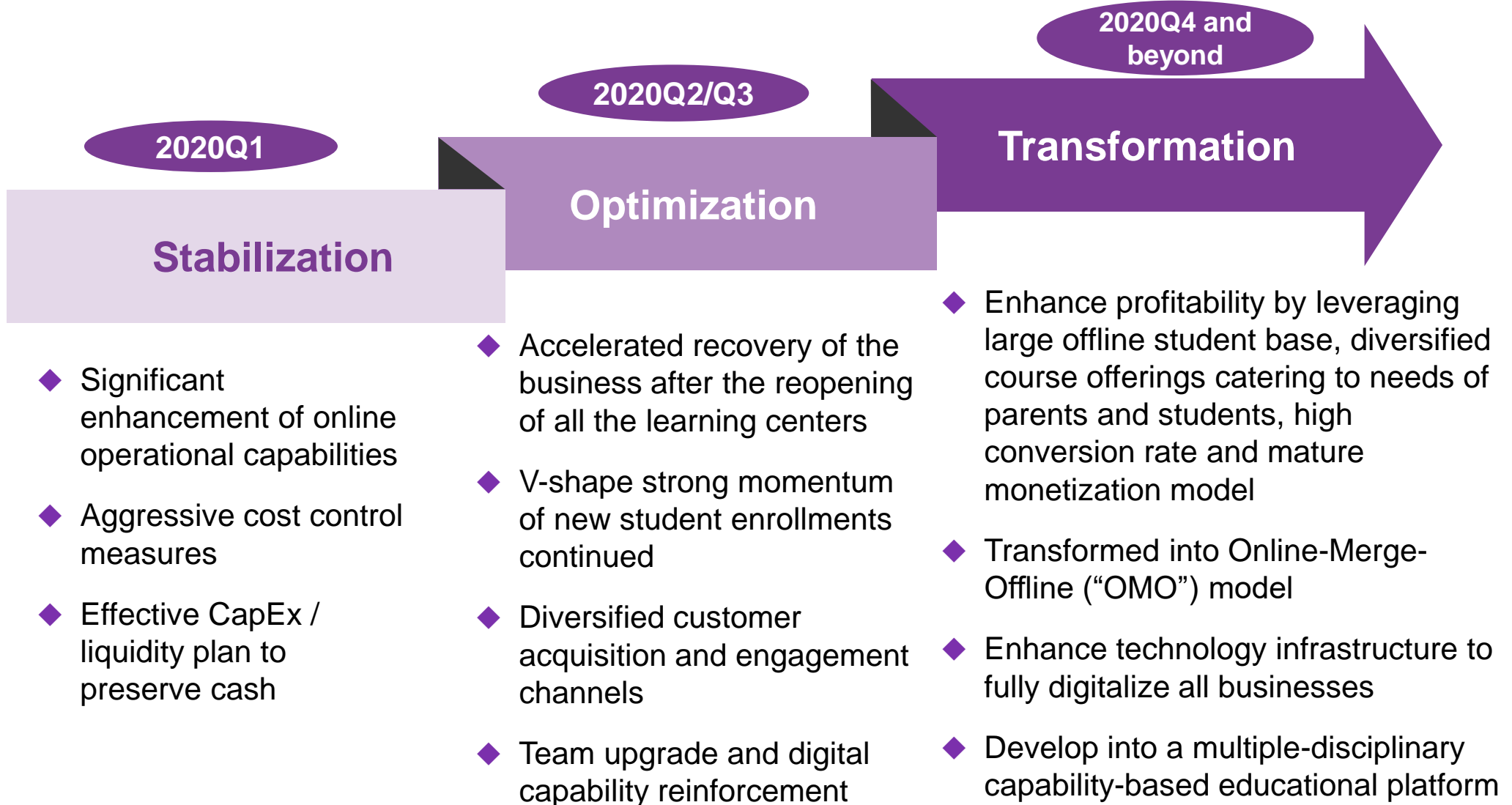


Rise Education Earnings Presentation for Q4 2020

(NASDAQ: REDU)
March 2021

- ◆ Business Recovered from COVID-19 Impact and Transformed into OMO Model
- ◆ 2020Q4 Key Financial and Operational Highlights
- ◆ 2020Q4 Key Achievements and 2021 Strategy
- ◆ 2020Q4 Financial Analysis and 2021 Business Outlook



2020Q4 Key Financial and Operational Highlights



Breakdown	2019Q4	2020Q3	2020Q4	QoQ	YoY
Revenues (RMB '000)	416,223	320,029	364,460	13.9%	-12.4%
Non-GAAP Net Income Attributable to RISE ⁽¹⁾ (RMB '000)	66,119	35,713	55,353	55.0%	-16.3%
Adjusted EBITDA ⁽²⁾ (RMB '000)	90,980	57,834	85,289	47.5%	-6.3%
# of New students enrolled ⁽³⁾ for regular courses (Rise Start+Rise On)	6,200	8,328	8,023	-3.7%	29.4%
# of New students enrolled for other Rise courses (Rise Up/Can-Talk/other Rise online courses/STEAM/Edge/light courses)	1,098	2,510	3,231	28.7%	194.3%
Cumulative # of students paid ⁽⁴⁾ for regular courses (Rise Start+Rise On)	99,948	157,261	187,690	NA	NA
Cumulative # of students paid for other Rise courses (Rise Up/Can-Talk/other Rise online courses/STEAM/Edge/light courses)	9,244	49,380	55,310		
# of students in class ⁽⁵⁾ for regular courses (Rise Start+Rise On)	54,383	50,462	47,724	-5.4%	-12.2%
# of self-owned learning centers (SOLCs) ⁽⁶⁾	89	90	92	+2	+3
# of franchised learning centers	383	406	420	+14	+37

Notes: 1 Non-GAAP Net Income Attributable to RISE excludes share-based compensation expenses, impairment loss on long-term investment and intangible assets ("IA") amortization arising from 2013 acquisition from Net Income Attributable to RISE.

