JH Educational Technology INC.
嘉宏教育科技有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1935)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2022

The board of directors (the "**Board**") of JH Educational Technology INC. (the "**Company**") is pleased to announce the unaudited interim consolidated financial results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2022 (the "**Reporting Period**" or "**Period**"), together with the comparative figures for the corresponding period in 2021. The unaudited interim consolidated financial results for the Reporting Period have been reviewed by the audit committee of the Board (the "**Audit Committee**").

HIGHLIGHTS

	Six months ended 30 June			
	2022	2021	**Change**	**Percentage Change**
	RMB'000	*RMB'000*	***RMB'000***	
	(Unaudited)	(Unaudited)		
Revenue	**385,545**	318,352	**67,193**	**21%**
Gross profit	**249,188**	192,326	**56,862**	**30%**
Profit for the period	**247,575**	192,539	**55,036**	**29%**
Core net profit*(Note)*	**249,594**	195,849	**53,745**	**27%**

Note: Core net profit is defined as the profit for the period of the Group after adjusting for those items which are not indicative of the Group's operating performance. For details of the reconciliation of the profit for the period to the core net profit of the Group, please refer to the section headed "Financial Review" in this announcement.

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2022

		Six months ended 30 June	
	Notes	**2022**	2021
		(Unaudited)	(Unaudited)
		RMB'000	*RMB'000*
REVENUE	*4*	**385,545**	318,352
Cost of sales		**(136,357)**	(126,026)
Gross profit		**249,188**	192,326
Other income and gains	*4*	**22,326**	23,375
Selling and distribution expenses		**(2,589)**	(2,363)
Administrative expenses		**(19,574)**	(16,950)
Other expenses		**(407)**	(2,349)
Finance costs		**(12)**	(6)
PROFIT BEFORE TAX	*5*	**248,932**	194,033
Income tax expense	*6*	**(1,357)**	(1,494)
PROFIT FOR THE PERIOD		**247,575**	192,539

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)

For the six months ended 30 June 2022

	Six months ended 30 June	
	2022	2021
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
PROFIT FOR THE PERIOD	**247,575**	192,539
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of financial statements	**17**	(3)
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	**17**	(3)
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of financial statements	**5,381**	(3,397)
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods	**5,381**	(3,397)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	**5,398**	(3,400)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**252,973**	189,139

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)

For the six months ended 30 June 2022

		Six months ended 30 June	
	Note	**2022**	2021
		(Unaudited)	(Unaudited)
		RMB'000	*RMB'000*
Profit attributable to:			
Owners of the parent		**196,395**	148,611
Non-controlling interests		**51,180**	43,928
		247,575	192,539
Total comprehensive income attributable to:			
Owners of the parent		**201,793**	145,211
Non-controlling interests		**51,180**	43,928
		252,973	189,139
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*8*		
Basic and diluted			
— For profit for the period		**RMB12.27 cents**	RMB9.28 cents

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2022

	Notes	**As at 30 June 2022 (Unaudited)** ***RMB'000***	As at 31 December 2021 (Audited) *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**1,379,702**	1,301,091
Investment properties		**118,800**	—
Right-of-use assets		**282,956**	283,858
Goodwill		**110,995**	110,995
Other intangible assets		**10,267**	10,892
Prepayments for purchases of property, plant and equipment		**21,692**	22,748
Total non-current assets		**1,924,412**	1,729,584
CURRENT ASSETS			
Trade receivables	*9*	**210**	606
Prepayments, deposits and other receivables		**11,480**	6,089
Other current assets		**992**	980
Financial asset at fair value through profit or loss		**—**	50,189
Cash and cash equivalents		**989,298**	1,227,318
Total current assets		**1,001,980**	1,285,182
CURRENT LIABILITIES			
Other payables and accruals	*10*	**128,108**	166,832
Interest-bearing bank borrowing		**50,000**	—
Lease liabilities		**390**	373
Contract liabilities	*4*	**16,265**	380,290
Deferred income		**4,007**	3,925
Tax payable		**2,449**	2,697
Total current liabilities		**201,219**	554,117
NET CURRENT ASSETS		**800,761**	731,065
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,725,173**	2,460,649

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

30 June 2022

	As at 30 June 2022 (Unaudited) *RMB'000*	As at 31 December 2021 (Audited) *RMB'000*
NON-CURRENT LIABILITIES		
Lease liabilities	**21**	195
Deferred income	**35,572**	23,327
Other liabilities	**209**	729
Total non-current liabilities	**35,802**	24,251
Net assets	**2,689,371**	2,436,398
EQUITY		
Equity attributable to owners of the parent		
Share capital	**110,362**	110,362
Reserves	**2,046,099**	1,844,306
	2,156,461	1,954,668
Non-controlling interests	**532,910**	481,730
Total equity	**2,689,371**	2,436,398

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Act as an exempted company with limited liability on 23 June 2017. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 18 June 2019.

The Company is an investment holding company. During the period, the Company and its subsidiaries (collectively referred to as the "**Group**") were principally engaged in the provision of higher and secondary education services and the related management services in the People's Republic of China (the "**PRC**").

2.1 BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information for the six months ended 30 June 2022 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2021.

These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of the following revised International Financial Reporting Standards ("**IFRSs**") for the first time for the current period's financial information.

