嘉宏教育
JH educational technology inc

JH Educational Technology INC.
嘉宏教育科技有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1935)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "**Board**") of directors (the "**Directors**") of JH Educational Technology INC. (the "**Company**") is pleased to announce the unaudited interim consolidated financial results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**" or "**Period**"), together with the comparative figures for the corresponding period in 2025. The unaudited interim consolidated financial results for the Reporting Period have been reviewed by the audit committee of the Board (the "**Audit Committee**").

FINANCIAL HIGHLIGHTS

	Six months ended 30 June			Percentage
	2026	2025	**Change**	**Change**
	RMB'000	*RMB'000*	***RMB'000***	
	(Unaudited)	(Unaudited)		
Revenue	**532,614**	534,563	-1,949	–
Gross profit	**265,791**	328,717	-62,926	-24%
Profit for the period	**255,571**	305,311	-49,740	-16%
Core net profit *(Note)*	**257,504**	306,559	-49,055	-16%

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

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

For the six months ended 30 June 2026

		Six months ended 30 June	
	Notes	**2026**	2025
		(Unaudited)	(Unaudited)
		RMB'000	*RMB'000*
REVENUE	*4*	**532,614**	534,563
Cost of sales		**(266,823)**	(205,846)
Gross profit		**265,791**	328,717
Other income and gains	*4*	**38,303**	34,969
Selling and distribution expenses		**(1,873)**	(2,061)
Administrative expenses		**(41,041)**	(52,113)
Other expenses		**(2,147)**	(1,810)
Finance costs		**(3,066)**	(915)
PROFIT BEFORE TAX	*5*	**255,967**	306,787
Income tax expense	*6*	**(396)**	(1,476)
PROFIT FOR THE PERIOD		**255,571**	305,311

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

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
PROFIT FOR THE PERIOD	**255,571**	305,311
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of financial statements	**(656)**	2,550
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**(656)**	2,550
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of financial statements	**(4,113)**	(1,709)
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	**(4,113)**	(1,709)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**(4,769)**	841
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**250,802**	306,152

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

For the six months ended 30 June 2026

		Six months ended 30 June	
	Note	**2026**	2025
		(Unaudited)	(Unaudited)
		RMB'000	*RMB'000*
Profit attributable to:			
Owners of the parent		**181,068**	237,806
Non-controlling interests		**74,503**	67,505
		255,571	305,311
Total comprehensive income attributable to:			
Owners of the parent		**176,299**	238,647
Non-controlling interests		**74,503**	67,505
		250,802	306,152
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted			
– For profit for the period	*8*	**RMB11.31 cents**	RMB14.86 cents

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	As at 30 June 2026 (Unaudited) *RMB'000*	As at 31 December 2025 (Audited) *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**2,589,308**	2,302,544
Investment properties		**192,511**	192,567
Right-of-use assets		**705,279**	714,885
Goodwill		**110,995**	110,995
Other intangible assets		**26,356**	28,252
Prepayments and other receivables		**197,484**	197,486
Time deposits		**502,800**	502,800
Total non-current assets		**4,324,733**	4,049,529
CURRENT ASSETS			
Trade receivables	*9*	**1,217**	2,466
Prepayments, deposits and other receivables		**37,344**	35,675
Other current assets		**1,064**	969
Time deposits		**783,615**	1,154,490
Cash and cash equivalents		**672,703**	681,495
Total current assets		**1,495,943**	1,875,095
CURRENT LIABILITIES			
Other payables and accruals	*10*	**180,940**	230,992
Interest-bearing bank borrowings		**301,326**	233,285
Lease liabilities		**1,017**	1,755
Contract liabilities	*4*	**44,472**	556,890
Deferred income		**6,983**	6,338
Tax payable		**1,518**	2,798
Total current liabilities		**536,256**	1,032,058
NET CURRENT ASSETS		**959,687**	843,037
TOTAL ASSETS LESS CURRENT LIABILITIES		**5,284,420**	4,892,566

