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Zacks Small-Cap Research

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Uxin Limited-ADR (UXIN-NASDAQ)

UXIN: The company reports 4th quarter and fiscal year 2023 results. Strong retail unit sales occurred on a year over year basis despite difficult market conditions.

Utilizing a DCF valuation process containing conservative estimates combined with other valuation methodologies, we believe UXIN could be worth approximately $4.50 per share.

Current Price (08/16/23)	$1.61
Valuation	**$4.50**

OUTLOOK

Uxin Limited operates as an omni-channel used car retailer across the country of China. The company is expected to garner significant market share as the Chinese used car sales market is large, inefficient, and extremely fragmented. The country is behind other developed countries in terms of the number of used cars in operation. The company is able to sell used vehicles through both online and in-person channels. The company is led by an experienced management team and has raised adequate capital to fund operations through the next four quarters. We believe the company is poised for an extended period of rapid and profitable growth and the stock remains undervalued.

SUMMARY DATA

52-Week High	**$8.18**
52-Week Low	**$0.80**
One-Year Return (%)	**-74.2**
Beta	**-0.20**
Average Daily Volume (sh)	**243,025**
Shares Outstanding (mil)	**141,908**
Market Capitalization ($mil)	**$229.0**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**79**
Insider Ownership (%)	**63**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2023 Estimate	**N/A**
P/E using 2024 Estimate	**N/A**

Risk Level	**High**
Type of Stock	**Small-Growth**
Industry	**Automotive Sales**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Jun)	Q2 (Sep)	Q3 (Dec)	Q4 (Mar)	Year (Mar)
2022	43.0 A	54.7 A	79.5 A	79.8 A	258.1 A
2023	93.5 A	86.9 A	68.2 A	50.1 A	299.8 A
2024	39.0 E	48.8 E	58.5 E	53.9 E	200.1 E
2025					234.3 E

EPS / Loss Per Share

	Q1 (Jun)	Q2 (Sep)	Q3 (Dec)	Q4 (Mar)	Year (Mar)
2022	-$0.10 A	-$0.08 A	-$0.10 A	-$0.15 A	-$0.42 A
2023	-$0.12 A	-$0.14 A	-$0.10 A	-$0.08 A	-$0.10 A
2024	-$0.07 E	-$0.06 E	-$0.05 E	-$0.05 E	-$0.24 E
2025					-$0.16 E

Quarterly revenues may not equal annual revenues due to rounding. Quarterly EPS may not equal annual EPS due to rounding, dilution, or intangibles. Past estimates are adjusted for reverse stock split.

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WHAT'S NEW

4th Quarter and Fiscal Year 2023 Financial Results

On August 14th, 2023, Uxin reported fiscal 4th quarter and fiscal year 2023 operating and financial results for the period ending March 31, 2023. Total revenues in the 4th quarter were $50.1 million, which was a 32.0% decrease from the prior year period and a decrease of 26.9% from the fiscal 3rd quarter. The quarter-over-quarter decrease was primarily due to the seasonal slowdown in the used car market and volatility in China's new car market. The year-over-year decrease was mainly due to the decline in wholesale transaction volume.

Transaction unit volume was 3,607 vehicles in the quarter, a decrease of 26.3% from 4,897 units in the last quarter and a decrease of 14.7% from 4,231 units in the same period last year.

In the higher margin Retail segment, revenue was $38.4 million in 4th quarter, which was a decrease of 19.8% from the last quarter and a decrease of 17.4% from the same period last year. Retail transaction volume was 2,259 units, a decrease of 22.8% from 2,928 units last quarter and an increase of 22.2% from 1,848 units in the prior year period. The quarter-over-quarter decrease was mainly due to seasonality and market factors. The Chinese New Year was on January 22nd, which is the traditional used car off-season. In addition, in March 2023, certain automobile manufacturers implemented policies of decreasing prices to boost new car sales, resulting in less interest from consumers to buy used cars. Although retail transaction volume increased significantly on a year over year basis, the decreases in average selling prices driven by optimizing inventory structure, caused the decline of year-over-year retail vehicle sales revenue.

In the Wholesale vehicle sales segment, revenues were $10.7 million in the 4th quarter, which was a 44% decrease from the last quarter and a 59% decrease from the prior year period. Wholesale transaction volume was 1,348 units, which was a decrease of 31.5% from 1,969 units last quarter and a decrease of 43.4% from 2,383 units in the prior year period. Wholesale vehicle sales are vehicles purchased by the company from individuals that do not meet the company's retail standards and are subsequently sold through online and offline channels. As Uxin continued to improve its inventory capacity and reconditioning capabilities, an increasing number of acquired vehicles are reconditioned to meet the Company's Retail standards, rather than being sold through wholesale channels. Transaction volume will gradually represent a lower portion of the Company's total transaction volume.

The gross margin in the quarter was 2.3% compared with 0.6% in the last quarter and 0.2% in the same period last year. Over the past several quarters, the company has implemented pricing strategies to accelerate the turnover of high-priced vehicles and optimize its inventory structure. By shifting focus towards mid-range priced vehicles and improving sales efficiency, the gross margin improved despite the traditional off-season period for used cars and new car market volatility in China. The company expects further improvements in gross margin which may reach 6.0% in the 1st fiscal quarter ending June 30, 2023.

Net loss from operations was $11.6 million for the 4th quarter and non-GAAP net loss was $10.1 million.

Balance Sheet and Liquidity

As of June 30, 2023, the company had $13.5 million in unrestricted cash and cash equivalents with total debt and borrowings of $107.1 million.

The company has ongoing plans and strategies to improve cash flows from operations and to obtain additional capital from external investors and other parties. These plans include:

Improvement in cash flows from operations:

- An increase in the gross margin on automobile sales, which management believes should improve after increasing demand following the lifting of COVID restrictions in mainland China.

- Optimizing the cost structure of the company to reduce expenses, and to reduce cash outflows including those related to future lease payments through ongoing negotiations with the lessor of the Hefei IRC.

Additional financing:

- As of March 31, 2023, the company was entitled to a consideration receivable of $81.6 million due from NIO Capital for the subscription of its senior convertible preferred shares. Pursuant to additional agreements entered into in April 2023, $61.6 million out of this consideration receivable was offset with the company's long-term debt of $61.6 million owed to NIO Capital and $1.6 million was received in cash in April 2023. The remaining consideration receivable of $18.4 million is due to be received from NIO Capital no later than the end of 2023.

- In June 2023, Alpha Wealth Global Limited acquired warrants from NIO Capital and from Joy Capital which provided the right to purchase up to 261,810,806 senior convertible preferred shares of the company at a modified exercise price of $0.0457 per share (equivalent to $1.37 per ADS.. Joy Capital only assigned a portion of its warrants under this amended agreement. Alpha and Joy Capital are entitled, at their discretion, to exercise the respective warrants in full to subscribe for an aggregate amount of $21,964,754 of the company's senior convertible preferred shares no later than September 30, 2023. With respect to any warrants that are not exercised by this date, the amendment agreement may be terminated and the exercise price for these warrants will resume to $0.3433 per share, which is equivalent to $10.3 per ADS.

- The company has completed, or plans to complete, financing transactions with banks:

  (1) In March 2023, the Company obtained an aggregated facility amount of RMB250 million, approximately $36.4 million, from two banks in the PRC, enabling the company to utilize its inventories as collateral for financing future purchases of used car inventories;

  (2) On June 28, 2023, the Company entered into a supplemental agreement with WeBank to extend the repayment of RMB30 million, or approximately $4.4 million, that was due on June 30, 2023. Pursuant to the agreement, the repayment will be divided into six monthly installments of RMB5 million, or approximately $0.7 million) from June 2023 to November 2023. RMB10 million has been paid on schedule as of the date of the earnings release;

  (3) The company plans to seek renewal of its working capital facility (RMB50 million, equivalent to approximately $7.3 million) when it becomes due in November 2023.

Business Model Update

1) State-of-the-art Reconditioning Factories with Advanced Equipment and Technology Guarantee the Supply of Top-Quality Used Car Products

The supply of ultra-large-scale high-quality used cars is inseparable from modernized recondition factories with suitable production capacity. Following the launch of the new Xi'an superstore, which is also the largest in Northwest China with a scale of up to 3,000 units, the "Transparent

Factory 1.0" management system that Uxin has explored and developed over the past two years has also been put into use. This system seamlessly integrates inspection, evaluation, and repair processes, while employing an extensive range of digital monitoring tools to streamline the entire operational management spectrum. Full-scale efficiency is enhanced by the system's intelligent workshop planning, real-time tracking of vehicle and material status, and authentic data on work hours and costs. By leveraging Uxin's Transparent Factory 1.0 system, the company has established the most advanced reconditioning factory management system in China's used car industry.