2 Adjusted EBITDA excludes share-based compensation expenses and impairment loss on long-term investment from EBITDA.

3 New students enrolled refers to the newly acquired students who enrolled in our courses during a given period of time.

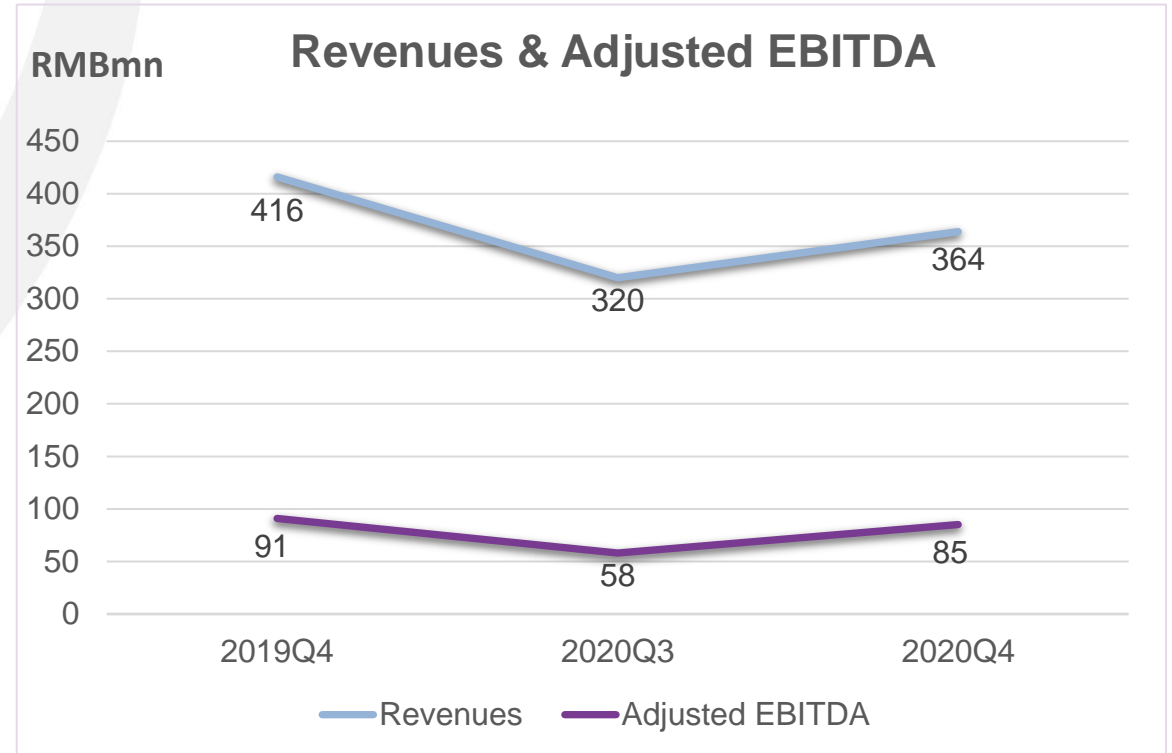
4 Cumulative # of students paid refers to the cumulative # of students as of a given date, each of whom paid for one course since January 1, 2019.

5 Students in class refers to students who were taking our courses as of a given date.

6 Almost all the offline learning centers resumed normal operation in 2020Q4.

1 Financial Performance Continued to Improve

- ◆ Revenues continued to improve and closed the gap vis-à-vis 2019Q4
- ◆ Adjusted EBITDA increased 47.5% over last quarter reflecting better cost control
- ◆ OMO model provides more flexibility to students, frees up classroom to increase utilization
- ◆ OMO model and the ability to switch seamlessly between online and offline also makes the business resilient in pandemic situation



Essential recovery of the business after the reopening of almost all learning centers in 2020Q4

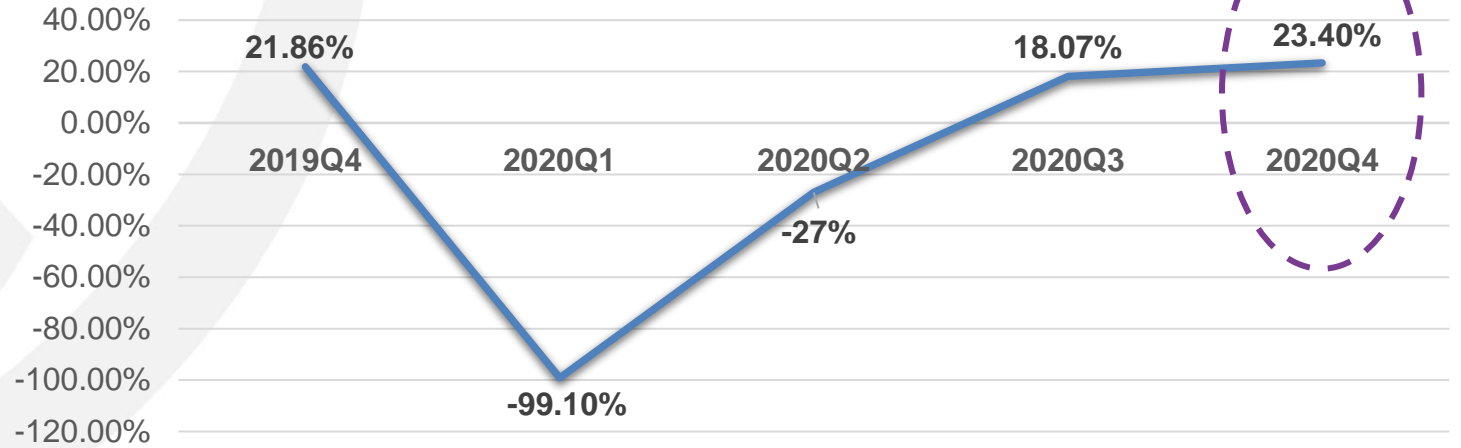
2 Profitability Improvement Driven by OMO Model

