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ALLIANCE INTERNATIONAL EDUCATION LEASING HOLDINGS LIMITED

友聯國際教育租賃控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1563)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025**

FINANCIAL HIGHLIGHTS

- For the six months ended 30 September 2025, the revenue amounted to approximately RMB372.7 million, as compared with that of approximately RMB334.7 million for the six months ended 30 September 2024.
- For the six months ended 30 September 2025, the profit for the period amounted to approximately RMB102.7 million, as compared with that of approximately RMB129.1 million for the six months ended 30 September 2024.
- As at 30 September 2025, the total assets amounted to approximately RMB4,078.0 million, representing an increase of approximately 8.0% as compared with that of approximately RMB3,775.0 million as at 31 March 2025.
- As at 30 September 2025, the total shareholders' equity amounted to approximately RMB2,993.5 million, representing an increase of approximately 3.3% as compared with that of approximately RMB2,897.9 million as at 31 March 2025.
- For the six months ended 30 September 2025, the return on equity was approximately 3.4%.
- For the six months ended 30 September 2025, the return on total assets was approximately 2.5%.

The board (the “**Board**”) of Directors (the “**Directors**”) of Alliance International Education Leasing Holdings Limited (the “**Company**”) is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 September 2025 (the “**Reporting Period**”) with comparative figures for the six months ended 30 September 2024 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

		Six months ended	
		30 September 2025	30 September 2024
	<i>Notes</i>	RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Revenue	4	372,676	334,661
Cost of services		<u>(220,896)</u>	<u>(179,066)</u>
Gross profit		151,780	155,595
Other income, gains or losses	5	4,775	36,233
Selling and distribution expenses		(5,929)	(5,383)
Administrative expenses		(47,847)	(48,637)
Finance costs	6	(13,298)	(13,873)
Reversal of provision for impairment losses recognised on financial assets, net	7	<u>37,613</u>	<u>14,029</u>
Profit before tax	8	127,094	137,964
Income tax expense	9	<u>(24,439)</u>	<u>(8,848)</u>
Profit for the period		<u>102,655</u>	<u>129,116</u>
Other comprehensive expense for the period			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of financial statement of foreign operations		<u>(7,013)</u>	<u>(19,938)</u>
Total comprehensive income for the period		<u><u>95,642</u></u>	<u><u>109,178</u></u>

		Six months ended	
		30 September	30 September
		2025	2024
<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>	
	(Unaudited)	(Unaudited)	
Profit for the period attributable to:			
Owners of the Company	88,636	103,208	
Non-controlling interests	14,019	25,908	
	<u>102,655</u>	<u>129,116</u>	
Total comprehensive income for the period			
Owners of the Company	81,623	83,270	
Non-controlling interests	14,019	25,908	
	<u>95,642</u>	<u>109,178</u>	
Earnings per share			
(Expressed in RMB Yuan per share)			
Basic and diluted	0.0524	0.0610	

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

		As at 30 September 2025 <i>RMB'000</i> (Unaudited)	As at 31 March 2025 <i>RMB'000</i> (Audited)
	Notes		
Non-current assets			
Property and equipment	12	962,871	981,337
Right-of-use assets	13	415,828	421,380
Intangible assets		22,414	27,176
Finance lease receivables	14	727,636	681,484
Financial assets at fair value through other comprehensive income	20	197,624	199,550
Other receivables	15	5,659	5,791
Deferred tax assets		41,596	57,896
Fixed bank deposits		265,000	270,000
Deposits for acquisition of property and equipment	15	25	26,306
		<u>2,638,653</u>	<u>2,670,920</u>
Current assets			
Inventories		2,589	1,270
Finance lease receivables	14	591,470	614,955
Financial assets at fair value through profit or loss	20	255,220	163,590
Trade and other receivables	15	234,687	263,420
Fixed bank deposits		21,000	—
Bank balances	16	334,333	60,866
		<u>1,439,299</u>	<u>1,104,101</u>
Current liabilities			
Trade, bills and other payables	17	308,137	280,639
Deposits from finance lease customers		30,381	30,602
Lease liabilities	13	7,439	6,130
Contract liabilities		444,615	241,166
Income tax payables		97,780	99,470
Deferred income		1,983	1,855
Borrowings	18	31,873	26,918
		<u>922,208</u>	<u>686,780</u>
Net current assets		<u>517,091</u>	<u>417,321</u>
Total assets less current liabilities		<u><u>3,155,744</u></u>	<u><u>3,088,241</u></u>

		As at 30 September 2025 <i>Notes</i> RMB'000 (Unaudited)	As at 31 March 2025 <i>RMB'000</i> (Audited)
Capital and reserves			
Share capital	19	11	11
Reserves		<u>2,523,702</u>	<u>2,442,079</u>
Equity attributable to owners of the Company		2,523,713	2,442,090
Non-controlling interests		<u>469,834</u>	<u>455,815</u>
Total equity		<u>2,993,547</u>	<u>2,897,905</u>
Non-current liabilities			
Deposits from finance lease customers		22,668	44,694
Lease liabilities	13	26,611	23,578
Other payable		56,600	56,600
Deferred income		3,893	3,111
Borrowings	18	51,984	61,912
Deferred tax liabilities		<u>441</u>	<u>441</u>
		<u>162,197</u>	<u>190,336</u>
		<u>3,155,744</u>	<u>3,088,241</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2025

	Attributable to owners of the Company							Non-controlling interests	Total
	Share capital	Share premium	Share reserve	Surplus reserve	Translation reserve	Revaluation reserve	Retained profits	Subtotal	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		(Note (i))	(Note (ii))	(Note (iii))					
At 1 April 2024 (audited)	11	1,803,611	(42,520)	39,873	(2,963)	8,590	575,386	2,381,988	2,801,006
Profit for the period	—	—	—	—	—	—	103,208	103,208	129,116
Other comprehensive expense for the period	—	—	—	—	(19,938)	—	—	(19,938)	(19,938)
Total comprehensive (expense) income for the period	—	—	—	—	(19,938)	—	103,208	83,270	109,178
Transfer to statutory surplus	—	—	—	3,762	—	—	(3,762)	—	—
At 30 September 2024 (unaudited)	11	1,803,611	(42,520)	43,635	(22,901)	8,590	674,832	2,465,258	2,910,184

