

Gaotu 2026Q1 Investor Presentation

June 2026

Safe Harbor Statement

This presentation contains forward-looking statements. These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as “will,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates” and similar statements. Among other things, the business outlook, as well as the Company’s strategic and operational plans, contain forward-looking statements. The Company may also make written or oral forward-looking statements in its reports filed with, or furnished to, the U.S. Securities and Exchange Commission, in its annual reports to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about the Company’s beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: the Company’s ability to continue to attract students to enroll in its courses; the Company’s ability to continue to recruit, train and retain qualified teachers; the Company’s ability to improve the content of its existing course offerings and to develop new courses; the Company’s ability to maintain and enhance its brand; the Company’s ability to maintain and continue to improve its teaching results; and the Company’s ability to compete effectively against its competitors. Further information regarding these and other risks is included in the Company’s reports filed with, or furnished to the U.S. Securities and Exchange Commission. All information provided in this press release and in the attachments is as of the date of this press release, and the Company undertakes no duty to update such information or any forward-looking statement, except as required under applicable law.

This presentation speaks as of the period from January 1, 2026 to March 31, 2026. Neither the delivery of this presentation nor any further discussions of the Company or any of its affiliates, shareholders, directors, employees, agents or advisors with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since that date.

Leading Technology-Driven Education Company in China

Learner-focused, tech-forward strategy propelling user engagement and sustainable, high-quality growth



Gaotu Techedu Inc.



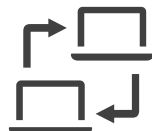
**PREMIUM
TEACHING
RESOURCES**

**Elite teachers &
Proprietary smart curriculum**

**Proven teaching results –
key competitive edge**

**All with AI, Always AI &
Big data analytics**

**Personalized, adaptive learning and
enhanced efficiency**



**AI
EMPOWERMENT**

**Various, flexible class formats
Large, small & 1-on-1 classes (on- & offline)**

**Comprehensive learning
scenarios addressing
broad-based user needs**



**DIVERSE
PRODUCT
MATRIX**

Gaotu Q1 2026 Business Overview

Learning services



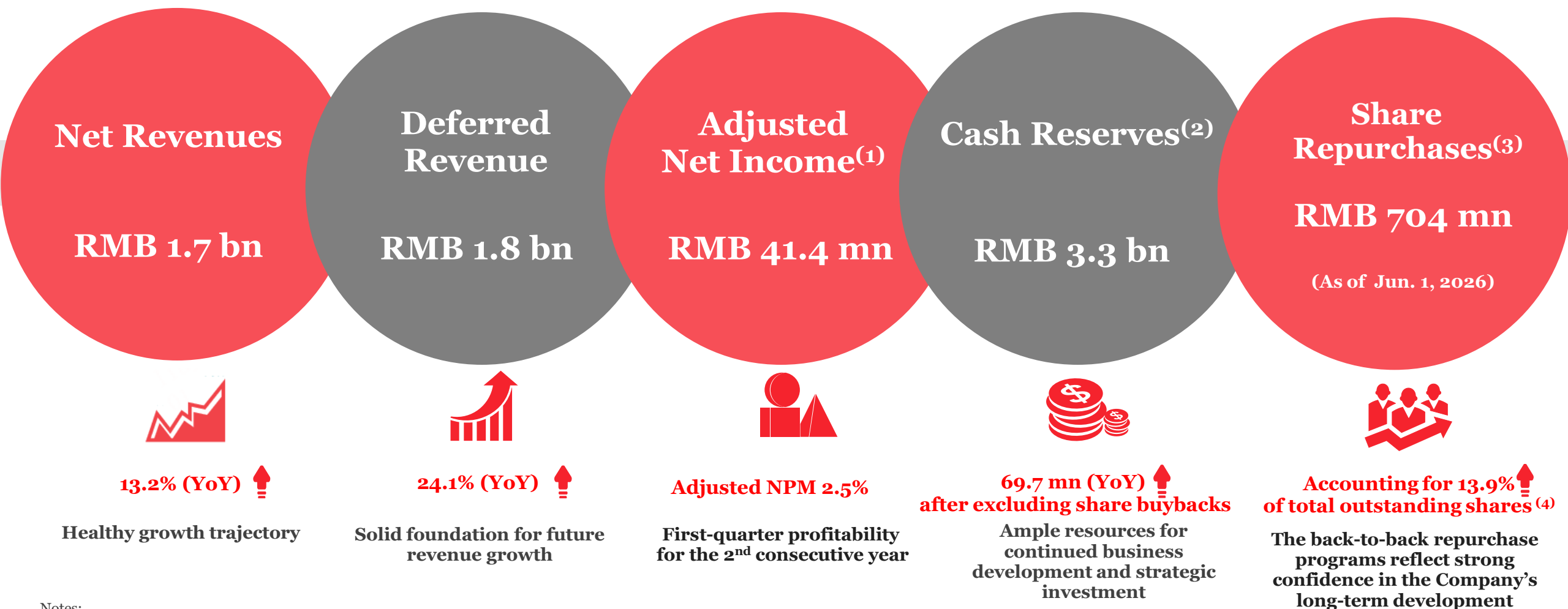
Educational services for college students and adults, overseas study-related services, non-academic tutoring services, and other traditional learning services.

