

The logo for ATA, featuring the lowercase letters 'ata' in a bold, red, sans-serif font. The letters are enclosed within a red square frame that has a slightly irregular, hand-drawn appearance.

## 2018 SECOND QUARTER EARNINGS CALL

August 16, 2018

### Speakers

Mr. Kevin Ma, Chairman and CEO

Mr. Jack Huang, President

Ms. Amy Tung, CFO

# SAFE HARBOR

- This presentation was developed by ATA and is intended to be used solely in connection with ATA's earnings call for the second quarter ended June 30, 2018. This presentation is not to be construed as an offer to sell or the solicitation of an offer to buy the Company's securities. This presentation is based upon information available to the public, as well as other information from sources which management believes to be reliable, but is not guaranteed by the Company as being accurate nor does it purport to be complete. The forward-looking statements contained in this presentation are made only of this date, and ATA is under no obligation to revise or update these forward-looking statements.
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- All statements other than statements of historical fact in this presentation are forward-looking statements, including but not limited to the Transaction, ATA's future growth and results of operations, ATA's plans for mergers and acquisitions generally, the anticipated benefits to ATA's expansion efforts into the international education studies market, the anticipated acquisition of Beijing Biztour, and the ability of ATA and Beijing Biztour to cooperate effectively and to introduce offerings and build partnerships; and other risks detailed in the Company's filings with the Securities and Exchange Commission. Although we believe our expectations expressed in such forward-looking statements are reasonable, we cannot assure you that they will be realized. Investors are cautioned that such forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the anticipated results, and therefore we refer you to a more detailed discussion of the risks and uncertainties in the Company's filings with the Securities & Exchange Commission.

Note: All U.S. dollar amounts in this presentation, relating to the financial results for the second quarter ended June 30, 2018, are converted from RMB using an exchange rate of 6.6171 RMB:1 USD. All historical conversions are accurate as of the time reported, unless otherwise noted. The Company reports its financial results under U.S. GAAP in RMB, and all percentages calculated in the presentation are based on RMB unless otherwise noted.

# OVERVIEW

ATA is focused on providing quality educational experiences for students throughout China and abroad. ATA aims to offer online, and other on-campus education programs through an extensive network of global education partners.

Nearly 20 years of experience in testing technologies and delivery services, unrivaled knowledge of China's assessment/education market

Possesses industry relationships with educational institutions and enterprises all over China

Established reputation as a leader in learning technologies committed to providing students with quality educational opportunities

## ATA At-A-Glance

Ticker	NASDAQ: ATAI
IPO	January 2008 (Underwriters: Merrill Lynch, Piper Jaffray)
Auditor	KPMG (since IPO)
Fiscal Year End	December 31
Recent Stock Price	\$6.65 (as of 8/14/2018)
Market Cap	\$152 million (as of 8/14/2018)
ADSs Outstanding	22.9 million
Book Value Per ADS	\$1.51

All information as of 6/30/2018 unless otherwise noted.



# ATA ONLINE TRANSACTION UPDATE

Kevin Ma, Chairman and CEO

# TRANSACTION TIMELINE

FEB 6, 2018

ATA entered into a share purchase agreement with a group of investors with respect to selling ATA Online and its direct shareholding companies

