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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 INTERIM RESULTS
FOR THE SIX MONTHS ENDED 28 FEBRUARY 2026

The Board of Directors of China New Higher Education Group Limited is pleased to announce the interim results of the Group for the six months ended 28 February 2026.

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, superior service experiences, more beautiful campus environment, stronger professional competitiveness and more robust teaching faculty”, 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.
- Benefiting from long-term policy support, the Group remains committed to elevating the institutional education levels of its schools. In February 2026, upon receiving the formal approval from the Ministry of Education (“MOE”), Guizhou School was officially upgraded and established as Guizhou Vocational University of Industry and Commerce* (貴州工商職業大學). It is one of the only five private vocational undergraduate universities approved by the MOE during the “14th Five-Year Plan” period. Furthermore, it is the only private vocational undergraduate university in Guizhou Province.

- Graduate employment quality and employment rate remained consistently high. As of 31 December 2025, the overall employment rate of the Group’s graduates maintained over 95% for six consecutive years. The proportion of high-quality employment reached 54.35%, of which the number of graduates employed by famous companies increased by 112.94%. As of 31 August 2025, the initial employment rate of the Group’s 2025 graduates was 98.22%, representing an increase of 3.13 percentage points as compared to the corresponding period of last year.
- The Group’s financial performance has maintained steady growth. For the six months ended 28 February 2026, we recorded a 2.6% year-on-year increase in the revenue from principal business of the Group, reaching RMB1.45 billion, while the adjusted net profit grew by 0.8% year-on-year to RMB460 million.

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 honored with prestigious titles by the MOE, including “National Top 50 Universities for Graduate Employment (全國高校畢業生就業工作50強)”, “Top 100 Typical Cases of National Higher Education Institutions for Graduate Employment and Entrepreneurship (全國高校畢業生就業創業典型案例百強)” and the “National Excellence Award for Graduate Employment at the Primary Level (全國高校畢業生基層就業卓越獎)”. The employment rate of each school received top ranking from their respective provinces and regions, 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 committed to implementing the high-quality development strategy and increasing investment in high-quality development. We are dedicated to delivering “better learning outcomes”, achieving “higher employment quality”, providing “superior service experiences”, building “more beautiful campus environments”, forging “stronger professional competitiveness”, and assembling “stronger teaching faculties”, unswervingly pursuing the path of high-quality development.

Higher employment quality: upholding “high-quality employment as the foundation of the school”

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

The Group has achieved remarkable results in high-quality employment, with both the overall employment rate and the proportion of high-quality employment maintaining at record-high levels. As of 31 December 2025, the overall employment rate of the Group’s graduates maintained over 95% for six consecutive years. The proportion of high-quality employment reached 54.35%, representing a year-on-year increase of 16.63 percentage points and reaching a historical high, of which one out of every two graduates secured high-quality employment. As of 31 August 2025, the initial employment rate of the Group’s 2025 graduates was 98.22%, representing an increase of 3.13 percentage points as compared to last year. Notably, the number of graduates employed by renowned enterprises surged by 110.32%, with students recruited by prestigious organizations such as Fortune Global 500 companies, leading Central and State-owned Enterprises (SOEs), and Grade A Tertiary Hospitals.

(II) Deepening corporate engagement and demand analysis to provide targeted employment services

The Group has established a robust platform for communication among government, schools and enterprises, hosting the “Best Employer Award Ceremony” for two consecutive years and engaging in discussions with over a hundred enterprises and public institutions. Leveraging our Employment Service Centers, we have anchored our operations across five strategic regions, namely the Beijing-Tianjin-Hebei Region, the Yangtze River Delta, the Pearl River Delta, the Sichuan-Chongqing Region and Xinjiang, partnering with premium platforms of renowned enterprises to bolster high-quality graduate employment. Furthermore, the Group provides precision guidance services by capitalizing on the synergy of our “triangular support model” (comprising graduating class counselors, employment mentors and subject teachers). Empowered by professional assessment systems and digital platforms, we conduct both online and offline employment guidance sessions. Through deepened collaboration and tailored services, the Group continues to drive high-quality employment, significantly enhancing our employment reputation and brand influence.

Better learning outcomes: strengthening teaching reforms and optimizing the educational environment

(I) Comprehensively promoting “student-centered” teaching reforms

For advancing the “student-centered” teaching reforms, the Group has appointed Professor Zhao Juming, a globally renowned expert in educational reform, as our consultant. To date, the Group has conducted over 280 training sessions, reaching nearly 8,000 participants. These efforts are dedicated to implementing the “new-three-center” philosophy which focuses on “student development, student learning, and learning outcomes”.