Educational content & digitalized learning products



Smart learning tools, including smart textbooks and learning apps, that complement our learning services.

Gaotu Q1 2026 Overview – Financial Highlights



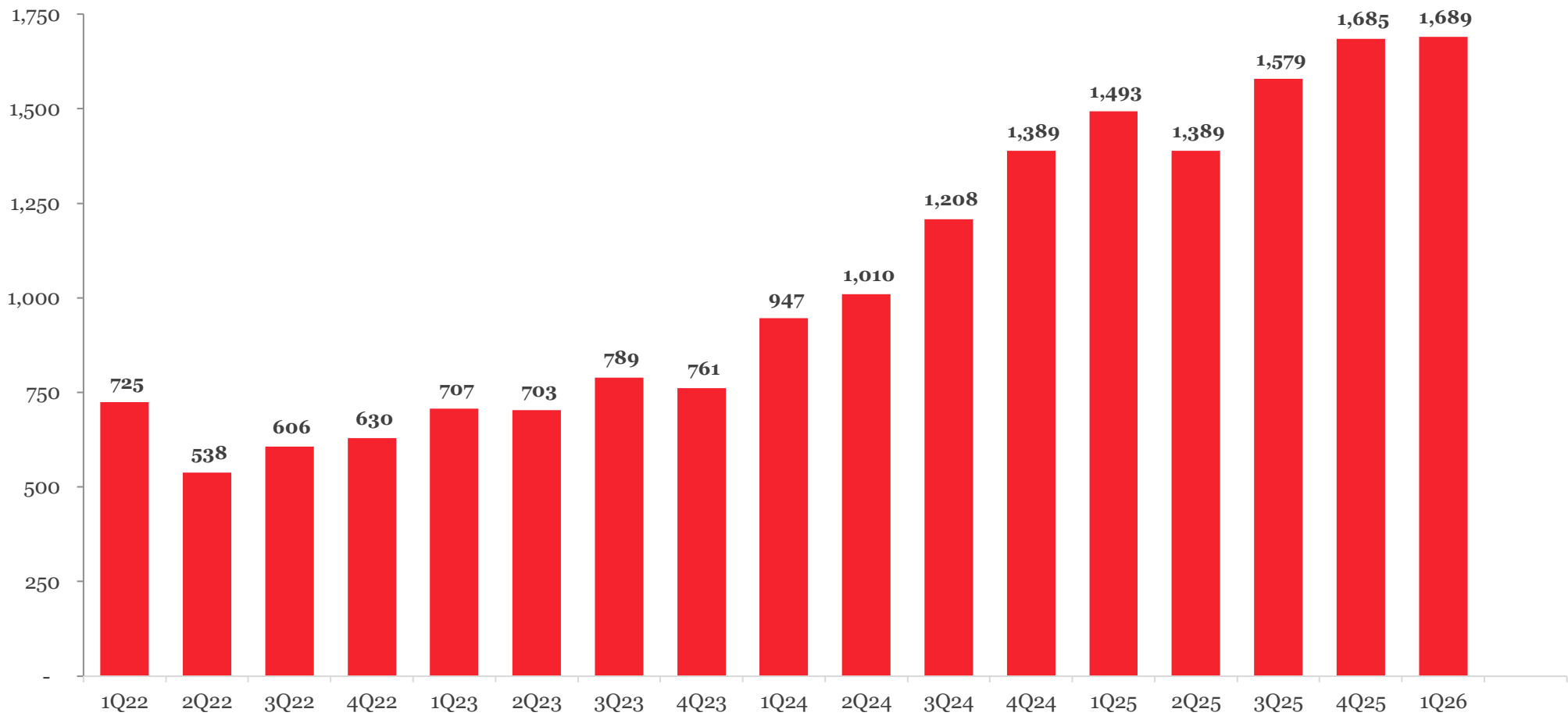
Notes:

