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Wisdom Education International Holdings Company Limited
光正教育國際控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 6068)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 AUGUST 2026

HIGHLIGHTS

	For the year ended 31 August			
	2026	2025	**Change**	**Percentage Change**
	RMB'000	*RMB'000*	***RMB'000***	
Revenue	**110,334**	130,834	(20,500)	(15.7)%
Profit for the year	**15,564**	38,303	(22,739)	(59.4)%
Core net (loss) profit *(Note 1)*	**(3,812)**	34,819	(38,631)	(110.9)%
Basic earnings per share *(RMB)*	**0.01**	0.02	(0.01)	(50)%

Note 1: Core net profit was derived from profit for the year after adjusting for items that are not indicative of the Group's operating performance. This is not an International Financial Reporting Standards ("IFRS") Accounting Standards measure. For details, please refer to the following reconciliation and the section headed "Financial Review" in this announcement.

	For the year ended 31 August	
	2026	2025
	RMB'000	*RMB'000*
Profit for the year	**15,564**	38,303
Adjustments for:		
Change in financial guarantee contracts *(Note 2)*	**(24,507)**	(6,188)
Exchange loss, net	**4,386**	1,755
Recognition of share-based payment expenses	**745**	949
Core net (loss) profit	**(3,812)**	34,819

Note 2: The adjustment represented amortised income of financial guarantee contracts amounting to RMB nil (2025: RMB10,920,000) recognised in other income and expected credit loss for financial guarantee contracts amounting to RMB24,507,000 reversed (2025: RMB4,732,000 is recognised) in other gains or losses. For details, please refer to note 12 to the financial information and the section headed "Contingent Liabilities" in this announcement.

ANNUAL RESULTS FOR THE YEAR ENDED 31 AUGUST 2026

The board (the "**Board**") of directors (the "**Directors**") of Wisdom Education International Holdings Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") is pleased to announce the consolidated results of the Group for the year ended 31 August 2026. These annual results have been reviewed by the Company's audit committee (the "**Audit Committee**").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 August 2026

	NOTES	**2026** ***RMB'000***	2025 *RMB'000*
Revenue	*4*	**110,334**	130,834
Cost of revenue		**(64,530)**	(70,676)
Gross profit		**45,804**	60,158
Other income	*5*	**1,092**	12,761
Other gains and losses	*6*	**7,713**	(6,632)
Administrative expenses		**(31,776)**	(24,684)
Finance income		**9,742**	17,456
Finance costs		**(7,128)**	(10,545)
Profit before taxation		**25,447**	48,514
Taxation	*7*	**(9,883)**	(10,211)
Profit and total comprehensive income for the year		**15,564**	38,303
Earnings per share			
Basic (RMB)		**0.01**	0.02
Diluted (RMB)		**0.01**	0.02

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 August 2026

	NOTES	**2026** ***RMB'000***	2025 *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**534,363**	74,630
Right-of-use assets		**103,562**	106,956
Intangible asset		**11,506**	10,406
Goodwill		**29,018**	17,914
Trade receivables, deposits, prepayments and other receivables	*10*	**23,930**	176,915
Financial asset at fair value through profit or loss ("**FVTPL**")		**100**	100
Deferred tax assets		**1,360**	543
		703,839	387,464
CURRENT ASSETS			
Inventories – goods for sale		**2,852**	4,107
Trade receivables, deposits, prepayments and other receivables	*10*	**339,756**	443,304
Restricted bank deposits		**154,716**	280,728
Time deposits		**10,040**	20,060
Cash and cash equivalents		**23,237**	125,844
		530,601	874,043
CURRENT LIABILITIES			
Contract liabilities		**9,723**	9,938
Trade and other payables and accrued expenses	*11*	**171,867**	171,424
Income tax payables		**38,682**	32,965
Lease liabilities		**1,353**	1,495
Borrowings		**150,000**	227,893
Financial guarantee contracts	*12*	**143,365**	167,872
		514,990	611,587
NET CURRENT ASSETS		**15,611**	262,456
TOTAL ASSETS LESS CURRENT LIABILITIES		**719,450**	649,920

