

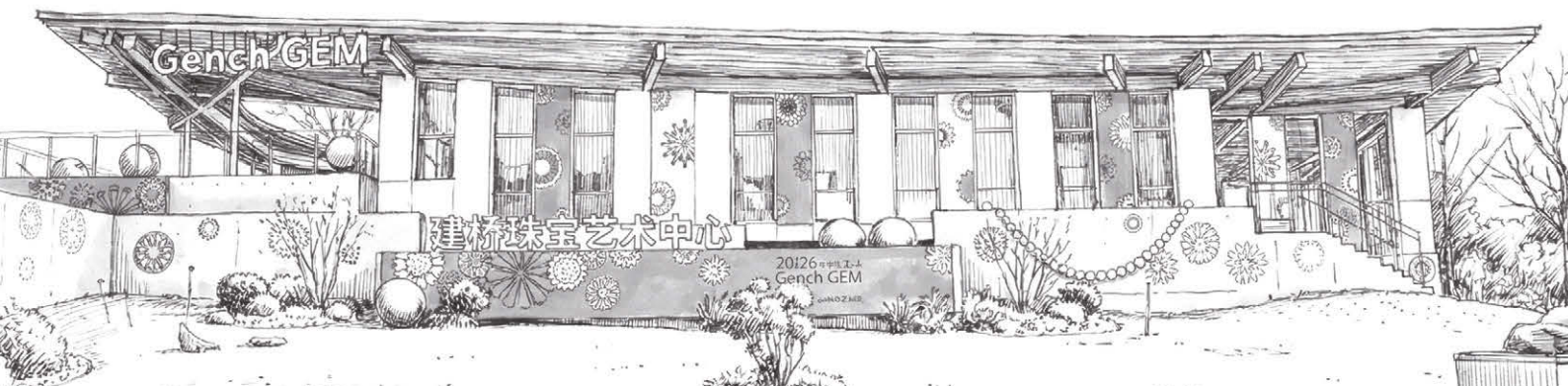


SHANGHAI GENCH
EDUCATION GROUP LIMITED
上海建橋教育集團有限公司

2025
ANNUAL REPORT

Stock code: 1525

(Incorporated in the Cayman Islands with limited liability)





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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Zhao Donghui (趙東輝) (*Chairman*)

Mr. Ding Zheyin (丁哲寅)

Non-executive Directors

Ms. Li Huihui (李慧惠) (*resigned on 19 December 2025*)

Mr. Fang Xiaoge (方曉戈) (*appointed on 19 December 2025*)

Mr. Ye Qionghai (葉瓊海)

Ms. Zhao Jiaqiao (趙佳俏)

Independent Non-executive Directors

Mr. Chen Baizhu (陳百助)

Mr. Hu Rongen (胡戎恩)

Ms. Liu Tao (劉濤)

AUDIT COMMITTEE

Ms. Liu Tao (劉濤) (*Committee Chairman*)

Mr. Hu Rongen (胡戎恩)

Mr. Chen Baizhu (陳百助)

REMUNERATION COMMITTEE

Mr. Hu Rongen (胡戎恩) (*Committee Chairman*)

Mr. Ding Zheyin (丁哲寅)

Ms. Liu Tao (劉濤)

NOMINATION COMMITTEE

Mr. Zhao Donghui (趙東輝) (*Committee Chairman*)

Mr. Hu Rongen (胡戎恩)

Mr. Chen Baizhu (陳百助)

Ms. Liu Tao (劉濤) (*appointed on 28 March 2025*)

COMPANY SECRETARY

Ms. Zhang Zhimo (張芷陌)

AUTHORISED REPRESENTATIVES

Mr. Ding Zheyin (丁哲寅)

Ms. Zhang Zhimo (張芷陌)

REGISTERED OFFICE

Cricket Square

Hutchins Drive, P.O. Box 2681

Grand Cayman, KY1-1111, Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 1111, Huchenghuan Road

Pudong New Area, Shanghai, PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai, Hong Kong

LEGAL ADVISOR AS TO HONG KONG LAW

Morgan, Lewis & Bockius

AUDITORS

Ernst & Young

Certified Public Accountants

Registered Public Interest Entity Auditor

27/F, One Taikoo Place

979 Kings Road

Quarry Bay, Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited

Cricket Square, Hutchins Drive, P. O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited

Shops 1712-1716, 17th Floor, Hopewell Centre

183 Queen's Road East

Wanchai, Hong Kong

PRINCIPAL BANKS

Agricultural Bank of China

(Shanghai Pilot Free Trade Zone New Area Branch)

China Construction Bank

(Shanghai Pilot Free Trade Zone New Area Branch)

COMPANY WEBSITE

<https://www.genchedugroup.com>

STOCK CODE

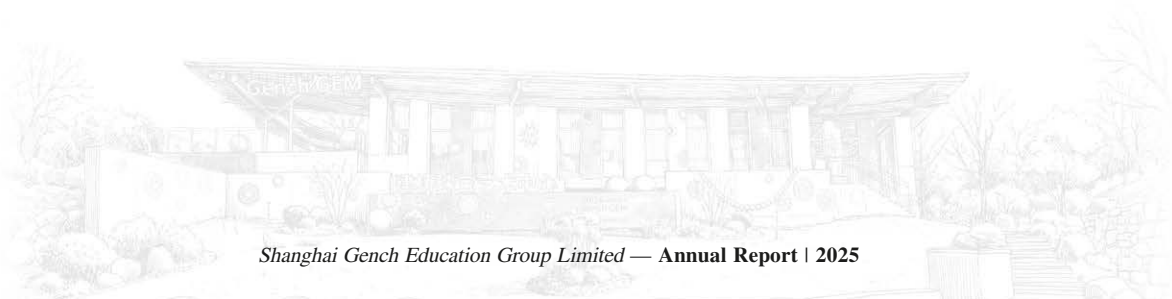
1525

MILESTONES

Year	Events
2000	<ul style="list-style-type: none">The predecessor of our University, namely, Private Shanghai Jian Qiao Vocational College* (民辦上海建橋職業技術學院), and Jian Qiao Group were established.
2005	<ul style="list-style-type: none">Shanghai Jian Qiao Vocational College* (上海建橋職業技術學院) transformed into our University, a higher education institute which is entitled to provide undergraduate education in addition to higher vocational education, and changed its name to “Shanghai Jian Qiao University” (上海建橋學院).
2015	<ul style="list-style-type: none">Our University moved from its previous campus in Kangqiao County to a new campus in Lingang New City area in Pudong New Area, Shanghai.
2020	<ul style="list-style-type: none">Our Group was listed on the Main Board of the Stock Exchange on 16 January 2020 with stock code: 1525.
2021	<ul style="list-style-type: none">Our University successfully converted into a for-profit private school.
2022	<ul style="list-style-type: none">The phase three of our campus was officially put into use with approximately 4,000 additional beds. The phase four of our campus construction was commenced in December 2022 to satisfy the accommodation needs of on-campus engineers, experts in the industry, and teachers and staff, improve the quality of campus life, and optimize the teaching and training facilities.
2024	<ul style="list-style-type: none">Our University has established a significant strategy to transform into an industry-education integrated university.
2025	<ul style="list-style-type: none">The phase four of our campus facilities was fully put into operation.



(Phase Four of Campus)



FINANCIAL HIGHLIGHTS

FIVE-YEAR FINANCIAL SUMMARY

Results of operation	For the year ended 31 December				
	2021	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	683,580	790,114	929,885	969,854	1,004,586
Gross profit	421,676	504,983	574,377	539,894	544,651
Profit before tax	243,379	305,306	379,332	298,331	318,601
Profit for the year	179,012	224,932	283,365	223,618	242,548

Assets and liabilities	As at 31 December				
	2021	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Current assets	501,796	754,897	871,148	830,568	464,652
Current liabilities	658,766	784,613	936,893	978,993	906,242
Net current liabilities	156,970	29,716	65,745	148,425	441,590
Total non-current assets	2,740,998	2,719,544	2,931,354	3,144,694	3,191,645
Total equity	1,828,239	1,960,841	2,169,829	2,317,130	2,484,832

Financial ratios	As at/for the year ended 31 December				
	2021	2022	2023	2024	2025
	Gross profit margin	61.7%	63.9%	61.8%	55.7%
Net profit margin	26.2%	28.5%	30.5%	23.1%	24.1%
Return on assets	5.5%	6.5%	7.5%	5.6%	6.6%
Return on equity	9.8%	11.5%	13.1%	9.7%	9.8%
Current ratio	0.8	1.0	0.9	0.8	0.5
Interest coverage ratio	6.3	13.2	16.3	12.0	21.6
Net debt to equity ratio	0.2	0.1	0.1	0.2	0.0
Gearing ratio ⁽¹⁾	0.4	0.4	0.4	0.4	0.1
Total debt to assets ratio	0.2	0.2	0.2	0.2	0.1

Note:

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

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board, I am pleased to present the annual report of the Group for the year ended 31 December 2025 to the Shareholders and our sincere appreciation to the Shareholders for their long-term support and trust.

During the Reporting Period, the Group recorded a revenue of approximately RMB1,004.6 million, representing a year-on-year increase of 3.6% and a gross profit of approximately RMB544.7 million, representing a year-on-year increase of 0.9%. The Group recorded net profit of approximately RMB242.5 million throughout the year, representing a year-on-year increase of 8.5%. The Board has resolved to recommend the payment of 2025 final dividend of HK\$0.04 per share. Together with the interim dividend, the dividend reached HK\$0.14 per share for the year with a dividend payout ratio of 21.9% for the year.

STEADY GROWTH IN STUDENT ENROLLMENT AND TUITION FEE

In the 2025/26 school year, our University enrolled 4,796 students in undergraduate program, 780 students in junior college program, and 1,815 students in junior college/undergraduate program, and the total number of full-time enrolled students of our University reached 24,182, representing an increase of 254 over the 2024/25 school year, and our University remains the largest private university in Shanghai. In the 2025/26 school year, we further optimized the tuition fee, with the minimum tuition fee for new students of undergraduate program being optimized from RMB32,000 per year to RMB42,000 per year, and the minimum tuition fee for new students of junior college program being optimized from RMB20,000 per year to RMB23,000 per year. Additionally, the boarding fees in respect of our smart dormitory buildings for the freshman remain at RMB7,800 per year.

ACHIEVING A HIGH-QUALITY OUTCOME IN THE MOE UNDERGRADUATE EDUCATION AND TEACHING REVIEW AND EVALUATION

In 2025, our University successfully completed the on-site visit by experts for the new round of undergraduate education and teaching review. Guided by the approach of “promoting construction, improvement, management, and excellence through evaluation”, our University comprehensively reviewed its educational processes, refined its distinctive educational features, and identified areas for improvement. The affirmation and valuable suggestions from the experts have charted a clear course for our future reforms. The successful completion of the evaluation has greatly gathered consensus, and stimulated internal impetus, which ushers in a new chapter for advancing the comprehensive reform of education and teaching and building a high-level application-oriented talent cultivation system during the 15th Five-Year Plan period, laying a more solid quality foundation for this endeavor.

CONTINUOUSLY DEEPENING INTRINSIC DEVELOPMENT TO ENHANCE OUR COMPREHENSIVE STRENGTH IN AN ALL-ROUND WAY

As of 31 December 2025, our University offers 40 undergraduate programs and 10 junior college programs covering 7 disciplines such as economics, management, literature, engineering, art, science and pedagogy. Our University has 1 major with national characteristics, 1 MOE comprehensive pilot reform undergraduate major, 15 first-class undergraduate majors in Shanghai, as well as 3 majors with Shanghai characteristics. As of 30 September 2025, among the full-time teachers of our University, the master degree or higher accounted for 86.4%, the doctoral degree accounted for 28.8%, the senior title accounted for 38.6%, and the double-position accounted for 47.8%. In recent years, the employment rate of our graduates has remained stable at 99% and above. As at 31 August 2025, the employment rate of 2025 graduates of our University reached 99.4%. Our University also actively promoted the construction and reform of undergraduate practical teaching system, and continuously expanded the depth and breadth of university-enterprise cooperation so as to cultivate students' practical competencies. Meanwhile, we actively developed international cooperation and continuing education to further expand its educational landscape.

CHAIRMAN’S STATEMENT

DEEPENING OUR PRESENCE IN THE LINGANG NEW AREA AND SECURING REMARKABLE RESULTS IN INDUSTRY-EDUCATION INTEGRATION

As the core area of the national industry-education integration pilot program, leveraging on the regional advantages of rapid gathering in the advanced manufacturing industry, Lingang will have more exploration opportunities for industry-education integration. In 2024, our University established a significant strategy of transforming into an industry-education integrated university, striving to achieve the coordinated development of “industry, academia, research, and innovation” as an integrated entity. We expect to preliminarily complete the transformation of an industry-education integrated university by 2030 and fully accomplish it by 2035. In 2025, our University launched eight key industry-education integration projects, introduced 20 new industry-education integration courses and teaching materials, and established the Medical-Engineering Industry School and the Live-Streaming Economy Industry School (醫工產業學院和直播經濟產業學院), securing the inclusion of six exemplary cases in the 2025 Lingang New Area Industry-Education Integration Case Collection. Looking ahead, our University will continue to leverage the industrial advantages of Lingang Area, deepen the strategic layout of industry-education integration, and continuously expand the breadth and depth of collaborative education between our University and enterprises, thereby cultivating and supplying more outstanding application-oriented talents to support the high-quality development of regional industries.

Securing Broad Prospects for Future Development Empowered by Vocational Education and Regional Policies

China’s higher education has entered an era of high-quality popularization, and the industry has been in a new stage of deepening, upgrading and development. In recent years, the country has continuously introduced favorable policies to support the development of the vocational education sector, while actively promoting the in-depth advancement of related industries, which have further strengthened our confidence in future development. In December 2025, the Administrative Committee of Lingang New Area and the Shanghai Municipal Science and Technology Commission issued the Shanghai “Lingang Science and Innovation City” Construction Plan, which emphasizes the need to “leverage the rich university scientific and innovation resources in Lingang” and specifically outlines tasks such as deepening industry-education integration, supporting universities to independently establish or jointly build characteristic industry park with partners, and gathering talents for innovation and entrepreneurship, thereby providing the Group with a channel and strategic opportunity to directly engage in regional innovation development and secure special policies and resources. The University will continue to deepen the internal construction and comprehensively promote the high-quality construction of modern vocational education system. Additionally, the Group will closely keep abreast of the latest policies and trends in industry-education integration, promote deep integration of teaching scenarios and production practices and further drive the integration of education chain, talent chain, industrial chain and innovation chain to accelerate the transformation into an industry-education integrated university, with a view to growing our University into a top-tier private university in China with distinctive features and global influence.

Finally, on behalf of the Board, I would like to extend my sincere gratitude for the contribution of our faculty, the trust of our Shareholders, the support from all walks of life and the confidence placed in us by our students, parents and partners.

Zhao Donghui
Chairman of the Board

27 March 2026

MANAGEMENT DISCUSSION & ANALYSIS

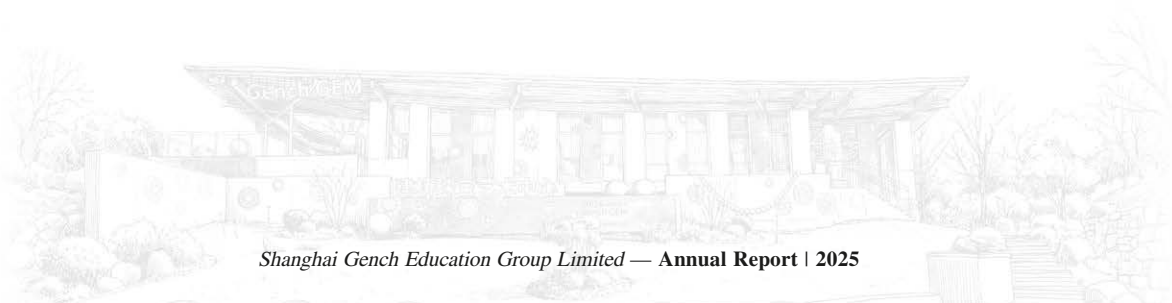
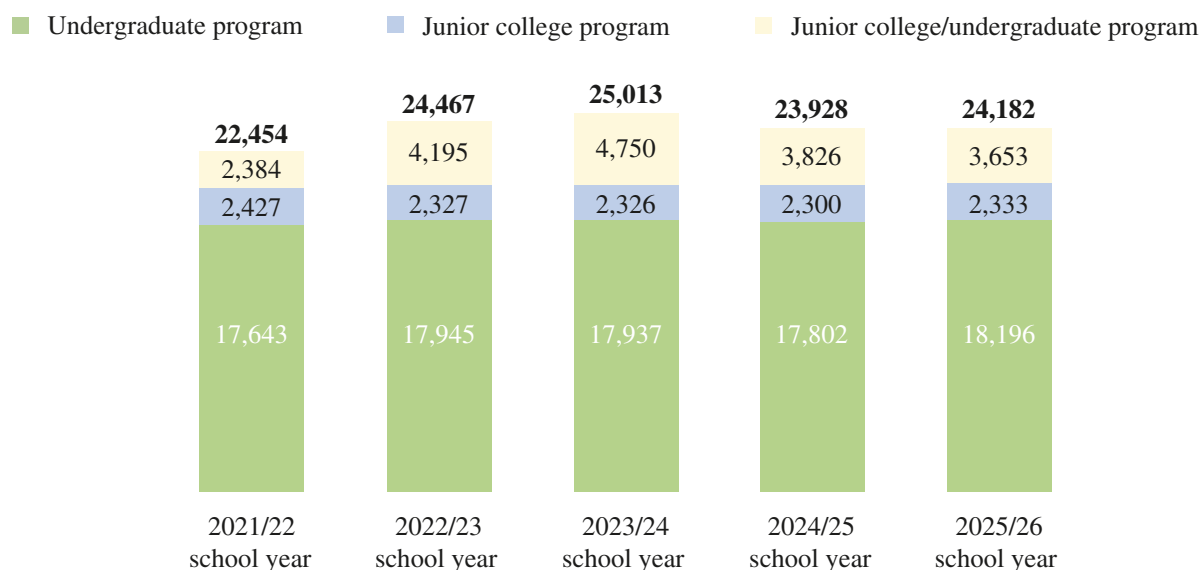
BUSINESS OVERVIEW

The Group is a higher vocational education group which provides undergraduate education and junior college education, focusing on high-quality schooling for the provision of excellent education for students. The Group operates Shanghai Jian Qiao University, being the domestic leading private university, at Lingang New Area in the China (Shanghai) Pilot Free Trade Zone. As measured by the number of full-time students enrolled in the 2025/26 school year, our University is the largest private university in Shanghai and is also a leading private university in the entire Yangtze River Delta. According to CAAA.net (中國校友會網), our University again ranked third among all category I private universities in China for four consecutive years from 2022 to 2025 and first among private universities in the Yangtze River Delta for six consecutive years from 2020 to 2025.

Student enrollment

In the 2025/26 school year, the overall number of full-time enrolled students of our University reached 24,182, representing an increase of 254 as compared to that of the 2024/25 school year. In the 2025/26 school year, the University enrolled 4,796 (2024/25: 4,505) students in undergraduate program, 780 (2024/25: 763) students in junior college program, 1,815 (2024/25: 1,838) students in junior college/undergraduate program.

Student enrollment



MANAGEMENT DISCUSSION & ANALYSIS

Tuition rates

The following table sets forth tuition fee information for our full-time programs for the school years indicated:

	Tuition Fee of New Student ⁽¹⁾		
	2023/24	2024/25	2025/26
	school year	school year	school year
	RMB	RMB	RMB
Undergraduate program	32,000-39,800 ⁽²⁾	32,000-39,800 ⁽²⁾	42,000-48,000 ⁽³⁾
Junior college program	20,000	20,000	23,000
Junior college/undergraduate program	30,000-39,800	32,000-39,800	32,000-39,800

Notes:

- (1) Tuition fees shown above are applicable to full-time students enrolled in the relevant school years only, excluding tuition fees charged for part-time students enrolled in our continuing education program.
- (2) The tuition fee range of the undergraduate program includes (i) the undergraduate program; and (ii) the undergraduate program under the international program, excluding tuition fee rate of RMB80,000 per school year for the former international design college, the tuition fee rate of RMB58,000 per school year for the bilingual-lectured digital media technology program, the tuition fee rate of RMB45,000 per school year for the bilingual-lectured journalism program and the tuition fee rate of RMB45,000 per school year for the international project with Vaughn College of Aeronautics and Technology.
- (3) The tuition fee range of the undergraduate program includes (i) the undergraduate program; and (ii) the undergraduate program under the international program, excluding tuition fee rate of RMB80,000 per school year for the former international design college, the tuition fee rate of RMB58,000 per school year for the bilingual-lectured digital media technology program and the bilingual-lectured journalism program, and the tuition fee rate of RMB58,000 per school year for the international project with Vaughn College of Aeronautics and Technology.

BUSINESS REVIEW AND OPERATIONAL UPDATE

Our University

Our University is an applied technology university which focuses on undergraduate education. As of 31 December 2025, our University offers 40 undergraduate programs and 10 junior college programs in a wide range of areas including economics, management, literature, engineering, art, science and pedagogy. Our University has 1 major with national characteristics, 1 MOE comprehensive pilot reform undergraduate major, 15 first-class undergraduate majors in Shanghai, as well as 3 majors with Shanghai characteristics.

MANAGEMENT DISCUSSION & ANALYSIS

The schooling quality of our University ranked in the forefront of peer universities, which has accumulated a solid brand reputation. In January 2025, CUAANet (中國校友會網) announced the 2025 CUAANet University Rankings, which showed that our University continued to rank third among the CUAANet category I private universities in China for four consecutive years. Over 25 years of operation, our University has been consecutively awarded “Shanghai Civilized Unit (上海市文明單位)” for 9 times over 18 years since 2004, won the honorary title of “Shanghai Garden Unit (上海市花園單位)” from 2015 to 2020 and awarded the “National Model Unit of Civilization (全國文明單位)” for the first time in 2015 (the first private university in Shanghai), and passed the reexamination thrice in 2017, 2020 and 2025, continuing to retain the honorary title of the “National Model Unit of Civilization (全國文明單位)”, and certified by Shanghai Audit Centre of Quality System to have implemented the ISO9001 quality management system in 2018, and passed the re-certification in May 2021, and passed the MOE undergraduate teaching quality assessment (教育部本科教學工作審核評估) twice in November 2019 and April 2025. In February 2022, our University was also approved by the MOE as an innovation and development centre for ideological and political work in colleges and universities, in the same month, our University was selected as “Shanghai Safe and Civilized Campus for 2019-2020 school year”, and was once again selected as “Shanghai Safe and Civilized Campus for 2021-2022 school year” in March 2024. Our University was among the first batch of universities in the PRC to be granted reputable title of “Lei Feng Spirit College Demonstration Education Base (雷鋒精神高校示範教育基地)” in April 2024, and was awarded the “Contribution Award for Promoting Lei Feng Spirit in the New Era (新時代傳播雷鋒精神貢獻獎)” in September 2024. Our University was rated as “Outstanding Institution for Information Disclosure Work in Shanghai Higher Education Institutions (2023-2024) (2023-2024年度上海高校信息公開工作優秀單位)” and “Outstanding Institution for Petition and Complaint Handling Work in the Shanghai Education System (2024) (2024年度上海市教育系統信訪工作優秀單位)” respectively in February and March 2025.

DUAL SUPPORT FROM LINGANG SPECIAL AREA POLICY AND VOCATIONAL EDUCATION POLICY

(I) Strategic emerging industries in Lingang forge a new pattern of industry-education integration

In February 2025, the Management Committee of Lingang New Area printed and issued the “Industry-Education Integrated High Quality Development Plan of Action (2025-2027) in Lingang New Area of the China (Shanghai) Pilot Free Trade Zone (《中國(上海)自由貿易試驗區臨港新片區產教融合高質量發展行動計劃(2025-2027)》)”, to further promote the resources smoothing and benign cycle of education, technology, talents and industries. The Document points out many higher education resources level improvement actions, like optimizing higher education resources layout, actively importing quality higher education resources, supporting higher education institutions to explore the mechanism innovation for industry-education integration, strengthening the construction of higher education scientific innovation talents incubators, reinforcing higher education new engineering discipline construction and excellent engineers training efforts, and conducting international industry-education integration projects etc., and clearly supports our University to build into an industry-education integrated university.

In December 2025, the Management Committee of Lingang New Area and Shanghai Municipal Commission of Science and Technology jointly printed and issued the “Shanghai ‘Lingang Science Innovation Town’ Construction Plan (《上海市“臨港科創城”建設方案》)”, to build Lingang into a world-class science innovation town. The plan stresses on the “role of Lingang’s rich higher education scientific innovation resources”, and specifies the missions like deepening industry-education integration, supporting universities to independently establish or jointly build characteristic industry park with partners, and gathering talents to innovate and create business etc., which offers the Group with the interface and strategic opportunities for us to directly take part in regional innovation development and obtain special policies and resources support, to further turn geographic advantages into unique development advantages and brand values.

MANAGEMENT DISCUSSION & ANALYSIS

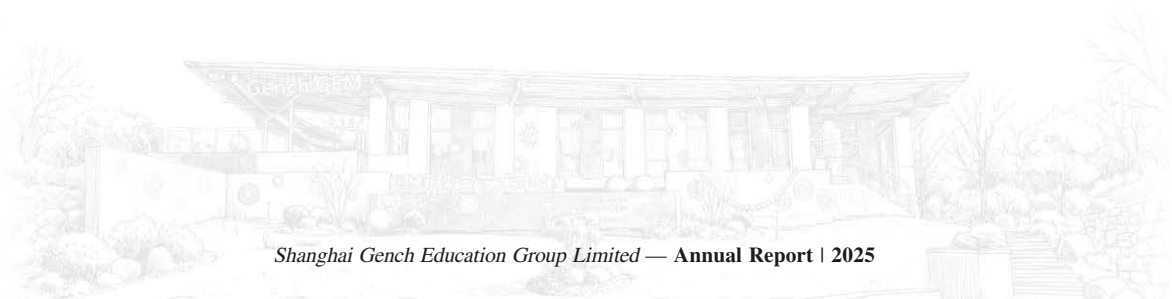
The open development philosophy and profound economic foundation of Pudong New Area provide a solid support for the development of Lingang New Area. Lingang New Area is rapidly becoming a clustering point of China's strategic emerging industries, increasing the exploration of differentiation system innovation in several areas, and putting effort into building a world-class industrial cluster. Under the favourable policy of Lingang National Core Pilot Area for Industry-education Integration, our University as the only private university currently in Lingang has increasingly highlighted its geographic advantages in admitting students and exploring a new model of industry-education integration.

(II) National support policies in place, driving high quality development of modern vocational education

In January 2025, the Central Committee of the Communist Party of China and the State Council jointly printed and issued the “Outline of the Plan for the Construction of a Stronger Education State (2024-2035)(《教育強國建設規劃綱要(2024-2035年)》)” (the “Outline”), which proposed enhancing higher education comprehensive strength, building strategic leadership, driving higher education reform classified development, optimizing higher education layout, shaping diversified school running, and exploring new business of industry-education integration. This Outline is a guideline of education cause development published by the Central Committee of the Communist Party of China and the State Council, it is the first national plan of action with the theme of building a leading country in education and the key task of fully serving Chinese modernization, and a top-tier system arrangement for advancing education-technology-talent integrated development and for enhancing the overall effectiveness of the national innovation system efficiency, bearing great and profound significance.

In March 2025, the third session of the 14th National People's Congress considered and passed the “Government's Work Report 2025”, which clearly proposed deeply implementing the strategy of science education revitalizing the nation, integrating education development, science and technology innovation and talent cultivation, accelerating high quality education system, regulating private education development, driving the integration of vocation and general education, industry and education, and enhancing the adaptability of vocational education.

The sustained support and encouragement of policies provided a strong support for the integration of industry and education as well as the high quality development of vocational education.



MANAGEMENT DISCUSSION & ANALYSIS

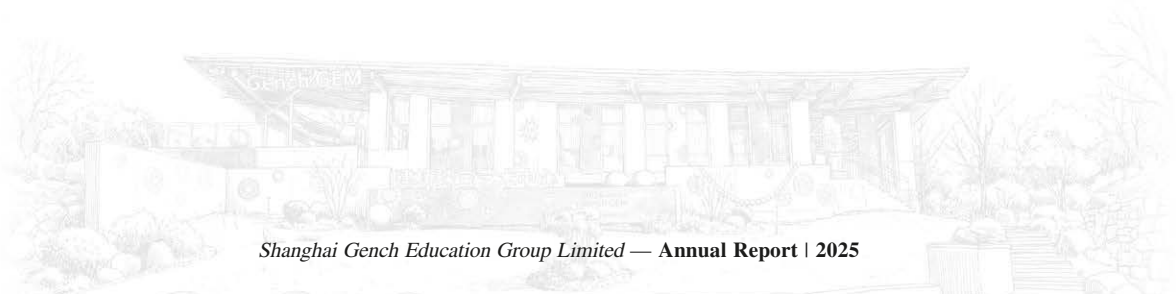
OUTSTANDING ACHIEVEMENTS IN THE CONSTRUCTION OF HIGH-QUALITY VOCATIONAL EDUCATION SYSTEM

(I) Aligning with the market demand for talents and optimizing the layout of disciplines and majors

Majors ranking of our University remained the top among application-oriented universities and colleges across the country and our majors closely kept pace with the needs. In March 2025, according to “2025 First-class Majors Ranking (Application-oriented) in China” published by CUAA.net (中國校友會網), 29 majors of our University ranked among top 10 in China, and 33 majors ranked among top 20 in China, among which 13 majors including gemstone and material technology, journalism, automobile service engineering and international business ranked first in the country. The advertising, Japanese language and tourism management majors of our University successfully passed the professional certification of the Yangtze River Delta New Liberal Arts Education Professional Certification Alliance (長三角新文科教育專業認證聯盟). Our University follows the positioning of “keeping a foothold in Lingang, integrating with Pudong, serving Shanghai and radiating the Yangtze River Delta”, focuses on Lingang’s urban socioeconomic development objective of “openness & innovation, smart ecology, industry-city integration, suitability for business and living”, drives education chain, talent chain, industry chain and innovation chain integration in terms of Lingang New Area industry map and population import planning, and builds majors layout and structural system featuring applied technology university and meeting regional development demands centering on social undertakings such as IC (integrated circuits), life health, electronic information, high-end equipment manufacturing, fashion consumer goods, digital economy and modern service industry.

(II) Enhancing the faculty capacity and strengthening the core educative support

The faculty capacity of our University remains in the forefront among peer universities. As of 30 September 2025, among the full-time teachers of our University, the master degree or higher accounted for 86.4%, the doctoral degree accounted for 28.8%, the senior title accounted for 38.6%, and the double-position accounted for 47.8%. Our University strictly implements teachers qualification and admission system, and continuously enhances teachers’ teaching capabilities through measures such as tutor leading, specialized training, or encouraging participation in various teaching competitions, and attaches great importance to fostering teachers’ ethics and professional conduct. Every year, we evaluate and select advanced models like “Lei Feng Award”, “Qingyun Prize”, “Good Teacher in My Heart”, “Five-star Instructor” and “Excellent Major Tutor”, encourage teachers to devote, contribute, and teach with patience. Meanwhile, positioned as applied technology university, we greatly promote professional teachers to practice in enterprises by system security, platform erection, management reinforcement, examination incentive and other means, and hold industry-education integration special workshops, to increase teachers’ awareness and capabilities of industry-education integration. Our University is one of the first batch of 20 MOE-approved universities piloting “navigation workstations” for national college professors, and also a research base for the ideological and political work of professors in Shanghai private universities.



MANAGEMENT DISCUSSION & ANALYSIS

(III) Deepening course connotative construction, upgrading teaching quality

Our University insists on positioning in consideration of talents training objectives, focuses on courses connotative construction, constructs “school level- city level – national level” 3-level courses building system, and enhances practical teaching and quality teaching. In January 2025, 12 of our courses were selected as Shanghai first class undergraduate courses, the number of approved courses showed a year-on-year increase of 50%, a historic new high. In July 2025, 26 of our courses were approved as Shanghai higher education municipal level key courses, the number of approved courses ranked the 7th place among higher education institutions in Shanghai, and thus we became the only private university in the top 10. The courses cover various types including “AI+ courses”, “industry-education integration courses”, “courses in areas with urgent talent shortages” and “experimental, practical, and hands-on courses”, among which, “AI+ courses” accounted for 50%, “industry-education integration courses” accounted for 31%, showing our teaching innovation embracing educational innovation and applied talent cultivation in the intelligent era. In 2025, the course “Fundamentals of Gemstone Geology and Crystallography” course of our College of Jewelry was selected as a “Online/Offline Hybrid First-Class Course”, achieving a breakthrough for our University in the construction of national first-class courses. In addition, our University actively promotes the development of online open courses. As of December 2025, a total of 1,253 online open courses were developed.

(IV) Upgrading teaching facilities and building a smart campus with characteristics

The Group continues to deepen the upgrading and modification of teaching and scientific research instruments and equipment as well as teaching laboratories, and is committed to building a modern and intelligent teaching environment. The intelligent classrooms are equipped with high-definition camera systems, smart audio devices and high-speed Internet connections, realizing high-quality audio-video collection and transmission, to meet all levels of class listening and appraisal needs. Based on the OBE (Outcome-Based Education) concept, we have formed talent training program management system, course teaching management systems, and teaching quality monitoring system, and have completed the erection of Cloud Gench Intelligent Teaching Platforms, such as Cloud Teaching Center, Cloud Examination Center and Cloud Teaching Management Center, and built a “student-oriented, learning-centered” teaching process support system. Meanwhile, we have constructed a scientific research system to enhance the effectiveness of scientific research management, and independently developed the office automation (OA) workflow system, which has further improved the efficiency of work and management level. Centering on curriculum teaching reform and classroom teaching revolution, the Group has embedded AI, 5G, VR (virtual reality) and other technologies into the teaching reform process, and combined the application of smart learning scenarios with the classroom teaching revolution. Our University also actively builds the DeepSeek Gench Education application large model, develops service agents, management agents and teaching agents, offers teachers and students with round-the-clock, personalized learning support and living services, realizes intelligent and refined campus management, and creates an efficient, convenient and vibrant smart campus ecosystem.

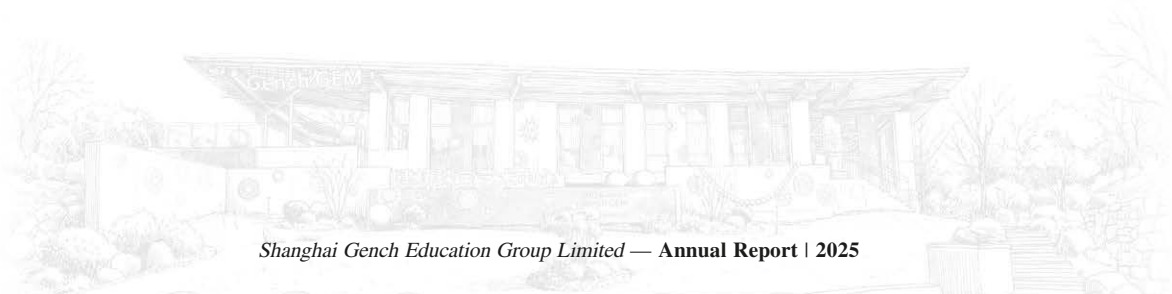
MANAGEMENT DISCUSSION & ANALYSIS

(V) Promoting students' all-round development, enhancing their employability

Focusing on the general requirements of “five-pronged education stratagem (五育並舉)” and “three comprehensive education (三全育人)”, our University continues to deepen the talent cultivation system of “core qualities, competence-based, outcome-oriented and continuous improvement (核心素養+能力本位+成果導向+持續改進)” to cultivate professionals in various fields who are well-rounded in morality, intelligence, physical health, aesthetics, and labor, with solid cultural foundation and professional ethics, and effectively fulfills the fundamental task of fostering virtue and nurturing talents. Our University also attaches great importance to the high-quality employment of students. In recent years, the employment rate of our graduates has always been stabilizing at 99% and above. As of 31 August 2025, the employment rate of year 2025 graduates of our University reached 99.4% (where employment in Yangtze River Delta accounted for 77.5%, and employment in Shanghai accounted for 59.2%), the college-entrance rate reached 5.8% and the rate of studying abroad reached 5.3%, and 94 students studied abroad at top 50 universities/colleges in QS World University Rankings, 123 students studied abroad at top 100 universities/colleges in QS World University Rankings. Our University was awarded the honorary title of “Advanced Institution in Promoting Employment of Shanghai Municipality (上海市促進就業先進集體)”, and the honorary title of “Best Service University for High-Quality Employment in 2024 (2024年度高質量就業最佳服務高校)” in May and December 2024, respectively.

(VI) Increasing international cooperation level, building global communication profile

To grasp the international talents opportunity of Lingang, our University deepens the reform of international school running mechanism and system, collectively drives international exchange and cooperation, increases international partners level and project level, drives the internationalization of teachers and academic programs, and fully improves students' international vision and global qualities. We work deeply with Vaughn College of Aeronautics and Technology, The Kyoto College of Graduate Studies for Informatics, Teesside University, among others, in junior college to master's program, undergraduate to master's program, dual bachelor's program and other programs. In 2025, our University contracted with 11 overseas famous universities/colleges in Germany, United Kingdom, New Zealand, Thailand and other countries, to expand our teachers and students' overseas exchange channels, and further expand our international circle; we received cumulatively 43 batches of delegations of overseas famous institutions from the United Kingdom, Germany, Singapore, Thailand, Japan, South Korea and other countries; we organized our school officials and teachers to visit Finland, Australia, Singapore, Japan and other countries to conduct in-depth exchange and professional study; we launched more than 30 foreign/overseas exchange programs, including training at UN international organizations, study visits to prestigious overseas universities, and internships at renowned overseas enterprises, attracting a large number of outstanding students.



MANAGEMENT DISCUSSION & ANALYSIS

(VII) Improving lifelong education system, strengthening continuing education supply

Leveraging the distinctive strengths of its featured programs and high-quality teaching resources in full-time higher education, rooted in Lingang and upholding the concept of lifelong education, our University is committed to comprehensively strengthening the supply capacity of higher degree continuing education and higher non-degree continuing education oriented toward the national economic development strategy and the need for cultivating young talents, and strives to build an integrated, multi-field, cross-age lifelong education system that encompasses vocational skills training, industry-education integration development, and public welfare social training, thereby facilitating knowledge renewal and capacity enhancement while meeting the diverse learning needs of various sectors. As of 31 December 2025, the number of adult students of the continuing education programs of our University amounted to 3,760. As to non-academic vocational education, the Group actively responded to vocational education “1+X” certificate system (職業教育「1+X」證書制度), to deepen the vocational qualification training and enhance students’ occupational skills. As of 31 December 2025, our University provided a total of more than 400 types of vocational skills certificate training. In addition, our University as a continuing education base for high-end equipment industry workers and a continuing education base for fashion consumption and logistics industry workers, applied for Shanghai “dual system” workers continuing education higher education pilot base (incubation) project, and successfully secured the project approval.

(VIII) Further deepening school-enterprise cooperation and developing industry-education integration for collaborative talent cultivation

Our University is both the high-tech talents cultivation base in Shanghai and one of the first batch of industry-education integration bases in Lingang New Area (臨港新片區首批產教融合基地). The “Digital Smart Manufacturing (數聯智造)” Industry College is one of the first batch of Shanghai municipal key modern industrial colleges (首批上海市級重點現代產業學院) while the “Integrated Circuit (集成電路)” Industry College is one of the second batch of Shanghai municipal key modern industrial colleges (第二批上海市級重點現代產業學院). Our University leads application-oriented talents training with our in-depth industry-education integration system, and our cooperation with enterprises includes but not limited to co-construction of on/off-campus practice bases, work-study alternation, order-based training, and industry-academia-research integration. Our University is a sponsor of Lingang Industrial College (臨港產業大學), and works with Lingang Industrial College to jointly apply for “Municipal Consortium of High-end Equipment Industrial Zone in Lingang New Area (臨港新片區高端裝備產業區市域聯合體)”, and is approved as one of the first batch of “City-wide Industry-education Associations (市域產教聯合體)” in Shanghai.

In 2024, our University established a significant strategy to transform into an industry-education integrated university, and by closely aligning with the requirements of regional industrial layout, we tailored education, learning, research, and innovation based on industrial needs, and built an industry-education integration model centered around “one core, two wings, three integrations, and four scenarios (一體兩翼三融四境)”, striving to achieve the coordinated development of “industry, academia, research, and innovation” as an integrated entity. We expect to preliminarily complete the transformation of an industry-education integrated university by 2030 and fully accomplish it by 2035, thereby enriching the distinctive features of an applied university with the unique characteristics of an industry-education integrated university, and building our University as a nationally recognized top-tier private university.



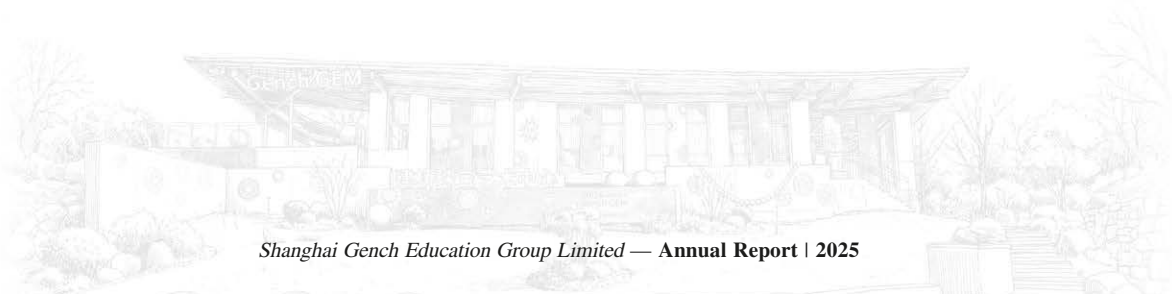
MANAGEMENT DISCUSSION & ANALYSIS

In 2025, our University conducted 8 key industry-education integrated projects in a string, covering the College of Mechanical and Electrical Engineering, the College of Journalism and Communication, the College of Business, the College of Art Design, the College of Jewelry and the College of Information Technology, adding 20 new industry-education integrated courses with teaching materials. In August 2025, Lingang Jewelry Arts Centre was opened beside Dishui Lake, integrating public exhibition, entrepreneurship incubation, science generalization & education, appraisal & design, fashion & consumption among other functions, being another innovative practice of industry-education integration of our University. In November 2025, the national level platform “IC Packaging and Testing Industry-Talent Collaboration and Innovation Centre” & Lingang Industry-Education Integrated Practice Base was created in our University, marking a new stage of IC talents training and industrial collaboration between government, school and enterprise. As of 31 December 2025, our University established the Medical Engineering Industry College and the Live Streaming Economy Industry College, and actively drove the construction of the Big Data Industry College, the IC Industry College and the Intelligent Manufacturing Industry College. In addition, we had 6 experience cases listed in the 2025 Lingang New Area Industry-Education Integration Case Collection.

The Group’s phase four campus facilities were fully operational in March 2025, with a total gross floor area of approximately 86,400 square meters, mainly comprising (i) a teaching and training building (conducive to connect university-enterprise resources and deepen the integration of industry and education); (ii) three talent apartments (increasing the attraction of outstanding talents for the University and help the University to introduce various experts in the integration of industry and education); and (iii) a multi-functional research and development centre (contributing to the research on the integration of industry and education and the joint talent training with the on-campus enterprises).

FUTURE OUTLOOK AND BUSINESS STRATEGY

As always, the Group adheres to the educational philosophy of running a high-quality school, strives to establish a high-quality applied technical talents training system and operates schools to the people’s satisfaction and top-tier private university in the nation. The Group’s development connotation is highly in line with the national direction to promote the high-quality development of vocational education. We believe that based on the geographical advantages of Pudong and Lingang dual special zones and the development opportunities of Lingang as a cluster of China’s strategic emerging industries, adherence to quality improvement and connotative development, building an ecological benchmark campus with the integration of industry and education, practicing the development thoughts of being a long-distance runner for high-quality development of higher education in China and scarce value of our University’s for-profit transformation, the Group is expected to gain wider recognition in the industry. Looking forward, we will leverage the following strategies to promote our business development:



MANAGEMENT DISCUSSION & ANALYSIS

BUILDING ON OUR EXISTING STRENGTHS AND ADHERING TO THE PATH OF HIGH-QUALITY DEVELOPMENT

In the 2025/26 school year, we continued to optimize the tuition fee, with the minimum tuition fee for new students of undergraduate programs being optimized from RMB32,000 per school year to RMB42,000 per school year, and the minimum tuition fee for new students of junior college programs being optimized from RMB20,000 per school year to RMB23,000 per school year. Additionally, the boarding fees in respect of our smart dormitory buildings for the freshman remained at RMB7,800 per school year. The year 2026 is the starting year of the “Fifteenth Five-Year Plan”, and from the new starting point of history, we will continue to adhere to the educational philosophy of “student-oriented, teaching-centred, undergraduate-focused (育人為本，教學為本，本科為本)” and the work ideology of “quality as the core, teaching as the centre, students as the base, teachers as the principal (品質核心，教學中心，學生本位，教師主體)” to deepen the reform of talent cultivation models, optimize the structure and layout of professional disciplines, and promote the digital and intelligent program transformation. We will continue to explore DeepSeek and other AI-enabled education and teaching, enhance the capacity construction of faculty team, ensure the teaching quality, stimulate the vitality of scientific research and innovation, and comprehensively serve students’ growth, thereby promoting the high-quality development of school undertakings.

CAPITALIZING ON POLICY BENEFITS IN THE LINGANG NEW AREA AND ADVANCING THE INTEGRATION OF INDUSTRY, EDUCATION AND CITY

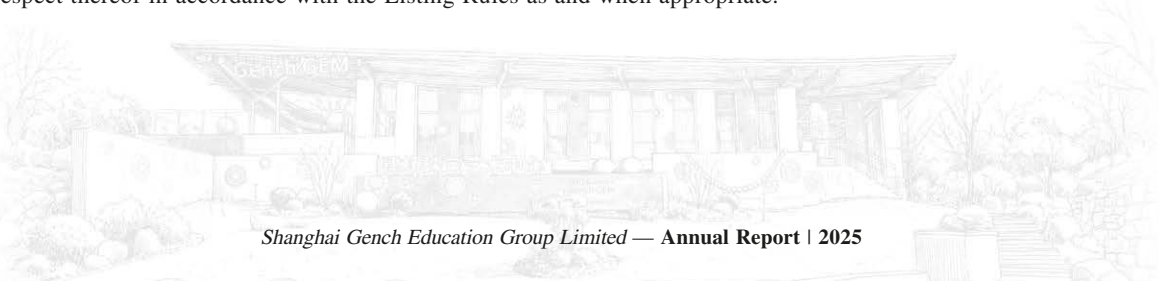
Lingang is a dual special zone under the superposition of two national strategies: Pudong Pioneer Area and Lingang New Area, carrying an important national strategic mission as the first trial test field of “Pioneer Area for Socialist Modernization”. Lingang focuses on the innovation and development of key technological links in the field of “Filling the Domestic Gaps (填補國家空白)” and emerging industries, which is to establish a special economic functional zone with more international market influence and competitiveness. As the core area of the national industry-education integration pilot program, leveraging on the regional advantages of rapid gathering in the advanced manufacturing industry, Lingang will have more exploration opportunities for industry-education integration.

Looking forward, the Group will fully capitalize on historic opportunities, actively take the initiative to serve the national strategy to promote the high-quality development of vocational education and the regional development strategy to build Lingang a “Global Power City”, deeply promote the strategy of integration, internationalization and digitalisation, deepen the construction of modern vocational education system, and cultivate more high-quality technical and skilled talents. Additionally, the Group will continue to stay abreast of the latest policies and developments of the integration of industry and education, deeply align industrial needs with the education and teaching rule, promote the in-depth integration of teaching scenarios and production practices, and accelerate the transformation into an industry-education integrated university, with a view to growing our University into a top-tier private university in China with distinctive features and international standing and a long-term practitioner for the high-quality development of higher education in China.

REGULATORY DEVELOPMENT

There has been no significant regulatory update since the publication of the 2024 Annual Report. Please refer to the 2024 Annual Report for details of the regulatory update.

Our Company will continue to monitor developments of relevant laws and regulations, and will make further announcements in respect thereof in accordance with the Listing Rules as and when appropriate.



MANAGEMENT DISCUSSION & ANALYSIS

FINANCIAL REVIEW

Revenue

Revenue represents the value of services rendered during the Reporting Period. The Group derives revenue from tuition fees, boarding fees, education related and training services and other services.

The Group's revenue increased by RMB34.7 million, or 3.6%, from RMB969.9 million for the year ended 31 December 2024 to RMB1,004.6 million for the year ended 31 December 2025, which was mainly due to (i) the increase in the revenue derived from tuition fees and boarding fees by approximately RMB26.6 million, or 2.8%. Such increase was mainly due to the growth in the number of students and average tuition fees per student during the year ended 31 December 2025, and (ii) the increase in revenue from education related and training services and other services by approximately RMB8.1 million, or 31.4% during the Reporting Period.

Cost of Sales

Cost of sales primarily consisted of salary costs, depreciation and amortization, student-related expenses, cooperative education expenses, teaching material expenses and maintenance expenses, along with training expenses, research and development costs, travel expenses, office expenses, and others.

The Group's cost of sales increased approximately by RMB29.9 million, or 7.0%, from RMB430.0 million for the year ended 31 December 2024 to RMB459.9 million for the year ended 31 December 2025, which was primarily due to (i) the salary costs increasing by approximately RMB15.7 million, or 6.6%, from approximately RMB237.6 million for the year ended 31 December 2024 to approximately RMB253.3 million for the year ended 31 December 2025, as a result of the growth of the number of teachers during the Reporting Period; (ii) the increase of the depreciation and amortization expenses, as the phase four of the campus of our University has been fully operational in March 2025.

Gross Profit and Gross Profit Margin

Gross profit represents our revenue less cost of sales. The Group's gross profit increased by approximately RMB4.8 million, or 0.9%, from approximately RMB539.9 million for the year ended 31 December 2024 to approximately RMB544.7 million for the year ended 31 December 2025.

The Group's gross profit margin represents the Group's gross profit as a percentage of its revenue. For the year ended 31 December 2025, the Group achieved a gross profit margin of 54.2%, representing a year-on-year decrease of 1.5 percentage points, while remaining basically stable compared with the last year.

Other Income and Gains

Other income and gains primarily consist of government grants, bank interest income, operating lease income from operators of supermarkets, snap shops, etc. in the school campus, and others.

The Group's other income and gains increased by RMB1.3 million, or 2.7%, from RMB47.5 million for the year ended 31 December 2024 to RMB48.8 million for the year ended 31 December 2025, which was mainly due to the combined effects of (i) the increase in operating lease income and other miscellaneous incomes amounting to RMB5.7 million, (ii) the increase of other interest income from financial assets at fair value through profit or loss and other interest income from debt investments at fair value through other comprehensive income increasing by approximately RMB1.8 million and (iii) the decrease of government grants, bank interest income and fair value gains on financial assets at fair value through profit or loss amounting to RMB6.1 million during the Reporting Period.

MANAGEMENT DISCUSSION & ANALYSIS

Selling and Distribution Expenses

Selling and distribution expenses primarily consist of expenses incurred for relevant advertising of our University, including labour remuneration, the cost of promotional brochures, transportation expenses, telecommunication expenses and business entertainment expenses.

The Group's selling and distribution expenses decreased by approximately RMB0.8 million, or 19.6%, from approximately RMB4.5 million for the year ended 31 December 2024 to approximately RMB3.7 million for the year ended 31 December 2025, which was mainly due to the decrease of employee remuneration resulting from the Group's enhanced labor cost controls during the Reporting Period.

Administrative Expenses

Administrative expenses consisted of salary expenses for administrative staff, logistic expenses, depreciation of vehicle and equipment for administrative purposes, professional service expenses, travel expenses, entertainment expenses, office expenses, and others.

The Group's administrative expenses increased by RMB12.2 million, or 5.0%, from RMB240.2 million for the year ended 31 December 2024 to RMB252.4 million for the year ended 31 December 2025, which was primarily due to (i) the increase in logistic expenses by approximately RMB28.9 million, or 87.7%, from approximately RMB32.9 million for the year ended 31 December 2024 to approximately RMB61.8 million for the year ended 31 December 2025, mainly as a result of the Group's upgrading and renovation of existing campus premises, (ii) the decrease in salary expenses by approximately RMB8.5 million, or 5.2%, as the Group's staff cost control measures and (iii) the decrease in office expenses and entertainment expenses amounting to approximately RMB8.7 million during the Reporting period.

Finance Costs

The Group's finance costs primarily consisted of the interest expenses for bank loans.

Finance costs decreased by approximately RMB11.6 million, or 42.9%, from approximately RMB27.1 million for the year ended 31 December 2024 to approximately RMB15.5 million for the year ended 31 December 2025, which was primarily due to the scale of interest-bearing borrowings of our Group decreased from approximately RMB829.9 million as at 31 December 2024 to RMB280.4 million as at 31 December 2025 as the result of early repayment of most of long-term interest-bearing bank borrowings during the Reporting Period.

Profit Before Tax

For the year ended 31 December 2025, the Group recorded a profit before tax of approximately RMB318.6 million, representing an increase of approximately 6.8% year-on-year from approximately RMB298.3 million of last year.

Income Tax Expense

Income tax expense increased by RMB1.4 million from approximately RMB74.7 million for the year ended 31 December 2024 to approximately RMB76.1 million for the year ended 31 December 2025. which was mainly due to the increase of the profit before tax.



MANAGEMENT DISCUSSION & ANALYSIS

Current Assets and Current Liabilities

The Group's net current liabilities increased by approximately RMB293.2 million, or 197.5%, from approximately RMB148.4 million for the year ended 31 December 2024 to approximately RMB441.6 million for the year ended 31 December 2025, which was primarily due to the early repayment of most of long-term interest-bearing bank borrowings during the Reporting Period.

Liquidity and Capital Resources

Our primary uses of cash were to fund our working capital requirements, our purchase of property and equipment and to repay interest-bearing bank borrowings and related interest expenses. During the Reporting Period, we funded our operations principally with cash generated from our operations and interest-bearing bank borrowings. In the future, we believe that our liquidity requirements will be satisfied with a combination of cash flows generated from our operating activities, interest-bearing bank borrowings and the net proceeds from the initial public offering of the Company and other funds raised from the capital markets from time to time.

Treasury Policy

Our Group has adopted a prudent financial management approach towards its treasury policy. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of our Group's assets, liabilities, and other commitments can meet its funding requirements all the time.

Property and Equipment

As at 31 December 2025, the Group's property and equipment amounted to approximately RMB2,398.4 million, which remained stable compared with the last year.

Cash and Cash balances and time deposits

As at 31 December 2025, the Group's cash and cash balances and time deposits increased by approximately RMB53.3 million, or 15.7%, which was primarily due to the redemption of financial assets measured at fair value through profit or loss upon maturity during the Reporting Period.

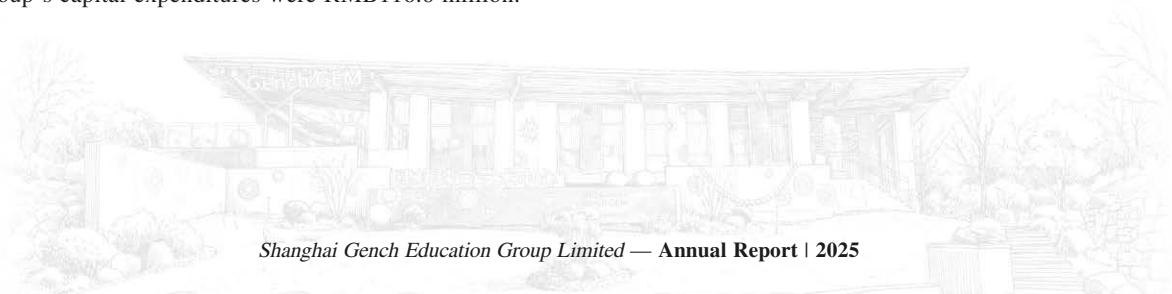
Interest-bearing Bank Borrowings

Our interest-bearing bank borrowings primarily consisted of short-term working capital loans and long-term project loans for the construction of the school premises.

We borrowed loans from banks to supplement our working capital and finance our capital expenditure. As at 31 December 2025, our interest-bearing bank borrowings of RMB280.4 million were all denominated in Renminbi. The annual average effective interest rate of our bank borrowings decreased to approximately 2.93% (2024: approximately 3.65%).

Capital Expenditure

Capital expenditures during the Reporting Period primarily related to the phase three of the construction of the school premises, maintaining and upgrading existing school premises for our University. For the year ended 31 December 2025, the Group's capital expenditures were RMB116.6 million.



MANAGEMENT DISCUSSION & ANALYSIS

Commitments

Our capital commitments primarily were related to the acquisition of property and equipment. The following table sets forth our capital commitments as at the end of Reporting Period:

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Property and equipment	—	4,388

Contingent Liabilities

- (1) During the year ended 31 December 2024, the supplier for the construction of certain campus facilities filed two claims to the People's Court of Pudong New Area in the Chinese mainland against Shanghai Jian Qiao University Co., Ltd. for overdue payments of construction costs with a total amount of RMB8,256,000 and the interest arising from the overdue payments of construction costs of approximately RMB113,000. As at 31 December 2024 and 2025, two bank accounts of Shanghai Jian Qiao University Co., Ltd. amounting to RMB8,369,000 were frozen by the People's Court of Pudong New Area as requested by the plaintiff. Shanghai No. 1 Intermediate People's Court rendered a final judgment in the litigation that the above construction costs and interests should be paid to the supplier in March 2026. Full provision has been made to the Group's financial statements.

During the year ended 31 December 2025, the supplier for the construction of certain campus facilities filed another two claims to the People's Court of Pudong New Area in Chinese mainland against Shanghai Jian Qiao University Co., Ltd. for overdue payments of construction costs with a total amount of RMB13,353,000 and the interest arising from the overdue payments of construction costs of approximately RMB183,000. As at 31 December 2025, one bank account of Shanghai Jian Qiao University Co., Ltd. amounting to RMB13,536,000 were frozen by the People's Court of Pudong New Area as requested by the plaintiff. As of the date of approval of the financial statements, the People's Court of Pudong New Area has not yet rendered a judgment in the litigation. Full provision has been made to the Group's financial statements.

- (2) During the year ended 31 December 2024, a factoring company filed a claim to the People's Court of Pudong New Area in Mainland China against Shanghai Jianqiao (Group) Co., Ltd. and Shanghai Jian Qiao Investment Development Co., Ltd. as guarantors for a payment of factoring financing amount, factoring service fee, and interests. The case has been transferred to People's Court of Huangpu District. As of the date of this report, the case is not yet to be scheduled. A provision of RMB8,300,000 and related interests have been made as at 31 December 2025 on the basis of the available evidence and after taking the Group's legal counsel advices.

MANAGEMENT DISCUSSION & ANALYSIS

Key Financial Ratios

	As at/for the year ended 31 December	
	2025	2024
Gross profit margin	54.2%	55.7%
Net profit margin	24.1%	23.1%
Return on assets	6.6%	5.6%
Return on Equity	9.8%	9.7%
Current Ratio	0.5	0.8
Interest coverage ratio	21.6	12.0
Net debt to equity ratio	0.0	0.2
Gearing ratio	0.1	0.4
Total debt to assets ratio	0.1	0.2

Notes:

- (1) Gross profit margin equals our gross profit divided by revenue for the year.
- (2) Net profit margin equals net profit after tax divided by revenue for the year.
- (3) Return on assets equals net profit for the year divided by total assets as at the end of the year.
- (4) Return on equity equals net profit for the year divided by total equity amounts as at the end of the year.
- (5) Current ratio equals our current assets divided by current liabilities as at the end of the year.
- (6) Interest coverage ratio equals profit before interest and tax of one year divided by finance cost for the year.
- (7) Net debt to equity ratio equals total interest-bearing bank loans net of cash and cash equivalents at the end of the year divided by total equity at the end of the year.
- (8) Gearing ratio equals total debt as at the end of the year divided by total equity as at the end of the year. Total debt includes all interest-bearing bank loans and other borrowings.
- (9) Total debt to assets ratio equals total interest-bearing bank and other borrowings at the end of the year divided by total assets at the end of the year.

Gearing Ratio

As at 31 December 2025, the gearing ratio of the Group decreased from 0.4 to 0.1, which was mainly due to the early repayment of most of the long-term interest-bearing bank borrowings.

Foreign Exchange Risk Management

The functional currency of the Company is Renminbi (RMB). The majority of the Group's revenue and expenditures are denominated in RMB. During the year ended 31 December 2025, the Group did not experience any significant difficulties in or impacts on its operations or liquidity due to fluctuations in currency exchange rates. The Directors believe that the Group has sufficient foreign exchange to meet its own foreign exchange requirements and will adopt practical and effective measures to prevent exposure to exchange rate risk. The Group did not enter into any financial instrument for hedging purpose.

MANAGEMENT DISCUSSION & ANALYSIS

Significant Investments, Acquisitions and Disposals, Future Plan for Material Investments And Capital Assets

There were no significant investments held during the year ended 31 December 2025, nor other material acquisitions and disposals of subsidiaries and associated companies. Save as disclosed in this annual report, as at 31 December 2025, the Group did not have any immediate plans for material investments and capital assets.

Pledge of Assets

As at 31 December 2025, the balance of bank borrowings secured of the Group was RMB280.4 million, of which RMB108.0 million was secured by the Group's rights over tuition fees and boarding fees, and the other was secured by the charging right of the talent center in the phase four of the construction.

Employees and Remuneration Policy

As at 31 December 2025, the Group had 1,891 full-time employees (as at 31 December 2024: 1,889 employees). The remuneration policy and package of the Group's employees are periodically reviewed in accordance with industry practice and result performance of the Group. The Group provides external and internal training programs to its employees. The Group participates in various employee social security plans for its employees that are administered by local governments, including housing, pension, medical insurance, occupational injury insurance, maternity insurance and unemployment insurance. The total remuneration cost incurred by the Group for the year ended 31 December 2025 was RMB410.5 million (as at 31 December 2024: RMB405.1 million).

DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

Executive Directors

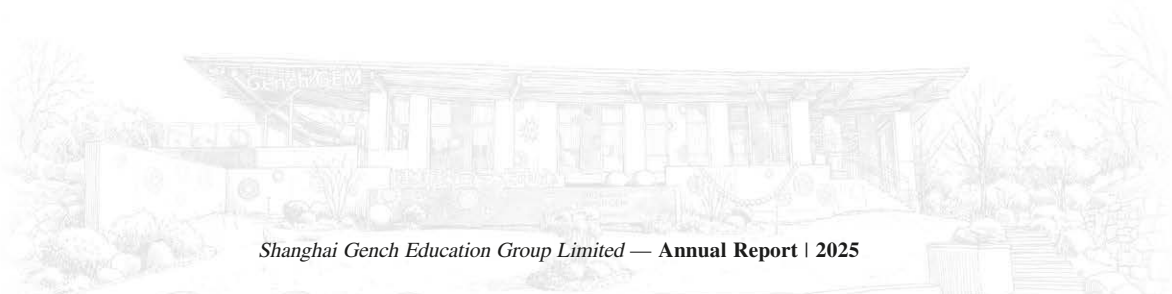
Mr. Zhao Donghui (趙東輝), aged 59, the chairman of the Board, joined our Group as a shareholder of Jian Qiao Group, an affiliated entity of the Group, in March 2018 and was appointed as a non-executive Director on 20 December 2018. Mr. Zhao was re-designated as an executive Director of the Company on 27 December 2023 and is responsible for the overall management and strategic development of the Group. Mr. Zhao is the father of Ms. Zhao Jiaqiao, a non-executive Director of our Company. Mr. Zhao is also a substantial shareholder of our Company.

The following table shows the key work experience of Mr. Zhao:

<u>Period</u>	<u>Company</u>	<u>Position</u>	<u>Roles and responsibilities</u>
October 2003 to present	Zhejiang Fangzhen Industry Co., Limited* (浙江方陣實業有限公司), a company primarily engaged in building material sales	chairman	overall management, major decision making and strategic planning
January 2010 to present	Changjiu Industry Group Co., Limited* (長九實業集團有限公司), a company primarily engaged in real estate development and commercial hotels	chairman	overall management, major decision making and strategic planning
December 2018 to December 2023	our Company	non-executive Director	providing opinion and judgment to the Board
December 2023 to present	our Company	chairman of the Board, executive Director	overall management and strategic development of the Group
July 2024 to present	our University	chairman of the Board	overall management and strategic development of the University

Mr. Zhao did not hold directorship in other listed companies during the last three years.

Mr. Zhao obtained the qualification as a senior economist granted by Zhejiang Province Human Resources Bureau* (浙江省人事廳), currently known as Zhejiang Province Human Resources and Social Security Department (浙江省人力資源和社會保障廳), in December 2005. He graduated as an undergraduate in civil engineering from Southwest University of Science and Technology (西南科技大學) in Sichuan Province, the PRC in January 2006.