- (1) Adjusted net income excludes share-based compensation expenses.
- (2) Cash Reserves include cash and cash equivalents, restricted cash, short-term and long-term investments as of March 31, 2026.
- (3) In Nov. 2022, the Company's board of directors (the "Board") authorized a three-year share repurchase program, and in Nov. 2023, the Board authorized the upsizing of the existing share repurchase program from USD 30 mn to USD 80 mn worth of ADSs. In May 2025, the Board authorized a new share repurchase program under which the Company may repurchase up to an aggregate value of US\$100 million of its shares during the three-year period beginning upon the completion of the Company's existing share repurchase program.
- (4) Calculated as total repurchased shares as of June 1, 2026, divided by total outstanding shares as of March 31, 2026.

Solid Business Growth

Net Revenues⁽¹⁾

(RMB millions)



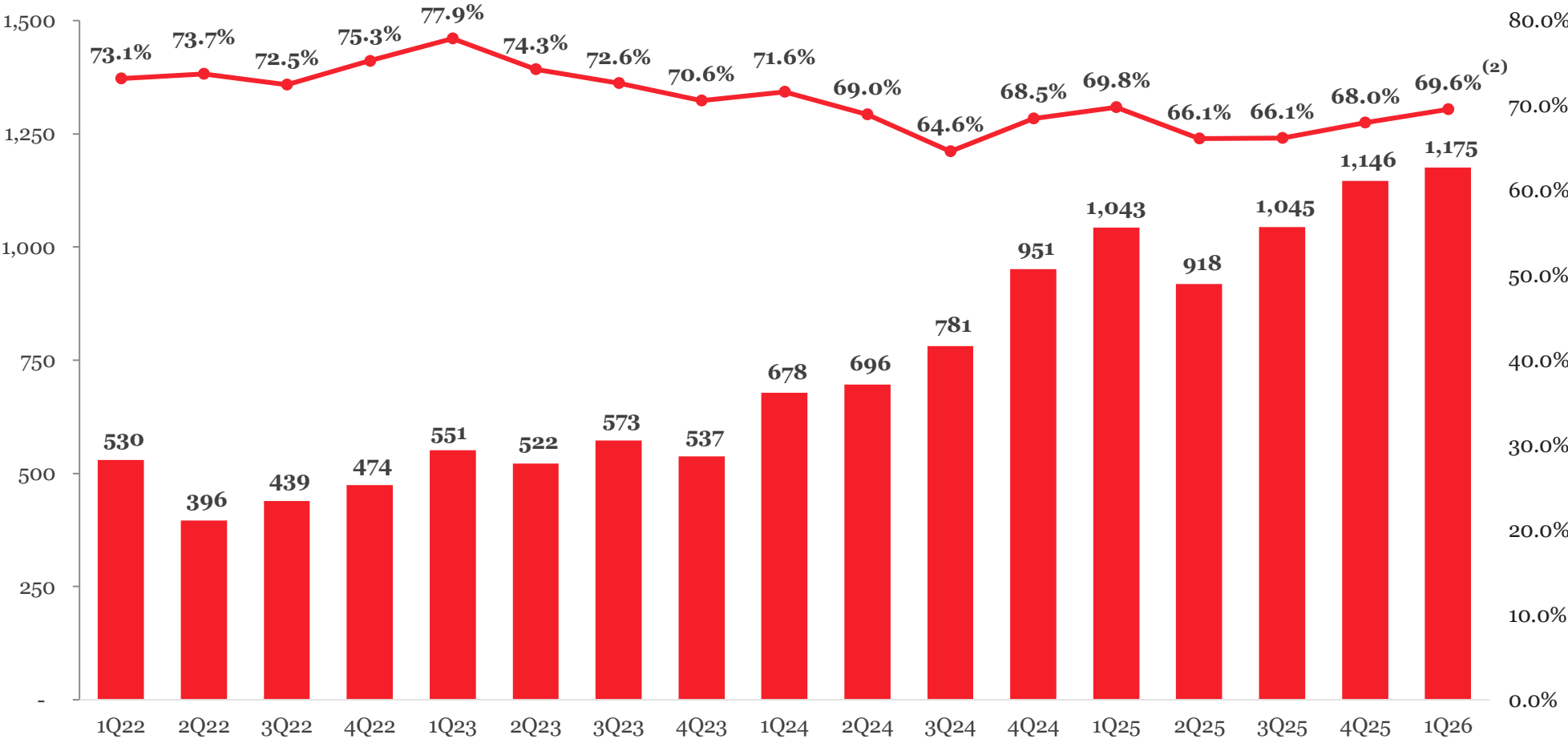
Note:
(1) Revenues net of discount, value added tax and related surcharges.