	NOTES	2026 *RMB'000*	2025 *RMB'000*
CAPITAL AND RESERVES			
Share capital		**19,263**	19,263
Reserves		**637,727**	621,418
		656,990	640,681
NON-CURRENT LIABILITIES			
Trade and other payables and accrued expenses	*11*	**54,069**	–
Deferred tax liabilities		**2,877**	2,602
Lease liabilities		**5,514**	6,637
		62,460	9,239
		719,450	649,920

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August 2026

1. GENERAL INFORMATION

Wisdom Education International Holdings Company Limited (the "**Company**") was incorporated in the Cayman Islands on 13 July 2010 as an exempted company with limited liability under the Companies Law Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Its parent is Bright Education (Holdings) Co. Limited (incorporated in the British Virgin Islands) and its ultimate controlling parties are Mr. Liu Xuebin ("**Mr. Liu**"), who is an executive director of the Company and Ms. Li Suwen ("**Ms. Li**"), who is the chairperson of the board of the Company, and is also the chief executive officer and executive director of the Company. The address of the registered office of the Company is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the address of principal place of business of the Company is 8/F., Times Media Centre, No. 133 Wan Chai Road, Hong Kong.

The Company and its subsidiaries (the "**Group**") is mainly engaged in the provision of school-related supply chain business and comprehensive educational services to its customers in the People's Republic of China ("**PRC**").

The consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IASB**"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and by the Hong Kong Companies Ordinance.

3. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

Amendments to an IFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an IFRS Accounting Standard as issued by IASB for the first time, which are mandatorily effective for the Group's annual period beginning on 1 September 2025 for the preparation of the consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability

The application of the amendments to an IFRS Accounting Standard in the current year has no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to IFRS 9 and IFRS 7	Contracts Referring Nature-dependent Electricity[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate and Joint Venture[1]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11[2]
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[3]
Amendments to IAS 28	Amendments to the Fair Value Option for Investments in Associates and Joint Ventures[3]
IFRS 18	Presentation and Disclosure in Financial Statements[3]
IFRS 20	Regulatory Assets and Regulatory Liabilities[4]

[1] Effective for annual periods beginning on or after a date to be determined.
[2] Effective for annual periods beginning on or after 1 January 2026.
[3] Effective for annual periods beginning on or after 1 January 2027.
[4] Effective for annual periods beginning on or after 1 January 2029.

Except for the new IFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

IFRS 18 *Presentation and Disclosure in Financial Statements* ("IFRS 18")

IFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of IFRS 18) and IFRS 7. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and position of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

4. REVENUE AND SEGMENT INFORMATION

The Group mainly provides different kinds of services and sales of goods to its customers, including school-related supply chain business, e.g. sales of daily necessities and other educational materials, and comprehensive educational services, e.g. provision of extracurricular activities programme and study tours.

Revenue represents income from school-related supply chain business, comprehensive educational services and others, less returns and sales related tax.

The Group's chief operating decision maker ("**CODM**") has been identified as the chief executive officer who reviews revenue analysis of the Group as a whole. For the purposes of resource allocation and assessment of segment performance, the CODM reviews the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole and no other discrete financial information is provided to the CODM. Accordingly, the Group has only one operating and reportable segment and no further analysis of this single segment is presented.

The management of the Group assesses the performance of the reportable segment based on the revenue and gross profit for the year of the Group as presented in the consolidated statement of profit or loss and other comprehensive income. The accounting policies of the reportable segment are the same as the Group's accounting policies. No analysis of the Group's assets and liabilities is regularly provided to the management of the Group for review.

Revenue

The revenues attributable to the Group's service lines are as follows:

	2026	2025
	RMB'000	*RMB'000*
School-related supply chain business	**74,512**	85,739
Comprehensive educational services	**32,115**	45,095
Others (including trading of food)	**3,707**	–
	110,334	130,834

No single customer contributed over 10% of the total revenue of the Group during both years.

Geographical information

The Group primarily operates in the PRC. Revenue of the Group is mainly generated from services and goods provided to the external customers in the PRC. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	2026	2025
	RMB'000	*RMB'000*
Mainland, PRC	**677,895**	208,379
Hong Kong Special Administrative Region, PRC	**554**	1,527
	678,449	209,906

Non-current assets exclude trade receivables, deposits, prepayments and other receivables, financial asset at FVTPL and deferred tax assets shown under non-current portion.