Adjusted EBITDA margin for 2020Q4 improved both on yearly and quarterly basis, which is attributed to three key factors:

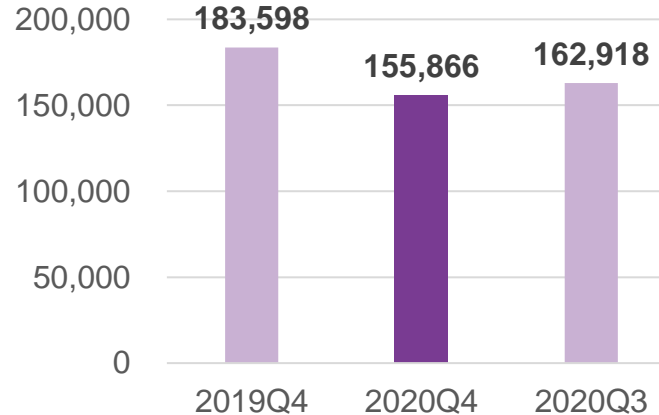
- Strong revenue recovery with OMO strategy
- Enhanced digital capabilities
- Operational improvements included:

- Measures to increase retention rate, class room utilization rate and cost control
- Customer Acquisition Cost further reduced by overweight offline marketing channels and cross-selling other product offerings

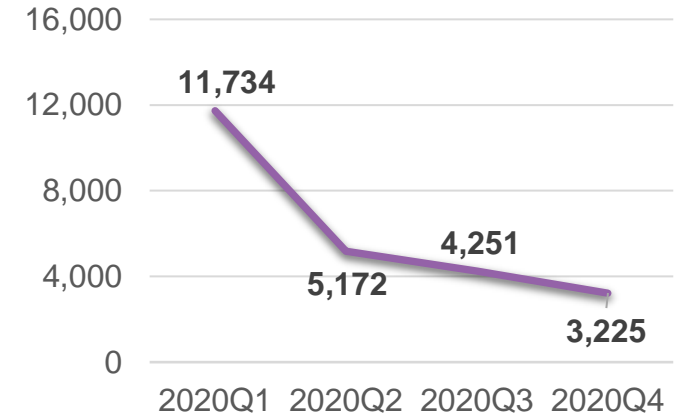
Adjusted EBITDA Margin %



Cost of Revenues (RMBmn)

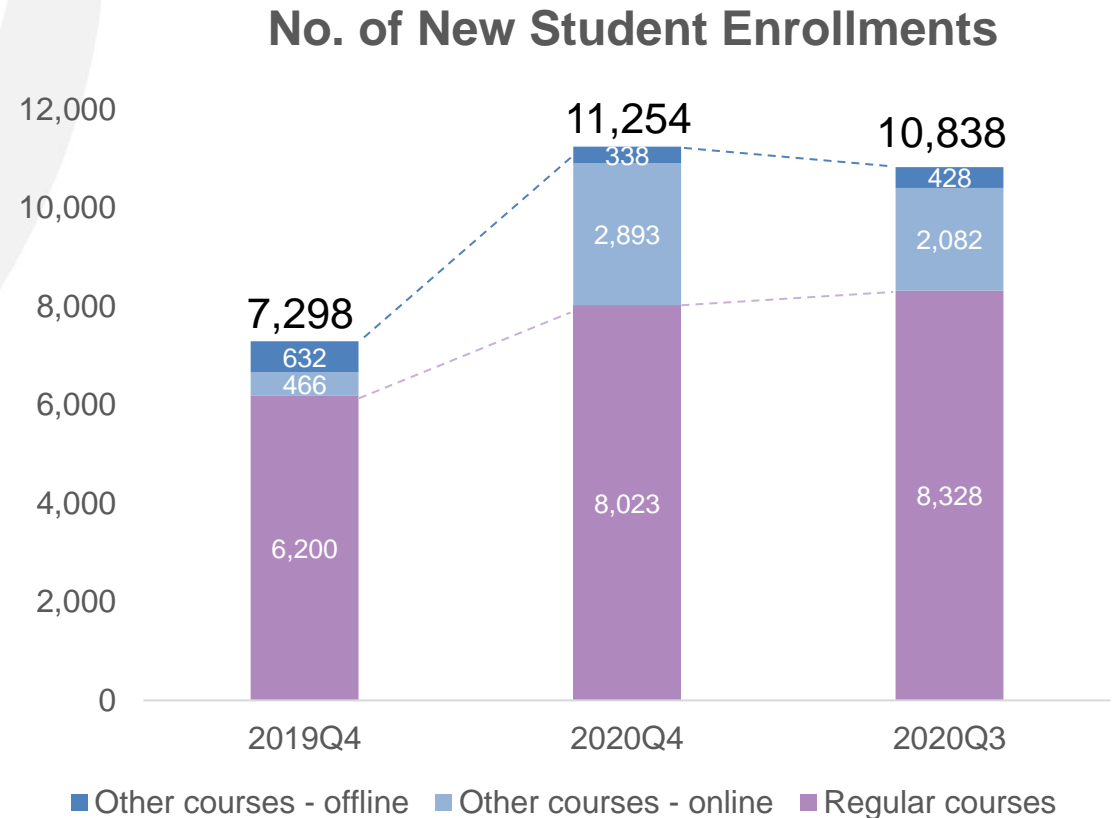


Customer Acquisition Cost (RMB)