Solid Business Growth

Adjusted Gross Profit & GPM⁽¹⁾

(RMB millions)

Margin%



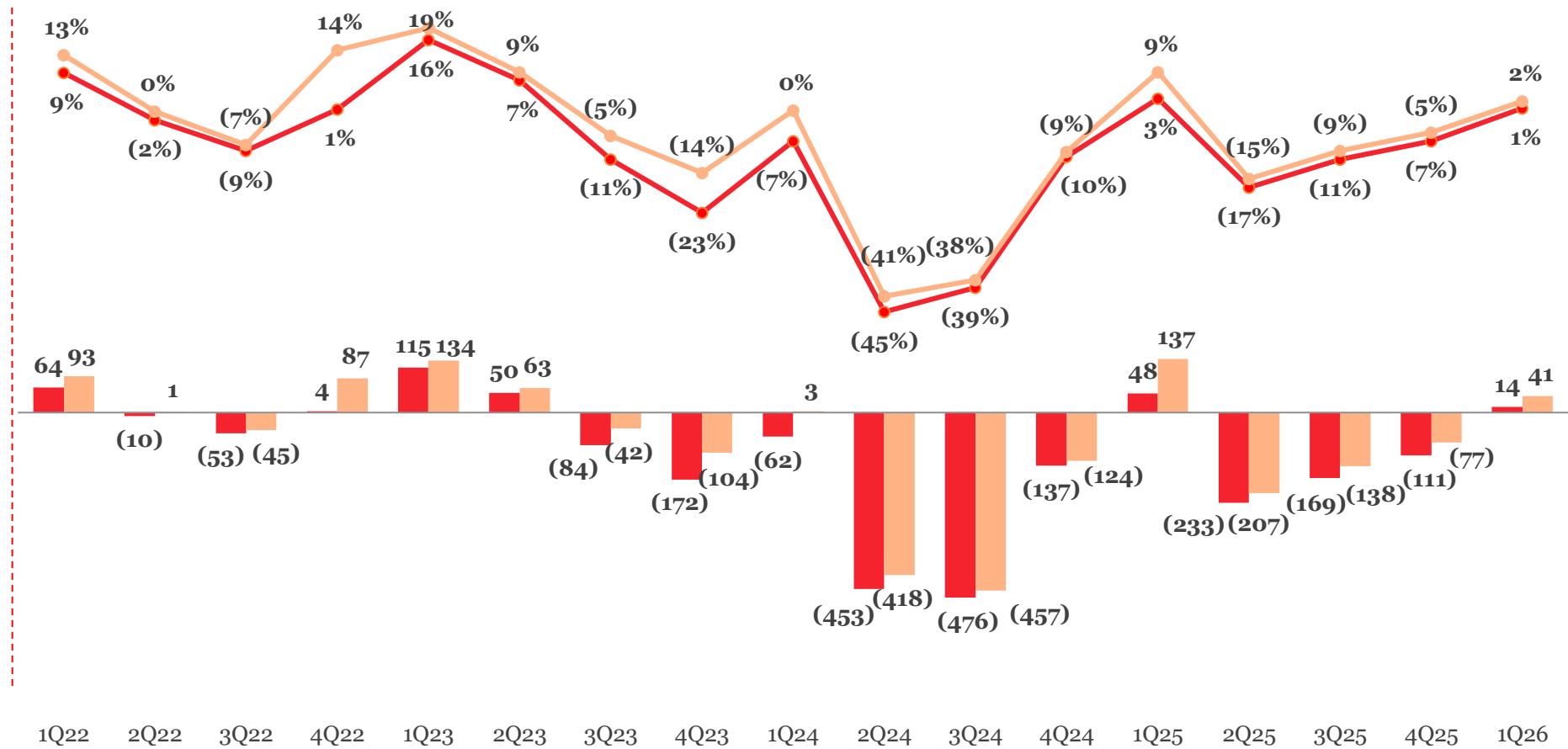
- Notes:
- (1) Adjusted gross profit excludes share-based compensation expenses in cost of revenues.
 - (2) The year-over-year decrease in adjusted gross margin was predominantly a result of change to our product mix (e.g. SKU expansion of one-on-one tutoring and offline expansion).