5. OTHER INCOME

	2026	2025
	RMB'000	*RMB'000*
Amortised income of financial guarantee contracts *(note 12)*	**–**	10,920
Government grants *(Note)*	**235**	985
Rental income	**816**	771
Others	**41**	85
	1,092	12,761

Note: Government grants mainly represent unconditional subsidies granted by certain local governments for encouraging domestic business development and giving financial support to the Group's operations. There are no unfulfilled conditions or contingencies relating to the above subsidies.

6. OTHER GAINS AND LOSSES

	2026	2025
	RMB'000	*RMB'000*
Exchange loss, net	**(4,386)**	(1,755)
Expected credit loss reversed (recognised) for financial guarantee contracts *(note 12)*	**24,507**	(4,732)
Impairment losses of goodwill	**(12,116)**	–
Others, net	**(292)**	(145)
	7,713	(6,632)

7. TAXATION

	2026	2025
	RMB'000	*RMB'000*
Taxation comprises:		
Current tax:		
PRC Enterprise Income Tax	**11,526**	9,643
Overprovision in prior years	**(1)**	(18)
Deferred tax (credit) charge	**(1,642)**	586
	9,883	10,211

8. DIVIDENDS

During the years ended 31 August 2026 and 2025, no dividend was declared and paid to the shareholders of the Company.

The Board of directors does not recommend the payment of a final dividend for the year ended 31 August 2026.

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2026	2025
	RMB'000	*RMB'000*
Earnings		
Profit for the year attributable to owners of the Company for the purposes of basic and diluted earnings per share	**15,564**	38,303

	2026	2025
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**2,169,699**	2,169,334
Effect of dilutive potential ordinary shares:		
Share award scheme	**365**	365
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**2,170,064**	2,169,699

The weighted average number of ordinary shares for the purpose of basic earnings per share shown above have been arrived at after deducting shares held by a share award scheme trust.

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

10. TRADE RECEIVABLES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2026	2025
	RMB'000	*RMB'000*
Trade receivables	**8,634**	4,439
Less: Allowance for credit losses	**(2,873)**	(1,073)
	5,761	3,366

Trade receivables mainly represent receivables from customers, arising from contracts for provision of goods and services. Receivables from sales of goods and services fee is received in accordance with the terms of the relevant agreements, the customers are allowed a credit period of 30 to 60 days from date of revenue recognition.

The following is an analysis of trade receivables net of allowance for credit losses, by age, presented based on date of revenue recognition.

	2026	2025
	RMB'000	*RMB'000*
Within 3 months	**1,370**	541
6 months – 1 year	**2,991**	629
Over 1 year	**1,400**	2,196
	5,761	3,366

As at 31 August 2026, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB4,391,000 (2025: RMB2,825,000) which are past due as at the reporting date. Out of the past due balance, RMB4,391,000 (2025: RMB2,825,000) has been past due 90 days or more and is not considered as in default.

11. TRADE AND OTHER PAYABLES AND ACCRUED EXPENSES

The credit period granted by suppliers on purchase of goods is 30 to 180 days. The Group has financial risk management policies to settle payables within the credit timeframe. As at 31 August 2026 and 2025, the trade payables were aged within 180 days based on invoice date.

12. FINANCIAL GUARANTEE CONTRACTS

	2026	2025
	RMB'000	*RMB'000*
Financial guarantee contracts	**143,365**	167,872

The financial guarantee contracts provided to Guangdong Guangzheng Educational Group Co., Ltd. (廣東光正教育集團有限公司) ("**Guangdong Guangzheng**") and its subsidiaries established prior to 31 August 2021 (collectively referred to as the "**Affected Entities**") were recognised in the consolidated financial statements as at 31 August 2026 and 2025. As at 31 August 2026, the aggregate amount of financial guarantees issued to banks in respect of banking facilities granted to Affected Entities that the Group could be required to pay upon amounted to RMB3,375,149,000 (2025: RMB3,606,455,000), in which, RMB1,950,919,000 (2025: RMB2,182,225,000) of the outstanding financial guarantees has been utilised by the Affected Entities.