Amendments to IFRS 3	*Reference to the Conceptual Framework*
Amendments to IAS 16	*Property, Plant and Equipment: Proceeds before Intended Use*
Amendments to IAS 37	*Onerous Contracts — Cost of Fulfilling a Contract*
Annual Improvements to IFRSs 2018–2020	*Amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41*

The nature and impact of the revised IFRSs are described below:

(a) Amendments to IFRS 3 replace a reference to the previous *Framework for the Preparation and Presentation of Financial Statements* with a reference to the *Conceptual Framework for Financial Reporting* issued in June 2018 without significantly changing its requirements. The amendments also add to IFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 if they were incurred separately rather than assumed in a business combination, an entity applying IFRS 3 should refer to IAS 37 or IFRIC 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group has applied the amendments prospectively to business combinations that occurred on or after 1 January 2022. As there was no business combination that occurred during the period, the amendments did not have any impact on the financial position and performance of the Group.

(b) Amendments to IAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The Group has applied the amendments retrospectively to items of property, plant and equipment made available for use on or after 1 January 2021. Since there was no sale of items produced while making property, plant and equipment available for use on or after 1 January 2021, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to IAS 37 clarify that for the purpose of assessing whether a contract is onerous under IAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The Group has applied the amendments prospectively to contracts for which it has not yet fulfilled all its obligations at 1 January 2022 and no onerous contracts were identified. Therefore, the amendments did not have any impact on the financial position or performance of the Group.

(d) Annual Improvements to IFRSs 2018–2020 sets out amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41. Details of the amendments that are applicable to the Group are as follows:

- IFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Group has applied the amendment prospectively to financial liabilities that are modified or exchanged on or after 1 January 2022. As there was no modification of the Group's financial liabilities during the period, the amendment did not have any impact on the financial position or performance of the Group.

- IFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying IFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the provision of higher and secondary education services in the PRC.

IFRS 8 *Operating Segments* requires operating segments to be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to segments and to assess their performance. The information reported to the directors of the Company, who are the chief operating decision makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

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

Information about major customers

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

4. REVENUE, OTHER INCOME AND GAINS

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

	Notes	**Six months ended 30 June 2022** *RMB'000* **(Unaudited)**	2021 *RMB'000* (Unaudited)
Revenue			
Tuition fees		**342,375**	280,842
Boarding fees		**32,517**	27,864
Other education service fees	*(i)*	**10,653**	9,646
Total revenue from contracts with customers		**385,545**	318,352
Other income and gains			
Interest income		**13,453**	12,083
Rental income		**5,082**	3,612
Government grants	*(ii)*		
— related to expenses		**246**	5,167
— related to assets		**1,802**	1,265
Donation income		**115**	—
Others		**1,628**	1,248
		22,326	23,375

Notes:

(i) Revenue from other education services mainly represents fees received for training services provided to the students, which was amortised over the training periods of the services rendered.

(ii) Government grants are related to subsidies received from local government for the purpose of compensating the operating expenses arising from the Group's teaching activities and expenditures on teaching facilities. There were no unfulfilled conditions or contingencies relating to these grants.

The Group recognised the following revenue-related contract liabilities, which represented the unsatisfied performance obligation as at 30 June 2022 and 31 December 2021 and are expected to be recognised as revenue within one year:

	As at 30 June 2022	As at 31 December 2021
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Tuition fees	**11,872**	343,527
Boarding fees	**4,393**	36,763
Total contract liabilities	**16,265**	380,290

The Group receives tuition fees and boarding fees from students in advance prior to the beginning of each academic year. Tuition and boarding fees are recognised proportionately over the periods of the relevant programme. Students are entitled to the refund of payments in relation to the proportionate services not yet rendered.

5. PROFIT BEFORE TAX

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

		Six months ended 30 June	
	Notes	**2022**	2021
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
Employee benefit expense (excluding directors' remuneration)		**91,644**	76,460
Depreciation of property, plant and equipment		**27,481**	22,944
Depreciation of right-of-use assets		**4,132**	4,267
Amortisation of other intangible assets		**775**	1,325
Impairment of trade receivables		**187**	139
Bank interest income	*4*	**(13,453)**	(12,083)
Government grants			
— related to expenses	*4*	**(246)**	(5,167)
— related to assets	*4*	**(1,802)**	(1,265)
Loss on disposal of items of property, plant and equipment		**3**	2,145
Foreign exchange differences, net		**(740)**	(106)

6. INCOME TAX

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

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

JH Education Technology HK Limited and JH Investment (Hong Kong) Limited, the subsidiaries incorporated in Hong Kong, are subject to income tax at the rate of 16.5%. No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the period.

According to the decision (the "**2016 Decision**") of the Standing Committee of the National People's Congress on Amending the Private Schools Promotion Law of the PRC (《全國人民代表大會常務委員會關於修改<中華人民共和國民辦教育促進法>的決定》), which was promulgated on 7 November 2016, and came into force on 1 September 2017, private schools are no longer being classified as either schools for which the school sponsor(s) require reasonable returns or schools for which the school sponsor(s) do not require reasonable returns. Instead, the school sponsor(s) of a private school may choose for the school to be a for-profit private school or a non-profit private school, with the exception that schools providing nine-year compulsory education must be non-profit.

