



Oriental
University City
東方大學城

ANNUAL REPORT
2025/2026
年報



Oriental University City Holdings (H.K.) Limited
東方大學城控股（香港）有限公司
(incorporated in Hong Kong with limited liability)
(於香港註冊成立之有限公司)
Stock code (股票代號) : 8067

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE” AND THE “GEM”, RESPECTIVELY)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This annual report, for which the directors of Oriental University City Holdings (H.K.) Limited (the “Company” and the “Directors”, respectively) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this annual report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this annual report misleading.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Chew Hua Seng (*Chairman*)
Mr. Liu Ying Chun (*Chief Executive Officer*)

Non-executive Director

Ms. Geng Yu

Independent Non-executive Directors

Mr. Tan Yeow Hiang, Kenneth
Mr. Wilson Teh Boon Piau
Mr. Liu Guilin

COMPANY SECRETARY

Ms. Tung Wing Yee Winnie

COMPLIANCE OFFICER

Mr. Liu Ying Chun

AUTHORISED REPRESENTATIVES

Ms. Tung Wing Yee Winnie
Mr. Liu Ying Chun

AUDIT COMMITTEE

Mr. Tan Yeow Hiang, Kenneth (*Chairman*)
Mr. Liu Guilin
Ms. Geng Yu

REMUNERATION COMMITTEE

Mr. Liu Guilin (*Chairman*)
Mr. Chew Hua Seng
Mr. Tan Yeow Hiang, Kenneth

NOMINATION COMMITTEE

Mr. Wilson Teh Boon Piau (*Chairman*)
Mr. Liu Guilin
Ms. Geng Yu (appointed on August 22, 2025)
Mr. Chew Hua Seng (resigned on August 22, 2025)

RISK MANAGEMENT COMMITTEE

Mr. Tan Yeow Hiang, Kenneth (*Chairman*)
Mr. Liu Ying Chun
Mr. Wilson Teh Boon Piau

LISTING INFORMATION

Place of Listing
GEM

Stock Code
8067

Board Lot
1,000 shares

COMPANY'S WEBSITE

www.oriental-university-city.com

INDEPENDENT AUDITOR

BDO Limited
Certified Public Accountants
Registered Public Interest Entity Auditor

CORPORATE INFORMATION

REGISTERED OFFICE

31st Floor
148 Electric Road
North Point
Hong Kong

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA (THE "PRC")

Level 3
67 Zhangheng Road
Oriental University City
Langfang Economic & Technological Development Zone
Hebei Province
The PRC 065001

SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited
Room 2103B, 21/F
148 Electric Road
North Point
Hong Kong

PRINCIPAL BANKERS

United Overseas Bank Limited (Hong Kong Branch)
Langfang Bank Co., Ltd
(Development Zone Sub-branch)
Industrial and Commercial Bank of China
(Langfang Chaoyang Sub-branch)
Langfang City Suburban Rural Credit Cooperatives
(Tongbai Credit Union)

LEGAL ADVISOR

As to PRC law
Hebei Ruoshi Law Firm

CHAIRMAN'S STATEMENT

Dear Shareholders

On behalf of the board of Directors (the “**Board**”), I present herewith the annual report of the Company and its subsidiaries (the “**Group**”) for the financial year ended June 30, 2026 (the “**FY2025/26**”) to the shareholders of the Company (the “**Shareholders**”).

The Group recorded a revenue of Renminbi (“**RMB**”) 57.00 million for the FY2025/26, a marginal increase from revenue of RMB56.70 million for the previous financial year ended June 30, 2025 (the “**FY2024/25**”). While revenue was flattish, net profit of RMB11.08 million was recorded for the FY2025/26, compared to a net loss of RMB57.02 million for FY2024/25. The Group achieved profitability mainly due to fair value gains attributed by resilient mix of PRC/overseas investment properties, better value realised from its low-yielding investment properties disposal, lower interest expenses and income taxes incurred.

The Group has disposed of a low-yielding investment property for RMB18.00 million during FY2025/26, in line with its assets rationalisation plan for the Oriental University City Campus (“**OUC Campus**”) in Langfang City, the PRC. The Group will continue to evaluate proposals to rationalise its assets, including disposals or upgrade works, to further strengthen its balance sheet, by reducing its bank borrowings and enhancing the value of its investment properties.

In addition to the assets rationalisation plan in the OUC Campus, I am pleased to note that the Group has exited its investment in Mongolia and received an aggregate of RMB33.91 million termination payments plus interest, a respectable 19.3% return over its original investment cost of RMB28.43 million.

Elsewhere, the Group has strengthened its investment in Australia, via further equity and debt investment in an associate company, Axtec Limited (formerly known as “**Axiom Properties Limited**”). To boost the property technology developed by Axtec Limited, the Group has subscribed for equity and convertible notes totalling Australian dollar (“**AUD**”) 677,500 in Axtec Limited in FY2025/26, with further investment of AUD1,000,000 earmarked for the financial year ending June 30, 2027.

I would like to extend my sincere appreciation to our Shareholders for their steadfast support and our fellow Board members for their wise counsel.

On behalf of the Board, we would like to express our sincere appreciation to our staff for their tireless dedication and commitment, and to our tenants, business associates, consultants and all other stakeholders for their support during the FY2025/26.

Chew Hua Seng
Chairman

August 21, 2026

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW FOR THE YEAR ENDED JUNE 30, 2026

Revenue

Revenue was RMB57.00 million for FY2025/26, compared to RMB56.70 million for FY2024/25. Growth was flattish as there were minimal changes in the Group's existing lease rates of its Education Institutions (hereinafter collectively referred to "colleges, education institutions, training centres and educational corporate entities") tenants in the OUC Campus.

Employee costs

Employee costs increased by 12.3% to RMB7.48 million for FY2025/26 from RMB6.66 million for FY2024/25, mainly due to increase in staff cost in foreign subsidiary companies.

Property taxes and land use taxes

Property taxes and land use taxes increased by 29.1% to RMB11.58 million for FY2025/26, from RMB8.97 million for FY2024/25, mainly due to increased provision of property taxes in foreign subsidiary companies.

Property management fees

Property management fees decreased by 61.7% to RMB1.28 million for FY2025/26, from RMB3.34 million for FY2024/25, mainly due to less areas to manage following the disposal of certain properties located in the OUC Campus in the first half of FY2025/26, with an aggregate land area of approximately 13,289 square meters and built-up area of 6,809 square meters.

Repairs and maintenance fees

Repairs and maintenance fees increased by 119.7% to RMB4.18 million for FY2025/26, compared to RMB1.90 million for FY2024/25, mainly due to provision of contracted repair works for the main office building and periodical properties' maintenance works that occurred in the OUC Campus in Langfang City.

Legal and consulting fees

Legal and consulting fees decreased by 25.1% to RMB2.77 million for FY2025/26, compared to RMB3.70 million for FY2024/25, as less professional fees were incurred for corporate exercises undertaken in FY2025/26.

MANAGEMENT DISCUSSION AND ANALYSIS

Loss on disposal of investment properties and assets held for sale

Loss on disposal of investment properties for FY2025/26 was RMB3.42 million, a 69.9% drop compared to RMB11.36 million for FY2024/25, due to relatively lower value of properties were disposed of during FY2025/26 compared to prior year.

Other income, other gains/(losses), net

Other losses, net of RMB1.58 million was recorded for FY2025/26, compared to other gains, net of RMB1.74 million recorded for FY2024/25, partly due to loss on early termination of tenancy agreement and deemed disposal loss on an investment in an associate.

Other expenses

Other expenses decreased by 19.1% to RMB5.05 million for FY2025/26, from RMB6.25 million for FY2024/25, mainly due to less compensation incurred for premature lease termination related to disposed properties, reduced discretionary expenses, and non-occurrence of donation for public health services.

Share of result of an associate

Loss on share of result of an associate increased by 192.5% to RMB6.29 million for FY2025/26, from RMB2.15 million for FY2024/25, as higher net loss was recorded by its associate company.

Reversal of/(impairment loss) on an associate

A reversal of impairment loss of RMB3.18 million was recognised for FY2025/26 compared to impairment loss of RMB3.18 million for FY2024/25 as the fair value less cost to sell of its stake in its associate company is higher than its carrying amount.

Reversal of/(impairment loss) on other receivables

The impairment loss of RMB2.05 million that was provided for FY2024/25 on the balance consideration of RMB20.17 million to be received pursuant to the Termination Deed, as set out in the note 18(ii) of the consolidated financial statements of this report, was reversed out during FY2025/26 as the balance consideration was subsequently received in the FY2025/26.

MANAGEMENT DISCUSSION AND ANALYSIS

Fair value gains/(losses) on investment properties

Fair value gains on investment properties of RMB20.82 million was recorded for FY2025/26, compared to fair value losses of RMB38.65 million recorded for FY2024/25. The fair value gain for FY2025/26, were mainly attributed to the market value appreciation of its investment properties in Switzerland.

Operating profit/(loss)

Operating profit of RMB38.33 million was recorded for FY2025/26, compared to operating loss of RMB30.35 million for FY2024/25, mainly due to the factors as set out above.

Interest expenses on bank borrowings

Interest expenses decreased by 14.8% to RMB12.40 million for FY2025/26 from RMB14.56 million for the FY2024/25, as more loan principals were progressively repaid.

Current tax

Current tax expense for FY2025/26 was RMB3.28 million, 89.5% lower than RMB31.17 million for the FY2024/25, mainly due to lower land appreciation tax and corporate income tax.

Deferred tax

Deferred tax liabilities of RMB11.58 million was recorded for FY2025/26, compared to deferred tax credit of RMB19.03 million for FY2024/25, due to additional tax liabilities attributed to the properties disposal.

Profit/(loss) for the Year

Due to the foregoing factors set out above, profit for the year of RMB11.08 million was recorded for FY2025/26, compared to loss for the year of RMB57.02 million recorded for FY2024/25.

Liquidity and Financial Resources

As at June 30, 2026, the Group has a net current liabilities of RMB35.80 million (At June 30, 2025: RMB33.97 million). The net current liabilities are mitigated by the factors as set out below: —

- (i) the Group would consider disposing of certain investment properties to provide further funding when the liquidity needs arise; and

MANAGEMENT DISCUSSION AND ANALYSIS

- (ii) up to the approval date of the consolidated financial statements, the Group had an unutilised loan revolving facility amounting of RMB40.00 million from RE for a term of three years effective from June 30, 2026, which has not been utilised. Any loans to be borrowed shall be repaid within 36 months from the date of the disbursement.

The Directors are of the opinion that as a result of the above considerations, the Group will have sufficient working capital to meet its cash flows requirements in the next twelve months from at June 30, 2026.

As at June 30, 2026, the Group had total assets of approximately RMB1,541.22 million (At June 30, 2025: RMB1,593.21 million), which were financed by total liabilities and equity of approximately RMB426.43 million (At June 30, 2025: RMB472.73 million) and RMB1,114.79 million (At June 30, 2025: RMB1,120.48 million), respectively.

Gearing Ratio

The Group's gearing ratio as at June 30, 2026 is 19.21% (At June 30, 2025: 21.96%), which is calculated based on the total borrowings of RMB214.10 million (At June 30, 2025: RMB246.00 million) divided by total equity of RMB1,114.79 million (At June 30, 2025: RMB1,120.48 million) and then multiplied by 100%.

Cash and Cash Equivalents

The Group places a high emphasis on risk management, both credit risk and liquidity risk. Cash in excess of daily operational requirement are placed in fixed deposits. The Group currently does not invest in bonds, bills, structured products or any other financial instruments. As at June 30, 2026, the Group had cash and cash equivalents balance of approximately RMB4.08 million (At June 30, 2025: approximately RMB1.39 million). The cash and cash equivalents were mainly denominated in RMB.

Foreign Exchange Hedging

The Group has limited foreign currency risk as most of the transactions are denominated in RMB as the functional currency of the operations. Thus, the Group presently does not make any foreign exchange hedging. However, the Directors monitor the Group's foreign exchange exposure closely and may, depending on the circumstances and trend of foreign currency, consider adopting a significant foreign currency hedging policy in the future, if necessary.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The Group primarily owns and leases education facilities, comprising teaching buildings and dormitories to Education Institutions in the PRC, Malaysia and Indonesia. In addition, the Group also owns, leases and manages hotel properties in Switzerland. The Group's education facilities are located in the OUC Campus; Kuala Lumpur, Malaysia; and Jakarta, Indonesia. The Group also leases commercial properties in the OUC Campus to commercial tenants such as bank, supermarket, telecommunication companies, dental and polyclinic, gym and entertainment centre, to serve the needs of students in the campus and the residents of adjacent housing estates.

For the FY2025/26, the financial performance of the Group continued to improve despite the challenging conditions in the education and property markets, particularly in the Langfang City, the PRC, where most of our education assets are located. While revenue for FY2025/26 was flat, RMB57.01 million, the Group managed to turn around with an operating profit of RMB38.33 million for FY2025/26, compared to operating loss of RMB30.35 million for FY2024/25. The improved bottom line was mainly due to fair value gains attributed by resilient mix of PRC/overseas investment properties, coupled with better value realized from its low-yielding investment properties disposal. With lower interest expenses and income taxes incurred, the Group recorded profit for the year of RMB11.08 million, compared to a loss of RMB57.02 million for FY2024/25.

In continuance of the assets rationalization plan to improve the overall yield of its assets, the Group had disposed of a low-yielding investment property for RMB18.00 million during FY2025/26. The resulting cash infusion from the disposal was used to reduce its bank borrowings and enhanced the Group's working capital. The Group will continue to evaluate proposals to dispose of low-yielding investment properties in due course in its effort to further strengthen its balance sheet, by further reducing its bank borrowings and/or meet its operational and capital expenditures. In addition, the Group has received an aggregate of RMB33.91 million termination payments plus interest in accordance with the Termination Deed, following its exit from the investment in Mongolia. This represents a respectable 19.3% return over its investment RMB28.43 million. For further details, please refer to the announcements of the Company dated September 6, 2024, September 11, 2024, April 1, 2025 and April 24, 2026.

Going forward, the Group will prudently manage its operational cost and cashflow, while further enhancing the value of its investment properties. In light of the cautious consumption trend and deflationary headwinds enveloping the property and education sectors, particularly in the Langfang City, the PRC, the Group will explore business opportunities, in both the PRC and overseas markets, to enhance its business resilience and expand its revenue base.

The Board envisages that the demand of education facilities in the OUC Campus, Malaysia and Indonesia would be sustainable. Meanwhile, the prospect of the hotel industry in Valais Canton, Switzerland, where the Group is leasing its hotel properties, is expected to do well, given the improved tourism landscape in Switzerland. As a provider of educational facilities and hotel properties owner in these countries, the Board expects the financial performance of the Group will align with these stable growth trends.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Executive Directors

Mr. Chew Hua Seng (周華盛), aged 72, is the founding Director appointed on June 11, 2012 and re-designated as an executive Director and the chairman of the Board (the “**Chairman**”) in January 2014. He has been a member of each of the Board’s remuneration committee (the “**Remuneration Committee**”) and nomination committee (the “**Nomination Committee**”). On August 22, 2025, Mr. Chew resigned as a member of the Nomination Committee. Mr. Chew joined the Group in December 2007. He is primarily responsible for the overall strategic planning and management of the Group.

Mr. Chew is the founder, chairman and chief executive officer (the “**CEO**”) of RE and its subsidiaries. Under his astute leadership, RE has grown to become the premier private education provider, with 16 institutions of learning, including two universities, spread across 9 different countries. Mr. Chew founded RE in 1990, and led it to be listed on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) in 2002.

Mr. Chew was appointed as a non-executive chairman of Sitra Holdings (International) Limited, a company listed on the SGX-ST, with effect from October 21, 2019.

Mr. Chew holds a Bachelor’s Degree in Business Administration from the University of Singapore (now known as the National University of Singapore) obtained in May 1979 and was awarded the National University of Singapore Business School Eminent Business Alumni Award in November 2010 for his outstanding achievements. Mr. Chew was also conferred the Public Service Medal in 2010 by the President of Singapore for his contribution to community service. Mr. Chew does not have any relationship with any Director and senior management. Mr. Chew is a director of RE, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong.

Mr. Liu Ying Chun (劉迎春), aged 62, is the CEO of the Group and an executive Director. He is also a member of the risk management committee of the Board (the “**Risk Management Committee**”). Mr. Liu joined our Group in June 2010 and was appointed as an executive Director on January 16, 2014. He is primarily responsible for managing the overall operations of the Group. Mr. Liu has served as director of, namely (i) Langfang Development Zone Oriental University City Education Consultancy Co., Ltd. and Langfang Tongrui Education Consultancy Co., Ltd., subsidiaries of the Company, since December 2011; (ii) OUC Malaysia Sdn. Bhd. since May 2016; (iii) OUC (Indonesia) Pte. Ltd. since February 2020; (iv) PT OUC Jakarta Indo since February 2020; and (v) PT OUC Thamrin Indo since February 2020, all of which are wholly-owned subsidiaries of the Company. Mr. Liu was appointed as a non-executive director of Axiom, an associate of the Company, since November 25, 2015. Mr. Liu also served as the chairman of Langfang Huaxi Construction Consultancy Company Limited (廊坊市華璽建設工程諮詢有限公司) from September 2000 to June 2010. He worked in the Langfang Audit Office (廊坊市審計局) as the vice-head, and as the head of Construction Centre Department from December 1991 to September 2000. Mr. Liu also worked in the Wenan County Audit Office (文安縣審計局) from July 1983 to November 1991. Mr. Liu obtained an executive master of business administration degree from University of Science and Technology Beijing (北京科技大學) in January 2019 and a diploma in business economics from the Renmin University of China (中國人民大學) in June 1988. Mr. Liu is registered as a valuer with the China Appraisal Society (中國資產評估協會). He is a qualified auditor accredited by the National Audit Office of the PRC (中國審計署), and is also an engineer in the PRC. Mr. Liu does not have any relationship with any Director and senior management.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Non-executive Director (the “NED”)

Ms. Geng Yu (耿瑜), aged 50, was appointed as a NED on May 24, 2024. She has been a member of the audit committee of the Board (the “**Audit Committee**”) and was further appointed as a member of the Nomination Committee on August 22, 2025. Ms. Geng has extensive experience in corporate management, finance and audit, as well as education investment and management. Ms. Geng is currently the deputy president of Wanbo Institute of Science & Technology (萬博科技職業學院) (“**Wanbo**”). She joined Wanbo in July 2008 and has been responsible for various positions, including finance, human resources and administration. Ms. Geng is also a director of Hefei Lanjing Technology and Trade Limited and a supervisor of each of Anhui Anxue Education Consultancy Limited, Hefei Yuren Education Management Limited and Shanxi Yuren Education Investment Limited. Ms. Geng served as the finance manager of Anhui EDE Human Resources Technology Limited from May 2007 to July 2008. Prior to that, Ms. Geng served as the finance manager of Anhui Anxin New Energy Limited from October 2000 to October 2006. Ms. Geng graduated from Anhui University (安徽大學) in 2000 with a bachelor’s degree. She has been conferred as a qualified intermediate accountant by Ministry of Finance of the PRC since 2004 and a certified internal auditor by China Institute of Internal Audit with the authorization from the Institute of International Auditors since 2016.

Independent Non-executive Directors (the “INEDs”)

Mr. Tan Yeow Hiang, Kenneth (陳耀鄉), aged 58, was appointed as an INED on December 23, 2014. He is also the chairman of the Audit Committee and the Risk Management Committee and a member of the Remuneration Committee. Mr. Tan is currently an executive director of Quintegra Ventures Inc., an investment holding company. He worked at United Overseas Bank Limited in Singapore from September 2008 to May 2015 as its managing director heading various businesses such as the bank’s corporate banking franchise in its overseas branches and its overseas financial institutions group. Mr. Tan previously worked at the Singapore Economic Development Board (the “**EDB**”) from October 2001 to September 2008, during which period he worked as director of the Services Cluster from 2003 to 2006, and subsequently as the assistant managing director of EDB from December 2007 to September 2008. As director of the Services Cluster, Mr. Tan had worked on a number of EDB’s education related projects such as the German Institute of Science and Technology, Singapore – MIT alliance and the Institute of Environmental Sciences and Engineering (Pte) Ltd. Prior to working at EDB, Mr. Tan worked as a banker with a commercial bank in Singapore from February 1999 to April 2001 where his focus areas were in private equity and corporate development. Mr. Tan also served in the Singapore Armed Forces from December 1985 to February 1999. Mr. Tan obtained a master’s degree in business administration from the National University of Singapore in August 1995, and a Bachelor of Arts in philosophy, politics and economics from the University of Oxford in June 1989. He was awarded the Singapore Armed Forces Overseas Training Award by the Government of Singapore in 1986.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Wilson Teh Boon Piaw (鄭文鏢), aged 71, was appointed as an INED on December 23, 2014. He is also the chairman of the Nomination Committee and a member of the Risk Management Committee. Mr. Teh has been acting as the chief executive officer and chairman of Chef At Work Pte. Ltd. in Singapore as from October 1, 2015. Chef At Work is a one-stop food and beverage solutions provider with inter-disciplinary expertise. Mr. Teh served as the chairman and chief executive director of TMX International Limited, a new start up company and distributor of kitchen appliances, from May 2013 until November 2014. From August 2007 to October 2012, Mr. Teh served as director of Huhu Studio Ltd., a computer animation studio based in New Zealand, and had served as a director of its investment holding company, Huhu Holdings Pte Ltd., from July 2007 to December 2021. Mr. Teh previously worked at JOST World Group, a manufacturer of components for commercial vehicles, from May 1991 to September 2009, where he served as managing director of JOST Far East Pte Ltd. from May 1991 to September 2008 and was responsible for developing markets and for all sales matters in the Southeast Asia, Taiwan and Hong Kong, as well as setting up a regional logistic hub in Singapore. He served as president, Asia of JOST Asia (Shanghai) Auto Component Co. Ltd. from September 2001 to September 2008 and subsequently as consultant from October 2008 to September 2009, where he led and managed three companies in Asia, and developed and executed their strategy and long-term business plan. Mr. Teh obtained a master's degree in business administration from the University of Dubuque in Iowa, the United States of America in January 1996, a diploma in management study from the Singapore Institute of Management in Singapore in March 1992, and a diploma in shipbuilding and repair technology from Ngee Ann Technical College (now known as Ngee Ann Polytechnic) in Singapore in association with The Polytechnic of Central London in the UK in July 1980.

Mr. Liu Guilin (劉桂林), aged 46, was appointed as an INED on July 25, 2023. He is also the chairman of the Remuneration Committee, a member of each of the Audit Committee and Nomination Committee. Mr. Liu Guilin has extensive experience in financial management, enterprise tax planning and industrial park operation. From 2004 to 2017, Mr. Liu Guilin was the chief financial officer of Langsen Automotive Industrial Park Development Co., Ltd* (the “**Langsen Group**”, 朗森汽車產業園開發有限公司) and was mainly responsible for the investment and financing business of the Langsen Group. He has also participated in the merger and acquisition transactions of the Langsen Group, among others, the acquisitions of Beijing Life Insurance Limited* (北京人壽保險股份有限公司), Tianjin Yuhanyao Graphene Store Energy Material Technology Co., Ltd* (天津玉漢堯石墨烯儲能材料股份有限公司), and Langfang Xinhe Software Investment Co. Limited* (the “**Xinhe Software**”, 廊坊信和軟體投資有限公司). From 2017 to 2018, Mr. Liu Guilin served as the general manager and an executive director of Xinhe Software which was mainly engaged in the operation and development of high-tech industrial park, and Mr. Liu Guilin was responsible for the development of the education technology sector of the industrial park. Since 2018, Mr. Liu Guilin has served as an executive director of Langfang Yuhe Park Construction Co., Ltd.* (the “**Yuhe Park**”, 廊坊裕和園區建設有限公司) which mainly engages in the development of high-tech incubation business. Mr. Liu Guilin is responsible for the development and operation of the incubation park. Mr. Liu Guilin graduated from Hebei University of Economics and Business (河北經貿大學) in 2001 with a diploma of accounting and has been conferred as a qualified accountant by Ministry of Finance of the PRC since 2005.

* The English name of the company represents the best effort made by management of the Company in translating its Chinese name as it does not have any official English name.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT

Mr. Liu Ying Chun (劉迎春) is our executive officer. Please refer to the subsection headed “Executive Directors” for his biographical details.

Mr. Lee Kheng Yam, (李景炎), aged 50, was appointed as the financial controller of the Group in November 2019. Mr. Lee is responsible for the accounting and finance aspects of the Group. Prior to joining the Company, Mr. Lee served as financial controller in Foshan Nile Building Materials Trading Co., Ltd. from 2015 to 2019. Prior to that, he was the chief financial officer for Kada Technology Holdings Limited from 2010 to 2013. He served as senior finance manager in Anglo-Eastern Plantation Management Sdn Bhd from 2008 to 2010. Mr. Lee graduated from National University of Malaysia with a bachelor’s degree in Accountancy and is a member of Malaysian Institute of Accountants with 26 years’ working experience in the fields of finance, accounting, commercial and business development.

Mr. Chen Guang (陳光), aged 63, was appointed as the chief operating officer of the Group in March 2016. Mr. Chen is responsible for overseeing the property management and operation matters of the Group, including managing the acquisition, disposal, lease and maintenance of land and buildings and other fixed assets of the Group. Prior to joining the Group, Mr. Chen was the general manager of China Unicom of Yongqing branch of Langfang from December 2008 to June 2013. He was the manager of Administration of China Unicom of Langfang branch from March 2003 to December 2008. He was the general manager of Langfang Hanyi Textile Co., Ltd. (廊坊韓一紡織有限公司) from August 1993 to March 2003. Mr. Chen obtained a diploma in textile from 河北紡織職工大學 (Hebei Textile College) in the PRC in June 1988.

Mr. Zhang Jian Guang (張建光), aged 47, is the deputy general manager of the Group. Mr. Zhang joined the Group in May 2011 and is responsible for managing the human resources operations and staff administration of the Group. Mr. Zhang has previously held various positions within the Group, including the vice director of human resources and vice director of the office administration. Prior to joining the Group, Mr. Zhang worked as a lecturer and subsequently as human resources administrator at Langfang Food Engineering Technical School (廊坊食品工程學校) from August 2003 to July 2009. Mr. Zhang obtained a master’s degree in business administration from the Graduate School of the Chinese Academy of Sciences (中國科學院) (now known as University of the Chinese Academy of Sciences (中國科學院大學)) in the PRC in July 2011.

