Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

SOUTH CHINA VOCATIONAL EDUCATION GROUP COMPANY LIMITED
中國華南職業教育集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6913)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2023 AND UPDATE ON EXPECTED TIMELINE FOR USE OF PROCEEDS

The board (the "**Board**") of directors (the "**Directors**") of South China Vocational Education Group Company Limited (the "**Company**") is pleased to announce the consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2023 (the "**Reporting Period**") together with the comparative figures for the year ended 31 December 2022.

FINANCIAL HIGHLIGHTS

	Year ended 31 December			
	2023	2022	**Change**	Percentage change
	RMB'000	*RMB'000* (Restated)	***RMB'000***	*(%)*
Revenue	**556,204**	516,276	**39,928**	+7.7
Cost of sales	**379,704**	319,436	**60,268**	+18.9
Gross profit	**176,500**	196,840	**(20,340)**	-10.3
Profit before tax	**110,146**	148,267	**(38,121)**	-25.7
Profit for the year	**112,529**	142,652	**(30,123)**	-21.1

Notes:

(1) The Board recommended the declaration of a final dividend of HK4.8 cents per share for the year ended 31 December 2023. The final dividend will be declared and paid in Hong Kong dollars.

(2) Certain figures in the audited consolidated financial statements for the year ended 31 December 2022 had been restated as a result of the application of amendments to Hong Kong Accounting Standard 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*. For details, please refer to the section headed "NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – Note 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES" in this announcement.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023

	Notes	**2023**	2022
		RMB'000	*RMB'000*
			(Restated)
REVENUE	*4*	**556,204**	516,276
Cost of sales		**(379,704)**	(319,436)
Gross profit		**176,500**	196,840
Other income and gains	*4*	**79,155**	86,034
Selling and distribution expenses		**(27,226)**	(21,194)
Administrative expenses		**(81,063)**	(75,918)
Other expenses		**(25,289)**	(23,519)
Finance costs		**(11,931)**	(13,976)
PROFIT BEFORE TAX	*5*	**110,146**	148,267
Income tax credit/(expense)	*6*	**2,383**	(5,615)
PROFIT FOR THE YEAR		**112,529**	142,652
OTHER COMPREHENSIVE INCOME			
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of financial statements		**(566)**	62
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods		**(566)**	62
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		**(566)**	62
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**111,963**	142,714

	Note	2023 *RMB'000*	2022 *RMB'000* (Restated)
Profit attributable to:			
Owners of the parent		**112,401**	142,608
Non-controlling interests		**128**	44
		112,529	142,652
Total comprehensive income attributable to:			
Owners of the parent		**111,835**	142,670
Non-controlling interests		**128**	44
		111,963	142,714
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*8*		
Basic and diluted			
– For profit for the year		**RMB0.08**	RMB0.11

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2023

	Notes	**31 December 2023** **RMB'000**	31 December 2022 RMB'000 (Restated)	1 January 2022 RMB'000 (Restated)
NON-CURRENT ASSETS				
Property, plant and equipment		**1,401,860**	1,291,312	1,138,478
Investment properties		**49,839**	51,770	53,700
Right-of-use assets		**376,530**	407,798	439,710
Goodwill		**3,052**	3,052	–
Other intangible assets		**11,466**	8,426	8,903
Contract costs		**8,525**	7,972	5,834
Financial assets at fair value through profit or loss		**81,570**	–	–
Prepayments, other receivables and other assets		**29,044**	7,374	1,068
Pledged deposits		**–**	30,000	–
Deferred tax assets		**6,711**	1,172	1,441
Total non-current assets		**1,968,597**	1,808,876	1,649,134
CURRENT ASSETS				
Prepayments, other receivables and other assets		**26,566**	244,814	8,641
Accounts receivable	*9*	**5,018**	7,767	5,961
Amounts due from related parties		**16,090**	15,849	57,575
Amounts due from a director		**–**	5,140	–
Contract costs		**9,824**	8,024	6,663
Financial assets at fair value through profit or loss		**–**	–	70,047
Cash and cash equivalents		**421,417**	247,305	482,393
Pledged deposits		**18,170**	–	–
Total current assets		**497,085**	528,899	631,280
CURRENT LIABILITIES				
Contract liabilities	*4*	**234,117**	177,517	151,830
Other payables and accruals		**153,351**	167,986	140,504
Interest-bearing bank and other borrowings		**132,864**	89,172	83,415
Lease liabilities		**24,299**	23,637	25,210
Tax payable		**17,030**	18,926	16,985
Amounts due to related parties		**–**	41	467
Deferred income		**5,587**	5,362	5,366
Total current liabilities		**567,248**	482,641	423,777
NET CURRENT (LIABILITIES)/ASSETS		**(70,163)**	46,258	207,503
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,898,434**	1,855,134	1,856,637

	31 December 2023 *RMB'000*	31 December 2022 *RMB'000* (Restated)	1 January 2022 *RMB'000* (Restated)
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	**74,756**	122,460	185,009
Lease liabilities	**90,390**	107,238	123,167
Deferred income	**82,135**	86,246	91,495
Total non-current liabilities	**247,281**	315,944	399,671
Net assets	**1,651,153**	1,539,190	1,456,966
EQUITY			
Equity attributable to owners of the parent			
Share capital	**11,124**	11,124	11,124
Reserves	**1,639,720**	1,527,885	1,445,842
	1,650,844	1,539,009	1,456,966
Non-controlling interests	**309**	181	–
Total equity	**1,651,153**	1,539,190	1,456,966

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

South China Vocational Education Group Company Limited (中國華南職業教育集團有限公司) was incorporated in the Cayman Islands on 15 August 2018 as an exempted company with limited liability under the Companies ACT of the Cayman Islands. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The principal activity of the Company is investment holding. During the year, the Company and its subsidiaries were principally engaged in providing private higher vocational education in the People's Republic of China (the "**PRC**").