During the year ended 31 August 2026, amortised income of financial guarantee contracts amounting to RMB nil (2025: RMB10,920,000) is recognised in other income and expected credit loss for financial guarantee contracts amounting to RMB24,507,000 is reversed (2025: RMB4,732,000 is recognised) in other gains or losses, which are set out in notes 5 and 6, respectively.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

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 ended 31 August 2026 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 26 November 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

We are mainly engaged in the school-related supply chain business and provision of comprehensive educational services to students of primary, middle and high schools and other customers in the PRC. During the financial year ended 31 August 2026 ("**FY2026**"), the performance of our business segment of comprehensive educational services and school-related supply chain business were adversely affected by numerous macro and industry policy factors. In FY2026, the Group is engaged in the following three business lines and will continue to expand its business according to the same strategy:

(1) Comprehensive Educational Services for All-rounded Development of Students

Over the past years of education experience, the Group has developed a comprehensive and mature system providing high-quality, tailor-made and enriching non-curriculum activities for students and established long-term strategic partnership with certain third party after-school tutoring institutions, which has achieved remarkable results. Our total solution services aim to provide full cycle management services of a variety of after-school enrichment activities. Services include but are not limited to the design of the course and implementation plan, execution and technical assurance, and post-activity review and assessment in FY2026.

(2) School-related Supply Chain Business

The Group sells daily necessities, e.g. stationery products, and other educational materials, etc. Leveraging on the years of experience in the supply chain management, the Group plans to expand its product offerings to meet the demands of students of different ages.

Our strategy is to build up a supply chain network of trustworthy suppliers that is able to provide high-quality school-related products at the best price. To focus our resources on achieving this we shifted our business model for sales of certain products from retail, i.e. sales to each individual student, to wholesale, i.e. bulk sales to certain third party business partners that have advantages in national logistics networks and product distribution abilities, which will be responsible for distributing the products purchased from us to parents or students of different schools in the PRC.

(3) Spin-off the High school Portion as a Separate School Entity

Reference is made to the Company's annual results announcement for the financial year ended 31 August 2021 in relation to, among other things, the deconsolidation of the Affected Entities. The Company, along with its PRC legal advisors as well as relevant local government authorities, have been actively exploring the feasibility of spinning-off the high school portion from the schools under the Affected Entities. The current ultimate equity holders of the Affected Entities intend to establish a new entity to become the investment holding company of the spun-off high school entity, and the Company could resume its control over such high school entity via contractual arrangements with the new investment holding company, subject to compliance with the applicable laws and regulations.

As stipulated in Article No. 53 of the Law of the PRC for Promoting Private Education (amended on 29 December 2018) (中華人民共和國民辦教育促進法(2018年12月29日修正)), "the spin-off or merger of private schools, should be after the financial liquidation, submitted by the council or the board of the school to the relevant government authorities for approval." The Company and its PRC legal advisers are currently engaged in discussions with accounting firms and seeking guidance from relevant local authorities regarding the financial liquidation audit for the purpose of spin-off of the high school portion.

On 30 August 2023, Dongguan Ruixing Business Services Co., Ltd. (東莞瑞興商務服務有限公司) ("**Dongguan Ruixing**"), a wholly-owned subsidiary of the Company, had entered into contractual arrangements (the "**Zhongshan Contractual Arrangement**") with Guangdong Guangzheng and Zhongshan Wenrui Education Investment Co., Ltd. (中山市文睿教育投資有限公司) ("**Zhongshan Wenrui**"), which enabled Dongguan Ruixing and the Group to have control over Zhongshan Wenrui though the Company did not hold any equity interest in Zhongshan Wenrui. Zhongshan Wenrui is not an Affected Entity.

Zhongshan Wenrui, an investment company established in the PRC by Guangdong Guangzheng under the laws of the PRC on 21 December 2021, intends to establish and operate a new high school in Zhongshan (the "**Proposed Zhongshan High School**").

Pursuant to the Zhongshan Contractual Arrangement, the Company has obtained power over Zhongshan Wenrui, the rights to variable returns from its involvement with Zhongshan Wenrui, and the ability to affect those returns through its power over Zhongshan Wenrui. Therefore, the Company considers that it has obtained control over Zhongshan Wenrui and hence regards Zhongshan Wenrui as an indirect subsidiary. The Group has consolidated the entire financial position and results of Zhongshan Wenrui and its subsidiaries (if any) in the consolidated financial statements of the Group during both years. For details of the Zhongshan Contractual Arrangement, please refer to the Company's announcement dated 30 August 2023.