(II) Proactively advancing pedagogical research: empowering student growth through premier curricula

The Group collaborated with Professor Peng Kaiping, a pioneer of Positive Psychology in China and a professor at the Department of Psychology and Cognitive Science at Tsinghua University, and his expert team. This strategic partnership involved co-hosting academic seminars, conducting on-site research across four institutions, and performing in-depth interviews with faculty and students to produce a comprehensive research report. Based on these findings, we developed a proprietary “Positive Psychology” textbook, which has been successfully integrated into frontline teaching. To precisely align with corporate demands and address the findings of our student learning surveys, specifically the need to enhance higher-order learning and interaction metrics, the Group introduced the Stanford Design Thinking curriculum and Systematic Inventive Thinking methodologies. These initiatives have reshaped our instructional mindset and provided practical tools for implementing our “student-centered” philosophy, effectively bolstering our graduates’ employment competitiveness and career adaptability.

(III) Focused enhancement of talent cultivation adaptability

The Group maintains a steady increase in capital expenditure on teaching infrastructure. To enhance its instructional hardware and software, the Group has upgraded existing facilities and established a series of advanced laboratories and experimental equipments. These initiatives are designed to bridge the gap between student skills and vocational requirements, while facilitating the shift toward boutique small-class teaching. Concurrently, the continuous iteration of classroom furniture, computing resources, and interactive smart boards has further optimized both teaching efficiency and student engagement.

(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 MOE, they earned a total of 1,034 awards at the provincial level and above, including 623 national-level honors and 85 top prizes. This serves as a compelling testament to the effectiveness of the Group’s nurturing philosophy of “promoting learning through competitions and driving innovation through learning”, resulting in a significant enhancement of our students’ innovative and practical capabilities.

Stronger professional competitiveness: optimizing program portfolios to drive growth and refining quality through precision improvements

(I) Formulating the “15th Five-Year” high-quality development plan and optimizing academic program portfolios

In response to national strategies, the Group has conducted in-depth research on discipline construction across six key dimensions: industry trends, local industrial needs, enrollment dynamics, employment quality, competitive landscape, and the formation of discipline clusters. Our strategic focus is transitioning from traditional education and management sectors toward artificial intelligence (AI), high-end equipment manufacturing, the low-altitude economy, and medical sciences. For instance, Luoyang School’s UAV Application Technology program aligns with the national low-altitude economy strategy, targeting high-end application scenarios in “intelligent manufacturing”. Furthermore, to build a discipline cluster ecosystem, Central China School has placed the Great Health industry at its core. We have strategically developed five key areas – Medicine, Nursing, Healthcare, Aesthetic Medicine, and Pharmacy – led by flagship majors such as Clinical Medicine and Nursing. This model enables newly established programs, including Stomatology and Traditional Chinese Medicine Rehabilitation Technology, to share foundational medical courses and clinical training resources, ultimately creating a seamless “vocational-to-undergraduate” integrated cultivation system.

(II) Precise focus on target positions: implementing incremental optimizations in discipline construction

Leveraging the Huawei Business Leadership Model (BLM) as a strategic foundation, the Group has deployed 12 market analysis tools and developed standardized templates for validating the rationality of talent cultivation objectives. We have established an “employer-oriented and student-centered” incremental optimization process, through which over 1,000 micro-improvements have been implemented. These initiatives were highly recognized by both industry professionals and corporate experts.

Stronger faculty team: strengthening foundations and stimulating vitality

The Group remains committed to cultivating a high-caliber faculty team. The proportion of “dual-qualified” teachers has increased significantly, further bolstering our core competitiveness. Our ongoing recruitment of foreign faculty continues to enhance the international perspective of our faculty team. Furthermore, the Group has steadfastly advanced remuneration reforms, resulting in an overall increase in the bonus coefficients for all teaching staff. The Group launched the “three-excellences” plan, which comprises the rewarding mechanism for “excellent lessons, excellent remuneration”, “excellent student support, excellent remuneration”, and “excellent guidance, excellent remuneration”, to provide performance-based rewards for teachers, counselors and supervisors, thereby continuously invigorating the faculty workforce.

The Group's faculty development initiatives have yielded remarkable results. During the Reporting Period, our teachers garnered a total of 32 awards. Notably, Yunnan School secured one Grand Prize, two First Prizes and two Second Prizes at the Provincial Level of the National Young College Teachers' Teaching Competition. Additionally, the Dean of the School of Art and Design at Luoyang School was honored as a Provincial Distinguished Teacher.

Better service experience: comprehensive service optimization to enhance the well-being of faculty and students

A high-quality service experience is not only a core aspiration of students for campus life but also represents one of the Group's core competitive advantages through differentiated development. In terms of academic services, the Group has optimized classroom environments and facilities, issued the "Guiding Opinions on Academic Assistance", and provided diversified guidance for further education. Regarding living services, the Group has comprehensively upgraded dormitory services, continuously empowering daily life and campus governance through digital and intelligent campus solutions. We have also introduced commercial brands favored by students and created comfortable dining environments. In terms of activity experiences, the Group places strong emphasis on the cultivation of student autonomy by organizing diverse cultural and sports activities, encouraging active participation in voluntary services, and developing signature institutional events. These initiatives allow students to strengthen their organizational skills while enhancing the sense of belonging and well-being of students and teachers.

