



CHINA CHUNLAI EDUCATION GROUP CO., LTD. 中國春來教育集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1969



2025

INTERIM REPORT

CONTENTS

	Page
COMPANY PROFILE	2
CORPORATE INFORMATION	3
FINANCIAL HIGHLIGHTS	5
MANAGEMENT DISCUSSION AND ANALYSIS	6
OTHER INFORMATION	18
INDEPENDENT REVIEW REPORT	28
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	29
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	30
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	31
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	32
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	33
DEFINITIONS	44
GLOSSARY	48





Company Profile

The Group is one of the leading providers of private higher education in China. Since the Group's inception in 2004, we have grown to operate four universities/colleges in Henan Province and two colleges in Hubei Province. We also participate in the operation of Tianping College and have been actively working on the conversion of Tianping College into a standalone private ordinary college. The total number of student enrolment of the Group's colleges increased from 104,053 as at 29 February 2024 to 110,861 as at 28 February 2025. To capture growth opportunities, we plan to acquire additional land and other resources to further increase student enrolment. The Group's employment-oriented curricula are focused on equipping our students with practical skills that meet the demand of economic development in China.

The Group's revenue increased from RMB813.9 million for the six months ended 29 February 2024 to RMB890.7 million for the Reporting Period.





Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Hou Junyu (侯俊宇)
Ms. Jiang Shuqin (蔣淑琴)
Ms. Zhang Jie (張潔) (*Chief Executive Officer*)

Non-executive Director

Mr. Hou Chunlai (侯春來) (*Chairman*)

Independent non-executive Directors

Dr. Jin Xiaobin (金曉斌)
Ms. Fok, Pui Ming Joanna (霍珮鳴)
Mr. Lau, Tsz Man (劉子文)

AUDIT COMMITTEE

Mr. Lau, Tsz Man (劉子文) (*Chairman*)
Dr. Jin Xiaobin (金曉斌)
Ms. Fok, Pui Ming Joanna (霍珮鳴)

REMUNERATION COMMITTEE

Ms. Fok, Pui Ming Joanna (霍珮鳴) (*Chairlady*)
Ms. Jiang Shuqin (蔣淑琴)
Mr. Lau, Tsz Man (劉子文)

NOMINATION COMMITTEE

Dr. Jin Xiaobin (金曉斌) (*Chairman*)
Mr. Hou Junyu (侯俊宇)
Ms. Fok, Pui Ming Joanna (霍珮鳴)

COMPANY SECRETARY

Ms. Yu Anne (余安妮)

AUTHORISED REPRESENTATIVES

(for the purpose of Rule 3.05 of the Listing Rules)

Mr. Hou Junyu (侯俊宇)
Ms. Yu Anne (余安妮)

AUDITOR

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Certified Public Accountants
Registered Public Interest Entity Auditor
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As to Cayman Islands law:

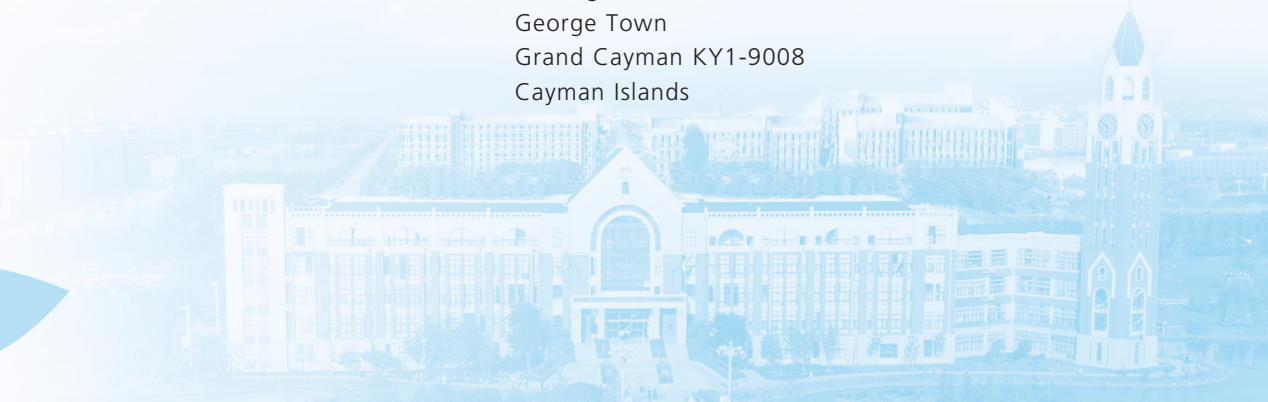
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COMPLIANCE ADVISER

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REGISTERED OFFICE

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Corporate Information

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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Bank of China Limited Nanjing Branch
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COMPANY WEBSITE

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STOCK CODE

1969





Financial Highlights

	Six months ended		
	28 February 2025	29 February 2024	Change (%)
<i>(RMB in thousands, except percentages)</i>			
Revenue	890,720	813,910	9.4%
Gross Profit	499,777	493,706	1.2%
Profit before taxation	413,011	388,111	6.4%
Profit for the period	406,563	384,271	5.8%
Non-IFRS Measure:			
Adjusted Net Profit ¹	402,557	386,047	4.3%

Note:

- (1) Adjusted net profit is calculated as profit for the period excluding (i) share-based compensation, and (ii) foreign exchange (gain)/loss. For details of the reconciliation of the profit for the period to the adjusted net profit of the Group, please refer to the section headed "Financial Review" in this interim report.

The Board did not recommend the payment of an interim dividend for the Reporting Period (six months ended 29 February 2024: RMB0.0907 (equivalent to approximately HK\$0.1) per ordinary Share).





Management Discussion And Analysis

MARKET OVERVIEW

The formal education system in the PRC comprises fundamental education, which includes education from preschool to high school, secondary vocational education and higher education. Formal higher education can be further categorised into junior colleges and universities. Junior colleges only offer junior college programmes while universities can offer both junior college programmes and bachelor's degree programmes.

The Private Higher Education Industry in China

The private higher education industry in China has experienced rapid growth since the beginning of the 1990s as the relevant government authorities have made great endeavour in developing the regulatory framework for private higher education. The number of student enrolments in private higher education in China has continued to increase in recent years, with more and more students having chosen to go to private universities or colleges instead of public schools. By considering the above factors, the rapid growth in higher education in China is expected to continue, and the private higher education landscape remains competitive.

BUSINESS REVIEW

The Company is one of the leading providers of private higher education in China. Since our inception in 2004, we have grown to operate four universities/colleges in Henan Province, namely Shangqiu University, Shangqiu University Kaifeng Campus, Anyang University and Anyang University Yuanyang Campus, and two colleges in Hubei Province, namely Jiankang College and Jingzhou College. We also participate in the operation of Tianping College and have been actively working on the conversion of Tianping College into a standalone private ordinary college (see the paragraph headed "Tianping College" below). We believe that we have strong potential to further grow our business, and the private higher education market in China presents many market opportunities.

The schools operated under the Group closely focus on the goal of application-oriented talent training, attach importance to, and actively carry out, the integration of industry and education, strengthen school-enterprise cooperation, explore "diversified talent training, innovative practical education system", and form their own characteristics and highlights. As at 28 February 2025, the Group had entered into approximately 1,100 school-enterprise cooperations. Our collaboration models include practice and training, joint transformation of research and development results, joint training of order classes, and joint construction of majors and laboratories, and have achieved good results.

Our employment-oriented curricula are focused on equipping our students with practical skills that meet the upward trend in employment demand of economic development in China. The effectiveness of our practical curricula and training programmes is reflected in our high graduate employment rates. As at 31 December 2024, the average employment rate of the graduates of our higher education programmes was approximately 94.54%.





Management Discussion And Analysis

Our Colleges

Shangqiu University

Shangqiu University is located in Shangqiu, Henan Province, the PRC. The predecessor of Shangqiu University was Huayu College of Henan Agricultural University* (河南農業大學華豫學院), which we co-founded with Henan Agricultural University in 2004. Shangqiu University currently offers 53 bachelor's degree majors, 38 junior college to bachelor's degree transfer majors, 41 junior college diploma majors, 13 combined vocational education and junior college diploma majors and 22 vocational education majors. Shangqiu University has also been approved to offer double-degree bachelor's degree majors in marketing, Chinese language and literature, economics, human resources management, and international economy and trade. As at 28 February 2025, Shangqiu University had a total enrolment of 26,569 students for the 2024/2025 school year.

In April 2017, Shangqiu University established Chunlai College, a two-year honours degree programme that aims to promote comprehensive and individualised education of its selected students. During the second semester of the freshman year, Chunlai College selects top-performing students from the university, offering them additional academic courses and scholarships. Chunlai College engages high-calibre faculty members and assigns each student a dedicated academic advisor to guide them in research and social practice activities. To increase the competitiveness of its enrollees, Chunlai College also offers courses that prepare students for graduate school entrance exams and civil service examinations.

Shangqiu University Kaifeng Campus

Shangqiu University Kaifeng Campus is located in Kaifeng, Henan Province, the PRC. It was established in 2013 as a branch college (下屬學院) of Shangqiu University. Shangqiu University Kaifeng Campus currently offers 20 bachelor's degree majors, 16 junior college to bachelor's degree transfer majors, 7 junior college diploma majors, 4 combined vocational education and junior college diploma majors and 6 vocational education majors. As at 28 February 2025, Shangqiu University Kaifeng Campus had a total enrolment of 15,532 students for the 2024/2025 school year.

Anyang University

Anyang University is located in Anyang, Henan Province, the PRC. The predecessor of Anyang University was College of Humanities and Management of Anyang Normal University (安陽師範學院人文管理學院) which was co-founded by Anyang Normal University and Anyang Iron and Steel Group in 2003. Anyang University currently offers 46 bachelor's degree majors, 34 junior college to bachelor's degree transfer majors, 39 junior college diploma majors, 23 combined vocational education and junior college diploma majors and 14 vocational education majors. As at 28 February 2025, Anyang University had a total enrolment of 26,406 students for the 2024/2025 school year.





Management Discussion And Analysis

Anyang University Yuanyang Campus

Anyang University Yuanyang Campus is located in Yuanyang, Henan Province, the PRC. It was established in April 2021 as a branch college (下屬學院) of Anyang University. Anyang University Yuanyang Campus currently offers 19 bachelor's degree majors and 12 junior college diploma majors. As at 28 February 2025, Anyang University Yuanyang Campus had a total enrolment of 13,046 students for the 2024/2025 school year.

Jiankang College

Jiankang College is located in Xianning, Hubei Province, the PRC. By closely following the state's "Healthy China 2030" and "Aging Service and Industry" strategic development needs, Jiankang College has set up three departments and two divisions, including the Department of Nursing, the Department of Health Intelligent Engineering, the Department of Public Health, the Division of Basic Medicine, and the Division of Public Instruction, and offers 19 majors, namely nursing, midwifery, rehabilitation technology, dental medicine technology, health management, and rehabilitation engineering technology. As at 28 February 2025, Jiankang College had a total enrolment of 9,808 students for the 2024/2025 school year.

Jingzhou College (formerly known as Hubei College)

Jingzhou College is located in Jingzhou, Hubei Province, the PRC. Jingzhou College currently offers 38 bachelor's degree majors, 15 junior college to bachelor's degree transfer majors and 20 junior college diploma majors. As at 28 February 2025, Jingzhou College had a total enrolment of 19,500 students for the 2024/2025 school year.