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

30 June 2026

	As at 30 June 2026 (Unaudited) *RMB'000*	As at 31 December 2025 (Audited) *RMB'000*
NON-CURRENT LIABILITIES		
Interest-bearing bank borrowings	**847,357**	710,258
Lease liabilities	**30**	139
Deferred income	**41,931**	38,219
Other liabilities	**1,218**	868
Total non-current liabilities	**890,536**	749,484
Net assets	**4,393,884**	4,143,082
EQUITY		
Equity attributable to owners of the parent		
Share capital	**110,362**	110,362
Reserves	**3,304,233**	3,127,934
	3,414,595	3,238,296
Non-controlling interests	**979,289**	904,786
Total equity	**4,393,884**	4,143,082

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

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

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

2.1 BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with IAS 34 Interim Financial Reporting. The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

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

2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS Accounting Standards – Volume 11	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*

The nature and impact of the amended IFRS Accounting Standard are described below:

Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

Annual Improvements to IFRS Accounting Standards – Volume 11 set out narrow scope amendments to IFRS 1, IFRS 7 (and the accompanying *Guidance on implementing IFRS 7*), IFRS 9, IFRS 10 and IAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding IFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

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

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

Geographical information

During the reporting period, the Group operated within one geographical location because all of its revenue was generated in the PRC and 99% of its long-term assets or capital expenditure were located or incurred in the PRC. Accordingly, no 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 reporting period.

4. REVENUE, OTHER INCOME AND GAINS

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

	Notes	Six months ended 30 June	
		2026	2025
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue			
Tuition fees		**482,519**	489,615
Boarding fees		**42,538**	36,056
Other education service fees	*(i)*	**7,557**	8,892
Total revenue from contracts with customers		**532,614**	534,563
Other income and gains			
Interest income		**15,622**	13,922
Rental income		**7,973**	8,911
Government grants	*(ii)*		
– related to expenses		**7,344**	4,939
– related to assets		**3,469**	3,112
Others		**3,895**	4,085
Total other income and gains		**38,303**	34,969

Notes:

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

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

The Group recognised the following revenue-related contract liabilities, which represented the unsatisfied performance obligation as at 30 June 2026 and 31 December 2025 and are expected to be recognised as revenue within one year:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Tuition fees	**35,962**	506,551
Boarding fees	**8,510**	50,339
Total contract liabilities	**44,472**	556,890

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.

5. PROFIT BEFORE TAX

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

		Six months ended 30 June	
	Notes	**2026**	2025
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
Employee benefit expense (excluding directors' remuneration)		**191,176**	163,822
Cost of services provided		**266,823**	205,846
Depreciation of property, plant and equipment		**37,047**	33,323
Depreciation of right-of-use assets		**9,539**	9,203
Amortisation of other intangible assets		**2,689**	2,626
Impairment of trade receivables		**1,179**	661
Interest income	*4*	**(15,622)**	(13,922)
Government grants			
– related to expenses	*4*	**(7,344)**	(4,939)
– related to assets	*4*	**(3,469)**	(3,112)
Loss on disposal of items of property, plant and equipment		**1**	481
Foreign exchange differences, net		**(802)**	(1,487)

6. INCOME TAX

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

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

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

Jheduaus Pty Ltd, Twinklem New St Pty Ltd, Twinklem Murray St Pty Ltd and Twinkle Minds Early Learning Pty Ltd, the subsidiaries incorporated in Australia, are subject to income tax at the rate of 30%. For qualifying small business entities, these subsidiaries are eligible to be taxed at the preferential rate of 25%.

Jhedunz Pty Limited and JH Early Learning Pty Limited, the subsidiaries incorporated in New Zealand, are subject to income tax at the rate of 28%. No provision for New Zealand profits tax has been made as the Group did not generate any assessable profits arising in New Zealand during the period.

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

On 14 May 2021, the State Council released the Implementation Rules for the Private Schools Promotion Law of the PRC (《中華人民共和國民辦教育促進法實施條例》) with an effective date of 1 September 2021 (the "**2021 Implementation Rules**"). The 2021 Implementation Rules are the detailed implementation rules of the Private Schools Promotion Law of the PRC. Pursuant to the 2016 Decision and the 2021 Implementation Rules, a private school may enjoy the preferential tax policies, which are not defined in the 2016 Decision or the 2021 Implementation Rules, as stipulated by the related government authorities and a non-profit school may enjoy the same tax policies as enjoyed by a public school.