3 New Student Enrollments Continued Strong Momentum

- ◆ New students enrolled for regular courses in 2020Q4 increased by 29.4% compared with 2019Q4
- ◆ New students enrolled for other courses in 2020Q4 increased by 194.3% compared with 2019Q4
- ◆ The solid growth demonstrates customers' strong approval of RISE brand and offline + OMO core offerings
- ◆ Concurrently, other (mostly pure online) courses also attracted sizable users to the platform
- ◆ The uptrend of new students enrolled will be reflected on the number of student in class with a delayed effect

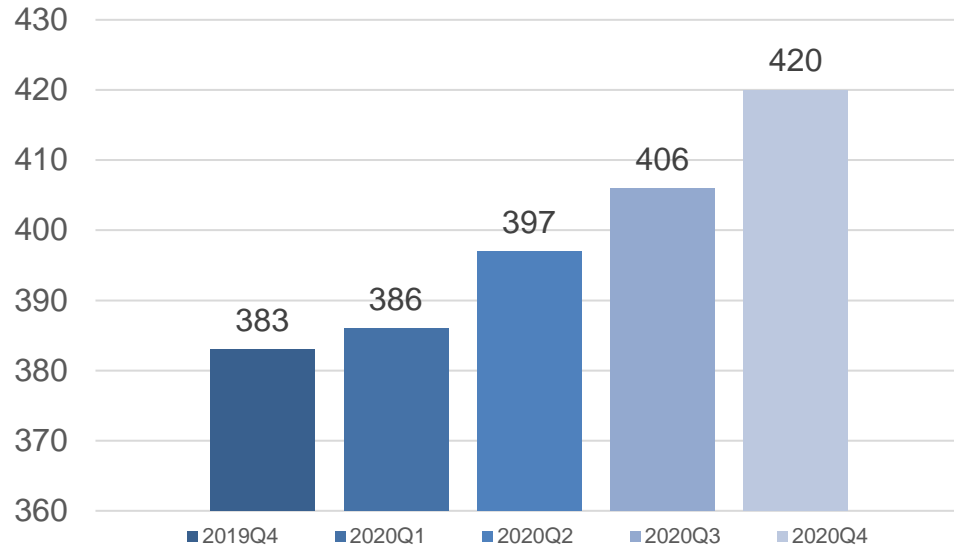


Multi-channel strategy proven effective in driving new enrollments while controlling Customer Acquisition Cost ("CAC")

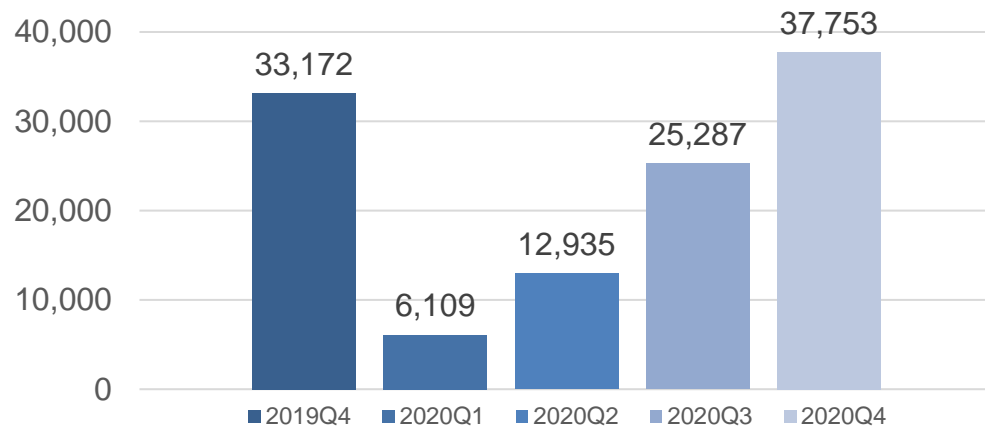
4 Franchise Business Delivered Healthy and Solid Growth



No. of Franchised Learning Centers



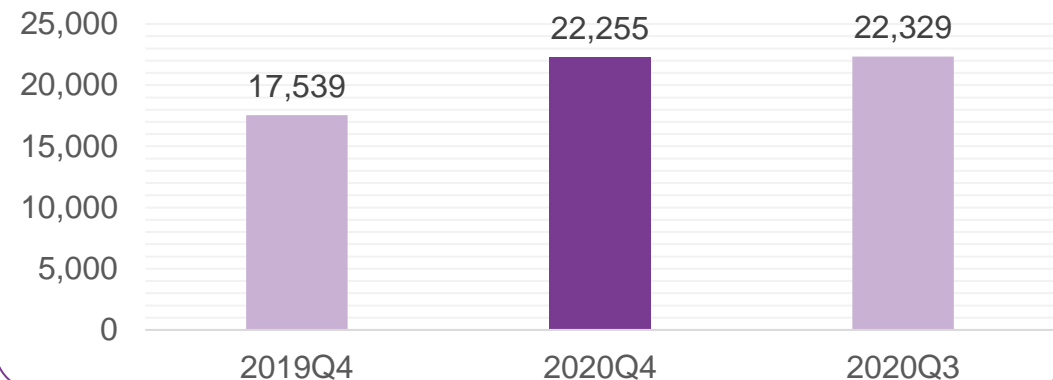
Revenues - Franchise (RMB' 000)



