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China New Higher Education Group Limited
中國新高教集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 2001)

ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 AUGUST 2025

The Board of Directors of China New Higher Education Group Limited is pleased to announce the annual results of the Group for the year ended 31 August 2025.

HIGHLIGHTS

- The Group has been determined to consistently implement the high-quality development strategy, while upholding the mission of “enabling every student to achieve career success and life fulfillment” and the vision of “building the most student-oriented university with a century-long vision”, adhering to the values of “student-oriented, contributor-based and adherence to long-termism”. Focusing on the core demands of “better learning outcomes, higher employment quality, better service experience and more beautiful campus environment”, the Group has been continuously increasing educational investment, comprehensively improving the quality of education and teaching as well as cultivation of talents to support regional economic and social development, and contributing to the high-quality development of higher education in China.
- Graduate employment quality and employment rate remained consistently high. As of 31 December 2024, the overall employment rate of the Group’s 2024 graduates was 98.03%, marking the fifth consecutive year with the overall employment rate above 95%. As of 31 August 2025, the initial employment rate of the 2025 graduates reached 98.22%, representing an increase of 3.13 percentage points as compared to last year. The proportion of high-quality employment of the 2025 graduates reached 53.94%, of which the number of students employed by famous companies increased by 110.32%.

- In the 2025/2026 academic year, the total number of students in the Group's schools was approximately 133,000. The proportion of undergraduate students has continued to increase, with the number of new undergraduate students increased by 3.9% year-on-year and the proportion of undergraduate students in the total number of students increasing by 4.5 percentage points. In addition, the proportion of cross-provincial enrollment in the Group's schools has increased consistently. The minimum admission cut-off scores for our schools continued to increase, underscoring the further enhancement of brand competitiveness and the steady implementation of high-quality development strategy.
- The Group's financial performance has maintained steady growth. For the year ended 31 August 2025, we achieved 7.8% year-on-year increase in the revenue from principal business of the Group to RMB2.6 billion, while 5.2% year-on-year increase in adjusted net profit to RMB0.81 billion.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Business overview

The Group is a leading higher education group focusing on higher education for over 20 years which first put forward and constantly promoted the school operation model of application-oriented universities. The Group's schools covered various regions of China, cumulatively cultivating over 500,000 high-quality applied and technical talents for the society. As a leader of high-quality employment, the Group's schools have been awarded the "Top 50 National Employment (全國就業工作50強)" by the Ministry of Education, and the employment rate of each school received top ranking from their provinces and regions respectively, with continuous improvement in high-quality employment rates.

Business advantages

The Group has been upholding the mission of "enabling every student to achieve career success and life fulfillment", and the vision of "building the most student-oriented university with a century-long vision". To this end, the Group remains steadfast in the implementation of high-quality development strategy and increase of its investment in high-quality development, to achieve "better learning outcomes" and "higher employment quality" as well as offer "better service experience" and "more beautiful campus environment", thereby enhancing the Group's core competitiveness and unwaveringly pursuing the path of high-quality development.

Higher employment quality: adhering to the principle of “high-quality employment is the foundation of a school”

(I) Steady improvement in the employment quality and employment rates of graduates

As of 31 December 2024, the overall employment rate of the Group’s 2024 graduates was 98.03%, maintaining a high level for five consecutive years. As of 31 August 2025, the initial employment rate of the 2025 graduates reached 98.22%, representing an increase of 3.13 percentage points as compared to last year, of which one out of every two graduates secured high-quality employment, and the number of students employed by famous enterprises such as the Fortune Global 500 companies, China’s Top 100 companies and A-shares listed companies increased by 110.32% as compared to last year.

(II) Further developing the model of industry-education integration and collaborative education

The Group has innovatively established five employment service centers nationwide, targeting the five strategic regions of Beijing-Tianjin-Hebei, the Yangtze River Delta, the Pearl River Delta, Chengdu-Chongqing, and Xinjiang. By connecting with high-quality platforms of renowned enterprises, these centers support high-quality employment for the Group’s 2025 graduates. During the Reporting Period, the Group collaborated with 288 high-quality enterprises to establish 127 internship bases, providing students with more internship opportunities and enhancing their professional competencies. Additionally, the Group conducted an employer satisfaction survey during the Reporting Period. According to the results of such survey, graduates from the Group’s schools were well-recognized by employers, particularly in respect of their professional skills and overall qualities.

(III) Fruitful achievements in employment-related awards

The Group’s schools have achieved substantial success in employment-related awards. Over the past four years, the Group’s schools have collectively secured 993 such awards, including the “Silver Award at the National Finals of the 2nd National College Students’ Career Planning Competition (第二屆全國大學生職業規劃大賽國賽銀獎)” and the “Outstanding Organization Award at the National Finals of the 2nd National College Students’ Career Planning Competition (第二屆全國大學生職業規劃大賽國賽優秀組織獎)”. Among them, 41 awards were granted by the Education Department and the Human Resources and Social Security Department, and 907 awards were secured from employment-related competitions. Notably, Guangxi Schools have been recognized as the “Outstanding Unit for Graduate Employment and Entrepreneurship in Guangxi Ordinary Higher Education Institutions (廣西普通高校畢業生就業創業工作突出單位稱號)” for five consecutive years. Additionally, Zhengzhou School’s case study, titled “One-Two-Three-Four” Employment System Precisely Aligns with the Development Needs of the Central Plains Economic Zone 《「一二三四」就業工作體系精準對接中原經濟區建設需求》”, was selected as a “Typical Case of University Employment Work in Henan Province (河南省高校就業工作典型案例)”.

Better learning outcomes: fully enhancing education and teaching quality

(I) Continuous strengthening of faculty development

The Group continues to intensify its investment in faculty resources. On one hand, it persistently recruits industry experts and academic leaders to increase the number of faculty members with advanced degrees and senior titles and elevate the proportion of “double-high” teachers, while enhancing compensation for core teaching positions. On the other hand, it bolsters faculty development initiatives by introducing the BOPPPS teaching model and delivering over 1,000 training sessions, enabling 90 teachers to achieve international ISW teaching skills certification. Concurrently, the Group has implemented supportive incentive policies for faculty professional development and degree advancement, fostering curriculum innovation. During the Reporting Period, the number of awards won by faculty in national authoritative teaching competitions surged by 46.3% year-on-year, and one provincial top-tier teaching achievement award was obtained. In the Teaching Innovation Competition, Yunnan School secured the highest total number of awards among national private universities and institutions within Yunnan Province, emerging as the only private university nationwide to receive the “Outstanding Organization Award”. Additionally, Gansu School and Northeast School each secured first place within their respective provinces.

(II) Continuous upgrading of the “Three Excellences” incentive system

The Group has established a rewarding mechanism for outstanding lessons to ignite faculty innovation in teaching, yielding significant improvements in instructional effectiveness and breakthrough advancements in classroom quality, with 98% of winners in provincial and higher-level teaching competitions originating from the “Wonderful Classroom” initiative. The Group has also introduced an “Excellent Guidance, Excellent Remuneration” mechanism, professionalizing the supervisory team through a dynamic rotation system of “one semester of teaching, one semester of supervision”, thereby constructing a closed-loop quality assurance framework for teaching. Furthermore, the “Excellent Student Support, Excellent Remuneration” mechanism has been established to reward outstanding counselors, facilitating their evolution from “life stewards” to “academic mentors”.

(III) Focused enhancement of talent cultivation adaptability

The Group continues to ramp up investments in teaching infrastructure, to upgrade and renovate existing laboratories and training facilities while constructing new ones and procure experimental equipment, so as to address students’ practical skill development needs for target career positions. Meanwhile, it continuously replaces and upgrades classroom furnishings, including desks, chairs, computers, and smart blackboards, to elevate both teaching outcomes and student learning efficacy.

The Group persists in refining its disciplinary and professional portfolio, developing 13 provincial first-class majors and 42 provincial first-class courses. During the Reporting Period, its schools were approved for two national first-class courses, namely “Robot Offline Programming System 《機器人離線編程系統》” and “Innovation and Entrepreneurship 《創新與創業》”. At the same time, in alignment with national strategies and regional development imperatives, the Group proactively configures majors in strategic emerging industries, introducing five new majors such as Information Security and submitting applications for 13 additional undergraduate and vocational majors, including Artificial Intelligence.

(IV) Remarkable achievements in discipline competitions

Students from the Group’s schools have set a new historical record for awards in high-level discipline competitions. Across the 84 national college student discipline competitions endorsed by the Ministry of Education, they earned a total of 7,685 awards at the provincial level and above, including 3,023 national-level honors. While they earned 152 top prizes, marking the Group’s most outstanding performance to date.

Better service experience: continuous improvement in student life and activity satisfaction

The Group has always prioritized the on-campus experience of students and teachers, actively valuing their feedback and addressing their needs through a digital platform for collecting and responding to student and teacher opinions. Efforts to enhance the smart campus experience continue, such as launching a “one-stop” service for graduates, enabling online handling of various procedures for greater convenience. At the same time, campus life support has been strengthened with online responses to maintenance requests, and the addition of digital applications for food safety, lost-and-found services and IoT-based equipment management to meet diverse student needs. Furthermore, investments in campus network infrastructure have been increased to improve performance, ensuring effective use of digital applications such as interactive online teaching and high-definition video streaming. In terms of commercial services, the Group continues to introduce high-quality merchants to enhance dining experiences for students and teachers. For accommodation, during the Reporting Period, 73 student shared spaces were newly built or renovated, covering a variety of facilities such as communal kitchens, gyms, study rooms, and activity centers within apartment complexes, further expanding the lifestyle services available in dormitory areas. In respect of activity experiences, the Group continues to carry out peak experiential events which focus on the start of the academic year and traditional holidays, with a vibrant array of student activities. In 2025, the student satisfaction rate has reached 94.2%, with a year-on-year increase of 7.8 percentage points.

