

0001104659-25-0055916-K TAL Education Group 2025012320250123160011160011 0 0001104659-25-0055916-K 2 20250123 20250123 20250123 TAL Education Group 0001499620 8200 000000000 E9 6-K 34 001-34900 25550035 4/F, TAL BUILDING NO.1, COURTYARD NO. 9 QIXIN MIDDLE STREET, CHANGPING DISTRICT Beijing F4 102206 86 (10) 5292-6669 4/F, TAL BUILDING NO.1, COURTYARD NO. 9 QIXIN MIDDLE STREET, CHANGPING DISTRICT Beijing F4 102206 6-K 1 tm254114d1_6k.htm FORM 6-K Â Â UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549 Â Â FORMÂ 6-K Â Â REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934 Â For the month of January 2025 Â Commission File Number: 001-34900 Â Â TAL EDUCATION GROUP Â Â TAL Building No.1 Courtyard No. 9, Qixin Middle Street, Changping District Beijing 102200 Peopleâ€™s Republic of China Â Indicate by check mark whether the registrant files or will file annual reports under cover of FormÂ 20-F or FormÂ 40-F. Â FormÂ 20-Fâ€"x FormÂ 40-F Â Â Â Â SIGNATURE Â Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. Â Â TAL Education Group Â Â Â Â By: /s/ Alex Zhuangzhuang Peng Â Â Â Name: Alex Zhuangzhuang Peng Â Â Â Title: President and Chief Financial Officer Â Â Date: January 23, 2025 Â Â Â ExhibitÂ Index Â Exhibit 99.1 - Press Release - TAL Education Group Announces Unaudited Financial Results for the Third Fiscal Quarter Ended November 30, 2024 Â Â EX-99.1 2 tm254114d1_ex99-1.htm EXHIBIT 99.1 Â Exhibit 99.1Â Â TAL Education Group Announces Unaudited Financial Results for the Â Third Fiscal Quarter Ended NovemberÂ 30, 2024 Â (Beijingâ€"JanuaryÂ 23, 2025)â€"TAL Education Group (NYSE: TAL) (â€œTALâ€ or the â€œCompanyâ€), a smart learning solutions provider in China, today announced its unaudited financial results for the third quarter of fiscal year 2025 ended NovemberÂ 30, 2024. Â Highlights for the Third Quarter of Fiscal Year 2025 Â -Net revenues were US\$606.4 million, compared to net revenues of US\$373.5 million in the same period of the prior year. Â -Loss from operations was US\$17.4 million, compared to loss from operations of US\$32.2 million in the same period of the prior year. Â -Non-GAAP loss from operations, which excluded share-based compensation expenses, was US\$1.9 million, compared to non-GAAP loss from operations of US\$10.2 million in the same period of the prior year. Â -Net income attributable to TAL was US\$23.1 million, compared to net loss attributable to TAL of US\$23.9 million in the same period of the prior year. Â -Non-GAAP net income attributable to TAL, which excluded share-based compensation expenses, was US\$38.6 million, compared to non-GAAP net loss attributable to TAL of US\$1.9 million in the same period of the prior year. Â -Basic and diluted net income per American Depository Share (â€œADSâ€) were both US\$0.04. Non-GAAP basic and diluted net income per ADS, which excluded share-based compensation expenses, were both US\$0.06. Three ADSs represent one ClassÂ A common share. Â -Cash, cash equivalents and short-term investments totaled US\$3,835.8 million as of NovemberÂ 30, 2024, compared to US\$3,303.3 million as of FebruaryÂ 29, 2024. Â Highlights for the Nine Months Ended NovemberÂ 30, 2024 Â -Net revenues were US\$1,640.0 million, compared to net revenues of US\$1,060.9 million in the same period of the prior year. Â -Income from operations was US\$12.9 million, compared to loss from operations of US\$58.2 million in the same period of the prior year. Â -Non-GAAP income from operations, which excluded share-based compensation expenses, was US\$63.5 million, compared to non-GAAP income from operations of US\$10.2 million in the same period of the prior year. Â -Net income attributable to TAL was US\$91.9 million, compared to net loss attributable to TAL of US\$31.1 million in the same period of the prior year. Â -Non-GAAP net income attributable to TAL, which excluded share-based compensation expenses, was US\$142.5 million, compared to non-GAAP net income attributable to TAL of US\$37.3 million in the same period of the prior year. Â -Basic and