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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 2025 AND

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

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 2025 (the “**Reporting Period**”) together with the comparative figures for the year ended 31 December 2024.

	Year ended 31 December			Percentage change (%)
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>	Change <i>RMB'000</i>	
Revenue	791,758	683,617	108,141	+15.8
Cost of sales	563,569	493,682	69,887	+14.2
Gross profit	228,189	189,935	38,254	+20.1
Profit before tax	81,462	84,859	(3,397)	-4.0
(Loss)/profit for the year	(59,446)	90,892	(150,338)	-165.4
Basic and diluted (loss)/earnings per share	RMB(0.04)	RMB0.07	RMB(0.11)	-157.1

Note:

An interim dividend of HK2.0 cents per share was paid to the shareholders of the Company during the year ended 31 December 2025. The Directors do not recommend the payment of a final dividend for the year ended 31 December 2025 (31 December 2024: HK1.3 cents per share).

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

Year ended 31 December 2025

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
REVENUE	4	791,758	683,617
Cost of sales		<u>(563,569)</u>	<u>(493,682)</u>
Gross profit		228,189	189,935
Other income and gains	4	76,382	71,628
Selling and distribution expenses		(31,379)	(42,571)
Administrative expenses		(82,896)	(87,532)
Other expenses		(99,423)	(34,789)
Finance costs		<u>(9,411)</u>	<u>(11,812)</u>
PROFIT BEFORE TAX	5	81,462	84,859
Income tax (expense)/credit	6	<u>(140,908)</u>	<u>6,033</u>
(LOSS)/PROFIT FOR THE YEAR		<u>(59,446)</u>	<u>90,892</u>
OTHER COMPREHENSIVE (LOSS)/INCOME			
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of financial statements		<u>(1,604)</u>	<u>248</u>
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods		<u>(1,604)</u>	<u>248</u>
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		<u>(1,604)</u>	<u>248</u>
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		<u>(61,050)</u>	<u>91,140</u>

	<i>Note</i>	2025 RMB'000	2024 <i>RMB'000</i>
(Loss)/profit attributable to:			
Owners of the parent		(59,618)	90,892
Non-controlling interests		<u>172</u>	<u>—</u>
		<u>(59,446)</u>	<u>90,892</u>
Total comprehensive (loss)/income attributable to:			
Owners of the parent		(61,222)	91,140
Non-controlling interests		<u>172</u>	<u>—</u>
		<u>(61,050)</u>	<u>91,140</u>
(LOSS)/EARNINGS PER SHARE			
 ATTRIBUTABLE TO ORDINARY EQUITY			
 HOLDERS OF THE PARENT	<i>8</i>		
Basic and diluted			
— For (loss)/profit for the year		<u>RMB(0.04)</u>	<u>RMB0.07</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	31 December 2025	31 December 2024
	<i>Notes</i>	<i>RMB'000</i>
NON-CURRENT ASSETS		
Property, plant and equipment	1,823,472	1,648,359
Investment properties	45,979	47,909
Right-of-use assets	386,634	362,105
Goodwill	3,052	3,052
Other intangible assets	14,246	10,771
Contract costs	10,677	9,055
Prepayments, other receivables and other assets	18,456	15,346
Deferred tax assets	12,426	12,843
	<hr/>	<hr/>
Total non-current assets	2,314,942	2,109,440
CURRENT ASSETS		
Prepayments, other receivables and other assets	17,644	13,315
Accounts receivable	8,129	9,254
Amounts due from related parties	1,961	891
Contract costs	11,930	10,641
Financial assets at fair value through profit or loss	—	30
Cash and cash equivalents	479,592	279,190
Time deposits	80,000	85,000
Restricted bank deposits	—	22,888
	<hr/>	<hr/>
Total current assets	599,256	421,209
CURRENT LIABILITIES		
Contract liabilities	321,462	293,790
Other payables and accruals	275,718	194,671
Interest-bearing bank and other borrowings	103,572	63,079
Lease liabilities	23,604	24,632
Tax payable	146,627	15,629
Amount due to a related party	557	1,658
Deferred income	3,529	5,072
	<hr/>	<hr/>
Total current liabilities	875,069	598,531