More beautiful campus environment: committed to creating a first-class educational environment

A more beautiful campus environment remains one of the important core competencies of the Group under the vision of “building the most student-oriented university with a century-long vision”. A beautiful campus environment enables students to have better learning outcomes, living experiences, and activity engagement, achieving a subtle yet effective educational effect through the environment. During the Reporting Period, the Group continued to increase investments in campus construction and implemented refined measures to elevate teachers and student well-being. High-quality completion of 77 infrastructure projects was achieved, with 25 new landscape sculptures and habitat features added. For example, the completion of library soft furnishing upgrades at Guizhou School, Northeast School, and Guangxi Schools; renovations and enhancements to the office and accommodation facilities for frontline teaching staff across multiple campuses; and the construction of a competition-grade athletic field at Central China School, which received national professional accreditation. All of such efforts have further solidified the foundation for the Group’s high-quality development.

Continuous improvement in university rankings and optimization of student recruitment structure

Guided by the high-quality development strategy, the rankings of the Group’s eight institutions have steadily risen. For instance, in the 2025 China Private Universities Rankings by the Alumni Association, Yunnan School and Northeast School rose to 9th and 13th place, respectively, both recognized as top application-oriented universities in China. In 2025 National Higher Vocational College Rankings by the Alumni Association, Guizhou School surged 18 places to 23rd, earning recognition as a top-tier vocational college in China.

In the 2025/2026 academic year, the total number of students in the Group’s schools was approximately 133,000. The proportion of undergraduate students has continued to increase, with the number of new undergraduate students increased by 3.9% year-on-year, and the proportion of undergraduate students in the total number of students increased by 4.5 percentage points. In addition, the proportion of cross-provincial enrollment in the Group’s schools has increased consistently. The minimum admission cut-off scores for our schools continued to increase, underscoring the further enhancement of brand competitiveness and the steady implementation of high-quality development strategy.

Insisting on ESG-led, high-quality and long-term sustainable development

The Group is committed to the environmental, social and governance (“ESG”) philosophy and uses ESG as a guide to promote sustainable development. During the Reporting Period, the Group and its schools have been recognized by authorities and the capital market. Yunnan School was selected as a “Green and Beautiful Campus” and a “Water-saving University”. During the Reporting Period, Yunnan School has completed the construction of its photovoltaic power generation system, achieving an annual electricity output of 3 million kWh. This system will provide stable and clean energy support for the campus’s daily operations on a long-term basis. In addition, Guizhou School, Zhengzhou School, Gansu School and Central China School were also selected as “Water-saving Universities”. Sustainable development of the Group has also been recognized by the capital market. In 2025, the Group once again received an ESG score of 37 from S&P Global, one of the world’s three major international rating agencies, maintaining its seventh-place global ranking and first-place position within the industry in China. This represents the highest score in China’s domestic education sector and earns inclusion in S&P Global’s “Sustainability Yearbook (China Edition) 2025” for the second consecutive year.

FUTURE OUTLOOK

The high-quality development of vocational education received prolonged support by the policy

The Group continues to benefit from supporting government policies while the outlook for vocational education remains highly promising and full of potential. In August 2024, the Opinions of the State Council on Promoting High-Quality Development of Service Consumption (《關於促進服務消費高質量發展的意見》) proposed to “encourage and promote the enhancement of quality and efficiency in vocational education, while building high-caliber vocational schools and programs”. In September 2024, the Opinions of the CPC Central Committee and the State Council on Implementing the Employment Priority Strategy to Promote High-Quality and Full Employment (《關於實施就業優先戰略促進高質量充分就業的意見》) emphasized that “the employment situation as an important basis for the allocation of education resources, assessment of the quality of education, and the arrangement of enrollment plans” and “to accelerate modern vocational education development, promote integration between vocational education and general education, between industry and education, and between science and education, in order to cultivate more high-quality technical and skilled talents”. In October 2024, the CPC Central Committee and the State Council issued the Opinions on Deepening the Reform of Industrial Workers’ Team Construction (《關於深化產業工人隊伍建設改革的意見》), proposing to “accelerate the development of a vocational education system that integrates vocational and general education while promoting industry-education integration”. In January 2025, the CPC Central Committee and the State Council issued the Outline of the Plan for Building a Strong Education Nation (2024–2035) (《教育強國建設規劃綱要(2024—2035年)》), proposing to “accelerate the construction of a modern vocational education system to cultivate national master craftsmen, skilled artisans, and high-skilled talent, including fostering new models of diversified schooling and industry-education integration”.

The Group's high-quality development strategy aligns perfectly with the direction of policy support. The Group will continue to solidly promote major construction project of upgrading Guizhou School to an undergraduate-level university to ensure the completion of the relevant preparatory work with high quality and efficiency. Yunnan School and Northeast School have successfully obtained provincial-level approval for the establishment of new master's degree granting units, and Yunnan School became the first batch of private university in Yunnan Province being approved for the establishment of such a new master's degree granting unit at the provincial level. Furthermore, the Group plans to collaborate with German universities to establish a higher education institution in the Hainan Free Trade Port, offering programs at the undergraduate-level and above.

Future development: “Three Sustainability”

(I) Continue to follow the path of high-quality development

The Group has always insisted on being a long-term runner in the higher education industry. The Group will continue to increase its investment and steadfastly follow the path of high-quality development supported by national policies to create and provide educational opportunities with high quality teaching, high quality employment and high-quality experience for students of all its schools.

(II) Sustained and stable value creation under the ESG approach

The Group is committed to the ESG philosophy and uses ESG as a guide to integrate financial indicators such as stable performance growth, steady investment returns and abundant cash flow with ESG, so as to create value in a sustained and steady manner, thereby realizing long-term benefits and sustainable development, and achieving a win-win situation for both investors and the Group in the long run.

(III) Building the most student-oriented university with a century-long vision and continuing to provide education that meets the satisfaction of the people

In the face of the new development stage, new development pattern and new development opportunities in higher education, with the mission of “enabling every student to achieve career success and life fulfillment”, the Group is committed to building the “most student-oriented university with a century-long vision” and solidly execute the idea of “strengthening morality through education, teaching students in accordance with their aptitude and studying for the sake of application”. The Group will continue to cultivate high-quality talents with applied and technical skills who have comprehensive development in morality, intelligence, physical fitness, aesthetics, and labor skills to meet the needs of local economic and social development, so as to assist in the strengthening of education to support our country and create greater values for the society, and to provide education that meets the satisfaction of the people.

FINANCIAL REVIEW

The financial results for the year ended 31 August 2025 and last year are as follows:

	Year ended		
	31 August 2025 <i>RMB million</i>	31 August 2024 <i>RMB million</i>	Change (%)
Total revenue[^]	3,070.7	2,835.2	8.3%
Revenue	2,599.4	2,411.7	7.8%
Cost of sales	(1,676.4)	(1,535.6)	9.2%
Gross profit	923.0	876.1	5.4%
Other income and gains	471.3	423.5	11.3%
Selling and distribution expenses	(41.4)	(40.6)	2.0%
Administrative expenses	(128.9)	(113.4)	13.7%
Other expenses	(112.6)	(104.7)	7.5%
Finance costs	(115.8)	(127.9)	−9.5%
PROFIT BEFORE TAX	995.6	913.0	9.0%
Income tax expense	(166.4)	(157.0)	6.0%
Net profit	829.2	756.0	9.7%
Adjusted net profit[#]	812.3	772.0	5.2%

[^] Total revenue = revenue + other income and gains

[#] Adjusted net profit = net profit of RMB829.2 million for the year ended 31 August 2025 less fair value gain of a swap derivative product of RMB16.2 million, minus exchange gain of RMB0.7 million arising from the USD syndicated loans (FY2024: net profit of RMB756.0 million for the year ended 31 August 2024 plus fair value loss of a swap derivative product of RMB16.2 million, minus exchange gain of RMB0.2 million arising from the USD syndicated loans)

Revenue

The Group's revenue reached RMB2,599.4 million for the year ended 31 August 2025, increased by 7.8% as compared to RMB2,411.7 million for last year, which was mainly attributable to steady growth of revenue from tuition fees and boarding fees driven by leveraging the advantages of centralized school operation and continuous high quality connotation development.

Cost of Sales

The Group's cost of sales was RMB1,676.4 million for the year ended 31 August 2025, increased by 9.2% as compared to RMB1,535.6 million for last year, which was primarily due to (1) an increase of 14.0% in labor-related costs as compared to that of last year as the Group continued to optimize the cost structure of teachers and upgrade the "Three Excellences" incentive mechanism, while enhancing the remuneration and benefits of core teaching positions, actively introducing double-high teachers and strengthening the construction of a high quality teaching team; and (2) an increase of 12.5% in depreciation and amortization costs as compared to that of last year as the Group continued to upgrade and renovate its campus and upgrade its laboratory training equipment.

Gross Profit and Gross Profit Margin

The Group's gross profit was RMB923.0 million for the year ended 31 August 2025, which increased by 5.4% as compared to RMB876.1 million for last year. The gross profit margin for the year ended 31 August 2025 was 35.5%, representing a decrease of 0.8 percentage point as compared to the gross profit margin of 36.3% for last year. The decrease was mainly due to the Group's adherence to a connotation development strategy and the increasing investment in talents and teaching. As such, the growth of revenue during the current period temporarily lagged behind the increase in cost of sales. The development strategy which is based on high quality will lay a solid foundation for its future organic growth.

