

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA YUHUA EDUCATION CORPORATION LIMITED

中国宇华教育集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6169)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 28 FEBRUARY 2026

HIGHLIGHTS

The board (the “**Board**”) of directors (the “**Directors**”) of China YuHua Education Corporation Limited (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, the “**Group**”) is pleased to announce the unaudited consolidated interim results of the Group for the six months ended 28 February 2026 (the “**Reporting Period**”). These interim results have been reviewed by the Company’s audit committee (the “**Audit Committee**”).

	Six months ended		Change (%)
	28 February 2026 (Unaudited)	28 February 2025 (Unaudited)	
<i>(RMB’000)</i>			
Revenue	1,263,269	1,278,104	-1.2%
Gross Profit	439,056	597,927	-26.6%
Adjusted Gross Profit ¹	457,850	617,397	-25.8%
Adjusted Net Profit attributable to owners of the Company ²	288,833	434,529	-33.5%

Notes:

- (1) The Adjusted Gross Profit for the six months ended 28 February 2026 is calculated as gross profit from continuing operations for the period, excluding (i) share-based expense (in cost of revenue) and (ii) additional depreciation and amortisation due to the provisional fair value adjustments to the acquired identifiable assets of LEI Lie Ying Limited and its subsidiaries (including Hunan Lie Ying Industry Co., Ltd. (湖南獵鷹實業有限公司) (“**Hunan Lie Ying**”), which in turn owns the entire sponsorship interests in Hunan International Economics University (湖南涉外經濟學院), Hunan Lie Ying Mechanic School (湖南獵鷹技工學校) and Hunan International Economics University Vocational Skills Training Centre (湖南涉外經濟學院職業技能培訓中心), collectively “**HIEU Schools**”), Kaifeng City Yubohui Education Information Consulting Co., Ltd. (“**Yubohui Education**”) and its subsidiaries (including Kaifeng City Xiangfu District Bowang High School (“**Bowang High School**”)), and Jinan Shuangsheng Education Consulting Co., Ltd. and its subsidiaries (including Shandong Yingcai University).
- (2) The Adjusted Net Profit attributable to owners of the Company for the six months ended 28 February 2026 is calculated as the net profit attributable to the owners of the Company, excluding (i) share-based compensation expense; (ii) additional depreciation and amortization arising from the provisional fair value adjustments to the acquired identifiable assets mentioned above in (1); and (iii) government grants recognised during the period.

Non-IFRS Measures

To supplement the Group’s consolidated financial statements which are presented in accordance with the International Financial Reporting Standards (“**IFRS**”), the Company also uses Adjusted Gross Profit, Adjusted Operating Profit, Adjusted Net Profit and other adjusted figures as additional financial measures, which are not required by, or presented in accordance with, IFRS. The Company believes that these non-IFRS measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of items that the management do not consider to be indicative of the Group’s operating performance.

The Company believes that these measures provide useful information to shareholders and potential investors in understanding and evaluating the Group’s consolidated results of operations in the same manner as they help the Group’s management. However, the Company’s presentation of such adjusted figures may not be comparable to a similarly titled measure presented by other companies. The use of these non-IFRS measures have limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, the Company’s results of operations or financial condition as reported under IFRS.

Calculation of the Adjusted Gross Profit

	Six months ended	
	28 February 2026 (RMB'000)	28 February 2025 (RMB'000)
Gross Profit from continuing operations	439,056	597,927
Share-based compensation expenses in Cost of revenue	2,264	2,924
Additional depreciation and amortization due to the fair value adjustments to the acquired identifiable assets		
— HIEU Schools	4,787	4,794
— Bowang High School	771	771
— Shandong Yingcai University	10,972	10,981
Adjusted Gross Profit	457,850	617,397

Calculation of the Adjusted Net Profit attributable to the owners of the Company

	Six months ended	
	28 February 2026 (RMB'000)	28 February 2025 (RMB'000)
Net profit attributable to the owners of the Company	270,248	405,788
Net profit from discontinued operations	—	(16,848)
Share-based compensation expenses in Cost of revenue	2,264	2,924
Share-based compensation expense in Administrative expenses	3,800	4,867
Additional depreciation and amortization due to the fair value adjustments to the acquired identifiable assets		
— HIEU Schools	4,834	4,841
— Bowang High School	595	595
— Shandong Yingcai University	10,972	10,981
Gains and losses related to convertible bonds ¹		
— Fair value loss on convertible bonds	—	24,190
— Gains on repurchase of convertible bonds	—	(16,928)
— Losses on redemption of convertible bonds	—	18,075
Government grants	(3,880)	(3,956)
Adjusted Net Profit attributable to the owners of the Company	288,833	434,529

Note:

- Details are set out in Note 6 (*Other gains/(losses) — net*) to the Interim Condensed Consolidated Financial Information set out in this announcement.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	Six months ended	
		28 February 2026	28 February 2025
		<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Continuing operations			
Revenue	4	1,263,269	1,278,104
Cost of revenue	5	<u>(824,213)</u>	<u>(680,177)</u>
Gross profit		439,056	597,927
Selling expenses	5	(16,763)	(16,782)
Administrative expenses	5	(161,219)	(158,544)
Net impairment losses on financial assets		(4,127)	(1,040)
Other income		6,807	7,265
Other gains/(losses)-net	6	<u>3,434</u>	<u>(31,518)</u>
Operating profit		<u>267,188</u>	<u>397,308</u>
Finance income		9,472	11,943
Finance expenses		<u>(8,424)</u>	<u>(22,479)</u>
Finance expenses-net		1,048	(10,536)
Profit before income tax		268,236	386,772
Income taxation	7	<u>4,237</u>	<u>3,746</u>
Profit for the period from continuing operations		<u>272,473</u>	<u>390,518</u>
Discontinued operations			
Profit for the period from discontinued operations, net of tax	16	<u>—</u>	<u>16,848</u>
Profit for the period		<u>272,473</u>	<u>407,366</u>

		Six months ended	
	Note	28 February 2026	28 February 2025 <i>(Note 16)</i>
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Profit attributable to:			
Owners of the Company			
— Continuing operations		270,248	388,940
— Discontinued operations		—	16,848
		270,248	405,788
Non-controlling interests			
— Continuing operations		2,225	1,578
— Discontinued operations		—	—
		2,225	1,578
Earnings per share attributable to owners of the Company (RMB Yuan)			
Basic earnings per share			
— For the period	8	0.06	0.11
— For the period from continuing operations	8	0.06	0.11
Diluted earnings per share			
— For the period	8	0.06	0.10
— For the period from continuing operations	8	0.06	0.10

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Six months ended	
		28 February 2026 <i>RMB'000</i> (Unaudited)	28 February 2025 <i>RMB'000</i> (Unaudited)
Profit for the period		272,473	407,366
— Continuing operations		272,473	390,518
— Discontinued operations		—	16,848
Other comprehensive income			
— Continuing operations			
<i>Items that may be reclassified to profit or loss</i>			
Currency translation differences		11,946	(14,882)
<i>Items that will not be reclassified to profit or loss</i>			
Changes in fair value related to the changes in credit risk of Convertible Bonds		—	104,710
Currency translation differences		(21,963)	12,118
Total other comprehensive income of continuing operations		(10,017)	101,946
— Discontinued operations			
<i>Items that may be reclassified to profit or loss</i>			
Currency translation differences	16	—	3,172
Other comprehensive income for the period, net of tax		(10,017)	105,118
Total comprehensive income for the period		262,456	512,484

