

GAOITU Investor Presentation

May 2021

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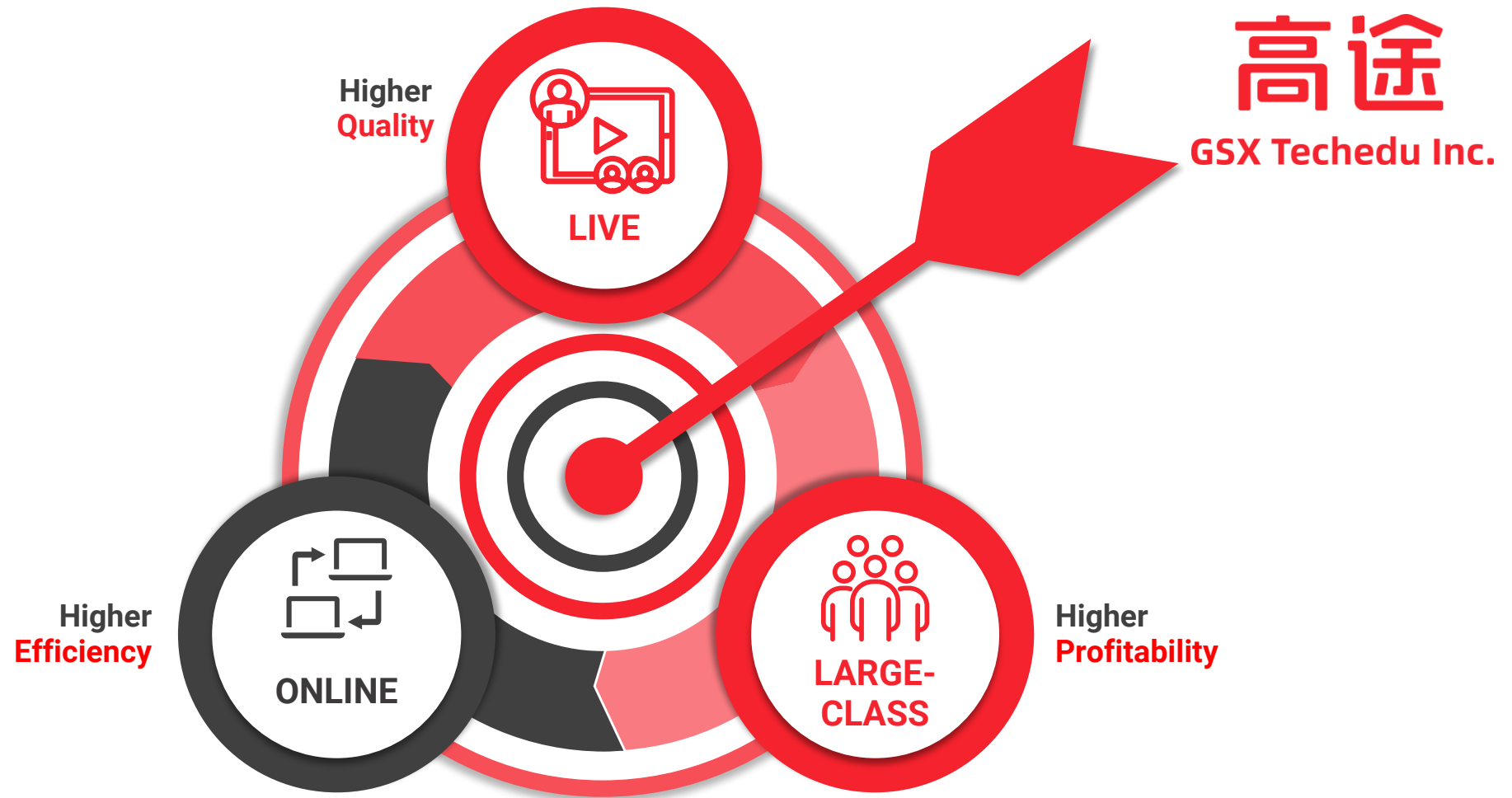
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OUR MISSION