Furthermore, the company continues to update reconditioning techniques, introduce the latest technologies such as 3D printing and SMART repair, and develop an integrated parts supply system. As a result, the recondition time and cost per vehicle have been further reduced. Compared to a year ago, the time it takes for each car to go from factory intake to shelf sale has dropped by 70%, taking an average of only 4 days.

2) Superstore's Focus on "People, Products, and Venues," Has Reshaped the Way Consumers Buy and Sell Used Cars, a Leapfrog Consumer Experience that Surpasses Traditional Marketplaces

For the majority of consumers in China, buying a used car can be a challenging and uncertain experience. Traditionally, the process involves visiting up to hundreds of shops scattered across a used car marketplace, searching for specific models, inspecting multiple vehicles, and haggling with various dealers over prices. This often tedious process offers no guarantee of purchasing a reliable used car at a fair price or receiving adequate after-sales support.

In the past year, Uxin has revolutionized the used car buying experience by embracing modern retail standards. The superstores offer consumers a relaxed and enjoyable car buying experience, comparable to that of modern shopping malls. When customers step into the superstores, they will be greeted by a bright and spacious venue, filled with thousands of carefully selected display vehicles. The cars are conveniently displayed according to the modern retail shelf mode, making it easy to compare different models. The company has implemented a scoring system based on the National Standard, ensuring clarity and ease of understanding. The selling prices are transparent, with no hidden fees. Beyond the traditional dealership experience, the company also offers financing, insurance, extended warranty, accessories upgrade, and other value-added services. The superstores also have an on-site Vehicle Administration Office, allowing customers to complete all transaction transfer procedures on the same day.

3) Uxin's End-to-End Digital Decision-Making Forms a Highly Competitive Moat in Large-Scale Used Car Operations

Uxin's business process is managed on a per-vehicle basis, with the system's capacity built upon the singular vehicle dimension. The company’s proprietary "Drip Irrigation" system, like the irrigation practices in modern agriculture that cater to each individual crop, runs through every step of the used car transaction chain, from car acquisition, reconditioning, sales, and delivery to after-sales service. Business decisions are made based on data at the vehicle level, which constitutes our core competitive advantage that sets us apart from traditional car dealerships.

Uxin has established an intelligent pricing model based on more than a decade of accumulated massive Chinese used car transaction data. The model determines the individual price of each car based on its age, condition, mileage, color, and other parameters, while also considering factors such as customer demand, current inventory structure, offline test drive feedback, and real-time market conditions for dynamic adjustments. By continuously training relevance parameters and iterating the pricing system using large-scale actual transaction data, Uxin's initial pricing becomes more accurate, and the adjustment process becomes timelier. This leads to

continuous improvement in sales efficiency, with the average time from listing to sale being less than 45 days.

As overall sales volume increases, the number of parameters that can be input into the system also increases, enriching the price decision anchors and expanding the boundaries of pricing capabilities. The flywheel effect of digital systems is scale-increasing, which is the key to continuously solidifying competitive advantages in an ultra-large-scale used car operation.

2024 Strategic Outlook

For the 2024 fiscal year ending March 2024, the company is focused on three strategic pillars:

1) The company indicated that the construction of the flagship Hefei superstore, which is jointly invested by Uxin and the Hefei government, has entered the final stage of equipment and system calibration after a one-and-a-half-year construction period. Plans are to commence trial operations in August of this year and have the grand opening at some point in 2023. The new superstore has a total area of 450,000 square meters and consists of the world's most advanced used car reconditioning factory and the largest used car sales area, which can accommodate up to 10,000 vehicles for display and sale when reaching full capacity. The Hefei flagship superstore serves as Uxin's central hub for expansion plans in the used car industry, anchoring in Hefei but extending its reach across the Anhui province and facilitating sales nationwide.

2) After over a year of consistent development, Uxin's superstores have continuously improved sales efficiency, increased gross profit margin, and substantially improved the overall cost structure. As a result, the gross profit margin is expected to exceed 6.0% for the first quarter of fiscal year 2024. The mid-term gross margin target will be above 10%. In the past few months, due to disturbances in the new car market, Uxin has maintained a prudent purchasing strategy and has not significantly increased inventory. Starting in August, the company will accelerate the increase in vehicle inventory to generate higher levels of sales conversions. Positive EBITDA is expected by the end of the year for the company's two IRCs in Xi'an and Hefei stores.

3) The company is also planning to open 2 or 3 new superstores over time. Based on the proven success of Uxin's offline superstore model, the company is actively strategizing for expansion into new regions. These efforts will lay a solid foundation for the growth of the business in coming years.

Forecast

For the 1st fiscal quarter ending June 30, 2023, the company expects its retail transaction volume to be approximately 1,600 units and the average selling price (ASP) for retail cars to be around RMB111,000. The company also expects its wholesale transaction volume to be around 1,600 units with an expected ASP of around RMB61,000. The low level of current vehicle inventory is the primary driver for the unit sales to be below expectations. The company estimates that its total revenues including retail vehicle sales revenue, wholesale vehicle sales revenue and other revenue to be within the range of RMB270 million to RMB290 million ($37 to $40 million). The Company expects its gross profit margin to be greater than 6.0%.

Summary

CEO and Founder Kun Dai stated: *"China's flourishing used car market is a force to be reckoned with, already at a staggering trillion-RMB level. With a whopping 320 million vehicles, China boasts the world's largest car ownership. Each year, a significant number of vehicles enter the circulation stage, fueling the swift growth of the used car industry. In the first half of 2023, the nation witnessed a remarkable surge in used car transactions, reaching approximately 9 million units, showing a notable 15% increase compared to the previous year. Drawing from the mature market experience in the automotive industry, China is*

progressively pivoting towards a trajectory dominated by stock car transactions. We project that used car transactions in China will soon exceed 20 million units per year, with still a remarkable growth potential of 3 to 4 times."

Despite the temporary setback from Covid-19 operational disruptions in the fall of 2022, we believe Uxin is poised for rapid profitable growth over the next 3-5 years and potentially beyond that as the used car market continues to develop and expand over time in China. As the world's most populous country, the evolution of China's expansion in the world's largest used car market represents enormous opportunities for Uxin. The company expects the used car market in coming years will expand from 20 million transactions per year currently to roughly the same level as in the U.S. at about 45 million transactions per year.

The company now has much stronger control and management over the entire value chain with the improved ability to provide high-quality used car products and premium services. The company's omni-channel model, which includes online and in-person purchases of used vehicles gives them a competitive advantage over smaller competitors. Uxin's proprietary advanced technology platform that provides inspection, reconditioning, pricing and logistics also gives them a leg up on competitors and improves the customer experience. In addition, the company is led by a seasoned management team with multiple areas of expertise.

Valuation and Estimates

We adjust our estimates and target price based on 4th quarter financial and operating results. Our fiscal 2024 revenue estimate is lowered to $200.1 million, and our EPS is adjusted to $0.24 due to new gross margin guidance.