diluted net income per ADS were both US\$0.15. Non-GAAP basic net income per ADS, which excluded share-based compensation expenses, was US\$0.24, and Non-GAAP diluted net income per ADS, which excluded share-based compensation expenses, was US\$0.23. Â Â Â Financial Dataâ€"â€"Third Quarter and First Nine Months of Fiscal Year 2025 (In US\$ thousands, except per ADS data and percentages) Â Â Â Three Months EndedÂ Â NovemberÂ 30,Â Â 2023Â Â 2024Â Â Pct. ChangeÂ Net revenuesÂ Â 373,506Â Â 606,446Â Â 62.4% Loss from operationsÂ Â (32,185)Â Â (17,432)Â Â (45.8)% Non-GAAP loss from operationsÂ Â (10,184)Â Â (1,920)Â Â (81.1)% Net (loss)/income attributable to TALÂ Â (23,946)Â Â 23,069Â Â (196.3)% Non-GAAP net (loss)/income attributable to TALÂ Â (1,945)Â Â 38,581Â Â (2,083.6)% Net (loss)/income per ADS attributable to TAL â€" basicÂ Â (0.04)Â Â 0.04Â Â (195.5)% Net (loss)/income per ADS attributable to TAL â€" dilutedÂ Â (0.04)Â Â 0.04Â Â (194.1)% Non-GAAP net (loss)/income per ADS attributable to TAL â€" basicÂ Â (0.00)Â Â 0.06Â Â (2,066.2)% Non-GAAP net (loss)/income per ADS attributable to TAL â€" dilutedÂ Â (0.00)Â Â 0.06Â Â (2,037.0)% Â Â Â Nine Months EndedÂ Â NovemberÂ 30,Â Â 2023Â Â 2024Â Â Pct. ChangeÂ Net revenuesÂ Â 1,060,877Â Â 1,639,994Â Â 54.6% (Loss)/income from operationsÂ Â (58,168)Â Â 12,860Â Â (122.1)% Non-GAAP income from operationsÂ Â 10,229Â Â 63,476Â Â 520.5% Net (loss)/income attributable to TALÂ Â (31,081)Â Â 91,902Â Â (395.7)% Non-GAAP net income attributable to TALÂ Â 37,316Â Â 142,518Â Â 281.9% Net (loss)/income per ADS attributable to TAL â€" basicÂ Â (0.05)Â Â 0.15Â Â (399.0)% Net (loss)/income per ADS attributable to TAL â€" dilutedÂ Â (0.05)Â Â 0.15Â Â (394.1)% Non-GAAP net income per ADS attributable to TAL â€" basicÂ Â 0.06Â Â 0.24Â Â 286.2% Non-GAAP net income per ADS attributable to TAL â€" dilutedÂ Â 0.06Â Â 0.23Â Â 286.3% Â "We achieved healthy year-on-year revenue growth this quarter. Our AI learning devices remained one of our faster-growing business lines and received encouraging user feedback and market recognition," said Alex Peng, TALâ€™s PresidentÂ & Chief Financial Officer. Â "We will continue to enhance our productsâ€™ capabilities and adaptability across learning services and content solutions. As always, we are committed to helping more users discover learning solutions that meet their unique needs while also contributing positively to society." Â Â Â Financial Results for the Third Quarter of Fiscal Year 2025 Â Net Revenues Â In the third quarter of fiscal year 2025, TAL reported net revenues of US\$606.4 million, representing a 62.4% increase from US\$373.5 million in the third quarter of fiscal year 2024. Â Operating Costs and Expenses Â In the third quarter of fiscal year 2025, operating costs and expenses were US\$624.7 million, representing a 53.9% increase from US\$405.8 million in the third quarter of fiscal year 2024. Non-GAAP operating costs and expenses, which excluded share-based compensation expenses, were US\$609.2 million, representing a 58.7% increase from US\$383.8 million in the third quarter of fiscal year 2024. Â Cost of revenues increased by 65.5% to US\$286.7 million from US\$173.2 million in the third quarter of fiscal year 2024. Non-GAAP cost of revenues, which excluded share-based compensation expenses, increased by 67.2% to US\$285.4 million, from US\$170.7 million in the third quarter of fiscal year 2024. Â Selling and marketing expenses increased by 85.6% to US\$226.4 million from US\$122.0 million in the third quarter of fiscal year 2024. Non-GAAP selling and marketing expenses, which excluded share-based compensation expenses, increased by 91.0% to US\$222.4 million, from US\$116.4 million in the third quarter of fiscal year 2024. Â General and

