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China Science and Education Industry Group Limited **中國科教產業集團有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1756)

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

The Board is pleased to announce the audited consolidated annual results of the Group for the year ended August 31, 2025, together with comparative figures for the corresponding period in 2024.

HIGHLIGHTS

	As at August 31, 2025	As at August 31, 2024	Change	Percentage change
Number of Schools	3	3	–	–
Student enrollment	55,667	54,017	1,650	3.0%
	2025 (RMB'000)	2024 (RMB'000)	Change (RMB'000)	Percentage change
Revenue	1,445,442	1,268,533	176,909	14.0%
Gross profit	722,619	666,319	56,300	8.5%
Profit for the year	458,293	451,090	7,203	1.6%
Adjusted net profit ⁽¹⁾	459,323	443,799	15,524	3.5%
Earnings per share (RMB)	0.382	0.376	0.006	1.6%
Gross profit ratio	50.0%	52.5%	(2.5)	
Operating profit ratio	39.1%	45.2%	(6.1)	
Net profit ratio	31.7%	35.6%	(3.9)	
Adjusted net profit ratio ⁽²⁾	31.8%	35.0%	(3.2)	

Notes:

- (1) Adjusted net profit is a non-HKFRSs financial measure, which is derived from the profit for the year after adjusting net fair value gains on investment properties, imputed interest expenses on discount of long-term other borrowings and long-term interest payable due to a related party, imputed interest expenses on discount of long-term other borrowings due to the controlling shareholder of the Company, net exchange losses.
- (2) Adjusted net profit ratio under non-HKFRSs financial measures for the year is calculated on adjusted net profit under non-HKFRSs financial measures for the year divided by revenue for the respective year.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The Group's revenue mainly represented income derived from tuition fees and boarding fees for the education services provided in the ordinary course at its PRC operating schools. For the year ended August 31, 2025, the Group's revenue was approximately RMB1,445.4 million, representing an increase of approximately 13.9% year-on-year from approximately RMB1,268.5 million for the corresponding period of last year, which was attributable to the increases in both the number of student enrollment and average tuition fees during the year ended August 31, 2025 ("**Reporting Period**").

Cost of Sales

Cost of sales represented primarily staff costs, depreciation and amortization, property management and maintenance fees, school consumables, utilities expenses and others. For the year ended August 31, 2025, the Group's cost of sales amounted to approximately RMB722.8 million, increased by approximately 20.0% year-on-year from approximately RMB602.2 million for the year ended August 31, 2024, which was attributable to an increase in staff costs.

Gross Profit and Gross Profit Margin

For the year ended August 31, 2025, the Group recorded a gross profit of approximately RMB722.6 million, representing an increase of approximately 8.4% year-on-year from approximately RMB666.3 million for the year ended August 31, 2024. For the year ended August 31, 2025, the Group achieved a gross profit margin of approximately 50.0%, representing a decrease of 2.5% year-on-year as compared with the corresponding period of last year. The reduction in gross profit margin was mainly attributable to the increase in cost of sales, which was partially offset by the increase in student enrollment and average tuition fees for the year ended August 31, 2025.

Selling Expenses

Selling expenses, primarily consisting of marketing staff costs, promotion expenses and other expenses, increased by approximately 56.5% from approximately RMB29.2 million for the year ended August 31, 2024 to approximately RMB45.7 million for the year ended August 31, 2025, which was due to an increase in marketing expense for the 2024/2025 academic year.

Administrative Expenses

Administrative expenses primarily consist of administrative staff costs, office expenses, traveling and entertainment expenses, depreciation of property, plant and equipment relating to office buildings and right-of-use assets, utilities expenses, auditors' remuneration and other miscellaneous expenses. Administrative expenses increased by approximately 30.6%, from RMB139.3 million for the year ended August 31, 2024 to approximately RMB181.9 million for the year ended August 31, 2025.

Other Income — Net

Other income — net primarily consists of rental income, catering and relevant service income, government subsidies and others. For the year ended August 31, 2025, the Group recorded other income of approximately RMB58.6 million, representing an increase of approximately 13.8% year-on-year from approximately RMB51.5 million for the year ended August 31, 2024.

Other Gains — Net

Other gains — net primarily consist of net exchange losses, net fair value gains on investment properties, provisions for litigations and others. For the year ended August 31, 2025, the Group's other gains amounted to approximately RMB11.7 million, representing a decrease of approximately RMB12.7 million year-on-year compared with approximately RMB24.4 million gains for the year ended August 31, 2024.

Finance Expenses — Net

The Group's finance expenses — net include interest expenses on bank and other borrowings (after deducting amounts capitalized in the cost of property, plant and equipment), imputed interest expenses on discount of long-term other borrowings and long-term interest payables due to a related party, interest income generated from bank deposits and others. For the year ended August 31, 2025, the Group recorded finance expenses of approximately RMB69.4 million, representing a decrease of approximately 19.4% as compared to approximately RMB86.1 million for the year ended August 31, 2024, which was mainly attributable to the decrease in interest expense on bank and other borrowings during the year ended August 31, 2025. For the year ended August 31, 2025, the Group recorded finance income of approximately RMB1.0 million, representing a decrease of approximately 73.7% as compared to approximately RMB3.8 million for the year ended August 31, 2024.

Profit Before Taxation

For the year ended August 31, 2025, the Group recorded a profit before taxation of approximately RMB495.9 million, representing an increase of approximately 1.7% year-on-year from approximately RMB487.6 million for the year ended August 31, 2024.

Taxation

For the year ended August 31, 2025, the Group recorded approximately RMB37.6 million in taxation, representing an increase of approximately 3.0% year-on-year from approximately RMB36.5 million for the year ended August 31, 2024.

Adjusted Net Profit

Adjusted net profit under non-HKFRSs financial measures is defined as profit for the year attributable to owners of the Company excluding interest expenses on discount of long-term other borrowings and long-term interest payable due to a related party, imputed interest expenses on discount of long-term other borrowings due to the controlling shareholder of the Company, net exchange losses, interest expenses on discount of compensation payable for the Conversion of Huali College and net fair value gains on investment properties. As such items are non-recurring in nature and not related to the performance of the Group's operation, the Directors consider that the presentation of the Group's adjusted net profit under non-HKFRSs financial measures by eliminating the impact of certain non-recurring items can reflect the operational performance better during the respective years. Furthermore, the Group's management also uses the non-HKFRSs financial measures to assess the Group's operating performance and formulate business plans. The Group believes that the non-HKFRSs financial measures provide useful information to the investors about its core business operations, which they can use to evaluate the Group's operating results and understand its consolidated results of operations in the same manner as the management.