The local governments of Henan and Zhejiang, where the Group's schools in the People's Republic of China are registered, have promulgated the implementation opinions on encouraging private entities and individuals to operate schools and promote healthy development of private education (the "**Local Implementation Opinions**"), according to which the Group's schools are required to complete classification registration of the school as a for-profit private school or a non-profit private school by 31 December 2022. As at the date of approval of these financial statements, Zhengzhou College of Economics and Business and Changzheng College have not yet registered as for-profit private schools or non-profit private schools and remain as private non-enterprise units as local governments have not started the registration work.

During the year of 2023, Jingyi Secondary School has completed the registration of conversion into a for-profit private school to comply with the 2021 Implementation Rules. The Group has established Yueqing Jingyi Secondary School Company Limited on 13 March 2023 as a for-profit private school. Therefore, Yueqing Jingyi Secondary School Company Limited, which is running a for-profit private school business, is subject to PRC corporate income tax at a rate of 25% from 2023 onward.

Considering that the relevant taxation policy regarding schools for which the school sponsor(s) require reasonable returns or schools for which the school sponsor(s) do not require reasonable returns remains unchanged and Zhengzhou College of Economics and Business and Changzheng College remain as private non-enterprise units, Zhengzhou College of Economics and Business and Changzheng College treated their academic education income as non-taxable income and as such there was no corporate income tax provided for the academic education income during the period. In the event Zhengzhou College of Economics and Business and Changzheng College elect to register as for-profit private schools, they may be subject to corporate income tax at a rate of 25% in respect of service fees they receive from the provision of academic educational services going forward, if they do not enjoy any preferential tax treatment.

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

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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current – Chinese Mainland		
Charge for the period	**396**	1,476
Total tax charge for the period	**396**	1,476

7. DIVIDENDS

No interim dividend was proposed for the six months ended 30 June 2026 and 2025.

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

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent of RMB181,068,000 (six months ended 30 June 2025: RMB237,806,000), and the weighted average number of ordinary shares of 1,600,830,000 (six months ended 30 June 2025: 1,600,830,000) outstanding during the period.

The Group had no potentially dilutive ordinary shares outstanding during the six months ended 30 June 2026 and 2025.

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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	**181,068**	237,806

	Number of shares	
	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares outstanding during the period for the purpose of the basic earnings per share calculation	**1,600,830,000**	1,600,830,000
Earnings per share attributable to ordinary equity holders of the parent		
Basic and diluted	**RMB11.31 cents**	RMB14.86 cents

9. TRADE RECEIVABLES

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Tuition and boarding fees receivables	**6,296**	6,365
Impairment	**(5,079)**	(3,899)
Net carrying amount	**1,217**	2,466

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 period, based on the transaction date and net of provisions, is as follows:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year	**1,055**	2,306
1 to 2 years	**115**	98
2 to 3 years	**47**	60
Over 3 years	**–**	2
Total	**1,217**	2,466

10. OTHER PAYABLES AND ACCRUALS

	As at 30 June 2026 ***RMB'000*** **(Unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
Miscellaneous advances received from students	**47,363**	52,948
Payables for salaries and welfares	**33,002**	67,523
Other tax payables	**7,871**	21,925
Payables for textbooks	**17,349**	15,502
Receipts on behalf of ancillary services providers	**10,172**	11,465
Payables for accommodation service	**3,511**	3,511
Payables for purchase of property, plant and equipment	**19,895**	8,869
Other payables	**41,777**	49,249
Total	**180,940**	230,992

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

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

We are the largest private provider of formal higher education in Zhejiang Province and we are also one of the leading private higher education institutions in Henan Province. In addition to offering higher education services, we provide high school academic educational services 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 laws and policies to continue to support and encourage the development of vocational education. The Group believes it will continue to benefit from these favorable policies on vocational education in China.