FINANCIAL REVIEW

During FY2026, total revenue amounted to RMB110.3 million, representing a decrease of 15.7% as compared with RMB130.8 million for FY2025. Profit for FY2026 of the Group amounted to RMB15.6 million representing a decrease of 59.4% as compared with RMB38.3 million for FY2025.

Revenue

During FY2026, revenue consists of (i) school-related supply chain business, which mainly includes sales of daily necessities and other educational materials; and (ii) comprehensive educational services, which mainly include provision of extracurricular activities and study tours. A further analysis of our revenue by each service line is presented as follows:

	For the year ended 31 August			
	2026	**% of Total**	2025	% of Total
By Service lines	***RMB'000***		*RMB'000*	
School-related supply chain business	**74,512**	**67.5**	85,739	65.5
Comprehensive educational services	**32,115**	**29.1**	45,095	34.5
Others (including trading of food)	**3,707**	**3.4**	–	–
Total revenue	**110,334**	**100.0**	130,834	100.0

School-related supply chain business remains as the biggest source of revenue during the current year. As mentioned in the section headed "Business Review", we adopted the wholesale business model such that we could focus on building up our own supply chain network. Total revenue from the school-related supply chain business has decreased by 13.1% from RMB85.7 million for FY2025 to RMB74.5 million for FY2026.

In relation to the comprehensive educational services business, revenue from this service line has decreased during FY2026, a decrease in revenue of RMB13.0 million or 28.8% for FY2026 was recorded as compared with FY2025.

As a result of the foregoing, the Group's revenue decreased by RMB20.5 million, or 15.7%, from RMB130.8 million for FY2025 to RMB110.3 million for FY2026.

Cost of Revenue

Our cost of revenue primarily consists of staff costs, cost of material for the supply chain business and costs to other third party service suppliers in cooperation.

Cost of revenue decreased by RMB6.1 million, or 8.7%, from RMB70.7 million for FY2025 to RMB64.5 million for FY2026. The decrease was largely due to the decrease in cost of material for the school-related supply chain business.

Gross Profit

As a result of the foregoing, gross profit decreased by 23.9% from RMB60.2 million for FY2025 to RMB45.8 million for FY2026. Our gross profit margin decreased from 46.0% for FY2025 to 41.5% for FY2026. The decrease of gross profit margin was primarily due to decrease in the proportion of revenue from comprehensive education services business with higher gross margin, which offset an increase in the gross profit margin in school-related supply chain business.

Other Income

Other income mainly includes amortised income of financial guarantee contracts and government grants, which represents subsidies granted by certain local governments for encouraging domestic business development and unconditional subsidies for the purpose of giving financial support to the Group's operations. There are no unfulfilled conditions or contingencies relating to the above subsidies.

The decrease of other income is mainly due to the fact that there was no amortised income of financial guarantee contracts during the year (2025: RMB10.9 million).

Other Gains and Losses

Other gains and losses primarily consist of expected credit loss for financial guarantee contracts amounting to RMB24.5 million is reversed (2025: RMB4.7 million is recognised), netting off the impairment losses on goodwill of RMB12.1 million (2025: RMBnil) and exchange loss of RMB4.4 million (2025: RMB1.8 million).

Administrative Expenses

Administrative expenses primarily consist of (i) expected credit loss for trade and other receivables, (ii) salaries and other benefits for general and administrative staff, (iii) legal and professional fees, (iv) depreciation charges and (v) share-based payment expenses.

Finance Income

Finance income primarily consists of interest income from other receivables and bank deposits.

Finance income decreased from RMB17.5 million for FY2025 to RMB9.7 million for FY2026 mainly because there was no interest income from loans to third parties during FY2026 (2025: RMB4.9 million).

Finance Costs

Finance costs consist of the interest expenses for our bank borrowings and interest on lease liabilities.

Finance costs decreased from RMB10.5 million for FY2025 to RMB7.1 million for FY2026 primarily due to the significant decrease in bank borrowings.

Profit before Taxation

As a result of the foregoing, profit before taxation amounted to RMB25.4 million for FY2026 (2025: RMB48.5 million).

Taxation

Income tax expense of the Group slightly decreased by 3% from RMB10.2 million for FY2025 to RMB9.9 million for FY2026.

Profit for the Year

As a result of the above factors, profit for the year of the Group amounted to RMB15.6 million for FY2026 (2025: RMB38.3 million).