Other Income and Gains

The Group's other income and gains reached RMB471.3 million for the year ended 31 August 2025, increased by 11.3% as compared to RMB423.5 million for last year, which was mainly due to (1) fair value and investment gain of RMB22.6 million incurred from a swap derivative product purchased by the Group to hedge its exposure to the risks of fluctuations in exchange rates and floating interest rates of USD loans during the Reporting Period; and (2) the integration of the Group's training resources accumulated over the years, exploring best practices and actively providing training services in vocational skills enhancement to the community and students, leading to a 9.0% increase in service revenue year-on-year.

Selling and Distribution Expenses

The Group's selling and distribution expenses were RMB41.4 million for the year ended 31 August 2025, which increased by 2.0% as compared to RMB40.6 million for last year. This increase was primarily attributable to the Group's continuous efforts to strengthen brand building and enhance its schools' brand image. The expenses accounted for approximately 1.3% of the Group's total revenue for the Reporting Period, remaining consistent with historical level.

Administrative Expenses

The Group's administrative expenses were RMB128.9 million for the year ended 31 August 2025, increased by 13.7% as compared to RMB113.4 million for last year, which was primarily due to (1) an increase in the proportion of base bonuses for executives of the Group to enhance its employer's image and the well-being of employees during the Reporting Period; and (2) an increase in commissioning fees paid to external agencies to promote Yunnan School's and Northeast School's applications for the right to grant master's degrees.

Other Expenses

The Group's other expenses were RMB112.6 million for the year ended 31 August 2025, which increased by 7.5% as compared to RMB104.7 million for last year. Such increase was mainly due to the rise in training cost driven by the growth in the training services income of the Group.

Finance Costs

The Group's finance costs were RMB115.8 million for the year ended 31 August 2025, decreased by 9.5% as compared to RMB127.9 million for last year, which was mainly due to the Group's continuous efforts to expand its diversified loan portfolio and control finance size and costs, resulting in a decrease in both of average loan size and interest rate.

Profit before Tax

As a result of the combined impact of revenue, costs and expenses above, the Group recorded a profit before tax of RMB995.6 million for the Reporting Period, representing an increase of 9.0% as compared to RMB913.0 million for last year.

Net Profit

As a result of the combined effects of revenue, costs and expenses above, the net profit of the Group was RMB829.2 million for the year ended 31 August 2025, representing an increase of 9.7% as compared to RMB756.0 million for last year.

Non-HKFRS Accounting Standards Measures

To supplement our consolidated financial statements presented under HKFRS Accounting Standards, we also use adjusted net profit as additional financial measures. The Company considers that these non-HKFRS Accounting Standards measures can eliminate the potential impact of items that management believes are not reflective of the Group's operating performance and thus facilitate comparisons of operating performance from period to period.

The use of non-HKFRS Accounting Standards measures has limitations as an analytical tool as these measures do not include all items that affect our results in the related period. In view of the limitations of the non-HKFRS Accounting Standards measures above, readers should not read the non-HKFRS Accounting Standards measures in isolation or as an alternative to our profit for the year, or any other measure of operating performance calculated in accordance with HKFRS Accounting Standards, in assessing our operating and financial performance. In addition, as these non-HKFRS Accounting Standards measures may be calculated differently by different companies, they should not be compared with similarly named measures used by other companies.

The calculation of adjusted net profit is as follows:

	Year ended	
	31 August	31 August
	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Net profit	829.2	756.0
Adjusted items: Fair value (gain)/loss of a swap derivative product	(16.2)	16.2
Exchange (gain)/loss arising from the USD syndicated loans	(0.7)	(0.2)
Adjusted net profit	812.3	772.0

Total Capital

The total capital of the Group was RMB1,727.2 million as of 31 August 2025 (31 August 2024: RMB2,321.7 million), which equals to the aggregate of cash and cash equivalents, pledged and restricted deposits and time deposits.

Financial Resources and Gearing Ratio

The Group's interest-bearing bank loans and other borrowings primarily consisted of short-term working capital loans and long-term project loans for its school buildings and facilities. The interest-bearing bank loans and other borrowings as well as lease liabilities amounted to RMB2,613.7 million as of 31 August 2025 (31 August 2024: RMB3,504.8 million), among which US\$80.0 million was denominated in United States dollar, while the remaining was denominated in Renminbi.

Interest-bearing debt equals to the total amount of interest-bearing bank loans and other borrowings and lease liabilities as of 31 August 2025. The Group's interest-bearing debt/total assets decreased from 31.8% as of 31 August 2024 to 24.3% as of 31 August 2025, which was mainly due to the Group's early repayment of certain bank borrowings to control the scale of liabilities and reduce overall financing costs, which further enhanced its solvency.

Net interest-bearing debt equals to the total interest-bearing bank loans and other borrowings and lease liabilities net of total capital as of 31 August 2025. The Group's net interest-bearing debt/total equity decreased from 28.8% as of 31 August 2024 to 17.9% as of 31 August 2025, which was primarily attributable to the combined effect of the reduction in scale of the Group's net interest-bearing debt and the increase in total equity amount.

Gearing ratio equals to the ratio of interest-bearing debt divided by total equity as of 31 August 2025. The Group's gearing ratio decreased from 85.2% as of 31 August 2024 to 52.8% as of 31 August 2025, primarily due to the decrease in scale of the Group's interest-bearing liabilities and the increase in total equity.

Capital Expenditures

For the year ended 31 August 2025, the Group's capital expenditures were RMB688.4 million, which was primarily used for the construction of upgrading Guizhou School to an undergraduate-level university, the construction of other schools' buildings and facilities, land acquisition and purchase of furniture and equipment.

Capital Commitments

The Group's capital commitments were primarily used in the payment of construction and maintenance of school buildings and purchase of facilities. The following table sets out a summary of our capital commitments as of the dates indicated:

	As at 31 August 2025 <i>RMB million</i>	As at 31 August 2024 <i>RMB million</i>
Contracted but not provided for:		
Property, plant and equipment		
Within one year	367.7	214.5
Over one year	51.2	353.4
	<u>418.9</u>	<u>567.9</u>

As of 31 August 2025, the Group had no significant capital commitment authorized but not contracted for.

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this announcement, the Group did not have any other plans for material investments and capital assets since the end of the Reporting Period and up to the date of this announcement.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

No other significant investments and acquisitions or disposals of subsidiaries, associates or joint ventures were made by the Group during the Reporting Period.

FOREIGN EXCHANGE RISK MANAGEMENT

The functional currency of the Group is RMB and HKD. The majority of the Group's revenue and expenditures are denominated in RMB. As at 31 August 2025, certain bank loans and bank balances were denominated in USD and HKD. In future, the management will continue to pay attention to the Group's foreign exchange risk exposure and consider adopting prudent measures as appropriate.

PLEDGE OF ASSETS

The pledged assets of the Group as at 31 August 2025 are as follows:

- (i) equity interests of the Group's certain subsidiaries; and
- (ii) deposits of the Group with an amount of RMB878,357,000 as at 31 August 2025 (31 August 2024: RMB928,105,000).

Contingent Liabilities

As of 31 August 2025, the Group did not have any material contingent liabilities, guarantee or any litigation or claims of material importance, pending or threatened against any member of the Group.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of 31 August 2025, the Group had not entered into any off-balance sheet transactions.

FAVOURABLE POLICIES TO FACILITATE THE DEVELOPMENT OF PRIVATE HIGHER VOCATIONAL EDUCATION

On 12 October 2021, the General Office of the Chinese Communist Party Central Committee and the General Office of the State Council issued the Opinions on Promoting the High-quality Development of Modern Vocational Education (《關於推動現代職業教育高質量發展的意見》) (the “**Opinions**”), and issued a notice requiring serious implementation. The Opinions put forward that (1) speeding up the establishment of the “vocational education college entrance examination” system, to promote the vertical connection of vocational education at different levels, and strengthen the penetration and integration of general education and vocational education at all levels; (2) adherence to major national strategies, to encourage schools setting up more scarce and market-oriented majors; (3) improving the diversified school operation pattern, encouraging listed companies and industry leading enterprises to establish vocational education, and encouraging all kinds of enterprises to participate in the establishment of vocational education according to law, to enrich the school operation forms of vocational schools; (4) governments at all levels should coordinate the scale, structure and level of vocational education and human resources development, and include the integration of production and education into the economic and social development plan. Local governments should take the promotion of enterprises’ participation in school-enterprise cooperation and the cultivation of technical and skilled talents as the important contents of industrial development plans, industrial incentive policies and rural revitalization plans, provide “financial + fiscal + land + credit” incentives to industry-education integrated enterprises, and implement the relevant tax and fee policies in accordance with the regulations; (5) realizing the innovation of school-enterprise cooperation mechanism, deepening the reform of education and teaching, building the brand of vocational education with Chinese characteristics, and exploring the international development mode of “Chinese + vocational skills”.

In December 2021, four departments including the Ministry of Education issued the “14th Five-Year Plan” for Vocational Skills Training which was the first “Five-Year Plan” of vocational training of the Central Government, aiming to improve the capability of workers and relieve the pressure of employment. Such policy sets up key goals for the year of 2021 to 2025: (1) conducting subsidized vocational training with no less than 75 million persons, in which no less than 30 million persons for farmers; (2) no less than 40 million persons for newly obtained vocational qualification certificates or vocational skill level certificates; (3) no less than 200 of newly built public training bases. The higher education industry will continue to benefit from the favorable policy on vocational education.

