Chen Lin Education Group Holdings Limited
辰林教育集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1593)

PROFIT WARNING

This announcement is made by Chen Lin Education Group Holdings Limited (the "**Company**", together with its subsidiaries and consolidated affiliated entities, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders and potential investors of the Company that, based on the review and analysis of the unaudited consolidated management accounts of the Group for the year ended 31 August 2025 ("**FY2025**") and other information currently available to the Board, the Group expects that (1) the revenue for FY2025 is approximately RMB600.0 million, remain stable and show an increase compared to the year ended 31 August 2024 ("**FY2024**"); and (2) a loss for the year of approximately not less than RMB320.0 million will be recorded in FY2025, as compared to the profit for the year of approximately RMB15.4 million in FY2024.

The expected loss for the FY2025 is mainly attributable to: (1) a one-off, non-cash impairment losses on goodwill and certain non-current assets of approximately not less than RMB200.0 million, resulting from the downward adjustments in the operating estimates based on the acquisition of certain cash generating units ("**CGUs**") by the Group in 2020 and 2021 as compared to the operating estimates at the time of acquisition in 2020 and 2021 respectively; (2) a one-off, non-cash impairment losses of approximately RMB43.0 million, arising from the reversal of the obligation to return government grants originally received for the construction of one of the Group's acquired CGUs, following withdrew of its application for conversion from not-for-profit college to for-profit college in FY2025, which was subsequently recognised as deferred revenue; and (3) a year-on-year increase in non-cash depreciation and amortisation costs of fixed assets of approximately RMB25 million, as the infrastructure construction and equipment upgrades at the Group's relevant educational institutions were progressively completed.

As the impairment losses, one-off losses and depreciation and amortization are non-cash in nature, they will not affect the operating profit or cash flow of the Group. The financial position and cash flow of the Group remain robust and its debt structure continues to be optimized. The Group expects that its non-International Financial Reporting Standards ("**non-IFRS**") net profit remains stable. Excluding the impact of the above one-off non-cash expenses, the Board expects that the adjusted non-IFRS net profit, represented by earnings before interest, tax, depreciation and amortization (EBITDA) after adjusting for impairment losses of goodwill and certain non-current assets, as well as the one-off non-cash loss arising from the restoration of deferred revenue due to the withdrawal of the application for conversion from not-for-profit college to for-profit college will be in the range of RMB170.0 million to RMB200.0 million before interest, tax and depreciation in FY2025.

The Company is in the process of finalising the results of the Group for the FY2025. The information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the FY2025, which have not been audited or reviewed by the Company's auditors or the audit committee of the Board of the Company, and is therefore subject to adjustment. Shareholders and potential investors of the Company are advised to read carefully the results announcement of the Group for the FY2025, which is expected to be published by the end of November 2025.

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
Chen Lin Education Group Holdings Limited
Huang Yulin
Chairman

People's Republic of China, 25 November 2025

As at the date of this announcement, the Board comprises Mr. Huang Yulin, Mr. Wang Li, Ms. Gan Tian and Ms. She Hui as executive Directors and Mr. Sy Lai Yin, Sunny, Mr. Wang Donglin and Mr. Qin Huimin as independent non-executive Directors.