



# Chen Lin Education Group Holdings Limited 辰林教育集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1593

## 2025 Interim Report



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# DEFINITIONS

"Audit Committee"	the audit committee of the Board, comprising solely the independent non-executive Directors
"Board"	the board of Directors
"BVI"	the British Virgin Islands
"CEO"	the chief executive officer of the Company
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"Chairman"	the chairman of the Board
"Chen Lin Elite Holdings"	Chen Lin Elite Holdings Limited, a company incorporated under the laws of the BVI on 5 July 2018 and wholly-owned by Huangyulin Holdings
"Chen Lin High School"	Zhengzhou Airport Economy Zone Chen Lin High School (鄭州航空港區辰林高級中學), a private high school located in Henan Province, the PRC, established in 2017, which offers high school programs, and the sponsor of which is Henan Kunren and one of the Consolidated Affiliated Entities
"China" or "PRC"	the People's Republic of China, which for the purpose of this interim report and unless otherwise stated, excludes Hong Kong, the Macau Special Administrative Region and Taiwan Region
"Company" or "our Company"	Chen Lin Education Group Holdings Limited (辰林教育集團控股有限公司), a company incorporated under the laws of the Cayman Islands with limited liability on 25 May 2018 and listed on the Main Board of the Stock Exchange on 13 December 2019 (Stock Code: 1593)
"Consolidated Affiliated Entities"	the entities we control through the Contractual Arrangements, namely Chen Lin High School, Gan Zhou Chen Lin, Guizhou College, Guizhou Xikai, Henan Kunren, Jiangxi Jishi College, JXIAS, Nanchang Di Guan and Ruicheng Education
"Contractual Arrangements"	certain contractual arrangements entered by us on 15 September 2018
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. Huang Yulin, an executive Director, the Chairman and CEO, as well as Huangyulin Holdings and Chen Lin Elite Holdings
"Director(s)"	the director(s) of the Company

## DEFINITIONS

"double qualification teachers"	full-time teachers with title of lecturer and above in addition to professional qualification or industry experience
"Gan Zhou Chen Lin"	Gan Zhou Chen Lin Education Investment Co., Ltd. (贛州辰林教育投資有限公司), a company established under the laws of the PRC with limited liability, one of the Consolidated Affiliated Entities
"Group", "we" or "us"	the Company and all of its subsidiaries and companies whose financial results have been consolidated and accounted for as the subsidiaries of our Company by virtue of the Contractual Arrangements, or, where the context so requires, in respect of the period before our Company became the holding company of our current subsidiaries, the business operated by such subsidiaries or their predecessors (as the case may be)
"Guizhou College"	Guizhou Vocational College of Industry and Trade (貴州工貿職業學院), a higher vocational college located in Guizhou Province, the PRC, established in May 2015, which offers vocational programs and junior college programs, and the sponsor of which is Guizhou Xikai and one of the Consolidated Affiliated Entities
"Guizhou Jishi College"	Guizhou Chenlin Industry and Trade Technician College (貴州辰林工貿技師學院), a private full-time vocational college located in Bijie, Guizhou Province, the PRC, established in October 2024, which offers vocational programs and is held by Guizhou Xikai
"Guizhou Xikai"	Guizhou Xikai Education Investment Co., Ltd (貴州西凱教育投資有限公司), a company established under the laws of the PRC with limited liability in May 2015, being the sponsor of Guizhou College, one of the Consolidated Affiliated Entities
"Henan Kunren"	Henan Kun Ren Education Science Technology Co., Ltd (河南坤仁教育科技有限公司), a company established under the laws of the PRC with limited liability in May 2017, being the sponsor of Chen Lin High School, one of the Consolidated Affiliated Entities
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Huangyulin Holdings"	Huangyulin Holdings Limited, a company incorporated under the laws of the BVI on 22 May 2018 and wholly-owned by Mr. Huang Yulin, an executive Director, the Chairman, CEO and one of the Controlling Shareholders
"IFRSs"	the International Financial Reporting Standards

# DEFINITIONS

“Independent Third Party”	an individual(s) or company(ies) who or which is/are to the best of our Director’s knowledge, information and belief, having made all reasonable enquiries, is/are not our connected persons as defined under the Listing Rules
“Jiangxi Jishi College”	Jiangxi College of Arts and Sciences Technicians (江西文理技師學院), a full-time vocational college located in Jiangxi Province, the PRC, established in November 2019, comprising two campuses in Nanchang and Longnan, Jiangxi Province, the PRC, which offers vocational programs, and the sponsor of which is Ruicheng Education and one of the Consolidated Affiliated Entities
“JXIAS”	Jiangxi Institute of Applied Science and Technology (江西應用科技學院), a private university located in Jiangxi Province, the PRC, established in April 2002, which offers both undergraduate and junior college programs, and the sponsor of which is Nanchang Di Guan and one of the Consolidated Affiliated Entities
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, supplemented or otherwise modified from time to time)
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“Nanchang Di Guan”	Nanchang Di Guan Education Consultancy Co., Ltd. (南昌迪冠教育諮詢有限公司), a company established under the laws of the PRC with limited liability in September 2009, being the sponsor of JXIAS and one of the Consolidated Affiliated Entities
“Prospectus”	the prospectus of the Company dated 27 November 2019
“RMB”	Renminbi, the lawful currency of the PRC
“RSU(s)”	restricted share units granted pursuant to the RSU Scheme
“RSU Scheme”	the restricted share unit scheme adopted by our Company on 20 August 2019 and amended by an ordinary resolution passed by the Shareholders on 30 January 2023
“Ruicheng Education”	Nanchang Ruicheng Education Consultancy Co., Ltd. (南昌市瑞誠教育諮詢有限公司), a company established under the laws of the PRC with limited liability in June 2020, being the sponsor of Jiangxi Jishi College, one of the Consolidated Affiliated Entities

## DEFINITIONS

"Schools"	JXIAS, Jiangxi Jishi College, Guizhou College, Guizhou Jishi College and Chen Lin High School, which are the five schools owned and operated by our Group as at 28 February 2025
"senior management"	the senior management of the Company
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (as amended, supplemented or otherwise modified from time to time)
"Share(s)"	ordinary share(s) of HK\$0.0001 each of the issued share capital of the Company
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"treasury shares"	has the meaning ascribed to it under the Listing Rules
"%"	per cent



# CORPORATE PROFILE

## BOARD OF DIRECTORS

### Executive Directors

Mr. Huang Yulin (*Chairman and CEO*)

Mr. Wang Li (*co-president*)

Ms. Gan Tian (*co-president*)

Ms. She Hui (*chief financial officer*)  
(*appointed on 1 January 2025*)

Mr. Liu Chunbin (*vice president*)  
(*resigned on 1 January 2025*)

### Independent Non-executive Directors

Mr. Sy Lai Yin, Sunny

Mr. Wang Donglin

Mr. Qin Huimin (*appointed on 1 January 2025*)

Mr. Chen Wanlong (*resigned on 1 January 2025*)

Mr. Huang Juyun (*resigned on 1 January 2025*)

## AUDIT COMMITTEE

Mr. Sy Lai Yin, Sunny (*Chairman*)

Mr. Wang Donglin

Mr. Qin Huimin (*appointed on 1 January 2025*)

Mr. Chen Wanlong (*resigned on 1 January 2025*)

Mr. Huang Juyun (*resigned on 1 January 2025*)

## REMUNERATION COMMITTEE

Mr. Qin Huimin (*Chairman*)

(*appointed on 1 January 2025*)

Mr. Sy Lai Yin, Sunny

Mr. Wang Li

Mr. Chen Wanlong (*Chairman*)

(*resigned on 1 January 2025*)

Mr. Huang Juyun (*resigned on 1 January 2025*)

## NOMINATION COMMITTEE

Mr. Wang Donglin (*Chairman*)

(*appointed as the chairman on 1 January 2025*)

Ms. Gan Tian

Mr. Qin Huimin (*appointed on 1 January 2025*)

Mr. Huang Juyun (*Chairman*)

(*resigned on 1 January 2025*)

Mr. Chen Wanlong (*resigned on 1 January 2025*)

## COMPANY SECRETARY

Ms. Yu Anne

## AUTHORISED REPRESENTATIVES

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

Mr. Huang Yulin

Ms. Yu Anne

## AUDITOR

BDO Limited

*Certified Public Accountants*

*Registered Public Interest Entity Auditor*

25th Floor, Wing On Centre

111 Connaught Road Central

Central

Hong Kong

## LEGAL ADVISER

*As to Hong Kong law*

Eric Chow & Co.

in Association with Commerce & Finance Law Offices

3401, Alexandra House

18 Chater Road

Central

Hong Kong

## STOCK CODE

1593

## REGISTERED OFFICE IN THE CAYMAN ISLANDS

Walkers Corporate Limited

190 Elgin Avenue

George Town

Grand Cayman KY1-9008

Cayman Islands

# CORPORATE PROFILE

## HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN CHINA

No. 001, Xinjian Lianfu Dadao  
Nanchang  
Jiangxi  
PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Dah Sing Financial Centre  
No. 248 Queen's Road East  
Wanchai  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Walkers Corporate Limited  
190 Elgin Avenue  
George Town  
Grand Cayman KY1-9008  
Cayman Islands

## HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712–1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

## PRINCIPAL BANKS

*(in alphabetical order)*

Bank of Beijing Co., Ltd.  
Bank of China Limited  
Bank of Jiujiang Co., Ltd.  
China CITIC Bank Corporation Limited  
China Everbright Bank Co., Ltd.  
China Merchants Bank Co., Ltd.  
China Zheshang Bank Co., Ltd.  
Shanghai Pudong Development Bank Co., Ltd.

## COMPANY'S WEBSITE

[www.chenlin-edu.com](http://www.chenlin-edu.com)



# FINANCIAL PERFORMANCE HIGHLIGHTS

	For the six months ended		
	28 February 2025 RMB'000 (Unaudited)	29 February 2024 RMB'000 (Unaudited)	Change RMB'000 (Unaudited)
Revenue	336,720	332,060	4,660
Gross profit	104,346	102,244	2,102
Profit/(loss) for the period	4,569	(14,211)	18,780
EBITDA (Note (i))	122,095	93,961	28,134
Basic earnings/(loss) per Share (RMB cents)	0.48	(1.48)	1.96

Note:

(i) Non-IFRS Measures

To supplement the Group's consolidated financial statements which are presented in accordance with the IFRS, the Company also uses Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") as additional financial measures, which is not required by, or presented in accordance with the IFRS. The Company believes that the non-IFRS measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of items that the management do not consider to be indicative of the Group's operating performance. The Company believes that the non-IFRS measures provide useful information to both the management, the Shareholders and potential investors in understanding and evaluating the Group's consolidated results of operations. However, the Company's presentation of such adjusted figures may not be comparable to a similarly titled measure presented by other companies. The use of the non-IFRS measures have limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, the Group's results of operations or financial condition as reported under the IFRS.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

We are one of the leading providers of private comprehensive education services in Jiangxi Province, the PRC, with years of experience in the private comprehensive education service industry, being an education group specializing in full-system applied undergraduate education, vocational education and quality high school education. As at 28 February 2025, we operate five Schools, namely, (i) JXIAS, a private university located in Jiangxi Province, the PRC; (ii) Jiangxi Jishi College, a private full-time vocational college located in Jiangxi Province, the PRC, comprising two campuses located in Nanchang and Longnan, Jiangxi Province, the PRC; (iii) Guizhou College, a private higher vocational college located in Guizhou Province, the PRC; (iv) Guizhou Jishi College, a private full-time vocational college located in Guizhou Province, the PRC; and (v) Chen Lin High School, a private high school located in Henan Province, the PRC.