On 14 May 2021, the State Council released the Implementation Rules for the Private Schools Promotion Law of the PRC (《中華人民共和國民辦教育促進法實施條例》) with an effective date of 1 September 2021 (the "**2021 Implementation Rules**"). The 2021 Implementation Rules are the detailed implementation rules of the Private Schools Promotion Law of the PRC. Pursuant to the 2016 Decision and the 2021 Implementation Rules, a private school may enjoy the preferential tax policies, which are not defined under neither the 2016 Decision nor the 2021 Implementation Rules, as stipulated by the related government authorities and a non-profit school may enjoy the same tax policies as enjoyed by a public school.

The local governments of Henan and Zhejiang, where the Group's PRC Schools registered, have promulgated the implementation opinions on encouraging private entities and individuals to operate schools and promote healthy development of private education (the "**Local Implementation Opinions**"), according to which the Group's PRC Schools are required to complete classification registration of the school as a for-profit private school or a non-profit private school by 31 December 2022. As at the date of approval of these financial statements, except for one school which was incorporated as a limited liability company, the PRC Schools have not yet registered as for-profit private schools or non-profit private schools and remain as private non-enterprise units.

Considering that the relevant taxation policy regarding schools for which the school sponsor(s) require reasonable returns or schools for which the school sponsor(s) do not require reasonable returns remains unchanged and the PRC Schools remain as private non-enterprise units, the PRC Schools treated their academic education income as non-taxable income and did not pay corporate income tax for the academic education income during the period. In the event the PRC Schools elect to register as for-profit private schools by 31 December 2022, the PRC Schools may be subject to corporate income tax at a rate of 25% in respect of service fees they receive from the provision of academic educational services for the year ending 31 December 2022 and thereafter, if they do not enjoy any preferential tax treatment.

Pursuant to the PRC Corporate Income Tax Law and the respective regulations, the non-academic education services provided by the schools are subject to corporate income tax at a rate of 25%.

Except for Zhengzhou College of Economics and Business, Changzheng College and Jingyi Secondary School, all of the Group's subsidiaries established in the PRC were subject to corporate income tax at a rate of 25% during the period.

	Six months ended 30 June	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current — Mainland China		
Charge for the period	**125**	1,494
Under-provision in prior period	**1,232**	—
Total tax charge for the period	**1,357**	1,494

7. DIVIDENDS

	Six months ended 30 June	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Final dividend declared and paid	**—**	149,604

Note:

The final dividend of HK5.00 cents and special dividend of HK6.25 cents per ordinary share in respect of the year ended 31 December 2020 was approved by the shareholders at the annual general meeting of the Company on 14 May 2021. A total amount of RMB149,604,000 has been fully distributed during the six months ended 30 June 2021.

No interim dividend was proposed for the six months ended 30 June 2022 and 2021.

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent of RMB196,395,000 (six months ended 30 June 2021: RMB148,611,000), and the weighted average number of ordinary shares of 1,600,830,000 (six months ended 30 June 2021: 1,600,830,000) in issue during the period.

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2022 and 2021.

The calculations of basic and diluted earnings per share are based on:

	Six months ended 30 June	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	**196,395**	148,611

	Number of shares Six months ended 30 June	
	2022	2021
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period for the purpose of the basic earnings per share calculation	**1,600,830,000**	1,600,830,000
Earnings per share attributable to ordinary equity holders of the parent		
Basic and diluted	**RMB12.27 cents**	RMB9.28 cents

9. TRADE RECEIVABLES

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

	As at 30 June 2022 *RMB'000* **(Unaudited)**	As at 31 December 2021 *RMB'000* (Audited)
Within 1 year	**179**	537
1 to 2 years	**18**	49
2 to 3 years	**2**	15
More than 3 years	**11**	5
	210	606

10. OTHER PAYABLES AND ACCRUALS

	As at 30 June 2022 *RMB'000* **(Unaudited)**	As at 31 December 2021 *RMB'000* (Audited)
Payables for salaries and welfares	**29,119**	33,861
Miscellaneous advances received from students	**32,236**	32,628
Payables for north campus co-operation costs to Zhongyuan University of Technology	**6,388**	13,241
Other tax payables	**9,918**	10,194
Receipt on behalf of ancillary services providers	**1,505**	13,894
Payables for purchase of property, plant and equipment	**15,215**	26,163
Payables for accommodation service	**3,511**	3,511
Payables for textbooks	**5,329**	4,433
Other payables	**24,887**	28,907
	128,108	166,832

The above balances are unsecured, non-interest-bearing and repayable on demand.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Overview

We are the largest private provider of formal higher education in Zhejiang province and we are also one of the leading private higher education institutions in Henan province. In addition to offering higher education services, we provide secondary education services for high school students in Zhejiang province. With policy benefits and improving reputation for school operation, the admission plan of the Group for the school year 2022/2023 expanded to 20,906, representing an increase of 17.8% from the admission plan for the school year 2021/2022 of 17,744, of which the undergraduate-oriented junior college program significantly increased by 50.2%. Through further increase in student enrollment quota and optimization of education levels, the drivers for endogenous growth continued to be strengthened.

Our major business operations are located in Zhejiang province and Henan province. Our two higher education institutions are located in Hangzhou and Zhengzhou, which are the provincial capital cities of Zhejiang province and Henan province. Our secondary school is located in Wenzhou, Zhejiang province. Zhejiang province is one of the most economically active provinces in China. It attaches great importance to education and its thriving economy is the main driving force for the private higher education market. The economy in Henan province is developing rapidly at a higher growth rate than the average in China and Henan province's total revenue of private higher education is continuously growing noticeably. In addition, Henan province's higher education enrollment rate significantly lags behind the country's average level and demand for higher education is expected to continue to increase. The employment rates for graduates from our two higher education institutions have been consistently higher than those of similar colleges in their respective provinces.