In February 2022, the Ministry of Education announced the work focus of vocational education in 2022, proposed to promote fuller and higher quality employment for college graduates, support and regulate the healthy development of private education and accelerate the digital transformation and smart upgrade of education. It is expected that the Group will continue to benefit from the favorable policies of vocational education.

The Vocational Education Law promulgated by the Standing Committee of the National People's Congress in April 2022, which became effective on 1 May, clarifies that vocational education and general education have the same important status, supports the social forces to extensively participate in vocational education, fosters, guides and backs up enterprises and other social forces to sponsor vocational schools and vocational training institutions in accordance with the law, and encourages enterprises to participate deeply in the integration of industry and education, as well as school-enterprise cooperation. The new law also makes it clear that when government, public institutions, state-owned enterprises are in the recruitment of technical skills positions, the level of technical skills should be an important criteria and public institutions can appropriately lower educational requirements when publicly recruit positions with vocational skills level requirements. From which we can observe that the new law continues the consistent policy direction of the state to support the development of vocational education. And through the improvement of the protection mechanism and measures of vocational education, it focuses on improving the recognition of vocational education and the quality of technical skills personnel training. The new law will definitely promote the high-quality development of vocational education, and the higher vocational education groups will also welcome a new round of development opportunities in a more sound and friendly legal environment.

In October 2022, Xi Jinping, the General Secretary of the Communist Party of China (“CPC”) Central Committee, pointed out in the report to the 20th National Congress of the Communist Party of China that China will continue to give high priority to the development of education, build a strong educational system, and move faster to build a high-quality educational system. It is clear that the focus of vocational education, higher education, and continuing education is collaborative innovation. China will promote integration between vocational education and general education, between industry and education, and between science and education. China will also better establish vocational education as a category in the educational system, setting out the direction for the future development of higher vocational education.

In December 2022, the General Office of the CPC Central Committee and the General Office of the State Council issued the Opinions on Deepening the Reform of the Construction of Modern Vocational Education System, which put forward the strategic tasks of exploring a new model for the construction of a modern vocational education system at the provincial level, building a municipal industry-education consortium and creating a community of industry-education fusion. It also specifies the key tasks of enhancing the key school-running capacity of vocational schools, strengthening the construction of “dual-teacher” teams, building an open regional practice centre for integration of industry and education, broadening the channels for students to grow up and become successful, and innovating the mechanism of international exchanges and cooperation.

In March 2023, Premier Li Keqiang, on behalf of the State Council, made a Report on the Work of the Government at the First Session of the Fourteenth National People's Congress, in which he proposed that over the past five years, the development of vocational education has achieved remarkable results, the adaptability of vocational education has been enhanced, and the conditions of operation of vocational schools have continued to improve, and proposed, among the priorities of this year's work, to promote the high-quality and balanced development of compulsory education and the integration of urban and rural areas, to develop vocational education vigorously and to promote the innovation of higher education.

In June 2023, the National Development and Reform Commission, the Ministry of Education, the Ministry of Industry and Information Technology, the Ministry of Finance, the Ministry of Human Resources and Social Security, the Ministry of Natural Resources, the People's Bank of China and the State-owned Assets Supervision and Administration Commission of the State Council issued the Implementation Plan for the Enhancement of Empowerment Initiatives for Industry-education Integration in Vocational Education (2023–2025) (《職業教育產教融合賦能提升行動實施方案(2023–2025年)》), with the aim of integrating and promoting the coordinated development of education and industry, innovating and building platforms and carriers for industry-education integration, successively advancing the pilot projects for the construction of industry-education integration, and perfecting and implementing the combined incentives and empowerment policy system, so as to further lead industry-education integration to make deepen reforms. The implementation plan expects that by 2025, there are about 50 pilot cities for industry-education integration in the PRC. With giving full play to the breakthrough and leading role of pilot cities, more than 10,000 enterprises for industry-education integration will be established and cultivated nationwide. A development pattern of coordinated integration and benign interaction between education and industry will be gradually formed after improving and perfecting the system of enterprises for industry-education integration and the combined incentive policy system, a steady increase in investment in vocational education from various funding channels, and better integrating industrial needs into the entire cultivation process of talent development.

In July 2023, the General Office of the Ministry of Education issued the Notice on Accelerating the Reform of the Construction of Modern Vocational Education System, deploying 11 key tasks for the reform of the construction of modern vocational education system, accelerating the construction of a new mechanism for the high-quality development of vocational education that involves interaction between the central government and the local government, regional linkage, and collaboration between government, industry, enterprises, and schools, so as to promote the reform of the construction of modern vocational education system in an orderly and effective manner.

In March 2024, Premier Li Qiang, on behalf of the State Council, made a Report on the Work of the Government at the Second Session of the Fourteenth National People's Congress. The report proposed to guide and regulate the development of private education, vigorously improve the quality of vocational education, implement pilot comprehensive reforms of higher education, optimise the structural layout of disciplines, majors and resources, accelerate the construction of world-class universities with Chinese characteristics and advantageous disciplines, strengthen applied undergraduate colleges and enhance operating capabilities of colleges in the central western region.

In 2024, the State Council issued the Opinions on Promoting High-Quality Development of Service Consumption (《關於促進服務消費高質量發展的意見》), which highlighted the need to improve the quality and efficiency of vocational education and establish vocational schools and programs with high standards. In September 2024, the CPC Central Committee and the State Council issued the Opinions on Implementing the Employment Priority Strategy to Promote High-quality and Full Employment (《關於實施就業優先戰略促進高質量充分就業的意見》), emphasizing acceleration of modern vocational education development, integration between vocational education and general education, between industry and education, and between science and education, in order to cultivate more high-quality technical and skilled talents.

In March 2025, Premier Li Qiang, on behalf of the State Council, made a Report on the Work of the Government at the Third Session of the Fourteenth National People's Congress. The report proposed to accelerate the development of high-quality education system, and boost the adaptability of vocational education through promoting the integration between vocational education and general education as well as between industry and education.

RECENT DEVELOPMENTS OF REGULATORY FRAMEWORK

(I) Classified Registration

According to the Several Opinions of the State Council on Encouraging Social Powers to Set up Education to Promote the Healthy Development of Private Education (29 December 2016), a classified registration and management system shall be applicable to private schools, and private school sponsors can choose to run non-profit or for-profit private schools. The revised Laws for Promoting Private Education of the PRC (implemented on 1 September 2017) also promulgated the same provisions.

According to the Implemental Rules on Private School Classified Registration (30 December 2016), if an existing private school chooses to register as a non-profit private school, it should modify its articles of association, continue to run the school and complete new registration procedures in accordance with relevant laws. If it chooses to register as a for-profit private school, it should conduct financial settlement, clarify the ownership of school land, school premises, school accumulation, and pay related taxes and fees, obtain a new permit in running a school, re-register and continue the operations for education.

In order to further implement the above requirements, government and relevant competent departments in the region where the Group runs schools have successively issued supporting measures, including (1) Implementation Opinions Issued by the People's Government of Yunnan Province on Encouraging Social Powers to Set up Education to Promote the Healthy Development of Private Education (18 December 2017), Notice of the Five Departments including Education Department of Yunnan Province on Steady and Orderly Promotion of Classified Registration and Management of Private Schools (12 June 2019); (2) Implementation Opinions Issued by the People's Government of Guizhou Province on Supporting and Regulating Social Forces to Set up Education to Promote the Healthy Development of Private Education (3 August 2018), Measures for the Implementation of Classified Examination and Approval of Registration and Supervision and Management of Private Schools in Guizhou Province (Trial) (11 June 2019), Measures for Changing the Type of Legal Person Registration of Existing Private Schools in Guizhou Province (22 August 2022); (3) Implementation Opinions Issued by Heilongjiang Province on Encouraging Social Powers to Set up Education to Promote the Healthy Development of Private Education, Measures for the Implementation of Classified Registration of Private Schools in Heilongjiang Province, and Measures for the Supervision and Administration of For-profit Private Schools in Heilongjiang Province (26 February 2019); (4) Implementation Opinions of the People's Government of Gansu Province on Further Promoting the Healthy Development of Private Education (8 November 2017), Measures for the Implementation of Classified Registration of Private Schools in Gansu Province (15 November 2018); (5) Implementation Opinions Issued by the People's Government of Guangxi Zhuang Autonomous Region on Encouraging Social Powers to Set up Education to Promote the Healthy Development of Private Education (2 July 2018), Measures for the Implementation of Classified Registration of Private Schools in Guangxi Zhuang Autonomous Region (10 October 2018), Measures for the Implementation of Supervision and Administration of For-profit Private Schools in Guangxi Zhuang Autonomous Region (16 October 2018), Measures for the Implementation of Classified Registration of Existing Private Schools in Guangxi Zhuang Autonomous Region (19 April 2022); (6) Implementation Opinions Issued by the People's Government of Hubei Province on Encouraging Social Powers to Set up Education to Promote the Healthy Development of Private Education (20 December 2017); (7) Implementation Opinions Issued by the People's Government of Henan Province on Encouraging Social Powers to Set up Education to Further Promote the Healthy Development of Private Education (2 February 2018).

The above local regulations only provide a procedural framework for the classified registration of existing private schools in relevant provinces as for-profit private schools or non-profit private schools, but do not further specify the various preferential taxes and land use policies that can be enjoyed by for-profit and non-profit schools.

As of the date of this announcement, except that the Northeast School, Guangxi Schools, Yunnan School and Guizhou School are currently in the process of classified registration according to the guidance of the relevant provincial authorities, the Company has not commenced the process of classified registration for other schools under the Group. However, due to the uncertainties in the interpretation and application of the above requirements, there are uncertainties as to when the private schools under the Group can complete the classified registration, whether the relevant taxes and fees will need to be paid in accordance with local supporting rules in the process of classified registration in the future, and what kind of tax and land use policies and other aspects of government supports such schools will enjoy in the future. The Group will continue to pay close attention to any further development on the application of the above requirements.