Management Discussion And Analysis

Student Enrolment

The table below sets forth the student enrolment statistics of our colleges as at 28 February 2025 and as at 29 February 2024:

	Student Enrolment ⁽¹⁾			
	As at 28 February 2025	As at 29 February 2024	Change in number of students	Percentage change (approximately)
Shangqiu University				
Bachelor's degree programmes	10,223	9,444	779	8.2%
Junior college to bachelor's degree transfer programmes	5,531	4,817	714	14.8%
Junior college diploma programmes ⁽²⁾	6,182	5,523	659	11.9%
Vocational education programmes ⁽³⁾	4,633	5,854	(1,221)	(20.9)%
School subtotal	26,569	25,638	931	3.6%
Shangqiu University Kaifeng Campus				
Bachelor's degree programmes	8,407	8,543	(136)	(1.6)%
Junior college to bachelor's degree transfer programmes	4,197	4,749	(552)	(11.6)%
Junior college diploma programmes ⁽²⁾	2,685	1,079	1,606	148.8%
Vocational education programmes ⁽³⁾	243	816	(573)	(70.2)%
School subtotal	15,532	15,187	345	2.3%
Anyang University				
Bachelor's degree programmes	10,496	9,920	576	5.8%
Junior college to bachelor's degree transfer programmes	3,701	5,762	(2,061)	(35.8)%
Junior college diploma programmes ⁽²⁾	8,784	8,274	510	6.2%
Vocational education programmes ⁽³⁾	3,425	4,941	(1,516)	(30.7)%
School subtotal	26,406	28,897	(2,491)	(8.6)%
Anyang University Yuanyang Campus				
Bachelor's degree programmes	7,327	7,347	(20)	(0.3)%
Junior college to bachelor's degree transfer programmes	4,975	2,636	2,339	88.7%
Junior college diploma programmes ⁽²⁾	744	259	485	187.3%
Vocational education programmes ⁽³⁾	0	506	(506)	(100.0)%
School subtotal	13,046	10,748	2,298	21.4%
Jiankang College				
Junior college diploma programmes	9,808	6,831	2,977	43.6%
School subtotal	9,808	6,831	2,977	43.6%



Management Discussion And Analysis

	Student Enrolment ⁽¹⁾			
	As at 28 February 2025	As at 29 February 2024	Change in number of students	Percentage change (approximately)
Jingzhou College				
Bachelor's degree programmes	7,706	7,414	292	3.9%
Junior college to bachelor's degree transfer programmes	2,231	2,075	156	7.5%
Junior college diploma programmes	9,563	7,263	2,300	31.7%
School subtotal	19,500	16,752	2,748	16.4%
Total number of students	110,861	104,053	6,808	6.5%

Notes:

- (1) As our school year typically ends in late June or early July, we present student numbers as at 29 February 2024 and 28 February 2025 for interim presentation of 2023/2024 and 2024/2025 school years' student enrolment statistics, respectively.
- (2) Including (i) students enrolled in junior college diploma programmes and (ii) students enrolled in the last three years of combined vocational education and junior college diploma programmes.
- (3) Including (i) students enrolled in vocational education programmes and (ii) students enrolled in the first two years of the combined vocational education and junior college diploma programmes.

The number of students enrolled for the 2024/2025 school year increased by 6.5% from 104,053 as at 29 February 2024 to 110,861 as at 28 February 2025. The increase was primarily due to the increase in total number of student enrolment of Shangqiu University, Shangqiu University Kaifeng Campus, Anyang University Yuanyang Campus, Jiankang College and Jingzhou College. We also achieved our expected results through increasing our efforts and expanding our footprint, thereby driving solid momentum for future sustainable development.

The Group believes the educational philosophies of its schools and its well-developed curricula as well as its high graduate employment rates enable the Group to attract high-quality students who are seeking a pathway to satisfactory employment. In addition, the quality faculty team also played an important role in the success of the schools in the past, and will continue to do so in the future.





Management Discussion And Analysis

Tianping College

As disclosed above, we also participate in the operation of Tianping College, which is currently located in Suzhou, Jiangsu Province, the PRC. Since the successful tender by the Group for the acquisition of Tianping College and the entering into of the relevant agreements in the second half of 2019, the Group has been actively working on the conversion of Tianping College into a standalone private ordinary college, which includes, among others (i) the relocation of the school to a new school site in Nanjing, Jiangsu Province, the PRC (with a planned land area of approximately 3,600,000 square meters and a planned construction area of approximately 530,000 square meters) and building infrastructure and construction on the site, which we have substantially completed construction of the new school site in Nanjing for the purpose of accommodating the relocation of the school; and (ii) applying for a change of school sponsor.

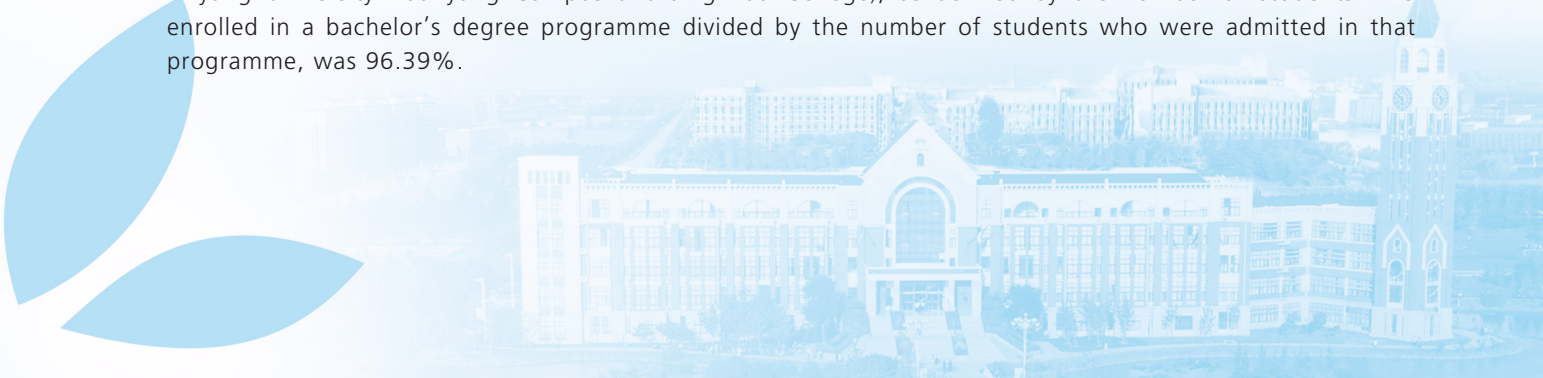
Upon the commencement of operations at the new campus, the Company will apply for a change of school sponsor with the Ministry of Education. The change of school sponsor will involve, among others, submitting the relevant materials to the regulatory authorities, an audit on the assets, liabilities and equity of Tianping College, and an evaluation of the Nanjing campus by an expert group assigned by the Ministry of Education. If the evaluation results are satisfactory, the Ministry of Education will approve the change of school sponsor of Tianping College and issue the relevant change of school sponsor certificate. After the change of the school's sponsor is completed, Tianping College will be transformed into a standalone private ordinary college. The Company currently targets to complete the entire conversion process by September 2026. Once the conversion is complete, Tianping College will become a consolidated affiliated entity of the Company.

We have taken, and endeavour to continue to take, active steps in facilitating the relocation and change of school sponsor of Tianping College, including but not limited to maintaining prompt and open communication with the relevant authorities and experts, ensuring timely preparation and submission of applicable filings, allocating dedicated and appropriate resources to handle the relevant processes, and maintaining close communications with Suzhou University of Science and Technology and promptly seek their assistance as required to facilitate the relevant processes.

Student Recruitment

Our number of new student enrolment has historically been driven primarily by word-of-mouth referrals. We believe we have a good reputation in providing high quality education services in the PRC among our students and their parents. In addition, after over 20 years of operations, we have built a highly engaged and vibrant community of alumni, who we believe would assist us to continuously attract outstanding students. Other than referrals from alumni network, we also deploy a range of marketing and recruiting methods to attract students and increase the number of student enrolment at our colleges, such as information sessions, advertisements and brochures, etc.

Our recruitment efforts, coupled with the quality and reputation of our education programmes, have helped us achieve high admission yields in our colleges that offer bachelor's degree programmes. For example, as at 28 February 2025, the overall yield of our five colleges for the 2024/2025 school year that offer bachelor's degree programmes (being Shangqiu University, Shangqiu University Kaifeng Campus, Anyang University, Anyang University Yuanyang Campus and Jingzhou College), as defined by the number of students who enrolled in a bachelor's degree programme divided by the number of students who were admitted in that programme, was 96.39%.





Management Discussion And Analysis

Our Teachers

We believe that our team of experienced and dedicated teachers are crucial to our success. As an operator of private schools, we can provide better incentives to qualified teachers who meet our hiring criteria. Teachers are the key factors to maintaining high-quality educational programmes and services as well as maintaining our brand and reputation. Our aim is to continue hiring teachers with a strong command of their respective subject areas who are open to innovative teaching methods and a caring heart towards students' well-being.

FUTURE DEVELOPMENT AND PROSPECTS

In order to continuously increase our total number of student enrolment, we plan to acquire additional land use rights and construct new education and living facilities, which, if materialized, we intend to fund from cash generated from operation and external borrowings. We consider that the increase in capacity of school campus under the expansion plan is essential to accommodate our growth strategy of increasing student enrolment going forward. As each of our colleges generally requires its students to live in dormitories on school campus, a college's total number of student enrolment is largely limited by the capacity of its student dormitories. Taking into account the gender specificity of our student dormitories and the gender mix of our students, there is currently limited capacity for a significant growth in the number of student enrolment. We expect to increase the capacity of our colleges progressively to strike a reasonable balance between the number of student enrolment and utilisation of the school campuses. We believe our estimation on the increase in capacity is appropriate and will enable our colleges to achieve sustainable growth.

We consider that, given our track record of delivering quality private higher education and industry reputation, the education authorities in the PRC will be receptive to our application for increasing admission quota provided that we are able to demonstrate that we have sufficient school capacity, appropriate facilities available and quality education programmes to offer, which are fundamental to our expansion plans going forward.

FINANCIAL REVIEW

Overview

For the Reporting Period, we recorded a revenue of RMB890.7 million, a gross profit of RMB499.8 million and an adjusted net profit of RMB402.6 million. The gross profit margin was 56.1% for the Reporting Period as compared with 60.7% for the six months ended 29 February 2024.

The net profit of the Group amounted to RMB406.6 million and RMB384.3 million for the Reporting Period and 29 February 2024, respectively. The net profit margin of the Group amounted to 45.6% and 47.2% for the Reporting Period and 29 February 2024, respectively.

The adjusted net profit of the Group for the Reporting Period was RMB402.6 million, representing an increase of RMB16.5 million or 4.3% from the corresponding period in 2024. The adjusted net profit margin of the Group was 45.2% and 47.4% for the Reporting Period and 29 February 2024, respectively.





Management Discussion And Analysis

Revenue

Our revenue increased by 9.4% from RMB813.9 million for the six months ended 29 February 2024 to RMB890.7 million for the Reporting Period, primarily due to the increase in number of student enrolment.

Revenue from Shangqiu University increased by 7.2% from RMB192.0 million for the six months ended 29 February 2024 to RMB205.8 million for the Reporting Period. The increase was primarily due to the increase in number of student enrolment.

Revenue from Shangqiu University Kaifeng Campus increased by 4.2% from RMB124.9 million for the six months ended 29 February 2024 to RMB130.1 million for the Reporting Period. The increase was primarily due to the increase in number of student enrolment.