	31 December 2025 RMB'000	31 December 2024 RMB'000
NET CURRENT LIABILITIES	<u>(275,813)</u>	<u>(177,322)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>2,039,129</u>	<u>1,932,118</u>
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	274,423	118,140
Lease liabilities	117,999	78,626
Deferred tax liabilities	7,722	—
Deferred income	<u>82,930</u>	<u>77,923</u>
Total non-current liabilities	<u>483,074</u>	<u>274,689</u>
Net assets	<u><u>1,556,055</u></u>	<u><u>1,657,429</u></u>
EQUITY		
Equity attributable to owners of the parent		
Share capital	11,124	11,124
Reserves	<u>1,544,450</u>	<u>1,645,996</u>
	<u>1,555,574</u>	<u>1,657,120</u>
Non-controlling interests	<u>481</u>	<u>309</u>
Total equity	<u><u>1,556,055</u></u>	<u><u>1,657,429</u></u>

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, the “**Company**”) 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 (collectively referred to as the “**Group**”) 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 consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and by 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 consolidated financial statements on the basis of going concern. The Group recorded net current liabilities of RMB275,813,000 as at 31 December 2025. Included therein were contract liabilities of RMB321,462,000 as at 31 December 2025, 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 of approximately RMB469,893,000 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 AMENDMENTS TO HKFRS ACCOUNTING STANDARDS THAT ARE MANDATORILY EFFECTIVE FOR THE CURRENT YEAR

In the current year, the Group has applied for the first time the Amendments to HKAS 21 “Lack of Exchangeability” which are effective for the Group’s consolidated financial statements for the annual period beginning on 1 January 2025.

The amendments to HKAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. Besides, the amendments also require an entity to disclose additional information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows.

The amendments did not have a material impact on the Group’s consolidated financial statements.

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 (2024: Nil).

4. REVENUE, OTHER INCOME AND GAINS

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

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
<u>Revenue</u>			
<i>Revenue from contracts with customers</i>			
Tuition fees	<i>(a)</i>	712,684	615,315
Boarding fees	<i>(a)</i>	64,661	57,656
Other education service fees	<i>(b)</i>	14,413	10,646
Total revenue		791,758	683,617
<u>Other income and gains</u>			
Rental income		38,564	36,272
Training income		24,818	21,448
Government grants:			
Related to assets	<i>(c)</i>	4,475	5,587
Related to income	<i>(d)</i>	1,318	1,636
Fair value gain, net:			
Financial assets at fair value through profit or loss		—	782
Bank interest income		3,638	3,252
Loan interest income	<i>(e)</i>	—	434
Brand licensing income		1,494	1,852
Gain on disposal of items of right-of-use assets		1,793	—
Others		282	365
Total other income and gains		76,382	71,628

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. There are no unfulfilled conditions or other contingencies attaching to the governments grants that have been recognized.
- (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. There are no unfulfilled conditions or other contingencies attaching to the governments grants that have been recognized.
- (e) Loan interest income consists of nil interest income (2024: RMB434,000) from loans to other companies; 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:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At the beginning of the year	293,790	234,117
Revenue recognised that was included in the balance of contract liabilities at the beginning of the year	(291,975)	(232,302)
Increases due to cash received, including amounts recognised as revenue during the year	806,514	760,377
Revenue recognised that was not included in contract liabilities at the beginning of the year	(485,370)	(466,471)
Transfer to refund liabilities	(1,497)	(1,931)
At the end of the year	<u>321,462</u>	<u>293,790</u>

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:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue recognised that was included in the balance of contract liabilities at the beginning of the year		
Tuition fees	258,229	204,475
Boarding fees	33,746	27,827
Total	<u>291,975</u>	<u>232,302</u>

Unsatisfied performance obligations

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2025 are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Expected to be recognised within one year:		
Tuition fees	287,889	261,407
Boarding fees	33,573	32,383
Total	<u>321,462</u>	<u>293,790</u>

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 2025 and 2024.

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Employee benefit expense (excluding directors' and chief executive's remuneration:		
Wages and salaries	273,407	242,142
Pension scheme contributions (defined contribution scheme)****	<u>18,300</u>	<u>13,830</u>
Total	<u><u>291,707</u></u>	<u><u>255,972</u></u>
Depreciation of property, plant and equipment	84,082	70,273
Depreciation of right-of-use assets	32,258	32,746
Depreciation of investment properties	1,930	1,930
Amortisation of other intangible assets*	3,440	2,633
Auditor's remuneration	1,500	2,300
Donation expenses**	2,466	3,426
Lease payments not included in the measurement of lease liabilities	2,323	3,095
Provision for expected credit losses on accounts receivable	—	636
Exchange loss, net***	247	2,184
Late payment surcharge**	61,371	—
Loss on disposal of items of property, plant and equipment, net**	<u><u>259</u></u>	<u><u>7</u></u>