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

A more beautiful campus environment remains one of the core competencies of the Group under the vision of "building the most student-oriented university with a century-long vision". A beautiful campus environment enhances students' learning outcomes, living experiences, and activity engagement, achieving a subtle yet profound educational impact through the environment itself. During the Reporting Period, the Group continued to increase investment in campus construction and implemented refined measures to elevate teachers and student well-being. Several infrastructure projects were completed to a high standard, adding new spaces for activities and daily life. Notably, Gansu School and Central China School have both initiated major construction projects including libraries and activity centers. Furthermore, multiple institutions have upgraded office and accommodation conditions for frontline faculty and staff. Notably, the newly completed Arts Center at Guizhou School, garnered two prestigious international accolades: the International Design Awards (IDA) and the World Design Awards (WDA) presented by The Architecture Community (TAC), making it the first educational building in Southwest China to receive both honors.

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 2026 China Private Universities Rankings by the Alumni Association, Northeast School's national ranking improved by one place to 12th, positioning it as a top-tier application-oriented university in China, while Gansu School's national ranking improved by eight places to 19th, establishing it as a first-class application-oriented university in China. Following its successful upgrade to a undergraduate-level university, Guizhou School was ranked 24th nationally in the 2026 China Vocational and Technical University Rankings by the Alumni Association, securing the highest ranking among vocational and technical universities in Guizhou Province.

In the 2025/2026 academic year, the number of new undergraduate enrollments at the Group's schools increased by 3.9% year-on-year. The proportion of students at the undergraduate level within the total student population rose by 4.5 percentage points. In addition, the proportion of cross-provincial enrollment in the Group's schools has increased consistently. The minimum admission 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 firmly promote sustainable development. During the Reporting Period, the Group and its schools have been recognized by authorities and the capital market. The Group has integrated ESG principles into its campus operations. Yunnan School successfully obtained the ISO 14001 Environmental Management System certification and installed 20,000 square meters of photovoltaic (PV) panels across campus rooftops. Meanwhile, Luoyang School completed the installation and retrofitting of 97 streetlights, fostering a low-carbon environment. Northeast School was designated as a “Green Campus among Higher Education Institutions in Heilongjiang Province”, while Zhengzhou School and Gansu School were honored as “Water-Saving Universities”. The Group's ESG reporting has been fully aligned with international standards. In 2025, it conducted Scope 3 greenhouse gas emissions data collection for the first time and engaged an independent external party for verification. Our sustainability performance has also been recognized by the capital market. The Group achieved an S&P Global ESG Score of 39, ranking among the top five globally in our industry and first in China. Furthermore, the Group has been featured in the S&P Global Sustainability Yearbook (China Edition) for three consecutive years, receiving the “Industry Mover Award” for the first time in 2026. Anchored by authoritative ratings, supported by credible data, and driven by green campus initiatives, we are steadfastly charting a blueprint for a sustainable future of campus operations.

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 December 2025, relevant meetings organized by the MOE proposed to “encourage private higher education institutions to enhance the quality of talent cultivation, defining a clear direction for high-quality industry development, and assisting private undergraduate and junior colleges in improving their standardized operational levels and core competitiveness”. Subsequently, in February 2026, the MOE issued the “Opinions on Deepening the Reform of Key Elements in Vocational Education Teaching”, which proposed to “support private higher education institutions in dynamically adjusting their academic program portfolios by establishing new majors aligned with industrial demands, rationalizing redundant programs, and upgrading existing ones”. The Opinions further emphasizes “optimizing curriculum design and textbook formats, refining faculty competency profiles, and perfecting the “two-way mobility” mechanism between teachers and corporate professionals to establish an industrial mentor system”. Moreover, the MOE expressed support for private institutions to “develop internship and practical training bases through school-enterprise co-construction and cluster-based joint development, thereby driving the integration of industry and education and assisting private undergraduate and junior colleges in enhancing teaching quality and the alignment of talent cultivation with market needs”.

The Group’s high-quality development strategy is fully aligned with the direction of policy support. The Group will continue to solidly promote major construction projects of upgrading its schools to undergraduate-level universities to ensure the completion of the relevant preparatory work with high quality and efficiency. In February 2026, with the formal approval of the MOE, Guizhou School was officially upgraded and established as Guizhou Vocational University of Industry and Commerce* (貴州工商職業大學). Guizhou Vocational University of Industry and Commerce* (貴州工商職業大學) stands as one of the five private vocational undergraduate universities approved by the MOE during the “14th Five-Year Plan” period. Furthermore, it is currently the only private vocational undergraduate university in Guizhou Province. The strategic initiatives of Luoyang School and Guangxi Schools to be upgraded to Vocational and Technical Universities have been formally incorporated into the “15th Five-Year” Plans of Luoyang City and Qinzhou City, respectively, receiving strong support from provincial competent authorities. Yunnan School and Northeast School have successfully been approved as Provincial-level Project Construction Units for the Granting of New Master’s Degrees. Notably, Yunnan School is among the first batch of private higher education institutions in Yunnan Province to be approved for such a project. Meanwhile, the Master’s degree application process for Gansu School and Central China School is progressing steadily, with both institutions having initiated infrastructure projects, including libraries and activity centers. In addition, the Group continues to advance its collaboration with Steinbeis University in Germany, to establish a higher education institution in the Hainan Free Trade Port to offer undergraduate and above-level degree programs.