	Six months ended	
Note	28 February 2026 RMB'000 (Unaudited)	28 February 2025 RMB'000 (Unaudited)
Total comprehensive income for the period attributable to:		
— Owners of the Company	260,231	510,906
— Non-controlling interests	2,225	1,578
	<u>262,456</u>	<u>512,484</u>
 Total comprehensive income for the period attributable to owners of the Company arises from:		
— Continuing operations	260,231	490,886
— Discontinued operations	<u>—</u>	<u>20,020</u>
	<u>260,231</u>	<u>510,906</u>

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

	Note	As at 28 February 2026 <i>RMB'000</i> (Unaudited)	As at 31 August 2025 RMB'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	9(a)	7,157,630	7,252,370
Intangible assets	9(a)	1,352,693	1,362,735
Right-of-use assets	9(b)	1,732,065	1,654,488
Trade and other receivables	10	99,701	106,587
Other non-current assets		42,711	53,258
Total non-current assets		10,384,800	10,429,438
Current assets			
Trade and other receivables	10	66,077	99,897
Restricted cash		682	2,190
Cash and cash equivalents		1,750,490	1,730,448
Term deposits with initial term of over three months		—	46,640
Total current assets		1,817,249	1,879,175
Total assets		12,202,049	12,308,613
Equity			
Equity attributable to owners of the Company			
Share capital	11	36	36
Share premium	11	2,006,842	1,992,909
Reserves		1,310,562	1,318,135
Retained earnings		5,748,440	5,478,192
Capital and reserves attributable to owners of the Company		9,065,880	8,789,272
Non-controlling interests		52,892	50,667
Total equity		9,118,772	8,839,939

	Note	As at 28 February 2026 RMB'000 (Unaudited)	As at 31 August 2025 RMB'000 (Audited)
Liabilities			
Non-current liabilities			
Lease liabilities	9(b)	99,667	1,551
Deferred income		159,584	161,360
Deferred income tax liabilities	14	431,222	435,471
Borrowings	13	—	353,980
Total non-current liabilities		690,473	952,362
Current liabilities			
Accruals and other payables	12	1,150,344	1,389,243
Contract liabilities		1,236,306	840,589
Lease liabilities	9(b)	6,154	3,520
Borrowings	13	—	282,960
Total current liabilities		2,392,804	2,516,312
Total liabilities		3,083,277	3,468,674
Total equity and liabilities		12,202,049	12,308,613

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

		Six months ended	
		28 February	28 February
		2026	2025
Note		<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Unaudited)
Cash flows from operating activities			
	Cash generated from operations (continuing operations)	1,032,589	1,078,060
	Interest received	7,792	9,776
	Interest paid	(8,424)	(24,351)
	Continuing operations	<u>1,031,957</u>	<u>1,063,485</u>
	Discontinued operations	<u>—</u>	<u>4,601</u>
	Net cash generated from operating activities	<u>1,031,957</u>	<u>1,068,086</u>
Cash flows from investing activities			
	Purchases of property, plant and equipment	(455,677)	(615,113)
	Proceeds from disposal of property, plant and equipment	537	294
	Purchases of intangible assets	(7,405)	(4,496)
	Proceeds from disposal of intangible assets	—	8
	Redemption of term deposits with initial term of over three months	46,640	—
	Changes in restricted cash	1,508	681
	Interest received	821	—
	Received in advance from disposal of subsidiaries in Thailand	16 —	178,984
	Proceeds received from disposal of subsidiaries in Thailand	16 41,932	—
	Cash and cash equivalents held by the disposal subsidiaries in Thailand	<u>—</u>	<u>(102,081)</u>
	Continuing operations	<u>(371,644)</u>	<u>(541,723)</u>

		Six months ended	
	Note	28 February 2026 RMB'000 (Unaudited)	28 February 2025 RMB'000 (Unaudited)
Discontinued operations		—	(17,173)
Net cash used in investing activities		<u>(371,644)</u>	<u>(558,896)</u>
Cash flows from financing activities			
Proceeds from borrowings	13	—	150,000
Repayments of borrowings	13	(636,940)	(1,025,010)
Repayment of loans to a related party		(10,000)	—
Proceeds from exercise of warrants	11	10,313	—
Redemption of Convertible Bonds		—	(397,921)
Repurchase of Convertible Bonds		—	(29,438)
Principal elements of lease payments or finance lease payments		<u>(6,700)</u>	<u>(3,993)</u>
Continuing operations		(643,327)	(1,306,362)
Discontinued operations		—	(530)
Net cash used in financing activities		<u>(643,327)</u>	<u>(1,306,892)</u>
Net increase/(decrease) in cash and cash equivalents			
		16,986	(797,702)
Cash and cash equivalents at beginning of the period		1,730,448	2,090,467
Exchange gains on cash and cash equivalents		3,056	1,671
— Continuing operations		3,056	893
— Discontinued operations		—	778
Cash and cash equivalents at end of the period		<u><u>1,750,490</u></u>	<u><u>1,294,436</u></u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 General information

China YuHua Education Corporation Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) is principally engaged in the provision of private formal education services from high school to university in Chinese mainland (the “**Business**”).

The Company was incorporated in the Cayman Islands on 25 April 2016 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised), of the Cayman Islands. The address of the Company’s registered office is at the offices of Maples Corporate Services Limited at PO Box 309, Uglund House, Grand Cayman, KY1-1104, the Cayman Islands. The ultimate holding company of the Company is GuangYu Investment Holdings Limited (“**GuangYu Investment**”). The ultimate controlling party of the Group is Mr. Li Guangyu, who is also the Chairman of the Board of Directors of the Company (the “**Controlling Shareholder**”).

As set out in Note 31.1.1(a) and Note 4(a) to the consolidated financial statements for the year ended 31 August 2025, due to the regulatory restrictions on foreign ownership of schools in Chinese mainland, the Group conducts a substantial portion of its businesses through control of certain entities established in Chinese mainland, together with their wholly owned schools, by way of contractual agreements. During the period, the Board of Directors re-assessed and concluded that the contractual agreements continue to be in compliance with all relevant PRC laws and regulations officially promulgated, publicly available and publicly known, and are legally enforceable. The directors of the Company (“**Directors**”) are of the view that the Group continues to control these entities. Accordingly, the Group continues to consolidate these entities in this interim condensed consolidated financial information.

The Company’s shares have been listed on The Stock Exchange of Hong Kong Limited since 28 February 2017 (the “**Listing**”).

This interim condensed consolidated financial information is presented in Renminbi (“**RMB**”).

2 Basis of preparation

This interim condensed consolidated financial information for the six months ended 28 February 2026 has been prepared in accordance with International Accounting Standard (“**IAS**”) 34 “Interim Financial Reporting”. The interim condensed consolidated financial information should be read in conjunction with the consolidated financial statements for the year ended 31 August 2025, which have been prepared in accordance with IFRS Accounting Standards.