We mainly offer undergraduate programs, junior college programs, vocational programs and high school programs, as well as diverse education related services. As at 28 February 2025, our five Schools had over 30,000 enrolled students.

Our mission is to cultivate innovative talents with practical skills and knowledge and to provide talent support for the development of urbanisation in China (為新型城鎮化建設與管理培養高層次、高技能、創新型和應用型人才). We insist adopting the development strategy of “full-system vocational education and quality high school education (全體系職業教育和優質高中教育)”, which emphasizes both academic education and training education, talent cultivation and service export (學歷教育與培訓教育同舉，人才培養與服務輸出並重). Our fundamental educational philosophy is to foster talents with “upright personality, comprehensive theoretical knowledge and practical skills (培養具有健全人格、複合知識與實踐能力的人才)” by implementing our “Three-element Talent Cultivation (三元育人)” mode. We aim to provide quality education services in a manner consistent with our mission and educational philosophy.

With a view of nurturing talents with practical skills, we are devoted to offering quality private education to our students and providing diversified programs and curriculums encompassing a broad range of market-oriented fields of study and career trainings, including intelligent science and technology, mechanical manufacturing and automation, robotics engineering, e-commerce, logistics management, gemology and material technology, internet-of-things, civil engineering, software engineering, and nursing and pharmacy. Based on our timely and extensive market research, the strong sensitivity in grasping the artificial intelligence (“AI”) era and the profound insight into the development of education, as well as the positive response to the structural changes and impacts of the utilization of AI development on the cultivation of applied talents, we carefully design and regularly review and adjust our program and course offerings at our Schools. We believe that our future-oriented and practical programs and curriculums will equip our students with competitiveness and practical skills that meet the rapidly evolving market demand and respond to the opportunities and challenges in the AI era. We also cooperate with a number of sizable enterprises to continuously promote the construction and upgrading of industrial colleges and provide our students with internship and potential employment opportunities and have achieved favorable graduate employment outcome for our students.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Our Schools

As at 28 February 2025, our Group mainly operates five Schools in the PRC, including (i) JXIAS; (ii) Jiangxi Jishi College (comprising two campuses in Nanchang and Longnan, Jiangxi Province, the PRC); (iii) Guizhou College; (iv) Guizhou Jishi College; and (v) Chen Lin High School.

### **Jiangxi Institute of Applied Science and Technology (JXIAS)**

JXIAS is a private university located in Nanchang, Jiangxi Province, the PRC. It was established in 2002 by our Chairman, Mr. Huang Yulin (黃玉林), and it offers undergraduate programs and junior college programs, as well as diverse education related services.

### **Jiangxi College of Arts and Sciences Technicians (Jiangxi Jishi College)**

Jiangxi Jishi College is a private full-time vocational college (comprising two campuses in Nanchang and Longnan, Jiangxi Province, the PRC). It was established in November 2019 and offers vocational programs. It was acquired by our Group from an Independent Third Party in December 2020.

### **Guizhou Vocational College of Industry and Trade (Guizhou College)**

Guizhou College is a private higher vocational college located in Bijie, Guizhou Province, the PRC. It was established in May 2015 and offers vocational programs and junior college programs. It was acquired by our Group from an Independent Third Party in April 2021.

### **Guizhou Chenlin Industry and Trade Technician College (Guizhou Jishi College)**

Guizhou Jishi College is a private full-time vocational college located in Bijie, Guizhou Province, the PRC. It was established in October 2024 and offers vocational programs. Guizhou Jishi College is a technical college integrating full-time technical skills education, social training and vocational skills recognition, and is the only technical college in Bijie City. It offers programs in automobile maintenance, computer network applications, elderly services and management, fashion design and production, etc.

### **Zhengzhou Airport Economy Zone Chen Lin High School (Chen Lin High School)**

Chen Lin High School is a private high school located in Zhengzhou, Henan Province, the PRC. It was established in 2017 and offers high school programs. It was acquired by our Group from an Independent Third Party in July 2021.

## Our Education Services

We derived approximately 98.36% of revenue from our education services for the six months ended 28 February 2025, which included tuition fees and boarding fees from our undergraduate programs, junior college programs, vocational programs and high school programs. For the six months ended 28 February 2025, our revenue from tuition fees and boarding fees amounted to approximately RMB297.55 million and RMB33.65 million respectively, among which, the revenue from tuition fees represented a period-on-period increase of approximately 1.53%, and the revenue from boarding fees represented a period-on-period increase of approximately 2.63%.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Our Education Related Services

In addition to tuition fees and boarding fees, for the six months ended 28 February 2025, we also generated income by providing a variety of education related services. Our education related services mainly include a variety of tutoring and program management services, including qualification exam review services, personal development training services and education program management services offered to enterprises and education institutions. For the six months ended 28 February 2025, our revenue generated from education related services amounted to approximately RMB5.52 million, representing a period-on-period decrease of approximately RMB0.69 million.

## REGULATORY UPDATE

We have established a special committee (the “**Special Committee**”) to (i) pay close attention to the latest development of the relevant laws, regulations and policies on private education sector in the PRC (the “**Relevant Rules**”) and hold periodic meetings to discuss such development; (ii) where necessary, engage professional advisors, including PRC legal advisors to assist the Special Committee to understand the latest development of the Relevant Rules; and (iii) report and make recommendations to the Board for final decision based on the research reports and/or independent and professional advice as well as the Special Committee’s major findings and preliminary conclusions. So far as our Directors are aware, as at 28 February 2025, there is no material regulatory update in relation to the foreign investment in the education sector in the PRC.

## OUTLOOK AND GROWTH STRATEGIES

The private education sector in the PRC has been growing continuously in recent years, primarily driven by the increasing demand for private education, growing market demand for talents with practical skills, increasing diversification and strengthened education quality, as well as governmental support. In 2024, the number of registrations for the national college entrance examination exceeded 13 million and in 2025, the number of registrations for the national college entrance examination may exceed 14 million, reflecting a continued increase as compared to the previous year. We believe that in 2025, the private education sector in the PRC will remain on a secular growth trend and there is significant potential with opportunities.

To achieve our goals, in 2025, we intend to pursue the following business strategies:

- **Continue to connect with local governments and high-quality enterprises to build industrial colleges, enhance brand awareness and reputation, and expand business and school network**

In order to benefit from and capture the growth opportunities in the private education industry in the PRC, we will continue to provide quality education and attract more talents to our Schools. As an important measure to enhance our education services, we will continue to build, renovate and upgrade the facilities and infrastructure of our existing campuses. Meanwhile, by virtue of our Schools’ key programs “electronic information engineering”, “mechanical design, manufacturing and automation” and provincial first-class program “e-commerce”, we will continue to closely align with the needs of the electronic information industry of the Municipal People’s Government of Longnan, Jiangxi Province (江西省龍南市人民政府), Longnan Economic and Technological Development Zone (National) Management Committee (龍南經濟技術開發區(國家級)管委會) and Longnan Electronic Information Industry Technology City (龍南電子資訊產業科技城), co-operate with local outstanding

# MANAGEMENT DISCUSSION AND ANALYSIS

enterprises and unify local leading enterprises in the electronic information and electromechanical component equipment manufacturing industry to establish the “Electronic Information Industry College of JXIAS (Longnan)” (江西應用科技學院電子資訊產業學院(龍南)). We will upgrade our selected “second batch of conducting projects for the construction and cultivation of modern industrial colleges for general undergraduate programs in Jiangxi Province” (第二批中國江西省普通本科高校現代產業學院立項建設培育項目) to a provincial key project. We will actively co-operate with local governments to connect with high-quality enterprises to expand the scale of joint construction of industrial colleges.

- **Continue to optimise our program and course offerings in order to enhance the competitiveness of our students**

As an education service provider, the quality and scope of the programs and course offerings are crucial for our Schools in providing high-quality education services. We intend to improve our education quality, expand the scale of our business operations and diversify our revenue source primarily through optimising program offerings and curriculum settings (such as the increasing of AI general studies courses, and the introducing three newly-approved undergraduate programs, namely, integrated circuit design and integrated systems (集成電路設計與集成系統), AI (人工智能), and geotourism and planning engineering (旅遊地學與規劃)), strengthening school-enterprise collaboration (such as co-operating with AI industry enterprises to build virtual simulation teaching experiments and training bases, building an innovative collaborative education mechanism that organically integrates the education chain with the AI industry chain, and creating a high-level specialised AI talent cultivation and training bases) and international collaboration (such as the collaboration with certain universities in Malaysia, etc.), and developing online education courses.

- **Further strengthen and increase the proportion of undergraduate program services**

In order to meet the market demand for higher undergraduate education services as well as to continue improving our profitability, we plan to further strengthen and increase the proportion of undergraduate program services. We believe that with the ongoing construction, renovation and upgrading of the campus infrastructure at the Schools of the Group, the further enhancement of the quality and internal development of JXIAS, and the development and cultivation of Guizhou College for upgrading to an undergraduate institution in accordance with our plan, we will continue to strengthen and increase the proportion of undergraduate program services, which helps boost our brand awareness, broaden our revenue base and improve profitability.

- **Continue to attract, cultivate and retain talented teachers and other professionals**

We believe that hiring, retaining and cultivating outstanding teachers is crucial in providing quality education to students. We intend to continue attracting, cultivating and retaining teachers with professional expertise, teaching experience and/or working experience in relevant fields. To achieve this goal, we will continue applying high standards in our recruitment of teachers, and target applicants who have postgraduate degree and/or doctoral degree or have extensive work experience in relevant field. We plan to expand our faculty team with more “double qualification teachers”, experienced technical experts, well-recognized business administrators, and other personnel with expertise who are qualified to deliver skill-focused curriculums at our Schools on either full-time or part-time basis. In addition, we also intend to hire professors, academicians, etc. from other education institutions with experience to serve in academic leadership roles at our Schools.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

The following table sets forth key items of the Group's unaudited consolidated statement of profit or loss and other comprehensive income for the six months ended 28 February 2025, with comparative figures for the six months ended 29 February 2024.