Core Net Profit

The Group defines its core net profit as its profit for the year after adjusting for those items which are not indicative of the Group's operating performance as presented in the table below. This 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 as well as analysts or investors. The following table reconciles the profit for the year with the core net profit for the two financial years as presented below:

	For the year ended 31 August	
	2026	2025
	RMB'000	*RMB'000*
Profit for the year	**15,564**	38,303
Adjustments for:		
Change in financial guarantee contracts *(Note 1)*	**(24,507)**	(6,188)
Exchange loss, net	**4,386**	1,755
Recognition of share-based payment expenses	**745**	949
Core net (loss) profit	**(3,812)**	34,819

Note 1: The adjustment represented the sum of recognition of impairment loss under expected credit loss for financial guarantee contracts of RMB24,507,000 is reversed (FY2025: impairment loss of RMB4,732,000 is recognised) and amortised income of financial guarantee contracts of RMB nil (FY2025: RMB10,920,000). For details, please refer to note 12 to the financial information and the section headed "Contingent Liabilities" in this announcement.

Core net profit decreased by RMB38.6 million, or 110.9%, from RMB34.8 million for FY2025 to RMB(3.8) million for FY2026. Core net (loss) profit margin decreased from 26.6% for FY2025 to (3.5)% for FY2026.

Capital Expenditure

For FY2026, the Group paid approximately RMB0.4 million for the acquisition of property, plant and equipment and RMB196.0 million for construction of Proposed Zhongshan High School.

Liquidity, Financial Resources and Capital Structure

The Group recorded net cash outflow from operating activities of RMB4.8 million for FY2026.

The Group generated net cash inflow from investing activities of RMB0.7 million for FY2026.

The Group had net cash outflow from financing activities of RMB97.7 million for FY2026 which was primarily due to net repayment of bank borrowings of RMB80.5 million and interest paid of RMB6.8 million.

As a result of the above, the Group recorded a net decrease in cash and cash equivalents of RMB102.6 million after the negative effect of foreign exchange rate change of RMB0.8 million during FY2026.

As at 31 August 2026, the Group's total restricted bank deposits, time deposits, bank balances and cash amounted to RMB188.0 million, of which the majority were denominated in Hong Kong dollars (HK$) and RMB (31 August 2025: RMB426.6 million).

As at 31 August 2026, the Group's total bank borrowing amounted to RMB150.0 million, which is repayable within one year. The Group's bank borrowing carried at the variable interest rate ranged from 3.55% to 3.62% per annum. All the bank borrowing was denominated in HK$.

The Group recorded net current assets of RMB15.6 million as at 31 August 2026 (31 August 2025: RMB262.5 million).

Included in the net current assets of the Group as at 31 August 2026, amounts due from Affected Entities of RMB255.8 million (31 August 2025: RMB392.3 million) and payables for construction of Proposed Zhongshan High School of RMB138.0 million (31 August 2025: RMB nil) were included in trade receivables, deposits, prepayments and other receivables of current assets and trade and other payables and accrued expenses of current liabilities, respectively. The Group will continue to gradually recover the amounts due from Affected Entities.

Gearing Ratio

The Group's gearing ratio is calculated as total bank and other borrowings divided by total equity at the end of the relevant year. The Group's gearing ratio as at 31 August 2026 was 23.3% (31 August 2025: 37.1%).

The decrease in gearing ratio was mainly due to the decrease in bank and other borrowings as at 31 August 2026.

Taking into consideration the total restricted bank deposits, time deposits, bank balances and cash of RMB188.0 million, the Group does not have any net borrowings balance as at 31 August 2026 and 2025 which is calculated as total bank and other borrowings, net of restricted bank deposits, bank balances and cash.

Foreign Exchange Exposure

The majority of the Group's revenue and expenditures are denominated in RMB, the functional currency of the Company, except that certain income and expenditures are denominated in HK$. As at 31 August 2026, certain bank balances and cash, investment products and bank borrowings were denominated in HK$ or United States Dollars. The Group did not enter into any financial instruments for hedging purpose. The Group will continue to monitor the foreign exchange rate risk and consider hedging significant foreign currency exposure should the need arises.

Contingent Liabilities

Save for the financial guarantee provided to the Affected Entities as disclosed in note 12 to the financial information and the section headed "Liquidity, Financial Resources and Capital Structure", the Group did not have any material contingent liabilities that are required to be disclosed.