REPORT OF DIRECTORS

The Board presents the annual report together with the audited consolidated financial statements of the Group for the FY2025/26.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are leasing educational facilities, comprising primarily teaching buildings and dormitories to Education Institutions in the PRC, Malaysia and Indonesia; and to a much lesser extent, commercial leasing for supporting facilities. In addition, the Group is engaged in leasing and managing of hotel properties in Switzerland.

RESULTS

The results of the Group for the FY2025/26 and the state of affairs of the Company and of the Group as at June 30, 2026 are set out in the consolidated financial statements and their accompanying notes on pages 87 to 158 of this annual report.

FINAL DIVIDEND

The Board has resolved not to recommend the payment of any final dividend for the FY2025/26 (FY2024/25: Nil).

This decision reflects the Board's commitment to preserving funds for future strategic initiatives and operational needs, ensuring the Company remains well-positioned for long term growth and resilience.

BOOK CLOSE DATES

For the purpose of ascertaining the entitlement of the Shareholders to attend and vote at the annual general meeting of the Company to be held on Friday, October 23, 2026 (the "2026 AGM"), the register of member of the Company (the "Register of Members") will be closed. Details of such closures are set out below:

Latest time to lodge transfer documents	4:30 p.m. on October 16, 2026 (Friday)
Closure of Register of Members	October 20, 2026 (Tuesday) to October 23, 2026 (Friday) (both days inclusive)
Record date	October 23, 2026 (Friday)

During the above closure period, no transfer of shares of the Company (the "Shares") will be registered. To be entitled to attend and vote at the 2026 AGM, the non-registered Shareholders must lodge all completed and stamped transfer documents accompanied by the relevant share certificates for registration with the Company's share registrar, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong before the above latest time.

REPORT OF DIRECTORS

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on pages 160 and 161 of this annual report. This summary does not form part of the audited consolidated financial statements.

INVESTMENT PROPERTIES

All the investment properties of the Group were revalued at June 30, 2026. The fair value gain of investment properties amounting to RMB20.82 million (FY2024/25: fair value loss of RMB38.65 million) has been debited directly to the consolidated statement of profit or loss and other comprehensive income.

Details of movements in the investment properties of the Group during the FY2025/26 are set out in note 15 to the consolidated financial statements.

Details of the properties held by the Group for investment as at June 30, 2026 are set out in the section headed “Investment Properties” on page 159 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the FY2025/26 are set out in note 14 to the consolidated financial statements.

SUBSIDIARIES

Particulars of the Company’s principal subsidiaries are set out in note 27 to the consolidated financial statements.

SHARE CAPITAL

Details of the Shares issued in the FY2025/26 are set out in note 22 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company’s articles of association (the “Articles of Association”) which would oblige the Company to offer new Shares on a pro-rata basis to its existing Shareholders.

DONATION

During the FY2025/26, the Group did not make any charitable donation (FY2024/25: RMB500,000).

REPORT OF DIRECTORS

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

The Company did not redeem any of its Shares listed on GEM nor did the Company or any of its subsidiaries purchased or sold any of its Shares (including sale of treasury Shares, if any) during the FY2025/26.

As at June 30, 2026, the Company did not hold any treasury Shares.

RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Company and the Group during the FY2025/26 are set out in note 23 to the consolidated financial statements and in the consolidated statement of changes in equity on page 91, respectively. The distributable reserves, calculated under Part 6 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) (the “Companies Ordinance”), details of the distributable reserves of the Company are set out in note to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group’s major customers and suppliers, respectively, during the FY2025/26 is as follows:

	Percentage of the Group’s total revenue/purchase %
The largest customer	32.0
Five largest customers in aggregate	80.1
The largest supplier	43.0
Five largest suppliers in aggregate	79.7

Save for rental income derived from Raffles College of Higher Education Sdn. Bhd and P.T. Raffles Institute of Higher Education (“RIHE”), which collectively is one of the five largest customers during the FY2025/26, disclosed in note 6 to the consolidated financial statements, none of the Directors or their respective close associates (as defined in the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”)) or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the issued Shares) had any beneficial interest in the Group’s major largest customers or suppliers referred above.

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the remuneration of the Directors and the five individuals with the highest emoluments for the FY2025/26 are set out in notes 10 and 11 to the consolidated financial statements, respectively.

REPORT OF DIRECTORS

EMOLUMENT POLICY

The Remuneration Committee was established for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance and comparable market practices.

EQUITY-LINKED AGREEMENT

The Group has not entered into any equity-linked agreements that (i) will or may result in the Company issuing Shares or (ii) require the Company to enter into any arrangements that will or may result in the Company issuing Shares during the FY2025/26 or existed as at June 30, 2026.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, there has been a sufficient public float of the issued Shares as required under the GEM Listing Rules (i.e. at least 25% of the issued Shares in public hands) throughout the FY2025/26 and thereafter up to the date of this annual report.

DIRECTORS

The Directors during the FY2025/26 and up to the date of this annual report were:

Executive Directors

Mr. Chew Hua Seng (*Chairman*)

Mr. Liu Ying Chun (*Chief Executive Officer*)

Non-executive Director (the "NED")

Ms. Geng Yu

Independent Non-executive Directors (the "INEDs")

Mr. Tan Yeow Hiang, Kenneth

Mr. Wilson Teh Boon Piau

Mr. Liu Guilin

REPORT OF DIRECTORS

In accordance with article 141 of the Articles of Association, Mr. Liu Ying Chun (“**Mr. Liu YC**”) and Ms. Geng Yu (“**Ms. Geng**”) will retire from office by rotation and being eligible, have offered themselves for re-election at the 2026 AGM.

The Company has received an annual written confirmation of independence from each of the INEDs, namely Mr. Tan Yeow Hiang, Kenneth (“**Mr. Tan**”), Mr. Wilson Teh Boon Piau (“**Mr. Teh**”) and Mr. Liu Guilin (“**Mr. Liu GL**”), pursuant to Rule 5.09 of the GEM Listing Rules. As at the date of this annual report, the Company considered all the INEDs are independent.

The biographical details of the Directors and the senior management of the Group are set out on pages 10 to 13 of this annual report.

DIRECTORS’ SERVICE CONTRACTS

Mr. Chew Hua Seng has entered into a service contract as the Chairman and an executive Director with the Company for an initial term of three years commencing on December 24, 2014, which automatically continues thereafter until terminated by either party giving not less than three months’ notice in writing to the other.

Mr. Liu YC has entered into a service contract as an executive Director with the Company for an initial term of three years commencing on January 16, 2014, which automatically continues thereafter until terminated by either party giving not less than three months’ notice in writing to the other.

Each of Mr. Tan and Mr. Teh has entered into a letter of appointment with the Company for an initial term of three years commencing on December 23, 2014, which automatically continues thereafter until terminated by either party giving not less than three months’ notice in writing to the other.

Mr. Liu GL has entered into a letter of appointment with the Company for an initial term of three years commencing on July 25, 2023, which automatically continues thereafter until terminated by either party giving not less than three months’ notice in writing to the other.

Ms. Geng has entered into a letter of appointment with the Company for an initial term of three years commencing on May 24, 2024, which automatically continues thereafter until terminated by either party giving not less than three months’ notice in writing to the other.

None of the Directors being proposed for re-election at the 2026 AGM has a service contract or a letter of appointment with the Company or its subsidiaries, which is not terminable by the Company within one year without payment of compensation other than statutory compensation.

REPORT OF DIRECTORS

DIRECTORS OF SUBSIDIARIES

The names of all Directors who have served on the board of directors of the subsidiaries of the Company during the FY2025/26 to the date of this annual report are as follows:

Name of Subsidiaries	Name of Directors including the directors of subsidiaries
廊坊開發區東方大學城教育諮詢有限公司 (Langfang Development Zone Oriental University City Education Consultancy Co., Ltd.)*	Chew Hua Seng Liu Ying Chun Ho Kah Chuan Kenneth
廊坊通睿教育諮詢有限公司 (Langfang Tongrui Education Consultancy Co., Ltd.)*	Chew Hua Seng Liu Ying Chun Ho Kah Chuan Kenneth
OUC Malaysia Sdn. Bhd.	Liu Ying Chun Mok Kam Wah Tho Kwai Kuan (resigned August 28, 2025) Lee Kheng Yam (appointed June 15, 2026)
OUC (Indonesia) Pte. Ltd.	Liu Ying Chun Doris Chung Gim Lian
PT. OUC Jakarta Indo	Liu Ying Chun Effendi Halim
PT. OUC Thamrin Indo	Liu Ying Chun Effendi Halim
4 Vallees Pte. Ltd.	Doris Chung Gim Lian Ho Kah Chuan, Kenneth Chew Han Wei

* The English name of the company represents the best effort made by management of the Company in translating its Chinese name as it does not have any official English name.

REPORT OF DIRECTORS

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as otherwise disclosed, no Director or a connected entity of a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company or its holding company or any of its subsidiaries or fellow subsidiaries was a party during the FY2025/26 or subsisted as at June 30, 2026.

MANAGEMENT CONTRACTS

No contracts, other than a contract of service with any Director or any person under the full employment of the Company, concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the FY2025/26.

RELATED PARTY TRANSACTIONS

A summary of the related party transactions entered into by the Group during the FY2025/26 is contained in note 28 to the consolidated financial statements. Certain related party transactions set out in note 28 to the consolidated financial statements are regarded as continuing connected transactions of the Company under Chapter 20 of the GEM Listing Rules. Details of such transactions are set out in the section headed "Continuing Connected Transactions" below.

CONTINUING CONNECTED TRANSACTIONS

Save as disclosed below, as at June 30, 2026, the Group does not have any other connected transaction and continuing connected transaction.

(a) Tenancy agreement of properties in Malaysia

OUC Malaysia Sdn Bhd, a direct wholly-owned subsidiary of the Company, as landlord, had entered into a tenancy agreement with Raffles College of Higher Education Sdn. Bhd., of which 70% of its equity interest is owned by RE, as tenant, on December 12, 2024 for the lease of the properties for a term of three years from January 1, 2025 until December 31, 2027. The tenancy agreement was executed on arm's length terms and the annual rental receivable under the new tenancy agreement amounts to Malaysian Ringgit ("MYR") 2.01 million (approximately RMB3.40 million). Please refer to the to the Company's announcements dated December 12, 2024 for further details of the new tenancy agreement.

REPORT OF DIRECTORS

(b) Tenancy agreement of properties in Indonesia

PT OUC Thamrin Indo (“**OUC Thamrin**”), a wholly-owned subsidiary of the Company, as landlord, has entered into a tenancy agreement with PT. Raffles Institute of Higher Education (“**RJK**”), a wholly-owned subsidiary of RE, as tenant, for the tenancy of two floors of Lippo Thamrin office in Jakarta, Indonesia, for a term of three years from July 1, 2023 until June 30, 2026. The tenancy was executed on arm’s length terms and the annual rental receivable under the tenancy agreement was Indonesian Rupiah (“**IDR**”) 5,472 million (approximately RMB2.46 million). A new tenancy agreement was executed on June 8, 2026, for the renewal of lease of the properties between OUC Thamrin and RJK, for a term of three years from July 1, 2026 until June 30, 2029. The new tenancy agreement was executed on arm’s length terms and the annual rental receivable under the new tenancy agreement amounts to IDR5,472 million (approximately RMB2.46 million). The tenancy was a de minimis transaction according to Rule 20.04 of the GEM Listing Rules and was fully exempted from the requirement of announcement and Shareholders’ approval.

(c) Tenancy agreement of properties in Singapore

Langfang Development Zone Oriental University City Education Consultancy Co., Ltd (“**OUCEC**”), a 99% equity-owned subsidiary of the Company, as tenant, has entered into a tenancy agreement with Raffles College of Higher Education Pte Ltd (“**RSG**”), a wholly-owned subsidiary of RE, for the sub-lease of premises and use of associated shared facilities (not limited to office furniture, printers, and other office equipment) located at 111 Somerset Road, Singapore, for one year period from July 1, 2025 until June 30, 2026. The tenancy agreement was executed on arm’s length terms and for rental paid of Singaporean Dollar (“**SGD**”) 0.24 million (approximately RMB1.31 million). A new tenancy agreement was executed on July 1, 2026, for the renewal of sub-lease of the properties between OUCEC and RSG, for a term of one year from July 1, 2026 until June 30, 2027. The new tenancy agreement was executed on arm’s length terms and the annual rental payable amounts to SGD0.24 million (approximately RMB1.31 million). The tenancy was a de minimis transaction according to Rule 20.04 of the GEM Listing Rules and was fully exempted from the requirement of announcement and Shareholders’ approval.

(d) Management services provided by RE Group

Raffles K12 Sdn Bhd (“**RAS**”), a wholly-owned subsidiary of RE, and 4 Vallees Pte Ltd, a 100% equity-owned subsidiary of the Company, has entered into a management service agreement, whereby RAS had provided and charged management services, including staff performing administrative, information technology, accounting and supervision duties, rental of office, parking space and photocopier and any additional services as may be required, to 4 Vallees Pte Ltd for approximately MYR354,000 (approximately RMB608,000) for the financial year ended June 30, 2026. RAS will continue to provide management services for approximately the same amount for the financial year from July 1, 2026 till June 30, 2027. The provision of management services was a de minimis transaction according to Rule 20.04 of the GEM Listing Rules and was fully exempted from the requirement of announcement and Shareholders’ approval.

REPORT OF DIRECTORS

(e) Salaries and retirement scheme contributions paid to Mr. Chew Han Wei

Mr. Chew Han Wei, son of Mr. Chew Hua Seng, the Chairman and an executive Director, is a director of 4 Vallees, a wholly-owned subsidiary of the Company, and received salaries and retirement scheme contributions of approximately SGD0.24 million (approximately RMB1.28 million) for the FY2025/26. The remuneration was a de minimis transaction according to Rule 20.04 of the GEM Listing Rules and was fully exempted from the requirement of announcement and Shareholders' approval.

ANNUAL REVIEW OF CONTINUING CONNECTED TRANSACTION

The INEDs have reviewed the above continuing connected transactions for the FY2025/26 and confirmed that the above continuing connected transactions were entered into:

1. in the ordinary and usual course of business of the Group;
2. on normal commercial terms or better; and
3. in accordance with the terms of the agreements governing the continuing connected transactions (i.e. the tenancy agreements) that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

BDO Limited (“**BDO**”), Certified Public Accountants, the Company’s independent auditor (the “**Independent Auditor**”), was engaged to report on the Group’s continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. BDO has issued their confirmation letter to the Board containing their findings and conclusions in respect of the Group’s continuing connected transactions disclosed above in accordance with Rule 20.54 of the GEM Listing Rules.

SHAREHOLDER’S INTERESTS IN CONTRACTS OF SIGNIFICANCE

RE, the controlling shareholder (as defined by the GEM Listing Rules) of the Company, has confirmed that save for its shareholding in the Company, it is neither engaged nor interested in any business which, directly or indirectly, competes or may compete with the Group’s business (save as disclosed under the heading “Excluded Businesses” in the section headed “History and Development-Post-Reorganization” of the Company’s prospectus dated December 31, 2014 (the “**Prospectus**”)).

REPORT OF DIRECTORS

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed in note 28 to the consolidated financial statements, there was no contract of significance (whether for the provision of services to the Group or not) in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which any controlling shareholder (as defined in the GEM Listing Rules) of the Company or any of its subsidiaries had a material interest, whether directly or indirectly, subsisted at the end of the FY2025/26 or at any time during the FY2025/26.

DEED OF NON-COMPETITION

On December 22, 2014, RE entered into a deed of non-competition and call option in favour of the Company, pursuant to which it has undertaken not to compete with the business of the Company. For further details, please refer to the sub-section headed "Deed of Non-Compete" in the section headed "Relationship with the Controlling Shareholder" of the Prospectus.

RE has made an annual written declaration as to the compliance with the non-competition undertakings in the Deed of Non-Compete (the "**Undertakings**"). The INEDs have reviewed the same as part of the annual review process and noted that: (a) RE declared that it had fully complied with the Undertakings for the FY2025/26; (b) no new competing business was reported by RE during the FY2025/26; and (c) there was no particular situation rendering the full compliance of the Undertakings being questionable. In view of the above, the INEDs confirmed that all of the Undertakings were complied with by RE for the FY2025/26.

COMPETING INTERESTS

The Directors have confirmed that save as disclosed above, as at June 30, 2026, none of the Directors, controlling shareholders or substantial shareholders (as defined in the GEM Listing Rules) of the Company, directors of the Company's subsidiaries or any of their respective close associates (as defined in the GEM Listing Rules) has interest in any business (other than the Group) which, directly or indirectly, competed or might compete with the Group's business.

BUSINESS REVIEW

Information about a fair review of, and an indication of likely future development in, the Group's business is set out in the "Management Discussion and Analysis" of this annual report.

As regards the principal risks and uncertainties facing the Group, please refer to the section headed "Risk Factors" contained on pages 43 to 69 of the Prospectus.

During the FY2025/26, the Company was not aware of any non-compliance with any relevant laws and regulations that had a significant impact on it.

REPORT OF DIRECTORS

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

As at June 30, 2026, the interests or short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong (the "SFO"), as recorded in the register required to be kept under section 352 of the SFO; or as otherwise notified to the Stock Exchange and the Securities and Futures Commission ("SFC") under the required standard of dealings as set out in Rules 5.46 to 5.67 of the GEM Listing Rules (the "Required Standard of Dealings") were as follows:–

Long positions

(a) Shares in the Company

Name of Director	Capacity/Nature of interest	Number of issued Shares held	Percentage of shareholding ^(Note 2)
Mr. Chew ^(Note 1)	Interest of a controlled corporation/ Corporate Interest	135,000,000	75%

Notes:

- (1) Details of the interest in the Company held by Mr. Chew, the Chairman and an executive Director, through RE are set out in the section headed "Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares" below.
- (2) The percentage of shareholding was calculated based on the Company's total number of issued Shares as at June 30, 2026 (i.e. 180,000,000 Shares).

REPORT OF DIRECTORS

(b) Shares in associated corporation of the Company

Name of Director	Name of associated corporation	Capacity/ Nature of interests	Number of issued shares held	Approximate percentage of shareholding
Mr. Chew	RE <i>(Note 1)</i>	Beneficial owner and interest of spouse/ Personal interest and family interest	784,440,463	43.16% <i>(Note 2)</i>

Notes:

- (1) RE, a company incorporated in Singapore and listed on the SGX-ST, is the immediate holding company of the Company.
- (2) Comprised of (a) the 33.44% direct interest of Mr. Chew; (b) the 1.94% interest of Ms. Doris Chung Gim Lian (“**Ms. Chung**”), the wife of Mr. Chew; and (c) the 7.79% joint interest of Mr. Chew and Ms. Chung. The percentage figures have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed herein are due to rounding adjustments.

(c) Debentures in associated corporation of the Company

Name of Director	Name of associated corporation	Capacity/ Nature of interests	Number of bonds held
Mr. Chew	RE <i>(Note 1)</i>	Beneficial owner and interest of spouse/personal interest and family interest	35,030,306 <i>(Note 2)</i>

Notes:

- (1) RE is the immediate holding company of the Company.
- (2) Comprised of 34,383,487 convertible bonds directly held by Mr. Chew and 646,819 convertible bonds held by Ms. Chung.

Save as disclosed above, as at June 30, 2026, none of the Directors or the chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Stock Exchange and the SFC under the Required Standard of Dealings.

REPORT OF DIRECTORS

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

As at June 30, 2026, so far as it was known by or otherwise notified to any Director or the chief executive of the Company, the particulars of the corporations which or the persons who (other than a Director or the chief executive of the Company) had 5% or more interests or short position in the Shares and the underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Long positions in the Shares

Name of Substantial Shareholders	Capacity/Nature of interest	Number of issued Shares held	Percentage of shareholding ^(Note 2)
RE ^(Note 1)	Beneficial owner/Personal interest	135,000,000	75%
Ms. Chung ^(Note 1)	Interest of spouse/Family interest	135,000,000	75%

Notes:

- (1) RE is owned as to (a) 33.44% by Mr. Chew, the Chairman and an executive Director; (b) 7.79% jointly by Mr. Chew and Ms. Chung, the wife of Mr. Chew; and (c) 1.94% by Ms. Chung. Under the SFO, Mr. Chew is deemed to be interested in the Shares in which RE is interested, and Ms. Chung is deemed to be interested and the Shares in which Mr. Chew is interested and is deemed to be interested. In addition, Mr. Chew is a director of RE.
- (2) The percentage of shareholding was calculated based on the Company's total number of issued Shares as at June 30, 2026 (i.e. 180,000,000 Shares).

Save as disclosed above, as at June 30, 2026, so far as it was known by or otherwise notified to the Directors or the chief executive of the Company, no other corporations or persons (other than a Director or the chief executive of the Company) had 5% or more interests or short positions in the Shares and the underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

A corporate governance report containing the principal corporate governance practices adopted by the Group is set out on pages 31 to 56 of this annual report.

The compliance officer of the Company is Mr. Liu Ying Chun, whose biographical details are set out on page 10 of this annual report. The company secretary of the Company is Ms. Tung Wing Yee Winnie ("Ms. Tung"), whose brief particulars are set out under the section headed "COMPANY SECRETARY" of the corporate governance report on page 52.

REPORT OF DIRECTORS

ARRANGEMENT FOR DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

At no time during the FY2025/26 or as of June 30, 2026 was the Company or any of its subsidiaries, fellow subsidiaries and holding company a part to any arrangement to enable the Directors to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate.

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance for the Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities. The permitted indemnity provision is in force for the benefit of the Directors as required by section 470 of the Companies Ordinance when this annual report prepared by the Directors is approved in accordance with section 391(1)(a) of the above Companies Ordinance.

ENVIRONMENTAL POLICY

The Group is committed to nurturing its staff to care about and protect the environment. It conducts its business in a manner that balances the environment and economic needs.

The Group complies with all relevant environment regulations. It works with its partners including customers and suppliers in a connected effort to operate in an environmentally responsible manner by making concerted efforts to be energy-efficient and to practice "Reduce, Reuse and Recycle".

Among others, the Group has taken the following initiatives:-

- Performed minimal renovations, by re-using existing flooring, furniture etc., during the FY2025/26.
- Works closely with various local governments in Langfang City to help them promote environmental protection strategies.
- Promotes the knowledge of environmental protection to students and staff in its campus and advocates students therein to sort their trash into separate bins.

REPORT OF DIRECTORS

- Saves power by implementing automatic lights off during non-business hours and providing manual override switches for all non-emergency lighting.

During the FY2025/26, the Group has complied with the provisions set out in the Environmental, Social and Governance (“ESG”) Reporting Code in Appendix C2 to the GEM Listing Rules. Please refer to the ESG report on pages 57 to 81 of this annual report about the Company’s ESG policies and performance during the FY2025/26.

RELATIONSHIPS WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

Employees

As at June 30, 2026, the Group had a total of 37 full-time employees, the majority of them worked in the OUC Campus. They perform management, administration and human resources, operation, finance and investors’ relation functions respectively. The Group determines the remuneration of its employees by reference to the market salary of their individual experience and performance. The Group will continue to improve and upgrade their management and professional skills. None of the Group’s employees is represented by any collective bargaining agreement or labour union. The Group has not experienced any significant problem with its employees or disruption to its operations due to labour dispute, nor has the Group experienced any difficulties in the recruitment and retention of experienced staff.

Suppliers

The Group’s suppliers provide the Group with a range of services associated with the management and maintenance of the assets within the Group, mainly including cleaning, gardening, building maintenance and refurbishing, and campus security. The Directors believe that the Group is able to get access to the service of the suppliers easily as they are all located in the vicinity of the Group’s assets. The Directors also believe that maintenance of a stable relationship with the Group’s major suppliers is important to the Group’s operations as this will enable a stable supply of services to the Group.

The Group’s property team is responsible for quality control over the selection and performance of the suppliers. In general, the said team selects and evaluates the suppliers based on their pricing, background, industry experience, reputation and ability to deliver quality services. The suppliers are sourced through a tender process for an aggregate contract amount that exceeds RMB50,000.

Apart from those suppliers for the building maintenance and refurbishment services which are determined on an individual project basis, the Group’s relationships with other major suppliers are over five years on average. Although the Group does not enter into any long-term contracts with certain of its suppliers, the Group has established a long-term business relationship with them. The Group has not experienced any disruption in the supply of services by suppliers.

REPORT OF DIRECTORS

Customers

The Group's principal customers are the Education Institutions. For the FY2025/26, the Group had 8 Education Institutions (excluding RE Group). Revenue from the five largest customers (excluding RE Group) using the Group's educational facilities, most of which were the Education Institutions, accounted for RMB44.20 million of the Group's total revenue for the FY2025/26.

USE OF PROCEEDS FROM PROPERTY DISPOSAL

The disposal of investment properties, which consists of the land use right in relation to a plot of land located in the OUC Campus with an estimated aggregate land area of approximately 6,937.20 sq. m., and the buildings and ancillary facilities erected thereon with total gross floor area of approximately 6,809.31 sq. m., for RMB18.00 million was completed in September 2025. Please refer to the Company's announcement dated July 4, 2025, and the circular to the shareholders of the Company (the "Shareholders") dated August 13, 2025, for details of the property disposal.

The net proceeds from the property disposal was RMB13.92 million after deducting the transaction expenses and taxes.

The utilisation of the net proceeds from the property disposal is set out as follows: —

Proposed use of Net Proceeds	Planned use of net proceeds <i>RMB million</i>	Net proceeds utilised up to June 30, 2026 <i>RMB million</i>	Unutilised net proceeds as at June 30, 2026 <i>RMB million</i>	Expected timeline for unutilised net proceeds
Repayment of borrowings	5.00	5.00	—	Completed
General working capital	8.92	8.92	—	Completed
	<u>13.92</u>	<u>13.92</u>	<u>—</u>	

As at June 30, 2026, all the net proceeds from the property disposal have been fully utilised as planned.

REPORT OF DIRECTORS

EVENT AFTER REPORTING PERIOD

There is no other significant event after the Reporting Period and up to the date of this annual report.

CHANGE IN INFORMATION OF DIRECTOR

Subsequent to the date of the 2025/2026 interim report of the Company, there was no change in the Directors' information as required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules.