**MAKE EDUCATION BETTER
THROUGH TECHNOLOGY**

Leadership in China's Online K-12 Large-class After-school Tutoring Market⁽¹⁾

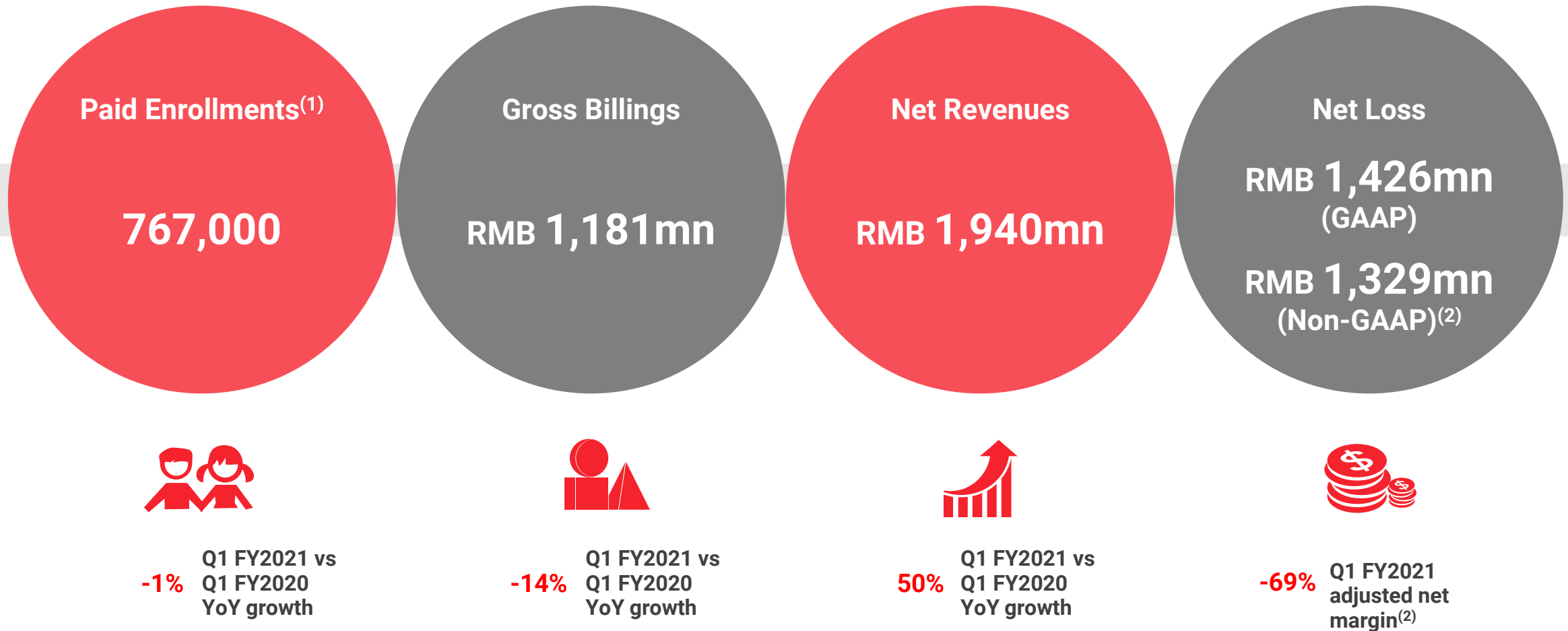


Laser-focused on Online Live Large-class Tutoring

Note:

(1) 3rd largest online K-12 large-class after-school tutoring service provider in China in terms of gross billings in 2018, according to Frost & Sullivan

GOTU Q1 FY2021 Overview



Notes:

- (1) "Paid enrollments" for a certain period refer to the cumulative number of paid courses (priced at or above RMB99.0) enrolled in and paid for by the students, including multiple paid courses enrolled in and paid for by the same student
- (2) Adjusting for share-based compensation expenses of RMB 96mn

Company Highlights

01

Leadership in China's online K-12 large-class after-school tutoring market

02

Superior education quality

03

Robust proprietary technology infrastructure and application

04

Highly scalable business model with exceptional operating efficiency

05

Renowned founder and seasoned management team with a corporate DNA of student service

Our Comprehensive Courses and Service Offerings



Gaotu K12:
K-12 Courses



Gaotu Professional:
Foreign language, professional, admission and other services



Other Courses and Service
Offerings

Core expertise in online K-12 courses across all primary and secondary grades

	Elementary School						Middle School			High School		
	1	2	3	4	5	6	7	8	9	10	11	12
Mathematics	●	●	●	●	●	●	●	●	●	●	●	●
English	●	●	●	●	●	●	●	●	●	●	●	●
Chinese	●	●	●	●	●	●	●	●	●	●	●	●
Physics							●	●	●	●	●	●
Chemistry									●	●	●	●
Biology										●	●	●
History										●	●	●
Geography											●	●
Political Science												●

● Offered by us

Superior Education Quality


High Quality Instructors and Professional Tutors



High Quality Instructors

Teaching and being role model

 **Graduates from PKU and TSU**
as well as the Ivy League

 **Seasoned academic gurus**
from top education institutions

 **Highest average compensation**
among the online service providers

**Disseminate China's scarce high
quality teaching resources through
specialization and collaboration**

**Centralized
Recruitment
System**

Professional Tutors

Tutoring and providing emotional support



- Proficient in the relevant subjects
- Responsible
- Able to communicate and learn fast



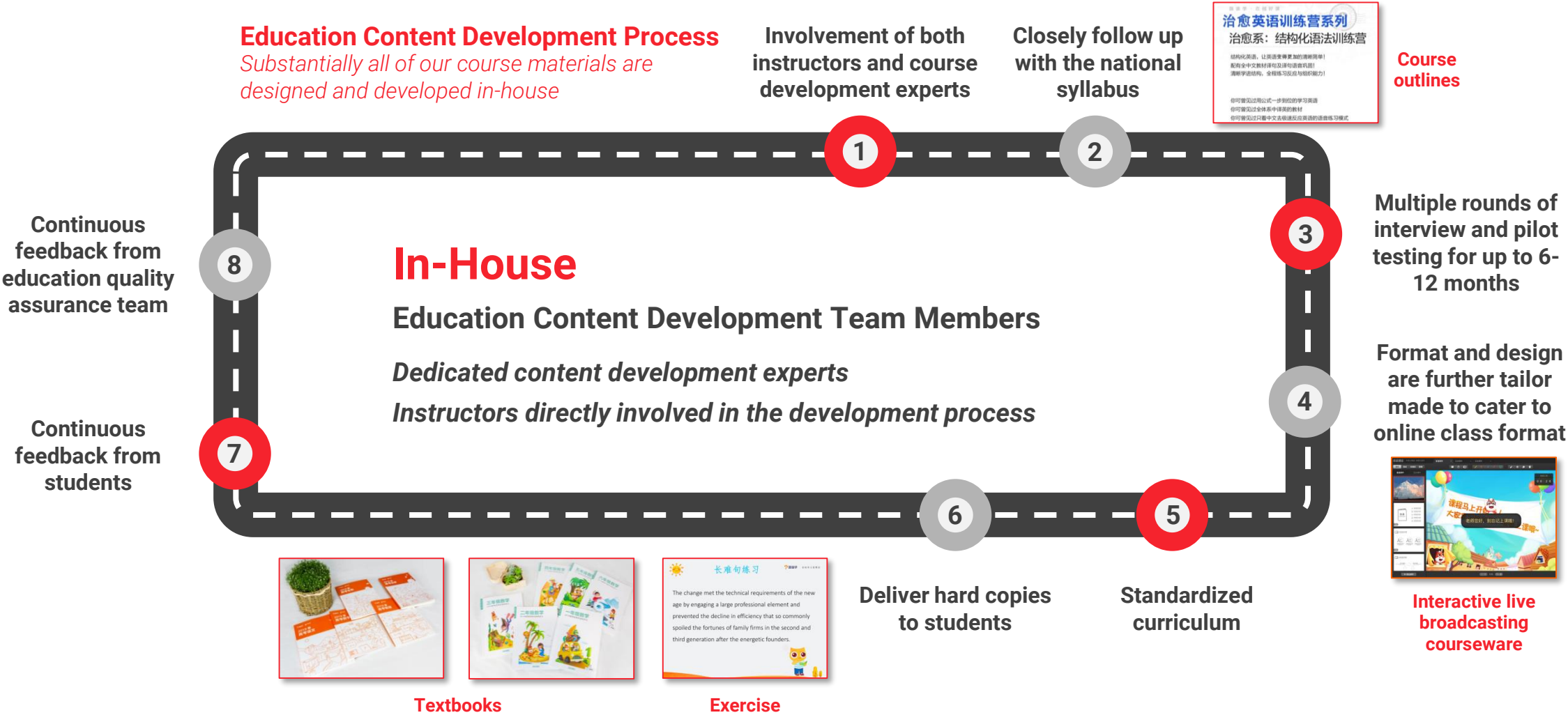
Fresh and recent graduates of reputable
universities in China