2.1 Going concern

As at 28 February 2026, the Group's current liabilities exceeded its current assets by RMB575,555,000. Management has considered the Group's operating performance, cash flows, liquidity and available sources of financing in assessing whether the Group will have sufficient funds to fulfil its financial obligations and continue as a going concern, taking into account the following:

- (i) Contract liabilities of RMB1,236,306,000 (included in current liabilities as at 28 February 2026) represent tuition and boarding fees received in advance. The satisfaction of such liabilities would be through provision of the Group's services requiring operating cash outflows at significantly less amounts than the carrying amount of such liabilities;
- (ii) The creditor of the net payables to the Affected Business upon deconsolidation (Note 12(a)) of RMB694,184,000 (included in current liabilities as at 28 February 2026) has confirmed that the settlement of such net payables would only be necessary when the Group has the sufficient liquidity to do so;
- (iii) The Group and the Company had cash and cash equivalents of RMB1,750,490,000 and RMB196,379,000 respectively as at 28 February 2026.

Based on the above considerations, management concluded that the Group would have sufficient financial resources to support its operations and to meet its financial obligations and commitments and continue as a going concern, as and when they fall due on the coming twelve months from 28 February 2026.

The Directors have reviewed the management's assessment together with the underlying basis and are satisfied that it is appropriate to prepare the interim condensed consolidated financial information on a going concern basis.

3 Accounting policies

The accounting policies applied are consistent with those of the consolidated financial statements for the year ended 31 August 2025.

(a) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 September 2025:

- Lack of Exchangeability — Amendments to IAS 21

The above standards did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) New and amended standards and annual improvements not yet adopted

The following new amendments to accounting standards and annual improvement have been published and are not mandatory for 28 February 2026 reporting periods and have not been early adopted by the Group.

- Amendments to the Classification and Measurement of Financial Instruments — Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after January 1, 2026)
- Annual Improvements to IFRS Accounting Standards — Volume 11 (effective for annual periods beginning on or after January 1, 2026)
- Contracts Referencing Nature-dependent Electricity — Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after January 1, 2026)
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after January 1, 2027)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after January 1, 2027)

These new standards, amendments and annual improvements listed above are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions, except for the IFRS 18 presentation and disclosure in financial statements (“**IFRS 18**”). For the impacts of IFRS 18, please refer to Note 2.3 to the consolidated financial statement for the year ended 31 August 2025.

4 Revenue and segment information

The Group is principally engaged in the provision of private formal education from high school (Grade 10 to 12) to university and vocational college education services in Chinese mainland.

The executive directors are identified as the chief operating decision-maker (the “**CODM**”) of the Group. Management has determined the operating segments based on the information reviewed by the CODM for the purposes of allocating resources and assessing performance.

The CODM considers the business from the service perspective. When the Group companies have similar economic characteristics, and the segments are similar in each of the following respects: (i) the nature of the services; (ii) the type or class of students for their services; (iii) the methods used to provide their services; and (iv) if applicable, the nature of the regulatory environment, the Group’s operating segments are aggregated. During the period, in the view of CODM, the Group is principally engaged in two different segments which are subject to different business risks and different economic characteristics and the Group’s operating and reportable segments for segment reporting purpose are High School and Universities and vocational college, respectively.

For the purposes of monitoring segment performances and allocating resources between segments, segment results represent the profit for the period earned by each segment. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Assets and liabilities dedicated to a particular segment's operations are included in that segment's total assets and liabilities.

The Group has a large number of customers, no single customer accounted for more than 10% of the Group's total revenue for the six months ended 28 February 2026 and 2025.

The information of the reportable segments provided to the CODM is as follows:

	High school <i>RMB'000</i>	Universities and vocational college <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Inter- segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Unaudited					
For the six months ended					
28 February 2026					
Revenue	75,319	1,187,950	328	(328)	1,263,269
Cost of revenue	(58,331)	(765,882)	—	—	(824,213)
Gross profit	16,988	422,068	328	(328)	439,056
Selling expenses	(158)	(16,605)	—	—	(16,763)
Administrative expenses	(9,748)	(140,776)	(11,023)	328	(161,219)
Net impairment losses on financial assets	—	(4,124)	(3)	—	(4,127)
Other income	29	6,777	1	—	6,807
Other (losses)/gains — net	(78)	3,516	(4)	—	3,434
Operating profit	7,033	270,856	(10,701)	—	267,188
Finance income/(expenses) — net	189	(774)	1,633	—	1,048
Profit before income tax	7,222	270,082	(9,068)	—	268,236
Income taxation	213	4,036	(12)	—	4,237
Profit for the period	<u>7,435</u>	<u>274,118</u>	<u>(9,080)</u>	<u>—</u>	<u>272,473</u>

	High school <i>RMB'000</i>	Universities and vocational college <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Inter- segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Unaudited					
As at 28 February 2026					
Total assets	1,517,016	14,869,860	2,786,982	(6,971,809)	12,202,049
Total liabilities	(418,351)	(4,336,512)	(5,345,588)	7,017,174	(3,083,277)
Other segment information					
For the six months ended					
28 February 2026					
Additions to non-current assets	68,347	223,853	7	—	292,207
Depreciation and amortisation (Note 5)	(16,533)	(366,474)	(1,451)	—	(384,458)
Losses on disposal of property, plant and equipment and disposal of intangible assets (Note 6)	78	3,019	4	—	3,101
	High school <i>RMB'000</i>	Universities and vocational college <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Inter- segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Unaudited					
For the six months ended					
28 February 2025					
Revenue	74,873	1,203,231	419	(419)	1,278,104
Cost of revenue	(62,146)	(618,031)	—	—	(680,177)
Gross profit	<u>12,727</u>	<u>585,200</u>	<u>419</u>	<u>(419)</u>	<u>597,927</u>
Selling expenses	(827)	(15,955)	—	—	(16,782)
Administrative expenses	(8,305)	(138,910)	(11,748)	419	(158,544)
Net impairment losses on financial assets	—	(1,040)	—	—	(1,040)
Other income	202	7,187	(124)	—	7,265
Other losses — net	(18)	(3,190)	(28,310)	—	(31,518)
Operating profit	<u>3,779</u>	<u>433,292</u>	<u>(39,763)</u>	<u>—</u>	<u>397,308</u>
Finance income/(expenses) — net	1,419	(7,161)	(4,794)	—	(10,536)
Profit before income tax	<u>5,198</u>	<u>426,131</u>	<u>(44,557)</u>	<u>—</u>	<u>386,772</u>
Income taxation	213	3,533	—	—	3,746
Profit for the period	<u><u>5,411</u></u>	<u><u>429,664</u></u>	<u><u>(44,557)</u></u>	<u><u>—</u></u>	<u><u>390,518</u></u>
Profit for the period from discontinued operations	<u><u>—</u></u>	<u><u>16,848</u></u>	<u><u>—</u></u>	<u><u>—</u></u>	<u><u>16,848</u></u>