INDEPENDENT AUDITOR

The consolidated financial statements of the Group for the FY2025/26 were audited by BDO, the Independent Auditor. BDO will retire, and being eligible, offer themselves for re-appointment at the 2026 AGM. A resolution for the re-appointment of BDO as the Independent Auditor will be proposed at the 2026 AGM.

On behalf of the Board

Chew Hua Seng
Chairman

Singapore, August 21, 2026

CORPORATE GOVERNANCE REPORT

The Company is committed to fulfilling its responsibilities to its Shareholders and protecting and enhancing Shareholder value through solid corporate governance.

The Company has complied with the mandatory disclosure requirements and all the code provisions as set out in the section headed “Part 2 — Principles of good corporate governance, code provisions and recommended best practices” of the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 to the GEM Listing Rules during the FY2025/26 and up to the date of this annual report.

CORPORATE CULTURE, VALUE AND STRATEGY

The Company aims to provide high-quality properties, supporting facilities and services to educational institutions, hotel operators and commercial clients, and commits to cultivating a corporate culture anchored in integrity, inclusivity, and excellence. Such culture are pivotal in propelling the Company towards achieving its long-term strategic goals and ensuring sustainable growth. We strive to create a conducive environment for educational institutions and hotel operators, as well as their respective students and clients.

The Company’s values are (i) to prioritize the needs and satisfaction of tenants; (ii) to provide a conducive and nurturing environment for the clients; (iii) to build strong client relationships based on reliability and trust; (iv) to ensure that the properties meet high standards of quality and safety; and (v) to seek innovative solutions to meet the evolving needs of the education sector.

The Company’s strategies are (i) to develop a diverse property portfolio that caters to the needs of different types of tenants; (ii) to build a sustainable and long-term relationship with the clients; and (iii) to develop in strategic location that are convenient for educational institutions and their students.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Company has complied with provision C.2.1 of the CG Code, which stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Chew Hua Seng as the Chairman is responsible for overseeing the functions of the Board and formulating overall strategies and policies of the Company. The CEO of the Group, Mr. Liu Ying Chun, supported by the senior management, is responsible for managing the businesses of the Group, implementing major strategies as well as making day-to-day decisions and overall coordination for business operations.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings regarding securities transactions by the Directors as set out in the Required Standard of Dealings as its own code of conduct for dealings in the Company’s securities by the Directors. The Company had made specific enquiries with all the Directors and each of them has confirmed his compliance with the Required Standard of Dealings during the FY2025/26.

Specific employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with the Required Standard of Dealings. No incident of non-compliance was noted by the Company during the FY2025/26.

CORPORATE GOVERNANCE REPORT

BOARD OF DIRECTORS

The overall management of the Company's business is vested in the Board which assumes the responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. All the Directors make decision objectively in the interests of the Company. The Board has the full support of the executive Directors and the senior management of the Company to discharge its responsibilities.

The day-to-day management, administration and operation of the Company are delegated to the CEO of the Group and the senior management. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions being entered into by the above mentioned officers.

The Board also assumes the responsibilities for maintaining a high standard of corporate governance, including, among others, developing and reviewing the Company's policies and practices on corporate governance, reviewing and monitoring the Company's policies and practices in compliance with legal and regulatory requirements.

As at the date of this annual report, the Board comprises two executive Directors, one NED and three INEDs. The Board delegates certain functions to committees to enable the Board to manage more effectively its stewardship and fiduciary responsibilities. The Board is assisted by four committees, namely the Audit Committee, the Remuneration Committee, the Nomination Committee and the Risk Management Committee. The composition of the Board and its committees are stated below and their respective responsibilities are discussed in this annual report.

	Board Member	Audit Committee	Remuneration Committee	Nomination Committee	Risk Management Committee
Board of Directors					
<i>Executive Directors</i>					
Mr. Chew Hua Seng (<i>Chairman</i>)*	✓		✓		
Mr. Liu Ying Chun (<i>Chief Executive Officer</i>)	✓				✓
<i>NED</i>					
Ms. Geng Yu*	✓	✓		✓	
<i>INEDs</i>					
Mr. Tan Yeow Hiang, Kenneth	✓	✓	✓		✓
Mr. Wilson Teh Boon Piaw	✓			✓	✓
Mr. Liu Guilin	✓	✓	✓	✓	

* Mr. Chew Hua Seng has resigned as a member of the Nomination Committee on August 22, 2025 and Ms. Geng Yu has been appointed as a member of the Nomination Committee on the same date.

CORPORATE GOVERNANCE REPORT

All Directors, including the NED and INEDs, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for the efficient and effective delivery of the Board functions.

Please refer to the section headed “Biographical Details of Directors and Senior Management” in this annual report for key information on each Director and member of the senior management.

There was no financial, business, family or other material relationship among the Directors.

The Non-executive Director was appointed for an initial term of three years commencing on May 24, 2024, which automatically continues thereafter until terminated by either party giving not less than three months’ notice in writing to the other.

All the INEDs were appointed for a term of three years which automatically continues thereafter until terminated by either party giving not less than three months’ notice in writing to the other.

Independent Non-executive Directors

The Company had at least three INEDs during the FY2025/26, and at least one of the INEDs had appropriate professional qualifications or accounting or related financial management expertise at all times during the FY2025/26. A written annual confirmation on independence as required by Rule 5.09 of the GEM Listing Rules has been received from each of the INEDs. The Company considers all of the INEDs to be independent.

CORPORATE GOVERNANCE REPORT

Board Skills Matrix

The skills matrix below sets out the skills and expertise of the Board that are most relevant to the Company's strategy, governance and business and to enabling the Board to effectively discharge its duties and responsibilities in attaining its business objectives:

Skills Area	Description	Importance (Note (a))	Adequacy	Plans to address gaps/ expand skills (Note (b))
Strategy	Ability to identify strategic opportunities and threats, whilst developing and implementing plans to achieve corporate objectives	E	Yes	C
Leadership	Ability to lead corporate teams and implement plans and policies	E	Yes	C
Industry knowledge and experience	Understanding of the company's business daily operations, market development, competitors, technology and innovation	E	Yes	C
Financial literacy/business acumen	Ability to read and comprehend corporate accounts, financial materials and financial reporting requirements	E	Yes	T
Risk management and compliance	Ability and experience in implementing, managing or overseeing risk management and internal control systems for legal and regulatory compliance	E	Yes	C, T & O

CORPORATE GOVERNANCE REPORT

Skills Area	Description	Importance (Note (a))	Adequacy	Plans to address gaps/ expand skills (Note (b))
People management experience	Experience at a senior level with responsibilities for people management and successful implementation of change	E	Yes	C
Diversity (e.g. age, gender, culture)	Contribution to board diversity in terms of gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service etc.	E	Yes	C
Emerging topics (e.g. artificial intelligence)	Understanding and knowledge of emerging topics to ensure that the company is forward-thinking	L	Yes	C & O
Qualifications	Formal qualifications in relevant fields to assist the Board in its decision-making, for example, accounting/finance, economics/business, law	E	Yes	C

Notes:

- (a) “E” = essential skills that should currently be in the Board’s possession
“F” = skills that should be acquired for future purposes/in light of anticipated emerging needs
“L” = skills that are not necessary or have a minor impact but are desirable or aspirational in nature
- (b) “C” = will closely monitor the changing situation and make corresponding adjustments as needed
“T” = training will be provided if needed
“O” = outsource this function to professional external consultants to assist the Management in monitoring and making suggestion when necessary

CORPORATE GOVERNANCE REPORT

Annual Board Performance Evaluation

The Company performs Board performance evaluation on annual basis (the “**Annual Evaluation**”). The Nomination Committee is authorised by the Board to perform the Annual Evaluation.

The Annual Evaluation focuses on the following six dimensions:

- i. Board Composition
- ii. Information to the Board
- iii. Board Procedures
- iv. Board Accountability
- v. Working with the CEO and Top Management of the Group
- vi. Standards of Conduct

An evaluation questionnaire is provided to each Director who completes the same individually. The chairman of the Nomination Committee will then make arrangements for the completed questionnaires be collated for review or discussion at the meeting of the Nomination Committee. The Board should review the feedback collectively and decide and agree on action plans, if any.

CORPORATE GOVERNANCE REPORT

In the respective meetings held on August 21, 2026, the Nomination Committee has performed the Annual Evaluation for FY2025/26 and the Board has reviewed the feedback. It was noted that the Board is highly effective with the following core strengths underpinning its performance:

- Right mix of expertise, experiences and skills;
- Clear and concise information are provided by the CEO or top management of the Group prior to the Board meetings;
- Board meetings are conducted in a manner that ensures open communication, meaningful participation and time resolution of issues;
- Directors has devoted sufficient time learning about the Company's business and understanding it well enough to provide critical oversight and guide the Company's performance on a long-term basis;
- Directors are well-prepared to deal with unforeseen corporate risks;
- CEO and top management are well assisted in setting clear and well understood policies and action plans; and
- Disclosures of personal interests in transactions and abstaining from voting by the Directors, when necessary, are appropriate.

At the meeting held on August 21, 2026, the Board concurred with the results of the Annual Evaluation and the Nomination Committee was authorised to continuously review and update the evaluation questionnaire, where necessary, to meet the business development needs.

CORPORATE GOVERNANCE REPORT

Annual Assessment of Directors

The Nomination Committee performs assessment of Directors annually (the “Annual Assessment”).

The Annual Assessment focuses on the time commitment and contribution to the Board of each Directors with respect to the following six dimensions:

- i. Involvement on the Board
- ii. Familiarity with/Knowledge of the Company and its Business
- iii. Multiple board directorships
- iv. Willingness of effective communication
- v. Integrity, typically, timely conflict of interest disclosures and maintenance of confidentiality
- vi. Upholding and adhering to the Group’s corporate culture and values

The Nomination Committee, with the member being the Director under assessment abstaining from his/her own assessment, assesses each Director by completing a prescribe assessment questionnaire at the Nomination Committee meeting.

During the meeting held on August 21, 2026, the Nomination Committee has performed the Annual Assessment for each Director. The Nomination Committee, having considered the following assessment results, was satisfied that with the time commitment and contribution of all the Directors:

- Full attendance of the meetings of the Board and the relevant Board committees as well as the annual general meeting (the “AGM”) for the FY2024/2025;
- Fully engaged, actively participated in discussions and contributed the Directors’ own views at the Board and Board committee meetings;
- Devoted sufficient time by the Directors to understanding the affairs of the Company’s business, its business model and strategies;
- No over-boarding of all the Directors;
- Discussions among the Directors during the Board and Board committee meetings have been effective;
- Sufficient and timely disclosures on conflicts of interest by all the Directors concerned; and
- Discussions and decisions made by the Directors have been adhered to the Group’s corporate culture and values with the aim of achieving long-term sustainability.

CORPORATE GOVERNANCE REPORT

Board Meetings

The Board meets at least four times a year at approximately quarterly intervals and additional meetings will be convened as and when required. During the FY2025/26, four Board meetings as well as an AGM of the Shareholders were held. Details of the attendance of the Directors are as follows:

	Number of Board meetings attended/ eligible to attend	AGM attended/ eligible to attend
Board of Directors		
<i>Executive Directors</i>		
Mr. Chew Hua Seng	4/4	1/1
Mr. Liu Ying Chun	4/4	1/1
<i>NED</i>		
Ms. Geng Yu	4/4	1/1
<i>INEDs</i>		
Mr. Tan Yeow Hiang, Kenneth	4/4	1/1
Mr. Wilson Teh Boon Piau	4/4	1/1
Mr. Liu Guilin	4/4	1/1

The Group recognises that a comprehensive corporate governance management structure is crucial in helping the Company to implement its strategies and policies effectively and consistently throughout the Group, and safeguard the long-term interests of its shareholders. Accordingly, the Company has established the following policies and mechanism and has continuously reviewed them to ensure that the Group meets the requirements of the applicable laws and regulations:

- Board Diversity Policy
- Mechanisms Ensuring Independent Views Available to the Board
- Anti-corruption Policy
- Whistle-blowing Policy

CORPORATE GOVERNANCE REPORT

BOARD DIVERSITY AND WORKFORCE POLICY

Board Diversity Policy

The Board values diversity as a factor in selecting candidates to serve on the Board, and believes that the diversity which exists in its composition provides significant benefits to the Board and the Company.

The Board adopted a board diversity policy (the “**Board Diversity Policy**”) which relates to the selection of candidates for the Board. The Board believes that a key success factor of an effective Board is that it comprises a range and balance of skills, experience, knowledge and independence with individuals that work as a team. The Board Diversity Policy was adopted to ensure that diversity in its broadest sense continues to remain a feature of the Board.

Pursuant to Rule 17.104 of the GEM Listing Rules, gender diversity of the Board is a factor of achieving Board diversity. Throughout the FY2025/26, the Company had one female Director, representing 16.7% of the Board and complied with the aforesaid requirement of the GEM Listing Rules. The Board targets to maintain at least the current level of female representation, while striving to progress towards the Company’s long-term goal of further enhancing its Board diversity.

The Nomination Committee has been delegated with the responsibilities for the review of the Board Diversity Policy on an annual basis to ensure its continued effectiveness, and where necessary, will make revisions that may be required and recommend any such revision to the Board for consideration and approval.

At the meeting held on August 21, 2026, the Nomination Committee has reviewed the implementation and effectiveness of the Board Diversity Policy during the Year and considered that it was sufficient and effective, and that the nomination policy of the Company can ensure that there will be a pipeline of potential successors to the Board.

Workforce Diversity Policy

As at June 30, 2026, the numbers and gender ratios of the workforce are:

	Male	Female
Senior management	4 (100%)	0 (0%)
All group employees (<i>excluding senior management</i>)	19 (58%)	14 (42%)

The Company’s hiring is merit-based and non-discriminatory. While the senior management is of single gender, in view of the size of the total workforce and the Company’s business model, the Board is satisfied with the gender diversity of the Group. The Board will continuously review the composition of the senior management and will hire a female senior management member when necessary.

The Company offers all-rounded trainings to all employees of both gender whom we consider having the suitable experience, skills and knowledge of our operation and business, including but not limited to, business operation, management, accounting and finance, legal and compliance and research and development.

CORPORATE GOVERNANCE REPORT

INDEPENDENT VIEWS OF THE BOARD

In compliance with Code B.1.4 of the CG Code, the Company has established mechanisms to ensure that a strong independent element on, and independent views and input are available to the Board (the “Mechanisms”).

The Mechanisms cover the composition of the Board and Board Committees, the independence assessment of the INED, Board decision making progress and guideline of policy implementation review.

The Board will review the implementation and effectiveness of the Mechanisms annually. At the meeting held on August 21, 2026, the Board has reviewed the implementation and effectiveness of the Mechanisms during the FY2025/26 and considered that the existing Mechanisms is sufficient and effective.

The Board have also taken into account the respective contributions of the INEDs to the Board and their firm commitments to their independent roles. During the FY2025/26, all the INEDs do not hold any cross-directorships or have any significant links with other Directors through involvement in other companies or bodies that could give rise to conflicts of interest in their roles as INEDs and they are not involved in the daily management of the Company nor in any relationships or circumstances which would affect the exercise of their independent judgment. They continue to demonstrate their ability to provide an independent, balanced and objective view to the affairs of the Company.

ANTI-CORRUPTION POLICY

To outline the Company’s expectations and requirements on prevention, detection, reporting and investigation of any suspected fraud, corruption and other similar irregularities; and to provide information and guidance on recognising and dealing with bribery and corruption, the Company has established its group-wise anti-corruption policy that complies with Code D.2.7 of the CG Code.

Our staff can anonymously report any suspected corrupt incident directly to the chairman of the Audit Committee, who will review the complaints and determine the appropriate mode of investigation and subsequent corrective action. Upon completion of investigation, the results of investigation together with corrective action plans (if any) will be communicated to the senior management of the Company. No incident of fraud or misconduct was considered to have material effect on the Group’s financial statements or overall operations for the FY2025/26. The anti-corruption policy is reviewed and updated periodically to align with the applicable laws and regulations as well as the industry best practice.

WHISTLE-BLOWING POLICY

The Group is committed to achieving and maintaining the highest standards of openness, probity and accountability, the Company has established a whistle-blowing policy which forms an important part of its effective risk management and internal control systems.

CORPORATE GOVERNANCE REPORT

Under the whistle-blowing policy, the whistleblowers can be any employee of the Group or any third party who deal with the Group (e.g. customers, suppliers, etc.). The whistleblowers who wish to report a concern can complete and send a prescribed whistleblowing report form with supplementary information, if any, directly to the management of the Company by email or by post. No concern was reported nor proved to be correct and substantiated during the FY2025/26. The whistle-blowing policy is reviewed and updated periodically to align with the applicable laws and regulations as well as the industry best practice.

The Group strictly adheres to the rules and regulations relating to anti-corruption and fraudulent behaviors set out by the relevant authorities. At the same time, the Group maintains a high standard of business integrity throughout its operations. We require our employees to follow our employee manual and code of business conduct and ethics, negligence and corruption. We also carry out regularly on the job compliance training for our senior management and employees to maintain a healthy corporate culture and enhance their compliance perception and responsibility.

Directors' Induction and Continuous Professional Development (the "CPD")

Each newly appointed Director will receive formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of the Director's responsibilities and obligations under the GEM Listing Rules and relevant statutory requirements (the "Directors' Induction"). The Company is dedicated to arrange Directors' Induction or CPD for newly appointed Director and all Directors, as the case may be, at the Company's expenses to develop, replenish and refresh their knowledge and skills. The Company will from time to time provide briefings to all Directors to develop and refresh the Directors' duties and responsibilities. All Directors are also encouraged to attend relevant training courses at the Company's expense.

CORPORATE GOVERNANCE REPORT

All Directors are required to provide the Company with their training records. The following is the Directors' training records for FY2025/26:

	Attend internal training	Self-studying/ Reading materials	Total training hours
Mr. Chew Hua Seng	A, B, C, D	A, B, C, D, E	12
Mr. Liu Ying Chun	A, B, C, D	A, B, C, D, E	14
Ms. Geng Yu	A, B, C, D	A, B, C, D, E	12
Mr. Tan Yeow Hiang, Kenneth	A, B, C, D	A, B, C, D, E	12
Mr. Wilson Teh Boon Piaw	A, B, C, D	A, B, C, D, E	12
Mr. Liu Guilin	A, B, C, D	A, B, C, D, E	15

- A: The roles, functions and responsibilities of the Board, its committees and Directors, and Board effectiveness
- B: Listed companies' obligations and directors' duties under Hong Kong law and the Listing Rules, and key legal and regulatory developments (including Listing Rule updates) relevant to the discharge of such obligations and duties
- C: Corporate governance and ESG matters (including developments on sustainability or climate-related risks and opportunities relevant to the issuer and its business)
- D: Risk management and internal controls
- E: Updates on industry-specific developments, business trends and strategies relevant to the Company

CORPORATE GOVERNANCE REPORT

Board Committees

The Board is supported by four Board committees. Each committee has its defined scope of duties and terms of reference and the committee members are empowered to make decisions on matters within their respective terms of reference.

(1) *Audit Committee*

The Company has established the Audit Committee with clear written terms of reference in compliance with the CG Code, which are posted on the respective websites of the Stock Exchange and the Company. The primary duties of the Audit Committee are (a) to review the Group's financial statements and annual, interim and quarterly reports; (b) to discuss and review with the Independent Auditor of the Company on the scope and findings of the audit and the Independent Auditor's management letter; and (c) to review the financial and accounting policies and practices, financial controls and internal controls (including those relating to the Group's ESG risk, performance and reporting) of the Group.

Currently, the Audit Committee has three members comprising two INEDs and one NED, namely Mr. Tan Yeow Hiang, Kenneth (chairman of the Audit Committee), Mr. Liu Guilin and Ms. Geng Yu.

The Audit Committee held four meetings during the FY2025/26 to review and supervise the financial reporting process and system of internal controls and recommend the re-appointment of the Independent Auditor. It had, in conjunction with the Independent Auditor, reviewed the Group's audited annual results for the year ended June 30, 2025 and unaudited first quarterly results for the three months ended September 30, 2025, interim results for the six months ended December 31, 2025 and third quarterly results for the nine months ended March 31, 2026 and recommended the same to the Board for its consideration and approval. The Audit Committee was of the opinion that such results had been prepared in compliance with the applicable accounting standards and requirements and that adequate disclosure had been made. There was no disagreement between the Board and the Audit Committee on the selection and appointment of the Independent Auditor for the FY2025/26. The Audit Committee also carried out and discharged its other duties as set out in the CG Code.

The Audit Committee met on August 21, 2026 and among other matters, reviewed the Group's audited consolidated results for the FY2025/26.

CORPORATE GOVERNANCE REPORT

The attendance of each INED and NED at the Audit Committee meeting during the FY2025/26 is as follow:

Members	Number of meetings attended/eligible to attend
Mr. Tan Yeow Hiang, Kenneth (<i>Chairman</i>)	4/4
Mr. Liu Guilin	4/4
Ms. Geng Yu	4/4

(2) Remuneration Committee

The Company has established the Remuneration Committee according to the relevant provisions of the CG Code of the GEM Listing Rules with specific written terms of reference. Its primary duties are to (a) make recommendations to the Board on the Company's policy and structure for all remuneration of executive Directors and senior management and the remuneration of non-executive Directors; (b) establish formal and transparent procedures for developing a policy on remuneration; (c) review and approve the management's remuneration proposals by reference to the Board's corporate goals and objectives; (d) make recommendations to the Board on the remuneration packages of individual executive Directors and senior management; and (e) to review and/or approve matters relating to share schemes under Chapter 23 of the GEM Listing Rules.

The Remuneration Committee presently comprises an executive Director, Mr. Chew Hua Seng, and two INEDs, namely Mr. Liu Guilin (chairman of the Remuneration Committee) and Mr. Tan Yeow Hiang, Kenneth.

During the FY2025/26, the Remuneration Committee held a meeting to, among others, assess the performance and remuneration of the executive Directors and discuss the policy for the remuneration of Directors and senior management.

The attendance of each Director who was a member of the Remuneration Committee at the Remuneration Committee meeting during the FY2025/26 is as follows:

Members	Number of meetings attended/eligible to attend
Mr. Liu Guilin (<i>Chairman</i>)	1/1
Mr. Chew Hua Seng	1/1
Mr. Tan Yeow Hiang, Kenneth	1/1

CORPORATE GOVERNANCE REPORT

The Remuneration Committee met on August 21, 2026 and among other matters, reviewed the remuneration package of all Directors and made recommendation to the Board on the remuneration proposal for all Directors and senior management.

(3) *Nomination Committee*

The Company has established a Nomination Committee according to the relevant code provisions of the CG Code with specific written terms of reference which are posted on the respective websites of the Stock Exchange and the Company. Its primary duties are to: (a) review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; (b) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; (c) assess the independence of the INEDs; and (d) make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the CEO of the Group.

During the Year, the Nomination Committee consisted of three members, of which two are INEDs. The members of the Nomination Committee were Mr. Wilson Teh Boon Piau (chairman of the Nomination Committee) and Mr. Liu Guilin (both INEDs), and Mr. Chew Hua Seng (an executive Director) (resigned on August 22, 2025) and Ms. Geng Yu (a NED) (appointed on August 22, 2025). The Nomination Committee determines the policy for the nomination of Directors, the nomination procedures, process and criteria adopted in the selection and recommendation of candidates for directorship. Details of the nomination policy of the Company (the "**Nomination Policy**") are set out below under section headed "Nomination Policy".

During the FY2025/26, the Nomination Committee held one meeting and, among other matters, assessed the independence of the INEDs, recommended to the Board for consideration the re-appointment of all the retiring Directors as Directors, performed annual Board performance evaluation and annual assessment of Directors, as well as reviewed and assessed the Board composition on behalf of the Board taking into account the Board Diversity Policy.

In determining the Board's composition, the Nomination Committee has considered a number of aspects, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service, which have been incorporated in the Board Diversity Policy. The Nomination Committee will also consider factors based on the Company's business model and specific needs from time to time in determining the optimum composition of the Board.

CORPORATE GOVERNANCE REPORT

The attendance of each Director who was a member of the Nomination Committee at the Nomination Committee meeting during the FY2025/26 is as follows:

Members	Number of meetings attended/eligible to attend
Mr. Wilson Teh Boon Piau (<i>Chairman</i>)	1/1
Mr. Chew Hua Seng (resigned on August 22, 2025)	1/1
Mr. Liu Guilin	1/1
Ms. Geng Yu (appointed on August 22, 2025)	0/0

The Nomination Committee met on August 21, 2026 and, amongst other matters, recommended the re-appointment of all the retiring Directors at the forthcoming AGM.

(4) Risk Management Committee

The Risk Management Committee currently consists of three members, of which two are INEDs. The members of Risk Management Committee are Mr. Tan Yeow Hiang, Kenneth (chairman of the Risk Management Committee), Mr. Wilson Teh Boon Piau (both INEDs) and Mr. Liu Ying Chun (an executive Director).

The primary duties of the Risk Management Committee are to formulate the appropriate framework, system and policies for managing risks relating to the activities of the Group, and to provide support to the Board on proposed strategic transactions by focusing on risk aspects and implications of the risks for the Group.

During the FY2025/26, the Risk Management Committee held two meetings to review amongst others, the risk management system and discuss risk management-related matters.

The attendance of each Director who was a member of the Risk Management Committee at the Risk Management Committee meeting during the FY2025/26 is as follow:

Members	Number of meetings attended/eligible to attend
Mr. Tan Yeow Hiang, Kenneth (<i>Chairman</i>)	2/2
Mr. Liu Ying Chun	2/2
Mr. Wilson Teh Boon Piau	2/2

CORPORATE GOVERNANCE REPORT

NOMINATION POLICY

The Nomination Policy aims to ensure that the Board has a balance of skills, experience, knowledge and diversity of perspective appropriate to the requirement of the Group's business. It provides the key selection criteria and procedures in making any recommendation on the appointment and re-appointment of the Directors.

Selection Criteria

The Nomination Committee shall consider a number of selection criteria including but not limited to the following for making recommendation on appointment of any proposed candidate to the Board or re-appointment of any existing member of the Board.

- (a) Diversity in the aspects of, amongst others, gender, age, cultural and educational background, professional experience, skill, knowledge and length of service;
- (b) Qualifications including accomplishment and experience in the relevant business industries in which the business of the Company;
- (c) Commitment for responsibilities of the Board in respect of available time and relevant interest;
- (d) Independence (for INEDs);
- (e) Character and integrity;
- (f) Potential contribution that the individual will bring to the Board; and
- (g) Other perspective that are appropriate to the Company's business and succession plan.

