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Leader Education Limited

立德教育股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1449)

**ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 AUGUST 2025**

ANNUAL RESULTS

The Board of Directors of Leader Education Limited is pleased to announce the audited consolidated financial results of the Group for the year ended 31 August 2025, together with the comparative figures for year ended 31 August 2024.

HIGHLIGHTS

	Year ended 31 August		Percentage change
	2025	2024	
	RMB'000	RMB'000	
Revenue	345,039	322,901	+6.9%
Gross profit	117,545	118,871	-1.1%
(Loss)/profit for the year	(73,912)	19,952	-470.4%

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 August 2025

	<i>Notes</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue	4	345,039	322,901
Cost of sales		<u>(227,494)</u>	<u>(204,030)</u>
Gross profit		117,545	118,871
Other income and gains	4	14,145	7,864
Selling expenses		(2,571)	(4,253)
Administrative expenses		(61,353)	(39,358)
Other expenses, net		(719)	(815)
Finance costs		(63,194)	(62,231)
Share of losses of a joint venture		<u>(1)</u>	<u>(11)</u>
PROFIT BEFORE TAX	5	3,852	20,067
Income tax expense	6	<u>(77,764)</u>	<u>(115)</u>
(LOSS)/PROFIT FOR THE YEAR		<u>(73,912)</u>	<u>19,952</u>
(Loss)/profit attributable to:			
Owners of the parent		(73,912)	19,957
Non-controlling interests		<u>–</u>	<u>(5)</u>
		<u>(73,912)</u>	<u>19,952</u>

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of financial statements of foreign operations		<u>766</u>	<u>1,667</u>
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods		<u>766</u>	<u>1,667</u>
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:			
An equity investment designated at fair value through other comprehensive income: Changes in fair value		662	(699)
Exchange differences on translation of financial statements of the Company		<u>(576)</u>	<u>(1,945)</u>
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods		<u>86</u>	<u>(2,644)</u>
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		<u>852</u>	<u>(977)</u>
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		<u>(73,060)</u>	<u>18,975</u>
Total comprehensive (loss)/income attributable to:			
Owners of the parent		(73,060)	18,980
Non-controlling interests		<u>–</u>	<u>(5)</u>
		<u>(73,060)</u>	<u>18,975</u>
(Losses)/earnings per share attributable to ordinary equity holders of the parent:			
Basic and diluted	8	<u>RMB(0.1109)</u>	<u>RMB0.0299</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 August 2025

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		1,973,803	1,905,050
Right-of-use assets		293,868	233,444
Other intangible assets		2,143	3,113
Investment in a joint venture		370	371
An equity investment designated at fair value through other comprehensive income		2,963	2,301
Prepayments for purchase of property, plant and equipment and right-of-use assets		13,108	10,513
Restricted bank deposits		35,000	–
Other non-current assets		12,051	24,950
Total non-current assets		2,333,306	2,179,742
CURRENT ASSETS			
Trade receivables	9	1,060	573
Prepayments, other receivables and other assets		30,097	15,676
Restricted bank deposits		146	2,106
Cash and cash equivalents		275,838	345,437
Total current assets		307,141	363,792
CURRENT LIABILITIES			
Contract liabilities	10	303,531	299,778
Other payables and accruals	11	77,175	65,709
Interest-bearing bank and other borrowings and interest accruals		347,440	452,607
Deferred income		41,149	22,171
Tax payable		3,079	–
Total current liabilities		772,374	840,265
NET CURRENT LIABILITIES		(465,233)	(476,473)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,868,073	1,703,269

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings and interest accruals	958,402	765,975
Deferred income	6,271	9,284
Deferred tax liabilities	48,545	115
Total non-current liabilities	1,013,218	775,374
Net assets	854,855	927,895
EQUITY		
Equity attributable to owners of the parent		
Share capital	46,292	46,292
Reserves	808,563	881,623
	854,855	927,915
Non-controlling interests	–	(20)
Total equity	854,855	927,895

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

Leader Education Limited (the “**Company**”) was incorporated in the Cayman Islands on 17 June 2019 as an exempted company with limited liability under the laws of the Cayman Islands. The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. During the year, the Company and its subsidiaries (collectively referred to as the “**Group**”) were principally engaged in providing private higher education services in the People’s Republic of China (the “**PRC**”).

In the opinion of the directors, the holding company and the ultimate holding company of the Company are Shuren Education Limited and Junhua Education Limited, respectively, which were incorporated in the British Virgin Islands.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards and interpretations) issued by the International Accounting Standards Board (“**IASB**”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

They have been prepared under the historical cost convention, except for an equity investment which has been measured at fair value. These consolidated financial statements are presented in Renminbi (“**RMB**”), and all values are rounded to the nearest thousand except when otherwise indicated.

Going concern

The Group recorded a loss for the year of RMB73,912,000 for the year ended 31 August 2025 and had net current liabilities of RMB465,233,000 as of the same date. Included therein were the contract liabilities of RMB303,531,000 as at 31 August 2025, which will be settled by education services provided by the Group.

In view of the above conditions, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern.

The directors of the Company have prepared a cash flow forecast for a period of 18 months from the end of the reporting period, taking into consideration the following factors:

- the financial resources available to the Group, including funds generated internally from its operation; and the availability of credit facilities.

As of 31 August 2025, the Group had banking facilities of RMB726,000,000, of which RMB687,425,000 had been drawn. As of the date of approval of these consolidated financial statements, the Group had credit facilities of RMB745,770,000, of which RMB701,925,000 had been drawn. The directors expect that the Group will be able to renew its existing facilities upon expiry and obtain additional facilities, on the basis of its past record of compliance with borrowing terms, including timely repayment of principal and interest, and the availability of sufficient collaterals.

- management’s ability to adjust the pace of expansion of the Group’s operation.

Based on the above, the directors of the Company are of the opinion that the Group will have sufficient funds and resources to meet in full its financial obligations as and when they fall due for the foreseeable future. Accordingly, it is appropriate to prepare the consolidated financial statements on a going concern basis.

2.2 AMENDMENTS TO IFRS ACCOUNTING STANDARDS THAT ARE MANDATORILY EFFECTIVE FOR THE CURRENT YEAR

The Group has adopted the following revised IFRS Accounting Standards for the first time for the current year’s consolidated financial statements.

Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current</i> <i>(the “2020 Amendments”)</i>
Amendments to IAS 1	<i>Non-current Liabilities with Covenants (the “2022</i> <i>Amendments”)</i>
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements</i>

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the provision of private higher education services in the People’s Republic of China (the “**PRC**”).

IFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to segments and to assess their performance.

The information reported to the directors, who are the chief operating decision makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about operating segments is presented.

