

China General Education Group Limited 中国通才教育集团有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 2175



2026 Interim Report

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Zhang Zhiwei (*Chairman*)
Mr. Niu Xiaojun
Ms. Zhang Zhonghua

Independent Non-executive Directors

Mr. Zan Zhihong
Mr. Hu Yuting
Mr. Wong Chi Wah
Mr. Hu Binhong

AUDIT COMMITTEE

Mr. Wong Chi Wah (*Chairman*)
Mr. Zan Zhihong
Mr. Hu Yuting

REMUNERATION COMMITTEE

Mr. Hu Yuting (*Chairman*)
Mr. Wong Chi Wah
Mr. Hu Binhong

NOMINATION COMMITTEE

Mr. Zhang Zhiwei (*Chairman*)
Ms. Zhang Zhonghua
Mr. Zan Zhihong
Mr. Hu Yuting
Mr. Hu Binhong

COMPANY SECRETARY

Mr. Zhang Senquan

HONG KONG LEGAL ADVISOR

Morgan, Lewis & Bockius

AUTHORISED REPRESENTATIVES

Mr. Niu Xiaojun
Mr. Zhang Senquan

PLACE OF LISTING AND STOCK CODE

The Stock Exchange of Hong Kong Limited
Stock Code: 2175

HEAD OFFICE IN THE PEOPLE'S REPUBLIC OF CHINA

No. 99 Wucheng South Road
Xiaodian District
Taiyuan City
Shanxi Province
the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 02, 8/F.,
Tung Che Commercial Centre,
246 Des Voeux Road West,
Hong Kong

REGISTERED OFFICE

The offices of Vistra (Cayman) Limited
P.O. Box 31119
Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman KY1-1205
Cayman Islands

COMPANY'S WEBSITE

<http://chinageg.cn>

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Vistra (Cayman) Limited
P.O. Box 31119
Grand Pavilion
Hibiscus Way
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Grand Cayman KY1-1205
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre,
16 Harcourt Road,
Hong Kong

PRINCIPAL BANKER

Shanghai Pudong Development Bank
Taiyuan City, High-tech Industrial
Development Zone Branch

Management Discussion and Analysis

The board (the “**Board**”) of directors (the “**Directors**”) of China General Education Group Limited (the “**Company**”) is pleased to report the unaudited consolidated interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 28 February 2026 (the “**Period**”).

BUSINESS REVIEW

Business Overview

The Group is a leading provider of private higher education in Shanxi Province, China, and the Group operates a college in Taiyuan City, Shanxi Province, the PRC (the “**College**”). In 2011, the College was approved and upgraded by the Ministry of Education of the PRC to become the first private undergraduate college in Shanxi Province. The Group’s solid reputation and extensive expertise in the private higher education sector have allowed the College to continue to grow since then. The total number of students enrolled at the College has grown from approximately 8,000 students in the 2011/2012 school year to 19,181 students in the 2025/2026 school year. All students enrolled in the College were full-time students and most of the students enrolled were boarding students, except for very few students who were approved by the College to live off campus for personal reasons. As at 28 February 2026, the Group employed 744 full-time teachers and 435 part-time teachers.

During the Period, the total number of undergraduate majors and concentrations in the College reached 50, and 1 new undergraduate major in “digital economy” was added. As at 28 February 2026, the College has been operating two campuses, namely, Longcheng campus and Beige campus, with a total area of approximately 621,147 sq. m. and building space of approximately 438,025 sq. m.

As a higher education service provider, the Group is dedicated (i) to build the College into a modern institution of higher education with superior quality, and (ii) to equip the students with readily applicable skills that meet the ever-changing demands of the job market.

The Group focuses on providing application-oriented education to equip its students with practical skills relevant to careers. The Group continues to optimise its course offerings and practical training programmes to provide its students with readily applicable skills. The Group offers mandatory and elective courses in entrepreneurship and innovation-related subjects, and provide a variety of opportunities for students to hone their business skills. The Group constructs work-environment-like training bases on its campuses, inviting industry experts and guest lecturers, and assisting in arranging internships and practical training opportunities for its students. The Group believes its emphasis on developing advanced, career-focused skill sets makes its students more appealing to potential employers. The implementation rate of graduation destinations for graduates of the College for 2024/2025 school year reached approximately 94.99%, ranking first among undergraduate colleges in the province.

Management Discussion and Analysis

Enrolment

In the 2025/2026 school year, the overall number of full-time enrolled students of the College reached 19,181, representing a decrease of 0.7% as compared to that of the 2024/2025 school year. In the 2025/2026 school year, the College newly enrolled 5,391 students, representing an increase of 2.6% over the 2024/2025 school year.

The following table sets forth information relating to the total student enrolment, newly-enrolled students and admission quota of the College for the school years indicated:

	School Year		Changes	
	2025/2026	2024/2025	Change	Percentage change
Total student enrolment ⁽¹⁾⁽²⁾	19,181	19,313	-132	-0.7%
Newly-enrolled students ⁽¹⁾⁽²⁾	5,391	5,256	135	2.6%
Admission quota	5,853	5,541	312	5.6%

Notes:

- (1) The student enrolment and newly-enrolled students information for the school years indicated was based on the internal records of the College. Total student enrolment includes newly-enrolled students and returning students.
- (2) Although the Group's school year typically starts at the beginning of September, the administrative work that facilitates the registration of students' academic documents, the collection of tuition and boarding fees and other admission-related activities are generally completed by the end of September. Accordingly, the Group uses 30 September as a benchmark point in time to determine and present its enrolment figures and certain other business operating data, and the student enrolment figures listed here for the 2025/2026 and 2024/2025 school year are the number of students as at 30 September of such school year.
- (3) The number of new students the College may admit for each school year is generally limited by an admission quota specified by the relevant education authorities, and subject to subsequent adjustment by such authorities after admitting prospective students based on students' listed preferences and the scores they obtained. The original admission quota and any subsequent adjustments made by the relevant education authorities are beyond the College's control.

Tuition Fees Standards

The following table sets forth the average tuition fee for the College for the periods indicated:

	For the six months ended		Change	Percentage change
	28 February 2026	28 February 2025		
	RMB	RMB	RMB	%
Average Tuition Fee	15,516.76	15,585.3	-68.6	-0.44

Management Discussion and Analysis

The following table sets forth the number of students who participated in the undergraduate programmes offered by the College for the 2025/2026 school year and the 2024/2025 school year.