Zhengzhou College of Economics & Business*（鄭州經貿學院）(“**College of Economics & Business**”) acquired the land use rights of two parcels of lands located in Shangjie District, Zhengzhou, Henan Province, in December 2024. It has completed the major construction works of the new campus (“**New Campus**”) on such lands, aligning with the Group's development strategy and expanding the scale of its higher education. The New Campus will commence school operation in September 2026.

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.

* *For identification purpose only*

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 Education, the Faculty of Management, the Faculty of Nursing and Health and the Faculty of Marxism. Changzheng College 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. Changzheng College offers 42 full-time higher vocational programs across 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:

– “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);

– 2 provincial characteristic majors (big data and accounting 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. 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 the driving force for strengthening the development of students' potential and social service skills and improving the overall quality of education and teaching in order to cultivate high-quality technical and skilled personnel who can adapt to regional economic and social development.

Changzheng College cooperates with 594 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 6 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

College of Economics & 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. College of Economics & Business's 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 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:

- 5 provincial level key development disciplines (mechanical design, manufacturing and automation, control theory and control engineering, and business management, etc.);

- 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 education 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 project for audit inventory observation);

- 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 in the campus. It continued to explore the construction of industrial schools and comprehensively promoted college-enterprise cooperation in order to improve the development level of application-based majors and strengthen its application-based talent training quality and the competitiveness of its students in employment.

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.

* *For identification purpose only*

Our Teaching Staff

We believe the quality of our teachers is one of the most vital factors affecting our educational quality and future growth and success. Before hiring each teacher, we usually consider his or her education background and/or performance in the interview. We prefer to recruit teachers who: (i) have sufficient prior teaching experience or teaching track record; (ii) are dedicated to teaching and improving students' academic performance and practical skills; (iii) demonstrate strong command of their subject areas; (iv) can effectively implement tailored teaching methods; and (v) possess strong communication, language and interpersonal skills. We also prefer to recruit teachers who have master's degree or above, and for certain practical/vocational subjects, those that hold relevant professional and/or technical qualifications. As of 30 June 2026, approximately 99.9% of our teachers had a bachelor's degree or above, and approximately 78.2% of them had a master's degree or above.

Tuition Fees and Boarding Fees

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

Number of Students

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

	As at 30 June Number of Students	
School name	**2026**	2025
College of Economics and Business	**34,036**	36,052
Changzheng College	**19,854**	21,094
Jingyi Secondary School *(Note)*	**1,092**	1,125

Note: Includes students attending training programs provided by Yueqing Jiayan Educational Technology Co., Ltd.

Average Tuition Fees and Average Boarding Fees

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

	For the six months ended 30 June			
	Average tuition fees		**Average boarding fees**	
School name	**2026** *(RMB)*	2025 *(RMB)*	**2026** *(RMB)*	2025 *(RMB)*
College of Economics and Business	**8,051**	8,219	**703**	677
Changzheng College	**9,799**	8,604	**1,534**	924
Jingyi Secondary School	**13,636**	12,641	**820**	623

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 with the proceeds from the Listing, bank borrowings and the internal funds generated from our operation. To achieve this goal, we plan to pursue the following business strategies:

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

- The Group acquired the land use rights of two parcels of lands located in Shangjie District, Zhengzhou, Henan Province in December 2024, and entered into construction contracts in March 2025 to build, among others, teaching and training buildings, dormitory buildings and public buildings on such lands. The Group is establishing the New Campus, which will commence school operation in September 2026, aligning with the Group's development strategy and expanding the scale of its higher education. We believe the 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 estimated student capacity in the New Campus is approximately 20,000 students.

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

The Group's revenue primarily represents income derived from tuition fee and boarding fee for education services provided in the Group's schools located in China. The Group adjusted its student recruitment plan by reducing the total number of students during the 2025/2026 academic year to consolidate the foundation and lay the groundwork for future long-term development, the revenue declined slightly by 0.4% from RMB534.6 million for the six months ended 30 June 2025 to RMB532.6 million for the Period.