We are optimistic the company will show strong improved gross margins in the fiscal year 2024 ending March 2024, and we maintain our target value for Uxin stock of **$4.50.**



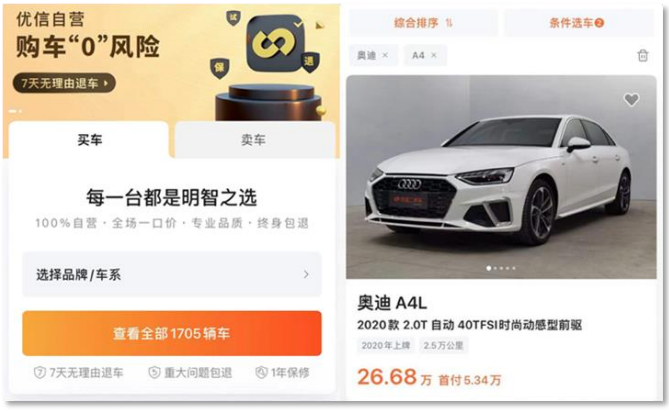
Source: Uxin Investor Presentation

KEY INVESTMENT POINTS

Source: Uxin Investor Presentation

- Uxin Limited (NASDAQ:UXIN) operates as a leading omni-channel retailer for buying and selling used cars in China. The company operates under the brand Uxin Used Car which has nationwide coverage across China.
- The Chinese used car sales market is large, inefficient, and extremely fragmented. China is behind other developed countries in terms of the number of used cars in operation.
- The company operates an omni-channel model including online and in-person purchases of used vehicles. Uxin operates two large inspection and reconditioning centers (IRC) in which customers can purchase used cars on-site. The company has created a proprietary advanced technology platform that provides inspection, reconditioning, pricing and logistics.
- Uxin has a highly experienced leadership team with expertise in corporate management, technology, marketing and the automotive industry.
- As of March 31, 2023, the company has $13.5 million in cash and equivalents on the balance sheet and total debt of $107.1 million.
- In 2018, the company's ADSs began trading on the NASDAQ and Uxin raised over $200 million in IPO process. On October 12th, 2022, the company announced an effective 1-10 reverse stock split for the company's ADSs which took place on October 28th, 2022.
- The company appears to be well positioned for rapid growth and has a clear vision for profitability and generation of free cash flow.
- We believe Uxin stock is worth **$4.50** based on a discounted cash flow (DCF) calculation using conservative growth estimates and a high discount rate.

Uxin Online Shopping Mall | **Uxin Offline Superstores**





Source: Uxin Investor Presentation

OVERVIEW



Source: Uxin Investor Presentation

Uxin Limited operates a leading e-commerce platform for buying and selling used cars in China. The company also has two physical locations where customers can view and purchase cars in person.

The company has recently transitioned to an inventory-owning model which provides customers with a comprehensive transaction solution that covers the entire value chain. This ranges from used-car acquisition, inspection, reconditioning, warehousing, as well as pre-sale and after-sale services.

Uxin offers its customers high-quality used cars at a fair value as well as a comprehensive suite of services through a reliable, hassle-free transaction experience. Empowered by an omni-channel sales approach, the company is able to establish market leadership by serving customers both nationwide through their online platform and in selected regions through offline, or physical inspection and reconditioning centers (IRCs).

Since 2018, the company has been offering online used-car-buying products and services to customers nationwide through a pioneering online platform. The online platform facilitates the entire transaction process and creates a seamless self-service purchasing experience. With a large number of used-car listings and transparent price estimates displayed on the platform, customers can easily place an order online, free from paying any hidden extra fees, and also utilize comprehensive after-sales support. The company has a nationwide logistics and delivery network in which they can provide door-to-door auto delivery to customers. In addition, Uxin also collaborates with other third-party partners to provide a comprehensive range of value-added products and services such as auto financing, insurance products, and other after-sales services.

In September 2020, the company started to shift to an inventory-owning model from a third-party inventory commissioned-based model to better control the used car supply chain and deliver higher-quality vehicles and higher transaction certainty to customers.

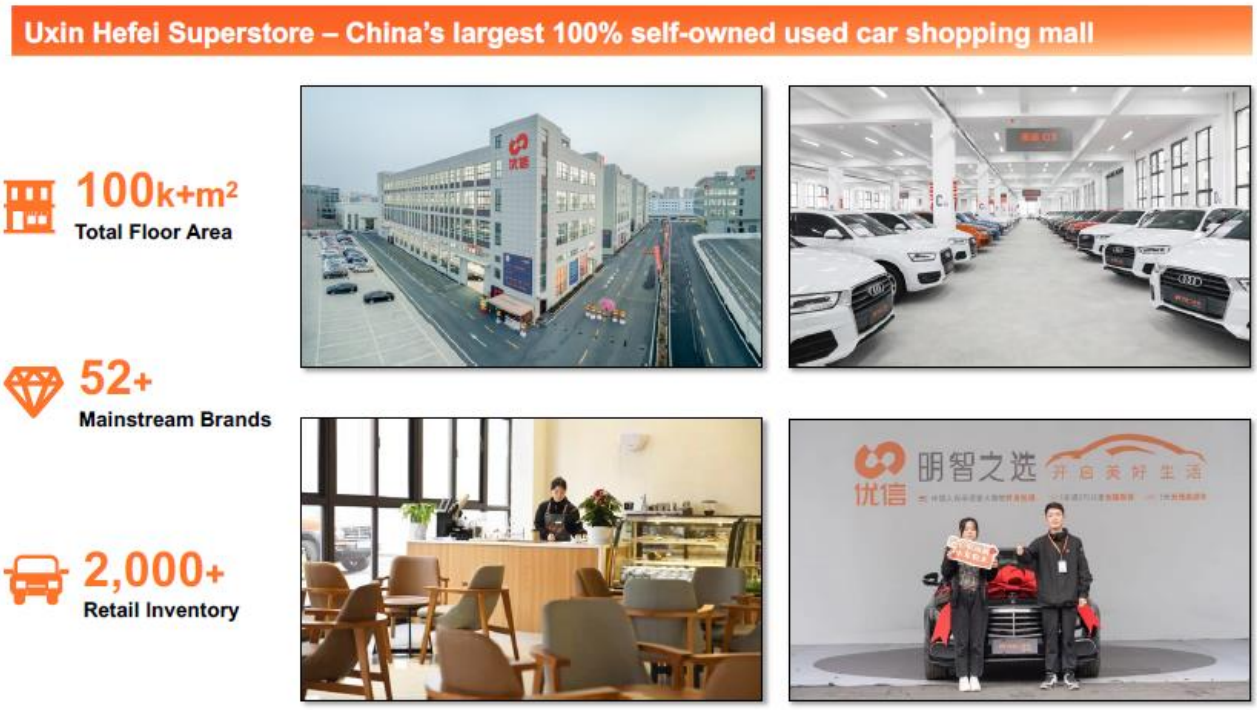
Another important step in the company's transformation and growth plans was to build their own IRCs where they can recondition all acquired used cars to a "like new" status. The first IRC was built in the city of Xi'an which is in central China in the Shaanxi Province. This facility has been in operation since March 2021 and has the capacity to process 600 vehicles.

In September 2021, the company entered into a strategic partnership with Changfeng County Government of Hefei City to jointly invest in and build an industry-leading IRC in Hefei which is in the Anhui Province in eastern China. The total investment was approximately RMB 2.5 billion and is

expected to have an annual production capacity of 60,000 to 100,000 vehicles once it is in full operation. Hefei City government funded about 2/3rds of the investment which largely went to construction costs and Uxin funded the other 1/3rd, primarily through inventory purchases and other investments.

This production capacity is expected to provide a large and stable supply of high-quality used vehicles to fuel the company's growth in future years. Phase one of the Hefei IRC has been in operation since November 2021 and should be fully built out by the middle of 2023. The company plans on building one to two IRCs per year in various provinces across China. Over 50 automotive brands are sold through this channel.

In addition to reconditioning retail used cars, these IRCs also act as retail warehouse stores that offer local customers and customers within the Shaanxi and Anhui provinces with in-store visit and purchase options. This completes the company's transition from an online-only sales channel to an omni-channel approach in which both online and offline sales are integrated and provide customers with a variety of purchase options.



Source: Uxin Investor Presentation

The company now has much stronger control and management over the entire value chain with the improved ability to provide high-quality used car products and premium services. In addition, Uxin has started to track customer satisfaction via monitoring Net Promoter Score (NPS) since the 2nd quarter of 2020 and has made solid progress as evidenced by continuous improvements in NPS rankings in recent years.

HISTORY

The company commenced operations in August 2011 through Youxin Internet Information Technology Co., Ltd. to conduct used car auctions and other transaction related services. In December 2011, the company incorporated Uxin Limited in the Cayman Islands as an offshore holding company to facilitate financing and an offshore listing.

In November 2014, the company established UcarShow Holding Limited, a wholly-owned subsidiary of Uxin Limited. In January 2015, the company established Uxin Used Car Limited, and in February 2015, UcarShow Holding Limited transferred all its interests in UcarShow HK Limited to Uxin Used Car Limited. In March 2015, UcarShow HK Limited established a wholly owned subsidiary, Yougu (Shanghai) Information Technology Co., Ltd, or Yougu.