Future development: “Three Sustainability”

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

The Group has consistently positioned itself as a long-term participant in the higher education sector. 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 education opportunities with high-quality teaching, high-quality employment and high-quality experience for students of all our 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, 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 satisfies the people

In the face of the new development stage, new development pattern and new development opportunities of higher education, with “enabling every student to achieve career success and life fulfillment” as its mission, 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, 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 a strong country of education and create greater value for society, and to provide education that satisfies the people.

FINANCIAL REVIEW

The financial results for the six months ended 28 February 2026 and 28 February 2025 are as follows:

	Six months ended		Change (%)
	28 February 2026	28 February 2025	
	<i>RMB million</i>	<i>RMB million</i>	
Total revenue[^]	1,675.5	1,651.3	1.5%
Revenue	1,449.9	1,412.9	2.6%
Cost of sales	(910.9)	(868.7)	4.9%
Gross profit	539.0	544.2	(1.0)%
Other income and gains	225.6	238.4	(5.4)%
Selling and distribution expenses	(12.1)	(24.3)	(50.2)%
Administrative expenses	(67.6)	(62.9)	7.5%
Other expenses	(55.8)	(41.2)	35.4%
Finance costs	(50.4)	(59.4)	(15.2)%
PROFIT BEFORE TAX	578.7	594.8	(2.7)%
Income tax expense	(106.4)	(125.5)	(15.2)%
Net profit	472.3	469.3	0.6%
Adjusted net profit[#]	459.6	455.8	0.8%

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

[#] Adjusted net profit = net profit of RMB472.3 million for the six months ended 28 February 2026 less exchange gain of RMB12.7 million arising from the USD syndicated loans (six months ended 28 February 2025: net profit of RMB469.3 million less fair value gain of a swap derivative product of RMB18.3 million, plus exchange loss of RMB4.8 million arising from the USD syndicated loans)

Revenue

The Group's revenue reached RMB1,449.9 million for the Reporting Period, increased by 2.6% as compared to RMB1,412.9 million for the same period of 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 RMB910.9 million for the Reporting Period, increased by 4.9% as compared to RMB868.7 million for the same period of last year, which was primarily due to (1) an increase of 5.3% in labor-related costs as compared to the same period of last year as the Group continued to enhance the remuneration and benefits of core teaching positions, actively recruit high-calibre dual-qualified teachers and strengthen the construction of a high quality teaching team; and (2) an increase of 9.6% in depreciation and amortization costs as compared to that for the same period 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 RMB539.0 million for the Reporting Period, slightly decreased by 1.0% as compared to RMB544.2 million for the same period of last year. The gross profit margin as of the Reporting Period was 37.2%, representing a decrease of 1.3 percentage points as compared to 38.5% for the same period of 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 for the current stage was temporarily lower than the increase in cost of sales. The development strategy, which is based on high quality, will lay a solid foundation for the future organic growth.

Other Income and Gains

The Group's other income and gains reached RMB225.6 million for the Reporting Period, decreased by 5.4% as compared to RMB238.4 million for the same period of last year, which was mainly due to the fact that in the same period last year, the Group entered into swap derivative instruments to hedge its exposure to the risks of fluctuations in exchange rate and floating interest rate of its US dollar loans, with a fair value gains of RMB18.3 million and an investment gains of RMB6.1 million recognised, while no such gains were recorded in the current period.

Selling and Distribution Expenses

The Group's selling and distribution expenses were RMB12.1 million for the Reporting Period, decreased by 50.2% as compared to RMB24.3 million for the same period of last year. The expenses accounted for approximately 0.7% of the Group's total revenue for the Reporting Period, which was lower than the historical level. Such decrease was primarily attributable to (1) our leverage of digital marketing channels and big-data-driven precision targeting, which reduced promotional costs; (2) the tightened budget controls to prioritize resource allocation toward core and effective marketing channels, resulting in a lower promotional cost.

Administrative Expenses

The Group's administrative expenses were RMB67.6 million for the Reporting Period, increased by 7.5% as compared to RMB62.9 million for the same period of last year. Such increase was mainly 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; and (2) increased investments in employee benefits as part of our ongoing commitment to staff well-being, including the introduction of special welfare subsidies for the Spring Festival.

Other Expenses

The Group's other expenses were RMB55.8 million for the Reporting Period, increased by 35.4% as compared to RMB41.2 million for the same period of last year. Such increase was mainly due to the growth in revenue from research projects during the academic year, which led to a corresponding rise in technical development, service and consultancy activities, and an increase in related project costs.

Finance Costs

The Group's finance costs were RMB50.4 million for the Reporting Period, decreased by 15.2% as compared to RMB59.4 million for the same period of last year, which was mainly due to the Group's continuous expansion of diversified loan products to manage its financing costs, resulting in a decrease in the average loan interest rate.