	Attributable to owners of the Company							Non-controlling interests	Total
	Share capital	Share premium	Share reserve	Surplus reserve	Translation reserve	Revaluation reserve	Retained profits	Subtotal	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		(Note (ii))	(Note (ii))	(Note (iii))					
At 1 April 2025 (audited)	11	1,803,611	(42,520)	58,389	12,979	26,487	583,133	2,442,090	2,897,905
Profit for the period	—	—	—	—	—	—	88,636	88,636	102,655
Other comprehensive expense for the period	—	—	—	—	(7,013)	—	—	(7,013)	(7,013)
Total comprehensive (expenses) income for the period	—	—	—	—	(7,013)	—	88,636	81,623	95,642
Transfer to statutory surplus	—	—	—	10,451	—	—	(10,451)	—	—
At 30 September 2025 (unaudited)	11	1,803,611	(42,520)	68,840	5,966	26,487	661,318	2,523,713	2,993,547

Notes:

- (i) Share premium represented the difference between the shareholders' contribution and issued capital.
- (ii) Share reserve represented the difference between the nominal value of the issued share capital of the Company and its subsidiaries and the net assets value of the subsidiaries of the Group, upon completion of the group reorganisation.
- (iii) Under the People's Republic of China (the "PRC") Law, subsidiaries of the Company established in the PRC are required to transfer 10% of their net profit determined under the generally accepted accounting principles in the PRC to a non-distributable statutory reserve. Statutory surplus reserve can be used to make up for previous year's losses or converted into additional capital. When the balance of such reserve reaches 50% of the capital, any further appropriation is optional.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2025

	Six months ended	
	30 September 2025	30 September 2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Net cash from operating activities	405,560	468,880
Investing activities		
Investment and interest income	7,275	14,627
Proceeds from disposal of property and equipment	3,261	—
Proceeds from disposal of financial assets at fair value through profit or loss	3,562,370	2,600,539
Purchases of financial assets at fair value through profit or loss	(3,654,000)	(2,543,449)
Placement of fixed bank deposit	(16,000)	—
Increase in short-term loan receivables	(874)	(19,825)
Purchases of property and equipment	(54)	(7,803)
Net cash (used in) from investing activities	(98,022)	44,089
Financing activities		
Proceeds from borrowings	10,000	—
Repayments of borrowings	(14,199)	(50,579)
Repayments of lease liabilities	(320)	(119)
Interest paid for borrowings	(9,284)	(324)
Interest paid for lease liabilities	(745)	(854)
Net cash used in financing activities	(14,548)	(51,876)
Net increase in cash and cash equivalents	292,990	461,093
Cash and cash equivalents at beginning of the period	60,866	191,446
Effects of foreign exchange rate changes	(19,523)	(19,887)
Cash and cash equivalents at end of the period, representing bank balances	334,333	632,652

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 September 2025

1. GENERAL INFORMATION

Alliance International Education Leasing Holdings Limited (the “**Company**”) is an exempted company with limited liability incorporated in the Cayman Islands on 19 January 2015, with a registered share capital of United States Dollar (“**USD**”) 50,000. The registered address of the Company is Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is located at Unit 2602, 26th Floor, No. 1 Hennessy Road, Wanchai, Hong Kong. Its controlling shareholder is Union Capital Pte. Ltd. (“**Union Capital**”), a company incorporated in Singapore. Union Capital is solely owned by Ms. Sui Yongqing. The Company was listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with the stock code of 1563.

The Company and its subsidiaries (together, the “**Group**”) are principally engaged in offering private higher education services and finance and operating lease services. The Company is an investment holding company.

The condensed consolidated interim financial information are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company, and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

2. BASIS OF PREPARATION

These condensed consolidated interim financial information of the Group for the six months ended 30 September 2025 (the “**Reporting Period**”) have been prepared in accordance with International Accounting Standard (“**IAS**”) 34 “Interim Financial Reporting”, issued by the International Accounting Standards Board (the “**IASB**”) and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

3. PRINCIPAL ACCOUNTING POLICIES

These condensed consolidated interim financial information have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values, at the end of each reporting period.

The accounting policies used in these condensed consolidated interim financial information are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 March 2025, except as described below.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied, for the first time, the following amendments to IFRS Accounting Standards issued by the IASB which are effective for the Group's financial year beginning 1 April 2025:

Amendments to IFRS 21

Lack of Exchangeability

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material effect on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated interim financial information.

4. REVENUE AND SEGMENT INFORMATION

Revenue represents the net amounts received and receivable for services rendered net of sales related taxes. An analysis of the Group's revenue for the period is as follows:

	For the six months ended	
	30 September 2025 <i>RMB'000</i> (Unaudited)	30 September 2024 <i>RMB'000</i> (Unaudited)
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by services lines		
Tuition fees (<i>note</i>)	259,115	239,212
Boarding fees (<i>note</i>)	25,415	22,515
	<u>284,530</u>	<u>261,727</u>
Revenue from other source		
Finance lease services	55,800	42,560
Operating lease rental income	32,346	30,374
	<u>88,146</u>	<u>72,934</u>
	<u>372,676</u>	<u>334,661</u>

Note:

During the six months ended 30 September 2025 and 2024, tuition fees and boarding fees mainly represented income received from the provision of education and boarding services to the students, which was recognised over time, i.e. the academic year, of the services rendered.

Disaggregation of revenue from contracts with customers by timing of recognition

	For the six months ended	
	30 September 2025 RMB'000 (Unaudited)	30 September 2024 RMB'000 (Unaudited)
Timing of revenue recognition		
Over time	<u>284,530</u>	<u>261,727</u>

Transaction price allocated to the remaining performance obligations for contracts with customers

The tuition fees, boarding fees and other education service contracts are with an original expected duration of one year or less. Accordingly, the Group has elected the practical expedient and has not disclosed the amount of transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period.

Information reported to the executive directors of the Company, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of services provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group’s reportable and operating segments under IFRS 8 *Operating Segments* are as follows:

1. Private higher education services — provision of tuition services, student accommodation services and other education services; and
2. Finance and operating leasing — provision of sale-leaseback and direct finance leasing services and rendering vessel chartering.

The following table presents revenue and profit information regarding the Group’s operating segments for the six months ended 30 September 2025 and 2024.

For the six months ended 30 September 2025 (unaudited)

	Private higher education services RMB'000	Finance and operating leasing RMB'000	Total RMB'000
REVENUE			
External sales	<u>284,530</u>	<u>88,146</u>	<u>372,676</u>
Segment profit	<u>55,243</u>	<u>87,471</u>	142,714
Unallocated other income, gains or losses			(10,341)
Unallocated administrative expenses			(4,172)
Unallocated finance costs			<u>(1,107)</u>
Profit before tax			<u><u>127,094</u></u>

For the six months ended 30 September 2024 (unaudited)

	Private higher education services <i>RMB'000</i>	Finance and operating leasing <i>RMB'000</i>	Total <i>RMB'000</i>
REVENUE			
External sales	<u>261,727</u>	<u>72,934</u>	<u>334,661</u>
Segment profit	<u>115,994</u>	<u>32,982</u>	148,976
Unallocated other income, gains or losses			10,694
Unallocated administrative expenses			(18,782)
Unallocated finance costs			<u>(2,924)</u>
Profit before tax			<u>137,964</u>

Segment profit represents the profit earned by each segment without allocation of certain other income, gains or losses, central administration costs, directors' emoluments, depreciation of certain property and equipment and right-of-use assets and certain finance costs. This is the measure reported to the executive directors of the Company, being the CODM, for the purposes of resources allocation and performance assessment.