DIRECTORS AND SENIOR MANAGEMENT

Mr. Ding Zheyin (丁哲寅), aged 40, joined the Group as the financial controller on 2 March 2023. He was appointed as an executive Director of our Company on 27 December 2023, and as a Director of our University on 10 July 2024. He is responsible for the financial strategic planning and financial management of our Group. Mr. Ding graduated with a Bachelor of Arts degree (English) from Northeastern University (東北大學) in 2008 and obtained his Master of Applied Commerce (accounting) from the University of Melbourne in 2010. Mr. Ding has been a member of the Chinese Institute of Certified Public Accountants since 2016.

The following table shows the key work experience of Mr. Ding:

Period	Company	Position
October 2010 to July 2016	PwC Business Consulting (Shanghai) Co., Limited Xiamen Branch* (普華永道商務諮詢(上海)有限公司廈門分公司)	auditor, senior auditor, manager
August 2016 to July 2019	PricewaterhouseCoopers Zhong Tian LLP* (普華永道中天會計師事務所(特殊普通合夥))	manager, senior manager
August 2019 to June 2021	PricewaterhouseCoopers Zhong Tian LLP Xiamen Branch* (普華永道中天會計師事務所(特殊普通合夥)廈門分所)	senior manager
June 2021 to February 2023	Ping An Insurance (Group) Company of China, Ltd.* (中國平安保險(集團)股份有限公司), a listed company on the Stock Exchange (stock code: 02318)	financial manager
March 2023 to present	our Company	financial controller
December 2023 to present	our Company	executive Director
June 2024 to present	our University	assistant to the principal
July 2024 to present	our University	Director

Mr. Ding did not hold directorship in other listed companies during the last three years.

DIRECTORS AND SENIOR MANAGEMENT

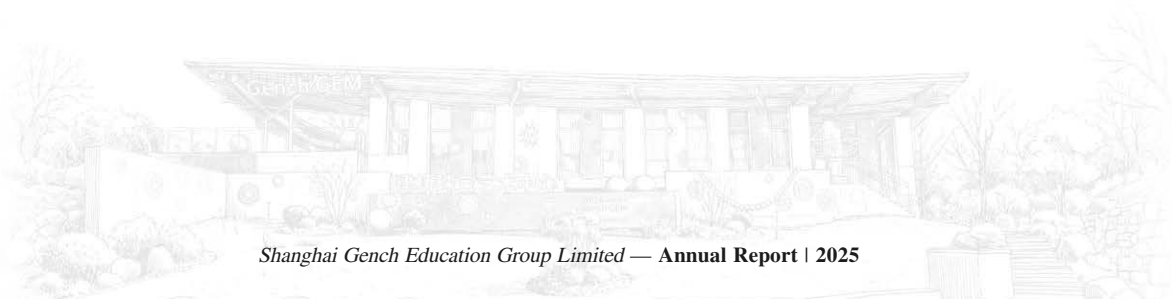
Non-executive Directors

Mr. Fang Xiaoge (方曉戈, formerly known as “方曉歌”), aged 43, joined the Company as a non-executive Director on 19 December 2025. He is responsible for providing opinion and judgement to the Board.

Mr. Fang worked at Xiamen ITG Group Corp., Ltd.* (廈門國貿集團股份有限公司) from August 2004 to August 2010 and lastly held the position of regional sales manager at paper division. He then worked as the deputy general manager at the general administrative department of Quanzhou Bank, Zhangzhou Branch between September 2010 and December 2010. Mr. Fang joined CITIC Bank Zhangzhou Branch in December 2010 and held various positions including deputy manager of operations department, deputy manager of the third business development department and general manager of the first business development department before his re-allocation to CITIC Bank Zhangzhou Taiwan Business Investment Zone Sub-branch as the president between June 2015 and August 2015. He was then the president of CITIC Bank Zhangzhou Xiangcheng Sub-branch from August 2015 to May 2019. Mr. Fang worked at Xiamen ITG Asset Operation Group Co., Ltd.* (廈門國貿資產運營集團有限公司) from June 2019 to September 2022 and held various positions including the director of the general manager’s office, the director, vice chairman of the committee of the Trade Union and the director of the party committee office. He worked as the assistant to the general manager of Xiamen ITG Education Group Co., Ltd.* (廈門國貿教育集團有限公司) between September 2022 and July 2024 and has been serving as the chairman of the committee of the Trade Union of Xiamen ITG Education Group Co., Ltd. since September 2024. Mr. Fang joined Xiamen ITG Real Estate Group Co., Ltd. (廈門國貿地產集團有限公司) in July 2024 and served as the assistant to general manager of ITG education business division between July 2024 and December 2024, the deputy general manager of ITG education business division between December 2024 and February 2025 and has been serving as the executive deputy general manager of ITG education business division since February 2025.

Save as disclosed above, as at the date of this report, Mr. Fang does not have any other relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any other directorships in other listed public companies in the last three years.

Mr. Fang, graduated from Xiamen University (廈門大學) in Xiamen, Fujian, the PRC with a bachelor’s degree and a master’s degree both in business administration in July 2004 and June 2018, respectively. He received the Legal Professional Qualification of the PRC issued by the Ministry of Justice of the PRC in March 2024.



DIRECTORS AND SENIOR MANAGEMENT

Mr. Ye Qionghai (葉瓊海), aged 51, joined the Company as a non-executive Director on 27 December 2023. He is responsible for providing opinion and judgement to the Board. He graduated as an undergraduate in Finance from Xidian University (西安電子科技大學) in 2018.

The following table shows the key work experience of Mr. Ye:

Period	Company	Position
January 1998 to present	Wenzhou Dongtou Real Estate Development Co., Limited* (溫州市洞頭房地產開發有限公司)	partner
January 2007 to present	Taizhou Yongzhen Real Estate Co., Limited* (台州永臻房地產有限公司)	chairman and partner
August 2014 to present	Shanghai Shanggu Asset Management Co., Limited* (上海商谷資產管理有限公司)	chairman
December 2023 to present	our Company	non-executive Director

As at the date of this report, Mr. Ye does not hold any other directorships in other listed public companies in the last three years.

As at the date of this report, Mr. Ye is subject to court order ((2023) Ji 01 Zhi No.2015) in relation to an enforcement amount of RMB120 million, as he is a joint owner of the mortgaged property with a collateral amount of RMB120 million, and the borrower guaranteed by it was found to be in breach of contract in the judgment ((2018) Ji Minchu No. 87). According to the aforementioned judgment, the auction procedure related to Mr. Ye's mortgaged property has been initiated.

Ms. Zhao Jiaqiao (趙佳俏), aged 30, joined the Company as a non-executive Director on 27 December 2023. She is responsible for providing opinion and judgement to the Board. She graduated with a Bachelor of Science degree (Management Science) from University College London in 2018 and obtained her Master of Science (Project and Enterprise Management) from the University College London in 2020.

The following table shows the key work experience of Ms. Zhao:

Period	Company	Position
January 2021 to September 2021	Shanghai Changjiu Real Estate Development Co., Limited* (上海長九房地產開發有限公司)	investment manager
October 2021 to present	Changjiu Industry Group Co., Limited* (長九實業集團有限公司)	deputy general manager
December 2023 to present	our Company	non-executive Director

Ms. Zhao is the daughter of Mr. Zhao Donghui, an executive Director of our Company. Save as disclosed above, at the date of this report, she does not have any other relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any other directorships in other listed public companies in the last three years.

DIRECTORS AND SENIOR MANAGEMENT

Independent non-executive Directors

Mr. Chen Baizhu (陳百助), aged 62, was appointed as an independent non-executive Director on 20 December 2018.

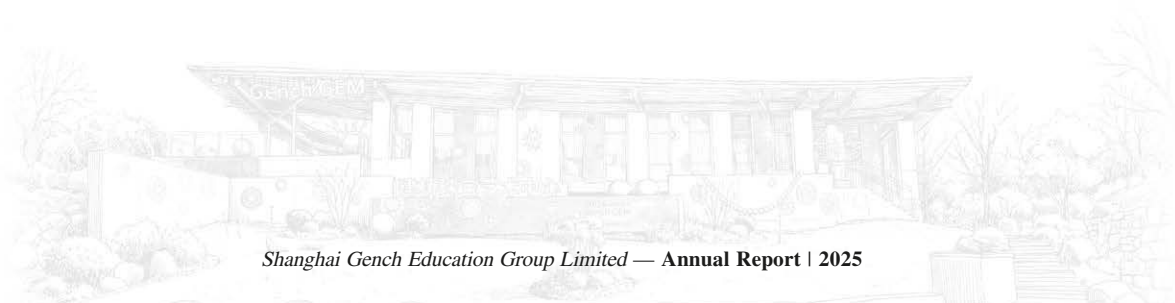
The following table shows the key work experience and major offices of Mr. Chen:

<u>Period</u>	<u>Company</u>	<u>Position</u>
1994 to present	University of Southern California in California, the US	professor
May 2008 to November 2014	Aegon-Industrial Fund Management Co., Ltd. (興業基金管理有限公司), a company primarily engaged in investment and financial services	independent Director
December 2018 to present	our Company	independent non-executive Director

Save as disclosed above, Mr. Chen did not hold directorship in other listed companies during the last three years.

Mr. Chen was awarded the 2002-2003 Golden Apple Teaching Award by Marshall School of Business of University of Southern California.

Mr. Chen graduated from Fudan University (復旦大學) in Shanghai, the PRC with a bachelor's degree in science in July 1985 and graduated from University of Rochester in the State of New York, the United States with the doctor of philosophy degree in May 1992.



DIRECTORS AND SENIOR MANAGEMENT

Mr. Hu Rongen (胡戎恩), aged 56, was appointed as an independent non-executive Director on 20 December 2018.

The following table shows the key work experience of Mr. Hu:

Period	Company	Position
July 2001 to September 2007	Shanghai University of Political Science and Law (上海政法學院)	deputy director of marketing department
October 2007 to September 2008	Doctor service group in western district* (西部博士服務團)/Prefectural Administrative Office in Tongren District* (銅仁地區行政公署)	specialist assistant (專員助理)
October 2009 to May 2015	Shanghai University of Political Science and Law (上海政法學院)	director of training department
June 2015 to present	Shanghai University of Political Science and Law (上海政法學院)	dean of the faculty of financial law
December 2018 to present	our Company	independent non-executive Director

Save as disclosed above, Mr. Hu did not hold directorship in other listed companies during the last three years.

Mr. Hu was accredited as one of Top 10 Outstanding Youths* (十大傑出青年) in Shanghai Judicial Administration System* (上海司法行政系統) by Political Department of Shanghai Bureau of Justice* (上海司法局政治部) in April 2009.

Mr. Hu graduated from National Court Cadre Amateur Law University* (全國法院干部業餘法律大學), currently known as National Judges College (國家法官學院), in Beijing, the PRC in September 1988. He also graduated as an undergraduate in law in July 1996 and with a master's degree in law in July 2000, and a doctoral degree in law in July 2006 from Peking University (北京大學) in Beijing, the PRC.

Ms. Liu Tao (劉濤), aged 61, was appointed as an independent non-executive Director on 20 December 2018.

The following table shows the key work experience of Ms. Liu:

Period	Company	Position
August 2001 to present	Shanghai Jiao Tong University (上海交通大學)	associate professor of Antai College of Economics & Management
September 2015 to July 2024	Glorious Property Holdings Ltd. (恆盛地產控股有 限公司), a company whose shares are listed on the Stock Exchange (stock code: 00845)	independent non-executive director
May 2016 to May 2022	Shanghai SafBon Water Service (Holding) Inc. (上海巴安水務股份有限公司), a company whose shares are listed on the Shenzhen Stock Exchange (stock code: 300262)	independent director

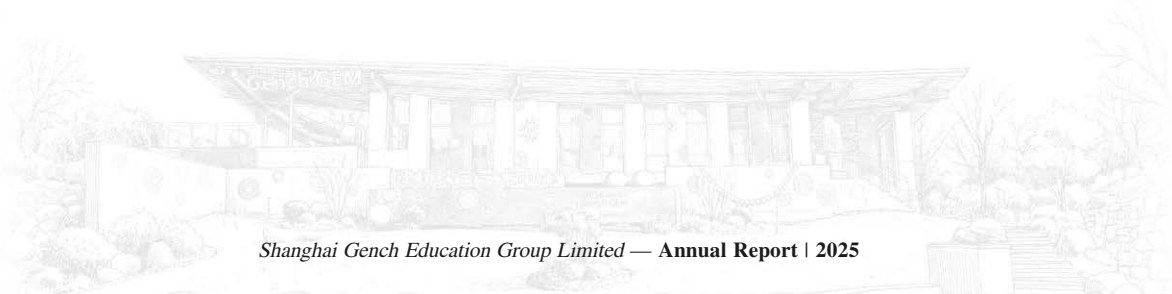
DIRECTORS AND SENIOR MANAGEMENT

Period	Company	Position
June 2017 to July 2019	Shanghai No. 1 Pharmacy Co., Ltd. (上海第一醫藥股份有限公司), a company whose shares are listed on the Shanghai Stock Exchange (stock code: 600833)	independent director
August 2017 to December 2019	Zhe Jiang Songyuan Automotive Safety Systems Co., Ltd. (浙江松原汽車安全系統股份有限公司), a company primarily engaged in developing and manufacturing automobile safety belts	independent non-executive director
February 2018 to August 2024	Changjiang Investment Industrial Co., Ltd.* (長江投資實業股份有限公司), a company whose shares are listed on the Shanghai Stock Exchange (stock code: 600119)	independent director
May 2018 to November 2020	Shanghai Jielong Industry Group Co., Ltd. (上海界龍實業集團股份有限公司), a company whose shares are listed on the Shanghai Stock Exchange (stock code: 600836)	independent director
December 2018 to present	our Company	independent non-executive director
February 2022 to present	Westingarea Smart Supply Chain (Shanghai) Co., Ltd.* (西域智慧供應鏈(上海)股份公司), a company operating an e-commerce platform	independent director
April 2023 to present	MedSci Healthcare Holdings Limited (梅斯健康控股有限公司), a company whose shares are listed on the Stock Exchange (stock code: 02415)	independent non-executive director

Save as disclosed above, Ms. Liu did not hold directorship in other listed companies during the last three years.

Ms. Liu has received several recognitions and awards related to teaching. From 2006 to 2018, Ms. Liu was awarded the Teaching Excellence Award of Antai College of Economics & Management* (安泰經管學院教學優秀獎), the Most Welcomed MBA Teacher of Antai College of Economics & Management* (安泰經管學院年度最受MBA學生歡迎教師獎) and Nomination Award of Teaching and Education Award of Shanghai Jiao Tong University* (上海交通大學教書育人獎提名獎).

Ms. Liu graduated from Shaanxi Institute of Finance* (陝西財經學院), currently known as School of Economics and Finance of Xi'an Jiaotong University (西安交通大學經濟與金融學院), in Shaanxi Province, the PRC with a bachelor's degree in economics (經濟學) in July 1986, and a master's degree in economics in July 1989.



DIRECTORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT

Mr. Zhou Tianming (周天明), aged 50, re-joined the Group as the executive vice president in August 2021 and has been appointed as the chief executive officer of the Company on 29 August 2024. He is one of the shareholders of Jian Qiao Group, which is an affiliated entity of the Company and is responsible for the overall operation of the Group.

He started his career as a teacher at Wenzhou Business School Yueqing Branch* (溫州商校樂清分校) from September 1998 to July 1999. He held various senior roles in education investment, education service and energy related industry between August 1999 and October 2007, including the chief of staff/director of infrastructure office at Jian Qiao Investment, an affiliated entity of the Company, the general manager of Shanghai Jianqiao Education Service Co., Ltd.* (上海建橋教育服務有限公司), a then subsidiary of Jian Qiao Group, which was spun-off in June 2018, the vice president of Jian Qiao Group and the vice chairman and the general manager of Shanxi Jianqiao Energy Co., Ltd.* (山西建橋能源有限公司). He served as the general manager at Qinghai Lenghu Bindi Potash Fertilizer Co., Ltd.* (青海省冷湖濱地鉀肥股份有限公司) from February 2008 to September 2011. Mr. Zhou held the position of president at Changjiu Industry Group Co., Ltd.* (長九實業集團有限公司) from October 2011 to July 2021. He has been serving as a director at Jian Qiao University Company, an affiliated entity of the Company, since July 2024.

Mr. Zhou did not hold any directorship in any listed companies during the last three years.

Mr. Zhou graduated with a bachelor's degree majoring in computerized accounting from Jiangxi University of Finance and Economics (江西財經大學), in Jiangxi Province, the PRC in July 1998.

Dr. Zhu Ruiting (朱瑞庭), aged 60, joined our Group in January 2003 and was appointed as a professor of our University in January 2007 and the principal of our University in November 2017. He is responsible for the overall operation of our University.

Dr. Zhu has more than 26 years of experience in teaching and academic research. The following table shows the key work experience and major offices of Dr. Zhu:

Period	Company/Organization	Position
November 1991 to October 1995	Wenzhou University (溫州大學), in Zhejiang Province, the PRC	lecturer
January 2003 to present	our University	concurrently/successively served as professor, dean of commerce department, head of research department, vice principal, principal and director
March 2016 to present	Expert Committee for China Association of Trade in Services* (中國服務貿易協會專家委員會)	vice chairman
July 2017 to present	Jiangxi University of Finance and Economics (江西財經大學), in Jiangxi Province, the PRC	part-time tutor

DIRECTORS AND SENIOR MANAGEMENT

Period	Company/Organization	Position
December 2017 to present	The Chinese People's Political Consultative Conference (CPPCC) Shanghai Committee (中國人民政治協商會議上海市委員會)	member
April 2018 to present	Eighth council of the China Economics Association* (中國商業經濟學會第八屆理事會)	standing director
September 2018 to present	China Humanities and Social Sciences Journal Evaluation Expert Committee of China Social Science Evaluation Institute* (中國社會科學評價研究院中國人文社會科學期刊評價專家委員會)	member

Dr. Zhu did not hold any directorship in any listed companies during the last three years.

Dr. Zhu has received several awards and recognitions in recognition of his achievement in education. The following table sets forth some of the awards and recognition he has received:

Year	Award/Accreditation	Awarding Organization
September 2004	Shanghai Cultivate Talent Award* (上海市育才獎)	Shanghai Municipal Education Commission (上海市教育委員會), Shanghai Education Development Foundation (上海市教育發展基金會) and Shanghai Teacher's Union (中國教育工會上海市委員會) jointly
November 2008	Baosteel Excellent Teacher Award* (寶鋼優秀教師獎)	Baosteel Education Foundation (寶鋼教育基金會)
September 2009	Shanghai Cultivate Talent Award* (上海市育才獎)	Shanghai Education Development Foundation (上海市教育發展基金會) jointly Commission (上海市教育委員會) and Shanghai Municipal Education
September 2022	May 1 Labour Medal of Shanghai* (上海市五一勞動獎章)	Shanghai Municipal Federation of Trade Unions (上海市總工會) and Shanghai Municipal Human Resources and Social Security Bureau (上海市人力資源和社會保障局) jointly

Dr. Zhu graduated as an undergraduate in economic management in July 1986 from Hangzhou University, currently known as Zhejiang University (浙江大學) in Zhejiang Province, the PRC, and obtained a master's degree in economics from Shanghai Academy of Social Science (上海社會科學院) in Shanghai, the PRC in July 1989. He also graduated from University of Marburg in Marburg Town, Germany with a doctoral degree in economics in June 2001.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Wang Bangyong (王邦永), aged 44, joined our Group in August 2005 and was appointed as the deputy chief executive officer of our Company on 20 December 2018. Mr. Wang has also been the assistant to the chairman of our University since November 2011 and the secretary of the board of our University since March 2011, and assistant to chairman of Jian Qiao Group since June 2011, respectively. He is responsible for administrative and public relations management of our Group.

Mr. Wang has more than 20 years of experience in education. The following table shows the key working experience and major offices of Mr. Wang:

Period	Company/Organization	Position
August 2005 to present	our University	successively/concurrently served as secretary of the board and assistant to the chairman
June 2011 to present	Jian Qiao Group	assistant to chairman
January 2017 to present	Shanghai Pudong New Area Municipal People's Congress* (上海市浦東新區人民代表大會)	deputy
December 2018 to present	our Company	deputy chief executive officer of our Company
June 2024 to September 2025	our University	assistant to the principal
September 2025 to present	our University	vice president

Mr. Wang did not hold any directorship in any listed companies during the last three years.

Mr. Wang was awarded the Shanghai May Fourth Youth Medal* (上海市青年五四獎章) by Communist Youth League Shanghai Committee* (共青團上海市委員會) and Shanghai Municipal Human Resources and Social Security Bureau (上海市人力資源和社會保障局) jointly, in April 2017. Meanwhile, he was conferred the title of Shanghai Labour Model (上海市勞動模範榮譽稱號) by Shanghai Municipal Federation of Trade Unions (上海市總工會) in December 2020.

Mr. Wang graduated from Fudan University (復旦大學) in Shanghai, the PRC with a bachelor's degree in law in July 2005, obtained a master's degree in public management from Fudan University (復旦大學) in June 2011, and obtained the doctoral degree majoring in educational leadership and management (教育領導與管理) at East China Normal University (華東師範大學) in Shanghai, China in June 2022.

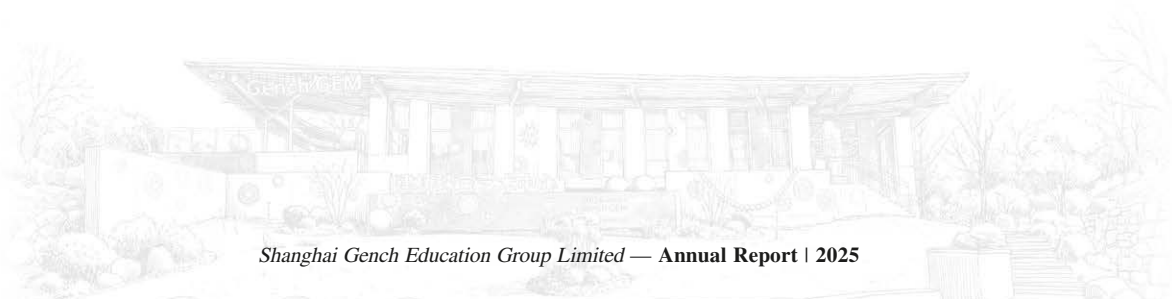
DIRECTORS AND SENIOR MANAGEMENT

Mr. Zhou Qiaoqi (周喬琪), aged 38, joined our Group in September 2017, was appointed as joint company secretary and chief investment officer of our Company on 20 December 2018, and was appointed as deputy chief executive officer of our Company on 24 July 2020. He resigned as the joint company secretary of our Company on 24 November 2021. Mr. Zhou Qiaoqi has also been the assistant to the chairman of Jian Qiao Group since September 2017. He is responsible for overall corporate governance, investment and overseas operations management of our Group. Mr. Zhou Qiaoqi is the spouse of Ms. Zhang Zhimo, the company secretary of our Company.

The following table shows the key work experience and major offices of Mr. Zhou Qiaoqi:

Period	Company/Organization	Position/Experience
October 2012 to July 2013	Shanghai Tiantian Fund Distribution Co., Ltd (上海天天基金銷售有限公司), a fund sales company	fund researcher
August 2013 to March 2015	Allied Fortune Management Ltd (聯裕管理有限公司), an asset management company	vice president
April 2017 to present	Beta Gamma Sigma	lifetime member
September 2017 to present	Jian Qiao Group	assistant to the chairman
December 2018 to present	our Company	concurrently and/or successively served as joint company secretary, deputy chief executive officer and chief investment officer of our Company

Mr. Zhou Qiaoqi did not hold any directorship in any listed companies during the last three years. Mr. Zhou Qiaoqi passed the fund qualification examination by Asset Management Association of China (中國證券投資基金業協會) in September 2017 and has become a Chartered Financial Analyst Charter-holder since April 2019. Mr. Zhou Qiaoqi graduated from Fudan University (復旦大學) in Shanghai, the PRC with bachelor of science in information and computing science degree in July 2010 and University of Southern California in Los Angeles, California, the United States with a master of science in mathematical finance degree in May 2012 and master of business administration degree in August 2017.



DIRECTORS AND SENIOR MANAGEMENT

COMPANY SECRETARY

Ms. Zhang Zhimo (張芷陌), aged 36, joined our Group in May 2020 as director of administration department. She was appointed as company secretary of our Company on 24 November 2021 and was appointed as the chairperson of the ESG Committee of the Group on 3 December 2024. She is responsible for our Group's overall corporate governance, sustainable development, internal control and audit supervision, and performs her role of company secretary, including compliance matters related to the Listing Rules and other regulatory requirements in Hong Kong. Ms. Zhang is the spouse of Mr. Zhou Qiaoqi, a deputy chief executive officer and the chief investment officer of our Company.

The following table sets out the key work experience and positions of Ms. Zhang:

<u>Period</u>	<u>Company/Organization</u>	<u>Position/Experience</u>
October 2013 to November 2016	PricewaterhouseCoopers Limited, Hong Kong	senior associate in risk assurance practice (last position)
October 2018 to April 2019	Quantflag Investment Management Ltd.* (上海量旗投資管理有限公司) (an assets management company)	industry analyst and senior market manager
April 2019 to May 2020	Shenwan Hongyuan Securities Co., Ltd. (a securities company)	vice president of fixed-income business division
May 2020 to present	our Group	concurrently and/or successively served as director of administration department of our Group, company secretary of our Company, and chairperson of our ESG committee

Ms. Zhang Zhimo did not hold directorship in any listed companies during the last three years.

Ms. Zhang is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants, an International Certified Internal Auditor of Institute of Internal Auditors and a Certified Information Systems Auditor of the Information Systems Audit and Control Association, and holds the ESG Investing Certificate from the CFA Institute (特許金融分析師協會) and the Senior Certified ESG Analyst qualification (註冊ESG分析師認證證書(高級)) issued by the National Federation of Industry and Commerce Talent Exchange Service Center (全國工商聯人才交流服務中心). In September 2018, Ms. Zhang also passed the fund qualification exam (基金從業資格考試) of the Asset Management Association of China (中國證券投資基金業協會). In December 2018, Ms. Zhang passed the securities qualification examination (證券從業資格考試) of the Securities Association of China* (中國證券業協會). Ms. Zhang graduated from City University of Hong Kong in July 2013 with a bachelor's degree of business administration (honours) in accountancy and management information systems and from The University of Hong Kong in November 2018 with a master's degree in finance.

Ms. Zhang is also recognised for her social responsibilities, as she holds multiple social positions and cares about the sustainable development of the community and the diversified growth of women.



REPORT OF THE DIRECTORS

The Board is pleased to present the report of the Directors together with the audited consolidated financial statements of our Group for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES

Our Group operates the leading private university in Shanghai, which is also a leading private university in the entire Yangtze River Delta. Analysis of the principal activities of our Group during the year ended 31 December 2025 is set out in the note 1 to the consolidated financial statements.

SUBSIDIARIES

Details of the principal subsidiaries of our Company are set out in note 1 to the consolidated financial statements.

RESULTS

The results of our Group for the year ended 31 December 2025 are set out in the consolidated statement of profit or loss and the consolidated statement of comprehensive income on pages 171 to 172 of this annual report.

DIVIDEND

An interim dividend of HK\$0.10 per Share for the six months ended 30 June 2025 was declared and paid during the year ended 31 December 2025.

On Friday, 27 March 2026, the Board has resolved to recommend the payment of a final dividend of HK\$0.04 per Share for the year ended 31 December 2025. The 2025 Final Dividend is intended to be paid out of the share premium account of our Company and is subject to the approval of the Shareholders. The circular convening the AGM to be held on Friday, 8 May 2026 will be dispatched to the Shareholders who request the printed copy in due course.

Upon the approval of the Shareholders, the 2025 Final Dividend will be payable on or around Tuesday, 16 June 2026 to the Shareholders whose names appear on the register of members of our Company on Wednesday, 3 June 2026. Including the interim dividend of HK\$0.1 per Share for the six months ended 30 June 2025, the total dividend for 2025 was HK\$0.14 per Share, which represents a payout ratio of 21.9% of the profit attributable to the Shareholders for the year ended 31 December 2025.

There is no arrangement that a Shareholder has waived or agreed to waive any dividend.

BUSINESS REVIEW AND FUTURE OUTLOOK

A review of business and future outlook of our Group during the year ended 31 December 2025 is set out in the section headed “Management Discussion and Analysis” of this annual report.

SIGNIFICANT LEGAL PROCEEDINGS

Save as disclosed in the section headed “Management Discussion & Analysis – Contingent Liabilities”, our Group was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatening against our Company during the year ended 31 December 2025.

COMPLIANCE WITH LAWS AND REGULATIONS

During the year ended 31 December 2025, our Group has complied with the relevant laws and regulations that have a significant impact on our Company.

REPORT OF THE DIRECTORS

PRINCIPAL RISKS AND UNCERTAINTIES AND RISK MANAGEMENT

Our Group is exposed to various risks in the operations of its business and our Group believes that risk management is important to its success. Key operational risks faced by our Group include, among others, changes in general market conditions and perceptions of private higher education, changes in the regulatory environment in the PRC private higher education industry, its ability to offer quality education to its students, its ability to increase student enrollment and/or raising tuition rates, its potential expansion, availability of financing to fund our expansion and business operations, and competition from other university operators that offer similar or higher quality of educational services.

In addition, our Group also faces numerous market risks, such as interest rate, credit and liquidity risks that arise in the normal course of our business.

Interest Rate Risk

Our Group's exposure to risk for changes in market interest rates relates primarily to our Group's interest-bearing bank borrowings. We do not use derivative financial instruments to hedge interest rate risk. We manage our interest cost using variable rate bank borrowings.

The sensitivity analysis below has been determined based on the exposure to interest rates for our Group's variable rate bank loans and bank balances at the end of each reporting period and assumed that the amount outstanding at the end of each reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, our Group's post-tax profit for the year ended 31 December 2025 and 2024 would decrease/increase by RMB938,000 and RMB3,966,000, respectively. This is mainly attributable to our Group's exposure to interest rates on our bank balances and borrowing with variable rates.

Credit Risk

Our Group only trades with recognized and creditworthy third parties. It is our Group's policy that all customers who wish to receive credit are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and our Group's exposure to bad debts is not significant.

Liquidity Risk

Our Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing borrowings. Cash flows are closely monitored on an ongoing basis.

Risk Management

To properly manage these risks and uncertainties, our Group has established the following risk management structures and measures. The details are set out in the paragraph headed "Risk Management and Internal Control" of the corporate governance report.



REPORT OF THE DIRECTORS

FINANCIAL SUMMARY

A summary of our Group's results, assets and liabilities for the last five financial years are set out in the section headed "Financial Highlights" of this annual report. This summary does not form part of the audited consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

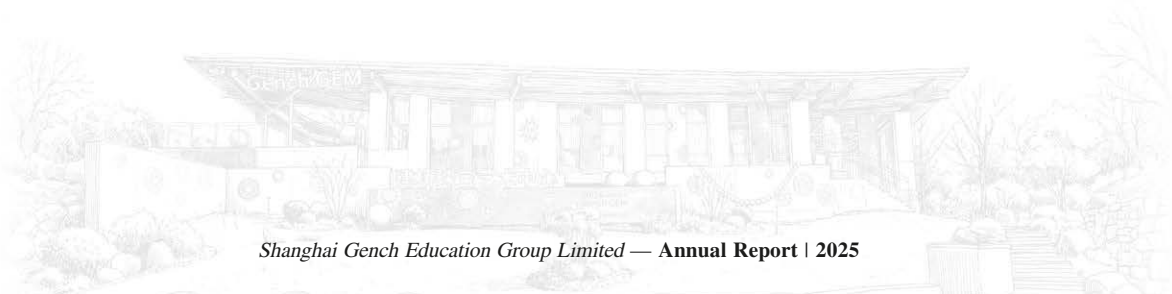
Our Group's customers primarily consist of its students. We did not have any single customer who accounted for more than 5% of our revenue for the year ended 31 December 2025. The aggregate percentage of revenue attributable to the five largest customers is less than 30% of our revenue for the year ended 31 December 2025.

Our Group's suppliers primarily consist of construction service providers, enterprise partners who provide training to its students, technology service providers, and teaching equipment suppliers. For the year ended 31 December 2025, purchases from our five largest suppliers amounted to RMB140.8 million, accounting for 53.5% of our Group's total purchases for the year ended 31 December 2025. For the same period, purchases from our largest supplier amounted to RMB65.9 million, accounting for 25.1% of our total purchases for the year ended 31 December 2025. Our Group's largest supplier in 2025 is a construction service provider. The amount of purchases from our Group's five largest suppliers and from our Group's largest supplier went up due to the construction services our Group procured for the construction of teaching and training building, talent apartment building and multifunction building.

None of the Directors, their respective close associates, or any Shareholder who, to the knowledge of the Directors, owns more than 5% of our issued capital, had any interest in any of our Group's five largest customers or suppliers for the year ended 31 December 2025.

RELATIONSHIP WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

Our Group understands the importance of maintaining a good relationship with its employees, suppliers and customers to meet its immediate and long-term goals. Our Group maintains a good relationship with employees, suppliers and customers. During the Reporting Period, there were no material and significant dispute between our Group and its employees, suppliers and/or customers.



REPORT OF THE DIRECTORS

PROPERTY AND EQUIPMENT

Details of movements in the property and equipment of our Group during the year ended 31 December 2025 are set out in note 13 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of our Company during the year ended 31 December 2025 are set out in note 29 to the consolidated financial statements.

RESERVES AND DISTRIBUTABLE RESERVES

As at 31 December 2025, the distributable reserves of our Company, amounted to approximately RMB118.2 million.

Details of movements in the reserves of our Group and our Company during the year ended 31 December 2025 are set out in the consolidated statement of changes in equity on page 175 and note 30 to the consolidated financial statements.

BANK BORROWINGS

The bank borrowings of our Group primarily consisted of short-term working capital loans and long-term project loans for the construction of the school premises. All the bank borrowings were denominated in RMB. Details of the bank borrowings of our Group as at 31 December 2025 are set out in note 26 to the consolidated financial statements.

DIRECTORS

The Directors of our Company during the Reporting Period and up to the date of this annual report are:

Executive Directors

Mr. Zhao Donghui

Mr. Ding Zheyin

Non-executive Directors

Ms. Li Huihui (*Resigned on 19 December 2025*)

Mr. Fang Xiaoge (*Appointed on 19 December 2025*)

Mr. Ye Qionghai

Ms. Zhao Jiaqiao

Independent Non-executive Directors

Mr. Chen Baizhu

Mr. Hu Rongen

Ms. Liu Tao

In accordance with article 83(3) of the Articles of Association, any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of our Company and shall then be eligible for re-election. Accordingly, Mr. Fang Xiaoge shall hold office till the AGM and, being eligible, will offer himself for re-election at the AGM.



REPORT OF THE DIRECTORS

In accordance with articles 84(1) and 84(2) of the Articles of Association, one-third of the Directors shall retire from office by rotation at each annual general meeting and shall then be eligible for re-election, and any Director appointed by the Board pursuant to article 83(3) of the Articles of Association shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation. Accordingly, Mr. Ye Qionghai, Ms. Zhao Jiaqiao and Mr. Hu Rongen shall retire by rotation, and being eligible, have offered themselves for re-election at the AGM.

No Director proposed for re-election at the forthcoming AGM has an unexpired service contract or letter of appointment which is not determinable by our Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

Details of the Directors to be re-elected at the AGM are set out in the circular will be sent to the Shareholders in due course.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of our Company are set out in the section headed “Directors and Senior Management” of this annual report.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Each independent non-executive Director should inform our Company as soon as possible if there is any change of circumstances which may affect his/her independence. No such notification was received during the financial year. Our Company considers all the independent non-executive Directors to be independent because they were free from any business or other relationship which could affect their ability to discharge their duties independently.

DIRECTORS’ MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in the paragraph headed “Non-exempt Continuing Connected Transaction” and otherwise disclosed in this annual report, no Director or its connected entity (within the meaning of section 486 of the Companies Ordinance) had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of our Group to which our Company, or any of its subsidiaries or fellow subsidiaries was a party during the Reporting Period.

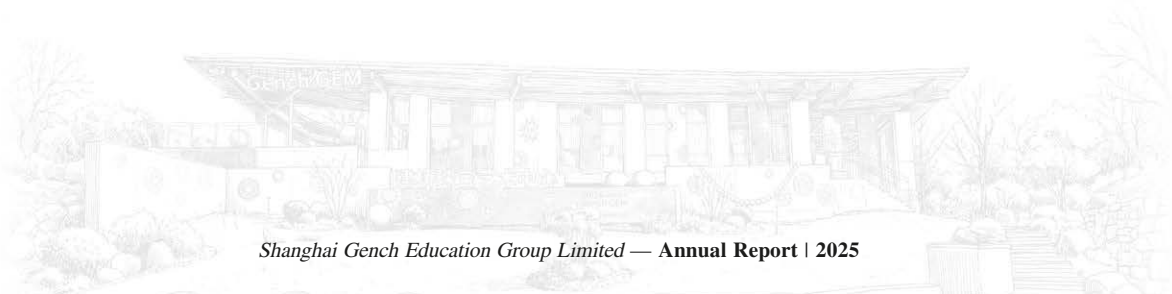
MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of our Company were entered into or existed for the Reporting Period.

EMOLUMENT POLICY

A remuneration committee was set up for reviewing our Group’s remuneration policy and structure for all remuneration of the Directors and senior management of our Group, having regard to our Group’s operating results, individual performance of the Directors and senior management and comparable market practices.

The Directors and senior management may also receive options to be granted under the Share Option Scheme. For further details of the Share Option Scheme, please refer to the paragraph headed “Share Option Scheme” below.



REPORT OF THE DIRECTORS

Our Company has adopted the Share Award Scheme in which (i) an employee (whether full time or part time), executive or officer, (ii) a director (including any executive, non-executive and independent executive director), or (iii) any consultant or adviser (whether professional or otherwise being engaged whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid), of any member of our Group who, in the sole discretion of the Board, has contributed or may contribute to the growth and development of our Group will be entitled to participate. For further details of the Share Award Scheme, please refer to the paragraph headed “Share Award Scheme” below.

Details of the remuneration of the Directors and five highest paid individuals during the Reporting Period are set out in notes 8 and 9 to the consolidated financial statements. None of the Directors waived any emoluments during the Reporting Period.

RETIREMENT AND EMPLOYEE BENEFITS SCHEME

Details of the retirement and employee benefits scheme of our Company are set out in note 28 to the consolidated financial statements.

DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2025, the interests and short positions of the Directors and the chief executive of our Company in the Shares, underlying Shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) which have been notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were recorded in the register required to be kept pursuant to section 352 of the SFO or as otherwise notified to our Company and the Stock Exchange pursuant to the Model Code as set out in Appendix C3 to the Listing Rules were as follows:

I. Interest in Shares or underlying Shares of our Company

<u>Name</u>	<u>Capacity/Nature of interest</u>	<u>Number of Shares</u>	<u>Long/short Position</u>	<u>Approximately Percentage of Shareholding in our Company⁽⁴⁾</u>
Mr. Zhao Donghui	Interest in a controlled corporation ⁽¹⁾	100,000,000	Long position	24.10%
	Person having a security interest in shares ^{(1), (2)}	25,043,500	Long position	6.03%
Mr. Ye Qionghai	Beneficial owner	4,728,000	Long position	1.14%
Mr. Zhou Tianming	Interest in a controlled corporation ⁽³⁾	10,808,000	Long position	2.60%

REPORT OF THE DIRECTORS

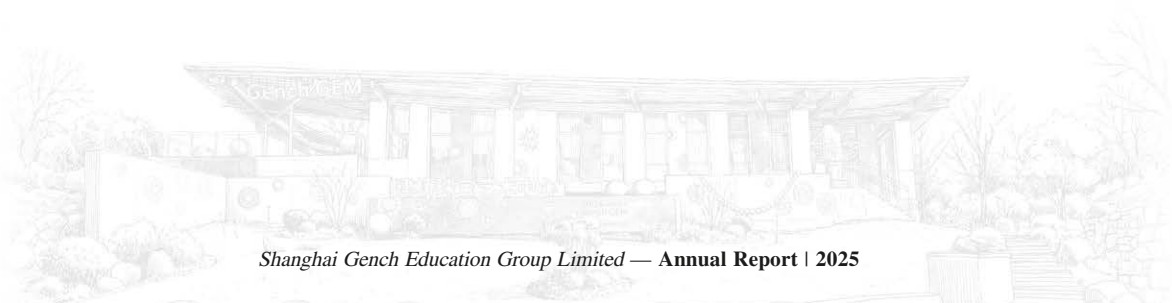
Notes:

- (1) On 21 January 2022, Ai Xin Limited and Hangzhou Changqi Enterprise Management Consulting Partnership (Limited Partnership) entered into a sale and purchase agreement pursuant to which Fwin Limited (a wholly-owned subsidiary of Hangzhou Changqi Enterprise Management Consulting Partnership (Limited Partnership)) agreed to acquire 70,000,000 ordinary shares of the Company from Ai Xin Limited for a consideration of HK\$423,500,000. Ai Xin Limited and Fwin Limited are controlled corporations of Mr. Zhao Donghui.

Further information in relation to interests of corporations controlled by Mr. Zhao Donghui are set out below:

Name of controlled corporation	Name of controlling person	% control	Direct interest (Y/N)	Long/Short position	Number of Shares
Ai Xin Limited	Mr. Zhao Donghui	100.00	Y	Long position	55,043,500
Changjiu Industrial Group Co., Ltd.	Mr. Zhao Donghui	90.00	N	Long position	70,000,000
Shanghai Jiu hao Enterprise Management Consulting Co., Ltd.	Changjiu Industrial Group Co., Ltd.	100.00	N	Long position	70,000,000
Hangzhou Changqi Enterprise Management Consulting Partnership (Limited Partnership)	Shanghai Jiu hao Enterprise Management Consulting Co., Ltd.	0.01	N	Long position	70,000,000

- (2) As at 31 December 2025, eight shareholders of our Company has pledged a total of 25,043,500 Shares (excluding voting rights and rights to receive income) to Ai Xin Limited. For details of the pledge, please refer to the announcement of our Company dated 11 June 2021.
- (3) Mr. Zhou Tianming is the sole shareholder and the sole director of Kai Tuo Limited and he is therefore deemed to be interested in the 10,808,000 Shares held by Kai Tuo Limited.
- (4) The approximately percentage of shareholding in our Company is calculated based on the total number of 415,000,000 shares in issue as at 31 December 2025.



REPORT OF THE DIRECTORS

II. Interest in shares of associated corporation of our Company

Name	Name of associated corporation	Capacity/ Nature of interest	Amount of registered share capital (RMB)	Approximate percentage of shareholding
Mr. Zhao Donghui	Jian Qiao Group	Beneficial owner	17,500,000	10.00%
Mr. Zhou Tianming	Jian Qiao Group	Beneficial owner	8,750,000	5.00%

Save as disclosed above, as at 31 December 2025, none of the Directors or the chief executive of our Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to our Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2025, to the best knowledge of the Directors, the following persons (other than being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name	Capacity/ Nature of interest	Number of Shares	Long/short Position	Approximately Percentage of Shareholding in our Company ⁽⁴⁾
Ai Xin Limited	Beneficial owner ⁽¹⁾	30,000,000	Long position	7.23%
	Person having a security interest in shares ⁽²⁾	25,043,500	Long position	6.03%
Fwin Limited	Beneficial owner ⁽¹⁾	70,000,000	Long position	16.87%
Hangzhou Changqi Enterprise Management Consulting Partnership (Limited Partnership)	Interest in a controlled corporation ⁽¹⁾	70,000,000	Long position	16.87%
Shanghai Jiu hao Enterprise Management Consulting Co., Ltd.	Interest in a controlled corporation ⁽¹⁾	70,000,000	Long position	16.87%
Changjiu Industrial Group Co., Ltd.	Interest in a controlled corporation ⁽¹⁾	70,000,000	Long position	16.87%
Ze Ren Limited	Beneficial owner ⁽³⁾	21,550,000	Long position	5.19%
Everone (Hong Kong) Company Limited	Beneficial owner	25,880,000	Long position	6.24%
Jong Yat Kit	Interest in a controlled corporation ⁽³⁾	21,550,000	Long position	5.19%
So Man Chun	Interest in a controlled corporation ⁽³⁾	21,550,000	Long position	5.19%

REPORT OF THE DIRECTORS

Notes:

- (1) Further information are set out in note 1 on pages 180 to 181 of this annual report.
- (2) As at 31 December 2025, eight shareholders of the Company pledged a total of 25,043,500 Shares to Ai Xin Limited. For details of the pledge, please refer to the announcement of the Company dated 11 June 2021.
- (3) Mr. So Man Chun and Mr. Jong Yat Kit have been appointed as the joint and several receivers over 100% of issued ordinary shares of Ze Ren Limited on 27 January 2025.
- (4) The approximately percentage of shareholding in our Company is calculated based on the total number of 415,000,000 shares in issue as at 31 December 2025.

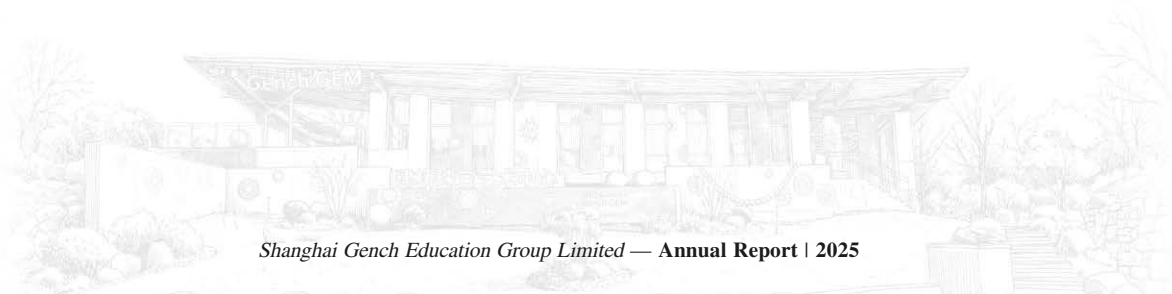
Save as disclosed above, as at 31 December 2025, the Directors and the chief executive of our Company were not aware of any persons (who were not Directors or chief executive of our Company) who had an interest or short position in the Shares or underlying Shares of our Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this annual report, at no time during the Reporting Period was our Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, our Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of our Company or any other body corporate or had exercised any such right.

SHARE AWARD SCHEME

On 11 December 2020, our Company adopted the Share Award Scheme in which (i) an employee (whether full time or part time), executive or officer, (ii) a director (including any executive, non-executive and independent non-executive director), or (iii) any consultant or adviser (whether professional or otherwise being engaged whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid) of any member of our Group who, in the sole discretion of the Board, has contributed or may contribute to the growth and development of our Group (the "Eligible Participant"), will be entitled to participate. Pursuant to the Chapter 17 of the Listing Rules as amended on 1 January 2023, the Company may continue to make grants to directors and employees of the Group under the Share Award Scheme (i) to award existing shares, and (ii) to award new shares using general mandate until the second AGM after 1 January 2023, upon which the Company would be required to amend the terms of the Share Award Scheme to comply with the amended Chapter 17 of the Listing Rules and seek shareholders' approval for a new scheme mandate. The Share Award Scheme was adopted before Chapter 17 of the Listing Rules was amended on 1 January 2023. As such, the Company will comply with the amended Chapter 17 of the Listing Rules in accordance with the transitional arrangement provided for the existing share schemes. The Company will continue to grant existing Shares to directors and employees of the Group under the Share Award Scheme, but it will not grant new Shares under the Share Award Scheme before any applicable amendments required pursuant to the amended Chapter 17 of the Listing Rules.



REPORT OF THE DIRECTORS

1. Purposes and Participants

The purposes and objectives of the Share Award Scheme are (i) to recognise the contributions by certain Eligible Participants and to provide them with incentives in order to retain them for the continual operation and development of our Group; and (ii) to attract suitable personnel for further development of our Group.

2. Duration

Subject to any early termination as may be determined by the Board pursuant to rules of the Share Award Scheme (the “Scheme Rules”), the Share Award Scheme shall be valid and effective from 11 December 2020 to the date the last of the number of Shares determined by the Board and granted to such relevant Eligible Participant selected by the Board pursuant to the Scheme Rules for participating in the Share Award Scheme (the “Selected Participant”) has been vested and transferred to the Selected Participant or has lapsed in accordance with the Scheme Rules provided that no award shall be made on or after the 10th anniversary date of 11 December 2020. The remaining life of the Share Award Scheme is around five years as at 31 December 2025.

3. Scheme Limit

The Board shall not make any further award of awarded shares which will result in the number of existing and new Shares awarded by the Board under the Share Award Scheme exceeding 5% (i.e. 20,750,000 Shares) of the issued share capital of our Company as at 11 December 2020. The maximum number of Shares which may be awarded to a Selected Participant under the Share Award Scheme shall not exceed 1% (i.e. 4,150,000 Shares) of the issued share capital of our Company as at 11 December 2020.

The total number of new Shares available for issue under the Share Award Scheme utilising the general mandate granted by the Shareholders at the annual general meeting on 11 May 2025 was 20,750,000 Shares, representing approximately 5.0% of the issued Shares as at the date of this annual report. The total number of new Shares available for issue under the Share Award Scheme and the Share Option Scheme shall not in aggregate exceed 40,000,000 Shares, representing approximately 9.6% of the issued Shares as at the date of this annual report. The Company will not grant new Shares under the Share Award Scheme before any applicable amendments required pursuant to amended Chapter 17 of the Listing Rules.

4. Vesting Period of Awards

Under the terms of the Share Award Scheme, there is no vesting period for any award granted under the Scheme. However, awarded shares shall vest to relevant Eligible Participants in according with the vesting schedule (if any) determined at the discretion of the Board.

5. Amount Payable for Awards and Purchase Price

Under the terms of the Share Award Scheme, there is no specified amount payable on acceptance of any award granted under the Scheme, no specified period within which payments must be made, and no purchase price of Shares awarded. However, the Board is entitled to impose any conditions (including, without limitation, the performance, operating and financial targets and other criteria, if any, to be satisfied by the Selected Participant), as it deems appropriate in its sole and absolute discretion before the Awarded Shares can vest.



REPORT OF THE DIRECTORS

6. Share Purchase Pursuant to the Share Award Scheme

On 11 December 2020, the Board resolved to provide from time to time but in any event a total sum of not exceeding HK\$100 million for the trustee, namely CMB Wing Lung (Trustee) Limited, to purchase existing Shares at appropriate time and hold such Shares for future award of Shares under the Share Award Scheme. Since the adoption of the Share Award Scheme, the trustee of the Share Award Scheme, pursuant to the terms of the trust deed of the Share Award Scheme, has purchased on the Stock Exchange a total of 20,500,000 Shares at a total consideration of approximately HK\$94,373,515, among which during the Reporting Period, the trustee of the Share Award Scheme purchased on the Stock Exchange a total of 0 Shares at a total consideration of approximately HK\$0.

The trustee of the Share Award Scheme shall not exercise the voting rights in respect of any Shares held by it.

For more details of the Share Award Scheme, please refer to the announcements of our Company dated 11 December 2020 and 22 December 2020.

No award has been granted, lapsed or cancelled under the Share Award Scheme during the Reporting Period and since its adoption up to the date of this annual report.

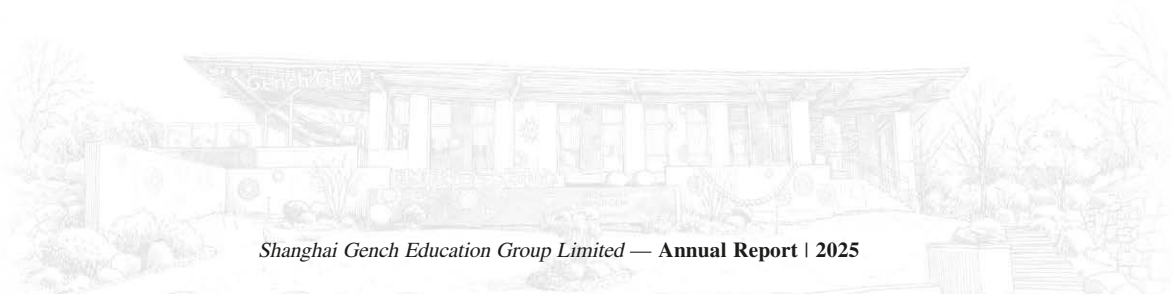
The number of awards over existing and new Shares available for grant under the Share Award Scheme at the beginning and the end of the Reporting Period are both 20,750,000.

SHARE OPTION SCHEME

The following is a summary of principal terms of the Share Option Scheme conditionally approved by a resolution of the then shareholders of our Company passed on 19 December 2019 and adopted by a resolution of the Board on 19 December 2019 (the “Adoption Date”).

1. Purpose and Participants

The purpose of the Share Option Scheme is to give the Eligible Persons (as defined in the Prospectus) an opportunity to have a personal stake in our Company and help motivate them to optimize their future contributions to our Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going 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 our Group, and additionally in the case of Executives (as defined in the Prospectus), to enable our Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions. The Board may, at its absolute discretion, offer options (“Options”) to subscribe for such number of Shares in accordance with the terms set out in the Share Option Scheme to the Eligible Persons. Pursuant to the Chapter 17 of the Listing Rules as amended on 1 January 2023, the Company may continue to make grants to directors and employees of the Group under the Share Option Scheme until the refreshment or expiry of the existing scheme mandate, upon which the Company would be required to amend the terms of the Share Option Scheme to comply with the amended Chapter 17 of the Listing Rules and seek shareholders’ approval for a new scheme mandate.



REPORT OF THE DIRECTORS

2. Maximum Number of Shares

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Scheme and any other schemes of our Group shall not in aggregate exceed 10% of the Shares in issue as at the Listing Date (such 10% limit representing 40,000,000 Shares) excluding Shares which may fall to be issued upon the exercise of the Over-allotment Option granted by our Company.

Assuming no award has been granted under the Share Award Scheme, the total number of Shares available for issue under the Share Option Scheme was 40,000,000 Shares, representing approximately 9.6% of the issued Shares as at the date of this annual report. The total number of new Shares available for issue under the Share Award Scheme and the Share Option Scheme shall not in aggregate exceed 40,000,000 Shares, representing approximately 9.6% of the issued Shares as at the date of this annual report.

3. Maximum Entitlement of Each Participant

No Option may be granted to any one person such that the total number of Shares issued and to be issued upon exercise of Options granted and to be granted to that person in any 12-month period exceeds 1% of our Company's issued share capital from time to time.

4. Offer and Grant of Options

Subject to the terms of the Share Option Scheme, the Board shall be entitled at any time within 10 years from the Adoption Date to offer the grant of an Option to any Eligible Person as the Board may in its absolute discretion select to subscribe at the subscription price for such number of Shares as the Board may (subject to the terms of the Share Option Scheme) determine (provided the same shall be a board lot for dealing in the Shares on the Stock Exchange or an integral multiple thereof).

5. Exercise Period, Vesting and Performance Target

Subject to the provisions of the Listing Rules, the Board may impose any conditions, restrictions or limitations when offering the grant of an Option. Subject to such terms and conditions as the Board may determine as aforesaid (including such terms and conditions in relation to their vesting, exercise or otherwise) under the terms of the Share Option Scheme, there is no specific period within which the option may be exercised by the grantee, and there is no vesting period for any option granted under the Scheme, and there is no performance target which need to be achieved by the grantee before the Option can be exercised.

6. Amount Payable for Options and Offer Period

An offer of the grant of an Option shall remain open for acceptance by the Eligible Person concerned for a period of 28 days from the offer date. Participants of the Share Option Scheme are required to pay our Company HK\$1.00 upon acceptance of the grant on or before 28 days after the offer date.

REPORT OF THE DIRECTORS

7. Subscription Price

The subscription price shall be such price as the Board may determine at the time of grant of the relevant Option but the subscription price shall not be less than whichever is the highest of:

- (a) the nominal value of a Share;
- (b) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the offer date; and
- (c) the average closing price of a Share as stated in the Stock Exchange's daily quotations sheets for the 5 business days (as defined in the Listing Rules) immediately preceding the offer date.

8. Life of Share Option Scheme

Subject to the terms of this Share Option Scheme, the scheme shall be valid and effective for a period of 10 years from the date on which it becomes unconditional, after which no further options will be granted or offered but the provisions of the Share Option Scheme shall remain in force and effect in all other respects. All Options granted prior to such expiry and not then exercised shall continue to be valid and exercisable subject to and in accordance with the Share Option Scheme. The remaining life of the Share Option Scheme is around five years as at 31 December 2025.

No option has been granted, exercised, lapsed or cancelled under the Share Option Scheme since its adoption up to the date of this annual report.

The number of options available for grant under the Share Option Scheme at the beginning and the end of the Reporting Period are both 40,000,000.

EQUITY-LINKED AGREEMENTS

Save as disclosed in the sections headed "Share Award Scheme" and "Share Option Scheme" of this annual report and in the Prospectus, during the Reporting Period, neither our Company nor any of its subsidiaries had entered into (i) any agreement that will or may result in our Company issuing Shares; or (ii) any agreement requiring our Company to enter into any agreement specified in (i).

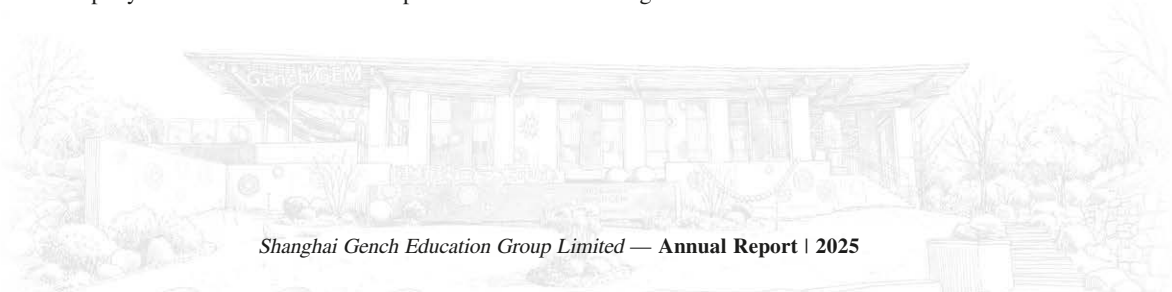
PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF OUR COMPANY

Neither our Company nor any of its subsidiaries had purchased, sold or redeemed any other listed securities of our Company (including sale or transfer of treasury shares as defined in the Listing Rules) during the Reporting Period. As at 31 December 2025, the Company did not hold any treasury shares.

Separately, during the year ended 31 December 2025, no Shares were purchased by the trustee of the Share Award Scheme pursuant to the terms of the trust deed of the Share Award Scheme.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands that would oblige our Company to offer new Shares on a pro rata basis to existing Shareholders.



REPORT OF THE DIRECTORS

PERMITTED INDEMNITY PROVISION

Pursuant to article 164(1) of the Articles of Association, the Directors shall be indemnified and secured harmless out of the assets and profits of our Company from and against all actions, costs, charges, losses, damages and expenses which they or any of the Directors shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to our Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to our Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto; provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the Reporting Period, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or is likely to compete, either directly or indirectly, with the businesses of our Group.

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

During the Reporting Period, the following transactions carried out by our Group and the connected persons of our Company constituted non-exempt continuing connected transactions of our Company pursuant to Chapter 14A of the Listing Rule:

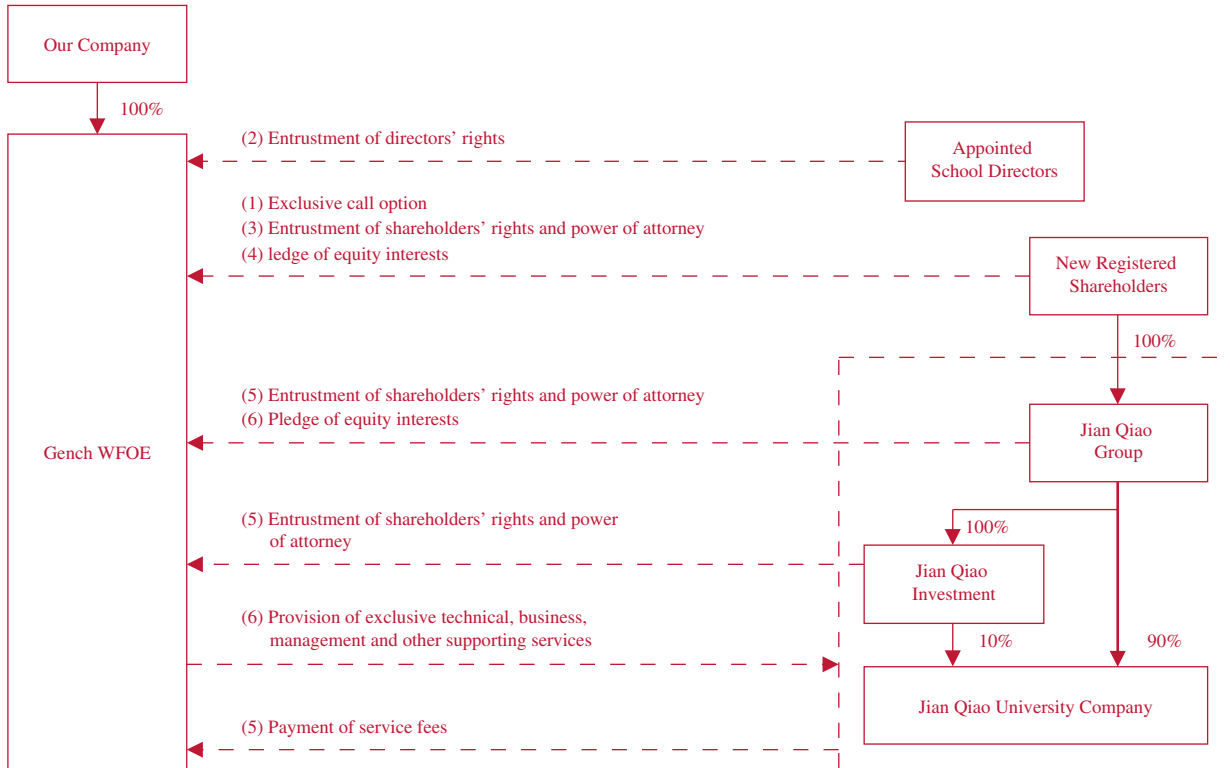
New Contractual Arrangements

A. Overview

The PRC laws and regulations currently restrict the operation of formal higher education to sino-foreign ownership, in addition to imposing a qualification requirement on the foreign owners. As a result, upon internal restructuring of our Group as described in the announcement of our Company dated 20 January 2021, our Group, through our wholly-owned subsidiary, Gench WFOE, the New PRC Affiliated Entities and the New Registered Shareholders entered into the New Contractual Arrangements such that we can conduct our business operations indirectly in the PRC through the New PRC Affiliated Entities while complying with applicable PRC law and regulations. The New Contractual Arrangements, as a whole, are designed to provide our Group with effective control over the financial and operational policies of the New PRC Affiliated Entities, to the extent permitted by PRC law and regulations, the right to acquire the equity interest and/or school sponsor's interest in the New PRC Affiliated Entities through Gench WFOE. As we operate our education business indirectly through the New PRC Affiliated Entities and we do not hold any direct equity interest or school sponsor's interest in the New PRC Affiliated Entities, the New Contractual Arrangements were entered into on 29 January 2021 pursuant to which all material business activities of the New PRC Affiliated Entities are instructed and supervised by our Group through Gench WFOE, and all economic benefits arising from such business of the New PRC Affiliated Entities are transferred to our Group.

REPORT OF THE DIRECTORS

The following simplified diagram illustrates the flow of economic benefits from the New PRC Affiliated Entities to our Group stipulated under the New Contractual Arrangements:



“—————” denotes direct legal and beneficial ownership in the equity interest

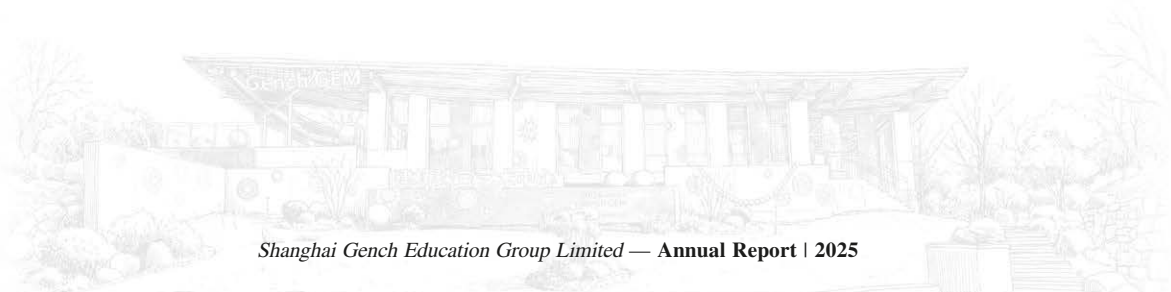
“- - - - -” denotes New Contractual Arrangements

B. Summary of the Material Terms of the New Contractual Arrangements

The New Contractual Arrangements consist of a series of agreements, including the New Business Cooperation Agreement, the New Exclusive Technical Service and Management Consultancy Agreement, the New Exclusive Call Option Agreement, the New Directors' Rights Entrustment Agreement, the New Directors' Power of Attorney, the New Shareholders' Rights Entrustment Agreement (I), the New Shareholders' Rights Entrustment Agreement (II), the New Shareholders' Power of Attorney (I), the New Shareholders' Power of Attorney (II), the New Spouse Undertakings, the No Spouse Undertaking, and the New Equity Pledge Agreements, each of which is an integral part of the New Contractual Arrangements. For summary of material terms of these agreements, please refer to the announcement of our Company dated 20 January 2021.