During FY2026, no additional new financial guarantees have been provided by the Group to the Affected Entities. As at 31 August 2026, the aggregate amount of outstanding financial guarantees issued to banks in respect of banking facilities granted to the Affected Entities that the Group could be required to pay has been reduced to RMB3,375.1 million from RMB3,606.5 million as at 31 August 2025 followed by certain repayments of the existing loan balances by the Affected Entities during FY2026.

Pledge of Assets

As at 31 August 2026, the Group's bank borrowing was secured by restricted bank deposits.

OUTLOOK

In the future, the Group aims to fully integrate its resources to build an all-rounded educational service platform. The specific services include providing online education and learning products and services, comprehensive educational management services, supply of stationery products, etc.

Leveraging on years of experience in supply chain management, the Group will strive to grow the school-related supply chain business by expansion of our product offerings through the Company's wholly-owned subsidiaries incorporated in Qingyuan City, PRC.

The Company believes that by leveraging the Group's strengths, good reputation of Guangdong Guangzheng and experiences in education and management of high schools, the Proposed Zhongshan High School will achieve satisfactory results. The Group will seize this development opportunity to achieve our plan to develop high school education. Besides, the Group will adopt measures to optimise its operational structure, including separating the high schools with independent operating licenses from Affected Entities.

Future Capital Expenditure and Financing

As at 31 August 2026, the Group had no future plans for material investments or capital assets except for those disclosed under the heading "Management Discussion and Analysis — Outlook" as stated aforesaid.

Staff Recruitment, Training and Retention

We realise the importance of our staff in provision of high quality education services. We have a well-established staff training system in which we train our outstanding staff to prepare for the role of management in the future. We provide on-going training programmes such as learning groups, project seminars and outdoor training camps for team building, where our staff share experiences, enhance skills and improve teamwork. We reward outstanding staff with high performance evaluations and require staff who do not meet our expectations to improve within a prescribed period of time.

Conclusion

The Group has strong execution ability and adaptability proven by its good track record of past performance results. Looking into the future, we will increase investments in strengthening our professional service teams, building up our technology platform and marketing our educational services. We have confidence in continuing to create not only economic benefits to our shareholders, but also to create value to the customers and society with our high-quality and diversified educational services.

REGULATORY UPDATE

There has been no significant regulatory update since the publication of the Company's annual report ("**2025 Annual Report**") for FY2025.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During FY2026, the Group had no material acquisition and disposal of subsidiaries, associates or joint ventures.

EMPLOYEE BENEFITS

As at 31 August 2026, the Group had approximately 129 employees. The Group participates in various employee benefit plans, including provident fund, housing, pension, medical insurance and unemployment insurance. The Company has also adopted a pre-IPO share option scheme, a share option scheme and a share award scheme for its employees and other eligible persons. However, considering the share award scheme is approaching expiry of its 10-year term and with a view to reducing administrative resources, pursuant to the scheme rules, the Board has resolved to terminate the share award scheme with effect from 14 October 2026. Salaries and other benefits of the Group's employees are generally reviewed on a regular basis in accordance with individual qualifications and performances, performance results of the Group and other relevant market conditions. The Group also provides internal and external training programmes to its employees.

Total employee remuneration (including directors' remuneration) for FY2026 amounted to approximately RMB16.4 million (FY2025: RMB17.4 million).

USE OF PROCEEDS

On 18 August 2020, the Company completed the placing of 130,000,000 new shares at HK$4.24 per new share (the "**Placing**") to no less than six placees, who and whose respective ultimate beneficial owners are independent of the Company and the connected persons of the Company. The net proceeds from the Placing were approximately HK$545.7 million (equivalent to approximately RMB487.7 million) ("**Net Placing Proceeds**"). The Company intended to use the net proceeds from the Placing for construction and development of the Group's schools in the PRC and general corporate purpose. Details of the Placing are set out in the Company's announcements dated 11 August 2020 and 18 August 2020 respectively.

As a result of the deconsolidation of the Group's schools operated through the Affected Entities as at 31 August 2021, the Company believes that there is currently no longer an immediate need to apply any remaining net proceeds for construction and development of the schools in the PRC. Therefore, the Company has reallocated the unutilised Net Placing Proceeds in the amount of approximately RMB95.1 million to be used for subscription of a fund (the "**Fund**") during the year ended 31 August 2022. For details, please refer to the Company's announcement dated 14 April 2022 and the 2022 Annual Report.