Geographical information

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

Information about major customers

No revenue derived from services provided to a single customer accounted for 10% or more of the total revenue of the Group during the year.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2025 RMB'000	2024 RMB'000
<i>Revenue from contracts with customers</i>		
Tuition fees	317,734	296,399
Boarding fees	27,305	26,502
Total	345,039	322,901
Other income and gains		
Government grants:		
– Related to income	3,250	3,308
– Related to assets	1,694	412
Rental income:		
– Fixed lease payments	3,304	1,793
Bank interest income	905	1,335
Gain on disposal of right-of-use assets	–	775
Donation income	2,796	–
Supply income	962	–
Service income	735	–
Others	499	241
Total	14,145	7,864

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2025 RMB'000	2024 RMB'000
Depreciation of property, plant and equipment	80,618	55,834
Amortisation of other intangible assets	970	1,740
Depreciation of right-of-use assets	12,461	3,127
Lease payments not included in the measurement of lease liabilities	940	456
Auditor's remuneration	850	1,150
Central heating cost	9,318	9,266
Employee benefit expense (excluding directors' remuneration):		
Wages and salaries	72,815	79,848
Pension scheme contributions (defined contribution scheme)	26,314	17,361
Total	99,129	97,209
Foreign exchange differences, net	6	544
Government grants		
– related to income	(3,250)	(3,308)
– related to assets	(1,694)	(412)
Bank interest income	(905)	(1,335)
Late surcharge payment on corporate income tax	8,271	–
Loss on deregistration of a subsidiary	95	–
Loss on disposal of items of property, plant and equipment	–	4
Gain on disposal of right-of-use assets	–	(775)

6. INCOME TAX

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Corporate income tax – Chinese Mainland		
– for current year	6,312	–
– Under-provision for prior years	23,022	–
	29,334	–
Deferred tax		
– Attributable to increase in tax rate	49,571	–
– Origination of temporary difference	(1,141)	115
	48,430	115
Total	77,764	115

7. DIVIDENDS

The board of directors has resolved not to declare any interim or final dividend for the years ended 31 August 2024 and 2025.

8. (LOSSES)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic (losses)/earnings per share is based on the loss for the year attributable to ordinary equity holders of the parent of RMB73,912,000 (2024: profit for the year attributable to ordinary equity holders of the parent of RMB19,957,000), and the weighted average number of ordinary shares of 666,667,000 (2024: 666,667,000) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 August 2025 and 2024.

9. TRADE RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	1,060	573
Impairment	–	–
Net carrying amount	1,060	573

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 year	1,060	573

10. CONTRACT LIABILITIES

Details of contract liabilities are as follows:

	31 August 2025 RMB'000	31 August 2024 RMB'000	1 September 2024 RMB'000
<i>Short-term advances received from customers</i>			
Tuition fees	281,374	278,592	263,409
Boarding fees	22,157	21,186	21,103
	<u> </u>	<u> </u>	<u> </u>
Total	<u>303,531</u>	<u>299,778</u>	<u>284,512</u>

11. OTHER PAYABLES AND ACCRUALS

	2025 RMB'000	2024 RMB'000
Payables for purchase of property, plant and equipment	20,500	11,116
Payables for co-operation costs	–	931
Miscellaneous expenses received from students	15,155	24,820
Payables for salaries and welfares	5,788	10,643
Payables for labour union expenditure	5,309	3,815
Payables for central heating costs	1,256	1,594
Refund liabilities	260	260
Other tax payable	195	157
Payable for late payment surcharge on corporate income tax	7,341	–
Deposits received	2,149	–
Other payables	19,222	12,373
	<u> </u>	<u> </u>
Total	<u>77,175</u>	<u>65,709</u>

12. EVENTS AFTER THE REPORTING PERIOD

There were no significant events taken place subsequent to 31 August 2025 and up to the date of approval of these consolidated financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Revenue

The Group derives its revenue from the tuition fees and boarding fees that the Group collects from its students.

Revenue increased by RMB22.1 million or 6.9% from RMB322.9 million for the year ended 31 August 2024 to RMB345.0 million for the year ended 31 August 2025. The increase was mainly due to a combination of the following factors: (i) revenue from tuition fees has increased by RMB21.3 million or 7.2% from RMB296.4 million for the year ended 31 August 2024 to RMB317.7 million for the year ended 31 August 2025; and (ii) revenue from boarding fees has increased by RMB0.8 million or 3.0% from RMB26.5 million for the year ended 31 August 2024 to RMB27.3 million for the year ended 31 August 2025.

The increase in tuition fees was mainly due to the expansion of size of admission. For the 2024/25 school year, the tuition fee standards are RMB25,800 per year for general engineering majors, RMB24,800 per year for general liberal arts majors and RMB27,800 per year for art majors, respectively (2023/24 school year: RMB25,800 per year for general engineering majors, RMB24,800 per year for general liberal arts majors and RMB27,800 per year for art majors, respectively). The tuition fee standards for the 2024/25 school year remained constant from the standards for the 2023/24 school year. The boarding fee rate for the 2024/25 school year is in the range of RMB1,700 to RMB2,400 per year (2023/24 school years: RMB1,900 to RMB2,400 per year).

The total number of full-time students enrolled for the 2024/25 school year was 11,909 (2023/24 school year: 11,941), and the total number of correspondence education students has increased from 1,213 for the 2024 school year to 2,424 for the 2025 school year.

Cost of Sales

Cost of sales primarily consists of salaries and benefits for our school personnel, depreciation and amortization, heating costs, training expenses, maintenance costs, teaching expenses and utilities, as well as property management cost, cleaning and greenery fees, travel expenses, office expenses, student activity costs and others.

Cost of sales increased by RMB23.5 million or 11.5% from RMB204.0 million for the year ended 31 August 2024 to RMB227.5 million for the year ended 31 August 2025. The increase was mainly due to: (i) incur large central heating costs of RMB8.6 million due to winter; (ii) incur in maintenance costs of RMB14.3 million, mainly due to more maintenance on campus buildings occurred during the year ended 31 August 2025; (iii) student activity costs of RMB2.2 million, mainly due to the student activity costs related to the project of ice and snow theme occurred during the year ended 31 August 2025 and no such costs occurred in the year ended 31 August 2024 and the cost of student research has incurred by RMB2.2 million; (iv) entrusting third-party enterprises to carry out student internship and training expenses of RMB3.9 million occurred

during the year ended 31 August 2025 and no such costs occurred in the year ended 31 August 2024; and (v) other costs of sales increased due to the increase of teacher training for catering the need of developing the teaching level of school.

Gross Profit and Gross Profit Margin

Gross profit margin represents the percentage of gross profits to the revenue of the Group.

Gross profit decreased by RMB1.3 million or 1.1% from RMB118.9 million for the year ended 31 August 2024 to RMB117.5 million for the year ended 31 August 2025, mainly due to fact that the growth of revenue was lower than that of corresponding cost. Gross profit margin has decreased from 36.8% for the year ended 31 August 2024 to 34.1% for the year ended 31 August 2025. The increase in tuition fees resulted in a 7.2% increase in revenue. However, in order to meet the qualification evaluation of undergraduate teaching work during the year ended 31 August 2025, the Group incurred increased expenses for (i) constructing and maintaining campus buildings and teaching facilities; and (ii) organising student activities and teacher trainings. The combined effects of the abovementioned factors led to the decrease in gross profit margin.

Other Income and Gains

Other income and gains consist primarily of government grants, rental income, interest income and donation income.

The other income and gains for the year ended 31 August 2025 amounted to RMB14.1 million, which increased by RMB6.2 million as compared to the amount of RMB7.9 million for the year ended 31 August 2024 which was mainly due to: (i) the increase in government grant of RMB1.8 million received from Education Department of Heilongjiang Province during current year as compared to prior year; (ii) the increase of rental income of RMB1.5 million; and (iii) the increase of donation income of RMB2.8 million.