2 ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain financial instruments which have been measured at fair value. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

The Group has prepared the financial statements on the basis of going concern. The Group recorded net current liabilities of RMB70,163,000 as at 31 December 2023. Included therein were contract liabilities of RMB234,117,000 as at 31 December 2023, which will be settled by education services to be provided by the Group. In view of the net current liabilities position, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of finance when assessing whether the Group will have sufficient financial resources to continue as a going concern and meet its liabilities as and when they fall due in the foreseeable future.

The Directors have prepared a cash flow forecast for the Group which covers a period of twelve months from the end of the Reporting Period. Taking into account the positive cash flows from operations, adequate unutilised loan facilities from reputable financial institutions up to the date of approval of these financial statements and the ability of management in adjusting the pace of its operation expansion, the Directors consider that the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due. Therefore, there are no material uncertainties that may cast significant doubt over the going concern assumption and the Directors have formed a judgement that there is a reasonable expectation that the Group has adequate resources to operate for the foreseeable future.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

HKFRS 17	*Insurance Contracts*
Amendments to HKAS 1 and HKFRS Practice Statement 2	*Disclosure of Accounting Policies*
Amendments to HKAS 8	*Definition of Accounting Estimates*
Amendments to HKAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
Amendments to HKAS 12	*International Tax Reform – Pillar Two Model Rules*

The nature and the impact of the new and revised HKFRSs that are applicable to the Group are described below:

(a) Amendments to HKAS 1 require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to HKFRS Practice Statement 2 *Making Materiality Judgements* provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments did not have any impact on the measurement, recognition or presentation of any items in the Group's financial statements.

(b) Amendments to HKAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. Since the Group's approach and policy align with the amendments, the amendments had no impact on the Group's financial statements.

(c) Amendments to HKAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* narrow the scope of the initial recognition exception in HKAS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for temporary differences arising from these transactions.

Prior to the initial application of these amendments, the Group applied the initial recognition exception and did not recognise a deferred tax asset and a deferred tax liability for temporary differences for transactions related to leases. The Group has applied the amendments on temporary differences related to leases as at 1 January 2022. Upon initial application of these amendments, the Group recognised (i) a deferred tax asset for all deductible temporary differences associated with lease liabilities (provided that sufficient taxable profit is available), and (ii) a deferred tax liability for all taxable temporary differences associated with right-of-use assets as at 1 January 2022, with cumulative effect recognised as an adjustment to the balances of retained profits and statutory and other surplus reserves at that date. The quantitative impact on the financial statements is summarised below.

Impact on the consolidated statements of financial position:

		Increase	
	As at 31 December 2023	As at 31 December 2022	As at 1 January 2022
	RMB'000	*RMB'000*	*RMB'000*
Assets			
Deferred tax assets (Note)	**1,044**	1,172	1,441
Total non-current assets	**1,044**	1,172	1,441
Total assets	**1,044**	1,172	1,441
Net assets	**1,044**	1,172	1,441
Equity			
Retained profits (included in reserves)	**1,044**	1,172	1,441
Equity attributable to owners of the parent	**1,044**	1,172	1,441
Total equity	**1,044**	1,172	1,441

Note: The deferred tax asset and the deferred tax liability arising from lease contracts of the same subsidiary have been offset in the statement of financial position for presentation purposes.

Impact on the consolidated statements of profit or loss and other comprehensive income:

	Increase/(decrease) For the year ended 31 December	
	2023	2022
	RMB'000	*RMB'000*
Income tax expense	**128**	269
Profit for the year	**(128)**	(269)
Total comprehensive income for the year	**(128)**	(269)
Profit attributable to:		
Owners of the parent	**(128)**	(269)
Total comprehensive income attributable to:		
Owners of the parent	**(128)**	(269)

The adoption of amendments to HKAS 12 did not have any material impact on the basic and diluted earnings per share attributable to ordinary equity holders of the parent, other comprehensive income and the consolidated statements of cash flows for the years ended 31 December 2023 and 2022.

(d) Amendments to HKAS 12 *International Tax Reform – Pillar Two Model Rules* introduce a mandatory temporary exception from the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. The amendments also introduce disclosure requirements for the affected entities to help users of the financial statements better understand the entities' exposure to Pillar Two income taxes, including the disclosure of current tax related to Pillar Two income taxes separately in the periods when Pillar Two legislation is effective and the disclosure of known or reasonably estimable information of their exposure to Pillar Two income taxes in periods in which the legislation is enacted or substantively enacted but not yet in effect. The Group has applied the amendments retrospectively. Since the Group did not fall within the scope of the Pillar Two model rules, the amendments did not have any impact to the Group.

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the provision of higher vocational education services in the PRC.

HKFRS 8 *Operating Segments* requires operating segments to be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to segments and to assess their performance. The information reported to the Directors, who are the chief operating decision makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the Directors review the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

During the year, the Group operated within one geographical region because all of its revenue was generated in the PRC and all of its long-term assets/capital expenditure were located/incurred in the PRC. Accordingly, no further geographical segment information is presented.

Information about major customers

No revenue from services provided to a single customer accounted for 10% or more of the total revenue of the Group during the year (2022: Nil).