5. OTHER INCOME, GAINS OR LOSSES

	For the six months ended	
	30 September 2025 <i>RMB'000</i> (Unaudited)	30 September 2024 <i>RMB'000</i> (Unaudited)
Net exchange (loss)/gain	(10,392)	2,187
Investment and interest income	7,275	14,627
Rental income	3,866	6,501
Government grants (<i>Note</i>)	8	493
Others	<u>4,018</u>	<u>12,425</u>
	<u>4,775</u>	<u>36,233</u>

Note: Government grants represent local governments' offer for the refund of value-added tax of approximately RMB8,000 (six months ended 30 September 2024: RMB493,000) to enterprises in the finance leasing industry. The government grants are one-off in nature with no specific conditions.

6. FINANCE COSTS

	For the six months ended	
	30 September 2025	30 September 2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Interest expense on:		
— Imputed interest on consideration payable	1,044	2,874
— Borrowings	9,284	7,285
— Imputed interest on deposits from finance lease customers	2,225	2,860
— Lease liabilities	745	854
Total	13,298	13,873

7. REVERSAL OF PROVISION FOR IMPAIRMENT LOSSES RECOGNISED ON FINANCIAL ASSETS, NET

	For the six months ended	
	30 September 2025	30 September 2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Reversal of provision for impairment losses recognised on:		
— Finance lease receivables	32,765	14,029
— Other receivables	4,848	—
	37,613	14,029

The basis of determining the inputs and assumptions and the estimation techniques used in these condensed consolidated interim financial information for the six months ended 30 September 2025 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2025.

During the six months ended 30 September 2025, the Group reversed a net amount of approximately RMB37.6 million (six months ended 30 September 2024: RMB14.0 million) impairment allowance, primarily derived from provision for impairment loss of finance lease receivables amounting to RMB26.2 million (six months ended 30 September 2024: RMB38.1 million), due to the increase in credit risk for certain finance lease receivables, while being offset by a reversal of impairment loss of finance lease receivables amounting to RMB59.0 million (six months ended 30 September 2024: RMB52.1 million), due to the improvement of financial conditions and repayment of finance lease receivables of certain finance lease customers.

8. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging:

	For the six months ended	
	30 September	30 September
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Directors' remuneration		
— Salaries and bonus	2,061	2,293
— Social welfare	203	188
Salaries, bonus and other employee benefits	<u>112,225</u>	<u>75,402</u>
Total staff costs	<u>114,489</u>	<u>77,883</u>
Depreciation of property and equipment	40,296	43,753
Depreciation of right-of-use assets	10,091	9,620
Amortisation of intangible assets	5,057	4,783
Loss on disposal and written off of property and equipment	63	22
Lease payments under operating leases:		
— Short-term leases	<u>7,388</u>	<u>787</u>

9. INCOME TAX EXPENSE

	For the six months ended	
	30 September	30 September
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
PRC Enterprise Income Tax		
— Current period	8,139	4,458
Deferred tax — Current period (<i>Note</i>)	<u>16,300</u>	<u>4,390</u>
	<u>24,439</u>	<u>8,848</u>

Note: During both periods, the deferred income tax was mainly recognised as deductible temporary differences arising from the impairment losses under expected credit loss (“ECL”) model.

10. DIVIDENDS

No dividend has been paid or proposed by the Company for the six months ended 30 September 2025 and 2024 nor has any dividend been proposed since the end of the Reporting Period.

11. EARNINGS PER SHARE

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

	For the six months ended	
	30 September	30 September
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<u>Profit</u>		
Profit for the purpose of basic and diluted earnings per share	88,636	103,208

	For the six months ended	
	30 September	30 September
	2025	2024
	'000	'000
<u>Number of shares</u>		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	1,690,914	1,690,914

There is no difference between basic and diluted earnings per share as there were no dilutive potential ordinary shares outstanding during the six months ended 30 September 2025 and 2024.

12. PROPERTY AND EQUIPMENT

During the six months ended 30 September 2025, the Group acquired assets with a cost of approximately RMB26,335,000 (six months ended 30 September 2024: RMB7,803,000).

Equipment with a carrying amount of approximately RMB3,324,000 were disposed by the Group during the six months ended 30 September 2025, resulting in a net loss on disposal of approximately RMB63,000, while equipment with a carrying amount of approximately RMB22,000 were written off by the Group during the six months ended 30 September 2024, resulting in a net loss on written off of approximately RMB22,000.

13. LEASES

(i) Right-of-use assets

	30 September	31 March
	2025	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Land use rights	383,472	389,933
Buildings	28,996	31,125
Office	3,360	322
	415,828	421,380

(ii) **Lease liabilities**

As at 30 September 2025, the carrying amount of lease liabilities was approximately RMB34,050,000 (31 March 2025: RMB29,708,000).

14. FINANCE LEASE RECEIVABLES

The minimum lease receivables are set out below:

	30 September 2025 RMB'000 (Unaudited)	31 March 2025 RMB'000 (Audited)
Amounts receivable under finance leases		
Within 1 year	809,072	871,293
After 1 year but within 2 years	458,923	458,205
After 2 years but within 3 years	179,588	162,657
After 3 years but within 4 years	28,315	29,409
After 4 years but within 5 years	27,673	28,727
Over 5 years	200,695	212,824
Gross investment in leases	1,704,266	1,763,115
Less: unearned finance income	(197,485)	(246,236)
Present value of minimum lease payment receivables	1,506,781	1,516,879
Less: allowance for impairment losses	(187,675)	(220,440)
	1,319,106	1,296,439
Analysed for reporting purposes as:		
Current assets	591,470	614,955
Non-current assets	727,636	681,484
	1,319,106	1,296,439

Notes:

- (i) The Group presumes that the credit risk on a finance lease receivable has increased significantly since initial recognition when contractual payments are more than 30 days past due. The Group has transferred the 12 months ECL of finance lease receivables into lifetime ECL not credit-impaired when contractual payments are past due more than 30 days but within 90 days.

- (ii) When contractual payments are past due more than 90 days, the Group comprehensively considers the value of underlying assets, current and forecasts of general economic conditions of the industry in which the lessees operate and assessment of the ability of the lessees to fulfill their contractual cash flow obligations, to determine whether the finance lease receivables are credit-impaired. The Group has transferred the lifetime ECL not credit-impaired finance lease receivables into lifetime ECL credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that finance lease receivables have occurred.