	School Year	
	2025/2026	2024/2025
Undergraduate programmes	19,181	19,313

Notes:

- (1) The number of students enrolled for the school years 2025/2026 and 2024/2025 listed here have the same meaning as the above table.
- (2) The number of students includes the number of (i) students who were admitted to four-year undergraduate programmes by taking the National Higher Education Entrance Examination, (ii) students who were admitted after graduating from junior colleges and continue their study at the College as third-year undergraduate students, and (iii) students who were admitted after graduating from secondary vocational schools.
- (3) The undergraduate enrolment plan in the 2025/2026 school year was 5,853 students, representing an increase of 312 students as compared to the 2024/2025 school year, and the actual number of students enrolled is 5,391.

FUTURE OUTLOOK AND BUSINESS STRATEGIES

Shanxi Province is one of the economically underdeveloped provinces in China where higher education resources in the province are relatively scarce. It is however growing at a rapid rate. The private higher education industry in Shanxi Province is also growing rapidly. In 2021, one independent college in Shanxi Province was transformed to become a public higher education institution according to the “Report of Department of Education of Shanxi Province on the Transfer of Independent Colleges” (《山西省教育廳關於全省獨立學院轉設的報告》) and “Jiaofahan (2021) No. 10” document. After an adjustment period to this transformation of independent colleges, the total revenue of private higher education providers in Shanxi Province is expected to maintain steady growth. The Group believes that it can benefit from the increasing demand for private higher education.

The Group intends to continue to expand its business and school network. To achieve such goals, the Group plans to pursue the following business strategies: (i) increase the College’s capacity and student number and improve the teaching and living environment by building new facilities; (ii) expand operations through acquisition; (iii) further improve and diversify the College’s curriculum offerings and course design and continue to provide practical training to students; (iv) expand the scope of educational service offerings to capture additional growth opportunities; and (v) continue to build and improve highly qualified teaching team.

Management Discussion and Analysis

With a view to creating synergies with the College in China and complying with the Qualification Requirement as further described in the section headed “Contractual Arrangements” in the prospectus of the Company dated 30 June 2021 (the “**Prospectus**”), the Group also plans to expand its network abroad by establishing a degree-granting higher education institution in the State of California in the United States (the “**US School**”) offering bachelor of science in business administration programme and bachelor of science in marketing programme. The Group engaged an agent, who is principally engaged in education consultancy and California Bureau for Private Postsecondary Education (the “**BPPE**”) licensing services, to assist the Group in establishing General Business University of California Incorporated, the operating entity for the US School, and filing applications with the BPPE regarding the establishment of the US School in June 2021.

On 30 January 2024, the Company was notified by the BPPE that, in accordance with the California Private Postsecondary Education Act, the California Education Code (CEC) and California Code of Regulations, Title 5 (5CCR), the Company’s application to operate a degree-awarding higher education institution in California, USA, was rejected. We are still in the process of looking for appropriate new agents to assist us, while the Company does not believe the rejection will pose any significant adverse impact to the Company.

LATEST REGULATORY DEVELOPMENTS

Pursuant to the Decision on Amending the Law for Promoting Private Education of the PRC (《關於修改〈中華人民共和國民辦教育促進法〉的決定》) (the “**2016 Decision**”), which became effective on 1 September 2017, private schools will no longer be classified as either schools for which the school sponsor(s) require reasonable returns or schools for which the school sponsor(s) do not require reasonable returns. Instead, the school sponsor(s) of a private school may choose for the school to be a for-profit private school or a non-profit private school, with the exception that the schools providing compulsory education must be non-profit. The school sponsors of for-profit private schools are allowed to receive income from the operation of the school and the balance of running such schools. By contrast, the school sponsors of non-profit private schools are prohibited from receiving income from the operation of the school and the balance of running such schools shall be only used for the operation of the schools. In addition, for-profit private schools are entitled to have discretion in determining the fees collected from the students in accordance with the market conditions while the fee collection of non-profit private schools shall be subject to provincial government regulation. For details of the 2016 Decision, including the key differences between a for-profit private school and a non-profit private school under the 2016 Decision, please see “Regulatory Overview – Regulations on Private Education in the PRC – The Law for Promoting Private Education and the Implementation Rules for the Law for Promoting Private Education” of the Prospectus.

On 11 July 2018, the General Office of the People’s Government of Shanxi Province promulgated Several Opinions of the General Office of People’s Government of Shanxi Province on Supporting and Regulating the Development of Education by Social Forces and Promoting the Healthy and Orderly Development of Private Education (《山西省人民政府辦公廳關於支援和規範社會力量興辦教育促進民辦教育健康有序發展的若干意見》), according to which, school sponsors can freely elect to establish for-profit schools or non-profit schools with the exception that private schools providing compulsory education must be non-profit. Sponsors of non-profit private schools do not obtain school operating income, and operating balances are all used for running schools; for-profit private schools sponsors can obtain school operating income, and distribution of the school balances are based on relevant state regulations. Private schools which provided education services other than compulsory education and were approved for establishment before 7 November 2016 can freely elect to establish for-profit schools or non-profit schools.

Management Discussion and Analysis

On 30 December 2019, the Department of Education of Shanxi Province, the Department of Human Resources and Social Security of Shanxi Province, the Department of Civil Affairs of Shanxi Province, the Office of the Organisation Committee of Shanxi Province and the Administration for Market Regulation of Shanxi Province jointly issued the Implementation Measures of Classified Registration of Private Schools in Shanxi Province (《山西省民辦學校分類登記實施辦法》) (the “**Shanxi Measures**”), which includes the requirements and procedures of approval for establishment, classified registration, change of registered events, termination and cancelation of registration, classified registration of existing private schools. For an existing private school, if it chooses to register as a non-profit private school, it shall amend its articles of association in accordance with the relevant laws, continue its school operation, and complete the new registration formalities; if it chooses to register as for-profit private school, it shall make financial settlement, clarify the ownership of the schools’ land, buildings and accumulations and pay the relevant taxes and fees, the capital contribution of the sponsor before the liquidation shall be the paid-in capital, the asset appreciation, school accumulation, creditor or debtor’s rights and obligations shall be borne by the private school after the re-registration unless otherwise specified, the private school shall also apply for registering as a for-profit private school and obtain the permit for operating a private school, and then register with the local branch of the State Administration for Market Regulation.