Revenue from Anyang University decreased by 3.4% from RMB214.3 million for the six months ended 29 February 2024 to RMB207.1 million for the Reporting Period. The decrease was primarily due to the decrease in number of student enrolment.

Revenue from Anyang University Yuanyang Campus increased by 21.9% from RMB88.5 million for the six months ended 29 February 2024 to RMB107.9 million for the Reporting Period. The increase was primarily due to the increase in number of student enrolment.

Revenue from Jiankang College increased by 42.7% from RMB48.2 million for the six months ended 29 February 2024 to RMB68.8 million for the Reporting Period. The increase was primarily due to the expansion of student size.

Revenue from Jingzhou College increased by 17.2% from RMB146.0 million for the six months ended 29 February 2024 to RMB171.1 million for the Reporting Period. The increase was primarily due to the increase in number of student enrolment.

Overall, revenue from tuition fees and boarding fees received by the Group increased by 9.8% and 6.0%, respectively, from the six months ended 29 February 2024 to the Reporting Period.

Cost of Revenue

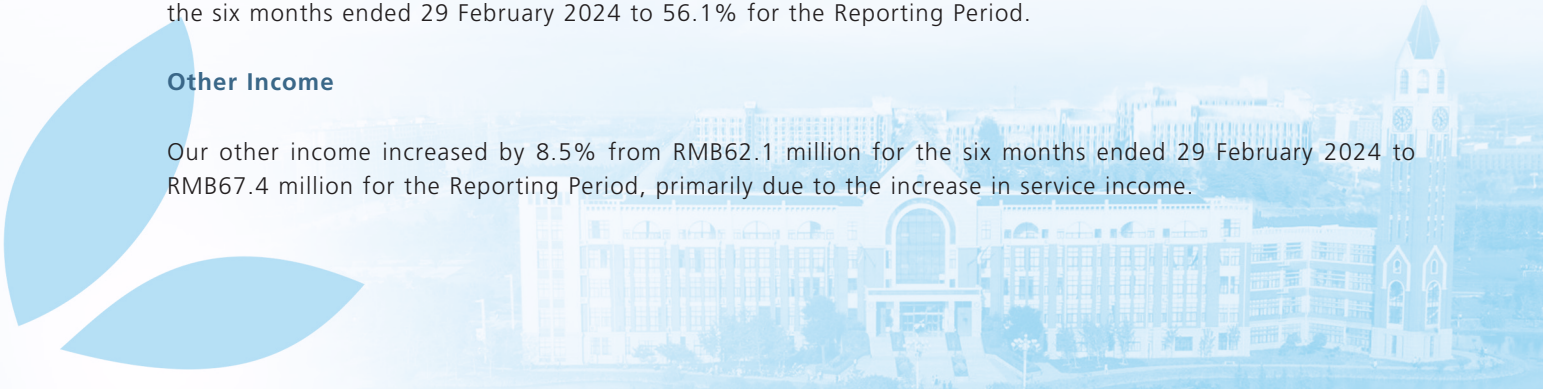
Our cost of revenue increased by 22.1% from RMB320.2 million for the six months ended 29 February 2024 to RMB390.9 million for the Reporting Period. The increase mainly reflected strategic optimization of faculty compensation frameworks and teaching workforce development programs, pushing labor costs above prior-year levels.

Gross Profit and Gross Margin

Our gross profit increased slightly by 1.2% from RMB493.7 million for the six months ended 29 February 2024 to RMB499.8 million for the Reporting Period, and our gross profit margin decreased from 60.7% for the six months ended 29 February 2024 to 56.1% for the Reporting Period.

Other Income

Our other income increased by 8.5% from RMB62.1 million for the six months ended 29 February 2024 to RMB67.4 million for the Reporting Period, primarily due to the increase in service income.





Management Discussion And Analysis

Other Gains and Losses

We recorded other losses of RMB0.6 million for the six months ended 29 February 2024, while we recorded other gains of RMB5.8 million for the Reporting Period. The other gains for the Reporting Period were primarily attributable to net foreign exchange gains.

Selling Expenses

Our selling expenses increased by 19.1% from RMB2.3 million for the six months ended 29 February 2024 to RMB2.7 million for the Reporting Period, primarily due to the increase of advertising expenses in student recruitment promotion.

Administrative Expenses

Our administrative expenses increased slightly by 3.0% from RMB117.6 million for the six months ended 29 February 2024 to RMB121.1 million for the Reporting Period, primarily due to the increase in employees' remuneration.

Finance Costs

Our finance costs decreased by 23.6% from RMB47.3 million for the six months ended 29 February 2024 to RMB36.1 million for the Reporting Period. This was driven by the Group's debt restructuring strategy of refinancing high-cost short-term liabilities with long-term low-interest loans, which effectively optimized the financing mix and reduced costs.

Income Tax Expenses

We recorded income tax expenses of RMB6.4 million for the Reporting Period as compared to income tax expenses of RMB3.8 million for the six months ended 29 February 2024 due to the increase of taxable income.

Profit for the Period

As a result of the combined effects of revenue, costs and expenses mentioned above, our profit increased by 5.8% from RMB384.3 million for the six months ended 29 February 2024 to RMB406.6 million for the Reporting Period.



Management Discussion And Analysis

Non-IFRS Measure – Adjusted Net Profit

Our adjusted net profit increased by 4.3% from RMB386.0 million for the six months ended 29 February 2024 to RMB402.6 million for the Reporting Period. Adjusted net profit (as a non-IFRS measure) was calculated as profit for the period excluding (i) share-based compensation, and (ii) foreign exchange (gain)/loss. The following table reconciles profit for the period to adjusted net profit for both periods:

	For the six months ended	
	28 February 2025	29 February 2024
	<i>(RMB in thousands)</i>	
Profit for the period	406,563	384,271
Add:		
Share-based compensation	1,646	1,199
Foreign exchange (gain)/loss	(5,652)	577
Adjusted net profit	402,557	386,047

Liquidity and Source of Funding and Borrowing

As of 28 February 2025, the Company had funded the Group's cash requirements principally from cash generated from our operations and external borrowings. The Company had cash and cash equivalents of RMB790.9 million and RMB435.3 million as of 31 August 2024 and 28 February 2025, respectively. The Company generally deposits the Group's surplus cash in interest-bearing bank accounts and current accounts.

As of 28 February 2025, the Group's principal usage of cash was for funding of required working capital, capital expenditures and other recurring expenses to support the expansion of the Group's operations. Going forward, the Group's liquidity requirements will be satisfied by using funds from a combination of internally generated cash, external borrowings and other funds raised from the capital markets from time to time. Any significant decrease in number of student enrolment, or our tuition fees and boarding fees, or a significant decrease in the availability of bank loans or other financing may adversely impact the Group's liquidity.

Gearing Ratio

As at 28 February 2025, the gearing ratio of the Group, calculated as total borrowings divided by total equity as of the end of the Reporting Period, was approximately 39.9%, representing a decrease of 18.0 percentage points as compared with 57.9% as at 31 August 2024. The decrease was due to the reduction in interest-bearing debt and an increase in total equity.





Management Discussion And Analysis

Significant Investments

Save as disclosed in this interim report, 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 Company's total assets as at 28 February 2025) during the Reporting Period.

Material Acquisitions and Disposals of Subsidiaries, Consolidated Affiliated Entities or Associated Companies

Save as disclosed in this interim report, the Group did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities or associated companies during the Reporting Period.

Pledge of Assets

1. On 13 January 2025, Anyang University, as borrower, entered into a working capital loan agreement (the **"Loan Agreement 1"**) with Shanghai Pudong Development Bank Co., Ltd. Anyang Branch* (上海浦東發展銀行股份有限公司安陽分行), as lender (the **"Lender 1"**) in which Lender 1 has agreed to make available a term loan of up to RMB240,000,000 to Anyang University (the **"Loan 1"**). On 13 January 2025, Shangqiu University, as borrower, entered into a working capital loan agreement (the **"Loan Agreement 2"**, together with the Loan Agreement 1 referred to as the **"Loan Agreements"**) with Shanghai Pudong Development Bank Co., Ltd. Shangqiu Branch* (上海浦東發展銀行股份有限公司商丘分行), as lender (the **"Lender 2"**) in which Lender 2 has agreed to make available a term loan of up to RMB190,000,000 to Shangqiu University (the **"Loan 2"**, together with the Loan 1 referred to as the **"Loans"**).

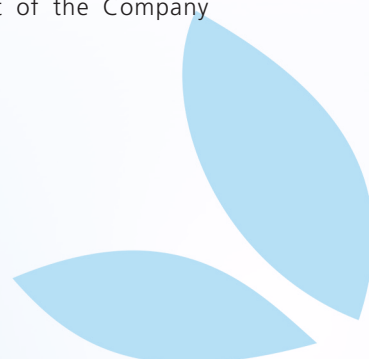
Further details of the Loan Agreements and the respective related security agreements are set out in the announcement of the Company dated 13 January 2025.

2. On 20 March 2025, Anyang University, as credit recipient, entered into a line of credit agreement (the **"Anyang University Line of Credit Agreement"**) with Zhongyuan Bank Co. Ltd., Anyang Branch (中原銀行股份有限公司安陽分行) (**"Zhongyuan Anyang"**) in relation to Zhongyuan Anyang agreeing to make available a credit limit facility with a principal amount of up to RMB350,000,000 to Anyang University (the **"Anyang University Line of Credit"**) from 20 March 2025 to 17 March 2027.

Further details of the Anyang University Line of Credit and the respective related security agreements are set out in the announcement of the Company dated 20 March 2025.

Cooperative Agreements

In November 2024, Anyang University and Shangqiu University entered into sino-foreign school operation agreements with Elite Education Institute in Australia and Anyang University entered into a sino-foreign school operation cooperation agreement with Massey University in New Zealand to establish in-depth strategic cooperation relationships with such institutions to promote their mutual aim of diversification and internationalization of education. For further details, please refer to the announcement of the Company dated 11 November 2024.





Management Discussion And Analysis

Contingent Liabilities

Save as disclosed in this interim report, the Group had no material contingent liabilities as at 28 February 2025.

Foreign Exchange Exposure

During the Reporting Period, the Group mainly operated in the PRC and the majority of the transactions were settled in RMB, the functional currency of the Group. The Group has certain exposure to foreign currency risk as part of its business transactions, assets and liabilities denominated in US\$ and HK\$. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Future Plans for Material Investments or Capital Assets

Save as disclosed in this interim report, the Company has no future plans for material investments and capital assets as at 28 February 2025 and up to the Latest Practicable Date.





Other Information

Corporate Governance Practices

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and to enhance corporate value and accountability.

Compliance with the CG Code

The Company has adopted and complied with all code provisions of the CG Code as set out in Appendix C1 to the Listing Rules during the Reporting Period.

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.

Compliance with the Model Code

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of conduct regarding the Directors' dealings in the securities of the Company.

Having made specific enquiry of all the Directors, all the Directors confirmed that they have strictly complied with the required standards set out in the Model Code during the Reporting Period.

BOARD COMMITTEES

The Board has established four committees, namely, the audit committee, the investment committee, the remuneration committee and the nomination committee, for overseeing particular aspects of the Company's affairs. Each of these committees are established with defined written terms of reference. The terms of reference of the Board committees are available on the websites of the Company and/or the Stock Exchange, respectively (if required).