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

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

*** Exchange loss is included in other expenses and exchange gain is included in other income and gains 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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current — Mainland China		
Charge for the year	28,938	99
Under-provision in prior years	103,833	—
Deferred	8,137	(6,132)
Total	<u>140,908</u>	<u>(6,033)</u>

7. DIVIDENDS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interim — HK2 cents (2024: HK2.2 cents) per ordinary share	24,320	26,788
Proposed final — nil (2024: HK1.3 cents) per ordinary share	—	16,004
	<u>—</u>	<u>16,004</u>

8. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic (loss)/earnings per share amounts is based on the (loss)/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 (2024: 1,334,000,000) outstanding during the year.

The calculation of the diluted (loss)/earnings per share amounts is based on the (loss)/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 outstanding during the year, as used in the basic (loss)/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 2025 and 2024.

The calculations of basic and diluted (loss)/earnings per share are based on:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
(Loss)/Earnings		
(Loss)/profit attributable to ordinary equity holders of the parent, used in the basic and diluted (loss)/earnings per share calculations	<u>(59,618)</u>	<u>90,892</u>

	Number of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic and diluted (loss)/earnings per share calculations	<u>1,334,000,000</u>	<u>1,334,000,000</u>

9. ACCOUNTS RECEIVABLE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Tuition fees and boarding fees receivables	8,143	9,268
Impairment	<u>(14)</u>	<u>(14)</u>
Net carrying amount	<u>8,129</u>	<u>9,254</u>

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 relates 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 is 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:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within one year	8,129	8,930
One to two years	<u>—</u>	<u>324</u>
Total	<u>8,129</u>	<u>9,254</u>

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At beginning of the year	14	536
Impairment losses	—	636
Amounts written off as uncollectible	<u>—</u>	<u>(1,158)</u>
At end of the year	<u>14</u>	<u>14</u>

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 2025, Lingnan Institute of Technology had eight secondary colleges, two public colleges, a college of continuing education and the School of Medical Applied Technology (醫學應用技術學院), offering over 40 majors in a wide range of disciplines, including but not limited to, rehabilitation techniques, medical laboratory technology, electronic information engineering technology, e-commerce, computer network technology, cloud computing technology application, webcasting and operation, industrial internet, digital manufacturing technology of aircraft and intelligent logistics technology.

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 2025, Lingnan Modern Technician College had 8 departments and offered over 38 majors, including but not limited to, mechatronics, drones, vehicle inspection and maintenance, fire engineering, traditional Chinese medicine, rehabilitation, nursing, 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 to 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 36,876 for the 2025/2026 school year. As at 31 December 2025, the average tuition fee of Lingnan Institute of Technology and Lingnan Modern Technician College amounted to RMB18,439 and RMB16,059, respectively, and the average boarding fee of these two schools amounted to RMB2,642 and RMB2,431, respectively.

Outlook

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

1) Increased fiscal investment and improved school facilities

According to the Notice on Issuing the 2024 Budget for the Modern Vocational Education Quality Enhancement Program (《關於下達2024年現代職業教育品質提升計劃資金預算的通知》) jointly issued by the Ministry of Education and the Ministry of Finance, the central government has allocated RMB31.257 billion for the modern vocational education quality enhancement program. The funds will primarily support the improvement of teaching facilities, faculty development, and teaching quality in vocational institutions, covering equipment upgrades, practical training base construction, and other related areas. Concurrently, the Measures for the Evaluating National Scholarships in Secondary Vocational Education (《中等職業教育國家獎學金評審辦法》), which was jointly issued by the Ministry of Education, the Ministry of Human Resources and Social Security and the Ministry of Finance indicate that, tuition fees are exempted for rural students, urban students, enrolled in agriculture-related programs, and economically disadvantaged students in secondary vocational schools, with further improvements to the national scholarship and financial aid system.