33 links of work flow

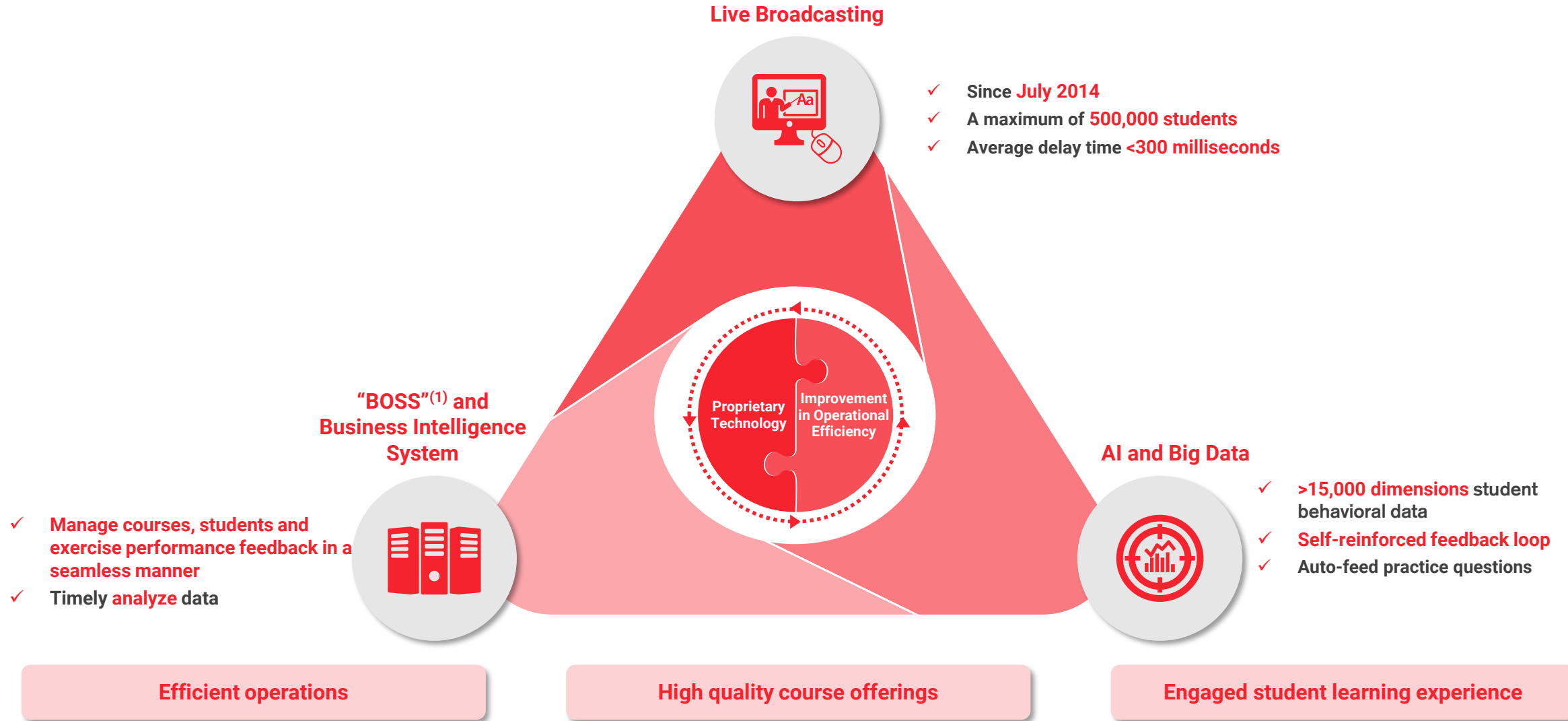
Superior Education Quality

In-house Curriculum Development



Superior Education Quality

Robust Proprietary Technology Infrastructure and Application



Note:
(1) Business Operations Support System

Our Experienced Management Team and Distinguished Board

Larry Xiangdong Chen *Founder, Chairman and CEO*

- Chairman and CEO since our inception
- Visionary and renowned industry leader with more than 30 years of experience in the education industry

Ming Liao *Independent Director*

- Independent director since June 2019
- Founding partner and director of Prospect Avenue Capital since July 2016