C. Business Activities of the New PRC Affiliated Entities

The business activities of the New PRC Affiliated Entities of our Group, namely the School Holders and Jian Qiao University Company, are primarily to offer higher educational services to our Group's students.



REPORT OF THE DIRECTORS

D. Significance and Financial Contributions of the New PRC Affiliated Entities

Pursuant to the New Contractual Arrangements, our Group obtains control over and derives the economic benefits from the New PRC Affiliated Entities. The table below sets out the financial contribution of the New PRC Affiliated Entities to our Group, including revenue, net profit and total assets of the New PRC Affiliated Entities consolidated into our Group's financial statements pursuant to the New Contractual Arrangements:

	Significances and financial contribution to our Group					
	Revenue for the year ended		Net profit for the year ended		Total assets as at	
	31 December		31 December		31 December	
	2025	2024	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
New PRC Affiliated Entities	962,763	944,443	159,258	171,225	3,285,681	3,624,675

Note:

- (1) include Shanghai Jian Qiao University, a private non-enterprise unit established on 28 June 2000 and de-registered on 9 August 2021.

E. Regulatory Update

1. Qualification Requirement

The foreign investor in a Sino-foreign joint venture private school offering higher education must be a foreign educational institution with relevant qualification and high quality of education (the "Qualification Requirement"). Foreign portion of the total investment in a Sino-foreign joint venture private school should be below 50% and the establishment of these schools is subject to approval of education authorities at the provincial or national level. We are committed to working towards meeting the Qualification Requirement. We have adopted a specific plan and taken concrete steps which our Company believes to be meaningful endeavors to demonstrate compliance with the Qualification Requirement. Please also refer to the section headed "Contractual Arrangements" in the Prospectus for our Group's efforts and actions undertaken to comply with the Qualification Requirement.

As advised by our PRC Legal Advisors, there are no implementing measures or specific guidance on the Qualification Requirement in accordance with the existing PRC laws and regulations and therefore it is currently uncertain as to what specific criteria must be met by a foreign investor (such as length of experience and form and extent of ownership in the foreign jurisdiction) in order to demonstrate to the relevant educational authority that it meets the Qualification Requirement.

2. Foreign Investment Law

The Foreign Investment Law, which took effect on 1 January 2020, replaced the Law on Sino-Foreign Equity Joint Ventures, the Law on Sino-Foreign Contractual Joint Ventures and the Law on Foreign-Capital Enterprises and became the legal foundation for foreign investment in the PRC.

REPORT OF THE DIRECTORS

Conducting operations through contractual arrangements has been and will be further adopted by many PRC-based companies, including us, to obtain and maintain necessary licenses and permits in the industries that are currently subject to foreign investment restrictions or prohibitions in China. The Foreign Investment Law does not explicitly stipulate contractual arrangements as a form of foreign investment. As advised by our PRC Legal Advisors, since contractual arrangements are not specified as foreign investment under the Foreign Investment Law, and if the future laws, regulations and rules do not incorporate contractual arrangements as a form of foreign investment and the operation of higher education is still in the Negative List, the New Contractual Arrangements as a whole and each of the agreements comprising the New Contractual Arrangements will not be affected and will continue to be legal, valid and binding on the parties.

Notwithstanding the above, there are possibilities that future laws, administrative regulations or provisions of the State Council may stipulate contractual arrangements as a way of foreign investment, and then whether the New Contractual Arrangements will be recognized as foreign investment, whether the New Contractual Arrangements will be deemed to be in violation of the foreign investment access requirements and how the New Contractual Arrangements will be handled are uncertain.

If the operation of higher education institutions is no longer in the Negative List and our Group can legally operate the education business under the PRC laws, Gench WFOE will exercise the equity call option under the New Exclusive Call Option Agreement to acquire the equity interest in the New PRC Affiliated Entities and unwind the New Contractual Arrangements subject to re-approval by the relevant authorities.

F. Risks Associated with the New Contractual Arrangements

1. Loss sharing and Economic Risks of our Company

In the event that the New PRC Affiliated Entities incur any loss or encounter any operational crisis, Gench WFOE may, but is not obliged to, provide financial support to the New PRC Affiliated Entities.

None of the agreements constituting the New Contractual Arrangements provide that our Company or its wholly-owned PRC subsidiary, Gench WFOE, is obligated to share the losses of the New PRC Affiliated Entities or provide financial support to the New PRC Affiliated Entities. Further, the New PRC Affiliated Entities shall be solely liable for its own debts and losses with assets and properties owned by it.

Under PRC laws and regulations, our Company or Gench WFOE, is not expressly required to share the losses of the New PRC Affiliated Entities or provide financial support to the New PRC Affiliated Entities. Despite the foregoing, given that the New PRC Affiliated Entities' financial condition and results of operations are consolidated into our Group's financial condition and results of operations under the applicable accounting principles, our Company's business, financial condition and results of operations would be adversely affected if the New PRC Affiliated Entities suffer losses. However, due to the restrictive provisions contained in the New Contractual Arrangements as disclosed in the respective paragraphs headed "(1) New Business Cooperation Agreement" and "(3) New Exclusive Call Option Agreement" in the announcement dated 20 January 2021, the potential adverse effect on Gench WFOE and our Company in the event of any loss suffered from the New PRC Affiliated Entities can be limited to a certain extent.

2. Limitations in Exercising the Option to Acquire Ownership in the New PRC Affiliated Entities

Our Group may incur substantial cost on our part to exercise the option to acquire the equity interest in the New PRC Affiliated Entities. Pursuant to the New Exclusive Call Option Agreement, Gench WFOE or its designated purchaser has the exclusive right to purchase all or part of the equity interest in the New PRC Affiliated Entities at the lowest price permitted under the PRC laws and regulations.

REPORT OF THE DIRECTORS

In the event that Gench WFOE or its designated purchaser acquires such equity interest and the relevant PRC authorities determine that the purchase price for acquiring the equity interest is below market value, Gench WFOE or its designated purchaser may be required to pay enterprise income tax with reference to the market value such that the amount of tax may be substantial, which could materially and adversely affect our business, financial condition and results of operations.

3. *The PRC government may find that the New Contractual Arrangements do not comply with applicable PRC laws and regulations*

If the New Contractual Arrangements that establish the structure for operating the Group's China business are found to be in violation of any PRC laws or regulations in the future or fail to obtain or maintain any of the required permits or approvals, the relevant PRC regulatory authorities, including the Ministry of Education, which regulates the education industry, would have broad discretion in dealing with such violations.

4. *The New Registered Shareholders may have conflicts of interest with the Group*

The New Registered Shareholders may potentially have conflicts of interest with us and breach their contracts or undertakings with us if it would further their own interest or if they otherwise act in bad faith. In the event that such conflict of interest cannot be resolved in our favor, we would have to rely on legal proceedings which could result in disruption to our business and we are subject to any uncertainty as to the outcome of such legal proceedings.

5. *The New Contractual Arrangements may not be as effective in providing control over the New PRC Affiliated Entities as direct ownership*

The Group has relied and expects to continue to rely on the New Contractual Arrangements to operate the majority of our education business in China. The New Contractual Arrangements may not be as effective in providing us with control over the New PRC Affiliated Entities as direct ownership of equity interest ownership. If the parties under such New Contractual Arrangements refuse to carry out our directions in relation to everyday business operations, we will be unable to maintain effective control over the operations of the New PRC Affiliated Entities. If we were to lose effective control over the New PRC Affiliated Entities, certain negative consequences would result, including our being unable to consolidate the financial results of the New PRC Affiliated Entities with our financial results.

6. *The New Contractual Arrangements may be subject to scrutiny by the PRC tax authorities and additional tax may be imposed*

Under PRC laws and regulations, arrangements and transactions among related parties may be subject to audit or challenge by the PRC tax authorities. We could face material and adverse tax consequences if the PRC tax authorities determine that the New Exclusive Technical Service and Management Consultancy Agreement we have with the New PRC Affiliated Entities does not represent an arm's length price and adjust any of those entities' income in the form of a transfer pricing adjustment. In addition, PRC tax authorities may have reason to believe that Gench WFOE or the New PRC Affiliated Entities are dodging their tax obligations, and we may not be able to rectify such incident within the limited timeline required by PRC tax authorities. As a result, the PRC tax authorities may impose late payment fees and other penalties on us for under-paid taxes, which could materially and adversely affect our business, financial condition and results of operations.



REPORT OF THE DIRECTORS

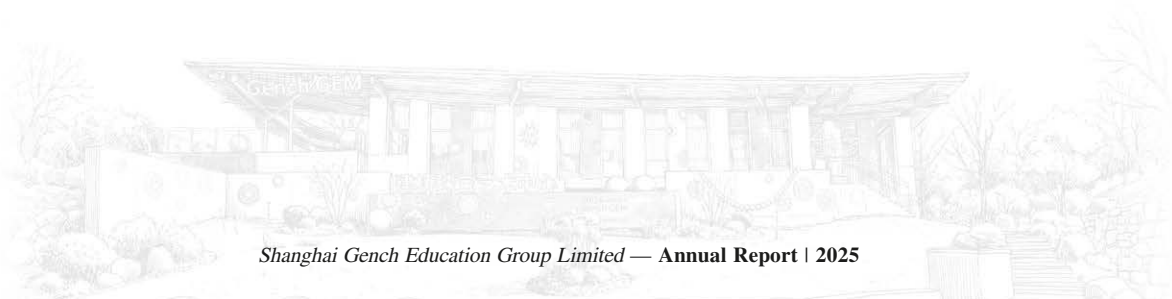
7. *Our Company does not have any insurance which covers the risks relating to the New Contractual Arrangements and the transactions contemplated thereunder*

The insurance of our Group does not cover the risks relating to the New Contractual Arrangements and the transactions contemplated thereunder, and our Group has no intention to purchase any new insurance in this regard. If any risk arises from the New Contractual Arrangements in the future, such as those affecting the enforceability of the New Contractual Arrangements and the relevant agreements for the transactions contemplated thereunder and the operation of our Group, the results of our Group may be adversely affected. However, our Group will monitor the relevant legal and operational environment from time to time to comply with the applicable laws and regulations. In addition, there are relevant internal control measures to reduce the operational risk.

G. Changes to the New Contractual Arrangements

Development during the Reporting Period

As at the date of this annual report, there were no changes in the New Contractual Arrangements and/or the circumstances under which the New Contractual Arrangements were adopted.



REPORT OF THE DIRECTORS

H. Unwinding of the New Contractual Arrangements

As at the date of this annual report, there has not been any unwinding of any New Contractual Arrangements, nor has there been any failure to unwind any New Contractual Arrangements when the restrictions that led to the adoption of the New Contractual Arrangements are removed. For more details, please refer to the section headed “Termination of the New Contractual Arrangements” of the announcement of our Company dated 20 January 2021. In the event that the PRC regulatory environment changes and all of the Qualification Requirement, the Foreign Ownership Restriction and the Foreign Control Restriction are removed (and assuming there are no other changes in the relevant PRC laws and regulations), Gench WFOE will exercise the equity call option in full to hold all of the interest in our New PRC Affiliated Entities and unwind the New Contractual Arrangements accordingly as permitted by the applicable PRC laws and regulations at the relevant time.

Compliance with the New Contractual Arrangements

Our Group has adopted the following measures to ensure the effective operation of our Group with the implementation of the New Contractual Arrangements and our compliance with the New Contractual Arrangements:

- (a) major issues arising from the implementation and compliance with the New Contractual Arrangements or any regulatory enquiries from government authorities will be submitted to the Board, if necessary, for review and discussion on an occurrence basis;
- (b) the Board will review the overall performance of and compliance with the New Contractual Arrangements at least once a year;
- (c) our Company will disclose the overall performance and compliance with the New Contractual Arrangements in its annual reports and interim reports to update the Shareholders and potential investors;
- (d) our Company and our Directors undertake to provide periodic updates in our annual and interim reports regarding the qualification requirement and our status of compliance with the Foreign Investment Law; and
- (e) our Company will engage external legal advisors or other professional advisors, if necessary, to assist the Board to review the implementation of the New Contractual Arrangements, review the legal compliance of Gench WFOE and the New PRC Affiliated Entities to deal with specific issues or matters arising from the New Contractual Arrangements.

In addition, notwithstanding that certain executive Director (namely, Mr. Zhao Donghui) is also the New Registered Shareholder, we believe that our Directors are able to perform their roles in our Group independently and our Group is capable of managing its business independently under the following measures:

- (a) the decision-making mechanism of the Board as set out in the Articles of Association includes provisions to avoid conflict of interest by providing, amongst other things, that in the event of conflict of interest in such contract or arrangement which is material, a Director shall declare the nature of his or her interest at the earliest meeting of the Board at which it is practicable for him or her to do so, and if he or she is to be regarded as having material interest in any contracts or arrangements, such Director shall abstain from voting and not be counted in the quorum;
- (b) each of our Directors is aware of his/her fiduciary duties as a Director which requires, amongst other things, that he/she acts for the benefits and in the best interests of our Group;
- (c) we have appointed three independent non-executive Directors, comprising over one-third of the Board, to provide a balance of the number of interested and independent Directors with a view to promoting the interests of our Company and our Shareholders as a whole; and

REPORT OF THE DIRECTORS

- (d) we will disclose in our announcements, circulars, annual and interim reports in accordance with the requirements under the Listing Rules regarding decisions on matters reviewed by the Board (including independent non-executive Directors) relating to any business or interest of each Director and his associates that competes or may compete with the business of our Group and any other conflicts of interest which any such person has or may have with our Group.

For the year ended 31 December 2025, the Board had reviewed the overall performance of the New Contractual Arrangements and believes that our Group had complied with the New Contractual Arrangements in all material respects.

Confirmation of Independent Non-executive Directors

The independent non-executive Directors reviewed the New Contractual Arrangements on an annual basis and confirmed that, during the Reporting Period:

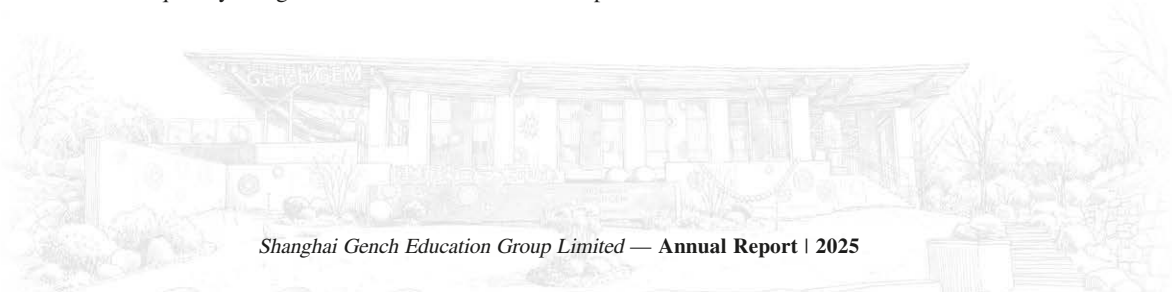
- (i) the New Contractual Arrangements have been entered into in the ordinary and usual course of business of our Group;
- (ii) the New Contractual Arrangements are on normal commercial terms;
- (iii) the New Contractual Arrangements have been entered into in accordance with relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole;
- (iv) the transactions carried out during the year ended 31 December 2025 have been entered into in accordance with the relevant provisions of the New Contractual Arrangements, and have been operated so that the profit generated by our New PRC Affiliated Entities have been substantially retained by our Group; and
- (v) no dividends or other distributions have been made by our New PRC Affiliated Entities to School Holders which are not otherwise subsequently assigned or transferred to our Group.

Confirmation of Auditor of Our Company

Ernst & Young, the Company's auditor, was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants.

After performing the procedures related to continuing connected transactions, Ernst & Young confirmed that:

- a. nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have not been approved by the Board;
- b. nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- c. with respect to the disclosed continuing connected transactions with the PRC Affiliated Entities under the contractual arrangements, nothing has come to their attention that causes them to believe that dividends or other distributions have been made by the PRC Affiliated Entities to the holders of the equity interests of our company which are not otherwise subsequently assigned or transferred to our Group.



REPORT OF THE DIRECTORS

RELATED PARTY TRANSACTIONS

Details of the related party transactions entered into by our Group during the year ended 31 December 2025 are set out in note 33 to the consolidated financial statements. The related party transactions described in note 33(2) to the consolidated financial statements were connected transactions exempt from the connected transaction requirements under Rule 14A.76(1) of the Listing Rules. “Directors’ and chief executive’s remuneration” described in note 8 to the consolidated financial statements were continuing connected transactions exempt from the connected transaction requirements under Rule 14A.76(1) or 14A.95 of the Listing Rules.

Our Company confirmed that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules for the Reporting Period.

ENVIRONMENTAL PROTECTION AND SOCIAL RESPONSIBILITIES

As a responsible and leading higher educational service supplier, our Group is committed to protecting the environment and fulfilling social responsibility in order to achieve our goals in sustainable development. We adopt a comprehensive approach in environmental management and climate change mitigation by carrying out green and low-carbon operation in our University, minimizing the negative impact of our Group’s business operating activities on the environment and strictly complying with the applicable environmental laws and regulations.

We understand that our employees are our valuable assets. Our Group is dedicated to providing a fair, equal, healthy and safe working environment to our employees. We offer competitive remuneration and benefits to our employees and provide them various promoting opportunities, strong academic and research atmosphere, and the international training programs, etc.

Our Group cares about our students and is committed to providing various effective communication channels to our students and establishing a healthy and safe campus. We strive to maintain a good relationship with our suppliers and other relevant stakeholders to establish a sustainable supply chain in excellent quality. We are dedicated to contributing to society and livelihood by fully engaging in charity activities and community services together with our employees and our students for community care and development.

As far as the Board and the management are aware, our Group has complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of our Group. During the year ended 31 December 2025, there was no material breach of or non-compliance with applicable laws and regulations by our Group.

Please refer to the Environmental, Social and Governance Report in this annual report for more details.

DONATIONS

During the Reporting Period, the charitable and other donations made by our Group amounted to RMB400.

EVENTS AFTER THE REPORTING PERIOD

On 27 March 2026, the Board has resolved to recommend the payment of a final dividend of HK\$0.04 per ordinary share for the year ended 31 December 2025 (the “2025 Final Dividend”) to the shareholders whose names appear on the register of members of the Company on 3 June 2026. Such proposal is subject to the approval by the Shareholders at the forthcoming AGM.



REPORT OF THE DIRECTORS

REVIEW OF ANNUAL RESULTS BY THE AUDIT COMMITTEE

The Audit Committee has reviewed the accounting principles and practices adopted by our Group and discussed auditing, internal control and financial reporting matters. The Audit Committee, together with the Board, has reviewed our Group's audited consolidated financial statements for the year ended 31 December 2025.

CORPORATE GOVERNANCE PRACTICE

Our Company is committed to maintaining high standards of corporate governance practices. Information on the corporate governance practices adopted by our Company is set out in the section headed "Corporate Governance Report" of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to our Company and to the best knowledge of the Directors, at least 25% of our Company's total issued Shares, the prescribed minimum percentage of public float approved by the Stock Exchange and permitted under the Listing Rules, was held by the public at all times for the Reporting Period and up to the date of this annual report.

AUDITOR

Ernst & Young was appointed as our Company's auditor for the year ended 31 December 2025. The accompanying financial statements prepared in accordance with IFRS Accounting Standards have been audited by Ernst & Young. Ernst & Young shall retire at the AGM and, being eligible, will offer itself for re-appointment. A resolution for the re-appointment of Ernst & Young as our Company's auditor will be proposed at the AGM. The auditor has not changed in the past three financial years.

TAX RELIEF AND EXEMPTION

Our Company is not aware of any tax relief and exemption available to the Shareholders by reason of their holding of our Company's securities.

RECOMMENDATION TO CONSULT PROFESSIONAL TAX ADVICE

If the shareholders of our Company are not sure about the tax effect on the purchase, holding, sale, trading or exercise of any rights attached to the relevant Shares of our Company, they are recommended to consult independent experts for advice.

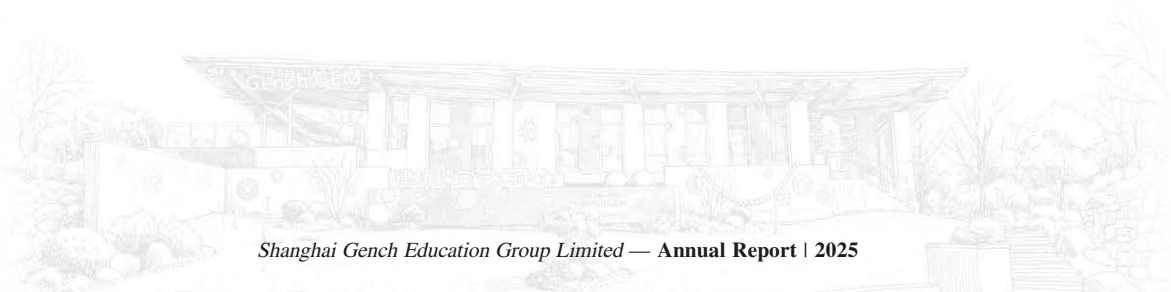
On behalf of the Board

Shanghai Gench Education Group Limited

Zhao Donghui

Chairman

Shanghai, China, 27 March 2026



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES

Our Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. Our Company has adopted the code provisions under the CG Code as its own code of corporate governance. Our Company has complied with all applicable code provisions under the CG Code during the Reporting Period. Our Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

GENCH'S CULTURE

The Company firmly believes that our purpose, values and strategies are aligned with our culture. We remain steadfast in upholding our core values: “Thanksgiving, Return, Loving, Responsibility”, take “building bridges for students to achieve success, for teachers to fulfill their career goals, and for society to satisfy its need for educated talents (為學生建成才之橋，為教師建立業之橋，為社會建育人之橋)” as its mission, and strive to achieve our vision of building the University into a first-class private university in China with more distinctive characteristics and international influence. We have adhered to our core strategies — “integration, internationalisation and digitization” and our quality policy of “People-oriented, Moral Education Prioritised, Law-Abiding, Strict Management”. For details of our core strategies, please refer to the “Management Discussion and Analysis” section of this annual report. The Board strives to adhere to the principles of good corporate governance and adopt sound corporate governance practices to promote such culture by focusing on areas such as internal control, fair disclosure, and accountability to all shareholders.

THE BOARD

Responsibilities, accountabilities and contributions of the Board and senior management

The Board is responsible and accountable for the overall leadership of our Group, oversees our Group’s strategic decisions and monitors business and performance. The Board is also responsible for establishing the purpose, values and strategy of our Group and ensuring that they are aligned with the culture of our Group. The Board has delegated the authority and responsibility for day-to-day management and operation of our Group to the senior management of our Group. To oversee particular aspects of our Company’s affairs, the Board has established three Board committees including the Audit Committee, the Remuneration Committee and the Nomination Committee. The Board has delegated to the Board Committees responsibilities as set out in their respective terms of reference. All Directors have carried out duties in good faith and in compliance with applicable laws and regulations, and have acted in the interests of our Company and the Shareholders at all times.

Non-executive Directors

Non-executive Directors (including independent non-executive Directors) should make a positive contribution to the development of our Company’s strategy and policies through independent, constructive and informed comments.

The responsibilities of non-executive Directors include, but are not limited to, the following:

- participating in Board meetings to bring an independent judgement to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct;
- taking the lead where potential conflicts of interests arise for other Directors;
- serving on the Board Committees, if invited; and
- scrutinising our Group’s performance in achieving agreed corporate goals and objectives, and monitoring performance reporting.

CORPORATE GOVERNANCE REPORT

Directors' and Senior Management's Liability Insurance and Indemnity

Our Company has arranged appropriate liability insurance to indemnify the Directors and senior management of our Company for their liabilities arising out of corporate activities. The insurance coverage will be reviewed on an annual basis.

Board Composition

As at 31 December 2025, the Board comprises two executive Directors, three non-executive Directors and three independent non-executive Directors. The biographies of the Directors are set out under the section headed "Directors and Senior Management" in this annual report.

During the Reporting Period, the Board has met at all times the requirements under rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise.

Our Company has also complied with rule 3.10A of the Listing Rules relating to the appointment of independent non-executive Directors representing at least one-third of the Board.

Each independent non-executive Director should inform our Company as soon as possible if there is any change of circumstances which may affect his/her independence as set out in Rule 3.13 of the Listing Rules. No such notification was received during the Reporting Period. Our Company considers all the independent non-executive Directors to be independent because they were free from any business or other relationship which could affect their ability to discharge their duties independently.

Save as disclosed in the Directors' biographies set out in the section headed "Directors and Senior Management", none of the Directors have any personal relationship (including financial, business, family or other material or relevant relationship) with any other Director and chief executive.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Independent non-executive Directors are invited to serve on the Audit Committee, the Remuneration Committee and the Nomination Committee.

As regards the CG Code provision requiring directors to disclose the number and nature of offices held in public companies or organisations and other significant commitments as well as the identity of the public companies or organisations and the time involved to the issuer, the Directors have agreed to disclose their commitments and any subsequent change to our Company in a timely manner.

Induction and Continuous Professional Development

Each newly appointed Director is provided with necessary induction and information to ensure that he/she has a proper understanding of our Company's operations and businesses as well as his/her responsibilities under relevant statutes, laws, rules and regulations. Our Company also arranges regular seminars to provide Directors with updates on latest development and changes in the Listing Rules and other relevant legal and regulatory requirements from time to time. The Directors are also provided with regular updates on our Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties.

Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The company secretary of our Company has from time to time updated and provided written training materials relating to the roles, functions and duties of a Director.

CORPORATE GOVERNANCE REPORT

The attendance record of professional training received by the Directors for the year ended 31 December 2025 is as follows:

Name of Director	Nature of continuous professional development programmes
Mr. Zhao Donghui	A/B
Mr. Ding Zheyin	A/B
Ms. Li Huihui (<i>Resigned on 19 December 2025</i>)	A/B
Mr. Fang Xiaoge (<i>Appointed on 19 December 2025</i>)	A/B
Mr. Ye Qionghai	A/B
Ms. Zhao Jiaqiao	A/B
Mr. Chen Baizhu	A/B
Mr. Hu Rongen	A/B
Ms. Liu Tao	A/B

Notes:

A: Attending seminars and/or meetings and/or forums and/or briefings

B: Reading materials relevant to corporate governance, director's duties and responsibilities, listing rules and other relevant ordinances

Chairman and Chief Executive

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and performed by different individuals.

Mr. Zhao Donghui is the chairman of the Board and is responsible for overall management and strategic development of our Group, while Mr. Zhou Tianming is the chief executive officer and is responsible for overall operation of our Group. As a result, the roles of the chairman and chief executive are separate and performed by two different individuals.

The chairman provides leadership for the Board and takes the lead to ensure the Board acts in the best interests of our Company. The responsibilities of the chairman include, but are not limited to, the following:

- ensuring all Directors are properly briefed on issues arising at Board meetings;
- ensuring that Directors receive, in a timely manner, adequate information, which are accurate, clear, complete and reliable;
- providing leadership for the Board and ensuring that the Board works effectively and performs its responsibilities, and that all key and appropriate issues are discussed by the Board in a timely manner;
- ensuring that good corporate governance practices and procedures are established;
- encouraging all Directors to make full and active contributions to the Board's affairs;
- ensuring sufficient time for discussion of issues among Directors;
- ensuring that Board decisions fairly reflect Board consensus;
- at least annually hold meetings with the independent non-executive directors without the presence of other Directors;

CORPORATE GOVERNANCE REPORT

- enhancing effective communication with shareholders and ensure the views of shareholders are communicated to the Board as a whole; and
- facilitating the effective contribution of non-executive Directors (including independent non-executive Directors) in particular and ensuring constructive relations between executive Directors and non-executive Directors (including independent non-executive directors).

Dividend Policy

The dividend policy of our Company (the “Dividend Policy”) is in place to ensure that the Board maintains an appropriate procedure on declaring and recommending the dividend payment of our Group. Accordingly, the Dividend Policy aims to allow Shareholders to participate in our Company’s profits whilst preserving our Company’s liquidity to capture future growth opportunities. The declaration and recommendation of dividends is subject to the decision of the Board after considering our Company’s ability to pay dividends. The Board has complete discretion on whether to recommend and/or pay a dividend, subject to Shareholders’ approval, where applicable. Even if the Board decides to recommend and pay dividends, the form, frequency and amount will depend upon the operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions, the Laws and the Articles of Association, and other factors affecting our Group. The Board shall review and reassess the Dividend Policy and its effectiveness in its sole and absolute discretion on a regular basis or as required.

Appointment and Re-election of Directors

During the Reporting Period, Ms. Li Huihui resigned and Mr. Fang Xiaoge has been appointed as a non-executive Director, effective from 19 December 2025.

Mr. Fang Xiaoge has obtained legal advice from a firm of solicitors qualified to advise on Hong Kong law on 19 December 2025. He has acknowledged his obligations as a director of a listed issuer.

Each of Mr. Zhao Donghui and Mr. Ding Zheyin, being the executive Directors, has entered into a service contract with our Company for an initial fixed term of three years commencing from 27 December 2023.

Each of Mr. Ye Qionghai and Ms. Zhao Jiaqiao, being the non-executive Directors, has entered into a letter of appointment with our Company for an initial fixed term of one year commencing from 27 December 2023. Mr. Fang Xiaoge, being the non-executive Director, has entered into a letter of appointment with our Company for an initial fixed term of one year commencing from 19 December 2025.

Each of the independent non-executive Directors has entered into a letter of appointment with our Company for an initial fixed term of one year commencing from the Listing Date.

All the service contracts and letters of appointment of Directors will continue thereafter until terminated by not less than three months’ notice in writing served by either party on the other, which notice shall not expire until the end of the fixed term. Save as aforesaid, none of the Directors has a service contract or letter of appointment with our Company or any of its subsidiaries (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

Pursuant to the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

CORPORATE GOVERNANCE REPORT

The re-appointment of an independent non-executive Director (e.g. an independent non-executive Director who has served for more than nine years) at annual general meeting of the Company shall be subject to any other requirements that may be required by the Listing Rules from time to time.

The procedures and process of appointment, re-election and removal of Directors are set out in the Articles of Association. The Nomination Committee is responsible for reviewing the Board composition and making recommendations to the Board on the appointment or re-election of Directors and succession planning for Directors. Directors should be aware that they must be able to contribute sufficient time and attention to the affairs of our Company before accepting their appointment.

Board Meetings

Our Company adopts the practice of holding Board meetings regularly, at least four times a year, and at approximately quarterly intervals. Notices of not less than fourteen days are given for all regular Board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting.

For other Board and Board Committee meetings, reasonable notice is generally given. The agenda and accompanying board papers are despatched to the Directors or Board Committee members at least three days before the meetings to ensure that they have sufficient time to review the papers and are adequately prepared for the meetings. When Directors or Board Committee members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the Chairman prior to the meeting. Minutes of meetings are kept by the company secretary of our Company with copies circulated to all Directors for information and records.

Minutes of the Board meetings and Board Committee meetings are recorded in sufficient detail about the matters considered by the Board and the Board Committees and the decisions reached, including any concerns raised by the Directors. Draft minutes of each Board meeting and Board Committee meeting are sent to the Directors for comments within a reasonable time after the date on which the meeting is held. Minutes of the Board meetings are open for inspection by Directors.

The attendance records of each Director at the Board and the general meetings of our Company held during the year ended 31 December 2025 are set out in the table below:

Name of Director	Attended/Eligible to attend the Board meeting	Attendance/Number of general meeting held during a Director's tenure
Mr. Zhao Donghui	4/4	1/1
Mr. Ding Zheyin	4/4	1/1
Mr. Fang Xiaoge (<i>Appointed on 19 December 2025</i>)	0/0	0/0
Ms. Li Huihui (<i>Resigned on 19 December 2025</i>)	4/4	1/1
Mr. Ye Qionghai	4/4	1/1
Ms. Zhao Jiaqiao	4/4	1/1
Mr. Chen Baizhu	4/4	1/1
Mr. Hu Rongen	4/4	1/1
Ms. Liu Tao	4/4	1/1

Apart from regular Board meetings, the Chairman also held a meeting with the independent non-executive Directors, without the presence of other Directors during the Reporting Period.

CORPORATE GOVERNANCE REPORT

Delegation by the Board

The Board reserves its decision for all major matters of our Company, including: approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. Directors could have recourse to seek independent professional advice in performing their duties at our Company's expense and are encouraged to access and to consult with our Company's senior management independently, the Board has reviewed and is satisfied with the implementation and effectiveness of such mechanism.

The daily management, administration and operation of our Group are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into by the management.

Securities Transactions By Directors

Our Company has adopted the Model Code as its own code of conduct regarding Directors' securities transactions since its Listing on 16 January 2020. Having made specific enquiries of all the Directors, each of the Directors has confirmed that he/she has complied with the Model Code during the Reporting Period.

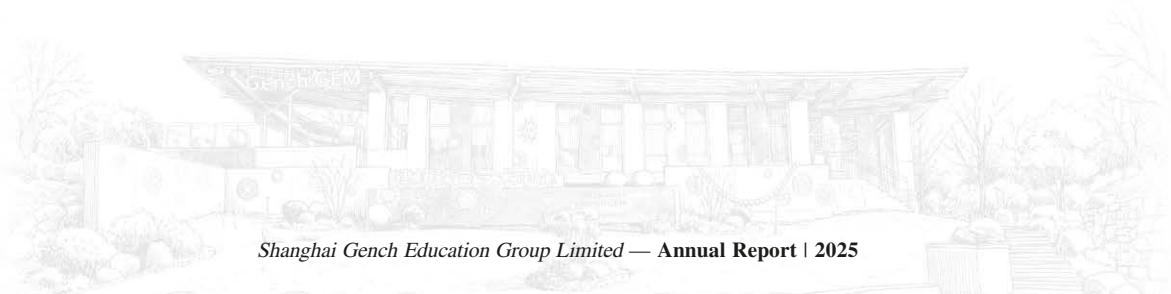
At the same time, our Company has also adopted its own code of conduct regarding employees' securities transactions on terms no less exacting than the standard set out in the Model Code for the compliance by its relevant employees who are likely to be in possession of unpublished inside information of our Company in respect of their dealings in our Company's securities.

DIVERSITY

Board Diversity

Our Company has adopted a Board diversity policy (the "Board Diversity Policy") which sets out the objective and approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board. The Board Diversity Policy provides that our Company should endeavor to ensure that the Board members have the appropriate balance of skills, experience and diversity of perspectives that are required to support the execution of our Group's business strategy. Pursuant to the Board Diversity Policy, selection of candidates for Directors will be based on a range of measurable objectives, including but not limited to professional experience, gender, age, culture, independence, educational background, knowledge, expertise and length of service. The Nomination Committee will: (1) report annually, in the corporate governance report contained in our annual report, on the Board's composition under diversified perspectives, and monitor the implementation of our Board Diversity Policy; and (2) review our Board Diversity Policy, as appropriate, to ensure effectiveness of the policy and discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

The Nomination Committee has conducted their annual review of the Board's composition and the implementation of our Board Diversity Policy. Considering multiple measurable objectives including but not limited to professional experience, gender, age, culture, independence, educational background, knowledge, expertise and length of service, it considered that board diversity was achieved. As at 31 December 2025, two out of eight members of the Board are female Directors. Gender diversity as required under Rule 13.92 of the Listing Rules was also achieved as the Board is not a single gender board.



CORPORATE GOVERNANCE REPORT

Workforce Diversity

The Board also recognises the importance of diversity at the workforce level. The gender ratio in our workforce as at 31 December 2025 are as follows:

Total workforce (including senior management): 1,891 Male 41.94%; Female 58.06%

BOARD COMMITTEES

Audit Committee

Our Company established an audit committee with written terms of reference in compliance with the CG Code and Corporate Governance Report as set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to review and supervise our financial reporting process and internal control system of our Group, and oversee the audit process, risk management process and external audit functions. The Audit Committee consists of three members, all of whom are independent non-executive Directors, namely, Ms. Liu Tao, Mr. Hu Rongen and Mr. Chen Baizhu. The chairman of the Audit Committee is Ms. Liu Tao.

During the year ended 31 December 2025, the Audit Committee mainly performed the following duties:

- reviewed our Group's the audited annual results for the year ended 31 December 2024 and the unaudited interim results for the six months ended 30 June 2025, and was of the opinion that the preparation of the relevant financial statements complied with the applicable accounting standards and requirements and that adequate disclosure has been made;
- reviewed the accounting principles and practices adopted by our Group, and recommended the appointment of the external auditors;
- review of the risk management and internal control systems, the effectiveness of our internal audit function;
- reviewed the corporate governance function; and
- assisted the Board in meeting its responsibilities for maintaining an effective system of internal control and risk management.

During the year ended 31 December 2025, two meetings were held by the Audit Committee. The attendance record of each member of the Audit Committee at the meetings of the Audit Committee is set out below:

Name of Director	Attendance/Number of Audit Committee meeting held during a Director's tenure
Ms. Liu Tao	2/2
Mr. Hu Rongen	2/2
Mr. Chen Baizhu	2/2

CORPORATE GOVERNANCE REPORT

Nomination Committee

Our Company established a nomination committee with written terms of reference in compliance with the CG Code and Corporate Governance Report as set out in Appendix C1 to the Listing Rules. The primary duties of the Nomination Committee are to make recommendations to the Board on the appointment of members of the Board. The Nomination Committee consists of four members (one executive Director and three independent non-executive Directors), namely, Mr. Zhao Donghui, Mr. Hu Rongen, Mr. Chen Baizhu and Ms. Liu Tao. The chairman of the Nomination Committee is Mr. Zhao Donghui.

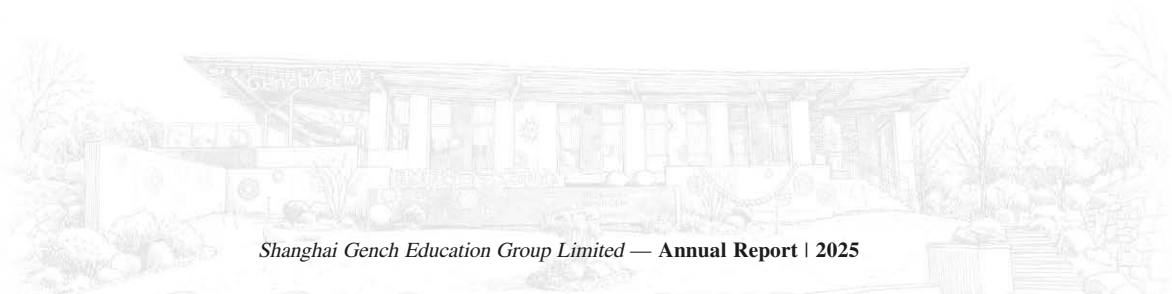
During the year ended 31 December 2025, the Nomination Committee mainly performed the following duties:

- reviewed the annual confirmations of independence submitted by the independent non-executive Directors and assessed their independence;
- reviewed the structure, size and composition of the Board and whether the composition of the Board complied with the requirements of the Board Diversity Policy;
- reviewed the background of the retiring Directors and determined whether the retiring Directors continues to meet the criteria to be re-elected in the annual general meeting of our Company on 11 May 2025, and made recommendations to the Board on the re-election of retiring Directors; and
- reviewed and made recommendations to succession planning of directors (in particular the chairman and chief executive).

During the year ended 31 December 2025, two meetings were held by the Nomination Committee. The attendance record of each member of the Nomination Committee at the meetings of the Nomination Committee is set out below:

Name of Director	Attendance/Number of Nomination Committee meeting held during a Director's tenure
Mr. Zhao Donghui	2/2
Mr. Hu Rongen	2/2
Mr. Chen Baizhu	2/2
Ms. Liu Tao (<i>appointed as a member of the Nomination Committee on 28 March 2025</i>)	1/1

The Nomination Committee will identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships by considering factors including perspective, skills and experience that the individual can bring to the Board, and the contribution to diversity of the Board. And the Nomination Committee will make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive, taking into account our Company's corporate strategy and the mix of skills, knowledge, experience and diversity needed in the future, together with the Board, as appropriate.



CORPORATE GOVERNANCE REPORT

Remuneration Committee

Our Company established a remuneration committee with written terms of reference in compliance with the CG Code and Corporate Governance Report as set out in Appendix C1 to the Listing Rules. The primary duties of the Remuneration Committee are to make recommendations to the Board on our Company's policy and structure concerning the remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy, to review and approve performance based remuneration by reference to corporate goals and objectives, to determine the terms of the specific remuneration package of each executive Director and senior management, to ensure none of the Directors determine their own remuneration, and to review and approve any material matter relating to the Share Award Scheme and the Share Option Scheme during the financial year. The Remuneration Committee consists of three members (one executive Director and two independent non-executive Directors), namely Mr. Hu Rongen, Ms. Liu Tao and Mr. Ding Zheyin. The chairman of the Remuneration Committee is Mr. Hu Rongen.

During the year ended 31 December 2025, the Remuneration Committee has mainly performed the following duties:

- reviewed our Group's remuneration policy and reviewed the performance of executive Directors and remuneration package of the executive Directors and senior management for the Reporting Period; and
- made recommendations to the Board on the remuneration packages of individual executive Directors and senior management.

No material matters relating to Share Award Scheme and Share Option Scheme were reviewed and/or approved by the Remuneration Committee during the Reporting Period.

During the year ended 31 December 2025, two meetings were held by the Remuneration Committee. The attendance record of each member of the Remuneration Committee at the meetings of the Remuneration Committee is set out below:

Name of Director	Attendance/Number of Remuneration Committee meeting held during a Director's tenure
Mr. Hu Rongen	2/2
Mr. Ding Zheyin	2/2
Ms. Liu Tao	2/2

Remuneration of Directors and Senior Management

Details of the remuneration of each of the Directors and the five highest paid employees for the year ended 31 December 2025 as required to be disclosed pursuant to Appendix D2 to the Listing Rules are set out in notes 8 and 9 to the consolidated financial statements.

CORPORATE GOVERNANCE REPORT

Details of the remuneration by band of the members of the senior management (other than the Directors) of our Company for the year ended 31 December 2025 are set out below:

Remuneration band	Number of individual
Nil to HK\$1 million	3
Above HK\$1 million	1

Corporate Governance Function

The Board recognizes that corporate governance should be the collective responsibility of the Directors which includes:

- (a) to review and monitor our Company's policies and practices on compliance with legal and regulatory requirements;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors;
- (d) to develop and review our Company's policies and practices on corporate governance and make recommendations to the Board and report to the Board on matters;
- (e) to review our Company's compliance with the CG Code and disclosure in the corporate governance report; and
- (f) to review and monitor our Company's compliance with our Company's whistleblowing policy.

Board Independence

The Company has put in place mechanisms to ensure independent views and input are available to the Board, including but not limited to the following:

Board meetings: Independent non-executive Directors participate in the Board and/or Board Committee meetings (including Audit Committee, Remuneration Committee, and Nomination Committee) to bring independent views, advice and judgment on important issues relating to the Company (including strategy, policy, performance, accountability, resources, key appointments and standards of conduct), and take the lead on matters where potential conflicts of interests arise.

No equity-based remuneration for independent non-executive Directors with performance-related elements: Independent non-executive Directors receive remuneration for their role as member of the Board and Board Committees to attract and retain them to devote time and energy to the Company. Generally, no equity-based remuneration (e.g. share options) is granted to independent non-executive Directors with performance-related elements, and they are not entitled to participate in any share option schemes and share award schemes (if any), to avoid leading to bias in their decision-making and compromise their objectivity and independence.

Conflict of Interest: If a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter would be dealt with by a physical Board meeting rather than a written resolution and the individual is required to declare such interest and to abstain from voting. The matter would be considered at a Board meeting attended by Directors who have no material interest in the transaction.

Annual review of independent non-executive Directors' commitment and independence: Independent non-executive Directors' independence is assessed upon appointment, annually, and at any other time where the circumstances warrant reconsideration.

CORPORATE GOVERNANCE REPORT

Professional advice: All Directors may, upon reasonable request, seek advice from independent professional advisers in appropriate circumstances at the Company's expenses and are encouraged to access and to consult with the Company's senior management independently.

The Board has reviewed the implementation and effectiveness of the above mechanisms on an annual basis and is of the view that such mechanisms were effective during the year ended 31 December 2025.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements for the year ended 31 December 2025 which give a true and fair view of the affairs of our Company and our Group and of our Group's results and cash flows.

The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of our Company's financial statements, which are put to the Board for approval. Also, management provides all Directors with regular updates giving a balanced and understandable assessment of our Group's performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties.

The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon our Group's ability to continue as a going concern.

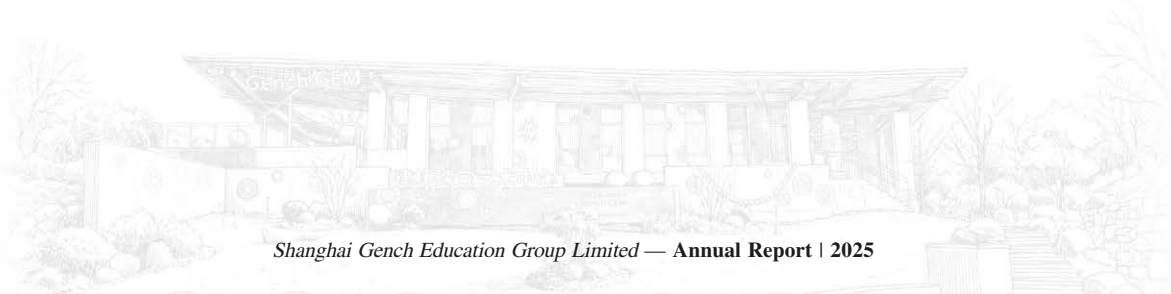
The statement by the auditor regarding their reporting responsibilities on the consolidated financial statements of our Company is set out in the section headed "Independent Auditor's Report" of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it is the responsibility of the Board for maintaining an adequate risk management and internal control systems and reviewing the effectiveness of such systems on an ongoing basis and annual basis.

The risk management and internal control systems of our Group are featured with a defined management structure with limits of authority and well-rounded policies and procedures, and are designed to facilitate effective and efficient operations, to ensure reliability of financial reporting and compliance with applicable laws and regulations, to identify and manage potential risks (including ESG risks), and to safeguard assets of our Group. Our Group's risk management and internal control systems are designed to provide reasonable, though not absolute, assurance against material misstatement or loss and to manage rather than eliminate the risk of failure to achieve business objectives.

The Board is responsible and has the general power to manage the operations of our University, and is in charge of managing the overall risks (including ESG risks) of our University. It is responsible for considering, reviewing and approving any significant business decision involving material risk exposures, such as our decision to expand our Group's school network into new geographic areas, to raise its tuition, and to enter into cooperative business relationships with third parties to launch new education programs. Also, our Group has made arrangements with banks to ensure that we are able to obtain credits to support our business operation and expansion.



CORPORATE GOVERNANCE REPORT

Our Company has established an internal audit department to carry out its internal audit functions by assisting the Board to implement our Group’s risk management framework. The internal audit department is also required to review the continued connected transactions periodically and perform sampling inspections to ensure the internal control procedures were followed. The work of the internal audit department will be reviewed by the Audit Committee and the Board annually. For the Reporting Period, the Audit Committee, with reference to and based on the internal audit report issued by the internal audit department, conducted a review on the effectiveness of our Group’s risk management and internal control systems, including financial, operational and compliance controls and risk management functions, adequacy of resources, qualifications and experience of staff of our Company’s accounting, internal control and financial reporting functions, as well as those relating to the issuer’s ESG performance and reporting, and training programmes and budget. The Board has considered and discussed the internal audit report issued by the internal audit department, the work conducted by the internal audit department and the independent auditor, the Audit Committee’s view on our Group’s risk management and internal control systems and their effectiveness. The Board and the Audit Committee are satisfied with the effectiveness and adequacy of the risk management and internal control of our Group.

In addition, the procedures on disclosure of inside information were in place to ensure that all relevant facts and circumstances that may have material effect on the share price of our Company are promptly assessed and that any material information which comes to the knowledge of any one or more officers of our Group is promptly identified, assessed and, if appropriate, escalated for the attention of the Board to determine whether a disclosure is required.

WHISTLEBLOWING POLICY

Our Company has a whistleblowing policy in place for employees and those who deal with our Company to raise concerns in confidence and anonymity. For details, please refer to our Company’s Environmental, Social and Governance Report below.

ANTI-CORRUPTION POLICY

For details of our Company’s anti-corruption policy, please refer to our Company’s Environmental, Social and Governance Report below.

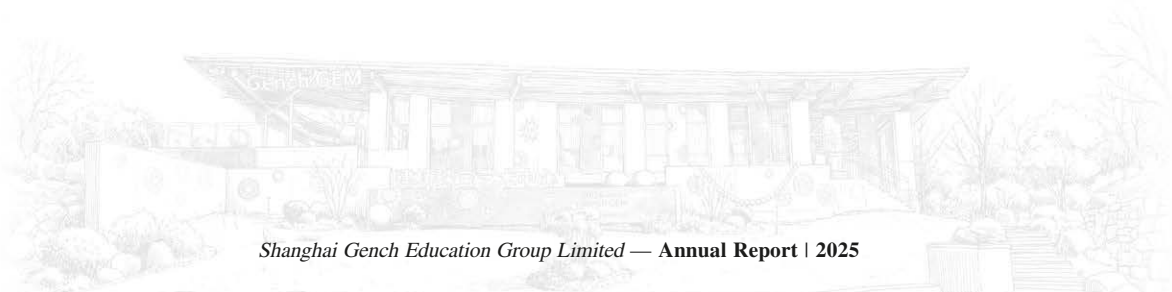
AUDITOR’S REMUNERATION

The remuneration for the audit and non-audit services provided by the auditors (Ernst & Young) to our Group during the year ended 31 December 2025 was approximately as follows:

Type of Services	Amount
	RMB
Audit services ⁽¹⁾ provided by Ernst & Young	2,000,000
Total	2,000,000

Note:

(1) There were no other non-audit services.



CORPORATE GOVERNANCE REPORT

COMPANY SECRETARY

Ms. Zhang Zhimo is the company secretary of the Company, who is responsible for advising the Board on corporate governance matters and ensuring that the Board policies and procedures, as well as the applicable laws, rules and regulations are followed. For biographies of Ms. Zhang Zhimo, please refer to the section headed “Directors and Senior Management” of this annual report.

For the year ended 31 December 2025, Ms. Zhang Zhimo has undertaken not less than 15 hours of relevant professional training in compliance with rule 3.29 of the Listing Rules.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

Our Company considers that effective communication with the Shareholders is essential for enhancing investor relations and understanding of our Group’s business, performance and strategies. Our Company also recognizes the importance of timely and nonselective disclosure of information, which will enable Shareholders and investors to make the informed investment decisions.

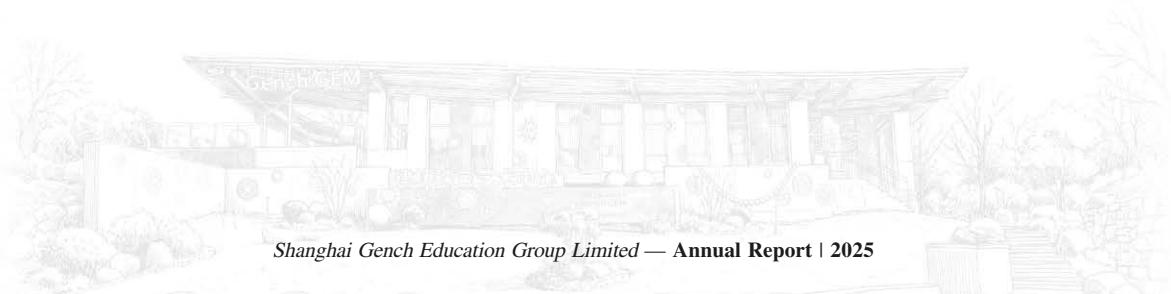
The annual general meeting of our Company provides opportunity for the Shareholders to communicate directly with the Directors. The chairperson of the Board Committees of our Company will attend the annual general meetings to answer Shareholders’ questions. The auditor will also attend the annual general meetings to answer questions about the conduct of the audit, the preparation and content of the auditor’s report, the accounting policies and auditor independence.

To promote effective communication, our Company adopts a shareholders’ communication policy which aims at establishing a two-way relationship and communication between our Company and the Shareholders and maintains a website of our Company at www.genchedugroup.com, where up-to-date information on our Company’s business operations and developments, financial information, corporate governance practices and other information are available for public access. The Board has conducted the annual review of the implementation and effectiveness of the shareholders’ communication policy of our Company, and concluded that the policy was implemented effectively during the Reporting Period.

SHAREHOLDERS’ RIGHTS

To safeguard Shareholders’ interests and rights, a separate resolution will be proposed for each issue at general meetings, including the election of individual Directors.

All resolutions put forward at general meetings will be voted by poll pursuant to the Listing Rules and poll results will be posted on the websites of our Company and the Stock Exchange in a timely manner after each general meeting. The chairman of general meetings will ensure that an explanation is provided of the detailed procedures for conducting a poll and answer any questions from shareholders on voting by poll.



CORPORATE GOVERNANCE REPORT

Convening of extraordinary general meeting and putting forward proposals

Shareholders may put forward proposals for consideration at a general meeting of our Company according to the Articles of Association. Any one or more members holding as at date of deposit of the requisition not less than one-tenth of the paid-up capital of our Company carrying the right of voting at general meetings of our Company shall at all times have the right, by written requisition to the Board or company secretary of our Company, to require an extraordinary general meeting of our Company to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition.

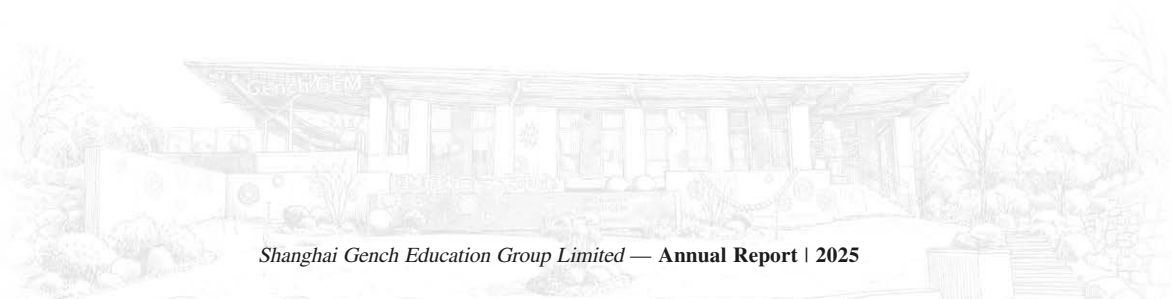
As regards proposing a person for election as a Director, the procedures are available on the website of our Company.

Enquiries to the Board

Shareholders who intend to put forward their enquiries about our Company to the Board could send their enquiries to Ms. Zhang Zhimo, the company secretary of our Company at No. 1111, Huchenghuan Road, Pudong New Area, Shanghai, PRC.

CHANGE IN CONSTITUTIONAL DOCUMENTS

There was no change in the Memorandum and Articles of Association during the Reporting Period.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE REPORT

The Company, together with its subsidiaries, are delighted to publish our environmental, social and governance report (the “Report”) for the year 2025 with an aim to disclose our Group’s environmental, social and governance performance in relation to corporate social responsibility and sustainable development.

BASIS FOR PREPARATION

The Report was prepared in accordance with the Environmental, Social and Governance Reporting Code (the “Code”) as set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), the scope and content of which are also in compliance with the disclosure requirements of the “comply or explain” provisions in the Code. In addition, we disclose the risks and opportunities presented by climate change, as well as their potential impact on our operations in accordance with the “IFRS S2 Climate-related Disclosures” (the “IFRS S2”) issued by the International Sustainability Standards Board (ISSB).

REPORTING PRINCIPLES

Our Group has observed and applied the four reporting principles, namely, materiality, quantification, balance and consistency, set out in the Code in the preparation of the Report. We have communicated with key stakeholders to understand their degree of concern on the environmental, social and governance issues relating to our business, in order to determine the framework and content of the Report and prioritise the disclosures based on the principle of materiality. The Report has adopted the principles of quantification and consistency for the calculation. If there are any changes in the calculation method or any other relevant factors affecting a meaningful comparison in the future, we will clearly explain in the Report. Our reporting gives a view of our Group’s sustainability performance during the Reporting Period in a balanced and impartial manner.

SCOPE OF THE REPORT

The Report focuses on disclosing our Group’s overall and quantitative sustainability performance during the Reporting Period. Unless otherwise specified, the scope of the Report is consistent with that of our Group’s annual report for the year ended 31 December 2025, including our Company, Gench BVI, Gench HK, Gench US, Gench WFOE, Shanghai Wangting Logistics Management Service Co., Ltd.* (上海望亭後勤管理服務有限公司), Shanghai Wangting Catering Management Co., Ltd.* (上海望亭餐飲管理有限公司), Shanghai Wangting Business Management Co., Ltd.* (上海望亭商業管理有限公司), Shanghai Wangting Enterprise Services Co., Ltd.* (上海望亭企業服務有限公司), Shanghai Wangting Future Information Technology Co., Ltd.* (上海望亭未來信息技術有限公司), Jian Qiao Group, Jian Qiao Investment, Shanghai Jian Qiao University Co., Ltd., Shanghai Jianqiao Media Technology Co., Ltd.* (上海建橋傳媒科技有限責任公司), Shanghai Jianqiao Qihang Training School Co., Ltd.* (上海建橋啟航培訓學校有限公司), Shanghai Jianqiao Haishi Culture Communication Co., Ltd.* (上海建橋海石文化傳播有限公司) and Shanghai Jianqiao Culture Media Co., Ltd.* (上海建橋文化傳媒有限公司), Shanghai Jianqiao Zefeng Technology Co., Ltd.* (上海建橋澤烽科技有限公司), Shanghai Jianqiao Data Service Co., Ltd.* (上海建橋數據服務有限公司) and Shanghai Jianqiao Medical Engineering Co., Ltd.* (上海建橋醫學工程有限公司).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOURCE OF DATA

All the data and cases in the Report come from the statistics reports and relevant documents of our Group. Our Group warrants that there are no false representations or misleading statements in the Report, and is responsible for the truthfulness, accuracy and completeness of the contents herein.

APPROVAL OF AND ACCESS TO THE REPORT

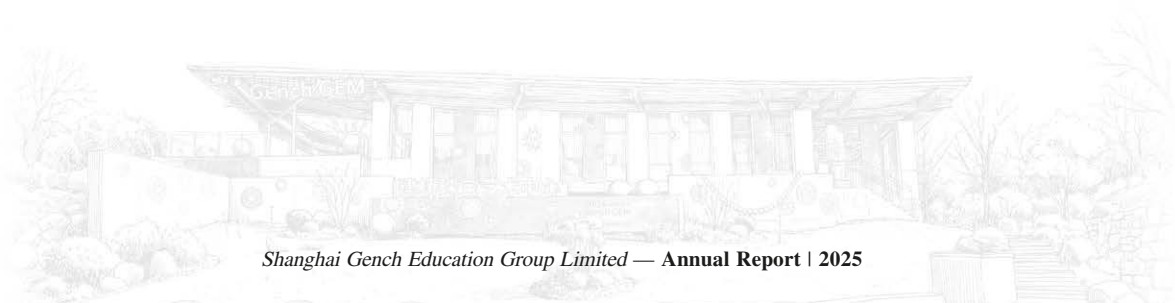
The Report has been considered and approved for publication by the board of directors (the “Board”) of the Group on 27 March 2026. The Report includes both Chinese and English versions. If there is any discrepancy, the Chinese version shall prevail. The electronic version of the Report is available at the section under the “Investor Relations” on the official website of our Company (www.genchedugroup.com).

OPINIONS AND FEEDBACK

We attach high importance to your opinions and feedback on the Report. If you have any queries or suggestions, please feel free to contact us through the following channels:

Address: 40th Floor, Dah Sing Financial Centre, No. 248 Queen’s Road East, Wan Chai, Hong Kong

E-mail address: ir@gench.edu.cn



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

1. RELEVANT HONOURS

Our Group has been working hard in respect of ESG work and has achieved remarkable results in 2025. Our ESG-related honours obtained during the year are as follows:

Awardee	Name of award	Issuing authority	Time of award
Shanghai Jian Qiao University	MOE-approved Universities Piloting “Navigation Workstations” for Teachers (First Batch) (教育部首批教師“領航工作站”建設試點高校)	Department of Ideological and Political Work of the Ministry of Education (教育部思想政治工作司)	January 2025
Shanghai Jian Qiao University	Outstanding Unit for Information Openness among Shanghai Universities (上海高校信息公開工作優秀單位)	Shanghai Municipal Education Commission (上海市教育委員會)	March 2025
Shanghai Jian Qiao University	National Civilized Unit Re-evaluation (全國文明單位複評)	Central Guidance Commission on Building Spiritual Civilization (中央文明委)	May 2025
Shanghai Gench Education Group Limited	Sustainable Impact Pioneer Award (可持續影響力先鋒獎)	CLS & Lingcan (財聯社和領燦)	May 2025
Shanghai Gench Education Group Limited	Gold Medal of the Pilot Program for Sustainability-Related Financial Information Disclosure (可持續相關財務信息披露先導計劃金章)	Hong Kong Quality Assurance Agency (香港品質保證局)	August 2025
Shanghai Gench Education Group Limited	2025 CLS Zhiyuan Award-Social Responsibility (S) Pioneer Enterprise Award (2025年度財聯社致遠獎—社會責任(S)先鋒企業獎)	CLS (財聯社)	October 2025
Shanghai Gench Education Group Limited	2025 Luanlu-CLS Annual Sustainability Information Disclosure Award (2025鸞鷲·財聯社一年度可持續發展信息披露獎)	CLS (財聯社)	December 2025



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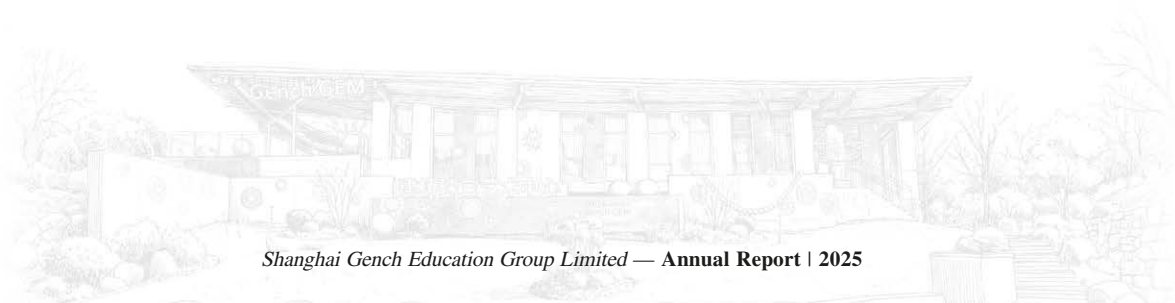
2. SUSTAINABLE DEVELOPMENT PLAN

2.1 FOURTEENTH FIVE-YEAR PLAN AND OUTLOOK FOR FIFTEENTH FIVE-YEAR PLAN

We formulated the development plan for the “14th Five-Year Plan” period based on the spirits of documents such as the Outline of the 2035 Vision Goal for China’s Education Modernization, the Outline of the 14th Five-Year Plan for National Economic and Social Development of Shanghai, the 2035 Education Modernization in Shanghai, the 14th Five-Year Plan for Education Reform and Development in Shanghai, and the Construction Plan for the National Core Pilot Area for Industry-Education Integration in the Lingang New Area of the China (Shanghai) Pilot Free Trade Zone. This plan also serves as a key programmatic document for the Group to formulate sustainable development governance guidelines and strategies. Looking ahead to the next five-year development period, we initiated the preparation of the “15th Five-Year Plan” in 2025, with its official release and implementation scheduled for the first half of 2026.

2.2 POSITIONING OF DEVELOPMENT

- **Positioning in education level:** We will adhere to the positioning of a university of applied technology, and carry out multi-level application-oriented higher education primarily based on applied undergraduate education, covering undergraduate, higher vocational, and professional master’s degree programs.
- **Positioning in talent cultivation:** We will cultivate innovative, versatile, and high-quality application-oriented talents with international visions, who are capable of working on the frontline of production, technology, service, and management.
- **Positioning in service orientation:** We will establish a foothold in Lingang, integrate into Pudong, serve Shanghai and radiate to the Yangtze River Delta.



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2.3 GOAL OF DEVELOPMENT

We will unswervingly follow the path of connotative development, distinctive development, and innovative development. By 2030, our application-oriented talent cultivation system will be further improved, the quality of talent cultivation will be comprehensively enhanced, our educational strength will be further strengthened, and new breakthroughs will be achieved in our education level. The distinctive features of a university integrating industry and education will enrich the bright foundation of an application-oriented university. We will basically complete the construction of a first-class private university of applied technology with distinctive characteristics, laying a solid foundation for comprehensively building a first-class private university by 2035.

