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 six months ended 30 June 2026 and other information currently available to the Board, the Group expects to record a net profit attributable to owners of the Company of not less than RMB12.0 million (for the six months ended 30 June 2025: net profit attributable to owners of the Company of RMB62.9 million). Excluding the share-based compensation expenses, the Group expects to record an adjusted net profit attributable to owners of the Company (non-International Financial Reporting Accounting Standard measure)(1) of not less than RMB22.0 million (for the six months ended 30 June 2025: adjusted net profit attributable to owners of the Company (non-International Financial Reporting Accounting Standard measure)(1) of RMB81.3 million).

The expected decrease in net profit and adjusted net profit attributable to owners of the Company (non-International Financial Reporting Accounting Standard measure)(1) for the six months ended 30 June

Note 1: This is a non-International Financial Reporting Accounting Standard measure. Adjusted net 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.

2026 were primarily attributable to the longer-than-expected ramp-up period of certain literacy learning centres and the lead time needed for market penetration. As a result, the revenue generated from these learning centres, which are still at their early ramp-up period, remained relatively limited, whereas the direct operating costs, including staff expenses and benefits, amortisation, depreciation, utilities and property management expenses, among others, continued to be relatively high in proportion to the revenue generated, thereby adversely impacting the Group's overall profitability.

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 interim results announcement of the Company for the six months ended 30 June 2026 will be published in August 2026 and that the corresponding 2026 interim 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, 14 July 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