2) Deepening integration of industry and education as well as enhanced school-enterprise cooperation

According to the Notice on Strengthening the Development of City-based Industry-Education Consortiums (《關於加強市域產教聯合體建設的通知》) (the Ministry of Education), and the Implementation Plan for the Industry-Education

Integration Empowerment and Enhancement Initiative 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)》) (National Development and Reform Commission and other authorities), city-based industry-education consortiums and sectoral alliances will be established, including an initial batch of 28 national-level city-based industry-education consortiums. Additionally, over 1,000 provincial-level industry-education integration alliances will be developed in key sectors such as modern agriculture and advanced manufacturing. The ‘Thousand Colleges and Ten Thousand Enterprises’ Collaborative Innovation Partnership Initiative will also be launched. Concurrently, the Notice on Implementing the Specialized Training Program for On-site Engineers in Vocational Education (《關於實施職業教育現場工程師專項培養計劃的通知》) (five departments, including the Ministry of Education) has established clear objectives for cultivating on-site engineering specialists, with 447 leading enterprises in advanced manufacturing sectors being selected to participate in the “Vocational Education On-Site Engineer Training Program”. This specialized talent training scheme employs innovative collaborative models including customized training programs and co-constructed practice training bases to systematically develop high-skilled professionals who meet exact industry requirements.

3) *Vocational education system optimization and program specialization*

The General Office of the CPC Central Committee and the State Council’s Guidelines on Deepening the Reform of Modern Vocational Education System Development (《關於深化現代職業教育體系建設改革的意見》), along with the Ministry of Education’s Notice on Accelerating Key Reform Tasks for Modern Vocational Education System Reform (《關於加快推進現代職業教育體系建設改革重點任務的通知》), mandate accelerated development of a modern vocational education framework. This reform adopts a “One Core with Dual Wings” framework (with provincial-level modern vocational education systems as the core, supported by city-based industry-education consortiums and sectoral alliances as dual wings) to drive multi-tiered, coordinated advancement across China’s vocational education landscape.

4) *Employment and skilled talent development*

The Implementation Guidelines on Implementing the Employment-First Strategy to Promote High-Quality and Full Employment (《關於實施就業優先戰略促進高品質充分就業的意見》), which was jointly issued by the CPC Central Committee and the State Council in September 2024, accelerates the development of modern vocational education by promoting the integration of vocational and academic education (職普融通), industry-education collaboration (產教融合), and science-education synergy (科教融匯). Key measures include establishing technical education alliances (groups), identifying and developing high-quality technical institutes and programs, incorporating career education into higher education talent cultivation, and advancing career-oriented enlightenment education at the senior high school level.

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-Macao Greater Bay Area to Continue Cultivating and Supplying High-Caliber Talents

The Guangdong-Hong Kong-Macao Greater Bay Area has become a core growth pole for China's high-quality economic development, with its total economic output accounting for over 10% of the national total in 2025. As the region undergoes economic transformation and upgrading, coupled with the deepening trend of population aging, the skill gap for high-skilled talents in emerging industries and health-related fields continues to widen, with talent demand showing a trend toward large-scale and high-end development.

According to the “Guangdong-Hong Kong-Macao Greater Bay Area (Mainland) Talent Demand Catalog (《粵港澳大灣區(內地)人才需求目錄》)” released by the Human Resources and Social Security Department of Guangdong Province in 2025, the Greater Bay Area is focusing on the development of 20 strategic industrial clusters. Among them, five industries — next-generation information technology, biomedicine and health, new energy, software and information services, and ultra-high-definition video display — rank as the top tier in terms of demand for highly skilled talents. Job development is undergoing a comprehensive transformation toward high skill, high salary, and high growth. To align with industrial talent demands, Guangdong Province and cities within the Greater Bay Area introduced a series of major support policies in 2025. Among these, the “Skills Light the Way to the Future, Talents Empower Industries” Large-Scale Vocational Skills Enhancement Training Initiative (2025–2027) (《「技能照亮前程人才賦能產業」大規模職業技能提升培訓行動(2025–2027)》) provides a full-chain guarantee for the cultivation, deployment, and retention of highly skilled talents across four dimensions: training subsidies, employment support, settlement benefits, and school-enterprise cooperation, creating a favorable policy environment for the development of vocational education.

Leveraging the development opportunities in the Greater Bay Area and the demand for industrial talent, the Group is taking its two existing schools as core bases to strategically expand into the vocational education market in the Greater Bay Area. We are steadily expanding our campus network, achieving comprehensive coverage across both formal vocational education and non-formal vocational training, gradually increasing the market share, and striving to solidify our position as the leading vocational education provider in the Greater Bay Area. At the same time, the Group has identified artificial intelligence as the core driver of its future development, focusing deeply on the secondary and higher vocational education sectors. By forging in-depth partnerships with leading large language model enterprises such as Zhipu AI (智譜AI),

we are establishing a trinity development framework that integrates AI skills training, AI product development for educational scenarios, and the innovation of intelligent teaching models.

