SCHOLAR EDUCATION GROUP
思 考 樂 教 育 集 團

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1769)

POSITIVE PROFIT ALERT

This announcement is made by Scholar Education Group (the "**Company**", together with its subsidiaries and consolidated affiliated entities, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review and analysis on the consolidated management accounts of the Group for the year ended 31 December 2024 and other information currently available to the Board, the Group expects to record:

(i) a revenue of not less than RMB835.0 million for the year ended 31 December 2024, which is an increase of not less than 46.3% as compared to a revenue of RMB570.6 million for the year ended 31 December 2023 (the "**Last Year**");

(ii) a net profit of not less than RMB140.0 million, which is an increase of not less than 62.8% as compared to a net profit of RMB86.0 million Last Year; and

(iii) an adjusted net profit attributable to shareholders of the Company (non-International Financial Reporting Accounting Standard measure)[(1)] of no less than RMB165.0 million, which is an increase of not less than 52.8% as compared to the adjusted net profit attributable to shareholders (non-International Financial Reporting Accounting Standard measure) of RMB108.0 million Last Year.

Note 1: The adjusted net profit attributable to shareholders of the Company is the net profit after deducting (a) share-based compensation expenses and (b) net loss from the live commerce business in last year. This is a non-International Financial Reporting Accounting Standard measure. Adjusted net profit attributable to shareholders of the Group is used to exclude the impact of non-operating items which affect the results presented in the financial statements but are not indicative of the operating performance of the Group, so as to provide the Shareholders and potential investors with useful supplementary information to assess the performance of the Group's operations.

The expected revenue, net profit, and adjusted net profit attributable to the shareholders of the Company for the year ended 31 December 2024 are anticipated to reach record highs since the Group's establishment. In particular, the expected increase in net profit for the year ended 31 December 2024 is primarily attributable to (i) an increase in total tutoring hours, leading to higher revenue, and (ii) the Group's ongoing efforts to improve operational efficiency. The foregoing reflects the success of the Company's business initiatives, which have broadened and are expected to continue to broaden the revenue base of the Group, alongside stringent cost measures.

The Board would also like to highlight that the Group continues to make progress in its strategic development in Guangdong Province. The Group had begun preparations to restart its business in the Guangzhou market in mid-2024. The programmes in Guangzhou have gained recognition from parents and students, and have initially shown promising results. The Board believes that the Group's Guangzhou business will broaden its revenue base and contribute to its long-term development.

The information contained in this announcement is based on the preliminary review and assessment by the management of the unaudited management accounts of the Group that have not been audited by the Company's audit committee or the independent auditors and are subject to finalisation and necessary adjustments (if any).

The Board expects that the annual results announcement of the Company for the year ended 31 December 2024 will be published in March 2025 and that the corresponding 2024 annual report will be published subsequently in accordance with the requirements of the Listing Rules.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
SCHOLAR EDUCATION GROUP
CHEN QIYUAN
Chairman and Executive Director

Hong Kong, 11 March 2025

As at the date of this announcement, the Board comprises:

Executive Directors
Mr. Chen Qiyuan *(chairman)*
Mr. Qi Mingzhi *(chief executive officer)*
Ms. Li Ailing
Ms. Leng Xinlan

Independent non-executive Directors
Mr. Huang Victor
Mr. Yang Xuezhi
Ms. Yim Ka Man