15. TRADE AND OTHER RECEIVABLES

	30 September 2025 <i>RMB'000</i> (Unaudited)	31 March 2025 <i>RMB'000</i> (Audited)
Trade receivables	7,572	8,663
Prepaid expenses	2,413	1,073
Expenses paid on behalf of customers	61,371	67,826
Deductible value-added tax	—	27,628
Short-term loan receivables	300,202	299,328
Interest receivables	62,538	64,484
Deposits of acquisition of property and equipment	25	26,306
Other receivables	24,857	23,796
Subtotal	458,978	519,104
Less: allowance for impairment losses	(218,607)	(223,587)
	240,371	295,517
Analysed for reporting purposes as:		
Current assets	234,687	263,420
Non-current assets	5,684	32,097
	240,371	295,517

An ageing analysis of the trade receivables as at 30 September 2025 and 31 March 2025, based on the transaction date and net of loss allowance, is as follows:

	30 September 2025 <i>RMB'000</i> (Unaudited)	31 March 2025 <i>RMB'000</i> (Audited)
Within 30 days	7,572	8,663

16. BANK BALANCES

Bank balances include demand deposits, short-term bank deposits and fixed bank deposits for the purpose of meeting the Group's short term cash commitment. The demand deposits carry floating interest rate based on daily bank deposit rates as at 30 September 2025 and 31 March 2025. The short-term bank deposits carry fixed rate of 0.75% per annum as at 30 September 2025 (31 March 2025: nil). The fixed bank deposits carries fixed rates ranging from 1.75% to 2% per annum with maturity up to 2028 as at 30 September 2025 (31 March 2025: 2.65% per annum).

17. TRADE, BILLS AND OTHER PAYABLES

Included in trade, bills and other payables is a trade payable balance of approximately RMB7,645,000 (31 March 2025: RMB11,391,000).

An ageing analysis of the trade payables as at 30 September 2025 and 31 March 2025, based on the invoice date.

	30 September 2025 RMB'000 (Unaudited)	31 March 2025 RMB'000 (Audited)
Within 1 year	7,645	11,391

18. BORROWINGS

During the Reporting Period, the Group obtained a new borrowing amounting to RMB10,000,000 (six months ended 30 September 2024: nil). The proceed is used to finance the operation of the Group.

The borrowings include:

- (a) bank borrowing amounted to RMB9,213,000 (31 March 2025: nil) is secured by the trade receivables of the subsidiary, bearing interest at a fixed rate of 4.15% per annum and maturing in June 2028;
- (b) guaranteed and secured borrowing amounted to RMB55,983,000 (31 March 2025: RMB61,912,000) at a variable rate of 3 months Secured Overnight Financing Rate ("SOFR") plus 2.90% per annum (31 March 2025: variable rate of 3 months SOFR plus 2.90% per annum) from an independent party repayable by installments within 2 years (31 March 2025: within 2 years) as at 30 September 2025. The borrowing is guaranteed by the Company and secured by the shares of a subsidiary of the Company; and
- (c) unguaranteed but secured borrowing amounted to RMB18,661,000 (31 March 2025: RMB26,918,000) at a variable rate of 3 months SOFR plus 3.05% per annum (31 March 2025: variable rate of 3 months SOFR plus 3.05% per annum) from an independent party repayable by installments within 2 years (31 March 2025: within 2 years) as at 30 September 2025. The borrowing is secured by the shares of a subsidiary of the Company.

19. SHARE CAPITAL OF THE COMPANY

	Par value	Number of shares	USD	
Authorised				
At 1 April 2024, 30 September 2024, 31 March 2025, 1 April 2025 and 30 September 2025	USD0.000001	50,000,000,000	50,000	
	Par value	Number of shares	USD	RMB
Issued				
At 1 April 2024, 30 September 2024, 31 March 2025, 1 April 2025 and 30 September 2025	USD 0.000001	1,690,914,000	1,691	11,366

20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value measurements and valuation processes

The valuation techniques used by the Group include the discounted cash flow model for finance lease receivables, lease liabilities, financial assets at fair value through other comprehensive income (“FVTOCI”), financial assets at fair value through profit or loss (“FVTPL”) and financial assets measured at amortised cost. The main parameters used in discounted cash flow model include recent transaction prices, relevant interest yield curves, foreign exchange rates, prepayment rates and counterparty credit spreads.

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 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Group's financial assets as at 30 September 2025 and 31 March 2025:

	30 September 2025 RMB'000 (Unaudited)	31 March 2025 RMB'000 (Audited)
Financial assets at FVTPL		
Listed bond investment	<u>255,220</u>	<u>163,590</u>
Financial assets at FVTOCI		
Unlisted funds	<u>197,624</u>	<u>199,550</u>

There were no transfers into or out of Level 1 and 2 of fair value hierarchy during the period.

Financial Instrument	Fair value hierarchy	Fair value as at		Valuation technique and key inputs
		30 September 2025 RMB'000	31 March 2025 RMB'000	
Listed bond investment	Level 1	255,220	163,590	Quoted bid prices in an active market
Unlisted funds	Level 2	197,624	199,550	Quoted prices from fund administrator

Except for the financial assets listed above, the directors of the Company consider that the carrying amounts of financial assets recorded at amortised cost in these condensed consolidated interim financial information approximate their fair values.

21. RELATED PARTY TRANSACTIONS

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of the transactions between the Group and other related parties are disclosed below.

The name and the relationship of other related parties

Name of related parties	Relationship
Nanshan Group Co., Ltd* (南山集團有限公司) ("Nanshan Group") and its subsidiaries	Note (i)
Longkou Nanshan (new) Investment Development Co., Ltd.* (龍口新南山投資發展有限公司) ("Longkou Nanshan") and its subsidiaries	Note (ii)
Shandong Nanshan Construction Development Co., Ltd* (山東南山建設發展股份有限公司) ("Nanshan Development") and its subsidiaries	Note (iii)

Notes:

- (i) One of the key management of Nanshan Group is Mr. Song Jianbo, whose spouse is Ms. Sui Yongqing (“**Ms. Sui**”), the sole shareholder of Union Capital, the ultimate shareholder of the Company.
- (ii) Longkou Nanshan is wholly-owned by Mr. Song Zuowen (“**Mr. Song**”) and Ms. Lv Shuling (“**Ms. Lv**”). Ms. Sui is the daughter-in-law of Mr. Song and Ms. Lv.
- (iii) Nanshan Development is wholly owned by Mr. Song, Nanshan Group and Ms. Sui.