Profit before Tax

Due to the combined effects of revenue, costs and expenses mentioned above, the Group recognised a profit before tax of RMB578.7 million for the Reporting Period, representing a decrease of 2.7% as compared to RMB594.8 million for the same period of last year.

Net Profit

As a result of the combined effects of revenue, costs and expenses mentioned above, the net profit of the Group was RMB472.3 million for the Reporting Period, representing an increase of 0.6% as compared to RMB469.3 million for the same period of 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, Shareholders and potential investors should not read the non-HKFRS Accounting Standards measures in isolation or as an alternative to our profit for the Reporting Period, 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:

	For the six months ended	
	28 February 2026	28 February 2025
	<i>RMB million</i>	<i>RMB million</i>
Net profit	472.3	469.3
Adjusted item:		
Fair value (gain)/loss of a swap derivative product	–	(18.3)
Exchange (gain)/loss arising from the USD syndicated loans	(12.7)	4.8
Adjusted net profit	<u>459.6</u>	<u>455.8</u>

Total Capital

The total capital of the Group, which equals to the aggregate of cash and cash equivalents plus pledged and restricted deposits, time deposits, and financial assets at fair value through profit or loss was RMB1,900.3 million as of 28 February 2026 (31 August 2025: RMB1,727.2 million).

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 our school buildings and facilities. The interest-bearing bank loans and other borrowings as well as lease liabilities amounted to RMB3,040.6 million as of 28 February 2026 (31 August 2025: RMB2,613.7 million), among which US\$71.6 million was denominated in USD, 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 28 February 2026. The Group's interest-bearing debt/total assets increased from 24.3% as of 31 August 2025 to 27.5% as of 28 February 2026.

Net interest-bearing debt equals to the total interest-bearing bank loans and other borrowings and lease liabilities net of total capital as of 28 February 2026. The Group's net interest-bearing debt/total equity increased from 17.9% as of 31 August 2025 to 21.0% as of 28 February 2026. To support the capital requirements for our institutions' applications for undergraduate and master's degree-granting status, as well as the construction projects in Hainan, the Group has secured new short-term financing facilities, leading to a rise in interest-bearing debt.

Gearing ratio equals to the ratio of interest-bearing debt divided by total equity as of 28 February 2026. The Group's gearing ratio increased from 52.8% as of 31 August 2025 to 56.0% as of 28 February 2026, primarily due to the increase in the size of the Group's interest-bearing debt.

Capital Expenditures

During the Reporting Period, the Group's capital expenditures were RMB322.4 million, which was primarily used for the construction of our school 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 building and renovation projects. The following table sets out a summary of our capital commitments as of the dates indicated:

	As of 28 February 2026 <i>RMB million</i>	As of 31 August 2025 <i>RMB million</i>
Contracted but not provided for:		
Property, plant and equipment		
Within one year	78.1	367.7
Over one year	133.6	51.2
	<hr/> 211.7 <hr/>	<hr/> 418.9 <hr/>

As of 28 February 2026, 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 other future plans for material investments and capital assets as at 28 February 2026.

SIGNIFICANT INVESTMENTS HELD, 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 28 February 2026, certain bank loans and bank balances were denominated in USD and HKD. The Group currently does not have any foreign currency hedging policy. 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 28 February 2026 were as follows:

- (i) equity interests of the Group's certain subsidiaries; and
- (ii) deposits of the Group with an amount of RMB1,322,850,241 as at 28 February 2026 (31 August 2025: RMB878,357,000).

Contingent Liabilities

As of 28 February 2026, the Group did not have any material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of the Group.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the date of this announcement, the Group had not entered into any off-balance sheet transactions.

FAVOURABLE POLICIES TO FACILITATE THE DEVELOPMENT OF PRIVATE HIGHER VOCATIONAL 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 classification 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 Private Education Promotion Law of the PRC (implemented on 29 December 2018) 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 article 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 (16 July 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); (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 classification and 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 7 April 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; and (2) for the construction and 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 the 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 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") and five supporting guidelines, 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.

INTERIM 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 has resolved not to declare an interim dividend for the six months ended 28 February 2026 (for the six months ended 28 February 2025: Nil).

HUMAN RESOURCES AND REMUNERATION POLICY

As of 28 February 2026, the Group had a total of 9,668 employees (9,922 as of 31 August 2025), which remained largely stable. 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 provident fund, 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 six months ended 28 February 2026.

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

Corporate Governance Code

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 Shareholders.

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 during the Reporting Period.

As of 28 February 2026, the Group had 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 enquiry of all Directors, all of them have confirmed that they have complied with the Model Code throughout the Reporting Period.

Purchase, Sale or Redemption of Listed Securities

During the six months ended 28 February 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities (including sale or transfer of treasury shares) of the Company. As of 28 February 2026, the Company did not hold any treasury shares.

Events After the Reporting Period

Save as disclosed in this announcement, there were no significant events affecting the Group which have occurred since the end of the Reporting Period and up to the date of this announcement.