Nomination Procedures

The Nomination Committee will recommend to the Board for the appointment or re-appointment of a Director in accordance with the following procedures or process:

- (a) The Nomination Committee may adopt any process it considers appropriate in evaluating the suitability of the candidate, such as interviews, background checks, presentations and the third party reference checks;
- (b) The Nomination Committee should evaluate such candidate based on the selection criteria as set out above to determine whether such candidate is qualified for directorship;

CORPORATE GOVERNANCE REPORT

- (c) When considering a candidate's suitability for the directorship, the Nomination Committee and/or the Board will hold a meeting and/or by way of written resolutions to approve the appointment and make recommendation to Shareholders in respect of the proposed election of Director at the general meeting (the "GM");
- (d) The Nomination Committee should review the overall contribution and service to the Company of the retiring Director and the level of participation and performance on the Board; and
- (e) The Nomination Committee and/or the Board should determine whether the retiring Director continues to meet the selection criteria and to make recommendation to Shareholders in respect of the proposed re-election of Director at the GM.

CORPORATE GOVERNANCE FUNCTION

The Risk Management Committee is responsible for developing and putting in place policies and practices to ensure compliance with the provisions of the CG Code, for the training and continuous professional development of the Directors and senior management, for the compliance with legal and regulatory requirements, etc.

During the FY2025/26, the Board has through the Risk Management Committee reviewed the Company's policies and practices on corporate governance as well as the corporate governance report contained in the Company's 2025/2026 annual report in discharge of its corporate governance functions, ensuring compliance with the GEM Listing Rules.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Particulars of the Directors' remuneration for the FY2025/26 are set out in note 10 to the consolidated financial statements. Pursuant to code provision E.1.5 of the CG Code, the remuneration of the members of the senior management (other than the Directors) whose particulars are contained in the section headed "Biographical Details of Directors and Senior Management" in this annual report for the FY2025/26 by band is set out below:

Remuneration band (in RMB)	Number of individuals
Nil to 500,000	3

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for the preparation of the consolidated financial statements of the Group. In preparing the financial statements, the generally accepted accounting standards in Hong Kong have been adopted, appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgement and estimates have been made.

CORPORATE GOVERNANCE REPORT

The Board is not aware of any material uncertainties relating to events or conditions which may cast significant doubt over the Group's ability to continue as a going concern. Accordingly, the Board has continued to adopt the going concern basis in preparing the financial statements. The Independent Auditor's responsibilities are set out in the "Independent Auditor's Report" of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board has overall responsibility for the establishment, maintenance and review of the Group's systems of internal controls and risk management (including ESG risks and opportunities). The Company has an established risk framework under which it identifies risks relevant to the operations and activities of the Group, and assesses these risks in relation to their likelihood and potential impacts. The Group's internal control and risk management systems include a well-defined management structure with limits of authority, which is designed to achieve business objectives, safeguard assets against unauthorised use or disposition, ensure proper maintenance of books and records for the provision of reliable financial information for internal use or publication, and ensure compliance with relevant legislations and regulations. Such systems are designed to manage, rather than eliminate the risk of failure to achieve business objectives, and aims to provide a reasonable, as opposed to an absolute assurance against material misstatement or loss.

The Company does not have an internal audit department. The Board currently takes the view that there is no immediate need to set up an internal audit function in light of the size, nature and complexity of the Group's business. The need for an internal audit function will be reviewed from time to time. However, during the FY2025/26, the Company has engaged an external professional internal control consultant firm (the "Internal Control Consultant") to provide internal control review services to the Group on an annual basis. The internal control review report issued by the Internal Control Consultant was reviewed by the Audit Committee and the Board. No major issue was raised for improvement.

The Board has through the Audit Committee and Risk Management Committee reviewed, and is satisfied with, the effectiveness of the systems of internal controls and risk management (including ESG risks and opportunities) of the Group.

DISCLOSURE OF INSIDE INFORMATION

The Group acknowledges its responsibilities under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) and the GEM Listing Rules and the overriding principle that inside information should be announced immediately when it is the subject of a decision. The procedures and internal controls for the handling and dissemination of inside information are as follows:

- the Group conducts its affairs with close regard to the disclosure requirement under the GEM Listing Rules as well as the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission of Hong Kong in June 2012;

CORPORATE GOVERNANCE REPORT

- the Group has implemented and disclosed its policy on fair disclosure by pursuing broad, non-exclusive distribution of information to the public through channels such as financial reporting, public announcements and its website;
- the Group has strictly prohibited unauthorised use of confidential or inside information; and
- the Group has established and implemented procedures for responding to external enquiries about the Group's affairs, so that only the executive Directors, the company secretary of the Company (the "Company Secretary") and investor relations officers are authorised to communicate with parties outside the Group.

REMUNERATION OF THE INDEPENDENT AUDITOR

The consolidated financial statements for the FY2025/26 were audited by BDO whose term of office will expire at the forthcoming AGM. The Audit Committee has recommended to the Board that BDO be nominated for re-appointment as Independent Auditor at the forthcoming AGM.

The remuneration paid/payable to BDO and its network firm in respect of the FY2025/26 is set out below:

Type of Services	Fees Paid/Payable (RMB'000)
Assurance services	
Current year	
— Auditing of financial statements, agreed-upon procedures on the Group's preliminary annual results announcement and report on the Group's continuing connected transactions	634
— Auditing of financial statements of subsidiary of the Group	50
Services other than audit and review	
— Tax services for a subsidiary of the Company in Singapore and Malaysia	16
	700

CORPORATE GOVERNANCE REPORT

COMPANY SECRETARY

The Company Secretary is Ms. Tung, who has been appointed by the Board since January 22, 2021 and has been so nominated by Boardroom Corporate Services (HK) Limited (“Boardroom”) under an engagement letter entered into between the Company and Boardroom. The primary person of the Company with whom Ms. Tung has been contacting is Mr. Zhang Jianguang, deputy general manager, in relation to corporate secretarial matters. Ms. Tung has extensive experience in the corporate secretarial field, audit and assurance, financial management and corporate finance, gained from her working with an international accounting firm and a number of listed companies in Hong Kong. Ms. Tung is a fellow member of The Hong Kong Institute of Certified Public Accountants and a Fellow Certified Practising Accountant of the CPA Australia. Ms. Tung had attended no less than 15 hours of relevant professional training in compliance with Rule 5.15 of the GEM Listing Rules during the FY2025/26.

DIVIDEND POLICY

In order to enhance transparency of the Company and facilitate the Shareholders and investors to make informed investment decisions relating to the Company, the Board has adopted a dividend policy of the Company (the “Dividend Policy”).

According to the Dividend Policy, the dividend payments will depend upon the share capital and/or the distributable reserve of the Company and the availability of dividends that the Company received from any of its subsidiaries. The Board may declare dividends taking into account the operations, earnings, financial condition, cash requirements and availability, all applicable requirements under the Companies Ordinance and the Articles of Association and other factors as it may deem relevant at such time. The payment of dividends may also be limited by legal restrictions and by financing agreements that the Company may enter into in the future.

Under the current laws and regulations of the PRC, dividends paid by companies incorporated in the PRC to a non-PRC resident enterprise shareholder are subject to a 10% withholding tax unless reduced by a tax treaty or arrangement. Under an arrangement between the PRC and Hong Kong and subject to approvals from the relevant local tax authorities, the Company is entitled to a reduced withholding tax rate of 5% on dividends which the Company receives from its subsidiaries in the PRC.

The Company does not have any pre-determined dividend distribution proportion or distribution ratio. The declaration, payment and amount of dividends will be subject to the Board’s discretion. The Board will review the Dividend Policy on a regular basis.

CORPORATE GOVERNANCE REPORT

SHAREHOLDER ENGAGEMENT

The Company communicates with the Shareholders and the potential investors of the Company (the “Investors”) mainly in the following ways:

- i the holding of AGMs and GMs, if any, which may be convened for specific purpose and provide opportunities for the Shareholders and the Investors to communicate directly with the Board;
- ii the publication of half-yearly and annual reports, announcements and/or circulars as required under the GEM Listing Rules and/or press releases of the Company providing updated information on the Group; and
- iii the latest information on the Group is available on the respective websites of the Stock Exchange and the Company.

The Shareholder engagement events and publications during FY2025/26 are summarised as follows:

Events/Publications	Number
General Meeting	1
Annual Report	1
Interim Report	1
Circulars and related documents	8
Announcements	15
Amended and Restated Articles of Association	1
Amended Terms of Reference of Nomination Committee	1
Monthly Returns	12
Company Information Sheet	1

CORPORATE GOVERNANCE REPORT

SHAREHOLDERS' RIGHTS

Procedures for Shareholders to convene a GM

The following procedures for Shareholders to convene a GM are subject to the Articles of Association and the Companies Ordinance (both as amended from time to time):

- i any one or more Shareholders representing at least 5 per cent. of the total voting rights of all the Shareholders having a right to vote at general meetings (the “**Eligible Shareholder(s)**”) may request the Board to call a GM;
- ii the request must state the general nature of the business to be dealt with at the meeting; and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting (the “**Written Request**”). Such Written Request may consist of several documents in like form and be sent to the Company in hard copy form in accordance with item (iii) below or in electronic form (via email at zhangjianguang@oriental-university-city.com); and must be authenticated by the Eligible Shareholder(s) making it;
- iii the Eligible Shareholder(s) who wish(es) to convene a GM must deposit a Written Request signed by the Eligible Shareholder(s) concerned to the registered office of the Company, presently located at 31st Floor, 148 Electric Road, North Point, Hong Kong and its principal place of business in the PRC at Level 3, 67 Zhangheng Road, Oriental University City, Langfang Economic & Technological Development Zone, Hebei Province, the PRC 065001 for the attention of the Board and/or the Company Secretary;
- iv the Requisition must state clearly the name of the Eligible Shareholder(s) concerned, his/her/their shareholding, the reason(s) to convene a GM and the details of the business(es) proposed to be transacted at the GM, and must be signed by the Eligible Shareholder(s) concerned;
- v the Requisition will be verified with the share registrar of the Company and upon their confirmation that the Requisition is proper and in order, the Board will convene a GM by serving sufficient notice in accordance with the requirements under the Articles of Association to all the registered Shareholders. On the contrary, if the Requisition has been verified as not in order, the Eligible Shareholder(s) concerned will be advised of this outcome and accordingly, the Board will not call for a GM; and
- vi if within 21 days of the deposit of the Requisition, the Board fails to proceed to convene such GM, the Eligible Shareholder(s) himself/herself/themselves may do so, and all reasonable expenses incurred by the Eligible Shareholder(s) concerned as a result of the failure of the Board shall be reimbursed to the Eligible Shareholder(s) concerned by the Company.

CORPORATE GOVERNANCE REPORT

Procedures for Shareholders to put forward proposal at GM

Shareholder(s) representing at least 5 per cent. of the total voting rights of all Shareholders who have a relevant right to vote or at least 50 Shareholders who have a relevant right to vote may request the Company to circulate to the Shareholders entitled to receive notice of a GM, a resolution proposed and a statement of not more than 1,000 words with respect to a matter mentioned in a proposed resolution to be dealt with at that GM.

The request may be sent to the Company in hard copy at the Company's registered office and principal place of business in the PRC or in electronic form (via email at zhangjianguang@oriental-university-city.com); must identify the resolution and any statement to be circulated; and must be authenticated by the Shareholder(s) making it.

PROCEDURES FOR SHAREHOLDERS TO SEND ENQUIRIES TO THE BOARD

Shareholders may send their enquiries and concerns to the Board by addressing them to the registered office of the Company, presently located at 31st Floor, 148 Electric Road, North Point, Hong Kong by post or by email to Ms. Tung at winnie.tung@boardroomlimited.com for the attention of the Company Secretary.

The Company treats all Shareholders fairly and equitably. At GMs and AGMs, the Shareholders are provided the opportunities to share their views and to meet the Board, including chairpersons of the Board committees and certain members of senior management.

SHAREHOLDERS' COMMUNICATION POLICY

The Company has adopted a Shareholders' communication policy with the objective of ensuring that the Shareholders will have equal and timely access to information about the Company in order to enable the Shareholders to exercise their rights in an informed manner and allow them to engage actively with the Company.

The Company discloses all necessary information to the Shareholders in compliance with the GEM Listing Rules and applicable laws and regulations. Updated and key information of the Group is also available on the Company's website. The Company also replies to the enquiries from the Shareholders timely. The Directors will host the AGM each year to meet the Shareholders and answer their enquiries.

CORPORATE GOVERNANCE REPORT

The Board has reviewed the Group's shareholders and communication activities conducted during the year ended June 30, 2026 and is satisfied with the implementation and effectiveness of the Shareholders' Communication Policy.

CONSTITUTIONAL DOCUMENTS

On October 24, 2025, the Company has adopted the amended and restated Articles of Association. For details, please refer to the announcements of the Company dated August 22, 2025 and October 24, 2025, and the Company's circular dated September 12, 2025.

The amended and restated Articles of Association is available on the respective websites of the Stock Exchange and the Company.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

Corporate Profile

Oriental University City Holdings (H.K.) Limited (the “**Company**” together with its subsidiaries, the “**Group**”) presents the environmental, social and governance report (the “**ESG Report**”) for the year ended June 30, 2026 (“**FY2025/26**”), with an aim to provide details of the system establishment and performance of the Group in terms of sustainable development to both the internal and external stakeholders.

Oriental University City (“**OUC**”) is a district located in Langfang Economic and Technology Development Zone (廊坊經濟技術開發區). It was one of the earliest university city established in the People’s Republic of China (the “**PRC**”) in 1999. OUC is 40km away from Beijing and 60km away from Tianjin and connected to the Beijing-Shanghai expressway network and closed to other major transport networks in Beijing and Tianjin. OUC is also in close proximity to Beijing Daxing Industrial Development Zone (北京大興工業園區), Tianjin Binhai New Area (天津濱海新區) and Tianjin Jingbin Industrial Zone (天津京濱工業園區), where there is a high concentration of foreign and domestic companies engaging in aviation, service industrial and information technology.

The Group currently occupies a gross site area of approximately 381,845 square meters in OUC, among which the Group owns teaching buildings with a gross floor area of approximately 84,051 square meters and dormitories with a gross floor area of approximately 114,337 square meters (collectively “**OUC Campus**”). The Group hosted 8 education institutions with a student population of approximately 7,000 within the OUC Campus.

Reporting Standard and Scope

This ESG report has been prepared in compliance with the “Environmental, Social and Governance Reporting Code” (the “**ESG Reporting Code**”) set out in Appendix C2 to the GEM Listing Rules (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). This ESG Report highlights the environmental and social measures and activities of the Group during the FY2025/26. For information regarding the corporate governance section, please refer to the Corporate Governance Report.

The Company is committed to creating sustained value for stakeholders by implementing ESG management framework into its operation with an aim to put the objectives of sustainable development into its daily practice. To be accountable to all the stakeholders, the Company endeavoured to minimise the influence on the environment, be aware of the employee well-being and contribute more to the community.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

GOVERNANCE STRUCTURE

Board's oversight of ESG issues

The Board retains overall responsibility for overseeing the Group's sustainability strategy, policy and annual reporting. The role of the Board involves directing and overseeing sustainability initiatives to ensure their effectiveness and relevance in light of the evolving sustainability landscape. The Board is committed to incorporate ESG mindset into the Group's business operations and responsible for the long-term sustainability of the Group, including formulating strategies and overseeing the Group's ESG-related risks and opportunities. The Board considers ESG-related risks and opportunities as part of the Company's overall strategic formulation.

The management is delegated to develop sustainability strategies and policies, implement sustainability initiatives and provide sustainability reporting. The management is responsible for executing projects, evaluating results, monitoring potential risks and reporting on performance.

ESG management approach and strategy for material ESG-related issues

To better understand the opinions and expectations of different stakeholders on the ESG issues, materiality assessment is conducted annually. The Group ensures various platforms and channels of communication are used to reach, listen and respond to its key stakeholders. Through communication with the stakeholders, the Group can understand their expectations and concerns. The feedbacks obtained allow the Group to make more informed decisions, and to better assess and manage the impacts of the business decisions.

The Group has evaluated the materiality for each of the ESG aspects through the following steps: (i) identification of ESG issues by the Group; (ii) key ESG areas prioritisation with stakeholder engagement; and (iii) validation and determining material ESG issues based on the results of communication with the stakeholders.

Taking these steps enhances the understanding of the expectations and concerns of the Group's stakeholders on various ESG issues, which enable the Board to plan the sustainable development direction to address material ESG-related issues in the future.

Progress made against ESG-related goals and targets

ESG-related goals and targets have been set to provide a strategic direction in business operations, the progress is closely reviewed by the Group from time to time. Modification may be needed if the progress falls short of expectation or change of business operations.

The Group's sustainability target enables the Company to develop a realistic roadmap and focus on results of achieving the visions. The sustainability performance and progress made against the goals are reported to the Board for review at least annually.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

REPORTING PRINCIPLES

The ESG Report follows the four reporting principles as mentioned in the ESG Reporting Code:

Materiality: Stakeholder engagement and materiality assessment were conducted annually to identify material ESG issues, and to ensure that these issues are addressed in the ESG Report.

Quantitative: Data presented in this ESG Report have been collected prudently. Please refer to the environmental and social performance data for standards and methodologies used for calculation of key performance indicators.

Balance: An unbiased and balanced picture of the performance has been disclosed in a transparent manner.

Consistency: Unless otherwise stated, the disclosures, data collection and calculation methods have remained consistent throughout the years to facilitate comparability over time.

REPORTING BOUNDARIES

The Group is principally engaged in the provision of education facilities leasing services in the PRC, Malaysia and Indonesia. It owns and leases education facilities, comprising primarily teaching buildings and dormitories to education institutions in the PRC, Malaysia and Indonesia; and to a much lesser extent, commercial leasing for supporting facilities. The Group also owns leases and manages hotel properties in Switzerland. All existing education facilities are located in the PRC, Malaysia and Indonesia. The education facilities located in the PRC has relatively high relevance to the environmental, social and governance aspects. Therefore, the disclosures in the ESG Report focus on the policies and performance of education facilities located in the PRC in FY2025/26 in relation to four environmental aspects and eight social aspects.

The key performance indicators (“KPIs”) data are gathered only from the operations under the Group’s direct operational control. The Group will continue to strengthen information of the major ESG aspects in order to enhance the disclosure of information on sustainable development when and where applicable.

STAKEHOLDER ENGAGEMENT

The Group deeply understands the close relationship between stakeholders and development of its business. In order to address key concerns of stakeholders, the Group maintains a close tie with its stakeholders, including government, investors, customers/potential customers, employees, community and the public.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group continues to improve stakeholder engagement and strives to understand and respond to stakeholders' expectations and requirements through diverse communication and response.

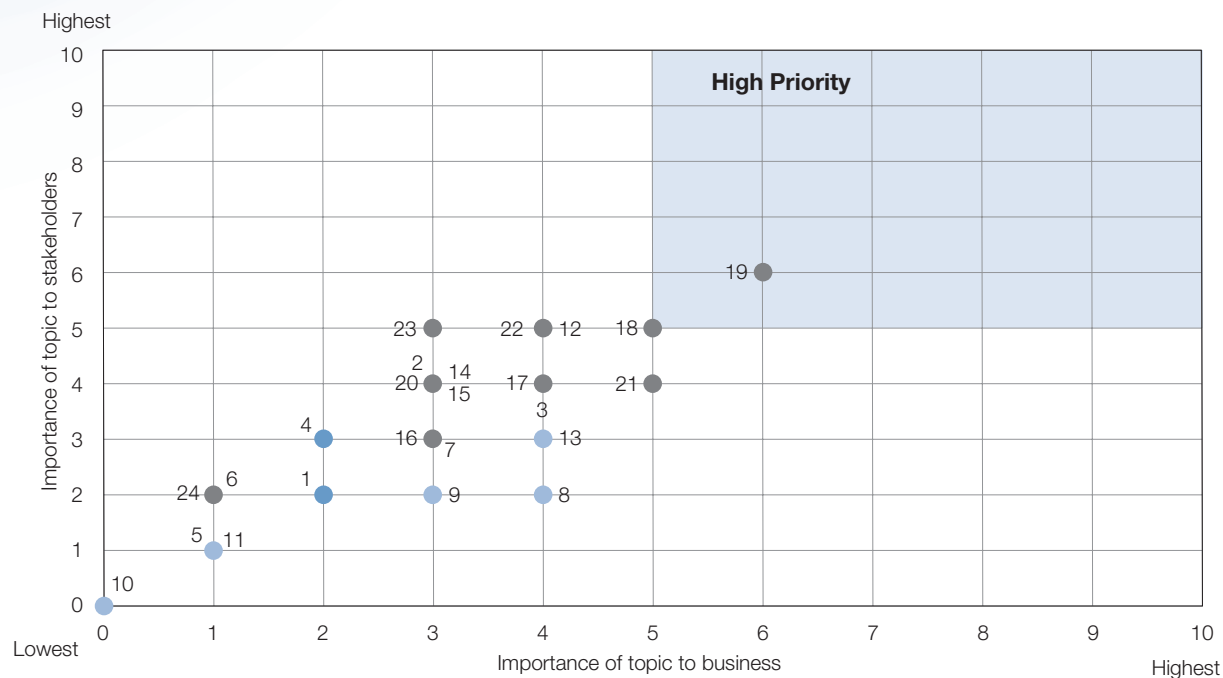
Stakeholders	Expectations and requirements	Communication and response
Government	• Operate in compliance with the laws • Tax payment in accordance with the laws	• Law-abiding operations • Pay tax on time and in full
Investors	• Implement corporate governance and create value • Information disclosure	• Optimise internal control and risk management • Release operating data in due course
Customers/ potential customers	• Customer information security • Reliability of services	• Customer privacy protection • Provide high quality education facilities and services
Employees	• Career development platform • Remuneration and benefits • Occupational health and safety	• Transparent promotion channel • Competitive remuneration package • Implements health and safety management system
Community and the public	• Positive learning atmosphere • Support social welfare • Protect the nature	• Create a conducive environment for colleges and students • Participate in charity works • Adhere to green operations

MATERIALITY ASSESSMENT

In the FY2025/26, the Group carried out materiality assessment on a number of ESG issues in order to identify which issues were crucial to the Group's business and were of the utmost concern to stakeholders. It helps the Group to ensure its business development can meet the expectations and requirements of stakeholders. The Group has identified 24 ESG issues covering environmental, social and operation, and has invited both internal and external stakeholders to assess the materiality of the ESG issues through a scoring tool and interviews. The Group's management has reviewed the ranking of materiality of the ESG issues and then disclosed the results in this report. The results of materiality assessment prioritised stakeholder inputs and made the Group focused on the material aspects for actions, achievements and reporting.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group's materiality matrix of ESG issues in FY2025/26:



Environmental issues

1. Greenhouse gas ("GHG") emissions
2. Energy consumption and resource management
3. Water resources management
4. Waste management
5. Use of packaging materials
6. Impact on the environment
7. Climate change

Social issues

8. Community contribution
9. Occupational health and safety
10. Child labour
11. Forced labour
12. Training and development
13. Salaries and employee benefits
14. Diversity and equal opportunity
15. Talent attraction and retention
16. Anti-corruption

Operation issues

17. Supply chain management
18. Supplier evaluation and selection
19. Customer satisfaction
20. Customer privacy
21. Feedback and complaint handling
22. Product safety and quality
23. Intellectual property protection
24. Marketing and labeling

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENT ASPECTS

The Group committed to maintain sustainable development and to comply with the relevant laws and regulations in respect of environmental protection, the Group endeavours to minimise the impacts of its operating activities on the environment.

Emissions

The Group knows that the quality of environment protection is very important to achieve of long-term development. The Group does its best to ensure that the concept of environmental sustainability is integrated into every part of its daily business operation. The Group keeps on monitoring all types of changes in the ways of producing waste and/or utilising energy during the process of carrying on its business activities.

The Group understands the importance of environmental protections. It actively implements multiple measures for environmental protection in its operations and formulates an Office Environmental Guidelines (《辦公室環保指引》) to reduce emissions. The key environmental performance indicators of the Group's emissions in FY2025/26 and FY2024/25 (defined as the year ended June 30, 2025) are shown in the table below:

Environmental indicators	Unit	FY2025/26	FY2024/25
Air emissions <i>(Note 1)</i>			
Nitrogen oxides (NO _x) emissions	Kg	14.25	17.88
Sulphur oxides (SO _x) emissions	Kg	0.03	0.03
Particulate matter (PM) emissions	Kg	1.34	1.71
GHG emissions			
Total GHG emissions <i>(Note 2,3)</i>	Tonnes CO ₂ e	567.54	385.01
GHG emissions intensity	Kg CO ₂ e/square meter of campus site	1.49	0.99
Direct emissions (Scope 1) <i>(Note 4)</i>	Tonnes CO ₂ e	8.01	6.00
Indirect emissions (Scope 2) <i>(Note 3, 5)</i>	Tonnes CO ₂ e	543.77	358.15
Other indirect emissions (Scope 3) <i>(Note 3,6)</i>	Tonnes CO ₂ e	15.76	20.86
Waste			
Total non-hazardous waste produced <i>(Note 7)</i>	Tonnes	N/A	N/A
Non-hazardous waste produced intensity	Tonnes/square meter of campus site	N/A	N/A
Total hazardous waste produced <i>(Note 8)</i>	Tonnes	N/A	N/A
Hazardous waste produced intensity	Tonnes/square meter of campus site	N/A	N/A

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Note 1: The emission factors used to calculate the NO_x, SO_x and PM are sourced from: (i) the Hong Kong Environmental Protection Department's ("EPD") EMFAC-HK Vehicle Emission Calculation model; and (ii) the United States Environmental Protection Agency's Vehicle Emission Modeling Software – MOBILE6.1. The assumption of 80% relative humidity, a temperature of 25 degrees Celsius, an average speed of 30km/h, and include running exhaust emissions only.

Note 2: GHG emissions can be divided into the following three separate areas:

Scope 1: Direct GHG emissions from operations that are owned or controlled by the Group including GHG emissions from stationary combustion and vehicles controlled in the PRC;

Scope 2: Indirect GHG emissions resulting from generation of purchased electricity that is consumed by the Group; and

Scope 3: Other indirect GHG emissions that occurred outside the Group, including both upstream and downstream emissions including: (i) emission from paper waste disposed at landfills; (ii) emission from electricity consumption for processing fresh water and sewage; and (iii) business travel by employees by the Group.

