



# 中汇集团

Edvantage Group

**Edvantage Group Holdings Limited**

**中匯集團控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

Stock code : 0382

# 2025

INTERIM REPORT





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# Corporate Profile

## Board of Directors

### Executive Directors

Mr. Liu Yung Chau (*Chairman*)  
Ms. Chen Yuan, Rita  
Ms. Liu Yi Man (*Chief Executive Officer*)

### Non-executive Director

Mr. Liu Yung Kan

### Independent Non-executive Directors

Mr. Xu Gang  
Mr. O'Yang Wiley  
Mr. Li Jiatong

### Company Secretary

Ms. Chan Kit Wai (*HKICPA*)

### Authorised Representatives

Mr. Liu Yung Chau  
Ms. Chan Kit Wai (*HKICPA*)

### Audit Committee

Mr. O'Yang Wiley (*Chairman*)  
Mr. Xu Gang  
Mr. Li Jiatong

### Remuneration Committee

Mr. Xu Gang (*Chairman*)  
Mr. O'Yang Wiley  
Mr. Li Jiatong

### Nomination Committee

Mr. Xu Gang (*Chairman*)  
Mr. O'Yang Wiley  
Mr. Li Jiatong  
Ms. Liu Yi Man (*appointed as a member of the Nomination Committee with effect from 25 April 2025*)

## Executive Committee

Mr. Liu Yung Chau (*Chairman*)  
Ms. Chen Yuan, Rita  
Ms. Liu Yi Man

## Registered Office

Ogier Global (Cayman) Limited  
89 Nexus Way  
Camana Bay  
Grand Cayman, KY1-9009  
Cayman Islands

## Headquarters in the PRC

No. 1 Huashang Road  
Licheng Street, Zengcheng  
Guangzhou  
Guangdong Province  
The People's Republic of China (the "PRC")

## Principal Place of Business in Hong Kong

Room 701, 7/F, Wing On Plaza  
62 Mody Road  
Tsim Sha Tsui  
Kowloon  
Hong Kong

## Principal Share Registrar and Transfer Office

Ogier Global (Cayman) Limited  
89 Nexus Way, Camana Bay  
Grand Cayman, KY1-9009  
Cayman Islands

## Hong Kong Branch Share Registrar and Transfer Office

MUFG Corporate Markets Pty Limited  
Suite 1601, 16/F., Central Tower  
28 Queen's Road Central  
Central  
Hong Kong

## Legal Adviser

Ronald Tong & Co  
Room 501, 5/F  
Sun Hung Kai Centre  
30 Harbour Road  
Hong Kong

## Auditor

Deloitte Touche Tohmatsu  
*Registered Public Interest Entity Auditors*  
35/F, One Pacific Place  
88 Queensway, Admiralty  
Hong Kong

## Stock Code

Stock Code: 0382

## Company's Website

[www.edvantagegroup.com.hk](http://www.edvantagegroup.com.hk)

## Principal Bankers

Guangzhou Rural Commercial Bank  
Co., Ltd.  
Gualv Road Sub-branch  
29 Gualv Road  
Licheng Street, Zengcheng  
Guangzhou  
Guangdong Province  
The PRC

Bank of Communications Co., Ltd.  
Guangzhou Xintang Sub-branch  
365 Gangkou Avenue North  
Xintang Town  
Guangzhou  
Guangdong Province  
The PRC

China Construction Bank Corporation  
Co., Ltd.  
Zengcheng Sub-branch  
69 Zengcheng Avenue  
Licheng Street, Zengcheng  
Guangzhou  
Guangdong Province  
The PRC

Bank of China Limited  
Guangzhou Zengcheng Xintang  
Sub-branch  
130 North Jiefang Road  
Xintang Town, Zengcheng  
Guangzhou  
Guangdong Province  
The PRC

# Financial Highlights

	Six months ended		
	28 February 2025 (unaudited)	29 February 2024 (unaudited)	Percentage increase/ (decrease)
Revenue ( <i>RMB'000</i> )	<b>1,247,486</b>	1,160,191	7.5%
Gross profit ( <i>RMB'000</i> )	<b>482,814</b>	578,009	(16.5%)
Profit for the period attributable to owners of the Company ( <i>RMB'000</i> )	<b>243,683</b>	338,242	(28.0%)
Non-IFRSs measure — Adjusted net profit attributable to owners of the Company ( <i>RMB'000</i> ) ( <i>Note</i> )	<b>258,543</b>	346,204	(25.3%)
Basic earnings per share ( <i>RMB cents</i> )	<b>20.98</b>	29.76	(29.5%)
Dividend per share — Interim dividend (with option to elect to receive dividends in cash and/or in new shares) ( <i>HK cents</i> )	<b>6.60</b>	9.60	(31.3%)
Number of student enrolments	<b>100,300</b>	96,100	4.4%

*Note:* For details of the adjusted net profit attributable to owners of the Company, please refer to the paragraph headed "Non-IFRSs measure — Adjusted net profit attributable to owners of the Company" under the Financial Review section.

# Condensed Consolidated Statement of Profit or Loss And Other Comprehensive Income

For the six months ended 28 February 2025

		<b>Six months ended</b>	
	<i>NOTES</i>	<b>28 February</b>	29 February
		<b>2025</b>	2024
		<b>RMB'000</b>	RMB'000
		<b>(unaudited)</b>	(unaudited)
Revenue	4	<b>1,247,486</b>	1,160,191
Cost of revenue		<b>(764,672)</b>	(582,182)
Gross profit		<b>482,814</b>	578,009
Other income		<b>99,661</b>	81,612
Interest income		<b>9,388</b>	14,890
Other gains and losses	5	<b>(12,018)</b>	(7,234)
Selling and administrative expenses		<b>(256,609)</b>	(256,593)
Finance costs		<b>(37,225)</b>	(24,224)
Profit before taxation		<b>286,011</b>	386,460
Taxation	6	<b>(5,502)</b>	(8,002)
Profit for the period	7	<b>280,509</b>	378,458
<b>Other comprehensive income (expense)</b>			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		<b>4,112</b>	(3,392)
<b>Total comprehensive income for the period</b>		<b>284,621</b>	375,066

# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 28 February 2025

	NOTE	Six months ended	
		28 February 2025 RMB'000 (unaudited)	29 February 2024 RMB'000 (unaudited)
Profit for the period attributable to			
— Owners of the Company		243,683	338,242
— Non-controlling interests		36,826	40,216
		<b>280,509</b>	378,458
Total comprehensive income for the period attributable to			
— Owners of the Company		247,795	334,850
— Non-controlling interests		36,826	40,216
		<b>284,621</b>	375,066
Earnings per share	9		
Basic (RMB cents)		20.98	29.76
Diluted (RMB cents)		20.92	29.75

# Condensed Consolidated Statement of Financial Position

At 28 February 2025

		At 28 February 2025 RMB'000 (unaudited)	At 31 August 2024 RMB'000 (audited)
	NOTES		
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	5,412,078	5,262,674
Right-of-use assets	10	921,549	765,700
Investment properties		130,300	130,300
Goodwill		135,509	135,542
Intangible assets		196,125	196,286
Amounts due from a non-controlling shareholder		45,931	45,931
Deposits and other receivables	11	36,991	36,991
Deposits paid for acquisition of property, plant and equipment		39,135	37,979
Deferred tax assets		30,383	27,115
		<u>6,948,001</u>	<u>6,638,518</u>
<b>CURRENT ASSETS</b>			
Inventories		9,002	10,513
Trade receivables, deposits, prepayments and other receivables	11	123,187	116,708
Financial assets at fair value through profit or loss ("FVTPL")	17	206,259	213,707
Amounts due from related parties	12	40,521	—
Bank balances, deposits and cash		1,864,569	2,122,102
		<u>2,243,538</u>	<u>2,463,030</u>

# Condensed Consolidated Statement of Financial Position

At 28 February 2025

		At 28 February 2025 RMB'000 (unaudited)	At 31 August 2024 RMB'000 (audited)
	NOTES		
<b>CURRENT LIABILITIES</b>			
Contract liabilities		1,147,778	1,575,884
Trade payables	13	94,258	54,624
Other payables and accrued expenses		391,306	397,936
Dividend payables	8	108,704	100,032
Loan due to a shareholder		36,471	36,471
Amounts due to related parties		4,877	2,784
Income tax payable		105,230	100,194
Bank and other borrowings		602,149	419,266
Deferred income		34,654	39,101
Lease liabilities		1,941	1,908
		<u>2,527,368</u>	<u>2,728,200</u>
<b>NET CURRENT LIABILITIES</b>		<u>283,830</u>	<u>265,170</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>6,664,171</u>	<u>6,373,348</u>
<b>NON-CURRENT LIABILITIES</b>			
Other payable		14,000	44,000
Bank and other borrowings		1,312,250	1,252,939
Deferred income		67,939	71,072
Lease liabilities		11,575	5,364
Deferred tax liabilities		151,874	151,965
		<u>1,557,638</u>	<u>1,525,340</u>
		<u>5,106,533</u>	<u>4,848,008</u>
<b>CAPITAL AND RESERVES</b>			
Share capital	14	80,978	78,416
Reserves		<u>4,206,479</u>	<u>3,987,342</u>
Equity attributable to owners of the Company		4,287,457	4,065,758
Non-controlling interests		<u>819,076</u>	<u>782,250</u>
		<u>5,106,533</u>	<u>4,848,008</u>