- New breakthroughs in education level. We will strive to be approved as a master's degree granting unit and for professional master's degree programs, taking talent cultivation to the next level.
- New prospects for industry-education integration. Adhering to the principle of "pilot projects by category and steady progress", we will build a new model and system that integrates the advancement of "industry, education, research, and innovation" and deeply integrates industry, education, and the city.
- Continuous optimization of academic discipline and program layout. The layout of academic disciplines and programs will better align with regional economic and social development, and the setting of disciplines and programs will be deeply adapted to the industries in Lingang and Shanghai.
- Continuous deepening of talent cultivation reform. We will innovate talent cultivation models and deepen curriculum system reform, so that the effectiveness of talent cultivation and social reputation will be significantly enhanced.
- New progress in teaching staff development. We will improve the size and structure of the teaching staff and deepen personnel system reform, building a high-quality and professional teaching staff that fits the transformation and development of the university.

2.4 KEY DEVELOPMENT TASKS

- Constructing a green and low-carbon campus and maintaining garden campus, safe campus and civilized campus
- Safeguarding health and safety of faculty and students
- Campus digital transformation
- Promote the "One School, One Policy" (「一校一策」) comprehensive reform
- Transformation into an industry-education integrated university and shift to the "college-operated school" model
- Improving overall competence of students
- Promoting international exchanges and cooperation
- Facilitating community development and participating in voluntary services and charity activities
- Managing school according to law and compliance operation
- Establishing a scientific HR management mechanism

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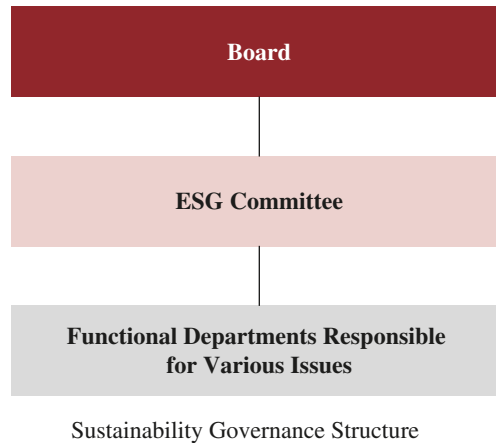
3. SUSTAINABILITY GOVERNANCE

3.1 STATEMENT OF THE BOARD

Our Group has established a sustainability governance structure to strengthen the management of sustainable development. The Board is responsible for the overall supervision of the sustainable development of our Group, and conducts regular discussion, review and check on our Group’s management approach, strategies, risks, performance and progress in respect of environmental, social and governance aspects. The Board has approved our Group to set up an Environmental, Social and Governance Committee (“ESG Committee”) and authorised it to supervise and promote the implementation of various environmental, social and governance issues. Under the authority of the Board, the Committee will consider the opinions collected during the communication with various stakeholders and the results of the materiality assessment when formulating the environmental, social and governance management approach and strategies, to determine our Group’s sustainability focus and priorities, and submit the same for approval and confirmation by the Board. The Board and the ESG Committee have met regularly or through communication tools to discuss the above matters and review the progress of annual work and key work on energy conservation and emission reduction in line with the Group’s goals relating to environment, society and governance to monitor and improve the work of sustainable development. Currently, the Group has regarded addressing climate changes as a top priority and has made efforts to integrate climate-related issues into its daily operations.

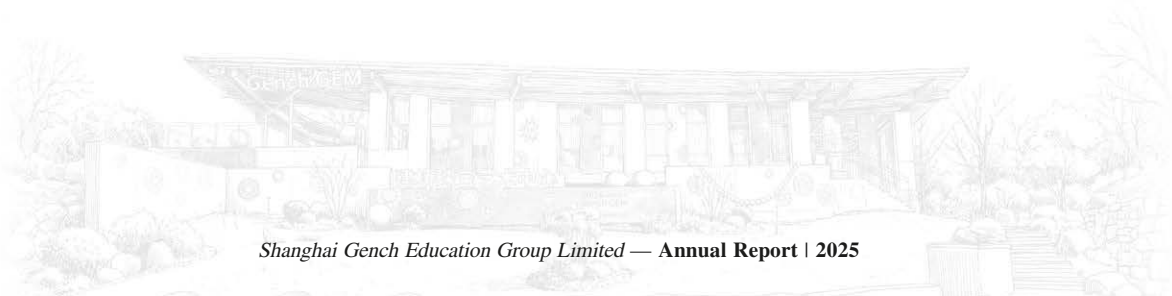
3.2 GOVERNANCE STRUCTURE

The Group’s sustainability governance structure is built on good corporate governance and strict ethical standards.



(1) Board

The Board is responsible for setting the overall policy and approach for ESG matters. The Board listens to material issues of sustainable development, climate-related risk opportunities and their impacts, as well as progress towards the achievement of relevant targets reported by the ESG Committee at the regular Board meeting. The Board is also responsible for managing material ESG-related matters and monitoring the Group’s sustainable development performance and progress. The Board is also responsible for monitoring our risk management, regularly assessing and analysing various risks in our business operations, including climate-related risks, and reviewing management procedures.



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(2) ESG Committee

The Group's ESG Committee is chaired by our company secretary, Ms. Zhang Zhimo. Other members are from various departments to ensure employees with different backgrounds and varying levels of expertise, seniority and business functions are incorporated. We have developed a rational performance assessment system to actively encourage our employees to take part in our Group's sustainability initiatives.

The ESG Committee develops and reviews strategies and management approaches related to sustainability and climate change in accordance with the overall ESG policy guidelines set by the Board. It is responsible for setting sustainability-related targets, assessing and reviewing them on a regular basis, and monitoring the implementation of relevant programs. It is also responsible for identifying material risks and opportunities, assessing their impact on the Group's business model, value chain and finance, identifying material issues, and prioritizing ESG-related communication and engagement programs. The ESG Committee provides regular feedback to the Board, and at least once a year, through the Chairman of the Committee, reporting to the Board on the material issues of sustainability, climate-related risks and opportunities, their effects, and updates on the progress toward achieving related objectives.

The ESG Committee is also responsible for the preparation of the annual ESG Report to ensure that the report fully reflects the Company's efforts and achievements in sustainability.

(3) Functional Departments Responsible for Various Issues

The implementation of the Group's sustainability strategy relies on functional departments responsible for various issues, which form the grassroots level for strategy execution. These departments, guided by the sustainability and climate change strategies and management approaches established by the ESG Committee, are responsible for developing and executing specific action plans for targeted issues, aiming to ensure that the Company's sustainability performance meets the established targets. These departments are required to report regularly to the ESG Committee on the progress of their work, including KPI data and sustainability effectiveness in their respective areas of responsibility. Additionally, these departments are tasked with communicating directly with relevant stakeholders to gather their views and feedback on the Group's sustainability issues through methods such as questionnaires.

3.3 BUSINESS INTEGRATION AND BUDGETING

The Group has integrated sustainability and climate change initiatives into the decision-making at functional level of Shanghai Jian Qiao University under our Group. The logistics and security office, assets management office and other departments of our Group have also incorporated sustainability and climate change strategy into their annual budgets, for which the Board is willing to provide funds and resources to the ESG Committee and to provide it with recommendations on budget allocation.

3.4 RISK MANAGEMENT

Risk management is very crucial in the daily management of the Group. We have established a sound management structure and internal control system to ensure the effectiveness of governance, which guides our enterprise risk management process. We conduct the risk assessment at least once a year, and as led by the quality and planning office of our University and facilitated by an external consultant, we conduct a "top-down, bottom-up and all levels combined" risk identification exercise to determine the new risk areas for further research and evaluate the impact on our business, whilst analyzing the existing risks from a new perspective. For details of our risk management, please refer to the "Corporate Governance Report" in the annual report.

We proactively address and identify potential risks encountered in our business, including climate-related risks. For the management of climate-related risks, please refer to "4.3 CLIMATE-RELATED RISK MANAGEMENT".

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3.5 CORPORATE SUSTAINABILITY POLICY

In addition to extensive development of our education cause, our Group also actively fulfills its corporate social responsibilities. In order to effectively promote sustainable development, we have established the following measures against various environmental and social impacts:



In order to comprehensively promote the construction of green and low-carbon campus and establish a long-term mechanism, the Group led by the Energy Management Office prepared the Action Plan for Low-Carbon Construction of Shanghai Jian Qiao University (《上海建橋學院低碳建設行動方案》) for two consecutive years, to accelerate the promotion and application of energy-saving and carbon-reducing advanced technologies, and to ensure that the whole university will form a consensus and make efforts to create a model school for ecological civilization in Shanghai. Meanwhile, the Group has successively completed the revision and improvement of energy management related regulations and systems and incorporated the ISO quality system control, such as "Duties of the Energy Management Office (《能源管理辦公室職責》)", "Duties of Energy Management Supervisors (《能源管理督導員職責》)", "Measures for the Management of Energy and Water Resources (《能源和水資源管理辦法》)", "Measures for the Management of Electricity and Water Charges (《水電收費管理辦法》)", "Operational Rules for the Use of Electricity, Water and Gas (《水電氣使用操作細則》)", and "Regulations on the Management of Air Conditioner Use (《空調使用管理規定》)", etc., so as to ensure that the energy management is organized in a rules and regulations-based manner.

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3.6 STAKEHOLDER ENGAGEMENT

It is an integral part of our daily operations to communicate with various stakeholders and promote their participation in sustainable development governance. Our Group regularly engages with its stakeholders in appropriate ways so that we can understand their expectations and demands and actively respond to their concerns through our operations in respect of the environment, society and governance. Stakeholder groups and their methods of engagement are as follows:



Shareholders/investors:

- General meeting
- Interim and annual reports and other announcements
- Corporate communication
- Results announcement
- Roadshow and reverse roadshow
- Investor meetings



Business partners:

- Strategic cooperation projects
- Exchange activities
- Meetings
- Visits



Communities and non-governmental organisations:

- Community activities
- Volunteer activities
- Donations
- Education funds/scholarships
- Seminars/lectures/workshops
- Meetings



Suppliers:

- Supplier management procedures
- Supplier/contractor appraisal system
- Field inspections
- Meetings



Students and parents:

- Feedback in class
- Online assessment on teachers
- Letters and visits
- “Principal Online” platform
- Phone calls and mailboxes
- Seminars and campus open day
- Regular visits and parents’ meetings



Teachers and other employees:

- Survey on employees’ views
- Work performance appraisals and interviews
- Group discussions
- Meetings and interviews
- Seminars/workshops/lectures
- Teacher/staff training



Governments and regulators:

- Meetings
- Consultations
- Lectures



Public:

- Official website
- Activities open to the public
- Media reports
- WeChat official accounts



Alumni:

- School website
- School alumni activities
- Media reports



Industry associations:

- Organisation of industry activities
- Consultations
- Lectures
- Visits

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3.7 MATERIALITY ASSESSMENT AND ANALYSIS

(1) Material Issues on Sustainable Development

For the purposes of our Group and our Report, materiality is defined as any factor that has a present or future impact on our ability to achieve our sustainable development vision. We have conducted a materiality assessment to identify the most material ESG issues and understand the significance of different issues to the sustainable operation and development of our business, while maintaining regular communications with our stakeholders. The steps of our materiality assessment during the Reporting Period are as follows:

1. Identifying key stakeholders and material ESG issues

- We identified our key stakeholders and 36 material ESG issues through consulting with external consultants and analyzing the business operations, development strategies and plannings.

2. Stakeholder engagement

- In 2025, we conducted online questionnaires, interviews and communications with 326 stakeholders to understand their concerns and expectations on our Group in respect of the environment, society and governance.

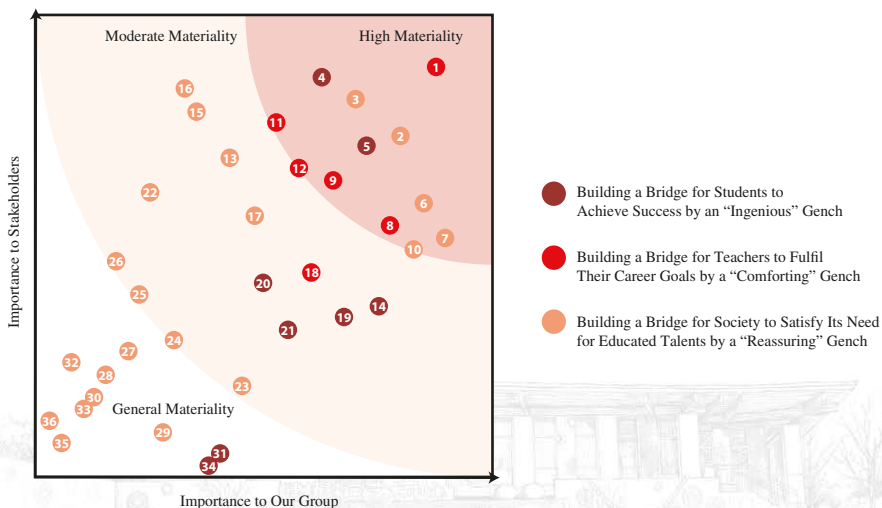
3. Material ESG issues rating

- By quantitative analysis of the results of stakeholder surveys and analyzing and prioritising various ESG issues, we identified 12 issues of high materiality, 14 issues of moderate materiality and 10 issues of general materiality.

4. Determined by the management

- We forwarded analysis results of material ESG issues to the Board of the Group to discuss the requirements that stakeholders are highly concerned about and adjust the Group’s sustainability strategies and management policies as appropriate. We also provided feedback to the Board on other types of issues of stakeholders’ concern and raised the Group’s attention to other sustainability issues that are closely related to our stakeholders.

(2) Materiality Matrix for ESG Issues



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(3) Ranking of Material Issues

No.	ESG issues of high materiality	Responding sections
1	Health and safety assurance for staff	Building a Bridge for Teachers to Fulfil Their Career Goals by a “Comforting” Gench 7.2 Comprehensive logistics support
2	Health and safety assurance for students	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench 7.2 Comprehensive logistics support
3	Personal information security	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench 7.1 Robust compliant operation
4	Nurturing virtues of teachers	Building a Bridge for Students to Achieve Success by an “Ingenious” Gench 6.3 Well-established training system
5	Progression Rate and Employment Rate of Students	Building a Bridge for Students to Achieve Success by an “Ingenious” Gench 5.1 Excellent educational philosophy
6	Compliant operation and integrity	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench 7.1 Robust compliant operation
7	Student satisfaction	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench 7.6 Sincere exchange of opinions
8	Employment interests and benefits	Building a Bridge for Teachers to Fulfil Their Career Goals by a “Comforting” Gench 6.1 Stringent employment standards 6.2 Considerate care for staff
9	Teaching team management	Building a Bridge for Teachers to Fulfil Their Career Goals by a “Comforting” Gench 6.1 Stringent employment standards
10	Students’ Mental Health	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench 7.2 Comprehensive logistics support
11	Support and care for staff	Building a Bridge for Teachers to Fulfil Their Career Goals by a “Comforting” Gench 6.2 Considerate care for staff
12	Equal employment system	Building a Bridge for Teachers to Fulfil Their Career Goals by a “Comforting” Gench 6.1 Stringent employment standards

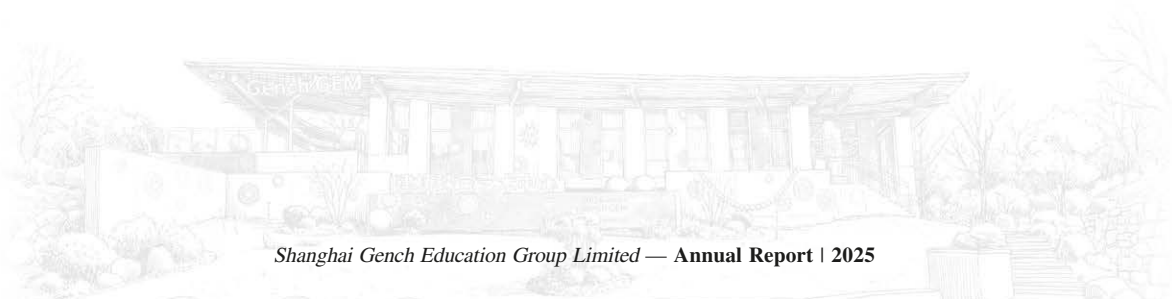


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No.	ESG issues of moderate materiality	Responding sections
13	Pandemic-related control measures	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench 7.2 Comprehensive logistics support
14	Educational philosophy and goal	Building a Bridge for Students to Achieve Success by an “Ingenious” Gench 5.1 Excellent educational philosophy
15	Environmental education for staff and students	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench 7.4 Environmentally-friendly green campus
16	Campus anti-fraud management	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench 7.2 Comprehensive logistics support
17	Campus facilities management	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench 7.4 Environmentally-friendly green campus
18	Staff training and personal development	Building a Bridge for Teachers to Fulfil Their Career Goals by a “Comforting” Gench 6.3 Well-established training system
19	Teaching quality control and management	Building a Bridge for Students to Achieve Success by an “Ingenious” Gench 5.4 Strict quality management
20	Teaching resources	Building a Bridge for Students to Achieve Success by an “Ingenious” Gench 5.2 Rich teaching resources
21	Enhancement of students’ professional skills and social practice abilities	Building a Bridge for Students to Achieve Success by an “Ingenious” Gench 5.6 Developing non-degree skills 7.5 Volunteer services, social contributions, and public welfare activities
22	Protection of intellectual property rights	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench 7.1 Robust compliant operation
23	Communication with students and parents and handling of complaints	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench 7.6 Sincere exchange of opinions
24	Canteen catering quality	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench 7.2 Comprehensive logistics support
25	Energy consumption and efficiency	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench 7.4 Environmentally-friendly green campus
26	Pollution prevention and emission reduction	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench 7.4 Environmentally-friendly green campus

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No.	ESG issues of general materiality	Responding sections	
27	Construction of a green and environmental protection management system	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench	7.4 Environmentally-friendly green campus
28	Participation in public welfare and charity	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench	7.5 Volunteer services, social contributions, and public welfare activities
29	Responsible procurement (including assessment the environmental and social performance of suppliers)	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench	7.3 Reciprocal supply management
30	Waste management and resource recycling	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench	7.4 Environmentally-friendly green campus
31	Smart campus	Building a Bridge for Students to Achieve Success by an “Ingenious” Gench	5.7 Campus informatisation construction
32	Serve regional construction and support community development	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench	7.5 Volunteer services, social contributions, and public welfare activities
33	Greenhouse gas emissions and management	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench	7.4 Environmentally-friendly green campus
34	Innovative teaching and research system	Building a Bridge for Students to Achieve Success by an “Ingenious” Gench	5.2 Rich teaching resources
35	Addressing climate change	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench	4. Addressing climate change 7.2 Comprehensive logistics support 7.4 Environmentally-friendly green campus
36	Water consumption and efficiency	Building a Bridge for Society to Satisfy Its Need for Educated Talents by a “Reassuring” Gench	7.4 Environmentally-friendly green campus



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4. ADDRESSING CLIMATE CHANGE

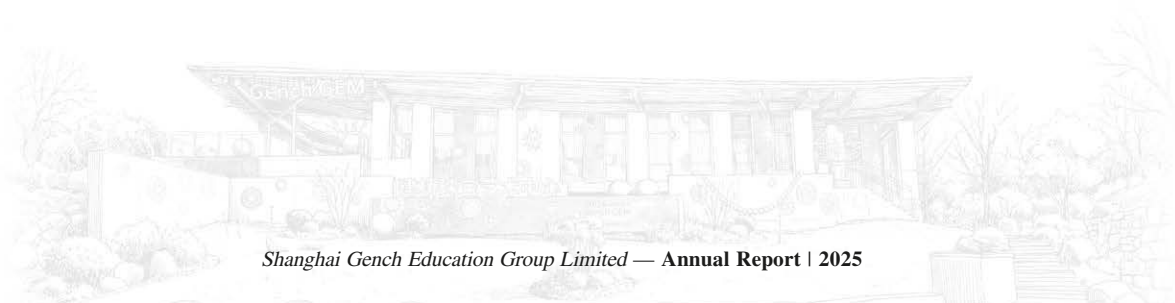
The Group is well aware that climate change is a common challenge for the world. In line with the national Plan 3060 (i.e., carbon neutrality and carbon peaking), the Group actively coordinates and responds to national policies to mitigate and address climate change in its daily operations through policies and measures on conserving energy, reducing emissions and consumption of natural resources, advocating green lifestyle and encouraging scientific research on green technologies. In the previous years, the Group has identified potential risks and opportunities arising from climate change with reference to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). On this basis, we have made further reference in 2024 to “IFRS S2”, issued by the ISSB in June 2023, to help further assess the impact of climate-related matters and associated risks and opportunities.

4.1 GOVERNANCE

The Group’s sustainable development governance structure is also responsible for overseeing the response to climate change-related risks and opportunities, as detailed in “3.2 GOVERNANCE STRUCTURE”.

4.2 CLIMATE CHANGE-RELATED STRATEGIES

Under the oversight of the Group’s Board of Directors, addressing climate change has been integrated into our business development strategy, and the ESG Committee assists the Board in identifying, managing and monitoring climate-related risks and opportunities. We identify climate-related risks and opportunities in different time frames based on factors such as the Group’s geographic location and industry environment, with reference to the recommendations of the “Task Force on Climate-related Financial Disclosures (TCFD)”. We set the short, medium and long-term time frames to 2030, 2050 and 2080 respectively.



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(1) Identification of Climate-related Risks and Scenario Analysis

➤ Identification of climate-related risks

Climate-related physical risks			
Types of climate-related risks	Time frame	Potential impact on business model and value chain	Impact on current and anticipated financial position, financial performance and cash flows
<p><u>Acute risk:</u> Extreme weather or natural disasters occur. Our operating entities are located in coastal areas where extreme weather mainly includes typhoons, heavy rains, floods, extreme heat, etc.</p>	Short-term	Increase in maintenance costs for campus facilities	<p><u>Current impact:</u> Due to the proactive implementation of precautionary measures for typhoon and flood prevention, no costs associated with the maintenance of campus facilities necessitated by typhoon impacts were incurred during the year.</p> <p><u>Anticipated impact:</u> given the unpredictability of force majeure events, it is unable to accurately assess the future financial impact.</p> <p><u>Financial statement item:</u> administrative expenses</p>
		Increase in health and safety risks for staff and students	<p><u>Current impact:</u> the cost of security related to typhoon and extreme heat impact during the year was approximately RMB23,448.85.</p> <p><u>Anticipated impact:</u> it is expected that the relevant security costs will be less than RMB30,000 per year in the future.</p> <p><u>Financial statement item:</u> administrative expenses</p>
		Damages on the data storage center	Due to the lack of reasonable market fair value for reference, it is temporarily unable to accurately quantify the specific amount of data storage center (as an intangible asset).
		Increase in insurance costs	There is currently no impact on the financial position, financial performance and cash flow, but it doesn't exclude the need to purchase related insurance in the future.
<p><u>Chronic risk:</u> Higher average temperatures, rising sea levels, etc.</p>	Long-term	<p>Higher average temperatures will affect employee health and overall productivity</p> <p>Rising sea levels will cause damage to campus physical assets and incur additional costs</p>	Accurate financial data and obvious financial impact are not yet available.

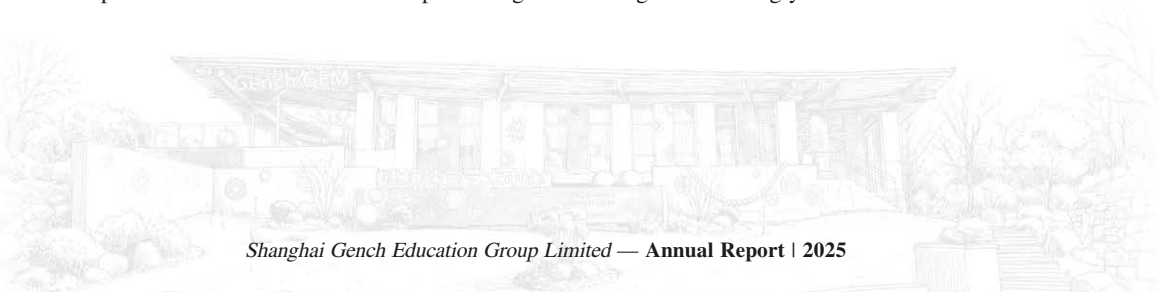
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Climate-related transition risks			
Types of climate-related risks	Time frame	Potential impact on business model and value chain	Impact on current and anticipated financial position, financial performance and cash flows
Adoption of new policies by the government or other stakeholders to address climate change	Short-term	Additional operational and compliance costs incurred by the Company to meet the standards required by the policies	Accurate financial data and obvious financial impact are not yet available.
Investors are increasingly favoring companies that can better address climate changes	Short-term	Reputational risks arising from failure to respond effectively to policy requirements and investor preferences	
Control of indirect GHG emissions in the supply chain requires the selection of qualified suppliers	Short-term	Additional costs associated with selection of greener and more environmentally sustainable suppliers	

➤ Conducting scenario analysis

We have taken the first step in identifying the Group’s exposure to climate-related risks and assessing their potential impact on the Group’s business, value chain and finances. To enable stakeholders to understand the resilience of the Group’s strategy and business model to climate-related changes, developments or uncertainties, we have used the intermediate GHG emissions scenario (SSP2-4.5) and very high GHG emissions scenario (SSP5-8.5) of the Shared Socioeconomic Pathways, SSP in the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), thereby assessing the anticipated impact of the Group’s climate-related physical risks under different scenarios; and have assessed the anticipated impact of the Group’s climate-related transition risks using the Net Zero 2050 and Current Policies Scenarios adopted by the Phase IV Scenario of Network for Greening the Financial System (NGFS).

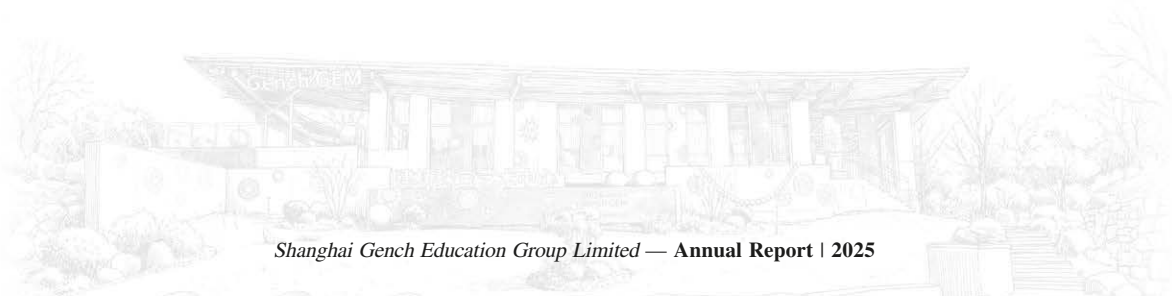
The scope of operations covered by our scenario analysis is consistent with the reporting scope of this ESG Report. For the key assumptions of the scenario analysis, we assume that the macroeconomic situation, the variables at the regional level, the variables at the company level, etc. do not change significantly in the short to medium term. Given the uncertainties we face in identifying the data associated with risk, we are currently unable to fully and accurately measure the impact on financial amounts. To this end, we use the following qualitative descriptions to assess the level of risk facing by the asset value of our Group under different scenarios and plan mitigation strategies accordingly.



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① Climate-related physical risks

Types of risks	Risk variables	Level of risk		Responses
		SSP2-4.5 Scenario	SSP5-8.5 Scenario	
<p><u>Acute risk:</u> Extreme weather or natural disasters occur. Our operating entities are located in coastal areas, where extreme weather mainly includes typhoons, rainstorms, floods, extreme heat, etc.</p>	Frequency of extreme weather	<p>Short-term: low risk</p> <p>Medium-term: low risk</p> <p>Long-term: moderate risk</p>	<p>Short-term: low risk</p> <p>Medium-term: moderate risk</p> <p>Long-term: high risk</p>	<ul style="list-style-type: none"> ➤ The Group has established the “Measures for the Management of the Prevention of Flood and Typhoon” and the “Emergency Response Plan for Prevention of Flood and Typhoon”, to improve the Group’s overall ability to prevent flood, typhoon and natural disaster risks, thereby ensuring that the Group can properly and efficiently deal with emergencies of natural disasters, to protect the lives of teachers and students and the safety of school property, and to ensure the normal operation of teaching, scientific research and business
<p><u>Chronic risk:</u> Higher average temperatures, rising sea levels, etc.</p>	Changes in the number of high-temperature days; and sea level rise trends	<p>Short-term: low risk</p> <p>Medium-term: low risk</p> <p>Long-term: low risk</p>	<p>Short-term: low risk</p> <p>Medium-term: low risk</p> <p>Long-term: moderate risk</p>	<ul style="list-style-type: none"> ➤ Strengthen climate awareness education, cultivate environmental literacy among employees and students, and enhanced the overall ability to address climate change ➤ Promote the construction of green campus, implemented energy conservation and emission reduction measures, and improved the climate resilience and sustainability of campus facilities ➤ Work with communities to develop adaptive strategies and solutions



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② Climate-related transition risks

Types of risks	Risk variables	Level of risk		Responses
		NGFS Net Zero 2050 Scenario	NGFS Current Policies Scenario	
Adoption of new policies by the government or other stakeholders to address climate change	The number, intensity and financial impact of these policies	Short-term: low risk Medium-term: low risk Long-term: moderate risk	Short-term: low risk Medium-term: low risk Long-term: low risk	<ul style="list-style-type: none"> ➤ Pay close attention to development in policies and kept abreast of policy trends. Soughting to participate in the policy making process and provide industry insights and suggestions to the government through channels such as industry associations ➤ Adjust the Company's development strategy in real time according to the policy orientation to meet the development requirements of low-carbon economy
Investors increasingly prefer companies that can better address climate change	The number of investors who value factors of climate change	Short-term: low risk Medium-term: moderate risk Long-term: high risk	Short-term: low risk Medium-term: low risk Long-term: low risk	<ul style="list-style-type: none"> ➤ Actively disclose climate risks and emission reduction progress to enhance transparency ➤ Develop and implemented emission reduction strategies to enhance corporate sustainability ➤ Use green financial tools to attract climate-conscious investors
Control of indirect GHG emissions in the supply chain requires the selection of qualified suppliers	Cost of selection of and communications with suppliers	Short-term: moderate risk Medium-term: high risk Long-term: high risk	Short-term: moderate risk Medium-term: moderate risk Long-term: moderate risk	<ul style="list-style-type: none"> ➤ Set and enforced standards for supply chain emission, and requirements for environmental responsibility of suppliers ➤ Work with suppliers to reduce emissions and improve their environmental performance through monitoring and incentives ➤ Include environmental clauses in procurement contracts and promote technological innovation and continuous improvement in the supply chain ➤ Provide training and support to help suppliers improve their environmental awareness

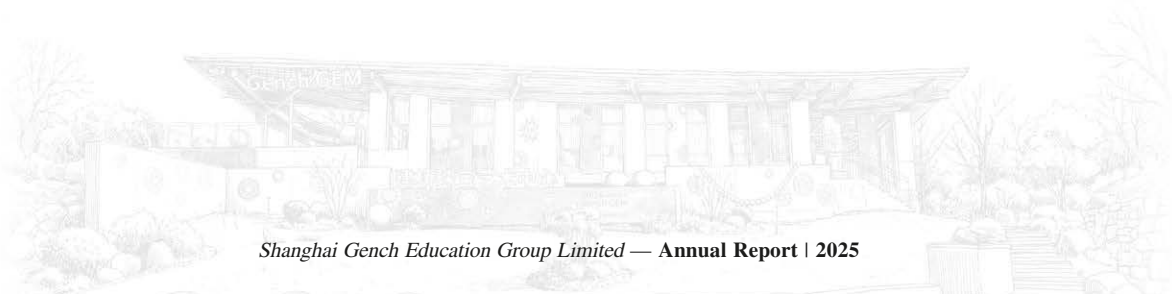
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(2) Identification of Climate-related Opportunities

Types of climate-related opportunities	Time frame	Potential impact on business model and value chain	Impact on current and anticipated financial position, financial performance and cash flows	Responses
<p>The Company improves resource utilization efficiency, and optimizes energy sources and operations management</p>	<p>Short-term</p>	<p>Guide the Company to use low-carbon energy and improve energy-saving technology</p>	<p><u>Current impact:</u> The expenses related to improving low-carbon energy and energy-saving technologies in the year, such as the completion of the distributed photovoltaic project, the renovation of the hot water system, the construction of the intelligent air conditioning control system, the water-saving renovation of greening irrigation, and the electricity-saving renovation of lighting, amounted to approximately RMB18.4815 million.</p> <p><u>Anticipated impact:</u> It is currently unable to make an accurate estimate of the amount of investment in the projected future technological transformation.</p> <p><u>Anticipated benefits:</u> The renovation of the hot water system is expected to reduce annual electricity consumption by approximately 20%; the construction of the intelligent air conditioning control system can increase future electricity savings by over 20%; the water source for greening irrigation was switched from tap water to river water, saving approximately 8,758 tons of tap water (equivalent to water fees of approximately RMB40,462) in 2025, and it is expected to save approximately 20,000 tons of tap water annually in the future; the renovation of 93 street lamps from 150-watt lamps to solar lamps saves approximately 65,000 kWh of electricity annually; the renovation of sports field lighting to high-brightness LED lamps, coupled with sectional and circuit-specific control, saves approximately 158,000 kWh of electricity annually.</p> <p><u>Financial statement item:</u> administrative expenses</p>	<p>➤ Continued to implement low-carbon energy conversion projects, such as replacing public vehicles with new energy vehicles, implementing renovation projects for water and electricity conservation, and gradually improved the energy-saving technology system</p>

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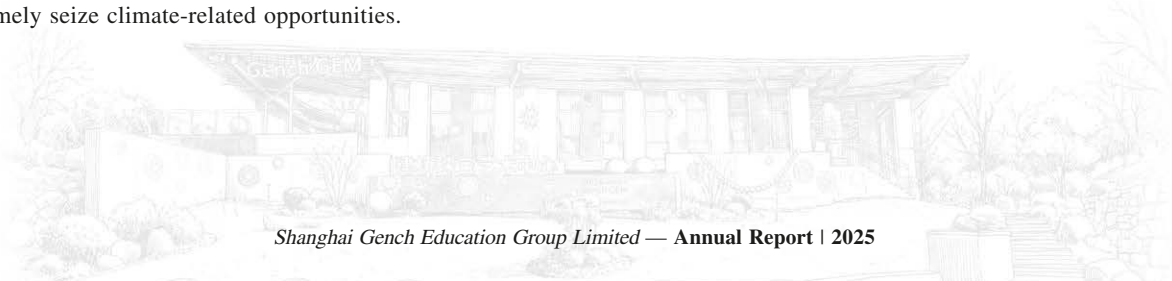
Types of climate-related opportunities	Time frame	Potential impact on business model and value chain	Impact on current and anticipated financial position, financial performance and cash flows	Responses
		Procure the Company to actively build a monitoring platform for energy management	Due to the lack of reasonable market fair value as a reference, it is unable to accurately quantify the cost on building the monitoring platform for energy management (as an intangible asset).	<ul style="list-style-type: none"> ➤ Continued to develop and use the energy management monitoring platform to realize real-time monitoring, data analysis and intelligent regulation of campus energy use data, improved energy utilization efficiency and reduced energy consumption
		Procure the Company to promote the concept of environmental protection and energy conservation among employees and students on campus	<p><u>Current impact:</u> the cost of organizing activities related to the promotion of environmental protection and energy conservation on campus in the year was approximately RMB5,366.</p> <p><u>Anticipated impact:</u> it is estimated that the annual expenses will be less than RMB10,000.</p> <p><u>Financial statement item:</u> administrative expenses</p>	<ul style="list-style-type: none"> ➤ Continue to strengthen education on environmental protection and energy conservation, raised teachers and students' awareness of environmental protection and promote energy conservation and emission reduction on campus by holding various publicity activities and knowledge competitions



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Types of climate-related opportunities	Time frame	Potential impact on business model and value chain	Impact on current and anticipated financial position, financial performance and cash flows	Responses
Economic or policy incentives to support low-carbon, energy saving and emission reduction	Short-term	Introduction of new technology	Accurate financial data and obvious financial impact are not yet available.	<ul style="list-style-type: none"> ➤ Establish a green technology innovation fund to support the research and development of low-carbon projects by teachers and students ➤ Formulated relevant policies to attract external enterprises to cooperate and jointly promote new technologies for energy conservation and emission reduction
		Access to subsidy funds	The Company completed the grid connection of its distributed photovoltaic project for power generation in 2025. According to the “Operational Measures for Supporting Photovoltaic Power Generation Projects in the Lingang New Area in China (Shanghai) Pilot Free Trade Zone”, the Lingang New Area will grant rewards based on the actual power generation of the photovoltaic project over five years (RMB0.25/kWh). The Company expects to recover the initial investment within approximately five years, and it is anticipated that approximately RMB2.4 million in electricity costs will be saved annually in subsequent years.	<ul style="list-style-type: none"> ➤ Actively follow up the policy guidance of relevant government departments and explored potential policy dividends

We will regularly review and assess climate-related risks and opportunities arising in different time frames, maintain open communication with stakeholders, and explore strategies to enhance our resilience in the face of climate-related risks and timely seize climate-related opportunities.



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(3) Climate-related Transition Plan

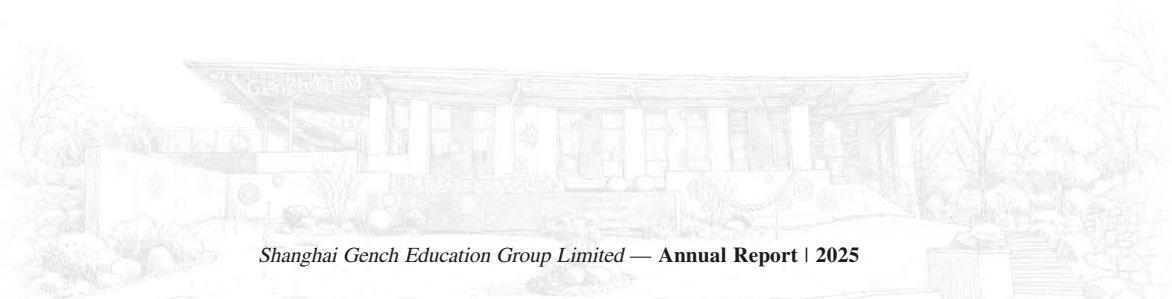
In a changing global environment, we are well aware of the importance of the climate-related transition plan to achieve sustainable development, and the Group has been actively responding to the national green development strategy to promote the low-carbon transition. Please refer to the section “7.4 ENVIRONMENTALLY-FRIENDLY GREEN CAMPUS” for details on our specific measures to promote the low-carbon transition.

4.3 CLIMATE-RELATED RISK MANAGEMENT

The Group has written in the section “4.2 CLIMATE CHANGE-RELATED STRATEGIES” that we have identified climate related risks in different time frames with reference to the Recommendations of the “Task Force on Climate-related Financial Disclosures (TCFD)”. We assessed its potential impact on the Group’s business model and value chain in a qualitative model, and its impact on the Group’s current and expected financial position, financial performance and cash flows in a combined qualitative and quantitative model. In addition, we conducted scenario analyses of climate-related physical risks and transition risks respectively, and assessed the expected situation of the risk level facing by the Group’s assets value in a qualitative mode. Through the scenario analysis, we prioritized the climate-related risks in order to efficiently allocate resources to the top-tier risks, ensuring the effectiveness of risk management.

4.4 CLIMATE INDICATORS AND TARGETS

The Group firmly believes that fair disclosure of indicators and targets related to sustainable development is very important. In response to the National 3060 Plan and to contribute to energy conservation and emission reduction in the education sector, we have set short-term and medium to long-term climate-related targets for the current year and intend to implement measures in accordance with the established plans in the future, as well as to assess the achievement of the targets and environmental performance on a regular basis. In the future, we will continue to strengthen our climate-related indicators, report on the progress of our future work in a timely manner and outline our work plan to disclose reliable indicators and targets in future reports.



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(1) GHG Emissions

The Group regularly monitors GHG emissions and measures them using the control method so that we have full control of all factors that can affect GHG emissions. Our organisational boundaries for measuring GHG emissions are consistent with the reporting scope of this report and the operating boundaries are shown below:

Entities	Activities	Scope of emission
The Group	Emissions from fuel combustion in fixed equipment during the course of operations (greening machinery, canteen cooking on campus) ¹	Scope 1
The Group	Emissions from fuel combustion of motor vehicles during the course of operations (vehicles and buses operated by the campus fleet) ²	Scope 1
The Group	Leakage of refrigerants into the air resulting in GHG emissions during the course of operations ³	Scope 1
The Group	Offsetting of GHG emissions by planting trees on campus during the course of operations ⁴	Scope 1
The Group	Total electricity purchased in the course of operations ⁵	Scope 2
The Group	GHG emissions resulting from the consumption of electricity by suppliers (e.g., water companies) due to purchased water during the course of operations ⁶	Scope 3 (Category 1)

¹ For the calculation of GHG emissions from fuel combustion of fixed equipment during the course of operations, please refer to the “Cross-Sector Tools: GHG Emissions from Stationary Combustion” in the “Greenhouse Gas Protocol Website” published in “Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard” and “IPCC’s Sixth Assessment Report”.

² For the calculation of GHG emissions from fuel combustion of motor vehicles during the course of operations, please refer to the “Environmental Protection Department’s Guidelines for Accounting and Reporting of Greenhouse Gas Emissions and Removals from Buildings (Commercial, Residential or Public Use) in Hong Kong” and “IPCC’s Sixth Assessment Report”.

³ For the calculation of GHG emissions resulting from the leakage of refrigerants into the air during the course of operations, please refer to “IPCC’s Sixth Assessment Report” and the “Cross-Sector Tools: Refrigeration and Air-Conditioning Equipment” in the “Greenhouse Gas Protocol Website” published in “Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard”.

⁴ For the calculation of the offsetting of GHG emissions from planting trees on campus, please refer to the “Environmental Protection Department’s Guidelines for Accounting and Reporting of Greenhouse Gas Emissions and Removals from Buildings (Commercial, Residential or Public Use) in Hong Kong”.

⁵ For the calculation of GHG emissions from electricity consumption during the course of operations, please refer to “Appendix 2: Reporting Guidance on Environmental KPIs” of “How to Prepare an ESG Report” issued by the Stock Exchange. For the emission factor of the East China Power Grid, please refer to the “Notice on Releasing the Carbon Dioxide Emission Factor of Electricity in 2022” issued by the Ministry of Ecology and Environment of the People’s Republic of China.

⁶ For GHG emissions resulting from the consumption of electricity by suppliers (e.g., water companies) due to purchased water during the course of operations, an assessment was conducted using a method based on water supply volume and the electricity consumed for freshwater treatment. The calculation method refers to the “Environmental Protection Department’s Guidelines for Accounting and Reporting of Greenhouse Gas Emissions and Removals from Buildings (Commercial, Residential or Public Use) in Hong Kong”. The industry average electricity consumption per unit of water supply was obtained from the “2024 ESG Report of China Water Affairs Group Limited”.

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Entities	Activities	Scope of emission
The Group	GHG emissions resulting from the disposal of solid waste from construction projects during the course of operations by third parties for landfill treatment ⁷ ; GHG emissions resulting from the disposal of waste paper by third-party waste collection companies during the course of operations ⁸ ; GHG emissions resulting from electricity consumption by wastewater treatment providers during the treatment of wastewater during the course of operations ⁹	Scope 3 (Category 5)
The Group	GHG emissions resulting from transportation during the course of operations by vehicles owned or operated by third parties (not the reporting company) when employees travel on business ¹⁰	Scope 3 (Category 6)
The Group	GHG emissions resulting from transportation during the course of operations by vehicles owned or operated by third parties (not the reporting company) when employees commute ¹¹	Scope 3 (Category 7)

The types of greenhouse gas in our statistical scope cover carbon dioxide, methane and nitrous oxide, which are converted to metric tonnes of CO₂ equivalent for consolidation based on the global warming potentials provided by the “IPCC’s Sixth Assessment Report”. During the year, the Group’s GHG emissions were detailed as follows:

Indicators	Units	Data of GHG
Scope 1 GHG emissions	metric tonnes of CO ₂ equivalent	1,020.22
Scope 2 GHG emissions	metric tonnes of CO ₂ equivalent	16,742.93
Scope 3 GHG emissions	metric tonnes of CO ₂ equivalent	2,734.06
Total GHG emissions	metric tonnes of CO ₂ equivalent	20,497.21
Total GHG emissions intensity	metric tonnes of CO ₂ equivalent/number of staff and student	0.79

⁷ For the calculation of GHG emissions resulting from the disposal of solid waste from construction projects during the course of operations by third parties for landfill treatment, please refer to “RTI (Research Triangle Institute) International – Greenhouse Gas Emissions Estimation Methodologies for Biogenic Emissions from Selected Source Categories: Solid Waste Disposal, Wastewater Treatment, Ethanol Fermentation”.

⁸ For the calculation of GHG emissions resulting from the disposal of waste paper by third-party waste collection companies during the course of operations, please refer to the “Environmental Protection Department’s Guidelines for Accounting and Reporting of Greenhouse Gas Emissions and Removals from Buildings (Commercial, Residential or Public Use) in Hong Kong”.

⁹ For the calculation of GHG emissions resulting from electricity consumption during the sewage treatment process by the sewage treatment provider in the course of operations, please refer to the “Environmental Protection Department’s Guidelines for Accounting and Reporting of Greenhouse Gas Emissions and Removals from Buildings (Commercial, Residential or Public Use) in Hong Kong”.

¹⁰ For GHG emissions resulting from transportation during the course of operations by vehicles owned or operated by third parties (not the reporting company) when employees travel on business, an assessment was conducted using a distance-based method. The emission factors and calculation methods refer to “GREENHOUSE GAS PROTOCOL: CROSS-SECTOR TOOLS”, “Calculation Method for Carbon Emission Coefficients of Urban Transportation Systems and Simplified Calculation Method”, among others.

¹¹ For GHG emissions resulting from transportation during the course of operations by vehicles owned or operated by third parties (not the reporting company) when employees commute, an assessment was conducted using a distance-based method. The emission factors and calculation methods refer to “GREENHOUSE GAS PROTOCOL: CROSS-SECTOR TOOLS”, “Calculation Method for Carbon Emission Coefficients of Urban Transportation Systems and Simplified Calculation Method”, among others.

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Each year, our Energy Management Office makes reasonable projections of activity data for each of the operating boundaries for the coming year, based on the Group’s future operations and planning for energy saving and emission reduction initiatives. The ESG Committee evaluates the projected activity data, measures the possible impact on our GHG emission targets based on the evaluated activity data, and sets relevant quantitative and qualitative targets, which are regularly evaluated and reviewed, and reported to the Board. The Board is responsible for monitoring the overall performance and process of the Group’s sustainable development. If, in the course of actual operations, the original targets need to be adjusted, the Group will conduct timely assessments and transparently update the targets to ensure that they are in line with our sustainable development strategy.

The Group considers total GHG emission intensity as our primary indicator of GHG emissions. When formulating future GHG emission targets, the types of GHGs covered and the calculation methodology are aligned with current and past reporting years, and cover Scope 1 and Scope 2 of the stated operating boundary. Currently, setting targets for Scope 3 GHG emissions does not satisfy the principle of being “available to the Group without undue cost or effort at the reporting date”, and we will continue to improve the completeness of Scope 3 emissions accounting in the future.

We have set the following goals considering the year 2025 as the benchmark year:

Indicators	Short-term goal (2026)	Medium and long-term goals
Total GHG emissions intensity (including Scope 1 and Scope 2) (metric tonnes of CO ₂ equivalent/number of staff and student)	6.6% higher than that of the benchmark year ¹	Reducing total GHG emissions intensity

For the medium to long-term goals, the Group has adopted a series of measures to mitigate GHG emissions, for details of which, please refer to the section “7.4 ENVIRONMENTALLY-FRIENDLY GREEN CAMPUS”.

(2) Climate-related Risks and Opportunities

The impact of the Group’s climate-related risks and opportunities on the Group’s current and expected financial and cash flows, as well as the level of risk facing by the Group’s asset value under different scenarios derived from the scenario analysis, are set out in the section “4.2 CLIMATE CHANGE-RELATED STRATEGIES”. The Group currently has not made quantitative targets for the value of assets that will be affected by different climate risks and opportunities in the future, and we will strive to enhance the disclosure of relevant targets in the future.

¹ It is derived from the expected increase in GHG emissions from the operations due to the gradual commissioning of Phase 4 of the campus, as well as the ongoing emission reduction initiatives.

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(3) Industry Indicators

We identify key industry indicators related to the Group's business model and activities: intensity of total energy consumption and intensity of total water consumption by referring to industries with similar operating models in the "Industry Disclosure Guidelines" under IFRS S2. The energy and water consumption for the current year is set out in "APPENDIX I: ENVIRONMENTAL KEY PERFORMANCE INDICATORS". For the above industry indicators, we have set the following goals considering the year 2025 as the benchmark year:

Indicators	Short-term goals (2026)	Medium and long-term goals
Intensity of total energy consumption (MWh/number of staff and student)	5.6% higher than that of the benchmark year ¹	Reduce the intensity of total energy consumption
Intensity of total water consumption (m ³ /number of staff and student)	4.1% lower than that of the benchmark year ²	Reduce the intensity of total water consumption

For the medium to long-term goals, the Group has implemented a series of measures to mitigate energy consumption and water consumption, for details of which, please refer to the section "7.4 ENVIRONMENTALLY-FRIENDLY GREEN CAMPUS".

(4) Others

For climate-related capital use, internal carbon pricing, use of carbon credits and compensation policies, the Group has not yet formulated specific plans and set relevant indicators and targets. We will make plans according to the actual situation in the future.

¹ The above target data is derived by taking into account the gradual commissioning of the phase four of the campus construction and the anticipated increase in electricity consumption from projects related to our University's ongoing promotion of industry-education integration, combined with ongoing energy-saving measures.

² The above target data is derived based on the extensive water-saving retrofits carried out during operations in 2025 and their continued implementation in the coming years, which are expected to further reduce water consumption by offsetting the increased usage from Phase IV construction.

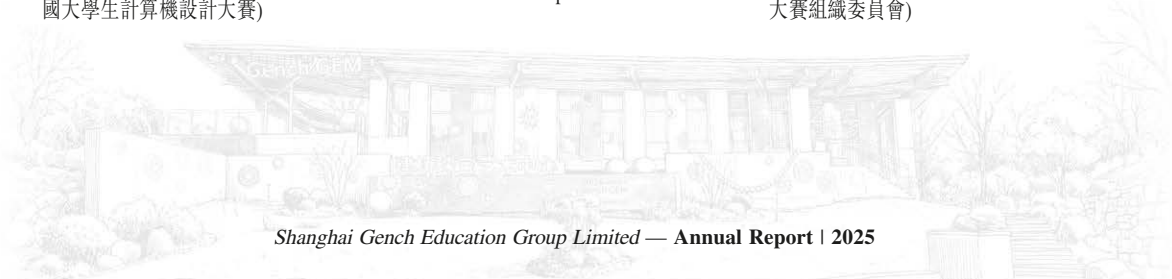
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5. BUILDING A BRIDGE FOR STUDENTS TO ACHIEVE SUCCESS BY AN “INGENIOUS” GENCH

PRESENTATION OF HONOURS OF OUR STUDENTS

By virtue of our excellent educational philosophy and rich teaching resources, students of Gench Education have made historic breakthroughs in many disciplines competitions in 2025. In 2025, 3,233 students won prizes at provincial and ministerial level and above, representing an increase of 31.9% over the previous year, exceeding the yearly target of 2025. The major national level and above awards are as follows:

Name of award	Level of competition	Level of award	Organiser	Time of award
Global Brand Planning Competition (全球品牌策劃大賽)	International level	1 gold medal	Sponsored by the Commercial Industry Committee of the China Council for the Promotion of International Trade (中國貿促會商業行業委員會), hosted by the Global Chinese Marketing Federation (全球華人行銷聯盟)	June 2025
2025 (Singapore) Global Brand Planning Competition China Region Selection and National College Business Elite Challenge Brand Planning Competition (2025年(新加坡)全球品牌策劃大賽中國地區選拔賽暨全國高校商業精英挑戰賽品牌策劃競賽)	National level	2 first prizes, 6 second prizes, 3 third prizes	Commercial Industry Committee of the China Council for the Promotion of International Trade, and other organizations	May 2025
2025 National Enterprise Competition Simulation Contest (2025年全國企業競爭模擬大賽)	National level	3 second prizes, 4 third prizes	China Management Modernization Research Association (中國管理現代化研究會)	May 2025
The 16th Lanqiao Cup National Software and Information Technology Professional Talent Competition (第十六屆藍橋杯全國軟件和信息技術專業人才大賽)	National level	2 third prizes	Talent Exchange Center of the Ministry of Industry and Information Technology (工業和信息化人才交流中心), Organizing Committee of Lanqiao Cup Competition (藍橋杯大賽組委會)	June 2025
Milan Design Week China Higher Education Design Faculty and Students Excellent Works Exhibition National Finals (米蘭設計周中國高校設計學科師生優秀作品展全國決賽)	National level	1 first prize, 1 second prize, 4 third prizes	Organizing Committee of Milan Design Week China Higher Education Design Faculty and Students Excellent Works Exhibition (米蘭設計周中國高校設計學科師生優秀作品展組織委員會)	June 2025
The 18th Chinese Collegiate Computing Competition (第十八屆中國大學生計算機設計大賽)	National level	1 second prize, 4 third prizes	Organizing Committee of Chinese Collegiate Computing Competition (中國大學生電腦設計大賽組織委員會)	July 2025

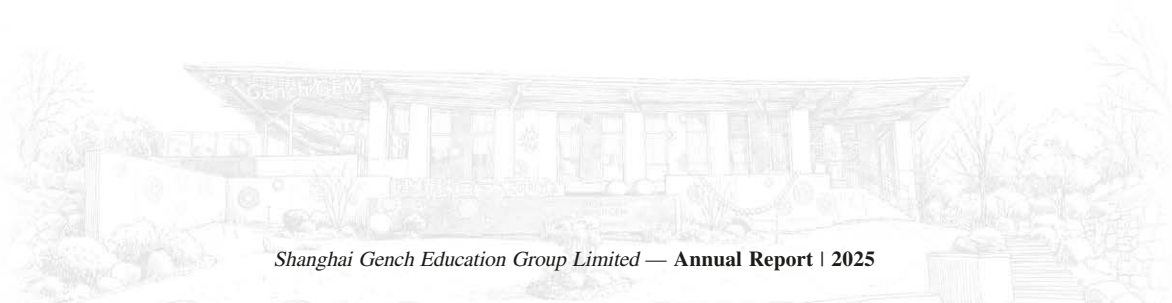


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Name of award	Level of competition	Level of award	Organiser	Time of award
The 9th National College Students IC Innovation and Entrepreneurship Competition (第九屆全國大學生集成電路創新創業大賽)	National level	1 second prize	Talent Exchange Center of the Ministry of Industry and Information Technology (工業和信息化部人才交流中心)	July 2025
2025 National College Business Elite Challenge Innovation and Entrepreneurship Competition Entrepreneurship Simulation Track National Finals (2025年全國高校商業精英挑戰賽創新創業競賽創業模擬賽道全國總決賽)	National level	1 first prize, 7 second prizes, 1 third prize	The Commerce Economy Association of China (中國商業經濟學會)	July 2025
The 18th National College Students Social Practice and Science Contest on Energy Saving and Emission Reduction (第十八屆全國大學生節能減排社會實踐與科技競賽)	National level	1 third prize	Organizing Committee of The National College Students Social Practice and Science Contest on Energy Saving and Emission Reduction (全國大學生節能減排社會實踐與科技競賽委員會)	August 2025
The 8th National College Students' Embedded Chip and System Design Competition (Application Track) (第八屆全國大學生嵌入式晶片與系統設計競賽晶片應用賽道全國總決賽)	National level	1 first prize, 1 second prize	Chinese Institute of Electronics (中國電子學會)	August 2025
The 13th Future Designers · National College Digital Art Design Competition (第13屆未來設計師·全國高校數字藝術設計大賽)	National level	4 first prizes, 4 second prizes, 11 third prizes	Hosted by the Talent Exchange Center of the Ministry of Industry and Information Technology (工業和信息化部人才交流中心)	August 2025
The 19th China Creative Challenges Contest (第19屆中國好創意暨全國數字藝術設計大賽)	National level	2 second prizes, 4 third prizes, 4 awards of excellence, 1 award of excellent creation	China Video Industry Association (中國電子視像行業協會), Organizing Committee of China Creative Challenges Contest (中國好創意暨全國數字藝術設計大賽組織委員會)	August 2025
The 18th "Higher Education Cup" National College Student Advanced Graphics Technology and Product Information Modeling Innovation Competition (第十八屆「高教杯」全國大學生先進成圖技術與產品信息建模創新大賽)	National level	1 first prize, 1 second prize, 1 third prize	Chinese Graphics Society (中國圖學學會)	August 2025

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Name of award	Level of competition	Level of award	Organiser	Time of award
2025 17th National College Students Advertising Art Competition (2025第17屆全國大學生廣告藝術大賽)	National level	2 awards of excellence	Organizing Committee of National College Students Advertising Art Competition (全國大學生廣告藝術大賽組委會)	September 2025
2025 National Youth Intelligent Unmanned Systems Application Competition (2025年全國青少年智能無人系統應用大賽)	National level	1 second prize, 1 third prize, 1 award of excellence	Chinese Society of Aeronautics and Astronautics (中國航空學會), China Ordnance Society (中國兵工學會)	October 2025
The 7th Chinese Classics Recitation, Writing and Interpretation Contest (第七屆中華經典誦寫講大賽)	National level	1 third prize	Organizing Committee of The 7th Chinese Classics Recitation, Writing and Interpretation Contest (第七屆中華經典誦寫講大賽組委會)	November 2025
2025 College Students New Liberal Arts Practice Innovation Competition (2025年大學生新文科實踐創新大賽)	National level	1 bronze medal	National New Liberal Arts Education Research Center (全國新文科教育研究中心)/Organizing Committee of The College Students New Liberal Arts Practice Innovation Competition (大學生新文科實踐創新大賽組委會)	November 2025
2025 18th National 3D Digital Innovation Design Competition Annual Finals (2025年第18屆全國三維數字化創新設計大賽年度總決賽)	National level	2 third prizes	Organizing Committee of National 3D Digital Innovation Design Competition (全國三維數字化創新設計大賽組委會), National Manufacturing Informationization Training Center (國家製造業信息化培訓中心), Dragon Design Foundation (北京光華設計發展基金會)	December 2025
2025 11th National College Student Physics Experiment Competition (2025年第十一屆全國大學生物理實驗競賽)	National level	1 third prize, 2 awards of excellence	Physics Discipline Group of the National Experimental Teaching Demonstration Center Joint Committee (國家級實驗教學示範中心聯席會物理學科組)	December 2025



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5.1 EXCELLENT EDUCATIONAL PHILOSOPHY

Our Group takes “Thanksgiving, Return, Loving, Responsibility” as its motto, and “building bridges for students to achieve success, for teachers to fulfil their career goals, and for society to satisfy its need for educated talents (為學生建成才之橋，為教師建立業之橋，為社會建育人之橋)” as its mission. Our University provides students with quality education centering on applied talent cultivation, and deeply integrates environmental, social and governance concepts into the whole process of education and teaching. We centre on the target of applied talent cultivation, closely integrating with the economic and social development of the Yangtze River Delta, Shanghai and Pudong, and promoting the integrated development of “Industry • Education • City” based on the Lingang New Area.

With the cultivation of application-oriented talents as the core, the Group has formulated the competency of graduates (eight core qualities), which is the concrete embodiment of the realization of the goal of our school for cultivating application-oriented high-quality talents. Our school has also built an all-factor, deep-seated and diversified system of deep integration of production and education, formed a training feature of deep integration of production and education for applied talents of “enrollment as employment, employment upon graduation, quick adaptability to positions and sustainable development”. Our school seeks the common development concept of close docking with industries and enterprises, explores the construction of an applied technology-oriented university, and realizes the goal of co-construction and sharing of school-enterprise resources and win-win results.

The year 2025 was a critical year for Shanghai Jian Qiao University (上海建橋學院) to fully implement the National “14th Five-Year” Plan for Education Development, and also a crucial year for the school to deepen educational and teaching reforms and comprehensively promote high-quality connotative development. During the year, our excellent educational philosophy is mainly reflected in the following aspects:

(1) Fully Implementing the Fundamental Task of Fostering Virtue through Education, and Promoting the Coordinated Development of Ideological and Political Courses and Curriculum-based Ideological and Political Education

Our school is a demonstration school in Shanghai for the comprehensive reform of “Three-in-one Education (三全育人)”. In 2025, our school, taking the opportunity of the upcoming round of undergraduate education teaching review and the 25th anniversary of its founding, under the strategic guidance of the “plan for building an excellent Gench”, continued to deepen comprehensive educational and teaching reforms, fully integrated advanced educational concepts into the talent cultivation system throughout the entire process, and strove to build a highland for cultivating application-oriented talents with distinct characteristics and first-class quality.

- Three-Dimensional Construction of the “Great Ideological and Political Education” Pattern: Leveraging the platform advantages of the “National Model University for Party Building” and the “MOE Innovation and Development Center for Ideological and Political Work in Higher Education”, our school promotes the synergistic alignment of ideological and political courses with course-based ideological and political education. In 2025, the number of school-level “curriculum ideology and politics demonstration courses” increased to 11, and the number of “curriculum ideology and politics demonstration teams” increased to 7.
- Deepening the practice of the “five-pronged education” system: The school used “one-stop” student community as physical space and education vehicle, to carry out peer mentor consultations, build distinctive dormitory culture, open community classrooms, create “Dean’s Recommended Books” community book bar, and promoted activities such as Baduanjin, Tai Chi, and yoga. The school introduced elegant arts and intangible cultural heritage handicrafts into the community, and organized labor practices such as workshops and volunteer services. This system effectively breaks the boundaries of traditional education, allowing moral, intellectual, physical, aesthetic, and labor education to be deeply integrated and vividly practiced in students’ daily life scenarios.

(2) Promoting Connotative and High-Quality Connotative Development through the Two-pronged Approach of “Teaching Style and Learning Style”

- Since 2018, we have held the “Teaching Festival”, practicing the philosophy of “student-centered, outcome-oriented and continuous improvement (學生中心、產出導向、持續改進)”, and have carried out more than 100 activities such as program development and curriculum construction. The “Teaching Festival” in 2025 focused on the construction of quality culture, highlighted the improvement of teaching quality, consolidated the position of teaching center through the exchange of professional construction experience, curriculum ideological and political discussion, teaching observation and teaching discussion and other activities, and promoted the teaching style.
- Launched in 2021, the “Academic Atmosphere Festival” focuses on the construction of long-term excellent study style. During the year, the school built 122 undergraduate “immersive classroom” demonstration classes, bringing a completely new classroom experience; activated the second classroom vitality, successfully organized a series of branded activities such as academic club achievement exhibitions, book sharing sessions, and study-style microfilm competitions, with over 10,000 participants including teachers and students; provided precise academic support, carried out a series of activities such as postgraduate entrance exam guidance, psychological care, and scholarship presentations, serving more than 5,000 students; the Learning Support Center and the library deeply engaged with the community to conduct peer tutoring and reading promotion.

(3) Deepening the Reform of Talent Cultivation Model to Foster Versatile Talents

- We have adopted multiple measures to cultivate versatile talents. The school promoted the talent cultivation model reform of “majors+ micro majors +pilot classes” to explore the development of versatile talents, encouraging students to study through micro majors and minor majors in addition to their majors.
- We have established pilot classes for talent cultivation reform. The school established three pilot classes for talent reform in digital trade, IC equipment, and intelligent arts innovation based on its advantageous majors, constructing a system of “industry-education integrated major courses and distinctive general education courses”, signed cooperation agreements with 16 leading industry enterprises to jointly pool social resources for collaborative talent cultivation. We offered virtual classes such as the “Global Voyage Talent Program (啟航人才班)” and “Elite Scholars Prep Program (俊雅人才班)” for students aspiring to continue their graduate studies, providing tutoring in subjects like mathematics and English, as well as IELTS exam training.