	High school <i>RMB'000</i>	Universities and vocational college <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Inter- segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Audited					
As at 31 August 2025					
Total assets	1,520,329	14,774,156	3,246,181	(7,232,053)	12,308,613
Total liabilities	442,145	4,536,340	5,766,587	(7,276,398)	3,468,674
Other segment information					
For the six months ended 28 February 2025					
Additions to non-current assets	8,555	568,405	—	—	576,960
— Continuing operations	8,555	551,232	—	—	559,787
— Discontinued operations	—	17,173	—	—	17,173
Depreciation and amortisation	(22,475)	(337,692)	(1,455)	—	(361,622)
— Continuing operations (Note 5)	(22,475)	(330,327)	(1,455)	—	(354,257)
— Discontinued operations	—	(7,365)	—	—	(7,365)
Losses on disposal of property, plant and equipment and disposal of intangible assets	14	1,075	1	—	1,090
— Continuing operations (Note 6)	14	1,075	1	—	1,090
— Discontinued operations	—	—	—	—	—

5 Expenses by nature

	Six months ended	
	28 February 2026 <i>RMB'000</i> (Unaudited)	28 February 2025 <i>RMB'000</i> (Unaudited)
Employee benefit expenses		
— Wages, salaries, bonus and other welfare	386,482	311,475
— Share-based compensation expenses	6,064	7,791
Depreciation expenses		
— Property, plant and equipment (Note 9)	337,146	307,308
— Right-of-use assets (Note 9)	29,873	30,272
Students training and scholarship expenses	79,537	48,945
Office expenses	42,667	41,821
Maintenance expenses	26,148	23,162
Utilities expenses	19,918	21,048
School consumables	18,644	12,732
Amortisation of intangible assets (Note 9)	17,439	16,677
Marketing expenses	14,874	14,776
Travel and entertainment expenses	7,580	6,268
Consultancy and professional fee	4,041	4,041
Expense relating to short-term leases (Note 9)	1,443	1,690
Auditor's remuneration		
— Audit and audit related services	1,400	1,400
— Non-audit services	—	—
Other expenses	8,939	6,097
	<u>1,002,195</u>	<u>855,503</u>

6 Other gains/(losses) — net

	Six months ended	
	28 February 2026 <i>RMB'000</i> (Unaudited)	28 February 2025 <i>RMB'000</i> (Unaudited)
Derecognition of long term unpayable liabilities (a)	6,485	—
Losses on disposal of property, plant and equipment	(3,101)	(1,090)
Fair value loss on Convertible Bonds	—	(24,190)
Fair value loss on warrants to be issued	—	(2,973)
Losses on redemption of Convertible Bonds (b)	—	(18,075)
Gains on repurchase of Convertible Bonds (b)	—	16,928
Provision for legal claims	—	(2,176)
Others	50	58
	<u>3,434</u>	<u>(31,518)</u>

- (a) During this period, the Group derecognised long term miscellaneous fees due to third parties amounted of RMB6,485,000. As these third parties were deregistered or unable to contact, management considered that the payments were not required and cannot be made.
- (b) On 27 December 2019, the Company issued Convertible Bonds with an aggregate principal amount of HK\$2,088,000,000 (the “**Convertible Bonds**”), which were recognised and measured as financial liabilities at fair value through profit or loss. The Convertible Bonds had been repurchased and amended since initially recognition to 20 September 2024. As at 31 August 2025 and the year then ended, the Convertible Bond were ultimately settled and cleared via: i) cash payment of HK\$430,000,000 (equivalent to RMB397,921,000) to the bondholders on February 2025; ii) issuance of 660,120,569 shares of the Company in total to the bondholders during March and April 2025; and iii) issuance of 182,000,000 warrants to the bondholders on August 2025, and each warrant was entitled to buy one share of the Company at a fixed price of HK\$0.5 and could be exercised at any time within three years after issuance. Further details of the Convertible Bonds were set out in Note 26 to the consolidated financial statements for the year ended 31 August 2025.

7 Income taxation

	Six months ended	
	28 February 2026 <i>RMB'000</i> (Unaudited)	28 February 2025 <i>RMB'000</i> (Unaudited)
Current income tax	—	—
Current income tax on profits before income tax for the period	<u>12</u>	<u>—</u>
Deferred income tax		
Decrease in deferred income tax assets (Note 14)	434	942
Decrease in deferred income tax liabilities (Note 14)	<u>(4,683)</u>	<u>(4,688)</u>
Deferred tax credit for the period	<u>(4,249)</u>	<u>(3,746)</u>
Income taxation	<u><u>(4,237)</u></u>	<u><u>(3,746)</u></u>

(a) Cayman Islands

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 exempted from Cayman Islands income tax.

(b) Hong Kong

No provision for Hong Kong profit tax was provided as the Group did not derive any assessable profits in Hong Kong (2025: Nil).

(c) **Chinese Mainland**

Corporate income tax (“CIT”) in Chinese mainland is provided on estimated taxable profits of entities incorporated in Chinese mainland. Pursuant to the Corporate Income Tax Law of the PRC (the “CIT Law”), which was effective from January 2008, the CIT rate applicable to the Group’s subsidiaries incorporated in Chinese mainland was 25% during the six months ended 28 February 2026 and 2025.

According to the Implementation Rules for the Law for Promoting Private Education, private schools for which the sponsors do not require reasonable returns are eligible to enjoy the same preferential tax treatment as public schools. As a result, private schools providing academic qualification education are eligible to enjoy CIT exemption treatment if the sponsors of such schools do not require reasonable returns. The Group’s high schools and universities in the Chinese mainland have been granted corporate income tax exemption for the tuition income from relevant local tax authorities. However, on 31 March 2026, one of the Group’s universities, Hunan International Economics University (“HIEU”), made payments of CIT in Chinese mainland amounting to RMB120,632,000 to its tax authority, details were set out in Note 17. Zhengzhou Software Vocational and Technical College is subject to corporate income tax. During the period, this school did not derive any taxable profit.

The corporate income tax rate for Xizang Yuanpei Information Technology Management Company Limited (“Xizang Yuanpei”), a wholly-owned subsidiary of the Company, is 15% based on the relevant tax regulations of Tibet Autonomous Region.

8 Earnings per share

(a) **Basic**

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue.

	Six months ended	
	28 February 2026 (Unaudited)	28 February 2025 (Unaudited)
Profit attribute to owners of the Company (RMB’000)		
— for the period	270,248	405,788
— for the period from continuing operations	270,248	388,940
Weighted average number of ordinary shares in issue (Thousands)(i)	4,303,212	3,672,788
Basic earnings per share (RMB Yuan)		
— for the period	0.06	0.11
— for the period from continuing operations	0.06	0.11

- (i) The number of exercisable share options under the Pre-IPO Share Option Scheme was 17,280,490 as at 1 September 2025 and has not changed during this period. As the exercise price HK\$0.00001 per share was far below the average price of the ordinary shares of the Company during this period, those 17,280,490 share options were considered as exercised since the beginning of this period and were included in the weighted average number of ordinary shares in issue.