Adjusted net profit is calculated by adjusting profit for the Reporting Period of approximately RMB458.3 million (year ended August 31, 2024: approximately RMB451.1 million), net fair value gains on investment properties of approximately RMB14.4 million (year ended August 31, 2024: approximately RMB28.7 million), interest expenses on discount of long-term other borrowings and long-term interest payable due to a related party of approximately RMB14.5 million (year ended August 31, 2024: approximately RMB17.4 million), interest expenses on discount of long-term other borrowings due to the controlling shareholder of the Company of approximately RMB0.8 million (year ended August 31, 2024: RMBnil), net exchange losses of approximately RMB0.8 million (year ended August 31, 2024: approximately RMB3.6 million), and interest expenses on discount of compensation payable for the Conversion of Huali College of approximately RMBnil (year ended August 31, 2024: approximately RMB0.4 million). The Group's adjusted net profit increased by approximately 3.5% from approximately RMB443.8 million for the year ended August 31, 2024 to approximately RMB459.3 million for the year ended August 31, 2025.

Property, Plant and Equipment

As at August 31, 2025, the Group's property, plant and equipment amounted to approximately RMB5,259.7 million, representing an increase of approximately 7.1% year-on-year from approximately RMB4,909.9 million recorded as at August 31, 2024. Such increase was a result of the construction of Jiangmen campus of Huali College.

Capital Expenditures

The Group's funding is primarily derived from cash flows generated by operating activities and bank financing from financial institutions. These funds are effectively utilized to support daily operations, capital expenditures, and strategic investment opportunities. To enhance financial control and maintain sufficient liquidity, the Group adheres to prudent financial management policies. Our core financial objectives include: maintaining a sound capital structure by keeping the capital-to-debt ratio within an appropriate range; optimizing funding costs; and maintaining adequate cash reserves and bank credit facilities to meet operational and development needs. Through regular cash flow budgeting, stringent capital expenditure approval procedures, and ongoing risk assessment, we are committed to improving fund utilization efficiency, thereby ensuring the Group's financial stability and sustainable development.

For the year ended August 31, 2025, the Group recorded approximately RMB389.5 million in capital expenditures, representing a decrease of approximately 25.6% from approximately RMB523.4 million for the year ended August 31, 2024, which was mainly due to the decrease in the expenditure for construction of new campus buildings for the year ended August 31, 2025 as compared with the corresponding period of last year.

Bank Balances and Cash

As at August 31, 2025, the Group had bank balances and cash of approximately RMB966.6 million, representing an increase of approximately 14.9% from approximately RMB840.9 million as at August 31, 2024.

Liquidity, Financial Resources and Debt Ratio

As at August 31, 2025, the Group had liquid funds (representing bank balances and cash and restricted cash) of approximately RMB974.8 million (August 31, 2024: approximately RMB841.4 million) and borrowings of approximately RMB2,049.2 million (August 31, 2024: approximately RMB2,235.0 million). The Group's debt ratio as at August 31, 2025, represented by borrowings as a percentage of total assets, was 25.7% (August 31, 2024: 29.8%). The Group's gearing ratio as at August 31, 2025, represented by borrowings as a percentage of total equity, was 47.6% (August 31, 2024: 58.5%).

Foreign Exchange Risk Management

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

Material Acquisitions and Disposals

The Group did not have any material acquisitions or disposals for the year ended August 31, 2025.

Charge on the Group's Assets

As at August 31, 2025, the Group pledged the charging right of the service fees from Huali Technician College, Huali Vocational College and Huali College, owned by a group entity according to the contractual arrangements and the equity interest of certain group entities as securities for the banking facilities granted to the Group. Save as disclosed above, there was no other material charge on the Group's assets as at August 31, 2025.

Contingent Liabilities

As at August 31, 2025, the Group had no significant contingent liabilities.

BUSINESS OVERVIEW

We are a leading large-scale private higher education and vocational education group in South China, offering applied science-focused and practice-oriented programs and vocational education and training business. During the Reporting Period, the Group operated three schools, namely Huali College, Huali Vocational College, and Huali Technician College.

Since the establishment of our first school, the Group has been adhering to the socialist modernisation construction of the country, and cultivating specialized talents with high technical skills, applied skills, and high quality on the front line of production and service, who are in great demand in China's economy and society. Our schools offer private higher education and private vocational education in a wide range of fields in applied sciences with an aim to prepare our students with the necessary knowledge base, skill sets and accreditations to secure jobs and pursue careers in particular professions, trades and industries.

Student Enrollment

As at August 31, 2025, the total number of student enrollment in our three schools reached over 55,000, representing an increase of 3.0% compared to the corresponding period in 2024.

	As at August 31, 2025	As at August 31, 2024
Number of student enrollment		
Higher Education Program		
Huali College	25,291	25,162
Huali Vocational College	25,023	21,441
Secondary Vocational Education		
Huali Technician College	5,353	7,414
Total	55,667	54,017

Range of Tuition Fees and Boarding Fees

The following table sets out the tuition fee rates and boarding fee rates of our schools for the 2024/2025 and 2023/2024 academic years:

	Tuition fee rates ⁽¹⁾ in academic year		Boarding fee rates in academic year	
	2024/2025 (RMB)	2023/2024 (RMB)	2024/2025 (RMB)	2023/2024 (RMB)
Higher Education Program				
Huali College				
Four-to-five-year undergraduate program ⁽²⁾	30,800-37,800	30,800-37,800	1,300-7,100	1,300-7,100
International program	40,800	40,800	1,300-7,100	1,300-7,100
Huali Vocational College				
Three-year junior college program	12,880-23,800	13,800-22,800	1,300-7,000	1,300-7,000
Secondary Vocational Education				
Huali Technician College				
Three-year vocational program ⁽³⁾	8,800-15,800	11,500-18,000	1,900-3,600	1,000-3,500

Notes:

- (1) Tuition fee rates shown above for all of our schools are applicable to students admitted in the relevant academic year only.
- (2) Generally, Huali College offers four-year undergraduate programs, and a five-year undergraduate program in architecture.
- (3) Generally, Huali Technician College offers three-year vocational programs, as well as two-, four- and five-year programs to students of different education levels pursuing different types of technician diplomas of Huali Technician College. In addition, we offer students at Huali Technician College a dual-diploma program, in which students are permitted to take junior college courses at Huali Vocational College and obtain a junior college diploma awarded by Huali Vocational College, subject to, among other things, passing the National Higher Education Entrance Exam for adults.