Business Development Strategy

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

1) *High-quality development of formal vocational education*

The Group and Lingnan Institute of Technology have established an ambitious decade-long strategic vision: to transform Lingnan Institute of Technology into an entrepreneurial vocational university specializing in the holistic health sector, while establishing itself as the Greater Bay Area's benchmark for industry-education integration and scientific innovation convergence in the theme of "Health+TMT", and being anchored in the institution's "Double Excellence" initiative (pursuing both high-quality development and premium service standards) in the next decade. With a focus on degree-upgrading majors, and in accordance with the "New Dual-High" and degree-upgrading standards, greater efforts will be made to promote faculty development, professional strength building, and service capacity building, with a view to developing into institutions that achieve the national "New Dual-High" criteria (including national-level specialty clusters).

In addition, the Lingnan Modern Technician College and JD Group jointly established an industrial college, which will further deepen the ecosystem of "industry-education-evaluation", introduce corporate instructors to participate in curriculum design, jointly build training bases, and realize the mode of "customized classes" in which students will enter the workforce upon graduation. 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, which will help expand its network of secondary vocational schools. Lingnan Modern Technician College has established an industry college in collaboration with Huawei, focusing on four key areas: HarmonyOS development, 5G communications, artificial intelligence, and cybersecurity. Leveraging Huawei's globally leading technology platform and industrial ecosystem, the College is building a high-standard digital and intelligent platform for industry-education integration.

Lingnan Modern Technician College has also signed a comprehensive cooperation agreement with Siemens. Aligned with the German dual-system vocational education model, the two parties will jointly establish a Smart Manufacturing Industry College, advance the development of training bases and a "dual-qualification" teaching team, and cultivate versatile, high-skilled talents to support the transformation and upgrading of the manufacturing sector in the Greater Bay Area.

2) *Deepen AI deployment and collaboratively build a new ecosystem integrating industry and education*

The Group will take artificial intelligence as the core driving force for the future, deeply cultivate the vocational education track for secondary and higher vocational schools, and work closely with leading large model enterprises such as Zhipu AI (智譜AI) to build a deep collaboration, creating an integrated development pattern combining AI skills training, AI product development for educational scenarios, and innovation in intelligent teaching models. Relying on the Group's advantages in industry-education integration and school management, it aims to build a systematic AI vocational skills training system to cultivate technical talents suitable for the digital economy; develop intelligent teaching products and solutions based on educational scenarios, promoting deep integration of large model technology with teaching practice; and reconstruct teaching processes using AI, providing personalized support for students' academic planning and development paths, comprehensively enhancing students' employment competitiveness and innovation and entrepreneurship capabilities. The Group will continue to deepen the digital transformation of education empowered by AI, consolidating the advantages of industry-education integration through technological innovation, and injecting lasting momentum into the Group's high-quality development.

3) *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.

4) *Expanding ancillary education business*

China's vocational skills training market is projected to exceed RMB1.0 trillion by 2026, driven by rising online education penetration rates. Capitalizing on this growth, the Group is aggressively expanding into vocational skill certification and adult continuing education services. Lingnan Modern Technician College has been approved for the accreditation for 28 vocational skills, and has set up 28 social training and evaluation outlets in 11 prefectural cities in Guangdong Province, with plans to achieve substantial provincial coverage within three years. Simultaneously, Lingnan Institute of Technology is deepening collaborations with leading industries, major enterprises, and flagship projects, particularly in cross-sector technical services and corporate training. Through its college of continuing education (including the rural revitalization academy), the institution mobilizes secondary schools to participate, leveraging resources such as Industry-Education Integration Parks,

School-Enterprise Cooperation Platforms, Rural Revitalization Training Bases and STEM Education Centers. This multi-pronged approach enhances both the economic value and social impact of our expanded training programs and technical services.

5) *Developing international cooperation*

The Group actively carries out international cooperation in running schools, introduces advanced vocational education 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).

6) *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 15.8% from approximately RMB683.6 million for the year ended 31 December 2024 to approximately RMB791.8 million for the year ended 31 December 2025. The increase was primarily due to an increase in tuition fees and boarding fee as a result of the increase in total full-time student enrollment during the Reporting Period.

Cost of sales

Cost of sales primarily consists 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; (viii) student study and practice fees; and (ix) campus property management fee.