Note 3: The emission factor for Langfang City as in North China Grid (華北電網) is set at 0.9531 kg CO₂/kWh, which are sourced from The Ministry of Ecology and Environment of People's Republic of China (2024). The figures are calculated in accordance with the "Reporting Guidance on Environmental KPIs. The figures of FY2024/25 are restated as the emission factor used for the calculation of CO₂e associated with electricity purchased in Mainland China is changed in order to be in line with the calculation of the figure in the FY2025/26.

Note 4: The GHG emissions from natural gas combustion is calculated with reference to the "Guidance for quantification and reporting of the organization's greenhouse gas emissions" (組織的溫室氣體排放量化和報告指南).

Note 5: The significant increase in indirect emissions in FY2025/26 as compared with FY2024/25 was mainly attributable to the relocation of the PRC office in July 2025 to a new location, where space heating is provided entirely by electricity (previously covered under purchased heating at the former office).

Note 6: The electricity consumption per unit for treatment of fresh water and sewage in PRC are set at 0.596 and 0.29 kWh respectively.

Note 7: The Group has engaged a waste management company located in OUC to handle non-hazardous waste, such as food waste and general office waste. Hence, no data of non-hazardous waste is maintained by the Group itself.

Note 8: No hazardous waste is produced by the Group. In the event when any hazardous waste is to be disposed of, the Group would engage professional companies to handle it.

The Group upholds the principles of environmental protection management and is committed to the proper handling and disposal of all emissions and wastes. Specific actions have already been taken, which include:

- Maintaining an indoor temperature at an optional level for comfort;
- Installing LED lighting system in the offices. Saves power by implementing automatic lights off during non-business hours and providing manual override switch for all non-emergency lighting;

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- Encouraging the employees to switch off the computers and monitors when not utilised, setting office machines such as copiers and TV monitors to switch off automatically after office hours;
- Encouraging the employees to make the best use of modern telecommunication system to avoid unnecessary travel arrangement;
- Putting up signage emphasising the importance of energy saving at offices are in place;
- Performed minimal renovations, by re-using existing flooring, furniture etc.;
- Works closely with various local governments in Langfang City, Hebei Province, to promote PRC environment protection strategies to its tenants; and
- Promotes the knowledge of environmental protection to students and staff in its campus and advocates students therein to sort their trash into separate bins.

To better manage the Group's material topics and its performance on emissions, the Group decides to set quantifiable targets for air emissions and GHG emissions over the year ending June 30, 2029 ("FY2028/29") with baseline FY2023/24 as follows:

Environmental indicators	Reduction target	Baseline Year	Status
NO _x emissions intensity	Reduce 3% by FY2028/29	FY2023/24	In progress
SO _x emissions intensity	Reduce 3% by FY2028/29	FY2023/24	In progress
PM emissions intensity	Reduce 3% by FY2028/29	FY2023/24	In progress
GHG emissions (Scope 1 & Scope 2) intensity	Reduce 3% by FY2028/29	FY2023/24	In progress
Non-hazardous waste produced intensity	Reduce 3% by FY2028/29	FY2023/24	In progress
Hazardous waste produced intensity	Maintain zero generation	FY2023/24	In progress

In FY2025/26, the Group was not aware of any material non-compliance with the relevant laws and regulations relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that have significant impact, including Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》) and Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國水污染防治法》). In addition, there was no report of significant fines or non-monetary sanctions as the result of non-compliance with relevant laws and regulations in FY2025/26.

Use of Resources

The Group pays attention to environmental protection and is striving to realise reasonable utilisation of energy and resources. An Office Environmental Guidelines has been established and appropriate measures are advocated for enhancement of utilisation rate.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The key environmental indicator data in respect of use of resources by the Group is shown below:

Environmental indicators	Unit	FY2025/26	FY2024/25
Units of diesel consumed	kWh	N/A	N/A
Units of petrol consumed ^(Note 1)	kWh	19,062.92	21,873.41
Units of purchased heating consumed ^(Note 2)	kWh	–	181,941.38
Units of purchased electricity consumed ^(Note 3)	kWh	570,526.00	375,776.00
Total energy consumption	kWh	589,588.92	579,590.79
Total energy consumption intensity	kWh/square meter of campus site	1.54	1.49
Amount of water consumption ^(Note 4)	Tonnes	1,266.00	585
Water consumption intensity	Tonnes/square meter of campus site	0.003	0.002
Total amount of packaging materials used ^(Note 5)	Tonnes	N/A	N/A
Intensity of packaging materials used	Tonnes/units of product	N/A	N/A

Note 1: The conversion factor used to convert data in other units to kWh is sourced from the Energy Statistics Manual issued by the International Energy Agency.

Note 2: During FY2025/26, no heating was purchased by OUC. The Group relocated its PRC office in July 2025 to a new location where space heating is provided entirely by electricity. Consequently, all heating-related energy consumed is already reflected in the electricity consumption data, and purchased heating is reported as nil.

Note 3: Electricity was consumed for the PRC office and vacant buildings maintenance. The significant increase in electricity consumption from 375,776 kWh in FY2024/25 to 570,526 kWh in FY2025/26 was mainly attributable to the relocation of the PRC office in July 2025 to a new location, where space heating is generated entirely by electricity.

Note 4: Water consumption was used for PRC office and vacant buildings maintenance.

Note 5: The Group's business does not involve any use of packaging materials. Therefore, no data in this aspect is available.

During the FY2025/26, the Group has not experienced any difficulty in sourcing water that is fit for the usage of the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group seeks opportunities to reduce and recycle resources that have consumed in order to minimise the amount of waste generated to the environment by the following steps taken to achieve it:

- Encouraging all employees to reduce paper usage by using double-sided papers and by a frequent use of electronic information systems for material sharing or internal administrative documents as part of the environmental protection campaigns.

In the future, the Group will continue its commitment in environmental protection and strive to build a greener and healthier environment to fulfil its responsibilities as a member of the community we all live in.

To better manage the Group's material topics and its performance on environmental aspect, the Group decides to set quantifiable targets for use of resources over the FY2028/29 with baseline FY2023/24 as follows:

Environmental indicators	Reduction target	Baseline Year	Status
Energy consumption intensity	Reduce 3% by FY2028/29	FY2023/24	In progress
Water consumption intensity	Reduce 3% by FY2028/29	FY2023/24	In progress

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Environment and Natural Resources

The Group engages a gardening service provider to provide gardening services on its campus site, including the removal of any unwanted or dead plants and replenishment with new seed beds and healthy plants. The gardening service provider has to comply with the Group's internal guidelines on Gardening Maintenance Scheme (《綠化養護方案》), Gardening Maintenance Operation Guideline (《綠化養護操作規範》) together with Gardening Maintenance Quality and Examination Standards (《綠化養護質量與考核標準》) which set out the frequency of fertilization on different types of plants, and guidelines for tree cutting and trimming, removal of dead plants and application of disinfectants.



▲ Environmental enhancement on campus site



▲ Campus environment

Climate Change

Task Force on Climate-related Financial Disclosures (the “TCFD”) provides a reporting framework for companies to report their climate-related risks to the stakeholders. TCFD divided climate-related risks into physical risks and transition risks, the physical impacts of climate change and transition risks brought by decarbonisation could have material impact to the Group's operation and development. The Group has raised its awareness towards the risks and potential impacts on the Group due to climate change. The Group has identified the climate-related risks that may adversely impact the Group's operations and development.

The Group understands that the climate change has posed existential threats to the world and its operation, and the Group must put effective measures in place to protect its operations from potential disruptions and damages caused by them. Such risks include physical risks such as typhoon and rainstorms potentially leading to loss of electrical power, property and machinery damage and staff casualty as well as transition risks such as policy and regulatory changes.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In response to these, the Group has created risk management system and procedures to identify, monitor and control climate change impacts. Particular measures to mitigate climate change related impacts include the enhancement and well maintenance of building design and structure and facilities therein to strengthen endurance against extreme weathers. Emergency plans including flexibility of working hour and location under certain extreme weathers are also in place to maintain the Group's day-to-day operation in order and reduce risks of staff injuries when commuting.

The Group is also concerned about the exposure to relevant regulatory requirement that would have potential cost implications or disruption of operation due to failure to meet them by the then practices of operations. Failure to comply with those limits would lead to a fine and or even an order to suspend the operation for a certain period. The Group will regularly review relevant policy updates and assess their potential impact on the operation and stipulate relevant responsive measures to mitigate the potential risks.

SOCIAL ASPECTS

The Group provides employees with a fair working environment, protects their physical and mental health, and provides training to improve their knowledge and skills for discharging duties at work.

Employment

The Group understands that human resources is one of its most important valuable assets. The Group respect culture and individual diversity, it aims to uphold a fair and equitable human resource policy, in which quality and merit of the candidates are the most important elements to be assessed during the recruitment and promotion processes. The Group offers equal employment opportunities to different genders, age groups and nationalities such that a sound of diversify of human resources can be achieved. The Group has established human resource management policy which covers: (i) recruitment and promotion; (ii) working hours; (iii) rest periods; and (iv) benefits and welfare.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

As of June 30, 2026, the total number of employees being employed by the Group in the PRC was 37 (FY2024/25: 36). Summaries of the composition of the employees in the PRC for the FY2025/26 are disclosed as follows:

The composition of the employees by categories

	Unit	FY2025/26	FY2024/25
Workforce by gender			
Male	No. of employees	23(62%)	23(64%)
Female	No. of employees	14(38%)	13(36%)
Workforce by employment type			
Part time	No. of employees	–	–
Full time	No. of employees	37(100%)	36(100%)
Workforce by age group			
Under 30 years old	No. of employees	–	–
30 to 50 years old	No. of employees	23(62%)	22(61%)
Over 50 years old	No. of employees	14(38%)	14(39%)
Workforce by geographical region			
Hong Kong	No. of employees	–	–
Mainland China	No. of employees	37(100%)	36(100%)

As of June 30, 2026, employee turnover rate in the PRC by categories for the FY2025/26 are disclosed as follows:

Employee turnover rate by categories	FY2025/26	FY2024/25
Employee turnover rate by gender ^(Note 1)		
Male	1(4%)	3(13%)
Female	1(7%)	–
Employee turnover rate by age group ^(Note 1)		
Under 30 years old	–	–
30 to 50 years old	–	3(14%)
Over 50 years old	2(14%)	–
Employee turnover rate by geographical region ^(Note 1)		
Hong Kong	–	–
Mainland China	2(5%)	3(8%)

Note 1: Employee turnover rate by categories is calculated by dividing the total number of employees departed in such category by the total number of employees in the corresponding category.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group has placed a high value on the employee welfare by providing a clean working and living environment with a relaxing and pleasant atmosphere. All the staff are entitled to social insurance and various paid leave, such as sick leave, work-related injury leave, statutory holidays, marital leave, maternity leave, compassionate leave and annual leave.

In FY2025/26, the Group was not aware of any material non-compliance with the relevant laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare that have significant impact. The Group strictly complied with local laws and regulations relating to employment, such as Labour Law of the People's Republic of China (《中國人民共和國勞動法》) and Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》). In addition, there was no report of significant fines or sanctions as the result of non-compliance with relevant laws and regulations in FY2025/26.

Health and Safety

The Group is committed to provide and maintain a safe and health working environment for all employees.

In order to strengthen employees' work safety awareness and to reduce number and severity of injuries and accidents, the Group has developed health and safety policies including prohibition of smoking in the workplace, abuse of alcohol and drugs, identification and prevention of risks and hazards on its campus site, and follow-up actions for accidents or personal injuries. The Group requires its employees to strictly adhere to and comply with such policies, which are set out in the employee handbook.

The Group attaches great importance to fire safety. The entire campus site has been equipped with fire station and firefighting devices such as fire extinguishers and fire hydrants. In addition, the leasing contracts include the clauses of fire safety and for customers who rent the whole buildings, Fire Safety Responsibility Letters (《消防安全責任狀》) are necessary to be signed to declare the responsibilities for fire safety as lessees. Apart from submitting supporting documents of firefighting devices to Fire Protection Section of Langfang City (廊坊市消防大隊), the Group also attends fire drills conducted by Fire Protection Section of Langfang City at least annually to raise fire safety awareness of employees.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the FY2025/26, the number and rate of work-related fatalities occurred and the number of lost days due to work injury are as follows:

Work-related fatalities occurred	FY2025/26	FY2024/25	FY2023/24
Number of work-related fatalities	–	–	–
Rate of work-related fatalities (%)	–	–	–
Work-related fatalities occurred	FY2025/26	FY2024/25	
Lost days due to work injury	–	–	

In FY2025/26, the Group was not aware of any material non-compliance with the relevant laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards that have significant impact. The Group strictly complied with local laws and regulations relating to health and safety, such as Law of the People's Republic of China on Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》) and the Regulations on Work-Related Injury Insurance of the People's Republic of China (《中華人民共和國工傷保險條例》). In addition, there was no report of significant fines or sanctions as the result of non-compliance with relevant laws and regulations in FY2025/26.

Development and Training

The Group acknowledges the importance of training for the development of its employees. To ensure to provide high quality service for the customer, the Group offers professional training program to its employees, including: (i) corporate cultures; (ii) the GEM Listing Rules; (iii) operation management (iv) financial management; (v) revised regulations of social insurance; (vi) internal control measures; and (vii) firefighting and so on. Through education and training, the Group can enhance the employees' personal qualities, reinforce their skill sets and keep up with the most advanced professional knowledge that their position may require.

The percentage of employees trained by categories during the FY2025/26 are listed as follows:

Percentage of employees trained by categories	FY2025/26	FY2024/25
Percentage of employee trained ^(Note 1)	100%	100%
By gender ^(Note 2)		
Male	62%	64%
Female	38%	36%
By employee category ^(Note 2)		
Senior Level	11%	11%
Middle Level	21%	22%
Entry Level	68%	67%

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Note 1: Percentage of employees trained is calculated by dividing the number of employees who took part in training by the number of employees.

Note 2: Breakdown for employees trained by categories is calculated by dividing the number of employees trained in such category by the number of employees who took part in training.

The average training hours per employee by categories during the FY2025/26 are listed as follows:

Average training hours of employees by categories	Unit	FY2025/26	FY2024/25
Average training hours per employee <i>(Note 1)</i>	Hour	12	12
Average training hours by gender <i>(Note 2)</i>			
Male	Hour	12	12
Female	Hour	12	12
Average training hours by employee category <i>(Note 2)</i>			
Senior Level	Hour	12	12
Middle Level	Hour	12	12
Entry Level	Hour	12	12

Note 1: Average training hours per employee is calculated by dividing the total number of training hours by the number of employees.

Note 2: Average training hours by categories is calculated by dividing the total number of training hours for such category by the number of employees in the corresponding category.

Labour Standards

The Group recognises that the employment of child and forced labour is a serious violation of universal values. Accordingly, the Group strictly complies with the Provisions on the Prohibition of Using Child Labour (《禁止使用童工規定》) and other laws and regulations relating to labour standards. The Group also strictly fulfills the requirements under the labour contract system whereby all newly recruited employees will enter into a labour contract or an appointment agreement with the Company upon formal appointment.

The Group has taken measures on practices of recruitment, including: (i) measures to prevent the use of child labour; and (ii) measures to prevent the use of forced labour. The administration and personnel department will screen out applicants under the age of 18 when reviewing resumes. The Group has not employed any child labour since the measures came into effect. Furthermore, staff are required to submit working schedules every day to their immediate supervisors. The administration and personnel department ensures child labour is not in the workforce. If any child labour or forced labour is identified, the employment contract will be terminated immediately. The Group is committed to protecting human rights, to prohibiting forced labours, and to creating a workplace with respect, fairness, and free will for the employees.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In FY2025/26, the Group was not aware of any material non-compliance with the relevant laws and regulations relating to prohibiting the Group from employing child and forced labour. The Group strictly complied with local laws and regulations relating to labour standards, such as the Labour Law of the People's Republic of China (《中華人民共和國勞動法》) and Provisions on the Prohibition of Using Child Labour (《禁止使用童工規定》). In addition, there were no significant fines or sanctions as the result of non-compliance with relevant laws and regulations in FY2025/26.

Supply Chain Management

The Group's mission is to provide high quality education facilities to its contract colleges. Selection and maintenance of suppliers and contractors policy is well-documented in the Internal Control Rules and Regulations (《內部監控制度》). During the selection process for suppliers and contractors, the Group not only consider economical and commercial factors in the tendering processes but also make a serious assessment of their compliance with all the applicable laws and regulations; safeguard workers' health and safety; and mitigate environmental impacts. The suppliers and contractors are divided into 8 main aspects, including (i) hardware, electrical materials, building materials, chemical products; (ii) cleaning supplies; (iii) office supplies; (iv) software technology development, computer consumables; (v) moving companies; (vi) companies of waste recycling, cleaning, furniture; (vii) advertisement companies; and (viii) maintenance companies, which are all located in Langfang City. Performance of all suppliers and contractors are assessed half-yearly by the Group in order to obtain satisfactory services.

To maintain a good corporate control and governance, the Group has developed a series of management systems and procedures to be aligned with the corporate governance as required by the Stock Exchange. In addition, the Group encourages all business partners to develop energy-saving and consumption-reducing policies in order to work together in its pursuit of sustainable development.

During the FY2025/26, the Group was not aware that any key suppliers had any significant actual and potential negative impact on business ethics, environmental protection, human rights and labour practices, nor any of them had any non-compliance incident in respect of human rights issues.

During the FY2025/26, the number of major suppliers by geographical region is as follows:

Suppliers by geographical region	FY2025/26	FY2024/25
The PRC	3	3

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Product Responsibility

The Group's main business is leasing education facilities, comprising primarily teaching buildings and dormitories to education institutions in the PRC, Malaysia and Indonesia. The Group endeavours to improve its educational facilities to provide a beautiful and liveable campus to the contract colleges, and create a comfortable and harmonious environment for students in order to improve their satisfaction.

In respect of personal data protection and privacy policies, the Group ensures a strict compliance with the statutory requirements to fully meet a high standard of security and confidentiality of personal data privacy protection. As part of the Internal Control Rules and Regulations, a personal data protection procedure is set forth to protect the integrity of the stakeholders' personal data from inappropriate or unauthorised use. The Group highly respects personal data privacy and is firmly committed to preserving the data protection principles during its business operation. Employees are required to strictly follow full procedures of handling company confidential information set out in the Internal Control Rules and Regulations as well as Code of Ethics for Employees (《員工職業道德守則》). Protection of customer data is also highly important to avoid intrusions and unauthorised access. Employees are subjected to the strictest standards of privacy and confidentiality to prevent from leaking of customer privacy.

The Group mainly provides leasing services hence no recall product for safety and health reasons. The Group did not receive service-related complaint in FY2025/26. In case of customer feedback with reasonable urgency and of importance, customer can submit directly to operation department of the Group for immediate action, head of operation department will review customer's feedback and assign to responsible personnel for handling the case.

Protecting intellectual property rights is a priority to the Group which has in place dedicated management systems related to the handling of patents and intellectual property. The Group has complied with all applicable legal requirements to prohibit intellectual property infringement.

In FY2025/26, the Group was not aware of any material non-compliance with relevant rules and regulations relating to leasing operation, health and safety and privacy matters relating to service provided and methods of redress that have a significant impact. The Group strictly complied with local laws and regulations relating to product responsibility, such as Contract Law of the People's Republic of China (《中華人民共和國合同法》), Administrative Measures for Commodity House Leasing (《商品房屋租賃管理辦法》) issued by Ministry of Housing and Urban-Rural Development of the PRC (中華人民共和國住房和城鄉建設部) and other relevant regulations issued by the local government. In addition, there was no report of significant fines in FY2025/26.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Anti-corruption

The Group aims to maintain the highest standards of openness, uprightness and accountability and all staff are expected to observe the highest standards of ethical, personal and professional conduct. The Group does not tolerate corruption, bribery, extortion, money-laundering and other fraudulent activities in connection with any of its business operations.

In addition to the well-established Code of Ethics for Employees and Code of Conduct on Anti-corruption (《反舞弊行為規範》), the Group has issued relevant whistle-blowing procedures of setting up a private communication channel on reporting suspicious fraudulent actions to the Group's management directly. Ongoing review of the effectiveness of the internal control systems is conducted on a regular basis in preventing the occurrence of corruption activities.

The Group has provided a training course, named "The Harm of Corruption and its Prevention" (貪污的危害及預防), to directors and employees. The course offers integrity training from 6 aspects: (i) the definition and harm of corruption; (ii) analysis of the current global anti-corruption situation; (iii) core legal frameworks for anti-corruption; (iv) prevention and supervision system; (v) implementation paths for building integrity education; and (vi) long-term governance action plans. The focus is on relevant laws, regulations, and professional ethics, aiming to raise awareness of integrity and prevent incidents of corruption.

In FY2025/26, none of the Group or its employees was involved in any legal proceedings relating to bribery, extortion, fraud or money laundering. The Group strictly complied with local laws and regulations relating to anticorruption, such as the Criminal Law of the People's Republic of China (《中華人民共和國刑法》), Anti-Money Laundering Law of the People's Republic of China (《中華人民共和國反洗錢法》), Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》) and Interim Provisions on Banning Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》).

Community Investment

The Group endeavours to support the communities in which the Group operates including community engagement to understand the needs of communities, and to ensure the Group's activities take into consideration of the communities' interest.

The Group encourages its employees to participate in community activities, such as community health initiatives, sports, cultural activities, volunteer work, and education donation. All employees of the Group are encouraged to participate in environmental protection activities and raise the environmental awareness of people in the communities.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

HKEX ESG REPORTING CODE INDEX

Subject	Disclosure Requirements	Section
Environmental		
A1 Emissions	General Disclosure: Information on below in relation to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Emissions
KPI A1.1	The types of emissions and respective emissions data.	Emissions
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emissions

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject	Disclosure Requirements	Section
Environmental		
A2 Use of Resources	General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials.	Use of resources
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (in kWh) and intensity (e.g. per unit of production volume, per facility).	Use of resources
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of resources
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of resources
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Use of resources
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of resources
A3 Environment and Natural Resources	General Disclosure: Policies on minimising the issuer's significant impact on the environment and natural resources.	Environment and natural resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environment and natural resources
A4 Climate Change	General Disclosure: Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate change

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject	Disclosure Requirements	Section
Social		
B1 Employment	General Disclosure: Information on below relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Employment
KPI B1.1	Total workforce by gender, employment type (for example, full-time or part-time), age group and geographical region.	Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment
B2 Health and Safety	General Disclosure: Information on below relating to providing a safe working environment and protecting employees from occupational hazards: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Health and safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and safety
KPI B2.2	Lost days due to work injury.	Health and safety
KPI B2.3	Description of occupational health and safety measures adopted how they are implemented and monitored.	Health and safety

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject	Disclosure Requirements	Section
Social		
B3 Development and Training	General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and training
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and training
B4 Labour Standards	General Disclosure: Information on below relating to preventing child and forced labour: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Labour standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour standards
B5 Supply Chain Management	General Disclosure: Policies on managing environmental and social risks of the supply chain.	Supply chain management
KPI B5.1	Number of suppliers by geographical region.	Supply chain management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply chain management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply chain management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply chain management

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject	Disclosure Requirements	Section
Social		
B6 Products Responsibility	General Disclosure: Information on below relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Product responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product responsibility
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Product responsibility
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product responsibility
KPI B6.4	Description of quality assurance process and recall procedures.	Product responsibility
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Product responsibility
B7 Anti-corruption	General Disclosure: Information on below relating to bribery, extortion, fraud and money laundering: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject	Disclosure Requirements	Section
Social		
B8 Community Investment	General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community investment

INDEPENDENT AUDITOR'S REPORT



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TO THE MEMBERS OF ORIENTAL UNIVERSITY CITY HOLDINGS (H.K.) LIMITED

(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of Oriental University City Holdings (H.K.) Limited (the “Company”) and its subsidiaries (hereafter referred to as the “Group”) set out on pages 87 to 158, which comprise the consolidated statement of financial position as at June 30, 2026, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are independent of the Group in accordance with the HKICPA’s “Code of Ethics for Professional Accountants” (the “Code”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

VALUATION OF INVESTMENT PROPERTIES

Refer to Notes 4(f), 5(b) and 15(a) to the consolidated financial statements.

The Group's investment properties were carried at fair value of RMB1,477,587,000 as at June 30, 2026 which was based on valuations performed by an independent firm of professionally qualified valuers.

Investment properties were material to the consolidated financial statements of the Group. Fair value was generally derived by the income capitalisation method, discounted cash flow method, and where appropriate, by market comparison method. The valuation of investment properties requires significant judgement and estimation in determining the appropriate valuation methodology to be used and in estimating the underlying assumptions to be applied. Income capitalisation method was based on the capitalisation of the net income and reversionary income potential by adopting appropriate capitalisation rates and market rents. Discounted cash flow method was based on discounting a multi-year projection of prospective periodic net operating cash flows and an estimated terminal reversionary value back to present value by adopting appropriate discount rates and terminal yields. Market comparison method was based on comparable market transactions, as adjusted by the property-specific qualitative factors. There is a risk that the carrying amount of investment properties may be significantly changed if the valuation methodology adopted and the key assumptions and inputs applied by the valuers are varied.

OUR RESPONSE:

During our audit, we conducted the following audit procedures, amongst others, to address this key audit matter:

- (i) evaluating the competence, capabilities and objectivity of the external valuers;
- (ii) considering the appropriateness of the methodology and assumptions adopted in the valuation with the assistance of our own valuation specialist;
- (iii) checking the mathematical accuracy and relevance of the input data used;
- (iv) validating key inputs and assumptions adopted in the cash flow projections to supporting evidences, if applicable; and
- (v) assessing the objectivity of data used such as evaluating the selection of comparable market transactions for similar properties, if applicable.