Awards and Recognitions Received During the Reporting Period

The Company and the three schools received numerous awards and recognitions during the year ended August 31, 2025 in recognition of the quality of education we provide and the outstanding achievements of our operations. The following table sets forth some of the awards and recognitions we have received:

	Award/Recognition	Awarding Organization(s)	Awarded Entity
October 2024	Member of Sino-American “1+2+1” Dual-Degree Program (《中美人才培養計劃》121項目院校)	China Center for International Educational Exchange (中教國際教育交流中心)	Huali College
November 2024	Member Unit of Industry-Education Integration Community (全國數智藝術與設計創意產教融合共同體成員單位)	Industry-Education Integration Community (全國數智藝術與設計創意產教融合共同體)	Huali Vocational College
November 2024	Exploration and Practice of Integrating Intangible Cultural Heritage Inheritance into Talent Cultivation: Awarded the Title of “A Typical Case of The Integration of Industry and Education in Vocational Education” (非遺傳承融入人才培養的探索與實踐：「職業教育產教融合典型案例」稱號)	Steering Committee of China National Light Industry Vocational Education Teaching, Specialized Committee of Light Industry Art Design, Guangdong Industry Polytechnic University (全國輕工職業教育教學指導委員會、輕工藝術設計專業委員會、廣東輕工職業技術大學)	Huali Vocational College
December 2024	Supporting Institution of National Natural Science Foundation of China in 2024 (2024年國家自然科學基金依託單位)	National Natural Science Foundation of China (國家自然科學基金委員會)	Huali College

	Award/Recognition	Awarding Organization(s)	Awarded Entity
December 2024	2024 Advance Unit of National Defense Education (2024年國防教育工作先進單位)	Guangdong National Defense Education Society (廣東國防教育學會)	Huali College
December 2024	2024 Advance Unit of National Defense Education (2024年國防教育工作先進單位)	Guangdong National Defense Education Society (廣東國防教育學會)	Huali Vocational College
December 2024	2024 Model School of Social Influence in Online Communication (2024年度網絡傳播社會影響力標桿學校)	China Higher Education Window, China Education Window (中國高校之窗、中國教育之窗)	Huali Technician College
December 2024	Advanced Unit of Vocational Capacity Construction in Guangdong Province in 2024 (2024年度廣東省職業能力建設先進單位)	Guangdong Vocational Capacity Construction (廣東省職業能力建設協會)	Huali Technician College
May 2025	Governing Unit of the 5th Vocational and Training Education Committee (第五屆職業與培訓教育專委會理事單位)	Guangdong Association for Private Education (廣東省民辦教育協會)	Huali Technician College

OUTLOOK

The Group has always adhered to the founding mission of building a “century-old university”, upholding the philosophy of high-quality education, with the goal of cultivating high-level applied and specialized talents to serve the economic development of the Greater Bay Area. Against the backdrop of rapid industrial iteration, the Group will firmly seize the opportunities presented by national strategic emerging industries, closely monitor and meet the needs of the talent market and optimise its professional layout in time to adapt to industrial reforms, realizing professional settings aligns closely with industry needs.

The Group will also continue placing emphasis on connotation construction, increasing investment in teaching and campus hardware, improving high-quality teaching services, strengthening its educational distinctiveness and brand effect, and strive to building a high-quality talent cultivation system to achieve the Group’s sustainable long-term development.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this announcement, the Company does not have other future plans for material investments or capital assets.

As of 31 August 2025, there was no significant investment held by the Group.

SIGNIFICANT EVENT AFTER REPORTING PERIOD

There was no significant event affecting the Company nor any of its subsidiaries after the Reporting Period and up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICIES

Recruitment

We strictly comply with the PRC Labor Law, the PRC Labor Contract Law, the PRC Employment Promotion Law, the PRC Labor Dispute Mediation and Arbitration Law as well as other applicable provincial and local labor laws and regulations in our recruitment process. We prohibit discrimination of staff by age, sex, race, nationality, religion or disability to ensure that everyone has equal employment opportunities and prospects.

We recruit teachers based on the size of our current student enrollment and the number of newly admitted students at the beginning of each academic year. We primarily seek to recruit (i) high quality and experienced teachers who are knowledgeable in both theory and practice and hold the necessary academic credentials and professional qualifications (i.e. diplomas and professional certificates); and (ii) teachers who have work experience in the relevant industries. We also invite industry experts from entities with which we have cooperative relationships to give lectures or teach classes as adjunct faculty members of our schools.

Our schools carry out their recruitment works based on our employee manual and our teachers' recruitment policy, and continuously improve and refine their recruitment processes. We actively approach talents through participating in talent recruitment fairs and industry conferences, and encourage our staff to take advantage of social media to refer and recommend talented candidates to join us. In addition, we provide continuing trainings to our teachers so that they can stay abreast of the changes in market demand, new teaching theories and/or methodologies, changing teaching and testing standards.

Remuneration

As at August 31, 2025, the Group had approximately 3,400 employees. The remuneration packages of the employees of the Group are determined with reference to individual qualification, experience and performance, contribution to the Group, prevailing market rate and our remuneration policy.

The remuneration policy of our schools is formulated under the guidance of PRC laws and is based on industry characteristics as well as various market factors. The staff congress, president's office and board of directors of our schools collectively approve the compensation range of their employees. Our schools determine their respective compensation standards based on employment by function (teachers and administrative personnel) and position. Our schools pay a fixed annual salary to senior management and top talents such as directors, deans/department heads, administrative heads and professors. Our schools participate in social insurance plans (pension, medical, unemployment, work injury and maternity insurance) under the guidance of the relevant national, provincial and municipalities policies, and provide a variety of benefits for their employees.

FINAL DIVIDEND

The Board has resolved not to declare any final dividend for the year ended August 31, 2025 (year ended August 31, 2024: Nil).

ANNUAL GENERAL MEETING

The forthcoming AGM will be held on Friday, January 23, 2026. Notice convening the forthcoming AGM will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cseindustry.com) in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, January 20, 2026 to Friday, January 23, 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the forthcoming AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, January 19, 2026. The record date for determining the entitlement of the shareholders of the Company to attend and vote at the AGM will be Friday, January 23, 2026.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the applicable laws of the Cayman Islands where the Company is incorporated, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including treasury shares (as defined in the Listing Rules)) during the Reporting Period. As at the end of the Reporting Period, the Company did not hold any treasury shares (as defined in the Listing Rules).

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this annual announcement, based on the information publicly available to the Company and to the knowledge of the Directors, the Company continued to meet the prescribed minimum percentage (i.e. at least 25% of the Company's total issued share capital are held by the public at all times as of the date of this announcement) of public float under the Listing Rules.

