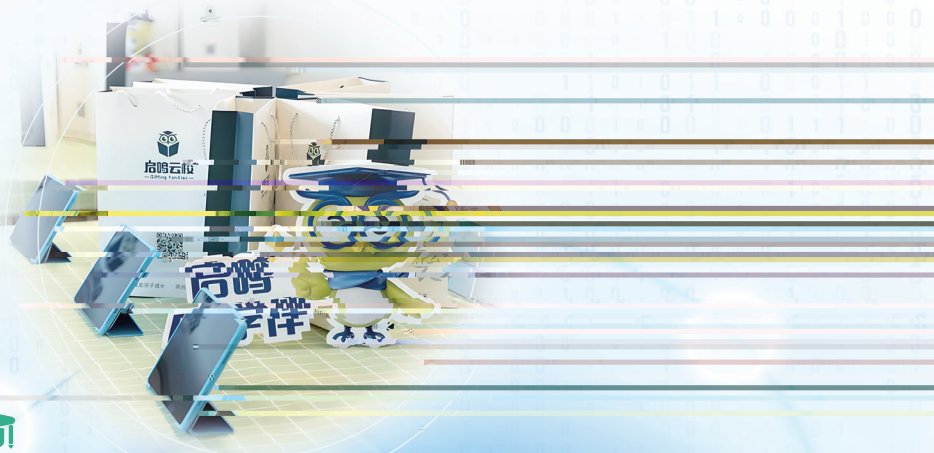






2025

INTERIM REPORT

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Luo Shi *(Chairman)*
Mr. Wang Rui

Non-executive Directors

Mr. Pan Ping
Mr. Zhang Wenzao
Ms. Li Xiaomei

Independent Non-executive Directors

Mr. Liu Kai Yu Kenneth
Mr. Yang Dong
Mr. Cheng Yiqun

BOARD COMMITTEES

Audit Committee

Mr. Liu Kai Yu Kenneth *(Chairman)*
Mr. Cheng Yiqun
Mr. Yang Dong

Remuneration Committee

Mr. Cheng Yiqun *(Chairman)*
Mr. Wang Rui
Mr. Yang Dong

Nomination Committee

Mr. Luo Shi *(Chairman)*
Ms. Li Xiaomei
Mr. Yang Dong
Mr. Cheng Yiqun
Mr. Liu Kai Yu Kenneth

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

Ogier Global (Cayman) Limited
89 Nexus Way, Camana Bay
Grand Cayman KY1-9009
Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17/F, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

JOINT COMPANY SECRETARIES

Mr. Wang Rui
Ms. Zhang Xiao *ACG, HKACG*

AUTHORISED REPRESENTATIVES

Mr. Wang Rui
Ms. Zhang Xiao

LEGAL ADVISOR AS TO HONG KONG LAW

Jingtian & Gongcheng LLP
Suites 3203-3207, Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

REGISTERED OFFICE IN CAYMAN ISLANDS

89 Nexus Way, Camana Bay
Grand Cayman KY1-9009
Cayman Islands

HEADQUARTER IN THE PRC

Tower T25
Qingyang Industrial Zone
Chengdu
Sichuan Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL BANKS

Industrial and Commercial Bank of China
Agricultural Bank of China
China Citic Bank

STOCK CODE

1773

COMPANY WEBSITE

http://www.tianlieducation.com

Financial Highlights

	For the six months ended 28 February 2025 RMB'000	For the six months ended 29 February 2024 RMB'000	Change RMB'000	Percentage Change
Revenue	**1,876,050**	1,645,443	230,607	14.0%
Gross profit	**705,069**	582,925	122,144	21.0%
Profit for the period	**389,503**	285,863	103,640	36.3%
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY				
	RMB	RMB	RMB	
Basic	**19.28 cents**	13.90(cents)]TJ/TT1 19aoo 0 Td5w 3.90(cents)]TJ/TTTJ-		

Management Discussion and Analysis

BUSINESS REVIEW

Overview

Established in 2002, the Group is a leading comprehensive education service operator in Western region of the PRC. We provide customers with comprehensive education management and diversified services. During the Reporting Period, we provided comprehensive education service to 53,900 high school students.