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 28 February 2025

	Attributable to owners of the Company												
	Shares held under share award scheme												
	Share capital	Share premium	Other reserve	Property revaluation reserve	Share award reserve	Share option reserve	Translation reserve	Statutory surplus reserve	Retained profits	Sub-total	Non-controlling interests	Total	
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
			(Note i)	(Note ii)	(Note iv)			(Note iii)					
At 1 September 2023 (audited)	78,347	819,619	194,428	4,467	(28,790)	3,112	18,378	1,413	549,295	1,902,184	3,542,453	692,875	4,235,328
Profit for the period	—	—	—	—	—	—	—	—	—	338,242	338,242	40,216	378,458
Other comprehensive expense for the period	—	—	—	—	—	—	—	(3,392)	—	—	(3,392)	—	(3,392)
Total comprehensive (expense) income for the period	—	—	—	—	—	—	—	(3,392)	—	338,242	334,850	40,216	375,066
Dividends recognised as distribution (note 8)	—	(93,219)	—	—	—	—	—	—	—	—	(93,219)	—	(93,219)
Recognition of equity-settled share-based payments	—	—	—	—	—	480	365	—	—	—	845	—	845
Share awards vested	—	—	—	—	1,090	(1,412)	—	—	—	322	—	—	—
Share award forfeited	—	—	—	—	—	(689)	—	—	—	689	—	—	—
Issue of shares upon exercise of share options (note 14)	36	1,426	—	—	—	—	(346)	—	—	—	1,116	—	1,116
Share options forfeited/ cancelled	—	—	—	—	—	—	(1,222)	—	—	1,222	—	—	—
Transfer	—	—	—	—	—	—	—	—	39,433	(39,433)	—	—	—
At 29 February 2024 (unaudited)	78,383	727,826	194,428	4,467	(27,700)	1,491	17,175	(1,979)	588,728	2,203,226	3,786,045	733,091	4,519,136
At 1 September 2024 (audited)	78,416	628,787	194,428	4,467	(26,566)	2,430	16,903	(2,387)	634,728	2,534,552	4,065,758	782,250	4,848,008
Profit for the period	—	—	—	—	—	—	—	—	—	243,683	243,683	36,826	280,509
Other comprehensive income for the period	—	—	—	—	—	—	—	4,112	—	—	4,112	—	4,112
Total comprehensive income for the period	—	—	—	—	—	—	—	4,112	—	243,683	247,795	36,826	284,621
Dividends recognised as distribution (note 8)	—	(108,704)	—	—	—	—	—	—	—	—	(108,704)	—	(108,704)
Shares issued in respect of scrip dividend of 2024 interim dividend (note 14)	2,562	74,997	—	—	—	—	—	—	—	—	77,559	—	77,559
Recognition of equity-settled share-based payments	—	—	—	—	—	5,049	—	—	—	—	5,049	—	5,049
Transfer	—	—	—	—	—	—	—	—	39,113	(39,113)	—	—	—
At 28 February 2025 (unaudited)	80,978	595,080	194,428	4,467	(26,566)	7,479	16,903	1,725	673,841	2,739,122	4,287,457	819,076	5,106,533

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 28 February 2025

## Notes:

- i. The other reserve mainly represents (i) the deemed distribution to controlling shareholders which represents the difference between the fair value of the lower-than-market interest rate advances to 廣州市太陽城集團有限公司 (Guangzhou Sun City Group Co., Ltd.\*) and the principal amount of the advances at initial recognition; (ii) the deemed contribution from controlling shareholders which represents the differences between the nominal value and fair value of the lower-than-market interest rate advances on the inception date and settlement date upon early repayment; (iii) the difference between the principal amounts of consideration paid/received and the relevant share of carrying value of the subsidiaries' net assets acquired from/disposed to the non-controlling interests; (iv) the deemed distribution to the controlling shareholders arising from financial guarantee provided to 廣州太陽城大酒店有限公司 (Guangzhou Sun City Hotel Co., Ltd.\*); and (v) the adjustments to non-controlling interests in respect of change in equity interests in a subsidiary.
- ii. The property revaluation reserve of the Group represents the gain on revaluation of certain properties for own use of the Group as a result of transfers of those properties for own use from properties, plant and equipment to investment properties.
- iii. Pursuant to the relevant laws in the PRC, the Company's subsidiaries in the PRC shall make appropriations from after-tax profit to non-distributable reserve funds as determined by the board of directors of the relevant PRC subsidiaries. These reserves include (i) general reserve of the limited liabilities companies and (ii) the development fund of schools.
  - (i) For PRC subsidiaries with limited liability, they are required to make annual appropriations to general reserve of 10% of after-tax profits as determined under the PRC laws and regulations at each period-end until the balance reaches 50% of the relevant PRC entity's registered capital.
  - (ii) According to the relevant PRC laws and regulations, for private school that does not require for reasonable return, it is required to appropriate to development fund of not less than 10% of the net income of the relevant schools as determined in accordance with generally accepted accounting principles in the PRC. The development fund shall be used for the construction or maintenance of the schools or procurement or upgrading of educational equipment.
- iv. Shares held under share award scheme comprises the consideration paid for the treasury shares held for the share award scheme, including any attributable incremental costs for the purchase of shares under the share award scheme.

# Condensed Consolidated Statement of Cash Flows

For the six months ended 28 February 2025

	<b>Six months ended</b>	
	<b>28 February 2025</b>	29 February 2024
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
<b>Net cash used in operating activities</b>	<b>(16,436)</b>	(89,608)
<b>Net cash used in investing activities</b>		
Purchase of financial assets at FVTPL	<b>(1,390,974)</b>	(493,000)
Payments for acquisition of property, plant and equipment	<b>(261,186)</b>	(251,808)
Payments for right-of-use assets	<b>(160,268)</b>	(16,230)
Deposits paid for acquisition of property, plant and equipment	<b>(68,672)</b>	(19,919)
Redemption of financial assets at FVTPL	<b>1,399,116</b>	392,750
Loan to a related company	<b>(36,000)</b>	—
Interest income from banks	<b>9,712</b>	14,890
Interest income from financial assets at FVTPL	<b>2,795</b>	2,112
	<b>(505,477)</b>	(371,205)

# Condensed Consolidated Statement of Cash Flows

For the six months ended 28 February 2025

	<b>Six months ended</b>	
	<b>28 February 2025 RMB'000 (unaudited)</b>	29 February 2024 RMB'000 (unaudited)
<b>Net cash generated from (used in) financing activities</b>		
Repayment of bank and other borrowings	(104,589)	(306,099)
Dividends paid	(22,858)	—
Interest paid	(36,165)	(40,531)
Repayment of lease liabilities	(3,017)	(3,177)
Interest paid on lease liabilities	(432)	(313)
New bank and other borrowings raised	344,681	187,226
Proceeds from issue of shares upon exercise of share options	—	1,116
	<b>177,620</b>	<b>(161,778)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(344,293)</b>	<b>(622,591)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>2,071,112</b>	<b>1,982,857</b>
<b>Net effect of foreign exchange rate changes</b>	<b>(2,684)</b>	<b>(1,444)</b>
<b>Cash and cash equivalents at end of the period, represented by bank balances and cash</b>	<b>1,724,135</b>	<b>1,358,822</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 1. GENERAL INFORMATION

Edvantage Group Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”), was incorporated in the Cayman Islands and registered as an exempted company with limited liability under the Companies Act (As Revised), Chapter 22 of the Cayman Islands on 18 October 2018. Its immediate and ultimate holding company is Debo Education Investments Holdings Limited (德博教育投資控股有限公司) (“**BVI Holdco**”). The ultimate controlling shareholders of the Group are Mr. Liu Yung Chau (“**Mr. Liu**”) and Ms. Chen Yuan, Rita (“**Ms. Chen**”), the spouse of Mr. Liu (“**Controlling Shareholders**”). Mr. Liu is the chairman and an executive director of the Company, and Ms. Chen is an executive director of the Company. The shares of the Company had been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 16 July 2019.

The Company is an investment holding company. The principal activities of its subsidiaries are mainly engaged in the operation of private higher education and vocational education institutions in the PRC and overseas.

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company.

## 2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (the “**IASB**”) as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on Stock Exchange (the “**Listing Rules**”).

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 2. BASIS OF PREPARATION (Continued)

The Group had net current liabilities of RMB283,830,000 as at 28 February 2025. The directors of the Company have reviewed the Group's cash flow projections prepared by the management of the Group. The cash flow projections cover a period not less than twelve months from the end of the reporting period. The directors of the Company are of the opinion that the Group will have sufficient working capital to meet its financial obligations as and when they fall due for the next twelve months from the end of the reporting period after taking into consideration that as at 28 February 2025, included in the current liabilities of the Group was contract liabilities of approximately RMB1,147,778,000 representing the prepayments of tuition and boarding fees received by the Group before commencement of school terms which would be recognised as revenue over the remaining contract terms. Such contract liabilities shall not in itself result in any cash outflow more than significant for the Group. In addition, the Group could generate sufficient operating cash inflow as well as available bank facilities to meet its future obligations.

Taking into account the above-mentioned considerations, these condensed consolidated financial statements have been prepared on a going concern basis.

## 3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values at the end of each reporting period.

Other than additional accounting policies resulting from application of amendments to International Financial Reporting Standards ("IFRSs") and application of certain accounting policies which became relevant to the Group, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 28 February 2025 are the same as those presented in the Group's annual financial statements for the year ended 31 August 2024.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of amendments to IFRSs

In the reporting period, the Group has applied the following amendments to IFRSs issued by the IASB, for the first time, which are mandatorily effective for the annual period beginning on or after 1 September 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
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

The application of the amendments to IFRSs in the current period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

## 4. REVENUE AND SEGMENT INFORMATION

### Revenue from major services

The following is an analysis of the Group's revenue from its major service lines:

	Six months ended	
	28 February 2025 RMB'000 (unaudited)	29 February 2024 RMB'000 (unaudited)
<b>Type of services</b>		
Tuition fees recognised overtime	1,062,894	1,018,416
Boarding fees recognised overtime	102,671	98,794
Non-formal vocational education service fees recognised overtime	81,921	42,981
	<b>1,247,486</b>	<b>1,160,191</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 4. REVENUE AND SEGMENT INFORMATION (Continued)

### Revenue from major services (Continued)

The revenue of the Group comprises of the tuition fees and boarding fees from the Group's higher education and vocational education programmes and other vocational education service fees. The Group's contracts with students for higher education and vocational education programmes in the PRC are normally with duration of 1 year and renewed up to total duration of 2–4 years depending on the education programmes, while those for boarding fees are normally with duration of 1 year. The Group's contracts with students for higher education and vocational education programmes in overseas (including diploma/advanced diploma/certificate) are normally with duration of 12–76 weeks (six months ended 29 February 2024: 12–76 weeks) while those contracts for university cooperation programme for bachelor's degree programmes are normally with duration of 1 year and renewed up to total duration of 3 years. Other vocational education service fees represent short-term vocational education service fees derived from vocation education courses and preparation courses for qualified examination in the PRC. The contracts for other vocational education service are normally with duration of 1 month to 1 year. Tuition and boarding fees and other vocational education service fees are charged at pre-determined fixed consideration.