OTHER INFORMATION IN THE ANNUAL REPORT

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

INDEPENDENT AUDITOR'S REPORT

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITOR'S REPORT

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

BDO Limited
Certified Public Accountants

PAK, Tak Lun, Amos
Practising Certificate Number: P06170

Hong Kong, August 21, 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	Notes	2026 RMB'000	2025 RMB'000
Revenue	6	57,005	56,697
Employee costs	9	(7,484)	(6,664)
Depreciation of property, plant and equipment	14	(715)	(344)
Business taxes and surcharges		(356)	(710)
Property taxes and land use taxes		(11,582)	(8,968)
Property management fee		(1,277)	(3,337)
Repairs and maintenance		(4,184)	(1,904)
Legal and consulting fees		(2,774)	(3,703)
Loss on disposal of investment properties and assets held for sale		(3,424)	(11,363)
Gain on disposal of property, plant and equipment		–	481
Other income, other gains/(losses), net	7	(1,581)	1,738
Other expenses		(5,054)	(6,250)
Share of results of an associate	16	(6,288)	(2,150)
Operating profit before impairment and fair value changes		12,286	13,523
Reversal of/(impairment loss) on an associate		3,178	(3,178)
Reversal of/(impairment loss) on other receivables		2,054	(2,054)
Fair value gains/(losses) on investment properties	15	20,823	(38,645)
Fair value losses on convertible note		(15)	–
Operating profit/(loss)		38,326	(30,354)
Interest expense on bank borrowings		(12,402)	(14,560)
Interest income		9	31
Profit/(loss) before income tax	8	25,933	(44,883)
Income tax:	12		
Current tax		(3,275)	(31,167)
Deferred tax		(11,580)	19,031
Profit/(loss) for the year		11,078	(57,019)
Other comprehensive income			
<i>Items that may be subsequently reclassified to profit or loss:</i>			
Exchange differences from translation of foreign operations		(17,043)	30,010
Share of other comprehensive income of an associate		279	1,977
Other comprehensive income for the year		(16,764)	31,987
Total comprehensive income for the year		(5,686)	(25,032)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 RMB'000	2025 RMB'000
Profit/(loss) attributable to			
– Owners of the Company		10,982	(56,558)
– Non-controlling interests		96	(461)
		<u>11,078</u>	<u>(57,019)</u>
Total comprehensive income attributable to			
– Owners of the Company		(5,782)	(24,571)
– Non-controlling interests		96	(461)
		<u>(5,686)</u>	<u>(25,032)</u>
Earnings/(loss) per share for loss attributable to the owners of the Company during the year			
– Basic (RMB per share)	13	<u>0.06</u>	<u>(0.31)</u>
– Diluted (RMB per share)		<u>0.06</u>	<u>(0.31)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2026

	Notes	2026 RMB'000	2025 RMB'000
Non-current assets			
Property, plant and equipment	14	15,207	12,776
Investment properties	15	1,477,587	1,486,379
Investment in an associate	16	4,402	8,809
Financial assets at fair value through profit or loss	17	2,200	–
Other receivables	18	872	1,793
Prepayments		335	335
Pledged bank deposit	20(e)	8,413	8,967
Total non-current assets		1,509,016	1,519,059
Current assets			
Trade and other receivables	18	28,119	53,072
Cash and cash equivalents		4,084	1,388
		32,203	54,460
Assets classified as held for sale	15(d)	–	19,690
Total current assets		32,203	74,150
Current liabilities			
Trade and other payables and accruals	19	16,826	21,977
Advances from customers		10,816	5,137
Bank borrowings, secured	20	38,689	77,632
Current tax liabilities		1,667	3,375
Total current liabilities		67,998	108,121
Net current liabilities		(35,795)	(33,971)
Total assets less current liabilities		1,473,221	1,485,088
Non-current liabilities			
Advances from customers		4,509	–
Amount due to RE Group	19	13,111	40,692
Bank borrowings, secured	20	175,411	168,371
Deferred tax liabilities	21	165,401	155,550
Total non-current liabilities		358,432	364,613
NET ASSETS		1,114,789	1,120,475

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2026

	Notes	2026 RMB'000	2025 RMB'000
Capital and reserves attributable to owners of the Company			
Share capital	22	290,136	290,136
Reserves	23	815,119	820,901
		<u>1,105,255</u>	<u>1,111,037</u>
Non-controlling interests		<u>9,534</u>	<u>9,438</u>
TOTAL EQUITY		<u>1,114,789</u>	<u>1,120,475</u>

On behalf of the Board

Chew Hua Seng
Chairman and Executive Director

Liu Ying Chun
Chief Executive Officer and Executive Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2026

	Reserves					Equity attributable to owners of the Company	Non-controlling interests	Total
	Share capital	Other reserves	Statutory surplus reserve	Retained profits	Exchange reserve			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Note 22)	(Note 23)	(Note 23)		(Note 23)			
Balance at July 1, 2024	290,136	(71,025)	1,510	920,688	(5,701)	1,135,608	9,899	1,145,507
Loss for the year	—	—	—	(56,558)	—	(56,558)	(461)	(57,019)
Exchange differences from translation of foreign operations	—	—	—	—	30,010	30,010	—	30,010
Share of other comprehensive income of an associate	—	—	—	—	1,977	1,977	—	1,977
Total comprehensive income for the year	—	—	—	(56,558)	31,987	(24,571)	(461)	(25,032)
Transfer to statutory surplus reserve	—	—	4,043	(4,043)	—	—	—	—
Balance at June 30, 2025	<u>290,136</u>	<u>(71,025)</u>	<u>5,553</u>	<u>860,087</u>	<u>26,286</u>	<u>1,111,037</u>	<u>9,438</u>	<u>1,120,475</u>
Balance at June 30 and July 1, 2025	290,136	(71,025)	5,553	860,087	26,286	1,111,037	9,438	1,120,475
Profit for the year	—	—	—	10,982	—	10,982	96	11,078
Exchange differences from translation of foreign operations	—	—	—	—	(17,043)	(17,043)	—	(17,043)
Share of other comprehensive income of an associate	—	—	—	—	279	279	—	279
Total comprehensive income for the year	—	—	—	10,982	(16,764)	(5,782)	96	(5,686)
Balance at June 30, 2026	<u>290,136</u>	<u>(71,025)</u>	<u>5,553</u>	<u>871,069</u>	<u>9,522</u>	<u>1,105,255</u>	<u>9,534</u>	<u>1,114,789</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2026

	2026 RMB'000	2025 RMB'000
Cash flows from operating activities		
Profit/(loss) before income tax	25,933	(44,883)
Adjustments for:		
Interest income	(9)	(31)
Interest expense on bank borrowings	12,402	14,560
Depreciation of property, plant and equipment	715	344
Fair value (gains)/losses on investment properties	(20,823)	38,645
Fair value losses on convertible note	15	–
Share of results of an associate	6,288	2,150
Loss on disposal of investment properties and assets held for sale	3,424	11,363
Loss on early termination of tenancy agreement	4,530	–
Interest income from convertible notes	(75)	–
Written off of property, plant and equipment	101	–
Gain on disposal of property, plant and equipment	–	(481)
Deemed disposal of investment in an associate	2,652	–
(Reversal of)/impairment loss on an associate	(3,178)	3,178
(Reversal of)/impairment loss on other receivables	(2,054)	2,054
Unrealised net foreign exchange gains	(242)	(933)
Operating profit before working capital changes	29,679	25,966
Increase in trade and other receivables	(756)	(5,286)
(Decrease)/increase in trade and other payables and accruals	(5,341)	2,770
Increase/(decrease) in advances from customers	10,097	(965)
Cash generated from operations	33,679	22,485
Income taxes paid	(5,719)	(32,133)
Net cash generated from/(used in) operating activities	27,960	(9,648)
Cash flows from investing activities		
Interest received	9	31
Interest income from convertible notes	75	–
Refund of prepayment	–	8,706
Proceed received on refund for acquisition of properties	20,008	8,422
Purchase of property, plant and equipment and investment properties	(4,925)	(3,193)
Proceeds from disposal of property, plant and equipment	–	4,178
Proceeds from disposal of investment properties and assets held for sales	20,000	10,697
Payment made to subscribe shares from associate	(953)	–
Payment made to subscribe convertible note from associate	(2,222)	–
Advance of loan to an associate	(872)	–
Advances to related companies	(452)	(7,914)
Received from related companies	5,481	2,300
Net cash generated from investing activities	36,149	23,227

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2026

	2026 RMB'000	2025 RMB'000
Cash flows from financing activities (Note 32)		
Proceeds from bank borrowings	15,452	17,669
Repayment of bank borrowings	(38,051)	(69,733)
Interest expense on bank borrowings	(12,402)	(14,560)
Advance from RE Group	4,765	15,540
Repayments to RE Group	(30,580)	(30,932)
Net cash used in financing activities	(60,816)	(82,016)
Net increase/(decrease) in cash and cash equivalents	3,293	(68,437)
Cash and cash equivalents at beginning of year	1,388	69,664
Effect of foreign exchange rate changes	(597)	161
Cash and cash equivalents at end of year	4,084	1,388

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

1. GENERAL

Oriental University City Holdings (H.K.) Limited (the “Company”) is a limited liability company incorporated in Hong Kong. Its shares are listed on GEM of The Stock Exchange of Hong Kong Limited. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section in the annual report. The Group, comprising the Company and its subsidiaries, is mainly engaged in the provision of education facilities leasing services in the People’s Republic of China (the “PRC”), Malaysia and Indonesia. In addition, the Group engaged in renting, leasing and managing of hotel properties in Switzerland.

The directors of the Company (the “Directors”) consider that the Company’s ultimate parent is Raffles Education Limited (“RE”), a company incorporated in Singapore, whose shares are listed on Singapore Exchange Securities Trading Limited. The subsidiaries of RE excluding the Group, are collectively referred to as the RE Group.

2. ADOPTION OF HKFRS ACCOUNTING STANDARDS

(a) Adoption of revised HKFRS Accounting Standards – effective July 1, 2025

The Hong Kong Institute of Certified Public Accountants (“HKICPA”) has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period of the Group:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
-----------------------------------	-------------------------

The Group has adopted the above amendments for the first time for the current year’s financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the Group’s financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

2. ADOPTION OF HKFRS ACCOUNTING STANDARDS – *Continued*

(b) New and amendments to HKFRS Accounting Standards that have been issued but are not yet effective

The following new or amendments to HKFRS Accounting Standards, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ²
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature – Dependent Electricity ¹
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual improvements to HKFRS Accounting Standards – Volume 11 ¹
HKFRS 18	Presentation and Disclosure in Financial Statements ²
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual periods beginning on or after 1 January 2027

³ No mandatory effective date yet determine but available for adoption

HKFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the HKICPA in July 2024 supersedes HKAS 1 and will result in major consequential amendments to HKFRS Accounting Standards including HKAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though HKFRS 18 will not have any effect on the recognition and measurement of items in the Group's consolidated financial statements, the application of the new standard is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

2. ADOPTION OF HKFRS ACCOUNTING STANDARDS – *Continued*

- (b) **New and amendments to HKFRS Accounting Standards that have been issued but are not yet effective** – *Continued*

Except for the above, these new or amendments to HKFRS Accounting Standards are preliminary assessed and are not expected to have any significant impact on the Group's consolidation financial statements.

3. BASIS OF PREPARATION

- (a) **Statement of compliance**

The consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards, which comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations and the provisions of the Hong Kong Companies Ordinance which concern the preparation of financial statements. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited ("GEM Listing Rules").

- (b) **Basis of measurement and going concern basis**

The consolidated financial statements have been prepared under the historical cost basis except for investment properties and assets classified as held for sale, which are measured at fair values as explained in the accounting policies set out below.

The Directors have given careful consideration to the going concern status of the Group in light of the fact that (i) the Group's current liabilities exceeded its current assets by approximately RMB35,795,000 as at June 30, 2026 and (ii) the Group had cash and cash equivalents of approximately RMB4,084,000 against the Group's total borrowings amounted to approximately RMB38,689,000, which will be due within twelve months after June 30, 2026. In order to improve liquidity, the management has been closely monitoring and managing the Group's cash position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

3. BASIS OF PREPARATION – *Continued*

(b) Basis of measurement and going concern basis – *Continued*

The Directors are of the view that the Group will have sufficient working capital to finance its operations based on a projected cash flow covering a period from the end of the reporting period to December 31, 2027 and taken the following measures to improve its liquidity position:

- (i) The Group would consider disposing of certain investment properties in the PRC to provide further funding when the liquidity needs arise; and
- (ii) Up to the approval date of these consolidated financial statements, the Group had an unutilised loan revolving facility amounting of RMB40,000,000 from RE for a three years effective from June 30, 2026. Any loans to be borrowed shall be repaid within 36 months from the date of the disbursement.

The Directors are of the opinion that as a result of the above considerations, the Group will have sufficient working capital to meet its cash flows requirements in the next twelve months from the end of the reporting period. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

4. ACCOUNTING POLICIES

(a) Subsidiary

Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of reporting period. A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary is consolidated from the date on which control is transferred to the Group. It is de-consolidated from the date that control ceases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

4. ACCOUNTING POLICIES – *Continued*

(a) **Subsidiary** – *Continued*

Consolidation – Continued

(i) *Business combination*

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

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

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

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

4. ACCOUNTING POLICIES – *Continued*

(a) **Subsidiary** – *Continued*

Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of the subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(b) **Associate**

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Associates are accounted for using the equity method whereby they are initially recognised at cost and thereafter, their carrying amounts are adjusted for the Group's share of the post-acquisition change in the associates' net assets except that losses in excess of the Group's interests in the associates are not recognised unless there is an obligation to make good those losses.

Profits and losses arising on transactions between the Group and its associates are recognised only to the extent of unrelated investors' interests in the associates. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associate. Where unrealised losses provide evidence of impairment of the asset transferred they are recognised immediately in profit or loss.

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate. Where there is objective evidence that the investment in an associate has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

4. ACCOUNTING POLICIES – *Continued*

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (the “CODM”). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Company’s executive Directors, who makes strategic decisions.

Segment assets exclude interests in associates and other corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment. Segment liabilities exclude other corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment.

(d) Foreign currency translation

(i) *Functional and presentation currency*

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in Renminbi (“RMB”), which is the same as the functional currency of the Company.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

(iii) *Group companies*

The results and financial position of all the group companies (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

4. ACCOUNTING POLICIES – *Continued*

(d) Foreign currency translation – *Continued*

(iii) Group companies – *Continued*

- income and expenses for each profit or loss items are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

(e) Property, plant and equipment

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	Over the shorter of the lease terms of land and 50 years
Furniture, fittings and equipment	3-7 years
Machinery	10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets or disposal.

The gain and loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

4. ACCOUNTING POLICIES – *Continued*

(f) Investment properties

Investment properties, principally comprising land use rights and buildings, are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group. It also includes properties that are being constructed or developed for future use as investment properties. Land held under operating leases is accounted for as investment properties when the rest of the definition of an investment property is met. In such cases, the operating leases concerned are accounted for as if they were finance leases. Investment properties are initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recognised in profit or loss.

Any gains or losses on the retirement or disposal of an investment properties (calculated as the difference between the net disposal proceeds and the carrying amount of the asset at last reporting date) are recognised in the consolidated statement of profit or loss and other comprehensive income in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use.

(g) Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, the recoverable amount of assets are estimated individually. When it is not possible to estimate the recoverable amount individually, these assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

4. ACCOUNTING POLICIES – *Continued*

(h) Financial instruments

(i) *Financial assets*

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Trade receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instruments.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss (“FVTPL”), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Debt instruments

Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments as follow:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

FVTPL: A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

4. ACCOUNTING POLICIES – *Continued*

(h) Financial instruments – *Continued*

(ii) *Impairment loss on financial assets*

The Group recognises loss allowances for expected credit loss (“ECL”) on trade receivables and financial assets measured at amortised cost. The ECLs are measured on either of the following bases: (1) 12-month ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets’ original effective interest rate.

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group’s historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-month ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

4. ACCOUNTING POLICIES – *Continued*

(h) Financial instruments – *Continued*

(ii) *Impairment loss on financial assets – Continued*

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information that a more lagging default criteria is more appropriate.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due, depending on credit worth of customers.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

(iii) *Financial liabilities*

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade payables, other payables, bank borrowings, secured and amount due to RE Group are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

4. ACCOUNTING POLICIES – *Continued*

(h) Financial instruments – *Continued*

(iv) *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(v) *Derecognition*

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

(i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(j) Cash and cash equivalents

Cash and cash equivalents, presented on the consolidated statement of financial position and in the consolidated statement of cash flows, include cash, which comprises of cash on hand and demand deposits, and cash equivalents. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Bank balances for which use by the Group is subject to third party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash.

(k) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

4. ACCOUNTING POLICIES – *Continued*

(I) Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

(i) *Current income tax*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the entities within the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) *Deferred income tax*

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and an associate, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

4. ACCOUNTING POLICIES – *Continued*

(l) Current and deferred income tax – *Continued*

(ii) *Deferred income tax – Continued*

An exception to the general requirement on determining the appropriate tax rate used in measuring deferred tax amount is when an investment property is carried at fair value under HKAS 40 “Investment Property”. Unless the presumption is rebutted, the deferred tax amounts on these investment properties are measured using the tax rates that would apply on sale of these investment properties at their carrying amounts at the reporting date. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

(iii) *Offsetting*

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(m) Employee benefits

(i) *Retirement benefit costs*

Pursuant to the relevant local regulations in the PRC, the PRC subsidiary of the Company participate in government defined contribution retirement benefit schemes and is required to contribute to the scheme to fund the retirement benefits of the eligible employees. Contributions made to the schemes are calculated based on certain percentages of the applicable payroll costs or fixed sums for each employee with reference to a salary scale, as stipulated under the requirements in the PRC. The Group has no further obligation beyond the required contributions. All contributions made to the schemes are not refundable or forfeitable. The contributions under the schemes are expensed as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

4. ACCOUNTING POLICIES – *Continued*

(m) Employee benefits – *Continued*

(ii) *Termination benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of reporting period are discounted to present value.

(iii) *Employee leave entitlements*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(n) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

4. ACCOUNTING POLICIES – *Continued*

(o) Revenue recognition

Rental and interest income which are derived from the Group's ordinary course of business are presented as revenue.

Rental income

Rental income received and receivable from investment properties is recognised in profit or loss on a straight-line basis over the term of lease. Contingent rental income, representing income over and above base rent, such as turnover rent, is recognised according to the terms of the lease agreements when the amount can be reliably measured, in the accounting period in which it is earned.

Interest income

Interest income is recognised using the effective interest method.

(p) Leases

All leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the consolidated statement of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise leases which are short-term leases. The Group has elected not to recognise right-of-use assets and lease liabilities for leases for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

Accounting as a lessor

The Group has leased out its investment property to a number of tenants. Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on the straight-line basis over the lease term.

Changes in considerations of lease contracts that were not part of the original terms and conditions are accounted for as lease modifications, including lease incentives provided through forgiveness or reduction of rentals.

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

4. ACCOUNTING POLICIES – *Continued*

(q) Non-current assets held for sale

Non-current assets are classified as held for sale when:

- They are available for immediate sale
- Management is committed to a plan to sell
- It is unlikely that significant changes to the plan will be made or that the plan will be withdrawn
- An active programme to locate a buyer has been initiated
- The asset or disposal group is being marketed at a reasonable price in relation to its fair value, and
- A sale is expected to complete within 12 months from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell, except for investment properties which continue to be measured in accordance with the accounting policies as set out in Note 4(f) to the consolidated financial statements.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Impairment of financial assets

The Group makes allowance for impairment on financial assets based on assumptions about probability of default and loss given default. The Group uses judgement in making these assumptions and selecting the inputs to the ECL calculations, based on the Group's historical credit loss experience, existing market conditions as well as forward-looking estimates at the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY –

Continued

(b) Valuation of investment properties

At the end of the reporting period, the Group's investment properties are stated at fair value of RMB1,477,587,000 (2025: RMB1,486,379,000) based on the valuations performed by independent qualified professional valuers. In determining the fair value, the valuers have applied a market value basis which involves, inter-alia, certain critical estimates, including appropriate capitalisation rates, discount rates, terminal yields, unit monthly rents, and market indicative transaction prices. In relying on the valuations, management has exercised its judgement and is satisfied that the valuation methodologies and underlying inputs are reflective of the current market conditions at the end of the reporting period. Further details regarding the fair value assessments and significant unobservable inputs are disclosed in Note 15.

(c) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax and deferred tax provision in the period in which such determination is made.

For the purposes of measuring deferred taxes arising from investment properties that are measured using the fair value model, the Directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's deferred taxation on investment properties, the Directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is rebutted. As a result, the Group has recognised the deferred taxes on changes in fair value of all investment properties at enterprise income tax rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY –

Continued

(d) Going concern assumption

The assessment of the going concern assumption involves making a judgement by the Directors, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The Directors consider that the Group and the Company have the capabilities to continue as going concerns and the major events and conditions, which may give rise to business risks, that individually or collectively may cast significant doubt upon the going concern assumption and related mitigating measures taken by management are set out in Note 3(b).

6. SEGMENT REPORTING AND REVENUE

The executive directors of the Company, who are the CODM of the Group, review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on reports reviewed by the executive directors of the Company that are used to make strategic decisions.

Management regularly reviews the operating results from a service category perspective. The Group has two reportable segments: (i) education facilities leasing services in the PRC, Malaysia and Indonesia, and (ii) leasing and managing of hotel properties in Switzerland. Each of these operating segments is managed separately as each of the product and service lines requires different resources as well as marketing approaches. Inter-segment transactions, if any, are priced with reference to prices charged to external parties for similar transaction.

Analysis of revenue by category for the year is as follows:

	2026 RMB'000	2025 RMB'000
Revenue arising from leases within scope of HKFRS 16:		
Education facilities leasing	49,212	47,710
Commercial leasing for supporting facilities	2,590	2,938
	51,802	50,648
Hotel properties		
– Fixed lease payments	2,911	3,888
– Variable lease payments that do not depend on an index or a rate	2,292	2,161
	57,005	56,697

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

6. SEGMENT REPORTING AND REVENUE – *Continued*

For the year ended June 30, 2026

	Education facilities leasing service RMB'000	Hotel leasing RMB'000	Unallocated RMB'000	Total RMB'000
Revenue from external customers	50,422	6,583	–	57,005
Interest income	9	–	–	9
Net fair value gains on investment properties	(1,227)	22,050	–	20,823
Fair value losses on convertible note	–	–	(15)	(15)
Finance costs	(11,473)	(929)	–	(12,402)
Employee costs	(5,057)	(1,892)	(535)	(7,484)
Depreciation of property, plant and equipment	(715)	–	–	(715)
Business taxes and surcharges	(346)	(10)	–	(356)
Property taxes and land use taxes	(11,293)	(289)	–	(11,582)
Property management fee	(880)	(397)	–	(1,277)
Repairs and maintenance	(3,833)	(351)	–	(4,184)
Legal and consulting fees	(4,672)	(675)	2,573	(2,774)
Reversal of/impairment loss on other receivables	–	–	2,054	2,054
Reversal of/impairment loss on an associate	–	–	3,178	3,178
Loss on disposal of investment properties and assets held for sale	(3,424)	–	–	(3,424)
Other income, other gains/(losses), net	(5,223)	150	3,492	(1,581)
Other expenses	(3,387)	(1,439)	(228)	(5,054)
Share of results of an associate	–	–	(6,288)	(6,288)
Profit/(loss) before income tax	(1,099)	22,801	4,231	25,933

Other information:

Additions to property, plant and equipment	3,264	–	3,264
Additions to investment properties	1,661	–	1,661
Segment assets	1,174,784	329,249	1,504,033
Segment liabilities	(317,408)	(79,091)	(396,499)

Education facilities leasing service RMB'000	Hotel leasing RMB'000	Total RMB'000
3,264	–	3,264
1,661	–	1,661
1,174,784	329,249	1,504,033
(317,408)	(79,091)	(396,499)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

6. SEGMENT REPORTING AND REVENUE – Continued

For the year ended June 30, 2025

	Education facilities leasing service RMB'000	Hotel leasing RMB'000	Unallocated RMB'000	Total RMB'000
Revenue from external customers	50,648	6,049	–	56,697
Interest income	31	–	–	31
Net fair value loss on investment properties	(44,465)	5,820	–	(38,645)
Finance costs	(13,145)	(1,415)	–	(14,560)
Employee costs	(4,273)	(1,840)	(551)	(6,664)
Depreciation of property, plant and equipment	(344)	–	–	(344)
Business taxes and surcharges	(330)	(380)	–	(710)
Property taxes and land use taxes	(8,694)	(274)	–	(8,968)
Property management fee	(2,967)	(370)	–	(3,337)
Repairs and maintenance	(1,667)	(237)	–	(1,904)
Legal and consulting fees	(1,790)	(742)	(1,171)	(3,703)
Impairment loss on other receivables	(2,054)	–	–	(2,054)
Impairment loss on an associate	–	–	(3,178)	(3,178)
Loss on disposal of investment properties and assets held for sale	(11,363)	–	–	(11,363)
Gain on disposal of property, plant and equipment	481	–	–	481
Other income, other gains/(losses), net	314	1,225	199	1,738
Other expenses	(5,530)	(568)	(152)	(6,250)
Share of results of an associate	–	–	(2,150)	(2,150)
Loss before income tax	(45,148)	7,268	(7,003)	(44,883)
Other information:		Education facilities leasing service RMB'000	Hotel leasing RMB'000	Total RMB'000
Additions to property, plant and equipment		115	–	115
Additions to investment properties		3,078	–	3,078
Segment assets		1,253,962	330,366	1,584,328
Segment liabilities		(285,317)	(186,464)	(471,781)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

6. SEGMENT REPORTING AND REVENUE – *Continued*

Reconciliations of reportable segment assets and liabilities to the total assets and total liabilities in the consolidated statement of financial position.