2025 “New Voyage” postgraduate journey kickoff meeting

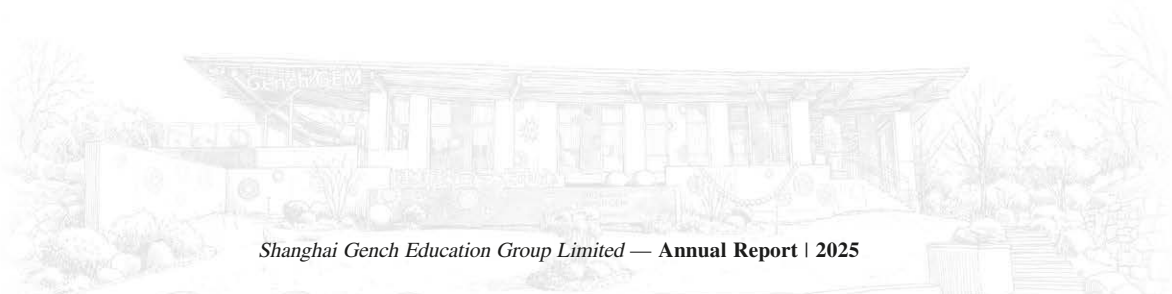


Group photo of excellent students and president

(4) Creating a high-quality talent cultivation system to facilitate both easy employment and quality employment for graduates

- Our school has held campus recruitment activities for many consecutive years, digging into school- enterprise cooperation resources, paying special attention to the blue ocean market of employment, and opening up new fields and new tracks of employment. We accurately delivered employment information to key groups “point-to-point” according to educational level, professional characteristics, job categories and other job information, achieving a high matching degree between graduates and enterprises. For the graduates of 2025, we visited more than 130 enterprises, explored more than 500 jobs, and held a number of large campus recruitment meetings, to provide sufficient job resources and employment demands. In addition, we followed the “Internet + employment” development trend, vigorously promoted the construction of online employment market. Relying on platforms such as the Employment Information Network of Shanghai Jian Qiao University and the Jian Qiao Employment WeChat public account, we provided more than 20,000 jobs, with over 10,000 graduates seeking job on line.
- We always attached great importance to employment, and has gathered the strength of all staff to build a work pattern of employment promotion, personally deployed by the main leaders, directed by the responsible leaders, implemented by the department leaders, promoted by all departments, and actively participated by teachers and students. We regularly released employment information, conducted in-depth employment research in the college, and held special meetings to improve the effectiveness of work.
- In addition, by strengthening employment guidance, the school guided and encouraged graduates to pursue employment and career development in western regions and grassroots areas. During the year, the school meticulously organized the 2025 Western Program Volunteer Send-Off Ceremony, inviting outstanding graduates who had served in the Western Program, the “Three Branches and One Support (三支一扶)” initiative, rural education, and other fields to share their work experiences and the values they gained at the grassroots level, using vivid examples to inspire current students’ enthusiasm and commitment to grassroots work.

It is because of this excellent teaching concept that our school has sent more than 80,000 qualified graduates to the society since its establishment. The employment rate of graduates of our University in 2025 was 99.40%, and the employment rate of graduates has been stable at more than 99% in recent years. Among the graduates of the year 2025, 142 were successfully admitted to graduate schools. 374 of them studied abroad, of which 94 entered the top 50 universities of the QS World University Rankings and 123 entered the top 100 universities. In addition, according to the “Employer Evaluation Report of Shanghai Jian Qiao University” over the past three years, employers’ overall satisfaction with our graduates remained at 96% or above.



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5.2 RICH TEACHING RESOURCES

(1) *Teaching Facilities and Teaching Conditions*

Our University has a site area of approximately 532,600m², with a gross floor area of approximately 564,500m². In-campus facilities include (i) classrooms, laboratories and training studios, conference halls, gymnasiums, outdoor sports venue, libraries, administrative offices, canteens and student dormitories, as well as multimedia classrooms, language rooms and quality recording and broadcasting classrooms. Among them, the library has a collection of 1,818,800 paper books and 2,066,100 electronic periodicals, with 3,457 reading seats. Meanwhile, our University has vigorously promoted the smart transformation of classrooms and currently has a total of 222 smart classrooms; (ii) 10 secondary experimental centers, with a total of 197 various laboratories and experimental training rooms. Among them, there is 1 national level demonstrative CNC training base, 2 MOE industry-education integration innovation bases, and 49 MOE industry-university cooperative education projects, forming a high ground of practical teaching covering major engineering and professional fields; (iii) a large integrated gymnasium, a track field, a football field, a basketball court, a tennis court, a volleyball court, a golf practicing area, etc.

(2) *Program, Curriculum and Teaching Materials Development*

Our University has 12 secondary colleges, including the Business College, the College of Mechanical and Electronic Engineering, the College of Journalism and Communications, the College of Information Technology, the College of Foreign Languages and International Education, the College of Art Design, the College of Jewelry, the College of Health Management, the School of Marxism, the Vocational College, the College of Education, and the College of Continuing Education.

As of 31 December 2025, our University offered 40 undergraduate programs and 10 junior college programs, covering 7 disciplines of economics, management, literature, engineering, science, art and pedagogy. At present, our University has 1 major with national characteristics, 1 MOE pilot reform major, 1 National first-class undergraduate courses, 1 national excellent course, 15 first-class undergraduate majors in Shanghai, 1 leading plan on construction of first-class undergraduate in Shanghai, 5 pilot majors for application-oriented undergraduates in Shanghai, 3 majors with characteristics in Shanghai, 31 first-class courses in Shanghai, 12 excellent courses in Shanghai, 3 quality online courses in Shanghai, 3 model English courses in Shanghai, 31 first class undergraduate courses in Shanghai, 131 key courses in Shanghai and we have won 8 teaching outcome awards in Shanghai for two consecutive years, etc.

In terms of major development, we have developed the Plan for Adjustment and Reform of the Disciplines and Majors of Shanghai Jian Qiao University (《上海建橋學院學科專業調整與改革方案》), forming a hierarchical management and categorized development model, to prioritize the development of a number of majors with solid foundations, clear educational advantages, and strong responsiveness to social needs, while adjusting and developing majors that are weak, lack vitality, and cannot meet the needs of national construction and regional economic development. Our University has also formulated the Undergraduate Majors Setup and Management Measures (《本科專業設置和建設管理辦法》) to standardize and promote the establishment and development of undergraduate programs. Before setting up new majors, we have carried out research and demonstration. The course system should align with industry needs, professional standards, and job skills. Based on talent cultivation requirements, we have established off-campus experimental and practical bases and implemented school-enterprise cooperation.



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In terms of curriculum construction, our University systematically promotes the construction of first-class courses, following the construction path of “tiered cultivation and focused breakthroughs”. Based on the OBE (Outcome-Based Education) concept, we have restructured course objectives and evaluation paths, forming a collaborative mechanism of “focused cultivation, gradual advancement, and dynamic management”. We have organized the development of “online courses”, “blended online and offline courses”, “virtual simulation courses”, “social practice courses”, and “demonstrative all-English courses”. To date, we have developed 84 provincial and ministerial-level high-quality online open courses, along with 7 MOOCs (Massive Open Online Courses) and 1,388 SPOC (Small Private Online Course) courses. In recent years, our University has vigorously promoted the construction of AI courses and industry-education integrated courses, exploring the establishment of 111 AI courses, 33 industry-education integrated courses, and 104 courses co-built and co-taught with industry enterprises. Meanwhile, our University actively organizes AI course development training to continuously enhance teachers’ intelligent teaching capabilities, laying a solid foundation for promoting the digital and intelligent transformation of education and teaching.

In terms of textbook development, our University has strengthened textbook management, revised the Textbook Management Measures (《教材管理辦法》), implemented a strict textbook review mechanism, highlighted the characteristics of application-oriented undergraduate courses, and strengthened the planning, project approval and publication of textbooks.

(3) School-enterprise Cooperation and Industry-education Integration

Deep integration of industry and education, as the basic feature of application-oriented universities, plays an irreplaceable and decisive role in improving the quality of talents cultivation, supporting the innovation and entrepreneurship of teachers and students, gathering high-quality educational resources, promoting the transformation of scientific and technological achievements, enhancing local service capabilities, and enhancing the core competitiveness and comprehensive influence. Transforming into an industry-education integrated university is a major strategy concerning our University’s future development and a major task for our medium and long-term development.

Shanghai Jian Qiao University has been approved as one of the first batch of pilot units in Shanghai to cultivate high-skilled talents through school-enterprise cooperation, the private university counselor training base in Shanghai, one of the first batch of 14 “City-wide Industry-education Associations” in Shanghai, one of the first batch of entrepreneurial guidance stations for universities in Shanghai, one of the first batch of Shanghai municipal-level key modern industrial colleges, one of the first batch of high-tech talents cultivation (practical training) bases in Pudong New Area, and the integration base of production and education in Lingang New Area of China (Shanghai) Pilot Free Trade Zone. Our University has also been approved by the Ministry of Education for 2 innovation bases of integration of production and education, and The CNC training base of our College of Mechanical and Electronic Engineering is a national demonstration CNC training base. Our College of Digital Intelligence Manufacturing Industry is approved as one of the first batch of key modern industry colleges in Shanghai, and our College of Integrated Circuit Industry is selected into the second batch of key modern industry college project list in Shanghai.

In September 2024, the Group made a major decision on “transforming into an industry-education integrated university”, striving to build an industry-education integration model with “one core, two wings, three integrations, and four scenarios (一體兩翼三融四境)” (“one core” means to promote the establishment of independent legal entities for secondary colleges under Shanghai Jian Qiao University Co., Ltd. (海建橋學院有限責任公司); “two wings” mean to realize the double delivery of talent cultivation and engineering projects; “three integrations” mean the integration of elements, channels and resources; “four scenarios” mean to build an ecosystem that integrates four scenarios of “production, learning, research and innovation”) as the main content, to achieve the talent cultivation goal of the “enrollment as employment, employment upon graduation, quick adaptability to positions and sustainable development”, promoting each major to carry out at least one close cooperation, and each college to carry out at least one property rights cooperation. By 2030, the transformation into an integrated industry-education university will be completed, and by 2035, the distinctive features of an integrated industry-education university will enrich the bright background of an application-oriented university, making our University a nationally recognized top-tier application-oriented private university.

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In 2025, facing the epochal wave of global technological transformation, our University accurately grasped the core requirements of the “four-chain integration” (education chain, talent chain, industry chain, innovation chain), and, guided by industry demand, we deepened innovation in the educational model, and successively established the Industry College of Medical Engineering and the Industry College of Live Streaming Economy within secondary colleges. We also actively prepared to establish the Industry College of Big Data, the Industry College of Integrated Circuit, and the Industry College of Intelligent Manufacturing. Simultaneously, we registered six industry companies, created a collaborative and interactive industry-education integration system of “Industry Colleges and Industry Companies”, innovatively formed the core talent cultivation model of “one entity, two wings, dual delivery” (dual delivery of talent cultivation and engineering projects), and built a three-in-one industry-education integration operation mechanism of “secondary colleges (basic support), industry colleges (talent delivery), industry companies (project delivery)”.



Equipment Display of the Industry College of Medical Engineering



Training venue of the Industry College of Live Streaming Economy



Product line of IC packaging and testing industry-education integration base



Class site of the Industry College of IC integrated practice base

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During the year, the Gench Jewelry Arts Center was officially opened by Dishui Lake, creating a new regional cultural landmark through the collaborative development model of “art, commerce, and education”. While inheriting and promoting jewelry culture, the Center has also become an important platform for deepening school-local collaboration, empowering the cultural construction and industrial upgrading of the new Lingang area, providing a vivid practice for the integrated development of “industry-education-city”.



Interior of Gench Jewelry Arts Center

Furthermore, our University continues to focus on accurately aligning industry resources with the key industrial chain demands of the Lingang New Area, including IC, AI, and cybersecurity. We have deepened industry-education integration cooperation with leading enterprises such as Shanghai YHG Chip Prosper Group (上海香遠芯興集團), SIASUN Robot & Automation Co., Ltd. (新松機器人自動化股份有限公司), and Shanghai Media Group (上海文廣集團). Through an innovative collaborative talent cultivation model, we fully incorporate corporate real projects, cutting-edge technologies, and industry standards into classroom teaching, establishing a new talent training framework of “school-enterprise collaboration, project drive, and practice”, providing precisely matched applied talents for the high-quality development of key industries. We have also jointly launched Lingang Industry University with Lingang Group. As a governing unit, we leverage social resources in the Lingang area to promote the industry-education integration in higher education institutions, and actively advance the construction of the main carrying zone of the National Industry-Education Integration Demonstration Zone in the Lingang New Area.

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5.3 CONTINUOUSLY UPGRADING CAMPUS FACILITIES

In addition to the hardware and software related to teaching, we have been continuously upgrading other facilities related to campus life, and striving to improve the experience of students and staff. For example, in recent years, we continued to actively introduce well-known chain restaurant brands on campus, including HEYTEA, McDonald's, Manner Coffee, Luckin Coffee, MIXUE Ice Cream & Tea, YE GELATO, TASITING, Babi Mantou, YANGGUOFU MALATANG, etc. Teachers and students can enjoy a variety of delicious food and drinks in their busy work and study. Meanwhile, we have also upgraded the multi-storey dining hall to provide safe, convenient, rich, intelligent, warm and high-quality catering services for our staff and students.

We have also set up a large express service center, a number of vending machines, telephone booths, Fengchao cleaning shop-in-shops, I'm Coming online ordering and other service facilities on campus to facilitate the campus life of our faculty and students.



Some well-known chain restaurants on campus



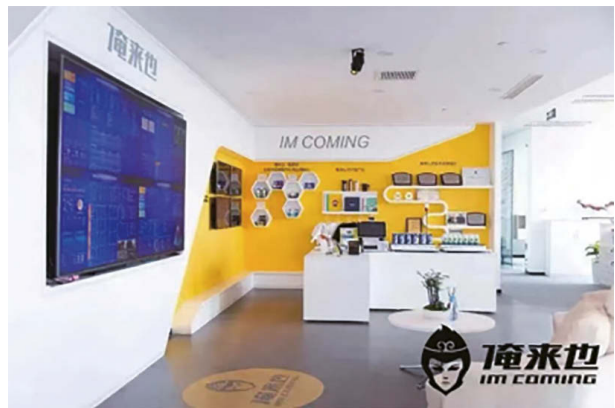
Express service center on campus



Vending machines on campus



Canteen upgrading



I'm Coming online ordering

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In addition, to further meet the diverse needs of students, we have focused on expanding campus service facilities: we have installed private quiet study pods around the library to provide students with immersive study spaces; in the student dormitory areas, we have equipped convenient laundry and drying rooms, study areas specifically for quiet study, projection seminar rooms that support group discussions, as well as supermarkets, leisure book bars, and coffee bars. Meanwhile, we have specially planned a Care House to support students when they encounter special difficulties.



Laundry room in dormitory



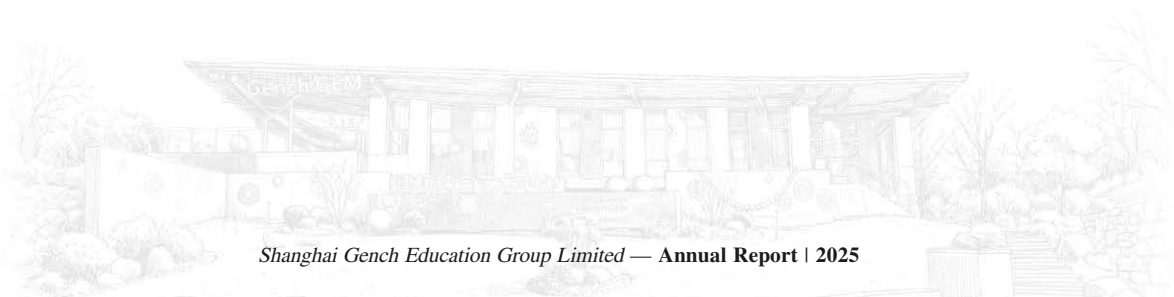
Quiet study area in dormitory



Quiet study pods around library



Care House in dormitory



5.4 STRICT QUALITY MANAGEMENT

The Group has established the quality policy of “People-oriented, Moral Education Prioritised, Law-Abiding, Strict Management” according to its school orientation and talent cultivation objectives. With the eight core qualities as the core, the Group has built a system for cultivating applied talents with “core qualities, competence-based, result-oriented and continuous improvement” based on the concept of OBE and relying on professional development of the “national standard” and the “ISO 9001 quality management system”. The Group has also established corresponding quality standards that are consistent with all aspects of education and teaching, and has set up a quality management system mainly based on the ISO 9001 quality management system documents, covering all functional departments of our University. There are currently 937 effective system documents.



Quality Management System Certificate

The Group actively cultivates and builds a quality culture that fully reflects the requirements of “self-consciousness, self-reflection, self-discipline, self-examination and self-correction”, which embodies the characteristics of Gench and has established a quality evaluation-feedback-continuous improvement mechanism based on the PDCA concept. Relying on the internal teaching quality assurance organisations at the university and college levels, our University has implemented whole-process by carrying out regular teaching inspections, listening to lectures by leading cadres, supervisory inspections, student evaluations on teachers, feedback from student informants, and evaluation of teaching by graduates, forming a favourable atmosphere for all staff to participate in quality control. Meanwhile, by conducting evaluation and accreditation of the majors, and graduation quality tracking and evaluation, we have promoted the construction and cyclical improvement to enhance majors quality through evaluation. In addition to daily quality control, the Group has also conducted the internal audit, management audit and external audit through ISO 9001 quality management system, which has formed a mechanism of self-discovery, self-correction and self-improvement management. The Group has continuously integrated the school’s total quality management system with key aspects of education and teaching, as well as external government evaluations, to establish a quality evaluation system that features a “trinity” of self-evaluation, government evaluation and third-party evaluation.

In addition, we took the “plan for building an excellent Gench” as the starting point to coordinate the school’s comprehensive reform, transformation and development, actively promoted the teaching reform of application-oriented talents cultivation and the teaching staff construction, constantly strengthened the cultivation of students’ eight core qualities, strove to improve the school’s governance ability and level, nurtured and created university quality culture with distinctive Gench characteristics.

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5.5 OPEN EXTERNAL EXCHANGES

The Group actively adapted to the national opening-up strategy, actively promoted international education, and broadened students' international horizons. In 2025, the Group closely followed the objectives of the Fourteenth Five-Year Plan and our yearly tasks, responded to international education profile revolution, further enlarged our influence on external exchange and cooperation, drove the quality and efficiency increase of international development, and laid a solid foundation for the development of the Fifteenth Five-Year Plan. We are the first private university in Shanghai to obtain the qualification of international students' enrollment, and have been newly listed as a government scholarship funded university for foreign students in Shanghai. We have carried out close cooperation and exchanges with many overseas universities, covering business, electromechanical, information, art, design, jewelry, language and other professional fields, and formulated relevant management measures to ensure that all projects are promoted in an orderly manner, with remarkable results, which has formed a vivid and active international exchange and cooperation atmosphere.

(1) *Seizing the Opportunities of Opening-up and Accelerating the Pace of "Going Global"*

The Group vigorously promotes the internationalization of education and supports the "going global" of international cooperation majors. We actively maintain the established circle of friends, and have various types of cooperation projects with a number of universities around the world, such as Vaughan College of Aeronautics and Technology (USA), Munich University of Applied Languages (Germany), Teesside University (UK), University of Plymouth (UK), The Kyoto College of Information Science and Technology (Japan), and Myongji University (South Korea). In 2025, the Group promoted new agreements with 11 prestigious overseas universities, including the University of Sussex and the University of Aberdeen in the UK, the English Language Institute of the University of Auckland in New Zealand, and Chiang Rai Rajabhat University in Thailand. We jointly launched the "3+1+X" undergraduate-to-master's program with the German public university, Dresden University of Technology, and officially opened the program. We also officially signed and implemented a joint undergraduate-to-master's cooperation program with the College of Language, Literature, Music & Visual Culture at the University of Aberdeen, a world-renowned university. Based on the cooperation memorandums signed in 2024 with two Japanese universities, Josai International University and Kansai University of International Studies, we further signed joint training program agreements in 2025.



Signing a memorandum of understanding with the University of Auckland's English Language Academy



Gench-TUD "3+1+X" bachelor-to-master's program officially launched

Meanwhile, the Group collaborates with five professional institutions to build a bridge for international academic exchange, launching specialized programs such as the Youth Training Program at the UN, visiting study programs at top overseas universities including the University of Pennsylvania, the University of Sydney, the University of Auckland, and the National University of Singapore, as well as internship exchanges with renowned enterprises in Hong Kong. These programs accurately meet the diverse needs of students at different educational stages and in various disciplines to broaden their international perspectives and enhance cross-cultural practical skills. In 2025, 227 students participated in short- and long-term overseas exchanges, further studies abroad, overseas internships and practical training, competitions, and conferences, representing an increase of nearly 30% from 2024.

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(2) Organizing a Close Cooperation Network and Strengthening the Efforts of “Bringing in”

The Group actively responds to the “Belt and Road” Initiative and makes continuous efforts to achieve a higher level of opening up to the outside world. In 2025, the Group received delegations from well-known overseas institutions from countries and regions such as the United Kingdom, Germany, Singapore, Thailand, Japan, and South Korea, totaling 438 visitors in 43 batches, continuously expanding our international exchange network. Meanwhile, relying on the school’s international cooperation projects and professional channels, we provide full-process services to broaden students’ global perspectives, inviting representatives from universities such as the University of Sussex and South-Eastern Finland University of Applied Sciences to conduct more than 10 project briefings. In June 2025, our University hosted the 15th Advanced Management Training Program for the Thai Ministry of Education for the first time. This program was officially commissioned by the National Institute of Educational Administration of Thailand (泰國國家教育行政管理學院) and composed of 30 senior managers selected by the Thai Ministry of Education from various provinces and regions. This year, we also received delegations of 48 visitors from Chiang Rai Rajabhat University and Rajamangala University of Technology in Thailand, advancing the implementation of one inter-university cooperation agreement, deepening Sino-Thai educational and cultural exchanges, and fully demonstrating the school’s responsibility and commitment to serving the national strategy of high-standard openness to the outside world.



Delegation from the University of Aberdeen



Delegation from Chiang Rai Rajabhat University

In response to students’ needs for admission to prestigious overseas universities and to help students improve their cross-cultural communication skills, the Group organized an “International Exchange Open Day” on campus with 13 partner institutions including the University of Aberdeen and Kansai University of International Studies. We invited 12 well-known overseas universities, including the University of Leeds, the University of Birmingham, the University of Wollongong, Curtin Singapore, and the University of Southampton Malaysia, to hold a special event for admission to prestigious overseas universities simultaneously with the Fall 2026 campus recruitment fair. By integrating resources from overseas institutions, we provide students with targeted services such as college matching and application guidance, helping them bridge the “last mile” to overseas further study.



Overseas famous universities enrollment site



International exchange open day event

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(3) Promoting Cross-cultural Exchanges to Build “Study Abroad at Gench” Brand

The Group further deepened cross-strait educational cooperation and academic exchanges, enhanced mutual learning between young people on both sides of the Strait, constructed campus culture diversification, and built “Study abroad in Gench” brand. In 2025, our University took the lead in organizing the application for and successfully obtaining approval for 2 MOE projects on Hong Kong, Macau, and Taiwan national situation education, as well as 1 project on education exchange with Taiwan, making it the only private university in Shanghai to have been approved and initiated. In cooperation with Fudan University, Soochow University in Taiwan, and other universities, we successfully hosted the 2025 Cross-Strait and Hong Kong-Macau University Students Sports Exchange Competition, attracting more than 170 teachers and students from Hong Kong, Macau, and Taiwan to gather in Lingang, using sports as a medium to build a bridge for youth mutual learning. The College of Journalism and Communication hosted the 2025 Cross-Strait University Short Video and Visual News Competition, innovating the form of exchange and expanding the breadth and depth of intellectual collision and professional exchange among youth across the strait.



2025 Cross-Strait and Hong Kong-Macau University Students Sports Exchange Competition



2025 Cross-Strait University Students Short Video and Visual News Competition

Our University organized international students to participate in the 2025 inaugural “Zhongning Plastics Cup” and the 4th Shanghai University International Students Tai Chi Friendship Competition. It was the only representative team from a private university in Shanghai, and it won group second prize and individual excellence award. One Russian student was selected as a promoter for the 20th Shanghai International Martial Arts Expo, becoming a friendly cultural ambassador to tell China’s story and convey China’s voice. In addition, our University held four special events during the year, including the Spring Cultural Tour, Mid-Autumn Cultural Tour, and a joint New Year’s celebration for Chinese and international teachers and students, continuously cultivating young ambassadors who understand China, are friendly to China and promote Chinese culture, thereby injecting vitality into the building of “Study abroad at Gench” brand.



Zhongning Plastics Cup & Tai Chi Friendship Competition



Mid-Autumn Cultural Tour

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(4) Improving Support System to Solidify the Security Line for Students to Study Abroad

The Group is committed to building a comprehensive support system for students going abroad (overseas), putting security and precise services at the core, and escorting students to travel smoothly around the world. In terms of strengthening the security line, our University systematically carries out overseas safety and civilization education and deeply integrates students' pre-departure preparations. Students from our University participated in the 2025 Shanghai Overseas Safe and Civilized Campus Competition for the first time, and won the “Best Campus Publicity Award” and “Best Organization Award” for their systematic publicity and refined organization. In addition, lecturers from the Consular Protection Center of the Ministry of Foreign Affairs were specially invited to give lectures, and the first cross-university collective training attracted more than 500 representatives of teachers and students from our University and other universities to participate in the event, building a solid line of awareness for students going abroad (overseas). In terms of innovative service models, our University has officially established an official student club with the mission of “broadening international horizons and supporting students' aspirations for further education”, aiming to provide students with free professional services ranging from intention consultation, planning guidance to application assistance for students who intend to go abroad (overseas) for exchanges, and precisely align personalized needs with appropriate services.



Best Campus Publicity Award of 2025 Shanghai Overseas Safe and Civilized Campus Competition



2025 Shanghai Overseas Safety and Civilized Campus Competition held on campus

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5.6 DEVELOPING NON-DEGREE SKILLS

Our University has set up the College of Continuing Education, and we have formulated and revised the “Regulations for the Administration of Non-Degree Education in Shanghai Jian Qiao University (《上海建橋學院非學歷教育管理辦法》)” according to relevant requirements and our reality. We are committed to serving lifelong learning, meeting diverse needs, and adhering to the public nature of education. As a training base for high-skill talents in Shanghai, we start from Lingang area and provide talent support and education services for regional economic and social development, by vocational skills training and social training. In skills development, we have built a system for cultivation of high-quality application-oriented talents, leveraging the platform of the university pilot base for vocational continuing education of the Shanghai “dual system”, and realized the goal of the “double enhancements” in vocational skills and the “double certifications” in academic and skills. We have optimized the professional setup, innovated the training system, strengthened skills development, promoted the construction of digital learning resources, consolidated the foundation for the cultivation of high-quality application-oriented talents, improved the supply capacity of continuing education, and built a multi-field and cross-age lifelong education system.

(1) Serving National Strategies, Practising Social Responsibilities

By advantage of e-commerce resources in the eastern region, our University focuses on the new business model of the live-streaming economy and actively serves rural revitalization in central and western regions. In August 2025, commissioned by the Employment Service Bureau of Jianzha County, we successfully held the “Huaneng Group • Jianzha County Live-Streaming Economy Talents Training Program”. This project focused on agro-products e-commerce and tourism promotion. Through systematic training, it helped the local area build a framework for a digital marketing team, broadened ideas for agro-products sales and tourism promotion and injected new momentum into rural revitalization and regional economic growth.

Relying on the professional advantages in Go, our University innovatively carries out public welfare projects in Go community education, offering public courses to adolescents and community residents. Through in-depth cooperation with streets and schools, and adopting the model of “bringing classes into communities and campuses”, we promote the popularization of traditional culture. Using Go as a medium, we build a platform for cultural immersion and cognitive enhancement, supporting the construction of a learning-oriented city and allowing traditional culture to take root at the grassroots level.



Huaneng-Jianzha Live-Streaming Economy Talents Training Program Successfully Concluded



Go community education project

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

(2) Deepening Students Skills Training to Improve their Employment Competitiveness

Our University is market demand-oriented and steadily promotes vocational skills training for graduating students to help enhance their core employment competitiveness. As of 13 December 2025, our University established a wide-ranging and highly participatory vocational skills training system, where 3,371 graduating students registered for vocational skills assessments with the Shanghai Municipal Bureau of Human Resources and Social Security.

During training process, our University will organize professional teaching teams, to customize individual training programs specific to different job features, helping students solidify their basic skills. Currently, there are 2,022 persons who have passed the training exams as published, covering internet marketers, computer programmers, e-commerce professionals, advertising designers, and childcare workers among other key jobs, highlighting our responsibility to connect with diversified industry needs and optimize the training of skilled personnel.

(3) Expanding Non-degree training to Meet Diverse Demands

Our University focuses on the professional development needs of social groups and conducts multi-level skills training. We have launched an interview coaching class for the qualification access of university professors; based on both further education and civil service employment demands, we offer specialized training for graduate school and civil service exams, to enhance students' competitiveness. Meanwhile, targeting the digital design field in the manufacturing industry, we carry out specialized SolidWorks training and assessments, systematically improving students' abilities in software operation and engineering application.

In the future, our University will continue to cater to regional development needs, deepen the “academic and skills” training model, expand digital education resources, and create a more influential education and training brand. We will perform our social responsibilities to higher standards and steadily advance on the path of serving national strategies and empowering talent growth.

5.7 CAMPUS INFORMATISATION CONSTRUCTION

In 2025, the Group closely focused on the urban digital transformation of Shanghai and the educational informatization transformation of the Ministry of Education, and achieved certain results in accelerating the pace of digital transformation, continuously promoting the cultivation and construction of Shanghai informatization benchmark school. Specific measures cover the following aspects:

(1) Enabling Teachers and Students' Experience and User Access

① Upgrading the unified portal to enhance the service experience for faculty and students

This year, we reconstructed “Gench Star” portal, automatically matching core functional modules to different roles such as teachers, students, executives and visitors, and integrating 136 business systems or modules covering approval processes, teaching operations, student work, personnel and research, finance and assets, and logistics services. The campus message center and big data center were fully interconnected, with messages, to-dos, and approval results posted uniformly, providing teachers and students with an efficient one-stop service experience.



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② Exploring AI, scenario-driven business linkage

To address pain points in campus services such as “slow response, complex procedures, and scattered inquiries”, we developed Gench Xiao Feng intelligent agent based on large language models and knowledge base technology, integrating “Q&A and processing” functions. By consolidating knowledge resources such as campus regulations, service guides, and FAQs, it enables precise answers to common queries; meanwhile, it connects with the unified messaging center and work order system to instantly push business progress and approval results, creating a service closed loop.

③ Independently developing payment system to reduce cost, increase efficiency and realize data autonomy

In order to reduce the high costs, data risks, and compatibility of off-campus payment services, we developed an independent campus unified payment system, covering core scenarios such as catering, miscellaneous fees, textbook fees, and training charges. The system ensures that 100% of transaction data is retained on on-campus servers, significantly improving data security and compliance.

④ Schedule management linkage, making learning and tasks visible

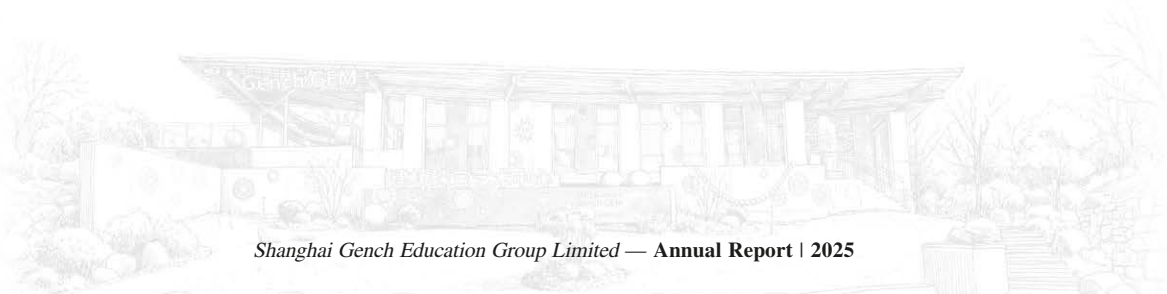
We created a unified campus schedule management service, breaking down information barriers between different systems, integrating schedule information across multiple platforms, and covering all scenarios of learning, work, and collaboration. The system links academic timetables, meeting room bookings, and the message center, automatically generating personal schedules by syncing student class schedules and teacher teaching arrangements. It supports automatic conflict detection for meeting room reservations and syncs pending approvals and meeting notifications to the schedule with reminders, ensuring that key matters are not overlooked.

⑤ Deepening warm services, offering precise supports

This year, we continued to organize new faculty information training and students online Q&A group and added a service closed-loop mechanism. We cumulatively wrote more than 30 operator’s manuals, tailored to different usage scenarios. We promptly push school notifications and system updates, achieving multi-channel coverage to ensure that teachers and students receive IT service information in the first instance.



Gench Xiao Feng intelligent agent for repair requests



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

(2) Driving Operational Efficiency and Process Reform

① Developing a Teaching Attendance System to Enable Unified, Standardized, and Efficient Roll-Calling

We built a full closed-loop teaching attendance system to kill the pain points of traditional classroom roll calls (i.e. time consuming, human errors, fragmented data cross systems), to shorten the call roll time from 15 minutes on average to 2 minutes or less, at data accuracy exceeding 99.9%. The system connected with teaching affairs system and big data center, displaying real time lesson adjustments, students abnormality and other information, offering a complete data support for teaching evaluation.

② Deploying electronic class bulletin, making classroom information visible

We deployed intelligent electronic bulletins at the doorway of classrooms to display “visible, real time, precise” teaching information. The bulletin connects with teaching affairs system, big data center and teaching system in real time, to synchronize daily curriculum, teachers and courses information automatically. In the event of emergencies such as class changes, classroom occupation, or equipment maintenance, the administrator may update and synchronize relevant class bulletin in real time, ensuring that teachers and students can quickly access critical information.

③ Laboratory integrated management, to increase quality and efficiency

We newly built a laboratory integrated management platform, covering basic information, safety inspection, teaching, booking among other 8 subsystems and fully improved management efficiency and security.

④ Constructing financial model, multi-source clustering of intelligent accounting

We built a financial intelligent agent system to automatically merge multi-source information, and generate multidimensional reports. This system supported self-service queries and exports, allowing business departments to instantly grasp project budget status and provide accurate data support for budget control and decision-making optimization.

(3) Solidifying Data Foundation and Security Base

In terms of information security, we closely followed the new epoch cybersecurity requirements, systematically promoted campus cybersecurity system building, actively participated in practical drills to improve our emergency response capabilities, effectively settled risks, and hardened campus cybersecurity barriers. In terms of data, our data center focused on data system deepening and intelligent upgrading, and synchronously improved our data governance regulations and procedures, significantly improved data scale, quality, and usability. On this basis, we strengthened data-driven initiatives, successfully using data to empower business management to improve efficiency, support comprehensive reform decisions in teaching and personnel, and provide core data services for various intelligent agents and department-customized reports, effectively promoting intelligent operations and scientific decision-making of the school.

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6. BUILDING A BRIDGE FOR TEACHERS TO FULFIL THEIR CAREER GOALS BY A “COMFORTING” GENCH

HONOURS OF TEACHERS

Under our Group’s rigorous employment standards, the considerate care and comprehensive training system we provide have stimulated employees’ enthusiasm for work and enhanced their work competence, which enables our employees to win numerous honours and awards every year. Some honours received by our faculty and staff in 2025 are set out in the table below:

Name of award	Level of award	Level of competition	Awarding unit	Time of award
National Semi-final of the 2025 FLTRP “Teaching Star” Competition (2025年外研社「教學之星」大賽全國複賽)	4 Second Prizes	National level	National Research Centre for Foreign Language Education under Beijing Foreign Studies University (BFSU) (北京外國語大學中國外語與教育研究中心), China Language Assessment under BFSU (北京外國語大學中國外語測評中心), Foreign Language Teaching and Research Press (FLTRP) (外語教學與研究出版社), etc.	June 2025
The 10th National Contest of Basic Teaching Skills for English Teachers in Higher Education Institutions (第十屆全國高等院校英語教師教學基本功大賽)	1 Second Prize	National level	National Collaborative Group of Higher Normal Colleges and Universities for Foreign Language Teaching and Research (全國高等師範院校外語教學與研究協作組), etc.	October 2025
The 5th “Chinese Stories” English Micro-lesson Competition for Teachers from Universities of Applied Sciences in Yangtze River Delta (第五屆長三角應用型高校「中國故事」教師英語微課大賽)	1 First Prize 1 Third Prize	Yangtze River Delta regional level	CPC Shanghai General Commission for Private Education (中共上海市民辦教育綜合委員會), etc.	May 2025
The 7th Session of Smart Teaching Competition for Teachers from Normal Universities and Colleges of Yangtze River Delta (第七屆長三角師範院校教師智慧教學大賽)	1 Second Prize 3 Third Prizes	Yangtze River Delta regional level	Organizing Committee of Smart Teaching Competition for Teachers from Normal Universities and Colleges of Yangtze River Delta (長三角師範院校教師智慧教學和師範生教學基本功大賽組委會)	November 2025
The 5th Teaching Skills Competition for Teachers from Private Colleges and Universities of Yangtze River Delta (第五屆長三角民辦高校教師教學技能大賽)	1 First Prize 2 Third Prizes	Yangtze River Delta regional level	Shanghai Municipal Education Commission (上海市教育委員會), Jiangsu Education Department (江蘇省教育廳)	December 2025
The 5th Shanghai Teaching Innovation Competition for Teachers from Colleges and Universities (第五屆上海市高校教師教學創新大賽)	1 First Prize 1 Second Prize 3 Outstanding Prizes	Shanghai municipal level	Shanghai Municipal Education Commission (上海市教育委員會)	May 2025

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Name of award	Level of award	Level of competition	Awarding unit	Time of award
The 7th Shanghai Teaching Skills Competition for Teachers from Private Colleges and Universities (第七屆上海市辦高校教師教學技能大賽)	2 First Prizes 2 Second Prizes 1 Third Prize 1 Outstanding Prize	Shanghai municipal level	Shanghai Municipal Education Commission (上海市教育委員會)	June 2025
Shanghai Regional Contest of the 16th "SFLEP Cup" National College Foreign Language Teaching Competition (College English Group) (第十六屆「外教社杯」全國高校外語教學大賽(大學英語組)上海賽區)	2 Second Prizes	Shanghai municipal level	Shanghai International Studies University (上海外國語大學), Shanghai International Studies Association (上海市外文學會), etc.	June 2025
Shanghai Vocational College Skills Competition 2025- Teaching Ability Competition (Higher Vocational Education Group) (2025年上海市職業院校技能大賽教學能力比賽(高職組))	2 Third Prizes	Shanghai municipal level	Shanghai Municipal Education Commission (上海市教育委員會)	August 2025
The 10th National Contest of Basic Teaching Skills for English Teachers in Higher Education Institutions (Shanghai)(第十屆全國高等院校英語教師教學基本功大賽(上海市))	1 Second Prize	Shanghai municipal level	National Collaborative Group of Higher Normal Colleges and Universities for Foreign Language Teaching and Research (全國高等師範院校外語教學與研究協作組), etc.	October 2025
The 7th Session of Shanghai Smart Teaching Competition for Teachers from Normal Universities and Colleges (第七屆上海師範院校教師智慧教學大賽)	1 First Prize 5 Second Prizes 5 Third Prizes	Shanghai municipal level	Shanghai Municipal Education Commission (上海市教育委員會)	November 2025
The 2nd Shanghai Teaching Ability Competition for Engineering Training Teachers from Colleges and Universities (第二屆上海市高等學校工程訓練教師教學能力大賽)	2 Second Prizes	Shanghai municipal level	Shanghai Education Association of University Engineering Training (上海市高校工程訓練教育協會)	November 2025
The Exhibition Activities for Completion of the 2025 Development Grant Programme for Young University Teachers in Shanghai (2025年上海高校青年教師培養資助計劃結項展示活動)	2 Third Prizes 2 Excellence Awards	Shanghai municipal level	Shanghai Municipal Education Commission (上海市教育委員會), Shanghai Education Development Foundation (上海市教育發展基金會)	December 2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

6.1 STRINGENT EMPLOYMENT STANDARDS

Our Group strictly abides by the Labour Contract Law of the People's Republic of China, Management of Labour Work and Personnel in Shanghai, Provisions on the Prohibition of Using Child Labour and other relevant laws and regulations that have a significant impact on us and are related to compensation and dismissal, recruitment and promotion, working hours, leaves and holidays, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. We have established a comprehensive employment management system with a range of employment-related system documents including Human Resources Management Procedures, Administrative Measures for Recruitment of Teachers and Staff, Administrative Measures for Annual Assessment of Teachers and Staff, Administrative Measures for Attendance of Teachers and Staff and Provisional Disciplinary Measures for Violation of Discipline by Teachers and Staff. The Human Resources Management Procedures regulates a complete employment management system, including human resources planning, recruitment and employment, promotion, attendance and appraisal, training and development, remuneration and rewards and punishment, and resignation. System documents, such as the Administrative Measures for Attendance of Teachers and Staff and Principles on Schedule Arrangement and Implementation Measures, regulate the working hours and vacations of teachers and staff.

Overview of Employment Process:



Recruitment

We strictly implement the recruitment process according to the annual recruitment plan and recruitment system. Our Group treats employees and candidates on an equal basis, and never discriminates against them due to gender, age, marital status, race, religion, etc.



Induction

Candidates are required to provide proof of identity, academic qualifications, skills, and employment during the interview. The HR department verifies the originals of the relevant supporting documents to ensure the authenticity of the candidate's identity and qualifications. We will immediately terminate the employment of any candidate whose identity information is found to be untrue. We will sign a labor contract with the successful candidate, which stipulates the salary, benefits and holidays available to the employees. Forced labour is strictly prohibited. If any violation is found, we will deal with it strictly according to law. We will regularly review the employment system to ensure that there is no child labour or forced labour. (During the year, our Group did not have any cases of hiring of child labour or forced labour, which highlights our strict employment system.)



Performance
Appraisal

In order to correctly evaluate the moral and aptitude performance and work performance of the teachers and staff, we have formulated the Administrative Measures for Annual Assessment of Teachers and Staff, Ethics Assessment Measures of Teachers and Staff, Measures for Selection and Administration of Outstanding Teaching Staff (Qingyun Prize), Measures for Selection and Administration of Excellent Departmental Chairpersons, Administrative Measures for Selection and Administration of Outstanding Teaching Prize, Administrative Measures for Selection and Administration of Outstanding Counselors, and Measures for Selection and Implementation of the Teaching Staff (Lei Feng Prize) to encourage teachers and staff to devote themselves to their duties, cultivate morality and improve their work efficiency and performance, and to become good teachers and staff with ideals and beliefs, moral sentiments, solid learning, and a heart of love and benevolence. The results of the annual assessment of teachers and staff are used as the basis for awards, promotions, advancement and salary promotions.



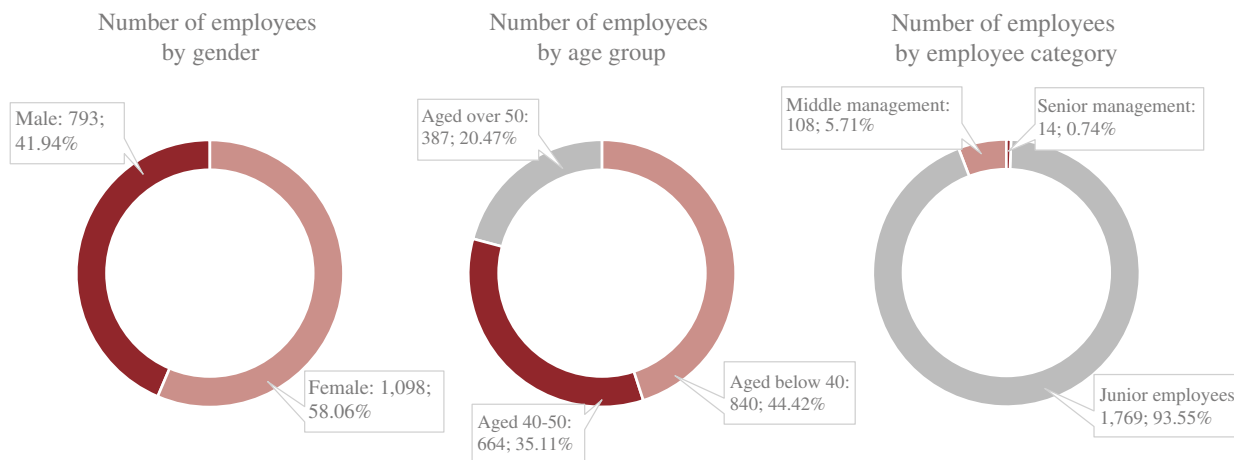
Resignation

We are concerned about the retention of every employee and have formulated the Administrative Measures for the Resignation of Teachers and Staff. When a teacher or staff submits his or her resignation, the head of the college or department will meet and communicate with him or her, make efforts to retain the teacher or staff with good performance, and explore the possibility of improving his or her working environment, conditions and treatment.

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Overview of Employees in 2025:

As of December 2025, the Group has a total of 1,891 employees. We highly value senior talents, as their valuable experience can enrich the qualifications of our staff team. In addition, we attach great importance to the diversification of our employees. The distribution of employees by gender, age group and employee category are shown in the figure below:



For details of employee turnover and occupational health and safety-related disclosures of the Group during the year, please refer to “APPENDIX II: SOCIAL KEY PERFORMANCE INDICATORS”.

6.2 CONSIDERATE CARE FOR STAFF

Employees are valuable assets to our Group in maintaining a quality education. As such, we are very concerned about the needs of our staff. To protect various welfare benefits of our teachers and staff, the 2022 Collective Contract of Shanghai Jian Qiao University clearly stipulates the provisions on labour remuneration, labour insurance and welfare, physical examination standards, rehabilitation subsidy standards, contract management, awards and punishments, etc. of our teachers and staff, effectively safeguarding various welfare benefits of our teachers and staff. By upholding the teacher centric development philosophy, our sponsors and management always attach great importance to the improvement of faculty treatment to promote high integration of our school’s career development and our faculty’s personal development.

In addition to the statutory five insurances and housing fund, we set up the “Charity Fund of Jian Qiao University” in September 2007, providing financial assistance to teachers and staff with serious illnesses and financial hardships, and delivering warmth to staff with difficulties or emergency each year, to reflect the care of Gench Education for teachers and staff and tide teachers and staff over financial hardships. In addition, to protect the interests of teachers and staff, and relieve teachers and staff of living hardships resulting from illness or hospitalisation, we subsidise the premiums for each teacher and staff member who participates in supplemental medical insurance. Our employees are entitled to sick leave, medical leave, wedding leave, bereavement leave, family leave, maternity leave, paternity leave, nursing leave for late childbirth and other leaves. In order to be sensitive to the needs of working mothers, female staff members with children under the age of one year are entitled to two breastfeeding breaks per day. Moreover, our employees are also entitled to health, holiday gifts, recreational activity subsidy and other benefits. Our employees are entitled to free physical examination once a year, and every year, we will distribute cake vouchers to employees on their birthdays, and distribute holiday gifts to them in traditional Chinese festivals, like Spring Festival, Dragon Boat Festival and Mid-Autumn Festival etc. To adjust the physical and mental health of our faculty, every year eligible employees will be entitled to recreational subsidies during our summer recreational activities, for example, they can tour in mainland China and take a rest. We have also built comfortable “Teachers’ Home” on campus, equipped with a exercise room, a gym, a cafe, a stress-relief room etc., offering free coffee and tea, and providing rest and recreational spaces for our employees. In addition, we have set up more than ten “Mommy’s Rooms” on campus, offering thoughtful and warm services for female teachers and staff.

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The Group organises the Badminton Association, Table Tennis Association, Walking Association, Chorus Association, Basketball Association, Football Association, SJQU-Gench Fashion Association and other cultural and sports associations to enrich the lives of our teachers and staff. In addition, we organise a number of festivals and recreational activities for our staff, such as New Year's parties for teachers and staff, staff sports meeting, flower arrangement activity, baking activity, mental health lectures (consulting), legal consultations, photography competitions, talent show activities, youth friendship and other activities to increase the sense of belonging, happiness and cohesion of employees.



Annual Faculty Commendation & Spring Festival Evening



2025 Faculty Hiking Activity



Rest Zone of Teachers' Home



“Mommy’s Room” on Campus

In addition, we sincerely respect and thank every retired faculty member who has worked hard for our construction and growth. We regularly hold activities for retired teachers and staff to return to the campus every year on Double Ninth Festival, allowing them to have a warm and cordial discussion at the symposium, witness the new development of our University at the newly completed Gench GEM and Medical Engineering Industry College (珠寶藝術中心與醫工產業學院) and re-experience traditional customs by personally making Double Ninth Festival tea and pastries. Taking this opportunity to return to their alma mater, these old comrades share the good old days with each other and provide insights for the development of our University.



2025 Return Seminar on Double Ninth Festival



Double Ninth Festival Tea & Pastry Making Activity

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Thanks to our sincere services to our faculty and staff, our commitment to a faculty-centered philosophy, and our efforts to build Teachers' Home that faculty and staff truly trust, the Trade Union of Shanghai Jian Qiao University has received the title of "National Model Workers' Home".

6.3 WELL-ESTABLISHED TRAINING SYSTEM

To consolidate our position as a leading private university, our Group is committed to building a strong faculty with noble ethics and excellent competence. To this end, we have established a comprehensive training system to provide appropriate training for teachers at different stages of development, so as to improve their professional level.

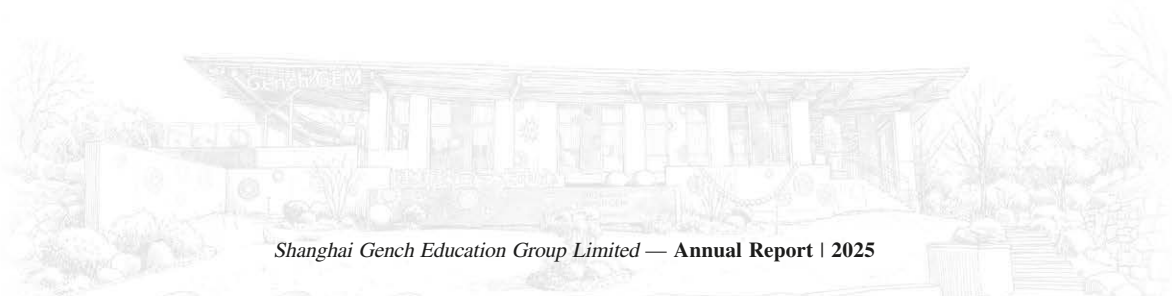
We have established corresponding in-service training and incentive policies for young and middle-aged core teachers, and formulated the Administrative Measures for the Implementation of Further Education Training for Teachers and Staff, the Measures for the Implementation of Domestic Visiting Scholar Programme for Young Teachers, the Measures for the Implementation of Overseas Visiting Scholar Programme for Teachers, the Measures for the Implementation of Industry university-research Practice Programme for Teachers, the Measures for the Implementation of "Development Grant Programme for Young University Teachers in Shanghai", On-the-job PhD Management Measures, and the (Tentative) Administrative Measures for the High Level Talents Nurturing and Incentive Programme, to comprehensively strengthen the establishment of various talent teams. The specific training mechanism is as follows:

(1) Enhanced Training for New Teachers and Staff

The trainings are classified into three stages: basic teaching skills training, Gench characteristic teaching training, and teacher ethics and school rules training. In this year's training for new teachers and staff, we have incorporated carrying forward the educator spirit and fulfilling the mission of educating people in the new era into the training curriculum, helping them gain an in-depth understanding of the rich connotation of the educator spirit and establish a correct outlook on education and values.

(2) Mentorship Mechanism for Young Teachers

We practise the "Mentorship Mechanism for Young Teachers", where very new young teacher is assigned middle-aged or elderly teachers with good ideological quality, high academic level and rich teaching experience as mentor, and a practical training plan is formulated to promote their access to new post and improve their teaching concepts and professional skills. We have also implemented the "Development Support Programme for Young University Teachers in Shanghai", to fund excellent young teachers in scientific research, and have held project application training for six consecutive years to help them improve the writing quality of their application submissions.



(3) Multi-level and Multi-type Teacher Training System

We held various training programmes at multiple levels and in multiple types. In order to fully improve our faculty expertise and overall competence, we followed education rules and faculty growth rules, to build high level talents team, train young teachers, and improve the professional development level of all levels and categories of teachers.

① Professional development projects for teachers

We select excellent teachers to visit scholars in high level and distinctive universities at home and abroad, so that they can timely keep abreast of and track the domestic and overseas cutting-edge trends and development tendency in education and learning, so as to help them to improve teaching and research abilities and academic level. We also encourage teachers to participate in research and development, work or internship in enterprises, design institutes, research institutes and other units through various forms, so that under the guidance of relevant business experts, they enhance their professional practice ability, keep track of the industry dynamics and development tendency, and increase the qualities of teachers with “double-position”.

② Teachers reinforcing project

We select teachers to join in various training programmes organised by the teachers reinforcing projects of private universities, including teachers teaching skills training, teachers research capability training, “double-position” teachers professional training etc. During the year, 65 teachers took part in such reinforcing projects, including the “Design and AI Teachers” training program of Singapore University of Technology and Design, the training for teaching administrators at Nanyang Technological University, Singapore, and the AI-Empowered Instructional Design Workshop.

③ Doctoral education project

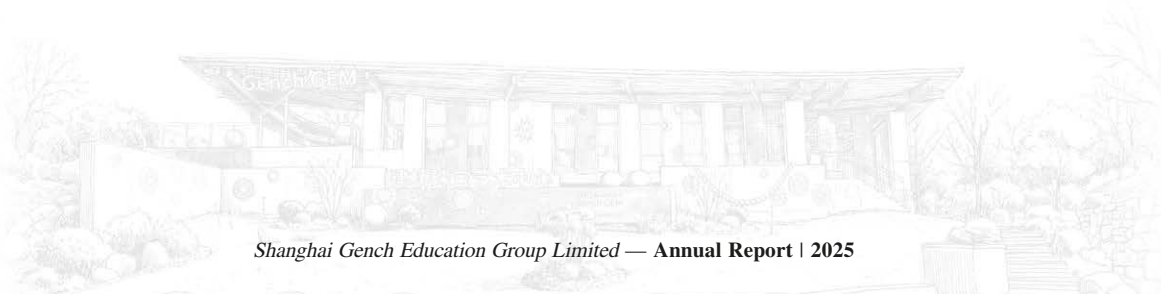
Our University provides financial support for teachers to study for doctoral degrees, creates a sound working and learning environment for doctoral candidate teachers, and provides academic leave for doctoral candidate teachers in order to give them sufficient time to complete their studies.

④ Teaching ability improvement project

We have established a teaching development centre to help teachers improve their teaching abilities. According to our development plan and the current status of the teaching force, we have developed and continuously improved the teachers professional development plan and system, and promoted the normalisation and institutionalisation of teachers training and nurturing work for the purpose of facilitating their sustainable professional development.

⑤ Teacher training in Winter and Summer Vacations

We recognize the diversified needs in the professional growth path of teachers, and have organized summer and winter training activities for all teachers, including “winter and summer vacation teacher study”, “training on review paper writing”, “practical training for instructors on student affairs” and “advanced seminar for teaching staff”.



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(4) Selecting Core Talents, Building 4-kind Talents System

According to the Administrative Measures of Talents Plan in Shanghai and other documents, in the spirits of continuously nurturing high level faculty oriented to the demand of school development and faculty team building, during the year, we developed and issued the Administrative Measures (Tentative) on High Level Faculty Talents Nurturing Incentive Schemes (《高水準師資人才培育激勵計畫管理辦法(試行)》), to construct the “leading- outstanding – cadre – excellent” 4-tiered training system, and facilitate the establishment of a well-structured, lean and efficient teaching force.

(5) Establishing “Professional Development Groups for Teachers”

Our University has established special professional development groups for teachers focusing on teaching reform, discipline and major development and personal development to enable teachers help each other, create synergy and develop in teams.

(6) Revising the Measures for the Evaluation of Professional and Technical Posts to Facilitate the Promotion of Teachers’ Titles

According to the title reviewers of the Education Commission, in light of the actual condition of our school, our school has revised the Measures for the Evaluation of Professional and Technical Posts to create a fair and open environment for teachers to promote their professional titles, strengthen the assessment of teacher ethics and teaching ability, and added certain levels of teaching awards, excellent teaching materials, teaching team awards and other awards, which will smooth channel for teachers to promote their professional and technical titles, and is more conducive to the development of teachers’ careers.

(7) Training for Functional Department Staff

For employees in each functional department, we also regularly conduct internal training and encourage them to participate in external training programs to enhance their business capabilities and management standards. For instance, we encourage employees of the finance department to engage in continuing education programs for accounting, support employees of the company secretary’s office to attend training and forums on compliance governance, information disclosure and other aspects, motivate employees of the information technology office to participate in training related to information system development, motivate logistics property management personnel to participate in cardiopulmonary resuscitation and AED training, fire safety training, psychological health knowledge training, etc. We also conduct regular ESG-related training for the functional departments responsible for various issues.

In 2025, the employees of the Group participated in various internal and external trainings, both online and offline, throughout the year, totalling 111,286.25 hours. For details of the trainings by gender, age group and employee category, please refer to APPENDIX II: SOCIAL KEY PERFORMANCE INDICATORS.

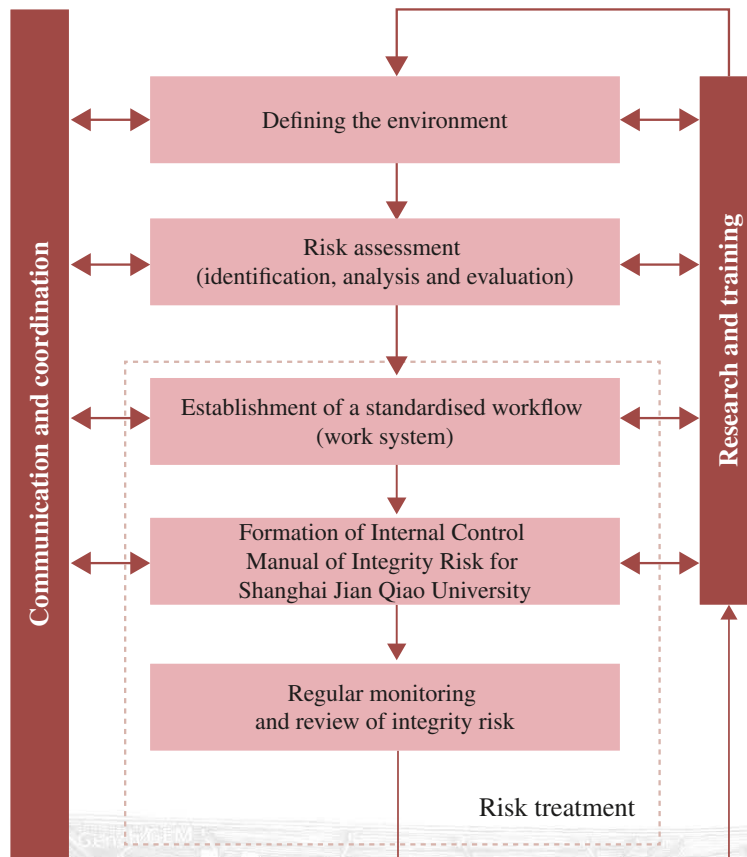
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7. BUILDING A BRIDGE FOR SOCIETY TO SATISFY ITS NEED FOR EDUCATED TALENTS BY A “REASSURING” GENCH

7.1 ROBUST COMPLIANT OPERATION

(1) Integrity Supervision

Our Group adheres to clean and compliant operations, and strictly complies with the Criminal Law of the People’s Republic of China, Anti-Money Laundering Law of the People’s Republic of China, Guidelines for Integrity and Self-discipline of the Communist Party of China, the Guidance on Strengthening Integrity Risk Prevention and Control and other relevant Chinese laws, regulations and guidelines that have a significant impact on us and are related to the prevention of bribery, extortion, fraud and money laundering. In order to build an integrity and compliance culture for the whole Group, we have carried out the project of Construction of Integrity Risk Prevention and Control System of Shanghai Jian Qiao University, introducing risk management theory and modern quality management methods into our integrity risk prevention and control system, to control and supervise in power operation process. We have formulated Internal Control Manual of Integrity Risk for Shanghai Jian Qiao University, which divided our integrity risk internal control into school-level and business-level, and established the implementation flow chart of integrity risk project to effectively fight against fraud, corruption and abuse of power. We also formulated the Compilation Document of Integrity Risk Prevention and Control Related System for Shanghai Jian Qiao University, which is a compilation of all the system documents related to integrity risk prevention and control as a normative guideline for all teachers and staff to promote integrity in their daily business operations. Meanwhile, we have prepared the Anti-Corruption Training Guidelines of Shanghai Gench Education Group Limited for the reference and study of directors, management, and supervisory staff. In terms of mechanism construction, we implement the ISO 9001 quality management system, allowing the integrity risk prevention and control system to be properly implemented.



Implementation Flow Chart of Integrity Risk Project

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The year of 2025 marks the first year for the Group to implement comprehensive reforms, with the reform of the talent training model as the core and deepening of the personnel system reform as the priority, under the guidance of “building an industry-education integration university”. The disciplinary committee of our University has continuously deepened its understanding of the law on the operation and management of private colleges and universities, and advanced supervision, work style improvement, strict discipline enforcement, and anti-corruption in depth around the new stage of our University’s development, providing a strong guarantee for our University’s high-quality development.

- ① Focusing on central works to conduct supervision and disciplinary performance, and pushing forward key decisions in place and in effect. The disciplinary inspection departments took part in the school’s “important decisions, important appointments or dismissals, important projects investment decisions, significant fund uses”, the school’s connected transactions etc., focusing on the supervision on sunshine students enrollment, school talents team building, employment work, undergraduate education & teaching audit & assessment among other important issues, to promote the key decisions of our University to take roots and take effects.
- ② Keeping petition and complaint channels unimpeded, carefully verifying the reported problem clues, and achieving a closed-loop work process. In 2025, newly-appointed managers signed 9 integrity commitment letters, covering entire middle management. We conducted 2 sessions of managers warning education, and timely communicated typical negative cases. We held the 2025 integrity risk control inspection kickoff meeting, developed the work plan for the Notice of 2025 Integrity Risk Control Inspection, and inspected 13 functional departments with the control evaluation indicators of 46 risk points.
- ③ Building disciplinary inspection battlefield, and strengthening integrity culture construction. We regularly updated the official website of disciplinary committee to highlight publicity and education and improve supervision efforts. We put the disciplinary dialogue room into use, and interviewed 9 managers before their taking office. We held the “2025 Shanghai Jian Qiao University Integrity Culture Building Month” event, to exhibit the integrity culture works elaborated by our teachers and students, embodying our teachers and students’ recognition of integrity culture.
- ④ Improving the internal supervisory system. We promoted the integration of all kinds of supervisory forces, programs, works, improved information sharing, question negotiation, and long-term mechanism for all functions. We conducted disciplinary inspection, audit, supervision, complaints, legal affairs for coordinated supervision, to construct a greater supervisory system. We implemented the Measures for Implementing the Synergy Mechanism of Shanghai Jian Qiao University for Disciplinary Inspection Supervision and Audit Supervision. During the year, we appointed audit office to conduct 13 audits on the financial responsibility of retired managers.
- ⑤ Promoting regular and long-term work style construction. We supervised the implementation of documents including the Several Provisions on the Several Provisions of Shanghai Jian Qiao University on Standards of Integrity and Self-Discipline for Cadres (《上海建橋學院干部廉潔自律若干規定》), Implementation Opinions on Further Strengthening and Improving the Political Ideological Education and Professional Ethics of Teachers (《關於進一步加強和改進教師思想政治和師德師風建設工作的實施意見》), and the Measures for Teachers Ethics Assessment of Shanghai Jian Qiao University (《上海建橋學院師德考核辦法》).

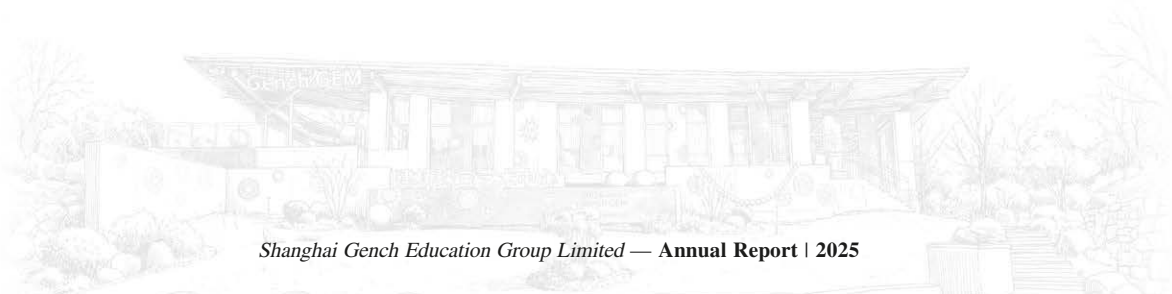
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- ⑥ Strengthening the construction of the disciplinary inspection work system, and continuing training on the disciplinary inspection team. We held the “2025 Integrity Risk Prevention and Control Inspection Training Meeting”, and conducted disciplinary inspection work exchanges with Shanghai Donghai Vocational and Technical College to further improve the theoretical qualities and professional level of our University’s integrity risk control personnel.
- ⑦ Implementing precautionary measures and whistle-blowing procedures. The Group formulated the Anti-fraud Management System to implement our anti-fraud internal control mechanism. Under such mechanism, the Group established a whistle-blowing and complaint channel to prevent and discover anti-fraud circumstances, implemented control measures to reduce the occurrence of anti-fraud circumstances, and will take appropriate and effective remedies in response to damages caused by anti-fraud circumstances. Our staff at all levels and any party having a direct or indirect economic relations with the Company can report any actual or suspected fraud cases of the Company or its employees through whistle-blowing telephones, e-mails, letters or visits, including complaints about misdemeanour against professional ethics and any whistle-blowing allegation. The audit supervisory department is responsible for monitoring the whistle-blowing telephones, e-mails of the anti-fraud cases and the receipt of real-name or anonymous reports from employees and external third parties. The Audit Committee is the leading and main responsible body for our anti-fraud matters, which takes charge of the guidance of anti-fraud behaviour and continuous supervision of the anti-fraud matters.