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue, other income and gains is as follows:

	Notes	**2023** **RMB'000**	2022 *RMB'000*
Revenue			
Revenue from contracts with customers			
Tuition fees	*(a)*	**502,749**	468,257
Boarding fees	*(a)*	**45,997**	40,835
Other education service fees	*(b)*	**7,458**	7,184
Total revenue		**556,204**	516,276
Other income and gains			
Rental income		**31,067**	37,605
Training income		**26,801**	24,607
Government grants:			
Related to assets	*(c)*	**5,565**	5,609
Related to income	*(d)*	**1,970**	3,838
Fair value gain, net:			
Financial assets at fair value through profit or loss		**1,570**	3,680
Bank interest income		**4,780**	3,608
Loan interest income	*(e)*	**4,632**	4,976
Brand licensing income		**1,472**	1,347
Exchange gain, net		**793**	–
Written-off of an amount due to a related party		**–**	467
Gain on disposal of items of property, plant and equipment, net		**–**	65
Others		**505**	232
Total other income and gains		**79,155**	86,034

Notes:

(a) Tuition fees and boarding fees mainly represented income received from the provision of education and boarding services to the students, which were recognised over time, i.e. the academic year, of the services rendered.

(b) Other education service fees mainly represented income received from the provision of other education services including training services to the students, which was recognised over time, i.e. the training periods, of the services rendered.

(c) Government grants related to assets represent the subsidies in connection with certain pieces of leasehold land and the electronic devices relating to teaching activities. These grants related to assets are released to profit or loss over the expected useful lives of the relevant assets.

(d) Government grants related to income represent the subsidies compensated for the incurred operating expenses arising from teaching activities, which were recognised as other income when the incurred operating expenses fulfilled the conditions attached.

(e) Loan interest income consists of i) interest income of RMB2,892,000 (2022: RMB2,842,000) from loans to Guangzhou Haige Meina Film Production Co., Ltd.; ii) interest income of RMB1,645,000 (2022: RMB1,935,000) from loans to other companies; iii) interest income of RMB29,000 (2022: RMB133,000) from loans to a director; and iv) interest income of RMB66,000 (2022: RMB66,000) from a loan to a related party, which were calculated based on the principal and the corresponding interest rate.

Contract liabilities

The Group receives tuition and boarding fees from students in advance prior to the beginning of each academic year or semester. The performance obligation is satisfied proportionately over the relevant period of the applicable program. The students are entitled to the refund of the payment in relation to the proportionate service not yet provided.

Significant changes in the contract liability balances during the year are as follows:

	2023	2022
	RMB'000	*RMB'000*
At the beginning of the year	**177,517**	151,830
Revenue recognised that was included in the balance of contract liabilities at the beginning of the year	**(176,201)**	(148,185)
Increases due to cash received, including amounts recognised as revenue during the year	**632,377**	535,049
Revenue recognised that was not included in contract liabilities at the beginning of the year	**(391,918)**	(356,969)
Transfer to refund liabilities	**(7,658)**	(4,208)
At the end of the year	**234,117**	177,517

Revenue recognised in relation to contract liabilities

The following table shows the amounts of revenue recognised in the current year that were included in the contract liabilities at the beginning of the year:

	2023	2022
	RMB'000	*RMB'000*
Revenue recognised that was included in the balance of contract liabilities at the beginning of the year		
Tuition fees	**157,609**	132,514
Boarding fees	**18,592**	15,671
Total	**176,201**	148,185

Unsatisfied performance obligations

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2023 are as follows:

	2023	2022
	RMB'000	*RMB'000*
Expected to be recognised within one year:		
Tuition fees	**205,578**	158,528
Boarding fees	**28,539**	18,989
Total	**234,117**	177,517

The amounts of transaction prices associated with unsatisfied or partially unsatisfied performance obligations do not include variable consideration which is constrained.

There were no contract assets at the end of the reporting period recognised in the consolidated statement of financial position as at 31 December 2023 and 2022.

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	**2023** **RMB'000**	2022 RMB'000
Employee benefit expense (excluding directors' and chief executive's remuneration):			
Wages and salaries		**204,988**	181,065
Pension scheme contributions (defined contribution scheme)****		**11,318**	13,619
Total		**216,306**	194,684
Depreciation of property, plant and equipment		**64,835**	50,625
Depreciation of right-of-use assets		**31,189**	31,912
Depreciation of investment properties		**1,931**	1,930
Amortisation of other intangible assets*		**1,496**	1,924
Auditor's remuneration		**2,800**	3,110
Donation expenses***		**1,230**	908
Loss on disposal of other intangible assets***		**18**	181
Lease payments not included in the measurement of lease liabilities		**2,411**	288
Provision for expected credit losses on accounts receivable	*9*	**390**	331
Exchange (gain)/loss, net		**(793)**	463
Government grants**		**(7,535)**	(9,447)
Fair value gain, net			
Financial assets at fair value through profit or loss	*4*	**(1,570)**	(3,680)
Bank interest income	*4*	**(4,780)**	(3,608)
Loan interest income	*4*	**(4,632)**	(4,976)
Written-off of an amount due to a related party	*4*	**–**	(467)
Loss/(gain) on disposal of items of property, plant and equipment, net		**32**	(65)
Loss on disposal of right-of-use assets***		**79**	–

* The amortisation of other intangible assets is included in cost of sales in the consolidated statement of profit or loss and other comprehensive income.

** There are no unfulfilled conditions or other contingencies attaching to the government grants that have been recognised.