Zhengzhou College of Economics and Business

Zhengzhou College of Economics and Business ("**College of Economics and Business**") is a wholly-privately owned undergraduate college located in Zhengzhou, Henan province, the PRC, which provides formal undergraduate education and junior college education. The educational philosophy of College of Economics and Business is "to focus on service as the principle and employment as the guidance, use special characteristics to create brand and quality to seek development" (以服務為宗旨，以就業為導向，以特色創品牌，以品質謀發展). College of Economics and Business has teaching buildings, administrative buildings, experimental training buildings, a library, gymnasiums, indoor and outdoor sports facilities and student dormitories, among other school facilities. The 2021 undergraduate admission program (excluding undergraduate-oriented junior college program) of College of Economics and Business ranked No. 7 among the undergraduate enrollment programs of private undergraduate colleges in Henan province. The admission plan of College of Economics and Business for the school year 2022/2023 significantly expanded to 12,646 from the admission plan for the school year 2021/2022 of 10,040 representing a substantial increase of 26.0%. Henan Province, in which the college is located, is also the province with the largest number of applicants for the undergraduate-oriented junior college program in the PRC and has a strong demand for enrollment quota, driving the enrollment plan of the undergraduate-oriented junior college program of the college to significantly increase by 50.2% to 4,626 for school year 2022/2023 from 3,080 for school year 2021/2022. The continuous increase in enrollment quota to enroll more high-quality students has provided strong support for the long-term business performance of the Group. The employment rate of the graduating students of College of Economics and Business for the school year 2020/2021 was approximately 93.80%.

Distinctive disciplines and majors

The existing disciplines of the college cover six key subject areas, comprising management, economics, engineering, arts, literature and law. The college attaches great importance to the development of disciplines and majors. It currently has:

- 3 provincial level key development disciplines in Henan province (business management, mechanical manufacturing and automation, and control theory and control engineering);

- 2 provincial level experiential education and demonstration centers in Henan province (integrated experiential education center for fashion and textile design, and experiential education center for economic management);

- 6 first-class majors in Henan province (financial management, fashion and apparel design, computer science and technology, accounting, marketing, and radio and television directing);

- 10 majors with support for the development of private higher education disciplines and majors in Henan province (accounting, logistics management, computer science and technology, radio and television directing, investment, digital media technology, financial management, advertising, English, and business administration);

- 9 provincial private higher education branded majors in Henan province (building environment and energy application engineering, fashion and apparel design, marketing, electrical engineering and automation, accounting, financial management, international economics and trade, e-commerce, and broadcasting and television);

- 4 majors designated as pilot majors under the provincial comprehensive major reform in Henan province (accounting, information management and information system, fashion and apparel design, and English);

- 3 modelling established majors of virtual simulation experiential education in Henan province (fashion and textile design, enterprise investment and financing decision-making, and audit inventory monitoring);

- 11 first-class undergraduate courses in Henan province (photography skills and art, English reading III, market research and analysis, Excel application in finance, marketing, management accounting, career planning and entrepreneurship, operating system, overview of the theoretical system of Maoism and socialism with Chinese characteristics, logistics, and motor and drive foundation); and

- 6 outstanding basic-level education units for higher education in Henan province (e-commerce education and research office, English education and research office, financial management education and research office, fashion and apparel design education and research office, computer science and technology education and research office, and radio and television directing education and research office).

College-enterprise co-operation

College of Economics and Business is proactive in introducing high-quality resources of industrial enterprises to carry out college-enterprise cooperation. The college has:

- established college-government-enterprise cooperation with Shanghai Minhang District Investment Promotion Service Center, Hangzhou Lin'an District Bureau of Commerce and the Human Resources and Social Security Bureau of Kunshan Economic and Technological Development Zone;

- set up high-quality off-campus practice bases with over 200 enterprises including Xinzheng International Airport, Henan Xiangrong Media Group Co., Ltd., YTO Group Corporation, China (Hangzhou) Cross-border E-commerce Comprehensive Pilot Zone (Lin'an Park), ABDAS Space Information Technology Co., Ltd., Beijing Ocean Airlines Service Co., Ltd., Dongguan Yishion Group Co., Ltd. and Sichuan Yixin Industrial Co., Ltd., etc; and

- co-operated with enterprises to offer more than 20 experimental classes with integration of industry and education and collaborative education by college and enterprises including "Cross-border E-commerce", "Fund Manager", "Muyuan Group", "Fengrun Group" and "Handian Group".

College of Economics and Business also introduced a number of enterprises to carry out practical training in the campus. It continued to explore the construction of industrial schools and comprehensively promoted college-enterprise cooperation in order to improve the development level of application-based majors and strengthen its application-based talent training quality and the competitiveness of its students in employment.

Changzheng College

Zhejiang Changzheng Vocational & Technical College ("**Changzheng College**") is a junior college located in Hangzhou, Zhejiang province, the PRC, which provides formal junior college education. Changzheng College's educational philosophy is "to maintain teaching quality, to improve management system, to distinguish with unique characteristics, and to empower by talent" (品質立校、制度治校、特色興校、人才強校). Its educational goal is to build a high level private higher education institution. The school has teaching buildings, experimental training buildings, a library, a gymnasium and student dormitories, among other school facilities. The 2021 admission program of Changzheng College ranked No. 1 among student enrollment programs of private junior colleges in Zhejiang province. Its planned student enrollment for the school year 2022/2023 was 7,940, representing a year-on-year increase of 7.5%. The employment rate of the graduating students of Changzheng College for the school year 2020/2021 was approximately 98.68%.