(b) Diluted

Diluted earnings per share is calculated based on the profit attributable to owners of the Company after adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

	Six months ended	
	28 February 2026 (Unaudited)	28 February 2025 (Unaudited)
Profit attributable to owners of the Company (RMB'000)		
— for the period	270,248	405,788
— for the period from continuing operations	270,248	388,940
Adjustments for:		
— impact of the Convertible Bonds (RMB'000)	<u>—</u>	<u>29,234</u>
Adjusted profit attributable to owners of the Company (RMB'000)		
— for the period	270,248	435,022
— for the period from continuing operations	270,248	418,174
Weighted average number of ordinary shares in issue (Thousands)	4,303,212	3,672,788
Adjustments for:		
— impact of the Convertible Bonds (Thousands)	<u>—</u>	<u>502,320</u>
— impact of ESOP (Thousands)	3,061	—
— impact of warrants (Thousands)	31,293	—
Adjusted weighted average number of ordinary shares for diluted earnings per share (Thousands)	4,337,566	4,175,108
Diluted earnings per share (RMB Yuan)		
— for the period	0.06	0.10
— for the period from continuing operations	0.06	0.10

9 Property, plant and equipment, intangible assets, and leases

(a) Property, plant and equipment and intangible assets

	Property, plant and equipment <i>RMB'000</i> (Unaudited)	Trademark <i>RMB'000</i> (Unaudited)	Goodwill <i>RMB'000</i> (Unaudited)	Other intangible assets <i>RMB'000</i> (Unaudited)
Six months ended				
28 February 2026				
Opening net book amount	7,252,370	409,400	862,357	90,978
Additions	246,036	—	—	7,405
Disposals	(3,630)	—	—	(8)
Depreciation and amortisation (Note 5)	(337,146)	—	—	(17,439)
Closing net book amount	<u>7,157,630</u>	<u>409,400</u>	<u>862,357</u>	<u>80,936</u>
Six months ended				
28 February 2025				
Opening net book amount	7,084,757	428,150	903,917	119,743
Additions	572,464	—	—	4,496
Disposals	(1,384)	—	—	(8)
Depreciation and amortisation — Continuing operations (Note 5)	(311,691)	(2,144)	—	(16,677)
— Discontinuing operations	(307,308)	—	—	(16,677)
Disposals of subsidiaries	(4,383)	(2,144)	—	—
Exchange differences	(98,715)	(16,795)	(41,560)	—
Exchange differences	918	—	—	—
Closing net book amount	<u>7,246,349</u>	<u>409,211</u>	<u>862,357</u>	<u>107,554</u>

As at 28 February 2026, the carrying amount of buildings without building ownership certificates was RMB396,021,000 (31 August 2025: RMB402,593,000). The Group is in the process to obtain the certificates.

(b) Leases

(i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

	As at 28 February 2026 <i>RMB'000</i> (Unaudited)	As at 31 August 2025 <i>RMB'000</i> (Audited)
Right-of-use assets		
— Buildings	109,376	5,819
— Land use rights	1,622,689	1,648,669
	<u>1,732,065</u>	<u>1,654,488</u>
Lease liabilities		
— Current	6,154	3,520
— Non-current	99,667	1,551
	<u>105,821</u>	<u>5,071</u>

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	Six months ended	
	28 February 2026 <i>RMB'000</i> (Unaudited)	28 February 2025 <i>RMB'000</i> (Unaudited)
Depreciation charge of right-of-use assets		
Continuing operations		
— Buildings	3,892	4,569
— Land use rights	25,981	25,703
	<u>29,873</u>	<u>30,272</u>
	5	
Discontinuing operations		
— Buildings	—	675
— Vehicles	—	163
	<u>—</u>	<u>838</u>
	<u>29,873</u>	<u>31,110</u>
Interest expense (included in finance expense)	902	641
Expense relating to short-term leases (included in cost of revenue and administrative expenses)	5	1,690
	<u>1,443</u>	<u>1,690</u>

(iii) *The Group's leasing activities and how these are accounted for*

The Group leases various offices, equipment and cars. Rental contracts are typically made for fixed periods of 2 to 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

(iv) As at 28 February 2026, the carrying value of the land use right allocated by the government was RMB423,784,000 (31 August 2025: RMB431,009,000).

(v) As at 28 February 2026, the carrying amount of leasehold land without land use right certificates was RMB14,731,000 (31 August 2025: RMB15,218,000). The Group is in the process of applying for the certificates.

10 Trade and other receivables

	As at 28 February 2026 <i>RMB'000</i> (Unaudited)	As at 31 August 2025 <i>RMB'000</i> (Audited)
Trade receivables		
Due from students	16,111	9,230
Provision for impairment	(8,909)	(5,488)
	<u>7,202</u>	<u>3,742</u>
Other receivables		
Non-current portion:		
Receivables from the disposed subsidiaries in Thailand (Note 16)	100,131	107,029
Provision for impairment	(430)	(442)
	<u>99,701</u>	<u>106,587</u>
Current portion:		
Receivables from local government	46,202	45,960
Remaining consideration to be received in relation to the disposal of subsidiaries in Thailand (Note 16)	—	41,932
Receivables from the disposed subsidiaries in Thailand (Note 16)	3,317	—
Interest receivables	494	—
Staff advances	1,262	2,264
Deposits	3,284	4,390
Others	830	263
Provision for impairment	(774)	(898)
	<u>54,615</u>	<u>93,911</u>
Prepayments		
Prepaid expenses	4,260	2,244
	<u>165,778</u>	<u>206,484</u>

The aging analysis of the trade receivables based on the invoice date is set as followings:

	As at 28 February 2026 RMB'000 (Unaudited)	As at 31 August 2025 RMB'000 (Audited)
Less than 1 year	9,815	5,787
Over 1 year	6,296	3,443
	<u>16,111</u>	<u>9,230</u>

11 Share capital and share premium

	Number of ordinary shares (Unaudited)	Nominal value of ordinary shares HK\$ (Unaudited)
Unaudited		
As at 31 August 2025 and 28 February 2026	<u>50,000,000,000</u>	<u>500,000</u>

	Number of ordinary shares	Nominal value of ordinary shares HK\$	Equivalent amount RMB'000	Share premium RMB'000	Total RMB'000
Issued and paid, HK\$0.00001 each:					
Balance at 1 September 2025	<u>4,266,908,452</u>	<u>HK\$42,669</u>	<u>36</u>	<u>1,992,909</u>	<u>1,992,945</u>
Exercise of warrants (a)	22,596,855	—	—	13,933	13,933
Balance at 28 February 2026	<u>4,289,505,307</u>	<u>HK\$42,669</u>	<u>36</u>	<u>2,006,842</u>	<u>2,006,878</u>

- (a) As disclosed in Note 6(b), the Company issued 182,000,000 warrants in August 2025. During October 2025, 22,596,855 warrants were exercised. As a result, 22,596,855 shares of the Company were issued at HK\$0.5 per share, cash and cash equivalents amounted of HK\$11,298,000 (equivalent to RMB10,313,000) were received by the Company, and other reserves amounting to RMB3,620,000 were also transferred into share capital and share premium.