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

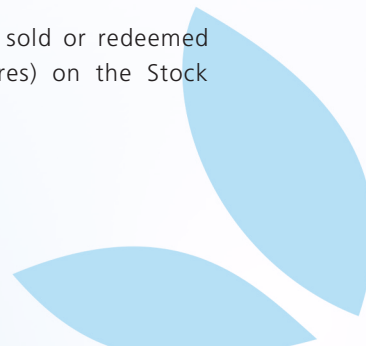
The Company has established an audit committee with written terms of reference in accordance with the Listing Rules. The audit committee comprises three independent non-executive Directors, namely, Mr. Lau Tsz Man, Dr. Jin Xiaobin and Ms. Fok, Pui Ming Joanna. Mr. Lau, Tsz Man is the chairman of the audit committee and is appropriately qualified as required under Rule 3.10(2) and Rule 3.21 of the Listing Rules.

The audit committee has reviewed the unaudited consolidated financial statements of the Group for the Reporting Period. 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 Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

The Company did not have any treasury shares as at 28 February 2025.





Other Information

MATERIAL LITIGATION

The Group 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 pending or threatened against the Group during the Reporting Period.

EMPLOYEE AND REMUNERATION POLICY

As at 29 February 2024 and 28 February 2025, we had 4,840 and 5,100 employees, respectively. All of the employees are situated in the PRC.

The number of employees employed by the Group varies from time to time depending on business 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 reviewed periodically. As required by PRC laws and regulations, the Company participates in various employee social security insurance plans for its employees that are administered by local governments, including, among others, housing provident funds, pensions, medical insurance, social insurance and unemployment insurance. According to the relevant laws and regulations in the PRC, the amount we are required to contribute for each of our employees under such plans should be calculated based on the employee's actual salary level of the previous year, and be subject to a minimum and maximum level as from time to time prescribed by local authorities.

Compensation of key executives of the Group is reviewed by the Company's remuneration committee based on the Group's performance and the executives' respective contributions to the Group.

The Company has also adopted a pre-IPO share option scheme and a share award scheme.

The total remuneration cost incurred by the Group for the Reporting Period was RMB228.8 million (for the six months ended 29 February 2024: RMB171.9 million).

SHARE SCHEMES

The Company has two existing share schemes, namely the Pre-IPO Share Option Scheme and the Share Award Scheme. The Company has complied, and will continue to comply, with Chapter 17 for the existing share schemes of the Company.

No options or awards were granted under the Pre-IPO Share Option Scheme or the Share Award Scheme during the Reporting Period. Accordingly, the number of Shares that may be issued in respect of all options and awards granted during the Reporting Period to eligible participants pursuant to the Pre-IPO Share Option Scheme and the Share Award Scheme divided by the weighted average number of issued Shares (excluding treasury shares) for the Reporting Period is nil.

Further details and relevant breakdowns of each of the share schemes of the Company are set out below.





Other Information

Pre-IPO Share Option Scheme

In order to incentivise the Directors, senior management and other employees for their contribution to the Group and to attract and retain suitable personnel to the Group, the Company adopted the Pre-IPO Share Option Scheme effective from 9 August 2018. The purpose of the Pre-IPO Share Option Scheme is to provide selected participants with the opportunity to acquire proprietary interests in the Company and to encourage selected participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole. The Pre-IPO Share Option Scheme provides the Company with a flexible means of retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to selected participants.

The overall limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Pre-IPO Share Option Scheme at any time shall not exceed 35,950,000 Shares.

As at 1 September 2024 and 28 February 2025, share options for 32,550,000 Shares were granted to 20 participants under the Pre-IPO Share Option Scheme. The number of Shares available for issue under the Pre-IPO Share Option Scheme was 32,550,000 Shares, representing approximately 2.71% of the total number of issued Shares (excluding treasury shares) as at 28 February 2025. In addition, no further options have been or will be granted under the Pre-IPO Share Option Scheme subsequent to the Listing Date. Accordingly, no options were available for grant under the Pre-IPO Share Option Scheme as at 1 September 2024 and 28 February 2025, respectively.

The table below shows details of the outstanding share options granted to all grantees under the Pre-IPO Share Option Scheme as at 28 February 2025.

Grantees	Position held with the Group	Date of grant	Exercise period	Vesting period	Exercise price	Outstanding as at 1 September 2024	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as at 28 February 2025
Directors											
Chairman Hou	Non-executive Director and chairman of the Board	9 August 2018	20 years from the date of grant	3 to 10 years from the date of grant	HK\$0.00001	8,000,000	-	-	-	-	8,000,000
Ms. Jiang	Executive Director	9 August 2018	20 years from the date of grant	3 to 10 years from the date of grant	HK\$0.00001	8,000,000	-	-	-	-	8,000,000
Mr. Hou	Executive Director	9 August 2018	20 years from the date of grant	3 to 10 years from the date of grant	HK\$0.00001	6,000,000	-	-	-	-	6,000,000
Employee grantees in aggregate		9 August 2018	20 years from the date of grant	3 to 10 years from the date of grant	HK\$0.00001	10,550,000	-	-	-	-	10,550,000
TOTAL						32,550,000	-	-	-	-	32,550,000



Other Information

Share Award Scheme

The Company adopted the Share Award Scheme by the resolutions in writing of the Shareholders on 24 August 2018.

The purpose of the Share Award Scheme is to align the interests of eligible persons with those of the Group through ownership of Shares, dividend and other distributions paid on Shares and/or the increase in value of the Shares, and to encourage and retain eligible persons to make contributions to the long term growth and profits of the Group.

The aggregate number of Shares underlying all grants made pursuant to the Share Award Scheme (excluding Shares which have been forfeited in accordance with the Share Award Scheme) will not exceed 84,000,000 Shares. No awards had been granted or agreed to be granted under the Share Award Scheme. Accordingly, 84,000,000 Shares, representing 7% of the issued share capital of the Company (excluding treasury shares), were available for grant under the Share Award Scheme as at 1 September 2024 and 28 February 2025, respectively.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 28 February 2025, the interests and short positions of our Directors or chief executive of our Company in the Shares, underlying Shares and debentures of our Company or its associated corporation (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO (including the interests and short positions which the Director or chief executive of our Company is taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange, were as follows:

Interest in the Company

Name of Director	Capacity/Nature of Interest	Relevant Company	Number of Shares ⁽²⁾	Approximate Percentage of Shareholding in the Company ⁽¹⁾
Mr. Hou	Interest in a controlled corporation	Chunlai Investment ⁽³⁾	900,000,000(L)	75%
	Beneficial owner ⁽⁵⁾	N/A	6,000,000(L)	0.50%
Chairman Hou	Beneficial owner ⁽⁵⁾	N/A	8,000,000(L)	0.67%
	Interest of spouse ⁽⁴⁾	N/A	8,000,000(L)	0.67%
Ms. Jiang	Beneficial owner ⁽⁵⁾	N/A	8,000,000(L)	0.67%
	Interest of spouse ⁽⁴⁾	N/A	8,000,000(L)	0.67%

Notes:

- The calculation is based on the total number of 1,200,000,000 Shares in issue as at 28 February 2025. The Company has no treasury shares as at 28 February 2025.
- The Letter "L" denotes the person's long position (as defined under Part XV of the SFO) in the Shares.
- Chunlai Investment is wholly-owned by Mr. Hou. Thus, Mr. Hou is deemed to be interested in the Shares in which Chunlai Investment is interested by virtue of the SFO.
- As Chairman Hou and Ms. Jiang are spouses, each of them is deemed to be interested in the interest held by them by virtue of the SFO.
- Such interest refers to share options granted to the Director under the Pre-IPO Share Option Scheme, details of which are set out in the section headed "Share Schemes" above.



Other Information

Interest in Associated Corporations

Name of Director	Capacity/Nature of Interest	Name of associated corporation	Amount of issued share capital/ registered capital/ sponsor capital in the associated corporation	Percentage of holding in the associated corporation
Mr. Hou	Beneficial owner	Chunlai Investment	US\$1	100%
	Beneficial owner	The PRC Holdco	RMB30,000,000	100%
	Beneficial owner ⁽¹⁾	The School Sponsor	RMB113,740,000	100%
Chairman Hou	Beneficial owner ⁽¹⁾ and interest of spouse ⁽²⁾	The School Sponsor	RMB33,780,000	29.7%
Ms. Jiang	Beneficial owner ⁽¹⁾ and interest of spouse ⁽²⁾	The School Sponsor	RMB33,780,000	29.7%

Notes:

1. The sponsor interest of the School Sponsor is held as to 69.3% by Mr. Hou (RMB78,820,000), as to 19.8% by Chairman Hou (RMB22,520,000), as to 9.9% by Ms. Jiang (RMB11,260,000) and as to 1% by the PRC Holdco (RMB1,140,000). Mr. Hou, Chairman Hou and Ms. Jiang agreed that Mr. Hou would effectively own the sponsor interests of the School Sponsor held by Chairman Hou and Ms. Jiang.
2. As Chairman Hou and Ms. Jiang are spouses, each of them is deemed to be interested in the interest held by them by virtue of the SFO.

Save as disclosed above, as at 28 February 2025, so far as is known to any Director or the chief executive of the Company, none of the Directors nor the chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO (including the interests and short positions which the Director is taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.





Other Information

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 28 February 2025, so far as the Directors are aware, the following persons (other than our Directors or chief executive of our Company) and/or corporations had interests or short positions in the Shares or underlying Shares of the Company which would be required to be disclosed to the Company and the Stock Exchange under provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of Substantial Shareholder	Capacity/Nature of Interest	Number of Shares ⁽³⁾	Approximate Percentage of Shareholding ⁽¹⁾
Chunlai Investment ⁽²⁾	Beneficial owner	900,000,000(L)	75%

Notes:

1. The percentages are calculated on the basis of 1,200,000,000 Shares in issue as at 28 February 2025. The Company has no treasury shares as at 28 February 2025.
2. Chunlai Investment is wholly-owned by Mr. Hou. Thus, Mr. Hou is deemed to be interested in the same number of shares in which Chunlai Investment is interested by virtue of the SFO.
3. The letter "L" denotes the person's long position (as defined under Part XV of the SFO) in the Shares.

Save as disclosed above, the Directors are not aware of any other person (other than the Directors or chief executive of the Company) and/or corporations who had an interest or short position in the Shares or underlying Shares of the Company as at 28 February 2025 which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

DIVIDEND

The Board did not recommend the payment of an interim dividend for the Reporting Period (six months ended 29 February 2024: RMB0.0907 (equivalent to approximately HK\$0.1) per ordinary Share).

The final dividend in respect of the year ended 31 August 2024 of RMB0.0924 (equivalent to approximately HK\$0.1) per Share totaling approximately RMB110,880,000 was approved at the annual general meeting of the Company on 10 January 2025.

CHANGES IN INFORMATION OF DIRECTORS AND CHIEF EXECUTIVE

As at the Latest Practicable Date, there had been no change to the information of the Directors and chief executive since the publication of the 2024 annual report, which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.





Other Information

QUALIFICATION REQUIREMENT

Foreign Investment Law

On 15 March 2019, the National People's Congress promulgated the Foreign Investment Law 《中華人民共和國外商投資法》 (“**FIL**”), which came into effect on 1 January 2020. On 26 December 2019, the State Council promulgated the Implementation Regulations on the Foreign Investment Law 《中華人民共和國外商投資法實施條例》 (the “**Implementation Regulations**”), which came into effect on 1 January 2020. The FIL and the Implementation Regulations replaced the trio of existing laws regulating foreign investment in China, namely, the Sino-foreign Equity Joint Venture Enterprise Law, the Sino-foreign Cooperative Joint Venture Enterprise Law and the Wholly Foreign-invested Enterprise Law, together with their implementation rules and ancillary regulations. The FIL and the Implementation Regulations embody an expected PRC regulatory trend to rationalize its foreign investment regulatory regime in line with prevailing international practice and the legislative efforts to unify the corporate legal requirements for both foreign and domestic investments.