Transaction with related parties

During the six months ended 30 September 2025 and 30 September 2024, the Group entered into the following transactions with related parties that are not members of the Group:

		For the six months ended	
		30 September 2025	30 September 2024
		<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Unaudited)
		Notes	
Nanshan Group and its subsidiaries:			
— Finance lease income from		35,800	42,124
— Rental expense to	<i>i</i>	6,264	211
— Services received	<i>ii</i>	28,577	17,890
— Services provided	<i>iii</i>	6,871	1,231
— Purchase of inventories	<i>iv</i>	2,114	279
— Purchase of property and equipment	<i>iv</i>	4,301	7
— Interest expense on lease liabilities	<i>v</i>	681	804
Longkou Nanshan and its subsidiaries:			
— Services received	<i>ii</i>	298	7,503
— Services provided	<i>iii</i>	7	39
— Purchase of property and equipment	<i>iv</i>	4,225	578
— Purchase of inventories	<i>iv</i>	3,489	1,606
Nanshan Development and its subsidiaries:			
— Services provided	<i>iii</i>	6	8

Notes:

- (i) During the periods ended 30 September 2025 and 2024, the Group entered into one-year lease agreements with Nanshan Group and its subsidiaries, for leasing of properties as office premises.
- (ii) The services for the general operation received were charged based on the mutually agreed terms for the purpose of operating college.

- (iii) The other education services provided were charged based on the mutually agreed terms for the purpose of operating college.
- (iv) The purchase of inventories and property and equipment were made according to the mutually agreed terms.
- (v) The interest on lease liabilities was charged at rates 4.65% per annum.

The Group entered into lease agreements with a ten-year lease in respect of certain buildings from Nanshan Group due to the acquisition of the subsidiary during the year ended 31 December 2022. The amount of rent payable by the Group under the lease is RMB5,300,000 (tax inclusive) per annum. The rent is charged at terms mutually agreed by the parties. As at 30 September 2025, the carrying amount of such lease liabilities is approximately RMB28,186,000 (31 March 2025: RMB27,540,000). During the six months ended 30 September 2025, the Group did not make lease payment to the related companies (six months ended 30 September 2024: nil).

Finance lease receivables from related parties

	30 September 2025 RMB'000 (Unaudited)	31 March 2025 RMB'000 (Audited)
Nanshan Group and its subsidiaries	753,129	714,295

Compensation to key management personnel

The remuneration of key management personnel of the Group during the six months ended 30 September 2025 and 30 September 2024 were as follows:

	For the six months ended 30 September 2025 RMB'000 (Unaudited)	30 September 2024 RMB'000 (Unaudited)
Basic salary, allowances and benefits	2,292	2,482
Employer's contribution to pension schemes	219	255
Total	2,511	2,737

The remuneration of key management is determined with reference to the performance of the Group and the individuals.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

In 2025, the overall business environment remains stable, though risks from global geopolitical tensions and supply chain disruptions continue to create uncertainties across various industries. According to the National Bureau of Statistics of the People's Republic of China (PRC), China's GDP reached RMB101.5 trillion in the first three quarters of 2025, representing an increase of approximately 5.2% compared with the same period in 2024. The leasing and business services industry continued to demonstrate strong growth, with an increase of around 9.2%. Despite the continued growth of the data mentioned above, China and the global economy are still facing huge uncertainties, with many enterprises experiencing fluctuations in operational performance. Additionally, finance leasing companies are readjusting their business plans and expanding into emerging sectors to avoid certain high-risk industries, so as to enhance their competitiveness. The emergence of foreign finance leasing companies has further intensified market competition.

The Company is in a favourable position to capture the overall growth of the domestic economy through its dual-track strategy, namely operating in both the higher education and leasing business segments, which are complementary to each other.

In August 2022, the Group completed the acquisition of 70% interests in Yantai Nanshan University* (煙台南山學院) (“**Yantai Nanshan University**”). The Group has since then consolidated the financial results of Yantai Nanshan University into the Group's consolidated financial statements.

In order to mitigate the above-mentioned business risks and expand the Group's finance and operating leasing business, in May 2023, the Group expanded its leasing business into the shipping segment and formed a partnership, which mainly focuses on the acquisition of shares and interests in special purpose vehicles that hold ships or maritime vessels.

Continuing the profitable trend from the previous year, the Group recorded profit of approximately RMB102.7 million for the Reporting Period.

Higher Education

According to the 2024–2035 Master Plan on Building China into a Leading Country in Education (教育強國建設規劃綱要(2024–2035年)) issued by the Central State Council (中央國務院), it set forth educational policy goals for the next decade, specifying that education spending should account for more than 4% of GDP, that general public budget education expenditures should increase year by year, and that efforts will be made to gradually expand the scope of free education. As the school-age population aged 18 to 21 in higher education has started to recover in 2023, the enrolment of higher education is also expected to increase steadily. In 2024, the enrolment rate of higher education in China remains lower than that of major developed countries. Approximately 60.8% of the college-age population in China are enrolled in higher education institutions, compared with approximately 70% in France and the United States of America, which pointed to the growth potential of the higher education industry in China.

The Group's Yantai Nanshan University, located in Longkou City, Shandong Province, the PRC (中國山東省龍口市), is a private institution of higher education that provides undergraduate and junior college diploma programmes approved by the Ministry of Education of the PRC. In 2018, the Yantai Nanshan University was recognised as one of the Model Colleges of Experimental Innovation and Entrepreneurship in Shandong Province (山東省創新創業典型經驗高校) by the Department of Human Resources and Social Security of the Shandong Province (山東省人力資源和社會保障廳). Yantai Nanshan University, as an application-oriented higher education institution, collaborates closely with enterprises in various industries to promote and adhere to “Integration of industry and education; Cooperation of school and enterprise (產學融合、校企合作)”, offers 50 undergraduate programmes and 38 junior college diploma programmes under a total of 43 faculties and divisions, and strives to improve its students' practical training and career prospects.

The Group's higher education business contributed revenue and profit before tax of approximately RMB284.5 million and RMB55.2 million, respectively, during the Reporting Period.

Finance and Operating Leasing

Since 2022, the finance leasing industry in China has entered the key period of transformation and development. With the issuance of various policies, the regulation of finance leasing has become clearer, and with the clean-up of the finance leasing industry in China and consolidation of finance leasing companies in various provinces and municipalities, the path ahead for the future development of finance leasing companies which truly serves the economy has become more lucid.

