

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

HIGHLIGHTS

	Year ended 31 December			Percentage Change
	2025 RMB'000	2024 RMB'000	Change RMB'000	
Revenue	952,620	980,841	-28,221	-3%
Gross profit	484,852	627,225	-142,373	-23%
Profit for the year	302,263	438,436	-136,173	-31%
Profit attributable to owners of the Company	225,651	312,822	-87,171	-28%
Core net profit ^(Note)	307,167	444,507	-137,340	-31%

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

The board of directors (the "**Board**") of JH Educational Technology INC. (the "**Company**") is pleased to announce the consolidated financial results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2025 (the "**Year**"), together with the comparative figures for the year ended 31 December 2024. The annual consolidated financial results for the Year have been reviewed by the audit committee of the Board (the "**Audit Committee**").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
REVENUE	4	952,620	980,841
Cost of sales		<u>(467,768)</u>	<u>(353,616)</u>
Gross profit		484,852	627,225
Other income and gains	4	79,295	77,688
Selling and distribution expenses		(7,616)	(8,333)
Administrative expenses		(144,000)	(128,262)
Other expenses		(103,002)	(45,351)
Finance costs	6	<u>(3,952)</u>	<u>(22)</u>
PROFIT BEFORE TAX	5	305,577	522,945
Income tax expense	7	<u>(3,314)</u>	<u>(84,509)</u>
PROFIT FOR THE YEAR		<u>302,263</u>	<u>438,436</u>

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

Year ended 31 December 2025

	<i>Note</i>	2025 RMB'000	2024 RMB'000
OTHER COMPREHENSIVE INCOME			
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of financial statements		<u>2,581</u>	<u>(2,970)</u>
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods		<u>2,581</u>	<u>(2,970)</u>
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of financial statements		<u>(2,762)</u>	<u>2,439</u>
Net other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods		<u>(2,762)</u>	<u>2,439</u>
OTHER COMPREHENSIVE LOSS FOR THE YEAR			
		<u>(181)</u>	<u>(531)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			
		<u>302,082</u>	<u>437,905</u>
Profit attributable to:			
Owners of the parent		<u>225,651</u>	312,822
Non-controlling interests		<u>76,612</u>	125,614
		<u>302,263</u>	<u>438,436</u>
Total comprehensive income attributable to:			
Owners of the parent		<u>225,470</u>	312,291
Non-controlling interests		<u>76,612</u>	125,614
		<u>302,082</u>	<u>437,905</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted	9		
– For profit for the year		<u>RMB14.10 cents</u>	<u>RMB19.54 cents</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	<i>Notes</i>	31 December 2025 RMB'000	31 December 2024 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		2,302,544	1,497,586
Investment properties		192,567	205,874
Right-of-use assets		714,885	605,950
Goodwill		110,995	110,995
Other intangible assets		28,252	25,257
Amount due from a shareholder		–	25,000
Prepayments and other receivables		197,486	27,200
Time deposits		502,800	–
		<hr/>	<hr/>
Total non-current assets		4,049,529	2,497,862
CURRENT ASSETS			
Trade receivables	<i>10</i>	2,466	1,851
Amount due from a shareholder		–	407
Amount due from a related party		–	40
Prepayments, deposits and other receivables		35,675	129,910
Other current assets		969	942
Time deposits		1,154,490	479,000
Cash and cash equivalents		681,495	1,596,221
		<hr/>	<hr/>
Total current assets		1,875,095	2,208,371
CURRENT LIABILITIES			
Other payables and accruals	<i>11</i>	230,992	209,906
Lease liabilities	<i>4</i>	1,755	249
Contract liabilities		556,890	528,383
Deferred income		6,338	6,156
Interest-bearing bank borrowings		233,285	–
Tax payable		2,798	84,781
		<hr/>	<hr/>
Total current liabilities		1,032,058	829,475
NET CURRENT ASSETS		<hr/> 843,037	<hr/> 1,378,896
TOTAL ASSETS LESS CURRENT LIABILITIES		<hr/> 4,892,566	<hr/> 3,876,758