Franchised learning centers - Rise's second growth engine

- ◆ Franchised learning centers **increased to 420 in 2020Q4 from 406 in 2020Q3**, reflecting strong endorsement from existing and new franchisee partners
- ◆ **Franchise revenue in 2020Q4 increased by 49.3% QoQ, surpassed 2019Q4 with 13.8% YoY growth**, benefiting from strong new enrollments in 2020Q3
- ◆ For 2020Q4, there were **over 100 thousand students in class** for regular courses (Rise Start+Rise On) at franchised learning centers

No. of New Enrollments of Franchised Learning Centers



5 Enhanced Overall Digitalization Capabilities

IT/Operational Support

- ◆ Upgraded proprietary online classroom technology and course delivery system
- ◆ Ability to seamlessly switch between online, offline and OMO model
- ◆ Improved user experience by offering interactive H5 courseware
- ◆ Rolled out AI classroom supervision system for teaching quality control
- ◆ BI system to capture real-time reporting and support decision making

Academic Support

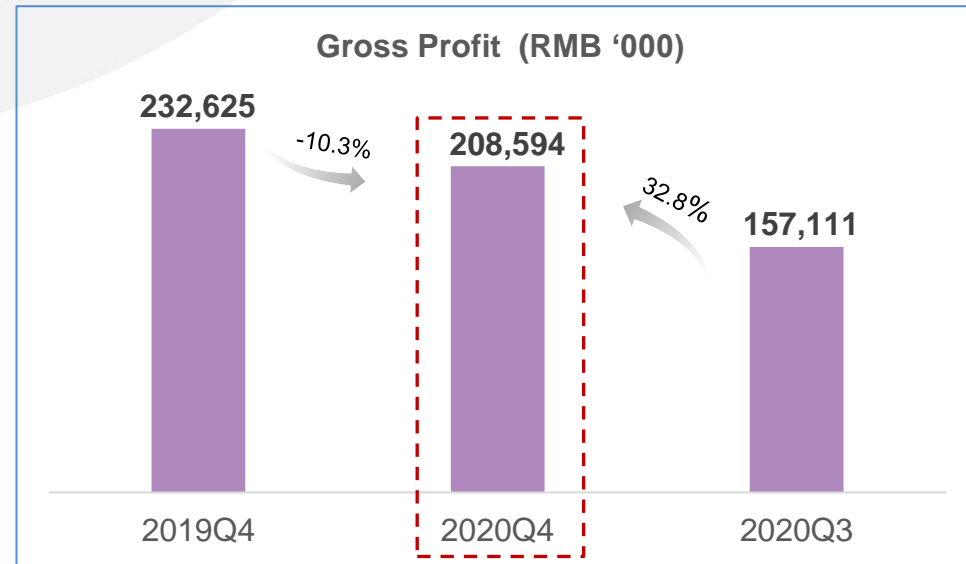
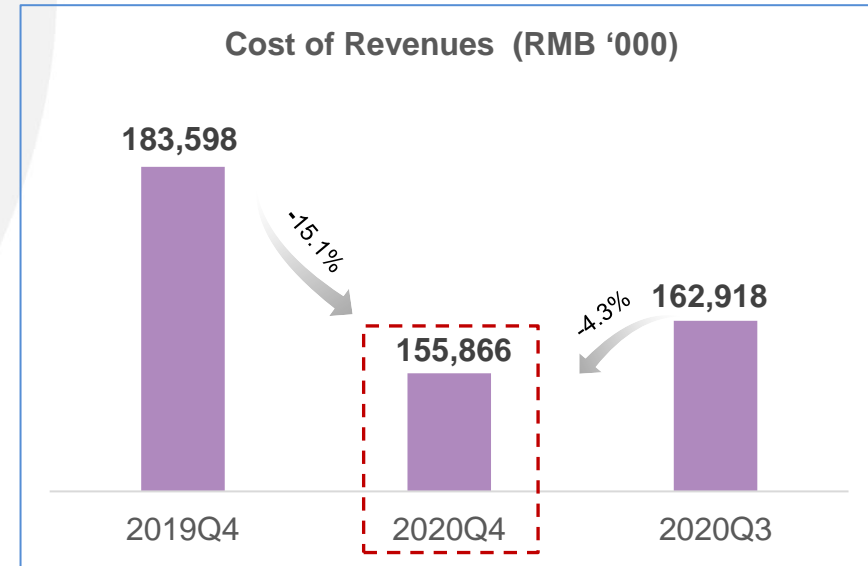
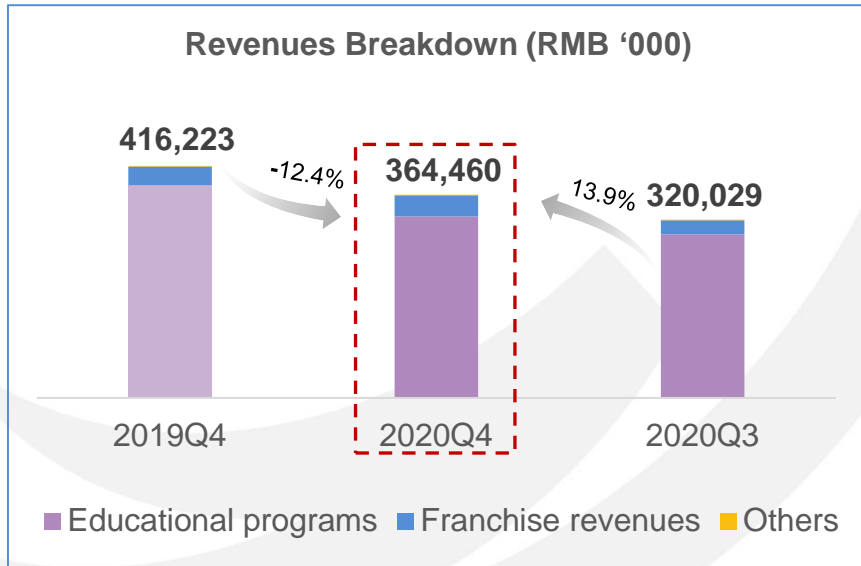
- ◆ OMO courseware upgrade started; better content with modern artistic animations
- ◆ Online E-Learning system + onsite training teachers (dual-teacher training system) to train and certify qualified teachers more efficiently and effectively
- ◆ AI teaching and lesson preparation system to improve teacher efficiency and teaching quality
- ◆ Online public educational forum and individualized report to help parents track classes and student progress

