

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. The background of the slide is a dark, semi-transparent image of a person's hands working on a laptop, with a white horizontal band across the middle containing the text.

ata

## 2018 FIRST QUARTER EARNINGS CALL

May 10, 2018

### Speakers

Mr. Kevin Ma, Chairman and CEO

Mr. Jack Huang, President

Ms. Amy Tung, CFO

# SAFE HARBOR

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Note: All U.S. dollar amounts in this presentation, relating to the financial results for the first quarter ended March 31, 2018, are converted from RMB using an exchange rate of 6.2726 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 China's market leader in advanced testing technologies and related services.

Since 1999, has provided large-scale, computer-based exam services for professional certification and skills assessment in China

Provides technologies for learning institutes/recruiters to improve overall learning/hiring efficiency and effectiveness

ATA estimates approx. 200 million exams are delivered annually in China's testing market.

## 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	\$5.32 (as of 5/9/2018)
Market Cap	\$122 million (as of 5/9/2018)
ADSs Outstanding	22.9 million
Book Value Per ADS	\$2.28

All information as of 3/31/2018 unless otherwise noted.



# 2018 FIRST QUARTER HIGHLIGHTS

Amy Tung, Chief Financial Officer

# TRANSACTION UPDATE

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

Early Q3 2018

Expects second closing to take place

Q3 2018

Anticipates completion of the Transaction

# KEY FINANCIAL HIGHLIGHTS

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).

Net revenues from continuing operations decreased from RMB2.3 million to RMB0.2 million as a result of the adoption of new revenue guidance ASC 606

Net loss from continuing operations, net of income tax, improved to RMB11.1 million from RMB35.1 million in the prior-year period, primarily due to RMB26.8 million decrease in withholding taxes

Net loss from discontinued operations, net of income tax, was RMB27.5 million, compared to RMB18.8 million in the prior-year period, as a result of:

- Increased test monitoring costs
- Increased operating expenses related to licensing fees and labor costs



# BALANCE SHEET

## Balance Sheet Highlights

	12/31/2017	3/31/2018	12/31/2017	3/31/2018
In 000s	RMB		USD	
<b>Cash and Cash Equivalents</b>	53,478	173,662	\$8,219	\$27,686
<b>Assets Classified as Held for Sale</b>	310,014	311,873	\$47,648	\$49,720
<b>Total Current Assets</b>	366,816	489,333	\$56,379	\$78,011
<b>Total Assets</b>	568,442	610,983	\$87,368	\$97,405
<b>Liabilities Classified as Held for Sale</b>	111,304	72,288	\$17,107	\$11,524
<b>Total Current Liabilities</b>	141,766	226,553	\$21,789	\$36,118
<b>Total Liabilities</b>	167,064	246,906	\$25,677	\$39,363
<b>Mezzanine Equity</b>	36,304	37,000	\$5,580	\$5,899
<b>Shareholders' Equity</b>	365,073	327,077	\$56,111	\$52,144
<b>Total Liabilities, Mezzanine Equity &amp; Shareholders' Equity</b>	568,442	610,983	\$87,368	\$97,405



# 2018 OUTLOOK

Kevin Ma, Chairman and CEO

Jack Huang, President



# BEIJING BIZTOUR STRATEGIC INVESTMENT

- 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



The screenshot displays the Meizhi Travel website interface. At the top, there is a navigation bar with links for '请登录' (Login), '注册' (Register), '订单管理' (Order Management), '收藏本站' (Bookmark), '资料下载' (Download), '美之旅介绍' (Introduction), 'English', and '代理后台' (Agent Backend). Below this is a secondary navigation bar with icons for '夏令营' (Summer 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), '志愿服务' (Volunteer Service), '出国留学' (Overseas Study), '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 the text '海外游学第一股' (First Stock of Overseas Study), '热烈祝贺' (Warm Congratulations), and '美之旅登陆新三板' (Meizhi Travel's New Listing on the New Three Boards), with the stock code '股票代码: 870076'. Below the banner is a search section for '夏冬令营' (Summer and Winter Camps) with a search bar and a '夏令营直播室入口>>' (Summer Camp Live Room Entrance) link. The search section includes a '线路搜索' (Route Search) form with dropdown menus 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), along with a '搜索' (Search) button. Below the search form is a '观看视频' (Watch Video) button and a '美国游学签证动画指导' (USA Visa Status Checking) link. The main content area is divided into '营地类别检索 Camp Category Index' and '夏冬令营重点推广项目' (Summer and Winter Camps Key Promotion Projects). The '营地类别检索' section includes a grid of images and labels for '语言寄宿营' (Language Boarding Camp), '亲子游学营' (Parent-Child Study Camp), '主题训练营' (Theme 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). The '夏冬令营重点推广项目' section includes a '查看更多项目 >>' (View More Projects >>) link. On the right side of the page, there are three vertical buttons: '在线客服' (Online Customer Service), 'QQ交流群' (QQ Exchange Group), and a QR code with the text '扫一扫 关注我们' (Scan QR Code to Follow Us). At the bottom right, there is a 'TOP' button with an upward arrow.

# GROWTH STRATEGY

- Explore M&A opportunities within the education sector
- Leverage existing competency-focused assessment and education service capabilities to pursue new business opportunities
- Continue development of K-12 assessment tools and content, and support partner projects with Nanjing University and Tsinghua University





**At ATA Inc.**

Amy Tung, CFO  
+86 (10) 6518 1122 x 5518  
[amytung@atai.net.cn](mailto:amytung@atai.net.cn)

**Investor Relations Counsel:  
The Equity Group**

Carolyn Y. Sohn  
(415) 568-2255  
[csohn@equityny.com](mailto:csohn@equityny.com)

Adam Prior  
(212) 836-9606  
[aprior@equityny.com](mailto:aprior@equityny.com)