### Transaction price allocated to the remaining performance obligation for contracts with customers

The contracts for tuition courses, boarding and other vocational education service are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 4. REVENUE AND SEGMENT INFORMATION (Continued)

### Segment revenue and results

The Group is mainly engaged in the provision of private higher education and vocational education institution services in the PRC and overseas. Operating segments have been identified on the basis of internal management reports and prepared in accordance with the relevant accounting principles and financial regulations applicable in the PRC which conform with IFRSs, that are regularly reviewed by the chief operating decision makers (“**CODM**”), Mr. Liu and Ms. Chen, executive directors of the Company, for the purposes of resource allocation and assessment of segment performance focusing on types of services provided.

For education operation in the PRC, the information reported to the CODM is further categorised into different allocations within the PRC, each of which is considered as a separate operating segment by the CODM. For segment reporting, these individual operating segments have been aggregated into a single reportable segment as they are located in the same country and under similar environment constitutes an operating segment.

For education operation in Australia and Singapore, they are considered as a separate operating segment by the CODM. None of these segments met the quantitative thresholds for the reportable segments in both current and prior period. Accordingly, these segments were grouped in “Overseas higher education and vocational education”.

Specifically, the Group's reportable segments under IFRS 8 Operating Segments are as follows:

1. PRC higher education and vocational education — operation of higher, secondary and non-formal vocational education institutions in the PRC; and
2. Overseas higher education and vocational education — operation of higher and vocational education institutions in the regions other than the PRC.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 4. REVENUE AND SEGMENT INFORMATION (Continued)

### Segment revenue and results (Continued)

The following is an analysis of the Group's revenue and results by operating and reportable segments:

**For the six months ended 28 February 2025 (unaudited)**

	PRC higher education and vocational education RMB'000	Overseas higher education and vocational education RMB'000	Total RMB'000
Revenue			
External sales and segment revenue	1,234,456	13,030	1,247,486
Segment profit (loss)	326,298	(6,178)	320,120
Unallocated corporate expenses			(25,792)
Unallocated corporate income			1,494
Unallocated other gains and losses			(9,811)
Profit before taxation			286,011

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 4. REVENUE AND SEGMENT INFORMATION (Continued)

### Segment revenue and results (Continued)

For the six months ended 29 February 2024 (unaudited)

	PRC higher education and vocational education RMB'000	Overseas higher education and vocational education RMB'000	Total RMB'000
Revenue			
External sales and segment revenue	1,144,813	15,378	1,160,191
Segment profit (loss)	398,239	(4,116)	394,123
Unallocated corporate expenses			(16,181)
Unallocated corporate income			4,229
Unallocated other gains and losses			4,289
Profit before taxation			386,460

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit (loss) represent the profit earned by/loss incurred from each segment without allocation of certain administrative expenses, selling expenses, certain other income, certain investment income and certain other gains and losses. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

### Segment assets and liabilities

No analysis of segment assets or segment liabilities is presented as they are not regularly provided to the CODM of the Group on making decision for resource allocation and performance assessment.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 5. OTHER GAINS AND LOSSES

	Six months ended	
	28 February 2025 RMB'000 (unaudited)	29 February 2024 RMB'000 (unaudited)
Fair value change on financial assets at FVTPL	3,489	1,724
Net foreign exchange (loss) gain	(9,811)	4,289
Impairment losses under Expected Credit Loss ("ECL") model, net of reversal	—	(11,177)
Others	(5,696)	(2,070)
	<b>(12,018)</b>	<b>(7,234)</b>

## 6. TAXATION

	Six months ended	
	28 February 2025 RMB'000 (unaudited)	29 February 2024 RMB'000 (unaudited)
Current tax		
— Hong Kong Profits Tax	699	1,078
— Enterprise Income Tax	8,162	7,170
Subtotal	8,861	8,248
Deferred tax	(3,359)	(246)
Total	<b>5,502</b>	<b>8,002</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 6. TAXATION (Continued)

According to the Implementation Rules for the Law for Promoting Private Education, private schools for which the school sponsors do not require reasonable returns are eligible to enjoy the same preferential tax treatment as public schools. As a result, private schools, which are providing academic qualification education, are eligible to enjoy income tax exemption treatment if the school sponsors of such schools do not require reasonable returns. Certain private higher and vocational education institutions have been granted enterprise income tax exemption for the tuition related income from relevant local tax authorities. During the six months ended 28 February 2025, the non-taxable tuition related income amounted to RMB1,144,718,000 (six months ended 29 February 2024: RMB1,087,616,000), and the related non-deductible expense amounted to RMB843,670,000 (six months ended 29 February 2024: RMB712,807,000).

## 7. PROFIT FOR THE PERIOD

	Six months ended	
	28 February 2025	29 February 2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Profit for the period has been arrived at after charging:		
Staff costs, including directors' remuneration		
— salaries and other allowances	424,009	374,720
— retirement benefit scheme contributions	43,667	35,396
— share-based payments	5,049	845
Total staff costs	472,725	410,961
Depreciation of property, plant and equipment	111,380	112,946
Depreciation of right-of-use assets	13,842	12,645
Short-term lease expenses	753	669

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 8. DIVIDENDS

The Company recognised the following dividends as payable during the six months ended 28 February 2025 and as distribution during the six months ended 29 February 2024:

Six months ended	
28 February 2025 RMB'000 (unaudited)	29 February 2024 RMB'000 (unaudited)
Final dividend for the year ended 31 August 2024 of HK10.0 cents per ordinary share ( <i>Note (i)</i> ) (six months ended 29 February 2024: final dividend for the year ended 31 August 2023 of HK9.0 cents per ordinary share) ( <i>Note (ii)</i> )	
<b>108,704</b>	93,261

Notes:

- (i) The final dividend in respect of the year ended 31 August 2024 totalling approximately RMB108,704,000 is expected to be satisfied partly in the form of allotment of new shares of the Company and partly in cash on 30 May 2025.
- (ii) The final dividend in respect of the year ended 31 August 2023 totaling RMB93,261,000 has been satisfied partly in the form of allotment of new shares of the Company and partly in cash on 31 May 2024. The number of ordinary shares settled and issued as scrip dividends was 461,894 and the total amount of dividend paid as scrip dividends was RMB1,068,000 while cash dividend amounted to RMB92,193,000.

Subsequent to the end of the reporting period, the directors of the Company have determined that an interim dividend of HK6.60 cents per ordinary share for the six months ended 28 February 2025 (six months ended 29 February 2024: HK9.60 cents per ordinary share), in an aggregate amount of approximately HK\$77,763,000 (six months ended 29 February 2024: HK\$109,614,155) which is calculated based on the number of issued shares of the Company at the end of the reporting period (i.e. 28 February 2025), will be declared and paid to the shareholders of the Company ("**Shareholders**") whose names appear in the Company's register of members on 30 September 2025. The interim dividend will be payable in cash with a scrip alternative, allowing eligible Shareholders ("**Eligible Shareholders**") to elect to receive such interim dividend wholly in new shares of the Company, or partly in new shares of the Company and partly in cash, or wholly in cash.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended	
	28 February 2025	29 February 2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)

### Earnings:

Profit for the period attributable to owners of the Company for the purposes of calculating basic and diluted earnings per share

243,683	338,242
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	Six months ended	
	28 February 2025	29 February 2024
	(unaudited)	(unaudited)

### Number of shares:

Weighted average number of ordinary shares for the purpose of calculating basic earnings per share

1,161,738,475	1,136,739,687
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Effect of dilutive potential ordinary shares:

Unvested awarded shares

3,213,572	317,079
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Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share

1,164,952,047	1,137,056,766
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The computation of diluted earnings per share does not assume the exercise of share options during the six months ended 28 February 2025 (six months ended 29 February 2024: did not assume the exercise of share options) of the Company because those share options were anti-diluted.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT/RIGHT-OF-USE ASSETS

During the reporting period, the Group's addition in property, plant and equipment was RMB261,186,000 (six months ended 29 February 2024: RMB278,114,000).

During the reporting period, the Group has made payments of RMB160,268,000 (six months ended 29 February 2024: RMB16,230,000) for leasehold land which were recognised as additions to right-of-use assets.

During the reporting period, the Group entered into new lease agreements for the use of school premise and office for two years (six months ended 29 February 2024: two years). Upon lease commencement, the Group recognised right-of-use assets and lease liabilities of RMB9,693,000 respectively (six months ended 29 February 2024: RMB40,000).

## 11. TRADE RECEIVABLES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	At 28 February 2025 RMB'000 (unaudited)	At 31 August 2024 RMB'000 (audited)
Trade receivables ( <i>Note i</i> )	19,828	6,762
Less: allowance for credit losses	(1,263)	(1,263)
	<b>18,565</b>	5,499
Receivables from education departments	2,215	2,218
Staff advances	24,835	22,624
Other receivables	29,860	19,538
Interest income receivables	1,084	1,852
Deposits	2,029	2,299
Prepayments	24,081	41,688
Advances to government ( <i>Note ii</i> )	56,992	56,992
Other tax recoverable	517	989
Total	<b>160,178</b>	153,699
Less: Amounts due within one year shown under current assets	(123,187)	(116,708)
Amounts shown under non-current assets	<b>36,991</b>	36,991

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 11. TRADE RECEIVABLES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

Notes:

- (i) The students are required to pay tuition fees and boarding fees in advance for the upcoming school years before the commencements of the courses. The outstanding receivables represent amounts related to students who have applied for the delayed payment of tuition fees and boarding fees. There is no fixed term for delayed payments. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of individual students, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances.
- (ii) The amounts represent refundable advances to the municipal government to finance their expenses borne on revamp of the land which the Group plans to be acquire in the future. The refundable advances are interest-free and the management of the Group expected that the amount would be repayable more than one year from the end of the reporting period.

The following is an analysis of trade receivables, net of allowance for credit losses, by age, presented based on debit note.

	At 28 February 2025 RMB'000 (unaudited)	At 31 August 2024 RMB'000 (audited)
0–30 days	11,621	599
31–90 days	69	167
91–180 days	6,875	4,733
Total	18,565	5,499

As at 28 February 2025, the Group's trade receivables with aggregate carrying amount of RMB18,565,000 (31 August 2024: RMB5,499,000) are past due as at reporting date for which the Group has not provided for impairment loss. The Group considered the trade receivables overdue over 90 days for students that are not dropped out from schools are not default as the tuition fees, university cooperation programme fees and boarding fees are usually fully received upon the graduation of the students by reference to experience.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 12. AMOUNTS DUE FROM RELATED PARTIES

	<b>28 February 2025 RMB'000</b>	31 August 2024 RMB'000
Amounts due from related parties	<b>40,521</b>	—
	<b>40,521</b>	—

The amounts mainly consist of a loan of RMB36,000,000 for Guangzhou Sun City Hotel and a property deposit of RMB3,000,000. The loan guarantors are Mr. Liu and Ms. Chen, and the loan is denominated in RMB, with an annual interest rate of 4.5% and the latest repayment date is 19 November 2025.