On 30 December 2019, the Department of Education of Shanxi Province, the Department of Human Resources and Social Security of Shanxi Province and the Administration for Market Regulation of Shanxi Province jointly issued the Implementation Measures on the Supervision and Administration of For-Profit Private Schools of Shanxi Province (《山西省營利性民辦學校監督管理實施辦法》), which resembles the rules at the national level to a large extent.

According to the Notice on Further Standardising the Collection of Education Fees of Non-Profit Private Schools (《關於進一步規範非營利性民辦學校學歷教育收費的通知》), which was jointly promulgated by the Development and Reform Commission of Shanxi Province, the Department of Human Resources and Social Security of Shanxi Province and the Administration for Market Regulation of Shanxi Province on 29 October 2019, the education fees collected by non-profit private schools include tuition fees and boarding fees, and non-profit private schools can refer to the relevant regulations of public schools at the same level to provide students with optional service charge items and substitute charge items on the premise of students’ willingness. For tuition fees and boarding fees, if they are included in the Shanxi Provincial Price Catalog, the fees are decided by the government, if not, the non-profit private schools can decide independently. Pursuant to the Implementation Measures on the Supervision and Administration of For-Profit Private Schools of Shanxi Province, the items and standards charged by for-profit private schools are determined independently by the school based on factors such as school cost and market demand and shall disclose to the public.

In the event that the College successfully registers as a for-profit private school, the potential impact of the 2016 Decision includes the following:

- the rights and interests of the sponsors of the College will be protected in more definitive and favourable ways: the 2016 Decision provides that the school sponsors of for-profit private schools can obtain the schools’ operating profits, and the remaining assets upon liquidation after the settlement of the school’s indebtedness in accordance with the PRC Company Law and other relevant laws and administrative regulations, and the standards and types of the fees should be publicised to the public and subject to supervision by relevant competent authorities;

Management Discussion and Analysis

- the College shall have the discretion to determine the amount of fees to be charged in accordance with the 2016 Decision. If the College is registered as a for-profit private school, the College would be entitled to make its own decisions about the standards and types of the fees to be charged by the College based on the College's operating costs and market demand;
- the College may enjoy support from certain PRC government policies: the 2016 Decision stipulates that the governments at or above the county level in the PRC can provide various policy support to for-profit schools, such as preferential tax policies and student loans;
- there may be increased uncertainty about the extent of the benefits to be provided by the government supporting measures: according to the 2016 Decision, while land will be supplied to non-profit private schools by the government through allocation or other means, for-profit private schools are not expected to enjoy the same treatment as public schools and non-profit private schools; and
- the College will be subject to the requirements of applying for re-registration: the 2016 Decision also requires that private schools choosing to register as for-profit schools shall carry out financial settlement procedures, clarify property ownership, pay the relevant taxes and fees, and re-apply for registration.

According to the Group's consultation with the Department of Education of Shanxi Province which is the competent authority to confirm such matters as advised by the PRC legal advisers, (i) before the College is elected to be a for-profit private school, the current articles of association of the College will continue to be legal, effective and enforceable, and the College can operate in accordance with it; and (ii) non-profit schools are expected to enjoy more favourable policies. As advised by the PRC legal advisers, despite the aforesaid implementing rules relating to 2016 Decision, there remain uncertainties in the interpretation and implementation of the 2016 Decision with respect to various aspects of the operations of a for-profit school and whether such implementation regulations would have any material adverse impact on the Group's business. In particular, (i) specific procedures regarding the conversion of an existing private school into a for-profit school have not yet been promulgated by local authorities in Shanxi Province; and (ii) specific conditions or requirements in respect of any preferential tax treatment and the treatment of the land use rights which for-profit schools may enjoy have not been promulgated by relevant authorities. In addition, there are uncertainties regarding the interpretation and enforcement of the 2016 Decision and relevant regulations by government authorities.

The Directors of the Group understand that the specific provisions have not yet been promulgated and there currently is no timeline for implementation. However, taking into account that (i) the College was legally established in 2004 and is validly existing under the current PRC laws, the Directors consider that the College's situation will be a factor to be taken into account when the local government formalises such specific provisions and it would be unlikely that they would impose any special provisions which the College would not be able to achieve.

FINANCIAL REVIEW

Revenue

Revenue represents the value of services provided during the Period. The Group derives revenue from tuition fees and boarding fees that the College collected from students.

For the Period, the Group's revenue amounted to approximately RMB181.8 million (six months ended 28 February 2025: RMB183.1 million), representing a decrease of RMB1.3 million or 0.7%. Such decrease was primarily due to the revenue from tuition fees for the Period amounted to RMB165.9 million (six months ended 28 February 2025: RMB167.0 million), representing a decrease of approximately RMB1.1 million or 0.7%, the decrease of tuition fees was due to a decrease in total enrollment during the Period; and (ii) the revenue from boarding fees of approximately 15.9 million (six months ended 28 February 2025: RMB16.0 million), representing a decrease of approximately RMB0.1 million or 0.6%, the decrease of boarding fees was due to a decrease in total enrollment during the Period.

Cost of Sales

The Group's cost of sales primarily consists of salary costs (including basic salaries, social security contributions, bonuses and benefits for teaching staff), depreciation and amortisation, utilities expenses, maintenance costs, teaching expenses (including educational supplies, training expenses, research and development costs), student activity costs, office allowances, and others (including traveling and accommodation expenses for teaching staff).

The Group's cost of sales for the Period amounted to approximately RMB112.0 million (six months ended 28 February 2025: RMB106.9 million), representing an increase of approximately RMB5.1 million or approximately 4.7%. The increase in cost of sales was primarily due to (i) the increase in staff costs; (ii) the increase in office expenses; (iii) the increase in water, electricity, and gas expenses.

Gross Profit and Gross Profit Margin

The Group's gross profit represents its revenue less cost of sales. The Group's gross profit margin represents the Group's gross profit as a percentage of its revenue.

The Group's gross profit for the Period amounted to approximately RMB69.8 million (six months ended 28 February 2025: RMB76.1 million), representing a decrease of approximately RMB6.3 million. For the Period, the Group's gross profit margin was approximately 38.4%, representing a decrease of approximately 3.2 percentage points as compared with that of the previous Period. Such decrease was primarily due to the fact that the decrease in revenue and the increase in cost of sales during the Period.

Other Income and Gains

The Group's other income and gains mainly consist of bank interest income, interest income from financial products, examination and training income and others.