Effective Growth with Focus on Unit Economics

Adjusted Operating Profit / (Loss) ⁽¹⁾ & Adjusted Net Profit / (Loss) ⁽²⁾

(RMB millions)

Margin%



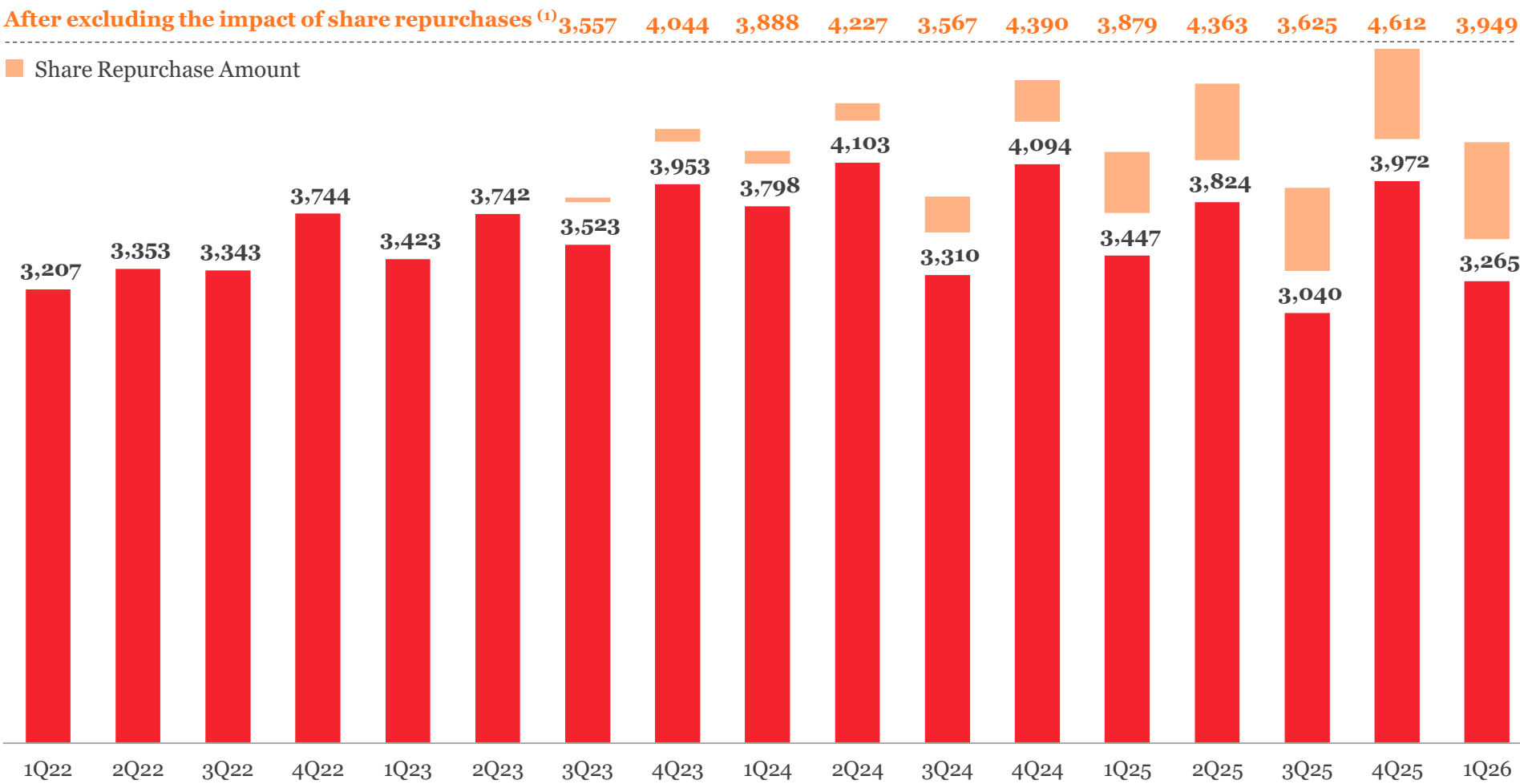
Notes:

- (1) Adjusted operating profit (loss) excludes share-based compensation expenses.
- (2) Adjusted net profit (loss) excludes share-based compensation expenses.

Strong Cash Position

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

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



Note:

(1) Cash position excluding share repurchase impact includes the share repurchase value, in addition to cash and cash equivalents, restricted cash, short-term and long-term investments as of March 31, 2026.

Consolidated Statements of Operations

Summary of key financials

(RMB in thousands)

	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2025 FY	2026 Q1	2026 Q1 YoY %
Gross Billings	888,725	2,252,387	1,188,909	2,573,685	6,903,706	996,262	12.1%
Net Revenues	1,493,043	1,389,388	1,579,026	1,685,315	6,146,772	1,689,475	13.2%
Cost of revenues	(452,461)	(472,840)	(535,528)	(540,864)	(2,001,693)	(514,815)	13.8%
Gross profit	1,040,582	916,548	1,043,498	1,144,451	4,145,079	1,174,660	12.9%
Operating expenses:							
Selling expenses	(709,421)	(820,946)	(873,399)	(885,298)	(3,289,064)	(844,111)	19.0%
Research and development expenses	(150,455)	(148,195)	(162,912)	(165,385)	(626,947)	(158,956)	5.7%
General and administrative expenses	(145,933)	(189,272)	(185,212)	(211,817)	(732,234)	(164,720)	12.9%
Total operating expenses	(1,005,809)	(1,158,413)	(1,221,523)	(1,262,500)	(4,648,245)	(1,167,787)	16.1%
Income (Loss) from operations	34,773	(241,865)	(178,025)	(118,049)	(503,166)	6,873	-80.2%
Net income (loss)	123,991	(215,994)	(147,121)	(84,183)	(323,307)	34,511	-72.2%
Non-GAAP net income (loss)⁽¹⁾	137,339	(206,849)	(137,745)	(76,834)	(284,089)	41,416	-69.8%

Note:

(1) Non-GAAP net (loss) income excludes share-based compensation expenses.



Mission : Make Learning Better

Values: Customer First, Integrity, Ownership, Collaboration, Innovation



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