	For the six months ended	
	28 February 2025 RMB'000	29 February 2024 RMB'000
Revenue	336,720	332,060
Cost of revenue	(232,374)	(229,816)
Gross profit	104,346	102,244
Other income	22,763	8,553
Other expenses	(7,773)	(715)
Other gains/(losses), net	8,704	(1,439)
Provision for impairment losses recognised on financial assets, net	(233)	(1,826)
Selling expenses	(4,119)	(3,543)
Administrative expenses	(69,644)	(68,299)
Finance costs, net	(49,451)	(49,588)
Profit/(loss) before income tax	4,593	(14,613)
Income tax (expense)/credit	(24)	402
Profit/(loss) for the period	4,569	(14,211)
EBITDA (Note (i))	122,095	93,961

Note:

(i) Non-IFRS Measures

To supplement the Group's consolidated financial statements which are presented in accordance with the IFRS, the Company also uses EBITDA as additional financial measures, which is not required by, or presented in accordance with the IFRS. The Company believes that the non-IFRS measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of items that the management do not consider to be indicative of the Group's operating performance. The Company believes that the non-IFRS measures provide useful information to both the management, the Shareholders and potential investors in understanding and evaluating the Group's consolidated results of operations. However, the Company's presentation of such adjusted figures may not be comparable to a similarly titled measure presented by other companies. The use of the non-IFRS measures have limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, the Group's results of operations or financial condition as reported under the IFRS. A reconciliation of profit before income tax to EBITDA is set out as below:



# MANAGEMENT DISCUSSION AND ANALYSIS

	Six months ended	
	28 February 2025 (RMB'000)	29 February 2024 (RMB'000)
<b>Profit/(loss) before income tax</b>	<b>4,593</b>	(14,613)
Add: Finance costs	<b>49,543</b>	49,788
Depreciation of property, plant and equipment	<b>56,738</b>	47,082
Depreciation of right-of-use assets	<b>10,198</b>	10,220
Amortisation of intangible assets and prepaid lease payments	<b>1,023</b>	1,484
<b>EBITDA</b>	<b>122,095</b>	93,961

## Revenue

For the six months ended 28 February 2025, the revenue of the Group amounted to approximately RMB336.72 million, representing an increase of approximately 1.40% as compared with the six months ended 29 February 2024. The increase in revenue was mainly driven by the increase in the number of students and by the increase of the proportion of undergraduate program services.

## Cost of Revenue

Our cost of revenue primarily consisted of employee costs, depreciation and amortization expenses, education and teaching operating expenses including students' activities and training expenses, electricity and water expenses, repair and maintenance and others. For the six months ended 28 February 2025, the cost of revenue of the Group amounted to approximately RMB232.37 million, representing an increase of approximately 1.11% as compared with the six months ended 29 February 2024. The increase in cost of revenue was mainly attributable to that (i) in order to further attract, cultivate and retain talented teachers and other professionals, and to continue to enhance the ratio of teaching resources, the Group's employee costs for the six months ended 28 February 2025 has increased as compared with the six months ended 29 February 2024; and (ii) with the completion and commissioning of the campus expansion, upgrading and renovation of facilities, the depreciation and amortization expenses has increased for the six months ended 28 February 2025 as compared with the six months ended 29 February 2024.

## Gross Profit

Our gross profit was approximately RMB104.35 million for the six months ended 28 February 2025, representing an increase of approximately RMB2.10 million as compared with the six months ended 29 February 2024, which was mainly attributable to the increase of the proportion of undergraduate program services with higher profit margin.

## Other Income

Other income primarily included government grants, research service projects income, sub-contracting income and other service fee related to our Schools' campus during the six months ended 28 February 2025. For the six months ended 28 February 2025, the Group's other income amounted to approximately RMB22.76 million, representing an increase of approximately 166.14% as compared with the six months ended 29 February 2024. The increase in other income was mainly attributable to the increase of the research service projects.



# MANAGEMENT DISCUSSION AND ANALYSIS

## Expenses

### Other Expenses

Other expenses primarily consisted of employee benefit expenses, promotion expenses, self-operating canteen expenses, depreciation and amortization expenses. For the six months ended 28 February 2025, our other expenses amounted to approximately RMB7.77 million, representing an increase of approximately RMB7.06 million as compared with the six months ended 29 February 2024. The increase in other expenses was mainly attributable to the increase of the research service projects.

### Other Gains/(losses), Net

Our other gains/(losses), net primarily consisted of net fair value gains/(losses) on financial assets at fair value through profit or loss, donations, net losses on disposal of property, plant and equipment, written-back of other payable and others. For the six months ended 28 February 2025, our other gains/(losses), net amounted to approximately RMB8.70 million, mainly including gain on modification on finance lease arrangement, as compared with our other losses, net amounted to approximately RMB1.44 million for the six months ended 29 February 2024, mainly including net losses on disposal of property, plant and equipment and others.

### Internal control and investment policy in relation to financial assets

The Group's investment in financial assets was mainly the result of its cash management objective to improve returns on its available capital including cash and undistributed profits. Subject to approval of the Board, the Group may make short-term investments on equities, bonds, funds and derivatives products which can be readily realized within one year. The Group has established internal procedures in relation to investments in financial assets, which include, among others, (i) investment in financial assets must be fully discussed by the Directors and approved by at least two-third of the votes in a Board meeting; (ii) the Group may only use idle funds or spare cash to purchase financial products, and such investment shall not affect its operation activities and investment in relation to our main scope of business; (iii) financial instruments provided by sizable and reputable licenced commercial banks are preferred; (iv) futures trading is prohibited unless with prior written approval by the Board; and (v) the Group must conduct regular review of investments of financial products and the Group's finance department is in charge of the review and risk assessment of financial products with reference to the Group's financial condition, cash position, operating cash requirements, as well as changes in interest rates. In the event of significant fluctuations in the financial assets, the Group's finance department shall conduct analysis in a timely manner and provide the relevant information to the Board.

### Provision for Impairment Loss Recognised on Financial Assets, Net

Our provision for impairment loss recognised on financial assets, net primarily represented impairment of trade receivables and other receivables. For the six months ended 28 February 2025, our net impairment losses on financial assets amounted to approximately RMB0.23 million. For the six months ended 29 February 2024, our net impairment losses on financial assets amounted to approximately RMB1.83 million.

### Selling Expenses

Our selling expenses primarily consisted of promotion expenses, travelling and office expenses, and others which mainly included costs incurred for promotional materials in connection with student recruitments. Our selling expenses amounted to approximately RMB4.12 million for the six months ended 28 February 2025, representing an increase of approximately RMB0.58 million as compared with the six months ended 29 February 2024. The increase in selling expenses was mainly due to the increased efforts into student recruitment by the Group.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Administrative Expenses

Our administrative expenses primarily consisted of (i) employee benefit expenses for our administrative staff, (ii) depreciation and amortisation expenses for administrative facilities, (iii) professional service fees, (iv) repair and maintenance expenses for administrative facilities, and (v) general office expenses mainly including office expenses and transportation expenses, and other expenses of similar nature. For the six months ended 28 February 2025, our administrative expenses amounted to approximately RMB69.64 million, representing an increase of approximately 1.97% as compared with the six months ended 29 February 2024.

## Finance Costs, Net

Our finance costs, net reflected the sum of interest expenses accrued on bank borrowings and other borrowings from financial institutions after netting off the interest income we received from cash and cash equivalents. Our finance costs, net amounted to approximately RMB49.45 million for the six months ended 28 February 2025, representing a decrease of approximately 0.28% as compared with the six months ended 29 February 2024.

## Profit/(loss) for the Period

Based on the above, we recorded profit amounted to approximately RMB4.57 million for the six months ended 28 February 2025, as compared with loss for the period of approximately RMB14.21 million for the six months ended 29 February 2024.

## EBITDA

For the six months ended 28 February 2025, the Group's EBITDA amounted to approximately RMB122.10 million, representing an increase of approximately RMB28.14 million as compared with approximately RMB93.96 million for the six months ended 29 February 2024. Such increase was mainly attributable to the increase in our Group's profit from operations.

## Financial Positions

As at 28 February 2025, our total equity was approximately RMB856.08 million, as compared with approximately RMB860.73 million as at 31 August 2024. The decrease in total equity was mainly attributable to the recognition of treasury shares.

## Liquidity and Capital Resources

Our primary uses of cash are to fund our working capital requirement, loan repayment and related interest expenses. We have funded our operations principally with the cash generated from our operations and borrowings.

As at 28 February 2025, we had cash and cash equivalents of approximately RMB44.32 million, as compared with approximately RMB287.98 million as at 31 August 2024.

As at 28 February 2025, our current assets were approximately RMB149.38 million, as compared with approximately RMB390.43 million as at 31 August 2024. The amount of current assets as at 31 August 2024 was larger than the amount of current assets as at 28 February 2025, mainly due to seasonal fluctuations of cash and cash equivalents. This is because the tuition fees and boarding fees of the Group's Schools were generally received in advance prior to the beginning of academic year commencing from late August and September each year.

# MANAGEMENT DISCUSSION AND ANALYSIS

Our total borrowings decreased from approximately RMB2,418.09 million as at 31 August 2024 to approximately RMB2,350.25 million as at 28 February 2025. As at 28 February 2025, all our borrowings were denominated in RMB, among which approximately RMB1,066.55 million are repayable within one year and approximately RMB1,283.70 million are repayable after one year.

## Internal control and policy in relation to liquidity and capital resources

The Group's finance department is responsible for financial control, accounting, reporting, group credit and internal control function of the Group. In addition, the Audit Committee is responsible for reviewing and supervising the Group's financial reporting process and internal control system. The Group closely monitors the level of its working capital, particularly in view of its strategies to continue upgrading the facilities and infrastructure of our existing campuses and the scope of its education related services. The Group's working capital requirements depend on a number of factors, including but not limited to, operating income, the scale of Schools, maintaining and upgrading the premises of the Schools, purchasing additional educational facilities and equipment for Schools, expanding scope of education related services, and hiring additional teachers and staff. In addition, the Group closely monitor its available cash reserve and maturity profile of existing debt obligations, and if required, it may borrow additional loans or utilize its existing banking facilities to satisfy unexpected capital needs.