As of 28 February 2025, and 31 August 2024, the fair values of the amounts due from related parties approximate their carrying amounts due to the short-term nature.

## 13. TRADE PAYABLES

The credit period granted by suppliers on purchase of consumables and provision of services ranged from 30 days to 60 days.

The following is an aging analysis of trade payables presented based on invoice date at the end of reporting period.

	<b>At 28 February 2025 RMB'000 (unaudited)</b>	At 31 August 2024 RMB'000 (audited)
0–60 days	<b>51,578</b>	30,233
61–180 days	<b>16,475</b>	8,551
181–365 days	<b>23,031</b>	8,404
Over 365 days	<b>3,174</b>	7,436
	<b>94,258</b>	54,624

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 14. SHARE CAPITAL

	Number of shares	Amount US\$	Shown in the condensed consolidated financial statements RMB'000
Ordinary share of US\$0.01 each			
<b>Authorised</b>			
At 1 September 2023, 29 February 2024, 1 September 2024 and 28 February 2025	1,500,000,000	15,000,000	N/A
<b>Issued and fully paid:</b>			
At 1 September 2023	1,141,304,113	11,413,040	78,347
Issue of shares upon exercise of share options	510,000	5,100	36
At 29 February 2024	1,141,814,113	11,418,140	78,383
Issue of shares ( <i>Note i</i> )	461,894	4,619	33
At 1 September 2024	1,142,276,007	11,422,759	78,416
Issue of shares ( <i>Note ii</i> )	35,954,419	359,544	2,562
At 28 February 2025	1,178,230,426	11,782,303	80,978

*Note:*

- In May 2024, the Company issued 461,894 ordinary shares of par value US\$0.01 in respect of the scrip dividend scheme in relation to the final dividend for the year ended 31 August 2023.
- On 31 October 2024, the Company issued 35,954,419 ordinary shares of par value US\$0.01 in respect of the scrip dividend scheme in relation to the interim dividend for the six months ended 29 February 2024.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 15. SHARE-BASED PAYMENTS

### (a) Share Option Scheme

The Company's share option scheme (the **"2019 Share Option Scheme"**) was adopted pursuant to shareholders' resolution passed on 6 June 2019 and will expire no later than 10 years from the date of the listing. The 2019 Share Option Scheme was terminated by shareholders' resolution passed on 19 January 2024 prior to its expiry, and the Company has adopted a share option scheme on the same date (the **"2024 Share Option Scheme"**).

For details of the 2024 Share Option Scheme, please refer to the circular of the Company dated 4 January 2024. Unless otherwise specified or the context otherwise requires, capitalised terms used in this interim report shall have the same meaning as those defined in the circular of the Company dated 4 January 2024.

On the adoption date of the 2024 Share Option Scheme, there were 1,141,814,113 Shares in issue. Accordingly, (i) the total number of shares which may be issued in respect of all options and awarded shares that may be granted under the 2024 Share Schemes and all share options and all share awards that may be granted under any Other Schemes would be no more than 114,181,411 shares, representing no more than approximately 10% of the total number of shares in issue as at the adoption date; and (ii) the total number of shares that may be issued in respect of all options and awarded shares that may be granted under the 2024 Share Schemes and all share options and all share awards that may be granted under any Other Schemes to the service providers would be no more than 11,418,141 Shares, representing no more than approximately 1% of the total number of shares in issue as at the adoption date.

As the 2019 Share Option Scheme was terminated on 19 January 2024, no further share options may be granted under the 2019 Share Option Scheme with effect from 19 January 2024. As at 28 February 2025, there was no more options available for grant under the 2019 Share Option Scheme.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 15. SHARE-BASED PAYMENTS (Continued)

### (a) Share Option Scheme (Continued)

The following tables disclose movements in the Company's share options under the 2019 Share Option Scheme during the reporting period:

Option type	Date of grant	Exercise price HK\$	Exercise period (Note i)	Outstanding at 1 September 2024	Granted during the period	Forfeited during the period	Exercised during the period	Outstanding at 28 February 2025
<b>Directors</b>								
Mr. Liu	21 January 2020	4.954	10 December 2020– 30 January 2026	449,178	—	—	—	449,178
	21 January 2020	4.954	29 March 2021– 30 January 2026	449,178	—	—	—	449,178
	21 January 2020	4.954	10 December 2021– 30 January 2026	449,178	—	—	—	449,178
	15 July 2022	2.394	23 August 2022– 24 September 2027	449,188	—	—	—	449,188
	15 July 2022	2.394	8 December 2022– 24 September 2027	449,188	—	—	—	449,188
	15 July 2022	2.394	28 March 2023– 24 September 2027	449,192	—	—	—	449,192
Ms. Chen	21 January 2020	4.954	10 December 2020– 30 January 2026	89,835	—	—	—	89,835
	21 January 2020	4.954	29 March 2021– 30 January 2026	89,835	—	—	—	89,835
	21 January 2020	4.954	10 December 2021– 30 January 2026	89,835	—	—	—	89,835
	15 July 2022	2.394	23 August 2022– 24 September 2027	89,845	—	—	—	89,845
	15 July 2022	2.394	8 December 2022– 24 September 2027	89,845	—	—	—	89,845
	15 July 2022	2.394	28 March 2023– 24 September 2027	89,849	—	—	—	89,849

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 15. SHARE-BASED PAYMENTS (Continued)

### (a) Share Option Scheme (Continued)

Option type	Date of grant	Exercise price HK\$	Exercise period (Note i)	Outstanding at 1 September 2024	Granted during the period	Forfeited during the period	Exercised during the period	Outstanding at 28 February 2025
<b>Directors (Continued)</b>								
Ms. Liu Yi Man ("Ms. Liu")	21 January 2020	4,954	10 December 2020– 30 January 2026	269,507	—	—	—	269,507
	21 January 2020	4,954	29 March 2021– 30 January 2026	269,507	—	—	—	269,507
	21 January 2020	4,954	10 December 2021– 30 January 2026	269,507	—	—	—	269,507
	22 February 2021	9,288	10 December 2021– 29 January 2027	84,541	—	—	—	84,541
	15 July 2022	2,394	23 August 2022– 24 September 2027	354,058	—	—	—	354,058
	15 July 2022	2,394	8 December 2022– 24 September 2027	354,058	—	—	—	354,058
	15 July 2022	2,394	28 March 2023– 24 September 2027	354,059	—	—	—	354,059
	15 July 2022	2,394	7 December 2023– 24 September 2027	84,551	—	—	—	84,551
	15 July 2022	2,394	26 March 2024– 24 September 2027	84,551	—	—	—	84,551
Mr. Liu Yung Kan	21 January 2020	4,954	10 December 2020– 30 January 2026	62,885	—	—	—	62,885
	21 January 2020	4,954	29 March 2021– 30 January 2026	62,885	—	—	—	62,885
	21 January 2020	4,954	10 December 2021– 30 January 2026	62,885	—	—	—	62,885
	15 July 2022	2,394	23 August 2022– 24 September 2027	62,895	—	—	—	62,895
	15 July 2022	2,394	8 December 2022– 24 September 2027	62,895	—	—	—	62,895
	15 July 2022	2,394	28 March 2023– 24 September 2027	62,895	—	—	—	62,895

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 15. SHARE-BASED PAYMENTS (Continued)

### (a) Share Option Scheme (Continued)

Option type	Date of grant	Exercise price HK\$	Exercise period (Note i)	Outstanding at 1 September 2024	Granted during the period	Forfeited during the period	Exercised during the period	Outstanding at 28 February 2025
<b>Directors (Continued)</b>								
Mr. Xu Gang	21 January 2020	4.954	10 December 2020– 30 January 2026	17,967	—	—	—	17,967
	21 January 2020	4.954	29 March 2021– 30 January 2026	17,967	—	—	—	17,967
	21 January 2020	4.954	10 December 2021– 30 January 2026	17,967	—	—	—	17,967
	15 July 2022	2.394	23 August 2022– 24 September 2027	17,977	—	—	—	17,977
	15 July 2022	2.394	8 December 2022– 24 September 2027	17,977	—	—	—	17,977
	15 July 2022	2.394	28 March 2023– 24 September 2027	17,978	—	—	—	17,978
Mr. Li Jiatong	21 January 2020	4.954	10 December 2020– 30 January 2026	17,967	—	—	—	17,967
	21 January 2020	4.954	29 March 2021– 30 January 2026	17,967	—	—	—	17,967
	21 January 2020	4.954	10 December 2021– 30 January 2026	17,967	—	—	—	17,967
	15 July 2022	2.394	23 August 2022– 24 September 2027	17,977	—	—	—	17,977
	15 July 2022	2.394	8 December 2022– 24 September 2027	17,977	—	—	—	17,977
	15 July 2022	2.394	28 March 2023– 24 September 2027	17,978	—	—	—	17,978
Directors in aggregate				5,951,491	—	—	—	5,951,491

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 15. SHARE-BASED PAYMENTS (Continued)