The Group's other income and gains during the Period amounted to approximately RMB9.1 million (six months ended 28 February 2025: RMB5.7 million), representing an increase of approximately RMB3.4 million or approximately 58.9%. The increase was mainly due to the increase in differences due to exchange rate fluctuations as compared to the previous year.

Selling and Distribution Expenses

The Group's selling expenses primarily consist of expenses incurred for relevant publicity of the College, including the cost of promotional brochures and advertising fees, etc.

There were no significant changes in selling expenses and distribution during the Period.

Management Discussion and Analysis

Administrative Expenses

The Group's administrative expenses consist of salary expenses for administrative staff, logistic expenses (including the property management fees charged by independent third parties for providing property management, cleaning, greenery maintenance and garbage disposal services), depreciation of land for administrative purposes and amortisation of equipment and software for school administration and management use, office expenses (including travel and transportation expenses incurred by the Group's administrative staff for business trips), maintenance costs, tax and utilities expenses.

Administrative expenses for the Period amounted to approximately RMB27.6 million (six months ended 28 February 2025: RMB29.7 million), representing a decrease of approximately RMB2.1 million, which was primarily due to (i) the decrease in logistic expenses; and (ii) the decrease in consulting and advisory fees.

Other Expenses

The Group's other expenses primarily consist of the Group's loss on disposal of assets, donation expenses, etc.

There were no significant changes in other expenses during the Period.

Financing Costs

The Group's financing costs primarily consist of interest expenses on bank loans and lease liability.

There were no significant changes in financing costs during the Period.

Income Tax Expense

No income tax expense for the Group's operations was incurred during the Period.

Profit for the Period

As a result of the combined effects of the above income, costs and expenses for the Period, the Group recorded a profit of approximately RMB51.0 million (six months ended 28 February 2025: RMB51.8 million), representing a decrease of approximately RMB0.8 million.

Current Assets and Current Liabilities

As at 28 February 2026, the Group's net current assets were approximately RMB217.6 million (31 August 2025: RMB233.6 million), representing a decrease of approximately RMB16.0 million, which was primarily due to (i) as at 28 February 2026, the Group's cash and cash equivalents amounted to approximately RMB452.7 million (31 August 2025: RMB490.8 million), representing a decrease of RMB38.1 million; and (ii) as at 28 February 2026, the Group's contract liabilities were approximately RMB147.9 million (31 August 2025: RMB142.1 million), representing an increase of RMB5.8 million; (iii) as at 28 February 2026, the Group's bank borrowings repayable within one year were RMB38.3 million (31 August 2025: RMB5.4 million), representing an increase of RMB32.9 million; and (iv) as at 28 February 2026, the Group's other payables and accrued expenses were approximately RMB45.8 million (31 August 2025: RMB103.5 million), representing a decrease of RMB57.7 million; and (v) as at 28 February 2026, the Group's deferred income was approximately RMB1.7 million (31 August 2025: RMB5.0 million), representing a decrease of RMB3.3 million.

Management Discussion and Analysis

Liquidity, Capital Resources and Gearing Ratio

During the Period, the Group funded its capital expenditures and working capital requirements primarily through tuition fees and boarding fees received in advance from students in its school operations and bank borrowings. In the future, the Group believes that its liquidity requirements will be satisfied using a combination of cash flows generated from its operating activities, net proceeds from the issuance of new shares of the Company, bank borrowings and other funds raised from the capital markets from time to time, if necessary.

As at 28 February 2026, the total balance of the Group's bank borrowings was 221.5 million (31 August 2025: 34.0 million). As at 28 February 2026, the Group's gearing ratio, representing bank borrowings as a percentage of total equity, was 11.4% (31 August 2025: 1.8%).

Cash and Cash Equivalents

As at 28 February 2026, cash and cash equivalents amounted to approximately RMB452.7 million, in which the balance denominated in RMB, HKD and USD amounted to approximately RMB394.4 million, RMB58.0 million and RMB0.3 million, respectively (31 August 2025: RMB490.8 million, in which the cash and cash equivalents denominated in RMB, HKD and USD amounted to approximately RMB442.4 million, RMB0.1 million and RMB48.3 million, respectively).

Bank Borrowings

As at 5 August 2025, the Group obtained a banking facility of RMB500.0 million from a banking institution for the expansion project of the new Beige campus. The amount was secured by the pledge of the rights over the collection of tuition fees and boarding fees, and supported by a guarantee provided by another subsidiary of the Group. As of 28 February 2026, the total bank borrowings amounted to approximately RMB221.5 million (31 August 2025: RMB34.0 million). The following table sets forth the maturity profile of the interest-bearing bank borrowings as at the dates indicated:

	28 February 2026 RMB'000	31 August 2025 RMB'000
Analysed as:		
repayable within one years	38,289	5,432
Repayable in the second year	36,643	5,432
Repayable within third to fifth years (both years inclusive)	98,478	14,938
Repayment after five years	48,094	8,148
	221,504	33,950

As of 28 February 2026, the Group's gearing ratio, representing bank borrowings as a percentage of total equity, was 11.4% (2025: 1.8%).

Management Discussion and Analysis

Foreign Exchange Risk Management

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

For the operation outside the PRC, the major revenue and expenses are denominated in local currencies.

Contingent Liabilities

As at 28 February 2026, the Group did not have material contingent liabilities.

Pledge of Assets

As at 28 February 2026, the Group has a loan agreement with a credit facility of RMB500.0 million for the construction of the new Beige campus. The contract stipulates that the collection rights of tuition fees and boarding fees of Shanxi Technology and Business College shall be pledged during the loan period. The pledge period is from 16 July 2025, to 20 June 2032.

Material Acquisitions and Disposals

Save as disclosed elsewhere in this report, the Group had no material acquisitions or disposals of subsidiaries, associates and/or joint ventures during the Period.

Significant Investments

During the Period, the Group did not hold any significant investments.

Future Plans for Material Investments or Capital Assets

As at 6 November 2025 (after trading hours), the Company as the purchaser, the vendors and relevant parties entered into an Equity Purchase Agreement pursuant to which the core vendors conditionally agreed to sell, and the Company conditionally agreed to acquire, the 100% equity interest of Guangzhou Tongmeng Art Education Consulting Co., Ltd. (廣州市苟盟美術教育諮詢有限公司) (the "**Target Company**"), a company principally engaged in providing art exam training services (藝考培訓), that was beneficially owned by the core vendors, at the total consideration of RMB312,000,000.

For further details of the acquisition of the Target Company, please refer to the announcement of the Company dated 6 November 2025.