## Gearing Ratio

As at 28 February 2025, our gearing ratio, which is calculated as net debt divided by total equity, was approximately 287.36%, as compared with approximately 261.24% as at 31 August 2024. The increase in gearing ratio was mainly attributable to the increase of net debt, which derived from the sum of borrowings, amount due to a related party and lease liabilities net of cash and cash equivalents and financial asset at financial assets at fair value through profit or loss.

## Capital Expenditure

Our capital expenditures during the six months ended 28 February 2025 amounted to approximately RMB215.07 million, which was primarily used for purchase and construction of property, plant and equipment.

## Property, Plant and Equipment

Property, plant and equipment of the Group as at 28 February 2025 increased to approximately RMB3,388.89 million from approximately RMB3,230.56 million as at 31 August 2024, which was mainly attributable to the addition of buildings and related facilities on campuses.

## CHARGE ON ASSETS

As at 28 February 2025, the Group's long-term and short-term bank borrowings of RMB1,396,176,000 (31 August 2024: RMB1,254,937,000), long-term borrowings from a financial institution of RMB14,981,000 (31 August 2024: RMB47,007,000) were secured by the pledge of the rights over the collection of tuition fees and boarding fees of the Group's Schools.

Save as disclosed above, there was no other material charge on the Group's assets as at 28 February 2025.

# MANAGEMENT DISCUSSION AND ANALYSIS

## CONTINGENT LIABILITIES, GUARANTEES AND LITIGATIONS

Save as disclosed in this interim report, we did not have any unrecorded significant contingent liabilities or guarantees or any material litigation against us as at 28 February 2025 and up to the date of this interim report.

## OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As at the date of this interim report, the Group has not entered into any off-balance sheet transactions.

## MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

Save as disclosed in this interim report, the Group did not have any other material acquisitions or disposals of subsidiaries, associated companies and joint ventures during the six months ended 28 February 2025 and up to the date of this interim report.

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this interim report, the Group did not have other plans for material investments or capital assets as at 28 February 2025 and up to the date of this interim report.

## CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Save as disclosed in this interim report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

## FOREIGN CURRENCY RISK

The Group primarily operates its business in the PRC. The currency in which the Group denominates and settles substantially all of its transactions is RMB. Any depreciation of RMB would adversely affect the value of any dividends the Group pay to Shareholders outside of the PRC. The Group currently does not engage in any hedging activities designed or intended to manage foreign exchange rate risk. The Group will continue to monitor foreign exchange changes to best preserve the Group's cash value.

## EMPLOYEES AND REMUNERATION POLICIES

As at 28 February 2025, we had 2,663 full-time employees (as at 29 February 2024, we had 2,497 full-time employees), mostly based in Hong Kong, Jiangxi Province, Guizhou Province and Henan Province of the PRC.

The remuneration of our employees is based on their performance, experiences, and market comparable analysis. In addition to salary, we also provide various incentives, including share-based compensation such as RSUs granted pursuant to the Company's RSU Scheme as well as performance-based bonuses to better motivate our employees. As required by the PRC law, we contribute to housing funds and maintain mandatory social insurance plans for our employees based in the PRC, covering pension, medical, unemployment, work injury and maternity leave. The Group participates in a Mandatory Provident Fund Scheme (the "**MPF Scheme**") under the rules and regulations of Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. For the six months ended 28 February 2025, our employee remuneration totaled to approximately RMB141.45 million, as compared with approximately RMB128.42 million for the six months ended 29 February 2024.

# MANAGEMENT DISCUSSION AND ANALYSIS

We grant RSUs to our employees to incentivise them to contribute to our growth. As at 28 February 2025, RSUs in respect of 26,094,700 underlying Shares, representing approximately 2.61% of the issued share capital of our Company (including treasury shares) as at 28 February 2025, have been granted to 39 participants pursuant to the RSU Scheme and have been vested.

The employees of the subsidiaries of the Group established in the PRC (other than Hong Kong) participate in defined contribution retirement benefit schemes managed by the local government authorities, whereby these subsidiaries are required to contribute to the schemes at a rate of 16% (for the six months ended 29 February 2024: 16%) of the basic salary. Employees of these subsidiaries are entitled to retirement benefits, calculated based on a percentage of the average salaries level in the PRC (other than Hong Kong), from the abovementioned retirement schemes at their normal retirement age.

The Group also participates in a pension scheme under the rules and regulations of the MPF Scheme for all its qualifying employees in Hong Kong. Under the MPF Scheme, the employer and its employees are each required to make contributions of 5% of the employees' relevant income to the MPF account. The Group's contributions to the MPF Scheme shall be fully vested to the employee immediately.

The Group's contributions to the defined contribution schemes shall be fully vested to the employee immediately. Accordingly, (i) for the six months ended 28 February 2025 and for the six months ended 29 February 2024, there were no forfeiture of contributions under the defined contribution schemes; and (ii) there were no forfeited contributions available for the Group to reduce its existing level of contributions to the defined contribution schemes as at 28 February 2025. No forfeited contributions may be used if there is forfeited contributions.

The remuneration of Directors and members of senior management of the Company is determined on the basis of each individual's responsibilities, qualification, position, experience, performance, seniority and time devoted to our business. They receive compensation in the form of salaries, performance-related bonus, RSUs, and other allowances and benefits-in-kind, including the Company's contribution to their pension schemes on their behalf.

# OTHER INFORMATION

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

As at 28 February 2025, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and 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 Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

### INTERESTS IN THE COMPANY

Name of Director/chief executive	Capacity/Nature of interest	Number of Shares held <sup>(1)</sup>	Approximate percentage of issued share capital <sup>(2)</sup>
Mr. Huang Yulin <sup>(3) (4)</sup>	Interest in a controlled corporation	561,338,000	56.13%
Mr. Wang Li <sup>(5) (6)</sup>	Beneficial owner	2,391,000	0.24%
	Interest of spouse	21,871,000	2.19%

Notes:

- (1) All interest stated are long positions.
- (2) The calculation is based on the total number of 1,000,000,000 Shares in issue (including treasury shares) as at 28 February 2025. The Company had 7,220,000 treasury shares as at 28 February 2025.
- (3) 493,838,000 Shares are registered under the name of Huangyulin Holdings, the issued share capital of which is owned as to 100% by Mr. Huang Yulin. Accordingly, Mr. Huang Yulin is deemed to be interested in the interest held by Huangyulin Holdings for the purpose of Part XV of the SFO.
- (4) 67,500,000 Shares are registered under the name of Chen Lin Elite Holdings, the issued share capital of which is owned as to 100% by Huangyulin Holdings. Accordingly, both Mr. Huang Yulin and Huangyulin Holdings is deemed to be interested in the interest held by Chen Lin Elite Holdings for the purpose of Part XV of the SFO.
- (5) Mr. Wang Li is interested in the RSUs granted to him under the RSU Scheme entitling him to receive 2,391,000 Shares (which was fully vested to him).
- (6) Mr. Wang Li is the spouse of Ms. Huang Yuan. Accordingly, Mr. Wang Li is deemed to be interested in the interest held by Ms. Huang Yuan for the purpose of Part XV of the SFO.



# OTHER INFORMATION

## INTERESTS IN OTHER MEMBERS OF THE GROUP

Name of Director	Name of associated corporations of the Group	Capacity/Nature of interest	Approximate percentage of registered capital
Mr. Huang Yulin	Nanchang Di Guan, JXIAS, Ruicheng Education, Jiangxi Jishi College, Guizhou Xikai, Guizhou College, Henan Kunren, Chen Lin High School and Gan Zhou Chen Lin <sup>(2)</sup>	Beneficial owner	74.00%
		Interest in a controlled corporation	74.00%
Mr. Wang Li	Nanchang Di Guan, JXIAS, Ruicheng Education, Jiangxi Jishi College, Guizhou Xikai, Guizhou College, Henan Kunren, Chen Lin High School and Gan Zhou Chen Lin <sup>(2)</sup>	Interest of spouse	13.00%

Notes:

(1) All interests stated are long positions.

(2) Nanchang Di Guan, JXIAS, Ruicheng Education, Jiangxi Jishi College, Guizhou Xikai, Guizhou College, Henan Kunren, Chen Lin High School and Gan Zhou Chen Lin, by virtue of the Contractual Arrangements, are accounted as subsidiaries of the Group. Nanchang Di Guan holds 100.00% of the sponsor's interest of JXIAS; Ruicheng Education holds 100.00% of the sponsor's interest of Jiangxi Jishi College; Guizhou Xikai holds 100.00% of the sponsor's interest of Guizhou College; Henan Kunren holds 100% of the sponsor's interest of Chen Lin High School.

Save as disclosed above, as at 28 February 2025, none of the Directors nor chief executive of the Company had any interests or short positions in any of the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code; or to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO.



## OTHER INFORMATION

### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

So far as the Directors were aware, as at 28 February 2025, the following persons (other than Directors or chief executive of the Company) or corporations who had interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO; or which were required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of part XV of the SFO, were as follows:

Name of Substantial Shareholder	Capacity/Nature of interest	Number of Shares held <sup>(1)</sup>	Approximate percentage of issued share capital <sup>(2)</sup>
Huangyulin Holdings <sup>(3)</sup>	Beneficial owner	493,838,000	49.38%
	Interest in a controlled corporation	67,500,000	6.75%
Ms. Xiong Yan <sup>(4)</sup>	Interest of spouse	561,338,000	56.13%

Notes:

- (1) All interest stated are long positions.
- (2) The calculation is based on the total number of 1,000,000,000 Shares in issue (including treasury shares) as at 28 February 2025. The Company had 7,220,000 treasury shares as at 28 February 2025.
- (3) 67,500,000 Shares are registered under the name of Chen Lin Elite Holdings, the issued share capital of which is owned as to 100% by Huangyulin Holdings. Accordingly, Mr. Huang Yulin and Huangyulin Holdings is deemed to be interested in the interest held by Chen Lin Elite Holdings for the purpose of Part XV of the SFO.
- (4) Ms. Xiong Yan is the spouse of Mr. Huang Yulin. Accordingly, Ms. Xiong Yan is deemed to be interested in the interest held by Mr. Huang Yulin for the purpose of Part XV of the SFO.

Save as disclosed above, as 28 February 2025, the Directors are not aware of any other person (other than Directors or chief executive of the Company) or corporation who had interests or short positions in the Shares or underlying Shares of the Company which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO; or which would require to be disclosed to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO.

## OTHER INFORMATION

### DIRECTORS' INTEREST IN COMPETING BUSINESS

During the six months ended 28 February 2025 and up to the date of this interim report, none of the Directors or their respective close associates (as defined in the Listing Rules) had any interest in a business that competes or may compete, either directly or indirectly, with the business of the Group, other than being a director of the Company and/or its subsidiaries.