### (a) Share Option Scheme (Continued)

Option type	Date of grant	Exercise price HK\$	Exercise period (Note i)	Outstanding at 1 September 2024	Granted during the period	Forfeited during the period	Exercised during the period	Outstanding at 28 February 2025
<b>Associates of directors and substantial shareholders (Note ii)</b>								
Mr. Liu Yung Kwong (brother of Mr. Liu and Mr. Liu Yung Kan)	21 January 2020	4,954	10 December 2020– 30 January 2026	26,950	—	—	—	26,950
	21 January 2020	4,954	29 March 2021– 30 January 2026	26,950	—	—	—	26,950
	21 January 2020	4,954	10 December 2021– 30 January 2026	26,950	—	—	—	26,950
	15 July 2022	2,394	23 August 2022– 24 September 2027	26,960	—	—	—	26,960
	15 July 2022	2,394	8 December 2022– 24 September 2027	26,960	—	—	—	26,960
	15 July 2022	2,394	28 March 2023– 24 September 2027	26,964	—	—	—	26,964
Mr. Liu Chi Hin (son of Mr. Liu and Ms. Chen)	21 January 2020	4,954	10 December 2020– 30 January 2026	89,835	—	—	—	89,835
	21 January 2020	4,954	29 March 2021– 30 January 2026	89,835	—	—	—	89,835
	21 January 2020	4,954	10 December 2021– 30 January 2026	89,835	—	—	—	89,835
	22 February 2021	9,288	10 December 2021– 29 January 2027	42,270	—	—	—	42,270
	15 July 2022	2,394	23 August 2022– 24 September 2027	132,115	—	—	—	132,115
	15 July 2022	2,394	8 December 2022– 24 September 2027	132,115	—	—	—	132,115
	15 July 2022	2,394	28 March 2023– 24 September 2027	132,119	—	—	—	132,119
	15 July 2022	2,394	7 December 2023– 24 September 2027	42,280	—	—	—	42,280
	15 July 2022	2,394	26 March 2024– 24 September 2027	42,283	—	—	—	42,283
Mr. Liu Chi Wai (son of Mr. Liu and Ms. Chen)	21 January 2020	4,954	10 December 2020– 30 January 2026	71,868	—	—	—	71,868
	21 January 2020	4,954	29 March 2021– 30 January 2026	71,868	—	—	—	71,868
	21 January 2020	4,954	10 December 2021– 30 January 2026	71,868	—	—	—	71,868
	15 July 2022	2,394	23 August 2022– 24 September 2027	71,878	—	—	—	71,878
	15 July 2022	2,394	8 December 2022– 24 September 2027	71,878	—	—	—	71,878
	15 July 2022	2,394	28 March 2023– 24 September 2027	71,881	—	—	—	71,881
Associates of directors and substantial shareholders in aggregate				1,385,662	—	—	—	1,385,662

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 15. SHARE-BASED PAYMENTS (Continued)

### (a) Share Option Scheme (Continued)

Option type	Date of grant	Exercise price HK\$	Exercise period (Note i)	Outstanding at 1 September 2024	Granted during the period	Forfeited during the period	Exercised during the period	Outstanding at 28 February 2025
<b>Employees (non-connected persons)</b> (Note iii)	21 January 2020	4.954	10 December 2020– 30 January 2026	431,210	—	—	—	431,210
	21 January 2020	4.954	29 March 2021– 30 January 2026	431,210	—	—	—	431,210
	21 January 2020	4.954	10 December 2021– 30 January 2026	431,210	—	—	—	431,210
	22 February 2021	9.288	10 December 2021– 29 January 2027	593,223	—	—	—	593,223
	29 April 2021	8.592	10 December 2021– 29 January 2027	293,690	—	—	—	293,690
	15 July 2022	2.394	23 August 2022– 24 September 2027	1,282,524	—	—	—	1,282,524
	15 July 2022	2.394	8 December 2022– 24 September 2027	1,345,355	—	—	—	1,345,355
	15 July 2022	2.394	28 March 2023– 24 September 2027	1,282,534	—	—	—	1,282,534
	15 July 2022	2.394	7 December 2023– 24 September 2027	976,005	—	—	—	976,005
	15 July 2022	2.394	26 March 2024– 24 September 2027	913,179	—	—	—	913,179
Employees (non-connected persons) in aggregate				7,980,140	—	—	—	7,980,140
Total				15,317,293	—	—	—	15,317,293
Exercisable at the end of the period								15,317,293

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 15. SHARE-BASED PAYMENTS (Continued)

### (a) Share Option Scheme (Continued)

Notes:

- i. The vesting period commences on the date of grant and up to the share options become exercisable.
- ii. Mr. Liu Yung Kwong, Mr. Liu Chi Hin and Mr. Liu Chi Wai are employees of the Group.
- iii. Employees (non-connected persons) include Mr. Chan Kai Tung, being the son of Ms. Chen's brother (i.e. nephew of Ms. Chen), who falls under the scope of "relative" under Rule 14A.21(1)(a) of the Listing Rules and, depending on the opinion of the Stock Exchange, may be deemed to be a connected person of the Company.

Save as disclosed above, no share options had been granted, exercised, lapsed or cancelled under the 2019 Share Option Scheme and 2024 Share Option Scheme respectively during the reporting period.

### (b) Share Award Scheme

The Company has adopted a share award scheme (the "**2024 Share Award Scheme**") pursuant to a shareholders' resolution passed on 19 January 2024.

For details of the 2024 Share Award Scheme, please refer to the circular of the Company dated 4 January 2024. Unless otherwise specified or the context otherwise requires, capitalised terms used in this interim report shall have the same meaning as those defined in the circular of the Company dated 4 January 2024.

On the adoption date, there were 1,141,814,113 Shares in issue. Accordingly, (i) the total number of Shares which may be issued in respect of all options and awarded shares that may be granted under the 2024 Share Schemes and all share options and all share awards that may be granted under any Other Schemes would be no more than 114,181,411 shares, representing no more than approximately 10% of the total number of Shares in issue as at the adoption date; and (ii) the total number of Shares that may be issued in respect of all options and awarded shares that may be granted under the 2024 Share Schemes and all share options and all share awards that may be granted under any Other Schemes to the service providers would be no more than 11,418,141 shares, representing no more than approximately 1% of the total number of Shares in issue as at the adoption date.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 15. SHARE-BASED PAYMENTS (Continued)

### (b) Share Award Scheme (Continued)

The following tables disclose movements in the Company's share awards under the 2024 Share Award Scheme during the reporting period:

				Number of share awards outstanding at 1 September 2024	Granted during the period	Vested during the period	Forfeited during the period	Number of share awards outstanding at 28 February 2025
Date of grant	Vesting date (Note (i))							
<b>Directors</b>								
Mr. Liu	24 May 2024	26 May 2025		1,044,177	—	—	—	1,044,177
Ms. Chen	24 May 2024	26 May 2025		602,410	—	—	—	602,410
Ms. Liu	24 May 2024	26 May 2025		1,004,016	—	—	—	1,004,016
Directors in aggregate				2,650,603	—	—	—	2,650,603
<b>Associates of directors and substantial shareholders (Note (i))</b>								
Mr. Liu Chi Hin (son of Mr. Liu and Ms. Chen)	24 May 2024	26 May 2025		401,606	—	—	—	401,606
Mr. Liu Chi Wai (son of Mr. Liu and Ms. Chen)	24 May 2024	26 May 2025		401,606	—	—	—	401,606
Associates of directors and substantial shareholders in aggregate				803,212	—	—	—	803,212
<b>Employees (non-connected persons) (Note (iii))</b>								
	24 May 2024	26 May 2025		975,904	—	—	—	975,904
Employees (non-connected persons) in aggregate				975,904	—	—	—	975,904
Total				4,429,719	—	—	—	4,429,719

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 15. SHARE-BASED PAYMENTS (Continued)

### (b) Share Award Scheme (Continued)

*Notes:*

- i The vesting period commences on the date of grant and up to the vesting date.
- ii Mr. Liu Chi Hin and Mr. Liu Chi Wai are employees of the Group.
- iii Included in employees (non-connected persons), Mr. Chan Kai Tung, being the son of Ms. Chen's brother (i.e. nephew of Ms. Chen), falls under the scope of "relative" under Rule 14A.21(1)(a) of the Listing Rules who, depending on the opinion of the Stock Exchange, may be deemed to be a connected person of the Company.
- iv The purchase price of all the above share awards granted is HK\$0.

Save as disclosed above, no share awards had been granted, lapsed or cancelled under the 2024 Share Award Scheme during the reporting period.

As at 1 September 2024, the number of share options and share awards available for grant under the Scheme Mandate Limit and Service Provider Sublimit under the 2024 Share Option Scheme, 2024 Share Award Scheme and any Other Schemes were 109,751,692 Shares and 11,418,141 Shares respectively. As no grant was made and no share options or share awards have lapsed under the 2024 Share Option Scheme, 2024 Share Award Scheme or any Other Schemes during the six months ended 28 February 2025, as at 28 February 2025, the number of share options and share awards available for grant under the Scheme Mandate Limit and Service Provider Sublimit under the 2024 Share Option Scheme, 2024 Share Award Scheme and any Other Schemes were 109,751,692 Shares and 11,418,141 Shares respectively.

As no grant was made under the 2024 Share Option Scheme, 2024 Share Award Scheme or any Other Schemes during the six months ended 28 February 2025, the number of shares that may be issued in respect of share options and share awards granted under all share schemes of the Company during the six months ended 28 February 2025 divided by the weighted average number of Shares in issue during the six months ended 28 February 2025 is 0.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 16. CAPITAL COMMITMENTS

As at the end of the reporting period, the Group was committed to acquire property, plant and equipment and right-of-use assets mainly for the construction of new campus amounting to RMB785,265,000 (31 August 2024: RMB300,823,000), in aggregate.

## 17. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

### **Fair value of the Group's financial assets that are measured at fair value on a recurring basis**

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 17. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

**Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)**

Financial assets	Fair value	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
Financial assets at FVTPL (structured deposits)	At 28 February 2025: RMB206,259,000 (31 August 2024: RMB213,707,000)	Level 3	Discounted cash flow — Future cash flows are estimated based on estimated return ranging from 0.64% to 3.15% (31 August 2024: 1.2% to 2.97%) per annum, and discounted at a rate of 2.07% (31 August 2024: 1.79%)	Estimated return and discount rate

If the estimated return is multiplied by 110%/90%, while all the other variables were held constant, the carrying amount of the financial assets at FVTPL would increase/decrease by RMB226,000 (31 August 2024: RMB75,000) at the end of the reporting period.

If the discount rate is multiplied by 110%/90%, while all the other variables were held constant, the carrying amount of the financial assets at FVTPL would decrease/increase by RMB126,000 (31 August 2024: RMB40,000) at the end of the reporting period.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 28 February 2025

## 17. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

### Reconciliation of Level 3 Measurements

The following table presents the reconciliation of Level 3 Measurements of the financial assets at FVTPL during the reporting period:

	<i>RMB'000</i>
At 1 September 2023	12,422
Purchase of structured deposits	493,000
Redemption of structured deposits	(392,750)
Net gain on structured deposits	1,724
Settlements of the interest income	(2,112)
	<hr/>
At 29 February 2024	112,284
	<hr/>
At 1 September 2024	<b>213,707</b>
Purchase of structured deposits	<b>1,390,974</b>
Redemption of structured deposits	<b>(1,399,116)</b>
Net gain on structured deposits	<b>3,489</b>
Settlements of the interest income	<b>(2,795)</b>
	<hr/>
At 28 February 2025	<b>206,259</b>
	<hr/>

The total gains or losses for the six months ended 28 February 2025 included an unrealised gain of RMB694,000 (six months ended 29 February 2024: unrealised loss of RMB388,000) relating to financial assets at FVTPL at the end of the reporting period. Such fair value gains or losses are included in 'other gains and losses'.