In November 2014, the company established UcarEase Holding Limited, a wholly-owned subsidiary of Uxin Limited. UcarEase Holding Limited acquired GloryFin International Group Holding Company Limited, or GloryFin, which was incorporated in Hong Kong, and its three wholly-owned subsidiaries, Kai Feng Finance Lease (Hangzhou) Co., Ltd., or Kaifeng, Youqin (Shaanxi) Automobile Manufacture Co., Ltd. (formerly known as Youqin (Shaanxi) Finance Lease Co., Ltd.), and Boyu Finance Lease (Tianjin) Co., Ltd.

In November 2014, the company established UcarBuy Holding Limited, a wholly-owned subsidiary of Uxin Limited. UcarBuy Holding Limited established UcarBuy HK Limited, which established a wholly-owned subsidiary, Youxin (Shanghai) Used Car Business Co., Ltd., which we refer to as Youxin Shanghai.

In July 2019, Youxin Shanghai became a wholly-owned subsidiary of GloryFin. Youxinpai and Yougu entered into a series of contractual arrangements with Youxin Hulian and Youxin Yishouche (Beijing) Information Technology Co., Ltd., or Yishouche, respectively, and their respective shareholders. Youxin Hulian and Yishouche are collectively referred to as the former VIEs. The company has been conducting the 2C business through Yougu and Yishouche.

On June 27, 2018, the company's ADSs began trading on Nasdaq under the symbol "UXIN." The company raised $204.8 million in net proceeds from the initial public offering. Concurrently with the initial public offering, the company sold convertible notes to CNCB and Golden Fortune, resulting in net proceeds of $100 million and $75 million, respectively. The notes each bear an interest rate of 6.0% and 6.5% per annum. These were paid off in 2019.

Beginning in 2018, the company began to shift focus to fulfilling online used car transactions for consumers. Through the 2C online transaction business, the company began to help consumers buy the car of their choice online by providing them with a nationwide selection of used cars, a wide range of car-related value-added products and services as well as a full suite of supporting services to fulfill these online transactions. The company developed four key values - more selection, better prices, premium service and convenience. As a result, in order to better devote attention and resources towards developing and scaling up the 2C online transaction business, the company divested its loan facilitation, salvage car and 2B related businesses.

On October 12th, 2022, the company announced that it plans to change the ratio of its ADSs to Class A ordinary shares from one ADS representing three Class A ordinary shares to one ADS representing thirty Class A ordinary shares. This ratio change will have the same effect as a one-for-ten reverse ADS split for Uxin's ADSs holders.

BUSINESS DESCRIPTION

Retail Vehicle Sales and Wholesale Vehicle Sales

Uxin sells cars on both a retail and wholesale basis. Vehicles are acquired from a variety of sources including directly from consumers, auction platforms and car dealerships. The company has rich and diverse sources for vehicle acquisition and are able to have greater access to used cars at more favorable prices. This provides greater flexibility in offering more competitive prices to customers. Roughly 40% of acquired vehicles come from individual car owners in over 40 major cities.

Acquired vehicles that meet the company's specific retail standards will be delivered to the Xi'an IRC or Hefei IRC for further inspection and reconditioning and then sold to customers through both online and offline channels. The vehicles that are acquired from customers, either as trade-ins or independent of a retail sale, and that do not meet the retail standards to list and sell will be wholesaled through online and offline channels.



Source: Uxin Investor Presentation

In order to boost cash turnover, the company may sometimes increase the proportion of wholesale vehicle sales by wholesaling certain vehicles that do meet retail standards, but nonetheless do not suit the desired retail inventory composition. In addition, the company's vehicle acquisition capacity sometimes exceeds inventory capacity which causes wholesale sales to exceed retail sales. This occurred in fiscal 2022 as wholesale vehicle sales volume was greater than retail vehicle sales volume. For the fiscal year 2022 ending March 31, total vehicle sales volume was 15,755 comprised of retail sales volume of 5,211 and wholesale sales volume of 10,544. In the long term, the company expects retail vehicle sales volume to gradually grow and ultimately become greater than wholesale vehicle sales volume.

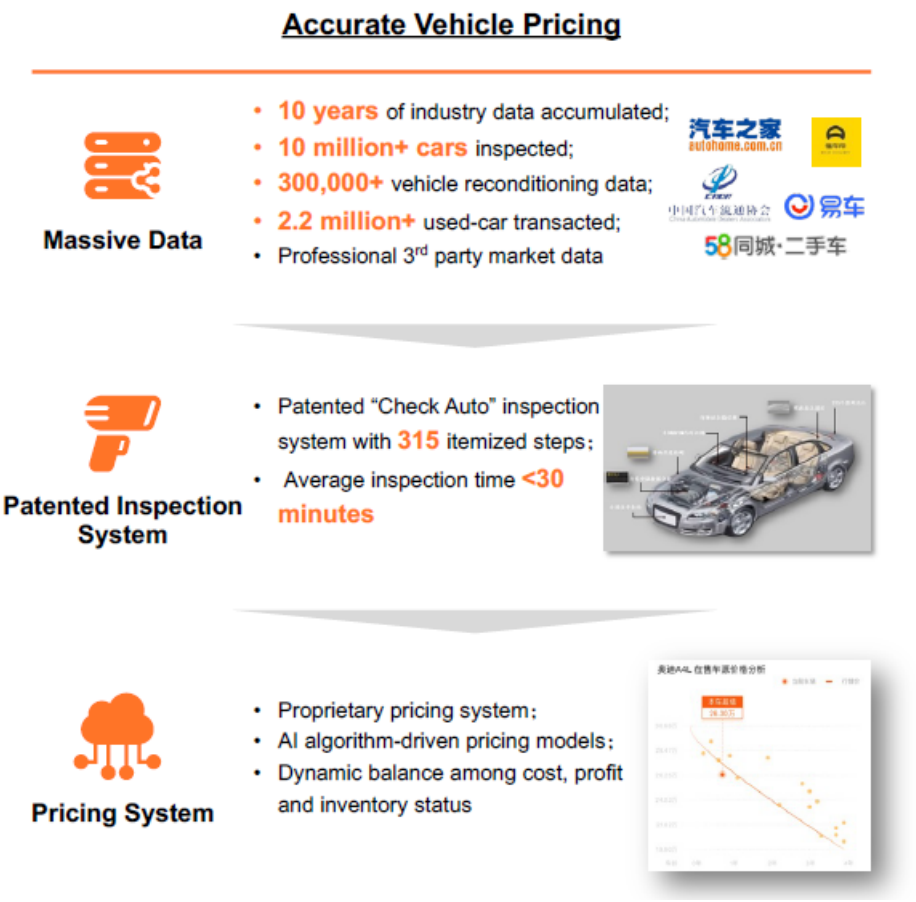
Other Revenue Sources

The company also generates other revenues from commissions from financing and insurance facilitation services which will increase along with the increases in retail transaction volume. The company will also have other value-added service revenues from aftermarket services, in the future such as advertising, and vehicle transportation revenue earned from the vehicle logistics business. These sources of revenue are not a focus for the company currently as it now primarily operates in the inventory-owned retail business.

Customer Purchase Transaction

The company's omni-channel business model provides two methods of vehicle purchasing by customers, online for national buyers and in-person at an IRC for regional buyers.

> Online – The company's e-commerce website provides an intuitive user interface to help the customer navigate through a vast selection of used cars. The customer can search by brand, price and other features. The interface is built upon technology capabilities in user categorizing and deep learning and provides a platform that also personalizes and prioritizes the display of high-quality listings according to the customer's specific needs. As the quality, size and price competitiveness of the company's used car inventories increase, the customer experience will improve as well with a wider choice of high-quality value oriented used cars. Approximately 25% of total vehicle sales for the company are made online.
>
> The vehicle selection process is highly transparent and efficient. Customers are able to easily view each car listing on the platform, including an in-depth car condition report generated by the company's Check Auto system. This includes interior and exterior photos, accident history, repair and maintenance records, and other features.
>
> The company's Manhattan pricing engine conducts assessments on the fair value of listed cars which helps customers to analyze a car's selling price and its condition as well as compare it with the price estimate output from the Manhattan pricing engine. Based on a comprehensive inventory database, the system also accommodates easy comparison of different cars across a multitude of features.