### RSU SCHEME

The RSU Scheme was initially approved and adopted by the Directors on 20 August 2019 and duly amended at an extraordinary general meeting of the Company held on 30 January 2023. The purpose of the RSU Scheme is to incentivise Directors, senior management and employees of our Group for their contribution to our Group, to attract, motivate and retain skilled and experienced personnel to strive for the future development and expansion of our Group by providing them with the opportunity to own equity interests in our Company. Persons eligible to receive RSUs under the RSU Scheme are existing employees, Directors (whether executive or non-executive, but excluding independent non-executive Directors) or officers of our Company or any member of our Group or any person who, in the sole opinion of the Board, has contributed or will contribute to any member of our Group. Further details of the principal terms of the RSU Scheme are set out in the Prospectus and the 2024 annual report of the Company.

The RSU Scheme will be valid and effective for a term of ten (10) years, commencing from 20 August 2019 (unless it is terminated earlier in accordance with its terms). As at 28 February 2025, the remaining life of the RSU Scheme was approximately four years and six months. Pursuant to the amendments to the Listing Rules with effect from 1 January 2023, the eligible persons under the RSU Scheme are subject to Rule 17.03A of the Listing Rules. The maximum number of RSUs that may be granted under the RSU Scheme shall not exceed 100,000,000 Shares in aggregate (excluding RSUs that have lapsed or been cancelled in accordance with the rules of the RSU Scheme) representing 10% of the number of Shares in issue as at the date of the amendment.

Our Company has appointed Mr. Huang Yulin as the trustee (the **"RSU Trustee"**) to assist in the administration of the RSU Scheme. Our Company may (i) allot and issue Shares to the RSU Trustee to be held by the RSU Trustee and which will be used to satisfy the Shares underlying the RSUs upon exercise and/or (ii) direct and procure the RSU Trustee to receive existing Shares from any Shareholder or purchase existing Shares (either on-market or off-market) to satisfy the Shares underlying the RSUs upon exercise. The Company shall procure that sufficient funds are provided to the RSU Trustee by whatever means as our Board may in its absolute discretion determine to enable the RSU Trustee to satisfy its obligations in connection with the administration of the RSU Scheme.

## OTHER INFORMATION

Details of the RSUs granted under the RSU Scheme as at 28 February 2025 is set out as below:

Name of the grantees	Position held within our Group	Number of Shares represented by the RSUs	Approximate percentage of shareholding <sup>(1)</sup>
<b>Director</b>			
Mr. Wang Li	Executive Director and co-president	2,391,000	0.24%
<b>Senior management members of our Company (excluding those who are also Directors)</b>			
Ms. Fang Xiaozhen	Chief operating officer	3,268,000	0.33%
Mr. Lu Dong	Vice president	558,000	0.06%
Rank/position held with our Group		Number of Shares represented by the RSUs	Approximate percentage of shareholding <sup>(1)</sup>
39 management staff and employees of our Group <sup>(2)</sup>		26,094,700	2.61%

Note:

- (1) The calculation is based on the total number of 1,000,000,000 Shares in issue (including treasury shares) as at 28 February 2025. The Company had 7,220,000 treasury shares as at 28 February 2025.
- (2) This includes 6,217,000 RSUs held by a Director and two senior management of the Company as at 28 February 2025, further details of which are set out in the tables above.
- (3) All the RSUs granted above were granted on 20 August 2019 before the listing of the Company on the Stock Exchange on 13 December 2019.

During the six months ended 28 February 2025, (i) no RSU was granted under the RSU Scheme; and (ii) none of the RSUs granted under the RSU Scheme was converted, cancelled or lapsed.

## OTHER INFORMATION

As at 28 February 2025, a total of 40,020,000 shares had been reserved for the RSU scheme, comprising (i) 13,925,300 Shares, representing approximately 1.39% of the issued share capital of the Company (including treasury shares), which remained grantable under the RSU Scheme as at 28 February 2025 (as at 31 August 2024: 13,925,300 Shares); and (ii) 26,094,700 Shares, representing approximately 2.61% of the issued share capital of the Company (including treasury shares), which had been granted and vested but not yet converted under the RSU Scheme as at 28 February 2025. For any future grants of RSUs under the RSU Scheme, the Company will first utilize the remaining 13,925,300 existing shares.

The grantees of the RSUs granted under the RSU Scheme as referred to in the table above are not required to pay for grant or exercise of any RSU.

For the RSUs granted under the RSU Scheme to the named individual grantees of the RSUs set out in the table above, they shall (unless the Company shall otherwise determine and so notify such grantee in writing) be vested as follows:

- (1) as to 50.0% of the RSUs on 18 November 2020;
- (2) as to 30.0% of the RSUs on 18 November 2021; and
- (3) as to 20.0% of the RSUs on 18 November 2022.

As at 28 February 2025, all the RSUs granted under the RSU Scheme were fully vested.

## SUBSEQUENT EVENTS

There are no material events subsequent to 28 February 2025 which could have a material impact on the Group's operating and financial performance as at the date of this interim report.

## OTHER INFORMATION

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

#### Repurchase Mandate

The Directors have been granted the general mandate (the “**Repurchase Mandate**”) pursuant to a resolution of the Shareholders passed at the annual general meeting held on 25 February 2025 to repurchase Shares in the open market from time to time. Pursuant to the Repurchase Mandate, the Company is allowed to repurchase up to 10% of the total number of issued Shares as at the date of passing such resolution (excluding treasury shares).

#### Share Repurchase

On 28 October 2024 and 13 January 2025, the Company had repurchased 7,220,000 Shares (which are held as treasury shares of the Company) under the repurchase mandate granted pursuant to a resolution of the Shareholders passed at the annual general meeting held on 19 February 2024 on the Stock Exchange for an aggregate consideration of HK\$9,998,500 (excluding transaction costs), details as below:

Date of repurchase	No. of Shares repurchased	Purchase price per Share		Aggregate consideration paid (HK\$)
		Highest price paid (HK\$)	Lowest price paid (HK\$)	
28 October 2024	3,570,000	1.40	1.40	4,998,000
13 January 2025	3,650,000	1.37	1.37	5,000,500
	<b>7,220,000</b>			<b>9,998,500</b>

The Directors believed that the Shares repurchased showed the Directors’ confidence on the business and operation of the Group and is in the interests of the Company and the Shareholders.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s securities listed on the Stock Exchange (including any sale or transfer of treasury shares) during the six months ended 28 February 2025 and up to the date of this interim report.

As disclosed above, the Company had 7,220,000 treasury shares as at 28 February 2025.

Save as disclosed in this interim report and other than the RSU Scheme, there have been no option, convertible securities or similar rights or arrangements issued or granted by the Group during the six months ended 28 February 2025 and up to the date of this interim report.

## OTHER INFORMATION

### DIRECTORS' AND CHIEF EXECUTIVE'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save for the RSUs, at no time during the six months ended 28 February 2025, was the Company or any of its subsidiaries a party to any arrangements to enable the Directors, the Company's chief executive or any of their spouse or children under the age of 18 to acquire benefits by means of the acquisition of Shares, underlying Shares and debentures of the Company or any other associated companies of the Group.

### INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 28 February 2025 (for the six months ended 29 February 2024: Nil).

### CORPORATE GOVERNANCE

The Company has adopted the code provisions set out in the CG Code contained in Appendix C1 to the Listing Rules as its own code of corporate governance.

For the six months ended 28 February 2025, the Company has complied with the code provisions set out in Part 2 of the CG Code except for the following deviation:

According to code provision C.2.1 of Part 2 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Huang Yulin is the Chairman and the CEO. The Board believes that having the same individual in both roles as the Chairman and the CEO ensures that the Group has consistent leadership and could make and implement the overall strategy of the Group more effectively. In addition, under the current composition of the Board, namely four executive Directors and three independent non-executive Directors, we believe that the interests of Shareholders are adequately and fairly represented. The Board considers that the present corporate governance arrangement does not impair the balance of power and authority within the Group.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors.

Having made specific enquiry of all Directors, all Directors have all confirmed that they have complied with the Model Code and the code of conduct of the Company regarding securities transactions by the Directors during the six months ended 28 February 2025.

### SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Board, as at the date of this interim report, the Company has maintained the minimum public float of not less than 25% as required under the Listing Rules.

# OTHER INFORMATION

## CHANGES IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the change in Directors' information subsequent to the publication of the annual report for the year ended 31 August 2024 of the Company and up to the date of this interim report are set out below:

Mr. Liu Chunbin ("**Mr. Liu**") has tendered his resignation as an executive Director and the vice president of the Company with effect from 1 January 2025 in order to pursue his other personal commitments.

Mr. Chen Wanlong ("**Mr. Chen**") and Mr. Huang Juyun ("**Mr. Huang**") have tendered their resignations as independent non-executive Directors with effect from 1 January 2025, in order to pursue their other personal commitments. Following their resignation, (i) Mr. Chen ceased to be the chairman of the remuneration committee of the Company (the "**Remuneration Committee**"), a member of the Audit Committee and a member of the nomination committee of the Company (the "**Nomination Committee**"); (ii) Mr. Huang ceased to be the chairman of the Nomination Committee, a member of the Audit Committee and a member of the Remuneration Committee; and (iii) Mr. Wang Donglin, an independent non-executive Director, was appointed as the chairman of the Nomination Committee.

Each of the above resigned Directors, namely Mr. Liu, Mr. Chen and Mr. Huang, has confirmed that he has no disagreement with the Board and there are no matters relating to his resignation that needs to be brought to the attention of the Shareholders or the Stock Exchange.

Ms. She Hui was appointed as an executive Director with effect from 1 January 2025.

Mr. Qin Huimin ("**Mr. Qin**") was appointed as an independent non-executive Director with effect from 1 January 2025. Following his appointment, he was appointed as the chairman of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee.

For further details, please refer to the announcement of the Company dated 24 December 2024.

Save as disclosed above, there is no information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## COMPLIANCE WITH LAWS AND REGULATIONS

The Group has engaged professional service firms for advice regarding compliance matters with various jurisdictions which the Group's subsidiaries operate, and has kept a close watch on any new laws or regulatory changes.

During the six months ended 28 February 2025 and up to the date of this interim report, the Group has complied with the relevant laws and regulations that have a significant impact on the Company in material aspects.



## OTHER INFORMATION

### REVIEW OF INTERIM RESULTS BY THE AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with the CG Code. As at the date of this interim report, the Audit Committee consists of three independent non-executive Directors, namely Mr. Sy Lai Yin, Sunny, Mr. Wang Donglin and Mr. Qin Huimin. Mr. Sy Lai Yin, Sunny is the chairman of the Audit Committee, who possesses suitable professional qualifications as required under Rule 3.21 of the Listing Rules.

