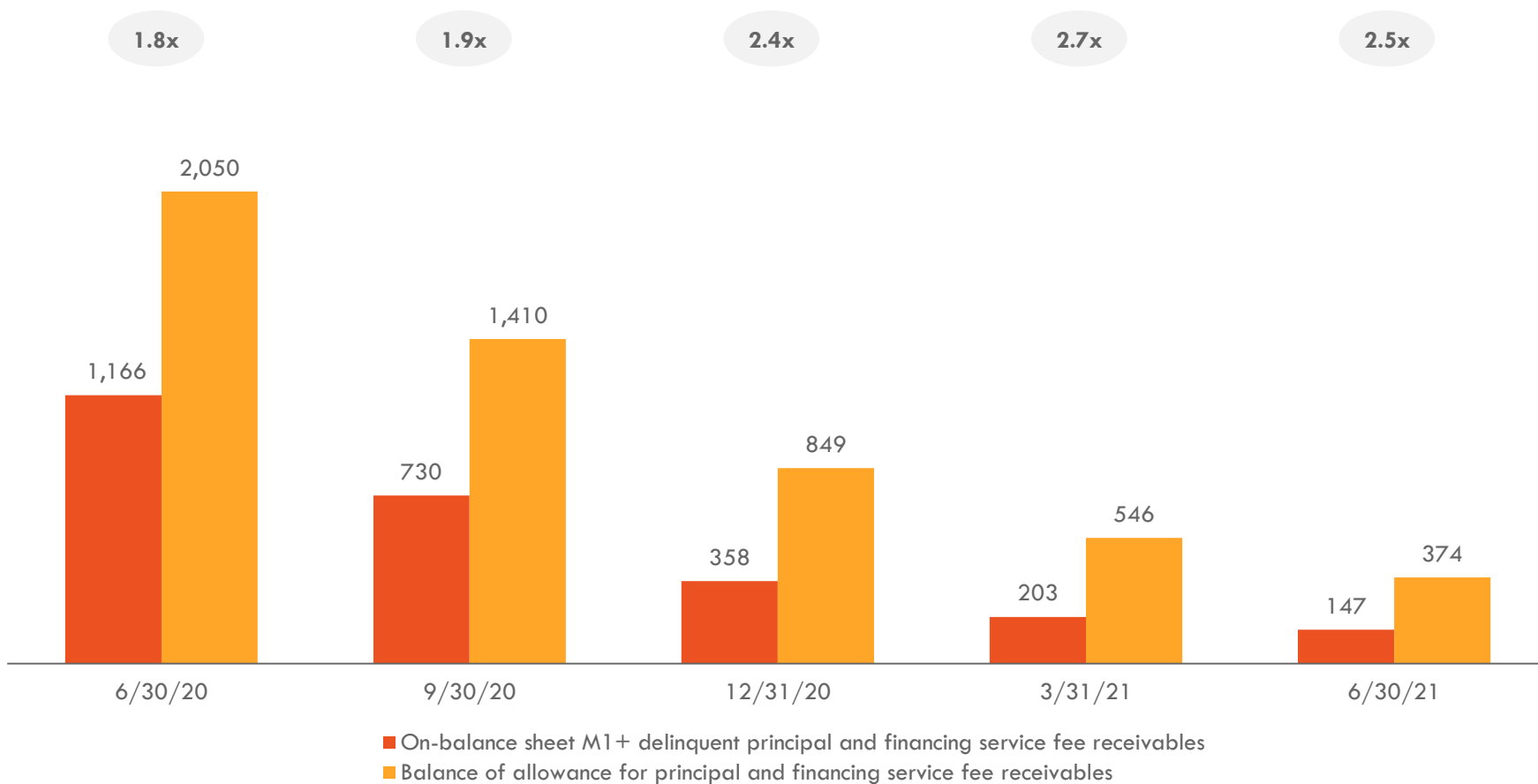
(RMB mn)



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

WLM Kids at a Glance



Target **160MM+** families with kids aged 0-9 years



One-stop service for diverse extra-curriculum programs



The first center has been proven a **phenomenal success** in the city as well as a local landmark



3 centers operation;
37 with signed lease agreements, of which **24** undergoing renovation⁽¹⁾