(II) The 2021 Implementation Rules

On 14 May 2021, the State Council promulgated the Implementation Rules for the Laws for Promoting Private Education of the PRC (the “**2021 Implementation Rules**”), which has been implemented since 1 September 2021. The 2021 Implementation Rules stipulate that: (1) private schools may enjoy the preferential tax policies stipulated by the State, among which non-profit private schools may enjoy the same preferential tax policies as public schools; (2) for the construction or expansion of non-profit private schools, the local people’s governments shall grant preferential treatments in terms of land use by means of allocation in accordance with the principle of treating non-profit private schools equally as public schools. For the land use of private schools that implement preschool education and education for academic credentials, the governments may provide lands by means of agreement, bidding, auction and etc. according to the laws. Lands may also be supplied by long-term lease, lease and assignment, and combination of sale and rental. Charges for the assignment or rental of land may be paid in instalments within the specified time limit as agreed in the contract.

The 2021 Implementation Rules do not involve specific provisions on preferential taxation and land use policies. Therefore, there are still uncertainties as to what kind of tax and land use policies and other aspects of government supports the private schools under the Group will enjoy in the future.

The 2021 Implementation Rules further stipulate that: (1) the State encourages enterprises to establish or participate in the establishment of private schools that implement vocational education in various forms, such as sole proprietorship, joint venture or cooperation according to law; institutions that implement nationally recognized educational examinations, vocational qualification examinations and vocational skill level examinations shall comply with the relevant provisions of the State in the establishment or participation in the establishment of private schools related to the examination implemented by them; (2) private schools that provide compulsory education are not allowed to enter into transactions with their interested parties, and other private schools shall conduct transactions with their interested parties in a manner that is open, justified and fair, shall price such transactions reasonably, shall establish standardized decision-making for such transactions and shall not harm the interests of the State, schools and teachers and students. Private schools shall set up an information disclosure mechanism for dealing with their interested parties. The relevant governmental authorities, such as the education department, the human resources and social security departments and the financial departments, shall strengthen the supervision of the agreements entered into between non-profit private schools and their interested parties, and shall review the connected transactions annually; (3) if the sponsor is a legal person, its controlling shareholder and the actual controller must meet the requirements stipulated by laws and administrative regulations for the establishment of a private school, and any change of the controlling shareholder or the actual controller must be reported to the competent department for record-filing and publicity. Any social organizations and individuals shall not control private schools which provide compulsory education or non-profit private schools which implement preschool education through mergers and acquisitions or contractual agreements; and (4) the start-up capital and registered capital of a private school shall be compatible with the type, level and scale of the school and shall be paid in full when it is formally established.

Pursuant to the 2021 Implementation Rules, the Group is not prohibited from acquiring non-profit private schools providing higher education services or controlling them through structured contracts. As the Group has no plans to acquire private schools providing compulsory education or non-profit private schools providing preschool education, we do not consider that the 2021 Implementation Rules will have any adverse impact on the Group's future acquisitions.

The Structured Contracts may be considered as transactions with interested parties of private schools under the Group, and we may incur significant compliance costs due to the establishment of a disclosure mechanism. If the private school under the Group chooses to register as a non-profit private school, the competent government department shall review its relevant transactions annually. These processes may not be under our control and may be very complex and cumbersome, and may divert management attention. During the review process, government departments may require us to modify or terminate the Structured Contracts, which may lead to penalties, resulting in a material adverse impact on the operation of the Structured Contracts.

As at the date of this announcement, the Company's operations have not been affected by the 2021 Implementation Rules.

(III) Foreign Investment Law

The Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the “**Foreign Investment Law**”) approved by the National People’s Congress on 15 March 2019 has been implemented since 1 January 2020, and has become the basic law for foreign investment in China. According to this law, existing foreign-invested enterprises may maintain their existing organization structure within five years from the effective date of the Foreign Investment Law.

On 26 December 2019, the State Council issued the Implementation Regulations of the Foreign Investment Law of the PRC (the “**Implementation Regulations**”), which also came into effect on 1 January 2020, aiming to implement the legislative principles and purposes of the Foreign Investment Law.

The Foreign Investment Law clearly specifies three forms of foreign investment, but neither the Foreign Investment Law nor the Implementation Regulations explicitly stipulate contractual agreements as a form of foreign investment. As confirmed by our PRC Legal Advisors, as the Foreign Investment Law and the Implementation Regulations do not define contractual agreements as a form of foreign investment, if future laws, administrative regulations, and regulations of the State Council do not include contractual agreements as a form of foreign investment, the Structured Contracts as a whole and the agreements constituting the Structured Contracts will not be affected, and will continue to be legally valid, effective and binding on the parties. However, if future laws, administrative regulations, and regulations of the State Council stipulate contractual agreements as one of the ways of foreign investment, the Group may need to take relevant measures in accordance with the requirements of the laws, regulations and regulations of the State Council at that time. There will be uncertainty as to whether we can complete these measures in a timely manner or at all. Failure to take appropriate measures in a timely manner to address any of the compliance requirements in the above provisions may have a significant effect on our current group structure, corporate governance and business operations.

As at the date of this announcement, the Company’s operations have not been affected by the Foreign Investment Law.

The Board will continue to monitor any updates regarding the Foreign Investment Law and seek guidance from our PRC Legal Advisors to ensure that the Company meets all relevant laws and regulations in China.

(IV) The Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies

On 17 February 2023, the China Securities Regulatory Commission (the “CSRC”) released five supporting guidelines including the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the “Overseas Listing Trial Measures”), which came into effect on 31 March 2023. The Overseas Listing Trial Measures will regulate both direct and indirect overseas offering and listing of PRC domestic companies’ securities by adopting a filing-based regulatory regime. On the same day, the CSRC also held a press conference for the release of the Overseas Listing Trial Measures and issued the Notice on Administration for the Filing of Overseas Offering and Listing by Domestic Companies (《關於境內企業境外發行上市備案管理安排的通知》), which, among others, clarified that the domestic companies that have already been listed overseas on or before the effective date of the Overseas Listing Trial Measures (i.e. 31 March 2023) shall be deemed as existing applicants (存量企業), or the Existing Applicants. Existing Applicants are not required to complete the filing procedures immediately, and they shall be required to file with the CSRC when subsequent matters such as refinancing are involved. The Overseas Listing Trial Measures also requires subsequent reports to be filed with the CSRC on material events, such as change of control or voluntary or forced delisting of the issuer(s) who have completed overseas offerings and listings.

As at the date of this announcement, the Company’s operations have not been affected by the Overseas Listing Trial Measures.

FINAL DIVIDEND

The Board is of the view that funds shall be retained at present to satisfy the requirements of the Group’s high-quality business development and operations, and it resolved not to recommend payment of any final dividend for the year ended 31 August 2025.

CLOSURE OF THE REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the annual general meeting to be held on Tuesday, 27 January 2026 (record date), the register of members of the Company will be closed from Thursday, 22 January 2026 to Tuesday, 27 January 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to be qualified for attending and voting at the annual general meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 21 January 2026.

HUMAN RESOURCES AND REMUNERATION POLICY

As of 31 August 2025, the Group had a total of 9,922 employees (10,080 as of 31 August 2024). As required by the PRC laws and regulations, the Group participates in various employee social security plans for our employees that are administered by local governments, including housing, pension, medical insurance, maternity insurance, work injury insurance, and unemployment insurance. The Group maintains a good working relationship with employees, and the Group did not experience any material labor disputes during the Reporting Period.

The Group follows the remuneration policy of “contribution-driven, fair and competitive in the market” for employees. The remuneration policy is designed according to the different position sequences of the Group and its schools, and the salary is determined with reference to the capability, job responsibilities and contribution of its employees. At the same time, the Group has been actively cultivating the capabilities of its employees and has been providing external and internal training programs for employees to build a quality team to meet the development requirements of the Group.

CORPORATE GOVERNANCE

The Group is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organization which is open and accountable to the Shareholders. The Board strives for adhering to the principles of corporate governance and has adopted sound corporate governance practices to meet the legal and commercial standards, focusing on areas such as internal control, fair disclosure and accountability to all Shareholders to ensure the transparency and accountability of all operations of the Group. The Group believes that effective corporate governance is an essential factor to create more value for its Shareholders. The Board will continue to review and improve the corporate governance practices of the Group from time to time to ensure that the Group is led by an effective Board in order to optimize return for the Shareholders.

During the Reporting Period, the Group has complied with all applicable code provisions set out in the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

As of 31 August 2025, the Group has three executive Directors (including Mr. Li) and three independent non-executive Directors, who have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning as well as a fairly strong independence element in the composition of the Board.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code as its code of conduct regarding securities transactions by the Directors.

Having made specific enquiries with all Directors, all of them have confirmed that they have complied with the Model Code throughout the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, the Company repurchased a total of 1,552,000 Shares on the Stock Exchange for an aggregate consideration of HK\$2,507,030 before expenses, and all Shares repurchased were subsequently cancelled.

Details of the Shares repurchased during the Reporting Period and up to the date of this announcement are as follows:

Month of repurchase	No. of Shares repurchased	Highest price paid per Share (HK\$)	Lowest price paid per Share (HK\$)	Aggregate consideration paid (HK\$)
September 2024	1,552,000	1.78	1.52	2,507,030

The Directors believe that such Shares repurchased will increase the net asset value per Share and/or earnings per Share and increase the long-term value to the Shareholders, which is in the best interest of the Company and its Shareholders as a whole.