Review of Interim Results by the Audit Committee

The audit committee of the Company (the “**Audit Committee**”) has reviewed and discussed with the management of the Company in relation to the accounting principles and practices adopted by the Company, the internal controls and financial statements matters (including the unaudited interim condensed consolidated results of the Group for the six months ended 28 February 2026), and the Company’s policies and practices on corporate governance. There is no disagreement by the Audit Committee with the accounting treatment adopted by the Company.

Scope of Work of the Auditor

The financial information set out in this announcement does not constitute the Group’s unaudited accounts for the six months ended 28 February 2026, but represents an extract from the interim condensed consolidated financial statements for the six months ended 28 February 2026 which have been reviewed by the auditor of the Company, Ernst & Young, in accordance with Hong Kong Standard on Review Engagements 2410 issued by the Hong Kong Institute of Certified Public Accountants. The financial information has been reviewed by the Audit Committee and approved by the Board.

Publication of Interim Results and Interim Report

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.xingaojiao.com). The interim report of the Company for the six months ended 28 February 2026 containing all the information required by Appendix D2 to the Listing Rules is expected to be published on the above websites in May 2026.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE SIX MONTHS ENDED 28 FEBRUARY 2026

	<i>Notes</i>	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
REVENUE	4	1,449,880	1,412,921
Cost of sales		(910,906)	(868,707)
Gross profit		538,974	544,214
Other income and gains	4	225,707	238,429
Selling and distribution expenses		(12,077)	(24,325)
Administrative expenses		(67,648)	(62,901)
Other expenses		(55,766)	(41,156)
Finance costs	5	(50,423)	(59,434)
PROFIT BEFORE TAX	6	578,767	594,827
Income tax expense	7	(106,433)	(125,540)
PROFIT FOR THE PERIOD		472,334	469,287
Attributable to:			
Owners of the parent		472,334	469,287
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	9		
Basic and diluted (<i>RMB</i>)		0.24	0.30

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 28 FEBRUARY 2026

	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
PROFIT FOR THE PERIOD	<u>472,334</u>	<u>469,287</u>
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>3,361</u>	<u>14,785</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>475,695</u>	<u>484,072</u>
Attributable to:		
Owners of the parent	<u>475,695</u>	<u>484,072</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

28 FEBRUARY 2026

		28 February 2026 (Unaudited) <i>RMB'000</i>	31 August 2025 (Audited) <i>RMB'000</i>
	<i>Notes</i>		
NON-CURRENT ASSETS			
Property, plant and equipment		6,388,380	6,279,554
Investment properties		379,032	382,716
Right-of-use assets		1,316,232	1,292,630
Goodwill		751,505	751,505
Other intangible assets		93,575	93,320
Pledged and restricted deposits		491,128	489,744
Other non-current assets	10	111,971	123,781
		<hr/>	<hr/>
Total non-current assets		9,531,823	9,413,250
CURRENT ASSETS			
Trade receivables, prepayments, other receivables and other assets	11	114,988	118,196
Financial assets at fair value through profit or loss		48,500	–
Pledged and restricted deposits		846,106	408,647
Time deposits		50,000	40,949
Cash and cash equivalents		464,552	787,817
		<hr/>	<hr/>
Total current assets		1,524,146	1,355,609
CURRENT LIABILITIES			
Contract liabilities	12	1,221,821	1,671,159
Other payables and accruals	13	601,870	785,888
Interest-bearing bank and other borrowings		1,430,493	821,457
Lease liabilities		5,634	6,286
Deferred income		12,830	18,477
Tax payable		242,338	208,691
		<hr/>	<hr/>
Total current liabilities		3,514,986	3,511,958
NET CURRENT LIABILITIES			
	1	(1,990,840)	(2,156,349)
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<hr/>	<hr/>
		7,540,983	7,256,901

	28 February 2026 (Unaudited) <i>RMB'000</i>	31 August 2025 (Audited) <i>RMB'000</i>
	<i>Notes</i>	
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	1,598,147	1,777,605
Lease liabilities	6,272	8,349
Deferred income	352,645	348,144
Deferred tax liabilities	153,814	168,393
	<hr/>	<hr/>
Total non-current liabilities	2,110,878	2,302,491
	<hr/>	<hr/>
Net assets	5,430,105	4,954,410
	<hr/> <hr/>	<hr/> <hr/>
EQUITY		
Equity attributable to owners of the parent		
Share capital	<i>14</i> 1,367	1,367
Reserves	5,428,738	4,953,043
	<hr/>	<hr/>
Total equity	5,430,105	4,954,410
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

28 FEBRUARY 2026

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 28 February 2026 has been prepared in accordance with HKAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 August 2025.

The Group recorded net current liabilities of RMB1,990,840,000 as at 28 February 2026 (31 August 2025: RMB2,156,349,000), which included contract liabilities of RMB1,221,821,000 as at 28 February 2026 (31 August 2025: RMB1,671,159,000).