The chief financial officer of the Company determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Group uses market observable data to the extent it is available. The chief financial officer of the Company reports the findings to the board of directors of the Company when needed to explain the cause of fluctuations in the fair value of the assets and liabilities.

Information about the valuation techniques and inputs used in determining the fair value of certain financial assets are disclosed above.

# Management Discussion and Analysis

## Business Progress

During the reporting period, the Group operated nine schools at home and abroad, i.e. Guangzhou Huashang College ("**Huashang College**"), Guangzhou Huashang Vocational College ("**Huashang Vocational College**") and Guangdong Huashang Technical School ("**Huashang Technical School**") in Guangdong Province, the PRC; Urban Vocational College of Sichuan ("**Urban Vocational College**") and Urban Technician College of Sichuan ("**Urban Technician College**") in Sichuan Province, the PRC; GBA Business School ("**GBABS**") in Hong Kong, the PRC; Global Business College of Australia ("**GBCA**") and Edvantage Institute Australia ("**EIA**") in Melbourne, Australia; and Edvantage Institute (Singapore) ("**EIS**") in the downtown of Singapore. Since its establishment, the Group has consistently aligned with national policies, steadfastly pursuing a path of high-quality development. Upholding the educational philosophy of "building a century-old prestigious school and nurturing outstanding talents for China", we have continuously deepened the integration of industry and education, as well as international cooperation and exchanges. We are committed to comprehensively improving the quality of education, teaching, and talent cultivation, with all our endeavors demonstrating sustainable and high-quality development. During the reporting period, the major business progress is as follows:

## Deepening Roots in the Greater Bay Area, Continuously Strengthening Educational Resources

Leveraging the exceptional regional advantages of the Guangdong-Hong Kong-Macao Greater Bay Area ("**GBA**"), the Group has achieved steady year-on-year growth in student enrollment in recent years. As disclosed in the Group's annual report for the year ended 31 August 2024, the Group sees the importance of increasing investment in education towards the establishment of a high-quality education brand, and the Group has been making precise investment in the campus environment, facilities and equipment and teaching staff, and has continuously enriched our school operation and our teaching team, so as to enhance the quality of our education and the standard of our school operation. During the reporting period, we further increased the educational investments in the GBA by acquiring the land use rights of three parcels of land situate in Xinhui District, Jiangmen City, Guangdong Province for construction of the Jiangmen campus, continuously expanding school capacity to provide a solid foundation for future student growth and consolidating our leading position in the region.

## Management Discussion and Analysis

In terms of teaching faculty, we have been expanding our team of “dual-qualified” instructors (combining academic and industry expertise), improving salary and benefits for highly educated and credentialed teachers, and actively recruiting industry experts and academic leaders. These efforts have yielded outstanding results in high-quality faculty development.

As the development of the GBA progresses, we will continue to deepen collaborations with enterprises in the region, explore innovative, open and shared models of industry-education integration. This will further enhance education quality and research capabilities, driving the high-quality development of vocational education.

### **Proactively Embracing Educational Transformation, Vigorously Developing AI and Digitalisation**

Amid the accelerated advancement of artificial intelligence (“AI”) and digitalisation, the Group has actively seized the trends of industrial upgrading and evolving talent demands, adopting “AI-empowered vocational education” as a core strategy to comprehensively integrate AI technology with digital teaching.

During the reporting period, we proactively embraced educational transformation by increasing investments in smart education. Key initiatives included building an intelligent education platform and introducing innovative applications such as AI teaching assistants, virtual simulation training, and personalised learning analytics, significantly enhancing teaching efficiency and students’ employability.

Simultaneously, we deepened industry-education integration, establishing strong partnerships with leading enterprises (e.g., Huawei, Baidu, JD.com, etc.), research institutions, and trade associations. Together, we developed a collaborative education platform integrating “industry, academia, research, application, and innovation”, co-creating cutting-edge curricula in emerging fields like AI, big data, and smart manufacturing to ensure precise alignment with industry needs.

Looking ahead, we will continue optimising our digital education ecosystem, exploring innovative “AI + vocational education” models to drive quality upgrades through technology. By consistently cultivating high-skilled talent for national strategic industries, we aim to further solidify our leadership in the sector.

# Management Discussion and Analysis

## **From Classroom to Industry And Workshops as Incubators for Innovative Talent**

Since its establishment, the Group has placed paramount importance on cultivating students' innovative and practical capabilities. Our schools have partnered with leading enterprises to establish industry-education integration workshops, inviting corporate mentors to co-design curricula and ensure precise alignment between academic content and industry demands.

During the reporting period, we launched a series of cutting-edge workshops, including:

"AI-Driven Integrated Marketing Communications Workshop", "New Narrative x Jim Chim PIP Performance Masterclass", "ESG Workshop", "Super Writing Dream Factory" and "Game Development Workshop".

These programmes deeply integrate frontier industry needs with pedagogical practice. Featuring case-based learning, sandbox simulations, and real-world corporate projects, the workshops enable students to master core competencies through immersive scenarios.

Moving forward, we will expand workshop coverage across more disciplines, strengthen school-enterprise collaborative education mechanisms, and optimise the "learning-practice-employment" pipeline. Our commitment remains steadfast: to continuously nurture high-quality, application-oriented talent equipped with innovative thinking and hands-on capabilities.

## **Outstanding Achievements in Student Competitions Showcase High-Quality Educational Outcomes**

During the reporting period, the Group has achieved remarkable success in cultivating students' innovative and practical capabilities through our industry-education integration model. By implementing a "competition-driven learning and training" approach, our faculty-student teams have consistently excelled in national and international competitions across emerging fields such as AI, smart manufacturing, and digital media.

## Management Discussion and Analysis

Notable accomplishments of the Group during the reporting period include the following: teams from Huashang College dominated the “2024 National Business Elite Challenge — International Trade Competition (Cross-border E-commerce Track)”, winning national championship, first prize, and top honors in the trade exhibition; a faculty member from Huashang College published a first-author paper in the prestigious journal “PLOS ONE” and received the “Exemplary Case Award” at the 7th Higher Education Industry-Education Integration Curriculum Development Seminar; students from Huashang Vocational College secured second prize in the “Cloud Computing category” at the “2024 BRICS Skills Development and Technology Innovation International Finals” and two accounting teams from Urban Vocational College won the first prizes in the “Big Data Financial Applications competition” at the “2024 BRICS Skills Challenge”.

Moving forward, we will continue leveraging competitions as a catalyst for educational excellence, transforming contest achievements into teaching resources to further enhance the quality of talent development.

### Number of Student Enrolments

The table below sets forth the number of student enrolments in the Group's schools for the six months ended 28 February 2025 and for the year ended 31 August 2024:

	Six months ended 28 February 2025	Year ended 31 August 2024
Number of student enrolments (approx.)		
<b>Higher Formal Vocational Education</b>		
Huashang College	31,190	31,990
Huashang Vocational College	25,680	21,810
Urban Vocational College	25,870	21,800
Schools outside mainland China <sup>1</sup>	940	1,760
<b>Secondary Formal Vocational Education</b>		
Urban Technician College	10,360	11,170
Huashang Technical School	6,260	7,100

*Note 1:* Schools outside mainland China include GBCA, EIA, EIS and GBABS.

# Management Discussion and Analysis

## Range of Tuition Fees and Boarding Fees

The table below sets forth the range of tuition fees and boarding fees charged by the Group's schools to each student for the 2024/2025 and 2023/2024 school years:

	2024/2025 school year RMB	2023/2024 school year RMB	2024/2025 school year RMB	2023/2024 school year RMB
	Range of tuition fees		Range of boarding fees	
Higher Formal Vocational Education				
Huashang College				
Regular undergraduate programmes	28,000–58,000	28,000–48,000	2,000–4,800	2,000–4,800
Upgrading programmes	28,000–42,000	28,000–39,000	2,000–4,800	2,000–4,800
Huashang Vocational College				
Regular junior college programmes	18,500–30,800	18,500–30,800	1,800–4,980	1,800–4,980
Urban Vocational College				
Regular junior college programmes	9,800–18,800	9,800–34,000	1,200–3,300	1,200–3,300
Overseas schools <sup>1</sup>	AUD3,800–25,000	AUD3,800–25,000	N/A	N/A
Secondary Formal Vocational Education				
Urban Technician College				
Secondary vocational education diploma programmes	9,800	9,800	1,200–2,000	1,200–2,000
Huashang Technical School				
Secondary vocational education diploma programmes	11,500–33,500	11,500–33,500	1,800–4,800	1,800–4,800

*Note 1:* As the Group's overseas schools do not provide accommodation for their students, only the range of tuition fees for the educational services provided by them are presented.

## Future Development

Looking ahead, as the Group embraces the industrial upgrading of the GBA and the opportunities presented by national strategic emerging industries, the Group will seize the "Golden 15-year window period" (黃金十五年窗口期) for high-quality development in higher vocational education. The Group will actively align with the GBA's demand for advanced manufacturing, new engineering disciplines, and the health industry, dynamically optimising our academic programme offerings with a focus on cutting-edge fields such as "AI", "New Energy Vehicles" and "Smart Healthcare". To deepen industry-education integration, the Group will collaborate with leading enterprises to establish industry-specific colleges, creating an "industry-academia-research-application-innovation" talent development ecosystem.

The Group will continue enhancing education quality and strengthening its educational distinctiveness, striving to become a globally recognised education brand while delivering long-term, sustainable value to the shareholders.

## Financial Review

### Revenue

The Group's revenue mainly represents income derived from tuition fees and boarding fees for the education services provided in the normal course of business at its schools in and outside mainland China, and non-formal vocational education service fees at its schools in the PRC. For the six months ended 28 February 2025, the Group's revenue was approximately RMB1,247.5 million, representing an increase of 7.5% as compared with the corresponding period of the preceding year, which was mainly attributable to the increase in the number of student enrolments of Huashang Vocational College and Urban Vocational College of the Group and increase in the average tuition fees of the schools in the PRC.