administrative expenses increased by 0.8% to US\$111.5 million from US\$110.7 million in the third quarter of fiscal year 2024. Non-GAAP general and administrative expenses, which excluded share-based compensation expenses, increased by 4.8% to US\$101.4 million, from US\$96.7 million in the third quarter of fiscal year 2024. Gross Profit increased by 29.5% to US\$15.5 million in the third quarter of fiscal year 2025 from US\$22.0 million in the same period of fiscal year 2024. Gross profit increased by 59.6% to US\$319.8 million from US\$200.3 million in the third quarter of fiscal year 2024. (Loss)/Income from Operations Loss from operations was US\$17.4 million in the third quarter of fiscal year 2025, compared to loss from operations of US\$32.2 million in the third quarter of fiscal year 2024. Non-GAAP loss from operations, which excluded share-based compensation expenses, was US\$1.9 million, compared to Non-GAAP loss from operations of US\$10.2 million in the same period of the prior year. Other Income, Net Other income was US\$18.2 million for the third quarter of fiscal year 2025, compared to other income of US\$13.3 million in the third quarter of fiscal year 2024. Impairment Loss on Long-term Investments Impairment loss on long-term investments was nil for the third quarter of fiscal year 2025, compared to US\$2.3 million for the third quarter of fiscal year 2024. Income Tax (Expense)/Benefit Income tax benefit was US\$3.6 million in the third quarter of fiscal year 2025, compared to US\$15.4 million of income tax expense in the third quarter of fiscal year 2024. Net (Loss)/Income attributable to TAL Education Group Net income attributable to TAL was US\$23.1 million in the third quarter of fiscal year 2025, compared to net loss attributable to TAL of US\$23.9 million in the third quarter of fiscal year 2024. Non-GAAP net income attributable to TAL, which excluded share-based compensation expenses, was US\$38.6 million, compared to Non-GAAP net loss attributable to TAL of US\$1.9 million in the third quarter of fiscal year 2024. Basic and Diluted Net (Loss)/Income per ADS Basic and diluted net income per ADS were both US\$0.04 in the third quarter of fiscal year 2025. Non-GAAP basic and diluted net income per ADS, which excluded share-based compensation expenses, were both US\$0.06 in the third quarter of fiscal year 2025. Cash Flow Net cash provided by operating activities for the third quarter of fiscal year 2025 was US\$378.0 million. Cash, Cash Equivalents, and Short-Term Investments As of November 30, 2024, the Company had US\$2,240.8 million of cash and cash equivalents and US\$1,595.0 million of short-term investments, compared to US\$2,208.7 million of cash and cash equivalents and US\$1,094.6 million of short-term investments as of February 29, 2024. Deferred Revenue As of November 30, 2024, the Company's deferred revenue balance was US\$825.6 million, compared to US\$428.3 million as of February 29, 2024. Financial Results for the First Nine Months of Fiscal Year 2025 Net Revenues For the first nine months of fiscal year 2025, TAL reported net revenues of US\$1,640.0 million, representing a 54.6% increase from US\$1,060.9 million in the first nine months of fiscal year 2024. Operating Costs and Expenses In the first nine months of fiscal year 2025, operating costs and expenses were US\$1,628.8 million, representing a 44.1% increase from US\$1,130.7 million in the first nine months of fiscal year 2024. Non-GAAP operating costs and expenses, which excluded share-based compensation expenses, were US\$1,578.2 million, representing a 48.6% increase from US\$1,062.3 million in the first nine months of fiscal year 2024. Cost of revenues increased by 57.1% to US\$757.3 million from US\$482.1 million in the first nine months of fiscal year 2024. Non-GAAP cost of revenues, which excluded share-based compensation expenses, increased by 58.3% to US\$751.9 million from US\$475.1 million in the first nine months of fiscal year 2024. Selling and marketing expenses increased by 58.0% to US\$530.8 million from US\$335.9 million in the first nine months of fiscal year 2024. Non-GAAP selling and marketing expenses, which excluded share-based compensation expenses, increased by 63.6% to US\$518.4 million from US\$316.8 million in the first nine months of