In view of the net current liabilities position, the directors of the Company (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 and its available resources of financing, the Directors are of the opinion that the Group is able to meet in full its financial obligations as they fall due for the foreseeable future and it is appropriate to prepare the interim condensed consolidated financial information on a going concern basis.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 August 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to HKAS 21	<i>Lack of Exchangeability</i>
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The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

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-maker in order to allocate resources to segments and to assess their performance. The information reported to the Directors, who are the chief operating decision-makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no information about the operating segment is presented.

Geographical information

During the period, the Group operated within one geographical location as all of its revenue was generated in the PRC and all of its long-term assets/capital expenditure were located/incurred in the PRC. Accordingly, no geographical information is presented.

Information about major customers

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

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended 28 February 2026 (Unaudited) RMB'000	For the six months ended 28 February 2025 (Unaudited) RMB'000
Revenue from contracts with customers		
Tuition fees	1,307,448	1,273,756
Boarding fees	142,432	139,165
	<hr/>	<hr/>
Total revenue	1,449,880	1,412,921
	<hr/> <hr/>	<hr/> <hr/>

Revenue from contracts with customers

(i) Disaggregated revenue information

	For the six months ended 28 February 2026 (Unaudited) RMB'000	For the six months ended 28 February 2025 (Unaudited) RMB'000
Type of services		
Education services	<u>1,449,880</u>	<u>1,412,921</u>
Geographical market		
Mainland China	<u>1,449,880</u>	<u>1,412,921</u>
Timing of revenue recognition		
Services transferred over time	<u>1,449,880</u>	<u>1,412,921</u>
	For the six months ended 28 February 2026 (Unaudited) RMB'000	For the six months ended 28 February 2025 (Unaudited) RMB'000
Other income and gains		
Service income	82,673	83,327
Rental income	61,590	67,648
Government grants	16,030	14,124
Bank interest income	13,994	15,061
Donation income (Note (a))	39,038	31,641
Gain on wealth investment products	841	308
Fair value gains	–	24,428
Foreign exchange gain	7,915	–
Others	<u>3,626</u>	<u>1,892</u>
Total other income and gains	<u>225,707</u>	<u>238,429</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:

	For the six months ended 28 February 2026 (Unaudited) RMB'000	For the six months ended 28 February 2025 (Unaudited) RMB'000
Interest on bank and other loans	59,023	70,551
Interest on lease liabilities	206	164
	<hr/>	<hr/>
Total interest expense on financial liabilities not at fair value through profit or loss	59,229	70,715
Less: Interest capitalised	8,806	11,281
	<hr/>	<hr/>
Total	50,423	59,434

6. PROFIT BEFORE TAX

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

	For the six months ended 28 February 2026 (Unaudited) RMB'000	For the six months ended 28 February 2025 (Unaudited) RMB'000
Cost of services provided	910,906	868,707
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Wages and salaries	533,604	508,471
Pension scheme contributions (defined contribution scheme)*	41,107	33,373
	<hr/>	<hr/>
	574,711	541,844
	<hr/>	<hr/>
Depreciation of property, plant and equipment	136,772	122,578
Depreciation of investment properties	3,684	4,411
Depreciation of right-of-use assets	21,097	21,884
Amortisation of other intangible assets	17,379	16,838
Rental income	(61,590)	(67,648)
Bank interest income	(13,994)	(15,061)
Fair value gains	–	(24,428)
(Gain)/Loss on disposal of items of property, plant and equipment	(296)	2,444
	<hr/>	<hr/>

* 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 period.

According to the Private Education Promotion Law of the PRC, which was revised and came into effect on 29 December 2018, 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 7 April 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 Private Education Promotion Law of the PRC and the 2021 Implementation Rules, a private school may enjoy the preferential tax policies, which are not defined under the Private Education Promotion Law of the PRC nor the 2021 Implementation Rules, as stipulated by the related government authorities and a non-profit school may enjoy the same tax policies as 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 Announcement on Extending the Enterprise Income Tax Policy for Western Development, certain qualifying entities/schools of the Group that are located in Yunnan, Guizhou, Guangxi Zhuang Autonomous Region, 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 the PRC income tax at 9% under the Tibet Autonomous Region’s preferential investment policies for the six months ended 28 February 2026. 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.

	For the six months ended 28 February 2026 (Unaudited) RMB’000	For the six months ended 28 February 2025 (Unaudited) RMB’000
Current		
Charge for the period	121,013	158,785
Deferred	(14,580)	(33,245)
Total tax charge for the period	<u>106,433</u>	<u>125,540</u>

8. DIVIDEND

No interim dividend declared to the owners of the Company for the six months ended 28 February 2026 (for the six months ended 28 February 2025: Nil).

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 period attributable to ordinary equity holders of the parent of RMB472,334,000 (for the six months ended 28 February 2025: RMB469,287,000), and the weighted average number of ordinary shares of 1,971,941,783 (for the six months ended 28 February 2025: 1,549,048,630) outstanding during the period. The weighted average number of shares was after taking into account the effect of treasury shares held.