As at 31 August 2025, the Company did not hold any treasury shares.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange (including sale or transfer of treasury shares) during the Reporting Period.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events affecting the Group which have occurred since the end of the Reporting Period up to the date of this announcement.

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

The audit committee of the Company (the “**Audit Committee**”) has reviewed and discussed with the management in relation to the accounting principles and practices adopted by the Company, the internal controls and financial report matters, and the Company’s policies and practices on corporate governance. The annual results of the Group have been reviewed by the Audit Committee. There is no disagreement by the Audit Committee with the accounting treatment adopted by the Company.

SCOPE OF WORK FOR ANNUAL RESULTS ANNOUNCEMENT BY AUDITOR

The financial information of the Group for the year ended 31 August 2025 set out in this announcement does not constitute the Group’s audited accounts for the year ended 31 August 2025, but represents an extract from the consolidated financial statements for the year ended 31 August 2025 which have been audited by the auditor of the Company, Ernst & Young, in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. The financial information of the Group for the year ended 31 August 2025 has been reviewed by the Audit Committee and approved by the Board.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.xingaojiao.com). The annual report for the Reporting Period containing all the information required by Appendix D2 to the Listing Rules is expected to be available on the same websites in December 2025.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
YEAR ENDED 31 AUGUST 2025

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
REVENUE	4	2,599,427	2,411,710
Cost of sales		<u>(1,676,398)</u>	<u>(1,535,575)</u>
Gross profit		923,029	876,135
Other income and gains	4	471,277	423,447
Selling and distribution expenses		(41,367)	(40,613)
Administrative expenses		(128,944)	(113,365)
Other expenses		(112,609)	(104,676)
Finance costs	5	<u>(115,787)</u>	<u>(127,868)</u>
PROFIT BEFORE TAX	6	995,599	913,060
Income tax expense	7	<u>(166,438)</u>	<u>(156,986)</u>
PROFIT FOR THE YEAR		829,161	756,074
Attributable to:			
Owners of the parent		<u>829,161</u>	<u>756,074</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	9		
Basic and diluted (<i>RMB</i>)		<u>0.49</u>	<u>0.49</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 AUGUST 2025

	2025	2024
	RMB'000	RMB'000
PROFIT FOR THE YEAR	829,161	756,074
OTHER COMPREHENSIVE INCOME		
OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS:		
Exchange differences on translation of financial statements	<u>15,779</u>	<u>(9,702)</u>
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	<u>15,779</u>	<u>(9,702)</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	<u>15,779</u>	<u>(9,702)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>844,940</u>	<u>746,372</u>
Attributable to:		
Owners of the parent	<u>844,940</u>	<u>746,372</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 AUGUST 2025

		2025	2024
	Notes	RMB'000	RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		6,279,554	5,949,729
Investment properties		382,716	393,364
Right-of-use assets		1,292,630	1,100,718
Goodwill		751,505	751,505
Other intangible assets		93,320	88,771
Pledged and restricted deposits		489,744	100,000
Other non-current assets	10	123,781	293,244
Total non-current assets		9,413,250	8,677,331
CURRENT ASSETS			
Trade receivables, prepayments, other receivables and other assets	11	118,196	118,244
Pledged and restricted deposits		408,647	831,389
Time deposits		40,949	10,669
Cash and cash equivalents		787,817	1,379,606
Total current assets		1,355,609	2,339,908
CURRENT LIABILITIES			
Contract liabilities	12	1,671,159	1,690,074
Other payables and accruals	13	785,888	953,483
Derivative financial instruments		–	16,169
Interest-bearing bank and other borrowings		821,457	1,486,108
Lease liabilities		6,286	4,100
Deferred income		18,477	15,003
Tax payable		208,691	168,298
Total current liabilities		3,511,958	4,333,235
NET CURRENT LIABILITIES		(2,156,349)	(1,993,327)
TOTAL ASSETS LESS CURRENT LIABILITIES		7,256,901	6,684,004

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)*31 AUGUST 2025*

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		1,777,605	2,013,331
Lease liabilities		8,349	1,297
Deferred income		348,144	362,856
Deferred tax liabilities		168,393	194,759
Total non-current liabilities		2,302,491	2,572,243
Net assets		4,954,410	4,111,761
EQUITY			
Equity attributable to owners of the parent			
Share capital		1,367	1,063
Treasury shares		–	(8,050)
Reserves		4,953,043	4,118,748
Total equity		4,954,410	4,111,761

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2025

1. CORPORATE AND GROUP INFORMATION

The Company was incorporated as an exempted company with limited liability under the Companies Law of the Cayman Islands on 8 July 2016. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 19 April 2017.

The Company is an investment holding company. During the year, the Company and its subsidiaries (collectively referred to as the “**Group**”) were principally engaged in rendering private education services in the People’s Republic of China (the “**PRC**”).

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance.

They have been prepared under the historical cost convention, except for derivative financial instruments which have been measured at fair value. These financial statements are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

The Group recorded net current liabilities of RMB2,156,349,000 as at 31 August 2025, included in which were contract liabilities of RMB1,671,159,000 as at 31 August 2025.

In view of the net current liabilities position, the directors have given careful consideration to the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern.

Having considered the cash inflow from operations, the directors are satisfied that the Group is able to meet in full its financial obligations as they fall due for the foreseeable future. To mitigate any liquidity issues that might be faced by the Group, the Group has obtained adequate banking facilities from reputable financial institutions to meet its obligations as and when they fall due.

Accordingly, the directors are of the opinion that it is appropriate to prepare the financial statements on a going concern basis. Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, and to provide for any further liabilities which might arise. The effect of these adjustments has not been reflected in the financial statements.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current (the “ 2020 Amendments ”)
Amendments to HKAS 1	Non-current Liabilities with Covenants (the “ 2022 Amendments ”)
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The nature and the impact of the revised HKFRS Accounting Standards are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 September 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the provision of education services in the PRC.

HKFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision-makers in order to allocate resources to segments and to assess their performance. The information reported to the directors of the Company, who are the chief operating decision-makers, for the purposes of resource allocation and performance assessment, does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

During the year, the Group operated within one geographical location because all of its revenues were generated in the PRC and all of its long-term assets/capital expenditures were located/incurred in the PRC. Accordingly, no geographical information is presented.

Information about major customers

No revenue from sales to a single customer amounted to 10% or more of the total revenue of the Group during the year.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2025 RMB'000	2024 RMB'000
Revenue from contracts with customers		
Tuition fees	2,321,666	2,147,778
Boarding fees	277,761	263,932
Total revenue	<u>2,599,427</u>	<u>2,411,710</u>

Revenue from contracts with customers

(i) Disaggregated revenue information

	2025 RMB'000	2024 RMB'000
Type of services		
Education services	<u>2,599,427</u>	<u>2,411,710</u>
Geographical market		
Mainland China	<u>2,599,427</u>	<u>2,411,710</u>
Timing of revenue recognition		
Services transferred over time	<u>2,599,427</u>	<u>2,411,710</u>

The following table shows the amount of revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the reporting period:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Education services	<u>1,690,074</u>	<u>1,356,250</u>

(ii) Performance obligation

The performance obligation is satisfied over time as services are rendered and tuition and boarding fees are generally received in advance prior to the beginning of each academic year.

At 31 August 2025, all amounts of transaction prices related to performance obligations are expected to be recognised as revenue within one year and as permitted under HKFRS 15, the transaction price allocated to these unsatisfied (or partially unsatisfied) contracts is not disclosed.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Other income and gains		
Service income	193,142	177,153
Rental income	138,996	135,124
Donation income (<i>Note (a)</i>)	48,046	49,827
Government grants	34,036	30,871
Bank interest income	24,487	20,590
Fair value gains, net:		
Financial assets at fair value through profit or loss	22,578	–
Foreign exchange gain	–	1,040
Gain on wealth investment products	271	637
Others	<u>9,721</u>	<u>8,205</u>
Total other income and gains	<u>471,277</u>	<u>423,447</u>

Note (a): The amount primarily consists of external donations of electronic devices and software related to teaching activities to promote integration between industry and education and cooperation between enterprises and colleges.

5. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 RMB'000	2024 RMB'000
Interest on bank loans and other loans	135,957	159,489
Interest on lease liabilities	435	289
Total interest expense on financial liabilities not at fair value through profit or loss	136,392	159,778
Less: Interest capitalised	(20,605)	(31,910)
Total	115,787	127,868

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2025 RMB'000	2024 RMB'000
Cost of services provided	1,676,398	1,535,575
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Wages and salaries	1,002,659	871,680
Pension scheme contributions (defined contribution scheme) *	73,824	66,828
Total	1,076,483	938,508
Depreciation of property, plant and equipment	262,232	236,774
Depreciation of investment properties	8,855	9,083
Depreciation of right-of-use assets	42,089	36,566
Amortisation of other intangible assets	32,777	27,888
Rental income	(138,996)	(135,124)
Government grants	(34,036)	(30,871)
Lease payments not included in the measurement of lease liabilities	357	199
Auditor's remuneration	4,600	4,500
Bank interest income	(24,487)	(20,590)
Foreign exchange differences, net	4,083	(1,040)
Impairment allowance for trade receivables, prepayments, other receivables and other assets	1,712	1,027
Impairment of goodwill	–	516
Fair value (gains)/losses, net:		
Financial assets at fair value through profit or loss	(22,578)	17,057
Loss on disposal of items of property, plant and equipment	3,794	1,159

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

7. INCOME TAX

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly is not subject to income tax.

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the year.