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

31 December 2025

	31 December 2025 RMB'000	31 December 2024 RMB'000
NON-CURRENT LIABILITIES		
Lease liabilities	139	–
Deferred income	38,219	35,443
Interest-bearing bank borrowings	710,258	–
Other liabilities	868	315
	<hr/>	<hr/>
Total non-current liabilities	749,484	35,758
	<hr/>	<hr/>
Net assets	4,143,082	3,841,000
	<hr/> <hr/>	<hr/> <hr/>
EQUITY		
Equity attributable to owners of the parent		
Share capital	110,362	110,362
Reserves	3,127,934	2,902,464
	<hr/>	<hr/>
	3,238,296	3,012,826
Non-controlling interests	904,786	828,174
	<hr/>	<hr/>
Total equity	4,143,082	3,841,000
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION

JH Educational Technology INC. (the “**Company**”) was incorporated in the Cayman Islands under the Companies Law 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 year, 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. ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all IFRS Accounting Standards, International Accounting Standards (“**IASs**”) and interpretations) as issued by the International Accounting Standards Board (“**IASB**”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and certain financial instruments which have been measured at fair value. 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 and disclosures

The Group has adopted amendments to IAS 21 Lack of Exchangeability for the first time for the current year’s financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the Group’s financial statements.

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 year, the Group operated within one geographical location because all of its revenue was generated in the PRC and 98% of its long-term assets/capital expenditure were located/incurred in the PRC. Accordingly, no further geographical information is presented.

Information about major customers

No revenue from services provided to a single customer accounted for 10% or more of total revenue of the Group during the year (2024: Nil).

4. REVENUE, OTHER INCOME AND GAINS

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

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
Revenue			
Tuition fees		869,059	894,298
Boarding fees		69,292	69,008
Other education service fees	<i>(i)</i>	14,269	17,535
		<hr/>	<hr/>
Total revenue from contracts with customers		952,620	980,841
		<hr/> <hr/>	<hr/> <hr/>
Other income and gains			
Bank interest income		29,948	47,565
Other interest income		186	409
Rental income		17,098	14,423
Government grants	<i>(ii)</i>		
– related to expenses		16,437	7,432
– related to assets		6,324	5,662
Gains on foreign exchange differences		566	–
Others		8,736	2,197
		<hr/>	<hr/>
Total other income and gains		79,295	77,688
		<hr/> <hr/>	<hr/> <hr/>

Notes:

- (i) Revenue from other education services mainly represents fees received for training services to the students, which was amortised over the training periods of the services rendered.
- (ii) Government grants are related to subsidies received from the 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 obligations as at 31 December 2025 and 2024 and are expected to be recognised as revenue within one year:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Tuition fees	506,551	486,296
Boarding fees	50,339	42,087
	<hr/>	<hr/>
Total contract liabilities	<u>556,890</u>	<u>528,383</u>

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 programs. Students are entitled to the refund of payments in relation to the proportionate services not yet rendered.

The transaction price associated with unsatisfied or partially unsatisfied performance obligations does not include variable consideration that is constrained.

Significant changes in the contract liabilities balance during the year are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At the beginning of the year	528,383	521,624
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	(528,383)	(521,624)
Increases due to cash received, excluding amounts recognised as revenue during the year	556,890	528,383
	<hr/>	<hr/>
At the end of the year	<u>556,890</u>	<u>528,383</u>

5. PROFIT BEFORE TAX

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

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
Employee benefit expense (excluding directors' remuneration):			
Wages and salaries		310,256	245,219
Pension scheme contributions (defined contribution scheme)		63,303	49,801
Other welfare expenses		2,700	4,684
		<hr/>	<hr/>
Subtotal		376,259	299,704
		<hr/>	<hr/>
Cost of services provided*		467,768	353,616
Depreciation of property, plant and equipment		67,945	65,261
Depreciation of right-of-use assets		18,797	9,439
Amortisation of other intangible assets		5,374	2,409
Impairment of trade receivables**		614	551
Impairment of other receivables**		6,000	6,000
Bank interest income	4	(29,948)	(47,565)
Other interest income	4	(186)	(409)
Changes in fair value of investment properties		14,493	35,018
Government grants			
– related to expenses	4	(16,437)	(7,432)
– related to assets	4	(6,324)	(5,662)
Loss on disposal of items of property, plant and equipment***		80,560	1,983
Auditor's remuneration		2,200	2,300
Foreign exchange differences, net		(566)	601
		<hr/> <hr/>	<hr/> <hr/>

* The staff costs of RMB305,112,000 (2024: RMB233,099,000) and the depreciation and amortisation of RMB78,158,000 (2024: RMB66,683,000) were included in "Cost of sales" in the consolidated statement of profit or loss and other comprehensive income.