### Cost of Revenue

Cost of revenue consists primarily of staff costs, education expenses, depreciation, property management expenses and other costs. For the six months ended 28 February 2025, the Group's cost of revenue amounted to approximately RMB764.7 million, representing an increase of 31.3% as compared with the corresponding period of the preceding year. The increase was primarily driven by the Group's increasing investment in education especially the Group's strategic investments in talent development and teaching quality, including: (i) increase in the number of full-time teachers and their average salaries, with total full-time teacher salaries increasing by approximately RMB49.3 million; (ii) increase in expenditures on student incentive subsidies and teacher training by approximately RMB38.9 million; and (iii) expansion of teaching facilities, such as adding of teaching facilities at the Huashang Vocational College's Xinhui campus and enhancement of existing teaching building facilities with advanced technology, leading to higher costs for teaching support, equipment maintenance, and property repairs, with related expenses increasing by approximately RMB55.9 million.

# Management Discussion and Analysis

For advancing the connotation construction of the Group's schools, the Group will continue its investment in the aforementioned aspects during the six months ending 31 August 2025.

## **Gross Profit and Gross Margin**

For the six months ended 28 February 2025, the Group recorded a gross profit of approximately RMB482.8 million, representing a decrease of 16.5% as compared with the corresponding period of the preceding year. The drop was mainly due to the Group's adherence to a connotation development strategy and the increasing investment in strengthening the construction of a high quality education team.

Notwithstanding the immediate challenges, the Group's commitment to delivering high-quality education and enhancing operational scalability through these strategic initiatives is anticipated to bolster its competitive stance, enhance pricing authority, and foster sustainable long-term growth as one-time expenses diminish and efficiencies from increased scale are achieved.

## **Selling and Administrative Expenses**

Selling expenses consist of advertising expenses, recruiting expenses and salary expenses. For the six months ended 28 February 2025, the Group's selling expenses amounted to approximately RMB19.8 million, representing a decrease of 31.4% as compared with the corresponding period of the preceding year. It was mainly attributable to the decrease in student recruitment expenses for the Group.

Administrative expenses primarily consist of administrative payroll, repair, maintenance and property management expenses, professional consulting fees, office expenses, depreciation, business development related expenses, other tax expenses and others. For the six months ended 28 February 2025, the Group's administrative expenses amounted to approximately RMB236.8 million, representing a slight increase of 4.0% as compared with the corresponding period of the preceding year.

## **Profit Before Taxation**

For the six months ended 28 February 2025, the Group recorded a profit before taxation of approximately RMB286.0 million, representing a decrease of 26.0% as compared with the corresponding period of the preceding year.

## **Non-IFRSs measure — Adjusted net profit attributable to owners of the Company**

To supplement the Group's consolidated results prepared and presented in accordance with IFRSs, the Group uses adjusted net profit attributable to owners of the Company as an additional financial measure.

## Management Discussion and Analysis

Adjusted net profit attributable to owners of the Company is determined by adjusting profit for the period for the effect of net foreign exchange gain or loss, share-based payments, non-cash impairment loss recognised under ECL model and profit for the period attributable to non-controlling interests (if any). For the six months ended 28 February 2025, the Group's adjusted net profit attributable to owners of the Company amounted to approximately RMB258.5 million, representing a decrease of 25.3% as compared with the corresponding period of the preceding year.

	<b>Six months ended</b>	
	<b>28 February 2025</b>	29 February 2024
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
Profit for the period	<b>280,509</b>	378,458
Adjustments for:		
Net foreign exchange loss/(gain)	<b>9,811</b>	(4,289)
Share-based payments	<b>5,049</b>	845
Non-cash impairment loss recognised under ECL model	<b>—</b>	11,406
	<b>14,860</b>	7,962
Adjusted net profit	<b>295,369</b>	386,420
Less: profit for the period attributable to non-controlling interests	<b>(36,826)</b>	(40,216)
Adjusted net profit attributable to owners of the Company	<b>258,543</b>	346,204

## Management Discussion and Analysis

Whilst adjusted net profit attributable to owners of the Company is not required by or presented in accordance with IFRSs, the management of the Company believes that such non-IFRSs financial measure provides useful supplementary information to investors in assessing the results of the Group's core businesses by excluding the impact of certain foreign exchange loss and share-based payments. However, such unaudited non-IFRSs financial measure should be regarded as supplement to, and not substitute for, the Group's financial results prepared in accordance with IFRSs. In addition, the definition of such non-IFRSs financial measure does not have a standardised meaning prescribed by IFRSs and therefore may not be comparable to similar measures presented by other companies, and may differ from similar terminology used by other companies. Accordingly, the use of such non-IFRSs measure has limitation as an analytical tool, and investors should not consider it in isolation form, or as a substitute for analysis of our results of operations or financial conditions as reported under IFRSs.

### ***Property, Plant and Equipment***

As of 28 February 2025, the Group's property, plant and equipment amounted to approximately RMB5,412.1 million, representing an increase of 2.8% as compared with 31 August 2024. Such an increase was a result of (i) the construction of a new campus for Huashang Vocational College at Xinhui District, Jiangmen City, Guangdong Province; (ii) the construction of teaching facilities of Huashang College at Sihui District, Zhaoqing city, Guangdong Province; and (iii) the construction of campus in Meishan, Sichuan Province.

### ***Capital Expenditures***

For the six months ended 28 February 2025, the Group recorded approximately RMB421.5 million in capital expenditures. It was mainly attributable to (i) acquisition of land use rights of the land parcels in Xinhui District, Jiangmen City, totalling approximately RMB143.1 million, and the construction of the Xinhui new campus and new teaching facilities, totalling approximately RMB114.9 million for Huashang Vocational College; (ii) acquisition of land use rights and the construction of new teaching facilities at Guangdong Zengcheng campus and Sihui campus, totalling approximately RMB90.8 million; and (iii) construction of new teaching facilities on Meishan Campus of Urban Vocational College and enhancement of the existing teaching facilities on Meishan and Chengdu Campuses totalling approximately RMB68.6 million.

## ***Financial Assets at Fair Value Through Profit or Loss (the “FVTPL”)***

As at 28 February 2025, the Group's financial assets at FVTPL amounted to approximately RMB206.3 million (31 August 2024: RMB213.7 million), being structured deposits invested in banks and financial institutions in the PRC as the Company's treasury management purpose is maximising its return on the surplus cash received from its business operations without interfering with its business operations or capital expenditures, for which the Group expected that such structured deposits would earn a better yield than current deposits generally offered by banks in the PRC. For the six months ended 28 February 2025, the Group recorded a fair value change on financial assets at FVTPL of approximately RMB3.5 million (31 August 2024: RMB1.3 million), which was mainly derived from the structured deposits interest income received and receivable. As at 28 February 2025, no single investment in such structured deposits of the Group accounted for more than 5% of the total assets of the Group.

## ***Bank Balances, Deposits and Cash***

As of 28 February 2025, the Group's bank balances, deposits and cash was approximately RMB1,864.6 million, representing a decrease of 12.1% as compared with that as of 31 August 2024. Such decrease was mainly attributable to the fact that during the reporting period, the Group recorded capital expenditures in the sum of approximately RMB421.5 million.

## ***Liquidity, Financial Resources and Gearing Ratio***

As at 28 February 2025, the Group had liquid funds (representing bank balances, deposits and cash and structured deposits recognised in financial assets at FVTPL) of approximately RMB2,070.8 million (31 August 2024: RMB2,335.8 million) and bank and other borrowings of approximately RMB1,914.4 million (31 August 2024: RMB1,672.2 million).

As at 28 February 2025, the gearing ratio (calculated based on the total amount of bank and other borrowings divided by the total equity of the Group) was 37.5% (31 August 2024: 34.5%) and the debt to asset ratio (calculated based on the total amount of bank and other borrowings divided by the total assets of the Group) was 20.8% (31 August 2024: 18.4%).

## ***Foreign Exchange Risk Management***

For the Group's operation in the PRC, the major revenue and expenses are denominated in RMB, while there are certain monetary assets and monetary liabilities that are denominated in Hong Kong, Australian and Singapore dollars, which would expose the Group to foreign exchange risk. The Group currently does not have a foreign currency hedging policy. However, the management of the Company closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure when the need arises. For the Group's operations outside the PRC, the major revenue and expenses are denominated in local currencies.

# Management Discussion and Analysis

## **Material Acquisitions and Disposals**

The Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures during the reporting period.

## **Charge on the Group's Assets**

As at 28 February 2025, the Group's bank and other borrowings had been secured by the equity interests of a subsidiary, certain deposits of the Group and the rights to receive the tuition fees and boarding fees of each of Huashang College, Huashang Vocational College and Urban Vocational College.

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

## **Contingent Liabilities**

As at 28 February 2025, the Group had no significant contingent liabilities.

## **Human Resources**

As at 28 February 2025, the Group had approximately 8,182 employees. The Group offers competitive remuneration packages to the employees, which are determined in accordance with the relevant laws and regulations of the local jurisdictions where the Group operates and the individual qualification, experience and performance of the relevant employees, as well as the prevailing salary levels in the market. In addition, the Group provides other comprehensive fringe benefits to the employees, including social insurance and mandatory provident funds, in accordance with the applicable laws and regulations. For the six months ended 28 February 2025, the staff costs (including Directors' remuneration) of the Group were approximately RMB472.7 million.

Moreover, the Company has adopted the 2024 Share Option Scheme and 2024 Share Award Scheme on 19 January 2024. Please refer to the circular of the Company dated 4 January 2024 for details of the aforementioned share schemes.

Besides, the Group provides relevant training programmes for the employees based on their respective personal career development.

## Disclosure under Rule 13.18 of the Listing Rules

On 29 January 2024, a wholly-owned subsidiary of the Company as borrower ("**Borrower**") entered into a loan agreement ("**Loan Agreement**") with International Finance Corporation, a member of the World Bank Group, as lender ("**Lender**") for a loan with a principal amount of RMB equivalent of USD100,000,000 with a final maturity date on 15 June 2031 ("**Loan**").