Our Education Philosophy

Our fundamental educational philosophy is premised on the development of each child's strengths and potential and promotion of life-long learning and growth. The core of our educational philosophy is "Six Establishments and One Accomplishment (六立一達)", which represents the seven crucial objectives we encourage our students

Our Schools

With a strong presence in Sichuan province where the Group is based in, our schools span across 36 cities in Inner Mongolia, Shandong, Henan, Guizhou, Jiangxi, Zhejiang, Yunnan, Gansu, Anhui, Guangxi, Guangdong, Shaanxi, Shanghai, Chongqing and Hubei. During the Reporting Period, the Group principally provided students with comprehensive education services in 58 schools.

PRC-certified teachers are crucial to our business, allowing us to maintain the quality of our educational services while undergoing expansion. As of 28 February 2025, the number of full-time teachers employed by our self-owned schools was 2,682 (as of 29 February 2024: 2,060).

We recruit teachers through different channels and means, including campus recruitment, general public recruitment and the use of online recruiting websites, and we conduct assessment on candidates who apply through our recruitment procedures. We offer internships to undergraduate students who major in education or related subjects and show promising potential during our recruiting process. We also actively recruit teachers with extensive experiences from public schools and other private schools to expand our talent pool.

Management and franchise fees received from entrusted schools

During the Reporting Period, the Group provided school management and franchise services for 18 entrusted schools.

REGULATORY UPDATES

The Implementation Rules for the Law for Promoting Privation Education (《中華人民共和國民辦教育促進法實施條例》) (the "Implementation Regulations")

In May 2021, the State Council of the People's Republic of China announced the Implementation Regulations which came into effect on 1 September 2021. The Implementation Regulations set out more detailed regulations over the operation and management of private schools, which, among other things, required that (i) social organizations and individuals are prohibited from controlling private schools that provide compulsory education and non-profit private schools that provide pre-school education by means of merger, acquisition or agreement control; and (ii) private schools providing compulsory education are prohibited from conducting transactions with the related parties.

As the Implementation Regulations prohibit private schools which provide compulsory education from conducting transactions with the related parties, the management team of our Group has assessed its impact on our Group and concluded that, based on the existing relevant facts and situation, the Group's ability to acquire variable returns through Exclusive Business Cooperation Agreement from certain operating schools (the "**Affected Business**") has been terminated immediately before the Implementation Regulations came into effect on 1 September 2021. Therefore, the Group has decided to exclude its Affected Business from the scope of the consolidated financial statements since 31 August 2021. For details, please refer to the annual report of the Company for the eight months ended 31 August 2021 published on 22 March 2022.

The Company is of the opinion that there are substantial uncertainties regarding the interpretation and application of the Implementation Regulations. As at the date of this report, the national and local governments have not yet issued corresponding classification management regulations and rules in respect of the Implementation Regulations. We will continue to monitor the implementation of the Implementation Regulations in different regions and continue to assess its subsequent impact on the Company and will make further announcement(s) as and when appropriate.

The Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "Foreign Investment Law")

On 15 March 2019, the Standing Committee of the National People's Congress promulgated the Foreign Investment Law which became effective on 1 January 2020. The Implementation Rules of the Foreign Investment Law came into effect on the same date as well. The Foreign Investment Law and its implementation rules defines foreign investment as direct or indirect investment activities in the PRC by one or more foreign natural persons, enterprises or other organizations ("**Foreign Investors**"persons, e in the Pwould fall withiby onereigni thvestors

The Affected Business

The table below sets out the names of entities and their principal business related to the Affected Business as at 28 February 2025:

Number	School name	Principal business
1	Luzhou Longmatan Tianli Elementary School *(Note 1)*	Elementary school
2	Yibin Cuiping District Tianli School	Elementary school and Middle school
3	Guangyuan Tianli School	Elementary school and Middle school
4	Neijiang Shizhong District Tianli School	Elementary school and Middle school
5	Liangshan Xichang Tianli School	Integrated school
6	Ya'an Tianli School	Elementary school and Middle school
7	Cangxi Tianli School	Elementary school and Middle school
8	Deyang Tianli School	Elementary school and Middle school
9	Ziyang Tianli School	Integrated school
10	Yichun Tianli School	Elementary school and Middle school
11	Baoshan Tianli School	Elementary school and Middle school
12	Dazhou Tianli School	Elementary school and Middle school
13	Weifang Tianli School	Integrated school
14	Yiliang Tianli School	Elementary school and Middle school
15	Ulanqab Jining District Tianli School	Elementary school and Middle school
16	Zhoukou Tianli School	Elementary school and Middle school
17	Zunyi Xinpu New District Tianli School	Elementary school and Middle school
18	Dongying Kenli District Tianli School	Elementary school and Middle school
19	Jiange Jianmenguan Tianli School	Elementary school and Middle school
20	Luzhou Longmatan Tianli Chunyu School	Elementary school and Middle school
21	Wulian Tianli School	Elementary school and Middle school
22	Baise Tianli School	Elementary school and Middle school
23	Jining Tianli School	Elementary school and Middle school
24	Weihai Nanhai New District Tianli School	Elementary school and Middle school
25	Chongqing Fuling Lida School	Elementary school and Middle school
26	Honghu Tianli School	Elementary school and Middle school
27	Tongren Wanshan District Tianli School	Elementary school and Middle school
28	Lanzhou Tianli School	Elementary school and Middle school
29	Chengdu Longquanyi Tianli School *(Note 1)*	Elementary school and Middle school
30	Chengdu Pidu Tianli School *(Note 1)*	Integrated school

* Integrated school included elementary school, middle school and high school.

Notes:

Although the aforementioned schools were deconsolidated from the Group due to the Implementation Regulations, with an accountable and responsible attitude to students, parents and the society, the Group will maintain continuous and stable enrollment and operation for the schools that have been opened and operated nationwide. We will continue to provide high quality comprehensive educational services to students and parents.

Prospects

In order to safeguard the sustainable development of the Group and to protect the long-term interests of the Company and its Shareholders, (i) the Group will adopt measures to optimize its operational structure, including separating the high schools with independent operating licenses from integrated schools. As at 28 February 2025, the Group had successfully separated a total of 7 high schools with independent operating licenses from integrated schools. The financial results of these high schools have been consolidated into the consolidated financial statements of the Group; and (ii) the Group will progressively increase the enrollment scale of the existing high schools. There were 53,900 high school students in the Company's school network as at the beginning of the 2024 fall semester, representing an increase of approximately 46.8% compared to 36,708 high school students as at the beginning of the 2023 fall semester.

Looking forward, the Group will adhere to its strategic expansion nationwide through expansion of optimization with a focus of for-profit high schools, providing students with comprehensive operational services, including but not limited to a series of other value-added services such as online campus store, logistical integrated services, study guidance for arts and sports oriented schools, international education, overseas studies consulting and study tours to promote the overall development of the students.

FINANCIAL REVIEW

Set out below includes the key highlights for the financial results for the six months ended 29 February 2024 and the six months ended 28 February 2025.

	For the six months ended 28 February 2025 RMB'000 (Unaudited)	For the six months ended 29 February 2024 RMB'000 (Unaudited)
Revenue	**1,876,050**	1,645,443
Cost of sales	**(1,170,981)**	(1,062,518)
GROSS PROFIT	**705,069**	582,925
Other income and gains	**8,681**	9,166
Selling and distribution expenses	**(32,047)**	(36,405)
Administrative expenses	**(117,259)**	(130,048)
Other expenses	**(8,338)**	(17,323)
Finance costs	**(60,296)**	(35,595)
Share of profits/(losses) of:		
A joint venture	**–**	(191)
Associates	**715**	9,608
PROFIT BEFORE TAX	**496,525**	382,137
Income tax expense	**(107,022)**	(96,274)
PROFIT FOR THE PERIOD	**389,503**	285,863

REVENUE

The following table sets forth an analysis of revenue for the six months ended 29 February 2024 and the six months ended 28 February 2025:

	For the six months ended 28 February 2025 RMB'000 (unaudited)	For the six months ended 29 February 2024 RMB'000 (unaudited)
Revenue from contracts with customers		
Comprehensive educational services	**1,012,491**	851,272
Sale of products	**474,941**	473,810
Comprehensive logistical services	**332,267**	294,305
Management and franchise fees	**56,351**	26,056
Total revenue	**1,876,050**	1,645,443

Our revenue mainly includes comprehensive educational services, sale of products, comprehensive logistical services, and management and franchise fees.