Distinctive majors

The college has nine faculties including Faculty of Finance and Accounting, Faculty of Business and Trade, Faculty of Computer and Information Technology, Faculty of Intelligent Technologies, Faculty of Architecture and Engineering, Faculty of Humanities and Education, Faculty of Management, Faculty of Nursing and Health and Faculty of Marxism, as well as Foundation Teaching Department and Faculty of Continuing Education. It has nine research institutes (centers) including Zhejiang Private Small and Medium Enterprises Accounting Institute, Zhejiang Private Small and Medium Enterprises Development Research Center and Zhejiang Medium, Small and Micro Enterprises Party Construction Research Institute. It has 41 full-time higher vocational majors covering eight subject areas including financial accounting, business and trade, computer information, intelligent technologies, architecture and engineering, humanities education, business management, and health care.

The college's "cross-border e-commerce major cluster" (including five majors, being international economics and trade, cross-border e-commerce, business English, e-commerce and modern logistics management) is a major cluster planned for high-quality development in Zhejiang province. International economics and trade is a key major recognized by the Ministry of Education and a provincial specialty major. Big data and accounting, statistics and accounting, industrial and commercial enterprise management and e-commerce are provincial-level specialty majors. The college has 13 provincial-level online open courses, 4 national planned teaching materials and 33 provincial-level new form teaching materials. The Innovation and Practice of Versatile Talent Training Model Based on the Needs of Small and Micro Enterprises won the first prize of provincial-level teaching achievements for 2021.

Training bases

The college has 11 on-campus training bases, which include 145 experiment and practical training rooms. In particular, the cross-border e-commerce training base is a production training base recognized by the Ministry of Education; the e-commerce training base is a model training base supported financially by the central government; four training bases for cross-border e-commerce, finance and accounting for medium, small and micro enterprises, service and management of medium, small and micro enterprises, and robot applications of medium, small and micro enterprises are model training bases established under the provincial 13th five-year plan; five practice teaching bases for engineering management, applied linguistics, internet information, public computer and multi-media teaching are provincial-level training bases.

College-enterprise co-operation

The college adheres to industry-education integration and college-enterprise cooperation. Being student-centered and ability-oriented and with talent training as its mission and reforms and innovations as its driving force, the college strengthened the development of its internal capability and social service capacity, comprehensively improved its education and teaching quality, and focused on developing its college operation characteristics of serving small and micro enterprises, in order to cultivate versatile talents with one specialty and many abilities who can meet regional economic and social development, especially the needs of small and micro enterprises.

Currently it has established off-campus practice and training bases with 328 industry associations, enterprises and public institutions including Zhejiang Association of Small and Medium Enterprises, Alibaba, Zhejiang Geely Group and Hangzhou MTR. The college is among the modern apprenticeship pilot units in Zhejiang province, nine "1+X" vocational skill grade certificate pilot units and Alibaba Digital Trade Talent Bases. It led the research and development of 28 sets of Vocational Skill Standards for Versatile Talents in Small and Micro Enterprises in Zhejiang Province and has 10 on-campus vocational skill appraisal stations. Through cooperation with industrial parks and enterprises including Zhejiang Cross-border E-commerce Industrial Park, Hangzhou Dajiangdong Industrial Cluster, Hangzhou Jiande (West Zhejiang) Cross-border E-commerce Industrial Park, Hangzhou Dream Town, Hangcha Group, SF Express and Antwork Technology, the college carried out training of modern talents with apprenticeship and talents with technologies and skills under the China-Germany dual system, and established technology service platforms including a small and micro enterprises credit research center and an enterprise risk prevention consulting and service center. It jointly established an industrial school together with Hangzhou Longsheng Robots and Alibaba Haibo to create a collaborative education platform through industry-education integration.

Jingyi Secondary School

Yueqing Jingyi Secondary School ("**Jingyi Secondary School**") is located in Wenzhou, Zhejiang province, the PRC, and mainly focuses on providing non-compulsory private education for high school students. The school's educational goals are to "teach students to learn, to be human, to be happy, and to help them get into the ideal college" (教會學生學習、教會學生做人、教會學生快樂、讓學生考上自己理想的大學). Jingyi Secondary School has teaching buildings, a science and technology building, an administrative building, canteens and student dormitories. It also has numerous sporting facilities, such as outdoor track and field, to encourage students to participate in physical activities in order to improve their health. To further stimulate students' interest in learning and to create a conducive educational environment, Jingyi Secondary School has numerous multimedia rooms, laboratories and computer rooms, to provide students with visual, audio and hands-on practical training. The core curriculum is generally designed with reference to the ordinary high school curricular standards formulated by the Zhejiang education authorities. In accordance with the curriculum requirements of the Zhejiang Department of Education, Jingyi Secondary School currently offers 13 main courses in Chinese, mathematics, English (while a small number of students study Japanese), technology, politics, history, geography, physics, chemistry, biology, sports, arts and music. Among them, Chinese, mathematics, English, technology, politics, history, geography, physics, chemistry and biology are 10 courses that are part of Zhejiang academic proficiency examinations. Chinese, mathematics and English are required subjects in Gaokao while 3 of the 7 courses in technology, politics, history, geography, physics, chemistry and biology are elective courses in Gaokao.