CORPORATE GOVERNANCE CODE

The Company has applied the principles of the code provisions set out in the CG Code. The Board believes that good corporate governance is essential in enhancing the confidence of the Shareholders, potential investors and business partners and is consistent with the Board's pursuit of value creation for the Shareholders. The Company is committed to enhancing its corporate governance practices appropriate to the conduct and growth of its business and to reviewing such practices from time to time to ensure that the Company complies with the statutory and professional standards and is aligned with the latest development. During the year ended August 31, 2025, the Company had complied with all the code provisions set out in the CG Code except for the deviation from the code provision C.2.1 of the CG Code from September 1, 2024 to August 9, 2025 as illustrated below:

Under code provision C.2.1 of Part 2 of the CG Code, the roles of chairman and chief executive should be separated and should not be performed by the same individual. From September 1, 2024 to August 9, 2025, Mr. Zhang Zhifeng was the chairman of the Board (the “**Chairman**”) and chief executive officer of the Company (the “**Chief Executive Officer**”). The Board considers that Mr. Zhang Zhifeng is the founder of the Group and has extensive experience in the private higher education industry in the PRC and is responsible for the overall strategic planning and business development of the Group. The Board believes that vesting the roles of both Chairman and the Chief Executive Officer in Mr. Zhang Zhifeng would provide the Group with strong and consistent leadership to improve the Company's efficiency in decision-making and execution, and effectively capture business opportunities. Furthermore, there are three independent non-executive Directors in the Board. All of them possess adequate independence and therefore, the Board considers the Company has achieved balance and provided sufficient protection of its interests.

With effect from August 10, 2025, Mr. Zhang Zhifeng ceased to serve as the Chief Executive Officer and continues to serve as the chairman of the Board and an executive Director and Mr. Zhang Yude, an executive Director, has been appointed as the Chief Executive Officer on the same date. After the appointment of Mr. Zhang Yude as the Chief Executive Officer, the Company has complied with the requirements set out in the code provision C.2.1 of the CG Code with effect from August 10, 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the Group's code of conduct to regulate the securities transactions of the Directors and the relevant employees of the Group who, because of his/her office or employment, is likely to possess inside information in relation to the Group or the Company's securities. Having made specific enquiries, all Directors confirmed that they had complied with the required standards set out in the Model Code throughout the year ended August 31, 2025. In addition, the Company is not aware of any non-compliance of the Model Code by the relevant employees of the Group during the year ended August 31, 2025.

AUDIT COMMITTEE AND REVIEW OF CONSOLIDATED FINANCIAL INFORMATION

The Audit Committee consists of three independent non-executive Directors, namely Ms. Chiu Lai Kuen Susanna MH JP (Chairperson), Mr. Yang Ying and Mr. Ding Yi. The main duties of the Audit Committee are to assist the Board in providing an independent review of the completeness, accuracy and fairness of the financial information of the Group, as well as the efficiency and effectiveness of the Group's operations and internal controls. The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended August 31, 2025.

SCOPE OF WORK ON THE ANNUAL RESULTS ANNOUNCEMENT BY AUDITOR

The figures in respect of the Group's consolidated balance sheet, consolidated statement of comprehensive income and the related notes thereto for the year ended August 31, 2025 as set out in the preliminary results announcement for the year ended August 31, 2025 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary results announcement.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cseindustry.com). The annual report of the Company for the year ended August 31, 2025 will be made available on the same websites in due course.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED AUGUST 31, 2025**

(All amounts expressed in RMB unless otherwise stated)

	Note	Year ended August 31, 2025 RMB'000	2024 RMB'000
Revenue	3	1,445,442	1,268,533
Cost of sales	6	(722,823)	(602,214)
Gross profit		722,619	666,319
Selling expenses	6	(45,691)	(29,212)
Administrative expenses	6	(181,892)	(139,332)
Other income – net	4	58,554	51,464
Other gains – net	5	11,702	24,411
Operating profit		565,292	573,650
Finance income		1,026	3,764
Finance expenses		(70,460)	(89,816)
Finance expenses – net	7	(69,434)	(86,052)
Profit before income tax		495,858	487,598
Income tax expenses	8	(37,565)	(36,508)
Profit for the year		458,293	451,090
Other comprehensive income			
<i>Item that will not be reclassified subsequently to profit or loss</i>			
Revaluation gains arising from transfer of property, plant and equipment and corresponding right-of-use assets to investment properties, net of tax		1,353	6,045
Other comprehensive income for the year, net of tax		1,353	6,045
Total comprehensive income for the year		459,646	457,135
Total comprehensive income attributable to:			
– Controlling shareholder of the Company		459,646	457,135
Earnings per share for profit attributable to the controlling shareholder of the Company (expressed in RMB per share)			
Basic and diluted	9	0.382	0.376

The above consolidated statements of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET
AS AT AUGUST 31, 2025

(All amounts expressed in RMB unless otherwise stated)

		As at August 31,	
	<i>Note</i>	2025	2024
		RMB'000	RMB'000
ASSETS			
Non-current assets			
Right-of-use assets		1,408,117	1,369,868
Property, plant and equipment		5,259,715	4,909,887
Investment properties		243,300	223,800
Intangible assets		7,916	10,984
Deferred income tax assets		43	12
Prepayments		25,412	91,467
		<u>6,944,503</u>	<u>6,606,018</u>
Current assets			
Prepayments		5,201	4,693
Trade and other receivables	11	18,013	31,765
Amounts due from related parties		24,972	16,931
Restricted cash		8,240	498
Cash and cash equivalents		966,554	840,875
		<u>1,022,980</u>	<u>894,762</u>
Total assets		<u>7,967,483</u>	<u>7,500,780</u>
EQUITY			
Share capital and share premium		603,188	603,188
Statutory surplus reserves		146,566	140,765
Other reserves		443,110	416,362
Retained earnings		3,110,231	2,657,739
Total equity		<u>4,303,095</u>	<u>3,818,054</u>

		As at August 31,	
	<i>Note</i>	2025	2024
		RMB'000	RMB'000
LIABILITIES			
Non-current liabilities			
Borrowings		1,896,996	1,944,161
Lease liabilities		4,619	3,195
Accruals and other payables	<i>12</i>	31,237	29,821
Deferred income tax liabilities		67,998	58,433
		<u>2,000,850</u>	<u>2,035,610</u>
Current liabilities			
Accruals and other payables	<i>12</i>	403,618	336,017
Amounts due to related parties	<i>12</i>	24,668	20,277
Contract liabilities		1,064,661	981,505
Current income tax liabilities		15,211	17,656
Borrowings		152,214	290,850
Lease liabilities		2,210	532
Deferred revenue		956	279
		<u>1,663,538</u>	<u>1,647,116</u>
Total liabilities		<u>3,664,388</u>	<u>3,682,726</u>
Total equity and liabilities		<u>7,967,483</u>	<u>7,500,780</u>

NOTES

1 GENERAL INFORMATION

China Science and Education Industry Group Limited (the “**Company**”, formerly known as China Vocational Education Holdings Limited) was incorporated in the Cayman Islands on May 24, 2016 as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands. The address of the Company’s registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, the Cayman Islands. The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in providing private tertiary education services, including tuition services and student accommodation services in the People’s Republic of China (the “**PRC**”).