The Group's cost of sales increased by approximately 14.2% from approximately RMB493.7 million for the year ended 31 December 2024 to approximately RMB563.6 million for the year ended 31 December 2025. The increase was primarily due to (i) an increase in the number of faculty and their average salaries during the Reporting Period; (ii) an increase in depreciation of property, plant and equipment and amortization of intangible assets in line with the expansion of the Group's school operating scale during the Reporting Period; (iii) as the number of full-time students increased, corresponding operational expenses rose, including teaching expenditures, student-related expenses, utilities, etc.; and (iv) an increase in campus property management and service expenditures in line with the expansion of campus building area.

Gross profit and gross profit margin

The Group's gross profit increased by approximately 20.1% from approximately RMB189.9 million for the year ended 31 December 2024 to approximately RMB228.2 million for the year ended 31 December 2025, and the Group's gross profit margin increased from approximately 27.8% to approximately 28.8% during the same periods. The increase of gross profit margin was primarily due to the increase in student enrollment, the scale of the corresponding educational sector has expanded, leading to a corresponding increase in both revenue and costs. However, the growth rate of revenue outpaces that of costs, resulting in a corresponding increase in gross profit.

Other income and gains

Other income and gains primarily consists of (i) bank interest income; (ii) rental income; (iii) training income; (iv) government grants; (v) brand licensing income; and (vi) service income.

The Group's other income and gains increased by approximately 6.7% from approximately RMB71.6 million for the year ended 31 December 2024 to approximately RMB76.4 million for the year ended 31 December 2025. The increase was primarily due to an increase in rental income.

Selling and distribution expenses

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

The Group's selling and distribution expenses decreased by approximately 26.3% from approximately RMB42.6 million for the year ended 31 December 2024 to approximately RMB31.4 million for the year ended 31 December 2025. The decrease was primarily due to (i) a reduction in staff costs; and (ii) the adoption of online promotion for student recruitment during the Reporting Period.

Administrative expenses

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 decreased by approximately 5.3% from approximately RMB87.5 million for the year ended 31 December 2024 to approximately RMB82.9 million for the year ended 31 December 2025. The decrease was primarily due to a decrease in staff costs and welfare.

Other expenses

Other expenses primarily consist of (i) late payment surcharges for corporate income tax from prior years, (ii) cost for rental income; (iii) depreciation and amortization; (iv) cost for training income; and (v) donation.

The Group's other expenses increased by approximately 185.6% from approximately RMB34.8 million for the year ended 31 December 2024 to approximately RMB99.4 million for the year ended 31 December 2025. The increase was mainly due to the late payment surcharges for corporate income tax expenses from prior years as a result of tax re-assessment initiated by the local tax authority during the year ended 31 December 2025.

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 20.3% from approximately RMB11.8 million for the year ended 31 December 2024 to approximately RMB9.4 million for the year ended 31 December 2025. The decrease was primarily in line with the increase in capitalized interest expense.

Income tax

The Group's income tax increased by approximately RMB146.9 million for the year ended 31 December 2025. The increase in income tax is mainly due to the provisions of approximately RMB103.8 million for corporate income tax expenses from prior years and approximately RMB37.1 million of corporate income tax expenses for the year ended 31 December 2025, as a result of tax re-assessment initiated by the local tax authority during the year ended 31 December 2025.

(Loss)/Profit for the year

As a result of the above factors, profit for the year of the Group decreased by approximately 165.4% from a profit of approximately RMB90.9 million for the year ended 31 December 2024 to a loss of approximately RMB59.4 million for the year ended 31 December 2025.

Financial and Liquidity Position

Current assets and current liabilities

As at 31 December 2025, the Group had net current liabilities of approximately RMB275.8 million, increased by approximately 55.6% from the net current liabilities of approximately RMB177.3 million as at 31 December 2024. The increase in net current liabilities as at such date was primarily due to (i) an increase in contract liabilities of tuition fee collected from students in 2025/2026 school year; (ii) an increase in taxes payable arising from the tax re-assessment initiated by the local tax authority during the year ended 31 December 2025; and (iii) an increase in short-term borrowings.

The Group's current assets increased by approximately RMB178.1 million to approximately RMB599.3 million as at 31 December 2025 from approximately RMB421.2 million as at 31 December 2024. The increase in current assets was primarily attributable to the increase in cash and cash equivalents due to the rise in contract liabilities of tuition fee collected from students in 2025/2026 school year.

