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思考乐教育
SCHOLAR EDUCATION

SCHOLAR EDUCATION GROUP
思考樂教育集團

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1769)

REPLACEMENT OF SHARE OPTIONS

This announcement is made by Scholar Education Group (the "**Company**") pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**Listing Rules**").

Reference is made to the announcements of the Company dated 28 February 2024, 5 March 2024 and 29 November 2024 in relation to the grant of Share options (the "**Options**") on 28 February 2024 and 29 November 2024 to certain employees of the Company (the "**Grantees**") pursuant to the share scheme adopted by the Company on 27 February 2024 (the "**Share Scheme**"). As at the date of this announcement, a total of 33,342,000 Options (the "**Old Options**") has been granted to the Grantees, all of which are outstanding, including 8,335,500 vested Old Options and 25,006,500 unvested Old Options. None of the Old Options has been exercised or cancelled as of the date of this announcement.

After taking into consideration of the market conditions since the grant of the Old Options, and to further incentivise and retain the Grantees to continuously contribute to the development of the Company, on 11 September 2025, the board of directors (the "**Board**") of the Company resolved to cancel 25,006,500 unvested Old Options held by the Grantees and re-grant to them 22,228,000 new Options (the "**New Options**") in accordance with the terms and conditions of the Share Scheme (the

"**Replacement**"), to replace the aforementioned cancelled Old Options, subject to the respective consent and acceptance of the Grantees. Details of the Replacement are set forth as follows:

PARTICULARS OF THE REPLACEMENT

Cancellation of Old Options

Subject to the respective consent and acceptance of the Grantees, the 25,006,500 unvested Old Options will be cancelled. For the avoidance of doubt, the 8,335,500 vested Old Options that are not subject to the Replacement remain to be bound by the same terms and conditions (including but not limited to the vesting schedule and exercise period) as set out in the relevant grant letter.

Re-Grant of New Options as Replacement of the Old Options

The following sets forth details of the New Options granted to the Grantees:

Date of grant:	11 September 2025
Exercise price:	Each New Option shall entitle its holder to subscribe for one Share at an exercise price of HK$2.33 per Share, which is the highest of: (a) the closing price of HK$2.33 per Share as stated in the Stock Exchange's daily quotations sheets on the grant date and (b) the average closing price of HK$2.31 per Share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the grant date.
Number:	22,228,000 New Options, each entitling its holder to subscribe for one Share
Vesting schedule:	Subject to the achievement of certain performance targets as described below, the New Options will vest in three tranches: (i) 50% to be vested on 15 January 2026; (ii) 25% to be vested on 15 January 2027; and (iii) the remaining 25% to be vested on 15 January 2028. Unless otherwise determined by the Board, the portion of New Options that has yet to vest according to the schedule above shall lapse. The Board considers that the vesting schedule of the New Options is appropriate and reasonable considering that such New Options are granted as replacement for and in consideration of the cancelled Old Options.

Performance targets: The vesting of each tranche of the New Options as described above is subject to achievement of certain performance targets as determined by the Board at its sole and absolute discretion:

Group level performance:

The Board will assess the performance of the Group for the relevant year, including in particular key performance indicators, such as revenue and profit of the Group as a whole and of the applicable business.

Individual level performance:

The Group has in place a standardised performance appraisal system for its employees to comprehensively evaluate their performance and contribution to the Group. The Company will determine whether the Grantees meet the individual performance target based on their performance appraisal results for the relevant year.

In case of partial achievement and satisfaction of the performance targets, the applicable Options may be vested in proportion to the performance targets actually achieved (or such proportion as resolved by the Board) for the relevant year and the unvested portion of the relevant tranche of the Options shall lapse.

Exercise period: New Options that have vested may be exercised at any time for a period of two years from the vesting date and all outstanding or unexercised New Options shall lapse after 15 January 2030.

Clawback mechanism: Without prejudice to the terms of the Share Scheme, in the following events, any New Options granted to the Grantee which are not yet vested shall immediately lapse, unless otherwise determined by the Board at its sole and absolute discretion:

(i) the Grantee breaches any provision of the Share Scheme or the relevant grant letter;

(ii) the Grantee has engaged in serious misconduct or violates any terms, including with respect to a policy or code of or other agreement with the Group, which is considered to be material;

(iii) the Grantee ceases to be an employee of the Group; or

(iv) the award to the Grantee will no longer be appropriate and aligned with the purpose of the Share Scheme.

The following sets forth details of the movement in the Options held by the Grantees before and after the Replacement:

Name/class of grantees	Date granted	Exercise price per Share	Number of outstanding Old Options before the Replacement	Number of Old Options cancelled	Number of New Options re-granted	Number of outstanding Options after the Replacement
Employees of the Group	28 February 2024	HK$4.48	16,671,000 *(Note 1)*	8,335,500	—	8,335,500 *(Note 1)*
	29 November 2024	HK$5.16	16,671,000	16,671,000	—	—
	11 September 2025	HK$2.33	—	—	22,228,000	22,228,000
Total			33,342,000	25,006,500	22,228,000	30,563,500

Note:

(1) Immediately before the Replacement, the 16,671,000 Old Options granted on 28 February 2024 consists of 8,335,500 unvested Old Options and 8,335,500 vested Old Options. The 8,335,500 unvested Old Options are not affected by the Replacement.

None of the grant will be subject to approval by the shareholders of the Company. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, none of the Grantees is (i) a Director, chief executive or substantial shareholder of the Company, or an associate (as defined under the Listing Rules) of any of them, or otherwise a connected person of the Company; or (ii) a related entity participant or a service provider of the Company.

The grant would not result in the share options granted and to be granted to each Grantee in the 12 month period up to and including the date of such grant in aggregate to exceed 1% of the Shares in issue.

Upon granting of the New Options, no Shares will be available for future grant under the scheme mandate limit and the service provider sublimit of the Share Scheme, subject to refreshment of the scheme mandate limit and the service provider sublimit.

There are no arrangements for any member of the Group to provide financial assistance to the Grantees to facilitate the purchase of Shares subject to any of the New Options.

REASONS FOR AND BENEFITS FOR THE REPLACEMENT

In light of the fact that the original exercise price of the Old Options significantly exceeds the prevailing market price of the Shares, the Board is of the view that such Old Options can no longer effectively serve their intended purpose of providing meaningful incentives and rewards to the Grantees for their contributions to the Group. The purpose of the Replacement is to recognise the contributions made to the Group by the Grantees and encourage, motivate and retain the Grantees, whose contributions are beneficial to the continual operation, development and long-term growth of the Group. As the Group's business is undergoing rapid expansion, and considering the prevailing market conditions, the Company believes that the Replacement serves as important incentives to motivate them to bring a higher return to the Company.

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

Hong Kong, 11 September 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. Yang Xuezhi
Ms. Yim Ka Man
Prof. Zhang Wenjun