** Included in "Other expenses" in the consolidated statement of profit or loss and other comprehensive income.

*** Included in "Other expenses" in the consolidated statement of profit or loss and other comprehensive income. The loss on disposal of items of property, plant and equipment incurred in the current year was mainly due to the renovations conducted on student dormitories of the Group's operating college in Hangzhou, the residual value as at 31 December 2025 of those decoration of student dormitories was written-off.

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on bank loans	13,738	–
Interest on lease liabilities	83	22
	<hr/>	<hr/>
Less: Interest capitalised	(9,869)	–
	<hr/>	<hr/>
Total	<u>3,952</u>	<u>22</u>

The capitalisation rate for the year ended 31 December 2025 was 3.01% (31 December 2024: nil).

7. INCOME TAX

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current – Chinese mainland		
Charge for the year	3,175	84,040
Underprovision/(overprovision) in prior years	41	(34)
Current – Elsewhere	98	503
	<hr/>	<hr/>
Total tax charge for the year	<u>3,314</u>	<u>84,509</u>

8. DIVIDENDS

No interim or final dividend was declared during the years ended 31 December 2025 and 2024.

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

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent of RMB225,651,000 (2024: RMB312,822,000), and the weighted average number of 1,600,830,000 ordinary shares outstanding during the year.

The Group had no potentially dilutive ordinary shares outstanding during the years ended 31 December 2025 and 2024.

The calculation of basic earnings per share is based on:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	<u>225,651</u>	<u>312,822</u>

	Number of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	<u>1,600,830,000</u>	<u>1,600,830,000</u>
Earnings per share attributable to ordinary equity holders of the parent		
Basic and diluted	<u>RMB14.10 cents</u>	<u>RMB19.54 cents</u>

10. TRADE RECEIVABLES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Tuition and boarding fees receivables	6,365	5,136
Impairment	<u>(3,899)</u>	<u>(3,285)</u>
Net carrying amount	<u>2,466</u>	<u>1,851</u>

The Group's students are required to pay tuition fees and boarding fees in advance for the upcoming school year, which normally commences in September. Trade receivables represent amounts due from students whose families were in financial difficulties. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables are related to a number of individual students, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing and repayable on demand.

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

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	2,306	1,544
1 to 2 years	98	222
2 to 3 years	60	69
Over 3 years	<u>2</u>	<u>16</u>
Total	<u>2,466</u>	<u>1,851</u>

11. OTHER PAYABLES AND ACCRUALS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Payables for salaries and welfares	67,523	59,514
Miscellaneous advances received from students	52,948	47,692
Other tax payables	21,925	26,903
Receipt on behalf of ancillary service providers	11,465	14,685
Payables for textbooks	15,502	12,451
Payables for purchase of property, plant and equipment	8,869	3,928
Payables for accommodation service	3,511	3,511
Other payables	49,249	41,222
	<hr/>	<hr/>
Total	230,992	209,906
	<hr/> <hr/>	<hr/> <hr/>

The above balances are unsecured and 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.

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, respectively. 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. However, 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.

In recent years, the PRC Government has launched a series of favorable regulations and policies to continue to support and encourage the development of vocational education. We believe it will continue to benefit from the favorable policies on vocational education in China.

During the Year, we invested in a new campus, renovated our existing student dormitories and adjusted our enrolment plan to consolidate the Group's foundation and lay the groundwork for future development.

Changzheng College

Zhejiang Changzheng Vocational & Technical College* (浙江長征職業技術學院) (“**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 college has teaching buildings, experimental training buildings, a library, a gymnasium and student dormitories, among other school facilities. The 2025 admission program of Changzheng College ranked No. 1 among student enrollment programs of private junior colleges in Zhejiang Province.