The Group's current liabilities increased by approximately RMB276.6 million to approximately RMB875.1 million as at 31 December 2025 from approximately RMB598.5 million as at 31 December 2024, mainly reflecting (i) an increase in taxes payable arising from the tax re-assessment initiated by the local tax authority during the year ended 31 December 2025; (ii) an increase in contract liabilities of tuition fee collected from students in 2025/2026 school year; and (iii) an increase in short-term borrowing.

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 RMB378.0 million as at 31 December 2025, denominated in RMB. As at 31 December 2025, the Group's interest-bearing bank and other borrowings bore effective interest rates ranging from approximately 2.7% to 4.7% per annum. The fixed interest rate borrowing was RMB43.4 million.

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

As at 31 December 2025, the Group did not have any financial assets at fair value through profit or loss amounted (31 December 2024: RMB0.03 million). The decrease was mainly due to the refund of an unlisted investment in February 2025.

Contingent liabilities and guarantees

As at 31 December 2025, the Group did not have any unrecorded significant contingent liabilities, guarantees or any material litigation against any member of the Group (31 December 2024: nil).

Pledge of assets

As at 31 December 2025, no assets of the Group were pledged to secure bank loans and other borrowings (31 December 2024: nil).

Foreign exchange exposure

All of the Group's revenue and the majority of its expenditures are denominated in RMB. As at 31 December 2025, 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, increased to approximately 24.3% as at 31 December 2025 from approximately 10.9% as at 31 December 2024, mainly due to an increase of the Group's interest-bearing bank and other borrowings.

Employment, Remuneration Policy and Training

As at 31 December 2025, the Group had a total of 2,078 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 at 31 December 2025, the remuneration of the Group's employees was RMB297.4 million (31 December 2024: RMB261.8 million). 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.

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

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 31 December 2025, the Company had utilised HK\$395.9 million of the Net Proceeds, representing approximately 88.8% of the Net Proceeds. The amount of the unutilised Net Proceeds is HK\$50.1 million, representing approximately 11.2% of the Net Proceeds.

For the reasons set out in the paragraph headed “Reasons for and Benefits of the Change in Use of Proceeds and Expected Timeline” below, the Board has resolved to change the use of the Net Proceeds by (i) re-allocating the unutilised Net Proceeds originally planned for the items “Constructing an industry and education integrated industrial park” and “Acquire other schools and educational service providers to expand the school network” to the item “Constructing additional teaching and administrative facilities and purchasing teaching equipment”; and (ii) extending the expected timeline of the use of the Net Proceeds from “2022–2025” to “by the end of December 2026”.

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

Purpose	Allocation of the Net Proceeds as stated in the announcement of the Company dated 28 August 2024		Unutilised amount (i.e. brought forward) as at 1 January 2025	Utilised amount during the Reporting Period	Utilised amount as at 31 December 2025	Unutilised amount as at 31 December 2025	Revised portion of the Net Proceeds	Re-allocation of the unutilised Net Proceeds	Updated expected timeline
	Percentage	HK\$' Million	HK\$' Million	HK\$' Million	HK\$' Million	HK\$' Million	Percentage	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.	—	—	—	—	—	—	—	—	N/A
— Constructing additional teaching and administrative facilities and purchasing teaching equipment	61.1%	272.6	81.9	81.9	272.6	—	72.3%	50.1	By the end of December 2026
— Constructing an industry and education integrated industrial park	3.0%	13.4	9.1	—	4.3	9.1	1.0%	—	N/A
Acquire other schools and educational service providers to expand the school network	25.9%	115.4	41.0	—	74.4	41.0	16.7%	—	N/A
Working capital	10.0%	44.6	—	—	44.6	—	10.0%	—	N/A
Total	100%	446.0	132.0	81.9	395.9	50.1	100%	50.1	

Reasons for and Benefits of the Change in Use of Proceeds and Expected Timeline

Given the vulnerable global economy and unforeseen market circumstances, the Board considered it appropriate to adopt a relatively cautious approach in pursuing acquisition opportunities and expansion plans. As a result, the timeline for fully utilising the Net Proceeds has been delayed. Given the changing market conditions, the Board also believes that it would be prudent for the Group to focus on enhancing its own teaching facilities and equipment instead of pursuing acquisitions and constructing an integrated industrial park. As such, the Company intends to reallocate the balance of the unutilised Net Proceeds of (i) HK\$9.1 million originally designated for constructing an industry and education integrated industrial park; and (ii) HK\$41.0 million originally designated for

acquiring other schools and educational service providers to expand the school network, to instead be used for constructing additional teaching and administrative facilities and purchasing teaching equipment. The Group shall actively seek to construct additional teaching and administrative facilities and purchase teaching equipment and such remaining Net Proceeds are expected to be fully utilised by the end of December 2026.