As at the date of this report, the first installment of the initial purchase price for the acquisition of the Target Company, totaling RMB93.60 million, had been partially paid, with RMB60.0 million settled.

Corporate Governance and Other Information

INTERIM DIVIDEND

The Directors do not recommend the payment of a dividend for the six months ended 28 February 2026 (six months ended 28 February 2025: nil).

USE OF NET PROCEEDS FROM THE LISTING OF THE COMPANY

The ordinary shares, each with a nominal value of US\$0.00001, of the Company (the “**Shares**”) were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 16 July 2021 (the “**Listing**”). The Company received net proceeds from the Listing of approximately RMB385.1 million. Such net proceeds were applied in accordance with the proposed applications as set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus during the period from the Listing to 31 August 2024.

Reference is made to the announcement entitled “Announcement of Annual Results for year ended 31 August 2024 and Proposed Amendments to the Memorandum and Articles of Association and Change in Use of Proceeds and Change in Composition of Board Committee” as published by the Company on 28 November 2024. As at 31 August 2024, the unutilised proceeds from the Listing amounted to approximately RMB38.6 million (the “**Unutilised Net Proceeds**”), which comprised (i) approximately RMB14.4 million which was originally designated for the purpose of construction of a teaching building for Phase IV of Beige campus (the “**Construction Project**”); and (ii) approximately RMB24.2 million was designated for the purpose of renovation and upgrade of teaching buildings and dormitories on Longcheng campus (the “**Renovation Project**”). As at 31 August 2024, both the Construction Project and the Renovation Project had been completed, and the actual cost for both projects was lower than the expected cost.

The Group purchased another piece of land around the Beige campus to expand its campus area to meet the needs of running schools. The Group has commenced construction works for the new Beige campus, which includes teaching buildings and dormitory facilities. After careful consideration and evaluation of the Group’s operation, the Directors resolved to change the use of the Unutilised Net Proceeds for the construction projects of the new Beige campus to meet the needs for the continuous optimisation of various school performance indicators. The Board was of the view that the aforementioned change in use of proceeds from the Listing would enable the Group to utilise the Unutilised Net Proceeds for the operation and expansion of the Group’s business, which would facilitate the Group to deploy its financial resources in a more flexible and efficient manner, which was in line with the business strategies of the Group and was in the best interest of the Company and its Shareholders as a whole.

The Unutilised Net Proceeds were utilised in full for the construction projects of the new Beige campus before 31 August 2025 as expected at the time changing the use of the Unutilised Net Proceeds. There has been no change in the intended use of Unutilised Net Proceeds as previously disclosed.

EMPLOYEE AND REMUNERATION POLICY

As at 28 February 2026, the Group had 1,680 employees (as at 28 February 2025: 1,690). The remuneration policy and package of the Group’s employees, including bonuses, a share option scheme and a restricted share unit scheme, are periodically reviewed in accordance with industry practice and result performance of the Group. The Group provides external and internal training programmes 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, occupational injury insurance, maternity insurance and unemployment insurance. The total staff cost, including Directors’ remuneration, incurred by the Group for the six months ended 28 February 2026 was approximately RMB68.4 million (six months ended 28 February 2025: RMB66.6 million), representing an increase of approximately RMB1.8 million or approximately 2.6%, which was mainly due to increase in recruitment of employees with doctoral degrees during the Period in order to provide better teaching services.

Corporate Governance and Other Information

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Period.

SHARE SCHEMES

Restricted Share Unit Scheme

The Board adopted the restricted share unit scheme of the Company ("**RSU Scheme**") on 13 January 2022 for a term of 10 years (i) to recognise the contributions by certain participants and to provide them with incentives in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

The RSU Scheme will expire on 12 January 2032, with a remaining life of approximately five years and eight months as at the date of this report. For further details of the RSU Scheme, please refer to the section headed "Restricted Share Unit Scheme" in the 2025 annual report and the announcement of the Company dated 27 January 2022, respectively. The number of Shares in aggregate underlying the RSUs awarded by the Board under the RSU Scheme shall not exceed 10% of the issued Shares from time to time throughout the term of the RSU Scheme. No Shares under the RSU Scheme have been granted or agreed to be granted since its adoption. The total number of Shares available for grant under the RSU Scheme was 50,551,700 Shares at 1 September 2025 and 28 February 2026.

The Company entered into a trust deed on 8 February 2022 to appoint Futu Trustee Limited as the trustee for the administration of the RSU Scheme pursuant to the rules of the RSU Scheme. As at 1 September 2025 and 28 February 2026, the trustee of the RSU Scheme held a total of 37,481,000 Shares which were purchased on the Stock Exchange at an aggregate consideration of approximately RMB123.1 million pursuant to the terms of the trust deed of the RSU Scheme.

Share Option Scheme

The share option scheme of the Company (the "**Share Option Scheme**") was adopted pursuant to a resolution passed on 23 June 2021 for a term of 10 years. Accordingly, the Share Option Scheme will end on 22 June 2031, with a remaining life of approximately five years and two months as at the date of this report. Details of the Share Option Scheme are set out under the section headed "Share Option Scheme" in the 2025 annual report and the Prospectus, respectively.

The total number of Shares available for grant under the Share Option Scheme was 50,000,000 Shares at 1 September 2025 and 28 February 2026. There is no service provider sublimit under the Share Option Scheme.

The number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the six months ended 28 February 2026 divided by weighted average number of Shares in issue for the six months ended 28 February 2026 is nil.

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

As at 28 February 2026, none of the Directors and the chief executive of the Company and their associates had any interests and short positions in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix C3 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Corporate Governance and Other Information

SUBSTANTIAL SHAREHOLDERS

As at 28 February 2026, the register maintained by the Company pursuant to Section 336 of the SFO showed that other than the interests disclosed above in respect of certain Directors and chief executive, the following entities had notified the Company of relevant interests in the Shares and underlying shares of the Company.