Yiming Hu *Independent Director*

- Independent director since June 2019
- Chairman of the board of Dongfang Beidou Technology (Beijing) Co., Ltd since April 2018

Xin Fan *Independent Director*

- Independent director since June 2019
- Chief Financial Officer of Bilibili Inc (NASDAQ:BILI) since September 2017

Xiuping Qi *Vice President*

- Vice president since May 2016
- Previously worked at Qunar and Alibaba

Wei Liu *Vice President*

- Vice president since November 2018
- Previously worked at Sohu and Accenture

Nan Shen *Chief Financial Officer*

- Chief Financial Officer since December 2018
- Previously worked at China Sinoedu Co., Ltd. and PwC

**>60 years of combined
industry experience**

**Strong
organizational capability**

**Corporate DNA of student
services**

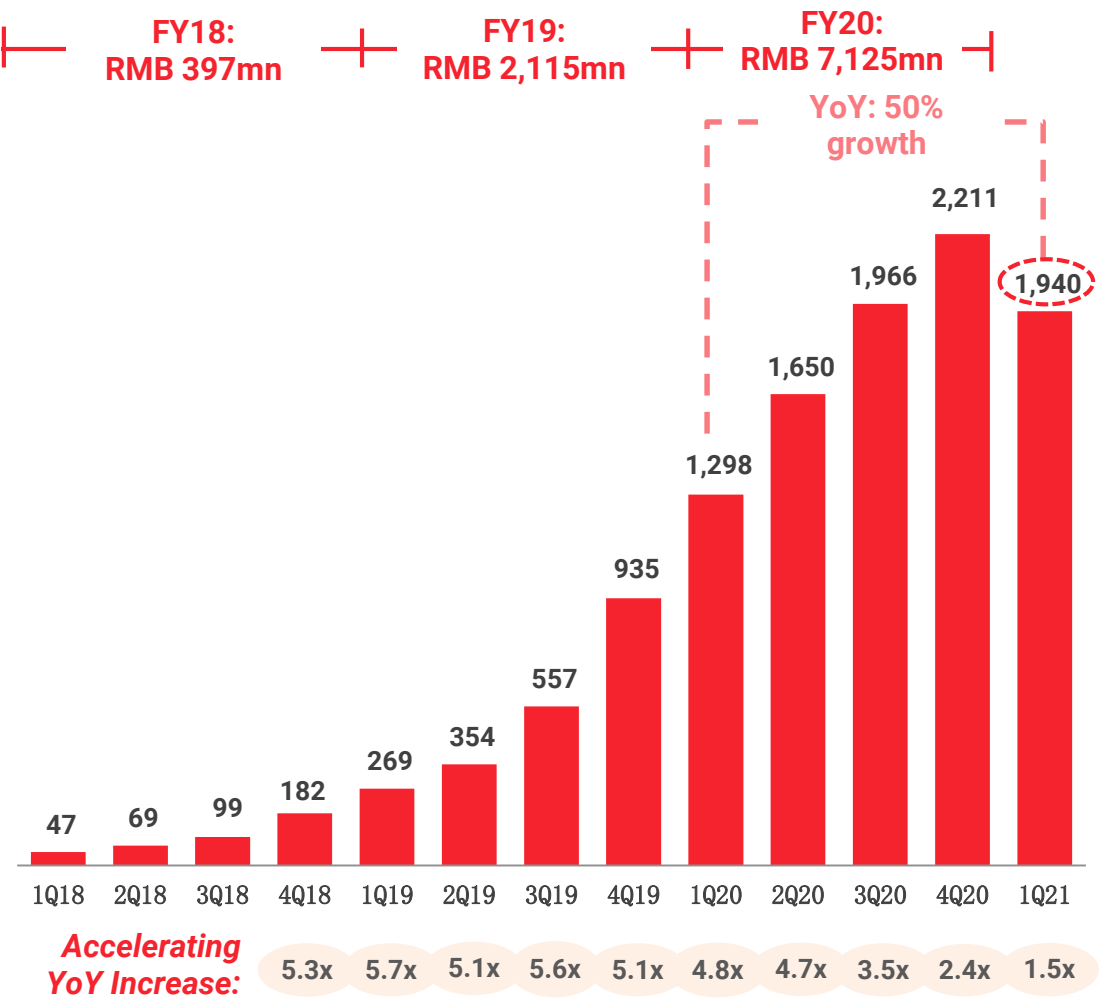
Tech-savvy

Passion for Education

Solid Business Growth

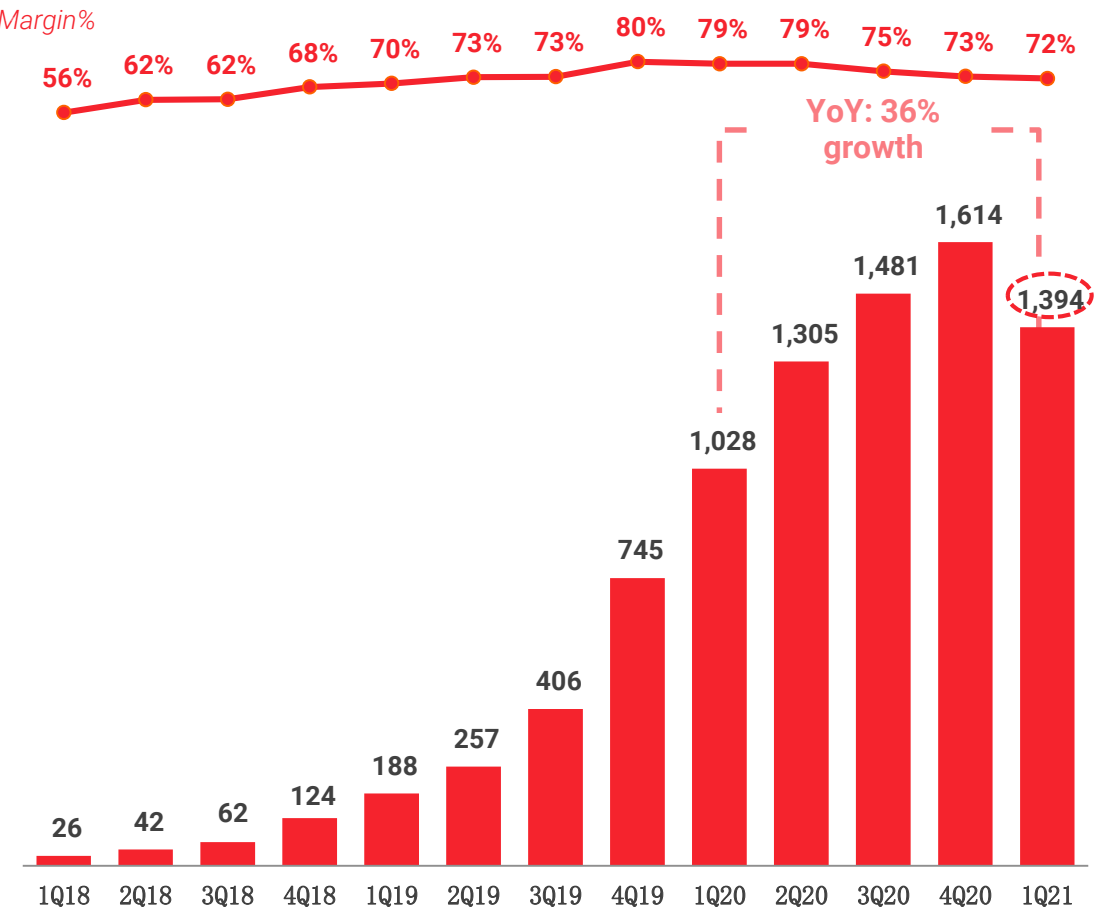
Net Revenues⁽¹⁾

(RMB millions)



Adjusted Gross Profit⁽²⁾

(RMB millions)



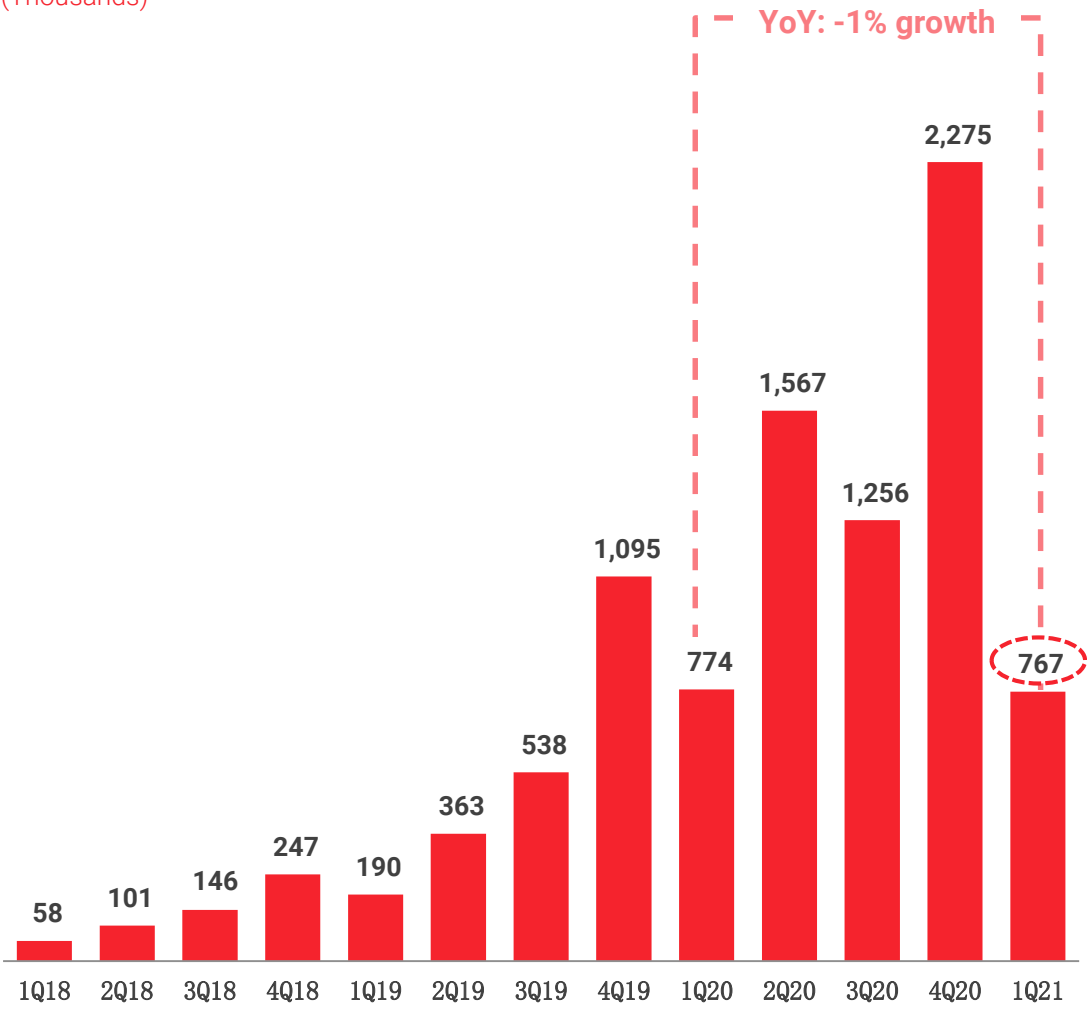
Notes:

- (1) Revenues net of discount, value added tax and related surcharges
- (2) Adjusted gross profit has excluded share-based compensation; GAAP gross margin in Q1 FY2021 is 71%

Solid Business Growth (Cont'd)

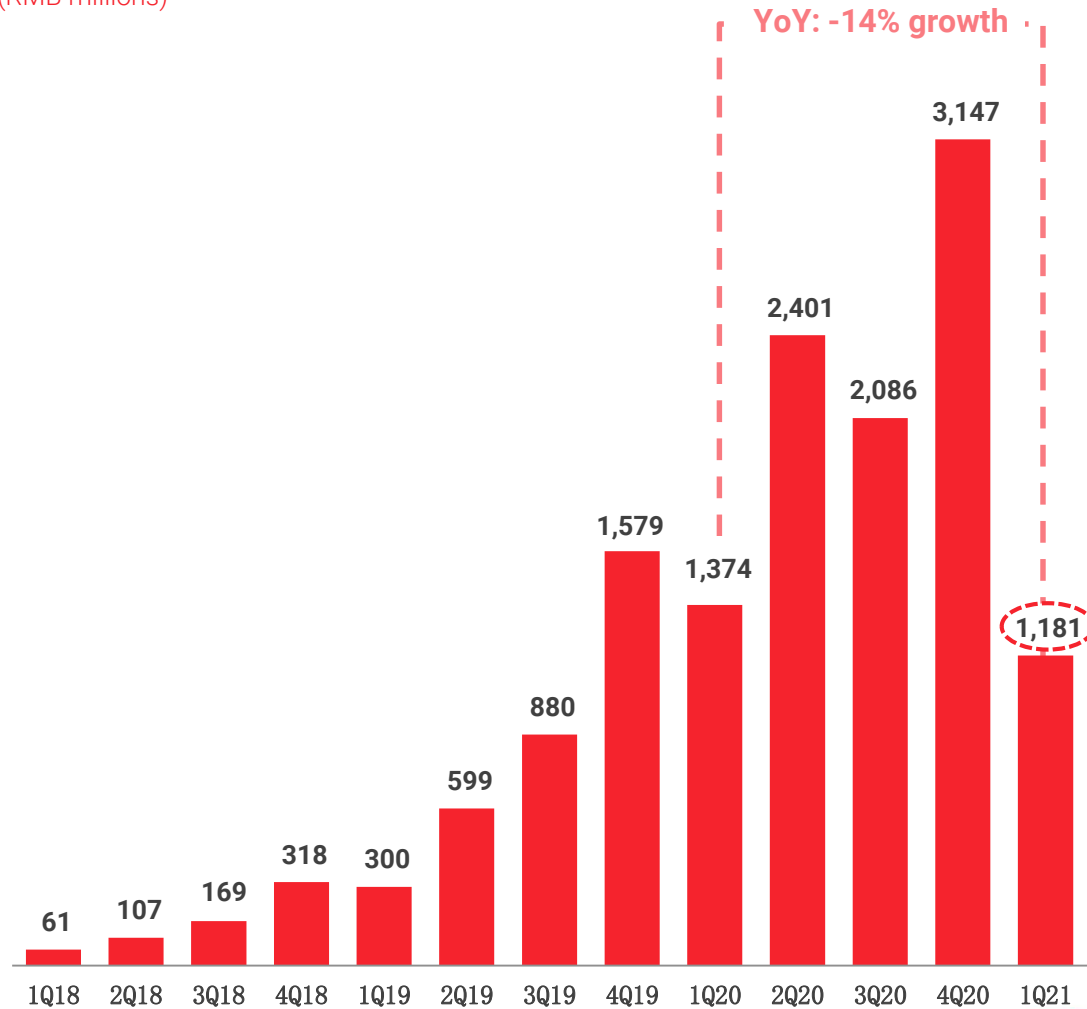
Paid Enrollments⁽¹⁾

(Thousands)



Gross Billings

(RMB millions)