Distinctive majors

Changzheng College currently has nine faculties including the Faculty of Finance and Accounting, the Faculty of Business and Trade, the Faculty of Computer and Information Technology, the Faculty of Intelligent Technology, the Faculty of Construction Engineering, the Faculty of Humanities and Management, the Faculty of Nursing, the Faculty of Hygiene and Health and the Faculty of Marxism. It also has two departments including the Basic Teaching Department and the Continuing Education Department. Changzheng College has established nine research institutes (centers) including the Zhejiang Private Small and Medium Enterprises Accounting Research Institute, the Zhejiang Private Small and Medium Enterprises Development Research Center, and the Zhejiang Private Small, Medium and Micro Enterprises Party Building Research Institute, etc. It offers 45 full-time higher vocational majors in 11 categories, including electronic information, finance and trade, education and sports, equipment manufacturing, news and communication, transportation, civil engineering, tourism, medicine and health, food, drugs and grain, and public management and services, etc.

Among the majors offered by Changzheng College, there are:

- Industrial Robotics Technology major cluster which is a major cluster established in the second phase of Zhejiang Province’s “Double Advance” project;
- “cross-border e-commerce professional cluster” (including 5 majors: international economics and trade, cross-border e-commerce, business English, e-commerce and modern logistics management) which is a high-level professional cluster in Zhejiang Province;
- 1 key major recognized by the Ministry of Education (international economics and trade);
- 1 Sino-German advanced vocational education cooperation project of the Ministry of Education (automotive electronics technology);
- 1 provincial advantage major (international economics and trade);
- 4 provincial characteristic majors (big data and accounting, statistics and accounting, industrial and commercial enterprise management, and e-commerce);
- 13 provincial quality online open courses; and
- 4 national planning textbooks, 33 provincial new form textbooks, and 5 textbooks selected as the first batch of provincial 14th Five-Year Plan key textbook construction projects.

Training bases

Changzheng College has 46 on-campus training bases and 186 experimental training rooms. Among them, the cross-border e-commerce training base is a productive training base recognized by the Ministry of Education, the e-commerce training base is a vocational education demonstration training base supported by the central government, and the 4 training bases of cross-border e-commerce, finance and accounting of small- and medium-sized enterprises, service and management of small and medium-sized enterprises, and robot application of small- and medium-sized enterprises are provincial-level “13th Five-Year Plan” modelling established demonstration training bases, and the Changzheng-Longli Grinding and Polishing Robot Industry-Education Integration Practice Base is a provincial-level open industry-education integration practice base.

College-enterprise co-operation

Changzheng College considers reforms and innovations as its driving force to strengthening the development of the students’ potentials and social service skills and improving its overall education and teaching quality in order to cultivate high-quality technical and skilled personnel who can adapt to regional economic and social development.

Changzheng College cooperates with 375 industry associations and enterprises and institutions such as Zhejiang Small and Medium Enterprises Association, Alibaba, Zhejiang Geely Group, Hangzhou Hanggang Metro, etc. to establish off-campus internship and training bases.

Changzheng College is a pilot unit for the Chinese characteristic apprenticeship system in Zhejiang Province, 17 “1+X” vocational skill level certificate pilot units, and it is also an “Alibaba Digital Trade Talent Base”.

Changzheng College was in charge for the development of 27 “Zhejiang Small and Micro Enterprise Compound Talent Vocational Skills Standards”, and has built 11 on-campus vocational skills appraisal stations.

Changzheng College cooperates with Hangzhou Cross-border E-commerce Industrial Park, Hangzhou Dajiangdong Industrial Cluster, Hangzhou Jiande (Western Zhejiang) Cross-border E-commerce Industrial Park, Hangzhou Dream Town, Hangcha Group, SF Express, Cainiao Group, Hikvision, Geely and other industrial parks and enterprises to jointly carry out the training of technical and skilled talents with Chinese characteristics apprenticeship system and Sino-German dual system.