The ultimate holding company of the Company is HL-Diamond Limited (“**HL-Diamond**”). The directors of the Company (“**Directors**”) consider the ultimate controlling party to be Mr. Zhang Zhifeng, who is also an executive director and the chairman of the Board of the Company (the “**controlling shareholder**”).

The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since November 25, 2019.

These consolidated financial statements have been approved for issue by the Board of Directors on November 24, 2025.

2 BASIS OF PREPARATION

(i) Going concern assumption

As at August 31, 2025, the Group’s current liabilities exceeded its current assets by RMB640,558,000. The Group’s total borrowings as at August 31, 2025 amounted to RMB2,049,210,000 which included RMB152,214,000 repayable within the coming twelve months (included in current liabilities). The Group also expected to incur capital expenditures of RMB174,430,000 in relation to construction of property, plant and equipment within the coming twelve months.

In view of such circumstances, the Directors of the Company have given careful consideration of the future liquidity and operating performance of the Group and its available source of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. The Directors have reviewed a cash flow projection of the Group prepared by management covering a period of not less than twelve months from August 31, 2025 taking into account of (1) the Group’s unutilised long-term bank facilities of approximately RMB163,970,000 for its capital expenditure as at August 31, 2025; (2) subsequent to August 31, 2025, the Group obtained long-term bank facilities for working capital with aggregated amount of RMB50,000,000; and (3) the Group is able to comply with the bank covenants of its existing bank facilities and such bank facilities will continue to be available to the Group.

The Directors are of the opinion that, taking into account the Group's expected net cash inflows from its operating activities and the availability of the Group's bank facilities, the Group will have sufficient financial resources to fulfil its financial obligations as and when they fall due in the coming twelve months from August 31, 2025. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

(ii) Compliance with HKFRSs and HKCO

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards ("HKFRSs") and requirements of the Hong Kong Companies Ordinance ("HKCO") Cap. 622.

(iii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis as modified by the revaluation of investment properties which are carried at fair value.

(iv) New and amended standards adopted by the Group

(a) New and amended standards adopted by the Group:

The Group has applied the following new and amended standards for its annual reporting period commencing September 1, 2024:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The amendments and interpretation listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

- (b) Certain new or amended accounting standards and interpretation have been published that are not mandatory for August 31, 2025 reporting periods and have not been early adopted by the Group. These amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

		Effective for accounting periods beginning on or after
Amendments to HKAS 21	Lack of Exchangeability	January 1, 2025
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments and Contracts Referencing Nature-dependent Electricity	January 1, 2026
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRSs – Volume 11	January 1, 2026
HKFRS 18	Presentation and Disclosure in Financial Statements (new standard)	January 1, 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures (new standard)	January 1, 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

These standards except for HKFRS 18 are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions. As for the HKFRS 18, it will replace HKAS 1 Presentation of financial statements. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive. Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, some potential impacts have been identified, such as the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported.

3 SEGMENT INFORMATION

The Group is principally engaged in provision of private tertiary education and ancillary services in the PRC. Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker (“**CODM**”) that are used to make strategic decisions. The CODM has been identified as the executive directors. CODM examines the Group's performance from the service perspective.

Information reported to the CODM, for the purpose of resource allocation and assessment of segment performance, is on a school by school basis. Each individual school constitutes an operating segment. The services provided and type of customers are similar in each operating segment, and each operating segment is subject to similar regulatory environment. Accordingly, their segment information is aggregated as a single reportable segment. CODM assesses the performance of the reportable segment based on the revenue and gross profit for the year of the Group as presented in the consolidated statements of comprehensive income. No analysis of the Group's assets and liabilities is regularly provided to the management of the Group for review.

As at August 31, 2025, approximately 99.9% of the carrying values of the Group's assets were situated in the Chinese Mainland. All of the Group's revenue are derived from activities in, and from customers located in the Chinese Mainland and no geographical segment analysis is prepared.

Revenue during the years ended August 31, 2025 and 2024 were as follows:

	Year ended August 31,	
	2025	2024
	RMB'000	RMB'000
Recognized over time		
– Tuition fees	1,294,979	1,164,804
– Boarding fees	110,841	103,729
– Other education service fees	39,622	–
	<u>1,445,442</u>	<u>1,268,533</u>

Tuition fees and boarding fees are recognized proportionately over each academic year. No customers individually accounted for more than 10% of the Group's revenue during the years ended August 31, 2025 and 2024.

4 OTHER INCOME – NET

	Year ended August 31,	
	2025	2024
	RMB'000	RMB'000
Rental income	32,513	24,524
Catering and relevant service income – net	7,720	5,856
Campus cleaning service income	5,910	–
Government subsidies	5,907	953
Site use and relevant service income – net	4,850	15,646
Service income of school-enterprise cooperation projects	1,150	3,243
Others	504	1,242
	<u>58,554</u>	<u>51,464</u>

5 OTHER GAINS – NET

	Year ended August 31,	
	2025	2024
	RMB'000	RMB'000
Net fair value gains on investment properties	14,418	28,674
Gains/(losses) on disposals of property, plant and equipment, intangible assets	8	(683)
Provisions for litigations (<i>Note (a)</i>)	(2,250)	–
Net exchange losses	(82)	(3,617)
Others	(392)	37
	<u>11,702</u>	<u>24,411</u>

- (a) In September 2024, certain group entities were accused by a supplier who claimed itself as the service provider of school-enterprise cooperation projects, for compensation of RMB6,930,000 in total, for incurred service fees, corresponding default interests and expected reasonable returns associated with future operations of the school-enterprise cooperation projects. According to the court order, the Group's bank deposits of totaling RMB6,930,000 have been frozen as a guarantee to execute the potential claim in respect of the case. Pursuant to the judgment of first instance, a provision amounting to RMB2,250,000 was provided accordingly.