Our Teaching Staff

We believe the quality of our teachers is one of the most vital factors affecting our educational quality and future growth and success. Before hiring each teacher, we usually consider his or her education background and/or performance in the interview. We prefer to recruit teachers who: (i) have sufficient prior teaching experience or teaching track record; (ii) are dedicated to teaching and improving students' academic performance and practical skills; (iii) demonstrate strong command of their subject areas; (iv) can effectively implement tailored teaching methods; and (v) possess strong communication, language and interpersonal skills. We also prefer to recruit teachers who have master's degree or above, and for certain practical/vocational subjects, those that hold relevant professional and/or technical qualifications. As of 30 June 2022, approximately 98.4% of our teachers had a bachelor's degree or above, and approximately 68.5% of them had a master's degree or above.

Tuition Fees and Boarding Fees

We typically charge our students fees comprising tuition fees and boarding fees. The school year for Changzheng College and College of Economics and Business is generally from September of the current year to August of the following year, whereas the school year for Jingyi Secondary School is usually from August of the current year to July of the following year. In general, tuition fees and boarding fees for each school year are paid in advance prior to the start of each school year and we recognize revenue proportionately over the relevant period of the school program.

Number of Students

The following table sets forth information relating to the number of students by school:

	As at 30 June Number of Students	
	2022	2021
School name		
College of Economics and Business	**27,791**	24,069
Changzheng College	**16,261**	13,314
Jingyi Secondary School*(Note)*	**1,172**	1,089

Note: jingyi Secondary School included training program to students whose student status were not registered with school. The program has been provided by Yueqing Jiayan Educational Technology Co., Ltd. since 2019/2020 school year.

Average Tuition Fees and Average Boarding Fees

Average tuition fees and average boarding fees by school for the periods indicated are set out below:

	For the six months ended 30 June			
	Average tuition fees		**Average boarding fees**	
	2022	2021	**2022**	2021
School name	***(RMB)***	*(RMB)*	***(RMB)***	*(RMB)*
College of Economics and Business	**7,366**	7,200	**718**	648
Changzheng College	**8,160**	8,206	**916**	949
Jingyi Secondary School	**10,342**	9,195	**466**	449

Future Prospects

We intend to solidify our position as the largest private provider of formal higher education in Zhejiang province focusing on nurturing professional talent. We intend to leverage our operating experience in Henan province to further expand our school network in the PRC and overseas with the proceeds from the listing of the Company's shares on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the internal fund generated from our operation. To achieve this goal, we plan to pursue the following business strategies:

1. Expand our business operations and school network to achieve economies of scale

- We plan to expand the campus of Changzheng College by constructing new training buildings, dormitory buildings and administrative office space with an aggregate gross floor area of approximately 57,102 sq.m., which will increase our student capacity by approximately 5,000 students.

- We also plan to establish a new campus of Changzheng College. On 11 October 2016, we entered into a framework agreement with Hangzhou East River Industrial Cluster Management Committee (杭州大江東產業集聚區管委會), an independent third party, pursuant to which the parties agreed to establish a new campus of Changzheng College with an aggregate expected enrollment of not less than 5,000 students.

- We plan to establish a new campus of College of Economics and Business in Kaifeng, Henan province, that will primarily offer undergraduate courses. The estimated student capacity is approximately 15,000 students.

2. Acquisitions

- We plan to acquire or invest in schools that offer higher education with relatively low utilization rates and/or have substantial growth potential in the PRC. We prefer to acquire qualified undergraduate colleges and/or junior colleges whose school sponsors have elected them to be for-profit private schools in central China, eastern China and southern China.

3. Establish a new school overseas

- We plan to establish a degree-granting higher education institution in California, the United States (the "**California School**") to offer programs relating to business administration and international business. We have engaged an agent who has experience in post-secondary education to assist us in establishing the California School in California and filing applications with the California Bureau for Private Postsecondary Education regarding the establishment of a higher education institution in California.

4. Enhance our profitability by optimizing our pricing strategies

- The tuition fees and boarding fees we charge are significant factors affecting our profitability. Due to the increase of our brand awareness and market recognition, we believe we are in a good position to further optimize our pricing without compromising our reputation and our ability to attract and retain students.

Financial Review

Overview

Revenue

Our revenue increased by 21% from RMB318.4 million for the six months ended 30 June 2021 to RMB385.5 million for the six months ended 30 June 2022. This increase was primarily due to the increase in tuition fee income and boarding fee income of RMB61.5 million and RMB4.7 million respectively as a result of the increase in student enrollment quota for the school year 2021/2022 commencing in September 2021.

Cost of Sales

Cost of sales increased by approximately RMB10.3 million from RMB126.0 million for the six months ended 30 June 2021 to RMB136.4 million for the Period, mainly due to the increase in staff costs included in cost of sales of RMB13.8 million and the increase in epidemic prevention expenses and depreciation costs totalling to approximately RMB4.9 million. However, such increase was partially offset by the decrease in school co-operating cost of approximately RMB8.1 million.

Gross Profit

Gross profit increased by 30% from RMB192.3 million for the six months ended 30 June 2021 to RMB249.2 million for the Period. The increase in gross profit was in line with the increase in revenue.