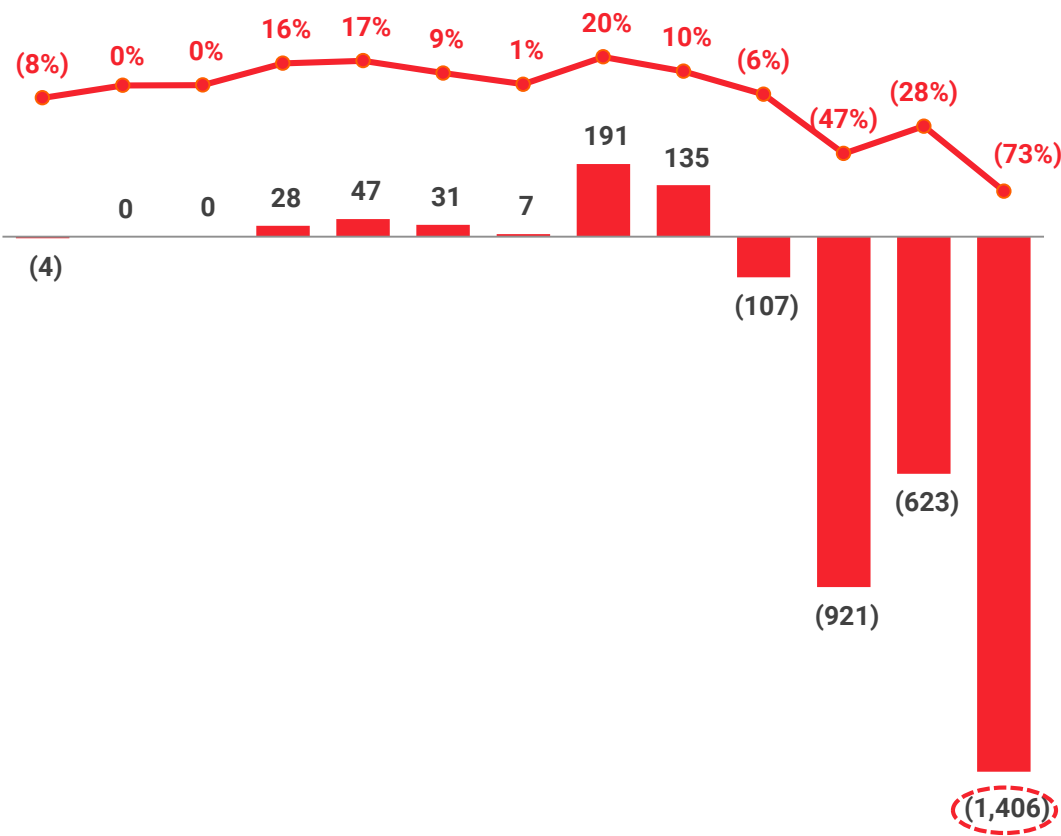


Notes:
(1) "Paid enrollments" for a certain period refer to the cumulative number of paid courses (priced at or above RMB99.0) enrolled in and paid for by the students, including multiple paid courses enrolled in and paid for by the same student