6 EXPENSES BY NATURE

	Year ended August 31,	
	2025	2024
	RMB'000	RMB'000
Employee benefit expenses	462,130	364,457
Depreciation of property, plant and equipment	204,502	170,413
Depreciation of right-of-use assets	46,429	43,637
Property management fee	36,697	31,565
Maintenance fee	35,651	6,884
School consumables	30,250	27,044
Marketing expenses	20,522	15,321
Office expenses	20,365	13,222
Utilities expenses	18,991	19,277
Travel and entertainment expenses	14,816	12,174
Training expense	8,740	9,148
Allowance granted to students	7,071	4,737
Amortization of intangible assets	6,148	6,305
Other taxes	5,294	6,421
Consultancy and professional service fees	3,511	3,674
Auditors' remuneration		
– Audit services	2,780	2,606
Rental expenses	2,690	474
Student activities expenses	1,512	1,260
Insurance expenses	1,280	1,181
Joint tuition support fees	350	14,386
Other expenses	20,677	16,572
	<u>950,406</u>	<u>770,758</u>
Total cost of sales, selling expenses and administrative expenses	950,406	770,758

7 FINANCE EXPENSES – NET

	Year ended August 31,	
	2025	2024
	RMB'000	RMB'000
Finance income:		
– Bank interest income	<u>1,026</u>	<u>3,764</u>
Finance expenses:		
– Interest expenses on bank borrowings	(54,338)	(80,524)
– Imputed interest expenses on discount of long-term other borrowings due to the controlling shareholder of the Company	(829)	–
– Interest expenses on other borrowings due to the controlling shareholder of the Company	(6,119)	(1,752)
– Imputed interest expenses on discount of long-term other borrowings and long-term interest payables due to a related party	(14,537)	(17,350)
– Imputed interest expenses on discount of long-term payables for property, plant and equipment	(1,416)	(2,359)
– Net exchange gains on bank borrowings	–	778
Less: Interest expenses capitalized in property, plant and equipment (Note (a))	7,079	11,967
– Imputed interest expenses on discount of compensation payable for the Conversion of Huali College	–	(416)
– Interest expense for lease liabilities	<u>(300)</u>	<u>(160)</u>
	<u>70,460</u>	<u>(89,816)</u>
Net finance expenses	<u>69,434</u>	<u>(86,052)</u>

- (a) The capitalization rate used to determine the amount of borrowing costs to be capitalized is the interest rate applicable to the entity's borrowings for construction during the year. The capitalization rates were 3.40% and 4.20% for the years ended August 31, 2025 and 2024 respectively.

8 INCOME TAX EXPENSES

(a) Cayman Islands profits tax

The Company and its direct subsidiary were incorporated in the Cayman Islands as exempted companies with limited liability under the Companies Act (as revised) of the Cayman Islands and accordingly, are exempted from income tax.

(b) Hong Kong profits tax

No provision for Hong Kong profits tax was provided as the Group did not have assessable profits in Hong Kong during the years ended August 31, 2025 and 2024.

(c) PRC corporate income tax (“CIT”)

The corporate income tax rate applicable to the Group’s entities located in the Chinese Mainland (the “**PRC entities**”) is 25% according to the Corporate Income Tax Law of the People’s Republic of China effective on January 1, 2008.

According to the Implementation Rules for the Law for Promoting Private Education (the “**Implementing Rules**”), private schools, whether requiring reasonable returns or not, may enjoy preferential tax treatment. The Implementing Rules provide that the private schools for which the sponsors do not require reasonable returns are eligible to enjoy the same preferential tax treatment as public schools, and relevant authorities under the State Council may introduce preferential tax treatments and related policies applicable to private schools requiring reasonable returns. Despite the fact that no separate policies, regulations or rules have been introduced by the authorities during the years ended August 31, 2025 and up to date of this announcement, based on the historical tax returns filed to the relevant tax authorities, the colleges within the Group have historically enjoyed preferential tax treatment since their establishment.

Management considered that no CIT would be imposed by the local tax bureau on the income from provision of formal educational services based on the PRC relevant tax regulation. As a result, no income tax expense was recognized for the income from the provision of educational services in respect of the PRC Operating Entities during the period.

Certain wholly-owned subsidiaries of the Group in the PRC enjoy the preferential income tax treatment for Small and Micro Enterprise with the income tax rate of 20% and are eligible to have their tax calculated based on 25% of their taxable income. Guangdong Shengli Technology Company Limited and Guangdong Huashi Education Support Service Company Limited enjoy the preferential income tax rate of 15% based on the relevant tax preferential policy granted to Ruyuan Yao Autonomous County. The applicable tax rate for Guangdong Huali Technology Company Limited is 3% as it enjoys both preferential income tax treatment for Small and Micro Enterprise and preferential policy granted to Ruyuan Yao Autonomous County at the same time.

8 INCOME TAX EXPENSES (CONT'D)

(c) PRC corporate income tax (“CIT”) (Cont’d)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Chinese Mainland. A lower withholding tax rate may be applied if there is a tax treaty between Chinese Mainland and the jurisdiction of the foreign investors. The Group is liable for withholding taxes on dividends distributed by those subsidiaries established in Chinese Mainland in respect of earnings generated in the periods subsequent to January 1, 2008.

(d) United States of America (“USA”) corporate income tax

No provision for USA corporate income tax was provided as the Group did not have assessable profits in USA during the years ended August 31, 2025 and 2024.

Analysis of the Group’s income tax expense was as follows:

	Year ended August 31,	
	2025	2024
	RMB’000	RMB’000
Current tax on profits for the year	28,482	27,493
Current withholding tax	–	1,500
Deferred income tax	3,707	7,485
Deferred withholding tax	5,376	30
	<u>37,565</u>	<u>36,508</u>

9 EARNINGS PER SHARE

(a) Basic

The basic earnings per share were calculated on the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the years ended August 31, 2025 and 2024 respectively.

	Year ended August 31,	
	2025	2024
Profit attributable to the controlling shareholder of the Company (RMB’000)	458,293	451,090
Weighted average number of ordinary shares in issue (thousand shares)	<u>1,200,000</u>	<u>1,200,000</u>
Basic earnings per share (expressed in RMB)	<u>0.382</u>	<u>0.376</u>

(b) Diluted

Diluted earnings per share presented were the same as the basic earnings per share as there were no potentially dilutive ordinary shares issued during the years ended August 31, 2025 and 2024.

10 DIVIDENDS

No dividend had been paid or declared by the Group for the years ended August 31, 2025 and 2024 nor has any dividend been proposed subsequent to August 31, 2025.