Other Income and Gains

Other income and gains decreased by approximately RMB1.0 million from RMB23.4 million for the six months ended 30 June 2021 to RMB22.3 million for the Period, mainly due to the net results of the decrease in government grants of approximately RMB4.4 million, the increase in interest income of RMB1.4 million and the increase in rental income of RMB1.5 million.

Selling and Distribution Expenses

Selling and distribution expenses increased by RMB0.2 million from RMB2.4 million for the six months ended 30 June 2021 to RMB2.6 million for the Period, which was in line with the increase in the number of students.

Administrative Expenses

Administrative expenses increased by RMB2.6 million from RMB17.0 million for the six months ended 30 June 2021 to RMB19.6 million for the Period. The increase was mainly due to the increase in staff costs included in administrative expenses of approximately RMB1.4 million, as well as the increase in depreciation expenses of approximately RMB1.1 million during the Period.

Finance Costs

Finance costs for the six months ended 30 June 2021 and the Period were RMB6,000 and RMB12,000, respectively. The increase in finance costs during the Period was mainly due to the increase in interests on lease liabilities.

Profit before Tax

As a result of the foregoing, profit before tax for the Period was approximately RMB248.9 million, representing an increase of 28% from that for the six months ended 30 June 2021.

Income Tax Expense

Income tax expense decreased from RMB1.5 million for the six months ended 30 June 2021 to RMB1.4 million for the Period primarily due to adjustment made for tax under-provision in previous period.

Profit for the Period

As a result of the foregoing, the Group recorded a profit of approximately RMB247.6 million for the Period, while the profit for the six months ended 30 June 2021 was approximately RMB192.5 million, representing an increase of approximately 29%.

Profit Attributable to Owners of the Company

For the six months ended 30 June 2022, the profit attributable to owners of the Company amounted to approximately RMB196.4 million, representing an increase of approximately 32% compared to the six months ended 30 June 2021.

Core Net Profit

The Group's core net profit does not represent its profit for the Period after the adjustment of the Group's operating performance (as presented in the table below), and is not an International Financial Reporting Standards measure. The Group has presented this item because the Group considers it as an important supplemental measure of the Group's operational performance used by the Group's management, analysts and investors. The following table reconciles from profit for the period to core net profit for the periods presented:

	For the six months ended 30 June	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Profit for the period	**247,575**	192,539
Less:		
Exchange gain	**740**	106
Add:		
Amortisation of fixed assets and intangible assets arising from the acquisition of College of Economics and Business	**2,759**	3,416
Core net profit	**249,594**	195,849

Finance and Liquidity Position

Net Current Assets

As at 30 June 2022, net current assets amounted to approximately RMB800.8 million (31 December 2021: RMB731.1 million). The increase in net current assets of approximately RMB69.7 million was mainly due to impacts of (i) the decrease in contract liabilities of approximately RMB364.0 million as most of the prepaid tuitions and accommodation fees had been recognized as revenue during the Period; (ii) the decrease in cash and cash equivalents of RMB238.0 million; and (iii) the increase in short-term bank borrowing of RMB50.0 million.

Liquidity and Capital Resources

The Group had cash and cash equivalents of RMB989.3 million as at 30 June 2022 (31 December 2021: RMB1,227.3 million). As compared to 31 December 2021, cash and cash equivalents decreased by RMB238.0 million during the Period mainly caused by the:

(i) cash outflow used in operating activities of RMB54.6 million;

(ii) cash outflow used in investing activities of RMB238.7 million which mainly includes the consideration of RMB118.8 million paid to acquire certain investment properties located in Binzhou City and fixed assets expenditures amounting to approximately RMB116.5 million during the Period; and

(iii) cash inflow from financing activities of RMB49.8 million, the Group obtained a short-term bank loan of RMB50.0 million to improve the Group's liquidity position during the Period.

The Group's use of cash is primarily related to operating activities and capital expenditure. The Group finances its operations mainly through cash flows generated from operations. The Board confirmed that the Group did not experience any difficulties in obtaining bank loans, default on outstanding bank loan repayments or breach of covenants during the Period.

Indebtedness and Gearing Ratio

The Group's interest-bearing bank loans and other borrowings primarily consisted of a short-term bank loan of RMB50.0 million which was denominated in Renminbi, which carried interest at fixed lending rate. The Group borrows loans from banks to supplement the working capital from time to time. Gearing ratio was 1.9% as at 30 June 2022. The Group had no bank borrowings as at 31 December 2021.

Capital Expenditures

For the six months ended 30 June 2022, the Group's capital expenditures were RMB238.7 million (six months ended 30 June 2021: RMB114.0 million), which was primarily used for the construction of our school buildings and facilities, purchase of equipment and software and purchase of investment properties.

Contingent Liabilities

Save as disclosed in this announcement, as at 30 June 2022, the Group did not have any unrecorded significant contingent liabilities, or any material litigation against the Group (31 December 2021: nil).

Foreign Exchange Exposure

Most of the Group's gains and losses are denominated in RMB. As at 30 June 2022, several bank balances were denominated in US Dollars or Hong Kong Dollars ("**HK$**"). The Group currently does not have any foreign exchange hedging policy. The management will continue to monitor the Group's foreign exchange risk and consider adopting discreet measures as and when appropriate.

Charge on Group Assets

As at 30 June 2022, the Group did not have any charges on its assets (31 December 2021: nil).