According to the Decision of the Standing Committee of the National People's Congress on Amending the Private Schools Promotion Law, which was promulgated on 7 November 2016 (the “**2016 Decision**”) and came into force on 1 September 2017, private schools are no longer classified as either schools for which the school sponsor(s) require reasonable returns or schools for which the school sponsor(s) do not require reasonable returns. Instead, the school sponsor(s) of a private school may choose for the school to be a for-profit private school or a non-profit private school, with the exception that schools providing nine-year compulsory education must be non-profit.

On 14 May 2021, the State Council released the Implementation Rules for the Law for Promoting Private Education of the PRC with an effective date of 1 September 2021 (the “**2021 Implementation Rules**”). The 2021 Implementation Rules are the detailed implementation rules of the Law for Promoting Private Education of the PRC. Pursuant to the 2016 Decision and the 2021 Implementation Rules, a private school may enjoy the preferential tax policies, which are not defined under the 2016 Decision or the 2021 Implementation Rules, as stipulated by the related government authorities and a non-profit school may enjoy the same tax policies as those enjoyed by a public school.

As at the date of approval of these financial statements, the Group's schools in the People's Republic of China are still in the process of classification registrations.

According to the Circular on Issues Concerning Tax Policies for the In-depth Implementation of Western Development Strategies, certain qualifying entities/schools of the Group that are located in Yunnan, Guizhou, Guangxi, Gansu, Hubei Province and the Tibet Autonomous Region engaged in the encouraged business are entitled to a preferential corporate income tax rate of 15%. Huihuang Company was subject to PRC income tax at 9% under the Tibet Autonomous Region's preferential investment policies for the year ended 31 August 2025. According to the Preferential Policies for Key Pilot Zone of Development and Opening Up (“**重點開發開放試驗區**”) in Ruili City, Yunnan Province, certain subsidiaries located in Ruili are entitled to a preferential corporate income tax rate of 9%. Other entities/schools of the Group established in Mainland China are subject to corporate income tax at a rate of 25% on their respective taxable income.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	2025 RMB'000	2024 RMB'000
Current		
Charge for the year	192,804	147,544
Deferred	(26,366)	9,442
Total tax charge for the year	166,438	156,986

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled and operate to the tax expense at the effective tax rate is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit before tax	<u>995,599</u>	<u>913,060</u>
Tax at the statutory tax rate	248,900	228,265
Lower tax rates for specific provinces or enacted by local authority	(88,190)	(92,838)
Effect of withholding tax on earnings remitted and anticipated to be remitted by subsidiaries	–	19,002
Expenses not deductible for tax	1,754	6,162
Tax credit arising from additional deduction of research and development expenditures of the PRC subsidiaries	(4,250)	(1,938)
Tax losses utilised from previous periods	–	(6,540)
Tax losses not recognised	<u>8,224</u>	<u>4,873</u>
Tax charge at the Group's effective rate	<u><u>166,438</u></u>	<u><u>156,986</u></u>

8. DIVIDENDS

No dividend was proposed during the year ended 31 August 2025. The final dividend for 2024 was settled in the form of new fully paid scrip shares of the Company in lieu of cash.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,685,933,014 (2024: 1,554,250,963) outstanding during the year.

The calculation of the diluted earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent where applicable (see below). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	<u><u>829,161</u></u>	<u><u>756,074</u></u>

	Number of shares	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation*	1,685,933,014	1,554,250,963
Effect of dilution – weighted average number of ordinary shares: Share options**	–	–
Total	<u>1,685,933,014</u>	<u>1,554,250,963</u>

* The weighted average number of shares was after taking into account the effect of treasury shares held.

** The effect of share options on the basic earnings per share for the year ended 31 August 2024 was ignored in the calculation of diluted earnings per share as the impact of the share options outstanding had an anti-dilutive effect on the basic earnings per share amounts presented and there were no outstanding options for the year ended 31 August 2025.

10. OTHER NON-CURRENT ASSETS

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Prepayment for land use rights	110,892	262,318
Prepayment for property, plant and equipment	12,889	30,926
Total	<u>123,781</u>	<u>293,244</u>

11. TRADE RECEIVABLES, PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables	1,358	5,439
Less: Allowance for credit losses	(13)	(1,387)
Net carrying amount	<u>1,345</u>	<u>4,052</u>
Advance and other receivables	70,921	75,220
Prepaid expenses	8,309	7,716
Deposits and other miscellaneous receivables	29,543	24,767
Staff advances	8,078	6,489
Total	<u>118,196</u>	<u>118,244</u>

An impairment analysis for trade receivables is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

31 August 2025

	Current	Past due					Total
		Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 4 years	
Expected credit loss rate	–	0.29%	1.04%	0.00%	0.00%	0.00%	0.96%
Gross carrying amount (RMB'000)	–	107	1,251	–	–	–	1,358
Expected credit losses (RMB'000)	–	–*	13	–	–	–	13

* The amount is less than RMB1,000.

31 August 2024

	Current	Past due					Total
		Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 4 years	
Expected credit loss rate	–	0.29%	0.98%	42.66%	60.72%	100.00%	25.50%
Gross carrying amount (RMB'000)	–	2,380	915	661	1,003	480	5,439
Expected credit losses (RMB'000)	–	7	9	282	609	480	1,387

An ageing analysis of the trade receivables at the end of the reporting period, based on the transaction date and net of loss allowance, is as follows:

	2025 RMB'000	2024 RMB'000
Within 1 year	107	2,373
1 to 2 years	1,238	906
2 to 3 years	–	379
Over 3 years	–	394
Total	<u>1,345</u>	<u>4,052</u>

The movements in the allowance for credit losses in respect of trade receivables are as follows:

	Trade receivables RMB'000
At 1 September 2023	4,924
Impairment loss recognised during the year	1,027
Write-off during the year	<u>(4,564)</u>
At 31 August 2024 and 1 September 2024	1,387
Impairment loss recognised during the year	(389)
Write-off during the year	<u>(985)</u>
At 31 August 2025	<u>13</u>

The financial assets included in the above balances relate to prepayments, other receivables and other assets for which there was no recent history of default and past due amounts. As at 31 August 2025 and 2024, the loss allowance was assessed to be minimal.

12. CONTRACT LIABILITIES

Details of contract liabilities are as follows:

	31 August 2025 <i>RMB'000</i>	31 August 2024 <i>RMB'000</i>	1 September 2023 <i>RMB'000</i>
Tuition fees	1,431,680	1,479,013	1,169,514
Boarding fees	239,479	211,061	186,736
	<u> </u>	<u> </u>	<u> </u>
Total contract liabilities	<u>1,671,159</u>	<u>1,690,074</u>	<u>1,356,250</u>

Contract liabilities include short-term advances received from students in relation to the proportionate services not yet provided. The Group receives tuition and boarding fees from students in advance prior to the beginning of each academic year. Tuition and boarding fees are recognised proportionately over the relevant period of the applicable programme. Students are entitled to a refund of the payment in relation to the proportionate services not yet provided.

The decrease in contract liabilities as at 31 August 2025 and 2024 was mainly due to the decrease of advances of tuition and boarding fees from students.

13. OTHER PAYABLES AND ACCRUALS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Payables for purchase of property, plant and equipment	128,240	212,204
Dividends payable	–	149,304
Other payables	134,201	137,443
Accrued bonuses and social insurance	170,007	121,850
Miscellaneous expenses received from students (<i>Note (a)</i>)	100,919	109,526
Government subsidies payable to students and teachers	94,000	87,090
Deposits	66,865	66,563
Advance from lessees	58,235	53,943
Accrued expenses	31,628	11,332
Payables to cooperative schools	1,793	4,228
	<u> </u>	<u> </u>
Total	<u>785,888</u>	<u>953,483</u>

The above balances are unsecured and non-interest-bearing. The carrying amount of other payables and accruals at the end of the year approximated to their fair value due to their short-term maturity.

Note (a): The amount represents the miscellaneous expenses received from students which will be paid on behalf of the students.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Bei Ai Company”	Beijing Aiyinsheng Education Investment Co., Ltd.* (北京愛因生教育投資有限責任公司), a limited liability company established under the laws of the PRC on 16 October 2012, and wholly owned by Yun Ai Group. Bei Ai Company is the sole sponsor of Gansu School
“Beijing Daai Gaoxue”	Beijing Daai Gaoxue Education Technology Co., Ltd.* (北京大愛高學教育科技有限公司), a limited liability company established in the PRC on 23 March 2018. It is wholly owned by Yun Ai Group
“Board” or “Board of Directors”	the board of Directors of the Company
“BOPPPS teaching model”	bridge-in, outcome, pre-assessment, participatory learning, post-assessment, and summary, a structured approach to lesson planning that ensures comprehensive and effective delivery of educational content
“Business Cooperation Agreement (2024)”	the business cooperation agreement entered into by and among Shenzhen Yuanqi, Hainan Pusen and Nanjing Jingyuming, the PRC Consolidated Affiliated Entities and the Registered Shareholders
“Central China School”	Hubei Enshi College* (湖北恩施學院), formerly known as Science and Technology College of Hubei Minzu University* (湖北民族大學科技學院), an institution of higher education established under the laws of the PRC in 2003. Central China School is a consolidated affiliated entity of the Company
“China” or “PRC”	the People’s Republic of China excluding for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan
“Company”	China New Higher Education Group Limited (中國新高教集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 8 July 2016
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the directors of the Company