	2026 RMB'000	2025 RMB'000
Assets		
Total assets for reportable segments	1,504,033	1,584,328
Investment in an associate	4,402	8,809
Unallocated assets	32,784	72
Consolidated total assets	<u>1,541,219</u>	<u>1,593,209</u>
Liabilities		
Total liabilities for reportable segments	(396,499)	(471,781)
Unallocated liabilities	(29,931)	(953)
Consolidated total liabilities	<u>(426,430)</u>	<u>(472,734)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

6. SEGMENT REPORTING AND REVENUE – *Continued*

Information about geographical areas

Analysis of revenue by countries for the year is as follows:

	2026 RMB'000	2025 RMB'000
Revenue within scope of HKFRS 16:		
– PRC	44,707	44,905
– Non-PRC (Malaysia, Indonesia and Switzerland)	12,298	11,792
	<u>57,005</u>	<u>56,697</u>

Analysis of non-current assets by locations of assets (excluded financial assets) is as follows:

	2026 RMB'000	2025 RMB'000
The PRC	1,062,030	1,063,908
Switzerland	315,512	313,836
Southeast Asia (Malaysia and Indonesia)	115,587	121,746
Others	4,402	8,809
	<u>1,497,531</u>	<u>1,508,299</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

6. SEGMENT REPORTING AND REVENUE – *Continued*

Information about major customers

The Group's revenue was derived from the following external customers that individually contributed more than 10% of the Group's revenue for the year:

	2026 RMB'000	2025 RMB'000
Customer A	18,268	18,284
Customer B	11,957	11,824
RE Group	5,715	5,792

7. OTHER INCOME, OTHER GAINS/(LOSSES), NET

	2026 RMB'000	2025 RMB'000
Loss on early termination of tenancy agreement (Note)	(4,530)	–
Gain on termination of purchase of investment properties	5,260	–
Interest income from convertible notes	75	–
Net foreign exchange (losses)/gains	(209)	1,183
Deemed disposal loss on investment in an associate	(2,652)	–
Others	475	555
	(1,581)	1,738

Note:

The Group and one of its major customers mutually agreed to early terminate the existing tenancy agreements prior to the original contractual expiry dates. The leases terminated and the Group fully derecognised the carrying amount of unbilled receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

8. PROFIT/(LOSS) BEFORE INCOME TAX

This is arrived at after charging:

	2026 RMB'000	2025 RMB'000
Auditor's remuneration	634	767
Direct operating expenses arising from investment properties that generated rental income during the year	16,127	16,721
Direct operating expenses arising from investment properties that did not generate rental income during the year	8,468	4,311
Short-term lease expense	1,086	1,086
	<u>16,265</u>	<u>16,885</u>

9. EMPLOYEE COSTS

	2026 RMB'000	2025 RMB'000
Employee costs (including directors' emoluments) comprise:		
Wages and salaries	6,192	5,310
Other allowances and benefits	431	596
Contributions to defined contribution retirement plans	861	758
	<u>7,484</u>	<u>6,664</u>

Note:

For the years ended June 30, 2025 and 2026, there were neither contributions forfeited by the Group nor had there been any utilisation of such forfeited contributions to reduce future contributions. As at June 30, 2025 and 2026, there were no forfeited contributions which were available for utilisation by the Group to reduce the existing level of contributions to the government defined contribution retirement benefit scheme.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

10. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to Section 383 of the Hong Kong Companies Ordinance, Cap. 622 and the Companies (Disclosure of Information about Benefits of Directors) Regulation, Cap. 622G is as follows:

	Fees RMB'000	Salaries and other benefits RMB'000	Discretionary bonuses RMB'000	Contributions to retirement benefits scheme RMB'000	Total RMB'000
2026					
Executive Director					
Chew Hua Seng	-	-	-	-	-
Liu Ying Chun	-	290	-	-	290
Non-executive Director					
Geng Yu	-	-	-	-	-
Independent Non-executive Director					
Wilson Teh Boon Plaw	178	-	-	-	178
Tan Yeow Hiang, Kenneth	178	-	-	-	178
Liu Guilin	178	-	-	-	178
	<u>534</u>	<u>290</u>	<u>-</u>	<u>-</u>	<u>824</u>

2025

Executive Director					
Chew Hua Seng	-	-	-	-	-
Liu Ying Chun	-	290	-	-	290
Non-executive Director					
Geng Yu	-	-	-	-	-
Independent Non-executive Director					
Wilson Teh Boon Plaw	184	-	-	-	184
Tan Yeow Hiang, Kenneth	184	-	-	-	184
Liu Guilin	184	-	-	-	184
	<u>552</u>	<u>290</u>	<u>-</u>	<u>-</u>	<u>842</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

10. DIRECTORS' EMOLUMENTS – *Continued*

No director waived any emolument during the years ended June 30, 2025 and 2026.

During the years ended June 30, 2025 and 2026, Mr. Chew Hua Seng, a director of the Company, is also a director of RE, whose emoluments were borne by RE.

11. FIVE HIGHEST PAID INDIVIDUALS

Of the five individuals with the highest emoluments in the Group, three (2025: one) was director of the Company whose emolument is included in the disclosures in Note 10 above. The emoluments of the remaining two (2025: four) individuals were as follows:

	2026 RMB'000	2025 RMB'000
Salaries and other benefits	1,580	1,656
Contributions to defined contribution retirement plans	14	79
	<u>1,594</u>	<u>1,735</u>

Their emoluments fell within the following bands:

	2026 Number of Individuals	2025 Number of individuals
HK\$Nil to HK\$500,000 (equivalent to approximately RMB461,650 (2025: RMB461,300))	1	2
HK\$500,001 to HK\$1,000,000 (equivalent to approximately RMB461,651 to RMB923,300)	–	1
HK\$1,000,001 to HK\$1,500,000 (equivalent to approximately RMB923,301 to RMB1,384,950)	1	1
	<u>1</u>	<u>1</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

12. INCOME TAX

The amount of income tax in the consolidated statement of profit or loss and other comprehensive income represents:

	2026 RMB'000	2025 RMB'000
Current tax for the year		
– PRC corporate income tax	(645)	13,928
– Others	301	486
– PRC land appreciation tax	4,608	14,595
	4,264	29,009
(Over)/under provision in respect of prior years	(989)	2,158
	3,275	31,167
Deferred tax (Note 21)	11,580	(19,031)
Income tax expenses	14,855	12,136

PRC corporate income tax

The corporate income tax rate applicable to the Group's entities located in the PRC (the "PRC Subsidiaries") is 25% pursuant to the Corporate Income Tax Law of the PRC (the "PRC CIT of Law").

PRC land appreciation tax

A PRC subsidiary is also subject to PRC land appreciation tax which is levied at progressive rates on the appreciation of land value with certain allowance deductions.

PRC withholding income tax

According to the PRC CIT Law, starting from January 1, 2008, a withholding tax of 10% will be levied on the immediate holding companies outside the PRC when their PRC subsidiaries declare dividend out of profits earned after January 1, 2008. A lower withholding tax rate of 5% may be applied when the immediate holding companies of the PRC subsidiaries are incorporated in Hong Kong and fulfill requirements under the tax treaty arrangements between the PRC and Hong Kong.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

12. INCOME TAX – *Continued*

Hong Kong profits tax

No provision for Hong Kong profits tax has been made in these consolidated financial statements as the Group did not have assessable profit in Hong Kong during the current and prior years.

Others

Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

Pillar two rules

The Group is operating in certain jurisdictions where the Pillar Two Rules are effective or enacted but not effective. However, as the Group's estimated effective tax rates of all the jurisdictions in which the Group operates are higher than 15%, after taking into account the adjustments under the Pillar Two Rules based on management's best estimate, the management of the Group considered the Group is not liable to top-up tax under the Pillar Two Rules.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

12. INCOME TAX – Continued

The income tax for the year can be reconciled to the profit/(loss) before income tax in the consolidated statement of profit or loss and other comprehensive income as follows:

	2026 RMB'000	2025 RMB'000
Profit/(loss) before income tax	25,933	(44,883)
Tax calculated at applicable domestic tax rates	3,747	(12,253)
Tax effect of share of result of an associate	1,195	645
Tax effect of expenses not deductible for tax purposes	10,033	7,338
Tax effect of revenue not taxable for tax purposes	(3,739)	(1,489)
Tax effect of PRC land appreciation tax	4,608	14,595
(Over)/under-provision in respect of prior years	(989)	2,158
Others	–	1,142
Income tax expenses	14,855	12,136

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

13. EARNINGS/(LOSS) PER SHARE

(a) Basic

The calculation of basic earnings/(loss) per share is based on the profit/(loss) attributable to owners of the Company and the weighted average number of ordinary shares in issue during the year.

	2026	2025
Profit/(loss) attributable to owners of the Company (RMB'000)	<u>10,982</u>	<u>(56,558)</u>
Weighted average number of ordinary shares in issue (thousands)	<u>180,000</u>	<u>180,000</u>

(b) Diluted

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company after adjusting for the potential share outstanding from convertible notes issued by an associate and the weighted average number of ordinary shares.

	2026	2025
Profit/(loss) attributable to owners of the Company (RMB'000)	10,982	(56,558)
After tax effect of effective interest on share of loss an associate	<u>(833)</u>	<u>—</u>
	<u>10,149</u>	<u>(56,558)</u>

The Company did not have any potential ordinary shares outstanding during the years ended June 30, 2025 and 2026. Accordingly, the weighted average number of ordinary shares in issue is the same for both the basic and diluted earnings per share calculations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

14. PROPERTY, PLANT AND EQUIPMENT

	Buildings RMB'000	Furniture, fittings and equipment RMB'000	Machinery RMB'000	Total RMB'000
Cost				
At July 1, 2024	5,074	4,273	8,662	18,009
Additions	–	115	–	115
Transferred from investment properties	12,300	–	–	12,300
Disposals	(5,074)	(67)	–	(5,141)
Exchange alignment	–	(42)	–	(42)
At June 30, 2025	12,300	4,279	8,662	25,241
Additions	–	3,264	–	3,264
Written off	–	(306)	(1,865)	(2,171)
Disposals	–	(11)	–	(11)
Exchange alignment	–	(121)	–	(121)
At June 30, 2026	12,300	7,105	6,797	26,202
Accumulated depreciation				
At July 1, 2024	1,278	3,710	8,633	13,621
Depreciation	99	243	2	344
Disposals	(1,377)	(67)	–	(1,444)
Exchange alignment	–	(56)	–	(56)
At June 30, 2025	–	3,830	8,635	12,465
Depreciation	487	227	1	715
Written off	–	(205)	(1,865)	(2,070)
Disposals	–	(11)	–	(11)
Exchange alignment	–	(104)	–	(104)
At June 30, 2026	487	3,737	6,771	10,995
Net carrying amount				
At June 30, 2026	11,813	3,368	26	15,207
At June 30, 2025	12,300	449	27	12,776

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

15. INVESTMENT PROPERTIES

The fair value of investment properties is a level 3 recurring fair value measurement. A reconciliation of the opening and closing fair value balance is as follows:

	2026 RMB'000	2025 RMB'000
Fair value		
At beginning of year	1,486,379	1,533,592
Additions	1,661	3,078
Disposals	(2,540)	(22,060)
Transfer to property, plant and equipment	–	(12,300)
Reclassified to assets held for sale (Note 15(d))	–	(19,690)
Exchange realignment	(28,736)	42,404
Change in fair value	20,823	(38,645)
At end of year	<u>1,477,587</u>	<u>1,486,379</u>

(a) Valuation

Independent valuations of the Group's investment properties were performed by external independent firms of professionally qualified valuers, to determine the fair value of the Group's investment properties, adopting a valuation method using significant unobservable inputs (Level 3).

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers between Levels 1, 2 and 3 during the years ended June 30, 2025 and 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

15. INVESTMENT PROPERTIES – *Continued*

(a) Valuation – *Continued*

Valuation basis

The Group obtains independent valuations for its investment properties at least annually. At the end of each reporting period, the Directors update their assessment of the fair value of each property, taking into account the most recent independent valuations. The Directors determine a property's value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar investment leases and other contracts. Where such information is not available, the Directors consider information from a variety of sources including:

- (i) Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- (ii) Discounted cash flow projections based on reliable estimates of future cash flows.
- (iii) Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

Valuation techniques

Fair value of completed investment properties are generally derived using the income capitalisation method and market comparison method.

Income capitalisation method (term and reversionary method) largely uses observable inputs (e.g. market rent, capitalisation rate, etc.) and takes into account the significant adjustment on term yield to account for the risk upon reversionary.

Discounted cash flow method involves discounting a multi-year projection of prospective periodic net operating cash flows and an estimated terminal reversionary value back to present value using a market-derived discount rate. A 10-year projection horizon is adopted to capture localized multi-phase operational transitions, reflecting an existing lease structure followed by stabilized cash flows under subsequent tenancy arrangements. Gross income includes both fixed and variable rentals, less projected vacancies, operating expenses, and other outgoings. The terminal reversionary value is determined by capitalising the projected net operating income of the eleventh year at an appropriate yield.

Market comparison method refers to the comparable market transactions as available. The market comparison method is based on market observable transactions of similar properties and adjusted to reflect the conditions and locations of the subject property.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

15. INVESTMENT PROPERTIES – *Continued*

(a) Valuation – *Continued*

Information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value as at June 30, 2026 RMB'000	Fair value as at June 30, 2025 RMB'000	Valuation techniques	Unobservable inputs	Range of unobservable inputs (probability- weighted average)	Relationship of unobservable inputs to fair value
Completed investment properties in the PRC	588,490	597,600	Income capitalisation method	Unit monthly rent (RMB/sq.m.)	Teaching: 18.3 (2025: 18) Dormitory: 18.3 (2025: 18) Retail: 18.3 (2025: 18)	The higher the unit monthly rent, the higher the fair value
	458,190	453,500		Capitalisation rate	8% (2025: 8%)	The higher the capitalisation rate, the lower the fair value
Completed investment properties in Malaysia	69,757	69,846	Income capitalisation method	Market indicative transaction prices (RMB/sq.m.)	1,180 (2025: 1,180)	The higher the market indicative transaction price, the higher the fair value
	45,638	51,597		Unit monthly rent (Malaysian Ringgit ("RM")/psf)	4.1-4.6 (2025: 4 – 4.5)	The higher the unit monthly rent, the higher the fair value
Completed investment properties in Indonesia	315,512	313,836	Discounted cash flow method	Capitalisation rate	4.25% (2025: 4.25%)	The higher the capitalisation rate, the lower the fair value
	1,477,587	1,486,379		Market indicative transaction prices (Indonesian Rupiah ("IDR")/sq.m.)	55,000,000 – 59,135,000 (2025: 54,000,000 – 57,180,000)	The higher the market indicative transaction price, the higher the fair value
Completed investment properties in Switzerland (the "swiss properties")	315,512	313,836	Discounted cash flow method	Unit monthly rent rate (Swiss Franc ("CHF")/sq.m)	15.6-45.0 (2025: 19.37 to 55.51)	The higher the unit monthly rent rate, the higher the fair value
	1,477,587	1,486,379		Capitalisation rate	5.3% (2025: 5.8%)	The higher the capitalisation rate, the lower the fair value
	1,477,587	1,486,379				

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

15. INVESTMENT PROPERTIES – *Continued*

(a) Valuation – *Continued*

The following table summarised the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurement of investment properties.

	2026 RMB\$'000 Increase/ (decrease)	2025 RMB\$'000 Increase/ (decrease)
Unit monthly rent of PRC properties decreased by 5%	(22,120)	(22,930)
Capitalisation rate of PRC properties decreased by 1%	54,500	57,590
Market indicative transaction prices of PRC properties decreased by 5%	(30,200)	(31,100)
Unit monthly rent of Malaysia properties decreased by 5%	(3,346)	(2,379)
Capitalisation rate of Malaysia properties decreased by 0.25%	2,175	3,399
Market indicative transaction prices of Indonesia properties decreased by 5%	(2,698)	(2,558)
Unit monthly rent of Swiss properties decreased by 5%	(8,414)	(8,967)
Capitalisation rate of Swiss properties decreased by 0.5%	41,227	35,867

- (b) As at June 30, 2026, the carrying amount of investment properties of RMB1,258,667,000 are pledged to secure banking facilities of the Group (2025: RMB1,249,969,000) (Note 20).
- (c) There were no changes to the valuation techniques during the year. The fair value measurement is based on the above properties' highest and best use, which does not differ from their actual use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

15. INVESTMENT PROPERTIES – *Continued*

(d) Assets held for sale

On March 15, 2024, the Group entered into the sales and purchase agreement with the independent third party to dispose of a property located in the PRC (the “Property”) at the cash consideration of RMB110 million (the “Disposal”). As at June 30, 2024, one of the conditions precedent was not yet fulfilled and hence the Disposal was not yet completed as at June 30, 2024. Accordingly, the Property, with the carrying amount of RMB110,000,000, was classified as assets held for sale and are presented separately in the consolidated statement of financial position as at June 30, 2024. As at June 30, 2024, the carrying amount, which was also the fair value of the Property, was determined using the income capitalisation method, which was a level 2 fair value measurement. The Disposal was completed during the year ended June 30, 2025 and loss on disposal of RMB5,952,000 recognised in profit or loss and included in the line item of “loss on disposal of investment properties and assets held for sale”.

On December 31, 2024, the Group entered the letter of intent to the independent third party, intended to disposal a property located in the PRC at a consideration of RMB19,000,000 and the validity period of the letter of intent expired on June 30, 2025. The letter of intent is lapsed on June 30, 2025 as both parties have not reached the agreed terms to conclude a sale and purchase agreement. The Group considered this property is available for immediate sale and an active programme to locate another buyer has been initiated; accordingly, the property with the carrying amount of RMB19,690,000 was classified as assets held for sale and presented separately in the consolidated statement of financial position as at June 30, 2025. On July 4, 2025, the Group entered into the sales and purchase agreement with the independent third party to dispose of this property at the cash consideration of RMB18 million. The disposal is expected to be completed in the first quarter of the financial year ending June 30, 2026. As at June 30, 2025, the carrying amount, which is also the fair value of the property, was determined using the income capitalisation method at level 3 fair value measurement, by capitalising the fixed annual rental derived from the existing tenancy during the term from June 30, 2025 to June 30, 2030 and the market rent of the property after June 30, 2030 at a capitalisation rate of 8%. This disposal was completed during the year ended June 30, 2026 and loss on disposal of RMB1,012,000 recognised in profit or loss and included in the line item of “loss on disposal of investment properties and assets held for sale”.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

16. INVESTMENT IN AN ASSOCIATE

	2026 RMB'000	2025 RMB'000
Share of net assets other than goodwill	1,750	9,335
Goodwill	2,652	2,652
	4,402	11,987
Impairment loss	–	(3,178)
Carrying amount	4,402	8,809

Details of the associate is as follows:

Name	Place of incorporation, operation and principal activities	Notes	Percentage of ownership interest	
			2026	2025
Axtec Limited (formerly known as "Axiom Properties Limited") ("Axtec")	Australia, property development and investment business focused on developing and delivering quality property and technology solution in Australia	(i)	17.55%	19.01%

Notes:

- (i) Notwithstanding that the Group's ownership interest in Axtec is less than 20%, the Group has the right to appoint representative on the board of directors of Axtec. The Directors therefore considered the Group has the power to exercise significant influence and accounted for the interest in Axtec as an associate since the date the Group has the significant influence. As at June 30, 2026, the fair value of the Group's investment in Axtec, which is listed on the Australian Securities Exchange, based on the quoted market price is RMB5,822,000 (June 30, 2025: RMB8,809,000). As at June 30, 2026, impairment of RMB3,178,000 made in prior year against the carrying amount of investment in the associate had been reversed. This reversal arose due to its fair value less cost to sell was higher than its carrying amount.
- (ii) On October 14, 2025, the Company subscribed for, through a placing arrangement, 13,500,000 Axtec Shares at the subscription price of AUD0.015 per Axtec Share at a total consideration of AUD202,500 (equivalent to approximately RMB953,000). Deemed disposal loss on an investment in an associate of RMB2,652,000 was recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

16. INVESTMENT IN AN ASSOCIATE – *Continued*

Notes: – *Continued*

(iii) Summarised financial information of Axtec is as follows:

	2026 RMB'000	2025 RMB'000
As at June 30		
Current assets	4,283	31,453
Non-current assets	16,585	52,816
Current liabilities	(2,780)	(33,497)
Non-current liabilities	(8,115)	(1,667)
Net Assets	<u>9,973</u>	<u>49,105</u>
	2026 RMB'000	2025 RMB'000
Revenue	<u>–</u>	<u>39,186</u>
Loss for the year	<u>(35,826)</u>	<u>(13,703)</u>
Other comprehensive income	<u>190</u>	<u>10,400</u>
Total comprehensive income	<u>(35,636)</u>	<u>(3,303)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2026 RMB'000	2025 RMB'000
Debt investment	2,200	–

On November 29, 2025, the Company as noteholder and Axtec as issuer entered into the convertible note issue agreement in relation to the subscription of the Convertible Notes B (“Note Agreement B”), pursuant to which the Company agreed to subscribe for the Convertible Notes B with aggregate face value of AUD475,000 at a consideration of AUD475,000 (equivalent to approximately RMB2,220,000). The Convertible Notes B have been issued to the Company on June 29, 2026. The Convertible Notes B are unsecured, bear interest at a rate of 10% per annum payable quarterly in arrears.

The Convertible Notes B will be converted to Axtec Shares on the first occurrence of any of the following: The Company delivering a conversion notice to Axtec prior to the maturity date; or on the maturity date in December 2028. The conversion price will be determined as 80% of the volume weighted average market price (as defined in ASX Listing Rules) of the Axtec Shares over the thirty (30) consecutive trading days immediately preceding the conversion date, subject to the following floor and ceiling: (a) a floor price (minimum) of AUD3.0 cents per Axtec Share; and (b) a ceiling price (maximum) of AUD4.5 cents per Axtec Share; or in the event Axtec is issuing Axtec Shares as part of a capital raising or other issue for cash on or around the conversion date, 80% of the issue price for Axtec Shares under that issue.

The Company may elect to redeem outstanding Convertible Notes B held by it on the maturity date by delivering a redemption notice to Axtec not less than ninety (90) days prior to the maturity date. Prior to the maturity date, Axtec may, in its sole discretion, elect to redeem part or all of the outstanding Convertible Notes B (and any accrued interest) by delivering a redemption notice to the Company.

The Convertible Notes B are classified as financial assets at fair value through profit or loss and revalued on June 30, 2026 by the independent qualified valuer by the discounted cash flow method to estimate the fair value of the straight bond component and the Black-Derman-Toy model to value the embedded issuer call option. The key assumptions used in the valuation is as follows:

Credit spread	5.38%
Yield volatility	1%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

18. TRADE AND OTHER RECEIVABLES

	2026 RMB'000	2025 RMB'000
Trade receivables, net of provision (Note (iv))	21,764	23,355
Other receivables and prepayments (Note (i))	9,464	16,167
Receivables upon refund of proceed for acquisition properties (Note (ii))	–	20,008
Other tax recoverable	2,828	3,326
Loan receivables (Note (iii))	872	–
	34,928	62,856
Less: impairment allowance	(5,937)	(7,991)
	28,991	54,865

Analysis of trade and others receivables for reporting purpose:

	2026 RMB'000	2025 RMB'000
Current	28,119	53,072
Non-current	872	1,793
	28,991	54,865

Notes:

- (i) Included in the balance as at June 30, 2026 was an amount due from an associate of RMB191,000 (2025: RMB64,000) and amount due from RE Group, fellow subsidiaries of the Company, of RMB2,752,000 (2025: RMB7,586,000), which was unsecured, interest-free, repayable on demand and non-trade in nature.
- (ii) On March 8, 2020, the Company signed an agreement to acquire properties in Mongolia from an independent vendor for approximately RMB32,712,000. The acquisition was not completed by the financial year ended June 30, 2024. On September 6, 2024, the Company and the vendor agreed to cancel the purchase agreement through a termination deed (the "Termination Deed") due to various business reasons. Under the Termination Deed, the vendor agreed to make a termination payment, totaling approximately RMB33,690,000 including compensation amounted to RMB5,260,000 in four equal instalments, with the final payment due by December 30, 2025. During the year ended June 30, 2025, the Company received RMB8,422,000 from the vendor. The remaining balances (including the compensation of RMB5,260,000) were received during the year ended June 30, 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

18. TRADE AND OTHER RECEIVABLES – *Continued*

Notes: – *Continued*

- (iii) On June 26, 2026, the Company as noteholder and Axtec as issuer entered into the convertible note issue agreement (“Note Agreement A”), pursuant to which the Company agreed to subscribe for the Convertible Notes A with aggregate face value of AUD1,000,000 at a consideration of AUD1,000,000 (equivalent to approximately RMB4,677,111). The Company paid AUD200,000 (equivalent to approximately RMB872,000) and AUD200,000 (equivalent to approximately RMB872,000) as at June 30, 2026 and July 28, 2026, respectively, in accordance with the Note Agreement A.

The issuance of this convertible note is subject to Axtec’s shareholders’ approval. The commitment will be deemed an unsecured loan to Axtec until such time as the shareholders’ approval is granted and such convertible notes are able to be subsequently issued. Axtec has undertaken to seek such shareholders’ approval no later than its next annual general meeting, which is expected to be held in late November 2026.

- (iv) The majority of the Group’s revenue is required to be paid in advance. Revenue from education facilities leasing and commercial leasing for supporting facilities is settled by instalments in accordance with the payment schedules specified in the agreements. In relation to hotel property leasing, the fixed portion of the rent is required to be paid annually by end of December of each year, whereas the variable portion of the rent is required to be paid no later than the end of June. The aging analysis of trade receivables by revenue recognition date is as follows:

	2026 RMB’000	2025 RMB’000
Within 3 months	9,083	18,820
3 months to 6 months	9,235	3,855
6 months to 12 months	3,430	302
Over 1 year	16	378
	21,764	23,355

The carrying amounts of the Group’s trade and other receivables approximate their fair values.