Selling Expenses

Selling expenses primarily consist of promotion expenses and admission expenses of different faculties and salaries of the personnel of our school's enrollment office.

The selling expenses decreased by RMB1.7 million or 39.5% from RMB4.3 million for the year ended 31 August 2024 to RMB2.6 million for the year ended 31 August 2025, which was due to the decreased of the frequency of promotional activities outside the province.

Administrative Expenses

Administrative expenses consist of administrative staff's salaries costs, depreciation and amortization, consultation fee, which mainly represent remuneration for auditors and legal fee, travel expenses incurred by our administrative staff for business trips and for running errands, heating costs, entertainment costs and others.

Administrative expenses increased by RMB22.0 million or 55.9% from RMB39.4 million for the year ended 31 August 2024 to RMB61.4 million for the year ended 31 August 2025, mainly due to late surcharge payment on corporate income tax and the increase in professional services costs.

Finance Costs

Finance costs primarily consist of (i) interest on bank loans and other borrowings; and (ii) interest on sale and leaseback liabilities.

Finance costs increased from RMB62.2 million for the year ended 31 August 2024 to RMB63.2 million for the year ended 31 August 2025.

During the year ended 31 August 2025, interest expenses of RMB7.2 million capitalised were related to borrowings from certain banks in China and sale and leaseback liabilities from certain finance lease companies in China which were mainly used for construction of the Group's school campuses.

Profit before Tax

During the year ended 31 August 2025, the Group recorded profit before tax of approximately RMB3.9 million, representing a decrease of approximately 80.8% as compared to approximately RMB20.1 million for the year ended 31 August 2024.

Income Tax Expense

Income tax expense increased from RMB0.1 million for the year ended 31 August 2024 to RMB77.8 million for the year ended 31 August 2025, which was mainly due to recognition of (i) an income tax expense of RMB23.0 million due to request of tax payment from the local tax authority based on assessable income from Heilongjiang College in prior years, (ii) an income tax expense for the current year of RMB6.3 million, and (iii) a provision expense of RMB48.5 million for the deferred income tax arising from accelerated depreciation of property, plant and equipment. For details of the income tax applicable to our Group, please refer to note 6 of the notes to the financial statements in this announcement.

(Loss)/Profit for the year

Due to the combined impact of aforementioned factors, the Group recorded a loss of RMB73.9 million for the year ended 31 August 2025, as compared to a profit of RMB20.0 million for the year ended 31 August 2024.

Working Capital Sufficiency

Despite the fact that we have recorded net current liabilities positions as at 31 August 2025, our Directors are of the view that we have sufficient working capital to meet our present and future cash requirements for at least the next 18 months from the end of the reporting period, based on the following considerations:

- we expect to generate cash flow from our operations with payment of tuition fees and boarding fees by our students in the upcoming 2025/2026 school year; and
- as at the date of this announcement, we had unutilised facilities of RMB43.8 million and historically we have been able to obtain external financings and do not foresee any impediment to do so in the future if such need arises.

Our future working capital requirements will depend on a number of factors, including, but not limited to, our operating income, the size of our school operation, constructing new school campus, maintaining and upgrading existing school facilities, purchasing additional educational equipment for our school and hiring additional teachers and other staff. Going forward, we believe that our working capital requirements will be satisfied by cash generated from our operations, bank loans and other borrowings, and other funds raised from the capital markets as and when appropriate from time to time.

Liquidity and Capital Resources

As at 31 August 2025, the Group's cash and cash equivalents were approximately RMB275.8 million, as compared with approximately RMB345.4 million as at 31 August 2024.

As at 31 August 2025, the Group's bank and other borrowings and interest accruals amounted to approximately RMB1,305.8 million (as at 31 August 2024: RMB1,218.6 million). As at 31 August 2025, our bank and other borrowings bore effective fixed interest rates ranging from 3.30% to 10.68% per annum (as at 31 August 2024: 3.50% to 15.14% per annum).

Property, Plant and Equipment

As at 31 August 2025, the Group's property, plant and equipment amounted to approximately RMB1,973.8 million, representing a year-on-year increase of approximately 3.6% from approximately RMB1,905.1 million recorded as at 31 August 2024. The increase was mainly due to the increase of buildings and others for daily operation in connection with the use of Hanan Campus, Quanren School and Junhua Secondary Vocational.

Capital Expenditures

Capital expenditures during the year ended 31 August 2025 were primarily related to the addition of leasehold land of Hanan Campus and Quanren School, and the construction of Hanan Campus, Quanren School and Junhua Secondary Vocational, maintaining and upgrading existing school premises and purchasing additional educational facilities and equipment for our schools. For the year ended 31 August 2025, the Group's capital expenditures were RMB218.2 million (2024: RMB359.6 million).

Capital Commitment

As at 31 August 2025, the Group had contracted but not provided for capital commitment of approximately RMB84.3 million (31 August 2024: RMB148.1 million), which were primarily related to the acquisition of property, plant and equipment.

Contingent Liabilities

As at 31 August 2025, the Group had no significant contingent liabilities (31 August 2024: nil).

Gearing Ratio

Gearing ratio equals total debt as at the end of the year divided by total equity as at the end of the year. Total debt includes all interest-bearing bank loans and other borrowings. Compared with the gearing ratio of 1.3 as at 31 August 2024, the gearing ratio increased to 1.5 as at 31 August 2025.

Foreign Exchange Risk Management

The functional currencies of the Group's subsidiaries in the PRC are RMB. The majority of the Group's revenue and expenditures are denominated in RMB. During the year ended 31 August 2025, the Group did not experience any significant difficulties in or impacts on its operations or liquidity due to fluctuations in currency exchange rates. The Directors believe that the Group has sufficient foreign exchange to meet its own foreign exchange requirements and will adopt practical and effective measures to prevent exposure to exchange rate risk. The Group did not enter into any financial instrument for hedging purpose.

Significant Investments, Acquisitions and Disposals, Future Plan for Material Investments and Capital Assets

The Group had no significant investments, material acquisitions or disposals during the year ended 31 August 2025.

As of the date of this announcement, the Group did not have other plans for material investments or capital assets.

Pledge of Assets

As at 31 August 2025, the Group's sale and leaseback borrowings of approximately RMB369.7 million (2024: RMB585.3 million) were guaranteed by the Group's assets of approximately RMB49.8 million (2024: RMB123.4 million).

As at 31 August 2025, the Group's bank loans and interest accruals of RMB176.3 million (2024: RMB50.2 million) were pledged over the Group's right-of-use assets situated in Mainland China, which had an aggregate carrying value of RMB155.7 million (2024: RMB157.8 million); the Group's bank loans and interest accruals of RMB98.6 million (2024: RMB99.1 million) were pledged over the Group's property, plant and equipment situated in Mainland China, which had an aggregate carrying value of RMB146.1 million (2024: RMB82.4 million); and the Group's bank loans and interest accruals of RMB31.5 million (2024: Nil) were pledged over the Group's restricted bank deposits of RMB35.0 million (2024: Nil).