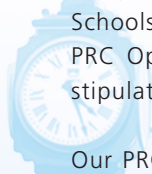
Though the FIL does not explicitly classify contractual arrangements as a form of foreign investment, it contains a catch-all provision under the definition of “foreign investment”, which includes investments made by foreign investors in China through means stipulated in laws or administrative regulations or other methods prescribed by the State Council without elaboration on the meaning of “other methods”. The Implementation Regulations is also silent on whether foreign investment includes contractual arrangements. Therefore, the FIL and the Implementation Rules still leave leeway for future laws, administrative regulations or provisions promulgated by the State Council to provide for contractual arrangements as a form of foreign investment. Given that the FIL and the Implementation Rules are relatively new, uncertainties still exist in relation to its interpretation and implementation, the Company believes that any attempt to evaluate the potential impact that they will have on the Contractual Arrangements and the business of our Group would be premature. The Board will continuously monitor any future laws, administrative regulations or provisions promulgated by the State Council in relation to the contractual arrangements and seek guidance from our PRC Legal Adviser to ensure compliance with all relevant rules and regulations in the PRC at all times.

Updates in Relation to the Qualification Requirement

The foreign investor in a Sino-foreign joint venture school for PRC students at higher education institutions must be a foreign educational institution with relevant qualification and high quality of education (the “**Qualification Requirement**”). The foreign portion of the total investment in a sino-foreign joint venture private school should be below 50% (the “**Foreign Ownership Restriction**”) and domestic party of the sino-foreign joint venture shall play a dominant role (the “**Foreign Control Restriction**”).

On the basis that (a) the principals and other chief executive officers of our PRC Operating Schools and Tianping College are PRC nationals; and (b) the representatives or the directors of our PRC Operating Schools and Tianping College are appointed by PRC entities, our PRC Legal Adviser is of the view that our PRC Operating Schools and Tianping College are in full compliance with the Foreign Control Restriction as stipulated above.

Our PRC Legal Adviser has advised that there are currently no applicable PRC laws and regulations providing clear guidance or interpretation as to what specific criteria must be met by a foreign investor (such as length of experience and form and extent of ownership in the foreign jurisdiction) in order to demonstrate to the relevant education authority that it meets the Qualification Requirement.





Other Information

Efforts and Actions Undertaken to Comply with the Qualification Requirement

The Group is implementing a business plan with a view to expanding our education operations overseas. The Group believes that such business plan represents our commitment and a meaningful endeavour to demonstrate compliance with the Qualification Requirement.

The Group is also in the process of communicating or negotiating with certain experienced and reputational overseas education service providers in various forms of potential cooperation, including but not limited to expanding our school network abroad. Our subsidiary in Hong Kong, Chunlai (Hong Kong), will serve as the main control hub of our overseas business and will be responsible for, among other things:

1. negotiating and executing contracts for international business cooperation, such as contracts for cooperation with foreign education institutions in organising international classes or courses;
2. investing in or acquiring overseas education businesses as and when appropriate;
3. holding our overseas intellectual property rights and licensing them to our international partners; and
4. recruiting and employing overseas education business professionals and advisers outside of PRC.

REGULATORY UPDATE

On 7 November 2016, the 2016 Decision, namely the Decision on Amending the Law for Promoting Private Education of the PRC (《關於修改中華人民共和國民辦教育促進法的決定》) was approved by the Standing Committee of the National People's Congress, which became effective on 1 September 2017. The 2016 Decision has made certain amendments to the Law for Promoting Private Education. According to the 2016 Decision, school sponsors of private schools can choose to establish schools as non-profit or for-profit entities, with the exception of schools providing compulsory education, which can only be established as non-profit entities.

Under the 2016 Decision, a private school electing to re-register as a for-profit school must carry out financial settlement procedures, clarify property ownership, pay relevant taxes and fees, and re-apply for registration. The specific registration requirements for existing private schools shall be formulated by the provincial governments. Pursuant to the Henan Implementation Opinions, Private HEIs in Henan Province shall complete the re-registration procedures by the end of year 2022. Despite the issuance of the Henan Implementation Opinions, the Hubei Implementation Opinions, Implementation Opinions of Jiangsu Government on Encouraging Social Groups to Engage in Education and Promoting the Healthy Development of Private Education (江蘇省政府關於鼓勵社會力量興辦教育促進民辦教育健康發展的實施意見) and Implementation Rules for Classification and Registration of Private Schools in Jiangsu Province (江蘇省民辦學校分類登記實施細則), the specific requirements, policies and procedures for re-registration as for-profit or non-profit private schools remain unclear in Henan, Hubei and Jiangsu provinces. As such, we are unable to quantify the impact that the 2016 Decision may have on our business operations.





Other Information

The Regulations on the Implementation of the Law for Promoting Private Education 《民辦教育促進法實施條例》 (the “**Private Education Regulation**”) was initially issued by the State Council on 5 March 2004 as the primary implementing regulation of the Law for Promoting Private Education of the PRC 《中華人民共和國民辦教育促進法》. After the revision of the Law for Promoting Private Education of the PRC 《中華人民共和國民辦教育促進法》 in 2016, the State Council started to revise the Private Education Regulation. On 14 May 2021, the State Council promulgated the 2021 Revised Private Education Regulations, which have become effective since 1 September 2021. The 2021 Revised Private Education Regulations provide that

- (i) a non-profit private school shall use the accounts filed with the competent authorities for transactions of fees collection and other activities, and a for profit private school shall deposit all of the school’s income into a designated account of its own;
- (ii) private schools providing compulsory education may not transact with connected parties, while transactions between other private schools and their connected parties should follow the principles of transparency, fairness and justice, be reasonably priced and be duly approved internally;
- (iii) a for-profit private school providing education for academic credentials shall have such amount of registered capital commensurate with its type, level and operating scale;
- (iv) school sponsors or actual controllers who operate and/or control multiple private schools shall have sufficient resources and capacities and take the management and supervisory responsibilities for those private schools they operate; and
- (v) the school sponsor of an “existing private school” may, in accordance with its lawful rights and interests, reach agreements with its succeeding school sponsor on the proceeds from the change of school sponsor; the change of controlling shareholder(s) or actual controller(s) shall be filed with relevant government authorities and issue public announcement.

As of 28 February 2025, there was no update in relation to the Group’s re-registration as a for-profit or non-profit private school.





Other Information

UPDATE ON NON-COMPLIANCE MATTERS

Buildings

As of 28 February 2025, we owned buildings with a total ground floor area of approximately 0.93 million square metres for which we have not obtained building ownership certificates, primarily because they were not constructed in full compliance with applicable rules and regulations in the PRC. We commenced construction of these buildings on land when the relevant land use right certificates were still under application, as our management believed that it was a practice acceptable to the relevant local authorities and in compliance with local policies.

We are proactively liaising with the relevant government authorities with a view to complying with the relevant requirements as soon as practicable. As of 28 February 2025, we were in the process of applying for the relevant construction land use planning permits (建設用地規劃許可) and construction planning permits (建設工程規劃許可) for our non-compliant buildings.

We consider that the non-compliance issues concerning our buildings will not have any material adverse effect on our operations as a whole.

The Company undertakes that it will rectify all non-compliances in a timely manner and will update the progress of the rectification of the non-compliance incidents in the Company's subsequent annual and interim reports.

EVENTS AFTER THE REPORTING PERIOD

DeepSeek R1 Model

On 13 March 2025, the Board announced that, in line with the Group's commitment to advancing AI education and applications, the Group intends to deploy the DeepSeek R1 Model as a strategic initiative to optimize student learning, enhance teacher instruction, and foster an environment and culture that positions our schools at the forefront of educational technology. At the initial stage of this strategic initiative, the Group plans to integrate the DeepSeek R1 Model into the Group's AI education platforms developed in collaboration with Beijing Gravity Link Technology Co., Ltd* (北京引力互聯科技有限公司).

For further details, please refer to the announcements of the Company dated 7 February 2024 and 13 March 2025, respectively.

Save as disclosed above and in the section of "Pledge of Assets" in this interim report, there were no other significant events that might affect the Group since the end of the Reporting Period and up to the Latest Practicable Date.





Independent Review Report



**TO THE BOARD OF DIRECTORS OF
CHINA CHUNLAI EDUCATION GROUP CO., LTD.**

中國春來教育集團有限公司

(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 29 to 43, which comprises the condensed consolidated statement of financial position of China Chunlai Education Group Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") as at 28 February 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

ZHONGHUI ANDA CPA Limited

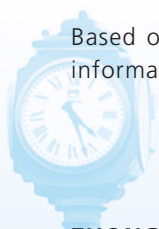
Certified Public Accountants

Li Shun Fai

Engagement Director

Practising Certificate Number P05498

Hong Kong, 29 April 2025





Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Six Months Ended 28 February 2025

	Notes	Six months ended	
		28 February 2025 RMB'000 (Unaudited)	29 February 2024 RMB'000 (Unaudited)
Revenue	4	890,720	813,910
Cost of revenue		(390,943)	(320,204)
Gross profit		499,777	493,706
Other income		67,427	62,120
Other gains and losses, net		5,754	(577)
Selling expenses		(2,685)	(2,254)
Administrative expenses		(121,129)	(117,590)
Profit from operations		449,144	435,405
Finance costs	5	(36,133)	(47,294)
Profit before tax		413,011	388,111
Income tax expenses	6	(6,448)	(3,840)
Total comprehensive income for the period	7	406,563	384,271
Earnings per share	8		
Basic (RMB cents per share)		34	32
Diluted (RMB cents per share)		33	31





Condensed Consolidated Statement of Financial Position

As at 28 February 2025

	Notes	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment	10	3,188,579	3,161,911
Intangible asset		188,000	188,000
Right-of-use assets		752,389	760,590
Prepayment for cooperation agreements		800,111	800,111
Other non-current assets	11	369,640	337,776
		5,298,719	5,248,388
Current assets			
Trade and other receivables	12	1,395,979	1,214,535
Amount due from a shareholder		7	7
Cash and cash equivalents	13	435,311	790,900
		1,831,297	2,005,442
Current liabilities			
Accruals and other payables	14	374,156	395,688
Deferred revenue		1,254	1,541
Contract liabilities		866,048	693,444
Borrowings		1,062,043	1,728,005
Current tax liabilities		37,220	30,772
		2,340,721	2,849,450
Net current liabilities		(509,424)	(844,008)
Total assets less current liabilities		4,789,295	4,404,380
Non-current liabilities			
Deferred revenue		1,018	292
Borrowings		607,045	520,185
		608,063	520,477
NET ASSETS		4,181,232	3,883,903
Capital and reserves			
Share capital	15	10	10
Reserves		4,181,222	3,883,893
TOTAL EQUITY		4,181,232	3,883,903



