



## **EpicQuest Education Announces First Half Fiscal Year 2025 Financial Results**

*Revenue Rises a Robust 29% from the Year-Ago Period Driven by International Programs*

**MIDDLETOWN, Ohio, August 21, 2025 /PRNewswire/** -- EpicQuest Education Group International Limited (NASDAQ: EEIQ), ("EpicQuest Education", "EEIQ" or the "Company"), a provider of comprehensive education solutions for domestic and international students seeking college and university degrees in the US, Canada and the UK, today announced its first half financial results for the six months ended March 31, 2025.

"We are pleased to announce a 29% increase in revenue for the first half of our 2025 fiscal year as compared to the year-ago period. This increase was driven by the expansion of our international foundational and collaborative programs offered abroad which enable students to begin their studies in their home countries to prepare for future study overseas. In addition, the six-month period reflects an improvement in our gross margin to 64% and a significant reduction in operating costs as we work to create synergies and reduce expenses," commented Jianbo Zhang, CEO of EpicQuest Education.

"Our global recruitment initiatives continue to expand from China, Southeast Asia and the LATAM markets, and we have also entered into an agreement to boost student enrollment from Africa and the Middle East to Davis University. Our long-standing relationship with the Regional Campuses of Miami University of Ohio remains a cornerstone of our business, and EduGlobal College continues to expand opportunities and pathways for students to pursue university degrees. Internationalization continues to be a key catalyst of our strategic growth plan and we have entered into numerous agreements with prestigious universities around the world. We are committed to deliver both enriched global learning and an array of academic programs that empower students to build strong and sustainable careers," concluded CEO Jianbo Zhang.

### **First Half 2025 Financial Results Ended March 31, 2025**

**Revenues** were \$5.37 million for the first half of fiscal 2025 compared to \$4.16 million for the first half of fiscal 2024, representing an increase of \$1.21 million, or 29.1%. The increase in revenue was mainly due to an increase in students enrolling in the Company's international foundational and collaborative programs that are offered by Davis University and EduGlobal College, as well as its domestic programs offered by these two schools.

**Gross profit** was \$3.42 million for the first half of fiscal 2025 compared to \$2.40 million for the same period of 2024, representing an increase of \$1.02 million, or 42.5%. The increase was primarily due to the 29.1% increase in revenue in the current period while costs of services only increased 10.8% for the first half of fiscal 2025 compared to the same period of 2024. This was mainly due to the decrease in non-cash expenses attributable to share-based compensation as well as cost reduction initiatives. As a result, our gross margin increased to 63.7% for the first half ended March 31, 2025 from 57.7% for the same period of 2024.

**Operating Expenses** were \$5.38 million for the first half of fiscal 2025 compared to \$6.55 million for the same period of 2024, representing a decrease of \$1.17 million, or 17.9%. The decrease was due to a 22.9% reduction in general and administrative expenses to \$4.51 million in the current period from \$5.85 million for the same period of 2024, which was somewhat offset by a 24.9% increase in selling expenses in the current period to \$0.87 million from \$0.70 million for the same period of 2024. General and administrative expenses are due to non-cash expenses attributable to share-based compensation granted to directors, officers and employees for retention purposes following the Company's IPO in March of 2021, as well as professional fees primarily related to the Company's expansion efforts. Selling expenses include student recruitment commissions paid to agents, marketing, advertising, and travel expenses incurred due to an increase in recruiting activities.

**Operating loss** was \$1.96 million for the first half of fiscal 2025 compared to an operating loss of \$4.14 million for the same period of 2024, representing a decrease of \$2.08 million, or 52.7%, signifying a significant improvement of this income statement line item. This was due to higher period-over-period revenue in the current period, lower costs of services relative to revenue, and reduced operating expenses.

**Net loss** was \$0.16 million for the first half of fiscal 2025 compared to a net loss of \$3.52 million for the same period of 2024, representing a decrease of \$3.36 million, or 95.5%, signifying a significant improvement of this income statement line item. This was due to the factors as discussed above.

**Net Loss Per Basic and Diluted Share** for the first half of fiscal 2025 was \$0.02 compared to a net loss of \$0.26 per basic and diluted share for the same period of 2024. The weighted average number of shares used in the computation of basic and diluted earnings per share for the first half of 2025 was 13,232,953 shares compared to 12,370,905 shares for basic and diluted earnings per share in the prior year period.