APR 4, 2018

First of three closings completed

JUN 27, 2018

Second of three closings completed

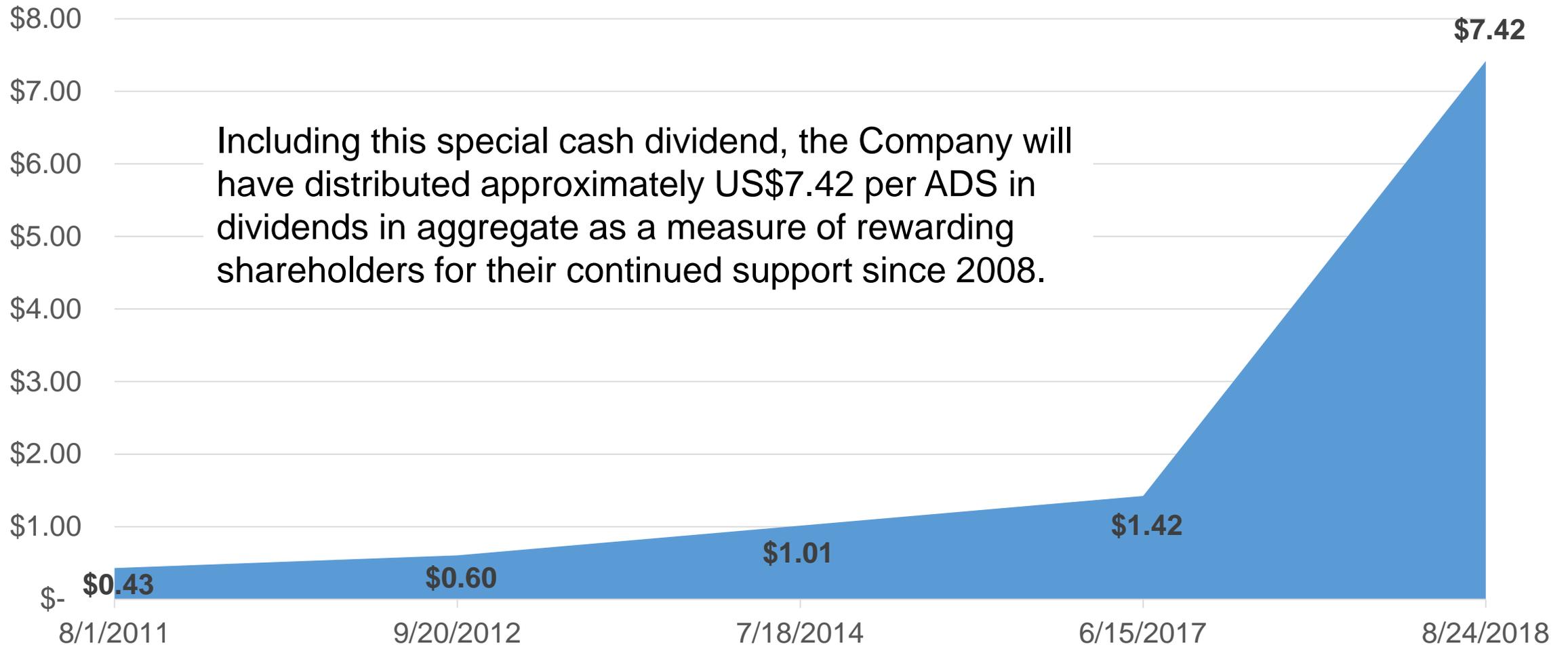
AUG 8, 2018

ATA's Board of Directors declares special cash dividend of US\$6.00 per ADS, in connection with and conditioned upon the completion of final closing of the Transaction

AUG 16, 2018

Third and final closing completed

# HISTORY OF DIVIDEND RETURNS TO SHAREHOLDERS





# 2018 SECOND QUARTER HIGHLIGHTS

Amy Tung, Chief Financial Officer

# KEY FINANCIAL HIGHLIGHTS

As in Q1 2018, business lines to be disposed were reclassified as discontinued operations and presented separately in the consolidated balance sheets and consolidated statements of comprehensive income (loss) in Q2 2018.

Net revenues from continuing operations decreased from RMB1.2 million to RMB77,076 as a result of the adoption of new revenue guidance ASC 606.

Net loss from continuing operations, net of income taxes, was RMB20.2 million, compared to RMB17.4 million in the prior-year period, primarily due to increased G&A expenses.

Net loss from discontinued operations, net of income taxes, was RMB79.5 million, compared to net income of RMB8.6 million in the prior-year period, primarily due to RMB110.8 million income taxes related to the Transaction, offset by approximately RMB28.6 million in net income generated by ATA Online.