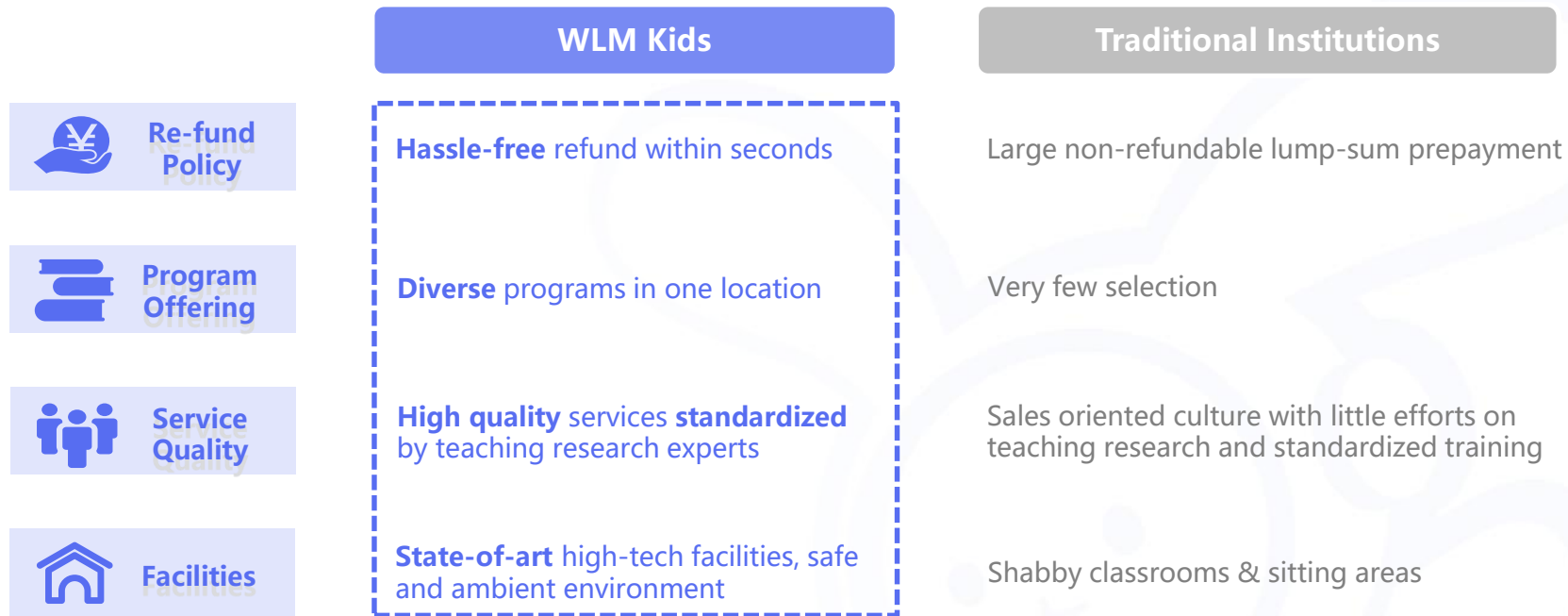
Note:
(1) As of August 24, 2021



Redefining extra-curriculum education

Help Chinese children grow up **happy and **healthy****

Disruptive Innovations Customized for Kids & Parents





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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	30-June-20	31-Mar-20	30-June-21
	Audited	Unaudited	Unaudited	Unaudited
	RMB	RMB	RMB	RMB
Financing income	2,103	581	362	312
Loan facilitation income and other related income	958	255	12	13
Transaction services fee and other related income	(137)	4	51	38
Sales commission fee	81	15	11	9
Sales income and others	611	293	62	24
Penalty fee	72	19	18	16
Total revenues	3,688	1,167	516	412
Operating cost and expenses:				
Cost of revenues	(862)	(366)	(91)	(65)
Sales and marketing	(293)	(157)	(38)	(29)
General and administrative	(286)	(75)	(67)	(109)
Research and development	(171)	(56)	(39)	(39)
Changes in guarantee liabilities and risk assurance liabilities ⁽¹⁾	88	191	65	56
Provision for receivables and other assets	(1,641)	(519)	107	97
Total operating cost and expenses	(3,165)	(982)	(63)	(89)
Other operating income	343	128	12	4
Income from operations	866	312	465	327
Net Income before income taxes	1,221	262	557	345
Income tax expenses	(262)	(82)	(79)	(75)
Net Income	959	179	478	269
Less: net loss attributable to non-controlling interest shareholders	-	-	-	(1)
Net income attributable to Qudian Inc.'s shareholders	959	179	478	270
Basic EPS	3.78	0.71	1.89	1.07
Diluted EPS	3.59	0.68	1.81	1.03
Add: Share-based compensation expenses	45	20	10	12
Less: Convertible bonds buyback income	622	169	-	-
Non-GAAP net Income attributable to Qudian Inc.'s shareholders	382	30	488	282
Basic EPS	1.51	0.12	1.93	1.11
Diluted EPS	1.49	0.12	1.85	1.07

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		
	30-June-20	31-Mar-21	30-June-21
	Unaudited RMB	Unaudited RMB	Unaudited RMB
Current Assets:			
Cash and cash equivalents	1,066	2,188	3,134
Restricted cash ⁽¹⁾	511	234	297
Short-term investments	2,288	5,079	5,025
Short-term loan principal and financing service fee receivables	5,758	3,515	3,150
Short-term finance lease receivables	340	129	89
Short-term contract assets	731	50	26
Other current assets	1,360	1,007	680
Non-current Assets:			
Long-term finance lease receivables	46	12	4
Operating lease right-of-use assets	139	296	526
Investment in equity method investee	488	381	367
Long-term investments	223	244	244
Property and equipment, net	146	360	436
Intangible assets	7	9	9
Long-term contract assets	69	10	6
Deferred tax assets, net	442	119	68
Other non-current assets	7	425	463
Total Assets	13,621	14,058	14,524

Note:

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

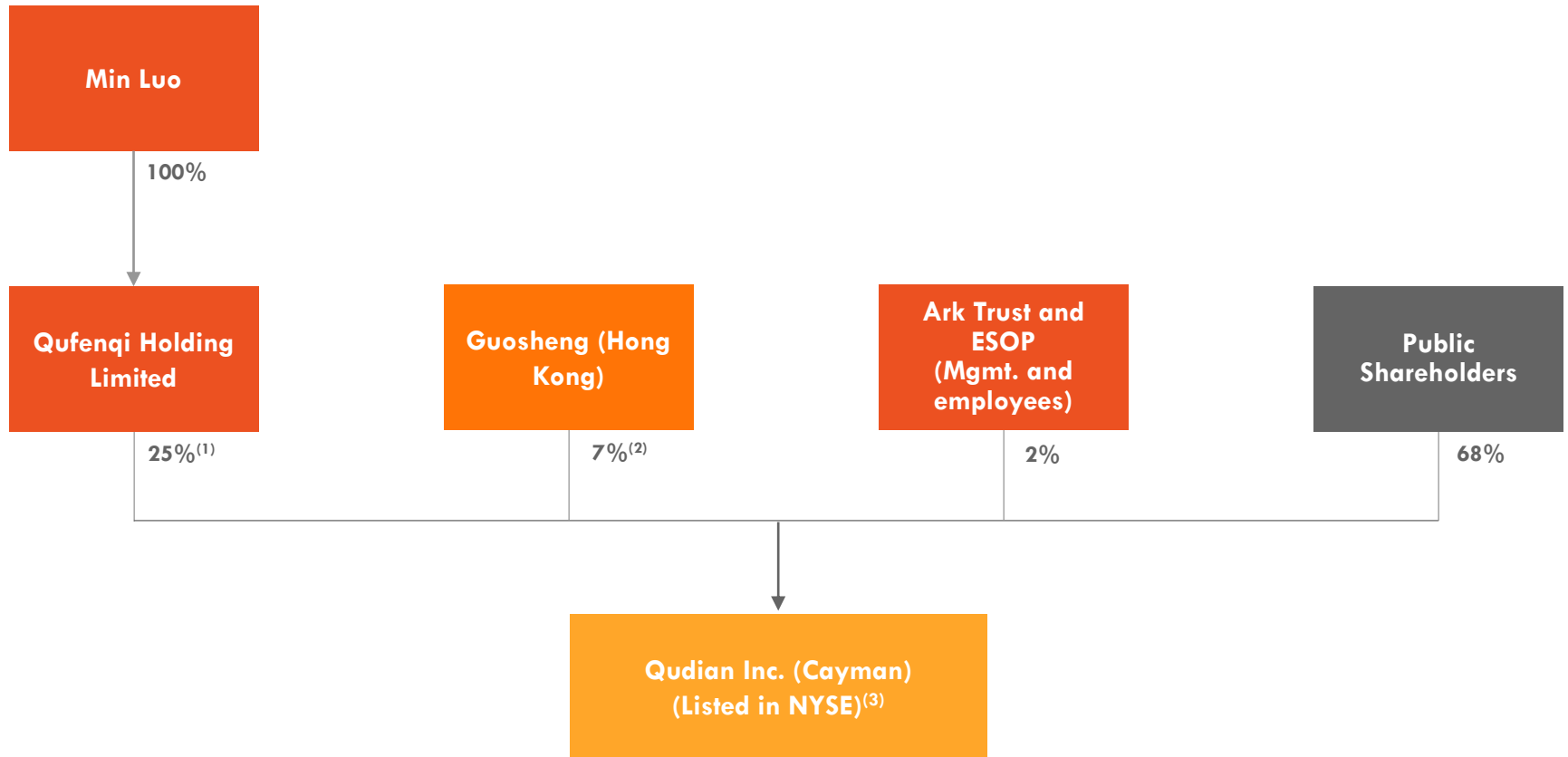
Balance Sheets

(in millions)	As of		
	30-June-20	31-Mar-21	30-June-21
	Unaudited RMB	Unaudited RMB	Unaudited RMB
Liabilities:			
Current Liabilities:			
Short-term borrowings and interest payables	322	-	-
Short-term lease liabilities	22	41	51
Accrued expenses and other current liabilities	649	351	415
Guarantee liabilities and risk assurance liabilities ⁽¹⁾	716	22	3
Income tax payable	171	100	34
Non-current Liabilities:			
Deferred tax liabilities, net	7	19	12
Convertible senior notes	1,010	828	818
Long-term lease liabilities	13	152	370
Long-term borrowings and interest payables	54	145	145
Total liabilities	2,964	1,658	1,849
Total shareholders' equity	10,657	12,400	12,675
Total liabilities and shareholders' equity	13,621	14,058	14,524

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 253,638,173 as of June 30, 2021

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An aerial architectural rendering of a modern city. The scene features a large, multi-tiered stadium with a curved roof in the center. To the left, a river flows through the city. In the background, there are several high-rise buildings and a range of mountains under a clear sky. The entire image is overlaid with a semi-transparent orange filter.

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