### **Financial Condition**

As of March 31, 2025, the Company had \$0.33 million in cash and cash equivalents, a decrease of \$0.82 million or 71.3% as compared to \$1.15 million as of September 30, 2024. As of March 31, 2025, negative working capital was \$3.96 million (current assets minus current liabilities) and the current ratio (current assets divided by current liabilities) was 0.57, as compared to negative working capital of \$5.47 million and a current ratio of 0.44 as of September 30, 2024. Stockholders' equity as of March 31, 2025 was \$5.35 million, an increase of \$0.18 million or 3.5% as compared to \$5.17 million as of September 30, 2024.

### **Liquidity and Capital Resources**

Net cash used in operating activities for the six months ended March 31, 2025 was \$2.29 million as compared to net cash used in operating activities of \$10.1 million for the six months ended March 31, 2024. This decrease was primarily due to the changes in net income and other working capital balances. Changes in these balances are included in the changes in assets and liabilities presented in the consolidated statement of cash flows.

Net cash provided by investing activities was \$1.50 million for the six months ended March 31, 2025 as compared to net cash provided by investing activities \$0.75 million for the six months ended March 31, 2024. The net cash provided by investing activities for both six-month periods was attributable to the proceeds from the sale of real estate properties.

Net cash provided by financing activities was nil for the six months ended March 31, 2025 as compared net cash provided by financing activities of \$4.95 million for the six months ended March 31, 2024, which was the net result of (1) \$0.8 million from the Company's private placement in January 2024, (2) \$0.4 million in debt financing from a third party; and (3) an investment received for the Company's Gilmore Inv LLC subsidiary.

### **About EpicQuest Education Group International Limited**

EpicQuest Education Group International Limited ("EpicQuest Education" or the "Company") provides comprehensive education solutions for domestic and international students seeking university and college degrees in the US, Canada and the UK. The Company owns and operates EduGlobal College, based in British Columbia, Canada, which focuses on English proficiency educational programming for students pursuing academic degrees. The Company operates and is a 70% owner of Davis College, a career training college located in Toledo, Ohio. In addition, the Company has a recruiting relationship with the Miami University Regional campuses, where it maintains residential facilities, a full-service cafeteria, recreational facilities, shuttle buses and an office for the regional campuses that provides study abroad and post-study services for its students; these facilities are not owned, maintained, operated or are a part of Miami University. The Company is also a recruiting agent for the University of the West of Scotland (through The Education Group (London) Ltd) and Coventry University, both of which are located in the UK. EpicQuest Education has also established a wholly owned subsidiary, Gilmore Inv LLC, in Ohio, that will offer international educational programs related to kinesiology and recreation education. The Company also

established a company in Ohio, SouthGilmore LLC that has been formed to organize sports-related entertainment projects, which is 40% owned by Gilmore. For more information, please visit [www.epicquesteducation.com/](http://www.epicquesteducation.com/).

### Safe Harbor Statement

Certain of the statements made in this press release are “forward-looking statements” within the meaning and protections of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include, without limitation, the ability of the Company to achieve the enrollment goals outlined and the ability of the Company to achieve meaningful future revenue increases. Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates, intentions, and future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause the actual results, performance, capital, ownership or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be forward-looking statements. You can identify these forward-looking statements through our use of words such as “may,” “will,” “anticipate,” “assume,” “should,” “indicate,” “would,” “believe,” “contemplate,” “expect,” “estimate,” “continue,” “plan,” “point to,” “project,” “could,” “intend,” “target” and other similar words and expressions of the future.

All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by this cautionary notice, including, without limitation, those risks and uncertainties described in our most recent Form 20-F and otherwise in our SEC reports and filings. Such reports are available upon request from the Company, or from the Securities and Exchange Commission, including through the SEC’s Internet website at <http://www.sec.gov>. We have no obligation and do not undertake to update, revise or correct any of the forward-looking statements after the date hereof, or after the respective dates on which any such statements otherwise are made.