The Board believes that this strategic adjustment in the use of Net Proceeds will strengthen investor confidence and reduce risk exposure by stepping back from acquisition plans and the construction of an integrated industrial park in such a challenging market. The Board is of the view that the change in use of the Net Proceeds and the extension of the expected timeline are not expected to have any material adverse impact on the existing business and operation of the Group and are in the best interest of the Company and the shareholders of the Company (the “**Shareholders**”) as a whole. Save as disclosed in this announcement, there are no other changes to the plan for utilising the Net Proceeds.

The Board will continue to review the plans for utilising the unutilised Net Proceeds and may revise or amend such plans where necessary to respond to market changes and pursue better performance for the Group. Should there be any further change in the use of the Net Proceeds, the Company will make further announcement(s) as and when appropriate in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

OTHER INFORMATION

Significant Events after the Reporting Period

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

Final Dividend

An interim dividend of HK2.0 cents per share was paid to the Shareholders during the year ended 31 December 2025. The Directors do not recommend the payment of a final dividend for the year ended 31 December 2025 (31 December 2024: HK1.3 cents).

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 (including sale of treasury shares (as defined in the Listing Rules) for the year ended 31 December 2025. As at 31 December 2025, no treasury shares (as defined in the Listing Rules) were held by the Company.

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 2025, 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 Part 2 of the Corporate Governance Code (the “**CG Code**”) as contained in Appendix C1 to the Listing Rules as its own code of corporate governance practices. During the Reporting Period, the Company has complied with all code provisions in Part 2 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 for the year ended 31 December 2025.

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 2025.

Scope of Work of AOGB CPA Limited

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 2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, AOGB CPA Limited, to the amounts set out in the Group’s draft consolidated financial statements for the Reporting

Period. The work performed by AOGB CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by AOGB CPA Limited on the preliminary announcement.

Extract from Independent Auditor’s Report

AOGB CPA Limited will issue a qualified opinion in the independent auditor’s report on the consolidated financial statements of the Group for the year ended 31 December 2025. The details of which are extracted as follows:

Qualified opinion

In our opinion, except for the possible effect of the matter described in the *Basis for qualified opinion* section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for qualified opinion

During the year ended 31 December 2024, Guangdong Lingnan Institute of Technology (“**GLIT**”, 廣東嶺南職業技術學院), a wholly-owned subsidiary of the Group, entered into Labor Dispatch Agreements (the “**Agreements**”) and Supplemental Agreements (the “**Supplemental Agreements**”) with two vendors (the “**Vendors**”). Pursuant to the Agreements and Supplemental Agreements, GLIT has settled promotion expenses of RMB12,495,000 with the Vendors during the year ended 31 December 2024 and such expenses have been recorded in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024 as selling and distribution expenses.

Due to insufficient documentary evidence retained by GLIT to substantiate the services were provided by the Vendors, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to whether the services stipulated in the Agreements and Supplemental Agreements have been provided by the Vendors. There are no alternative procedures that we could perform to satisfy ourselves as to whether the occurrence, accuracy, classification, presentation and related disclosures of such expenses in the consolidated financial statements for the year ended 31 December 2024 were appropriate.

The scope limitation remained unresolved up to date of this report. Although the scope limitation no longer has any effect on the current year's figures in the consolidated financial statements for the year ended 31 December 2025, our opinion on the consolidated financial statements of the Group for the year ended 31 December 2025 is qualified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.

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 annual general meeting ("AGM") of the Company will be held on Thursday, 28 May 2026. Shareholders should refer to the circular of the Company, the notice of AGM and the enclosed form of proxy to be provided by the Company for details regarding the AGM.

Closure of Register of Members

The register of members of the Company will be closed from Friday, 22 May 2026 to Thursday, 28 May 2026, 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 Thursday, 21 May 2026. The record date for determining the entitlement of the Shareholders to attend and vote at the AGM will be on Thursday, 28 May 2026.

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 year ended 31 December 2025 containing all the information required by the Listing Rules will be provided 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, 30 March 2026

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 comprises Mr. He Huishan, Ms. He Huifen and Mr. Lao Hansheng as executive Directors; and Ms. Yang Yang, Mr. Yeh Zhe-Wei and Mr. Ma Shuchao as independent non-executive Directors.