fiscal year 2024. General and administrative expenses increased by 9.0% to US\$340.7 million from US\$312.7 million in the first nine months of fiscal year 2024. Non-GAAP general and administrative expenses, which excluded share-based compensation expenses, increased by 13.9% to US\$307.9 million from US\$270.4 million in the first nine months of fiscal year 2024. Total share-based compensation expenses allocated to the related operating costs and expenses decreased by 26.0% to US\$50.6 million in the first nine months of fiscal year 2025 from US\$68.4 million in the same period of fiscal year 2024. Gross Profit Gross profit increased by 52.5% to US\$882.7 million from US\$578.8 million in the first nine months of fiscal year 2024. (Loss)/Income from Operations Income from operations was US\$12.9 million in the first nine months of fiscal year 2025, compared to loss from operations of US\$58.2 million in the same period of the prior year. Non-GAAP income from operations, which excluded share-based compensation expenses, was US\$63.5 million, compared to US\$10.2 million Non-GAAP income from operations in the same period of the prior year. Other Income, Net Other income was US\$51.8 million for the first nine months of fiscal year 2025, compared to other income of US\$11.5 million in the same period of the prior year. Impairment Loss on Long-term Investments Impairment loss on long-term investments was US\$8.7 million for the first nine months of fiscal year 2025, compared to US\$33.0 million for the first nine months of fiscal year 2024. Income Tax (Expense)/Benefit Income tax expense was US\$24.3 million in the first nine months of fiscal year 2025, compared to US\$8.9 million of income tax expense in the first nine months of fiscal year 2024. Net (Loss)/Income Attributable to TAL Education Group Net income attributable to TAL was US\$91.9 million in the first nine months of fiscal year 2025, compared to net loss attributable to TAL of US\$31.1 million in the first nine months of fiscal year 2024. Non-GAAP net income attributable to TAL, which excluded share-based compensation expenses, was US\$142.5 million, compared to US\$37.3 million Non-GAAP net income attributable to TAL in the same period of the prior year. Cash Flow Net cash provided by operating activities for the first nine months of fiscal year 2025 was US\$624.3 million. Basic and Diluted Net (Loss)/Income per ADS Basic and diluted net income per ADS were both US\$0.15 in the first nine months of fiscal year 2025. Non-GAAP basic net income per ADS, which excluded share-based compensation expenses, was US\$0.24, and Non-GAAP diluted net income per ADS, which excluded share-based compensation expenses, was US\$0.23 in the first nine months of fiscal year 2025. Conference Call The Company will host a conference call and live webcast to discuss its financial results for the third fiscal quarter of fiscal year 2025 ended November 30, 2024 at 7:00 a.m. Eastern Time on January 23, 2025 (8:00 p.m. Beijing time on January 23, 2025). Please note that you will need to pre-register for conference call participation at <https://register.vevent.com/register/B1252a8b58f53a47cebd5f5358dda997b1>. Upon registration, you will receive an email containing participant dial-in numbers and unique Direct Event Passcode. This information will allow you to gain immediate access to the call. Participants may pre-register at any time, including up to and after the call start time. A live and archived webcast of the conference call will be available on the Investor Relations section of TAL's website at <https://ir.100tal.com/>. Safe Harbor Statement This announcement contains forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects,"