11 TRADE AND OTHER RECEIVABLES

	As at August 31,	
	2025	2024
	RMB'000	RMB'000
Trade receivables		
– Tuition fees receivables from students	4,644	4,747
– Boarding fees receivables from students	49	91
	4,693	4,838
Other receivables		
– Utilities receivables from campus logistics service providers	5,305	5,378
– Receivables for rental income	3,212	3,087
– Tuition fees receivables from financial institution	856	6,341
– Catering fees receivable from staff	7	6,997
– Others	3,940	5,124
	13,320	26,927
	18,013	31,765

As at August 31, 2025 and 2024, the aging analysis of the trade receivables based on the recognition date was as follows:

	As at August 31,	
	2025	2024
	RMB'000	RMB'000
Less than 1 year	4,471	4,629
1 to 2 years	208	181
2 to 3 years	14	28
	4,693	4,838

As at August 31, 2025 and 2024, trade and other receivables of the Group were denominated in RMB.

11 TRADE AND OTHER RECEIVABLES (CONT'D)

As at August 31, 2025 and 2024, the Group's maximum exposure to credit risk was the carrying value of each class of trade and other receivables mentioned above. The Group currently does not hold any other collateral as security.

Management has closely monitored the credit qualities and the collectability of these receivables and considers that the expected credit risks of them are minimal in view of the history of cooperation with them and forward-looking information. The loss allowance provision for these balances was not material and no provision was recorded during the years ended August 31, 2025 and 2024.

As at August 31, 2025 and 2024, the fair values of trade and other receivables approximated their carrying amounts.

12 ACCRUALS AND OTHER PAYABLES AND AMOUNTS DUE TO RELATED PARTIES

	As at August 31,	
	2025	2024
	RMB'000	RMB'000
Payable for construction and purchase of non-current assets	310,483	205,797
Government subsidies payable to students	46,183	52,276
Employee benefits payables	25,793	33,631
Miscellaneous fee received from students (<i>Note (a)</i>)	10,123	15,624
Interest payable	9,006	9,641
Other taxes payable	8,680	5,121
Payables for canteen suppliers	6,643	6,081
Payable for property management service	3,646	6,317
Payables for utilities expenses	2,644	5,728
Auditor's remuneration payable	1,218	1,242
Payable for joint tuition support fees	–	14,386
Others	10,436	9,994
	<u>434,855</u>	<u>365,838</u>
Less: non-current portion		
Payable for construction of non-current assets	<u>(31,237)</u>	<u>(29,821)</u>
Current portion	<u>403,618</u>	<u>336,017</u>

12 ACCRUALS AND OTHER PAYABLES AND AMOUNTS DUE TO RELATED PARTIES (CONT'D)

	As at August 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Amounts due to related parties		
– Current	<u>24,688</u>	<u>20,277</u>

- (a) The amounts represented the miscellaneous fee received from students which would be paid out by the Group on behalf of students.
- (b) As at August 31, 2025 and 2024, the fair values of current accruals and other payables and current amounts due to related parties approximated their carrying amounts due to their short-term maturities.
- (c) As at August 31, 2025 and 2024, the non-current accruals and other payables were initially recognized at fair value at discount rate available to the Group and subsequently measured at amortized cost using the effective interest rate method.

DEFINITIONS

“academic year(s)”	the academic year for all our schools, which generally starts on September 1 of each calendar year and ends on August 31 of the next calendar year
“AGM”	annual general meeting of the Company to be held on January 23, 2026
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Audit Committee”	the audit committee of the Board
“Board”	the board of directors of the Company
“Business Cooperation Agreement”	the Business Cooperation Agreement entered into by and among Huali Shengda, Huali Investment, our PRC Operating Entities and the Registered Shareholder dated March 23, 2017 (supplemented on November 27, 2017, August 30, 2018 and December 7, 2021)
“BVI”	The British Virgin Islands
“CG Code”	the Corporate Governance Code contained in Appendix C1 to the Listing Rules
“China” or “PRC”	the People’s Republic of China and for the purposes of this announcement only, except where the context requires otherwise, references to China or the PRC exclude Hong Kong, the Macau Special Administrative Region and Taiwan
“Company”	China Science and Education Industry Group Limited (中國科教產業集團有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board (stock code: 1756)

“consolidated affiliated entities”	the entities the Company controls through the structured contracts as further elaborated in the section headed “Structured Contracts” in the Prospectus, namely Huali Investment, Huali College, Huali Vocational College and Huali Technician College, and each a “consolidated affiliated entity”
“Controlling Shareholder(s)”	has the meaning as defined in the Listing Rules and, unless the context otherwise requires, refers to Mr. Zhang, Trust Co and Huali Education
“Conversion of Huali College”	the conversion of Huali College from a private independent college into an independently established private general undergraduate college in the PRC
“Director(s)”	the director(s) of the Company
“Equity Pledge Agreement”	The Equity Pledge Agreement entered into by and among the Registered Shareholder, Huali Shengda and Huali Investment dated August 30, 2018
“Exclusive Call Option Agreement”	the Exclusive Call Option Agreement entered into by and among the Registered Shareholder, Huali Investment, the PRC Operating Entities and Huali Shengda dated March 23, 2017 and August 30, 2018
“Exclusive Technical Service and Management Consultancy Agreement”	the Exclusive Technical Service and Management Consultancy Agreement entered into by and among Huali Shengda, Huali Investment and the PRC Operating Entities dated March 23, 2017 (supplemented on August 30, 2018)
“Group”, “We”, “us”, or “our”	the Company, its subsidiaries and its consolidated affiliated entities
“HKFRSs”	HKFRS Accounting Standards
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Huali College”	Guangzhou Huali College (廣州華立學院) (formerly known as Huali College Guangdong University of Technology (廣東工業大學華立學院)), a private independent college established under the laws of the PRC on January 1, 2006, was converted into an independently established private general undergraduate college with the official approval by MOE in May 2021, and a consolidated affiliated entity of the Company
“Huali Construction”	Guangdong Huali Construction Co., Ltd.* (廣東華立建築有限公司), a limited liability company established in the PRC and directly owned by Mr. Zhang and Mr. Zhang Zhifan, the brother of Mr. Zhang, as to 99.97% and 0.03% respectively, and a connected person of the Company
“Huali Education”	Huali Education Holdings Limited, a limited liability company incorporated in BVI and wholly owned by Trust Co
“Huali (HK) Education”	Huali (HK) Education Investment Limited (香港華立教育投資有限公司), a limited liability company incorporated in Hong Kong on May 18, 2016 and an indirect wholly owned subsidiary of the Company
“Huali Investment”	Guangzhou Huali Investment Company Limited (廣州華立投資有限公司), being the School Sponsor of each of the PRC Operating Entities, a company established in the PRC with limited liability on June 15, 1999 and a consolidated entity of the Company
“Huali Property”	Guangdong Huali Property Company Limited (廣東華立地產集團有限公司), a company with limited liability established under the laws of the PRC on July 1, 2008 and held as to 99% by Mr. Zhang and as to 1% by an independent third party, and which is not a member of the Group