Cost of Sales

Cost of sales mainly includes staff costs, depreciation and amortization, maintenance and other education services costs for education services provided in the Group's schools. As the Group was preparing the New Campus for the commencement of operation in September 2026 during the Period, cost of sales increased by approximately RMB61.0 million from RMB205.8 million for the six months ended 30 June 2025 to RMB266.8 million for the Period, which mainly comprised the increases of staff costs, maintenance costs, student activities costs and training expenses of RMB32.0 million, RMB6.4 million, RMB9.0 million and RMB6.4 million respectively.

Gross Profit

Gross profit decreased by 19% from RMB328.7 million for the six months ended 30 June 2025 to RMB265.8 million for the Period. The decrease in gross profit was due to the impact of the increase in cost of sales as explained above.

Other Income and Gains

Other income and gains mainly consists of interest income, rental income and government grants. Other income and gains increased by approximately RMB3.3 million from RMB35.0 million for the six months ended 30 June 2025 to approximately RMB38.3 million for the Period, which was mainly due to the increases in interest income and government grants.

Selling and Distribution Expenses

Selling and distribution expenses mainly represent advertising and other expenses incurred for student enrollment. Selling and distribution expenses slightly decreased by RMB0.2 million from RMB2.1 million for the six months ended 30 June 2025 to RMB1.9 million for the Period.

Administrative Expenses

Administrative expenses primarily consist of staff costs, depreciation and amortization and other office expenses. Administrative expenses decreased by approximately RMB11.1 million from RMB52.1 million for the six months ended 30 June 2025 to RMB41.0 million for the Period. The decrease was mainly due to the decrease in staff costs included in administrative expenses during the Period.

Other Expenses

Other expenses increased by RMB0.3 million from RMB1.8 million for the six months ended 30 June 2025 to RMB2.1 million for the Period. The increase was mainly due to the increase in asset impairment loss during the Period.

Finance Costs

Finance costs for the Period primarily represent interest on bank borrowings and lease commitment. Finance costs increased by RMB2.1 million during the Period mainly due to non-capitalised portion of interest incurred on bank borrowings for construction of the New Campus.

Profit before Tax

As a result of the foregoing, profit before tax for the Period was approximately RMB256.0 million, representing a decrease of 17% from that for the six months ended 30 June 2025.

Income Tax Expense

Income tax expense decreased from RMB1.5 million for the six months ended 30 June 2025 to RMB0.4 million for the Period, mainly due to the decrease in the PRC corporate income tax expenses.

Profit for the Period

As a result of the foregoing, the Group recorded a profit of approximately RMB255.6 million for the Period, while the profit for the six months ended 30 June 2025 was approximately RMB305.3 million, representing a decrease of approximately 16%.

Profit Attributable to Owners of the Company

For the six months ended 30 June 2026, the profit attributable to owners of the Company amounted to approximately RMB181.1 million, representing a decrease of approximately 24% as compared to that for the six months ended 30 June 2025.

Core Net Profit

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

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Profit for the period	**255,571**	305,311
Less:		
Exchange gain	**802**	1,487
Add:		
Amortisation of fixed assets and intangible assets arising from the acquisition of College of Economics and Business*	**2,735**	2,735
Core net profit	**257,504**	306,559

* 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 30 June 2025 was RMB160.5 million.

Finance and Liquidity Position

Net Current Assets

As at 30 June 2026, net current assets amounted to approximately RMB959.7 million (31 December 2025: RMB843.0 million). The increase in net current assets of approximately RMB116.7 million was mainly due to impacts of the decrease in contract liabilities of approximately RMB512.4 million as most of the prepaid tuitions and accommodation fees had been recognized as revenue by 30 June 2026; and partially offset by the decrease in time deposits of RMB370.9 million.

Liquidity and Capital Resources

The Group had cash and cash equivalents of RMB672.7 million as at 30 June 2026 (31 December 2025: RMB681.5 million). Cash and cash equivalents decreased by RMB8.8 million during the Period mainly caused by the net impacts of (i) net cash outflows used in operating activities amounted to approximately RMB277.7 million; (ii) expenditures in fixed asset additions and other assets amounted to approximately RMB312.5 million mainly for the construction of the New Campus; (iii) decrease in time deposits amounted to approximately RMB370.9 million; and (iv) increase in new bank loans of RMB204.9 million for the construction of the New Campus.