The Group recognised impairment loss for trade and other receivables during the years ended June 30, 2025 and 2026 based on the accounting policies set out in Note 4(h). Further details of the Group’s impairment loss for trade and other receivables are set out in Note 31(a)(i).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

19. TRADE AND OTHER PAYABLES AND ACCRUALS

	Notes	2026 RMB'000	2025 RMB'000
Trade payables		1,192	2,226
Other payables and accruals	(i)	15,634	14,751
Deposit received		—	5,000
Amount due to RE Group	(ii)	13,111	40,692
		<u>29,937</u>	<u>62,669</u>

Analysis of trade payables and other payables and accruals for reporting purposes:

	2026 RMB'000	2025 RMB'000
Current	16,826	21,977
Non-current	13,111	40,692
	<u>29,937</u>	<u>62,669</u>

Notes:

- (i) Included in other payables and accruals as at June 30, 2026 were (i) rental deposits received from customers and RE Group of RMB4,535,000 and RMB700,000 respectively (2025: RMB3,932,000 and RMB711,000 respectively) and (ii) other tax payable of RMB2,710,000 (2025: RMB4,822,000).
- (ii) Amounts due to RE Group of RMB13,111,000 (2025: RMB40,692,000), which was unsecured, interest-free, with repayment term not payable before July 1, 2027 (2025: July 1, 2026) and non-trade in nature.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

19. TRADE AND OTHER PAYABLES AND ACCRUALS – *Continued*

Trade payables are generated by the daily maintenance costs for the education facilities. The aging analysis of the trade payables based on invoice date is follows:

	2026 RMB'000	2025 RMB'000
Within 3 months	400	449
3 months to 6 months	339	436
6 months to 12 months	104	443
Over 1 year	349	898
	1,192	2,226

20. BANK BORROWINGS, SECURED

	Notes	2026 RMB'000	2025 RMB'000
Bank borrowings due for repayment:			
– Within one year	(a)	38,689	77,632
– After one year but within two years		54,345	23,109
– After two years but within five years		56,039	60,529
– After five years		65,027	84,733
	(b)	175,411	168,371
	(c), (d)	214,100	246,003

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

20. BANK BORROWINGS, SECURED – *Continued*

Notes:

- (a) As at June 30, 2026, bank borrowings due for repayment within one year included the term loans amounting to RMB38,689,000 (2025: RMB77,632,000).
- (b) Bank borrowings are interest-bearing at both fixed rates and floating rates. The interest rates of the Group's bank borrowings as at June 30, 2026 granted under banking facilities ranged from 1.5% to 9.06% (2025: 2.00% to 8.95%) per annum.
- (c) As at June 30, 2025 and 2026, the banking facilities of the Group were secured by certain investment properties of the Group (Note 15), corporate guarantee of the Company, non-controlling shareholder of PRC subsidiary, the ultimate parent, and share capital of PRC Subsidiary.
- (d) As at June 30, 2026, pledged bank deposit of the Group of RMB8,413,000 (2025: RMB8,967,000) and rental income from the Swiss properties were secured for the non-current borrowings of the Group.
- (e) As at June 30, 2025 and 2026, the Group has no undrawn banking facility available.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

21. DEFERRED TAX LIABILITIES

Details of the deferred tax liabilities recognised and movements during the current and prior years are as follows:

	Revaluation of investment properties RMB'000
At July 1, 2024	173,064
Charged to profit or loss (Note 12)	(19,031)
Exchange realignment	1,517
At June 30, 2025	155,550
Charged to profit or loss (Note 12)	11,580
Exchange realignment	(1,729)
At June 30, 2026	165,401

No withholding income tax has been recognised as at June 30, 2025 and 2026 in respect of the unremitted earnings of the Group's PRC Subsidiary as the Group currently did not have any plan to declare or distribute dividend from the PRC Subsidiary.

As at June 30, 2026, no deferred tax assets have been recognised in respect of the tax losses of approximately RMB44,435,000 (2025: RMB47,421,000) due to unpredictability of future profits streams. The unused tax losses will be available within five years for offsetting against future taxable profits of the company in which the loss arose.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

22. SHARE CAPITAL

The share capital as at June 30, 2025 and 2026 represented the issued share capital of the Company as follows:

	Number of ordinary shares	Share capital	Share capital
Issued and fully paid	Shares	HK\$	RMB
As at July 1, 2024, June 30, 2025 and June 30, 2026	180,000,000	366,320,500	290,136,000

23. RESERVES

The Group

The reconciliation between the opening and closing balances of each component of the Group's consolidated reserves is set out in the consolidated statement of changes in equity.

The following describes the nature and purpose of reserves within owners' equity:

Reserve	Description and purpose
Other reserves	On consolidation, the reserves mainly arose from group reorganisation in prior years.
Statutory surplus reserves	Subsidiaries of the Company established in the PRC are required to transfer 10% of their profit after income tax calculated in accordance with the PRC accounting regulations to the statutory surplus reserve until the reserve reaches 50% of their respective registered capital, upon which any further appropriation will be at the recommendation of the directors of subsidiaries. Such reserve may be used to reduce any loss incurred by the subsidiaries or be capitalised as paid-up capital of the subsidiaries.
Exchange reserve	Gains or losses arising on retranslating the net assets of foreign operations into presentation currency.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

23. RESERVES – *Continued*

The Company

Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

	Retained profits
	RMB'000
Balance as at July 1, 2024	35,095
Profit for the year	3,300
Balance as at June 30, 2025	38,395
Profit for the year	3,904
Balance as at June 30, 2026	42,299

24. DIVIDENDS

The Directors have resolved not to recommend the payment of any final dividend for the years ended June 30, 2025 and 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

25. LEASES

Operating leases – lessor

The Group's investment properties are leased to tenants under operating leases with lease term ranging from one to ten years (2025: one to ten years). The minimum rent receivables under non-cancellable operating leases are as follows:

	2026 RMB'000	2025 RMB'000
Not later than one year	29,272	49,690
Later than one year but not later than two years	19,328	41,872
Later than two years but not later than three years	16,197	18,348
Later than three years but not later than four years	16,197	15,481
Later than four years but not later than five years	15,645	15,481
More than five years	1,088	15,150
	97,727	156,022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

26. COMPANY'S STATEMENT OF FINANCIAL POSITION

	Notes	2026 RMB'000	2025 RMB'000
Non-current assets			
Investments in subsidiaries	27	678,380	678,380
Financial assets at fair value through profit or loss		2,200	—
Investment in an associate		953	—
Other receivables		872	—
		<u>682,405</u>	<u>678,380</u>
Current assets			
Other receivables		2,236	18,018
Amounts due from subsidiaries		151,799	141,444
Cash and cash equivalents		203	7
		<u>154,238</u>	<u>159,469</u>
Current liabilities			
Other payables and accruals		590	927
Amounts due to subsidiaries		501,048	505,000
Current tax liabilities		76	76
		<u>501,714</u>	<u>506,003</u>
Net current liabilities		<u>(347,476)</u>	<u>(346,534)</u>
Total assets less current liabilities		<u>334,929</u>	<u>331,846</u>
Non-current liabilities			
Amount due to RE Group		2,494	3,315
		<u>2,494</u>	<u>3,315</u>
NET ASSETS		<u>332,435</u>	<u>328,531</u>
Capital and reserves			
Share capital	22	290,136	290,136
Retained profits	23	42,299	38,395
TOTAL EQUITY		<u>332,435</u>	<u>328,531</u>

On behalf of directors

Chew Hua Seng
Chairman and Executive Director

Liu Ying Chun
Chief Executive Officer and Executive Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

27. INVESTMENTS IN SUBSIDIARIES

The following list contains the particulars of the subsidiaries which affected the results, assets or liabilities of the Group during the year ended June 30, 2026:

Name	Place of establishment/ operation and kind of legal entity	Principal activity	Description of paid-up/ registered capital	Percentage of ownership interest, voting rights and profit share
Langfang Development Zone Oriental University City Education Consultancy Co., Ltd. # 廊坊開發區東方大學城 教育諮詢有限公司	PRC, limited liability company	Provision of education facilities rental services in the PRC	RMB263,500,000	99%
Langfang Tongrui Education Consultancy Co., Ltd.* 廊坊通睿教育諮詢有限公司	PRC, limited liability company	Provision of education facilities rental services in the PRC	RMB199,000,000	99%
OUC Malaysia Sdn. Bhd.	Malaysia, limited liability company	Provision of education facilities rental services in Malaysia	RM2,000,000	100%
OUC (Indonesia) Pte. Ltd.	Singapore, limited liability company	Investment holding	Singapore dollar 2	100%
PT OUC Jakarta Indo	Indonesia, limited liability company	Investment holding	IDR2,500,000,000	100%
PT OUC Thamrin Indo	Indonesia, limited liability company	Provision of education facilities rental services in Indonesia	IDR2,500,000,000	100%
4 Valleys	Singapore, limited liability company	Provision of leasing and managing of hotel properties in Switzerland	CHF 8,111,976	100%

The English name of the subsidiary represented the best effort by management of the Company in translating its Chinese name as it does not have official English name.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

28. RELATED PARTY TRANSACTIONS

The Group is controlled by RE and Mr. Chew Hua Seng, the founding shareholder of RE, is the ultimate beneficial owner of the Group.

(a) Transactions with related parties

In addition to the transactions and balances disclosed elsewhere in the consolidated financial statements, the Group entered into the following related party transactions:

Note	2026 RMB'000	2025 RMB'000
Rental income received from fellow subsidiaries:		
Raffles College of Higher Education Sdn. Bhd.	3,450	3,297
PT. Raffles Institute of Higher Education	2,265	2,445
	5,715	5,742
Management services fee paid to fellow subsidiary:		
Raffles K12 Sdn Bhd	510	370
Short term lease expense and service fee paid to fellow subsidiary:		
Raffles College of Higher Education Pte. Ltd.	1,500	1,178
Salaries and retirement scheme contribution paid to:		
– Mr. Chew Han Wei, son of a director	1,281	1,019

Notes:

- (i) On June 30, 2023, the Group obtained a loan revolving facility of RMB40,000,000 from RE for a term of three years effective from June 30, 2023. On June 30, 2026, the loan revolving facility was renewed under the same terms for an additional three years. The Group did not utilise the facilities during the years ended June 30, 2025 and 2026.

The transactions were carried out in the normal course of the business activities of the Group and were conducted at terms mutually agreed by the respective parties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

28. RELATED PARTY TRANSACTIONS – *Continued*

(b) Compensation of key management personnel

The emoluments of the key management personnel during the year comprised only the Directors whose remuneration is set out in Note 10.

29. CAPITAL COMMITMENTS

	2026 RMB'000	2025 RMB'000
Renovation/refurbishment of investment properties	30,473	8,585

30. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

The following shows the carrying amount and fair value of financial assets and liabilities:

	2026 RMB'000	2025 RMB'000
Financial assets		
Financial assets, at fair value through profit or loss	2,200	–
Financial assets, at amortised cost		
– Trade and other receivables	26,146	49,373
– Pledged bank deposit	8,413	8,967
– Cash and cash equivalents	4,084	1,388
	<u>26,934</u>	<u>49,373</u>
Financial liabilities		
Financial liabilities, at amortised cost		
– Trade and other payables	26,934	12,155
– Amount due to RE Group	13,111	40,692
– Bank borrowings, secured	214,100	246,003
	<u>214,100</u>	<u>246,003</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

31. FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(i) *Credit risk*

Credit risk is the potential financial loss resulting from the tenants defaulting to pay rental fees when due, resulting in a loss to the Group. During the year ended June 30, 2026, the Group provided education facilities leasing and commercial leasing for supporting facilities to five largest customers (2025: five) which accounts to 80.1% (2025: 80.0%) of the Group's total revenue. As at June 30, 2026, 72.1% (2025: 96.9%) of trade receivables due from these five customers. For the consideration of collectability of these five customers, management has not made any provision for trade receivables as of June 30, 2025 and 2026. The Group believes there is no credit risk provision required because the credit risk of these trade receivables is not significant.

Cash are placed with licensing banks which are all high-credit-quality financial institutions. Management expects the counterparty would be able to meet its obligations. Accordingly, the ECLs for pledged bank deposits and cash and cash equivalents were expected to be minimal.

The carrying amounts of trade receivables, deposits and other receivables, pledged bank deposits and cash and cash equivalents included in the consolidated statement of financial position represent the Group's maximum exposure to credit risk in relation to its financial assets which carry significant exposure to credit risk.

Impairment of trade receivables

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix based on days past due for groupings of customer segments that have similar loss patterns.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

31. FINANCIAL RISK MANAGEMENT – Continued

(a) Financial risk factors – Continued

(i) Credit risk – Continued

Impairment of trade receivables – Continued

The following tables provide information about the Group's exposure to credit risk and ECLs for the trade receivables as follows:

At June 30, 2026

	Expected loss rate (%)	Gross carrying amount RMB'000	Loss allowance RMB'000	Net amount RMB'000
Neither past due nor impaired	–	5,495	–	5,495
1 to 3 months past due	–	3,588	–	3,588
More than 3 months but less than 12 months past due	–	12,665	–	12,665
More than 12 months past due	97	607	591	16
		<u>22,355</u>	<u>591</u>	<u>21,764</u>

At June 30, 2025

	Expected loss rate (%)	Gross carrying amount RMB'000	Loss allowance RMB'000	Net amount RMB'000
Neither past due nor impaired	–	16,549	–	16,549
1 to 3 months past due	–	2,271	–	2,271
More than 3 months but less than 12 months past due	–	4,157	–	4,157
More than 12 months past due	74	1,459	1,081	378
		<u>24,436</u>	<u>1,081</u>	<u>23,355</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

31. FINANCIAL RISK MANAGEMENT – *Continued*

(a) Financial risk factors – *Continued*

(i) Credit risk – *Continued*

Impairment of trade receivables – *Continued*

Expected loss rates are based on actual loss experience over the past three years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The following table reconciled the impairment loss on trade receivables for the year:

	2026 RMB'000	2025 RMB'000
At beginning of year	1,081	1,081
Written off	490	–
At end of year	591	1,081

The credit risk on trade receivables is limited because the counterparties are with low loss rates which is estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available.

Impairment of other financial assets at amortised cost

The Group measures loss allowances for other receivables using the general approach under HKFRS 9. Impairment of these financial assets was provided based on the “three-stage” model by referring to the changes in credit quality since initial recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

31. FINANCIAL RISK MANAGEMENT – *Continued*

(a) Financial risk factors – *Continued*

(i) Credit risk – *Continued*

Impairment of other financial assets at amortised cost – *Continued*

These financial assets that are not credit-impaired on initial recognition are classified in “Stage 1” and have their credit risk continuously monitored by the Group. The ECL is measured on a 12-month basis.

- If a significant increase in credit risk (as defined in accounting policy Note 4(h)) since initial recognition is identified, the financial asset is moved to “Stage 2” but it not yet deemed to be credit-impaired. The ECL is measured on lifetime basis.
- If the financial asset is credit-impaired (as defined in accounting policy Note 4(h)), the financial asset is then moved to “Stage 3”. The ECL is measured on lifetime basis.
- At Stages 1 and 2, interest income is calculated on the gross carrying amount (without deducting the loss allowance). If a financial asset subsequently becomes credit-impaired (Stage 3), the Group is required to calculate the interest income by applying the effective interest method in subsequent reporting periods to the amortised cost of the financial asset (the gross carrying amount net of loss allowance) rather than the gross carrying amount.

In determining the ECL for other receivables other than receivables upon refund of proceed for acquisition of properties which the management of the Group has taken into account the historical default experience and forward-looking information, as appropriate, and concluded that credit risk inherent in the Group’s outstanding receivables is insignificant. The management of the Group has assessed there is no significant increase in credit risk since initial recognition and risk of default is insignificant, and therefore, no impairment has been recognised.

In respect of the ECL for receivables upon refund of proceed for acquisition of properties, the Company conducted an impairment analysis to assess the risk of not receiving the remaining amount, following the expected credit loss model in HKFRS 9. An independent qualified valuer performed the assessment, considering the likelihood of the vendor failing to pay (probability of default) and the potential loss if default occurs (loss given default). As at June 30, 2025, the probability of default was estimated at 16.74%, with the loss given default ranging from 10.17% to 10.32%. Loss allowance of RMB2,054,000 was recognised for the year ended June 30, 2025. Further quantitative data in respect of the Group’s exposure to credit risk arising from these receivables are disclosed in Note 18.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

31. FINANCIAL RISK MANAGEMENT – *Continued*

(a) Financial risk factors – *Continued*

(i) Credit risk – *Continued*

Impairment of other financial assets at amortised cost – *Continued*

The following table provides information about the Group's exposure to credit risk and ECLs for other receivables are as follows:

At June 30, 2026

	Expected loss rate (%)	Gross carrying amount RMB'000	Loss allowance RMB'000	Net amount RMB'000
12-month ECLs – Stage 1	–	7,227	–	7,227
Lifetime ECLs – Stage 2	–	–	–	–
Lifetime ECLs – Stage 3	100	5,937	5,937	–
		<u>13,164</u>	<u>5,937</u>	<u>7,227</u>

At June 30, 2025

	Expected loss rate (%)	Gross carrying amount RMB'000	Loss allowance RMB'000	Net amount RMB'000
12-month ECLs – Stage 1	–	8,064	–	8,064
Lifetime ECLs – Stage 2	19	20,008	2,054	17,954
Lifetime ECLs – Stage 3	100	5,937	5,937	–
		<u>34,009</u>	<u>7,991</u>	<u>26,018</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

31. FINANCIAL RISK MANAGEMENT – *Continued*

(a) Financial risk factors – *Continued*

(i) Credit risk – *Continued*

Impairment of other financial assets at amortised cost – *Continued*

	12-month ECLs RMB'000	Lifetime ECLs RMB'000	Total RMB'000
As July 1, 2024 and June 30, 2025,			
July 1, 2025	–	7,991	7,991
Reversal of impairment loss	–	(2,054)	(2,054)
June 30, 2026	–	5,937	5,937

(ii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding.

To manage the liquidity risk, management monitors rolling forecasts of cash and cash equivalents on the basis of expected cash flows. Note 3(b) explains the management's plans for managing liquidity needs of the Group to enable the Group to continue to meet its obligations as they fall due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

31. FINANCIAL RISK MANAGEMENT – Continued

(a) Financial risk factors – Continued

(ii) Liquidity risk – Continued

The following table details the remaining contractual maturities of the Group's non-derivative financial liabilities, which is based on contractual undiscounted cash flows (including interest payments computed using contractual rates, if floating, based on rates current at the year-end dates) and the earliest date the Group can be required to pay.

	Carrying amount RMB'000	Total contractual undiscounted cash flow RMB'000	Within one year RMB'000	More than one year but less than two years RMB'000	More than two years but less than five years RMB'000	More than five years RMB'000
As at June 30, 2026						
Trade and other payables	14,115	14,115	14,115	–	–	–
Amount due to RE Group	13,111	13,111	5,006	8,105	–	–
Bank borrowings, secured	214,100	250,567	48,968	61,962	70,651	68,986
	<u>241,326</u>	<u>277,793</u>	<u>68,089</u>	<u>70,067</u>	<u>70,651</u>	<u>68,986</u>
As at June 30, 2025						
Trade and other payables	12,155	12,155	12,155	–	–	–
Amount due to RE Group	40,692	40,692	–	40,692	–	–
Bank borrowings, secured	246,003	309,170	89,364	32,124	83,035	104,647
	<u>298,850</u>	<u>362,017</u>	<u>101,519</u>	<u>72,816</u>	<u>83,035</u>	<u>104,647</u>

(iii) Interest rate risk

The Group's interest rate risk arises primarily from bank deposits and bank borrowings, secured. The Group has not used any derivative contracts in order to hedge its exposure to interest rate risk. At June 30, 2025 and 2026, the Group does not anticipate significant impact to bank deposits because the interest rates of bank deposits are not expected to change significantly. The Group has not formulated a policy to manage the interest rate risk.

Cash at banks earns interest at floating rates based on daily deposit rates. At June 30, 2026, the deposits bore interest rates ranging from 0.01% to 0.2% (2025: 0.05% to 0.2%) which are close to the market interest rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

31. FINANCIAL RISK MANAGEMENT – *Continued*

(a) Financial risk factors – *Continued*

(iii) Interest rate risk – *Continued*

The Group's fair value interest-rate risk mainly arises from bank borrowings, secured as disclosed in Note 20. At June 30, 2025 and 2026, borrowings, secured of RMB69,392,000 (2025: RMB77,288,000) were issued at variable rate in terms of RM and CHF which expose the Group to fair value interest rate risk. The Group has not used any financial instruments to hedge potential fluctuations in interest rates.

At June 30, 2026, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would increase/decrease the Group's loss for the year by approximately RMB694,000 (2025: decrease/increase the Group's loss for the year by approximately RMB773,000).

(iv) Foreign currency risk

Foreign exchange risk arises when individual Group entities enter into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow group entities to settle liabilities denominated in their functional currency) with the cash generated from their own operations in that currency. Where group entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them), cash already denominated in that currency will, where possible, be transferred from elsewhere within the Group.

The Group is currently exposed to currency risk primary arising from amount due to RE Group which are denominated in currency other than the functional currency of the respective group entities, including Singapore dollar ("SGD"). During both years, the Group did not have foreign currency hedging policy but management continuously monitors foreign exchange exposure.

At June 30, 2026, it is estimated that a general increase/decrease of 50 basis points in RMB against SGD, with all other variables held constant, would decrease/increase the Group's loss for the year by approximately RMB66,000 (2025: RMB203,000).

The sensitivity analysis of the Group's exposure to foreign currency risk at the end of the reporting period has been determined based on the assumed percentage changes in foreign currency exchange rates taking place at the beginning of the financial years and held constant throughout the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

31. FINANCIAL RISK MANAGEMENT – *Continued*

(b) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce any unnecessary cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

As of June 30, 2026, the Group has bank borrowings, secured amounted to RMB214,100,000 (2025: RMB246,003,000). The capital structure of the Group consists of equity attributable to the owners of the Company, comprising issued share capital and reserves.

Note 3(b) explains the management's plans for managing liquidity needs of the Group to enable the Group to continue to meet its obligations as they fall due.

(c) Fair value estimation

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted);
- Level 2: Observable direct or indirect inputs other than Level 1 inputs;
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The carrying amounts of the Group's financial instruments including cash and cash equivalents, pledged bank deposit, trade and other receivables, amount due to RE Group, trade and other payables and bank borrowings, secured approximate their fair values.

At June 30, 2025 and 2026, all investment properties are included in level 3 in the fair value hierarchy. Details of the fair value measurement have been disclosed in Note 15.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of liabilities arising from financing activities:

	Amounts due to RE Group RMB'000	Bank borrowings, secured (Note 20) RMB'000
At July 1, 2025	40,692	246,003
Changes from cash flows:		
Interest paid on borrowings	–	(12,402)
Advance from RE Group	4,765	–
Repayment to RE Group	(30,580)	–
Proceeds from bank borrowings	–	15,452
Repayment of bank borrowings	–	(38,051)
	<u>(25,815)</u>	<u>(35,001)</u>
Other changes:		
Interest expense on borrowings	–	12,402
Exchange difference	(1,766)	(9,304)
	<u>(1,766)</u>	<u>3,098</u>
Total other changes	<u>(1,766)</u>	<u>3,098</u>
At June 30, 2026	<u><u>13,111</u></u>	<u><u>214,100</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2026

32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS – *Continued*

	Amounts due to RE Group RMB'000	Bank borrowings, secured (Note 20) RMB'000
At July 1, 2024	52,574	290,273
Changes from cash flows:		
Interest paid on borrowings	–	(14,560)
Advance from RE Group	15,540	–
Repayment to RE Group	(30,932)	–
Proceeds from bank borrowings	–	17,669
Repayment of bank borrowings	–	(69,733)
	<u>37,182</u>	<u>223,649</u>
Other changes:		
Interest expense on borrowings	–	14,560
Exchange difference	3,510	7,794
	<u>–</u>	<u>22,354</u>
Total other changes	<u>–</u>	<u>22,354</u>
At June 30, 2025	<u>40,692</u>	<u>246,003</u>

33. EVENT AFTER THE REPORTING PERIOD

Other than those disclosed in these consolidated financial statements, the Group did not have other significant event after end of the reporting period.

34. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The financial statements were reviewed by the Audit Committee and approved and authorised for issue by the Board of Directors on August 21, 2026.

INVESTMENT PROPERTIES

AT JUNE 30, 2026

Name and Location	Lease Expiry	Usage	Approximate Gross Floor Area (square metres)	Group's Interest (%)
Various land and buildings at Oriental University City, Langfang Economic & Technological Development Zone, Langfang City, Hebei Province, the People's Republic of China	Medium term	Teaching buildings	132,178	99
		Student and staff dormitories	114,337	
		Retail	13,720	
		Ancillary facilities	1,480	
			<u>261,715</u>	
		Land	<u>379,112</u>	
Various Land and buildings at Section 88A Town of Kuala Lumpur, District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur, Malaysia	Medium term	Teaching buildings	<u>3,754</u>	100
		Land	<u>5,336</u>	
Two floors of office units at Sub-District of Gondangdia, District of Menteng, Municipality of Central Jakarta, Special Capital City of Jakarta, Indonesia	Medium term	Teaching buildings	<u>2,092</u>	100
Hotel 4 Vallee, Chemin des Cibles 17, Haute-Nendaz/VS, Switzerland	Freehold	Hotel	<u>9,895</u>	100
		Land	<u>5,910</u>	

FINANCIAL SUMMARY

The financial information relating to the year ended June 30, 2026 included in this financial summary does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with Section 436 of the Hong Kong Companies Ordinance, Cap. 622 (the "Companies Ordinance") is as follows:

	For the year ended				
	2022	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
RESULTS					
Revenue	54,168	61,680	55,969	56,697	57,005
Operating (loss)/profit	45,962	903	(67,115)	(30,354)	38,326
Interest income	53	78	15	31	9
Interest expense on bank borrowings	(19,648)	(14,905)	(16,428)	(14,560)	(12,402)
(Loss)/profit before income tax	26,367	(13,924)	(83,528)	(44,883)	25,933
Income tax expenses	(20,416)	(9,455)	8,952	(12,136)	(14,855)
(Loss)/profit for the year	5,951	(23,379)	(74,576)	(57,019)	11,078
Attributable to:					
Owners of the Company	5,811	(23,017)	(73,861)	(56,558)	10,982
Non-controlling interests	140	(362)	(715)	(461)	96

FINANCIAL SUMMARY

	As at June 30,				
	2022	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS AND LIABILITIES					
Non-current assets	1,656,313	1,582,564	1,597,179	1,519,059	1,509,016
Current assets	26,090	109,193	203,614	74,150	32,203
Current liabilities	(61,275)	(89,026)	(210,510)	(108,121)	(67,998)
Total assets less current liabilities	1,621,128	1,602,731	1,590,283	1,485,088	1,473,221
Non-current liabilities	(373,383)	(369,285)	(444,776)	(364,613)	(358,432)
Net assets	1,247,745	1,233,446	1,145,507	1,120,475	1,114,789
CAPITAL AND RESERVES					
Share capital	290,136	290,136	290,136	290,136	290,136
Reserves	946,633	932,696	845,472	820,401	815,119
Equity attributable to owners of the Company	1,236,769	1,222,832	1,135,608	1,111,037	1,105,255
Non-controlling interests	10,976	10,614	9,899	9,438	9,534
Total equity	1,247,745	1,233,446	1,145,507	1,120,475	1,114,789

The Company will deliver the financial statements for the year ended June 30, 2025 to the Registrar of Companies as required by Section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's respective auditors have reported on those financial statements. The auditor's reports were unqualified; did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their reports; and did not contain a statement under Sections 406(2), 407(2) or (3) of the Companies Ordinance.

ANNUAL REPORT

2025/2026



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