anticipates, future, intends, plans, believes, estimates and similar statements. Among other things, TAL Education Group's strategic and operational plans contain forward-looking statements. The Company may also make written or oral forward-looking statements in its reports filed with, or furnished to, the U.S. Securities and Exchange Commission, in its annual reports to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about the Company's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: the Company's ability to continue to provide competitive learning services and products; the Company's ability to continue to recruit, train and retain talents; the Company's ability to improve the content of current course offerings and develop new courses; the Company's ability to maintain and enhance its brand; the Company's ability to maintain and continue to improve its teaching results; and the Company's ability to compete effectively against its competitors. Further information regarding these and other risks is included in the Company's reports filed with, or furnished to the U.S. Securities and Exchange Commission. All information provided in this press release and in the attachments is as of the date of this press release, and TAL Education Group undertakes no duty to update such information or any forward-looking statement, except as required under applicable law.

About TAL Education Group TAL Education Group is a smart learning solutions provider in China. The acronym "TAL" stands for "Tomorrow Advancing Life", which reflects our vision to promote top learning opportunities for students through both high-quality teaching and content, as well as leading edge application of technology in the education experience. TAL Education Group offers comprehensive learning solutions to students from all ages through diversified class formats. Our learning solutions mainly cover enrichment learning programs and some academic subjects in and out of China. Our ADSs trade on the New York Stock Exchange under the symbol "TAL".

About Non-GAAP Financial Measures In evaluating its business, TAL considers and uses the following measures defined as non-GAAP financial measures by the SEC as supplemental metrics to review and assess its operating performance: non-GAAP operating costs and expenses, non-GAAP cost of revenues, non-GAAP selling and marketing expenses, non-GAAP general and administrative expenses, non-GAAP income/(loss) from operations, non-GAAP net income/(loss) attributable to TAL, non-GAAP basic and non-GAAP diluted net income/(loss) per ADS. To present each of these non-GAAP measures, the Company excludes share-based compensation expenses. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. For more information on these non-GAAP financial measures, please see the table captioned "Reconciliations of non-GAAP measures to the most comparable GAAP measures" set forth at the end of this release. TAL believes that these non-GAAP financial measures provide meaningful supplemental information regarding its performance and liquidity by excluding share-based expenses that may not be indicative of its operating performance from a cash perspective. TAL believes that both management and investors benefit from these non-GAAP financial measures in assessing its performance and when planning and forecasting future periods. These non-GAAP financial measures also facilitate management's internal comparisons to TAL's historical performance and liquidity. TAL computes its non-GAAP financial measures using the same consistent method from quarter to quarter and from period to period. TAL believes these non-GAAP financial measures are useful to investors in allowing for greater transparency with respect to supplemental information used by management in its financial and operational decision making. A limitation of using non-GAAP measures is that these non-GAAP measures exclude share-based compensation charges that have been and will continue to be for the foreseeable future a significant recurring expense in the Company's business. Management compensates for these limitations by providing specific information regarding the GAAP amounts excluded from each non-GAAP measure. The accompanying tables have more details on the reconciliations between GAAP financial measures that are most directly comparable to non-GAAP financial measures.