Source: Uxin Investor Presentation

When searching for used cars, the customer can also view and choose from various value-added products and services such as used car financing options and auto insurance products that are offered by third-party providers on the platform. Once the customer buys a car, the company provides a full suite of supporting services to fulfill the online car purchase such as nationwide logistics and delivery service, nationwide title transfer service, and assistance with license plate registration. All of these products and services significantly lowers common barriers to buy used cars online.

At any step of the transaction process, the customer can also contact pre-sales and after-sales customer service personnel through online chat or hotlines. The online customer service center primarily handles pre-sales car buying inquiries, such as preliminary questions on car price, car condition, car selection, title transfer, vehicle registration and used car financing options. The AI enabled sales consultant system integrates multiple advanced technologies to provide more personalized and professional services by enabling them to understand the customer's specific needs and requirements. The fulfillment management center primarily handles after-sales inquiries and answers any questions that may arise in connection with the purchased car such as questions on auto loan repayment, insurance claims and car repair covered by warranty programs, as well as resolving general customer complaints.

Customers can either purchase the car with payment in full or in installments utilizing different financing options. After the customer enters into a financing contract and makes the down payment, the company's nationwide logistics and delivery service ships the car in a timely manner to the customer's nearest fulfillment center. When the car arrives, a

fulfillment service consultant will carry out a pre-fulfillment check on the car's condition, including a quality inspection and a thorough cleaning and disinfection process.

Once confirmed that the car is in good condition, the customer is invited to the fulfillment center to inspect and pick up the car. The customer will make the rest of the payment at the fulfillment center. Once all procedures are completed, the company helps the customer register the car at the local vehicle bureau and complete title transfers. Door-to-door services are also available in approximately 200 cities where cars can be delivered 1-4 days after purchase.

Every certified used car currently carries a 7-day unconditional return policy and lifetime refund policy covering certain major damages caused by severe accidents that occurred prior to the sale but were not originally identified through Uxin's certificate program. In addition, the cars carry a one-year or 20,000-kilometer warranty at no cost to the customer covering repair of 15 major structural components.



Source: Uxin Investor Presentation

In-store – The company's IRCs also act as car buying superstores for in person purchasing. The two current IRCs are able to directly serve regional customers in Xi'an and Hefei and also cover customers in Shaanxi and Anhui provinces. Roughly 2/3rds of company vehicle sales are made in-store at the IRCs.

All of the products, transaction processes, and services are the same as that of the online purchase journey described above, with the only difference being that customers can visit the IRCs to have a clearer picture of the cars being offered and can pick up the car of their choice on the same day.

In-store sales personnel are able to provide services and support to these customers with every aspect of their buying process. In-store purchase is more convenient for regional customers and also caters to the traditional buying habits of most customers.

The omni-channel business model which combines online and in-store purchase best tailors to the purchasing demands of Chinese customers. As the customer base is further expanded through word-of-mouth marketing at regional IRCs, the company's brand will also improve and build trust among customers which will also help boost online sales.

Capabilities and Competitive Advantages

Data Analytics and Technology – The company has accumulated significant amounts of data from their platform over the past decade of operations. This includes customer behavioral data, used car data, and purchased transaction data that has allowed them to continue to innovate proprietary technologies.

The company's patented and industry-leading car inspection system, Check Auto, provides a comprehensive overview of a used car's condition. The AI and big data-driven Manhattan pricing engine provides pricing for the sale of each used car based on the car's specific condition. The AI-enabled Lingxi intelligent recommendation system provides personalized car recommendations to customers by analyzing their preferences which make it easier for them to find the car of their choice. The AI-powered Edison intelligent user profiling system helps customer service personnel and sales consultants better understand customer profiles by analyzing their preferences in real time and predicting which used cars they are likely to buy which enables to company to create more effective sales strategies.

Reconditioning – The company's IRCs are equipped with state-of-the-art inspection and reconditioning equipment as well as experts in that field. In these facilities, the company is able to recondition all vehicles to a "like new" condition with a streamlined and efficient process that improves the overall quality of operations. By implementing sustainable supply chain practices and a zero-waste policy, the company can optimize the reconditioning costs and offer customers high-quality vehicles at attractive prices. The company has accumulated and set up an integrated database of reconditioning standards and processes and has adopted advanced, efficient and intelligent reconditioning technology. After the Hefei IRC is fully completed and put into operation in the next few years, the plant will have an annual production capacity of 60,000 to 100,000 vehicles, which is expected to provide Uxin with a stable and large supply of high-quality used vehicles to help propel sales growth. The company continues to improve the timeline from car acquisition to completion of the reconditioning process.

Nationwide Logistics and Delivery – Uxin is believed to be the first company in China to build a nationwide logistics and delivery network for used cars. All the logistics planning and delivery solutions are automated and utilize an integrated intelligent logistics and routing system which ensures a timely delivery.

Through the order management system (OMS), transportation management system (TMS) and warehouse management system (WMS), the company operates and manages a logistics and delivery network in a centralized and transparent fashion. This allows them to take a systematic approach to assigning shipment orders to logistics providers, coordinating the loading and unloading of used cars at each warehouse as well as

monitoring and managing delivery progress. In addition, the historic accumulated transaction volume data brings better economy of scale to the platform which enables the company to increase overall resource utilization and delivery efficiency by optimizing route planning and coordinating used car shipments among warehouses.

As a result, Uxin has significantly improved capabilities in operating used car logistics and delivery across China. For the purpose of monitoring each car shipment, the company temporarily installs a GPS device to track the car's location in real time. A used car sold through the online platform can be delivered to customers typically within one to five calendar days via this logistics and delivery network.

Technology Description

Check Auto inspection system – The company's proprietary Check Auto system is an integrated, interactive vehicle inspection system. A significant portion of the inspection process is automated by proprietary, state-of-the-art technology which includes wearable digital glasses to record the inspection process, automatic diagnostics of car condition from video footage and image recognition technology that can automatically identify certain car conditions.

A mobile device serves as the hardware management and data collection terminal during each car inspection. Equipped with touch screen and voice command features, the mobile device is a highly interactive platform powered by proprietary Check Auto inspection software. Inspection professionals follow the instructions prompted by the mobile device and interact with the software system through the touch screen and voice commands during the inspection process. An inspection by Check Auto involves a standard procedure that covers more than 315 documented and relevant check points. The inspection process may be adjusted depending on different makes and models.

After each inspection, the system automatically generates a comprehensive, standardized Check Auto report. Each condition report includes extensive information on the exterior and interior of the car, basic structure and engine condition, among many other characteristics. Key inspection points are indexed and marked in the comprehensive inspection video, and customers can easily navigate through the video by selecting the inspection points that they are most interested in.

As of March 31, 2022, the company had 12 patents related to this vehicle inspection process and have also cumulatively listed and collected proprietary data on over 8.5 million used cars.

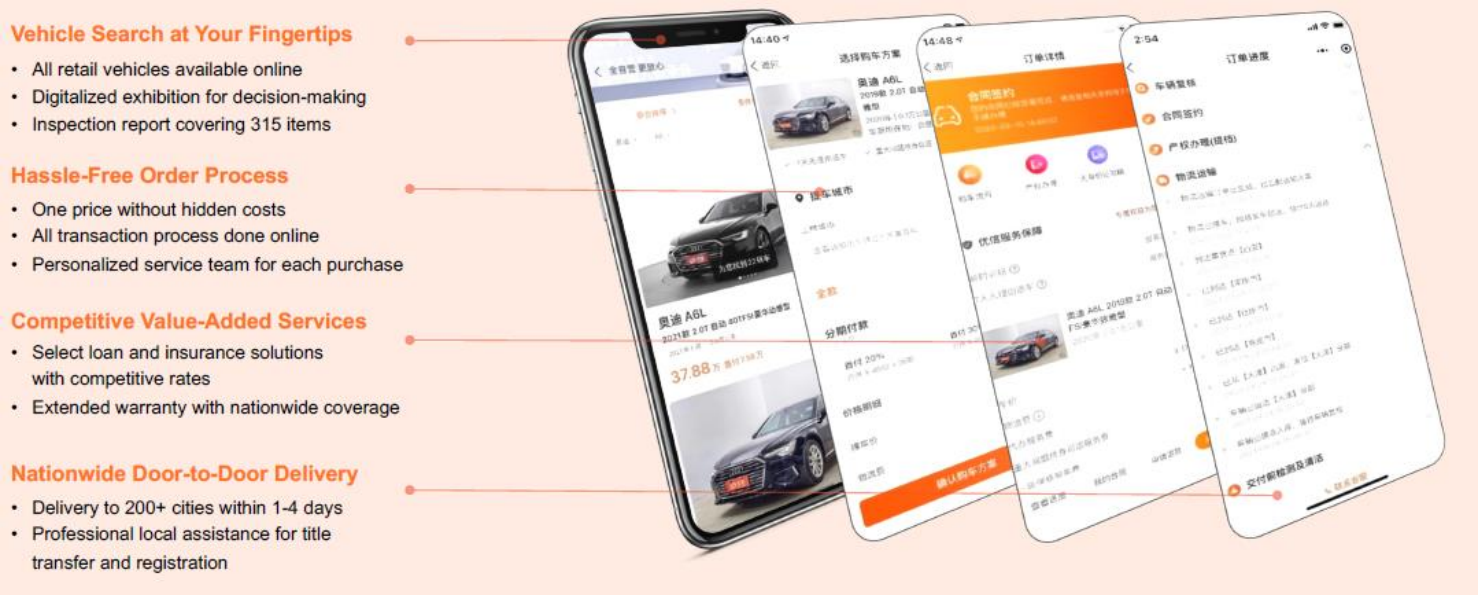
Manhattan pricing engine – This AI and data-driven pricing engine provides assessments on sale prices based on each car's specific condition. The company can also use the Manhattan pricing engine to assess the residual value of retail vehicles and continues to optimize the accuracy of residual value estimates based on the latest used car information on the market and external data such as the latest selling prices for comparable new vehicles.