In September 2024, the National Financial Regulatory Administration (國家金融監督管理總局) revised and issued the Measures for the Administration of Financial Leasing Companies (金融租賃公司管理辦法), guiding finance leasing companies to adhere to the function of combining financing and asset utilisation, and to provide specialised financial services. The main revisions of the new regulations include improvements to the major investor policy, strengthening the supervision of business classification, enhancing corporate governance oversight, reinforcing risk management, standardising cross-border finance leasing operations, and refining business operational rules. With the continuous improvement and tightening of regulatory policies, finance leasing companies need to place greater emphasis on compliant operations, strengthen internal management and risk control, and ensure stable business development.

In terms of data, by the end of 2024, the total asset scale of finance leasing companies in our country reached RMB4.58 trillion, an increase of 9.6% year-on-year. Despite a slowdown in growth, the overall scale continues to expand steadily. As at the end of the Reporting Period, the total number of finance leasing companies in China was approximately 7,020, reflecting a decrease of nearly 331 compared to the end of 2024. As the leasing industry continued to consolidate and weaker players were phased out, the competition in finance leasing intensified further.

The customers served by the Group are mostly in the healthcare industry and aviation industry. The business environment in the PRC remained stable, therefore certain lessees, particularly those in the healthcare industry, have sufficient cash flow to make timely repayments, hence the Group was not required to make significant net impairment provision on finance lease receivables during the Reporting Period.

During the Reporting Period, the Group's finance and operating leasing business contributed to the revenue and profit before tax of the Group of approximately RMB88.1 million and RMB87.5 million, respectively.

FINANCIAL REVIEW

Revenue

The Group's revenue mainly derived from income generated from higher education business and finance and operating leasing businesses. Revenue generated from the Group's higher education was mainly from (i) tuition fees and (ii) boarding fees, and all of such revenue was generated in the PRC. The Group's revenue from its leasing business was derived from interest receivable and the services in relation to sale-leaseback, direct finance leasing and rendering vessel chartering.

Revenue of the Group for the Reporting Period increased by approximately 11.4% from RMB334.7 million for the six months ended 30 September 2024 to RMB372.7 million for the Reporting Period.

Costs of services

The Group's costs of services amounted to RMB220.9 million for the Reporting Period (six months ended 30 September 2024: RMB179.1 million), which were mainly derived from the operations of Yantai Nanshan University.

Gross profit and gross profit margin

The Group recorded a gross profit of RMB151.8 million for the Reporting Period with approximately 40.7% of gross profit margin, as compared to the gross profit of RMB155.6 million for the six months ended 30 September 2024, representing a decrease of approximately 2.5%.

Other income, gains or losses

Other income, gains or losses of the Group, which were primarily derived from (i) exchange gain/loss; (ii) investment and interest income; (iii) rental income and (iv) government grants, decreased from RMB36.2 million for the six months ended 30 September 2024 to RMB4.8 million for the Reporting Period.

Administrative expenses

Administrative expenses of the Group primarily included staff costs, rental expenses, legal and professional fees, auditor's remuneration and daily office expenses. For the Reporting Period, the administrative expenses of the Group amounted to approximately RMB47.8 million (six months ended 30 September 2024: RMB48.6 million), representing approximately 12.8% of the total revenue of the Group (six months ended 30 September 2024: 14.5%).

Finance costs

Finance costs of the Group were primarily derived from borrowings, lease liabilities, imputed interest on deposits from finance lease customers and consideration payable. The finance costs of the Group decreased by approximately 4.1% from RMB13.9 million for the six months ended 30 September 2024 to RMB13.3 million for the Reporting Period.

In particular, balance of total borrowings of the Group decreased from RMB113.6 million as at 30 September 2024 to RMB83.9 million as at 30 September 2025. Such decrease had led to the decrease in finance costs during the Reporting Period as mentioned above.

Profit for the Reporting Period

Profit for the Reporting Period of the Group decreased from RMB129.1 million for the six months ended 30 September 2024 to RMB102.7 million for the Reporting Period, representing a decrease by RMB26.5 million.

Dividend

The Board does not recommend payment of any interim dividend for the Reporting Period (for the six months ended 30 September 2024: nil).

Liquidity, financial resources and capital resources

As at 30 September 2025, the cash and cash equivalents of the Group amounted to RMB334.3 million (31 March 2025: RMB60.9 million). Working capital (current assets less current liabilities) and the total equity of the Group as at 30 September 2025 amounted to RMB517.1 million (31 March 2025: RMB417.3 million) and RMB2,993.5 million (31 March 2025: RMB2,897.9 million), respectively.

As at 30 September 2025, the balance of borrowings of the Group amounted to RMB83.9 million (31 March 2025: RMB88.8 million). As at 30 September 2025, the Group's borrowings due within one year amounted to RMB31.9 million (31 March 2025: RMB26.9 million) and the Group's borrowings due after one year amounted to RMB52.0 million (31 March 2025: RMB61.9 million).

As at 30 September 2025, the gearing ratio of the Group (dividing the total indebtedness by total equity and indebtedness as at the end of the period) was approximately 2.7% (31 March 2025: approximately 3.0%). Such decrease was mainly due to the decrease in the borrowings as compared with the scale of the Group's business.

Finance lease receivables

Finance lease receivables of the Group consisted of (i) gross amount of finance lease receivables; (ii) unearned finance income; and (iii) allowances for impairment losses. As at 30 September 2025, the respective carrying amounts of each of the above amounted to (i) RMB1,704.3 million; (ii) RMB197.5 million; and (iii) RMB187.7 million, respectively. The finance lease receivables of the Group increased by approximately 1.7% from RMB1,296.4 million as at 31 March 2025 to RMB1,319.1 million as at 30 September 2025.

Background information of the lessee which was relevant to the impairment recorded during the Reporting Period

Two customers (one of which was in the healthcare industry and one of which was in the aviation industry) were unable to repay the relevant rental fees for the Reporting Period (31 March 2025: two customers were in the aviation industry). Accordingly, the Group made provision for impairment under IFRS 9 — Financial instruments to reflect the outstanding sum during the Reporting Period.

The factors, events and circumstances leading to the reversal of impairment loss

Consistent with practices in previous financial years, in the Reporting Period, the Group has assessed the general ageing of finance lease receivables and took prudent measures to recover the outstanding rental fee. Such measures included but not limited to demanding repayments by telephone calls and physical visits, as well as instituting legal proceedings, etc.

With the improving business environment in the PRC, the lessees, particularly those in the healthcare industry, are facilitated to make timely repayments, which led to a net reversal in impairment losses on finance lease receivables for the Reporting Period.

The Board is of the view that the reversal of impairment losses for the Reporting Period is fair and reasonable because (a) it is in line with the relevant accounting policies under IFRS; and (b) it is in conformity with the market situation and reflecting the Company's situation.

The methods and basis used in determining the amount of the impairment and the Company's measures of recovering the impaired finance lease receivables

Consistent with the practices of the Group's annual financial statements for the year ended 31 March 2025, there has been no change to the methods and basis used in determining the amount of the impairment and the Group considers that the measures of recovering the impaired finance lease receivables remain effective.