12 Accruals and other payables

	As at 28 February 2026 <i>RMB'000</i> (Unaudited)	As at 31 August 2025 <i>RMB'000</i> (Audited)
Net payables to the Affected Business upon deconsolidation (a)	694,184	673,530
Miscellaneous expenses received from students	127,273	119,079
Payables for purchases of property, plant and equipment	119,675	346,348
Amounts due to related parties	64,607	74,151
Salary and welfare payables	33,919	45,380
Payables for teaching materials and other operating expenditure	26,839	10,194
Deposits received	20,330	21,212
Legal claim payables	19,887	19,887
Government subsidies payable to students and teachers	18,519	51,167
Audit and consulting fees	1,400	2,626
Interest payables	—	1,385
Taxes payable	3,328	3,120
Others	20,383	21,164
	<u>1,150,344</u>	<u>1,389,243</u>

- (a) On 14 May 2021, Implementation Regulations of the People’s Republic of China on the Law Regarding the Promotion of Private Education (“**Implementation Regulations**”) were promulgated. The Implementation Regulations were effective on 1 September 2021. The Directors assessed that all preschools in the kindergartens segment of the Group and the compulsory education programs which is middle schools programs and primary schools programs of the Group were affected by the Implementation Regulations (collectively referred to as the “**Affected Business**”), and the Group ceased its control over the Affected Business by 31 August 2021 and therefore the carrying amount related to the net assets of the Affected Business was deconsolidated from the consolidated financial statements of the Group as of 31 August 2021. Then the Group’s net payables to the Affected Business were no longer eliminated within the Group, and will be settled gradually among the Group and the Affected Business.

13 Borrowings

	As at 28 February 2026 RMB'000 (Unaudited)	As at 31 August 2025 RMB'000 (Audited)
Non-current		
Bank loans, unsecured	—	353,980
Current		
Bank loans, secured	—	—
Bank loans, unsecured	—	282,960
	—	282,960
Total borrowings	—	636,940

(a) Movements in borrowings is analysed as follows:

	Six months ended 28 February 2026 RMB'000 (Unaudited)	Six months ended 28 February 2025 RMB'000 (Unaudited)
As at beginning of the period	636,940	1,385,000
Proceeds of new borrowings (i)	—	150,000
Repayment of borrowings	(636,940)	(1,025,010)
As at end of the period	—	509,990

(i) The interest rates are determined by the relevant loan prime rate plus 35 basis points of the respective bank loans. The average interest rate of the bank loans during the six months ended 28 February 2026 was 3.490% per annum (2025: 3.556%).

(b) As at 28 February 2026, there were no undrawn bank facility (31 August 2025: nil).

14 Deferred income tax assets and liabilities

The movement in deferred income tax assets and liabilities during the period, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

(a) Deferred income tax assets

	Six months ended 28 February 2026 RMB'000 (Unaudited)	Year ended 31 August 2025 RMB'000 (Audited)
As at beginning of the period	3,002	16,422
Charged to profit or loss (Note 7)	(434)	(162)
— Continuing operations	(434)	(162)
— Discontinued operations	—	—
Disposal of subsidiaries	—	(13,258)
	<u>2,568</u>	<u>3,002</u>

(b) Deferred income tax liabilities

	Six months ended 28 February 2026 RMB'000 (Unaudited)	Year ended 31 August 2025 RMB'000 (Audited)
As at beginning of the period	(438,473)	(492,290)
Charged to profit or loss (Note 7)	4,683	9,659
— Continuing operations	4,683	9,659
— Discontinued operations	—	—
Disposal of subsidiaries	—	44,158
	<u>(433,790)</u>	<u>(438,473)</u>

(c) **Deferred tax assets and liabilities after offset are listed as below:**

	Six months ended 28 February 2026 RMB'000 (Unaudited)	Year ended 31 August 2025 RMB'000 (Audited)
As at beginning of the period	(435,471)	(475,868)
Charged to profit or loss (Note 7)	4,249	9,497
— Continuing operations	4,249	9,497
— Discontinued operations	—	—
Disposals of subsidiaries	—	30,900
	<u> </u>	<u> </u>
As at end of the period	<u>(431,222)</u>	<u>(435,471)</u>

15 Dividends

The Board did not recommend an interim dividend for the period ended 28 February 2026 (2025: Nil).

16 Disposal of subsidiaries in the Thailand

On 27 December 2024, one of the Company's wholly owned subsidiaries, China YuHua Education Investment Limited, a company incorporated in the British Virgin Islands with limited liability (the "Seller"), and Mr. Xin Yu, a third party individual (the "Purchaser"), entered into an acquisition agreement, pursuant to which, the Seller decided to sell and the Purchaser agreed to purchase: (i) 100% of the issued and outstanding ordinary shares of Thai Education Holdings Co., Ltd. ("TEDCO"), which owned approximately 92.88% of the issued and outstanding share capital of Fareast Stamford International Co., Ltd. ("FES"); and (ii) 7.12% of the issued and outstanding share capital of FES with a total consideration of HK\$240,000,000.

The Group's disposal of TEDCO and its subsidiaries was completed at the end of May 2025. As at 31 August 2025 and the year then ended, the Group had received a portion of the total consideration of HK\$194,000,000 (equivalent to RMB178,984,000), and the remaining HK\$46,000,000 (equivalent to RMB41,932,000) was received on November 2025.

The Group had receivables due from TEDCO and its subsidiaries, which were no longer internally offset within the Group upon the disposal of TEDCO and its subsidiaries. Based on related payments schedule agreed by the Group and TEDCO and its subsidiaries, upon the disposal of TEDCO and its subsidiaries, the Group recognised a receivable from third parties with its fair value upon the disposal amounting to USD15,068,000 (equivalent to RMB107,029,000). As at 28 February 2026, the book value of this receivable amounted to USD15,068,000 (equivalent to RMB103,448,000), and the related provision for impairment amounted to USD64,000 (equivalent to RMB444,000).

The Directors classified the Group's disposed Thailand operations of TEDCO and its subsidiaries as discontinued operations and the results of the discontinued operations were presented separately in the Group's interim condensed consolidated financial information for the six months ended 28 February 2025.

17 Subsequent event

On 31 March 2026, one of the Group's universities, Hunan International Economics University ("HIEU"), was required to make payments of CIT in Chinese mainland amounting to RMB120,632,000 to its tax authority.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

With over 20 years of operating private schools in the People’s Republic of China (the “PRC”), the Group is one of the leading private school operators in China in terms of student enrolment.

The Group’s fundamental educational objectives are to foster modern talent with leadership and lifelong learning capabilities and nurture great minds to contribute to the future development of the Chinese nation (“培養具有領導才能和自主學習能力的現代化人才，為中華民族的偉大復興貢獻力量”). As an educational service provider, the Group believes it is entrusted to nurture the future of society, and aims to provide educational services in a manner consistent with the values and attitudes of the Group. The curriculums for the Group’s schools not only accommodate the students’ eagerness to achieve academic excellence, but also emphasise on well-rounded development of the students.

The Group is committed to continuously enhancing its teaching quality and services to ensure the delivery of high-quality education to its students. As such, there has been no material changes in respect of the business of the Group since 28 February 2026.

The Group’s Schools and Student Enrolment

As at 28 February 2026, the Group had 9 schools in China.

The following table sets out a summary of the Group’s schools by category as at the end of February 2026 and 2025:

	As at 28 February 2026	As at 28 February 2025
The Group’s schools in the PRC		
Universities and vocational college	4	4
High schools	5	5
The Group’s school overseas		
University	—	1 ^(note 1)
Total	<u>9</u>	<u>10</u>

Note:

1. This represents Stamford International University, Thailand. The disposal of TEDCO and its subsidiaries (including Stamford International University) was completed on 31 May 2025. The financial results of these companies for the six months ended 28 February 2025 have been represented as discontinued operations in the Group's consolidated financial statements.