Changzheng College has created 8 technical service platforms such as Zhejiang Small and Micro Enterprise Credit Research Center, Zhejiang Small and Micro Enterprise Risk Prevention Consulting and Service Center, Changzheng-Yaozhuang Town Electromechanical Teaching and Research Base, Changzheng-Yaozhuang Town E-commerce Teaching and Research Bases. It has jointly established 5 industrial colleges with Hangzhou Longli Intelligent Technology, Ali Haibo, Jiande Hengli Electric, Hangzhou Agency Bookkeeping Industry Association, Digital China and other enterprises to create a collaborative education platform integrating industry and education.

College of Economics and Business

Zhengzhou College of Economics & Business* (鄭州經貿學院) (“**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 Group acquired the land use rights of two parcels of lands located in Shangjie District, Zhengzhou, Henan Province, in December 2024. The Group is establishing a new campus of the College of Economics and Business on such lands, aligning with the Group’s development strategy and expanding the scale of its higher education. The Group expects the new campus will commence school operation in September 2026.

Distinctive disciplines and majors

The disciplines of College of Economics and Business cover six key subject areas, comprising management, economics, engineering, arts, literature and law. It has 12 faculties and one department, covering 51 majors in the undergraduate program (including accounting, mechanical design, manufacturing and automation, architecture and computer science and technology) and 32 majors in the junior college program (including big data and accounting, project costing, computer application technology, and fashion and apparel design). Among the disciplines and majors offered by College of Economics and Business, there are:

- 3 provincial level key development disciplines (mechanical design, manufacturing and automation, control theory and control engineering, and business management);
- 6 provincial first-class majors (financial management, fashion and apparel design, computer science and technology, accounting, marketing and TV & radio broadcasting);
- 2 provincial level experiential teaching and demonstration centers (integrated experiential education center for fashion and textile design, and experiential education center for economic management);
- 3 modelling established majors of virtual simulation experiential education in Henan Province (virtual simulation experiment of fashion and textile design, virtual simulation experiment of enterprise investment and financing decision-making and virtual simulation of inventory taking);
- 9 provincial private higher education branded majors (building environment and energy application engineering, fashion and apparel design, marketing, electrical engineering and automation, accounting, financial management, international economics and trade, e-commerce, broadcasting and television); and

- 4 pilot majors under the provincial comprehensive major reform (accounting, information management and information system, fashion and apparel design and English).

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 of Economics and Business 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 on 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.

Jingyi Secondary School

Yueqing Jingyi Secondary School Company Limited* (樂清市精益中學有限公司) ("**Jingyi Secondary School**") is a for-profit private school 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 educational background and/or performance in the interview. We prefer to recruit teachers who have the following characteristics: (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 a master's degree or above, and for certain practical/vocational subjects, those that hold relevant professional and/or technical qualifications. As of 31 December 2025, approximately 99.6% of our teachers had a bachelor's degree or above, and approximately 79.6% 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

School name	As at 31 December	
	2025	2024
College of Economics and Business	34,040	35,991
Changzheng College	19,989	21,183
Jingyi Secondary School ^(Note)	1,123	1,166
Total	55,152	58,340

Average Tuition Fees and Average Boarding Fees

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

School name	For the year ended 31 December			
	Average tuition fees		Average boarding fees	
	2025	2024	2025	2024
	(RMB)	(RMB)	(RMB)	(RMB)
College of Economics and Business	15,952	15,994	1,304	1,368
Changzheng College	15,486	15,893	2,060	1,726
Jingyi Secondary School ^(Note)	21,183	21,084	1,230	1,236

Note: Jingyi Secondary School included training programs for students whose student status was not registered with the school. The programs have been provided by Yueqing Jiayan Educational Technology Co., Ltd. (formerly known as Yueqing Jiaxin Education and Training Center Company Limited) since 2019/2020 school year.

Future Prospects

We intend to solidify our position as the largest private provider of formal higher education in Zhejiang Province focusing on nurturing professional talents. We intend to leverage our operating experience in Henan Province to further expand our school network in the PRC and overseas. 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

- The Group acquired the land use rights of two parcels of lands located in Shangjie District, Zhengzhou, Henan Province in December 2024. The Group is establishing a new campus of the College of Economics and Business on such lands, aligning with the Group's development strategy and expanding the scale of its higher education. We believe such new campus will significantly enhance the Group's ability to broaden its educational offerings and facilities, positively impacting the Group's sustainable development in the future. The Group expects the new campus will commence school operation in September 2026.