Employees and remuneration policy

As at 30 September 2025, the Group employed 2,319 full-time employees (31 March 2025: the Group employed 2,206 full-time employees) for its principal activities. Employees' benefits expenses (including the Directors' emoluments) amounted to approximately RMB114.5 million for the Reporting Period (for the six months ended 30 September 2024: approximately RMB77.9 million).

The Group recognises the importance of retaining high calibre and competent staff and continues to provide remuneration packages to employees with reference to the performance of the Group, the performance of the employees and prevailing market rates. Other various benefits, such as medical and retirement benefits, are also provided. In addition, share options may be granted to eligible employees of the Group in accordance with the terms of the share option scheme adopted by the Company. Please refer to the section headed "Share Option Scheme" below for further details.

RISK MANAGEMENT

As a company operating in the higher education business and in the finance and operating leasing business, serving different industries, the Group assumes various risks in its business operations, including credit, liquidity, marketing, compliance, legal, operational and reputational risks, among which the main risks faced by the higher education business include human resources, enrollment and market risks; while its leasing business is primarily exposed to credit risk.

To properly manage these risks faced by its higher education business, Yantai Nanshan University (as defined as the “**College**” in this paragraph) has established the following risk management structures and measures:

- The board of the College is generally responsible for making strategic decisions about the budget, investments, acquisitions and future development of the College. It is also responsible for reviewing and approving any significant business decisions that involve material risks, such as the expansion of the College into new areas, the increase of tuition fees and boarding fees, the construction of the college and the decision to establish significant business partnerships with third parties to develop new educational programmes;
- The principal is the person who makes decisions for the College. Under the instruction of the board of the College, the principal, assisted by and together with the vice principals and the head of the different departments, is responsible for the continuous risk management of the College. The principal shall make decisions on remedial measures for serious incidents or behaviour that violate the College’s internal control policies reported to it. The materials in relation to such incidents shall be filed for record, which include incident reports, records of detection and inspection, inspection report, inspection advice, inspection decisions and their materials. The College will also learn from the experience of the incidents to find its deficiencies and refer to such materials for the guidance of its future work; and
- The College maintains insurance coverage, which the College believes that is in line with customary practice in the education industry of the PRC, including the public liability insurance.

With respect to the credit risk faced by its finance and operating leasing business, the Group has developed a comprehensive risk management system and controls risks through measures including due diligence on customers, independent information review and a multi-level approval process.

The Group strives to balance business development, risk management and operation efficiency. The Group has established comprehensive risk management and internal control processes to deal with various risks relating to its finance and operating leasing business. Its risk management processes are tailored to the characteristics of its business operations, with a focus on managing risks through comprehensive customer due diligence, independent information review and multi-level approval process. Its risk management processes also include a continuous review process after a finance and operating leasing project is approved. The asset management team reviews the leased assets on a regular basis, including performing on-site visits to inspect the status of the leased asset. This continuous review process enables the Group to identify any potential default of its customers and take remedial actions to enhance the security of its assets at an early stage.

The Group measures and monitors the asset quality of its finance lease receivables by voluntarily adopting a five-category classification with reference to guidelines promulgated by the China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會) relating to asset quality for financial institutions under its regulation as follows:

- Pass. There is no sufficient reason to doubt that the lease payments will not be paid by the lessee in full on a timely basis. Pass asset has certain characteristics, for example, the lease payments have always been repaid in full on a timely manner or overdue for less than or equal to 90 days.
- Special Mention. Even though the lessee has been able to pay the lease payments in a timely manner, there are some factors that could adversely affect its ability to pay, such as that the financial position of the lessee has worsened or its net cash flow has become negative, but there are sufficient guarantees or collaterals underlying the finance lease agreement. Special Mention asset has certain characteristics, for example, the payments have been overdue for more than 90 days but less than or equal to 150 days.
- Substandard. The lessee's ability to pay is in obvious question as it is unable to make its payments in full with its operating revenue, and the Group is likely to incur losses notwithstanding the enforcement of any guarantees or collaterals underlying the finance lease agreement. Substandard asset has certain characteristics, for example, the lease payments have been overdue for more than 150 days but less than or equal to 210 days.
- Doubtful. The lessee's ability to pay is in absolute question as it is unable to make lease payments in full, and the Group is likely to incur significant losses notwithstanding the enforcement of any guarantees or collaterals underlying the finance lease agreement. Doubtful asset has certain characteristics, for example, the lease payments have been overdue for more than 210 days but less than or equal to 270 days.

- Loss. After taking all possible steps or going through all necessary legal procedures, lease payments remain overdue or only a very limited portion has been recovered. Loss asset has certain characteristics, for example, the lease payments have been overdue for more than 270 days.

At the same time, the Group assesses its provisions using an appropriate ECL model based on the relevant requirements of IFRS and its internal provision procedures and guidelines upon consideration of factors such as the nature and characteristics of its industry-specific customers, credit record, economic conditions and trends, history of write-offs, payment delinquencies, the value of the assets underlying the leases and the availability of collateral or guarantees. The Group will regularly assess the ECL model in accordance to actual loss of financial assets and adjust when necessary.

CONTINGENT LIABILITIES

As at 30 September 2025, the Group did not have any material contingent liabilities (31 March 2025: Nil).

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “**Share Option Scheme**”) on 20 February 2019 which has become effective on 15 March 2019. A summary of the principal terms of the Share Option Scheme was set out in Appendix V to the prospectus of the Company dated 28 February 2019.

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), Directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners and service providers of the Group and to promote the success of the business of the Group.

The basis of eligibility of any participant to the grant of any share option (the “**Share Option**”) shall be determined by the Board (or as the case may be, including, where required under the Listing Rules, the independent non-executive Directors) from time to time on the basis of the participant’s contribution or potential contribution to the development and growth of the Group.

On and subject to the terms of the Share Option Scheme and the requirements of the Listing Rules (in particular as to grant of Share Option to Directors, chief executives and substantial shareholders of the Company or their respective associates), the Board shall be entitled at any time within 10 years after the date of adoption of the Share Option Scheme to make an offer for the grant of a Share Option to any participant as the Board may determine. The number of Shares which may be issued pursuant to the exercise of the Share Option to be granted under the Share Option Scheme is 150,000,000 in total.

There was no Share Option outstanding under the Share Option Scheme nor was any Share Option granted, agreed to be granted, exercised, cancelled or lapsed under the Share Option Scheme for the six months ended 30 September 2025.