Effective Growth on LTV basis

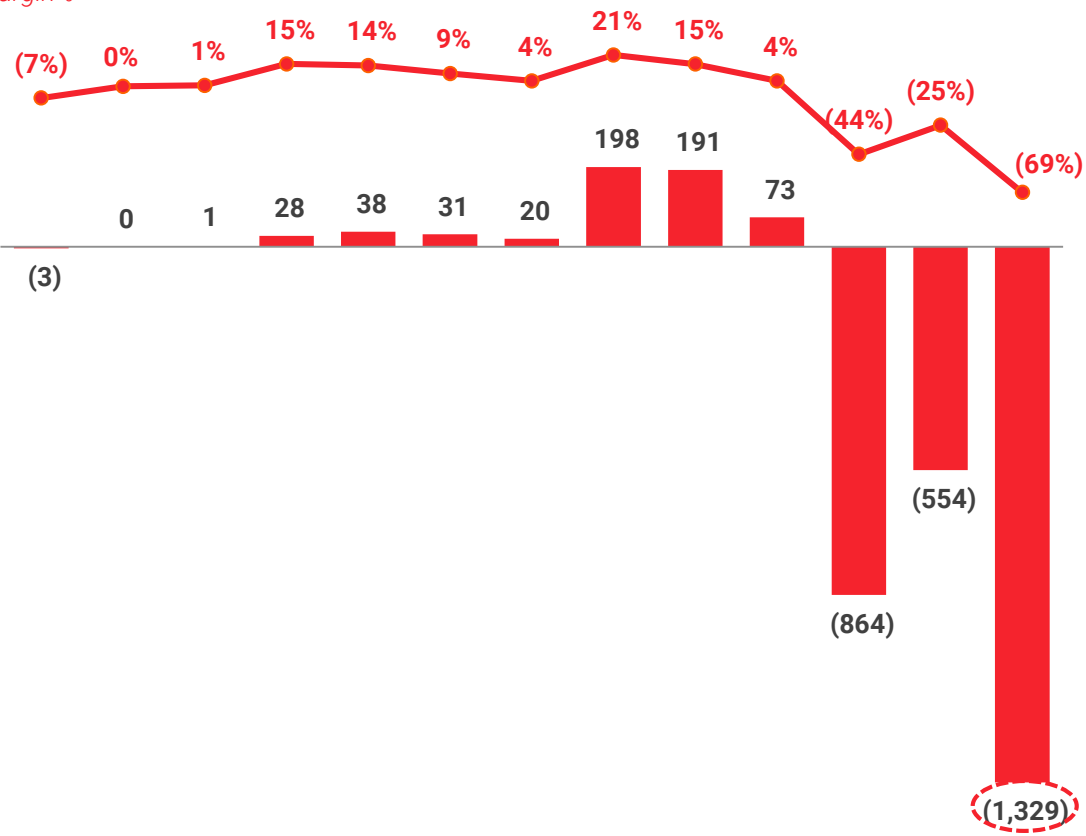
Adjusted Operating (Loss) / Profit⁽¹⁾

(RMB millions)
Margin%



Adjusted Net (Loss) / Profit⁽²⁾

(RMB millions)
Margin%

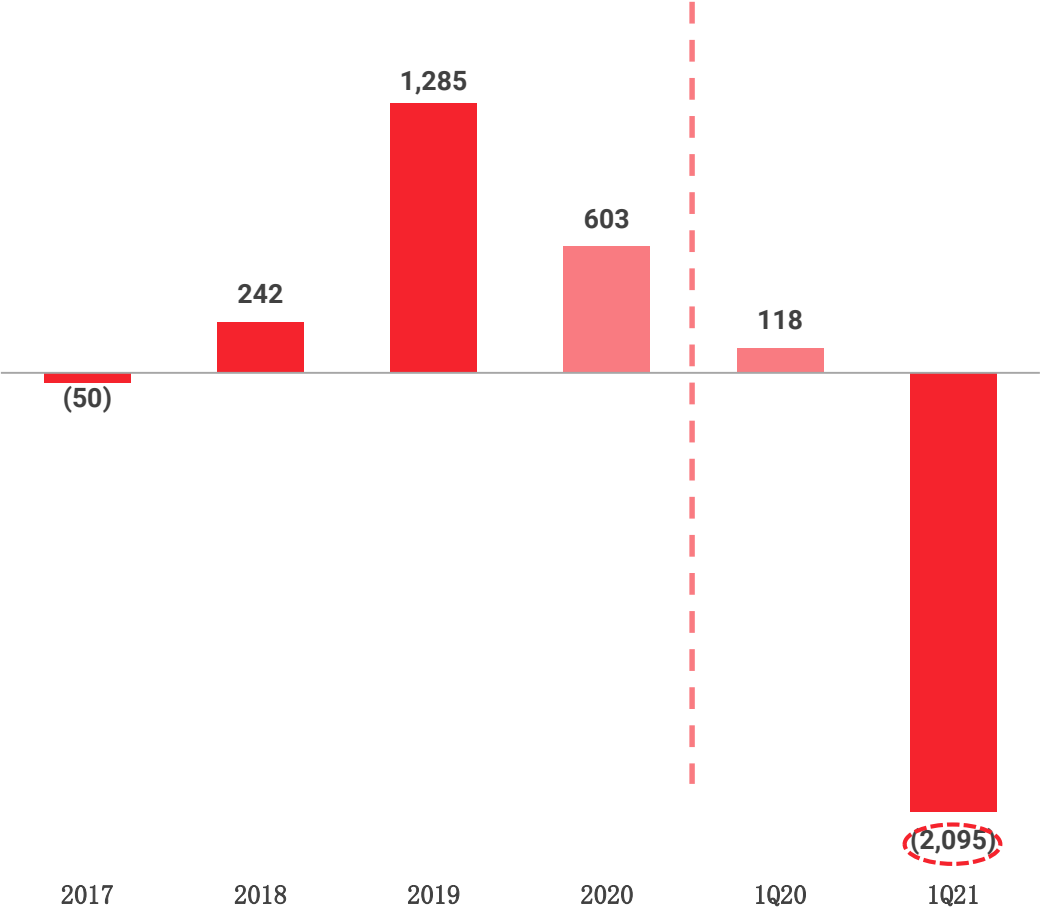


Notes:
(1) Adjusted operating profit / (losses) has excluded share-based compensation; GAAP operating loss in Q1 FY2021 is RMB1,503mn
(2) Adjusted net profits / (losses) have excluded share-based compensation; GAAP net loss in Q1 FY2021 is RMB1,426mn

Robust Balance Sheet

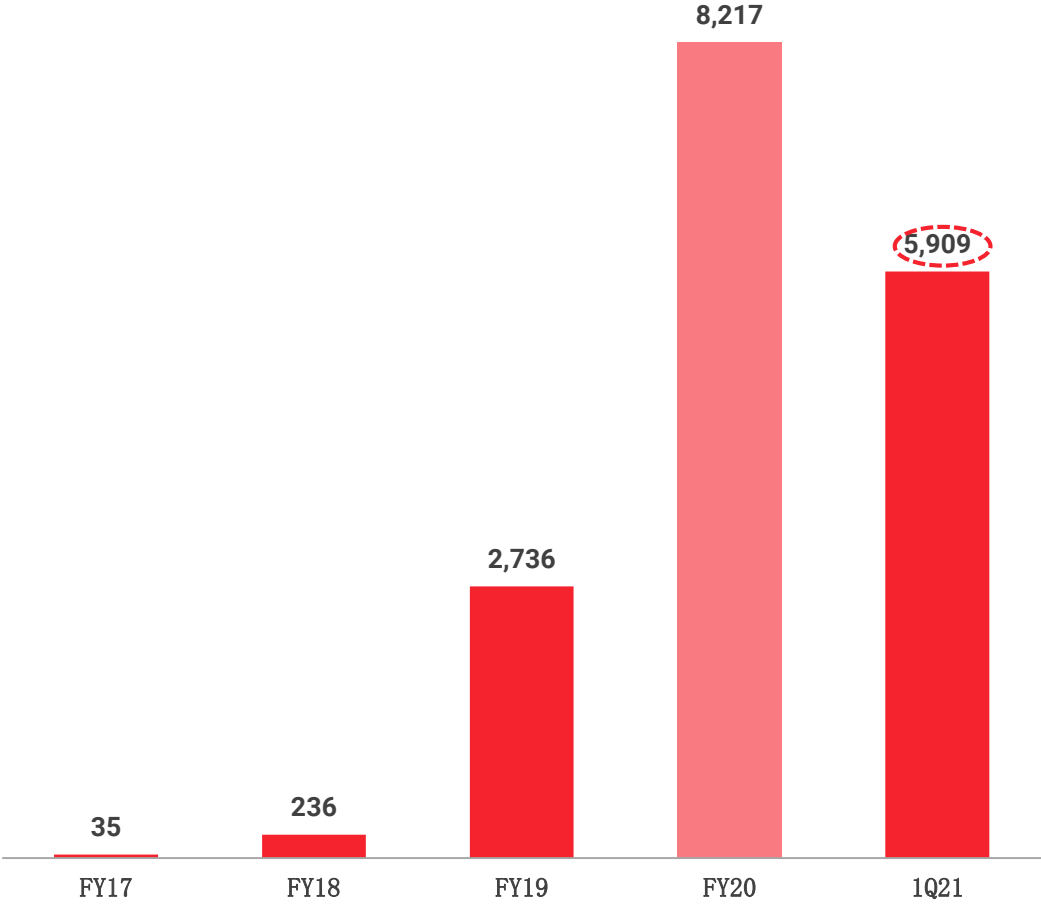
Operating Cash Flows

(RMB millions)



Cash and Cash Equivalents, Restricted Cash, Short-term and Long-term Investments

(RMB millions, as of the end of each period)



Our Growth Strategies

1

Continue to enhance the quality of education services and students' learning experience



2

Attract and develop teaching talent



3

Strengthen technologies and data analytics capabilities



4

Expand course offerings



5

Enhance brand recognition



Enhance Student Engagement and Increase Paid Course Enrollment

Thank You

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