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. Bank borrowings as at 30 June 2026 was RMB1,148 million which were mainly used for the construction of the New Campus (31 December 2025: RMB943 million). The Board confirmed that the Group did not experience any difficulties in obtaining bank loans, default on outstanding bank loan repayments or breach of covenants during the Period.

Indebtedness and Gearing Ratio

Gearing ratio as at 30 June 2026 was 26% (31 December 2025: 23%), and the Group had a bank loan balance and other borrowings of RMB1,148 million (31 December 2025: RMB943 million). Gearing ratio equals total debt divided by total equity as of the end of the period. Total debt includes all interest-bearing bank loans and other borrowings.

Capital Expenditures

For the six months ended 30 June 2026, the Group's capital expenditures were RMB312.5 million (six months ended 30 June 2025: RMB641.3 million), which mainly represent the purchases of property, plant and equipment for the New Campus during the Period.

Contingent Liabilities

As at 30 June 2026, the Group did not have any unrecorded significant contingent liabilities, or any material litigation against the Group (31 December 2025: nil).

Foreign Exchange Exposure

Most of the Group's gains and losses are denominated in RMB. As at 30 June 2026, several bank balances were denominated in US Dollars, AUS Dollars, SG Dollars or Hong Kong Dollars ("**HK$**"). For the six months ended 30 June 2026, the Group did not encounter significant foreign currency risk from its operations and did not hedge against any fluctuation in foreign currency. 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 30 June 2026, the Group did not have any charges on its assets (31 December 2025: nil).

Employee and Remuneration Policy

As at 30 June 2026, the Group had 3,038 employees (31 December 2025: 3,037). The total employee benefit expense (excluding directors' remuneration) for the six months ended 30 June 2026 amounted to approximately RMB191.2 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 may also be granted share options under the share option scheme adopted by the Company on 30 May 2019. The purpose of the scheme is to give the eligible persons an opportunity to have a personal stake in the Company and help motivate them to optimize their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group. In addition, the Group offers comprehensive training to existing and new employees and/or provides financial support for employees to participate in various occupational training courses.

Significant Investments and Future Plans for Material Investments or Capital Assets

Save as disclosed in this interim results announcement, the Group did not have any other significant investment and future plan for material investments or capital assets during the Reporting Period.

Events After the Reporting Period

Save as disclosed in this interim results announcement, there is no material event subsequent to 30 June 2026 which would materially affect the Group's operating and financial performance as of the date of this interim results announcement.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the Corporate Governance Code

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and strengthen corporate value and accountability. The Company has adopted all code provisions of the Corporate Governance Code (the "**Corporate Governance Code**") contained in Part 2 of Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

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

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

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

On 28 August 2026, Mr. Chen Yuguo resigned as the CEO and remained as the Chairman, and Mr. Chen Shu was appointed as the CEO effective from the same date. Upon such change of CEO, the Company became compliant with code provision C.2.1 of the Corporate Governance Code.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix C3 of 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 during the Reporting Period.

Interim Dividend

The Board did not recommend the payment of any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

Audit Committee

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

The Audit Committee, together with the management, has reviewed the unaudited interim results of the Group for the six months ended 30 June 2026, this interim results announcement and the accounting treatment adopted by the Group.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities (including any sale of treasury shares (if any), as defined under the Listing Rules) of the Company during the Reporting Period. As at 30 June 2026, the Company did not hold any treasury shares.

Publication of Interim Results Announcement and Interim Report

This interim results announcement is published on the websites of the Stock Exchange at www.hkexnews.hk and that of the Company at www.jheduchina.com. The interim report of the Company for the six months ended 30 June 2026 containing all the information required by the Listing Rules will be published on the above websites and dispatched to the shareholders of the Company who have already provided instructions indicating their preference to receive hard copies in due course.

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

Zhejiang, the PRC, 28 August 2026

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