Employee and Remuneration Policy

As at 30 June 2022, the Group had 2,100 employees (31 December 2021: 1,970). The total employee benefit expense (excluding directors' remuneration) for the six months ended 30 June 2022 amounted to approximately RMB91.6 million. Remuneration of the Group's employees is determined based on their performance and experience as well as prevailing industry practices, and all remuneration policies and packages are regularly reviewed. As required by PRC laws and regulations, the Group participate in various employee social security plans for our employees that are administered by local governments, including housing provident fund, pension, medical insurance, maternity insurance, work-related injury insurance and unemployment insurance. We believe we maintained a good working relationship with our employees and did not experience any material labor disputes. Directors and the senior management can also buy options pursuant to the share option scheme adopted by the Company on 30 May 2019. The purpose of the scheme is to give the eligible persons an opportunity to have a personal stake in the Company and help motivate them to optimize their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group. In addition, the Group offers comprehensive training to existing and new employees and/or funds employees to participate in various occupational training courses.

Significant Investments, Material Acquisition and Disposal

During the Period, the Group entered into agreements with Binzhou Yilingyi Properties Co., Ltd., a deemed connected person of the Company, to acquire investment properties with an aggregate cash consideration of RMB118.8 million. Please refer to the announcements of the Company dated 12 January 2022, 19 January 2022, 27 May 2022 and 30 June 2022, and the circular of the Company dated 29 July 2022 for details.

Save as disclosed, the Group did not have any other plans regarding material investment and asset acquisition or disposal.

Events After the Reporting Period

During the Period, the Group entered into agreements with Bizhou Yilingyi Properties Co., Ltd, a deemed connected person of the Company, to acquire investment properties at a total consideration of RMB75.1 million. The transaction was approved at the extraordinary general meeting of the Company convened on 15 August 2022.

There is no other material events subsequent to 30 June 2022 which would materially affect the Group's operating and financial performance as of the date of this interim results announcement.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the Code on Corporate Governance Practices

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and strengthen corporate value and accountability. The Company has adopted Appendix 14 Corporate Governance Code and Corporate Governance Report (the "**Corporate Governance Code**") of Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The Company devotes to the best practices on corporate governance, and has complied with the code provisions of the Corporate Governance Code during the Reporting Period, except for the following deviation.

Pursuant to code provision C.2.1 of Part 2 of the Corporate Governance Code, the roles of chairman of the Board (the "**Chairman**") and chief executive officer (the "**CEO**") should be separated and should not be performed by the same individual. The division of responsibilities between the Chairman and the CEO should be clearly established and set out in writing.

Mr. Chen Yuguo is the Chairman and the CEO of the Company. As Mr. Chen Yuguo has been managing the Group's business and overall strategic planning since its establishment, the Directors consider that the vesting of the roles of Chairman and CEO in Mr. Chen Yuguo is beneficial to the business prospects and management of the Group by ensuring consistent leadership within the Group, aligning the directions and approaches on the board level and execution level and enabling more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. Accordingly, the Company had not segregated the roles of its Chairman and CEO.

Model Code for Securities Transactions

The Company has adopted Appendix 10 Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in the Listing Rules as a code of conduct regarding securities transactions by directors of the Company (the "**Directors**"). After making specific enquiries with all Directors, all Directors confirmed that they complied with the standards set out in the Model Code during the Reporting Period.

Interim Dividend

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2022 (six months ended 30 June 2021: nil).

Audit Committee

The Board has established the Audit Committee, which consists of three independent non-executive Directors, namely Mr. Fung Nam Shan (Chairman), Ms. Bi Hui and Mr. Wang Yuqing. The primary responsibility of the Audit Committee is to review and supervise the financial reporting process and internal control of the Company.

The Audit Committee, together with the management, has reviewed the unaudited interim results of the Group for the six months ended 30 June 2022, this interim results announcement and the accounting treatment adopted by the Group.

Purchase, Sale or Redemption of the Company's Listed Securities

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

Use of Proceeds from the Initial Public Offering of the Company

The net proceeds from the initial public offering of the Company (net of underwriting fees and relevant expenses) amounted to approximately HK$524 million (equivalent to approximately RMB461 million). The net proceeds will be applied in the following manners:

Use of Proceeds	**% of the Net Proceeds**	**Proceeds Allocated** *(RMB million)*	**Amount Utilized as of 31 December 2021** *(RMB million)*	**Amount Utilized during the Period** *(RMB million)*	**Unutilized Balance** *(RMB million)*	**Expected Time of Full Utilization of Unutilized Balance**
— Expansion of our school network, through the acquisition of other schools	50%	231	—	—	231	31 December 2024
— Expansion of our business, including establishing new campuses of College of Economics and Business and Changzheng College	40%	184	—	—	184	31 December 2024
— Working capital and general corporate purposes	10%	46	46	—	—	
Total	100%	461	46	—	415	

Publication of Interim Results Announcement and Interim Report

This interim results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and website of the Company at www.jheduchina.com, respectively. The interim report of the Company for the six months ended 30 June 2022 containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and published on the above websites in due course.

By order of the Board
JH Educational Technology INC.
Chen Yuguo
Chairman

Zhejiang, the PRC, 30 August 2022

As at the date of this announcement, the executive Directors are Mr. Chen Yuguo, Mr. Chen Yuchun, Mr. Chen Shu, Mr. Chen Nansun and Mr. Chen Lingfeng; the non-executive Director is Ms. Zhang Xuli; and the independent non-executive Directors are Ms. Bi Hui, Mr. Fung Nam Shan and Mr. Wang Yuqing.