*** These amounts are included in other expenses in the consolidated statement of profit or loss and other comprehensive income.

**** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

6. INCOME TAX

	2023 **RMB'000**	2022 RMB'000 (Restated)
Current – Chinese Mainland		
Charge for the year	**3,156**	5,346
Deferred	**(5,539)**	269
Total	**(2,383)**	5,615

7. DIVIDENDS

	2023	2022
	RMB'000	*RMB'000*
Proposed final – HK4.8 cents (2022: Nil) per ordinary share	**58,076**	–

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,334,000,000 (2022: 1,334,000,000) in issue during the year.

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2023 and 2022.

The calculations of basic and diluted earnings per share are based on:

	2023	2022
	RMB'000	*RMB'000*
		(Restated)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	**112,401**	142,608

	Number of shares	
	2023	2022
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic and diluted earnings per share calculations	**1,334,000,000**	1,334,000,000

9. ACCOUNTS RECEIVABLE

	2023	2022
	RMB'000	*RMB'000*
Tuition fees and boarding fees receivables	**5,554**	8,197
Impairment	**(536)**	(430)
Net carrying amount	**5,018**	7,767

The Group's students are required to pay tuition fees and boarding fees in advance for the upcoming school year or semester normally in September or February. The outstanding receivables represent amounts due from students who have applied for deferred payments of tuition fees and boarding fees. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's accounts receivable relate to a number of individual students, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its accounts receivable balances. Accounts receivable are non-interest-bearing.

An ageing analysis of the accounts receivable as at the end of the reporting period, based on the transaction date and net of loss allowance, is as follows:

	2023	2022
	RMB'000	*RMB'000*
Within one year	**4,790**	7,756
One to two years	**228**	11
Total	**5,018**	7,767

The movements in the loss allowance for impairment of accounts receivable are as follows:

	2023	2022
	RMB'000	*RMB'000*
At beginning of year	**430**	248
Impairment losses *(note 5)*	**390**	331
Amounts written off as uncollectible	**(284)**	(149)
At end of year	**536**	430

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

During the Reporting Period, the Group operated two schools in the Greater Bay Area, namely, Guangdong Lingnan Institute of Technology* (廣東嶺南職業技術學院) ("**Lingnan Institute of Technology**") and Guangdong Lingnan Modern Technician College* (廣東嶺南現代技師學院) ("**Lingnan Modern Technician College**").

Key Operating Business

The Group's Lingnan Institute of Technology was established in May 2002 to provide diploma education and vocational training and its Lingnan Modern Technician College was established in July 2005 to provide vocational education and training.

Lingnan Institute of Technology

Lingnan Institute of Technology is a private vocational education institution that has two campuses, one of which is located in Guangzhou, Guangdong Province (the "**Guangzhou Campus**"), and the other is located in Qingyuan, Guangdong Province (the "**Qingyuan Campus**"). As at 31 December 2023, Lingnan Institute of Technology had 13 secondary colleges and offered over 47 majors in a wide range of disciplines, including but not limited to, electronic information engineering technology, e-commerce, computer network technology, cloud computing technology application, webcasting and operation, online marketing and livestreaming e-commerce, industrial internet, financial services and management, etc.

Lingnan Modern Technician College

Lingnan Modern Technician College is a private vocational education institution located in Guangzhou and provides vocational education and training in various industries for students. As at 31 December 2023, Lingnan Modern Technician College had 7 departments and offered over 27 majors, including but not limited to, mechatronics, drones, vehicle inspection and maintenance, fire engineering, traditional Chinese medicine, rehabilitation, nursing, big data applications, advertising design, computer network application, computer program design and digital media application, etc.

Ancillary Education Services

The Group also generates revenue from certain ancillary education services, which primarily comprise of continuing education programs and other education services. Other education services primarily consist of test preparation and training services the Group provides to the students of its schools for occupational skills appraisal and professional qualification and certificates. These educational services are referred as the Group's "Ancillary Education Services".

Business Operating Data

The aggregate number of full-time students enrolled at the Group's schools amounted to 28,907 for the 2023/2024 school year. As at 31 December 2023, the average tuition fee of Lingnan Institute of Technology and Lingnan Modern Technician College amounted to RMB17,310 and RMB13,699, respectively, and the average boarding fee of these two schools amounted to RMB1,900 and RMB1,901, respectively.

OUTLOOK

Significant Improvement in Status of Vocational Education and Increasing Improvement of the Vocational Education System

In April 2022, the newly revised Vocational Education Law of the People's Republic of China (《中華人民共和國職業教育法》) (the "**Vocational Education Law**") was voted and passed by the 34th meeting of the Standing Committee of the 13th National People's Congress, the revision of which was the first revision in nearly 26 years. This revision clarifies that "vocational education is a type of education that is of equal importance as general education", promotes "the mutual integration of vocational education and general education", and clarifies that "the State encourages the development of various levels and forms of vocational education, promotes diversified school-running, supports broad and equal participation of social forces in vocational education". The revised Vocational Education Law also adds the followings: 1) appropriately reducing the academic requirements for the positions publicly recruited by public institutions with vocational skill level requirements; and 2) accelerating the cultivation of technical and skilled talents in pre-school education, nursing, health care, and housekeeping. The encouraging attitude towards vocational education is further extended.