EVENTS AFTER THE REPORTING PERIOD

Renewal of continuing connected transactions in relation to the 2026 Finance Leasing Framework Agreement

Reference is made to the announcements of the Company dated 13 October 2025, 4 November 2025 and 11 November 2025 (the “**CCT Renewal Announcements**”) and the circular of the Company dated 18 November 2025 (the “**CCT Renewal Circular**”). Unless otherwise defined herein, capitalised terms in this section shall have the same meanings as those defined in the CCT Renewal Announcements and the CCT Renewal Circular.

As the Existing Framework Agreements will expire on 31 December 2025, the Board has announced and is expected to renew the continuing connected transactions contemplated under the Existing Finance Leasing Framework Agreement.

In respect of the renewal of annual caps of the continuing connected transactions in relation to the 2026 Finance Leasing Framework Agreement for the three months ending 31 March 2026 and the years ending 31 March 2027 and 2028 (the “**Renewal of Annual Caps**”), the Renewal of Annual Caps is subject to the approval by the Independent Shareholders of the Company, to be obtained at the EGM of the Company. A notice convening the EGM, to be held on 4 December 2025, together with the proxy form was despatched to the Shareholders on 18 November 2025.

For details, please refer to the CCT Renewal Announcements and the CCT Renewal Circular.

Major transaction Finance Lease Agreement

Reference is made to the announcements of the Company dated 3 October 2025, 24 October 2025, 31 October 2025, 7 November 2025 and 14 November 2025 (the “**Major Transaction Announcements**”) and the circular of the Company dated 18 November 2025 (the “**Major Transaction Circular**”) relating to the Finance Lease Agreement entered into between the Lessor (as lessor), a subsidiary of the Company, and Lessee (as lessee) pursuant to which (i) the Lessor agreed to purchase the Leased Assets from the Lessee at the consideration of RMB50,000,000; and (ii) the Lessor agreed to lease the Leased Assets to the Lessee for a term of three years, at a total lease amount of approximately RMB55,506,000, being the sum of the lease principal and lease interest. Unless otherwise defined herein, capitalised terms in this section shall have the same meanings as those defined in the Major Transaction Announcements and the Major Transaction Circular.

The Finance Lease Agreement constitute a major transaction for the Company and is subject to the approval by the Shareholders of the Company, to be obtained at the EGM of the Company. A notice convening the EGM, to be held on 4 December 2025, together with the proxy form was despatched to the Shareholders on 18 November 2025.

For details, please refer to the Major Transaction Announcements and the Major Transaction Circular.

OUTLOOK AND PLANS

Although hindered by various uncertainties, the Board still estimates that the economy in the PRC will gradually improve. The Group's higher education and leasing businesses are well-positioned to capture the overall growth in the domestic economy. Please refer to the section headed "Business Overview" in this announcement for further details.

Yantai Nanshan University has a long-term competitive advantage of "Integration of industry and education; Cooperation of school and enterprise (產學融合、校企合作)" and belongs to an industry encouraged by the PRC government policy. In addition, there is a strong demand for the higher education industry, and the relevant business is expected to maintain a stable development. The Company will deepen its existing partnerships, continue to organise and design more advanced applied disciplines, as well as develop cooperations between upstream, downstream and other new enterprises.

As the leasing industry continue to be consolidated, the regulation of finance leasing has become clearer, the path ahead of the future development for finance leasing companies that truly serves the economy has become more lucid, and the continuous digitalisation and intelligence in the manufacturing industry has brought upgrades in equipment, all of which continue to bring opportunities to the finance leasing industry, whilst industry supervision has provided a more favourable business environment for the overall health and sustainable development of the industry. The Group's finance lease business will adapt to market changes, seize opportunities in the market and its business by adhering to the principle of "quality over quantity", and make steady progress in its expansion.

The Group will continue to explore domestic or overseas expansion of its existing businesses and locate suitable acquisition targets (including overseas vocational education, higher education and shipping projects), particularly those businesses or projects that offer excellent potential, provide stable cash flow or natural hedges of financial liquidity or other advantages or synergies, to enrich the Group's existing higher education and lease business.

The Group will continue to focus on its internal control and risk management based on the principles of risk prevention and asset monitoring reinforcement, strengthening internal management and improving various systems, while continuing to steadily promote its business development, expansion and diversification.

The Board will strive for new breakthroughs in terms of industry and geographic coverage by improving the corporate governance mechanism; and on the condition of compliance with the Listing Rules, strengthening its internal control, enhancing asset management capability, further forging a professional and high-quality talent team to seize development opportunities and actively explore new customers (including expanding to new industries outside of the existing customer base of the Group). Meanwhile, the Group will also endeavour to maintain long-term relationships with existing customers and explore opportunities to deepen cooperation with quality customers, in order to achieve steady and long-term development of the Group's higher education and leasing businesses.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Group is committed to promoting good corporate governance and has set up procedures on corporate governance that comply with the principles in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Listing Rules. From the beginning of the Reporting Period up to the date of this announcement, the Company had complied with all code provisions in the CG Code and had adopted most of the recommend best practices set out in the CG Code.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) was established by the Board in accordance with the requirements of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises three independent non-executive Directors. The members of the Audit Committee are Mr. Liu Xuewei, Mr. Liu Changxiang and Mr. Jiao Jian. Mr. Liu Xuewei has been appointed as the chairman of the Audit Committee, and has the appropriate professional qualifications required under the Listing Rules. The Audit Committee has reviewed the Group's unaudited condensed consolidated financial statements for the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a securities dealing code (the “**Securities Dealing Code**”) regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 to the Listing Rules. The Company will periodically issue notices to its Directors reminding them of the general prohibition on dealing in the Company’s listed securities during the blackout periods before the publication of announcements of financial results. The Company has made specific enquiry of the Directors to ascertain whether they have complied with or whether there has been any non-compliance with the required standard set out in the Securities Dealing Code and all the Directors confirmed that they have complied with the Securities Dealing Code throughout the period from the beginning of the Reporting Period up to the date of this announcement.

PUBLICATION OF INFORMATION

This announcement is published on the websites of the Company (<http://www.aiel-holdings.com/>) and the Stock Exchange (www.hkexnews.hk), respectively. The interim report of the Company for the Reporting Period will be despatched to shareholders of the Company and available on the above websites in due course.

By order of the Board
Alliance International Education Leasing Holdings Limited
Li Luqiang
Chairman

Hong Kong, 20 November 2025

As at the date of this announcement, the Board comprises Mr. Li Luqiang, Mr. Liu Zhenjiang, Ms. Liu Meina and Mr. Yuen Kin Shan as executive Directors; and Mr. Liu Changxiang, Mr. Liu Xuwei, Mr. Jiao Jian, Mr. Shek Lai Him Abraham and Ms. Xing Li as independent non-executive Directors.

* *For identification purposes only*