(2) Intellectual Property

The Group will always uphold the priority of respecting intellectual property and protecting the fruits of intellectual work, and strictly abide by the Intellectual Property Law of the People’s Republic of China and other related laws and regulations, build a perfect intellectual property management system, covering the Administrative Measures on Intellectual Property and the Administrative Measures on School-Enterprise Cooperation among other system documents, for the purpose of practically maintaining the legitimate interests of the Group and researchers, motivating the teachers, students and employees’ innovation enthusiasm and promote sci-tech progress.

Pursuant to the Administrative Measures on Intellectual Property, our University has the right to apply for patents for the inventions made by teachers, students and employees on job, who shall not use or transfer such patents once approved, without prior permission. Inventions made not on job shall be in the ownership of the inventors, to prevent infringement. In order to create research atmosphere and boost the transformation into an applied university, our University encouraged on-job invention patents once authorised according to the Implementation Measures to Encourage Sci-Tech Innovation and Social Services. In 2025, our University submitted a total of 23 official patent applications, and achieved 4 invention publications, 9 invention patents granted, 14 utility model patents granted, and 3 design patents granted, which have effectively driven the technological progress in relevant fields and reflected our University’s positive achievements in innovation practices and intellectual property transformation. We also established an intellectual property management system and linked it with innovation incentives to not only protect our intangible assets, but also form a virtuous cycle of “protection – incentives – output – transformation”, providing institutional support and development momentum for our University’s journey toward becoming a high-level application-oriented university.



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(3) Information Security

We are committed to protecting the privacy of our faculty, students and parents, and have formulated Implementation Measures on Information Disclosure, Implementation Measures on Disclosure of Teaching Information, Administrative Measures on Confidentiality and Administrative Measures on Records to strengthen the examination of security of Internet contents and confidentiality and management of data and effectively prevent the loss or leakage of information due to negligent management and to prevent theft. The following are the highlights of our information confidentiality efforts:

- ① Define classified and unclassified computers according to their purpose and employees should not take portable classified computers out of the office without permission;
- ② Important departmental personnel who are classified shall keep all mobile classified storage devices secure and shall not leave the school with them without permission;
- ③ Employees in each department should have the approval of the appropriate department head before they post any information online;
- ④ The confidential documents are classified according to their content and shall be properly maintained;
- ⑤ The management of the place where important and confidential documents are stored should be strengthened, and unrelated personnel should not be allowed to stay;
- ⑥ Upgrade the campus website group system and increase the level of security protection.

We strictly abide by the Cybersecurity Law of the People's Republic of China, the Personal Information Protection Law of the People's Republic of China, the Regulations of the People's Republic of China for Safety Protection of Computer Information Systems, Information Security Technology – Personal Information Security Specification (GB/T 35273-2020)), and other relevant laws and regulations and guidelines. In order to further improve the level of information security protection of our Group, we have formulated systematic documents such as the Administrative Measures for the Information Security in University and the Administrative Measures for the Information System to regulate the management of campus information and cyber security, strengthen and standardise the construction and management of information systems, make more efficient use of resources and ensure the security and stable operation of information systems.



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(4) Data Governance

To enhance our governance and internal management of data, leverage on the role of data in propelling education and teaching reform and administrative effectiveness, we set up a dedicated big data centre. Our big data centre continued to promote infrastructure construction and technological innovation, collaborated with external terms to build a data interaction platform, completed the construction of a dedicated data lake for the business system, and set up a mechanism for annual reporting of education data. In 2025, we strengthened the construction of the big data centre and comprehensively promoted the digital transformation of our University. The major contents of data governance and services are as follows:

- To keep pace with technological development trends, we investigated the solutions of leading agents such as LinkWise, Alibaba, Tencent, Huawei, and ByteDance, introduced and developed large models, and improved work efficiency by applying large models such as GPT-4 and Claude Sonnet 4.5;
- We formulated the Implementation Rules for Data Classification and Grading (《數據分類分級實施細則》) and the Guidelines for the Secure Use of Agent Data (《智能體數據使用安全指導》) to strengthen data security management;
- We successively completed data aggregation for dozens of projects and systems, including counselor empowerment, library book borrowing, classroom and conference room usage, MyCOS, work-study program, freshman orientation, attendance checking, smart dormitories, new personnel system, scientific research, access control, third-party personnel database, and smart classrooms, to continuously expand the data lake and improve multi-dimensional data analysis;
- We continued to conduct data cataloging and governance at the governance layer of the data centre, and constantly improved the national-standard and school-standard data of the data centre;
- We strengthened the data-driven concept to provide data support for each business department. For example, we optimized workload calculation rules, introduced class attendance data of teachers, and reconstructed the workload calculation and attendance query system, greatly improving accounting efficiency; conducted the comprehensive personnel reform in combination with teaching, and provided analysis reports such as One-person Course Offering List (《一人開課清單》), Total Credit Composition List (《總學分構成清單》), and University Teacher Teaching Cost Evaluation (《學院教師授課成本評估》) as data support; provided data services for our University's large model agents, and completed repair request, finance and other agents, teacher/student profiles, and data dashboard cockpits for our library, enrollment heatmap, etc.



Data Cockpit – Library Dashboard



Teacher Profile

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7.2 COMPREHENSIVE LOGISTICS SUPPORT

(1) Campus Safety Management

The Group has always attached great importance to the construction of a safe campus. In recent years, the Group focused on the construction of security projects such as Facial Recognition System for Campus Entrance and Exit, Intelligent Management of Dormitory Areas, and Campus Monitoring Upgrade and Transformation, and built a digital intelligent technical defense management system, which effectively improved the intelligent level of security management and emergency response capabilities, providing a strong guarantee for the construction of a “civilised campus” and a “safe campus”. Campus safety work involves many different areas. We have established a number of safety management measures for, among others, fire safety, dormitory safety and laboratory safety, to ensure the safety of teachers and students in an all-round way. Meanwhile, we have set up many emergency plans to quickly, efficiently respond to fire, dangerous chemical accident, first aid, campus incident, epidemic outbreak and other accidents.

During the year, we actively conducted various publicising and implementation activities, such as anti-illegal electrical appliances, anti-telecom fraud on campus, student apartment “Six Ts” managements, fire safety, disaster prevention and reduction, traffic safety education, drug suppression and anti-cult safety education and other theme activities, as well as regular safety education promotion month, campus safety officer theme training, etc.



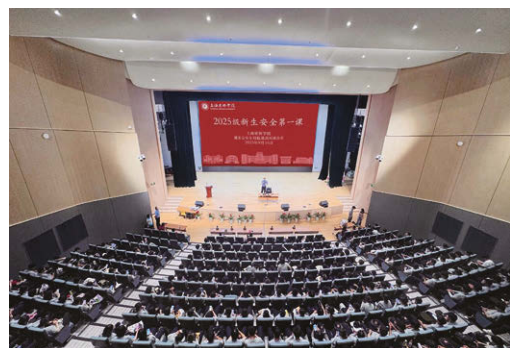
Practical Emergency Rescue Drill of 2025 University Student Firefighting Skills Competition



Campus Drug Suppression and Anti-cult Safety Education Theme Activity



Campus Traffic Safety Publicity Theme Activity



“First Class on Safety Education” for 2025 Freshmen

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(2) Campus Anti-fraud Initiatives

Campus anti-fraud is of profound significance to the maintenance of campus stability and the healthful development of education undertakings. The Group highly valued the campus anti-fraud management, and actively implemented campus telecommunication fraud prevention to enhance the anti-fraud awareness of teachers and students, which effectively curbed the high incidence of cases of telecommunication network fraud and safeguarded the safety and stability of the campus.

- Combination of management by objectives with performance appraisal

The Group incorporated anti-fraud performance into the annual work assessment system (KPI) for safety and stability of all secondary units, forming a clear guidance. Under the leadership and overall planning by the logistics and security office, the Student Affairs Office and all secondary colleges fulfilled their primary responsibilities and integrated anti-fraud requirements into daily student education, forming a joint management force.

- Construction of a multi-dimensional publicity system

During the year, we took publicity and education as the first line of defense, and established a “Campus Anti-Fraud Pioneer” team composed of student volunteers and class safety officers. We set up “Anti-Fraud Publicity Corner” in crowded areas such as cafeterias every week, carried out interactive publicity through display boards, quiz with prizes and other forms, and held nearly 30 events throughout the year, with more than 6,800 participants. Relying on WeChat official accounts, class groups and other online platforms, and pushed more than 10 issues of special graphics and texts, early warning tips and short videos focusing on high-frequency fraud types and combining with case analysis throughout the year, so as to improve the publicity timeliness and dissemination power.

We conducted targeted publicity for different groups and key nodes, such as back-to-school season, graduation season and other special events, and incorporated anti-fraud education into the compulsory course University Student Safety Education to ensure that all freshmen fully master anti-fraud knowledge. The Spring Anti-Fraud Publicity Month covered 3,007 persons in 12 colleges; the “Anti-Fraud Lecture to Class” and “Anti-Fraud Film Screening + Legal Popularization Classes” activities covered 13,854 persons.

- Deepening school-police cooperation to enhance professional efficiency

We established an efficient linkage mechanism with the local public security organs, regularly invited anti-fraud experts to give lectures on campus, conducted timely follow-up visits to fraud victims, and provided “one-on-one” re-education. We set up a data ledger for telecom fraud cases, conducted special analyses of case trends and characteristics of victim groups on a monthly basis, and formed analysis reports, to provide data support for precise prevention and control.



2025 Campus Telecom Fraud Prevention Publicity Month



2025 School-Police Joint Anti-Fraud Publicity during Freshman Welcome Season

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(3) Campus Food Hygiene and Safety

The Group earnestly implemented Food Hygiene Law of the People’s Republic of China, the Implementing Rules of the Food Hygiene Law of the People’s Republic of China among other laws and regulations, and always took the campus food hygiene and safety work as the focus of work. The Group upheld the principle of “security management, prevention first”, to specify dedicated personnel responsible for the daily work of checking and recording, so as to ensure that the food safety work is solid and effective.

In terms of system construction and responsibility implementation, we comprehensively sorted out and improved our systems, revised documents such as Management Measures for Canteens and Commercial Shops (《食堂及商業店舖管理辦法》), Ordinances for Defaults in Catering and Commercial Daily Management (《餐飲及商業日常管理違約條例》), and Emergency Response Plan (《應急預案》), and formulated detailed rules such as Integrity Civilisation Agreement (《廉潔文明協議書》) and Detailed Rules of Food Sample Management (《食品留樣管理細則》), to enable the implementation of food safety in accordance with regulations.

We attached great importance to food safety inspections and practitioner training, and implemented our primary responsibility as an enterprise. We set up a leading group on food safety, established a 3-tier management architecture, signed an accountability letter at all levels, and implemented the mechanism of “daily control, weekly inspection, and monthly dispatch”. We strictly enforced the traceability system, unified the channels for bulk procurement, strengthened the management of practitioners, and ensured 100% of the cooperative workers were holding health certificates. We carried out 13 food safety training sessions, with a total of 1,048 attendances, and combined routine and monthly inspections to perform 360-degree evaluation. No material food safety accidents occurred throughout the year.



2025 Food Safety Training Session



Comprehensive Inspection of Campus Cafeteria Safety

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(4) Active Response to Climate Change, Campus Flood and Typhoon Prevention

In 2025, in strict accordance with the 2025 Special Emergency Plan for Flood and Typhoon Prevention of Shanghai Education System (《2025年上海市教育系統防汛防台專項應急預案》), the logistics and security office of the Group systematically arranged natural disaster prevention, continuously strengthened publicity, education and drills, and improved the comprehensive capacity of campus disaster prevention and mitigation. During the flood season, the Group initiated 23 flood and typhoon grade IV responses, 7 grade III responses and 1 grade II responses in total, successfully withstanding the impact of multiple typhoons, achieving the goal of successfully passing through the flood season, and ensuring the smooth operation of teaching, research and daily life.

- Consolidating the foundation of ecological security and enhancing the disaster resilience of facilities.

The Group established a sound normalized facilities inspection and maintenance mechanism, reinforced high-altitude attachments such as building facades and external air conditioning units, and completed the pruning and reinforcement of easily toppled trees before the flood season, so as to reduce the risk of secondary disasters from the source. The Group completed the inspection of the campus-wide drainage system to ensure unobstructed drainage, and filled flood control sandbags and precisely deployed them in key areas such as underground garages before the flood season. In addition, to practice the concept of green development, we prioritized recyclable flood control materials and environment-friendly operation equipment, and released real-time meteorological early warning information through our official WeChat account, to reduce resource waste and environmental impact.

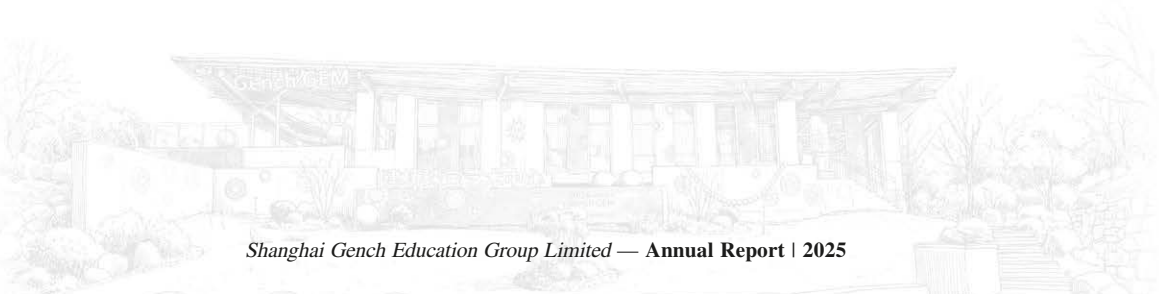
- Building a safety line for all staff and deepening the mechanism of collaborative governance

We set up a leading group for flood and typhoon prevention, and pooled together the forces of logistics, security, maintenance, landscaping and other departments to form a working pattern of “unified command and coordinated response”. We formulated response measures according to early warning levels and improved emergency response plans. We established a closed-loop “inspection–rectification–re-inspection” mechanism, and before the flood season, completed the full-coverage inspection of key areas such as power distribution rooms and underground facilities, replaced potential hazard equipment, and standardized material reserves and on-duty support. We strictly implemented the 24-hour on-duty system with leaders in charge, to ensure efficient emergency response.

- Construction of an emergency early warning system, and support for social personnel settlement

Before the advent of severe weather, all departments jointly issued a safety protection notice, and strengthened the reserve of daily necessities, sanitation and epidemic prevention, and supervision over food safety and dormitory safety. All departments of our University worked together to make early warning preparation, such as closing doors and windows, checking stacked items, unblocking sewers, inspecting outdoor facilities, and issuing safety reminders to teachers and students. During the heavy rainfall caused by Typhoon Co-may, we quickly organized drainage and emergency rescue to ensure smooth roads and travel safety.

In addition, the Group relocated residents from dangerous areas affected by typhoon under the unified arrangements of superior authorities. We properly settled 215 residents during the typhoon to ensure their safety. Throughout the typhoon period, the living order of the entire campus was effectively maintained, and no material safety accidents occurred.



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Series of Flood and Typhoon Prevention and Control on Campus

(5) Campus Disease Prevention and Control, Health Management and Medical Care

In order to strengthen the prevention and control of diseases and health management, we have formulated the Measures for the Implementation of the Detection, Information Record and Reporting of Infectious Diseases among Students to regulate the detection, information record and reporting of infectious diseases and to control the spread thereof, in a timely manner, and we formulated the Measures for the Implementation of Student Health Records to standardize the establishment of student health records and keep track of students' health conditions in real-time while at school. In 2025, our University's medical security services adhered to the principle of "centering on the health of teachers and students", thereby building an efficient, convenient and comprehensive health protection system.

➤ Optimizing the management mechanism and improving the quality of basic medical services

We further defined the division of labor for the infirmary, and implemented monthly assessment and special training to improve service quality. Throughout the year, the infirmary received a total of 42,774 patient visits, provided 746 home visits and completed 3,773 off-campus referrals, strictly implemented the screening mechanism for fever patients, and efficiently communicated with Ambulance 120 for emergency transport to ensure timely treatment for teachers and students with acute and severe conditions. Meanwhile, we realized online application for sick leave for off-campus medical treatment through our "Jianqiao Xiaoxing" platform, improving management efficiency. The infirmary received 1,892 daily consultations, and effectively responded to inquiries concerning medical insurance and other concerns.

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- Strengthening prevention and control, and building a solid defense line for campus public health

Taking infectious disease prevention and control as a core task, the Group established a dedicated professional team, improved systems, perfected the management network, and formed a rapid linkage mechanism. Throughout the year, the Group effectively handled 28 infectious disease cases, including chickenpox, tuberculosis and norovirus infection, with no outbreak of infectious diseases on campus.

- Deepening health education and fostering an atmosphere of promoting all-staff health

During the year, we conducted 2 large-scale publicity activities and 1 special lecture around key health publicity days, covering more than 1,000 persons. We released 18 issues of health tips through bulletin boards and WeChat official accounts to improve the health literacy of teachers and students.

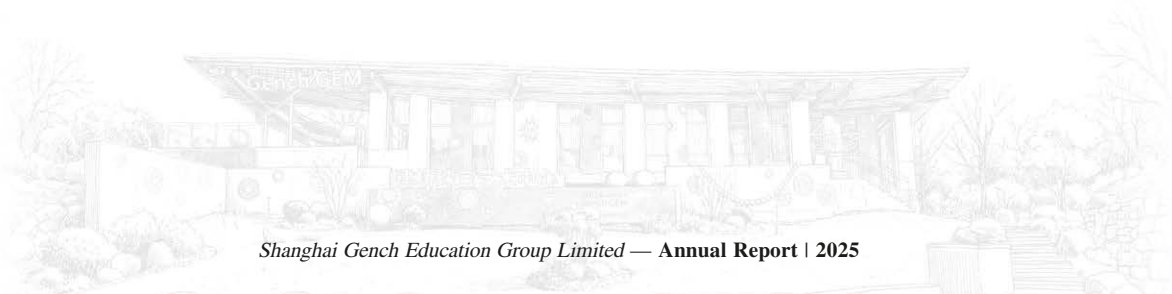
- Upgrading facilities and systems, and optimizing medical treatment and security procedures

Last year, the Group newly built the Medical Centre, procured new office furniture, medical apparatuses, auxiliary equipment, etc. Now, the centre has 3 clinic rooms with fully upgraded hardware conditions, greatly improving the medical treatment experience. This year, the infirmary, together with the Information Office, developed the “Medical Insurance Enrollment Management System”, allowing students to complete the entire insurance enrollment process via the Jianqiao Xiaoxing platform and appointing designated staff to assist in accidental injury insurance claims.

AED (Automated External Defibrillator) was equipped on the first floor of our centre, for self-service in emergency. Meanwhile, the centre set up “Health Huts” equipped with blood pressure monitors, height and weight machines, AIDS urine self-testing instruments etc., to offer more humanised medical security services, facilitate teachers and students to conduct self-monitoring of their own health, and promote the overall improvement of medical service satisfaction.

(6) Care for Teachers and Students’ Mental Health

The Group has always placed a high priority on staff and students’ mental health. We set up a dedicated Mental Health Education and Counselling Center in 2003, which was recognized as the Shanghai Mental Health Education Standard Unit and Shanghai University Mental Health Education and Counselling Demonstration Centre in 2006 and 2021 respectively. Currently, there are 6 full-time mental health teachers, and 18 part-time teachers in the centre. The Mental Health Education and Counselling Center provides individual counselling, group counselling, mental health education, and mental health education practices for all teachers and students. During the year, we completed 62 classes in a total of 992 hours of teaching tasks for the course “Mental Health of University Students” (《大學生心理健康》), and one of the teachers won the Second Prize in the 7th Smart Teaching Competition for Teachers from Normal Colleges and Universities in Shanghai & Yangtze River Delta (第七屆上海/長三角師範院校教師智慧教學大賽). We also delivered 557 individual counseling sessions, two group counseling sessions, and two case study discussions.



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Mental Health Education and Counselling Center

Mental health education practices constitute an important path to campus mental health education. This year, we organized a total of 575 activities during the “525 mental health education season”, attracting more than 36,000 students to participate. In the second half of the year, we held the “friends mutual help promotion mental health month” themed with “Seeing · Connection · Growth”, during which students created and submitted calligraphy works, paintings, videos, and creative designs around the theme. In addition, we held an exchange meeting about the feeling after watching the film, When the Night Meets Light, guiding teachers and students to pay attention to the mental health issue, encouraging them to view the hardships of those around them with a positive perspective, turning “companionship” from a word into concrete and perceptible power, and fostering a warm and supportive campus atmosphere.



13th Campus Mental Health Drama Competition



Training Activity of “Friends Mutual Help Promotion Mental Health” Series



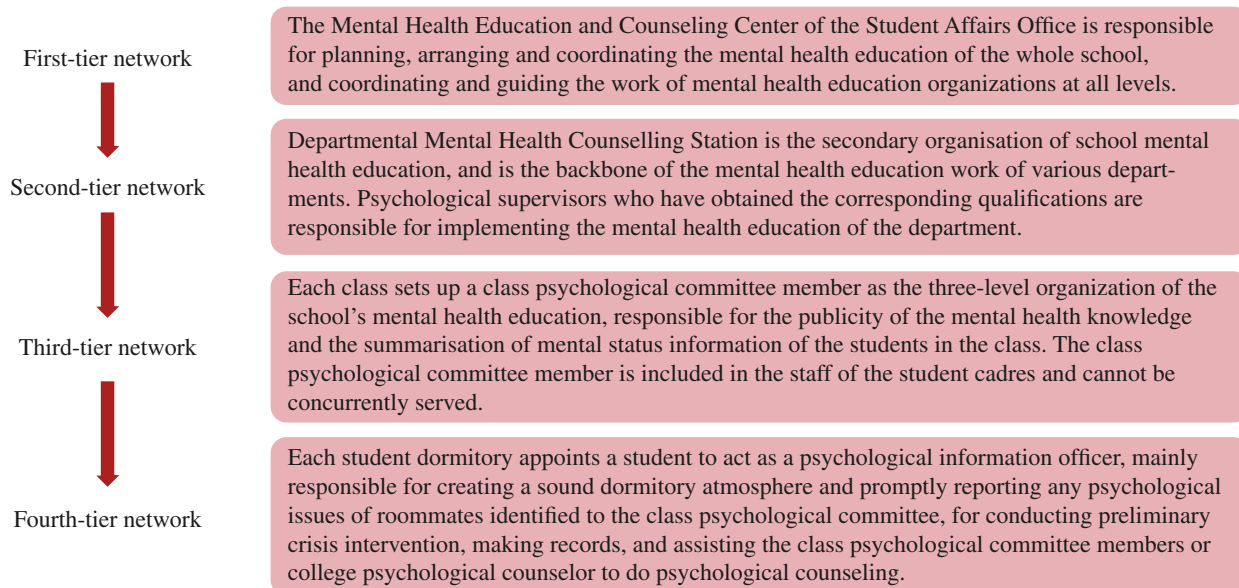
Friends Mutual Help Promotion Mental Health Activity



“Friends Mutual Help Promotion Capacity Building for University Students - Practice of Psychodrama Therapy” Training Activity

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In addition, we developed the Administrative Measures on Students Mental Health Education and Crisis Intervention (《學生心理健康教育與危機干預管理辦法》), to enhance our management on students mental health education and mental crisis intervention, including the four-tier network for mental crisis intervention as below:

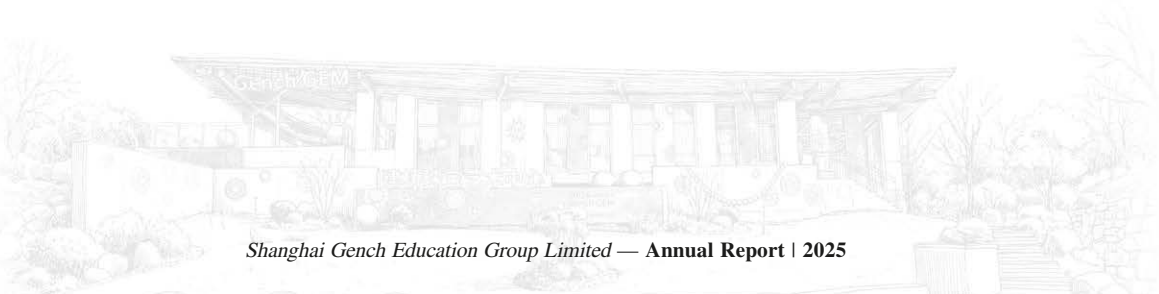


7.3 RECIPROCAL SUPPLY MANAGEMENT

Adhering to the concept of cooperation and mutual benefit, the Group is committed to establishing a stable, mutual benefiting cooperation relationship with suppliers. In line with the principle of “integrity, pragmatism, fairness, and efficiency”, the Group enhances our supply chain management, to improve our entire supply chain competitiveness and optimise our costs.

To further straighten out procurement procedures, ensure the quality and efficiency of supplier services, and ensure that procured products and services meet established standards, Gench Education has revised and improved normative documents, including Supplier Management Procedures and Procurement Management Procedures, in combination with actual operational needs. On the one hand, we implement information registration, qualification review and dynamic assessment of suppliers to comprehensively avoid the potential risks in the supply chain and improve the efficiency of procurement. On the other hand, we clarify the nodes of the entire procurement procedures, standardise procurement behaviour, and increase procurement efficiency and accuracy, to unite cost control and compliant operation.

During the year, we had a total of 556 qualified suppliers for product procurement. Our cooperation with suppliers is fully carried out in accordance with our supplier and procurement management system to ensure unified management. Our qualified suppliers are from many provinces and cities across the country, including 410 from Shanghai, 41 from Zhejiang Province, 39 from Jiangsu Province, 27 from Beijing, 11 from Guangdong Province, 5 from Anhui Province, 4 from Shandong Province, 3 from Henan Province, 3 from Hubei Province, 3 from Chongqing City, 2 from Jiangxi Province, 2 from Shaanxi Province, 2 from Fujian Province, 1 from Qinghai Province, 1 from Hunan Province, 1 from Sichuan Province, and 1 from Hainan Province, which ensures a diversified supply pipeline.



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(1) Supplier Inclusion in Management

We have established a robust supplier management system. The first is to establish the List of Suppliers, and decide whether to include a supplier based on its qualification, service quality, price, compliance with laws and regulations, etc. The second is to enhance process control, clarify the entry standards, dynamically manage suppliers, regularly analyse supplier's problems, feed back to procurement procedure and form a benign circle. The third is to consider whether a supplier has a quality management system certificate, such as ISO 9001. To ensure the quality of suppliers, our procurement department office regularly evaluates the quality, cost performance, delivery capability and compliance rate of products or service provided by suppliers named in the List of Suppliers to form a mechanism of survival of the fittest.

We also encourage suppliers to fulfill their corporate social responsibilities, including whether they comply with environmental protection measures, supplier integrity, respect for labour achievements, prohibition of child labour in any form, employment equality, and non-violation of relevant laws and regulations.

(2) Procurement Procedures Optimisation

In accordance with the Procurement Management Procedures, our Group clarifies the application scopes for different forms of procurement, exercises strict control over the procurement full process and suppliers selection, to ensure that the products and services procured meet the specified requirements. We select suppliers in priority from the List of Qualified Suppliers, considering brand recognition, results, awards, price, qualification, after-sales service and environmental protection awareness among other factors. We have established an effective procurement oversight and information publicity mechanism to enhance the procurement transparency and integrity.

(3) Supplier Integrity and Safety Management

To ensure a fair, transparent, standardized and orderly procurement process and prevent corruption, we sign the Integrity and Self-Discipline Agreement with winning bidders for procurement projects with contract value reaching the prescribed amount standard, which clarifies the integrity obligations and responsibilities of both supply and demand parties, strengthens behavioral constraints, and curbs corruption risks at the source. Meanwhile, we define the code of integrity in professional conduct for suppliers during cooperation, and strictly prohibit any form of bribery and improper interest conveyance to ensure suppliers fully comply with applicable laws, regulations and business ethics. We sign the Safe and Civilised Construction Agreement with cooperative construction contractors, which specifies the construction safety management requirements, safeguards personnel and property safety, improves project quality, and reduces the incidence of safety accidents.

(4) Green Procurement

We effectively prevent environmental pollution and resource wastage through green procurement. During procurement process, we consider both economic and environmental benefits, and prioritise environment-friendly, energy-saving and secure products. We also implement green supplier management, giving priority to suppliers with strong environmental awareness and good product quality. We actively promote green low carbon concepts in procurement process, fully considering environmental protection, resource saving, safety and health, cyclic low carbon and recycling.



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7.4 ENVIRONMENTALLY-FRIENDLY GREEN CAMPUS

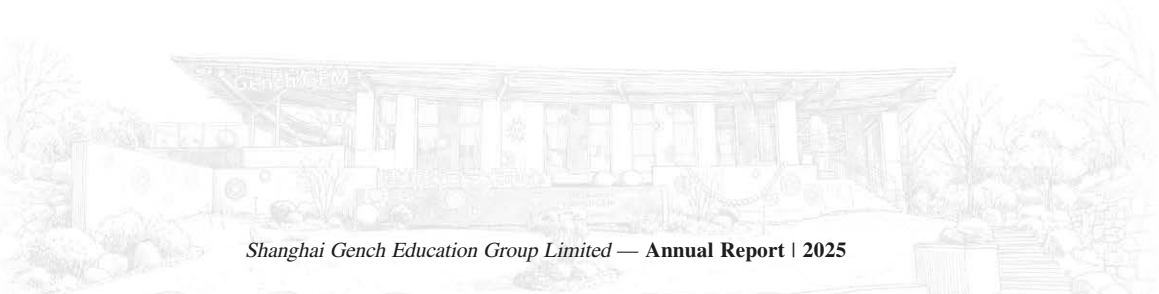
As a responsible higher education group, we have formulated the Corporate Sustainability Policy covering environmental protection, and strictly comply with relevant national laws and regulations, such as the Environmental Protection Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, Law of the People's Republic of China on the Prevention and Control of Soil Pollution, Law of the People's Republic of China on the Prevention and Control of Water Pollution, Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes and Energy Conservation Law of the People's Republic of China. We belong to the education industry and have a relatively small impact on the environment and natural resources. The major impacts are the consumption of electricity, the use of water, the use of school and office supplies, the production of waste from school, offices and canteens, and vehicle use. We have formulated a series of effective systems and measures to reduce air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste, and minimise the impact on the environment and natural resources in our daily business operations, so as to build a green campus to contribute to the protection of the environment. During the Reporting Period, there were no violations related to the environment and emissions by the Group. Our measures to build an environmentally friendly green campus are detailed below.

(1) Setting Energy Office, Building Green Campus Team

The Group set up energy office and other executive departments in priority, to carefully carry out sustainable development. In addition, we built a green campus team composed of teachers and students. During the year, we launched an innovative construction for the faculty, selecting excellent faculty members from various functions and secondary colleges to act as energy management supervisors in respective jurisdictions, realizing the full coverage of energy management for all user units, implementing the responsibilities of all energy-using entities, leveraging the role of energy management supervisors, and improving the level of energy management. With our improved energy management model, our University successfully passed the first round of review of energy measurement for key energy consuming units in Shanghai last year.

(2) Enhancing Digitalisation, Building Energy Management & Monitoring Platform

To improve the digitalised energy management on campus, and make real time monitoring, analysis and smart control on campus energy data, we completed and put into use an energy management & monitoring platform during the year, achieving real-time collection, dynamic monitoring and visual display of the University-wide energy consumption data including water, electricity and photovoltaic power. For example, the platform makes sorting statistics and comparisons by different building zones, different time ranges, different device types etc., to provide a basis for formulating targeted energy-saving measures, and thus takes specific optimising measures, to significantly increase energy efficiency and reduce energy consumption. The platform also issues a Monthly Energy Management Report on a monthly basis to provide data support for energy-saving retrofitting, behavioral management and decision-making. Relying on this platform, the Group has successfully completed the submission of energy data to the municipal bureau of statistics, development and reform commission and other authorities.



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Our Energy Management & Monitoring Platform

(3) Energy-saving, Emission-reducing and Green, Environmentally-friendly Measures

Large-scale Application of Photovoltaic Power Generation Project

The Group is committed to expanding the application scale of renewable resources, improving the percentage of green clean energy in campus energy structure. The first phase of the distributed photovoltaic power generation project on campus has been officially connected to the grid for power generation during the year. Upon completion, this project may expect to save 1,280 tonnes of coal, while reducing the carbon emission (Scope 2) generated by externally purchased electricity. In addition, the project will save numerous water resource which otherwise would be used in traditional thermal power plants, thus reducing the emissions of hydraulic ash discharge, waste water and thermal drainage accordingly. After the project is put into operation, not only standard coal will be saved, hazardous gas emission will be reduced, but also water pollution will be mitigated, which will play a demonstrative role in energy saving and emission reduction, bringing about significant social benefits.



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Full Coverage of Clean Heating

After long-term programme research, off-campus research, and pre- and post-renovation effect prediction, the Group gradually completed renovation of the hot water system in multiple student dormitory buildings in the 2024-2025 year, i.e. replacing electric water heaters with a centralized heating system combining air-source heat pumps and solar collectors. Currently, the air-source heat pump hot water system has achieved full coverage in a total of 6,668 dormitories, completely phasing out high-energy-consumption electric heating and significantly improving students' bathing experience while achieving remarkable energy savings.



Air Conditioning Smart Centralised Control and Intelligent Lighting

The Group installed the air-conditioning smart centralised control system in teaching buildings, office buildings and other venues, to increase the energy utilisation. Over the past few years, we have successively installed a smart centralised control system for air conditioners on campus, to conduct unified and differentiated precise regulation and control of parameters such as cooling, heating, fan speed and operating hours, ensuring a comfortable temperature to protect the health of teachers and students. The system can also check device status to prevent forgetting to turn off the air conditioner, and automatically calculate the running time. During the year, we further completed the smart centralised control renovation of 812 split-type air conditioners in 10 academic buildings to realize remote management and time- and zone-based control, with an energy saving rate of approximately 25%.

In respect of management system, our energy office took the lead to design the Administrative Measures on the Utilisation of Air-conditioners in Shanghai Jian Qiao University (《上海建橋學院空調使用管理辦法》), to include the full life cycle into management, covering the air-conditioner application, procurement, mounting, use management, removal and scrapping. In daily management, for public teaching buildings, in principle we designed the turning on/off time according to the teaching schedule. For office buildings, we set the turning on/off time according to working hours. The foregoing measures of air-conditioner management can avoid electricity waste in the use of air-conditioners, increase management and service level, and reduce labour cost, as practically possible.

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Other Energy-saving, Water-saving Renovation Measures

- We implemented an energy-saving lighting renovation by using energy-saving light fixtures and intelligent sound controlled switches to reduce energy consumption. We gradually replaced incandescent and fluorescent lamps with LED fixtures. In areas such as the library and gymnasium, we piloted an intelligent lighting system with human body induction and light adjustment, and replaced energy-saving lamps, achieving energy savings of over 50% in some areas. We installed solar street lamps on the main campus roads, and fully implemented intelligent time control of street lamps. We optimized lighting design and power in indoor premises based on actual demand.
- In order to save water consumption under normal use, we adjusted the water pressure of taps. In addition, we installed water pressure automatic regulator in different divisions of high-rise and multi-storey buildings to automatically adjust the water supply pressure. During the year, we completed water-saving renovation of 6,630 water points, and also fully adopted river water instead of tap water for campus greening.
- We replaced stoves with energy-saving alternatives in canteens and stores on commercial streets, prohibited the use of outdated energy-intensive kitchen appliances, reduced gas energy consumption, and strengthened the maintenance of natural gas equipment and facilities to reduce unnecessary losses.

Promoting Green Transportation, Improving Supporting Facilities

- Enhancing official vehicle management: We raised the standards and requirements for official vehicle applications, strictly controlled the approval process and encouraged the staff to travel by shuttle buses and public transport.
- Enhancing shuttle bus management: We improved the efficiency of shuttle buses and focused on increasing the number of passengers per shuttle bus trip, rationalized the stopping points and driving routes, and strengthened education and training on energy saving and emission reduction to help drivers raise their awareness of energy conservation and encourage drivers to rationally plan the driving routes and maintain at economical speed.
- Shift to energy-efficient vehicles: We considered purchasing new energy products when replacing vehicles in poor condition.
- New energy-saving travel options: We placed public bicycles on campus, and provided a low-carbon and environmentally-friendly way of travel for staff and students.
- Improving green transportation supporting facilities: We actively promoted the projects for the expansion of electric charging points on campus. We built new electric vehicle charging points on campus in 2025, bringing the total number to 98. We will continue to dynamically optimize the layout based on usage data in the future.



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Promoting Green Office

- Office lighting and equipment management: Give priority to natural light in office areas. Equip motion-sensing lights to prevent the light from being on for a long time. The use of high-power electrical appliances is prohibited in offices.
- Elevator use management: Investigate the elevator usage habits of teachers, students and staff, and reasonably allocate the operation quantity and time periods of elevator according to their habits. Advocate not using the elevator within three floors. Encourage to walk up or downstairs when permissible.
- Paper management in offices: Advocate paperless and electronic office, improve online applications and electronic forms, as well as online convene conferences. Improve personnel information consciousness and electronic devices level. Promote the use of environmentally-friendly recycled paper and other resource recycling products.
- Strictly enforce the on/off time of air conditioners in public areas.

Emphasis on Campus Greening

The Group carries out greening maintenance according to the construction requirements for garden-style units and accepts quarterly inspections by the Pudong New Area Greening Management Centre (浦東新區綠化事務管理中心), which have been highly commended. During the year, 64 new trees and over 30,000 shrubs of various types were planted on campus, further enriching species diversity and optimizing the ecological landscape. To date, the total green area on campus stands at 247,700 square meters, with steady improvement in overall greening quality, reflecting the continued progress in building a green campus.

Through the above comprehensive energy conservation and emission reduction planning and implementation actions, we have achieved good results in energy conservation, water conservation, and reduction in greenhouse gas (GHG) emissions (including scope 1&2) during the year. We have encountered no difficulties in obtaining suitable water sources. The air emissions we generate are mainly from vehicles owned by the Group. Please refer to APPENDIX I: KEY PERFORMANCE INDICATORS for the energy and water consumption and vehicle air emissions data during the year. Regarding vehicle gas emission, we deem the year of 2025 as the benchmark year, planning to reduce vehicle gas emission density by 4.7% in short term, and reduce the vehicle gas emission density in middle to long term.

(4) Waste Management and Resource Recycling

The Group has established a waste classification network featuring “zoned coverage and precise disposal” for all teachers and students, set up dedicated waste disposal points in student dormitory areas and teacher apartment buildings, and rationally arranged four-category waste bins in public areas such as libraries, teaching buildings and administrative office areas, realizing full coverage of waste classification on campus. The Group has also adopted a model of “fixed-point disposal, centralized clearance and transportation, and classified management”, which implements the “daily garbage cleanup” and job responsibility system, to ensure timely collection and standardized transfer of classified waste. Regarding waste treatment, residual waste is classified and transported to the campus compression station for compression and then uniformly treated by a third-party company. Recyclables such as paper, plastics and metals are subject to centralized collection and uniform selling, and their income is used to support campus environmental protection. Kitchen waste is separately collected and sent to professional institutions for harmless treatment and resource utilization.

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In addition, we have formulated and issued documents including the Shanghai Jian Qiao University Domestic Waste Sorting Management Measures (《上海建橋學院生活垃圾分類管理辦法》) and the Shanghai Jian Qiao University Domestic Waste Sorting Incentives and Disincentives (《上海建橋學院生活垃圾分類獎懲辦法》), which clarify the classification standards, division of responsibilities, and reward and punishment mechanism. We have also established a “Leading Group for Domestic Waste Classification and Reduction”, with the University President and head of each secondary college and functional department as its core members, to promote the campus-wide waste classification in a coordinated manner.

Regarding recyclables, we have strictly sorted, actively recycled and donated the used clothes and used books, for the recycling and reuse of resources. For example, the Group will regularly collaborate with the community to hold a public welfare activity of donating winter clothes to Tibet, expressing our actual actions in resources recycling.

Please refer to “APPENDIX I: ENVIRONMENTAL KEY PERFORMANCE INDICATORS” for our waste data for the year. Regarding waste data, we will deem the year of 2025 as the benchmark year, plan to reduce the production of hazardous waste and improve resource utilisation.

(5) Cherishing Food, Reducing Waste in Food and Beverage

We organised various activities and took a series of measures to prevent food and beverage, waste and cultivate the college students’ good habit of food-cherishing and food-saving.

Specific Measures

- To actively respond to the special campaign “stop food waste”, we further promoted the “clear your plate” campaign on campus to reduce kitchen waste. Through posting publicity posters, recruiting student volunteers for supervision, and carrying out theme education activities, we extensively spread the concept of “cherishing food, eliminating waste”.
- Small dishes are offered and the amount of rice is controlled by canteens to ensure the foods are purchased, cooked and prepared according to the number of diners. High-quality ingredients have been selected to avoid waste due to poor taste. In addition, a new optional weighing mode has also been added to encourage on-demand pick-up. Monitor the amount of kitchen waste generated in the canteen, and reward canteens with significant reductions.
- We prepared meals based on the ordering information at the digital ordering platform to achieve precise food supply and reduce the waste of ingredients. Meanwhile, the variety and quantity of the supply have been adjusted in time according to the sales data of the catering data back-end system.
- We strengthened the construction of raw material procurement and storage functions of canteens, and enhanced the intensification and standardisation of canteen processing. We improved the information management of the food supply chain, established an electronic account system for procurement and inventory, and an online tracking system for food source, purchased ingredients in a planned way, thereby reducing waste of ingredient spoilage.
- We have set up the labour education practice base for college students and offered a compulsory course of Labour Education. Teachers and students work together in the fields. Only by personally participating in the production and labour, can students have profound experience of “Even ordinary foods like rice and porridge are the result of hard work (一粥一飯之不易)”, and learn to cherish and avoid wasting foods.

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(6) *Emphasis on Environmentally-friendly Campus Education for Teachers and Students, Encouraging the Research and Development of Green and Low Carbon Patents*

The Group held multiple themed green and environmental protection publicity and implementation events in creative forms and rich contents oriented to teachers and students. In terms of tobacco control, we carried out publicity activities such as “Stub Out Smoking, Green Our Future” (熄烟喚綠，共創無煙未來) in conjunction with the important time of “World No Tobacco Day”, and popularised the knowledge of the hazards of tobacco to teachers and students through game interaction and interesting Q&A, so as to create a good atmosphere in a smoke-free campus. In terms of waste classification, we also guided teachers and students to consciously reduce waste generation through publicity and education, and actively promoted secondary colleges to cooperate with communities to hold various special events on waste classification and regularly conduct voluntary services such as campus environment cleaning. In addition, we carried out the campus tree-planting activity “Jian Qiao Green Harmony: Nurturing Dreams on a New Journey” (建橋綠韻，育夢新程) during the Tree Planting Festival, for teachers and students to plant trees on campus, which not only beautified the campus environment, but also enhanced the ecological and environmental awareness of teachers and students. Through these diverse and rich publicity and education activities, we have effectively strengthened the education of the concept of green environmental protection among teachers and students, and fostered their awareness of ecological civilization, laying a solid foundation for promoting the construction of a green campus.



“Jian Qiao Green Harmony: Nurturing Dreams on a New Journey” Event



“Stub Out Smoking, Green Our Future” Event



Campus Waste Classification Theme Activity



Campus Waste Classification Volunteer Service

Meanwhile, we also attached great importance to the green and environmental protection innovation, mobilised teachers and students on campus to take active part in the competition and patent R&D related to green and low-carbon development, initiated a number of national level projects, and won various awards of the National College Students’ Energy Conservation and Emission Reduction Social Practice and Science and Technology Competition, Shanghai College Students Mechanical Engineering Innovation Competition, and “Internet+” Shanghai Competition. During the year, our student team also successfully set up the “Floral Fragrance” (花韻潔珠項目), which is centered on the concept of green empowerment. The project is committed to developing environment-friendly laundry detergent pods with a river purification function, aiming to contribute to environmental protection through technological innovation.

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7.5 VOLUNTEER SERVICES, SOCIAL CONTRIBUTIONS AND PUBLIC WELFARE ACTIVITIES

(1) Practice Lei Feng's Volunteerism and Perform Social Responsibilities

Our Group took full use of the resource advantages of the private university, actively served for the society, enhanced its social service capability by serving the significant events, important venues in Shanghai, taking Lingang New Area's development as the opportunity, practiced with volunteer service actions based on Lei Feng spirit in the new era, improved the long-term mechanism of volunteer service and presented our talents cultivating results. In 2025, we carried out 56 volunteer service activities for the whole society, including 510 events in total. Details are as follows:

We have been serving for the China International Import Expo (CIIE) for consecutive years, and have cumulatively deployed more than 800 "little leaves" volunteers for various posts. This year, during the 8th CIIE period, our University was equipped with a total of 77 volunteers who were officially on duty to participate in the service guarantee work, and assumed the voluntary work such as guidance, consultation, luggage storage, lost and found and people flow statistics in the main channel of the CIIE.



"Little leaves" volunteers during the 8th CIIE

In a series of large-scale volunteer events in Shanghai, such as the 2025 Shanghai Half Marathon volunteer service, the 2025 Dishui Lake Triathlon volunteer service, and the 2025 Shanghai Rolex Masters volunteer service, the young volunteers of our University have completed the relevant tasks excellently, demonstrating the volunteer service style of Gench students. Our young volunteers also participated multiple times in training programs for college student volunteers at the Shanghai Astronomy Museum. Through a series of courses and development activities, they improved their comprehensive abilities and civil qualities, thereby promoting the standardization and professionalization of volunteer services. During the year, our University once again became the university with the longest service time and the largest number of service times among the volunteer service teams for Astronomy Museum in Shanghai, with more than 2,100 people served throughout the year.



Our volunteers in the 4th Shanghai College Tai Chi Friendship Event



Our volunteers at Shanghai Astronomy Museum

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In addition, in order to carry forward Lei Feng spirit and in response to the construction of “five new cities” in Shanghai, we actively undertook the construction project of the New Era Civilization Practice Belt in Nanhui New Town. In March, the Youth League Committee of Shanghai Jian Qiao University, as the main organizer of the Dishui Lake New Era Civilization Practice Belt, centered around the theme “Learning from Lei Feng, a Good Role Model”, used various forms of cultural activities to let Lei Feng spirit still shine by Dishui Lake in the new era. We also built the volunteer service model of “community + university”, and signed the volunteer service cooperation agreement with several communities in Lingang New Area. Considering the majors characteristics of our University, we worked with various neighborhood committees and convenience service units to establish 20 volunteer service groups, and provided diverse volunteer service programmes for such communities, including interest courses for children, elderly services, health knowledge publicity, cultural and arts activities, mental health seminars, etc. During the year, we served and participated in 123 community volunteer services, with nearly 1,000 participants, effectively enriched social practice paths and increased students’ comprehensive capabilities.



Our volunteers in community cleaning event



Our volunteers in “Intelligent Elderly Service” community event



Our volunteers in 2025 Lingang International Volunteers Day event



Our volunteers in community blood pressure monitoring event

In addition, considering our educative objectives of our volunteering activities to train Lei Feng-style students, we established the College Students Lei Feng Award. We hold annual selection and commendation of Lei Feng Award, and we have awarded a cumulative total of more than 10,000 Lei Feng medals to teachers and students who promote Lei Feng spirit for 22 consecutive years, integrating volunteer service into campus culture, and making compassion a shared value among teachers and students.

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Lei Feng Spirit Medals

In terms of social obligations fulfillment, every year, we carefully implement the voluntary blood donation task, complete the conscription plan, and actively participate in “Three Branches and One Support (三支一扶)”. In 2025, our University organized several large-scale blood donation activities, with a total of 1,729 people participating in blood donation. A total of 87 university students were recruited by the military, including 5 female soldiers. 7 students participated in the China Western Development Program, and 1 participated in the “Three Branches and One Support (三支一扶)”.



New Conscripts Farewell in Spring 2025



2025 Blood Donation Activities Organised by Gench



Western Program Volunteers Departure from Gench



Gench Team Participated in Yunnan Teaching Winter Camp Activities

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(2) *Emphasis on Public Welfare, Devotion to Rural Revitalization*

The General Branch of China Democratic League Jian Qiao Campus (民盟建橋學院) is enthusiastic about public welfare and effectively performs its social service functions. Since the donation to the first Hope Primary School in Junan, Shandong in 2000, we have cooperated with the Shanghai Committee of the China Democratic League to gradually build Hope (Candlelight) Primary Schools. Since 2000, our reconstruction footprint has covered more than 40 schools in 25 provinces.

Since the launch of “Golden Pomegranate” dual-tutor exchange program of Shanghai Jian Qiao University in 2022, our University has worked with Gyantse Minhang Middle School in Tibet to construct the four dimensional supporting system of “ideological guidance, life instructions, academic tutoring, psychological counseling”. 500 college tutors paired with 1,000 Tibetan students, from cloud study to summer vacation teaching support, our “pomegranate seed”-like friendship takes roots in the hearts of Shanghai and Tibetan students. This year, the Youth League Committee of our University further strengthened the breadth and depth of social practice activities, and actively motivated over 10 college tutors to conduct tutoring activity at Gyantse Minhang Middle School in Tibet. In addition, as the extension of “Golden Pomegranate” project, our enrolment office teachers went to Gyantse Minhang Middle School in Tibet and brought “Enrollment Declaration and Application Filling Guidance” themed seminar for high school grade 3 students.



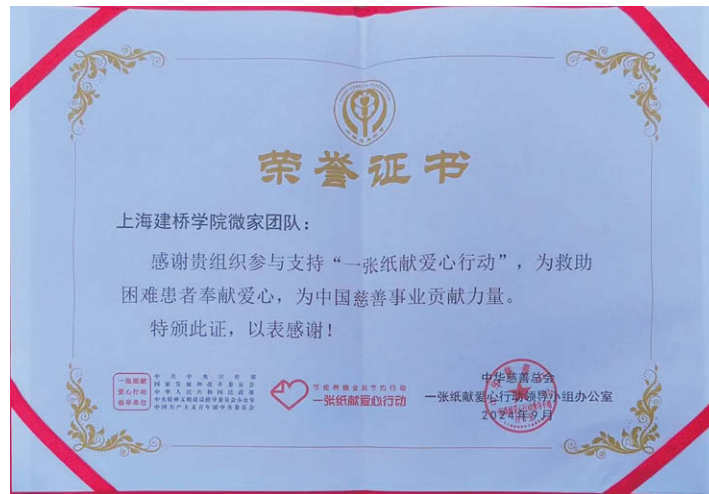
Our enrollment teacher at application filling guidance seminar in Tibet



Our tutors at Gyantse Minhang Middle School in 2025

We continuously operate the Gench “Micro Home” public welfare project, actively practicing the sustainable development concept of “sharing, openness, green, and environmental protection”. The project started with clothing collection boxes on campus, regularly collecting unused items donated by teachers and students, and then precisely delivering the materials to where they are needed, passing love to people far away. In 2024, we actively responded to the “One Piece of Paper to Show Love Action” initiated by China Charity Federation and were awarded an honorary certificate. In 2025, we responded again, donating more than 600 pieces of clothes. These clothes, full of the friendship and care of our teachers and students, crossed many mountains and rivers to reach Shandan County in Gansu and Meigu County in Sichuan.

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Honorary Certificate issued by China Charity Federation

In addition, the Group also actively respond to national call on rural revitalization. We regularly organize students to take part in rural revitalization practice, so that they can apply what they learn into solving practical problems, displaying our social responsibilities.

- In April 2025, our Business School's Yemainingxianglu Team won gold medal in China Mainland, Hong Kong and Macau Digital Economy Innovation and Entrepreneurship Competition 2025, by virtue of its “Leaves to Gold -- Empowering Rural Revitalization” project. This team focuses on Hainan agarwood leaves waste problem, and developed those waste into high-value products with their patented technologies, realized 100% utilization of raw materials, helped farmers to increase income by over RMB300 million per year, and fed back to the ecological protection. The team offers localized products and drives brand rejuvenation by online/offline integrated marketing, and finally empowers farmers to be “self-producing, self-operating, self-marketing, self-establishing and self-sufficient”, thus fully boosting rural revitalization.
- In November 2025, at the “Empowering Beauty • Homeland” 2025 Shanghai Artists Rural Revitalization Outstanding Cases Sharing Conference, our College of Art Design faculty and students’ team in Art and Technology major worked with artist Feng Lingling who stationed at Liyao Village to jointly plan the “Liyao Village Field Pottery” project, winning the “Excellent Practice Case Award” by its outstanding innovation and rural roots, and our University won the “Excellent Organization Award”. This project takes roots in Liyao Village rural culture base, creates with villagers through field survey, revitalizes non-materialistic cultural heritage, builds pottery workshops and explores the sustainable path of rural arts invention, which not only revitalizes local cultural industry, but also erects the collaborative innovation platform between colleges, artists and villages.

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The First Lei Feng Memorial Hall Among Shanghai's Universities, Established by Our University

(4) Industrial Contribution, Empowering Industrial Progress

Our Group is always committed to industrial contribution. We always believe that the industrial contribution of a university/college is absolutely not only to convey graduates, but to become the “talent engine” of regional industry upgrading, the “innovation plant” of technology application, and the “value partners” of social development.

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For example, our University has built the “industry-academy-research-application” integrated ecosystem, to become an enabler of the technology upgrading of small and medium-sized enterprises (SMEs). We make full use of our applied research, and actively orient to industrial actual demands. Our College of Jewelry and College of Information Technology, and other departments carry out horizontal research projects with enterprises, jointly conducting technical service projects such as product improvement and process optimization. For example, our College of Jewelry faculty and students team provides design and process innovation support for jewelry brands; our College of Information Technology team provides digital transformation solutions for SMEs; and our College of Mechanical and Electrical Engineering team supports enterprises in improving and innovating mechanical equipment. Our University continuously transforms real industry projects into teaching cases, achieving a virtuous cycle of “teaching-research-service”. Meanwhile, some high-quality resources of our University, such as laboratories and training centers, are systematically opened to cooperating enterprises, reducing the R&D costs for local SMEs.

In addition, we also actively assist in the preparation of industrial standards. This year, Shanghai Jian Qiao University, as one of the drafters, took deep part in the preparation of “Digital Trade Capability Maturity Model and Assessment Standard (T/CECC 38-2025)”. This standard was released on 13 May 2025, filling the gap in China’s digital capability assessment system for the entire trade process, of great significance. It specifies the composition and requirements of the maturity model for digital capabilities throughout the trade process and is applicable to organizations, institutions, and enterprises related to trade, with a very broad coverage. In the process, we injected significant academic value into the preparation of the standard, while fully leveraging the advantages of universities in talent cultivation, theoretical research, and practical innovation, combining cutting-edge digital trade theories with industry practices. This provides a quantifiable development path for enterprises nationwide, supports the intelligent upgrading of industries, and promotes the high-quality development of national digital trade, highlighting the mission and responsibility of universities in serving the national strategy.

7.6 SINCERE EXCHANGE OF OPINIONS

The Group regards the valuable opinions and comments of students and parents as an important way to improve the teaching quality of our University, attaches great importance to students’ response to and evaluation of the teaching of a variety of courses, and has formulated the Administrative Measures on Students’ Evaluation of Teachers. In the 13th week of each semester, we conduct online student evaluation through the Mycos Student Evaluation System, and establish a student information officer system, and hold regular student information officer meetings to collect students’ comments on education and teaching. The results will be analysed statistically and provided to each college as a basis for the Outstanding Teaching Award; Meanwhile, an annual report on teaching quality and improvement will be completed and provided as a reference for teachers to make decisions on improving teaching and courses design. During the Reporting Period, our students gave our teachers a comprehensive teaching score of 93.98 points, showing a high degree of recognition on our teaching results.

In order to strengthen our communication with students, parents and staff, to effectively collect their opinions, suggestions or complaints, and to protect the rights and interests of relevant stakeholders, we have formulated the Administrative Measures for Handling Opinions and Complaints. We have established various communication channels, with our University offices responsible for the management of comments, suggestions and complaints in university; and each department and secondary college responsible for receiving and dealing with comments, suggestions and complaints from their respective operations and jurisdictions. In daily practice, we’re committed to innovating and improving work methods, for the purpose of increasing work efficiency. We insist on information empowerment, and establish campus online complaint channel “Gench 7788” opinion feedback platform in high standard, guiding complainers to contact functional departments and secondary colleges at first for settlement, make preliminary screening and diversion for the complaints, finish the full process of complaint receiving, processing and feedback, and effectively solve relevant contradictions and complaints in the grassroots. In addition, we generate “Selected Replies” through big data, for teachers and students to check out FAQs by a single key, to effectively solve the problem of “many, hybrid, heavy” letters of petition on campus.

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The time limit for handling letters of petition generally refers to the State Council Regulation on Letters and Visits and the Regulations of Shanghai Municipality on Letters and Visits. Referrals are classified into two categories: 12345 platform and Guoxin (國信網) platform, the former should be processed within 7 days, and the latter should be processed within 30 days. During the Reporting Period, all letters were fully accepted and concluded on schedule, showing a relatively high level of satisfaction.

The Group vigorously promotes student rights work. We will continue to carry out a series of service activities called “doing practical things for my classmates”, establish and efficiently operate a three-level rights work system of “university-college-class” and an “online+offline” mechanism for collecting rights-related issues. Relying on the “Principal Online” platform, we will carry out face-to-face communication between teachers and students, and regularly organize student representatives to participate in various types of rights symposiums, where they can meet face to face with NPC deputies and CPPCC members. During the year, through the “Principal Online” event, student representatives raised a total of 25 various rights and interests issues and suggestions, which were carefully studied and responded to by various functional departments. During the year, we further improved and implemented the Normalization Implementation Plan for Proposals and Suggestions by Student Representatives of Shanghai Jian Qiao University, which guides students to actively participate in the democratic construction and management of the school, enhances the initiative of the student union to organize and protect student rights, and serves the rights and interests of students in campus learning and life. In the 13th session of Student Congress smoothly convened at Shanghai Jian Qiao University, student representatives performed active duties, took full part in school democratic management, and submitted more than 100 proposals after extensive collection of students’ opinions and full surveys, and finally established 15 exquisite proposals at the meeting, which were carefully studied and responded to by various functional departments. In addition, we enhanced the building of and the guidance for CPPCC mimicking students society, and organised the third “CPPCC mimicking” competition in Shanghai Jian Qiao University, so as to feel the people’s democracy in the full process of practice, and nurture students’ sense of social responsibility and practice innovation capability.



Principal’s mail box



Phone call



Visit



E-mail



Letter



Fax

Effective Communication Channels

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APPENDIX I: ENVIRONMENTAL KEY PERFORMANCE INDICATORS

Environmental Performance	Unit	2025
Vehicles' air emissions¹		
Nitrogen oxides (NOx)	kg	372.40
Sulphur oxides (SOx)	kg	0.56
Particulate matter (PM)	kg	32.19
Energy consumption²		
Total energy consumption	MWh	34,165.68
Among which: Direct energy consumption	MWh	4,358.07
Among which: Indirect energy consumption	MWh	29,807.61
Energy Consumption Intensity	MWh/number of staff and student	1.31
Natural gas consumption	m ³	369,382.00
Intensity of natural gas consumption	m ³ /number of staff and student	14.17
Gasoline consumption	litres	33,519.42
Intensity of gasoline consumption	litres/number of staff and student	1.29
Diesel consumption	litres	5,394.59
Intensity of diesel consumption	litres/number of staff and student	0.21
Power consumption	MWh	29,807.61
Intensity of power consumption	MWh/number of staff and student	1.14
Water consumption		
Total water consumption	m ³	967,873
Intensity of total water consumption	m ³ /number of staff and student	37.12

¹ We refer to “How to Prepare an ESG Report — Appendix II: Reporting Guidance on Environmental KPIs” from the Hong Kong Stock Exchange to calculate air emissions from the Group’s vehicles.

