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)

PROFIT WARNING

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(2)(a) 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 and potential investors of the Company that, based on the preliminary review and analysis of the consolidated management accounts of the Group for the year ended 31 December 2025 ("**FY2025**") and other information currently available to the Board, the Group expects to record a net loss attributable to owners of the Company ranging from RMB70.0 million to RMB80.0 million (for the year ended 31 December 2024: net profit attributable to owners of the Company of RMB145.6 million). Excluding the share-based compensation expenses, the Group expects to record an adjusted net loss attributable to owners of the Company (non-International Financial Reporting Accounting Standard measure)(1) ranging from RMB40.0 million to RMB50.0 million (for the year ended 31 December 2024: adjusted net profit attributable to owners of the Company (non-International Financial Reporting Accounting Standard measure)(1) of RMB175.7 million).

The net loss and adjusted net loss attributable to owners of the Company (non-International Financial Reporting Accounting Standard measure)(1) for FY2025 were primarily attributable to the Group's

Note 1: This is a non-International Financial Reporting Accounting Standard measure. Adjusted net loss/profit attributable to owners of the Company 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.

enhanced business strategy and exploration of new businesses, including the expansion of its geographical coverage and the opening of new literacy learning centres in additional cities. Since these literacy new centres were still in the ramp-up phase during 2025, they generated limited revenue. However, direct operating costs, such as staff expenses and benefits, amortisation, depreciation, utilities, and property management fees, remained relatively high compared to the revenue generated, resulting in a negative impact to the Group's overall profitability. Additionally, some of the Group's investments in financial assets (amounting to approximately RMB30.0 million) were not redeemed upon maturity due to default of the relevant counterparties, which in turn led to fair value losses on these assets.

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 or reviewed 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 FY2025 will be published in March 2026 and that the corresponding 2025 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, 26 January 2026

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