**EPICQUEST EDUCATION GROUP INTERNATIONAL LIMITED**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**AS OF MARCH 31, 2025 AND SEPTEMBER 30, 2024**  
**(US\$, except share data and per share data, or otherwise noted)**

	<b>March 31, 2025</b>	<b>September 30, 2024</b>
	<b>US\$</b>	<b>US\$</b>
	(Unaudited)	(Audited)
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	334,341	1,150,042
Restricted cash	338,712	338,712
Accounts receivable, net	101,396	85,279
Other receivable	542,554	473,271
Prepaid expenses	554,428	1,305,935
Inventory	44,731	48,470
Income tax receivable	540,165	889,766
<b>Total current assets</b>	<b>2,456,327</b>	<b>4,291,475</b>
<b>Non-current assets</b>		
Property and equipment, net	673,701	1,597,823
Long-term prepaids	7,500,023	7,500,023
Intangible assets	4,354,102	4,464,226
Right-of-use assets	2,401,149	2,785,008
Goodwill	2,652,772	2,652,772
<b>Total assets</b>	<b>20,038,074</b>	<b>23,291,327</b>

**LIABILITIES AND SHAREHOLDERS' EQUITY****Liabilities:****Current liabilities**

Accounts payable and other liabilities	3,271,837	3,233,471
Loan payable	409,956	409,956
Income tax payable	11,555	4,294
Due to related party	140,000	140,000
Lease liabilities – current	593,150	641,254
Deferred revenue	1,993,629	5,332,194
<b>Total current liabilities</b>	<b>6,420,127</b>	<b>9,761,169</b>

**Non-current liabilities**

Lease liabilities – non current	1,936,204	2,181,769
Deferred income tax liabilities	549,469	470,468

<b>Total liabilities</b>	<b>8,904,800</b>	<b>12,413,406</b>
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**Shareholders' equity**

Common shares, US\$0.0015873 par value, 31,500,000 shares authorized, 13,608,173 and 13,113,173 shares issued and outstanding as of March 31, 2025 and September 30, 2024, respectively	21,600	20,814
Additional paid-in capital	20,571,641	20,142,071
Accumulated Deficit	(15,190,620)	(14,958,678)
Accumulated other comprehensive loss	(54,647)	(35,803)
<b>Total shareholders' equity</b>	<b>5,347,974</b>	<b>5,168,404</b>

Non-controlling interests	5,785,300	5,709,517
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<b>Total equity</b>	<b>11,133,274</b>	<b>10,877,921</b>
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<b>Total liabilities and equity</b>	<b>20,038,074</b>	<b>23,291,327</b>
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For additional information, please see Form 6-K as filed with the SEC as the accompanying notes form an integral part of these condensed financial statements.

**EPICQUEST EDUCATION GROUP INTERNATIONAL LIMITED**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**  
**FOR THE SIX MONTHS ENDED MARCH 31, 2025 AND 2024**  
**(US\$, except share data and per share data, or otherwise noted)**

	<b>March 31, 2025</b>	<b>March 31, 2024</b>
	<b>US\$</b>	<b>US\$</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenues	5,367,405	4,162,650
Costs of services	1,951,235	1,759,229
<b>Gross profit</b>	<b>3,416,170</b>	<b>2,403,421</b>
<b>Operating costs and expenses:</b>		
Selling expenses	869,378	696,052
General and administrative	4,509,893	5,850,927
<b>Total operating costs and expenses</b>	<b>5,379,271</b>	<b>6,546,979</b>
<b>Loss from operations</b>	<b>(1,963,101)</b>	<b>(4,143,558)</b>
<b>Other (income) expenses:</b>		

Other income	(1,890,840)	(493,554)
Interest income	(2,673)	(19,948)
<b>Total other (income) expenses</b>	<b>(1,893,513)</b>	<b>(513,502)</b>
<b>Income (Loss) before provision for income taxes</b>	<b>(69,588)</b>	<b>(3,630,056)</b>
Current income tax expense	8,570	5,124
Deferred income tax expense (benefit)	78,001	(118,266)
<b>Income taxes expense (recovery)</b>	<b>86,571</b>	<b>(113,142)</b>
<b>Net loss</b>	<b>(156,159)</b>	<b>(3,516,914)</b>
Net income (loss) attributable to non-controlling interest	75,783	(309,542)
<b>Net loss attributable to common stockholders</b>	<b>(231,942)</b>	<b>(3,207,372)</b>
Unrealized foreign currency translation adjustment	(18,844)	(7,686)
<b>Comprehensive loss</b>	<b>(175,003)</b>	<b>(3,524,600)</b>
<b>Basic &amp; diluted net loss per share</b>	<b>(0.02)</b>	<b>(0.26)</b>
<b>Weighted average number of ordinary shares-basic and diluted</b>	<b>13,232,953</b>	<b>12,370,905</b>

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**EPICQUEST EDUCATION GROUP INTERNATIONAL LIMITED**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE SIX MONTHS ENDED MARCH 31, 2025 AND 2024**  
**(US\$, except share data and per share data, or otherwise noted)**