In addition, the Manhattan pricing engine provides the company with price assessments that helps with the acquisition of vehicles. The Manhattan pricing engine maintains high accuracy by updating its algorithms on a real-time basis with the transaction data collected in recent weeks. Since 2018, this platform has completed over 156,500 online used cars transactions which has contributed valuable insight to the database.

Lingxi intelligent recommendation system - Based on the large amount of data collected from retail transaction history and used car information accumulated on the platform, the AI-enabled Lingxi intelligent recommendation system makes personalized car recommendations to customers by analyzing their preferences, therefore making it easier for them to find the car of their choice.

In addition, Lingxi is also embedded with a user categorization module which reveals user preferences on different features for a car. The Lingxi intelligent recommendation system serves as an important foundation for the company's business operations.

Edison intelligent user profiling system – The AI-powered Edison intelligent system helps company sales consultants and customer service personnel to better understand potential buyers and provide effective services to them. Edison studies and predicts user preferences for specific car features, such as certain make and model, car color, engine and gearbox. Then it constantly adjusts its prediction by monitoring user behavior data on a real-time basis. In addition, Edison can provide these sales consultants with insights on which used car the customer is likely to buy through a process of matching car features with the customer's profile.



Source: Uxin Investor Presentation

STRATEGY & OBJECTIVES

Uxin has carefully selected marketing channels that can accurately acquire valuable customers in a cost-effective manner. In 2021, in order to precisely capture interested consumers and successfully convert them to customers over time, the company primarily engaged in use of new media. The company utilizes live-streaming and short videos in new media platforms for marketing which has been successful in term of broadening the customer base and enhancing the level of influence. Taking advantage of new media marketing's widespread effect and precisely targeted customer groups, these marketing efforts have paid off with greatly reduced marketing costs. Traditional sales and marketing expenses in this regard gradually decreased.

As an established used car brand in China, Uxin has enjoyed high brand awareness among Chinese consumers. In May 2019, the company was named as the only used car e-commerce brand in BrandZ's 2019 Top 100 Most Valuable Chinese Brands. In 2020, Uxin was named as the #1 Brand for Mind Share in the Used Car Transactions Market as well as the Premier Used Car Brand in the 9th Hubei Auto Jinlun Prize. In 2021, the company was awarded the Outstanding Member of China Automobile Dealers Association and won the General Business Award issued by China Automobile Dealers Association.

As the company continues to optimize various traffic acquisition channels, starting in 2020, the company has also been working on enhancing Net Promoter Score (NPS) rankings among customers by continuously improving service quality and customer satisfaction to further increase overall brand awareness. This increases the likelihood of existing customers recommending or referring products and services to other potential customers, which is an important source of transaction growth. The company's NPS score has increased steadily since the 1st quarter of 2021.

Uxin also has plans to take advantage of the increasing growth of electric or hybrid used car sales. In 2021, China sold more electric vehicles than the rest of the world combined at 3.5 million units. The country has more 300 electric vehicle models for sale at this time. The company's used car EV offerings include top brands such as Tesla, NIO, Li Auto, XPeng, and BYD. The company has proactively built vehicle acquisition channels and developed inspection, reconditioning, and service capabilities specially designed for used electric or hybrid vehicles. Targeting on expanding existing service types, the company is establishing strategic partnerships with EV manufacturers, suppliers of spare parts, and NEV dealerships. With solid strategic and operational initiatives, Uxin is well prepared for the opportunities in the rising EV market.

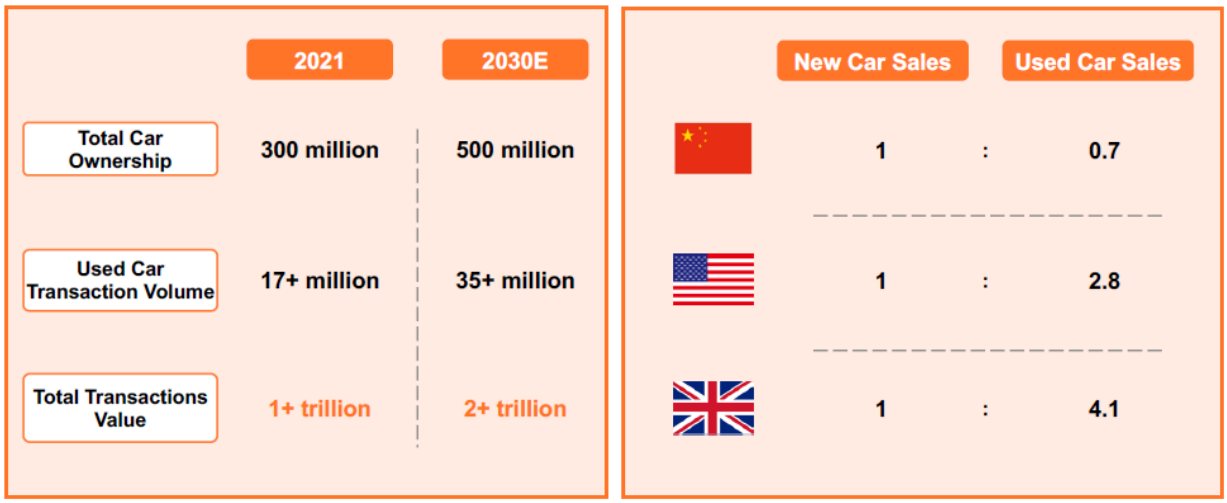
OPPORTUNITY AND ADDRESSABLE MARKET

China is home to the largest automotive industry in the world. 21.4 million new passenger vehicles were sold in 2021 as well as approximately 17 million used car transactions. Total car ownership in the country stands at approximately 300 million and is expected to grow to 500 million by 2030. Used car transactions are expected to grow from 17 million to over 35 million by 2030. Total transaction value is expected to grow from 1 trillion RMB to 2 trillion RMB by 2030.

In mature economies with a historically strong auto industry, used car sales generally exceed new car sales as the number of overall cars in operation continues to grow. In the U.K. for example, for every 1 new car sale, there are 4.1 used car transactions. In the U.S., for every 1 new car sale, there are 2.8 used car transactions. Currently in China, for every 1 new car sale, there are 0.7 used car transactions which creates a substantial runway for growth for Uxin.

The used car industry in China is highly fragmented and inefficient. Less than 3% of all dealerships hold more than 100 used cars in inventory and only 3% of all dealerships have the capacity to sell 10,000 cars

annually. The transaction process can be chaotic, often with nontransparent and confusing pricing. There is typically no consistency with regard to car conditions or history of repair and accidents which significantly increases fraud risks. Uxin's advanced technology IRCs and omni-channel model seems to provide a solution for Chinese consumers looking to purchase a used car. In addition, new regulations will be effective next year strengthening the oversight of the used car industry. These primarily involve the requirement that used car dealers operate as compliant vehicle enterprises which will make it difficult for small scale independent dealerships.