2. Acquisitions

- We plan to acquire or invest in schools that have relatively low utilization rates and/or have substantial growth potential in the PRC. We prefer to acquire the schools including but not limited to for-profit private schools in central China, eastern China and southern China.

3. Establish or acquire new school overseas

- We plan to establish a degree-granting higher education institution in California, the United States, namely 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.
- We are also looking for opportunities to acquire suitable target school(s) overseas.

4. Enhance our profitability by optimizing our pricing strategies

- The tuition fees and boarding fees we charge are main factors affecting our profitability. 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 decreased by 3% from RMB980.8 million for the year ended 31 December 2024 to RMB952.6 million for the Year. This decrease was mainly due to the decline in tuition fee income, primarily as a result of the decreases in student enrollment quota and average tuition fees.

Cost of Sales

Cost of sales increased by 32% from RMB353.6 million for the year ended 31 December 2024, to RMB467.8 million for the Year. The increase mainly comprised increases in staff costs of RMB72.0 million. To support school development, mainly the new campus, which is expected to commence school operation in September 2026 and improve teaching quality, the Group hired more new teachers during the Year. The number of teachers of College of Economics and Business increased by 327 during the Year, leading to the rise in salaries and benefits.

Gross Profit

Gross profit decreased by 23% from RMB627.2 million for the year ended 31 December 2024 to RMB484.9 million for the Year, which was the result of the changes in revenue and cost of sales.

Other Income and Gains

Other income and gains increased by approximately RMB1.6 million from RMB77.7 million for the year ended 31 December 2024 to RMB79.3 million for the Year, primarily attributable to the net effects of increase in government grants and decrease in bank interest income.

Selling and Distribution Expenses

Selling and distribution expenses decreased slightly by RMB0.7 million from RMB8.3 million for the year ended 31 December 2024 to RMB7.6 million for the Year.

Administrative Expenses

Administrative expenses increased by RMB15.7 million from RMB128.3 million for the year ended 31 December 2024 to RMB144.0 million for the Year. The increase was mainly due to the increase in staff costs of approximately RMB4.6 million, maintenance expenditure of RMB5 million and other miscellaneous expenses.

Other expenses

Other expenses increased by RMB57.6 million from RMB45.4 million for the year ended 31 December 2024 to RMB103.0 million for the Year. Changzheng College conducted a major renovation of its student dormitories during the Year, and the net book value of the decoration of those dormitories were written off, which resulted in a loss on disposal of approximately RMB80.6 million. In contrast, the Group recorded a decrease in loss from a fair value adjustment of the Group's investment properties of approximately RMB20.5 million during the Year.

Finance Costs

Finance cost increased to RMB4 million for the Year mainly represented interest on bank borrowing withdrew during the year. Finance costs were RMB22,000 for the year ended 31 December 2024.

Profit before Tax

As a result of the foregoing, profit before tax for the Year amounted to approximately RMB305.6 million, representing a decrease of 41.6% compared to that for the year ended 31 December 2024.

Income Tax Expense

Income tax expense decreased from RMB84.5 million for the year ended 31 December 2024 to RMB3.3 million for the Year, mainly due to the decrease in the PRC corporate income tax expenses.

Profit for the Year

As a result of the foregoing, the Group recorded a profit of approximately RMB302.3 million for the Year, representing a decrease of approximately 31.1% as compared to that for the year ended 31 December 2024.

Profit Attributable to Owners of the Company

For the Year, profit attributable to owners of the Company amounted to approximately RMB225.7 million, representing a decrease of approximately 27.9% compared to that of the year ended 31 December 2024.