	<b>Common shares</b>	<b>Common shares amount</b>	<b>Additional paid-in capital</b>	<b>Retained earnings (deficit)</b>	<b>Accumulated other comprehensive loss</b>	<b>Non- controlling interests</b>	<b>Total equity</b>
<b>Balance as of September 30, 2023</b>	<b>11,998,173</b>	<b>19,045</b>	<b>18,232,263</b>	<b>(9,071,818)</b>	<b>(36,284)</b>	<b>1,790,504</b>	<b>10,933,710</b>
Net loss	-	-	-	(3,207,372)	-	(309,542)	(3,516,914)
Issuance of common stock for cash	400,000	635	799,365	-	-	-	800,000
Share-based compensation – common shares	420,000	667	524,533	-	-	-	525,200
Share-based compensation – stock options	-	-	595,099	-	-	-	595,099
Investment with 40% interest in SouthGilmore	-	-	(762,346)	-	-	4,500,074	3,737,728
Currency translation adjustment	-	-	-	-	(7,686)	-	(7,686)
<b>Balance as of March 31, 2024 (Unaudited)</b>	<b>12,818,173</b>	<b>20,347</b>	<b>19,388,914</b>	<b>(12,279,190)</b>	<b>(43,970)</b>	<b>5,981,036</b>	<b>13,067,137</b>

<b>Balance as of September 30, 2024</b>	<b><u>13,113,173</u></b>	<b><u>20,814</u></b>	<b><u>20,142,071</u></b>	<b><u>(14,958,678)</u></b>	<b><u>(35,803)</u></b>	<b><u>5,709,517</u></b>	<b><u>10,877,921</u></b>
Net loss	-	-	-	(231,942)	-	75,783	(156,159)
Share-based compensation – common shares	495,000	786	421,354	-	-	-	422,140
Share-based compensation – stock options	-	-	8,216	-	-	-	8,216
Currency translation adjustment	-	-	-	-	(18,844)	-	(18,844)
<b>Balance as of March, 2025 (Unaudited)</b>	<b><u>13,608,173</u></b>	<b><u>21,600</u></b>	<b><u>20,571,641</u></b>	<b><u>(15,190,620)</u></b>	<b><u>(54,647)</u></b>	<b><u>5,785,300</u></b>	<b><u>11,133,274</u></b>

*For additional information, please see Form 6-K as filed with the SEC as the accompanying notes form an integral part of these condensed financial statements.*

**EPICQUEST EDUCATION GROUP INTERNATIONAL LIMITED**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED MARCH 31, 2025 AND 2024**  
**(US\$, except share data and per share data, or otherwise noted)**

	<b><u>March 31, 2025</u></b>	<b><u>March 31, 2024</u></b>
	<b>US\$</b>	<b>US\$</b>
Cash Flows from Operating Activities:		
Net loss	(156,159)	(3,516,914)
Adjustments for items not affecting cash:		
Depreciation and amortization	201,635	227,319
Share-based compensation	430,356	1,120,299
Net gain from disposal of fixed assets	(665,389)	(477,115)
Deferred income tax expense	78,001	(118,266)
Changes in operating assets and liabilities		
Accounts receivable and other receivable	(85,400)	(139,617)
Prepaid expenses	751,507	(6,300,508)
Operating lease – lease liabilities and right of use assets	90,190	(14,734)
Inventory	3,739	(3,845)
Accounts payable & accrued liabilities	38,366	589,942
Deferred revenue	(3,338,565)	(1,430,090)
Income tax receivable	356,862	(4,990)
Net cash used in operating activities	<u>(2,294,857)</u>	<u>(10,068,519)</u>
Cash Flows from Investing Activities:		
Purchase of property and equipment	-	(8,398)
Proceeds from sale of fixed assets	1,498,000	757,115
Net cash provided from (used in) investing activities	<u>1,498,000</u>	<u>748,717</u>
Cash Flows from Financing Activities:		
Long term investment received for Gilmore	-	3,737,728
Share issuances, net of issuance costs	-	800,000
Proceeds borrowed from third party	-	409,956
Net cash provided from financing activities	<u>-</u>	<u>4,947,684</u>

Effect of exchange rate changes on cash and cash equivalents	(18,844)	(7,690)
Net increase/(decrease) in cash, cash equivalents	(815,701)	(4,379,808)
Cash and cash equivalents and restricted cash, beginning of year	1,488,754	5,305,551
Cash and cash equivalents and restricted cash, end of year	673,053	925,743

**SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION: They**

Income taxes paid	-	40,230
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