Event after the Reporting Period

Save as disclosed in note 17 to the Interim Condensed Consolidated Financial Information set out in this announcement, there has been no other significant events that might affect the Group after 28 February 2026 and up to the date of this announcement.

Future Development

The Group's future development focuses on making continuous improvements to the educational infrastructure, opening new campuses, and substantially increasing investment in vocational education. The Group will continue to seek expansion in higher education sector with high growth potential and will focus on post-expansion consolidation to maximize shareholder value.

Financial Review

1. Overview

For the six months ended 28 February 2026, the Group recorded revenue of RMB1,263.3 million, a gross profit of RMB439.1 million and an Adjusted Gross Profit of RMB457.9 million. The gross profit margin was 34.8% for the six months ended 28 February 2026 as compared with 46.8% for the corresponding period in 2025. The Adjusted Gross Profit Margin¹ of the Group was 36.2% for the six months ended 28 February 2026 as compared with 48.3% for the corresponding period in 2025.

The net profit attributable to owners of the Company amounted to RMB270.2 million and RMB405.8 million for the six months ended 28 February 2026 and 28 February 2025, respectively. The net profit margin attributable to owners of the Company amounted to 21.4% and 31.7% for the six months ended 28 February 2026 and 28 February 2025, respectively.

¹ The Adjusted Gross Profit Margin is calculated based on the Adjusted Gross Profit. Please refer to the "Non-IFRS Measures" section of this announcement for details.

² The Adjusted Net Profit Margin attributable to owners of the Company is calculated based on the Adjusted Net Profit attributable to owners of the Company. Please refer to the "Non-IFRS Measures" section of this announcement for details.

The Adjusted Net Profit attributable to owners of the Company for the six months ended 28 February 2026 was RMB288.8 million, representing a decrease of RMB145.7 million or a 33.5% decrease from the corresponding period in 2025. The Adjusted Net Profit Margin² attributable to owners of the Company was 22.9% and 34.0% for the six months ended 28 February 2026 and 28 February 2025, respectively.

2. Revenue

For the six months ended 28 February 2026, the revenue of the Group amounted to RMB1,263.3 million, representing a decrease of RMB14.8 million or 1.2% as compared with RMB1,278.1 million for the corresponding period in 2025. The decrease was primarily due to the decrease in student enrolment from several schools.

3. Cost of Revenue

For the six months ended 28 February 2026, the cost of revenue of the Group amounted to RMB824.2 million, representing an increase of RMB144.0 million or 21.2% as compared with RMB680.2 million for the corresponding period in 2025. The Adjusted Cost of Revenue³ of the Group amounted to RMB805.4 million for the six months ended 28 February 2026, representing an increase of RMB144.7 million or 21.9% as compared with RMB660.7 million for the corresponding period of 2025.

4. Gross Profit and Gross Profit Margin

For the six months ended 28 February 2026, the Group's gross profit amounted to RMB439.1 million and RMB597.9 million for the six months ended 28 February 2026 and 28 February 2025, respectively. The Group's gross profit margin amounted to 34.8% and 46.8% for the six months ended 28 February 2026 and 28 February 2025, respectively. The decrease in gross profit margin was primarily attributable to an increase in costs and expenses, driven by higher staff costs, increased investment in teaching and research activities, as well as higher depreciation charges during the Reporting Period.

The Adjusted Gross Profit of the Group amounted to RMB457.9 million, representing a decrease of RMB159.5 million or 25.8% as compared with RMB617.4 million for the corresponding period in 2025. The Adjusted Gross Profit Margin of the Group for the six months ended 28 February 2026 was 36.2%, compared with 48.3% for the corresponding period in 2025.

³ The Adjusted Cost of Revenue is calculated as cost of revenue for the period, excluding the non-cash expenses of share-based compensations and additional depreciation and amortisation due to the provisional fair value adjustments to the acquired identifiable assets of (i) LEI Lie Ying Limited; (ii) Yubohui Education and its subsidiaries; and (iii) Jinan Shuangsheng Education Consulting Co., Ltd. and its subsidiaries (including Shandong Yingcai University).

5. *Selling Expenses*

For the six months ended 28 February 2026, the selling expenses of the Group remained stable at RMB16.8 million, as compared to RMB16.8 million for the corresponding period in 2025.

6. *Administrative Expenses*

The administrative expenses of the Group remained relatively stable at RMB161.2 million for the six months ended 28 February 2026, as compared to RMB158.5 million for the corresponding period in 2025.

7. *Other Income*

The other income of the Group remained relatively stable at RMB6.8 million for the six months ended 28 February 2026, as compared to RMB7.3 million for the corresponding period in 2025.

8. *Other Gains and Losses*

For the six months ended 28 February 2026, the other gains and losses of the Group amounted to a net gain of RMB3.4 million as compared with a net loss of RMB31.5 million for the corresponding period in 2025. The decrease in other losses was mainly attributable to net losses related to convertible bonds recorded in the corresponding period in 2025, which were not present during the Reporting Period.

9. *Operating Profit*

The Operating Profit of the Group amounted to RMB267.2 million for the six months ended 28 February 2026, representing a decrease of RMB130.1 million or 32.8% as compared with RMB397.3 million for the corresponding period in 2025, respectively. The Operating Profit Margin amounted to 21.2% and 31.1% for the six months ended 28 February 2026 and 28 February 2025, respectively.

⁴ Adjusted Administrative Expenses are calculated as administrative expense for the period, excluding the impact from share-based compensation.

10. Finance Income

Finance income decreased by 20.7% from RMB11.9 million for the six months ended 28 February 2025 to RMB9.5 million for the corresponding period in 2026 due to a decline in interest income.

11. Finance Expenses

Finance expenses decreased by 62.5% from RMB22.5 million for the six months ended 28 February 2025 to RMB8.4 million for the corresponding period in 2026 due to the early repayment of bank borrowings.

12. Profit for the Reporting Period

As a result of the above factors, the Group recorded a net profit attributable to owners of the Company of RMB270.2 million for the six months ended 28 February 2026, representing a decrease of RMB135.5 million or 33.4% as compared with RMB405.8 million for the corresponding period in 2025. The net profit margin attributable to owners of the Company for the six months ended 28 February 2026 was 21.4%, compared to 31.7% for the corresponding period in 2025.

The Adjusted Net Profit attributable to owners of the Company was RMB288.8 million for the six months ended 28 February 2026, representing a decrease of RMB145.7 million or 33.5% as compared with RMB434.5 million for the corresponding period in 2025. In addition, the Adjusted Net Profit Margin attributable to owners of the Company amounted to 22.9% and 34.0% for the six months ended 28 February 2026 and 28 February 2025, respectively.

The decrease in the Adjusted Net Profit was primarily attributable to an increase in costs and expenses, driven by higher staff costs, increased investment in teaching and research activities, as well as higher depreciation charges.

13. Liquidity and Source of Funding and Borrowing

As at 28 February 2026, the Group's cash and cash equivalents remained stable at RMB1,750.5 million, as compared to RMB1,730.4 million as at 31 August 2025.