# BALANCE SHEET

## Balance Sheet Highlights

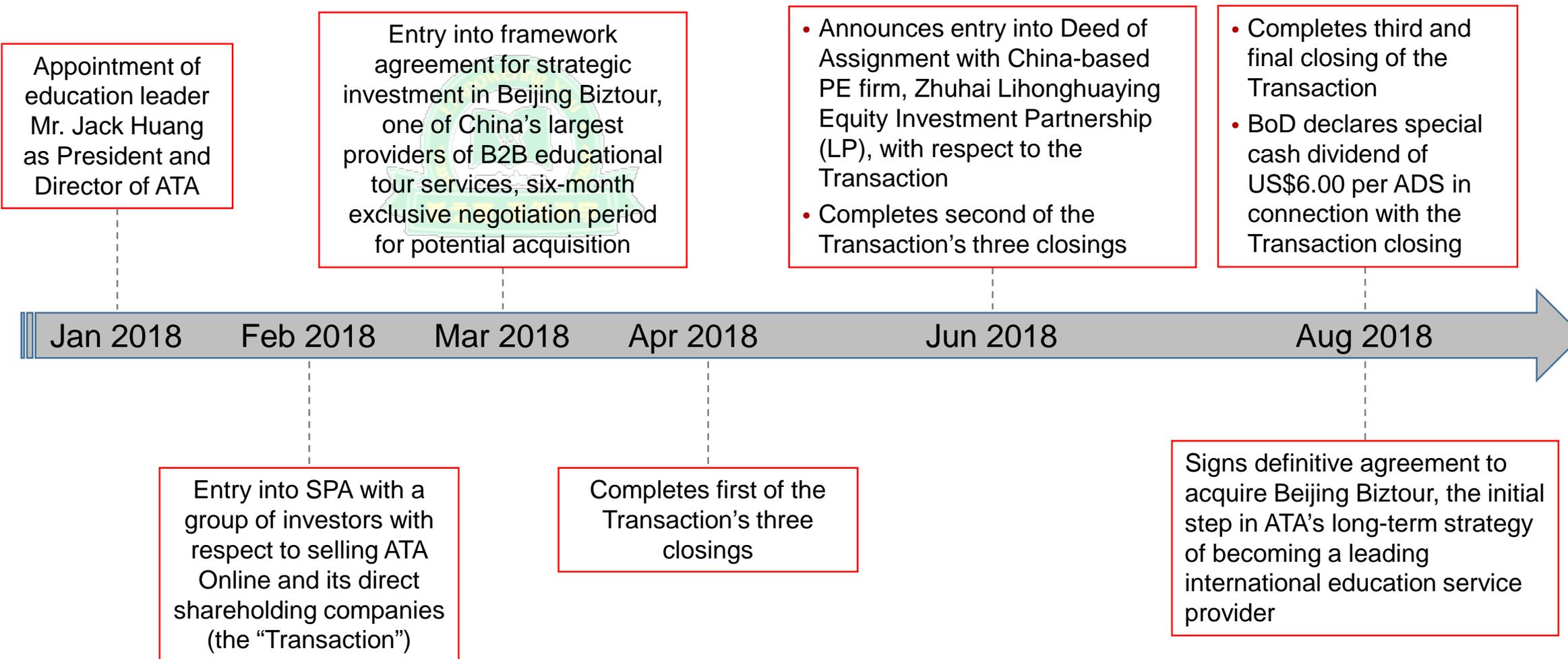
	12/31/2017	6/30/2018	12/31/2017	6/30/2018
In 000s	RMB		USD	
<b>Cash and Cash Equivalents</b>	53,478	287,202	\$8,219	\$43,403
<b>Assets Classified as Held for Sale</b>	310,014	848,572	\$47,648	\$128,239
<b>Total Current Assets</b>	366,816	1,158,873	\$56,379	\$175,133
<b>Total Assets</b>	568,442	1,295,958	\$87,368	\$195,850
<b>Liabilities Classified as Held for Sale</b>	111,304	695,737	\$17,107	\$105,142
<b>Total Current Liabilities</b>	141,766	1,004,698	\$21,789	\$151,834
<b>Total Liabilities</b>	167,064	1,028,833	\$25,677	\$155,481
<b>Mezzanine Equity</b>	36,304	37,717	\$5,580	\$5,700
<b>Shareholders' Equity</b>	365,073	229,408	\$56,111	\$34,669
<b>Total Liabilities, Mezzanine Equity &amp; Shareholders' Equity</b>	568,442	1,295,958	\$87,368	\$195,850