For further information, please contact: Jackson Ding Investor Relations TAL Education Group Tel: +86 10 5292 6669-8809 Email: ir@tal.com

TAL EDUCATION GROUP UNAUDITED CONDENSED

CONSOLIDATED BALANCE SHEETS (In thousands of U.S. dollars) As of February 29, 2024 As of November 30, 2024

ASSETS	Amount
Current assets	\$2,208,756
Restricted cash-current	167,656
Short-term investments	306,549
Inventory	1,094,593
Prepaid expenses and other current assets	1,595,027
Current assets	343
387	
Prepaid expenses and other current assets	159,498
Total current assets	207,943
3,699,174	
4,448,754	
Restricted cash-non-current	81,064
Property and equipment, net	41,078
Deferred tax assets	405,319
460,566	
Deferred tax assets	4,620
Rental deposits	5,165
16,947	
20,669	
Intangible assets, net	1,988
964	
Land use right, net	189,049
184,937	
Amounts due from related parties-current	59
59	
Long-term investments	284,266
276,254	
Long-term prepayments and other non-current assets	14,359
28,055	
Operating lease right-of-use assets	231,104
322,563	
Total assets	4,927,949
\$5,789,064	
LIABILITIES AND EQUITY	\$127,321
189,271	
Deferred revenue-current	400,286
780,909	
Amounts due to related parties-current	96
107	
Accrued expenses and other current liabilities	491,911
625,274	
Short-term debt	62,604
82,513	
Total current liabilities	1,082,218
1,733,305	
Deferred revenue-non-current	27,993
44,710	
Deferred tax liabilities	2,360
4,040	
Operating lease liabilities, non-current portion	176,614
243,346	
Total liabilities	1,289,185
2,025,401	
Equity	152
Class A common shares	154
Class B common shares	49
Additional paid-in capital	4,256,957
4,280,212	
Statutory reserve	165,138
164,370	
Accumulated deficit	(694,270)
(601,600)	
Accumulated other comprehensive loss	(65,928)
(70,493)	
Total TAL Education Group's equity	3,662,098
3,772,692	
Noncontrolling interests	(23,334)
(9,029)	
Total equity	3,638,764
3,763,663	
Total liabilities and equity	\$4,927,949
\$5,789,064	
TAL EDUCATION GROUP UNAUDITED CONDENSED	
Net revenues	\$373,506
Cost of revenues (note 1)	173,180
286,689	
482,075	
757,329	
Gross profit	200,326
319,757	
578,802	
882,665	
Operating expenses (note 1)	121,977
226,441	
335,902	
530,769	
General and administrative	110,678

Â 111,537Â Â 312,707Â Â 340,718Â Total operating expensesÂ 232,655Â Â 337,978Â Â 648,609Â Â 871,487Â Government subsidiesÂ 144Â Â 789Â Â 11,639Â Â 1,682Â (Loss)/income from operationsÂ (32,185)Â Â (17,432)Â Â (58,168)Â Â 12,860Â Interest income, netÂ 20,076Â Â 21,491Â Â 64,033Â Â 64,410Â Other income, netÂ 13,324Â Â 18,150Â Â 11,511Â Â 51,767Â Impairment loss on long-term investmentsÂ (2,270)Â Â (33,031)Â Â (8,692) (Loss)/income before income tax (expense)/benefit and loss from equity method investmentsÂ (1,055)Â Â 22,209Â Â (15,655)Â Â 120,345Â Income tax (expense)/benefitÂ (15,374)Â Â 3,582Â Â (8,875)Â Â (24,348) Loss from equity method investmentsÂ (7,644)Â