Pursuant to the Loan Agreement, the Lender may demand mandatory prepayment of the entirety of the then outstanding amount of the Loan upon occurrence of any of the following events:

1. Mr. Liu and Ms. Chen at any time and for any reason failing to own at least 51% of both the economic and voting interests in the Company's share capital (determined on a fully diluted basis); and
2. Any person or group other than Mr. Liu and Ms. Chen having obtained the power (whether or not exercised) to elect a majority of the board of directors of the Company or the Borrower.

Upon occurrence of any of the above events, the Lender may issue a demand to the Borrower. Immediately upon receiving such demand, unless otherwise agreed in writing by the Lender, the Borrower shall prepay the then outstanding principal amount of the Loan, together with accrued interest, and all other amounts payable under the Loan Agreement.

As of the date of entering into of the Loan Agreement and the date of this interim report, (i) Mr. Liu and Ms. Chen collectively directly and indirectly through their controlled corporation own not less than 70% (excluding share options and unvested awarded shares in which they are interested or deemed to be interested) of the economic and voting interests in the Company's issued share capital; and (ii) no person or group other than Mr. Liu and Ms. Chen has obtained the power (whether or not exercised) to elect a majority of the board of directors of the Company nor the Borrower.

## Future Plans on Material Investments or Capital Assets

Save as disclosed in this interim report, the Group does not have any current concrete plan for material investments or capital assets.

## Other Information

### SUBSEQUENT EVENT

So far as the Directors are aware, there are no important events after 28 February 2025 and up to the date of this interim report.

### INTERIM DIVIDEND

The Board has resolved to declare an interim dividend in the sum of HK6.60 cents per share in respect of the six months ended 28 February 2025 (six months ended 29 February 2024: HK9.60 cents) to shareholders whose names appear on the register of members of the Company at the close of business on 30 September 2025, Tuesday, whereas the interim dividend will be payable in cash with a scrip dividend alternative which allows Eligible Shareholders to elect to receive the interim dividend wholly in new shares or partly in new shares and partly in cash or wholly in cash (the “**Scrip Dividend Scheme**”).

For the purpose of calculating the number of new shares to be allotted and issued under the Scrip Dividend Scheme, the issue price of the new shares will be HK\$1.707 per share, which is determined with reference to the average closing price per share as stated in the daily quotation sheet of the Stock Exchange for the three consecutive trading days commencing from 22 April 2025 to 24 April 2025.

The Scrip Dividend Scheme is subject to the Stock Exchange granting the listing of and permission to deal in the new shares to be issued pursuant thereto.

A circular giving full details of the Scrip Dividend Scheme together with the relevant form of election will be disseminated to the Eligible Shareholders on or around 3 October 2025, Friday. It is expected that the interim dividend cheques and certificates for the new shares (in case the Eligible Shareholders have elected to receive part or all of their interim dividend in the form of new shares) will be despatched to the Eligible Shareholders on or around 31 October 2025, Friday.

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the period from 25 September 2025, Thursday to 30 September 2025, Tuesday, both days inclusive and during which period no share transfer will be effected, for the purpose of ascertaining shareholders' entitlement to the interim dividend. In order to qualify for the interim dividend and the Scrip Dividend Scheme in relation thereto, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, MUFG Corporate Markets Pty Limited, at Suite 1601, 16/F., Central Tower, 28 Queen's Road Central, Central, Hong Kong, not later than 4:30 p.m. on 24 September 2025, Wednesday.

## INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE IN SHARES

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 Securities and Futures Ordinance (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 for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “Model Code”), were as follows:

### Long positions in shares of the Company (“Shares”)

Name of Director	Capacity/Nature of interest			Number of shares held under equity derivatives (Note 4)	Total number of Shares interested	Approximate Percentage of the Company's issued share capital (Note 5)
	Personal Interest	Family Interest/ Corporate interests	Other Interest (Note 3)			
Mr. Liu	786,855	838,342,650 (Note 1)	1,044,177	2,695,102	842,868,784	71.54%
Ms. Chen	95,194	841,632,136 (Note 2)	602,410	539,044	842,868,784	71.54%
Ms. Liu	1,093,990	—	1,004,016	2,124,339	4,222,345	0.36%
Mr. Liu Yung Kan	73,595	—	—	377,340	450,935	0.04%
Mr. Xu Gang	18,378	—	—	107,833	126,211	0.01%
Mr. Li Jiatong	19,038	—	—	107,833	126,871	0.01%

#### Notes:

- For the purpose of the SFO, as at 28 February 2025, other than the personal interests and the other interests as stated in the above table, Mr. Liu was deemed to be interested in (i) 837,106,002 Shares held by BVI Holdco which was owned as to 50% by Mr. Liu and 50% by Ms. Chen (who is spouse to Mr. Liu) and (ii) 1,236,648 Shares beneficially interested by Ms. Chen.
- For the purpose of the SFO, as at 28 February 2025, other than the personal interests and the other interests as stated in the above table, Ms. Chen was deemed to be interested in (i) 837,106,002 Shares held by BVI Holdco which was owned as to 50% by Mr. Liu (who is spouse to Ms. Chen) and 50% by Ms. Chen and (ii) 4,526,134 Shares beneficially interested by Mr. Liu.

## Other Information

3. These other interests are the interest in the award shares granted to the relevant directors under the 2024 Share Award Scheme adopted by the Company which remained unvested and held by the trustee as at 28 February 2025. The details of such award shares are disclosed in note 15(b) to the condensed consolidated financial statements in this interim report.
4. As at 28 February 2025, these equity derivatives were outstanding share options granted to the relevant directors under the 2019 Share Option Scheme adopted by the Company in accordance with Chapter 17 of the Listing Rules, the details of which are disclosed in note 15(a) to the condensed consolidated financial statements in this interim report.
5. Such percentage was calculated based on the total number of Shares and underlying Shares in which each of the directors was interested as recorded in the register required to be kept by the Company pursuant to Part XV of the SFO and disclosed on the website of the Stock Exchange against the number of issued Shares of the Company as at 28 February 2025, being 1,178,230,426 Shares.

Save as disclosed above and to the best knowledge of the Directors, as at 28 February 2025, none of the Directors or the chief executive of the Company has any interests and/or short positions in the Shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which 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 they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

### SHARE OPTION SCHEMES

The Company's 2019 Share Option Scheme was adopted pursuant to a resolution passed on 6 June 2019 and will expire no later than 10 years from 16 July 2019. The 2019 Share Option Scheme was terminated by shareholders' resolution passed on 19 January 2024 prior to its expiry and the 2024 Share Option Scheme was adopted on the same date. Details of the 2019 Share Option Scheme are set out under the section headed "Post-IPO Share Option Scheme and Share Award Scheme" in the 2019 annual report and the prospectus of the Company dated 4 July 2019, respectively, and details of the 2024 Share Option Scheme are set out in the circular of the Company dated 4 January 2024. Movements in the Company's share options during the reporting period are disclosed in Note 15 to the condensed consolidated financial statements in this interim report.

### SHARE AWARD SCHEMES

The Company has adopted the 2024 Share Award Scheme pursuant to a shareholders' resolution passed on 19 January 2024. Details of the 2024 Share Award Scheme are set out in the circular of the Company dated 4 January 2024. Movements in the Company's awarded shares during the reporting period are disclosed in Note 15 to the condensed consolidated financial statements in this interim report.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

So far as is known to any Director or chief executive of the Company, as at 28 February 2025, the following corporations/persons (other than Directors or the chief executive of the Company) had interests and short positions, if any, in the Shares and underlying Shares of the Company as recorded in the register of interests required to be kept by the Company under section 336 of the SFO:

Name	Capacity/ Nature of interest	Number of Shares interested	Approximate percentage of the Company's issued share capital <sup>(2)</sup>
BVI Holdco	Beneficial owner	837,106,002 (L)	71.05% (L)

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) The calculation is based on the total number of 1,178,230,426 Shares in issue as at 28 February 2025.

Save as disclosed above and to the best knowledge of the Directors, as at 28 February 2025, no person (other than the Directors or chief executives of the Company) had registered an interest or a short position 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.

## ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the 2019 Share Option Scheme, 2024 Share Option Scheme and 2024 Share Award Scheme as disclosed under the section headed "Share Option Schemes" and "Share Award Schemes" in this interim report, at no time during the period under review was the Company, its holding company, or any of its subsidiaries, a party to any arrangement to enable the Directors or their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of Shares in, or debt securities including debentures of, the Company or any other body corporate.

## CHANGES IN THE BOARD AND THE DIRECTORS' INFORMATION

There was no change in the Board and the information of Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of publication of the Company's 2024 annual report.

## CORPORATE GOVERNANCE PRACTICES

The Company recognises the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the shareholders of the Company as a whole. The Company has adopted the code provisions as set out in the Corporate Governance Code (the "**CG Code**") as contained in Appendix C1 to the Listing Rules, as its own code to govern its corporate governance practices.

The Company has complied with the relevant code provisions contained in Part 2 of the CG Code during the reporting period.

## Other Information

The Board will continue to review and monitor the practices of the Company with an aim of maintaining a high standard of corporate governance.

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding dealings in the securities of the Company by the Directors and the Company's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company or its securities.

Upon specific enquiry, all Directors confirmed that they have complied with the Model Code during the reporting period. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Group during the reporting period.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares) during the reporting period.

### REVIEW OF FINANCIAL INFORMATION

The Company has established an audit committee (the **"Audit Committee"**) with written terms of reference in accordance with the Listing Rules. The Audit Committee comprises three independent non-executive Directors, namely, Mr. O'Yang Wiley, Mr. Xu Gang and Mr. Li Jiatong. Mr. O'Yang Wiley is the chairman of the Audit Committee.

The Group's consolidated interim results for the six months ended 28 February 2025 have not been audited but the Audit Committee had reviewed, together with the management of the Company, the Group's unaudited consolidated interim results for the six months ended 28 February 2025, the accounting principles and policies adopted by the Group and discussed internal control and financial reporting matters of the Group.

By Order of the Board  
**Edvantage Group Holdings Limited**  
**Liu Yung Chau**  
Chairman and Executive Director

Hong Kong, 25 April 2025

*The English translation of Chinese names or words in this interim report, where indicated by "\*\*", are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

*As at the date of this interim report, the executive Directors are Mr. Liu Yung Chau, Ms. Chen Yuan, Rita and Ms. Liu Yi Man, the non-executive Director is Mr. Liu Yung Kan; and the independent non-executive Directors are Mr. Xu Gang, Mr. O'Yang Wiley and Mr. Li Jiatong.*

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