BUSINESS REVIEW

Overview

As of 31 August 2025, the Group operated Heilongjiang College of Business and Technology in Harbin City, Heilongjiang Province. Heilongjiang College of Business and Technology has two campuses, namely Songbei Campus and Hanan Campus.

In addition, the Group acquired a lot of 86,056 sq.m. in Hai'an City, Jiangsu Province in January 2021 to build the Yangtze River Delta Industry-Education Integration Base with a floor area of 56,000 sq.m. and a planned total investment of RMB220 million. The construction commenced in 2022 and is expected to be completed and put into use at the end of 2025.

On 8 December 2023, we established Nantong Junhua Secondary Vocational School Co., Ltd.* (南通峻華中等職業學校有限公司) in Hai'an City, Jiangsu Province, which has commenced its second enrollment, and currently has 1,126 enrolled students and 137 faculty and staff members, of whom 79 are full-time teachers. The school is under smooth operation.

On 10 October 2023, we established Tianjin Quanren Vocational Secondary School Co., Ltd.* (天津全人職業中等專業學校有限公司) in Baodi District, Tianjin with a successive acquisition of lot of 224,667 sq.m. Currently, the gross floor area of the first phase of the construction is 26,649.29 sq.m. The construction was completed on 29 August 2024 and has been put into use. The planned floor area of the second phase of the construction is 30,857.11 sq.m. It is under construction and is scheduled to be completed and put into use at the end of 2025. It has a planned total investment of RMB400 million with an investment of RMB300 million having been made.

Tianjin Quanren Vocational Secondary School Co., Ltd. has commenced its second enrollment, and currently has 586 enrolled students and 117 faculty and staff members, of whom 54 are full-time teachers. The school is under smooth operation.

Heilongjiang College of Business and Technology

As of 31 August 2025, Heilongjiang College of Business and Technology occupied an aggregated gross site area of approximately 637,898.04 sq.m. and gross floor area of 343,647.23 sq.m., with total property, plant and equipment value of RMB1,973.8 million. As of 31 August 2025, the school had 649 teachers, and 12,369 full-time students enrolled in bachelor’s degree program. The table below sets out the statistics of student enrollment in the past three school years (excluding students who subsequently withdrew during the respective school years):

School years	Number of students
2023/2024	11,941
2024/2025	11,909
2025/2026	12,369

As of 31 August 2025, the utilisation rate of Heilongjiang College of Business and Technology was 88.52% (as of 31 August 2024: 85.32%), which was calculated by dividing the number of students enrolled in the bachelor’s degree program by the maximum student capacity for the current school year of 13,972.

Heilongjiang College of Business and Technology offers 26 undergraduate majors in 2025/26 school year, including 11 in engineering, 5 in management, 3 in economics, 2 in literature and 5 in art.

In the 2025/2026 school year, the average tuition fee and boarding fee of Heilongjiang College of Business and Technology were RMB25,556 and RMB2,264, respectively, representing a decrease of 0.75% and an increase of 2.1% from the average tuition fee and the average boarding fee of RMB25,750 and RMB2,217 in the 2024/2025 school year.

During the reporting period, Heilongjiang College of Business and Technology took “cultivating people with virtue, fostering high-quality application oriented talents, serving the society, and running a school satisfactory to the people” as its educational purpose; it also adhered to the operating philosophy of “education-oriented, quality based, school-enterprise integration, and development with innovation” to continuously exert increasing efforts on the construction of various majors and courses, take the construction requirements for new engineering and new business disciplines as the standards, and optimise the construction and layout adjustment of disciplines and majors, as well as the training program and curriculum system in line with the actual development of the school in order to enrich curriculum resources, strengthen practical teaching, constantly enhance the establishment of teaching faculty and comprehensively improve the quality of application-oriented talents cultivated.

During the reporting period, Heilongjiang College of Business and Technology successfully passed the undergraduate teaching qualification assessment conducted by the Ministry of Education. Since initiating the preparatory work for undergraduate teaching qualification assessment, the school has thoroughly implemented the guiding principle of “Promoting Development through Evaluation, Reform through Evaluation, Management through Evaluation, Combining Evaluation and Development, Focusing on Development”, solidly carrying out various works in an orderly manner in accordance with the relevant requirements of the Ministry of Education with respect to undergraduate teaching qualification assessment. After 5 years of intensive construction and 3 years of focused preparation for the assessment, the school has achieved remarkable results and demonstrated excellent school spirit, teaching ethos and study atmosphere. It received full affirmation and high praise from the expert panel, successfully passed the undergraduate teaching qualification assessment, and established a new milestone for the school’s development and construction.

Heilongjiang College of Business and Technology solidly advanced curriculum establishment. In accordance with its first-class curriculum development standards, the school completed the inspection and acceptance of 21 school-level first-class curriculums in two batches. It selected and recommended 11 provincial-level industry-education integration cultivation curriculums. Significant progress has been made in curriculum resource development. Heilongjiang College of Business and Technology has established a public elective course database, with a reserve of over 3,000 courses, and has cumulatively offered 636 public elective courses, both online and offline. 12 online courses were recorded, and 145 course resources were available on “Yu Ke Tang (雨課堂)”, the SPOC platform on campus. The utilisation rate of the “Yu Ke Tang” intelligent teaching tool, which was promoted to assist teaching, has reached 65%. The ideological and political education courses have yielded remarkable results. This year, 5 school-level demonstration courses for ideological and political education and 8 excellent cases were selected. Among these, “Introduction to Management” (《管理學導論》) was recognized as a model course in the fourth batch of ideological and political education demonstration classes in Heilongjiang Province, and the teaching cases of three teachers, including Liu He, were rated as excellent cases in the second batch of ideological and political education in Higher Education Curricula in Heilongjiang Province.

Numerous awards were received in the disciplinary competitions and entrepreneurship and innovation competitions. As of September 2025, our students won 142 awards in provincial-level and above entrepreneurship and innovation competitions, including 36 national-level and 106 provincial-level awards. They also won 426 awards in discipline competitions, including 35 national-level and 391 provincial-level awards. A total of 329 school-level entrepreneurship and innovation projects have been approved, involving 452 teacher-time instances as instructors and 968 student-time instances as participants. To support university students’ projects in entrepreneurship and innovation, the school has established special funding for innovation and entrepreneurship projects, allocating RMB812,000 to support the approved projects. Notably, in the “Xuechuang Cup (學創杯)” National College Student Simulated Entrepreneur Competition, our school has topped the rankings for eight consecutive years, securing the Grand Prize and First Prize in the National Final Competition continuously.

Heilongjiang College of Business and Technology realised a full coverage of study from research, practice to education. We have established the “145” study and practice education model of “Grand Ideological-political Courses”, namely “one core”, “four-pronged integration” and “five full concepts”. The school organised the “five-colour” educational research and practice activities, including organising over 2,100 participant-times in ice and snow special sports activities in Yabuli. In September 2024, 45 teachers and students were organised to visit Blagoveshchensk State Pedagogical University in Russia for a one-week summer study and practice overseas. At present, the school has 56 stable study and practice bases (base stations) in Jiangsu, Hebei and Heilongjiang provinces, with a total of over 14,000 student-times participated from 2024 to September 2025, achieving full coverage of all students.