Condensed Consolidated Statement of Changes in Equity

For the Six Months Ended 28 February 2025

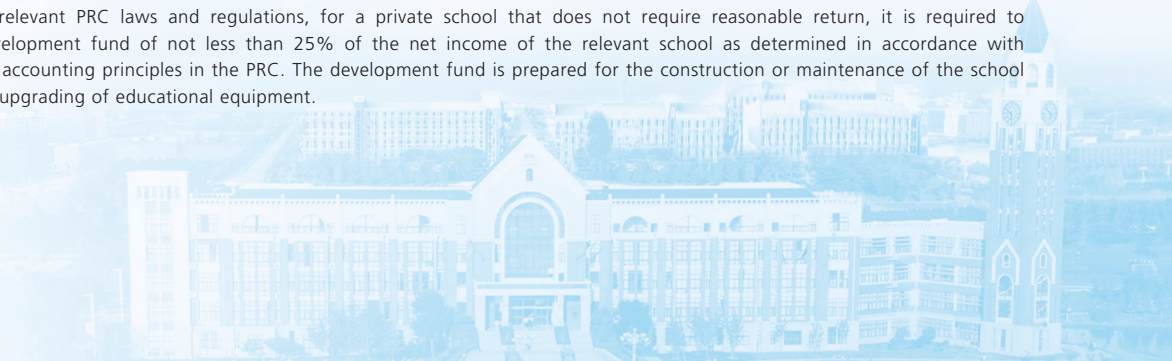
	Share capital <i>RMB'000</i>	Share premium <i>RMB'000</i>	Statutory reserve <i>RMB'000</i> <i>(note i)</i>	Capital reserve <i>RMB'000</i>	Share-based payment reserve <i>RMB'000</i>	Retained earnings <i>RMB'000</i>	Total <i>RMB'000</i>
At 1 September 2023 (Audited)	10	516,431	726,616	142,600	44,474	1,845,528	3,275,659
Total comprehensive income for the period (Unaudited)	–	–	–	–	–	384,271	384,271
Dividends paid (Unaudited)	–	–	–	–	–	(63,898)	(63,898)
Recognition of equity-settled share-based payments (Unaudited)	–	–	–	–	1,692	–	1,692
Transfer to statutory reserve (Unaudited)	–	–	99,979	–	–	(99,979)	–
Forfeit of share options (Unaudited)	–	–	–	–	(1,327)	834	(493)
At 29 February 2024 (Unaudited)	10	516,431	826,595	142,600	44,839	2,066,756	3,597,231
At 1 September 2024 (Audited)	10	516,431	929,679	142,600	46,538	2,248,645	3,883,903
Total comprehensive income for the period (Unaudited)	–	–	–	–	–	406,563	406,563
Dividends paid/payable (Unaudited)	–	–	–	–	–	(110,880)	(110,880)
Recognition of equity-settled share-based payments (Unaudited)	–	–	–	–	1,646	–	1,646
Transfer to statutory reserve (Unaudited)	–	–	105,330	–	–	(105,330)	–
At 28 February 2025 (Unaudited)	10	516,431	1,035,009	142,600	48,184	2,438,998	4,181,232

Note:

- (i) Pursuant to the relevant laws and regulations in the People's Republic of China (the "PRC"), the Company's subsidiaries in the PRC shall make appropriations from after-tax profit to non-distributable reserve funds as determined by the boards of directors of the relevant PRC subsidiaries. These reserves include (i) general reserve fund of the limited liability companies and (ii) the development fund of schools.

For PRC subsidiaries with limited liability, they are required to make annual appropriations to general reserve of 10% of after-tax profits as determined under the PRC laws and regulations at each year end until the balance reaches 50% of the relevant PRC entity's registered capital.

According to the relevant PRC laws and regulations, for a private school that does not require reasonable return, it is required to appropriate to development fund of not less than 25% of the net income of the relevant school as determined in accordance with generally accepted accounting principles in the PRC. The development fund is prepared for the construction or maintenance of the school or procurement or upgrading of educational equipment.





Condensed Consolidated Statement of Cash Flows

For the Six Months Ended 28 February 2025

	Six months ended	
	28 February 2025 RMB'000 (Unaudited)	29 February 2024 RMB'000 (Unaudited)
Notes		
Net cash generated from operating activities	764,601	565,586
Cash flows from investing activities		
Payments for acquisition of property, plant and equipment	(230,054)	(226,797)
Advance to Tianping College	(208,000)	(264,080)
Increase in restricted deposits	(116,000)	–
Payment for land use rights	(389)	(53,240)
Deposits paid for acquisition of land use right	–	(40,758)
Advance to third parties	–	(35,000)
Repayment from Tianping College	30,000	2,800
Interest income received	772	1,797
Repayment from a third party	5,000	–
Withdrawal of pledged deposits	5,000	–
Net cash used in investing activities	(513,671)	(615,278)
Cash flows from financing activities		
Repayment of borrowings	(996,789)	(847,484)
Interest paid	(36,032)	(24,849)
Dividends paid	(112,068)	(15,205)
Proceeds from borrowings	422,370	530,429
Net cash used in financing activities	(722,519)	(357,109)
Net decrease in cash and cash equivalents	(471,589)	(406,801)
Cash and cash equivalents at beginning of period	675,900	789,720
Cash and cash equivalents at end of period	204,311	382,919
Analysis of cash and cash equivalents		
Bank and cash balances – General accounts	13	204,311
		382,919





Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 28 February 2025

1. GENERAL INFORMATION

The Company was incorporated as an exempted company with limited liability under the Companies Act of the Cayman Islands (2023 Revision, as consolidated and revised) on 15 November 2017. The address of registered office of the Company is 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands. The address of principal place of business of the Company is 40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong. Its ultimate holding company is Chunlai Investment Co., Limited, which was incorporated in the British Virgin Islands, and its ultimate controlling shareholder is Mr. Hou Junyu ("Mr. Hou"). The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 13 September 2018 (the "Listing").

The Company is an investment holding company. The principal activities of its subsidiaries are mainly engaged in the operation of private higher education institutions in the People's Republic of China (the "PRC"). The Company and its subsidiaries and its consolidated affiliated entities are collectively referred to as the "Group".

The condensed consolidated financial statements are presented in Renminbi ("RMB"), which is the same as the functional currency of the Company and its subsidiaries.

2. BASIS OF PREPARATION

These condensed consolidated financial statements for the six months ended 28 February 2025 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("IASB") and the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange.

These condensed consolidated financial statements should be read in conjunction with the 2024 annual financial statements. The accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 August 2024.

3. APPLICATION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS

In the current period, the Group has adopted all the new and revised IFRS Accounting Standards issued by the IASB that are relevant to its operations and effective for its accounting period beginning on 1 September 2024. IFRS Accounting Standards comprise International Financial Reporting Standards ("IFRS"), International Accounting Standards ("IAS") and Interpretations. The adoption of these new and revised IFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's condensed consolidated financial statements and amounts reported for the current period and prior periods.

The Group has not applied the new and revised IFRS Accounting Standards that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised IFRS Accounting Standards but is not yet in a position to state whether these new and revised IFRS Accounting Standards would have a material impact on its results of operations and financial position.





Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 28 February 2025

4. REVENUE AND SEGMENT INFORMATION

The Group is mainly engaged in the operation of private higher education institutions in the PRC. Revenue represents tuition and boarding fees from education institutions less sales related tax.

Information reported to the Group's chief operating decision maker, Mr. Hou, for the purpose of resource allocation and assessment of segment performance is on a school by school basis. Each individual school constitutes an operating segment. The services provided and type of customers are similar in each operating segment, and each operating segment are subject to similar regulatory environment. Accordingly, their segment information is aggregated as a single reportable segment which is the same as the consolidated statement of profit or loss and other comprehensive income.

	Six months ended	
	28 February 2025 RMB'000 (Unaudited)	29 February 2024 RMB'000 (Unaudited)
Tuition fees	813,806	741,344
Boarding fees	76,914	72,566
Total revenue	890,720	813,910

All revenue is recognised over time. The Group primarily operates in the PRC. All of the Group's revenue was generated in the PRC and all of the Group's non-current assets are located in the PRC.

No single customer contributes 10% or more of total revenue of the Group during the six months ended 28 February 2025 (six months ended 29 February 2024: Nil).

Revenue is recognised over the relevant period of schooling semesters, i.e. over the period of time when the students simultaneously receive and consume the benefits provided by the Group.

Tuition and boarding fees are generally received in advance prior to the beginning of each school year, and are initially recorded as contract liabilities. The fees are recognised proportionately over the relevant period of the applicable programme. The portion of the fees received from students but not earned is recorded as contract liabilities under current liabilities as such amounts represent revenue that the Group expects to earn within one year.





Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 28 February 2025

5. FINANCE COSTS

	Six months ended	
	28 February 2025 RMB'000 (Unaudited)	29 February 2024 RMB'000 (Unaudited)
Interest expense in relation to:		
– Bank borrowings	25,845	24,092
– Borrowings from non-banking institutes	10,684	24,613
	36,529	48,705
Less: capitalised in construction in progress	(396)	(1,411)
	36,133	47,294

6. INCOME TAX EXPENSES

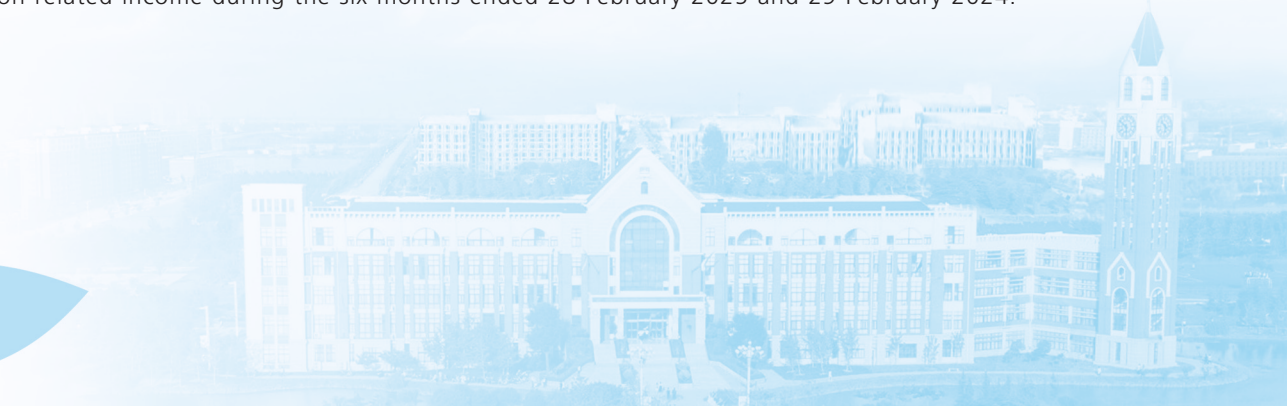
	Six months ended	
	28 February 2025 RMB'000 (Unaudited)	29 February 2024 RMB'000 (Unaudited)
Current tax – PRC Enterprise Income Tax ("EIT")	6,448	3,840

The Company was incorporated in the Cayman Islands while China Chunlai Education (BVI) Limited was incorporated in the British Virgin Islands, both jurisdictions are tax exempted.

No provision for Hong Kong profits tax was provided as the Group did not have assessable profits arising in Hong Kong during the six months ended 28 February 2025 and 29 February 2024.

EIT is provided on taxable profits of entities established in the PRC. Pursuant to the Enterprise Income Tax Law of the PRC (the "EIT Law"), the EIT rate of the PRC subsidiaries was 25% during the six months ended 28 February 2025 and 29 February 2024.

Shangqiu University, Shangqiu University Kaifeng Campus, Anyang University, Anyang University Yuanyang Campus, Hubei Jiankang Vocational College and Jingzhou College enjoyed tax exemption for tuition related income during the six months ended 28 February 2025 and 29 February 2024.





Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 28 February 2025

7. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD

This is stated at after charging/(crediting) the following:

	Six months ended	
	28 February 2025 RMB'000 (Unaudited)	29 February 2024 RMB'000 (Unaudited)
Depreciation of property, plant and equipment	127,342	115,407
Depreciation of right-of-use assets	8,590	8,386
Foreign exchange (gain)/loss	(5,652)	577
Staff costs (including directors' remuneration):		
– Salaries, bonuses and allowances	192,616	146,756
– Retirement benefit scheme contributions	34,489	23,499
– Equity-settled share-based payments	1,646	1,199
	228,751	171,454

8. EARNINGS PER SHARE

	Six months ended	
	28 February 2025 (Unaudited)	29 February 2024 (Unaudited)
Earnings:		
Earnings for the purpose of calculating basic and diluted earnings per share (Profit attributable to owners of the Company) (in RMB'000)	406,563	384,271
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	1,200,000,000	1,200,000,000
Effect of dilutive potential ordinary shares:		
Pre-IPO share options	31,622,473	30,809,727
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	1,231,622,473	1,230,809,727



Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 28 February 2025

9. DIVIDENDS

	Six months ended	
	28 February 2025 RMB'000 (Unaudited)	29 February 2024 RMB'000 (Unaudited)
Proposed interim dividend of RMBNil (equivalent to HK\$Nil) (2024: RMB0.0907 (equivalent to approximately HK\$0.1)) per ordinary share (note i and ii)	–	108,840
Final dividend for the year ended 31 August 2024 approved and paid/payable – RMB0.0924 (equivalent to approximately HK\$0.1) (2023: RMB0.053 (equivalent to approximately HK\$0.058)) per ordinary share (note iii and iv)	110,880	63,985

Notes:

- (i) The Board does not recommend the payment of an interim dividend for the six months ended 28 February 2025.
- (ii) The interim dividend in respect of the six months ended 29 February 2024 of RMB0.0907 per ordinary share (equivalent to approximately HK\$0.1 per ordinary share) totaling approximately RMB108,840,000 (equivalent to approximately HK\$120,000,000) was declared and which approximately RMB107,527,000 (equivalent to approximately HK\$118,556,000) was paid during the year ended 31 August 2024, with approximately RMB1,000 (equivalent to approximately HK\$1,000) was paid, and with approximately RMB1,342,000 (equivalent to approximately HK\$1,443,000) remained payable during the six months ended 28 February 2025.
- (iii) The final dividend in respect of the year ended 31 August 2023 of RMB0.053 per ordinary share (equivalent to approximately HK\$0.058 per ordinary share) totaling approximately RMB63,985,000 (equivalent to approximately HK\$69,600,000) was approved at the annual general meeting on 19 January 2024, which approximately RMB63,224,000 (equivalent to approximately HK\$68,763,000) was paid during the year ended 31 August 2024, with approximately RMB793,000 (equivalent to approximately HK\$837,000) remained payable as at 28 February 2025.
- (iv) The final dividend in respect of the year ended 31 August 2024 of RMB0.0924 per ordinary share (equivalent to approximately HK\$0.1 per ordinary share) totaling approximately RMB110,880,000 (equivalent to approximately HK\$120,000,000) was approved at the annual general meeting on 10 January 2025, which approximately RMB112,067,000 (equivalent to approximately HK\$119,998,000) was paid during the six months ended 28 February 2025, with approximately RMB2,000 (equivalent to approximately HK\$2,000) remained payable as at 28 February 2025.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 28 February 2025, the Group acquired property, plant and equipment of approximately RMB152,736,000 (six months ended 29 February 2024: RMB241,193,000) for the purpose of construction and improvement of campus infrastructure. As at 28 February 2025, the formal title certificates for certain buildings of the Group with carrying value of approximately RMB1,505,952,000 (as at 31 August 2024: RMB1,398,507,000) had not been obtained.



Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 28 February 2025

11. OTHER NON-CURRENT ASSETS

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Prepayments/deposits paid for acquisition of property, plant and equipment	28,320	2,732
Pledged deposit (note i)	291,320	285,044
Deposit paid (note ii)	50,000	50,000
	369,640	337,776

Notes:

- (i) Offshore foreign deposit of USD40,000,000 (equivalent to approximately RMB291,320,000 (31 August 2024: RMB283,604,000)) is treated as a security to borrow an equivalent onshore long-term loan denominated in RMB in the PRC from a third party with repayment date of July 2026.

As at 31 August 2024, pledged deposits of RMB1,440,000 are secured for borrowings of RMB207,163,000. During the six months ended 28 February 2025, pledged deposits of RMB1,440,000 are fully settled to the Group as secured borrowing of RMB207,163,000 is fully settled.

- (ii) Deposit paid of RMB50,000,000 represents the refundable security deposit paid to Suzhou University of Science and Technology.

To guarantee that the Group will safeguard the school facilities and reputation of Suzhou University of Science and Technology and that the Group will operate Tianping College properly, the Group paid RMB50,000,000 as security deposit and provided a guarantee of RMB150,000,000 (the "Guarantee") to Suzhou University of Science and Technology. The Guarantee is provided by a financial institution, Mr. Hou and the Company.





Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 28 February 2025

12. TRADE AND OTHER RECEIVABLES

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Tuition and boarding fee receivables (note i)	76,856	116,944
Service income receivables (note v)	168,734	133,684
Consultancy income receivables from Tianping College	45,000	40,000
Interest receivables from Tianping College	77,031	58,045
Advance to third parties (note ii)	92,860	97,860
Advance to Tianping College (note iii)	900,700	722,700
Other receivables	17,894	19,402
Interest receivables	14,672	11,751
Prepaid expenses	2,232	2,649
Pledged deposit (note iv)	–	11,500
	1,395,979	1,214,535

Notes:

- (i) The students are required to pay tuition and boarding fees in advance for the upcoming school years, which normally commences in August or September. The outstanding receivables mainly represent amounts related to the registered students who have applied for the delayed payment of tuition fees and boarding fees. These delay payments were primarily due to the application of students' loan, which generally take a few months to be settled from governmental institutions. There is no fixed credit term for payments. The Group's tuition receivables were due to a large number of individual students, there is no significant concentration of credit risk and no impairment is considered necessary based on the historical settlement pattern from students. The Group does not hold any collateral or other credit enhancement over its tuition receivables balance.

An ageing analysis of tuition and boarding fee receivables as at the end of the reporting period, based on the transaction date, is as follows:

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
0-180 days	31,796	68,468
181-365 days	–	31,598
Over 1 year	45,060	16,878
	76,856	116,944

- (ii) As at 28 February 2025, the advance with principal amount of RMB87,860,000 (31 August 2024: RMB92,860,000) is unsecured, interest bearing at 6% per annum (31 August 2024: 6% per annum) and repayable in February 2026 (31 August 2024: February 2025).

As at 28 February 2025 and 31 August 2024, the advance with principal amount of RMB5,000,000 is unsecured, interest bearing at 4.75% per annum and repayable in August 2025.

- (iii) As at 28 February 2025, the advance to Tianping College with principal amount of RMB900,700,000 (31 August 2024: RMB722,700,000) was unsecured, interest bearing at 4.75% per annum (31 August 2024: 4.75% per annum) and repayable in August 2025 (31 August 2024: August 2025).

- (iv) As at 31 August 2024, pledged deposits of RMB11,500,000 are secured for borrowings of RMB41,978,000. During the six months ended 28 February 2025, pledged deposits of RMB11,500,000 are fully settled to the Group as secured borrowing of RMB41,978,000 is fully settled.

- (v) RMB142,680,000 of service income receivables have been settled subsequent to 28 February 2025.

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 28 February 2025

13. CASH AND CASH EQUIVALENTS

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Bank and cash balances		
– General accounts	204,311	675,900
– Restricted deposits	231,000	115,000
	435,311	790,900

Bank balances and cash comprise cash and short-term deposits held by the Group with an original maturity of three months or less.

14. ACCRUALS AND OTHER PAYABLES

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Interest payables	2,336	1,827
Accrued staff benefits and payroll	53,927	51,694
Payables for purchase of property, plant and equipment and construction	147,328	198,221
Receipt on behalf of ancillary services providers	65,488	60,381
Other payables, accruals and deposits received	80,617	61,376
Other taxes payables	22,323	20,115
Dividend payable	2,137	2,074
	374,156	395,688





Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 28 February 2025

15. SHARE CAPITAL

	Number of shares	Amount HK\$	Amount RMB	Amount RMB'000
Ordinary shares of HK\$0.00001 each				
Authorised:				
As at 1 September 2023, 31 August 2024, 1 September 2024 (Audited) and 28 February 2025 (Unaudited)	50,000,000,000	500,000	424,570	425
Issued and fully paid:				
As at 1 September 2023, 31 August 2024, 1 September 2024 (Audited) and 28 February 2025 (Unaudited)	1,200,000,000	12,000	9,867	10

16. CAPITAL COMMITMENTS

The Group's capital commitments at the end of the reporting period are as follows:

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Capital expenditure in respect of acquisition of property, plant and equipment contracted but not provided for	149,956	42,231
Capital expenditure in respect of land use rights	7,022	7,022
Capital expenditure in respect of capital contribution to Tianping College	30,000	30,000
	186,978	79,253





Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 28 February 2025

17. RELATED PARTY TRANSACTIONS

- (a) In addition to those related party transactions and balances disclosed elsewhere in the condensed consolidated financial statements, the Group had the following material transactions with its related parties during the period:

	Six months ended	
	28 February 2025 RMB'000 (Unaudited)	29 February 2024 RMB'000 (Unaudited)
Consultancy income from Tianping College (note i)	4,717	7,075
Interest income from Tianping College (note i)	18,986	10,907

The balances with related parties at the end of the reporting period are as follows:

	As at	
	28 February 2025 RMB'000 (Unaudited)	31 August 2024 RMB'000 (Audited)
Consultancy income receivables from Tianping College (note i)	45,000	40,000
Interest receivables from Tianping College (note i)	77,031	58,045
Advance to Tianping College (note i)	900,700	722,700

Note:

- (i) Mr. Hou is the director and ultimate controlling shareholder of the Company and a director of Tianping College.

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the period indicated were as follows:

	Six months ended	
	28 February 2025 RMB'000 (Unaudited)	29 February 2024 RMB'000 (Unaudited)
Short-term benefits	3,121	3,546
Equity-settled share-based payments	1,107	1,138
	4,228	4,684

Notes to the Condensed Consolidated Financial Statements

For the Six Months Ended 28 February 2025

18. EVENTS AFTER THE REPORTING PERIOD

DeepSeek R1 Model

On 13 March 2025, the Board announced that, in line with the Group's commitment to advancing AI education and applications, the Group intends to deploy the DeepSeek R1 Model as a strategic initiative to optimize student learning, enhance teacher instruction, and foster an environment and culture that positions our schools at the forefront of educational technology. At the initial stage of this strategic initiative, the Group plans to integrate the DeepSeek R1 Model into the Group's AI education platforms developed in collaboration with Beijing Gravity Link Technology Co., Ltd* (北京引力互聯科技有限公司).

For further details, please refer to the announcements of the Company dated 7 February 2024 and 13 March 2025, respectively.

Save as disclosed in this interim report, there were no other significant events that might affect the Group since the end of the six months ended 28 February 2025.

19. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved and authorised for issue by the Board of Directors on 29 April 2025.