Source: Uxin Investor Presentation



Source: Uxin Investor Presentation

CAPITAL FINANCING

In June 2018, the company completed its initial public offering (IPO) in which 25 million ADSs were sold presenting 75 million Class A ordinary shares. Net proceeds to the company were $204.8 million. Concurrent with the IPO, the company sold $175 million in convertible notes which were paid off in June 2019. That same month, new convertible notes were issued totaling $230 million and mature in June

2024 unless converted to equity before then. The notes are convertible to Class A ordinary shares a price of $1.03. The notes paid an annual interest rate of 3.75%.

In June 2021, the company raised $315 million in a PIPE transaction which was comprised of $150 million in cash and $165 million in warrants. The cash proceeds were received in the 4th quarter of FY 2022 (ending March 2022).

On July 12, 2021, $69 million of these notes were converted into a total of 66,990,291 Class A ordinary shares. The remaining principal amount of US$161 million is subject to customary payment schedules. The noteholders have also irrevocably waived the conversion rights with respect to their respective remaining amount.

In June 2022, the company issued Senior Convertible Preferred Shares to NIO Capital in which the company is entitled to receive a total of $100 million. These payments are to be made in multiple installments totaling $10 million in September 2022, $30 million in December 2022, $20 million in March 2023, and $40 million in June 2023.

In July 2022, the company issued 183,495,146 Class A ordinary shares to 58.com in exchange for the full release of obligations to 58.com under the convertible promissory note and certain other historical transactions. The remaining amount of $81.9 million has been recognized as debt against other noteholders.

MANAGEMENT

Kun Dai is the founder and has served as chairman of the board of directors and chief executive officer since inception of the company. Mr. Dai has been involved in the technology and automobile industries for over ten years. Mr. Dai founded one of China's first online used car websites, CarResume.com, in 2005. From 2007 to 2011, Mr. Dai worked at an NYSE listed auto information provider, BitAuto, first as deputy general manager and later as vice president. Mr.Dai received a master's degree in Commerce from Cardiff University.



Kun Dai
Chairman & CEO

Source: Uxin Investor Presentation

Feng Lin joined the firm as vice president of finance in August 2019 and has been serving as chief financial officer since January 2021. Prior to joining the company, Mr. Lin was the vice general manager of finance at China Fortune Land Development, where he managed corporate planning and group controlling. Prior to that, he served as finance director at Lenovo, and earlier as financial controller at Microsoft. Mr. Lin had also served at HSBC, Capital One Financial Corporation, and PwC. Mr. Lin holds a double Bachelor of Science degree in geophysics and economics from Peking University. He received both an MBA degree and an MPP degree from The University of Chicago.



Feng Lin
CFO

Source: Uxin Investor Presentation

Zhitian Zhang joined the company in April 2012 and has been serving as chief operating officer since February 2020. Prior to his appointment as chief operating officer, Mr. Zhang served as president of the company's online used car transaction business, where he was responsible for operations and sales management, as well as general manager of the sales management center. Prior to joining Uxin, Mr. Zhang worked for Bitauto Holdings Limited (NYSE: BITA) from 2007 to 2012, first as a director and then as vice general manager of its used car business. Mr. Zhang received his bachelor's degree in Law from the National Police University for Criminal Justice.



Zhitian Zhang
COO

Source: Uxin Investor Presentation

Wenbing Jing rejoined the firm in November 2021 as chief strategy officer and has extensive experience in strategy and operation management. Prior to re-joining Uxin, Mr. Jing served as vice president and general manager of the used car department at Autohome Inc. (NASDAQ: ATHM). Prior to that, Mr. Jing had served various roles at Uxin from 2011 to 2019, including general manager of Uxin's southern division, and executive president and chief strategy officer of Uxin. Mr. Jing received his Master of Laws degree from the school of law of Cardiff University in the United Kingdom.



Wenbing Jing
CSO

Source: Uxin Investor Presentation

RISKS

- Risks and uncertainties related to the business and industry include the company fails to provide a differentiated and superior customer experience, the size of the customer base and the number of transactions on the platform could decline, failure to maintain or enhance customer trust in could damage the business reputation, the reduction or slowdown of the growth in the customer base could harm the business, financial condition and results of operations.

- The company faces intense competition, which may lead to loss of market share, reduced service fees and revenue, increased expenses, departures of qualified employees, and disputes with competitors. The company is not yet profitable and has negative cash flows from operations, which may continue in the future.

- Risks and uncertainties related to the corporate structure include, but are not limited to, the PRC government determines that the historical contractual arrangements with the former VIE structure did not comply with PRC regulation. If these regulations change or are interpreted differently in the future, the company's shares and/or ADSs may decline in value or become worthless if the company is deemed to be unable to assert contractual control rights over the assets of the former VIEs that conducted all or substantially all of company operations.

- Risks and uncertainties related to doing business in China include changes in China's economic, political or social conditions or government policies. The PRC government's oversight over business operations could result in a material adverse change in the company's operations and the value of the ADSs. The business and industry are susceptible to changes in government policies, including policies on automobile purchases, ownership, taxation, vehicle title transfers, and used car transactions across regions and provinces.

- The company's business, operating results and financial condition have been and may continue to be adversely affected by the ongoing COVID-19 pandemic. The COVID-19 pandemic has continued to spread across the world and has created unique global and industry-wide challenges. COVID-19 has resulted in quarantines, travel restrictions, and the temporary closure of facilities in China and many other countries. New COVID-19 variants have also emerged in a few countries, including China, potentially extending the period where COVID-19 will negatively impact the global economy.

INSIDER TRADING AND OWNERSHIP

	Class A Ordinary Shares	Class B Ordinary Shares	Senior Convertible Preferred Shares	Total Shares (on an as-converted basis)	% †	% of Aggregate Voting Power†
Directors and Executive Officers:**						
Kun Dai[1]	14,764,090	40,809,861	—	55,573,951	1.8	12.0
Bin Li[2]	—	—	1,158,503,599	1,454,600,307	42.8	38.6
Erhai Liu[3]	—	—	458,782,405	776,028,879	22.8	20.6
Cheng Lu	—	—	—	—	—	—
Rong Lu	*	—	—	*	*	*
Zhuang Yang	—	—	—	—	—	—
Feng Lin	*	—	—	*	*	*
Zhitian Zhang	*	—	—	*	*	*
Wenbing Jing	*	—	—	*	*	*
All Directors and Executive Officers in the aggregate	20,890,810	40,809,861	1,617,286,004	2,292,329,857	62.9	66.3
Principal Shareholders:						
Xin Gao Group Limited[4]	—	40,809,861	—	40,809,861	1.3	11.6
Nio Capital Entities[2]	—	—	1,158,503,599	1,454,600,307	42.8	38.6
Astral Success Limited[3]	—	—	458,782,405	776,028,879	22.8	20.6
GIC Private Limited[5]	220,611,745	—	—	220,611,745	7.0	6.3
58.com Holdings Inc. [6]	183,495,146	—	—	183,495,146	5.8	5.2

Source: Uxin SEC Filings

Strong Base of Former and Current Investors



Source: Uxin Investor Presentation

优信 UXIN GROUP

Source: Uxin Investor Presentation

VALUATION

The used car retail market that Uxin is focused on is expected to produce above average growth rates for an extended period of time. We expect Uxin revenues to grow at a compound annual growth rate (CAGR) of approximately 22% over the next 10 years. Used car transactions in China are expected to grow from 17 million to over 35 million by 2030.

At a total company gross margin of 8.0%, we expect the company to operate at break-even profitability levels. If the company was to achieve U.S. peer gross margins of 12%-15%, meaningful operating and net profits could be generated.

Our primary valuation tool utilizes a Discounted Cash Flow process. Our base case includes revenues growing at a CAGR of 18%, break-even operating results in the fiscal year ending March 2025, and 12.0% gross margins being achieved in the March 2028 fiscal year. Under this scenario, our DCF based valuation target is approximately **$4.50.**

We believe this to be a conservative estimate as revenue growth rates could greatly exceed our estimates as a result of the expected new government oversight over the Chinese used car industry which would likely increase market share gains for Uxin. In addition, it's possible that the increasing operating efficiencies of the company would shorten the timeline to when meaningful profits or generated.