The Audit Committee has reviewed the interim results (with no disagreement), together with the management of the Company. The Audit Committee has also reviewed the accounting principles and practices adopted by the Group and discussed risk management, internal control and financial reporting matters of the Group for the six months ended 28 February 2025.

The interim financial information for the six months ended 28 February 2025 has not been audited or reviewed by the Group's external auditor in accordance with Hong Kong Standards on Auditing or Hong Kong Standards on Review Engagements issued by the Hong Kong Institute of Certified Public Accountants.

# INTERIM 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)	Six months ended 29 February 2024 RMB'000 (Unaudited)
Revenue	3	336,720	332,060
Cost of revenue	6	(232,374)	(229,816)
<b>Gross profit</b>		<b>104,346</b>	102,244
Other income	4	22,763	8,553
Other expenses	6	(7,773)	(715)
Other gains/(losses) — net	5	8,704	(1,439)
Provision for impairment loss recognised on financial assets, net	6	(233)	(1,826)
Selling expenses	6	(4,119)	(3,543)
Administrative expenses	6	(69,644)	(68,299)
<b>Operating profit</b>		<b>54,044</b>	34,975
Finance income		92	200
Finance costs		(49,543)	(49,788)
<b>Finance costs — net</b>	7	<b>(49,451)</b>	(49,588)
<b>Profit/(loss) before income tax</b>		<b>4,593</b>	(14,613)
Income tax (expense)/credit	8	(24)	402
<b>Profit/(loss) for the period</b>		<b>4,569</b>	(14,211)
Other comprehensive income for the period		—	—
<b>Profit/(loss) and total comprehensive income for the period, all attributable to shareholders of the Company</b>		<b>4,569</b>	(14,211)
<b>Earnings/(loss) per share attributable to shareholders of the Company</b>			
— Basic earnings/(loss) per share (expressed in RMB cents)	9	0.48	(1.48)
— Diluted earnings/(loss) per share (expressed in RMB cents)	9	0.48	(1.48)

# INTERIM 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)
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	11	3,388,891	3,230,559
Right-of-use assets	10	431,766	441,987
Intangible assets	12	275,875	267,938
Other non-current assets		74,606	108,030
Deferred income tax assets	17	1,218	1,242
Other receivables	14	11,464	30,991
		<b>4,183,820</b>	4,080,747
<b>Current assets</b>			
Trade receivables	13	9,775	7,265
Other receivables and prepayments	14	91,615	95,052
Financial assets at fair value through profit or loss ("FVPL")	15	3,618	90
Restricted bank balances		47	45
Cash and cash equivalents		44,322	287,976
		<b>149,377</b>	390,428
<b>Total assets</b>		<b>4,333,197</b>	4,471,175
<b>Equity and liabilities</b>			
<b>Equity attributable to shareholders of the Company</b>			
Share capital		89	89
Share premium		433,763	433,763
Capital reserve		30,000	30,000
Treasury shares		(9,220)	–
Statutory surplus reserves		142,732	142,732
Share-based payments reserve		53,382	53,382
Retained earnings		205,335	200,766
<b>Total equity</b>		<b>856,081</b>	860,732

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

As at 28 February 2025

	Notes	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	20	1,283,702	1,576,982
Deferred revenue	21	110,776	108,822
Contract liabilities	3	733	933
Other non-current payables	18	236,613	233,349
Lease liabilities	10	74,737	73,415
		<b>1,706,561</b>	1,993,501
<b>Current liabilities</b>			
Accruals and other payables	16	276,958	305,113
Amount due to a related party	23	79,979	42,267
Borrowings	20	1,066,549	841,109
Current income tax liabilities		43,481	43,481
Deferred revenue	21	7,352	7,744
Contract liabilities	3	293,258	374,329
Lease liabilities	10	2,978	2,899
		<b>1,770,555</b>	1,616,942
<b>Total liabilities</b>		<b>3,477,116</b>	3,610,443
<b>Total equity and liabilities</b>		<b>4,333,197</b>	4,471,175
<b>Net current liabilities</b>		<b>(1,621,178)</b>	(1,226,514)
<b>Total assets less current liabilities</b>		<b>2,562,642</b>	2,854,233

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 28 February 2025

	Equity attributable to owners of the Company							
	Share capital RMB'000	Share premium RMB'000	Treasury shares RMB'000	Capital reserve RMB'000	Statutory surplus reserves RMB'000	Share-based payments reserve RMB'000	Retained earnings RMB'000	Total RMB'000
<b>Balance at 31 August 2024 (audited)</b>	<b>89</b>	<b>433,763</b>	<b>–</b>	<b>30,000</b>	<b>142,732</b>	<b>53,382</b>	<b>200,766</b>	<b>860,732</b>
Profit for the period	–	–	–	–	–	–	4,569	4,569
Repurchase of shares	–	–	(9,220)	–	–	–	–	(9,220)
<b>Balance at 28 February 2025 (unaudited)</b>	<b>89</b>	<b>433,763</b>	<b>(9,220)</b>	<b>30,000</b>	<b>142,732</b>	<b>53,382</b>	<b>205,335</b>	<b>856,081</b>
<b>Balance at 31 August 2023 (audited)</b>	<b>89</b>	<b>433,763</b>	<b>–</b>	<b>30,000</b>	<b>138,026</b>	<b>53,382</b>	<b>190,105</b>	<b>845,365</b>
Loss for the period	–	–	–	–	–	–	(14,211)	(14,211)
<b>Balance at 29 February 2024 (unaudited)</b>	<b>89</b>	<b>433,763</b>	<b>–</b>	<b>30,000</b>	<b>138,026</b>	<b>53,382</b>	<b>175,894</b>	<b>831,154</b>

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 28 February 2025

	Six months ended 28 February 2025 RMB'000 (Unaudited)	Six months ended 29 February 2024 RMB'000 (Unaudited)
<b>Cash flows from operating activities</b>		
Cash generated from/(used in) operations	39,670	(143,852)
Income tax paid	–	(187)
<b>Net cash generated from/(used in) operating activities</b>	<b>39,670</b>	<b>(144,039)</b>
<b>Cash flows from investing activities</b>		
Government grants received relating to purchases of property, plant and equipment	6,639	38,814
Other investment	(3,500)	–
Purchases of property, plant and equipment	(182,963)	(398,258)
Decrease in deposits and prepayments to certain corporate projects	–	29,600
Interest paid for capitalised on qualifying assets	(21,589)	(18,636)
Purchases of intangible assets	(8,960)	(764)
<b>Net cash used in investing activities</b>	<b>(210,373)</b>	<b>(349,244)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	651,599	736,450
Repayments of borrowings	(704,418)	(457,886)
(Increase)/decrease in restricted bank balances	(2)	436
Borrowings from a related party	37,712	7,276
Payments of lease liabilities	(990)	(15,909)
Interest paid	(47,632)	(25,525)
Repurchase of shares	(9,220)	–
<b>Net cash (used in)/generated from financing activities</b>	<b>(72,951)</b>	<b>244,842</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(243,654)</b>	<b>(248,441)</b>
Cash and cash equivalents at the beginning of period	287,976	374,618
<b>Cash and cash equivalents at the end of period</b>	<b>44,322</b>	<b>126,177</b>

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 1 GENERAL INFORMATION

Chen Lin Education Group Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 25 May 2018 as an exempted company with limited liability under the Companies Act (2023 Revision, as consolidated and revised) of the Cayman Islands. The address of its registered office is 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands. The headquarters and principal business operations of the Group is located at No. 1, Lianfu Avenue, Xinjian District, Nanchang City, Jiangxi Province, the People’s Republic of China (“**PRC**”).

The Company is an investment holding company. The Company and its subsidiaries (together “**the Group**”) provide comprehensive educational services in Jiangxi Province, Guizhou Province and Henan Province of the PRC. The Group has been operating Jiangxi Institute of Applied Science and Technology (江西應用科技學院) (“**JXIAS**”) since 1984. In December 2020, the Group acquired Jiangxi College of Arts and Sciences Technicians (江西文理技師學院) (“**Jiangxi Jishi College**”) from a third party. In April and July 2021, the Group further acquired Guizhou Vocational College of Industry and Trade (貴州工貿職業學院) (“**Guizhou College**”) and Zhengzhou Airport Economy Zone Chen Lin High School (鄭州航空港區辰林高級中學) (“**Chen Lin High School**”) from third parties, respectively. In June 2022, Guizhou Provincial People’s Government approved the establishment of Guizhou Chenlin Industry and Trade Technician College (貴州辰林工貿技師學院) (“**Guizhou Jishi College**”), which is held by Guizhou Xikai Education Investment Company Limited (貴州西凱教育投資有限公司). Guizhou Jishi College was established in October 2024.

The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 13 December 2019.

The consolidated financial statements are presented in Renminbi (“**RMB**”) and rounded to the nearest thousand yuan (“**RMB’000**”), unless otherwise stated.

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to the periods presented, unless otherwise stated. The financial statements are for the Group consisting of Chen Lin Education Group Holdings Limited and its subsidiaries.

### 2.1 Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” of the International Financial Reporting Standards (“**IFRSs**”) issued by International Accounting Standards Board and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 August 2024.

The condensed consolidated interim financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, which are carried at fair value.

The preparation of condensed consolidated interim financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### (a) New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period commencing on 1 September 2024. The Group did not change its accounting policies or make retrospective adjustments as a result of adopting these standards.

Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements (amendments)

#### (b) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the period ended 28 February 2025 and have not been early adopted by the Group. These standards are set out as below:

Amendments to IAS 21 and IFRS 1	Lack of Exchangeability
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Annual Impairment to IFRS Accounting Standards — Volume 11
IFRS 18	Presentation and Disclosure in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Based on the Group's current assessment, the directors do not expect a material impact on the Group's financial position and performance as a result of the adoption of these new standards and amendments when they become effective.

### 2.2 Principles of consolidation and equity accounting

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

#### Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.2 Principles of consolidation and equity accounting (continued)

#### **Business combinations (continued)**

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by IFRSs.

#### **Acquisition-related costs are expensed as incurred**

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously held equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised as a gain directly in the interim condensed consolidated statements of comprehensive income.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

### 2.3 Going Concern

The Group's current liabilities exceeded current assets by RMB1,621,178,000 as at 28 February 2025. The Group's current liabilities included deferred revenue and contract liabilities with total amount of RMB300,610,000 that are not financial liabilities and will not require future cash outflows. The Group's management closely monitors the Group's financial performance and liquidity position. The Directors are of the opinion that, taking into account, the future operational performance and the expected future operating cash inflows, and the continuous availability of borrowing facilities, the Group will have sufficient financial resources to support its operations and to meet its financial obligations as and when they fall due in the coming twelve months from 28 February 2025. Accordingly, the Group's condensed consolidated interim financial information have been prepared on a going concern basis.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 3 SEGMENT INFORMATION

### (a) Description of segment and principal activities

The Group is principally engaged in the provision of private tertiary education services in the PRC. The Group's chief operating decision-maker ("CODM") has been identified as the chairman and executive directors of the Board who considers the business from the service perspective.