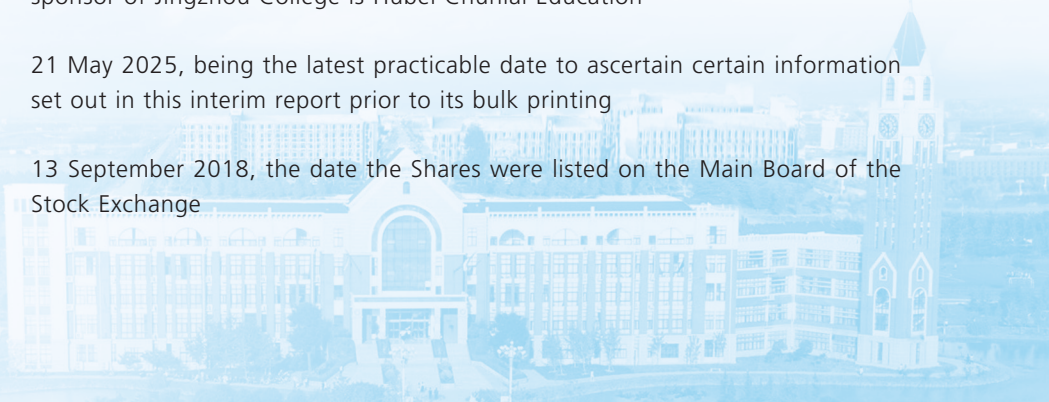
Definitions

"AI"	artificial intelligence
"Anyang University"	Anyang University (安陽學院), a Private HEI (formerly an independent college known as College of Humanities and Management of Anyang Normal University) (安陽師範學院人文管理學院) that obtained approval from MOE for its establishment on 25 April 2003 (excluding the Wenming Avenue (文明大道) campus of the College of Humanities and Management of Anyang Normal University, which was managed by Anyang Normal University) and one of our PRC Operating Schools
"Anyang University Yuanyang Campus"	Anyang University Yuanyang Campus (安陽學院原陽校區), a branch college (下屬學院) of Anyang University located in Yuanyang, Henan Province, the PRC that obtained approval from the Education Department of Henan Province (河南省教育廳) for its establishment on April 2021
"Board" or "Board of Directors"	the board of Directors
"BVI"	the British Virgin Islands
"Chairman Hou"	Mr. Hou Chunlai (侯春來), a PRC citizen, a non-executive Director and Chairman of the Board, and spouse of Ms. Jiang and father of Mr. Hou
"China" or "PRC"	the People's Republic of China and, except where the context requires otherwise and only for the purposes of this interim report, references to China or the PRC exclude Hong Kong, Macau and Taiwan; the term "Chinese" has a similar meaning
"Chunlai (Hong Kong)"	China Chunlai Education (Hong Kong) Limited (中國春來教育(香港)有限公司), a company with limited liability incorporated in Hong Kong on 19 December 2017 and a wholly-owned subsidiary of our Company
"Chunlai Investment"	Chunlai Investment Co., Ltd (春來投資有限公司), a company incorporated in the BVI with limited liability on 13 July 2017 and one of the Controlling Shareholders
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) effective from 3 March 2014, as amended, supplemented or otherwise modified from time to time
"Company", "the Company" or "our Company"	China Chunlai Education Group Co., Ltd. (中國春來教育集團有限公司), an exempted company with limited liability incorporated in the Cayman Islands on 15 November 2017
"consolidated affiliated entities" or "consolidated affiliated entity"	the entities we control through the Contractual Arrangements from time to time
"Contractual Arrangements"	the series of contractual arrangements entered into by, among others, WFOE, Mr. Hou, Chairman Hou, Ms. Jiang and the Group's consolidated affiliated entities, details of which are described in the section headed "Contractual Arrangements" in the Prospectus



Definitions

"Controlling Shareholders"	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. Hou and Chunlai Investment
"CG Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"Directors(s)"	the director(s) of the Company
"Group", "our Group", "the Group", "we", "us" or "our"	the Company, its subsidiaries and the consolidated affiliated entities from time to time or, where the context so requires, in respect of the period prior to the Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of the Company at the relevant time
"Henan Implementation Opinions"	the Implementation Opinions of Henan Government on Encouraging the Operation of Education by Social Forces and Promoting the Healthy Development of Private Education (《河南省人民政府關於鼓勵社會力量興辦教育進一步促進民辦教育健康發展的實施意見》) promulgated by the Henan Municipal Government on 2 February 2018
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hubei Chunlai Education"	Hubei Chunlai Education Technology Corporation (湖北春來教育科技有限公司), one of our consolidated affiliated entities and the sole school sponsor of Jiankang College and Jingzhou College
"Hubei College"	College of Engineering and Technology of Yangtze University (長江大學工程技術學院), an independent college of Yangtze University (長江大學) located in Hubei Province, the PRC that obtained approval from MOE for its establishment on 18 March 2004
"IFRS"	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
"Jiankang College"	Hubei Jiankang Vocational College (湖北健康職業學院), a private higher education vocational school (民辦高等職業學校) in the PRC and one of our PRC Operating Schools. The school sponsor of Jiankang College is Hubei Chunlai Education
"Jingzhou College"	Jingzhou College (荊州學院), formerly known as Hubei College prior to the conversion of Hubei College into a private ordinary college (民辦普通高等學校) and change of school sponsor, one of our PRC Operating Schools. The school sponsor of Jingzhou College is Hubei Chunlai Education
"Latest Practicable Date"	21 May 2025, being the latest practicable date to ascertain certain information set out in this interim report prior to its bulk printing
"Listing Date"	13 September 2018, the date the Shares were listed on the Main Board of the Stock Exchange





Definitions

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with GEM of the Stock Exchange
"Ministry of Education" or "MOE"	the Ministry of Education of the PRC (中華人民共和國教育部)
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"Mr. Hou"	Mr. Hou Junyu (侯俊宇), a PRC citizen, an executive Director and our Controlling Shareholder, and son of Chairman Hou and Ms. Jiang
"Ms. Jiang"	Ms. Jiang Shuqin (蔣淑琴), a PRC citizen and an executive Director, and spouse of Chairman Hou and mother of Mr. Hou
"PRC Holdco"	Henan Chunlai Education Technology Co., Ltd. (河南春來教育科技有限公司), a limited liability company established in the PRC on 1 August 2017 and one of our consolidated affiliated entities
"PRC Legal Adviser"	Tian Yuan Law Firm, our legal adviser as to PRC laws and regulations
"PRC Operating Schools"	Shangqiu University (including Shangqiu University Kaifeng Campus), Anyang University, Jiankang College and Jingzhou College, consolidated affiliated entities of the Company
"Pre-IPO Share Option Scheme"	the share option scheme effective from 9 August 2018, the principal terms of which are set out in the section headed "Statutory and General Information – D. Pre-IPO Share Option Scheme and Share Award Scheme – 1. Pre-IPO Share Option Scheme" in Appendix V to the Prospectus
"Prospectus"	the prospectus of the Company published on 31 August 2018
"Reporting Period"	the six months ended 28 February 2025
"RMB"	Renminbi, the lawful currency of PRC
"School Sponsor"	Henan Shangqiu Chunlai Education Corporation (河南商丘春來教育集團), a private non-enterprise entity (民辦非企業單位) established in the PRC on 18 October 2004, a consolidated affiliated entity of the Company and the sole school sponsor of each of Shangqiu University (including Shangqiu University Kaifeng Campus) and Anyang University
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

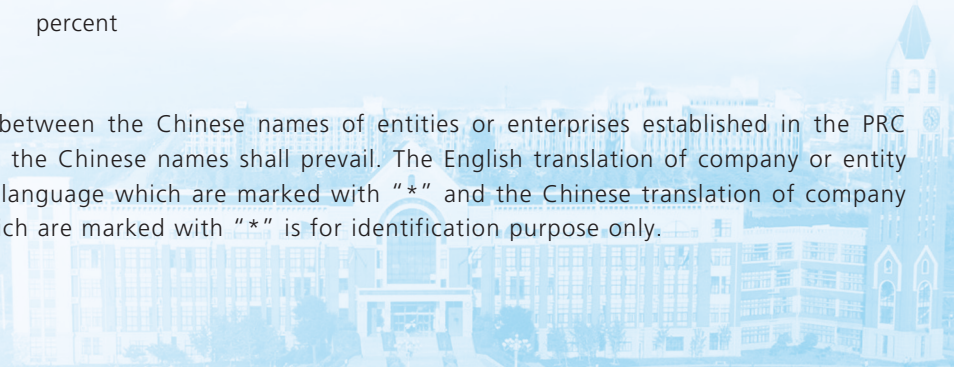
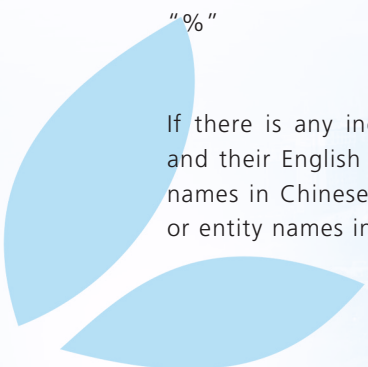




Definitions

"Shangqiu University"	Shangqiu University (商丘學院), a Private HEI (formerly an independent college known as Huayu College of Henan Agricultural University (河南農業大學華豫學院) that obtained approval from MOE for its establishment on 14 July 2005) and one of our PRC Operating Schools; operating and financial data stated to be of Shangqiu University presented in this document do not include contributions by Shangqiu University Kaifeng Campus, unless otherwise specified
"Shangqiu University Kaifeng Campus"	Shangqiu University Applied Science and Technology College (商丘學院應用科技學院), a branch college (下屬學院) of Shangqiu University located in Kaifeng, Henan Province, the PRC that obtained approval from the Education Department of Henan Province (河南省教育廳) for its establishment on 16 May 2013
"Share(s)"	ordinary share(s) in the Company of par value of HK\$0.00001 each
"Share Award Scheme"	the share award scheme approved and adopted by the sole shareholder of the Company on 24 August 2018, the principal terms of which are set out in the section headed "Statutory and General Information – D. Pre-IPO Share Option Scheme and Share Award Scheme – 2. Share Award Scheme" in Appendix V to the Prospectus
"Shareholder(s)"	holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto in section 15 of the Companies Ordinance
"Tianping College"	Tianping College of Suzhou University of Science and Technology (蘇州科技大學天平學院), an independent college of Suzhou University of Science and Technology
"treasury shares"	has the meaning ascribed to it under the Listing Rules
"United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US\$"	United States dollars, the lawful currency of the United States
"WFOE"	Henan Chunlai Education Information Consultancy Co., Ltd. (河南春來教育信息諮詢有限公司), a company established in the PRC with limited liability on 19 January 2018 and a wholly-owned subsidiary of our 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 translation of company or entity names in Chinese or another language which are marked with "*" and the Chinese translation of company or entity names in English which are marked with "*" is for identification purpose only.





Glossary

"college"	a higher educational institution offering bachelor's degree programmes and junior college diploma programmes, which may be a branch college (下屬學院) and may not be a separate legal entity
"high school"	a school that provide education for students in grade 10 through grade 12
"higher education"	an optional final stage of formal learning that occurs after high school, which is often delivered at universities, academies, colleges and institutes of technology
"independent college"	a bachelor-degree level higher education institution established by a public university that provides formal education in bachelor-degree level or above in association with individuals or social organisations other than governmental institutions using non-government funds
"private HEI", "private higher education institution" or "private university"	a PRC private higher education institution (民辦高等教育機構) not affiliated with any public universities that is operated by non-governmental entity(ies) or individual(s) where government funding is not a major source of capital and has open admission and enrolment to the public
"private school"	a school that is not run by local, provincial or national governments
"public school"	a school that is run by local, provincial or national governments
"school sponsor"	an individual or entity that funds or holds interests in an educational institution
"vocational education programme"	a three-year vocational education programme that generally enrolls middle school graduates or a one-year vocational programme that generally enrolls high school graduates, and upon the completion of which a vocational high school diploma will be granted