In December 2022, the General Office of the Central Committee of CPC and the General Office of the State Council issued the Opinions (the "**Opinions**") on Deepening the Construction and Reform of Modern Vocational Education System (《關於深化現代職業教育體系建設改革的意見》). The Opinions have put forward that the promotion of the high-quality development of modern vocational education should be placed in a more prominent position, insisting on serving the overall development of students and economic and social development, based on enhancing the key competencies of vocational schools, focusing on deepening the integration of industry and education, taking the integration of science and education as the new direction, in order to fully mobilize the enthusiasm of all parties, coordinate the synergy and innovation of vocational education, higher education and continuing education, orderly and effectively promote the construction and reform of modern vocational education system, improve the quality, adaptability and attractiveness of vocational education, cultivate more high-quality technical and skilled talents, skilled craftsmen and craftsmen, promote the formation of a modern vocational education structure and regional layout that is in line with the market demand and matches the industrial structure, and lay a solid foundation for accelerating the building of a strong country in education, science and technology and talent.

In June 2023, eight national departments including the National Development and Reform Commission, the Ministry of Education, the Ministry of Human Resources and Social Security jointly issued the Implementation Plan for the Action to Enhance the Integration and Empowerment of Industry and Education in Vocational Education (2023-2025) (《職業教育產教融合賦能提升行動實施方案(2023-2025年)》) ("**Implementation Plan**"). In July 2023, the Ministry of Education issued the Guidelines for the Construction of Industry-Education Integration Community (《行業產教融合共同體建設指南》) (the "**Guidelines**"). The Implementation Plan proposes that by 2025, the number of national pilot cities for industry-education integration will reach about 50, the breakthrough and leading role of the pilot cities will be brought into full play, more than 10,000 industry-education integration-type enterprises will be built and cultivated nationwide. The Guidelines clarify the tasks for the construction of the industry-education integration community at five levels, namely, the construction unit, the construction tasks, the monitoring indicators, the workflow and the scheduling. The system of industry-education integration type enterprises and the system of combined incentive policies will be sound and complete; the investment in vocational education from various channels of funding will steadily increase; the needs of the industry will be better integrated into the whole process of talent cultivation; a pattern of the coordinated integration of education and industry will gradually be formed; and the integration of all elements of industry-education will be promoted.

The vocational education business engaged in by the Group is in line with the direction of encouragement and support of national policies, has initially formed a favorable trend of industry-education integration with leading enterprises, and has a great potential for future development.

Deepening the Development in the Guangdong-Hong Kong-Macau Greater Bay Area to Provide High-Caliber Talents for the Greater Bay Area Continuously

The Guangdong-Hong Kong-Macau Greater Bay Area (the "**Greater Bay Area**") has become one of the key economic growth drivers in China. According to relevant statistics, the Greater Bay Area occupied less than 1% of China's land area yet contributed 10.6% nominal GDP in 2022. With the economic transformation and the population aging, the Greater Bay Area will need more and more skilled talents in emerging industries and major health-related industries.

Based on the two existing schools, the Group will continue to expand its school network and vocational education market in the Greater Bay Area, including formal and non-formal vocational training market, to gradually increase its market share and consolidate its position as a leading vocational education service provider in the Greater Bay Area.

Business Development Strategy

The Group will improve its results performance through the following five aspects:

1) High-quality development of formal vocational education

The expansion and upgrade of Lingnan Institute of Technology will continue. Supported by the policy of encouraging the establishment of undergraduate level vocational education, it will firstly focus on the establishment of certain undergraduate programs and then gradually develop into an undergraduate level vocational and technical college as a whole. In July 2021, the Guangdong Industry-Education Integration Demonstration Park (Qingyuan) project of Lingnan Institute of Technology was incorporated into the key construction project plan of Guangdong Province by Guangdong Provincial Development and Reform Commission, being the only demonstrative industry-education integration park project included in the provincial key construction project in Guangdong Province. Further, in December 2023, Lingnan Modern Technician College and JD Group jointly established JD's first industrial college in Southern China. The college will focus on industries with special characteristics such as artificial intelligence, big data, cloud computing and other emerging technologies applications, and build an "industry-education-evaluation" ecological talent cultivation system with functions such as "talent cultivation, enterprise service and student entrepreneurship" based on the industry and enterprise position standards. It also will proactively identify new venues in the Greater Bay Area for its new branches or new independent colleges, expanding its network of secondary vocational schools.

2) Expanding school networks by mergers and acquisitions

In addition to robust endogenous growth, the Group will also strive to expand its school networks by means of mergers and acquisitions. For the target of mergers and acquisitions, the Group will give priority to high-quality technical schools and institutions providing non-formal vocational training in the Greater Bay Area. Acquisition of existing schools will not only help the Group expand its scale, but is also conducive to the generation of synergies with its existing schools, thereby identifying more business opportunities and materialising more values.

3) Expanding ancillary education business

The Group will proactively expand the ancillary education business, including the adult continuing education program, trainings on vocational qualification level examination, and training tasks for government institutions and industry associations. Lingnan Modern Technician College owned by the Group is among the list of the first batch of 2021 social training evaluation organisations for vocational qualification level accreditation in Guangdong Province announced by the Human Resources and Social Security Department of Guangdong Province in July 2021, and has been approved for the accreditation for eight vocational skills, and has set up 28 social training and evaluation outlets in 9 prefectural cities in Guangdong Province, thus laying a foundation for the Group's expansion of the vocational qualification level accreditation business.

4) Developing international cooperation

The Group actively carries out international cooperation in running schools, introduces advanced vocational education and basic education resources and projects, and enhances the attractiveness of majors and courses and international characteristics through international cooperation. The Group explores cooperation with overseas colleges and institutions for higher education (focusing on colleges and institutions in Hong Kong, Macau, Singapore, the European Union and other countries and regions).