For the purpose of resource allocation and performance assessment, the CODM reviews the overall results and financial position of the Group as a whole prepared based on the same accounting policies. Accordingly, their segment information is aggregated as a single reportable segment. Management of the Group assesses the performance of the reportable segment based on the revenue and gross profit for the period of the Group as presented in the interim condensed consolidated statement of profit or loss and other comprehensive income.

### (b) Segment revenue

Revenue for the six months ended 28 February 2025 and 29 February 2024 are as follows:

	Six months ended 28 February 2025 RMB'000 (Unaudited)	Six months ended 29 February 2024 RMB'000 (Unaudited)
Tuition fees	297,550	293,059
Boarding fees	33,647	32,785
Others	5,523	6,216
	336,720	332,060

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 3 SEGMENT INFORMATION (continued)

### (b) Segment revenue (continued)

The analysis of revenue recognised over time and at a point in time as required by IFRS 15 is set out below:

	Six months ended 28 February 2025 RMB'000 (Unaudited)	Six months ended 29 February 2024 RMB'000 (Unaudited)
<b>Recognised over time</b>		
Tuition fees	297,550	293,059
Boarding fees	33,647	32,785
Others	2,665	3,223
<b>Recognised at a point in time</b>		
Others	2,858	2,993
	<b>336,720</b>	332,060

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

The Group has a large number of customers, no single customer accounted for more than 10% of the Group's revenue during the period.

The Group's revenue is subject to seasonal fluctuations. Tuition and boarding fees of the Group's schools are generally received in advance prior to the beginning of academic year commencing from late August and September each year. Tuition and boarding fees revenues are recognised proportionately over the relevant period in which the services are rendered excluding school term breaks and vacation periods.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 3 SEGMENT INFORMATION (continued)

### (c) Contract liabilities

The Group has recognised the following contract liabilities:

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Contract liabilities related to tuition fees	255,010	323,574
Contract liabilities related to boarding fees	27,138	39,276
Contract liabilities related to tutoring and program management services	88	–
Contract liabilities related to other revenue	9,730	11,079
Contract liabilities related to other income	2,025	1,333
	<b>293,991</b>	<b>375,262</b>

### (d) Unsatisfied contracts

The following table shows unsatisfied performance obligations resulting from contracts with students or companies:

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
<b>Expected to be recognised within one year</b>		
Tuition fees	255,010	323,574
Boarding fees	27,138	39,276
Tutoring and program management services	88	–
Other revenue	9,730	11,079
Other income	1,292	400
<b>Expected to be recognised within one to two years</b>		
Other income	733	933
	<b>293,991</b>	<b>375,262</b>

### (e) Pledge of revenue proceeds

The Group's long-term and short-term bank borrowings of RMB1,396,176,000 (31 August 2024: RMB1,254,937,000), long-term borrowings from a financial institution of RMB14,981,000 (31 August 2024: RMB47,007,000) were secured by the pledge of the rights over the collection of tuition fees and boarding fees of the Group's schools.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 4 OTHER INCOME

	Six months ended 28 February 2025 RMB'000 (Unaudited)	Six months ended 29 February 2024 RMB'000 (Unaudited)
Government grants (note i)		
— Recognised from deferred revenue	8,555	3,171
— Recognised during the period	1,054	196
Sub-contracting income (note ii)	2,110	1,300
Research service projects income (note iii)	8,908	—
Others	2,136	3,886
	<b>22,763</b>	<b>8,553</b>

- (i) Government grants and subsidies mainly represent subsidies from government for procurement of laboratory apparatus and equipment for conducting educational service.
- (ii) The Group receives income from sub-contracting the canteen catering operations, the hotel and the campus stores in JXIAS campus to other parties.
- (iii) Research service projects income mainly includes research service income related to research service performed for other parties.

The analysis of other income excluding government grants and subsidies, recognised over time and at a point in time as required by IFRS 15 is set out below:

	Six months ended 28 February 2025 RMB'000 (Unaudited)	Six months ended 29 February 2024 RMB'000 (Unaudited)
<b>Recognised over time</b>		
Sub-contracting income	2,110	1,300
Others	1,257	1,243
<b>Recognised at a point in time</b>		
Others	9,787	2,643
	<b>13,154</b>	<b>5,186</b>

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 5 OTHER GAINS/(LOSSES) — NET

	Six months ended 28 February 2025 RMB'000 (Unaudited)	Six months ended 29 February 2024 RMB'000 (Unaudited)
Donation	(33)	(10)
Net losses on disposal of property, plant and equipment	(260)	(611)
Net fair value gains/(losses) on financial assets at fair value through profit or loss (note 15)	27	(3)
Written-back of other payable	174	—
Gain on modification on finance lease arrangement	7,930	—
Others	866	(815)
	<b>8,704</b>	<b>(1,439)</b>

## 6 OPERATING PROFIT

In addition to the items disclosed in note 5, the following operating items have been charged to the operating profit.

	Six months ended 28 February 2025 RMB'000 (Unaudited)	Six months ended 29 February 2024 RMB'000 (Unaudited)
<b>Charging:</b>		
Employee costs		
— Salaries, wages and bonuses	114,571	103,959
— Contributions to pension plan and share-based compensation expense	12,046	12,499
— Housing fund, medical insurance and other social insurance	14,831	11,964
Total employee costs	<b>141,448</b>	<b>128,422</b>
Depreciation and amortisation of		
— Property, plant and equipment	56,738	47,082
— Right-of-use assets	10,198	10,220
— Intangible assets	1,023	1,484
Net impairment losses on financial assets	233	1,826
Others*	104,503	115,165
	<b>172,695</b>	<b>175,777</b>
	<b>314,143</b>	<b>304,199</b>

\* Others mainly represent education and teaching operating expenses, which include student activities, training expenses and other related expenses.



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 7 FINANCE COSTS — NET

	Six months ended 28 February 2025 RMB'000 (Unaudited)	Six months ended 29 February 2024 RMB'000 (Unaudited)
Finance income		
— Interest income derived from deposits	92	200
Finance cost		
— Interest expense on bank borrowings	(23,714)	(30,000)
— Interest expense on other borrowings	(45,027)	(36,034)
— Interest cost on lease liabilities	(2,391)	(2,390)
Less: Borrowing cost capitalised on qualifying assets	21,589	18,636
	(49,543)	(49,788)
Finance costs — net	(49,451)	(49,588)

## 8 INCOME TAX (EXPENSE)/CREDIT

The amount of income tax (expense)/credit charged/credited to profit or loss in the interim condensed consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 28 February 2025 RMB'000 (Unaudited)	Six months ended 29 February 2024 RMB'000 (Unaudited)
Current tax — PRC Enterprise Income Tax (the “PRC EIT”) — for the period	—	—
Deferred tax — for the period	(24)	402
Income tax (expense)/credit	(24)	402

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 8 INCOME TAX (EXPENSE)/CREDIT (continued)

### Cayman Islands

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act and accordingly, is exempted from Cayman Islands income tax.

### British Virgin Islands

The Company's direct subsidiary in the British Virgin Islands was incorporated under the BVI Companies Act, 2004 and accordingly, is exempted from British Virgin Islands income tax.

### Hong Kong

No provision for Hong Kong profit tax was provided as the Group did not have assessable profits derived from Hong Kong during the period. The applicable Hong Kong profit tax rate is 16.5%.

### Enterprise Income Tax

EIT is provided on assessable profits of entities incorporated in the PRC at the rate of 25% during the period.

According to the Implementation Rules for the Law for Promoting Private Education, private schools for which the sponsors do not require reasonable returns are eligible to enjoy the same preferential tax treatment as public schools. As a result, private schools providing academic qualification education are eligible to enjoy income tax exemption treatment if the sponsors of such schools do not require reasonable returns. The Schools have been granted enterprise income tax exemption for the tuition and boarding income from relevant local tax authorities.

For other profits that were not related to providing academic qualification education, the applicable tax rate was 25% (2024: 25%) during the period.

### PRC Withholding Income Tax

The profits of subsidiaries of the Group in the PRC derived are subject to withholding tax at a rate of 10% (2024: 10%) upon the distribution of such profits to foreign investors in Hong Kong. Deferred income tax liabilities have been provided for in this regard based on the expected dividends to be distributed from the Group's subsidiaries in the PRC in the foreseeable future. In the opinion of the Directors, such remaining earnings will be retained in the PRC for the expansion of the Group's operation.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 9 EARNINGS/(LOSS) PER SHARE

The basic earnings/(loss) per share is calculated on the profit/(loss) attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 28 February 2025 (Unaudited)	Six months ended 29 February 2024 (Unaudited)
Profit/(loss) attributable to shareholders of the Company (RMB'000)	4,569	(14,211)
Weighted average number of ordinary shares for the purpose of calculating basic earnings/(loss) per share	956,606,464	960,000,000
Basic earnings/(loss) per share (expressed in RMB per cents)	0.48	(1.48)

- (i) During the six months ended 28 February 2025, the Company paid in aggregate HK\$9,998,500 (equivalent to RMB9,220,000) (excluding transaction costs) to buy back 7,220,000 ordinary shares of HK\$0.0001 each on the Stock Exchange on 28 October 2024 and 13 January 2025, at the highest price of HK\$1.40 and the lowest price of HK\$1.37 per share, respectively. As at 28 February 2025, 7,220,000 of the repurchased shares were held as treasury shares.
- (ii) The diluted earnings/(loss) per share for the six months ended 28 February 2025 and 29 February 2024 were equivalent to the basic earnings/(loss) per share.

## 10 LEASES

This note provides information for leases where the Group is a lessee.

The statement of financial position shows the following amounts relating to leases:

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
<b>Right-of-use assets</b>		
Land use rights	352,412	356,761
Favourable lease	12,831	14,646
Buildings	61,994	65,439
Equipment	3,076	3,488
Vehicle	1,453	1,653
Total right-of-use assets	431,766	441,987
<b>Lease liabilities</b>		
Current	2,978	2,899
Non-current	74,737	73,415
Total lease liabilities	77,715	76,314

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 11 MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

As of 28 February 2025, the Group's property, plant and equipment amounted to approximately RMB3,389 million, representing an increase of 4.90% as compared with 31 August 2024.