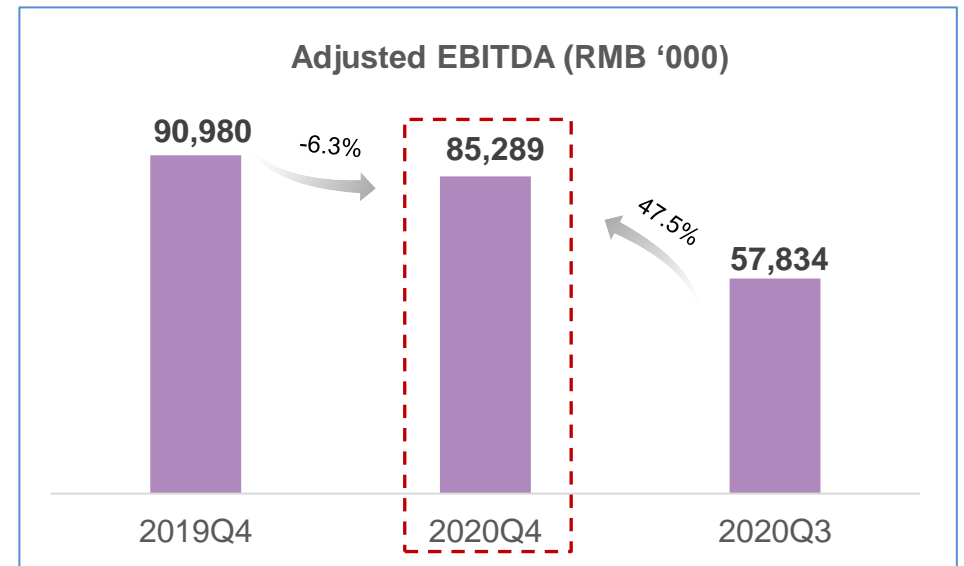
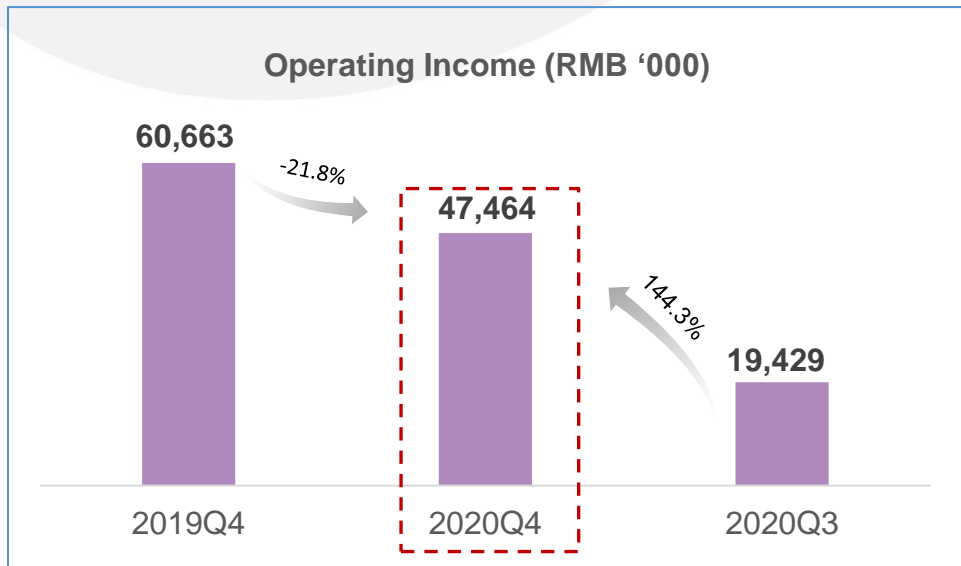
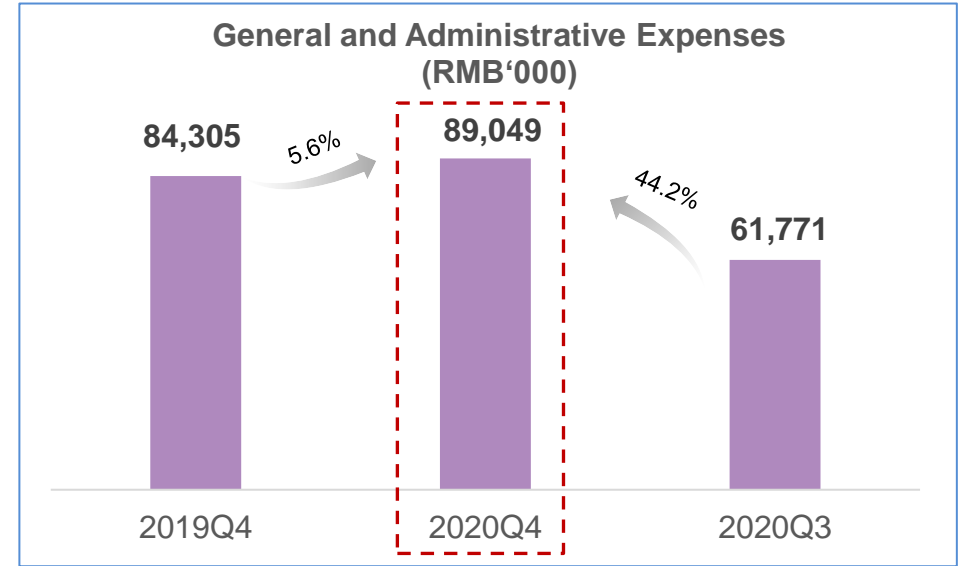
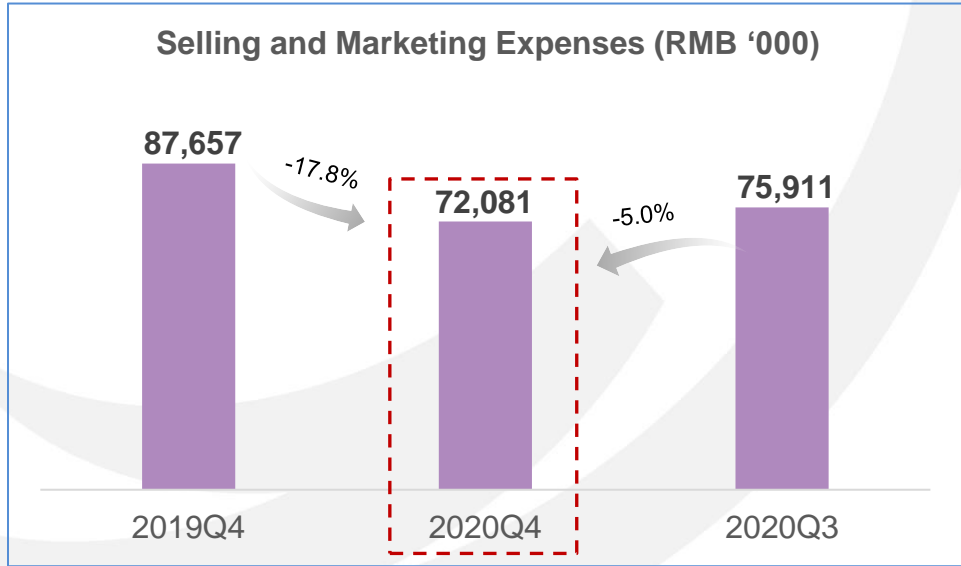