² The total energy consumption is the sum of total electricity consumption, natural gas consumption, gasoline consumption by fixed equipment and vehicles, and diesel consumption (in MWh). For relevant unit conversion factors, please refer to the Energy Statistics Manual from the International Energy Agency and the reference conversion coefficients for various energy sources to standard coal from the International Coal Network.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

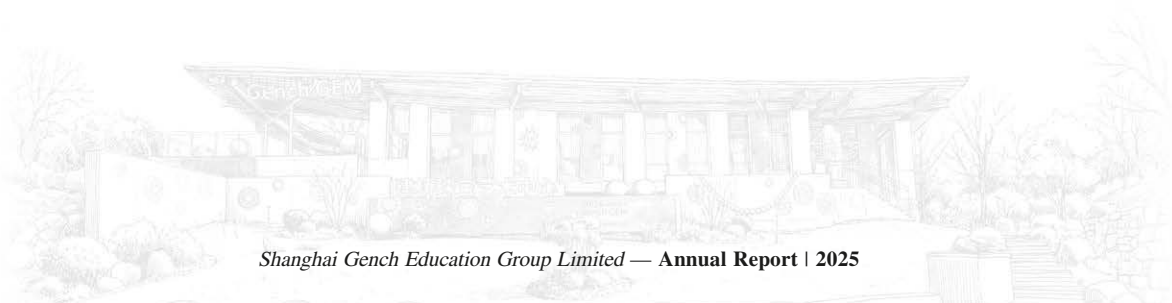
Environmental Performance	Unit	2025
Hazardous waste		
Total hazardous waste	metric tonnes	0.06
Intensity of hazardous waste	kg/number of staff and student	0.002
Hazardous waste recycled	metric tonnes	0.06
Waste toner cartridge produced	pieces	785
Waste toner cartridge recycled	pieces	956
Waste computer produced	unit	452
Waste computer recycled	unit	448
Non-hazardous waste		
Total non-hazardous waste	metric tonnes	4,856.00
Intensity of non-hazardous waste	metric tonnes/number of staff and student	0.19
Non-hazardous waste recycled	metric tonnes	4,856.00
Paper consumption		
Paper consumption	kg	9,411.63
Intensity of paper consumption	kg/number of staff and student	0.36



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX II: SOCIAL KEY PERFORMANCE INDICATORS

Social Performance	Unit	2025
All employees	person	1,891
Number of employee by gender		
Male	person	793
Female	person	1,098
Number of employee by employee category		
Junior employees	person	1,769
Middle management	person	108
Senior management	person	14
Number of employee by age group		
Below 40	person	840
40-50	person	664
Above 50	person	387
Number of employee by region		
Employees in East China	person	1,891
Employee turnover		
Total turnover rate of employees	percentage	10.52%
Employee turnover rate by gender		
Male	percentage	14.38%
Female	percentage	7.74%
Employee turnover rate by age group		
Below 40	percentage	10.00%
40-50	percentage	5.12%
Above 50	percentage	20.93%
Employee turnover rate by region		
Employees in East China	percentage	10.52%



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Social Performance	Unit	2025
Employee training		
Percentage of employees trained to total number of employees	percentage	91.96%
Percentage of employees trained by gender		
Male	percentage	40.43%
Female	percentage	59.57%
Percentage of employees trained by employee category		
Junior employees	percentage	93.39%
Middle management	percentage	6.15%
Senior management	percentage	0.46%
Average training hours per employee	hour	58.85
Average training hours per employee by gender		
Male	hour	41.86
Female	hour	71.12
Average training hours per employee by employee category		
Junior employees	hour	57.81
Middle management	hour	80.99
Senior management	hour	19.13
Occupational health and safety		
Number of work-related fatalities in the past three years (including the reporting year)	person	0
Lost days due to work injury	Day	118
Anti-corruption		
Number of concluded corruption-related litigation cases against our Group or employees	Case	0

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX III: ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX

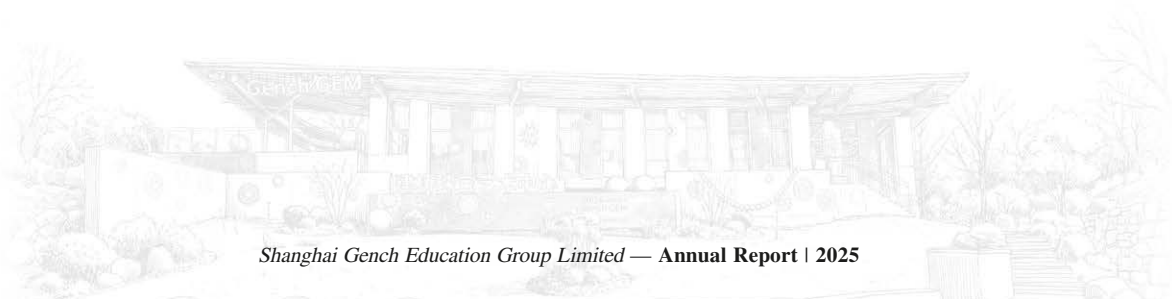
Contents of Indicators			Relevant Section
A. Environmental Category			
A1 Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non- hazardous waste.	7.4 Environmentally-friendly green campus
	A1.1	The types of emissions and respective emissions data.	Appendix I: Environmental Key Performance Indicators
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) total GHG emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). [Deleted on 1 January 2025]	4.4 Climate indicators and targets
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I: Environmental Key Performance Indicators
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I: Environmental Key Performance Indicators
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	4.4 Climate indicators and targets 7.4 Environmentally-friendly green campus
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	7.4 Environmentally-friendly green campus
A2 Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	7.4 Environmentally-friendly green campus
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendix I: Environmental Key Performance Indicators
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix I: Environmental Key Performance Indicators
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	4.4 Climate indicators and targets 7.4 Environmentally-friendly green campus

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Contents of Indicators			Relevant Section
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, and water efficiency target(s) set and steps taken to achieve them.	7.4 Environmentally-friendly green campus
	A2.5	Total packaging material used for finished products and, where appropriate, with reference to per unit produced.	It is not applicable because it is not involved in our business.
A3 Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	3.5 Corporate sustainability policy 4.2 Climate change-related strategies 7.4 Environmentally-friendly green campus
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	4.2 Climate change-related strategies 7.4 Environmentally-friendly green campus
A4 Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer. [Deleted on 1 January 2025]	4.2 Climate change-related strategies
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them. [Deleted on 1 January 2025]	4.2 Climate change-related strategies
B. Social Category			
B1 Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	6.1 Stringent employment standards 6.2 Considerate care for staff
	B1.1	Total workforce by gender, employment type, age group and geographical region.	Appendix II: Social Key Performance Indicators
	B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix II: Social Key Performance Indicators

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Contents of Indicators			Relevant Section
B2 Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	7.2 Comprehensive logistics support
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix II: Social Key Performance Indicators
	B2.2	Lost days due to work injury.	Appendix II: Social Key Performance Indicators
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	7.2 Comprehensive logistics support
B3 Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	6.3 Well-established training system
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management, etc.).	Appendix II: Social Key Performance Indicators
	B3.2	The average training hours completed per employee by gender and employee category.	Appendix II: Social Key Performance Indicators
B4 Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labour.	6.1 Stringent employment standards 6.2 Considerate care for staff
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	6.1 Stringent employment standards
	B4.2	Description of steps taken to eliminate such practices when discovered.	6.1 Stringent employment standards



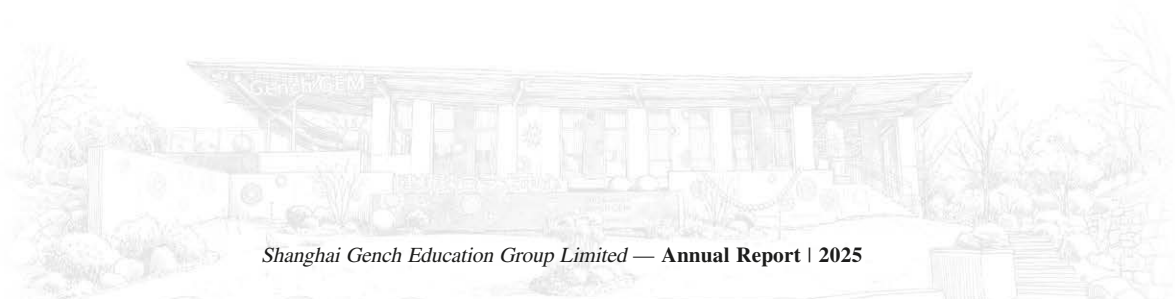
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Contents of Indicators			Relevant Section
B5 Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	7.3 Reciprocal supply management
	B5.1	Number of suppliers by geographical region.	7.3 Reciprocal supply management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	7.3 Reciprocal supply management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	7.3 Reciprocal supply management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	7.3 Reciprocal supply management
B6 Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	7.1 Robust compliant operation 7.2 Comprehensive logistics support
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	It is not applicable because it is not involved in our business.
	B6.2	Number of products and service-related complaints received and how they are dealt with.	7.6 Sincere exchange of opinions
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	7.1 Robust compliant operation
	B6.4	Description of quality assurance process and recall procedures.	5.4 Strict quality management
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	7.1 Robust compliant operation



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Contents of Indicators			Relevant Section
B7 Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to prevention of bribery, extortion, fraud and money laundering.	7.1 Robust compliant operation
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Appendix II: Social Key Performance Indicators
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	7.1 Robust compliant operation
	B7.3	Description of anti-corruption training provided to directors and staff.	7.1 Robust compliant operation
B8 Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	4.2 Climate change-related strategies 7.5 Volunteer services, social practices and public welfare activities
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	7.5 Volunteer services, social practices and public welfare activities
	B8.2	Resources contributed to the focus area.	7.5 Volunteer services, social practices and public welfare activities



INDEPENDENT AUDITOR'S REPORT



Ernst & Young
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To the shareholders of Shanghai Gench Education Group Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Shanghai Gench Education Group Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 171 to 252, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (the “IASB”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

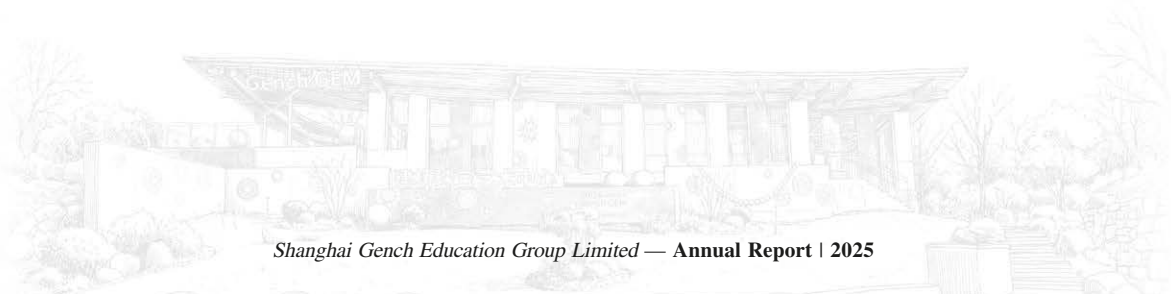
BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (“ISAs”) as issued by the International Auditing and Assurance Standards Board (“IAASB”). Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants (the “Code”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

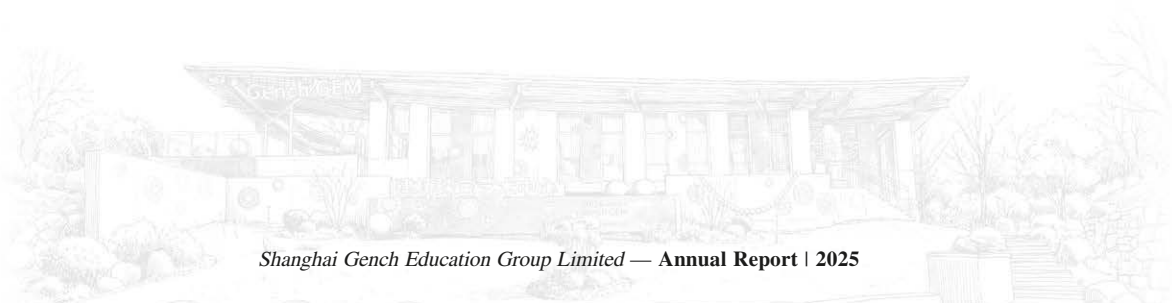
We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our opinion on the accompanying consolidated financial statements.



INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS — *continued*

Key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition — tuition and boarding fees</p> <p>Revenue mainly comprised the revenue from tuition and boarding fees from students amounting to RMB971 million for the year ended 31 December 2025, and these fees are generally received in advance prior to the beginning of each academic year. Tuition and boarding fees are recognised proportionately over the terms of the beneficial period for the students, where applicable. The portion of tuition and boarding fees received from students but not earned is recorded as contract liabilities. Due to the large volume of transactions processed and the significant amount of tuition and boarding fees, we considered this as a key audit matter.</p> <p>Relevant disclosures are included in notes 2.4, 5 and 25 to the consolidated financial statements.</p>	<p>Our audit procedures in relation to revenue recognition of tuition and boarding fees included:</p> <ul style="list-style-type: none">(i) Obtaining an understanding of, evaluating and testing the Group's key controls over the admission of students and collection of tuition and boarding fees;(ii) Checking the relevant official student records and the reconciliation of the total number of newly enrolled students during the year to the official student records registered with the relevant education authorities of the Chinese mainland;(iii) On a sampling basis, checking the relevant supporting documentation including the student payment records, official student records registered with the relevant Chinese mainland education authorities, and the payment remittance receipts of tuition and boarding fees; and(iv) Performing the re-calculation of the amounts of contract liabilities and the tuition and boarding fees recognised during the year in accordance with the terms of the beneficial period for the students, where applicable.



INDEPENDENT AUDITOR'S REPORT

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the the Management Discussion and Analysis on pages 7 to 22, which we obtained prior to the date of this auditor's report, and other sections of Annual Report not including the consolidated financial statements and our auditor's report thereon, which are expected to be made available after the date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



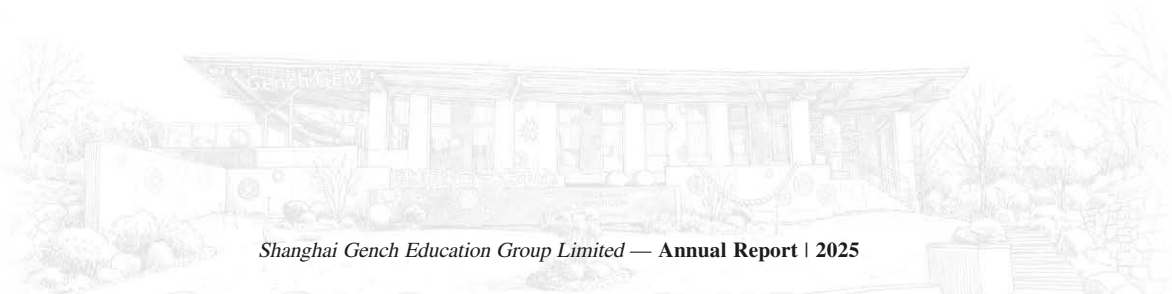
INDEPENDENT AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS — *continued*

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



INDEPENDENT AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS — *continued*

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

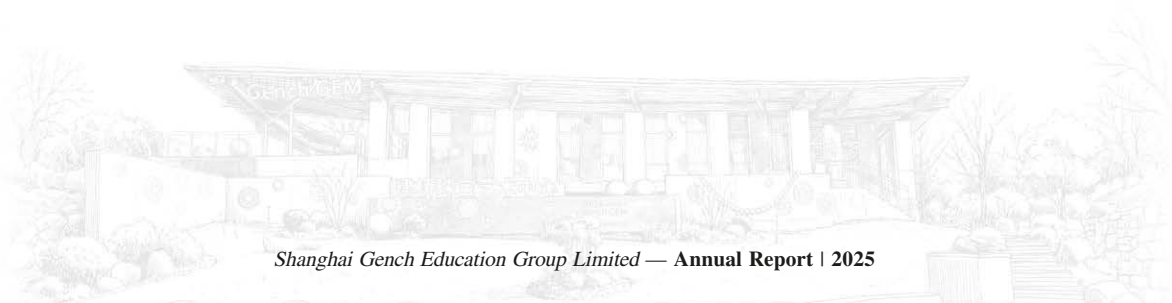
The engagement partner on the audit resulting in this independent auditor's report is Ng Cheung (practising certificate number: P04900).

Ernst & Young

Certified Public Accountants

Hong Kong

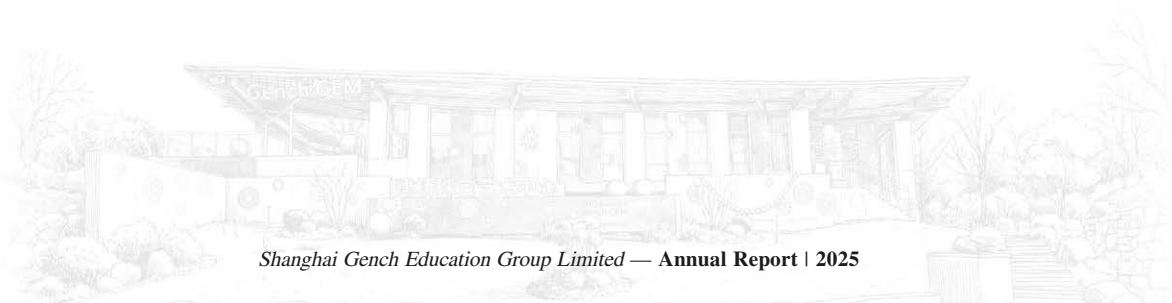
27 March 2026



CONSOLIDATED STATEMENT OF PROFIT OR LOSS

YEAR ENDED 31 DECEMBER 2025

	Notes	2025 RMB'000	2024 RMB'000
REVENUE	5	1,004,586	969,854
Cost of sales		(459,935)	(429,960)
GROSS PROFIT		544,651	539,894
Other income and gains	5	48,820	47,518
Selling and distribution expenses		(3,652)	(4,544)
Administrative expenses		(252,352)	(240,239)
Impairment losses on financial assets		(2,240)	(8,364)
Other expenses		(481)	(8,808)
Finance costs	6	(15,495)	(27,126)
Share of losses of a joint venture		(650)	—
PROFIT BEFORE TAX	7	318,601	298,331
Income tax expense	10	(76,053)	(74,713)
PROFIT FOR THE YEAR		242,548	223,618
Attributable to:			
Owners of the parent		242,548	223,618
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted	12	RMB0.61	RMB0.57



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

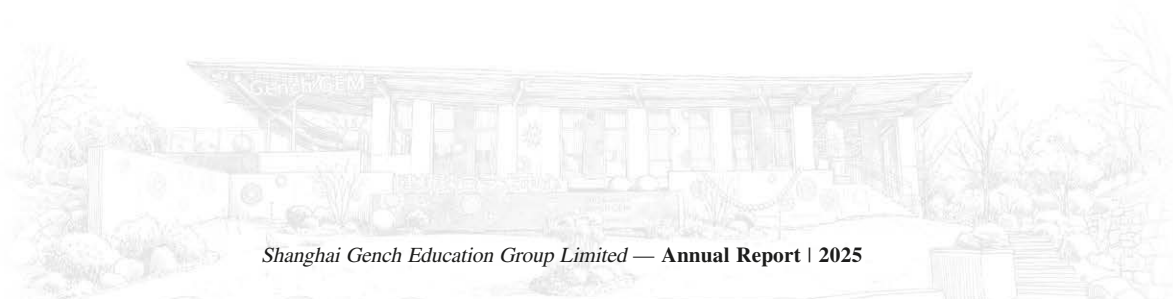
YEAR ENDED 31 DECEMBER 2025

	2025 RMB'000	2024 RMB'000
PROFIT FOR THE YEAR	242,548	223,618
OTHER COMPREHENSIVE INCOME		
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:		
Translation difference of the financial statements using different presentation currency	(34)	221
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods	(34)	221
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Translation difference of the financial statements using different presentation currency	(2,189)	(1,843)
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	(2,189)	(1,843)
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	(2,223)	(1,622)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	240,325	221,996
Attributable to:		
Owners of the parent	240,325	221,996

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2025

	Notes	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS			
Property and equipment	13	2,398,389	2,407,320
Right-of-use assets	14	575,730	591,380
Other intangible assets	15	8,607	7,787
Long-term prepayments and other receivables	21	4,165	7,020
Investment in a joint venture	16	6,850	—
Equity investments designated at fair value through other comprehensive income	17	2,000	—
Deferred tax assets	18	1,055	150
Debt investments at fair value through other comprehensive income	19	194,849	131,037
Total non-current assets		3,191,645	3,144,694
CURRENT ASSETS			
Accounts receivable	20	9,039	11,748
Prepayments and other receivables	21	8,501	6,884
Financial assets at fair value through profit or loss	22	55,034	473,168
Cash and cash balances and time deposits	23	392,078	338,768
Total current assets		464,652	830,568
CURRENT LIABILITIES			
Other payables and accruals	24	272,158	250,394
Interest-bearing bank borrowings	26	30,000	163,000
Lease liabilities	14	877	846
Contract liabilities	25	551,344	512,885
Tax payable		47,564	48,955
Deferred income	27	4,299	2,913
Total current liabilities		906,242	978,993
NET CURRENT LIABILITIES		(441,590)	(148,425)
TOTAL ASSETS LESS CURRENT LIABILITIES		2,750,055	2,996,269



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2025

	Notes	2025 RMB'000	2024 RMB'000
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings	26	250,415	666,926
Lease liabilities	14	909	1,786
Deferred tax liabilities	18	11,675	7,621
Deferred income	27	2,224	2,806
Total non-current liabilities		265,223	679,139
NET ASSETS			
		2,484,832	2,317,130
EQUITY			
Equity attributable to owners of the parent			
Issued capital	29	3,677	3,677
Reserves	30	2,481,155	2,313,453
TOTAL EQUITY		2,484,832	2,317,130

Zhao Donghui
Director

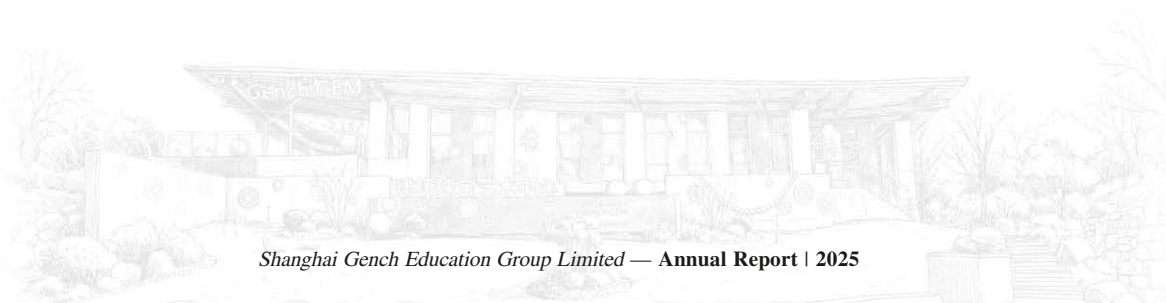
Ding Zheyin
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2025

For the year ended 31 December 2025

	Attributable to owners of the parent							Total equity
	Issued capital	Share premium*	Treasury shares*	Capital reserve*	Statutory surplus reserves*	Exchange fluctuation reserve*	Retained profits*	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	Note 29		Note 28	Note 30 (a)	Note 30(b)			
As at 1 January 2025	3,677	275,370	(84,504)	184,787	263,688	3,292	1,670,820	2,317,130
Profit for the year	—	—	—	—	—	—	242,548	242,548
Other comprehensive loss for the year:								
Exchange differences on translation of the financial statements	—	—	—	—	—	(2,223)	—	(2,223)
Total comprehensive income for the year	—	—	—	—	—	(2,223)	242,548	240,325
Appropriations to statutory surplus reserves	—	—	—	—	19,876	—	(19,876)	—
2024 final dividend declared	—	(36,613)	—	—	—	—	—	(36,613)
2025 interim dividend declared (Note 11)	—	(36,010)	—	—	—	—	—	(36,010)
As at 31 December 2025	<u>3,677</u>	<u>202,747</u>	<u>(84,504)</u>	<u>184,787</u>	<u>283,564</u>	<u>1,069</u>	<u>1,893,492</u>	<u>2,484,832</u>



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2025

For the year ended 31 December 2024

	Attributable to owners of the parent							
	Issued capital RMB'000 Note 29	Share premium* RMB'000	Treasury shares* RMB'000 Note 28	Capital reserve* RMB'000 Note 30(a)	Statutory surplus reserves* RMB'000 Note 30(b)	Exchange fluctuation reserve* RMB'000	Retained profits* RMB'000	Total equity RMB'000
As at 1 January 2024	3,677	347,505	(81,944)	184,787	243,979	4,914	1,466,911	2,169,829
Profit for the year	—	—	—	—	—	—	223,618	223,618
Other comprehensive loss for the year:								
Exchange differences on translation of the financial statements	—	—	—	—	—	(1,622)	—	(1,622)
Total comprehensive income for the year	—	—	—	—	—	(1,622)	223,618	221,996
Repurchase of shares	—	—	(2,560)	—	—	—	—	(2,560)
Appropriations to statutory surplus reserves	—	—	—	—	19,709	—	(19,709)	—
2023 final dividend declared	—	(35,990)	—	—	—	—	—	(35,990)
2024 interim dividend declared (Note 11)	—	(36,145)	—	—	—	—	—	(36,145)
As at 31 December 2024	<u>3,677</u>	<u>275,370</u>	<u>(84,504)</u>	<u>184,787</u>	<u>263,688</u>	<u>3,292</u>	<u>1,670,820</u>	<u>2,317,130</u>

* These reserve accounts comprise the consolidated reserves of RMB2,481,155,000 (2024: RMB2,313,453,000) in the consolidated statement of financial position as at 31 December 2025.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2025

	Notes	2025 RMB'000	2024 RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		318,601	298,331
Adjustments for:			
Finance costs	6	15,495	27,126
Share of losses of a joint venture		650	—
Interest income	5	(2,866)	(4,173)
Fair value gain on financial assets at fair value through profit or loss	5	(33)	(1,168)
Other interest income from financial assets at fair value through profit or loss	5	(5,459)	(6,018)
Other interest income from financial assets at fair value through other comprehensive income	5	(3,368)	(1,023)
Gain on disposal of items of property and equipment	5	(161)	(188)
Gain on disposal of right-of-use assets	5	—	(19)
Government grants	27	(38,871)	(46,192)
Impairment of accounts receivable	7,20	2,250	2,279
(Reversal of impairment)/impairment of other receivables	7,21	(10)	6,085
Depreciation of property and equipment	7,13	114,606	101,633
Amortisation of other intangible assets	7,15	2,328	1,704
Depreciation of right-of-use assets	7,14(a)	15,985	15,646
Foreign exchange gains		(2,052)	—
		417,095	394,023
Receipt of government grants		39,913	42,090
(Increase)/decrease in prepayments and other receivables		(1,594)	1,966
Decrease/(increase) in accounts receivable		459	(4,437)
Increase/(decrease) in other payables and accruals		32,313	(13,048)
Increase in contract liabilities		38,459	1,702
Increase in restricted cash		(13,545)	(8,369)
Cash generated from operations		513,100	413,927
Interest received	5	2,866	4,173
Tax paid		(74,295)	(109,150)
Net cash flows from operating activities		441,671	308,950

CONSOLIDATED STATEMENT OF CASH FLOWS

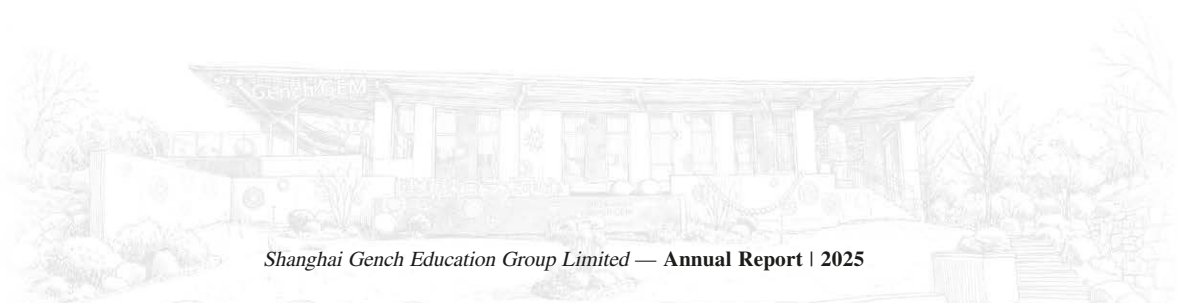
YEAR ENDED 31 DECEMBER 2025

	Notes	2025 RMB'000	2024 RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property and equipment		(113,097)	(187,830)
Additions to right-of-use assets		(335)	—
Proceeds from disposal of items of property and equipment		1,216	406
Increase in other receivables		(1,020)	—
Purchases of equity investments designated at fair value through other comprehensive income		(2,000)	—
Investment in a joint venture		(7,500)	—
Purchases of financial assets at fair value through profit or loss		(1,013,000)	(1,452,000)
Redemption of financial assets at fair value through profit or loss		1,436,626	1,326,534
Purchases of debt investments at fair value through other comprehensive income		(60,444)	(130,014)
Government grants received for property and equipment		62	1,160
Government grants received for interest subsidies		9,674	—
Additions to other intangible assets		(3,148)	(4,643)
Placement of restricted cash		(20,000)	—
Withdrawal/(placement) of time deposits with original maturity of more than three months when acquired		30,000	(30,000)
Net cash flows from/(used in) investing activities		257,034	(476,387)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repurchases of shares		—	(2,560)
Lease payments including related interest	14(b)	(937)	(1,265)
New interest-bearing bank borrowings		23,850	143,500
Repayment of interest-bearing bank borrowings		(573,361)	(73,000)
Dividends paid		(72,623)	(72,135)
Interest paid		(25,698)	(31,189)
Net cash flows used in financing activities		(648,769)	(36,649)

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2025

	Notes	2025 RMB'000	2024 RMB'000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		49,936	(204,086)
Cash and cash equivalents at beginning of year		300,399	506,107
Effect of foreign exchange rate changes, net		(171)	(1,622)
CASH AND CASH EQUIVALENTS AT END OF YEAR	23	350,164	300,399
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	23	392,078	308,768
Time deposits	23	—	30,000
Less: Time deposits with original maturity of more than three months when acquired	23	—	30,000
Restricted cash	23	41,914	8,369
CASH AND CASH EQUIVALENTS AS STATED IN THE STATEMENT OF CASH FLOWS	23	350,164	300,399



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 8 May 2018 as an exempted company with limited liability under the laws of the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. During the year, the Company and its subsidiaries (collectively referred to as the “Group”) were principally engaged in providing undergraduate education, junior college education, education related and training services in the Chinese mainland. There has been no significant change in the Group’s principal activities during the year.

Information about subsidiaries

Particulars of the Company’s principal subsidiaries are as follows:

Name	Notes	Place and date of incorporation/ establishment and place of operations	Nominal value of share/registered and paid up capital	Percentage of equity attributable to the Company	Principal activities
Directly held:					
Shanghai Gench Education Holdings Limited		British Virgin Islands (“BVI”) 15 May 2018	US\$1	100%	Investment holding
Indirectly held:					
Gench Education Group (Hong Kong) Limited (“Gench HK”)		Hong Kong 1 June 2018	HK\$1	100%	Investment holding
望亭教育科技(上海)有限公司 Wangting Education Technology (Shanghai) Limited (“Gench WFOE”)*	(2)	People’s Republic of China (“PRC”)/Chinese mainland 31 October 2018	RMB10,000,000	100%	Investment holding
上海建橋(集團)有限公司 Shanghai Jianqiao (Group) Co., Ltd. (“Jian Qiao Group”)	(1),(2)	PRC/Chinese mainland 7 November 2000	RMB175,000,000	100%	Investment holding
上海建橋投資發展有限公司 Shanghai Jian Qiao Investment Development Co., Ltd. (“Jian Qiao Investment”)	(1),(2)	PRC/Chinese mainland 3 August 1999	RMB37,500,000	100%	Investment holding
上海建橋學院有限責任公司 Shanghai Jian Qiao University Co., Ltd. (“Jian Qiao University Company”)	(1),(2)	PRC/Chinese mainland 28 September 2020	RMB50,000,000	100%	Provision of common undergraduate education and junior college education services

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

1. CORPORATE INFORMATION — *continued*

Information about subsidiaries — *continued*

Particulars of the Company's principal subsidiaries are as follows: — *continued*

Name	Notes	Place and date of incorporation/ establishment and place of operations	Nominal value of share/registered and paid up capital	Percentage of equity attributable to the Company	Principal activities
上海望亭後勤管理服務有限公司 Shanghai Wangting Logistics Management Service Co., Ltd. ("Wangting Logistics")	(2)	PRC/Chinese mainland 16 June 2021	RMB10,000,000	100%	Logistics management services
上海望亭企業服務有限公司 Shanghai Wangting Enterprise Services Co., Ltd. ("Wangting Enterprise")	(2)	PRC/Chinese mainland 14 July 2022	RMB5,000,000	100%	Provision of property management and catering services
上海望亭商業管理有限公司 Shanghai Wangting Business Management Co., Ltd. ("Wangting Business")	(2)	PRC/Chinese mainland 31 August 2023	RMB5,000,000	100%	Business management services
上海望亭餐飲管理有限公司 Shanghai Wangting Catering Management Co., Ltd. ("Wangting Catering")	(2)	PRC/Chinese mainland 1 September 2023	RMB5,000,000	100%	Catering management services
上海建橋啓航培訓學校有限公司 Shanghai Jianqiao Qihang Training School Co., Ltd. ("Jianqiao Qihang")	(2)	PRC/Chinese mainland 10 September 2024	RMB5,000,000	100%	Provision of senior high school education and training services

* The entity is registered as a wholly-foreign-owned enterprise under the law of the Chinese mainland.

- (1) These entities are owned through contractual arrangements.
- (2) The English names of these companies represent the best effort made by the management of the Company to directly translate their Chinese names as they have not registered with any official English names.

The above table lists the major subsidiaries within the Group which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards promulgated by the International Accounting Standards Board (“IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, equity investments designated at fair value through other comprehensive income and debt investments at fair value through other comprehensive income which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

The Group recorded net current liabilities of RMB441,590,000 as at 31 December 2025. The directors of the Company (the “Directors”) have given careful consideration to the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as going concern.

The Directors believe that the Group will have sufficient cash flows generated from operations and available banking facilities to meet its liabilities as and when they fall due. Therefore, the financial statements are prepared on a going concern basis.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.1 BASIS OF PREPARATION — *continued*

Basis of consolidation — *continued*

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

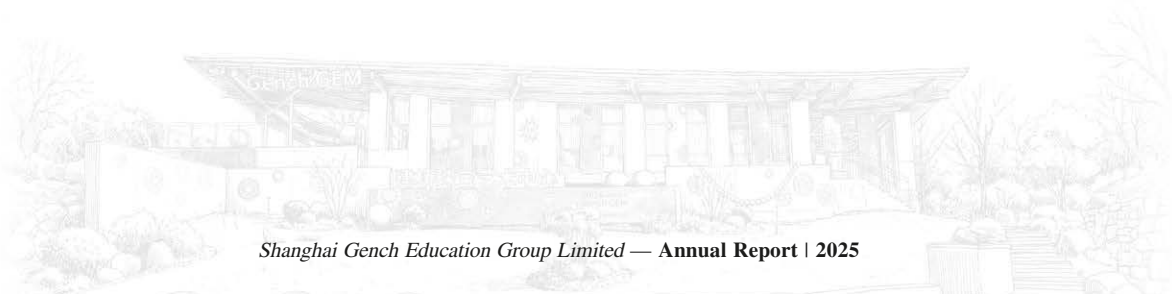
If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ²
IFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures</i> ²
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ¹
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> ¹
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency</i> ²
<i>Annual Improvements to IFRS Accounting Standards — Volume 11</i>	<i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7</i> ¹

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual/reporting periods beginning on or after 1 January 2027

³ No mandatory effective date yet determined but available for adoption

Further information about those IFRS Accounting Standards that are expected to be applicable to the Group is described below.

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as IAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other IFRS Accounting Standards. IFRS 18 and the consequential amendments to other IFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of IFRS 18 on the presentation and disclosure of the Group's financial statements.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

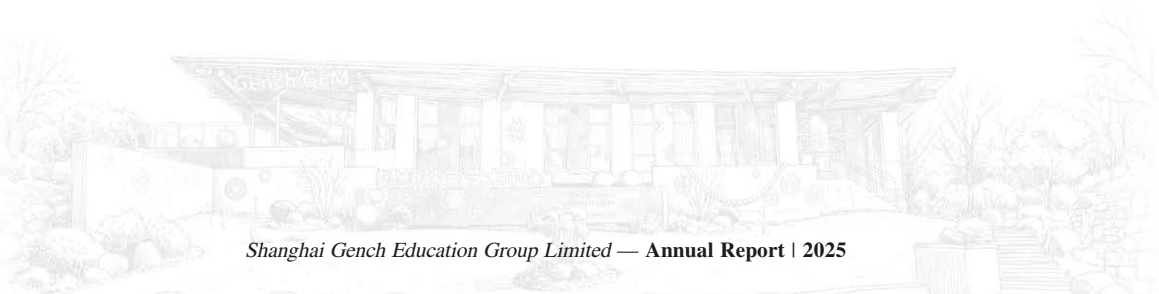
2. ACCOUNTING POLICIES — *continued*

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS— *continued*

IFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10 Consolidated Financial Statements, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with IFRS Accounting Standards. IFRS 19 was amended in 2025 to (i) remove disclosure objectives from IFRS 19; (ii) reduce the disclosure requirements relating to supplier finance arrangements and a specific class of financial liabilities; and (iii) replace disclosure requirements relating to management-defined performance measures with a cross-reference to IFRS 18 for entities that use these measures. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply IFRS 19 and its amendments. Some of the Company's subsidiaries are considering the application of IFRS 19 and its amendments in their specified financial statements.

Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify the date on which a financial asset or financial liability is derecognised and 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. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

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. The amendments relating to the own-use exception shall be applied retrospectively. Prior periods are not required to be restated and can only be restated without the use of hindsight. The amendments relating to the hedge accounting shall be applied prospectively to new hedging relationships designated on or after the date of initial application. Earlier application is permitted. The amendments to IFRS 9 and IFRS 7 shall be applied at the same time. The amendments are not expected to have any significant impact on the Group's financial statements.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

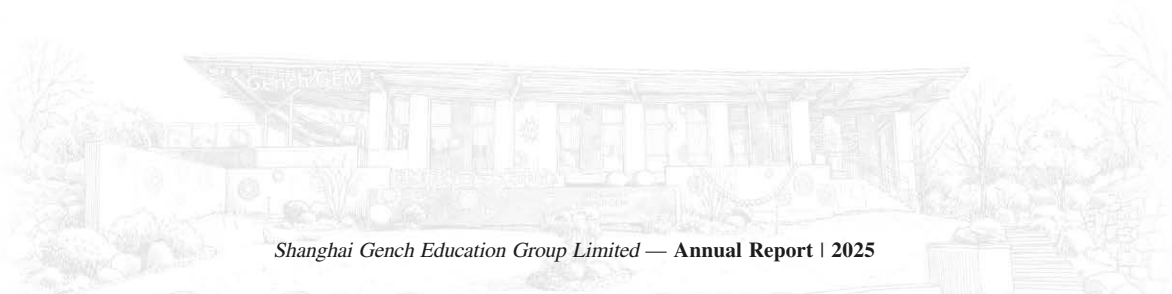
2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS— *continued*

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB. However, the amendments are available for adoption now. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 21 *Translation to a Hyperinflationary Presentation Currency* require the translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. The amendments also require an entity whose functional currency and presentation currency are the currency of a hyperinflationary economy to restate the comparative amounts of a foreign operation whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29 *Financial Reporting in Hyperinflationary Economies*, to the foreign operation's comparative figures. The amendments introduce certain additional disclosures. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Annual Improvements to IFRS Accounting Standards – Volume 11 set out amendments to IFRS 1, IFRS 7 (and the accompanying *Guidance on implementing IFRS 7*), IFRS 9, IFRS 10 and IAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- **IFRS 7 *Financial Instruments: Disclosures*:** The amendments have updated certain wording in paragraph B38 of IFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing IFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on implementing IFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- **IFRS 9 *Financial Instruments*:** The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 of IFRS 9 and recognise any resulting gain or loss in profit or loss. However, the amendments do not address how a lessee distinguishes between a lease modification as defined in IFRS 16 and an extinguishment of a lease liability in accordance with IFRS 9. In addition, the amendments have updated certain wording in paragraph 5.1.3 of IFRS 9 and Appendix A of IFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS — *continued*

- IFRS 10 *Consolidated Financial Statements*: The amendments clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of IFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- IAS 7 *Statement of Cash Flows*: The amendments replace the term “cost method” with “at cost” in paragraph 37 of IAS 7 following the prior deletion of the definition of “cost method”. Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

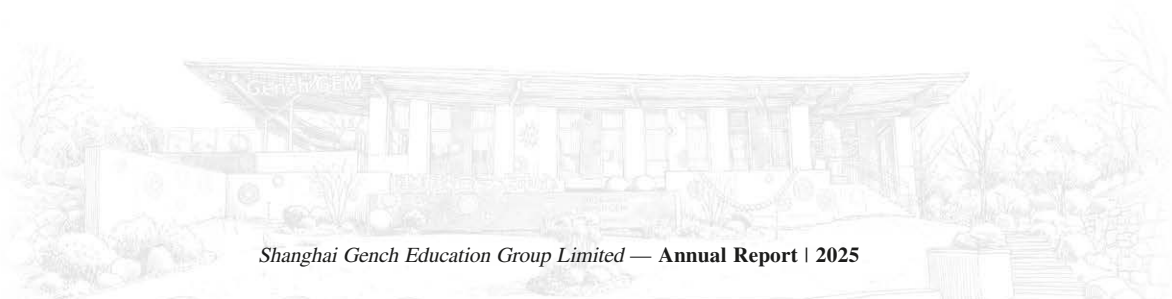
2.4 MATERIAL ACCOUNTING POLICIES

Investments in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The Group's share of the post-acquisition results and other comprehensive income of joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the joint ventures, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its joint ventures are eliminated to the extent of the Group's investments in the joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of joint ventures is included as part of the Group's investments in joint ventures.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Fair value measurement

The Group measures its financial assets at fair value through profit or loss, equity investments designated at fair value through other comprehensive income and debt investments at fair value through other comprehensive income at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

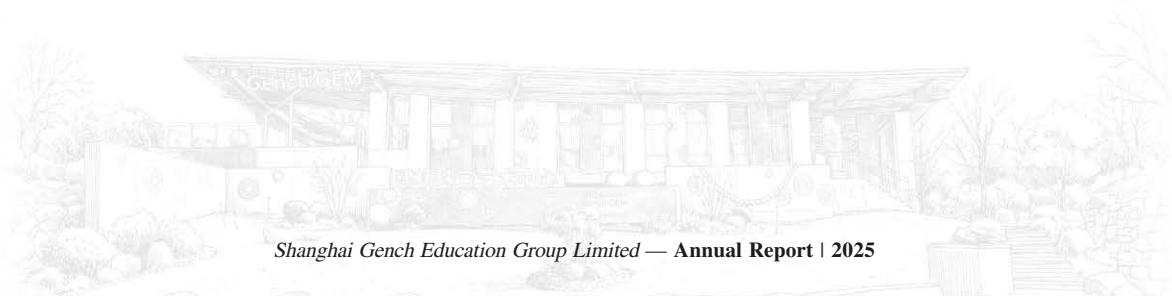
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

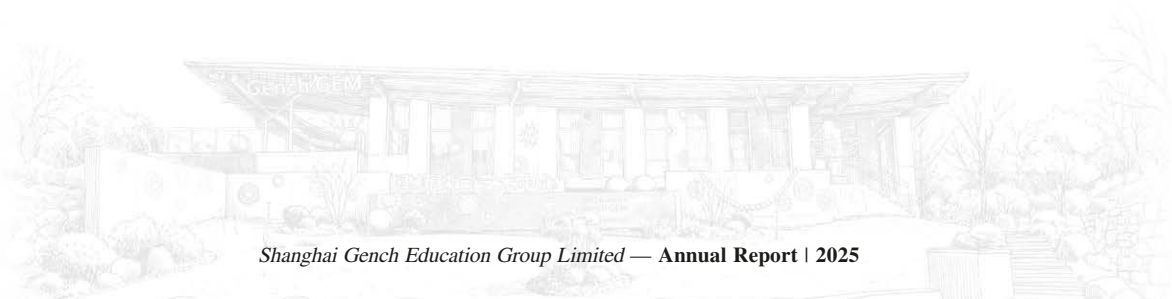
Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than financial assets and deferred tax assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

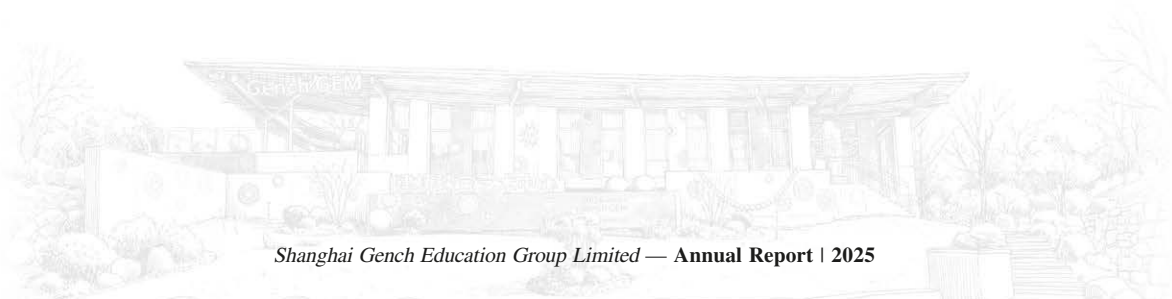
Related companies

A company is considered to be related to the Group if:

- (a) the company is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the company is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group; and the sponsoring employers of the post-employment benefit plan;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Property and equipment and depreciation

Property and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with IFRS 5. The cost of an item of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

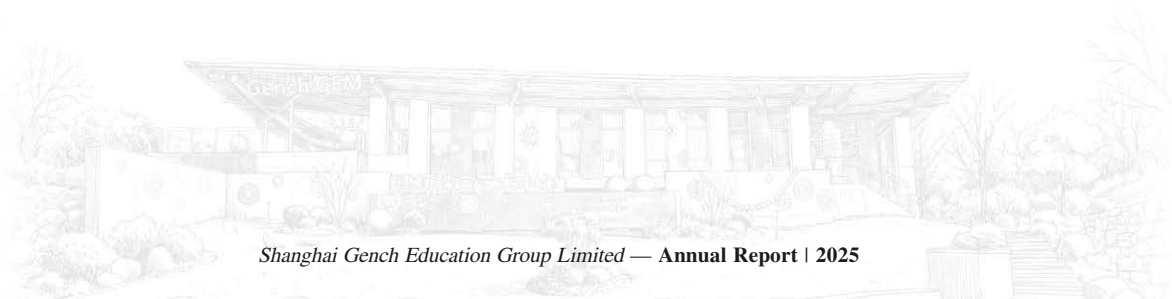
Depreciation is calculated on the straight-line basis to write off the cost of each item of property and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings and facilities	3.2%
Motor vehicles	9.5%
Furniture and fixtures	9.5% to 19.0%
Devices and equipment	9.5% to 31.7%

Where parts of an item of property and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property and equipment when completed and ready for use.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Software is stated at cost less any impairment loss and is amortised on the straight-line basis over its estimated useful life of 5 years.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

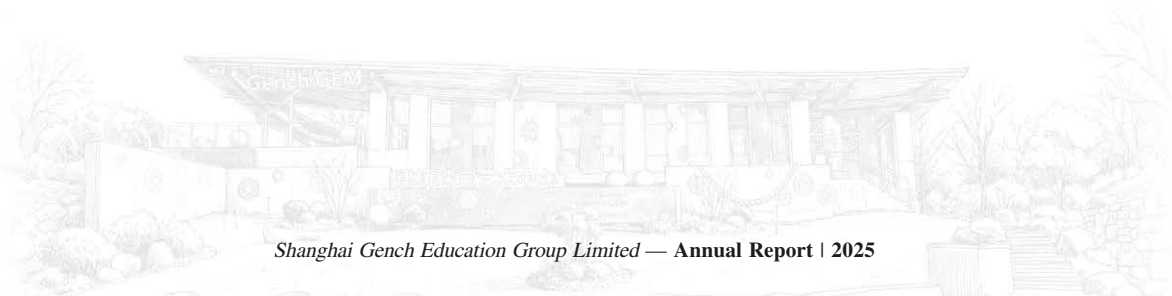
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	50 years
Motor vehicles	2 to 3 years
Devices and equipment	4 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Leases — continued

Group as a lessee — continued

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of accounts receivable that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Accounts receivable that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Investments and other financial assets — continued

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

Financial assets designated at fair value through other comprehensive income (equity investments)

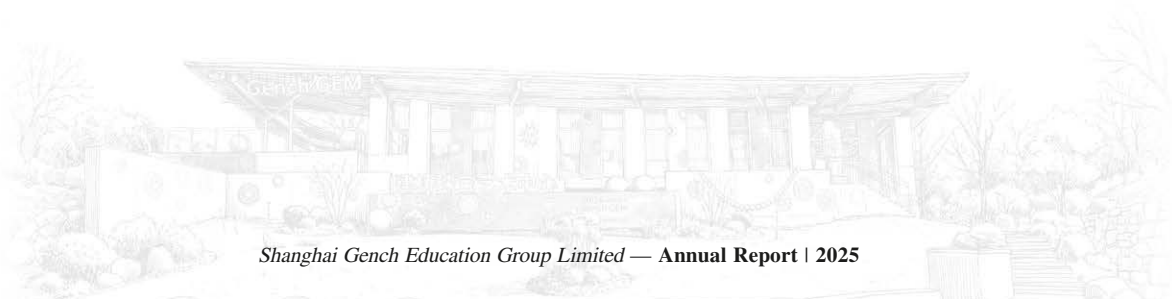
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on the equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Impairment of financial assets — *continued*

General approach — continued

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 12 months past due.

The Group considers a financial asset in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for accounts receivable which apply the simplified approach as detailed below.

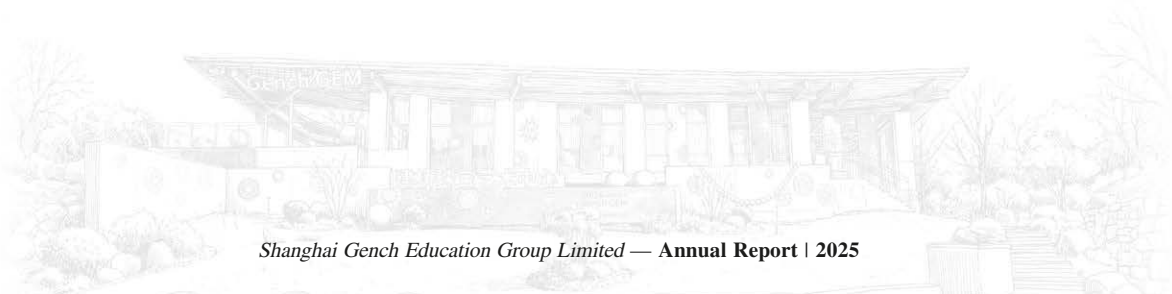
Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For accounts receivable that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings and payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and interest-bearing bank borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (other payables and borrowings)

After initial recognition, other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

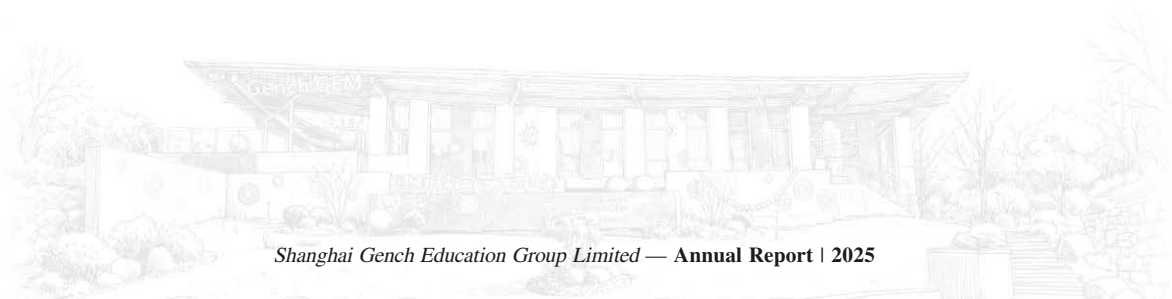
Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Treasury shares

Own equity instruments which are reacquired and held by the Company or the Group (treasury shares) are recognised directly in equity at cost. No gain or loss is recognised in the statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

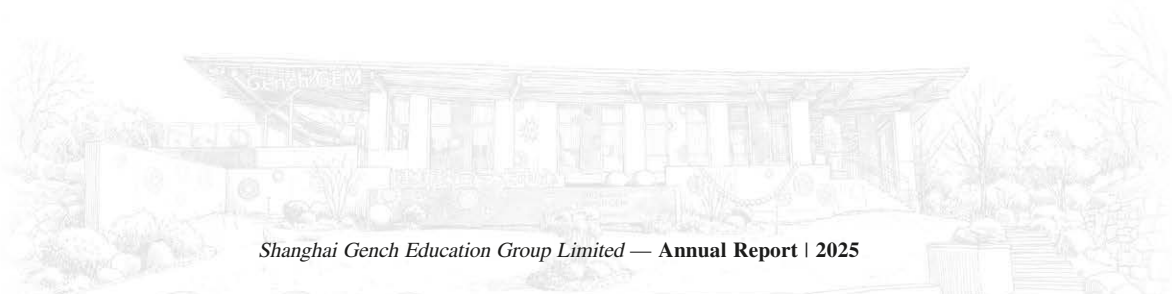
When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Income tax — continued

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

When the grant relates to neither an expense item nor an asset, it is released to the statement to the profit or loss upon receipt.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

a) Tuition and boarding fees

Tuition and boarding fees received are generally paid in advance prior to the beginning of each academic year, and are initially recorded as contract liabilities. Tuition and boarding fees are recognised proportionately over the relevant period of the applicable programs. The portion of tuition and boarding payments received from students but not earned is recorded as contract liabilities and is reflected as a current liability as such amounts represent revenue that the Group expects to earn within one year. The academic year of the Group's school is generally from September to June of the following year.

The Group does not expect to have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Revenue recognition — *continued*

Revenue from contracts with customers — continued

b) *Education related and training services*

Education related and training services include canteen management service, delivery service, examination service, scientific research service and training service.

Revenues from the canteen management service, delivery service and training service are recognised over time because the customers simultaneously receive and consume the benefits provided by the Group. Revenues from the examination service and scientific research service are recognised at the point in time when the services are rendered.

c) *Other services*

Other services include revenues from technical consulting service that is recognised over time, using an input method to measure progress towards complete satisfaction of the services, because the customer simultaneously receives and consumes the benefits provided by the Group. The input method recognises revenue based on the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the services.

d) *Other income*

Interest income is recognised, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset. Rental income is recognised on a time proportion basis over the lease terms.

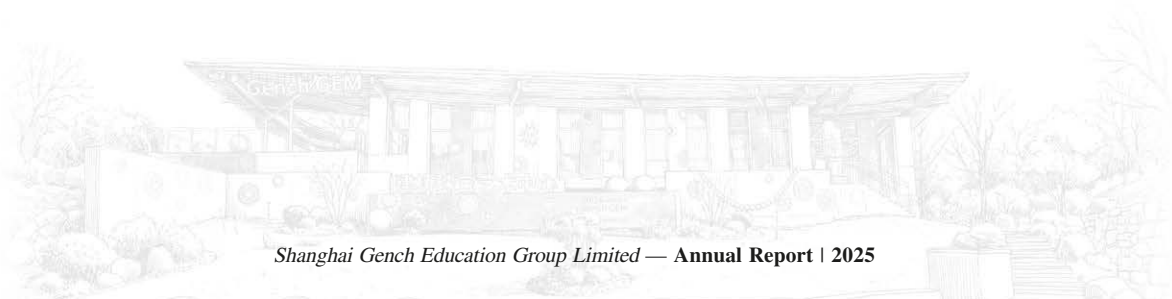
Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Employee retirement benefits

Pension scheme

The employees of the Group's subsidiaries and schools which operate in the Chinese mainland are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries and schools operating in the Chinese mainland are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements. Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Share-based payments

The Company operates the Share Award Scheme (as defined in note 28). Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value of the shares at the date at which they are granted. The fair value is measured at the market value of the shares, adjusted for the exclusion of expected dividends to be received in the vesting period.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Share-based payments — *continued*

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

The dilutive effect of outstanding non-vested ordinary shares is reflected as additional share dilution in the computation of earnings per share.

Foreign currencies

These financial statements are presented in RMB. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES — *continued*

2.4 MATERIAL ACCOUNTING POLICIES — *continued*

Foreign currencies — continued

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The Company incorporated in the Cayman Islands uses Hong Kong dollar as its functional currency. As the Group mainly operates in the Chinese mainland, RMB is used as the presentation currency of the Company. As at the end of the reporting period, the assets and liabilities of the Company and certain overseas subsidiaries, which use currencies other than RMB as their functional currencies, are translated into the presentation currency of the Company at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Contractual arrangements

Certain entities consolidated by the Group are engaged in the provision of education services, which falls in the scope of "Catalogue of Restricted Foreign Investment Industries" and foreign investors are prohibited to invest in such business in the Chinese mainland.

The Group exercises control over these entities and enjoys all economic benefits of these entities through a series of contractual arrangements.

The Group considers that it controls these entities, notwithstanding the fact that it does not hold direct equity interest in these entities, as it has power over the financial and operating policies of these entities and receives substantially all of the economic benefits from the business activities of these subsidiaries through the contractual arrangements. Accordingly, these entities have been accounted for as subsidiaries and consolidated to the Group's financial statements for the year.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES — *continued*

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are disclosed below:

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Provision for expected credit losses on accounts receivable

The Group uses a provision matrix to calculate ECLs for accounts receivable. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the education sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's accounts receivable is disclosed in note 20 to the financial statements.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

4. OPERATING SEGMENT INFORMATION

The Group principally provides undergraduate education, junior college education, education related and training services in the Chinese mainland.

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, who are the chief operating decision-makers, for the purpose of resource allocation and assessment of performance, does not contain discrete operating segment financial information and the Directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

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

Information about major customers

No services provided to a single customer contributed to 10% or more of the total revenue of the Group during the year.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2025 RMB'000	2024 RMB'000
Revenue from contracts with customers		
Tuition fees	836,308	809,987
Boarding fees	134,337	134,045
Education related and training services	21,490	18,557
Other services	12,451	7,265
Total	1,004,586	969,854

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

5. REVENUE, OTHER INCOME AND GAINS — *continued*

(i) Disaggregated revenue information

	2025 RMB'000	2024 RMB'000
Recognised over time		
Tuition fees	836,308	809,987
Boarding fees	134,337	134,045
Education related and training services	17,842	13,108
Other services	12,451	7,265
Total recognised over time	<u>1,000,938</u>	<u>964,405</u>
Recognised at a point in time		
Education related and training services	<u>3,648</u>	<u>5,449</u>
Total	<u>1,004,586</u>	<u>969,854</u>

(ii) Performance obligations

Tuition fees and boarding fees

The performance obligation is satisfied over time as services are rendered and tuition fees and boarding fees are generally paid in advance prior to the beginning of each academic year. The Group has elected the practical expedient for not disclosing the remaining performance obligations for these services.

Education related and training services

Revenues from the canteen management service, delivery service and training service are recognised over time because the customers simultaneously receive and consume the benefits provided by the Group. Revenues from the examination service and scientific research service are recognised at the point in time when the services are rendered.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

5. REVENUE, OTHER INCOME AND GAINS — *continued*

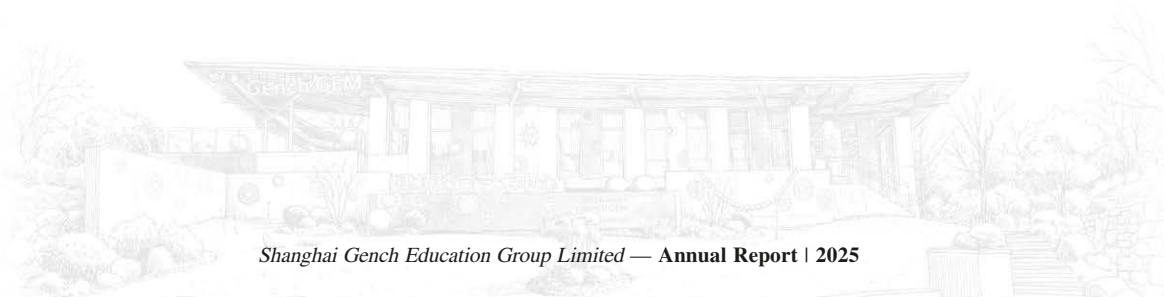
Other income and gains

	2025 RMB'000	2024 RMB'000
Other income		
Bank interest income	2,866	4,173
Operating lease income	13,461	9,605
Other interest income from financial assets at fair value through profit or loss	5,459	6,018
Other interest income from debt investments at fair value through other comprehensive income	3,368	1,023
Government grants (note 27)	16,204	19,882
Others	7,268	5,442
Total other income	48,626	46,143
Gains		
Fair value gain on financial assets at fair value through profit or loss	33	1,168
Gain on disposal of items of property and equipment	161	188
Gain on disposal of items of right-of-use asset	—	19
Total gains	194	1,375
Total other income and gains	48,820	47,518

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 RMB'000	2024 RMB'000
Interest on bank loans	15,404	31,270
Interest on lease liabilities	91	38
Subtotal	15,495	31,308
Less: Interest capitalised	—	(4,182)
Total	15,495	27,126



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

7. PROFIT BEFORE TAX

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

	Notes	2025 RMB'000	2024 RMB'000
Cost of services provided		459,935	429,960
Employee benefit expense (including directors' and chief executive's remuneration (note 8)):			
Wages, salaries and other allowances		341,755	348,427
Pension scheme contributions and social welfare		68,699	56,644
Total		410,454	405,071
Depreciation of property and equipment*	13	114,606	101,633
Depreciation of right-of-use assets*	14(a)	15,985	15,646
Amortisation of other intangible assets*	15	2,328	1,704
Lease payments not included in the measurement of lease liabilities	14(c)	1,178	1,295
Auditors' remuneration		2,000	2,000
Impairment of financial assets, net			
Impairment of accounts receivable, net	20	2,250	2,279
(Reversal of impairment)/impairment of other receivables, net	21	(10)	6,085

* The depreciation of property and equipment, depreciation of right-of-use assets and amortisation of other intangible assets of RMB112,688,000 (2024: RMB100,890,000), RMB15,275,000 (2024: RMB15,270,000) and RMB1,790,000 (2024: RMB1,205,000) for the year ended 31 December 2025, respectively, are recorded in "Cost of sales" in the consolidated statement of profit or loss.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

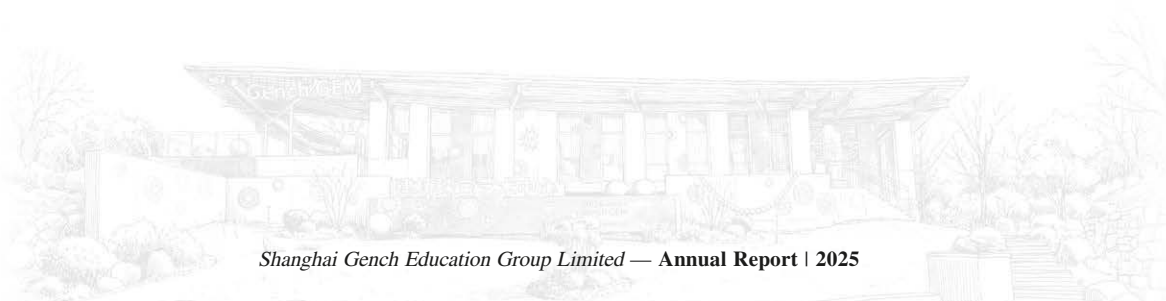
Directors' and chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	2025 RMB'000	2024 RMB'000
Fees	1,325	1,320
Other emoluments:		
Salaries, allowances and benefits in kind	2,617	2,469
Pension scheme contributions and social welfare	399	213
Subtotal	3,016	2,682
Total	4,341	4,002

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

	2025 RMB'000	2024 RMB'000
Mr. Chen Baizhu	221	220
Mr. Hu Rongen	221	220
Ms. Liu Tao	221	220
Total	663	660



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION — *continued*

(b) Executive directors and non-executive directors

Year ended 31 December 2025

	Fees RMB'000	Salaries, allowances and benefits in kind RMB'000	Performance- related bonuses RMB'000	Pension scheme contributions and social welfare RMB'000	Total remuneration RMB'000
Executive directors:					
— Mr. Zhao Donghui	—	1,012	—	—	1,012
— Mr. Ding Zheyin	—	805	—	190	995
Subtotal	—	1,817	—	190	2,007
Non-executive directors:					
— Mr. Fang Xiaoge (i)	7	—	—	—	7
— Ms. Li Huihui (ii)	214	—	—	—	214
— Mr. Ye Qionghai	221	—	—	—	221
— Ms. Zhao Jiaqiao	220	—	—	—	220
Subtotal	662	—	—	—	662
Chief executive:					
— Mr. Zhou Tianming(iv)	—	800	—	209	1,009
Total	662	2,617	—	399	3,678

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION — *continued*

(b) Executive directors and non-executive directors — *continued*

Year ended 31 December 2024

	Fees RMB'000	Salaries, allowances and benefits in kind RMB'000	Performance- related bonuses RMB'000	Pension scheme contributions and social welfare RMB'000	Total remuneration RMB'000
Executive directors:					
— Mr. Zhao Donghui	—	1,008	—	—	1,008
— Mr. Ding Zheyin	—	826	—	166	992
Subtotal	—	1,834	—	166	2,000
Non-executive directors:					
— Mr. Du Jusheng (iii)	146	—	—	—	146
— Ms. Li Huihui (ii)	74	—	—	—	74
— Mr. Ye Qionghai	220	—	—	—	220
— Ms. Zhao Jiaqiao	220	—	—	—	220
Subtotal	660	—	—	—	660
Chief executive:					
— Mr. Zhou Tianming(iv)	—	283	—	47	330
— Mr. Zheng Xiangzhan(v)	—	352	—	—	352
Subtotal	—	635	—	47	682
Total	660	2,469	—	213	3,342

- (i) Mr. Fang Xiaoge was appointed as a non-executive director of the Company effective from 19 December 2025.
- (ii) Ms. Li Huihui was appointed as a non-executive director of the Company effective from 29 August 2024 and resigned on 19 December 2025.
- (iii) Mr. Du Jusheng resigned as a non-executive director of the Company on 29 August 2024.
- (iv) Mr. Zhou Tianming was appointed as the chief executive of the Company effective from 29 August 2024.
- (v) Mr. Zheng Xiangzhan resigned as the chief executive of the Company on 29 August 2024.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees for the year ended 31 December 2025 included two directors and the chief executive (2024: two directors and the chief executive, who was appointed as the chief executive of the Company effective from 29 August 2024), details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining two (2024: two) highest paid employees who are neither a director nor the chief executive of the Company, are as follows:

	2025 RMB'000	2024 RMB'000
Salaries, allowances and benefits in kind	1,750	2,000
Performance-related bonuses	500	500
Pension scheme contributions and social welfare	373	120
Total	2,623	2,620

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

	Numbers of employees	
	2025	2024
HK\$1,000,001 to HK\$1,500,000	1	1
HK\$1,500,001 to HK\$2,000,000	1	1
Total	2	2

10. INCOME TAX

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

The Company's directly held subsidiary is incorporated in the BVI as an exempted company with limited liability under the BVI Business Companies Act and accordingly is not subject to income tax from business carried out in the BVI.

The Group was not liable to income tax in Hong Kong and the United States as the Group had no assessable profits derived from or earned in Hong Kong and the United States during the year.

All of the Group's subsidiaries operating in the Chinese mainland were subject to the corporate income tax ("CIT") rate of 25% during the year, except for Gench WFOE, Wangting Enterprise, Haishi Cultural, Jianqiao Culture, Jianqiao Data, Jianqiao Zefeng, Jianqiao Medical, Wangting Future and Jianqiao Media. In accordance with the requirements of the tax regulations in the Chinese mainland, Gench WFOE was qualified as a "High and New Technology Enterprise" and was entitled to a reduced CIT rate of 15% for 2025 and 2024. Wangting Enterprise, Haishi Cultural, Jianqiao Culture, Jianqiao Data, Jianqiao Zefeng, Jianqiao Medical, Wangting Future and Jianqiao Media were qualified as Small and Micro Enterprises and entitled to a preferential effective CIT rate of 5% for the year ended 31 December 2025. Wangting Business, Wangting Catering and Wangting Enterprise were also qualified as Small and Micro Enterprises and entitled to a preferential effective CIT rate of 5% for the year ended 31 December 2024.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

10. INCOME TAX — *continued*

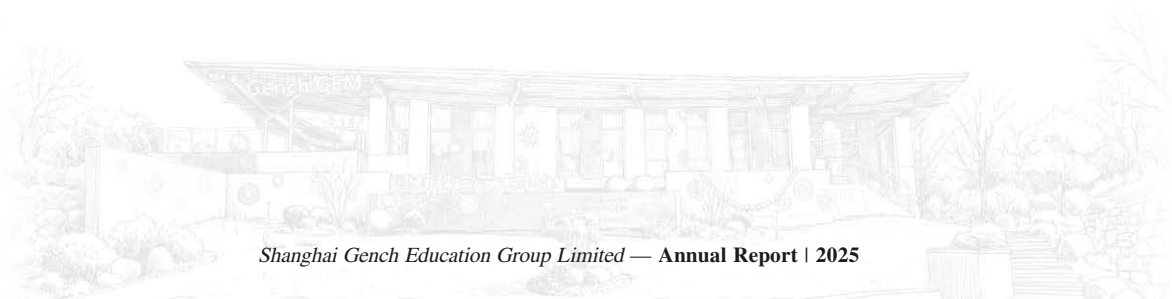
The major components of income tax expense of the Group are as follows:

	2025 RMB'000	2024 RMB'000
Current — Chinese mainland income taxes	72,904	67,111
Deferred (note 18)	3,149	7,602
Total tax charge for the year	<u>76,053</u>	<u>74,713</u>

A reconciliation of tax expense/(credit) applicable to profit before tax at the statutory tax rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled and/or operate to the income tax expense at the effective tax rates, and a reconciliation of the statutory tax rates to the effective tax rates, during the year are as follows:

	2025 RMB'000	2024 RMB'000
Profit before tax	<u>318,601</u>	<u>298,331</u>
At the statutory income tax rate	79,763	75,550
Expenses not deductible for tax	1,248	1,664
Lower tax rate enacted by local authority	(2,549)	(2,672)
Additional tax deduction on research and development expenses	(696)	(805)
Adjustments in respect of current tax of previous periods	3	(689)
Tax losses utilised from previous periods	(1,192)	(1,460)
Tax losses not recognised	308	2,341
Deductible temporary differences not recognised	(832)	784
Tax charge at the Group's effective rate	<u>76,053</u>	<u>74,713</u>

The Group has assessed its potential exposure under Pillar Two legislations based on the information available regarding the financial performance of the Group in the current year. As such, it may not be entirely representative of future circumstances. Based on the assessment, the Group concluded that it does not have any potential exposure. The Group continues to follow Pillar Two legislative developments, as more countries prepare to enact the Pillar Two model rules, to evaluate the potential future impact on its financial statements.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

11. DIVIDENDS

	2025 RMB'000	2024 RMB'000
Proposed final — HK\$0.04 (2024: HK\$0.10) per ordinary share	13,943	36,613
Interim — HK\$0.10 (2024: HK\$0.10) per ordinary share	<u>36,010</u>	<u>36,145</u>

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

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

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent of RMB242,548,000 (2024: RMB223,618,000), and the weighted average number of ordinary shares of 394,500,000 (2024: 395,313,685) outstanding during the year. The number of shares for the year ended 31 December 2025 has been arrived at after eliminating the treasury shares.