New achievements were made in the building of the faculty team. The introduction of faculty team advanced steadily, our title evaluation system was improved, and therefore our title structure of faculty was optimised. Our focus on teacher training continued to contribute to higher education and teaching level among faculty. From 2024 to September 2025, a total of four title evaluations were organised, including a private college title joint evaluation in Heilongjiang province, a senior professional title recommended evaluation, a deputy senior and below title evaluation for the faculty series and a title recommended evaluation for the non-faculty series. 120 teachers passed the title evaluation, including 11 professors, 24 associate professors and 72 lecturers. Therefore, there were 38 senior professors, 87 deputy senior professors, and 202 intermediate professors in the faculty title structure. Compared with the previous year, the number of senior professors increased by 12, the number of deputy senior professors increased by 26, and the number of intermediate professors increased by 91, moving toward in building a reasonable faculty title structure.

Our teaching and research produced fruitful results. From September 2024 to September 2025, our teachers issued 93 academic papers as independent authors, first authors, and corresponding authors, obtained 16 patents and 23 software copyrights, and published 34 textbooks and 13 monographs. A total of 38 vertical research projects at provincial level and above and 33 horizontal research projects were approved, including 4 University-Industry Collaborative Education Programs by the Ministry of Education and 29 university-enterprise cooperation and co-construction projects. To encourage teachers to carry out organised research activities, we have established 3 research teams and successfully obtained approval for a project under the Provincial Philosophy and Social Science Planning Program for the year 2024.

Student enrollment and employment recorded a new high. Our enrollment efforts have achieved remarkable results. In 2025, the school enrolled students from 22 provinces nationwide in 19 majors, with a total enrollment size of 4,043 students. Among them, 2,949 students were admitted under the general category, with an admission rate of 96.8%, and the number of new students registered was 2,734, representing a registration rate of 92.71%. For the junior college to bachelor’s degree transfer program, 1,054 students were admitted, with an admission rate of 100%, and the number of new students registered was 832, representing a registration rate of 78.94%. In terms of employment work, we actively leveraged on-campus recruitment as the main channel, organizing and carrying out 179 campus recruitment and information sessions for the 2024 and 2025 graduating classes. A total of 3,770 enterprises participated, offering 43,404 job openings. The school’s 2025 graduating class consisted of 3,075 students. As of September 2025, the initial employment rate was 92.72%, and 44.68% of students stayed in Heilongjiang for career development.

International education achieved new breakthroughs. We expanded partnerships and launched substantive international cooperation projects. We established secondary colleges with Sehan University in South Korea and entered into a cooperation framework agreement for faculty and student exchange activities. We signed agreements for junior college, continuous junior-to-senior college, and undergraduate-to-master cooperative projects with Mokpo Science University and Sehan University in South Korea, deeply advancing these three cooperative projects. We also signed a cooperation agreement with Pai Chai University in South Korea, selecting 9 outstanding students for a one-semester exchange study program. In October 2025, we welcomed 70 Chinese language trainees from Morocco for a 10-month advanced Chinese language study program. We launched the development of two “Study Tour in China” courses: “Heilongjiang Ice and Snow Culture and Economic and Social Development” (《黑龍江冰雪文化與經濟社會發展》) and “Beidahuang Modern Agriculture and Food Security” (《北大荒現代農業與糧食安全》), and actively participated in the “Study Tour in China” curriculum system initiated by Chinese Service Centre for Scholarly Exchange of the Ministry of Education.

A new picture was seen in our campus construction and service guarantee with the vigorous advancement of intelligent campus. From 2024 to September 2025, the school built “Yun Shang Hei Gong Shang (雲上黑工商)” core platform based on Huawei Cloud WeLink, integrating 12 major business systems, such as teaching affairs, students management, and finance, and realizing “handling all within one network” for campus management. The average monthly active users on the mobile application for teachers and students exceeded 8,000. The 2025 orientation system covered the vast majority of new students for online registration and payment, significantly simplifying the new student enrollment process. “Yu Ke Tang (雨課堂)” and other teaching platforms have been applied in depth, with more than 70% of teachers teaching with the help of intelligent tools, and the SPOC platform on campus has accumulated 145 course resources, with over 52,000 participants taking such courses annually. We established a unified identity authentication system, achieving “Single Sign-On (一號通行)” across more than 30 application systems, significantly enhancing user access convenience. The smart campus construction focused on the experience of teachers and students, promoting the digital transformation of management services and education and teaching, and elevating the level of school’s informatization to a new stage.

PROSPECTS

I. Implementing the strategy of going global to actively carry out international education

Heilongjiang College of Business and Technology has actively carried out in international exchanges and cooperations, and successively participated the Sino-Russian Creative Design Alliance, the Sino-Russian University Alliance Forum, the 6th China-U.S. Provincial/State University Presidents’ Forum, and the “3rd China-Korea Education Forum (第三屆中韓教育論壇)”. Cooperation agreements have been signed with five universities, including Pacific National University in Russia and Sehan University in South Korea. The school has admitted international students from countries such as Morocco, Côte d’Ivoire and Mauritania for studies in China. We plan to expand collaborations with more partner countries and universities in the future.

II. Promoting digital and intelligent transformation of education and teaching

Heilongjiang College of Business and Technology has improved the construction of intelligent campus, actively carried out “digital and intelligent” transformation of education and teaching, and revised the talent training program. It has used the internet, digitalization and intelligence to realize the “digital and intelligent” transformation and development for talent training, focused on the inter-disciplinary knowledge learning, strengthened the integration of cutting-edge knowledge and new technologies, focused on information literacy and digital skills training, and strengthened the cultivation of students’ soft skills, so as to realize the enhancement of students’ knowledge transfer ability and practical problem solving ability.

Market Overview

The Company is a large private formal higher education service provider in Heilongjiang Province, the PRC, ranking top in the private education sector of the province. It has been growing rapidly over the last few years. Since 2021, the Company has successively invested in the establishment of two vocational schools in the Yangtze River Delta and Beijing-Tianjin-Hebei region respectively, forming an education group with four campuses in three places.

As of 31 August 2025, the State had successively issued many policy documents to support and encourage the development of education, including vocational and private education.

Policy documents that were published in recent years included the CPS’s Overall Plan for Coordinately Advancing the Construction of World-Class Universities and First-class Disciplines, Implementation Plan for the Reform on National Vocational Education, Proposal of the Central Committee of the Communist Party of China and the State Council on Comprehensively Deepening the Reform of Teacher Force Construction in the New Era and China’s Education Modernization 2035, which have established the top-level design and strategic deployment for the development of higher education in China.

In particular, a number of favorable policies for private and vocational education have been rolled out since 2021:

In June 2021, the Vocational Education Law of the People’s Republic of China (Revised Draft) was submitted to the National People’s Congress for deliberation. The draft stated that “vocational education and general education have the same importance” and supported social forces to run schools.

Decree No. 741 of the Implementing Regulations of the Law of the People’s Republic of China on the Promotion of Private Education, which came into effect on 1 September 2021, expressly encourages enterprises to organise or participate in organising private vocational schools through sole proprietorship, joint venture and cooperation in accordance with relevant laws. It also grants all private schools the right to change their sponsors regardless of their nature.

