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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)**

### **SUBSCRIPTIONS OF NEW SHARES UNDER THE GENERAL MANDATE**

On 15 October 2025 (after trading hours), the Company and the Subscribers entered into the Subscription Agreements, pursuant to which the Subscribers have conditionally agreed to subscribe and the Company has conditionally agreed to allot and issue a total of 110,000,000 Subscription Shares at a Subscription Price of HK\$2.2 per Subscription Share.

The Subscription Price in HK\$2.2 per Subscription Share represents: (i) a discount of approximately 13.04% to the closing price of HK\$2.53 per Share as quoted on the Stock Exchange on the date of Subscription Agreements; and (ii) a discount of approximately 15.38% to the average closing price of HK\$2.60 per Share as quoted on the Stock Exchange for the last five trading days immediately preceding the date of the Subscription Agreements. The Subscription Shares represent approximately 19.47% of the Company's existing number of issued shares as at the date of this announcement and approximately 16.30% of the Company's total issued shares as enlarged by the Subscriptions.

The gross and net proceeds from the Subscriptions are expected to be approximately HK\$ 242.0 million and HK\$241.3 million respectively. The Company intends to use these net proceeds for (i) enhancing the Group's teaching quality and students' learning experience by recruiting additional course development staff, optimising and enriching course content and course materials, renovating facilities and purchasing teaching equipment; (ii) potential future projects in artificial intelligence; and (iii) replenishment of working capital and general corporate purposes to support the Company's strategy.

**Shareholders and potential investors of the Company are reminded that the completion of the Subscriptions is conditional on approval of the listing of, and permission to deal in, the Subscription Shares by the Listing Committee of the Stock Exchange, and is subject to the satisfaction of other conditions under the Subscription Agreements. Shareholders and potential investors are advised to exercise caution when dealing in the Shares as the Subscriptions may or may not proceed.**

On 15 October 2025 (after trading hours), the Company and the Subscribers entered into the Subscription Agreements, pursuant to which the Subscribers have conditionally agreed to subscribe and the Company has conditionally agreed to allot and issue a total of 110,000,000 Subscription Shares at the Subscription Price of HK\$2.2 per Subscription Share.

## **SUBSCRIPTION AGREEMENTS**

The principal terms of Subscription Agreements are set out below:

Date: 15 October 2025 (after trading hours)

Issuer: the Company

### **Subscription Shares**

Pursuant to the Subscription Agreements, the Company has conditionally agreed to allot and issue and the Subscribers have conditionally agreed to subscribe for the Subscription Shares. The 110,000,000 Subscription Shares to be allotted and issued under the Subscriptions represent (i) approximately 19.47% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.30% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming there is no change in the issued share capital of the Company from the date of this announcement until the completion of the Subscriptions, except as a result of the allotment and issue of the Subscription Shares).

The aggregate nominal value of the Subscription Shares is US\$110,000.

### **Subscription Price**

The Subscription Price of HK\$2.2 per Subscription Share was determined after arm's length negotiation between the Company and the Subscribers with reference to, among other things, the recent transaction price of the Shares. The Subscription Price represents: (i) a discount of approximately 13.04% to the closing price of HK\$2.53 per Share as quoted on the Stock Exchange on the date of Subscription Agreements; and (ii) a discount of approximately 15.38% to the average closing price of HK\$2.60 per Share as quoted on the Stock Exchange for the last five trading days immediately preceding the date of the Subscription Agreements.

The Subscribers had paid their respective total Subscription Price in cash upon signing of the Subscription Agreements, subject to a full refund without interest if the Subscription Agreements not becoming unconditional.

## **Subscribers**

The number of Subscribers is more than six, all of whom are corporate or individual investors. Immediately after completion of the Subscriptions, it is expected that none of the Subscribers will become a substantial shareholder of the Company.

According to the information provided by the Subscribers, none of the Subscribers hold any Shares prior to the Subscriptions. In addition, the Subscribers have confirmed to the Company that they are independent of and are not connected or acting in concert with the Company and its connected persons. To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, the Subscribers are Independent Third Parties. The Subscribers will not become substantial shareholders of the Company as a result of the Subscriptions.

## **Conditions of the Subscriptions**

The Completion is conditional upon the fulfillment of the following conditions:

- (1) the Listing Committee of the Stock Exchange having granted listing of and permission to deal in the Subscription Shares;
- (2) the Board having passed a resolution approving the transactions contemplated under the Subscription Agreements;
- (3) none of the warranties of the Subscribers given pursuant to the Subscription Agreements having become untrue, inaccurate or misleading in any material respect at any time before Completion would otherwise become unconditional and no fact or circumstances having arisen and nothing having been done or omitted to be done which would render any of such warranties of the Subscribers untrue, inaccurate in any material respect as if it was repeated as at Completion; and
- (4) there not having been any suspension or limitation of trading in any of the Company's securities by the Stock Exchange (save and except for any trading halt in relation to Subscriptions).

In the event that any of the above conditions is not waived and remained unsatisfied on 28 November 2025 (or such later date agreed by the relevant parties in writing) (the “**Long Stop Date**”), the relevant Subscription Agreement shall be terminated automatically.

## **Completion**

The Completion will take place on a Business Day to be agreed between the Company and the Subscribers after the last of the conditions precedent under the Subscription Agreements shall have been satisfied but no later than the Long Stop Date.

### **Status of Subscription Shares**

The Subscription Shares, when issued and fully paid, will rank *pari passu* with each other and with all other fully paid Shares in issue.

### **Application for listing**

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Subscription Shares.