5) A new development pattern of "Five-in-One"

On the basis of the steady development, quality improvement and upgrading of the vocational education entities, the Group is actively exploring and expanding the five major sectors, namely training, dispatch, health, e-commerce and public welfare, and shifting from an academic education-oriented model to a new development pattern of "five-in-one" driven by "academic education + vocational training + technical services".

Financial Review

Revenue

Revenue represents the value of services rendered during the Reporting Period. The Group's revenue is consisted of tuition fees, boarding fees and other education service fees its schools collected from students.

The Group's revenue increased by approximately 7.7% from approximately RMB516.3 million for the year ended 31 December 2022 to approximately RMB556.2 million for the Reporting Period. The increase was primarily due to an increase in tuition fees as a result of the increase in total full-time student enrollment during the Reporting Period.

Cost of sales

Cost of sales consists primarily of (i) staff costs; (ii) depreciation of property, plant and equipment; (iii) depreciation of right-of-use assets; (iv) amortization of other intangible assets; (v) cost of cooperative education; (vi) utilities; (vii) teaching expenditures; and (viii) student study and practice fees.

The Group's cost of sales increased by approximately 18.9% from approximately RMB319.4 million for the year ended 31 December 2022 to approximately RMB379.7 million for the Reporting Period. The increase was primarily due to (i) an increase in cost of cooperative education due to the expansion of cooperative education scale; (ii) an increase in the number of faculty and their average salaries during the Reporting Period; and (iii) an increase in depreciation of property, plant and equipment in line with the expansion of the Group's school operating scale during the Reporting Period.

Gross profit and gross profit margin

The Group's gross profit decreased by approximately 10.3% from approximately RMB196.8 million for the year ended 31 December 2022 to approximately RMB176.5 million for the Reporting Period and the Group's gross profit margin decreased from approximately 38.1% to approximately 31.7% during the same periods. The decrease of gross profit margin was mainly due to (i) an increase in the operation costs from the expansion of cooperative education scale with lower gross profit margin; (ii) an increase in the number of faculty and their average salaries during the Reporting Period; and (iii) an increase in depreciation of property, plant and equipment in line with the expansion of the Group's school operating scale during the Reporting Period.

Other income and gains

Other income and gains consist primarily of (i) bank interest income; (ii) rental income; (iii) training income; (iv) government grants; (v) brand licensing income; (vi) fair value gain; and (vii) loan interest income.

The Group's other income and gains decreased by approximately 7.9% from approximately RMB86.0 million for the year ended 31 December 2022 to approximately RMB79.2 million for the Reporting Period. The decrease was primarily due to (i) a decrease of RMB6.5 million in rental income; and (ii) a decrease of RMB2.1 million in gains from change in fair value due to decrease in investment in financial assets.

Selling and distribution expenses

Selling and distribution expenses refer to costs incurred for the purpose of marketing and student recruitment, including staff costs, advertising expenses, admission expenses, office expenses and others.

The Group's selling and distribution expenses increased by approximately 28.3% from approximately RMB21.2 million for the year ended 31 December 2022 to approximately RMB27.2 million for the Reporting Period. The increase was primarily due to an increase in staff costs as a result of increase in bonus of the marketing staff during the Reporting Period.

Administrative expense

Administrative expenses primarily consist of (i) staff costs and welfare; (ii) depreciation and amortization; (iii) office expenses; and (iv) consulting expenses.

The Group's administrative expenses increased by approximately 6.9% from approximately RMB75.9 million for the year ended 31 December 2022 to approximately RMB81.1 million for the Reporting Period. The increase was primarily due to (i) an increase of RMB2.6 million in office expenses; (ii) an increase of RMB2.1 million in expenses for services related to intermediary consultation; (iii) an increase of RMB1.9 million in depreciation of property, plant and equipment during the Reporting Period.

Other expenses

Other expenses consist primarily of (i) cost for rental income; and (ii) cost for training income.

The Group's other expenses increased by approximately 7.7% from approximately RMB23.5 million for the year ended 31 December 2022 to approximately RMB25.3 million for the Reporting Period. The increase was primarily due to an increase of approximately RMB1.5 million in staff costs in line with the expansion of training services.

Finance costs

Finance costs primarily consist of the interest expenses for its bank and other borrowings and lease liabilities.

The Group's finance costs decreased by approximately 15.0% from approximately RMB14.0 million for the year ended 31 December 2022 to approximately RMB11.9 million for the Reporting Period. The decrease was primarily in line with the decrease in weighted average long term interest-bearing bank and other borrowings during the Reporting Period.

Profit for the year

As a result of the above factors, profit for the year of the Group decreased by approximately 21.2% from approximately RMB142.7 million for the year ended 31 December 2022 to approximately RMB112.5 million for the Reporting Period.

Financial and Liquidity Position

Current assets and current liabilities

As at 31 December 2023, the Group had net current liabilities of approximately RMB70.2 million, decreased by approximately 251.6% from the net current assets of approximately RMB46.3 million as at 31 December 2022. The Group had net current liabilities as at such date primarily because (i) the Group invested in a non-current wealth management product issued by a qualified fund company in China; (ii) an increase in cash outflow for the construction of teaching and administrative facilities; (iii) there was an increase in utilisation of short-term interest-bearing bank loan.

The Group's current assets decreased by RMB31.8 million to approximately RMB497.1 million as at 31 December 2023 from approximately RMB528.9 million as at 31 December 2022. The decrease in current assets was primarily attributable to the increase of prepayment for the construction of teaching and administrative facilities and purchase of teaching equipment.