Name of Shareholders	Capacity	Nature of Interest	Number of Shares interested	Approximate percentage of issued share capital of the Company ^(Note 4)
Niusanping Limited ^(Note 1)	Beneficial owner	Long	266,250,000	52.67%
New Jazz Capital Limited ^(Note 2)	Beneficial owner	Long	108,750,000	21.51%
Futu Trustee Limited ^(Note 3)	Trustee	Long	37,481,000	7.41%

Notes:

- (1) Niusanping Limited is a company incorporated in the British Virgin Islands and wholly-owned by Mr. Niu Sanping.
- (2) New Jazz Capital Limited (formerly named as Niujian Limited) is a company incorporated in the British Virgin Islands and wholly-owned by Mr. Niu Jian.
- (3) Futu Trustee Limited is the appointed trustee for the administration of the RSU Scheme. To the best knowledge, information and belief of the Directors after making all reasonable enquiries, Futu Trustee Limited and its ultimate beneficial owners are third parties independent of the Company and are not connect persons (as defined under the Listing Rules) of the Company.
- (4) The percentage is calculated on the basis of 505,517,000 Shares in issue as at 28 February 2026.

Save as disclosed above, the Directors are not aware of any other person or corporation having an interest or short position in the Shares or the underlying shares of the Company or its associated corporation(s) which would require to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO.

UPDATE ON DIRECTORS' INFORMATION

There is no change in information of the Directors since 31 August 2025 pursuant to Rule 13.51B of the Listing Rules.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules as its own code of corporate governance. The Company has complied with the code provisions as set out in the CG Code during the Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix C3 of the Listing Rules (the "Model Code") as the Group's code of conduct to regulate the securities transactions of the Directors. Having made specific enquiries, all Directors confirmed that they have complied with the Model Code during the Period.

Corporate Governance and Other Information

EVENTS AFTER THE REVIEW PERIOD

Reference is made to the announcement of the Company dated 6 March 2026. Moore CPA Limited (“**Moore**”) resigned as the auditor of the Company with effect from 6 March 2026 as the Company was unable to reach a consensus with Moore on the auditors’ remuneration in respect of the audit of the Group’s consolidated financial statements for the year ended 31 August 2026. The Board resolved to appoint CCTH CPA Limited (“**CCTH**”) as the new auditor of the Company to fill the casual vacancy following the resignation of Moore with effect from 6 March 2026. CCTH shall hold office until the conclusion of the next annual general meeting of the Company.

As at the date of this report, the first installment of the initial purchase price for the acquisition of the Target Company, totaling RMB93.6 million, had been partially paid, with RMB60.0 million settled.

Save as disclosed above, there was no significant events took place subsequent to 28 February 2026 and up to the date of this report.

REVIEW OF INTERIM RESULTS

The interim results and this interim report of the Group for the Period have not been audited, but have been reviewed by the audit committee of the Company (the “**Audit Committee**”) comprising three independent non-executive Directors, namely Mr. Wong Chi Wah, Mr. Zan Zhihong and Mr. Hu Yuting. Mr. Wong Chi Wah is the chairman of the Audit Committee.

APPRECIATION

The Company would like to take this opportunity to thank all of the Company’s Shareholders and various stakeholders of the Group for their continuous support. Also, the Company would like to express its appreciation to all the staff for their efforts and commitments to the Group.

BOARD OF DIRECTORS

As at the date of this report, the Board of the Company comprises Mr. Zhang Zhiwei, Mr. Niu Xiaojun and Ms. Zhang Zhonghua as executive Directors, and Mr. Zan Zhihong, Mr. Hu Yuting, Mr. Wong Chi Wah and Mr. Hu Binhong as independent non-executive Directors.

By Order of the Board

China General Education Group Limited

Zhang Zhiwei

Chairman

Hong Kong, 29 April 2026

Interim Condensed Consolidated Statement of Profit or Loss

For the six months ended 28 February 2026

	Notes	For the six months ended	
		28 February 2026 (Unaudited) RMB'000	28 February 2025 (Unaudited) RMB'000
REVENUE	5	181,835	183,057
Cost of sales		(112,038)	(106,969)
Gross profit		69,797	76,088
Other income and gains	5	9,066	5,705
Selling expenses		(232)	(212)
Administrative expenses		(27,642)	(29,696)
Other expenses		(28)	(57)
Financing costs		(8)	(61)
PROFIT BEFORE TAX	6	50,953	51,767
Income tax expense	7	-	-
PROFIT FOR THE PERIOD		50,953	51,767
Attributable to:			
Owners of the Company		50,953	51,767
		50,953	51,767
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	9		
Basic and diluted			
- For profit for the Period		RMB0.11	RMB0.11

Interim Condensed Consolidated Statement of Other Comprehensive Income

For the six months ended 28 February 2026

	Notes	For the six months ended	
		28 February 2026 (Unaudited) RMB'000	28 February 2025 (Unaudited) RMB'000
PROFIT FOR THE PERIOD		50,953	51,767
OTHER COMPREHENSIVE (LOSS)/INCOME			
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of financial statements		(3,792)	1,677
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods		(3,792)	1,677
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD, NET OF TAX		(3,792)	1,677
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		47,161	53,444
Attributable to:			
Owners of the Company		47,161	53,444
		47,161	53,444

Interim Condensed Consolidated Statement of Financial Position

At as 28 February 2026

	Notes	28 February 2026 (Unaudited) RMB'000	31 August 2025 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	10	1,634,925	1,412,661
Right-of-use assets		182,264	183,563
Other intangible assets		2,508	3,548
Other non-current assets		85,742	87,263
Total non-current assets		1,905,439	1,687,035
CURRENT ASSETS			
Trade receivables	11	66	35
Prepayments, other receivables and other assets	12	6,963	7,062
Cash and cash equivalents	13	452,741	490,830
Total current assets		459,770	497,927
CURRENT LIABILITIES			
Contract liabilities		147,876	142,139
Other payables and accruals	14	45,839	103,489
Lease liability		342	210
Bank borrowings	18	38,289	5,432
Deferred income		1,673	4,967
Tax payables		8,132	8,132
Total current liabilities		242,151	264,369
NET CURRENT ASSETS		217,619	233,558
TOTAL ASSETS LESS CURRENT LIABILITIES		2,123,058	1,920,593
NON-CURRENT LIABILITY			
Bank borrowings	18	183,215	28,518
Lease liability		607	-
Total non-current liability		183,822	28,518
Net assets		1,939,236	1,892,075
EQUITY			
Equity attributable to owners of the parent			
Share capital	15	33	33
Reserves		1,939,203	1,892,042
Total equity		1,939,236	1,892,075