SUMMARY

We believe Uxin is on the threshold of rapid profitable growth over the next 3-5 years and potentially beyond that as the used car market continues to develop and expand over time in China. As the world's most populous country, the evolution of China's expansion in the world's largest used car market represents enormous opportunities for Uxin.

The company now has much stronger control and management over the entire value chain with the improved ability to provide high-quality used car products and premium services. The company's omni-channel model, which includes online and in-person purchases of used vehicles gives them a competitive advantage over smaller competitors. Uxin's proprietary advanced technology platform that provides inspection, reconditioning, pricing and logistics also gives them a leg up on competitors and improves the customer experience. In addition, the company is led by a seasoned management team with multiple areas of expertise.

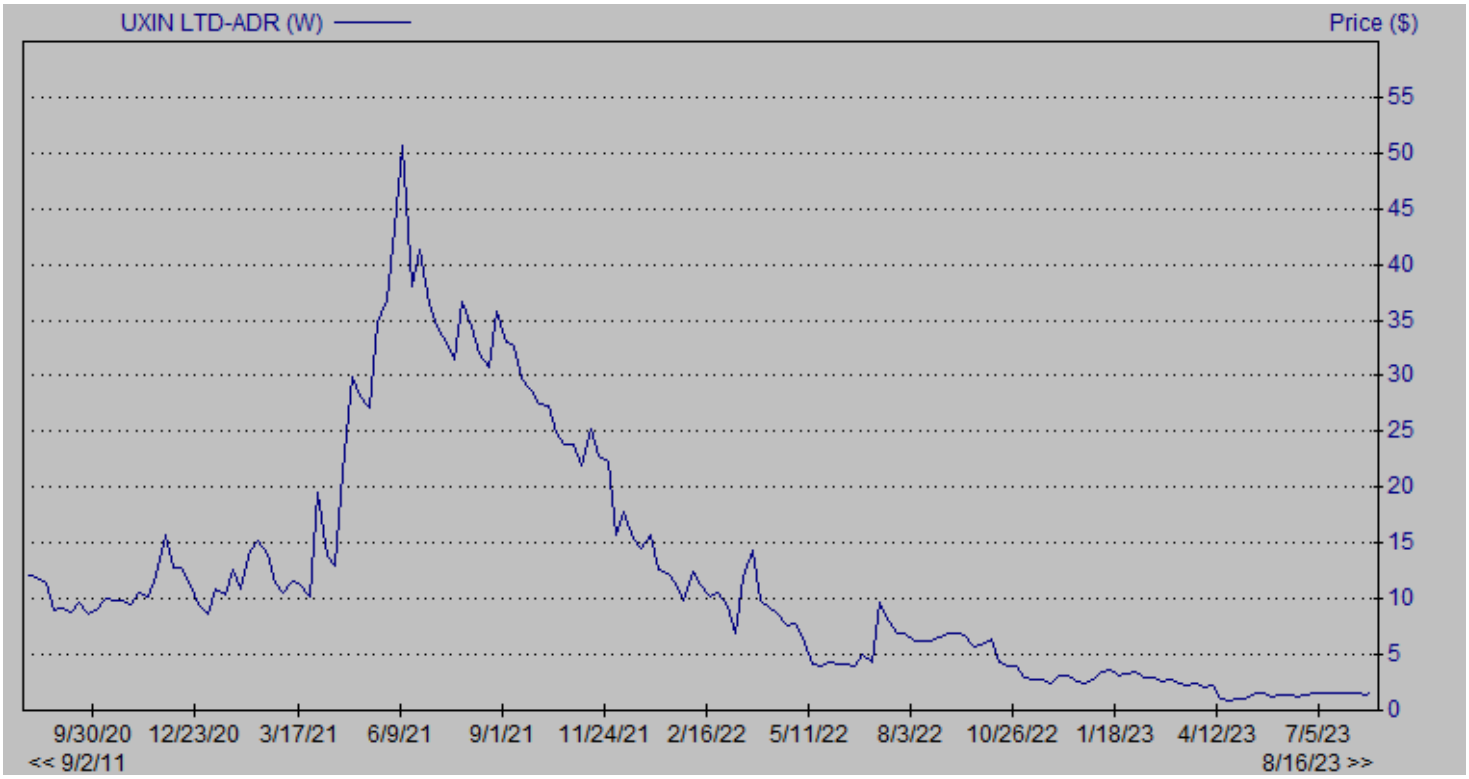
We believe Uxin stock is worth **$4.50** based on a discounted cash flow (DCF) calculation using conservative growth estimates.

PROJECTED INCOME STATEMENT

Income Statement		Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Net Sales		**100,340**	**258,092**	**299,849**	**200,165**	**234,342**
Growth		*#DIV/0!*	*157.2%*	*16.2%*	*-33.2%*	*17.1%*
Cost of Goods Sold		**95,747**	**248,314**	**294,199**	**184,657**	**209,156**
%		*95.4%*	*96.2%*	*98.1%*	*92.3%*	*89.3%*
Depreciation & Amort		**7,081**	**2,250**	**1,945**	**2,042**	**2,042**
Gross Profit		**(2,488)**	**7,528**	**3,705**	**13,465**	**23,143**
Margin		*-2.5%*	*2.9%*	*1.2%*	*6.7%*	*9.9%*
Sales & Marketing		**51,743**	**35,042**	**34,409**	**30,286**	**28,771**
% of sales		*51.6%*	*13.6%*	*11.5%*	*15.1%*	*12.3%*
Research & Development		**11,316**	**5,710**	**5,490**	**5,681**	**5,738**
% of sales		*11.3%*	*2.2%*	*1.8%*	*2.8%*	*2.4%*
General & Administrative		**42,420**	**23,715**	**23,954**	**20,333**	**18,300**
% of sales		*42.3%*	*14`%*	*8.0%*	*10.2%*	*7.8%*
Other Operating Income & Loss Provision		**(23,620)**	**(12,938)**	**(8,175)**	**(20,284)**	**(10,142)**
% of sales		*-23.5%*	*-5.0%*	*-2.7%*	*-10.1%*	*-4.3%*
Operating Income		**(84,347)**	**(44,001)**	**(51,973)**	**(22,551)**	**(19,524)**
Margin		*-84.1%*	*-17.0%*	*-17.3%*	*-11.3%*	*-8.3%*
EBITDA		**(77,266)**	**(41,751)**	**(50,028)**	**(20,508)**	**(17,481)**
Margin		*-77.0%*	*-16.2%*	*-16.7%*	*-10.2%*	*-7.5%*
Other Expenses/(Income)		**(5,653)**	**1,479**	**(33,641)**	**8,329**	**290**
%		*-5.6%*	*0.6%*	*-11.2%*	*4.2%*	*0.1%*
EBIT		**(78,694)**	**(45,480)**	**(18,332)**	**(30,880)**	**(19,814)**
%		*-78.4%*	*-17.6%*	*-6.1%*	*-15.4%*	*-8.5%*
Total Interest Exp (net)		**14,645**	**6,503**	**3,093**	**3,304**	**3,304**
%		*14.6%*	*2.5%*	*1.0%*	*1.7%*	*1.4%*
Net Profit Before Tax		**(93,339)**	**(51,983)**	**(21,425)**	**(34,184)**	**(23,118)**
%		*-93.0%*	*-20.1%*	*-7.1%*	*-17.1%*	*-9.9%*
Income Tax		**5**	**39**	**53**	**0**	**0**
% Effective Rate		*0.0%*	*-0.1%*	*-0.2%*	*0.0%*	*0.0%*
% Cash Tax Rate		*0.0%*	*-0.1%*	*-0.2%*	*0.0%*	*0.0%*
Minority Interests or Preferred Stock		**2,390**	**52**	**108,523**	**0**	**0**
Net Profit		**(95,734)**	**(52,074)**	**(130,001)**	**(34,184)**	**(23,118)**
%		*-95.4%*	*-20.2%*	*-43.4%*	*-17.1%*	*-9.9%*
Non-recurring income (expense)		(18,477)	23,977	37,651		
Average Diluted Shares Outstanding		1,100,650	116,842	1,344,537	141,908	141,908
Reported FD EPS		(0.10)	(0.24)	(0.07)		
Zacks Cash EPS						
Zacks EPS		**(0.09)**	**(0.45)**	**(0.10)**	**(0.24)**	**(0.16)**

Source: Zacks analyst forecast

HISTORICAL STOCK PRICE



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