天立国际控股有限公司
Tianli International Holdings Limited
(Incorporated in Cayman Islands with limited liability)
(Stock Code: 1773)

VOLUNTARY ANNOUNCEMENT
UPDATE ON BUSINESS DEVELOPMENTS

This announcement is made by Tianli International Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") on a voluntary basis regarding the latest business developments.

This announcement outlines the macro market environment related to education, as well as the proactive measures taken by the Company to drive its quality development, scale growth and strategic transformation. The Company is confident in its own capability to adapt flexibly to evolving market conditions, and continues to provide high-quality education services, so as to fulfil the Company's mission and achieve the best interests of its Shareholders.

1. MACRO MARKET ENVIRONMENT

The K12 education industry in China continues to face an unprecedented, complex and severe cycle of challenges. With the decline in the school-age population and the cyclical fluctuations of the economic environment, China's private education industry has ushered in a red ocean era.

Against the backdrop of increasingly intensified competition in our existing business, private education practitioners shall deeply recognize the necessity of shifting from "homogeneous competition" to "cost leadership" and "differentiated development"strategies. Only by aligning with national educational policies and adhering to a path of high-quality education and distinctive development can they seize opportunities to stand out amid cyclical turbulence and secure a chance for survival.

2. RECENT BUSINESS DEVELOPMENT

Benefiting from the Group's deep cultivation and foresight in the education industry, the Group has carried out a series of business planning initiatives and strategic adjustments in response to the prevailing market, economic and policy environment, and has achieved certain results. Since the Group's transformation into a comprehensive education service provider in 2022, following years of cultivation and incubation, each business segment of the Group has successively completed a substantial transformation from internal empowerment to large-scale and high-quality external development.

HIGHLIGHTS OF VARIOUS BUSINESS SEGMENTS

In the 2024/2025 academic year, in the study tour service segment, Lixing Yanxue, a subsidiary of the Group, successively launched historical-themed study tour projects such as "Ancient Shu" and "Dunhuang", which transforms tedious textbook knowledge into vivid offline experiences, truly enabling children to think through research, gain from learning, and learn through enjoyment. With these services launched into the market, we immediately garnered widespread market recognition. The Group's study tour business achieved a 20% year-on-year growth in external service headcount, demonstrating its growing potential for external conversion.

In the art training service segment, Tianyi Dream Building, a subsidiary of the Group, successively launched products, such as the Tsinghua Top Talent Training Program and the "3+3" Art Specialty Project for art-education integration, fully catering to the art enhancement needs of students with varying levels of proficiency. In the 2024/2025 academic year, the Group's art training service segment's cumulative service headcount amounted to approximately 4,500, further unleashing its market potential.

QUALITY SYSTEM CONSTRUCTION

In 2025, our high school graduates participated in the National College Entrance Examination (known as the "**Gaokao**") held in various cities where our schools are located. In the 2025 Gaokao, the Group's top-tiered talent cultivation system reached new heights, with a total of 28 outstanding students from its school network admitted to Tsinghua University and Peking University. Benefiting from the Group's standardised and high-quality teaching and management model output, the Group's established schools continued to maintain the high-standard performance in the Gaokao for this year, with approximately 90% of students exceeding the national university admission scores, and approximately 58% of students exceeding the national first-tier university admission scores. Growth-based schools also achieved excellent results where students with low enrollment scores achieved outstanding performance in the Gaokao, improving their university admission rate and first-tier university admission rate by 32% and 14%, respectively, as compared to their source of student enrollment scores.

In the 2024/2025 academic year, the Group also achieved remarkable results in diversified school admissions, among which, (i) in the international school admission segment, a total of 329 students received admission offers from higher education institutions in the top 50 QS World University Rankings; (ii) in the Pilot Reform Program of Enrollment for Basic Subjects and academic competitions segment, 34 students won provincial first prizes in the five major subject competitions, 12 of whom were selected for provincial teams and achieved 3 gold medals in the national finals. One of them, with outstanding performance, joined the national training team and secured the qualification for direct admission to Tsinghua University.

UPDATE ON THE SERVICED HEAD COUNT

Despite the combined impacts of the current population size, policy environment, and market conditions, the Group has continued with growth in the serviced head count of school students against the market trend in the new academic year.

As of the beginning of the autumn semester of 2025, the Group provided comprehensive education services to approximately 141,000 students across 63 schools, representing an increase of 8% in total student numbers compared to approximately 130,000 at the beginning of the autumn semester of 2024. Among them, the number of high school students served by the Group was approximately 60,000, representing an increase of 11% compared to approximately 54,000 at the beginning of the autumn semester of 2024.

There is a slow growth rate in the number of enrolled students served by the Group, primarily due to the fact that most of the schools operated by the Group outside Sichuan Province are still in their growth stage. Although the quality of education has improved significantly compared with students' entry-level performance, these schools have not yet established an absolute competitive advantage in their local markets. Against the current economic backdrop of weak market consumption, student parents are adopting a more cautious and conservative approach to spending, thereby tending to choose education service products with higher cost-effectiveness.

To this end, we must continue to deepen the construction of the school quality system, providing higher-quality and diversified advancement services to meet the personalized educational needs of more families. By leveraging AI in education to reduce costs and improve efficiency, we can simultaneously enhance enrollment appeal and strengthen the schools' absolute competitive advantages in their local markets in a comprehensive and multi-dimensional way. Concurrently, the Company will also intensify measures to streamline its workforce and operations, including leveraging such initiatives as digitalisation upgrades and business process re-engineering, to further enhance the Group's operational and management efficiency that will maintain its stable operations.