### **Regulatory filing**

The Company will file with the CSRC in respect of the Subscriptions as required under relevant PRC laws and regulations.

### **General mandate**

The Subscription Shares will be allotted and issued under the general mandate granted to the Directors at the annual general meeting of the Company held on 20 May 2025, which enables the Directors to allot, issue and otherwise dispose of up to 112,756,210 shares. As at the date of this announcement, no Shares have been allotted and issued under the General Mandate. Accordingly, the General Mandate is sufficient to allot and issue the Subscription Shares. Accordingly, the Subscriptions are not subject to further approval by the Shareholders.

## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets forth the shareholding structure of the Company as at the date of this announcement and immediately after the issue of the Subscription Shares (assuming that there is no change in the issued share capital of the Company (including 1,088,000 Shares which have been repurchased and were yet to be cancelled) from the date of this announcement until the completion of the Subscriptions, except that due to the allotment and issue of the Subscription Shares):

	As at the date of this announcement		Immediately upon completion of Subscriptions	
	Number of shares	Approximately %	Number of shares	Approximately %
<b>Substantial Shareholders and Directors</b>				
Mr. Chen Qiyuan <sup>(1)</sup>	219,658,000	38.89	219,658,000	32.55
Mr. Qi Mingzhi	12,818,000	2.27	12,818,000	1.90
<b>Public Shareholders</b>				
Pandanus Associates Inc.	56,486,000	9.99	56,486,000	8.37
Fidelity Funds	35,256,000	6.24	35,256,000	5.22
Subscribers	—	—	110,000,000	16.30
Other public Shareholders	<u>240,651,050</u>	<u>42.60</u>	<u>240,651,050</u>	<u>35.66</u>
Total	<u>564,869,050</u>	<u>100.00</u>	<u>674,869,050</u>	<u>100.00</u>

Notes:

- (1) Mr. Chen Qiyuan is the sole shareholder of Yu Xi International Company Limited, and he is therefore deemed to be interested in the Shares held by Sky Noon International Company Limited, through Yu Xi International Company Limited.
- (2) The percentage figures in this table are subject to rounding adjustments. Accordingly, figures shown as total may not be an arithmetic aggregation of the figures preceding it.

## REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS AND USE OF PROCEEDS

The Company is an investment holding company. The principal business activities of the Group are the provision of private education services in the PRC.

The gross proceeds from the Subscriptions will be HK\$242.0 million, and the net proceeds from the Subscriptions (after deduction of expenses) are estimated to be approximately HK\$241.3 million, representing a net issue price of HK\$2.194 per Subscription Share.

The Company intends to apply the net proceeds from the Subscriptions as follows:

- (i) 16.58% of the net proceeds (approximately HK\$40.0 million) will be used for enhancing the Group's teaching quality and students' learning experience by recruiting additional course development staff, optimising and enriching course content and materials, renovating facilities and purchasing teaching equipment;
- (ii) 49.73% of the net proceeds (approximately HK\$120.0 million) will be used for potential future projects in artificial intelligence relating to principal activities of the Group; and
- (iii) 33.69% of the net proceeds (approximately HK\$81.3 million) will be used for replenishment of working capital and general corporate purposes to support the Company's strategy.

In the opinion of the Directors, the Subscriptions provide an opportunity to raise additional funds for the Group's business development. The Directors consider that the Subscription Agreements were entered into on normal commercial terms after arm's length negotiations between the Company and the Subscribers and the terms of the Subscription Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **FUND RAISING ACTIVITIES CONDUCTED BY THE COMPANY IN THE PAST TWELVE MONTHS**

During the 12 months immediately preceding the date of this announcement, the Company has not conducted any fund raising activities involving the issue of its equity securities.

**Shareholders and potential investors of the Company are reminded that the completion of the Subscriptions is conditional on the approval of the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares, and is subject to the satisfaction of other conditions under the Subscription Agreements. Shareholders and potential investors are advised to exercise caution when dealing in the Shares as the Subscriptions may or may not proceed.**

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Business Day”	any day (excluding a Saturday, Sunday and public holidays in Hong Kong) on which licensed banks are generally open for business in Hong Kong
“Board”	the board of Directors
“Company”	Scholar Education Group, an exempted company incorporated in the Cayman Islands with limited liability on 7 February 2018

“Completion”	the completion of the Subscriptions under the Subscription Agreements
“connected person(s)”	has the meaning given to it under the Listing Rules
“CSRC”	China Securities Regulatory Commission
“Directors”	the directors of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 20 May 2025 to allot and issue up to 112,756,210 Shares, being 20% of the total number of Shares in issue as at the date of such annual general meeting after adjusting for 1,088,000 Shares which have been repurchased and were yet to be cancelled
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and connected persons of the Company in accordance with the Listing Rules
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“China” or “PRC”	The People’s Republic of China
“Share(s)”	ordinary share(s) of US\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	the subscribers who respectively entered into the Subscription Agreements with the Company in respect of the Subscriptions
“Subscriptions”	subscriptions of the Subscription Shares by the Subscribers pursuant to the Subscription Agreements
“Subscription Agreements”	the subscription agreements dated 15 October 2025 entered into between the Company and the Subscribers in relation to the Subscriptions

“Subscription Price”	HK\$2.2 per Subscription Share
“Subscription Shares”	110,000,000 new Shares to be allotted and issued to the Subscribers under the Subscription Agreements
“substantial shareholder(s)”	has the meaning given to it under the Listing Rules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent

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

Hong Kong, 15 October 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