On 26 January 2024, “The Notice of Silver Age Teacher Action Plan in Support of Private Education” promulgated by the General Office of MOE (《教育部辦公廳關於做好銀齡教師支持民辦教育行動實施工作的通知》) stated that “To give full play to the advantages of retired teachers, strengthen the establishment of the private faculty team, and help the high-quality development of private education”.

DEVELOPMENT STRATEGY

Development Direction and Targets

The school has firmly established the talent cultivation positioning of “fostering high quality application-oriented talents with a sense of patriotism, service dedication, innovation and entrepreneurship awareness, solid professional knowledge and skills, strong practical ability, great competence and all-round development in ethics, intellect, physique, aesthetics and hardwork”; adhered to the service orientation of “establishing foothold in Heilongjiang in the pursuit of nationwide presence, serving the regional economic and social development”; and defined the development target of “being a provincial first-class, nationally renowned and high-level application-oriented college with distinctive characteristics”.

Development Plan

- Firstly: We will establish in-depth cooperation with international education groups to improve the dual education and talent training model.
- Secondly: We will invest in vocational education and establish vocational colleges, education groups and school-enterprise integration bases in the Yangtze River Delta and Beijing-Tianjin-Hebei, gradually forming a new schooling model of school-enterprise integration.
- Thirdly: We will launch the construction of new medical science-related majors.
- Fourthly: We will develop a digital lifelong learning system, and create a “future learning centre” and a website featuring a wide selection of digital education.
- Fifthly: We will combine our leading majors with the Belt and Road Initiative, and actively promote education for foreign students.

In the future, the Company will develop systematic, multi-tiered and multi-dimensional operation of education services, scale up schooling step by step, and create values for Shareholders.

Progress of Transforming into a For-profit Private School

In accordance with the Implementation Rules for the Classification and Registration of Private Schools issued by the Ministry of Education and other four agencies and relevant documents, as well as the implementation opinion on “encouraging social forces to engage in education to promote the healthy development of private schools” announced successively in various provinces, Heilongjiang College of Business and Technology has been approved by the Ministry of Education in its transformation into a for-profit school. In compliance with relevant documents and policies to be issued by the competent education authorities, the school will firmly protect the legal rights and interests of students during the transition period, complete the transfer of assets from non-profit to for-profit school, and enforce the property rights of legal entities. It will complete the procedures of credit and debt disposal, and renewal of teachers’ employment contracts and employment affiliation. The school will improve its operation and management plan during the transition period to achieve smooth non-profit to for-profit transformation.

Latest Regulatory Development

On 14 May 2021, the State Council published the 2021 Implementation Regulations, which became effective from 1 September 2021. The 2021 Implementation Regulations introduced significant changes to certain provisions of the 2004 Implementation Regulations and contain provisions governing the operation and management of private schools, which primarily include: (i) a private school may enjoy the preferential tax policies stipulated by the State and a non-profit private school may enjoy the same tax policies as a public school; and (ii) the local people’s governments shall grant preferential treatments in terms of land use by means of allocation in accordance with the principle of treating non-profit private schools equally as public schools, and for schools that provide education for academic credentials, may provide lands by means of bid invitation, auction or listing, assigning contracts, long-term lease or combination of sale as well as rental and may permit payment in instalments.

The 2021 Implementation Regulations stipulates further provisions of the operation and management of private schools, such as Heilongjiang College of Business and Technology. Among other things, (i) a non-profit private school shall use the accounts filed with the competent authorities for charging fees and financial transactions, and a for-profit private school shall deposit the income into a specific settlement account of its own; (ii) at the end of each financial year, a for-profit private school shall set aside a portion of not less than 10% of its audited annual net income, and a non-profit private school from its audited annual net increase in assets, as the development fund, which is to be used for the development of the school; (iii) private schools that provide compulsory education are not allowed to enter into transactions with their interested parties, and other private schools shall conduct transactions with their interested parties in a manner that is open, justified and fair, shall be reasonably priced, shall establish standardized decision-making for such transactions and shall not harm the interests of the State, schools, teachers and students. Private schools shall set up an information disclosure mechanism for dealing with their interested parties. The relevant governmental authorities, such as the education department, the human

resources and social security departments and the financial departments, shall strengthen the supervision of the agreements entered into between non-profit private schools and their interested parties, and shall review the connected transactions annually; (iv) the registered capital of a private school shall be paid in full when it is formally established and shall be compatible with the type, level and scale of the school; (v) any social organizations or individuals shall not control compulsory education private schools or non-profit private schools that implement preschool education through mergers or “structured contracts”; and (vi) for any change of school sponsor of a private school, an alteration agreement shall be entered into but shall not involve the legal property of the school, nor shall it affect the development of the school, or damage the rights and interests of teachers and students; the existing school sponsor may, in accordance with its lawful rights and interests, enter into agreements with the successional school sponsor to stipulate the income from the alteration.

With respect to requirement (iii) above, our contractual arrangements as disclosed under the heading of “Structured Contracts” in the Prospectus and the 2020 Annual Report may be regarded as connected transactions of Heilongjiang College of Business and Technology and we may incur substantial compliance costs for establishing disclosure mechanisms and undergoing reviewing by the relevant government authorities. Such process may not be in our control and may be highly complicated and burdensome and may divert management attention. Government authorities may, during their review process, compel us to make modifications to our contractual arrangements for whatever reason, which may in turn adversely affect the operation of our contractual arrangements. Government authorities may find that one or more agreements underlying our contractual arrangements do not comply with applicable PRC laws and regulations and may subject us to severe penalties, resulting in material adverse impact on our operation and financial condition.

Uncertainties remain with respect to the interpretation of the 2021 Implementation Regulations and we cannot assure you that the implementation of the 2021 Implementation Regulations by the competent authorities will not deviate from our current understanding or interpretation of it.

Furthermore, we are unable to predict with certainty the impact, if any, that future legislation or regulations relating to the implementation of the laws promoting private education in the PRC will have on our business, financial condition and results of operations. As at the date of this announcement, we had not been notified of or been subject to any material fines or other penalties under any PRC laws or regulations in respect of our Group’s existing corporate structure, including the use of our contractual arrangements. If our Group’s existing corporate structure or our contractual arrangements are deemed to violate any rules, laws or regulations, we may be required to terminate or amend our contractual arrangements, our license to operate private schools may be revoked, cancelled or not renewed and we may be exposed to other penalties as determined by the relevant government authorities. We may also be restricted from further expanding Heilongjiang College of Business and Technology or education network. If such situations occur, our business, financial condition and prospects would be materially and adversely affected.

As at the date of this announcement, our Directors considered that the potential impact of the 2021 Implementation Regulations on us includes the following:

- (i) our future acquisition may be subject to more stringent regulations. According to Clause 13 of the 2021 Implementation Regulations, any social organizations or individuals shall not control compulsory education private schools or non-profit private schools which offer preschool education through mergers or contractual arrangements. Therefore, we cannot assure you that such requirements will be always fulfilled successfully or in a timely manner or at all, which may bring more uncertainty to our expansion plan. Furthermore, we may not be able to acquire compulsory education private schools or non-profit private schools which offer preschool education held by others using methods such as mergers or “contractual arrangements”;
- (ii) according to the 2021 Implementation Regulations, private schools that provide compulsory education are not allowed to enter into transactions with interested parties, while other private schools shall conduct transactions with their interested parties in a manner that is open, justified and fair, conducted at reasonable pricing, and subject to standardized decision-making established for such transactions and not harmful to the interests of the State, schools, teachers and students. Private schools shall set up an information disclosure mechanism for dealing with their Interested Parties. The relevant governmental authorities, such as the education department, the human resources and social security departments and the financial department, shall strengthen supervision over agreements signed between nonprofit private schools and their Interested Parties, and shall review connected transactions annually; and
- (iii) there are uncertainties regarding the interpretation and implementation of the 2016 Decision and the relevant regulations by government authorities, including the 2021 Implementation Regulations.