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 28 February 2026

	Attributable to owners of the parent								
	Share capital RMB'000	Share premium RMB'000	Shares held for the share award plan RMB'000	Capital reserve RMB'000	Statutory and other surplus reserves RMB'000	Other reserve* RMB'000	Exchange fluctuation reserve* RMB'000	Retained profits* RMB'000	Total equity RMB'000
As at 1 September 2025 (audited)	33	376,911	(123,131)	90,500	402,127	(42)	14,110	1,131,567	1,892,075
Profit for the Period	-	-	-	-	-	-	-	50,953	50,953
Other comprehensive loss for the Period exchange differences on translation of financial statements	-	-	-	-	-	-	(3,792)	-	(3,792)
Total comprehensive income for the Period	-	-	-	-	-	-	(3,792)	50,953	47,161
Appropriations to statutory surplus reserves	-	-	-	-	13,050	-	-	(13,050)	-
As at 28 February 2026 (unaudited)	33	376,911*	(123,131)*	90,500*	415,177*	(42)*	10,318*	1,169,470*	1,939,236

* These reserve accounts comprise the consolidated reserves of RMB1,939,203,000 (31 August 2025: RMB1,892,042,000) in the interim condensed consolidated statement of financial position as at 28 February 2026.

	Attributable to owners of the parent								
	Share capital RMB'000	Share premium RMB'000	Shares held for the share award plan RMB'000	Capital reserve RMB'000	Statutory and other surplus reserves RMB'000	Other reserve* RMB'000	Exchange fluctuation reserve* RMB'000	Retained profits* RMB'000	Total equity RMB'000
As at 1 September 2024 (audited)	33	376,911	(123,131)	90,500	387,303	(42)	14,115	1,070,058	1,815,747
Profit for the Period	-	-	-	-	-	-	-	51,767	51,767
Other comprehensive income for the Period exchange differences on translation of financial statements	-	-	-	-	-	-	1,677	-	1,677
Total comprehensive income for the Period	-	-	-	-	-	-	1,677	51,767	53,444
Appropriations to statutory surplus reserves	-	-	-	-	13,753	-	-	(13,753)	-
As at 28 February 2025 (unaudited)	33	376,911	(123,131)	90,500	401,056	(42)	15,792	1,108,072	1,869,191

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 28 February 2026

	Notes	For the six months ended	
		2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		50,953	51,767
Adjustments for:			
Finance costs		8	87
Bank interest income	5	(1,759)	(4,875)
Interest income from financial products	5	-	(429)
Loss on disposal of items of property, plant and equipment, net	6	-	2
Depreciation of property, plant and equipment	6	17,510	17,639
Depreciation of right-of-use assets	6	2,780	2,422
Amortisation of other intangible assets	6	1,040	1,054
Increase in trade receivables		(31)	(64)
Decrease/(increase) in prepayments, other receivables and other assets		1,622	(14,636)
Increase/(decrease) in contract liabilities		5,737	(118)
Decrease in other payables and accruals		(57,621)	(19,018)
Decrease in deferred income		(3,294)	(5,160)
Cash generated from operations		16,945	28,672
Interest received		1,759	4,875
Net cash flows generated from operating activities		18,704	33,546

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 28 February 2026

	Notes	For the six months ended	
		2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
CASH FLOWS USED IN INVESTING ACTIVITIES			
Interest received		-	429
Purchases of right-of-use assets		(538)	-
Purchases of items of property, plant and equipment		(242,749)	(190,849)
Receipt of government grants for equipment and other intangible assets		2,975	3,619
Proceeds from sale of financial assets at fair value through profit or loss		-	70,128
Net cash flows used in investing activities		(240,312)	(116,673)
CASH FLOWS GENERATED FROM/(USED IN) FINANCING ACTIVITIES			
Principal portion of lease payments		(238)	(174)
Interest portion of lease payments		(5)	(10)
Bank borrowings received		195,068	-
Bank borrowings repaid		(7,514)	(18,500)
Interest paid		-	(78)
Net cash flows generated from/(used in) financing activities		187,311	(18,762)
NET DECREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of period		490,830	695,897
Effect of foreign exchange rate changes, net		(3,792)	1,677
CASH AND CASH EQUIVALENTS AT END OF PERIOD	13	452,741	595,685
Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows		452,741	595,685

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 28 February 2026

1. CORPORATE AND GROUP INFORMATION

China General Education Group Limited (the “**Company**”) was incorporated in the Cayman Islands on 14 September 2018 as an exempted company with limited liability under the Companies Act of the Cayman Islands. The registered office address of the Company is P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1 – 1205 Cayman Islands. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 16 July 2021. The trading of the Company’s shares on the Stock Exchange was suspended since 29 November 2022 and resumed on 15 October 2024. The Company is an investment holding company. During the year, the Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the provision of higher education services in the People’s Republic of China (the “**PRC**”). There has been no significant change in the Group’s principal activities during the year. In the opinion of the Directors, the holding company and the ultimate holding company of the Company is Niusanping Limited, which is incorporated in the British Virgin Islands and owns 52.67% of the shareholding interest held by Mr. Niu Sanping.

2. BASIS OF PREPARATION

The interim consolidated financial information for the six months ended 28 February 2026 has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 August 2025.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 August 2025.

4. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the provision of higher education services in Mainland China.

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 of the Company, 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 the operating segment is presented.

Geographical information

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

Information about major customers

No services provided to a single customer amounted to 10% or more of the total revenue of the Group during the Period.

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 28 February 2026

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue, other income and gains is as follows:

	For the six months ended	
	28 February 2026	28 February 2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Revenue		
Tuition fees	165,940	167,035
Boarding fees	15,895	16,022
Total revenue from contracts with customers	181,835	183,057
Other income and gains		
Bank interest income	1,759	4,875
Interest income from financial products	-	300
Examination and training income	815	363
Other operating income	927	898
Others	5,565	(731)
	9,066	5,705

Revenue from contracts with customers

	For the six months ended	
	28 February 2026	28 February 2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Timing of revenue recognition		
Tuition fees recognised over time	165,940	167,035
Boarding fees recognised over time	15,895	16,022
	181,835	183,057

The Group's contracts with students for college education programmes and boarding services can be terminated anytime without compensation. Tuition and boarding fees are determined and paid by the students before the start of each academic period.

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 28 February 2026

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

		For the six months ended	
		28 February 2026	28 February 2025
	Note	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Employee benefit expense (excluding directors' and chief executive's remuneration):			
Wages and salaries		52,644	52,100
Pension scheme contributions (defined contribution scheme)		14,914	13,715
Depreciation of property, plant and equipment		17,510	17,639
Depreciation of right-of-use assets		2,780	2,422
Amortisation of other intangible assets		1,040	1,054
Loss on disposal of items of property, plant and equipment, net	(a)	-	2

Note (a) Loss on disposal of items of property, plant and equipment are included in other expenses in the consolidated statement of profit or loss and statement of other comprehensive income.