No adjustment has been made to the basic earnings per share amounts presented for the six months ended 28 February 2026 and the six months ended 28 February 2025 in respect of a dilution as the exercise prices of the Company's outstanding share options were higher than the average market prices for the Company's shares during the period.

10. OTHER NON-CURRENT ASSETS

	28 February 2026 (Unaudited) RMB'000	31 August 2025 (Audited) RMB'000
Prepayment for land use rights	97,406	110,892
Prepayment for property, plant and equipment	14,565	12,889
Total	<u>111,971</u>	<u>123,781</u>

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

	28 February 2026 (Unaudited) RMB'000	31 August 2025 (Audited) RMB'000
Trade receivables	5,543	1,358
Less: Allowance for credit losses	(13)	(13)
Net carrying amount	<u>5,530</u>	<u>1,345</u>
Advance and other receivables	67,802	70,921
Prepaid expenses	10,921	8,309
Deposits and other miscellaneous receivables	22,946	29,543
Staff advances	7,789	8,078
Total	<u>114,988</u>	<u>118,196</u>

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

	28 February 2026 (Unaudited) RMB'000	31 August 2025 (Audited) RMB'000
Within 1 year	4,579	107
1 to 2 years	924	1,238
2 to 3 years	27	–
Total	<u>5,530</u>	<u>1,345</u>

All the receivables are interest-free and not secured with collateral.

12. CONTRACT LIABILITIES

Details of contract liabilities are as follows:

	28 February 2026 (Unaudited) RMB'000	31 August 2025 (Audited) RMB'000	1 March 2025 (Unaudited) RMB'000
Tuition fees	1,079,351	1,431,680	1,049,304
Boarding fees	142,470	239,479	138,390
	<hr/>	<hr/>	<hr/>
Total contract liabilities	1,221,821	1,671,159	1,187,694
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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.

13. OTHER PAYABLES AND ACCRUALS

	28 February 2026 (Unaudited) RMB'000	31 August 2025 (Audited) RMB'000
Payables for purchase of property, plant and equipment	79,868	128,240
Other payables	186,547	134,201
Miscellaneous expenses received from students (<i>Note (a)</i>)	89,613	170,007
Government subsidies payable to students and teachers	49,593	100,919
Deposits	62,471	94,000
Accrued bonus and social insurance	75,022	66,865
Advance from lessees	41,008	58,235
Accrued expenses	15,801	31,628
Payables to cooperative schools	1,947	1,793
	<hr/>	<hr/>
Total	601,870	785,888
	<hr/> <hr/>	<hr/> <hr/>

The above balances are unsecured and non-interest-bearing. The carrying amount of other payables and accruals at the end of the period 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.

14. SHARE CAPITAL

	28 February 2026 (Unaudited) RMB'000	31 August 2025 (Audited) RMB'000
Issued and fully paid: 1,971,941,783 (2025: 1,971,941,783) ordinary shares	<u>1,367</u>	<u>1,367</u>

A summary of movements in the Company's issued capital is as follows:

	Number of shares	Amount USD'000	Amount RMB'000 equivalent
Registered:			
Issued and fully paid:			
At 1 September 2024	1,549,622,630	154	1,063
Repurchase and cancellation of shares	(6,888,000)	(1)	(5)
Issue of scrip dividend for 2024 final dividend	<u>429,207,153</u>	<u>44</u>	<u>309</u>
At 31 August 2025 and 28 February 2026	<u><u>1,971,941,783</u></u>	<u><u>197</u></u>	<u><u>1,367</u></u>

15. EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the end of the reporting period.

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
“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 region
“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”	together, 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 Vocational University of Industry and Commerce*(貴州工商職業大學), a private higher education institution that received approval from the Ministry of Education in February 2026 and established based on Guizhou Technology and Business Institute*(貴州工商職業學院) which was founded on 3 July 2012 under the laws of the PRC. This institution serves as 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 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 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” or “MOE”	the Ministry of Education of the PRC

“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
“Mr. Li”	Mr. Li Xiaoxuan (李孝軒), the founder of the Group, one of the Controlling Shareholders of the Company, chairman of the Board and an executive Director
“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 six months ended 28 February 2026
“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 in Yun Ai Group
“Spouse’s Undertakings (2019)”	the spouse undertakings executed by Ms. Yang Xuqing (楊旭青), 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
“treasury shares”	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.* (昆明排對排經濟信息諮詢有限公司), 5.7305% by Kunming Bamupu Technology Co., Ltd.* (昆明巴木浦科技有限公司), 70.8305% by Songming Dexue and 3.3822% by Songming Zhongyi Enterprise Management and Consulting Services Co., Ltd.* (嵩明中益企業管理諮詢服務有限公司) 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)), a private higher education institution 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

If there is any inconsistency between the Chinese names of entities or enterprises established in the PRC and their English translations, the Chinese names shall prevail. The English translations of the entity or enterprise names in Chinese marked with “” are for identification purposes only.*

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

Hong Kong, 28 April 2026

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.