We may incur substantial compliance costs for establishing disclosure mechanisms and undergoing reviewing and audit by the relevant government authorities. Such process may not be in our control and may be highly complicated and burdensome. Government authorities may, during their review and audit process, compel us to make modifications to our contractual arrangements, or may find that one or more agreements underlying our contractual arrangements do not comply with applicable PRC laws and regulations and may subject us to administrative penalties. Pursuant to the Implementing Rules on Classification Registration of Private Schools, the rules for changing the registration type of private schools are to be formulated by the relevant provincial government in accordance with the relevant national legislation according to local conditions.

PRC laws and regulations relating to foreign ownership in the Education Industry

Higher Education

According to the Negative List, higher education is restricted for foreign investors, and foreign investors are only allowed to invest in higher education through cooperation with a domestic party who shall play a dominant role in the Sino-foreign cooperation, meaning that (a) the principal or other chief executive officer of the schools shall be a PRC national; and (b) the representatives of the domestic party shall account for no less than half of the total members of the board of directors, the executive council or the joint administration committee of the Sino-foreign cooperative educational institution (the “**Foreign Control Restriction**”). As confirmed by our PRC legal advisor, we have fully complied with the Foreign Control Restriction in respect of Heilongjiang College of Business and Technology on the basis that (a) its principal is a PRC national; and (b) all the members of its board of directors are PRC nationals.

Sino-Foreign Cooperation

In relation to the interpretation of Sino-foreign cooperation, pursuant to the Implementing Rules for the Sino-Foreign Regulation (《中華人民共和國中外合作辦學條例實施辦法》), if we were to apply for Heilongjiang College of Business and Technology to be reorganized as a Sino-foreign joint venture private school for PRC students at higher education institutions (a “**Sino-Foreign Joint Venture Private School**”), the foreign investor in the Sino-Foreign Joint Venture Private School must be a foreign educational institution with relevant qualification and that provides high quality education (the “**Qualification Requirement**”). Furthermore, pursuant to the Implementation Opinions of the MOE on Encouraging and Guiding the Entry of Private Capital in the Fields of Education and Promoting the Healthy Development of Private Education, the foreign portion of the total investment in a Sino-Foreign Joint Venture Private School should be below 50%. Our PRC legal advisor has advised that there are no implementing measures or specific guidance on the Qualification Requirement in accordance with the existing PRC laws and regulations but only general principles requiring school sponsor which applies for establishing a Sino-Foreign Joint Venture Private School shall have relevant qualification and be able to provide high quality education services.

Updates to the Plan to Comply With the Qualification Requirement

As disclosed in the Prospectus and the 2021 Annual Report, we have adopted a specific plan and have taken concrete steps which we believe are meaningful endeavors to demonstrate compliance with the Qualification Requirement. On 15 October 2019, Leader Education LLC was established in Chicago, Illinois and is an indirect wholly-owned subsidiary of the Company. Leader Education LLC plans to operate and manage a higher education institution (the “**US School**”) in the State of Illinois, US to be established, which is planned to provide programs focusing on business studies. On 21 February 2020, we filed a notice of intent for operation to the Illinois Board of Higher Education (“**IBHE**”). On 22 May 2020, we entered into a service agreement with an independent third party, with an aim to design the education program to be offered by the US School and submit applications with the IBHE regarding the establishment of the US School. Due to the spread of the COVID-19 in various countries around the world from 2020 to 2022,

the Group's progress in establishing the US School has been slow and was unable to advance in a timely manner. Although the COVID-19 came to an end in 2023, due to the increasingly complicated international environment, particularly the fierce international competition, our progress in establishing the US School has also been affected. Competition is emphasized in the education system of the United States. Keen competition can be seen both in terms of standardized examinations and courses, but we did not adopt a blind approach to proceed, which resulted in the failure of the establishment of the US School as scheduled. However, we will actively identify problems and continue to improve, hoping to complete the application for establishment of the US School as soon as possible.

EMPLOYEES AND REMUNERATION POLICY

As at 31 August 2025, the Group had 753 full-time employees and 194 part-time employees (as at 31 August 2024: 781 full-time employees and 127 part-time employees). The Company believes that attracting, recruiting and retaining high-quality employees is essential to the success and sustainability of the Group. The remuneration policy and package of the Group's employees are periodically reviewed in accordance with industry practice and financial results of the Group. The Group provides external and internal training programs to its employees. The Group participates in various employee social security plans for its employees that are administered by local governments, including housing, pension, medical insurance, maternity insurance and unemployment insurance. The total remuneration cost (including directors' fee) incurred by the Group for the year ended 31 August 2025 was RMB102.7 million (as at 31 August 2024: RMB100.8 million).

SUBSEQUENT EVENTS

As at the date of this announcement, there was no significant event subsequent to 31 August 2025.

CORPORATE GOVERNANCE CODE

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organization which is open and accountable to the Shareholders.

During the year ended 31 August 2025, except for the deviation noted below, the Company complied with the code provisions of the CG Code and, where appropriate, adopted the recommended best practices as set out in the CG Code.

(a) CG Code C.2.1

CG Code C.2.1 provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Liu Laixiang is currently both the Chief Executive Officer and Chairman of the Board. As Mr. Liu has been managing the business and in charge of the overall strategic planning of Harbin Xiangge since 2007 and Heilongjiang College of Business and Technology (including its predecessor) since 2011, the Board believes that vesting the roles and functions of both Chief Executive Officer and Chairman in the same person can ensure consistent leadership and efficient discharge of executive functions within the Group which is beneficial to the overall operation and management of our Group. The balance of power and authority is ensured by the operation

of the senior management and the Board, both of which comprise experienced and high-calibre individuals. The Board comprises five other experienced and high-calibre individuals including two other executive Directors (excluding Ms. Dong Ling, who is Mr. Liu's spouse) and three independent non-executive Directors, who would be able to offer advice from various perspectives. For major decisions of our Group, the Board will make consultations with appropriate Board committees and senior management. The Group considers that the balance of power and authority of the Board will not be impaired under the present arrangement. Therefore, our Directors consider that the present arrangement is beneficial to and in the interest of our Company and our Shareholders as a whole.

Our Directors will continue to review and consider splitting the roles of chairman of our Board and the chief executive officer of our Company at an appropriate time if necessary.