* *for identification purpose only*

“Huali Shengda”	Guangdong Huali Shengda Business Service Limited (廣東華立盛大商務服務有限公司) (formerly known as Xizang Huali Shengda Information Technology Limited (西藏華立盛大信息科技有限公司), an enterprise established under the laws of PRC on January 18, 2017, which is a wholly owned subsidiary of Huali Shengrong
“Huali Shengrong”	Guangzhou Huali Shengrong Education Technology Company Limited (廣州華立盛榮教育科技有限公司), a wholly foreign-owned enterprise with limited liability established under the laws of the PRC on December 27, 2016, which is wholly owned by Huali (HK) Education
“Huali Technician College”	Guangdong Province Huali Technician College (廣東省華立技師學院), a private tertiary vocational school established under the laws of the PRC on August 20, 2003, of which the School Sponsor’s interest is wholly owned by Huali Investment, and a consolidated affiliated entity of the Company
“Huali Vocational College”	Guangzhou Huali Science and Technology Vocational College (廣州華立科技職業學院), a formal higher education institution established under the laws of the PRC on July 19, 2005, of which the school sponsor’s interest is wholly owned by Huali Investment, and a consolidated affiliated entity of the Company
“Hualiyuan Technology”	Guangdong Hualiyuan Technology Company Limited (廣東華立園科技有限公司), a company with limited liability established under the laws of the PRC on January 6, 2004, which is not a member of the Group and is held as to 99% by Mr. Zhang and as to 1% by Huali Property
“Implementation Rules”	the Regulations of the Implementation Rules for the Law for Promoting Private Education of the PRC 《中華人民共和國民辦教育促進法實施條例》 issued by the State Council on April 7, 2021, and effective from September 1, 2021
“Listing”	the listing of the Shares on the Main Board on the Listing Date

“Listing Date”	November 25, 2019, the date on which the Shares were listed and on which dealings in the Shares were first permitted to take place on the Main Board
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Main Board”	the Main Board of the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“MOE”	the Ministry of Education of the PRC (中華人民共和國教育部)
“Mr. Zhang”	Mr. Zhang Zhifeng, chairman of the Board, executive Director and one of our Controlling Shareholders
“Mu”	the Chinese land area unit, whereby a mu equals to approximately 666.67 square meters
“Nomination Committee”	the nomination committee of the Board
“PRC Operating Entities”	the Company’s consolidated affiliated entities, namely, Huali College, Huali Vocational College and Huali Technician College
“Prospectus”	the prospectus of the Company dated November 14, 2019
“Registered Shareholder(s)”	Huali Investment is owned as to 99.999% by Mr. Zhang and as to 0.001% by Mr. Zhang Zhifan
“Registered Shareholder’s Right Entrustment Agreement and Registered Shareholder’s Power of Attorney”	the Registered Shareholder’s Right Entrustment Agreement and Registered Shareholder’s Power of Attorney entered into by and among Huali Investment, the Registered Shareholder and Huali Shengda in favor of Huali Shengda dated September 19, 2017 (supplemented on August 30, 2018 and December 7, 2021)
“Remuneration Committee”	the remuneration committee of the Board

“Reporting Period”	the year ended August 31, 2025
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“School Directors”	the directors nominated by Huali Investment to each of our PRC Operating Entities
“School Directors’ Power of Attorney”	the School Directors’ Power of Attorney executed by each of the School Directors in favor of Huali Shengda dated March 23, 2017 (supplemented on August 30, 2018, September 28, 2018, April 23, 2019, July 22, 2019, October 10, 2019, January 17, 2020 and November 18, 2024)
“School Sponsor(s)”	the individual(s) or entity(ies) that funds or holds interests in an educational institution
“School Sponsor’s and Directors’ Rights Entrustment Agreement”	the School Sponsor’s and Directors’ Rights Entrustment Agreement entered into by and among Huali Investment, the School Directors and Huali Shengda dated March 23, 2017 (supplemented on August 30, 2018, September 28, 2018, April 23, 2019, July 22, 2019, October 10, 2019, July 20, 2020 and November 18, 2024)
“School Sponsor’s Power of Attorney”	the School Sponsor’s Power of Attorney executed by Huali Investment in favor of Huali Shengda dated March 23, 2017
“SFO”	the securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shareholder(s)”	holder(s) of the Share(s)
“Shares”	ordinary shares in the Company of par value US\$0.0001 each
“South China”	Guangdong Province, Guangxi Province and Hainan Province of the PRC
“Spouse Undertaking”	the Spouse Undertaking executed by the spouse of the Registered Shareholder dated March 23, 2017 (supplemented on August 30, 2018 and December 7, 2021)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Structured Contracts”	collectively, the Business Cooperation Agreement, the Exclusive Technical Service and Management Consultancy Agreement, the Exclusive Call Option Agreement, the Equity Pledge Agreement, the School Sponsor’s and Directors’ Rights Entrustment Agreement, the School Sponsor’s Power of Attorney, the School Directors’ Power of Attorney, the Spouse Undertaking, the Registered Shareholder’s Right Entrustment Agreement and the Registered Shareholder’s Power of Attorney
“subsidiary(ies)”	has the meaning ascribed thereto in section 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Trust Co”	Huali-Diamond Limited, a holding vehicle incorporated in BVI indirectly controlled by UBS Trustee (B.V.I.) Limited, the trustee of HL-Diamond Trust, to hold the entire issued share capital of Huali Education
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent

The English names of the PRC entities (including schools), PRC laws or regulations, and the PRC government authorities referred to in this announcement are merely translations from their Chinese names and are for identification purposes. If there is any inconsistency, the Chinese names shall prevail.

By order of the Board
China Science and Education Industry Group Limited
Zhang Zhifeng
Chairman

Hong Kong, November 24, 2025

As at the date of this announcement, the executive Directors are Mr. Zhang Zhifeng, Mr. Ye Yaming, Mr. Zhang Yude and Mr. Xiao Xiaobing; and the independent non-executive Directors are Ms. Chiu Lai Kuen Susanna MH JP, Mr. Yang Ying and Mr. Ding Yi.