Core Net Profit

The Group's core net profit does not represent its profit for the year after the adjustment of the Group's operating performance (as presented in the table below), and is not an IFRS Accounting Standards measure. The Group has presented this item because the Group considers it an important supplemental measure of the Group's operational performance used by the Group's management, analysts and investors. The following table reconciles profit for the year to core net profit of the Group for the two financial years presented:

	For the year ended	
	31 December	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit for the year	302,263	438,436
Less:		
Exchange gain	566	–
Add:		
Amortisation of fixed assets and intangible assets arising from the acquisition of College of Economics and Business*	5,470	5,470
Exchange loss	–	601
Core net profit	<u>307,167</u>	<u>444,507</u>

* Amounts were calculated based on the original value of RMB219.3 million, amortised over the lives of the respective fixed asset categories on a straight-line basis. Carrying amount as of 31 December 2024 was RMB168.7 million.

Finance and Liquidity Position

Net Current Assets

As at 31 December 2025, net current assets amounted to approximately RMB843.0 million (31 December 2024: RMB1,378.9 million). The decrease in net current assets of approximately RMB535.9 million was primarily attributable to a combined effect of a decrease in cash and cash equivalents of approximately RMB914.7 million, an increase in short term time deposits of approximately RMB675.5 million, a decrease in land and other deposits of approximately RMB94.2 million and an increase in short term bank borrowings of approximately RMB233.3 million.

Liquidity and Capital Resources

The Group had cash and cash equivalents of RMB681.5 million as at 31 December 2025 (31 December 2024: RMB1,596.2 million). Cash and cash equivalents decreased by RMB914.7 million during the Year mainly caused by the combined impacts of (i) net cash inflows from operating activities and bank borrowings amounted to RMB527.9 million and RMB943.5 million respectively; and (ii) net cash flows used in investing activities amounted to RMB2,378 million, mainly comprised additions to fixed assets and increase in total time deposits of RMB1,147 million and RMB1,178 million respectively. 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 and bank borrowings.

The Group had bank borrowings of RMB943.5 million as at 31 December 2025 (31 December 2024: nil). 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 Year.

Contingent Liabilities and Guarantees

As at 31 December 2025 and 2024, the Group did not have any unrecorded contingent liabilities, guarantees or any material litigation against the Group.

Foreign Exchange Exposure

Most of the Group's gains and losses are denominated in RMB. As at 31 December 2025, certain bank balances were denominated in US Dollars, Australian Dollars, Singapore Dollars or Hong Kong Dollars. 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 prudent measures as and when appropriate.

Charge on Group Assets

As at 31 December 2025, the bank loans of RMB732.8 million were secured by the pledge of rights over College of Economics and Business' tuition fee. The Group did not have any charges on its assets as at 31 December 2024.

Gearing Ratio

The gearing ratio was 0.23 as at 31 December 2025 (31 December 2024: not applicable), which was mainly due to the increase in interest-bearing bank borrowings of the Group during the Year. The Group had no bank loan and other borrowings as at 31 December 2024.

(Note: Gearing ratio equals total debt divided by total equity as at the end of the year. Total debt includes all interest-bearing bank loans and other borrowings.)

EMPLOYEE AND REMUNERATION POLICY

As at 31 December 2025, the Group had 3,037 employees (31 December 2024: 2,419). The total employee benefit expense (excluding directors' remuneration) for the Year amounted to approximately RMB376.3 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 participates 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 receive 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 our Company and help motivate them to optimize their future contributions to our Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going cooperative relationship with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of our Group. In addition, our 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

The Group acquired the land use rights of two parcels of lands located in Shangjie District, Zhengzhou, Henan Province in December 2024. The Group is building a new campus of the College of Economics and Business on such lands, aligning with the Group's development strategy and expanding the scale of its higher education. On 10 March 2025, the College of Economics and Business and its contractor entered into the construction contracts, pursuant to which, the College of Economics and Business has engaged the contractor to perform the construction projects of teaching and training buildings, public buildings and faculty apartments and dormitory buildings with an aggregate consideration of RMB825.6 million. For details, please refer to the announcements of the Company dated 10 March 2025 and the circular of the Company dated 31 March 2025.

EVENT AFTER THE YEAR

There is no event which would materially affect the Group's operating and financial performance subsequent to 31 December 2025 and up to the date of this annual results announcement.

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 the shareholders of the Company (“**Shareholders**”) and strengthen corporate value and accountability system. The Company has adopted Appendix C1 Corporate Governance Code (“**CG Code**”) of the Rules Governing the Listing of Securities (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”).