The revised use of the Net Placing Proceeds is set forth below:

	Intended use of Net Placing Proceeds *RMB million*	Revised use of unutilised Net Placing Proceeds *RMB million*	Unutilised balance as at 1 September 2025 *RMB million*	Utilised amount during the year ended 31 August 2026 *RMB million*	Total utilised amount as at 31 August 2026 *RMB million*	Unutilised balance as at 31 August 2026 *RMB million*	Expected timeline for full utilisation of the unutilised balance as previously disclosed
Construction and development of schools	150.0	46.7	–	–	46.7	–	Not applicable
General corporate purpose	337.7	345.9	–	–	345.9	–	31 August 2024
Subscription of the Fund	–	95.1	–	–	95.1	–	Not applicable
Total:	487.7	487.7	–	–	487.7	–	

All the Net Placing Proceeds were utilised in accordance with the expected timeline and intentions as previously disclosed by the Company.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 August 2026 (2025: Nil).

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

During FY2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the Company's code for dealings in securities of the Company by the Directors. Having made specific enquiry with, all the Directors, the Company confirmed that all the Directors have complied with the Model Code during FY2026.

CORPORATE GOVERNANCE

The Board has committed to achieving high corporate governance standards in order to safeguard the interests of Shareholders and to enhance corporate value and accountability. The Company has applied the principles as set out in the Corporate Governance Code and Corporate Governance Report (the "**CG Code**") contained in Appendix C1 to the Listing Rules and has complied with all the applicable code provisions, save and except for code provision C.2.1 which stipulates that the roles of chairman ("**Chairperson**") and chief executive ("**CEO**") should not be performed by the same individual.

Ms. Li Suwen ("**Ms. Li**") was appointed as the chairperson of the Board ("**Chairperson**") following the step down of Mr. Liu Xuebin from the position of chairman of the Board on 28 September 2018. Ms. Li performs the dual roles of both Chairperson and CEO. The Board believes that it is in the interest of the Company and its Shareholders for Ms. Li to assume the responsibilities of such positions, given that Ms. Li is one of the co-founders of the Group and has extensive experience in the operation and management of the Group as an executive Director and CEO. The Board also considers that such arrangement will not impair the balance of power and authority between the Board and the management as the Board comprises five other experienced individuals including two other executive Directors and three independent non-executive Directors. In addition, for major decisions of the Group, the Company will consult Board committees and senior management as and when appropriate. The Board will review such arrangement from time to time and will continue to review and monitor the corporate governance practices of the Company for the purpose of maintaining high corporate governance standards.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in accordance with the Listing Rules and the CG Code. The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control procedures and risk management system of the Group, overseeing the audit process and performing other duties and responsibilities as assigned by the Board. The Audit Committee comprises three members, namely, Mr. Poon Ha Fung, Prof. Sun Kai Lit Cliff, *BBS, J.P.* and Mr. Huang Weiguo, all being independent non-executive Directors of the Company. Mr. Poon Ha Fung is the chairman of the Audit Committee.

The Audit Committee has reviewed the audited consolidated financial statements of the Group for FY2026 and has met with the independent auditor, Deloitte Touche Tohmatsu. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management members of the Company.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirm that the Company has maintained the prescribed public float under the Listing Rules for FY2026 and as at the date of this announcement.

EVENTS AFTER THE REPORTING YEAR

As at the date of this announcement, save for the termination of the share award scheme as disclosed in the announcement of the Company dated 14 October 2026, there were no other significant events that may affect the Group since the end of FY2026.

PUBLICATION OF THE 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.wisdomeducationintl.com. The annual report of the Group for FY2026 will be published on the aforesaid websites of the Stock Exchange and the Company and will be dispatched to Shareholders in due course.

By Order of the Board
Wisdom Education International Holdings Company Limited
Li Suwen
Chairperson

Dongguan, 26 November 2026

As at the date of this announcement, the Board comprises three executive Directors, namely Ms. Li Suwen, Mr. Liu Xuebin and Mr. Li Jiuchang; and three independent non-executive Directors, namely Prof. Sun Kai Lit Cliff, BBS, J.P., Mr. Poon Ha Fung and Mr. Huang Weiguo.