Â (2,765)Â Â (6,936)Â Â (4,337) Net (loss)/incomeÂ (24,073)Â Â 23,026Â Â (31,466)Â Â 91,660Â Add: Net loss attributable to noncontrolling interestsÂ 127Â Â 43Â Â 385Â Â 242Â Total net (loss)/income attributable to TAL Education GroupÂ \$(23,946)Â \$23,069Â Â \$(31,081)Â \$91,902Â Net (loss)/income per common shareÂ Â Â Â Â Â BasicÂ \$(0.12)Â \$0.11Â Â \$(0.15)Â \$0.46Â DilutedÂ (0.12)Â Â 0.11Â Â (0.15)Â Â 0.45Â Net (loss)/income per ADS (note 2)Â Â Â Â Â Â Â Â Â Â Â Â Â BasicÂ \$(0.04)Â \$0.04Â Â \$(0.05)Â \$0.15Â DilutedÂ (0.04)Â Â 0.04Â Â (0.05)Â Â 0.15Â Weighted average shares used in calculating net (loss)/income per common shareÂ Â Â Â Â Â Â Â Â Â Â Â BasicÂ 200,134,875Â Â 201,905,486Â Â 204,020,823Â Â 201,746,602Â DilutedÂ 200,134,875Â Â 204,949,612Â Â 204,020,823Â Â 205,093,389Â Â Note1: Share-based compensation expenses are included in the operating costs and expenses as follows: Â Â For the Three MonthsÂ Â For the Nine MonthsÂ Â Â Ended NovemberÂ 30,Â Â Ended NovemberÂ 30,Â Â 2023Â Â 2024Â Â 2023Â Â 2024Â Cost of revenuesÂ \$2,499Â Â \$1,271Â Â \$6,989Â Â \$5,426Â Selling and marketing expensesÂ 5,558Â Â 4,082Â Â 19,120Â Â 12,410Â General and administrative expensesÂ 13,944Â Â 10,159Â Â 42,288Â Â 32,780Â TotalÂ \$22,001Â Â \$15,512Â Â \$68,397Â Â \$50,616Â Â Note 2: Three ADSs represent one ClassÂ A common Share. Â Â Â Â TAL EDUCATION GROUP UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF Comprehensive (loss)/income (In thousands of U.S. dollars) Â Â For the Three Months Ended NovemberÂ 30,Â Â For the Nine Months Ended NovemberÂ 30,Â Â 2023Â Â 2024Â Â 2023Â Â 2024Â Net (loss)/incomeÂ \$(24,073)Â \$23,026Â Â \$(31,466)Â \$91,660Â Other comprehensive income/ (loss), net of taxÂ 18,356Â Â (21,512)Â Â (26,239)Â Â (4,348) Comprehensive (loss)/incomeÂ (5,717)Â Â 1,514Â Â (57,705)Â Â 87,312Â Add: Comprehensive loss/(income) attributable to noncontrolling interestsÂ 557Â Â (2,308)Â Â (356)Â Â 25Â Comprehensive (loss)/income attributable to TAL Education GroupÂ \$(5,160)Â \$(794)Â \$(58,061)Â \$87,337Â Â Â Â Â TAL EDUCATION GROUP UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF Cash flows (In thousands of U.S. dollars) Â Â Â For the Three Months Ended NovemberÂ 30,Â Â For the Nine Months Ended NovemberÂ 30,Â Â 2023Â Â 2024Â Â 2023Â Â 2024Â Net cash provided by operating activitiesÂ \$247,123Â Â \$378,038Â Â \$329,918Â Â \$624,255Â Net cash (used in)/provided by investing activitiesÂ (208,847)Â Â (214,435)Â Â 133,955Â Â (532,739) Net cash provided by/(used in) financing activitiesÂ 207Â Â 48,731Â Â (233,301)Â Â 41,937Â Effect of exchange rate changesÂ 6,805Â Â (4,834)Â Â (3,111)Â Â (2,475) Net increase in cash, cash equivalents and restricted cashÂ 45,288Â Â 207,500Â Â 227,461Â Â 130,978Â Cash, cash equivalents and restricted cash at the beginning of periodÂ 2,477,080Â Â 2,380,954Â Â 2,294,907Â Â 2,457,476Â Cash, cash equivalents and