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

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

	2025 RMB'000	2024 RMB'000
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	<u>242,548</u>	<u>223,618</u>
Number of shares		
	2025	2024
Shares		
Weighted average number of ordinary shares used in the basic and diluted earnings per share calculations	<u>394,500,000</u>	<u>395,313,685</u>

The calculations of the weighted average number of ordinary shares have taken into account the effect of treasury shares.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

13. PROPERTY AND EQUIPMENT

	Buildings and facilities RMB'000	Motor vehicles RMB'000	Furniture and fixtures RMB'000	Devices and equipment RMB'000	Total RMB'000
31 December 2025					
At 1 January 2025:					
Cost	2,779,917	17,002	51,480	110,654	2,959,053
Accumulated depreciation	(410,281)	(10,894)	(39,485)	(91,073)	(551,733)
Net carrying amount	<u>2,369,636</u>	<u>6,108</u>	<u>11,995</u>	<u>19,581</u>	<u>2,407,320</u>
At 1 January 2025, net of accumulated depreciation	2,369,636	6,108	11,995	19,581	2,407,320
Additions	71,533	1,415	6,163	27,619	106,730
Disposal	—	(190)	(559)	(306)	(1,055)
Depreciation provided during the year	(95,367)	(848)	(2,945)	(15,446)	(114,606)
At 31 December 2025, net of accumulated depreciation	<u>2,345,802</u>	<u>6,485</u>	<u>14,654</u>	<u>31,448</u>	<u>2,398,389</u>
At 31 December 2025:					
Cost	2,851,450	17,986	56,177	135,403	3,061,016
Accumulated depreciation	(505,648)	(11,501)	(41,523)	(103,955)	(662,627)
Net carrying amount	<u>2,345,802</u>	<u>6,485</u>	<u>14,654</u>	<u>31,448</u>	<u>2,398,389</u>

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

13. PROPERTY AND EQUIPMENT — *continued*

	Buildings and facilities RMB'000	Motor vehicles RMB'000	Furniture and fixtures RMB'000	Devices and equipment RMB'000	Construction in progress RMB'000	Total RMB'000
31 December 2024						
At 1 January 2024:						
Cost	2,324,539	13,465	48,838	99,061	284,535	2,770,438
Accumulated depreciation	(327,702)	(10,446)	(36,113)	(77,710)	—	(451,971)
Net carrying amount	<u>1,996,837</u>	<u>3,019</u>	<u>12,725</u>	<u>21,351</u>	<u>284,535</u>	<u>2,318,467</u>
At 1 January 2024, net of accumulated depreciation	1,996,837	3,019	12,725	21,351	284,535	2,318,467
Additions	13,602	4,142	2,744	12,975	157,241	190,704
Transfers	441,776	—	—	—	(441,776)	—
Disposal	—	(31)	(41)	(146)	—	(218)
Depreciation provided during the year	(82,579)	(1,022)	(3,433)	(14,599)	—	(101,633)
At 31 December 2024, net of accumulated depreciation	<u>2,369,636</u>	<u>6,108</u>	<u>11,995</u>	<u>19,581</u>	<u>—</u>	<u>2,407,320</u>
At 31 December 2024:						
Cost	2,779,917	17,002	51,480	110,654	—	2,959,053
Accumulated depreciation	(410,281)	(10,894)	(39,485)	(91,073)	—	(551,733)
Net carrying amount	<u>2,369,636</u>	<u>6,108</u>	<u>11,995</u>	<u>19,581</u>	<u>—</u>	<u>2,407,320</u>

As at 31 December 2025, the original cost of the Group's property and equipment of RMB237,387,000 (2024: RMB237,087,000) was offset by the government grants received (note 27).

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

14. LEASES

The Group as a lessee

The Group has lease contracts for various items of motor vehicles, devices and equipment used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of motor vehicles generally have lease terms between 2 and 3 years, while devices and equipment generally have lease terms of 4 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	Leasehold land RMB'000	Devices and equipment RMB'000	Motor vehicles RMB'000	Total RMB'000
As at 1 January 2024	603,159	—	2,494	605,653
Additions	—	3,550	—	3,550
Depreciation charge	(15,270)	(59)	(317)	(15,646)
Decrease arising from lease termination	—	—	(2,177)	(2,177)
As at 31 December 2024 and 1 January 2025	587,889	3,491	—	591,380
Additions	335	—	—	335
Depreciation charge	(15,275)	(710)	—	(15,985)
As at 31 December 2025	572,949	2,781	—	575,730

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

14. LEASES — *continued*

The Group as a lessee — *continued*

(b) *Lease liabilities*

The carrying amount of lease liabilities and the movements during the year are as follows:

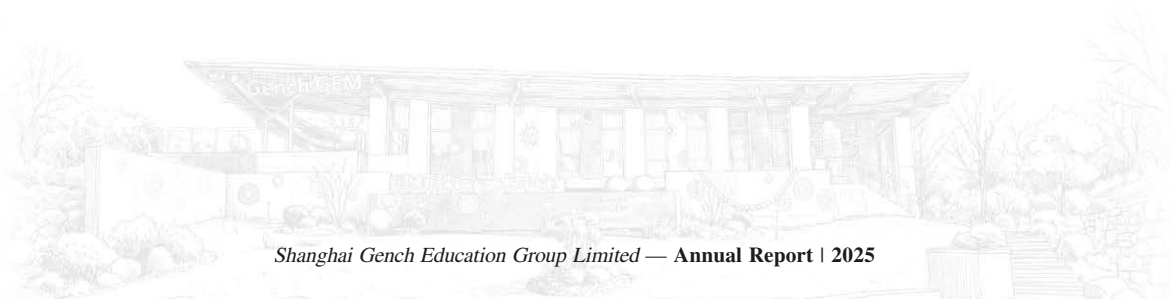
	2025 RMB'000	2024 RMB'000
Carrying amount at 1 January	2,632	2,505
New leases	—	3,550
Accretion of interest recognised during the year	91	38
Payments	(937)	(1,265)
Decrease arising from lease termination	—	(2,196)
	<u>1,786</u>	<u>2,632</u>
Carrying amount at 31 December	<u>1,786</u>	<u>2,632</u>
Analysed into:		
Current portion	877	846
Non-current portion	<u>909</u>	<u>1,786</u>

The maturity analysis of lease liabilities is disclosed in note 36 to the financial statements.

(c) *The amounts recognised in profit or loss in relation to leases are as follows:*

	2025 RMB'000	2024 RMB'000
Interest on lease liabilities	91	38
Depreciation charge of right-of-use assets	15,985	15,646
Expense relating to short-term leases (included in cost of sales and administrative expenses)	<u>1,178</u>	<u>1,295</u>
Total amount recognised in profit or loss	<u>17,254</u>	<u>16,979</u>

(d) *The total cash outflow for leases is disclosed in note 31(b) to the financial statements.*



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

14. LEASES — *continued*

The Group as a lessor

The Group leases its school campus area under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the year was RMB13,461,000 (2024: RMB9,605,000), details of which are set out in note 5 to the financial statements.

At 31 December 2025, the undiscounted lease payments receivable by the Group in the future periods under operating leases with its tenants are as follows:

	2025 RMB'000	2024 RMB'000
Within one year	10,863	8,217
In the second to fifth years, inclusive	19,924	16,743
After five years	1,590	2,400
Total	<u>32,377</u>	<u>27,360</u>

15. OTHER INTANGIBLE ASSETS

	2025 RMB'000	2024 RMB'000
Software		
Cost at 1 January, net of accumulated amortisation	7,787	4,848
Additions	3,148	4,643
Amortisation provided during the year	(2,328)	(1,704)
At 31 December	<u>8,607</u>	<u>7,787</u>
At 31 December:		
Cost	16,951	13,803
Accumulated amortisation	(8,344)	(6,016)
Net carrying amount	<u>8,607</u>	<u>7,787</u>

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

16. INVESTMENT IN A JOINT VENTURE

	2025 RMB'000	2024 RMB'000
Share of net assets	6,850	—

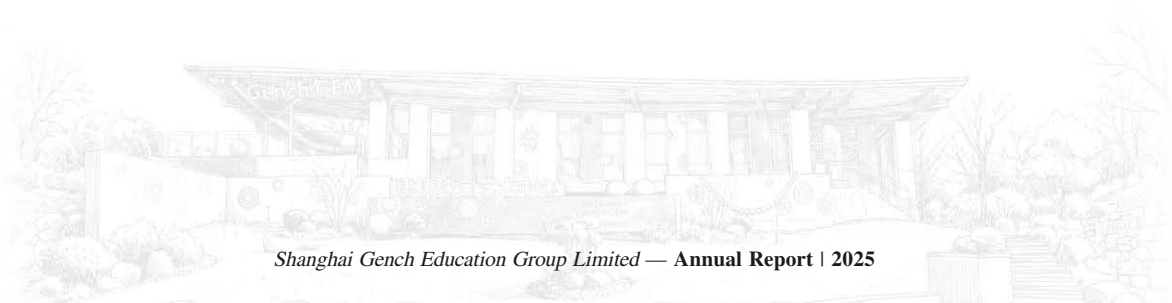
The following table illustrates the aggregate financial information of the Group's joint venture that is not individually material:

	2025 RMB'000	2024 RMB'000
Share of the joint venture's loss for the year	(650)	—
Share of the joint venture' total comprehensive loss	(650)	—
Aggregate carrying amount of the Group's investment in the joint venture	6,850	—

17. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2025 RMB'000	2024 RMB'000
Equity investments designated at fair value through other comprehensive income		
Unlisted equity investment, at fair value	2,000	—

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

18. DEFERRED TAX

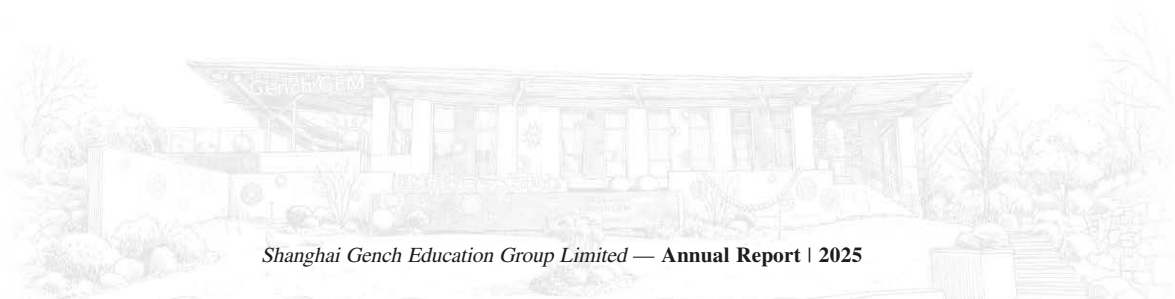
The movements in deferred tax assets during the year are as follows:

Deferred tax assets

	Fair value adjustments RMB'000	Lease liabilities RMB'000	Impairment of financial assets RMB'000	Intra-group unrealised profit RMB'000	Total RMB'000
At 1 January 2024	—	626	128	—	754
Deferred tax (charged)/credited to profit or loss during the year (note 10)	—	(626)	10	141	(475)
At 31 December 2024 and 1 January 2025	—	—	138	141	279
Deferred tax credited to profit or loss during the year (note 10)	97	268	926	—	1,291
At 31 December 2025	97	268	1,064	141	1,570

Deferred tax liabilities

	Right-of-use assets RMB'000	Depreciation allowance in excess of related depreciation RMB'000	Total RMB'000
At 1 January 2024	623	—	623
Deferred tax (credited)/charged to profit or loss during the year (note 10)	(623)	7,750	7,127
At 31 December 2024 and 1 January 2025	—	7,750	7,750
Deferred tax charged to profit or loss during the year (note 10)	417	4,023	4,440
At 31 December 2025	417	11,773	12,190



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

18. DEFERRED TAX — *continued*

Deferred tax liabilities — *continued*

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	2025 RMB'000	2024 RMB'000
Gross deferred tax assets	1,570	279
Gross deferred tax liabilities	(515)	(129)
Net deferred tax assets	<u>1,055</u>	<u>150</u>
Gross deferred tax liabilities	12,190	7,750
Gross deferred tax assets	(515)	(129)
Net deferred tax liabilities	<u>11,675</u>	<u>7,621</u>

Deferred tax assets have not been recognised in respect of the following items:

	2025 RMB'000	2024 RMB'000
Tax losses	13,817	20,530
Deductible temporary differences	—	5,545
Total	<u>13,817</u>	<u>26,075</u>

The Group has tax losses arising in the Chinese mainland of RMB13,817,000 (2024: RMB20,530,000) that will expire in one to ten years for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

The Group is liable for withholding taxes on dividends distributed by those subsidiaries established in the Chinese mainland in respect of earnings generated from 1 January 2008. The applicable rate is 10% for the Group.

At 31 December 2025, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in the Chinese mainland. In the opinion of the directors of the Company, the Group's fund will be retained in the Chinese mainland for the expansion of the Group's operation, so it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amounts of temporary differences associated with investments in subsidiaries in the Chinese mainland for which deferred tax liabilities have not been recognised totalled approximately RMB1,946,612,000 as at 31 December 2025.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

19. DEBT INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2025 RMB'000	2024 RMB'000
Other unlisted investments, at fair value	<u>194,849</u>	<u>131,037</u>

The other unlisted investments were certificates of deposit placed with licensed banks in the Chinese mainland. They were classified as financial assets at fair value through other comprehensive income as they are held within a business model with the objective of both holding to collect contractual cash flows and selling.

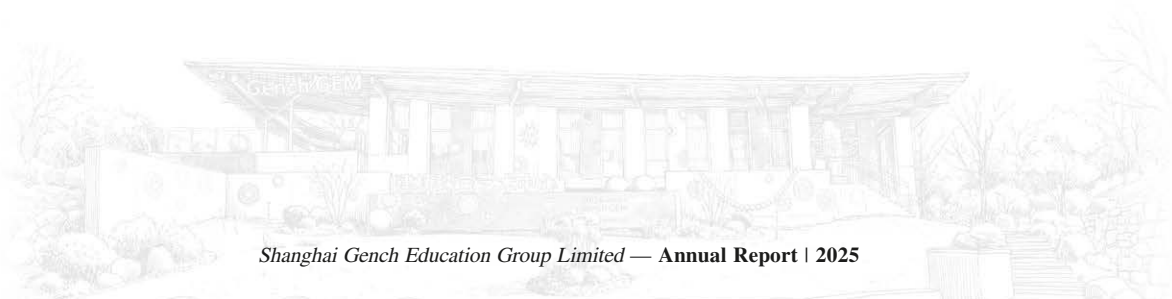
The fair value of certificates of deposit placed with licensed banks is determined using valuation model for which not all inputs are observable and is within Level 2 of the fair value hierarchy (note 35).

20. ACCOUNTS RECEIVABLE

	2025 RMB'000	2024 RMB'000
Accounts receivable	9,458	12,446
Impairment	(419)	(698)
Net carrying amount	<u>9,039</u>	<u>11,748</u>

Accounts receivable mainly represented amounts of tuition fees, boarding fees, education related and training service fees. An ageing analysis of the accounts receivable as at the end of the reporting period, based on the transaction date and net of loss allowance, is as follows:

	2025 RMB'000	2024 RMB'000
Within 1 year	7,350	9,517
1 to 2 years	1,285	1,684
2 to 3 years	359	481
Over 3 years	45	66
Total	<u>9,039</u>	<u>11,748</u>



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

20. ACCOUNTS RECEIVABLE — *continued*

The movements in the loss allowance for impairment of accounts receivable are as follows:

	2025 RMB'000	2024 RMB'000
At beginning of year	698	512
Provision for impairment losses, net (note 7)	2,250	2,279
Amount written off as uncollectible	(2,529)	(2,093)
At end of year	<u>419</u>	<u>698</u>

The Group's students are required to pay tuition fees and boarding fees in advance for the upcoming school year, which normally commences in September every year. The outstanding receivables represent amounts related to students who have applied for delaying payment of tuition fees and boarding fees. There is no fixed term for delayed payments. In view of the aforementioned and the fact that the Group's accounts receivable related to a large number of individual students, there is no significant concentration of credit risk.

Account receivables of education related and training services mainly arise from canteen management service fee and delivery service fee and are due for payment upon the issuance of the demand notes in accordance with the terms of the relevant agreements.

The Group does not hold any collateral or other credit enhancements over its accounts receivable balances. Accounts receivables are non-interest-bearing.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

20. ACCOUNTS RECEIVABLE — *continued*

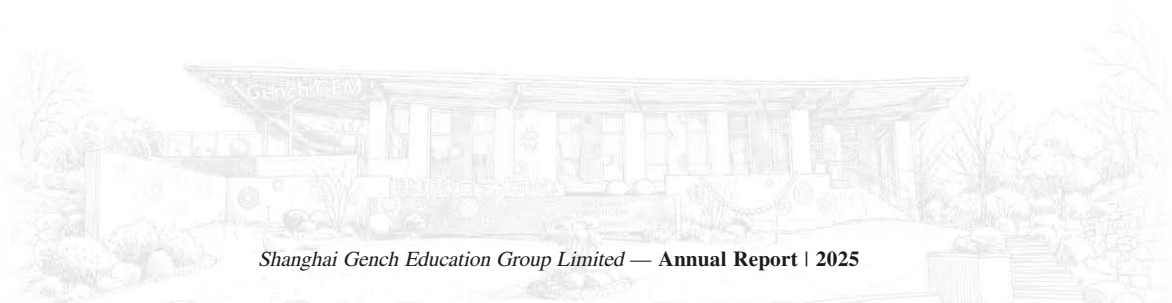
Set out below is the information about the credit risk exposure on the Group's accounts receivable using a provision matrix:

31 December 2025

Collective assessment	Past due				Total
	Less than 12 months	13 to 24 months	25 to 36 months	Over 36 months	
Expected credit loss rate	2.42%	8.61%	19.51%	39.19%	4.43%
Gross carrying amount (RMB'000)	7,532	1,406	446	74	9,458
Expected credit losses (RMB'000)	182	121	87	29	419

31 December 2024

Collective assessment	Past due				Total
	Less than 12 months	13 to 24 months	25 to 36 months	Over 36 months	
Expected credit loss rate	3.76%	8.78%	20.10%	39.45%	5.61%
Gross carrying amount (RMB'000)	9,889	1,846	602	109	12,446
Expected credit losses (RMB'000)	372	162	121	43	698



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

21. PREPAYMENTS AND OTHER RECEIVABLES

	Notes	2025 RMB'000	2024 RMB'000
<i>Current portion:</i>			
Prepayments to suppliers		1,868	1,696
Receivables from staff	(i)	2,541	2,268
Loan to a third party	(ii)	6,200	6,200
Other receivables and deposits	(i)	4,273	3,124
		14,882	13,288
Impairment allowance		(6,381)	(6,404)
Total		8,501	6,884
<i>Non-current portion:</i>			
Prepayment for property and equipment and other intangible assets		3,158	7,020
Advance to a supplier	(iii)	1,020	—
		4,178	7,020
Impairment allowance		(13)	—
Total		4,165	7,020

Notes:

- (i) Other receivables are unsecured, non-interest-bearing and have no fixed terms of repayment.
- (ii) Provision has been made for impairment due to increase in expected credit loss.
- (iii) As at 31 December 2025, the Group advanced to a supplier with a total amount of RMB1,020,000 which was unsecured and repayable in 2027.

The expected credit losses are estimated by applying a loss rate approach with reference to the historical loss record of the Group. The amount of expected credit losses is updated at each reporting date to reflect the changes in credit risk since recognition. The loss rate applied as at 31 December 2025 was 45.6% (2024: 55.2%).

The movement in the loss allowance for impairment of other receivables is as follows:

	2025 RMB'000	2024 RMB'000
At beginning of year	6,404	319
Provision for impairment losses, net (note 7)	(10)	6,085
At end of year	6,394	6,404

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 RMB'000	2024 RMB'000
Unlisted investments, at fair value	<u>55,034</u>	<u>473,168</u>

The unlisted investments were wealth management products were placed with a licensed financial institution in the Chinese mainland. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

The fair value of wealth management products is determined using valuation model for which not all inputs are observable and is within Level 2 of the fair value hierarchy (note 35).

23. CASH AND CASH BALANCES AND TIME DEPOSITS

	Note	2025 RMB'000	2024 RMB'000
Cash and bank balances	(i)	392,078	308,768
Time deposits		<u>—</u>	<u>30,000</u>
Subtotal		392,078	338,768
Less: Non-pledged time deposits with original maturity of more than three months when acquired		—	(30,000)
Restricted cash		<u>(41,914)</u>	<u>(8,369)</u>
Cash and cash equivalents		<u>350,164</u>	<u>300,399</u>

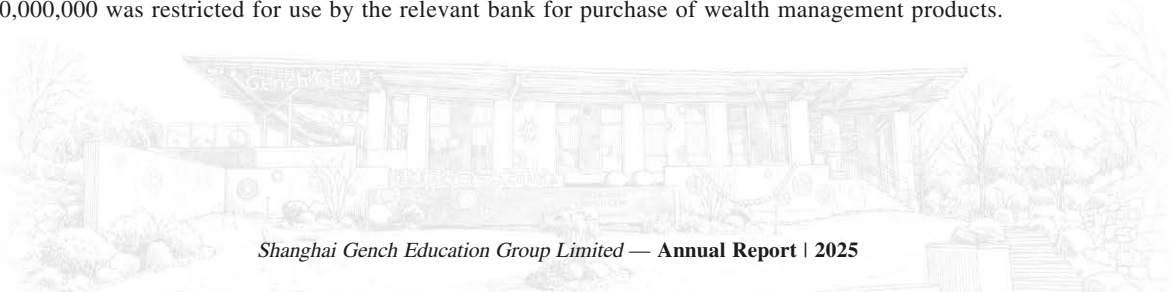
Note:

- (i) The time deposits held by the Group as of 31 December 2024 bore interest at 2.25% per annum with a maturity period of one year. These deposits were measured at amortised cost.

At 31 December 2025, the cash and bank balances and time deposits of the Group denominated in RMB amounted to RMB387,185,000(2024: RMB329,948,000). The RMB is not freely convertible into other currencies, however, under the Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximated to their fair values.

As at 31 December 2025, the restricted cash of RMB21,914,000 was frozen by the People's Court due to lawsuit and of RMB20,000,000 was restricted for use by the relevant bank for purchase of wealth management products.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

24. OTHER PAYABLES AND ACCRUALS

	Note	2025 RMB'000	2024 RMB'000
Payables for purchase of property and equipment		14,282	1,714
Payables for construction projects		77,787	100,284
Other tax payable		6,266	5,845
Rental received in advance		4,071	984
Miscellaneous advances received from students	(i)	63,532	50,856
Accrued bonuses and other employee benefits		47,189	53,725
Accrued interest expenses		229	849
Deposits		5,637	5,110
Other payables and accrued expenses		53,165	31,027
Total		272,158	250,394

(i) The advances represented expenses relating to textbooks, training, medical examination, insurance collected from students which will be paid on behalf of the students.

Other payable balances are unsecured, non-interest-bearing and repayable on demand.

25. CONTRACT LIABILITIES

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

	2025 RMB'000	2024 RMB'000
Tuition fees	462,458	426,716
Boarding fees	88,886	86,169
Total	551,344	512,885

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

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

25. CONTRACT LIABILITIES — *continued*

Changes in contract liabilities during the year are as follows:

	2025 RMB'000	2024 RMB'000
At the beginning of the year	512,885	511,183
Revenue recognised that was included in the contract liabilities at the beginning of the year	(512,885)	(511,183)
Increase due to cash received, excluding amounts recognised as revenue during the year	551,344	512,885
At the end of the year	551,344	512,885

26. INTEREST-BEARING BANK BORROWINGS

	2025			2024		
	Effective interest rate (%)	Maturity (year)	RMB'000	Effective interest rate (%)	Maturity (year)	RMB'000
Current						
Current portion of long term bank loans — secured	2.80-3.15	2026	30,000	2.80-3.75	2025	163,000
Subtotal — current			30,000			163,000
Non-current						
Bank loans — secured	2.80-3.15	2027-2038	250,415	2.80-3.75	2026-2038	666,926
Subtotal — non-current			250,415			666,926
Total			280,415			829,926

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

26. INTEREST-BEARING BANK BORROWINGS — *continued*

	2025	2024
	RMB'000	RMB'000
Analysed into:		
Repayable within one year	30,000	163,000
Repayable in the second year	26,500	172,000
Repayable in the third to fifth years, inclusive	169,793	437,653
Repayable beyond five years	54,122	57,273
Total	<u>280,415</u>	<u>829,926</u>

The Group's bank borrowings are all denominated in RMB.

The Group's bank borrowings of RMB280,415,000 as at 31 December 2025 (2024: RMB829,926,000) bore interest at floating rates per annum.

As at 31 December 2025, the Group's bank borrowings of RMB108,043,000 (2024: RMB666,403,000) were secured by the Group's rights over tuition fees and boarding fees and the Group's bank borrowings of RMB172,372,000 (2024: RMB163,523,000) were secured by the Group's future rights over certain other revenues.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

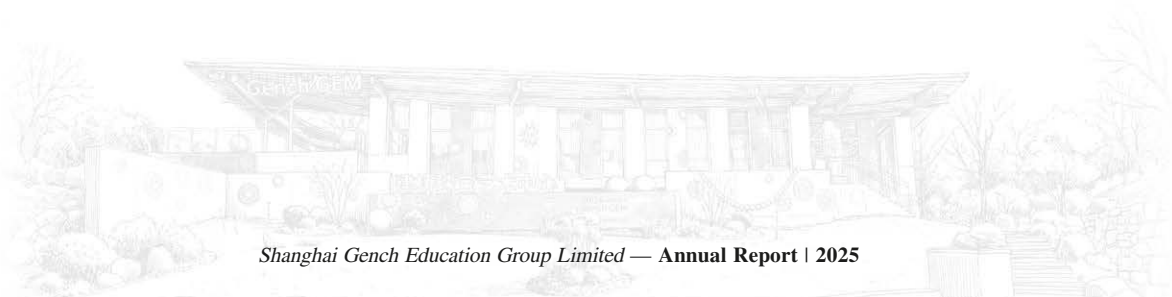
27. DEFERRED INCOME

	Notes	2025 RMB'000	2024 RMB'000
At beginning of year		5,719	8,783
Received during the year		39,975	43,250
Deduction of the carrying amount of the assets (note 13)	(1)	(300)	(122)
Deduction of the related expense	(2)	(22,667)	(26,310)
Recognised in other income (note 5)	(3)	(16,204)	(19,882)
At end of year		<u>6,523</u>	<u>5,719</u>
Current		4,299	2,913
Non-current		<u>2,224</u>	<u>2,806</u>
Total		<u>6,523</u>	<u>5,719</u>

- (1) The grants related to the improvement of teaching facilities. Upon completion, the grants related to an asset that would be offset against the carrying amount of the assets.
- (2) The grants related to subsidising students and government promoted programs. Upon completion of the related activities, the grants would be released to profit or loss and offset against the related expenditure to which they relate. Government grants received for which expenditure has not yet been undertaken are included in deferred income.
- (3) The grants mainly represent the tax refund from the local government recognised in other income and gains. There are no unfulfilled conditions or contingencies relating to these grants.

28. SHARE AWARD SCHEME

On 11 December 2020, the board of Directors approved an employee share award scheme (“Share Award Scheme”) under which: (i) an employee (whether full time or part time), executive or officer, (ii) a Director (including any executive, non-executive and independent non-executive director), or (iii) any consultant or adviser (whether professional or otherwise being engaged whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid) of any member of the Group who, in the sole discretion of the board of the Directors, has contributed or may contribute to the growth and development of our Group (the “Eligible Participant”), will be entitled to participate. The purposes and objectives of the Share Award Scheme are (i) to recognise the contributions by certain Eligible Participants and to provide them with incentives in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

28. SHARE AWARD SCHEME — *continued*

Subject to any early termination as may be determined by the board of the Directors pursuant to rules of the Share Award Scheme (the “Scheme Rules”), the Share Award Scheme shall be valid and effective from 11 December 2020 for 10 years or the earlier of the date for the last batch of shares granted to the Eligible Participant has been vested with the shares transferred to the Eligible Participants or has lapsed.

The Share Award Scheme are subject to the administration of the board of the Directors in accordance with the Scheme Rules and the terms of the trust deed (the “Trust Deed”) which was entered into between the Company as settlor and the trustee on 11 December 2020.

The trustee holds the trust fund (including the awarded shares and related income) in accordance with the terms of the Trust Deed. The board of the Directors from time to time issues implementation and operation manual for the Share Award Scheme.

The board of the Directors, at any time and from time to time, causes to be paid an amount of cash to the trustee for the purchase of the shares on and/or off the market for the operation of the Share Award Scheme.

Subject to the terms and conditions of the Share Award Scheme and the fulfilment of all relevant vesting conditions, the respective awarded shares held by the trustee on behalf of those Eligible Participants shall vest in accordance with the vesting schedule (if any) and the trustee shall cause the awarded shares to be transferred to such Eligible Participant on the vesting date(s), provided that the Eligible Participant remains an Eligible Participant at all times after the grant of the awarded shares and on each relevant vesting date(s).

A summary of movements in the Company’s treasury share is as follows:

	Number of treasury shares	Total RMB’000
At 1 January 2025 and 31 December 2025	20,500,000	84,504

As at 31 December 2025, 20,500,000 of the Company’s treasury shares* were held by a trustee and will be granted to the Eligible Participant under Share Award Scheme. Since 11 December 2020 and up to the date of approval of these financial statements, the board neither granted, lapsed or cancelled any awards.

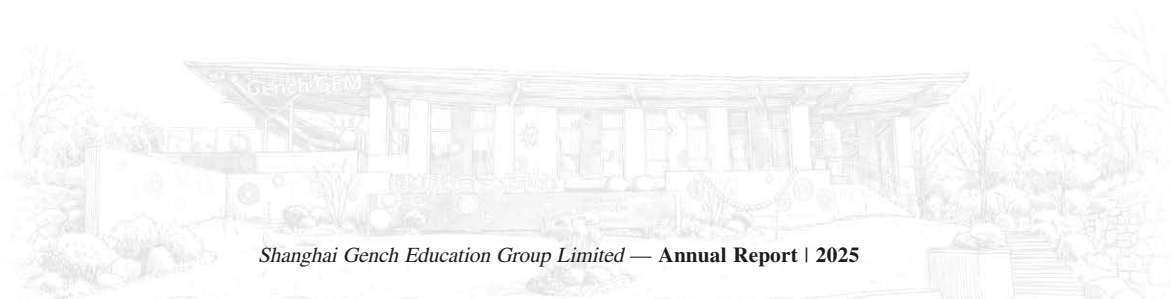
* The treasury shares held by the trustee for the benefit of grantees under the Share Award Scheme are not treasury shares as defined under the Listing Rules.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

29. SHARE CAPITAL

	2025	2024
Number of ordinary shares		
Authorised:		
Ordinary shares of HK\$0.01 each	<u>500,000,000</u>	<u>500,000,000</u>
Issued and fully paid:		
Ordinary shares of HK\$0.01 each	<u>415,000,000</u>	<u>415,000,000</u>
	2025	2024
	RMB'000	RMB'000
Authorised:		
Ordinary shares of HK\$0.01 each	<u>4,462</u>	<u>4,462</u>
Issued and fully paid:		
Ordinary shares of HK\$0.01 each	<u>3,677</u>	<u>3,677</u>



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

30. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 9 of the financial statements.

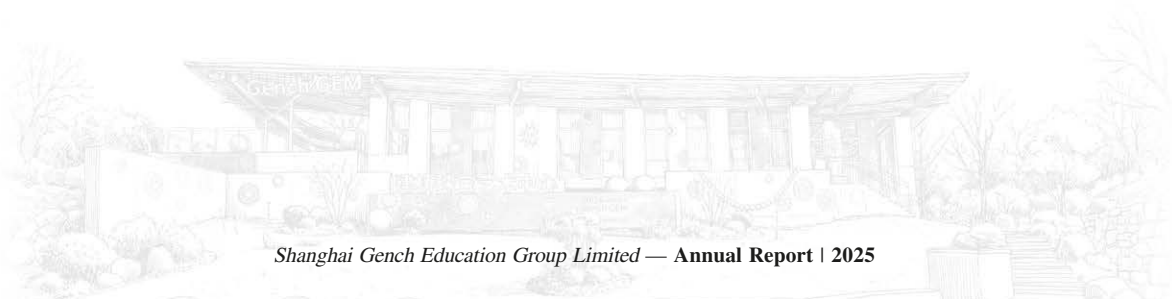
(a) Capital reserve

The capital reserve of the Group arose from the amount of capital contribution by the non controlling equity holders in excess of their respective share in registered capital in subsidiaries.

(b) Statutory surplus reserves

Pursuant to the relevant laws in the Chinese mainland, the entities established in the Chinese mainland shall make appropriations from after-tax profit to non-distributable reserve funds as determined by the boards of directors of the relevant entities.

The Group's subsidiaries established in the Chinese mainland are required to allocate 10% of their profit after tax, as determined in accordance with the accounting standards of the Chinese mainland to their respective statutory surplus reserves until the reserves reach 50% of their respective registered capital. Subject to certain restrictions set out in the Company Law of the Chinese mainland, part of the statutory surplus reserves may be converted to registered capital, provided that the remaining balance after the capitalisation is not less than 25% of the registered capital.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Changes in liabilities arising from financing activities

	Lease liabilities RMB'000	Dividend payable RMB'000	Interest-bearing bank borrowings and interest payable RMB'000
At 1 January 2024	2,505	—	760,194
New leases	3,550	—	—
Decrease arising from lease term termination	(2,196)	—	—
Cash flows (used in)/from financing activities	(1,265)	(72,135)	39,311
2023 final dividend declared	—	35,990	—
2024 interim dividend declared	—	36,145	—
Interest expense	38	—	27,088
Interest capitalised	—	—	4,182
	<u>2,632</u>	<u>—</u>	<u>830,775</u>
At 31 December 2024 and 1 January 2025	<u>2,632</u>	<u>—</u>	<u>830,775</u>
Cash flows used in financing activities	(937)	(72,623)	(575,209)
2024 final dividend declared	—	36,613	—
2025 interim dividend declared	—	36,010	—
Interest expense	91	—	25,078
	<u>1,786</u>	<u>—</u>	<u>280,644</u>
At 31 December 2025	<u>1,786</u>	<u>—</u>	<u>280,644</u>

(b) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

	2025 RMB'000	2024 RMB'000
Within operating activities	1,178	1,295
Within financing activities	937	1,265
Total	<u>2,115</u>	<u>2,560</u>

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

32. COMMITMENTS

The Group had the following contractual commitments at the end of the reporting period:

	2025 RMB'000	2024 RMB'000
Contracted, but not provided for:		
Property and equipment	—	4,388

33. RELATED COMPANY TRANSACTIONS

(1) Name and relationship:

The directors of the Group are of the opinion that the following companies are related companies that had transactions or balances with the Group during the year:

Name of related company	Relationship with the Group
上海長九騏盛能源有限公司 ("Shanghai Changjiu Qisheng Energy Co., Ltd.") (i)	A company of which family member of Mr. Zhao Donghui has equity interest
上海長九房地產開發有限公司 ("Shanghai Changjiu Real Estate Development Co., Ltd.")	A company of which family member of Mr. Zhao Donghui has equity interest

- (i) Shanghai Changjiu Qisheng Energy Co., Ltd. has no longer been a related company of the Group since 10 February 2025 because Mr. Zhao Donghui ceased to be the equity holder of Shanghai Changjiu Qisheng Energy Co., Ltd..

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

33. RELATED COMPANY TRANSACTIONS — *continued*

(2) Transactions with related companies:

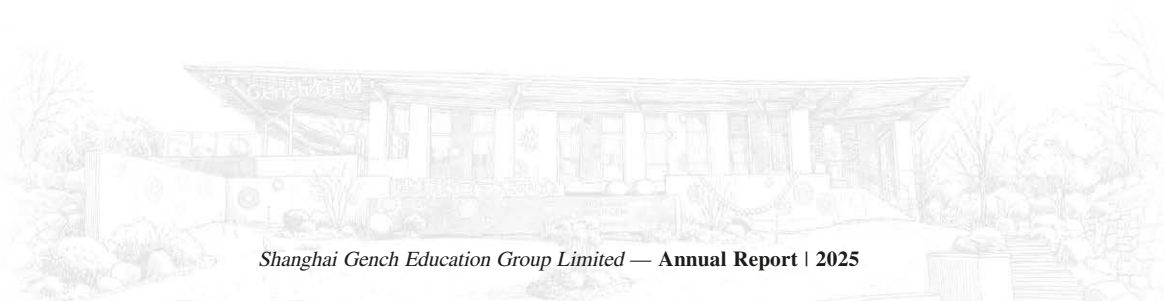
	2025 RMB'000	2024 RMB'000
Repayment from related companies for the rental deposits		
Shanghai Changjiu Qisheng Energy Co., Ltd.	—	250
Shanghai Changjiu Real Estate Development Co., Ltd.	—	1,350
Total	<u>—</u>	<u>1,600</u>
Lease payments to related companies		
Shanghai Changjiu Qisheng Energy Co., Ltd.	—	40
Shanghai Changjiu Real Estate Development Co., Ltd.	—	288
Total	<u>—</u>	<u>328</u>

The transactions were carried out in accordance with the terms and conditions mutually agreed between the Group and its related companies with reference to the pricing obtained from the market.

(3) Compensation of key management personnel of the Group:

	2025 RMB'000	2024 RMB'000
Short-term employee benefits	6,418	6,408
Pension scheme contributions	766	396
Total	<u>7,184</u>	<u>6,804</u>

Further details of directors' emoluments are included in note 8 to the financial statements.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

34. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each reporting period are as follows:

31 December 2025

Financial assets

	Financial assets at fair value through other comprehensive income				Total RMB'000
	Financial assets at fair value through profit or loss RMB'000	Debt investments RMB'000	Equity investments RMB'000	Financial assets at amortised cost RMB'000	
Equity investments at fair value through other comprehensive income	-	-	2,000	-	2,000
Debt investments at fair value through other comprehensive income (note 19)	-	194,849	-	-	194,849
Financial assets at fair value through profit or loss (note 22)	55,034	-	-	-	55,034
Accounts receivable	-	-	-	9,039	9,039
Financial assets included in prepayments and other receivables (note 21)	-	-	-	7,640	7,640
Restricted cash	-	-	-	41,914	41,914
Cash and cash equivalents	-	-	-	350,164	350,164
Total	55,034	194,849	2,000	408,757	660,640

Financial liabilities

	Financial liabilities at amortised cost RMB'000	Total RMB'000
Financial liabilities included in other payables and accruals (note 24)	214,632	214,632
Interest-bearing bank borrowings	280,415	280,415
Total	495,047	495,047

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

34. FINANCIAL INSTRUMENTS BY CATEGORY — *continued*

The carrying amounts of each of the categories of financial instruments as at the end of each reporting period are as follows:
— *continued*

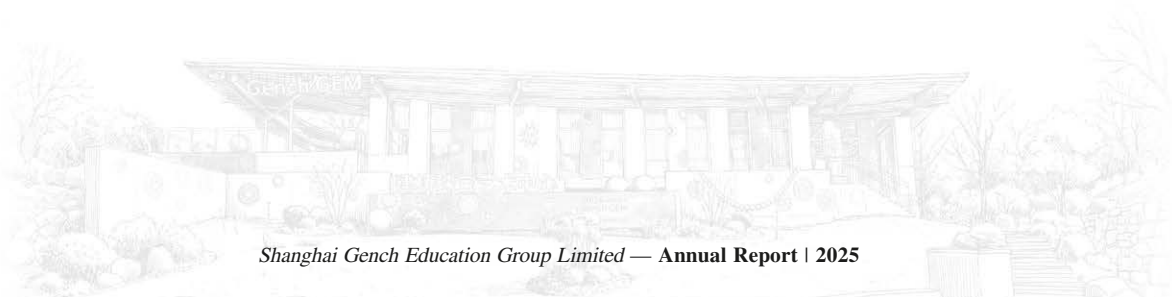
31 December 2024

Financial assets

	Financial assets at fair value through profit or loss RMB'000	Financial assets at fair value through other comprehensive income RMB'000	Financial assets at amortised cost RMB'000	Total RMB'000
Debt investments at fair value through other comprehensive income (note 19)	—	131,037	—	131,037
Financial assets at fair value through profit or loss (note 22)	473,168	—	—	473,168
Accounts receivable	—	—	11,748	11,748
Financial assets included in prepayments and other receivables (note 21)	—	—	5,188	5,188
Restricted cash	—	—	8,369	8,369
Time deposits	—	—	30,000	30,000
Cash and cash equivalents	—	—	300,399	300,399
Total	473,168	131,037	355,704	959,909

Financial liabilities

	Financial liabilities at amortised cost RMB'000	Total RMB'000
Financial liabilities included in other payables and accruals (note 24)	189,840	189,840
Interest-bearing bank borrowings	829,926	829,926
Total	1,019,766	1,019,766



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments as at the end of each reporting period, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
Financial assets				
Financial assets at fair value through profit or loss (note 22)	55,034	473,168	55,034	473,168
Debt investments at fair value through other comprehensive income (note 19)	194,849	131,037	194,849	131,037
Equity investments designated at fair value through other comprehensive income (note 17)	2,000	—	2,000	—
Total	251,883	604,205	251,883	604,205

Management has assessed that the fair values of accounts receivable, the current portion of financial assets included in prepayments and other receivables, restricted cash, cash and cash equivalents, time deposits, current interest-bearing bank borrowings and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments. The carrying amount of the non-current interest-bearing bank borrowings of the Group approximates to their fair value because the borrowings have a floating interest rate.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

The Group invests in unlisted investments, representing certificates of deposit placed with licensed banks and wealth management products which were placed with a licensed financial institution in the Chinese mainland. The Group has estimated the fair values of certificates of deposits placed with licensed banks by using the effective interest rate method and estimated those of the wealth management products by using a discounted cash flow valuation model based on the expected interest rate per annum of instruments with similar terms and risks.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS — *continued*

The fair values of unlisted equity investments designated at fair value through other comprehensive income have been estimated using recent transaction price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all required significant inputs to fair value of an instrument are observable, the instruments are included in Level 2. If one or more of the significant inputs are not based on observable market data, the instruments are included in Level 3.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
As at 31 December 2025				
Financial assets at fair value through profit or loss	—	55,034	—	55,034
Debt investments at fair value through other comprehensive income	—	194,849	—	194,849
Equity investments designated at fair value through other comprehensive income	—	2,000	—	2,000
Total	—	251,883	—	251,883

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS — *continued*

Fair value hierarchy — *continued*

Assets measured at fair value: — *continued*

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
As at 31 December 2024				
Financial assets at fair value through profit or loss	—	473,168	—	473,168
Debt investments at fair value through other comprehensive income	—	131,037	—	131,037
Total	—	604,205	—	604,205

The Group did not have any financial liabilities measured at fair value as at 31 December 2025 and 2024.

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2024: Nil).

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below:

(a) Interest rate risk

The Group's exposure to risk of changes in market interest rates relates primarily to the Group's interest-bearing bank borrowings set out in note 26. The Group does not use derivative financial instruments to hedge interest rate risk. The Group manages its interest cost using variable rate bank borrowings.

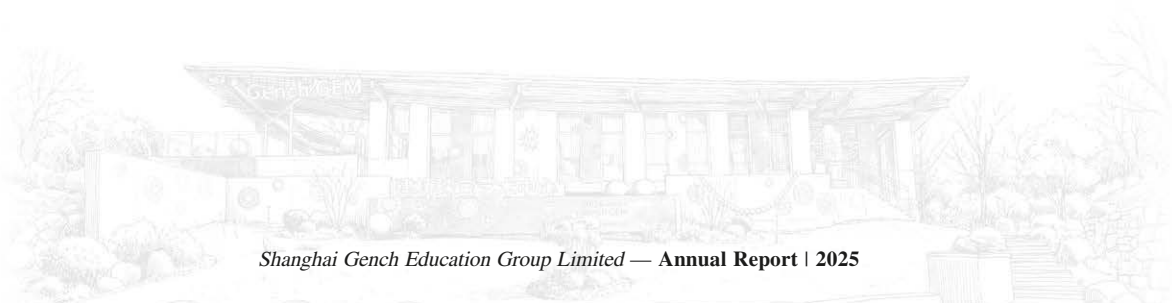
The sensitivity analysis below has been determined based on the exposure to interest rates for the Group's variable rate bank loans and bank balances at the end of each reporting period and assumed that the amount outstanding at the end of each reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the years ended 31 December 2025 and 2024 would decrease/increase by RMB938,000 and RMB3,966,000, respectively. This is mainly attributable to the Group's exposure to interest rates on its bank balances and borrowing with variable rates.

(b) Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December. The amounts presented are gross carrying amounts for financial assets.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES — *continued*

(b) Credit risk— *continued*

	12-month ECLs	Lifetime ECLs			Total RMB'000
	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Simplified approach RMB'000	
As at 31 December 2025					
Accounts receivable*	—	—	—	9,458	9,458
Financial assets included in prepayments and other receivables**	7,655	—	6,379	—	14,034
Restricted cash	41,914	—	—	—	41,914
Cash and cash equivalents	350,164	—	—	—	350,164
Total	399,733	—	6,379	9,458	415,570

	12-month ECLs	Lifetime ECLs			Total RMB'000
	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Simplified approach RMB'000	
As at 31 December 2024					
Accounts receivable*	—	—	—	12,446	12,446
Financial assets included in prepayments and other receivables**	5,213	—	6,379	—	11,592
Restricted cash	8,369	—	—	—	8,369
Time deposits	30,000	—	—	—	30,000
Cash and cash equivalents	300,399	—	—	—	300,399
Total	343,981	—	6,379	12,446	362,806

* For accounts receivable to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 21 to the financial statements.

** The credit quality of the financial assets included in prepayments and other receivables is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

Further quantitative data in respect of the Group’s exposure to credit risk arising from accounts receivable are disclosed in note 20 to the financial statements.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES — *continued*

(b) Credit risk— *continued*

Since the Group trades only with recognised and creditworthy customers, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. From the large number of diversified customers (students), there is no significant concentration of credit risk by customers.

(c) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank borrowings. Cash flows are closely monitored on an ongoing basis.

The maturity profile of the Group's financial liabilities as at the end of reporting period, based on contractual undiscounted payments, is as follows:

	On demand RMB'000	Less than 3 months RMB'000	3 to 12 months RMB'000	Over 1 year RMB'000	Total RMB'000
31 December 2025					
Lease liabilities	—	—	937	937	1,874
Financial liabilities included in other payables and accruals (note 24)	214,632	—	—	—	214,632
Interest-bearing bank borrowings	—	8,910	28,573	273,527	311,010
Total	214,632	8,910	29,510	274,464	527,516
	On demand RMB'000	Less than 3 months RMB'000	3 to 12 months RMB'000	Over 1 year RMB'000	Total RMB'000
31 December 2024					
Lease liabilities	—	—	937	1,873	2,810
Financial liabilities included in other payables and accruals (note 24)	189,840	—	—	—	189,840
Interest-bearing bank borrowings	—	30,369	156,770	712,456	899,595
Total	189,840	30,369	157,707	714,329	1,092,245

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES — *continued*

(d) Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2025 and 2024.

The Group monitors capital using a gearing ratio, which is total debt divided by total equity. Total debt includes interest-bearing bank borrowings. Total equity represents equity attributable to owners of the parent. The gearing ratios as at the end of the reporting periods were as follows:

	2025 RMB'000	2024 RMB'000
Interest-bearing bank borrowings	280,415	829,926
Total debt	280,415	829,926
Total equity	2,484,832	2,317,130
Gearing ratio	11.3%	35.8%

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

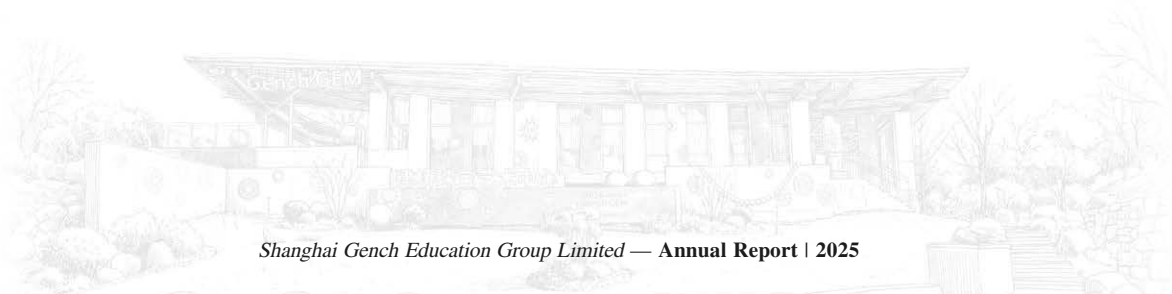
37. CONTINGENT LIABILITIES

The Group had the following significant pending litigations at the end of the reporting period:

- (1) During the year ended 31 December 2024, the supplier for the construction of certain campus facilities filed two claims to the People's Court of Pudong New Area in the Chinese mainland against Shanghai Jian Qiao University Co., Ltd. for overdue payments of construction costs with a total amount of RMB8,256,000 and the interest arising from the overdue payments of construction costs of approximately RMB113,000. As at 31 December 2024 and 2025, two bank accounts of Shanghai Jian Qiao University Co., Ltd. amounting to RMB8,369,000 were frozen by the People's Court of Pudong New Area as requested by the plaintiff. Shanghai No. 1 Intermediate People's Court rendered a final judgment in the litigation that the above construction costs and interests should be paid to the supplier in March 2026. Full provision has been made to the Group's financial statements.

During the year ended 31 December 2025, the supplier for the construction of certain campus facilities filed another two claims to the People's Court of Pudong New Area in Chinese mainland against Shanghai Jian Qiao University Co., Ltd. for overdue payments of construction costs with a total amount of RMB13,353,000 and the interest arising from the overdue payments of construction costs of approximately RMB183,000. As at 31 December 2025, one bank account of Shanghai Jian Qiao University Co., Ltd. amounting to RMB13,536,000 were frozen by the People's Court of Pudong New Area as requested by the plaintiff. As of the date of approval of the financial statements, the People's Court of Pudong New Area has not yet rendered a judgment in the litigation. Full provision has been made to the Group's financial statements.

- (2) During the year ended 31 December 2024, a factoring company filed a claim to the People's Court of Pudong New Area in Mainland China against Shanghai Jianqiao (Group) Co., Ltd. and Shanghai Jian Qiao Investment Development Co., Ltd. as guarantors for a payment of factoring financing amount, factoring service fee, and interests. The case has been transferred to People's Court of Huangpu District. As of the date of approval of the financial statements, the case is not yet to be scheduled. A provision of RMB8,300,000 and related interests have been made as at 31 December 2025 on the basis of the available evidence and after taking the Group's legal counsel advices.



NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS		
Investments in subsidiaries	—*	—*
Total non-current assets	—	—
CURRENT ASSETS		
Due from subsidiaries	68,361	139,861
Prepayments and other receivables	137	140
Cash and cash equivalents	4,895	8,820
Total current assets	73,393	148,821
CURRENT LIABILITIES		
Other payables and accruals	42	248
Due to subsidiaries	4,380	4,414
Total current liabilities	4,422	4,662
NET CURRENT ASSETS	68,971	144,159
TOTAL ASSETS LESS CURRENT LIABILITIES	68,971	144,159
NET ASSETS	68,971	144,159
EQUITY		
Issued capital	3,677	3,677
Reserves (Note)	65,294	140,482
TOTAL EQUITY	68,971	144,159

* The balance represents an amount less than RMB1,000.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY— *continued*

Note:

A summary of the Company's reserves is as follows:

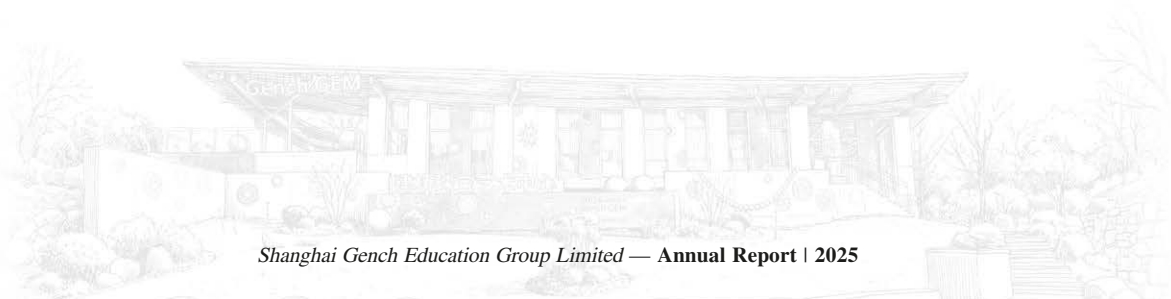
	Share premium RMB'000	Treasury shares RMB'000	Exchange fluctuation reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
At 31 December 2023 and 1 January 2024	347,505	(81,944)	611	(45,464)	220,708
Loss for the year	–	–	–	(8,861)	(8,861)
Other comprehensive income for the year					
Exchange differences on translation of the financial statements	–	–	3,330	–	3,330
Total comprehensive loss for the year	–	–	3,330	(8,861)	(5,531)
Repurchase of shares	–	(2,560)	–	–	(2,560)
2023 final dividend declared	(35,990)	–	–	–	(35,990)
2024 interim dividend declared	(36,145)	–	–	–	(36,145)
At 31 December 2024 and 1 January 2025	275,370	(84,504)	3,941	(54,325)	140,482
Loss for the year	–	–	–	(376)	(376)
Other comprehensive loss for the year					
Exchange differences on translation of the financial statements	–	–	(2,189)	–	(2,189)
Total comprehensive loss for the year	–	–	(2,189)	(376)	(2,565)
2024 final dividend declared	(36,613)	–	–	–	(36,613)
2025 interim dividend declared	(36,010)	–	–	–	(36,010)
At 31 December 2025	202,747	(84,504)	1,752	(54,701)	65,294

39. EVENTS AFTER THE REPORTING PERIOD

On 27 March 2026, the board of Directors resolved to recommend the payment of a final dividend of HK\$0.04 per ordinary share for the year ended 31 December 2025 to the shareholders whose names appear on the register of members of the Company on 3 June 2026. The recommendation is subject to the approval by the shareholders of the Company at the forthcoming annual general meeting of the Company.

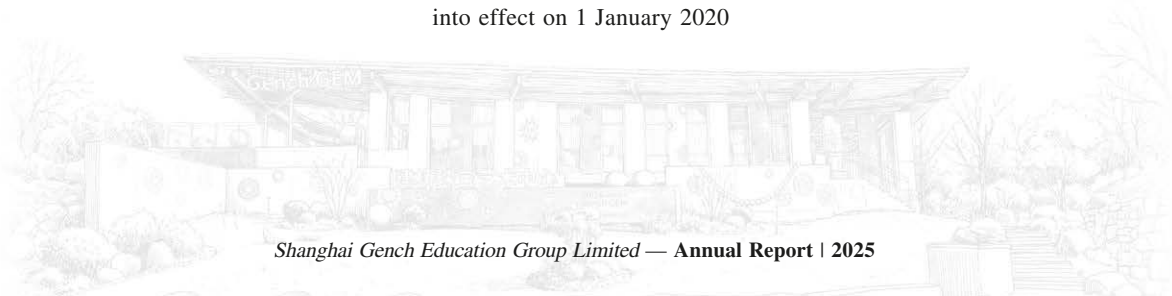
40. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 27 March 2026.



DEFINITION

“affiliate(s)”	with respect to any specific person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“AGM”	the annual general meeting of our Company
“Appointed School Directors”	nine directors (representing more than two-thirds of the board being the quorum required for approving material decisions) of Jian Qiao University Company, being Mr. Zhu Ruiting, Mr. Yu Xiaoguang, Ms. Chen Wei, Mr. Xu Haogang, together with other five directors appointed on 10 July 2024, namely, Mr. Zhao Donghui, Mr. Zhang Zhen, Mr. Zhao Leihong, Mr. Ding Zheyin and Mr. Zhou Tianming
“Articles of Association”	the articles of association of our Company as amended, supplemented or otherwise modified from time to time
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Audit Committee”	the audit committee of our Company
“Board”	the board of Directors of our Company
“Board Committee(s)”	the Audit Committee, the Remuneration Committee and the Nomination Committee
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“China” or “PRC”	the People’s Republic of China excluding for the purpose of this annual report, Hong Kong, the Macau Special Administrative Region and Taiwan, China
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Company” or “our Company”	Shanghai Gench Education Group Limited
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of our Company
“Foreign Investment Law”	the Foreign Investment Law of the PRC (中華人民共和國外商投資法), as enacted by the 13th National People’s Congress on 15 March 2019, which came into effect on 1 January 2020



DEFINITION

“Gench WFOE”	Wangting Education Technology (Shanghai) Limited (望亭教育科技(上海)有限公司), a limited liability company established under the laws of the PRC on 31 October 2018, which is wholly-owned by our Company
“Group”, “our Group”, “we” or “us”	our Company, its subsidiaries and New PRC Affiliated Entities from time to time, or, where the context so requires in respect of the period before our Company became the holding company of our present subsidiaries, the entities which carried on the business of the present Group at the relevant time
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jian Qiao Group”	Shanghai Jian Qiao (Group) Limited* (上海建橋(集團)有限公司), a limited liability company established under the laws of the PRC on 7 November 2000, which is owned by the New Registered Shareholders. It is an affiliated entity of our Company
“Jian Qiao Investment”	Shanghai Jian Qiao Investment and Development Limited* (上海建橋投資發展有限公司), a limited liability company established under the laws of the PRC on 3 August 1999, which is wholly-owned by Jian Qiao Group. It is an affiliated entity of our Company
“Jian Qiao University Company”	Shanghai Jian Qiao University Co., Ltd.* (上海建橋學院有限責任公司), a limited liability company established under the laws of the PRC on 28 September 2020, of which the equity interest is owned as to 90% by Jian Qiao Group and as to 10% by Jian Qiao Investment. It is an affiliated entity of our Company
“Listing”	the listing of our Shares on the Main Board of the Stock Exchange
“Listing Date”	16 January 2020, since which our Shares have been listed on the Main Board
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“MOE”	the Ministry of Education of the PRC

DEFINITION

“Mr. Zhao”	Mr. Zhao Donghui, the chairman, an executive Director and a Shareholder of our Company
“Negative List”	Special Administrative Measures for Access of Foreign Investment (Negative List) (2024) (《外商投資准入特別管理措施(負面清單2024年版)》), which became effective on 1 November 2024
“New Business Cooperation Agreement”	the business cooperation agreement entered into by and among Gench WFOE, the New Registered Shareholders and the New PRC Affiliated Entities dated 29 January 2021
“New Contractual Arrangements”	collectively, (1) the New Business Cooperation Agreement, (2) the New Exclusive Technical Service and Management Consultancy Agreement, (3) the New Exclusive Call Option Agreement, (4) the New Directors’ Rights Entrustment Agreement, (5) the New Directors’ Powers of Attorney, (6) the New Shareholders’ Rights Entrustment Agreement (I), (7) the New Shareholders’ Rights Entrustment Agreement (II), (8) the New Shareholders’ Powers of Attorney (I), (9) the New Shareholders’ Powers of Attorney (II), (10) the New Spouse Undertakings, (11) the No Spouse Undertaking, and (12) the New Equity Pledge Agreements, further details of which are set out in the section headed “New Contractual Arrangements” in this annual report
“New Directors’ Powers of Attorney”	directors’ powers of attorney executed by the Appointed School Directors dated 29 January 2021, 24 June 2022, 6 January 2023 and 10 July 2024, respectively
“New Directors’ Rights Entrustment Agreement”	directors’ rights entrustment agreement entered into by and among Jian Qiao University Company, Gench WFOE and the Appointed School Directors dated 29 January 2021
“New Equity Pledge Agreements”	collectively, (1) the equity pledge agreement entered into by and among the New Registered Shareholders, Jian Qiao Group and Gench WFOE, and (2) the equity pledge agreement entered into by and among the School Holders and Gench WFOE dated 29 January 2021
“New Exclusive Call Option Agreement”	the exclusive call option agreement entered into by and among Gench WFOE, the New PRC Affiliated Entities and the New Registered Shareholders dated 29 January 2021
“New Exclusive Technical Service and Management Consultancy Agreement”	the exclusive technical service and management consultancy agreement entered into by and among Gench WFOE and the New PRC Affiliated Entities dated 29 January 2021

DEFINITION

“New PRC Affiliated Entities”	collectively, Jian Qiao University Company and the School Holders, each an affiliated entity of our Company
“New Registered Shareholders”	shareholders of Jian Qiao Group, namely, Mr. Zhou Xingzeng, Mr. Zheng Xiangzhan, Mr. Zhao Donghui, Mr. Shi Yinjie, Mr. Jin Yinkuan, Mr. Chen Shengfang, Mr. Chen Zhiyong, Mr. Zhou Tianming, Mr. Bao Jianmin, Mr. Wang Hualin, Mr. Wang Chengguang, Mr. Chen Minghai, Mr. Chen Shengcai, Ms. Huang Chunlan, and Mr. Zheng Juxing
“New Shareholders’ Powers of Attorney (I)”	the shareholders’ rights entrustment agreement entered into by and among the New shareholders’ powers of attorney executed by the New Registered Shareholders and Jian Qiao Group dated 29 January 2021
“New Shareholders’ Powers of Attorney (II)”	shareholders’ powers of attorney executed by the School Holders dated 29 January 2021
“New Shareholders’ Rights Entrustment Agreement (I)”	Registered Shareholders, the School Holders and Gench WFOE dated 29 January 2021
“New Shareholders’ Rights Entrustment Agreement (II)”	the shareholders’ rights entrustment agreement entered into by and among Jian Qiao University Company, the School Holders and Gench WFOE dated 29 January 2021
“New Spouse Undertakings”	collectively, the undertakings executed by the spouses of relevant New Registered Shareholders dated 29 January 2021
“No Spouse Undertaking”	the no spouse undertaking dated 29 January 2021 executed by Ms. Huang Chunlan
“Nomination Committee”	the nomination committee of our Company
“PRC Legal Advisors”	Commerce & Finance Law Offices, our legal advisors as to the laws of the PRC
“Prospectus”	the prospectus of our Company dated 31 December 2019
“Remuneration Committee”	the remuneration committee of our Company
“Reporting Period”	the year ended 31 December 2025
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“School Holders”	the shareholders of Jian Qiao University Company, namely, Jian Qiao Group and Jian Qiao Investment

DEFINITION

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and supplemented from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of our Company
“Share Award Scheme”	the share award scheme adopted by our Company on 11 December 2020
“Share Option Scheme”	the share option scheme adopted by our Company on 19 December 2019
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules. For the avoidance of doubt, the subsidiaries of our Company include the School Holders and our University
“substantial shareholders”	has the meaning ascribed to it under the Listing Rules
“University”, “our University” or “Shanghai Jian Qiao University”	a university in the PRC operated as a private non-enterprise unit under the name of “Shanghai Jian Qiao University” (上海建橋學院) from 28 June 2000 to 9 August 2021 and as a limited liability company under the name of “Shanghai Jian Qiao University Co., Ltd.”* (上海建橋學院有限責任公司) since 10 August 2021, with the short name of “Shanghai Jian Qiao University” (上海建橋學院) in the relevant private school operating permit
“US\$” or “USD”	United States dollars, the lawful currency of the United States
“Yangtze River Delta”	comprises Jiangsu, Zhejiang, Anhui and Shanghai in the PRC
“%”	per cent

If there is any inconsistency between the Chinese names of entities or enterprises established in the PRC and their English translations, the Chinese names shall prevail. The English translation of company or entity names in Chinese or another language which are marked with “*” and the Chinese translation of company or entity names in English which are marked with “*” is for identification purpose only.