The Group's current liabilities increased by RMB84.6 million from approximately RMB482.6 million as at 31 December 2022 to approximately RMB567.2 million as at 31 December 2023, mainly reflecting an increase in contract liabilities of approximately RMB56.6 million as a result of the increase of tuition fee collected from students in 2023/2024 school year and an increase of short-term interest-bearing bank loan for daily operation.

Indebtedness

Interest-bearing bank and other borrowings primarily consist of short-term working capital loans to supplement its working capital and finance its expenditure and long-term project loans for the continuous development of its school buildings and facilities.

The Group's interest-bearing bank and other borrowings amounted to approximately RMB207.6 million as at 31 December 2023, dominated in RMB. As at 31 December 2023, the Group's interest-bearing bank and other borrowings bore effective interest rates ranging from approximately 4.0% to 6.8% per annum.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of internally generated cash flows from operations and bank and other borrowings. The Group regularly assesses its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

Financial assets at fair value through profit or loss

During the Reporting Period, the Group invested in a wealth management product issued by a qualified fund company in China. The wealth management product was a principal unguaranteed financial product with floating returns. The Group made investments in the wealth management product as part of its cash management strategy in order to obtain higher yields than it would typically receive from regular bank deposits. The wealth management product the Group invested in during the Reporting Period was denominated in RMB, matures in 36 months and early redemption is allowed under certain conditions.

The amount of the Group's wealth management product increased to approximately RMB81.6 million (31 December 2022: nil). The increase was primarily due to the purchase of a wealth management product issued by a qualified fund company in China.

As at the date of this announcement, the Group redeemed the wealth management product at an amount of RMB82,351,000.

Contingent liabilities and guarantees

As at 31 December 2023, the Group did not have any unrecorded significant contingent liabilities, guarantees or any material litigation against any member of the Group (31 December 2022: nil).

Pledge of assets

As at 31 December 2023, certain of the Group's bank loans were secured by the pledge of the Group's time deposits amounting to RMB18.2 million. The Group's pledged time deposits decreased by approximately 39.3% from approximately RMB30.0 million as at 31 December 2022 to approximately RMB18.2 million as at 31 December 2023.

Foreign exchange exposure

All of the Group's revenue and the majority of its expenditures are denominated in RMB. As at 31 December 2023, majority of the Group's bank balances were denominated in RMB. The Group currently does not have any foreign currency hedging policies. The management will continue to assess the Group's foreign exchange risk exposure and consider adopting prudent measures as appropriate.

Gearing ratio

The gearing ratio, which is calculated by using total interest-bearing bank and other borrowings divided by total equity, decreased to approximately 12.6% as at 31 December 2023 from approximately 13.7% as at 31 December 2022, mainly due to a decrease of the Group's interest-bearing bank and other borrowings.

Employees, Remuneration Policy and Training

As at 31 December 2023, the Group had a total of 1,476 employees. Employees of the Group are remunerated based on their performance, experience and prevailing industry practices, with all compensation policies and packages reviewed on a regular basis. The remuneration of the Group's employees includes salaries and allowances. As required by the PRC laws and regulations, the Group participates in various employee social security plans for its employees that are administered by local governments, including housing, pension, medical insurance, maternity insurance and unemployment insurance. The Group also emphasises employee trainings and career development, and invests in the education and training programs for its employees with the purpose of upgrading their knowledge on the latest trends and developments of the industry.

USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING AND UPDATE ON EXPECTED TIMELINE FOR USE OF PROCEEDS

The net proceeds (the "**Net Proceeds**") from the global offering of ordinary shares, after deducting underwriting commission and other expenses, were approximately HK$446.0 million.

As at the date of this announcement, the Company had utilised HK$183.9 million of the Net Proceeds, representing approximately 41.2% of the Net Proceeds. The amount of the unutilised Net Proceeds is HK$262.1 million, representing approximately 58.8% of the Net Proceeds. As at the date of this announcement, the Net Proceeds have been used in a manner consistent with that set out in the announcement of the Company dated 30 March 2023.

For the reasons set out in the paragraph headed "Reasons for Extending the Expected Timeline for Use of Proceeds" below, the Board has resolved to extend the expected timeline of the use of the Net Proceeds from "2022-2023" to "2022-2025".

The following table sets forth a summary of the utilisation of the Net Proceeds and the updated expected timeline of the use of the Net Proceeds:

Purpose	Revised portion as stated in the announcement of the Company dated 30 March 2023	Revised allocation of the net proceeds as stated in the announcement of the Company dated 30 March 2023	Utilised amount during the Reporting Period	Utilised amount as at the end of the Reporting Period	Unutilised amount as at the end of the Reporting Period	Updated expected timeline
		HK$' Million	*HK$' Million*	*HK$' Million*	*HK$' Million*	
Further increase student capacity of the schools with an aim to upgrade Lingnan Institute of Technology from an associate college to a vocational university						
– Acquiring additional land of approximately 400,200 sq.m.	47.0%	209.6	–	–	209.6	2022-2025
– Constructing additional teaching and administrative facilities and purchasing teaching equipment	14.1%	63.0	9.5	63.0	–	N/A
– Constructing an industry and education integrated industrial park	3.0%	13.4	0.2	1.9	11.5	2022-2025
Acquire other schools and educational service providers to expand the school network	25.9%	115.4	–	74.4	41.0	2022-2025
Working capital	10.0%	44.6	–	44.6	–	N/A
Total	**100.0%**	**446.0**	**9.7**	**183.9**	**262.1**	

Reasons for Extending the Expected Timeline for Use of Proceeds

As disclosed in the announcement of the Company dated 30 March 2023, the Company has been actively exploring various strategic acquisition opportunities since 2022, but has not identified suitable acquisition opportunities for both additional land and other schools and educations providers. Being mindful of the unforeseen circumstances, incline of cost of land and resource integration and comprehensive utilization after acquisition, the Board is inclined to adopt a prudent approach hence a deferred spending on acquisition of additional land and other schools and educations providers. Due to the increase in the number of students, the Company has reallocated site resources for industry and education integrated industrial park in 2023 and plans to utilise the remaining Net Proceeds in 2024-2025.