Our revenue increased by 14.0% from approximately RMB1,645.4 million for the six months ended 29 February

Costs of Principal Activities

The following table sets forth the components of our cost of sales for the six months ended 29 February 2024 and the six months ended 28 February 2025.

	Six months ended 28 February 2025 RMB'000 (unaudited)	Six months ended 29 February 2024 RMB'000 (unaudited)
Material consumption	**259,093**	208,957
Staff costs	**242,051**	202,770
Depreciation and amortization	**125,626**	112,545
Procurement cost of products	**423,798**	426,956
Teaching activity costs	**101,211**	92,216
Utilities	**11,553**	9,661
Others	**7,649**	9,413
	1,170,981	1,062,518

Our cost of sales consists of material consumption, staff costs, depreciation and amortization, procurement cost of products, teaching activity costs, utilities and others.

Our cost of sales increased by 10.2% from approximately RMB1,062.5 million for the six months ended 29 February 2024 to approximately RMB1,171.0 million for the Reporting Period, primarily due to the increase in revenue of 14.0% during the Reporting Period resulting in the corresponding increase in staff costs, material consumption, depreciation and amortization and other costs related to business operations.

Material consumption costs increased by 24.0% from approximately RMB209.0 million for the six months ended 29 February 2024 to approximately RMB259.1 million for the Reporting Period, primarily due to the increase in the number of diners in the canteens operated during the Reporting Period as well as the increase in various expenditures for further enhancement of the quality of the services provided by the canteens.

Staff costs increased by 19.4% from approximately RMB202.8 million for the six months ended 29 February 2024 to approximately RMB242.1 million for the Reporting Period, primarily due to the increase in labor cost as a result of the recruitment of new teachers resulted from the increase in the number of high school students.

Depreciation and amortization costs increased by 11.6% from approximately RMB112.5 million for the six months ended 29 February 2024 to approximately RMB125.6 million for the Reporting Period, primarily due to the increase in depreciation and amortization as a result of maintenance and extension works at some schools.

Procurement cost of products slightly decreased by 0.7% from approximately RMB427.0 million for the six months ended 29 February 2024 to RMB423.8 million for the Reporting Period.

Teaching activity costs increased by 9.8% from approximately RMB92.2 million for the six months ended 29 February 2024 to approximately RMB101.2 million for the Reporting Period, primarily due to the costs of related teaching services arising from the increase in the number of high school students.

Utilities cost increased by 19.6% from approximately RMB9.7 million for the six months ended 29 February 2024 to approximately RMB11.6 million for the Reporting Period, primarily due to the increased number of students served.

Gross Profit and Gross Profit Margin

The Group's gross profit for the Reporting Period was approximately RMB705.1 million, representing an increase of 21.0% from approximately RMB582.9 million for the six months ended 29 February 2024, primarily due to the increase in the number of high school students enrolled and the revenue from the Group's provision of comprehensive educational services. The Group's gross profit margin for the Reporting Period was approximately 37.6%, representing an increase of 2.2 percentage points as compared with 35.4% for the six months ended 29 February 2024.

Other Income and Gains

Other income and gains primarily consist of bank interest income, other service income and other subsidy income.

Other income and gains represents a slight decrease from approximately RMB9.2 million for the six months ended 29 February 2024 to approximately RMB8.7 million for the Reporting Period.

Administrative Expenses

Administrative expenses primarily consist of (i) administrative staff costs, (ii) equity-settled share option scheme expenses, and (iii) office administration expenses, which primarily consist of office supply and utilities and travelling, and meal and training expenses incurred in connection with administrative activities.

Administrative expenses decreased by 9.8% from approximately RMB130.0 million for the six months ended 29 February 2024 to approximately RMB117.3 million for the Reporting Period, primarily as a result of a decrease in equity-settled share option scheme expenses.

Finance Costs

Finance costs increased from RMB35.6 million for the six months ended 29 February 2024 to RMB60.3 million for the Reporting Period, primarily due to the amount of capitalised interest of RMB20.8 million for the six months ended 29 February 2024 and no amount of capitalised interest for the Reporting Period.