## 12 INTANGIBLE ASSETS

	Goodwill RMB'000	Student base RMB'000	Computer software RMB'000	Total RMB'000
<b>(Audited)</b>				
<b>At 31 August 2024</b>				
Cost	261,519	38,295	9,507	309,321
Accumulated amortisation	–	(38,295)	(3,088)	(41,383)
<b>Net book amount</b>	<b>261,519</b>	<b>–</b>	<b>6,419</b>	<b>267,938</b>
<b>(Unaudited)</b>				
<b>Six months ended 28 February 2025</b>				
Opening net book amount	261,519	–	6,419	267,938
Addition	–	–	8,960	8,960
Amortisation charge (note 6)	–	–	(1,023)	(1,023)
<b>Closing net book amount</b>	<b>261,519</b>	<b>–</b>	<b>14,356</b>	<b>275,875</b>
<b>(Unaudited)</b>				
<b>As at 28 February 2025</b>				
Cost	261,519	38,295	18,467	318,281
Accumulated amortisation	–	(38,295)	(4,111)	(42,406)
<b>Net book amount</b>	<b>261,519</b>	<b>–</b>	<b>14,356</b>	<b>275,875</b>

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 13 TRADE RECEIVABLES

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Trade receivables (note i)		
— related to students fees	5,684	3,306
— related to other services	6,010	5,878
	11,694	9,184
Less: Provision for impairment	(1,919)	(1,919)
	9,775	7,265

### (i) Ageing analysis of the trade receivables

Students of the Schools are required to pay tuition fees and boarding fees in advance for the upcoming school years, which normally commences in late August and September of the year. The trade receivables represent tuition and boarding fees receivable from students who have not settled the fees on time. There is no significant concentration of credit risk.

As at 28 February 2025 and 31 August 2024, the ageing analysis of the trade receivables based on the transaction date is as follows:

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Up to 1 year	5,800	4,717
1 to 2 years	3,204	3,778
2 to 3 years	2,238	211
Over 3 years	452	478
	11,694	9,184

Ageing for trade receivables related to other services is less than 1 year.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 13 TRADE RECEIVABLES (continued)

### (i) Ageing analysis of the trade receivables (continued)

Movements in the provision for impairment of trade receivables are as follows:

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
As at the beginning of the period/year	1,919	10,865
Expected credit loss reversed during the period/year	–	(639)
Written-off of uncollectible receivables	–	(8,307)
As at the end of the period/year	1,919	1,919

### (ii) Fair values of trade receivables

The carrying amounts approximated to their fair values as at 28 February 2025 and were denominated in RMB.

## 14 OTHER RECEIVABLES AND PREPAYMENTS

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Other receivables	65,666	59,347
Deposit for campus constructions	37,566	43,407
Prepayments to suppliers	3,847	5,639
Input value added tax to be deducted	–	21,417
	107,079	129,810
Less: Loss allowance on other receivables	(4,000)	(3,767)
	103,079	126,043

The carrying values of other receivables and prepayments approximated to their fair values as at the 28 February 2025 and were denominated in RMB.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 15 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
<b>Current assets</b>		
Financial assets at FVPL		
— Equity investment, listed (note i)	118	90
— Other investments	3,500	—
	3,618	90

(i) Movements in equity investment, listed is analysed as follows:

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
<b>Securities listed on the Hong Kong Stock Exchange</b>		
As at the beginning of the period/year	90	105
Net fair value gains/(losses)	27	(14)
Foreign exchange gains/(losses)	1	(1)
As at the end of period/year	118	90

As at 28 February 2025, equity investment classified as FVPL represented the Group's equity investment in companies listed on the Hong Kong Stock Exchange, which are quoted in an active market.



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 16 ACCRUALS AND OTHER PAYABLES

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Employee benefit payables	39,308	35,880
Payables for purchases of property, plant and equipment	131,194	153,840
Payables to suppliers on behalf of students	6,717	12,164
Letter of credit	9,274	2,332
Payables to students:		
Prepayments received from students (note a)	9,407	8,784
Government subsidies and other payables to students (note b)	10,607	27,357
Payables for purchases of services	6,591	14,214
Retention money payables for campus constructions	5,032	6,420
Other taxes payable	5,381	5,629
Other	53,447	38,493
	<b>276,958</b>	305,113

- (a) The Group purchases books and other materials from suppliers on behalf of students and receives prepayments from students.
- (b) The Group receives subsidies from government for distribution to students as scholarship, subsidies or other forms of incentives to students.

The carrying values of accruals and other payables approximated their fair values as at 28 February 2025 and were denominated in RMB.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 17 DEFERRED INCOME TAX ASSETS

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Deferred income tax assets	1,218	1,242

## 18 OTHER NON-CURRENT PAYABLES

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Payables to government authority in respect of government grants received	236,613	233,349

The Group recognised other non-current payables to government authority amounting to RMB269,670,000 as at 30 April 2021, the date of acquisition of Guizhou College from a third party, and RMB236,613,000 as at 28 February 2025 (31 August 2024: RMB233,349,000). The payables to government authority were related to government grants received by Guizhou College and Guizhou Xikai Education Investment Company Limited, the sponsor company to Guizhou College, for the construction of the school campus of the predecessor school of Guizhou College in the past years. The government grants were assessed to be with ongoing conditions and requirements that have not been fully fulfilled by Guizhou College and its sponsor, and accordingly the grants were recognised as payables to government authorities, and the amounts payable were stated at their fair values.

## 19 DIVIDEND

At a meeting of the Board held on 25 April 2025, the Board resolved not to propose an interim dividend in respect of the six months ended 28 February 2025 (for the six months ended 29 February 2024: Nil).

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 20 BORROWINGS

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
<b>Non-current:</b>		
Long-term bank borrowings, secured	809,490	953,290
Borrowing under finance lease arrangement	474,212	623,692
	<b>1,283,702</b>	1,576,982
<b>Current:</b>		
Current portion of long-term bank borrowings, secured	381,082	166,647
Current portion of long-term bank borrowings, unsecured	27	13,000
Current portion of long-term borrowings from a financial institution, secured	14,981	47,007
Short-term bank borrowings, secured	205,604	135,000
Short-term bank borrowings, unsecured	—	20,000
Borrowing under finance lease arrangement	464,855	459,455
	<b>1,066,549</b>	841,109
<b>Total borrowings</b>	<b>2,350,251</b>	2,418,091

### (a) Details of securities and guarantees to the borrowings

The Group's long-term and short-term bank borrowings, secured as at 28 February 2025 of RMB1,396,176,000 (31 August 2024: RMB1,254,937,000) were obtained in the PRC, secured by the pledge of the rights over the tuition fees and boarding fees of the Group's schools, shares of a subsidiary and supported by guarantees provided by subsidiaries of the Group, Mr. Huang Yulin and his family members.

The Group's long-term and short-term bank borrowings, unsecured as at 28 February 2025 of RMB27,000 (31 August 2024: RMB33,000,000) were obtained in the PRC and supported by guarantees provided by Mr. Huang Yulin and his family members.

The Group's long-term borrowings from a financial institution of RMB14,981,000 (31 August 2024: RMB47,007,000) were obtained in the PRC, secured by the pledge of the rights over the tuition fees and boarding fees of the Group's schools, and supported by guarantees provided by subsidiaries of the Group, Mr. Huang Yulin and his family members.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 20 BORROWINGS (continued)

### (a) Details of securities and guarantees to the borrowings (continued)

The Group's borrowing under finance lease arrangement of RMB939,067,000 (31 August 2024: RMB1,083,147,000) were secured by the pledge of the Group's property, plant and equipment and supported by guarantees provided by subsidiaries of the Group, Mr. Huang Yulin and his family members.

### (b) Other disclosures

#### (i) Fair values

The carrying amounts for the majority of the borrowings approximated their fair values as they were carried at floating interest rates.

#### (ii) Repayment periods

The Group's borrowings as at 28 February 2025 are repayable as follows:

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Within 1 year	1,066,549	841,109
Over 1 year	1,283,702	1,576,982
Total	2,350,251	2,418,091

## 21 DEFERRED REVENUE

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
<b>Government grants</b>		
Non-current	110,776	108,822
Current	7,352	7,744
Total	118,128	116,566

The government grants were received from the local government as subsidies to the Group's purchases of land use right and property, plant and equipment. They are amortised to the profit or loss on a straight-line basis over the expected useful lives of the related assets.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 21 DEFERRED REVENUE (continued)

The movements of the above deferred revenue during the period and year were as follows:

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
As at the beginning of the period/year	116,566	84,342
Additions	6,639	38,528
Released to other income	(5,077)	(6,304)
Closing net book amount of the period/year	118,128	116,566

## 22 COMMITMENTS

### Capital expenditure commitments

Significant capital expenditure commitments are set out below:

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Contracted but not recognised as liabilities		
— Commitments for acquisition of property, plant and equipment, and construction of buildings	179,244	182,547

## 23 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, common significant influence or joint control.

The owners, members of key management and their close family members of the Group are also considered as related parties. In the opinion of the Directors, the related party transactions were carried out in the normal course of business of the Group and at terms negotiated between the Group and the respective related parties.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 23 RELATED PARTY TRANSACTIONS (continued)

### Related parties of the Group

Name of related parties	Relationship
Mr. Huang Yulin	The Controlling Shareholder, chairman and executive director

The Group also had transactions with the family members of the Controlling Shareholder.

Save as disclosed elsewhere in this condensed interim financial information, the following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business for the six months ended 28 February 2025 and 29 February 2024, and the balances arising from related party transactions as at the respective dates of the statement of financial position:

#### (a) Transactions with related parties

	Six months ended 28 February 2025 RMB'000 (Unaudited)	Six months ended 29 February 2024 RMB'000 (Unaudited)
Loans from a related party — Mr. Huang Yulin	37,712	7,276
Guarantees provided by related parties to the Group's borrowings — Mr. Huang Yulin and his family member	1,817,225	1,598,382
	1,854,937	1,605,658

#### (b) Balances with related parties

	As at 28 February 2025 RMB'000 (Unaudited)	As at 31 August 2024 RMB'000 (Audited)
Amount due to a related party — Mr. Huang Yulin (non-trade)	79,979	42,267

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 28 February 2025

## 23 RELATED PARTY TRANSACTIONS (continued)

### Related parties of the Group (continued)

#### (c) Key management compensation

Key management includes directors (executive and non-executive), executive officers, and the Company's secretary. The compensation paid or payable to key management for employee services is as follows:

	Six months ended 28 February 2025 RMB'000 (Unaudited)	Six months ended 29 February 2024 RMB'000 (Unaudited)
Salaries and bonuses	4,833	5,718
Other benefits	271	306
	5,104	6,024

## 24 CONTINGENT LIABILITIES

As at 28 February 2025, the Group had no significant contingent liability (31 August 2024: Nil).