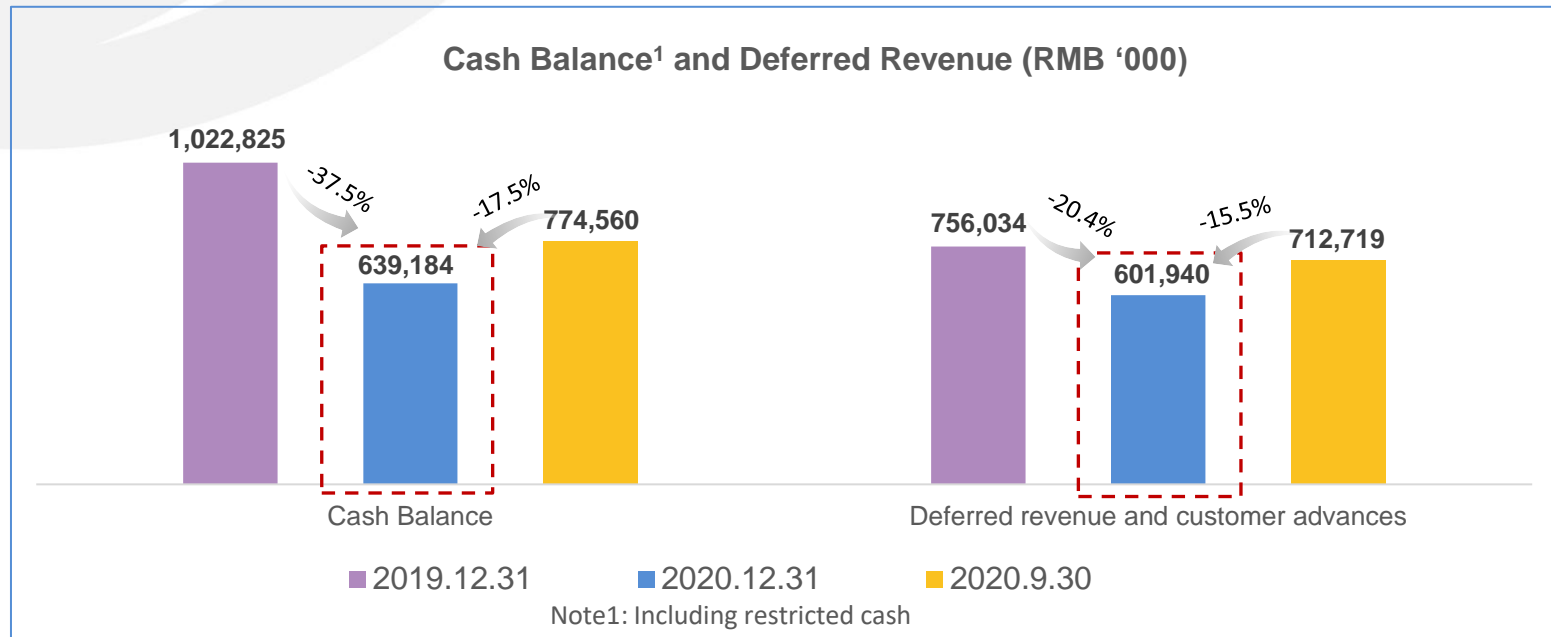
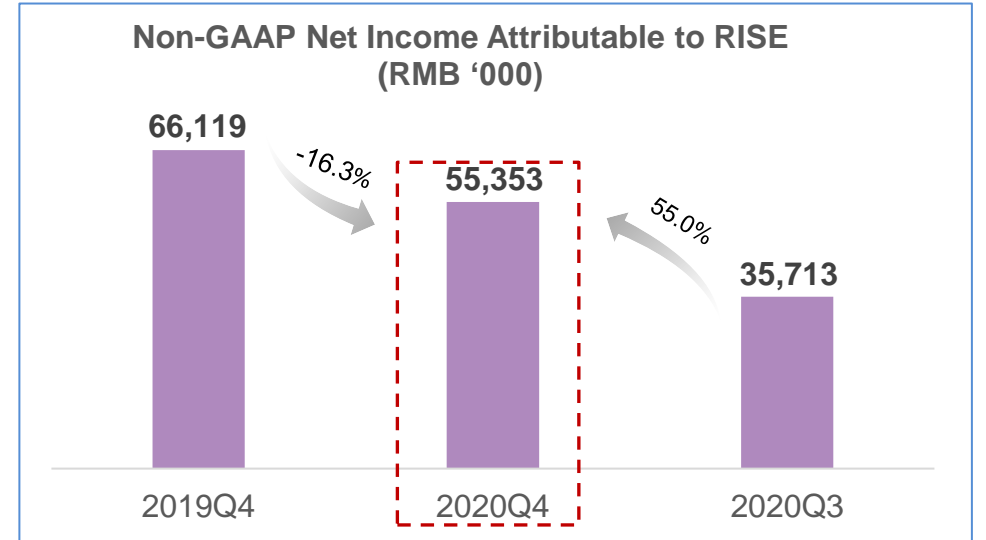
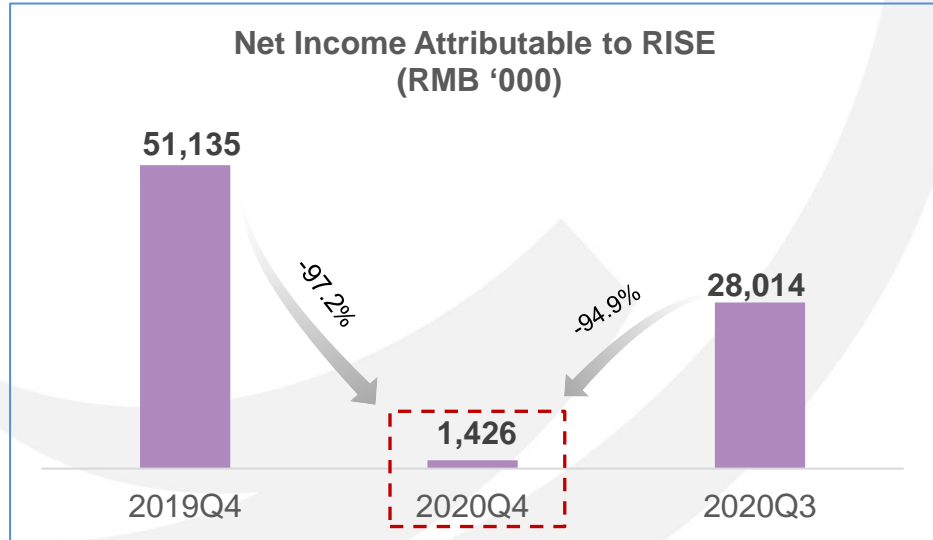
2021 and beyond – OMO with multiple-disciplinary courses