As at 28 February 2026, the current assets of the Group amounted to RMB1,817.2 million, including RMB1,751.2 million in cash and restricted cash and RMB66.0 million in trade and other receivables. The current liabilities of the Group amounted to RMB2,392.8 million, of which RMB1,150.3 million was accruals and other payables, RMB1,236.3 million was contract liabilities, and RMB6.2 million was lease liabilities. As at 28 February 2026, the current ratio of the Group, which is equivalent to the current assets divided by the current liabilities, was 0.76 (31 August 2025: 0.75).

14. *Gearing Ratio*

As at 28 February 2026, the gearing ratio of the Group, which was calculated as total interest-bearing bank loans divided by total equity, was nil (31 August 2025: 7.2%).

15. *Significant Investments*

The Group did not make or hold any significant investments (including any investment in an investee company with a value of 5% or more of the Group's total assets as of 28 February 2026) during the six months ended 28 February 2026.

16. *Material Acquisitions and Disposals*

The Group did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities or associated companies during the six months ended 28 February 2026.

17. *Pledge of Assets*

As at 28 February 2026, the Group had no borrowings secured by pledge of assets.

18. *Contingent Liabilities*

The Group had no contingent liabilities as at 28 February 2026.

19. Foreign Exchange Exposure

During the six months ended 28 February 2026, the Group mainly operated in China and the majority of the transactions were settled in Renminbi (“RMB”), the Company’s primary consolidated affiliated entities’ functional currency. As at 28 February 2026, except for the bank deposits denominated in foreign currencies, the Group did not have significant foreign currency exposure from its operations.

20. Employee and Remuneration Policy

The Group formulates and implements its employee and remuneration policy in line with its operational requirements and business development. As at 28 February 2026 and 28 February 2025, we had 7,563 and 7,806 employees, respectively. The number of employees employed by the Group varies from time to time depending on need. Employees’ remuneration is determined in accordance with prevailing industry practice and employees’ educational backgrounds, experiences and performance. The remuneration policy and package of the Group’s employees are periodically reviewed. As required by the PRC laws and regulations, the Company participates in various employee social security plans for its employees that are administered by local governments, including among others, housing provident funds, pensions, medical insurance, social insurance and unemployment insurance.

The Group believes in the importance of attracting, recruiting and retaining of quality employees (in particular teachers) in achieving the Group’s success. The Group provides training for teachers to equip them with teaching skills and techniques and stay abreast of the changes in student demands and teaching methodologies, changing testing and admission standards and other trends. During each school year, the Group monitors the teaching quality of its teachers and evaluates the performance of its teachers from time to time. During the six months ended 28 February 2026, the Group did not experience any significant labour disputes or any difficulty in recruiting employees.

Compensation of key executives of the Group is determined by the Company’s remuneration committee which reviews and recommends to the Board the executives’ compensation based on the Group’s performance and the executives’ respective contributions to the Group.

The Company also has a Pre-IPO Share Option Scheme and a Share Award Scheme. Please refer to the section headed “Statutory and General Information — D. Pre-IPO Share Option Scheme and Share Award Scheme” in Appendix V to the prospectus of the Company dated 16 February 2017 (the “**Prospectus**”) for further details.

The total remuneration cost incurred by the Group for the six months ended 28 February 2026 was RMB388.9 million (for the six months ended 28 February 2025: RMB319.3 million).

21. Future Plans for Material Investments and Capital Assets

As of 28 February 2026, the Group did not have other plans for material investments and capital assets.

INTERIM DIVIDEND

The Board does not recommend the distribution of an interim dividend for the six months ended 28 February 2026 (2025: nil).

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company was incorporated in the Cayman Islands on 25 April 2016 with limited liability, and the shares of the Company were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 28 February 2017.

The Board is committed to achieving high corporate governance standards. The principle of the Company’s corporate governance is to promote effective internal control measures and to enhance the transparency and accountability of the Board to all shareholders.

1. Compliance with the Code on Corporate Governance Practices

For the six months ended 28 February 2026, the Company has complied with all applicable code provisions set out in Part 2 of the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the CG Code, and maintain a high standard of corporate governance practices of the Company.

2. Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own securities dealing code to regulate all dealings by Directors and relevant employees of securities in the Company and other matters covered by the Model Code.

Specific enquiry has been made of all the Directors and the relevant employees and they have confirmed that they have complied with the Model Code during the six months ended 28 February 2026. No incident of non-compliance of the Model Code was noted by the Company during the Reporting Period.

3. Audit Committee

The Company has established the Audit Committee with written terms of reference in accordance with the Listing Rules. The Audit Committee comprises three independent non-executive Directors, namely, Mr. Chen Lei, Mr. Zhang Zhixue and Ms. Fan Nannan. Mr. Chen Lei is the chairman of the Audit Committee.

The Audit Committee has reviewed the unaudited interim condensed financial information of the Group for the six months ended 28 February 2026. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management members of the Group.

4. Other Board Committees

In addition to the Audit Committee, the Company has also established a nomination committee and a remuneration committee.

5. Purchase, Sale or Redemption of the Company’s Listed Securities

Neither the Company nor any of its subsidiaries or consolidated affiliated entities purchased, sold or redeemed any listed securities of the Company (including any sale of treasury shares (as defined under the Listing Rules)) during the six months ended 28 February 2026. The Company did not hold any treasury shares (as defined under the Listing Rules) as at 28 February 2026.

6. Material Litigation

The Company was not involved in any material litigation or arbitration during the Reporting Period. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group as of 28 February 2026.

7. Building Certificates and Permits

As at 28 February 2026, in relation to owned buildings or groups of buildings other than those associated with the HIEU Schools (the “**Non-HIEU Schools Owned Buildings**”), the Group had not obtained proper building ownership certificates or other requisite certificates or permits for 11 of the 32 Non-HIEU Schools Owned Buildings, due in part to changes to the urban planning in the cities which the Group operates, administrative oversight by the Group’s management and their unfamiliarity with the relevant regulatory requirements. The Group is in the process of applying to relevant government authorities for the relevant outstanding certificates and permits and are closely following up with the government authorities with respect to the applications. Please also refer to the section headed “Business — Properties — Owned Properties — Buildings or Groups of Buildings” in the Prospectus for further details. There have been no updates in this regard since the publication of the Prospectus.

As at 28 February 2026, the Company was in the process of applying for, but had not yet obtained, the proper certificates in relation to 48 buildings currently occupied by the HIEU Schools. The Company understands that the lack of certificates in relation to these buildings will not prejudice the ability of the Company to operate the HIEU Schools and that the buildings are fit and safe for education purposes. For further details, please refer to the Company’s circular dated 29 June 2018.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.yuhuachina.com. The interim report of the Group for the six months ended 28 February 2026 will be published on the aforesaid websites of the Stock Exchange and the Company and will be dispatched (if applicable) to the Company’s shareholders in due course.

By order of the Board
China YuHua Education Corporation Limited
Li Guangyu
Chairman and Executive Director

Hong Kong, 30 April 2026

As at the date of this announcement, the Board comprises Mr. Li Guangyu, Ms. Li Hua and Ms. Ren Yandan as executive Directors; and Mr. Chen Lei, Mr. Zhang Zhixue and Ms. Fan Nannan as independent non-executive Directors.