(b) CG Code D.2.5

Under CG Code provision D.2.5, the Group should have an internal audit function. The Group conducted a review on the need for setting up an internal audit department. Having considered the Group's relatively simple operating structure, the Board considered that it shall be directly responsible for risk management and internal control systems of the Group. The Board, through the Audit Committee, had conducted a review on the risk management and internal control systems of the Group. The review covered material controls, including financial, operational and compliance controls and risk management functions of the Group. Appropriate measures have been put in place to manage the risks and no major issue was identified.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS OF LISTED ISSUERS

The Company has also adopted the Model Code set out in Appendix C3 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. Having made specific enquiry with all Directors of the Company, all Directors confirmed that they have complied with the required standard set out in the Model Code regarding directors and supervisors' securities transactions during the year ended 31 August 2025.

AUDIT COMMITTEE

The Company established an Audit Committee with written terms of reference. The audit committee currently comprises three independent non-executive Directors, Mr. Chan Ngai Fan (陳毅奮先生), Mr. Zhang Su (張甦先生) and Mr. Cao Shaoshan (曹少山先生). Mr. Chan Ngai Fan is the chairman of the Audit Committee. The primary duties of the Audit Committee include but not limited to supervising our internal control, risk management, financial information disclosure and financial reporting matters. Their composition and written terms of reference are in line with the CG Code.

The Group's audited annual results for the year ended 31 August 2025 have been reviewed by the Audit Committee. The Audit Committee considered that the preparation of the relevant financial statements complied with the applicable accounting standards and requirements and that adequate disclosure has been made. The Audit Committee has also reviewed the accounting principles and practices adopted by the Group, and selection and appointment of the external auditors.

SCOPE OF WORK OF THE COMPANY'S AUDITOR

The figures in respect of the Group's consolidated statement of financial position as at 31 August 2025, consolidated statement of profit or loss and other comprehensive income for the year ended 31 August 2025 and the related notes thereto as set out in this announcement have been agreed by the Company's auditor to the amounts set out in the Group's consolidated financial statements for the year. The work performed by the Company's auditor, BDO Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by BDO Limited on this announcement.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including Treasury Shares, if any) during the year ended 31 August 2025.

FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 31 August 2025. There is no arrangement that a Shareholder has waived or agreed to waive any dividend.

ANNUAL GENERAL MEETING

The AGM will be held on 24 February 2026 and a notice convening the AGM will be published in due course.

CLOSURE OF THE REGISTER OF MEMBERS

The record date for determining the eligibility of shareholders (except holders of Treasury Shares, if any) to attend and vote at the AGM is 24 February 2026.

The register of members of the Company will be closed from 19 February 2026 to 24 February 2026, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration by no later than 4:30 p.m. on 18 February 2026.

PUBLIC FLOAT

As at the date of this announcement, based on the information that is publicly available to the Group and to the best knowledge of the Directors, the Group maintained sufficient public float as the public Shareholders held not less than 25% of the issued share capital of the Group as required by the Listing Rules.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.leader-education.cn). The annual report for the year ended 31 August 2025 containing all the information required by Appendix D2 to the Listing Rules will be available on the same websites in due course.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“AGM”	the annual general meeting of the Company
“Articles of Association” or “Articles”	the articles of association of the Company adopted by the Shareholders on 23 February 2024 and as amended, supplemented and otherwise modified from time to time
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Company
“Board”	the board of directors of the Company
“BVI”	British Virgin Islands
“CG Code”	corporate governance code contained in Appendix C1 to the Listing Rules
“China” or “PRC”	the People’s Republic of China, excluding for the purpose of this announcement, Hong Kong, Macau and Taiwan
“Companies Act”	the Companies Act (2023 Revision) of the Cayman Islands and any amendments thereto or reenactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Company”	Leader Education Limited (立德教育股份有限公司) (stock code: 1449), an exempted company incorporated in the Cayman Islands with limited liability on June 17, 2019
“Controlling Shareholders”	has the meaning ascribed thereto in the Listing Rules

“Director(s)”	the director(s) of the Company
“Group”, “our Group”, “we” or “us”	the Company, its subsidiaries and the consolidated affiliated entities from time to time, or, where the context so requires in respect of the period before the Company became the holding company of our present subsidiaries, the entities which carried on the business of the present Group at the relevant time
“Hanan Campus”	the campus of Heilongjiang College, located at North of Yucai Road, West Street of Limin Development Zone, Harbin City, Heilongjiang Province, the PRC, with aggregated gross site area of approximately 397,914.04 sq.m.
“Harbin Xiangge”	Harbin Xiangge Enterprise Management Ltd.* (哈爾濱祥閣企業管理有限公司), formerly known as Harbin Xiangge Zhiye Co., Ltd.* (哈爾濱祥閣置業有限公司), a limited liability company established under the laws of the PRC and is held as to 60% by Ms. Dong Ling and 40% by Mr. Liu Laixiang
“Heilongjiang College” or “school”	Heilongjiang College of Business and Technology (黑龍江工商學院), previously known as Chengdong College of Northeast Agricultural University* (東北農業大學成棟學院), a private regular undergraduate institution approved and established under the laws of PRC, of which the school sponsor’s interest is wholly owned by Harbin Xiangge and consisting of Songbei Campus and Hanan Campus
“HK\$” and “HK cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“IFRS”	the International Financial Reporting Standards (which include all International Financial Reporting Standards, International Accounting Standards and interpretations) issued by the International Accounting Standards Board
“Junhua Secondary Vocational”	Nantong Junhua Secondary Vocational School Co., Ltd.* (南通峻華中等職業學校有限公司)
“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange
“Model Code”	the model code for securities transactions by directors of listed issuers as set out in Appendix C3 of the Listing Rules

“Mr. Liu”	Mr. Liu Laixiang (劉來祥), the Chairman, the Chief Executive Officer, an executive Director and a Controlling Shareholder and the spouse of Ms. Dong
“Ms. Dong”	Ms. Dong Ling (董玲), an executive Director and a Controlling Shareholder and the spouse of Mr. Liu
“Negative List”	Special Administrative Measures for Access of Foreign Investment (Negative List) (2020) (《外商投資准入特別管理措施(負面清單)》)(2020年版) which was promulgated by the NDRC and the MOFCOM on June 23, 2020 and became effective on July 23, 2020
“Prospectus”	the prospectus of the Company dated 27 July 2020
“Quanren School”	Tianjin Quanren Vocational Secondary School Co., Ltd.* (天津全人職業中等專業學校有限公司)
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and supplemented from time to time
“Share(s)”	ordinary share(s) of US\$0.01 each in the share capital of our Company
“Shareholder(s)”	the shareholder(s) of the Company
“Songbei Campus”	the Campus of Heilongjiang College, located at Xinxing Dongguang Village, Zhoujia Dongyue Village, Shuangcheng District, Harbin City, Heilongjiang Province with aggregated gross site area of approximately 144,095 sq.m.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it in sections 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Treasury Shares”	has the meaning ascribed to it under the Listing Rules
“%”	per cent.

By order of the Board of
Leader Education Limited
Liu Laixiang
Chairman of the Board

* for identification purpose only

Harbin, Heilongjiang Province, PRC, 28 November 2025

As at the date of this announcement, the executive Directors are Mr. LIU Laixiang, Ms. DONG Ling, Mr. WANG Yunfu and Mr. CHE Wenge; and the independent non-executive Directors are Mr. ZHANG Su, Mr. CAO Shaoshan and Mr. CHAN Ngai Fan.