Income Tax

Income tax increased by 11.2% from approximately RMB96.3 million for the six months ended 29 February 2024 to approximately RMB107.0 million for the six months ended 28 February 2025, mainly due to the increase in profit before tax arising from taxable subsidiaries, in particular, our high schools and the Group's major subsidiaries established in the PRC which are subject to corporate income tax at a rate of 25%. The effective income tax rate for the six months ended 28 February 2025 was 21.6%, representing a decrease of 3.6 percentage points from 25.2% for the six months ended 29 February 2024, mainly due to the fact that Sichuan Qiming Daren Technology Co., Ltd. was certified as a "Double-soft Enterprise" and was entitled to a full exemption from PRC corporate income tax for the Reporting Period.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The Shares were successfully listed on Main Board of the Stock Exchange on 12 July 2018. The capital of the Company only comprises of ordinary shares.

The Group finances its liquidity and capital requirements primarily through cash generated from operations, bank borrowings and equity contribution from Shareholders.

As at 28 February 2025, we had net current liabilities of approximately RMB2,434.0 million, as compared with net current liabilities of approximately RMB2,438.4 million as at 31 August 2024.

In view of the net current liabilities position, 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 a going concern. Having considered the cash flows from operations and unutilised banking facilities, the Directors are of the opinion that the Group is able to meet in full its financial obligations as they fall due for the foreseeable future and it is appropriate to prepare the Financial Information as a going concern basis.

As at 28 February 2025, the Group had cash and cash equivalents of approximately RMB454.4 million (29 February 2024: approximately RMB652.3 million). The following table sets forth a summary of our cash flows for the periods indicated:

	Six months ended 28 February 2025 RMB'000 (Unaudited)	Six months ended 29 February 2024 RMB'000 (Unaudited)
Net cash flows from/(used in) operating activities	**52,846**	(74,804)
Net cash flow used in investing activities	**(277,643)**	(220,408)
Net cash flow used in financing activities	**(679,235)**	(620,734)
Net decrease in cash and cash equivalents	**(904,032)**	(915,946)
Net effect of foreign exchange rates	**(307)**	6,081
Cash and cash equivalents at beginning of period	**1,349,016**	1,432,369
Cash and cash equivalents as stated in the consolidated statement of cash flows	**444,677**	522,504
Time deposits with original maturity over 3 months	**9,708**	129,828
Cash and cash equivalents at end of period (as stated in the consolidated statement of financial position)	**454,385**	652,332

BORROWINGS AND GEARING RATIO

As at 28 February 2025, the Group had borrowings of approximately RMB2,029.7 million (31 August 2024: RMB2,053.0 million) and the Group's unutilised banking facilities was approximately RMB1,761.8 million. The Group's bank borrowings, of which RMB516.0 million were at fixed interest rates, were primarily used in financing the working capital requirement of its operations and school constructions.

As at 28 February 2025, the gearing ratio of the Group, calculated as the total interest-bearing borrowings divided by the total assets, was approximately 21.7% (31 August 2024: approximately 20.1%).

FOREIGN CURRENCY RISK

The functional currency of the Company is RMB, except that the functional currencies of certain overseas subsidiaries are currencies other than the RMB. As at 28 February 2025, certain cash and bank balances and time deposits are denominated in RMB, HKD and USD, which would expose the Group to foreign currency risk. The Group has not used any foreign currency swap contracts to reduce the exposure to USD and HKD arising from bank balances. The Company also currently does not have any foreign exchange hedging policy.

TREASURY POLICIES

The Directors will continue to follow a prudent policy in managing the Group's cash and cash equivalents and maintain a strong and healthy liquidity position to ensure that the Group is well positioned to take advantage of future growth opportunities.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There was no significant investment held, material acquisition and disposal of subsidiaries and associates by the Company for the six months ended 28 February 2025. The Group will make every endeavor to keep abreast of the changing market conditions, proactively identify investment opportunities in order to broaden the revenue base of the Group, enhance its future financial performance and profitability. Moreover, the Group will gradually restructure its business into the provision of integrated operational services in relation to the development of people of the appropriate age, and seek generic strategic expansions through acquisitions of suitable targets. The Group expects to utilize cash generated from operations, bank borrowings and funds from other financing channels to fund its capital requirements. We are confident in the future and committed to continuous growth of the Company.