The Board considers that the extension of the expected timeline for full utilisation of the Net Proceeds will not have any material adverse impact on the existing business and operation of the Group and is in the best interest of the Company and its shareholders as a whole. Save as disclosed in this announcement, there are no other changes to the plan for utilising the Net Proceeds.

The Group will continue to explore different acquisition opportunities bringing values to the Group. In the event that there are suitable acquisitions in the future, the Company shall still use the designated Net Proceeds and its own funds for the acquisitions, and the Company's acquisition strategy will not be affected because of the extended timeline for full utilisation of the Net Proceeds.

The Board will continuously assess the plans for the use of the unutilised Net Proceeds and may revise or amend such plans where necessary to cope with the changing market conditions in order to strive for a better performance of the Group. Should there be any further change in the use of the Net Proceeds, further announcement(s) will be made by the Company as and when appropriate.

OTHER INFORMATION

Events after the Reporting Period

The Company did not have any events that should be brought to the attention of the shareholders of the Company (the "**Shareholders**") from the end of the Reporting Period and up to the date of this announcement.

Final Dividend

The Board has proposed to declare a final dividend of HK4.8 cents per share for the year ended 31 December 2023 (31 December 2022: nil). The final dividend will be declared and paid in Hong Kong dollars. The final dividend will be paid on 18 June 2024 to the Shareholders whose names appear on the register of members of the Company on 5 June 2024. The payment of the final dividend is subject to Shareholders' approval at the annual general meeting ("**AGM**") of the Company to be held on 28 May 2024.

Purchase, Sale or Redemption of Listed Securities of the Company

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities for the year ended 31 December 2023.

Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries and Affiliated Companies

Save as disclosed herein, the Group did not hold any significant investment nor did the Group carry out any material acquisition or disposal of subsidiaries, associates, joint ventures or affiliated companies during the Reporting Period.

Future Plans for Material Investments and Investments in Capital Assets

Save as disclosed herein, as at 31 December 2023, the Group did not have any plans for material investments or investments in capital assets.

Corporate Governance Code

The Directors recognise the importance of good corporate governance in management and internal procedures so as to achieve effective accountability. The Company has adopted corporate governance practices based on the principles and code provisions as set out in the Corporate Governance Code (the "**CG Code**") as contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as its own code of corporate governance practices. During the Reporting Period, the Company has complied with all code provisions of the CG Code.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the code of conduct governing Directors' securities transactions. The Company confirms that, having made specific enquiries of all the Directors, each of them has complied with the required standard as set out in the Model Code during the Reporting Period.

Audit Committee

The Audit Committee has reviewed, together with the management, the accounting principles and policies adopted by the Group, and discussed, among other things, auditing and financial reporting matters including a review of the consolidated results of the Group for the year ended 31 December 2023.

Scope of Work of Ernst & Young

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2023 as set out in the preliminary announcement have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance conclusion has been expressed by Ernst & Young on the preliminary announcement.

Public Float

As at the date of this announcement, the Company had maintained the prescribed public float under the Listing Rules, based on the information that was publicly available to the Company and within the knowledge of the Directors.

Annual General Meeting

The AGM will be held on Tuesday, 28 May 2024. Shareholders should refer to the circular of the Company, the notice of AGM and the enclosed form of proxy to be dispatched by the Company for details regarding the AGM.

Closure of Register of Members

The register of members of the Company will be closed from Thursday, 23 May 2024 to Tuesday, 28 May 2024, both days inclusive, during which period no share transfers can be registered. In order to be eligible for attending and voting at the AGM, all transfer instruments accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Wednesday, 22 May 2024.

The register of members of the Company will be closed from Tuesday, 4 June 2024 to Wednesday, 5 June 2024, both days inclusive, during which period no share transfers can be registered. In order to be qualified for the proposed final dividend, all transfer instruments accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 3 June 2024.

Publication of Annual Results Announcement and Annual Report

This annual results announcement is published on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and on the website of the Company at www.scvedugroup.com, respectively. The annual report of the Company for the Reporting Period containing all the information required by the Listing Rules will be despatched to the Shareholders and published on the above websites in due course.

Acknowledgement

The Board would like to express its sincere gratitude to the Group's management and staff members for their dedication and hard work as well as the shareholders, business partners, bankers and auditors of the Company for their support to the Group throughout the Reporting Period.

By order of the Board
South China Vocational Education
Group Company Limited
He Huishan
Chairman

Hong Kong, 27 March 2024

In this announcement, the English translation of company or entity names in Chinese which are marked with "" is for identification purpose only.*

As at the date of this announcement, the Board of Directors of the Company comprises Mr. He Huishan, Ms. He Huifen and Mr. Lao Hansheng as executive Directors; and Mr. Luo Pan, Mr. Yeh Zhe-Wei and Mr. Ma Shuchao as independent non-executive Directors.