“Directors’ Powers of Attorney (2019)”	the school directors’ power of attorney to be executed by each of the directors of each PRC Operating Schools
“Enchang Company”	Enshi Autonomous Prefecture Changqing Education Development Co., Ltd.* (恩施自治州常青教育發展有限責任公司), a limited liability company established under the laws of the PRC on 13 November 2014. It is wholly owned by Yun Ai Group. Enchang Company is the sole sponsor of Central China School
“Equity Pledge Agreement (2019)”	the equity pledge agreement entered into by and among the Registered Shareholders, Yun Ai Group, Huihuang Company and other parties
“Exclusive Call Option Agreement (2019)”	the exclusive call option agreement entered into by and among Huihuang Company, the PRC Consolidated Affiliated Entities and the Registered Shareholders
“Exclusive Technical Service and Management Consultancy Agreement (2024)”	the exclusive technical service and management consultancy agreement entered into by and among Shenzhen Yuanqi, Hainan Pusen and Nanjing Jingyuming and the PRC Consolidated Affiliated Entities
“Gansu School”	Lanzhou College of Information Science and Technology* (蘭州信息科技學院), formerly known as College of Technology and Engineering of Lanzhou University of Technology* (蘭州理工大學技術工程學院), an institution of higher education established under the laws of the PRC in 2004. Gansu School is a consolidated affiliated entity of the Company
“Group”, “we” or “us”	the Company, its subsidiaries, the PRC Operating Schools and the consolidated affiliated entities from time to time, or, where the context so requires in respect of the period before the Company became the holding company of the present subsidiaries, the entities which carried on the business of the present Group at the relevant time
“Guangxi Schools”	collectively refers to Guangxi Yinghua International Occupation College* (廣西英華國際職業學院), Guangxi Qinzhou Yinghua International Occupation and Technology School* (廣西欽州英華國際職業技術學校) and Guangxi Yinghua International Occupation Middle School* (廣西英華國際職業學院附屬中學). Guangxi Schools are consolidated affiliated entities of the Company

“Guizhou School”	Guizhou Technology and Business Institute* (貴州工商職業學院), a private institution of formal higher education established under the laws of the PRC on 3 July 2012 and a consolidated affiliated entity of the Company
“Hainan Pusen”	Hainan Pusen Technology Co., Ltd.* (海南浦森科技有限公司), a limited liability company established under the laws of the PRC on 21 December 2023 and a wholly-owned subsidiary of the Group
“Haxuan Company”	Harbin Xuande Technology Co., Ltd.* (哈爾濱軒德科技有限公司), a limited liability company established under the laws of the PRC on 19 April 2016. Haxuan Company is the sole sponsor of the Northeast School
“Henan Rongyu”	Henan Rongyu Education Consulting Co., Ltd.* (河南榮豫教育諮詢有限公司), a limited liability company established in the PRC on 2 March 2017, and wholly-owned by Beijing Daai Gaoxue. Henan Rongyu is the sole sponsor of the Luoyang School
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency for the time being of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huihuang Company”	Tibet Daai Huihuang Information and Technology Co., Ltd.* (西藏大愛輝煌信息科技有限公司), a limited liability company established under the laws of the PRC on 5 August 2016, which is a wholly-owned subsidiary of the Group
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Loan Agreement (2019)”	a loan agreement entered into by and among Huihuang Company, the PRC Operating Schools and Yun Ai Group
“Luoyang School”	Luoyang Science and Technology Vocational College* (洛陽科技職業學院), a private institution of formal higher education established under the laws of the PRC in June 2013. Luoyang School is a consolidated affiliated entity of the Company
“Ministry of Education”	the Ministry of Education of the PRC
“Model Code”	the model code for securities transactions by directors of listed issuers as set out in Appendix C3 to the Listing Rules

“Mr. Li”	Mr. Li Xiaoxuan (李孝軒), the founder, one of the Controlling Shareholders, chairman of the Board and an executive Director of the Company
“Nanjing Jingyuming”	Nanjing Jingyuming Technology Co., Ltd.* (南京景豫銘科技有限公司), a limited liability company established under the laws of the PRC on 13 December 2023 and a wholly-owned subsidiary of the Group
“Northeast School”	Harbin Huade University* (哈爾濱華德學院), a private institute of higher education established under the laws of the PRC in 2004. Northeast School is a consolidated affiliated entity of the Company
“PRC Consolidated Affiliated Entities”	namely, the School Sponsors and the PRC Operating Schools, each a consolidated affiliated entity of the Company and other investment holding companies which were consolidated to the Group by virtue of the Structured Contracts, as amended from time to time
“PRC Legal Advisors”	Commerce & Finance Law Offices, the Company’s legal advisors as to PRC Laws
“PRC Operating Schools”	the consolidated affiliated entities, namely, Yunnan School, Guizhou School, Gansu School, Luoyang School, Northeast School, Guangxi Schools, Central China School and Zhengzhou School and other schools which were consolidated to the Group by virtue of the Structured Contracts
“Qinzhou Yinghua”	Qinzhou Yinghua Datang Education Investment Company Limited* (欽州英華大唐教育投資有限公司), a limited liability company established under the laws of the PRC on 25 August 2017 and wholly owned by Songming Xinju. Qinzhou Yinghua is the sole sponsor of the Guangxi Schools
“Registered Shareholders”	Kunming Paiduipai Economic Information Consultancy Co., Ltd., Kunming Bamupu Technology Co., Ltd., Songming Dexue and Songming Zhongyi Enterprise Management and Consulting Services Co., Ltd.
“Reporting Period”	the year ended 31 August 2025
“RMB” or “Renminbi”	Renminbi, the lawful currency for the time being of the PRC

“School Sponsors”	the current school sponsors, Yun Ai Group, Henan Rongyu, Haxuan Company, Qinzhou Yinghua, Enchang Company, Zhengzhou New Higher Education, Bei Ai Company, and other school sponsors which were consolidated to the Group by virtue of the Structured Contracts
“School Sponsors’ and Directors’ Rights Entrustment Agreement (2019)”	the school sponsors’ and directors’ rights entrustment agreement entered into by and among School Sponsors, the PRC Operating Schools, the relevant directors appointed by the School Sponsors and Huihuang Company
“School Sponsors’ Powers of Attorney (2019)”	the school sponsors’ power of attorney executed by the School Sponsors in favor of Huihuang Company
“Share(s)”	ordinary share(s) of US\$0.0001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shareholders’ Powers of Attorney (2019)”	the shareholders’ power of attorney executed by the Registered Shareholders and Yun Ai Group and other shareholders which were consolidated to the Group by virtue of the Structured Contracts in favor of Huihuang Company
“Shareholders’ Rights Entrustment Agreement (2019)”	the shareholders’ rights entrustment agreement entered into by and among the Registered Shareholders, the School Sponsors and Huihuang Company
“Shenzhen Yuanqi”	Shenzhen Yuanqi Consultation Services Co., Ltd.* (深圳遠啟諮詢服務有限公司), a limited liability company established under the laws of the PRC on 11 September 2024 and a wholly-owned subsidiary of the Group
“Songming Dexue”	Songming Dexue Education Development Co., Ltd.* (嵩明德學教育發展有限公司), a limited liability company established under the laws of the PRC on 17 April 2019 and wholly owned by Mr. Li. Songming Dexue is one of the Registered Shareholders and owns 70.8305% equity interest of Yun Ai Group
“Spouse’s Undertakings (2019)”	the spouse undertakings executed by Ms. Yang Xuqing, the spouse of Mr. Li
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Structured Contracts”	collectively refers to, the Business Cooperation Agreement (2024), the Exclusive Technical Service and Management Consultancy Agreement (2024), the Exclusive Call Option Agreement (2019), the Equity Pledge Agreement (2019), the Shareholders’ Rights Entrustment Agreement (2019), the School Sponsors’ and Directors’ Rights Entrustment Agreement (2019), the School Sponsors’ Powers of Attorney (2019), the Directors’ Powers of Attorney (2019), the Shareholders’ Powers of Attorney (2019), the Loan Agreement (2019) and the Spouse’s Undertakings (2019), and the various agreements entered into their connection
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“USD” or “US\$”	United States dollars, the lawful currency of the United States
“Yun Ai Group”	Yunnan Einsun Education Investment Group Co., Ltd.* (雲南愛因森教育投資集團有限公司), a limited liability company established under the laws of the PRC on 19 September 2005, which is owned as to 20.0568% by Kunming Paiduipai Economic Information Consultancy Co., Ltd., 5.7305% by Kunming Bamupu Technology Co., Ltd., 70.8305% by Songming Dexue and 3.3822% by Songming Zhongyi Enterprise Management and Consulting Services Co., Ltd. and the sole sponsor of Yunnan School and Guizhou School
“Yunnan School”	Yunnan Technology and Business University* (雲南工商學院) (formerly known as Yunnan Einsun Software Vocational College* (雲南愛因森軟件職業學院) (“ Software College ”), a private institution of formal higher education established under the laws of the PRC in 2005, and a consolidated affiliated entity of the Company
“Zhengzhou New Higher Education”	Zhengzhou New Higher Education Technology Limited* (鄭州新高教教育科技有限公司), a company established in the PRC with limited liability, an indirect wholly-owned subsidiary of Yun Ai Group and the sole sponsor of Zhengzhou School

“Zhengzhou School” Zhengzhou City Vocational College* (鄭州城市職業學院), a private higher vocational college located in Zhengzhou, Henan Province, the PRC and a consolidated affiliated entity of the Company

“%” percent

By order of the Board
China New Higher Education Group Limited
Li Xiaoxuan
Chairman

Hong Kong, 28 November 2025

As at the date of this announcement, the executive Directors are Mr. Li Xiaoxuan, Mr. Zhao Shuai and Mr. Chan Tung Hoi; and the independent non-executive Directors are Mr. Kwong Wai Sun Wilson, Dr. Pang Tsz Kit Peter and Ms. Wong Ka Ki Ada.