- ◆ Expand our offline learning centers nationwide, target to open ~100 new centers (SOLCs and franchised centers) throughout 2021; continue to upgrade OMO courses and operating capabilities; shift to customer centric mentality
- ◆ Aggressively extend mathematics and logical thinking classes (数理思维) offline through SOLCs and franchisee network, target to become #1 in offline market
- ◆ Proactively pursue franchisee acquisitions and other M&A opportunities
- ◆ Pool existing students and attract more users into private domain traffic management system to cross-sell and increase Life Time Value (LTV) / Average Revenue Per User (ARPU)









- ◆ Despite the uncertainties and challenges brought by COVID-19, which is constantly evolving in China and influencing the whole education industry, we are confident about the Company's core competencies, ability to evolve, innovate and thrive, which have been proven throughout 2020. Looking ahead into 2021, combined with our profitable and continuously expanding offline operation and the increasingly comprehensive online offerings and capabilities, we are very optimistic about the business outlook and will accelerate the Company's growth in the next few years to solidify our leading market position, increase our market share and deliver strong financial results.
- ◆ We have extensive educational experience, a visionary management team and a proven profitability track record. In 2021, we will
 - ◆ Execute our expansion plans, including SOLC, Franchise and M&A
 - ◆ Slightly increase regular course fees and continue prudent capital deployment
 - ◆ Upgrade and improve our OMO model on a regular basis
 - ◆ Rollout profitable multiple-disciplinary products system-wide



For the full year of 2021, we expect our revenues to be in the range of RMB1,420 million to RMB1,730 million