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of the Cayman Islands and accordingly is not subject to income tax from business carried out in the Cayman Islands.

China General Education Group (Hong Kong) Limited was subject to profits tax at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the Period. No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the Period.

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 28 February 2026

7. INCOME TAX *(continued)*

According to the Implementation Rules for the Law for Promoting Private Education, private schools for which the school sponsors do not require reasonable returns are eligible to enjoy the same preferential tax treatment as public schools. The preferential tax treatment policies applicable to private schools requiring reasonable returns are to be separately formulated by the relevant financial departments, taxation authorities and other authorities under the State Council. During the Period and up to the date of this report, the college of the Group has historically enjoyed the preferential tax treatment since their establishment. As a result, no income tax expense was recognised by the college of the Group for the income from the provision of formal educational services during the Period.

The Group's non-school subsidiaries established in Mainland China were subject to PRC corporate income tax at the rate of 25% during the Period.

Corporate income tax of the Group has been provided at the applicable tax rates on the estimated taxable profits arising in Mainland China during the Period.

	For the six months ended	
	28 February 2026	28 February 2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current – the PRC		
Charge for the Period	-	-
Total tax charge for the Period	-	-

8. DIVIDENDS

No dividend has been paid or declared by the Company in the Period (six months ended 28 February 2025: nil).

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The Group had no potentially dilutive ordinary shares in issue as at 28 February 2026 and 28 February 2025. The calculations of basic and diluted earnings per share are based on:

	For the six months ended	
	28 February 2026	28 February 2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the calculation of basic and diluted earnings per share	50,953	51,767

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 28 February 2026

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT *(continued)*

	Number of shares	
	For the six months ended	
	28 February 2026	28 February 2025
Shares		
Weighted average number of ordinary shares in issue during the Period used in the calculation of basic earnings per share	505,517,000	505,517,000
Weighted average number of shares held for the RSU Scheme	(37,481,000)	(37,481,000)
Weighted average number of ordinary shares in issue used in the calculation of basic and diluted earnings per share	468,036,000	468,036,000

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 28 February 2026, the Group acquired assets at a cost of RMB242,749,000 (28 February 2025: RMB209,806,000), including construction in progress of RMB193,949,000 (28 February 2025: RMB187,795,000).

Assets with a net book value of RMB49 were disposed of by the Group during the six months ended 28 February 2026 (28 February 2025: RMB2,323), resulting in a net loss on disposal of RMB49 (28 February 2025: net loss of RMB2,323).

11. TRADE RECEIVABLES

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

	28 February 2026 RMB'000 (Unaudited)	31 August 2025 RMB'000 (Audited)
Tuition fees receivable	58	32
Boarding fees receivable	8	3
	66	35

The Group's students are required to pay tuition fees and boarding fees in advance for the upcoming academic year, which normally commences in September. The outstanding receivables represent amounts due from students who have applied for deferred payments of tuition fees and boarding fees. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables were immaterial, there is no significant concentration of credit risk to the Group. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing and aged within one year.

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 28 February 2026

12. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	28 February 2026 RMB'000 (Unaudited)	31 August 2025 RMB'000 (Audited)
Prepaid service expense	583	956
Loan receivables	4,000	4,000
Interest receivables	615	454
VAT receivables	2,345	2,463
Other receivables	3,420	3,189
	10,963	11,062
Less: Provision for impairment	(4,000)	(4,000)
	6,963	7,062

13. CASH AND CASH EQUIVALENTS

	28 February 2026 RMB'000 (Unaudited)	31 August 2025 RMB'000 (Audited)
Cash and bank balances	427,741	490,830
Time deposits	25,000	-
Cash and cash equivalents	452,741	490,830
Cash and cash equivalents denominated in:		
– RMB	394,491	442,429
– HK\$	57,969	94
– US\$	281	48,307

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 28 February 2026

14. OTHER PAYABLES AND ACCRUALS

	28 February 2026 RMB'000 (Unaudited)	31 August 2025 RMB'000 (Audited)
Payables for purchase and construction of property, plant and equipment	10,804	50,039
Miscellaneous fees received from students	5,242	2,719
Subsidies payable to students	2,118	18,558
Payables for logistics services and other services	9,525	10,410
Payables for salaries, social insurance, and housing fund	8,425	10,378
Other tax payables	5,292	5,353
Payables for listing expenses	-	1,750
Other payables	4,433	4,282
	45,839	103,489

15. SHARE CAPITAL

	28 February 2026 RMB'000 (Unaudited)	31 August 2025 RMB'000 (Audited)
Authorised:		
5,000,000,000 ordinary shares of US\$0.00001 each as at 28 February 2026 (2025: 5,000,000,000 ordinary shares)	342	342
Issued and fully paid:		
505,517,000 ordinary shares as at 28 February 2026 (2025: 505,517,000 ordinary shares)	33	33

16. COMMITMENTS

The Group had the following capital commitments at the end of each reporting period:

	28 February 2026 RMB'000 (Unaudited)	31 August 2025 RMB'000 (Audited)
Contracted, but not provided for		
Property	455,133	636,697
Teaching facilities	12,917	13,982
	468,050	650,679

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 28 February 2026

17. RELATED PARTY TRANSACTIONS

Compensation of key management personnel of the Group

	For the six months ended	
	28 February 2026	28 February 2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Short term employee benefits	487	510
Pension scheme contributions	91	86
	578	596

18. BORROWINGS

As at 5 August 2025, a banking facility limit of RMB500,000,000 secured by the right to collect tuition fees and boarding fees and guaranteed by another subsidiary of the Group was granted to the Group. The bank borrowing bears interest at an annual rate of 3%.

	28 February 2026	31 August 2025
	RMB'000 (Unaudited)	RMB'000 (Audited)
Analysed as:		
The bank loans were repayable as follows		
Within one year	38,289	5,432
In the second year	36,643	5,432
Within third to fifth years (both months inclusive)	98,478	14,938
Over five years	48,094	8,148
	221,504	33,950

19. EVENTS AFTER THE REPORTING PERIOD

As at the date of this report, the first installment of the initial purchase price for the acquisition of the Target Company, totaling RMB93.6 million, had been partially paid, with RMB60.0 million settled.