restricted cash at the end of periodÂ \$2,522,368Â Â \$2,588,454Â Â \$2,522,368Â Â \$2,588,454Â Â Â TAL EDUCATION GROUP Reconciliation of Non-GAAP Measures to the Most Comparable GAAP Measures (In thousands of U.S. dollars, except share, ADS, per share and per ADS data) Â Â For the Three Months Ended NovemberÂ 30,Â Â For the Nine Months Ended NovemberÂ 30,Â Â 2023Â Â 2024Â Â 2023Â Â 2024Â Cost of revenuesÂ \$173,180Â Â \$286,689Â Â \$482,075Â Â \$757,329Â Share-based compensation expense in cost of revenuesÂ 2,499Â Â 1,271Â Â 6,989Â Â 5,426Â Non-GAAP cost of revenuesÂ 170,681Â Â 285,418Â Â 475,086Â Â 751,903Â Â Â Â Â Â Â Â Â Selling and marketing expensesÂ 121,977Â Â 226,441Â Â 335,902Â Â 530,769Â Share-based compensation expense in selling and marketing expensesÂ 5,558Â Â 4,082Â Â 19,120Â Â 12,410Â Non-GAAP selling and marketing expensesÂ 116,419Â Â 222,359Â Â 316,782Â Â 518,359Â Â Â Â Â Â General and administrative expensesÂ 110,678Â Â 111,537Â Â 312,707Â Â 340,718Â Share-based compensation expense in general and administrative expensesÂ 13,944Â Â 10,159Â Â 42,288Â Â 32,780Â Non-GAAP general and administrative expensesÂ 96,734Â Â 101,378Â Â 270,419Â Â 307,938Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Operating costs and expensesÂ 405,835Â Â 624,667Â Â 1,130,684Â Â 1,628,816Â Share-based compensation expense in operating costs and expensesÂ 22,001Â Â 15,512Â Â 68,397Â Â 50,616Â Non-GAAP operating costs and expensesÂ 383,834Â Â 609,155Â Â 1,062,287Â Â 1,578,200Â Â Â Â Â Â Â Â Â (Loss)/income from operationsÂ (32,185)Â Â (17,432)Â Â (58,168)Â Â 12,860Â Share based compensation expensesÂ 22,001Â Â 15,512Â Â 68,397Â Â 50,616Â Non-GAAP (loss)/income from operationsÂ (10,184)Â Â (1,920)Â Â 10,229Â Â 63,476Â Â Â Â Â Â Net (loss)/income attributable to TAL Education GroupÂ Â (23,946)Â Â 23,069Â Â Â (31,081)Â Â 91,902Â Share based compensation expensesÂ 22,001Â Â 15,512Â Â 68,397Â Â 50,616Â Non-GAAP net (loss)/income attributable to TAL Education Group (note 3)Â Â \$(1,945)Â \$38,581Â Â \$37,316Â Â \$142,518Â Net (loss)/income per ADSÂ Â Â Â Â Â Â Â Â Â Â Â Â BasicÂ \$(0.04)Â \$0.04Â Â \$(0.05)Â \$0.15Â DilutedÂ (0.04)Â Â 0.04Â Â (0.05)Â Â 0.15Â Non-GAAP net (loss)/income per ADSÂ Â Â Â Â Â Â Â Â Â Â Â Â BasicÂ \$(0.00)Â \$0.06Â Â \$0.06Â Â \$0.24Â DilutedÂ (0.00)Â Â 0.06Â Â 0.06Â Â 0.23Â ADSs used in calculating net (loss)/income per ADSÂ Â Â Â Â Â Â Â Â Â Â Â Â BasicÂ 600,404,625Â Â 605,716,458Â Â 612,062,469Â Â 605,239,806Â DilutedÂ 600,404,625Â Â 614,848,836Â Â 612,062,469Â Â 615,280,167Â ADSs used in calculating Non-GAAP net (loss)/income per ADSÂ Â Â Â Â Â Â Â Â Â Â Â Â BasicÂ 600,404,625Â Â 605,716,458Â Â 612,062,469Â Â 605,239,806Â DilutedÂ 600,404,625Â Â 614,848,836Â Â 622,332,267Â Â 615,280,167Â Â Note 3: The tax effect of share-based compensation expenses was immaterial in the third quarter and in the first nine months of fiscal year 2025. Â Â