# GROWTH STRATEGY

Jack Huang, President

# TIMELINE OF RECENT CORPORATE EVENTS



# DETAILS OF ANTICIPATED BEIJING BIZTOUR ACQUISITION

- Under the terms of the definitive agreement, ATA will acquire Beijing Biztour International Travel Service Co., Ltd. (“Beijing Biztour”) for a total purchase price of RMB50.0 million:
  - RMB37.43 million, 50% payable in cash and 50% payable in newly issued shares of ATA
  - RMB12.57 million of incentive stock compensation for staff of Beijing Biztour over a three-year period
  - Share consideration calculated based on pre-dilution valuation of US\$150 million for ATA
- Management of Beijing Biztour is expected to stay on and work with ATA management on growing the business.
- Closing of acquisition expected in Q4 2018

# WHAT IS BEIJING BIZTOUR?



- Beijing Biztour International Travel Service Co., Ltd  
(北京美之旅国际旅行社股份有限公司)
- One of China's largest providers of B2B educational tour services
- Known for international educational study services primarily in the U.S., United Kingdom, and Australia for China-based students
- Serves 7,000+ students each year through its extensive global network of overseas partners
- Over 300 study tour products in 30+ global destinations

The screenshot displays the website's navigation menu with icons for: 夏冬令营 (Summer/Winter Camp), 语言学习 (Language Learning), 暑期课程 (Summer Courses), 海外实习 (Overseas Internship), 全球营地 (Global Camps), 志愿义工 (Volunteer Work), 出国留学 (Study Abroad), 美育国际交流 (Aesthetic International Exchange), 教育交流 (Educational Exchange), 教师项目 (Teacher Projects), 出国培训 (Overseas Training), and 私家定制 (Private Customization). The main banner features a Harvard University scene with the text '哈佛领导力 未来领袖之路' (Harvard Leadership: The Path to Future Leaders) and '体验原汁原味哈佛大学课堂, 感受名校风采' (Experience the authentic Harvard University classroom, feel the prestige of the school). Below the banner is a '夏冬令营' (Summer/Winter Camp) section with a search bar and filters for '线路搜索' (Route Search), including options for '住宿类型' (Accommodation Type), '目的地' (Destination), '出发月份' (Departure Month), '营地类型' (Camp Type), and '出发口岸' (Departure Port). A '观看视频' (Watch Video) button is also present. The '营地类别检索' (Camp Category Index) section lists various camps: 语言寄宿营 (Language Boarding Camp), 亲子游学营 (Parent-Child Study Tour Camp), 主题训练营 (Themed Training Camp), 素质拓展营 (Quality Expansion Camp), 国际插班营 (International Insertion Camp), 艺术交流营 (Art Exchange Camp), 体育训练营 (Sports Training Camp), and 国际公寓营 (International Apartment Camp).

# GROWTH STRATEGY

ATA plans to leverage its expertise in assessment/education technologies and services, as well as extensive industry relationships, to scale the growth of well-established education enterprises to expand its presence in China and beyond.

- Increase outreach to support a growing population of students seeking learning experiences outside the classroom (educational international travel experiences)
- Continue exploring M&A opportunities within the education sector
- Continue development of K-12 assessment tools and content, and support partner projects with Nanjing University and Tsinghua University





**At ATA Inc.**

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