The Company is committed to corporate governance best practices, and has complied with the code provisions of the CG Code for the year ended 31 December 2025, except for the following deviation.

Pursuant to code provision C.2.1 of the CG 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.

The Board will continue to review and monitor the practices of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance practices of the Company.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) contained in Appendix C3 to the Listing Rules as a code of conduct regarding securities transactions by Directors. After making specific enquiries with all Directors, all Directors confirmed that they complied with the standards set out in the Model Code for the year ended 31 December 2025.

Final Dividend

The Board does not recommend the payment of any final dividend for the year ended 31 December 2025 (2024: nil).

Closure of Register of Members

The register of members of the Company will be closed from Tuesday, 19 May 2026 to Friday, 22 May 2026 (both days inclusive), for the purpose of determining the entitlement to attend and vote at the AGM scheduled to be held on Friday, 22 May 2026. The record date will be Friday, 22 May 2026. In order to be eligible to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, 18 May 2026.

Audit Committee

The Board has established the Audit Committee, which consists of three independent non-executive Directors, namely Mr. Fung Nam Shan (the chairman of the Audit Committee), 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 annual consolidated financial results of the Group for the Year, this annual results announcement and the accounting policies and practices adopted by the Group.

Scope of Work of Ernst & Young

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Company's auditor, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the Year. The work performed by Ernst & Young in this respect does not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

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 (including sale of treasury shares (as defined under the Listing Rules)) of the Company for the year ended 31 December 2025. The Company did not hold any treasury share as at 31 December 2025.

Use of Proceeds from the Initial Public Offering of the Company

On 18 June 2019, the Company issued 400,000,000 ordinary Shares at a price of HK\$1.5 per share pursuant to the Listing, the total proceeds of which amounted to approximately HK\$600 million, and the shares were listed on the Main Board of the Stock Exchange. On 16 July 2019, the Company issued 830,000 Shares at a price of HK\$1.5 per share pursuant to a partial exercise of the over-allotment option relating to the Listing, the total proceeds of which amounted to approximately HK\$1.2 million. The net proceeds from the Listing (net of underwriting fees and relevant expenses) amounted to approximately HK\$524 million (equivalent to approximately RMB461 million).

On 10 March 2025, the Board has resolved to change the unutilized net proceeds of approximately RMB415 million originally intended to be used for (i) the expansion of the Group's school network through the acquisition of other schools and (ii) the expansion of the Group's business, including establishing new campuses of the College of Economics and Business and Changzheng College, to the construction and development of the new campus of College of Economics and Business located in Shangjie District, Zhengzhou City, Henan Province, the PRC. For details, please refer to the announcement of the Company dated 10 March 2025 in relation to the change in use of net proceeds.

For the year ended 31 December 2025, the Company has applied the net proceeds from its global offering as follows:

Use of proceeds	Original % of Net Proceeds	Original Use of Net Proceeds <i>(RMB million)</i>	Revised % of Net Proceeds	Revised Use of Net Proceeds <i>(RMB million)</i>	Amount of Utilized Net Proceeds		Unutilized Balance as at 31 December 2025 <i>(RMB million)</i>	Expected Time of Full Utilization of Unutilized Net Proceeds
					Prior to 1 January 2025 <i>(RMB million)</i>	Amount Utilized During the Year <i>(RMB million)</i>		
Expansion of the Group's school network through the acquisition of other schools	50%	231	-	-	0	0	0	-
Expansion of the Group's business, including establishing new campuses of the College of Economics and Business and Changzheng College	40%	184	-	-	0	0	0	-
Working capital and general corporate purposes	10%	46	10%	46	46	-	0	-
Construction and development of the New Campus	-	-	90%	415	-	415	0	-
Total	100%	461	100%	461	46	415	0	

Save for the aforementioned changes, there are no other changes in the use of net proceeds.

Publication of Annual Results Announcement and Annual Report

This annual results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.jheduchina.com, respectively. The annual report of the Company for the Year containing all the information required by the Listing Rules will be dispatched to the Shareholders and published on the above websites in due course.

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

Zhejiang, the PRC

27 March 2026

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.