3. AI-DRIVEN EDUCATION INNOVATES THE FUTURE

In active response to the national call for digital education and to deeply explore the role of AI in enhancing the quality and efficiency of education services, the management has carefully considered and established AI as the core strategic direction for Tianli's next development phase. Currently, the Company's AI-driven education segment has essentially completed a full chain layout from technological research and development to product deployment and commercial verification.

PRODUCT STRUCTURE AND HIGHLIGHTS

Benefiting from the Group's years of deep cultivation and experience in lower-tier cities, we have established an educational reputation in multiple regions across the country. To this end, we will leverage the regional differentiated competitive advantages to enable the large-scale promotion and application of high-quality AI technology in local areas.

Currently, the Group's self-developed "Qiming AI Companion (啟鳴 AI 學伴)" large model successfully passed the national generative artificial intelligence service filing in June 2025. Integrating over 20 years of the Group's teaching content, this system now possesses comprehensive functional modules including personalised profile establishment, precise learning analysis, multi-modal teaching and explanation, and personalised homework correction. Leveraging the Group's large school network advantage, we integrate the product system deeply into school-based scenario experiments, combining multi-dimensional real-time feedback from schools, teachers, and parents, to thoroughly identify and promptly address the practical pain points inherent in AI-driven education.

COMMERCIALISATION STRATEGY AND PRACTICAL ACHIEVEMENTS

Currently, the Group's AI series products primarily cover AI Bootcamp (AI 衝刺營), AI Intelligent Study Hub (AI 智習室), AI Classrooms (AI 課堂), and diverse further education guidance services. These products have progressively completed market rollout and effectiveness validation.

During the 2024/2025 academic year, our Yiliang Tianli School, leveraging the precise empowerment of AI series products, successfully assisted two students in gaining admission to Peking University and one student in gaining admission to Tsinghua University, thereby breaking Yiliang County's 117-year record of zero Tsinghua/Peking University admissions. The AI Bootcamp project also achieved remarkable results, evidenced by the fact that among nearly a thousand students recruited for the AI Gaokao Bootcamp this academic year, 81% achieved Gaokao score improvements, with students' average scores increasing by 48 points and a maximum increase of 158 points.

The series of validation results have fully demonstrated the stable quality and replicability of Tianli's AI series product range, laying a solid foundation for the next step in Tianli's comprehensive AI product commercialisation strategy.

FUTURE OUTLOOK FOR AI EDUCATION

Looking ahead, the Group's AI smart education business will follow an "internal and external dual circulation" development model. Internally, through deep application within our school network, we can address the academic shortcomings among underperforming students, enhance the overall quality of schools, optimise the teacher-student ratio structure, and truly achieve cost reduction and efficiency improvement in operations. Externally, we will leverage our nationwide school network, resources, and brand reputation advantages to continuously expand external market presence and services, and by harnessing AI education capabilities, fortify the Company's competitive moat within the industry.

4. INCREASE IN SHAREHOLDING BY A DIRECTOR AND ON-MARKET SHARE REPURCHASE

Although the current short-term macro environment remains full of uncertainties and challenges, the Company and its management maintain unwavering confidence in the Company's business development and continue to demonstrate their confidences through concrete actions.

INCREASE IN SHAREHOLDING IN THE COMPANY BY A DIRECTOR

The board (the "**Board**") of directors ("**Director(s)**") of the Company was informed by Mr. Luo Shi ("**Mr. Luo**"), an executive Director, the chairman and the chief executive officer of the Company, that on 19 September 2025, Mr. Luo purchased a total of 3,000,000 ordinary shares of the Company ("**Shares**"), representing approximately 0.14% of the total issued Shares of the Company, at an average price of approximately HK$3.12 per Share on open market transaction. Immediately after the purchase, Mr. Luo directly and indirectly holds an aggregate of 910,455,569 Shares of the Company, representing approximately 43.16% of the total issued Shares of the Company as at the date of this announcement.

As advised by Mr. Luo, he is confident in the Group's business outlook and prospects. In compliance with applicable laws and regulatory requirements, Mr. Luo will not rule out the possibility that he may further increase his shareholding in the Company as and when appropriate.

ON-MARKET SHARE REPURCHASE

The Board hereby announces that on 19 September 2025, the Company repurchased 3,411,000 Shares of the Company, representing approximately 0.16% of the total issued Shares of the Company, on open market transaction. From 28 August 2025 to the date of this announcement, the Company has repurchased a total of 13,227,000 Shares of the Company, representing approximately 0.63% of the total issued Shares of the Company, through open market transactions for an aggregate consideration of approximately HK$46 million.

The Company believes that, by combining a clear strategic plan, solid quality performance, a diversified service structure, and the efficient support of AI, it can further strengthen the foundation of its business and continue to create long-term value for shareholders and all stakeholders.

Shareholders of the Company and other investors are advised to exercise due caution when dealing in the securities of the Company.

By order of the Board
Tianli International Holdings Limited
Luo Shi
Chairman, Executive Director and Chief Executive Officer

The PRC, 22 September 2025

As at the date of this announcement, the Board comprises Mr. Luo Shi as chairman and executive Director and Mr. Wang Rui as executive Director, Mr. Zhang Wenzao, Mr. Pan Ping and Ms. Li Xiaomei as non-executive Directors and Mr. Liu Kai Yu Kenneth, Mr. Yang Dong and Mr. Cheng Yiqun as independent non-executive Directors.