CAPITAL EXPENDITURES

Our capital expenditures primarily related to the construction of new self-owned schools, the maintenance and upgrade of our existing self-owned schools, and the purchase of additional educational facilities and equipment for our self-owned schools. The Group's capital expenditures consisted of purchase or construction costs relating to property, equipment, prepaid land lease payments and other intangible assets. For the six months ended 28 February 2025, our capital expenditures represented by the relevant cash outflows were approximately RMB218.1 million (the six months ended 29 February 2024: approximately RMB183.2 million (Restated)), which we funded primarily through cash generated from operations, bank facilities, and net proceeds received from the Placing and the Subscription in December 2020.

CONTINGENT LIABILITIES

As at 28 February 2025, the Group did not have any material contingent liabilities (29 February 2024: Nil).

The Company is of the view that the steps taken by our Group, that is, the overseas expansion plan is reasonable and appropriate to demonstrate compliance with the Qualification Requirement.

OVERALL PERFORMANCE AND COMPLIANCE WITH THE STRUCTURED CONTRACTS

The Group has adopted certain measures to ensure the effective operation of the Group with the implementation of the Structured Contracts (defined in the prospectus of the Company dated 28 June 2018 issued by the Company in relation to its listing of its Shares on the Main Board of the Stock Exchange) which we obtain control over and derive the economic benefits from our operating entities in PRC as the laws, regulations and regulatory practice generally prohibit or restrict foreign ownership in the private education. Except for the Affected Business as mentioned in the section headed "Regulatory Updates", economic benefits arising from other business activities of our operating entities in the PRC are transferred to the Group via the Structured Contracts. The Company is not aware of any non-performance of the Structured Contracts or non-compliance with such aforementioned measures as at the date of this interim report.

INTERIM DIVIDEND

The Board resolved for the payment of an interim dividend of RMB5.78 cents (equivalent to HKD6.22 cents, according to the central parity rate of Renminbi to Hong Kong dollars as announced by the People's Bank of China on 29 April 2025, i.e. RMB0.92853 equivalent to HKD1.00) per Share for the six months ended 28 February 2025 (for the six months ended 29 February 2024: RMB4.17 cents per Share) to be paid on Monday, 18 August 2025 to the Shareholders whose names appear on the register of members of the Company on Wednesday, 6 August 2025, representing a dividend payout amount of approximately RMB121.7 million (equivalent to approximately HKD131.0 million) (based on the number of issued Shares as at the date of the interim results announcement) and a dividend payout ratio of 30% for the six months ended 28 February 2025 (for six months ended 29 February 2024: 30%).

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to the interim dividend for the six months ended 28 February 2025, the register of members of the Company will be closed from Monday, 4 August 2025 to Wednesday, 6 August 2025, both days inclusive, during which period no transfer of shares will be registered. In order to be qualified for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai for registration not later than 4:30 p.m. on Friday, 1 August 2025.

Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 28 February 2025, the interest and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to

Save as disclosed above, as at 28 February 2025, none of the Directors and chief executive of the Company has any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

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

As at 28 February 2025, to the best knowledge of the Directors, the following persons (othet2C ne bwingat Directo Tthe CompanO)Tpositions the

CHANGE IN DIRECTORS' INFORMATION

Changes in the information of the Directors for the six months ended 28 February 2025 are as follows:

Ms. Li Xiaomei has been appointed as a non-executive Director with effect from 24 December 2024.

Mr. Cheng Yiqun served as an independent director of Wuhan Sinoeco Ecological Science and Technology CO., Ltd. (武漢中科瑞華生態科技股份有限公司) since September 2020, with the expiration of his term of office on 1 January 2025.

Save as disclosed, as at 28 February 2025, there were no other changes in the information of the Directors which shall be disclosed under Rule 13.51B(1) of the Listing Rules.

COMPETITION AND CONFLICT OF INTEREST

None of the Directors or the controlling shareholders (as defined in the Listing Rules) of the Company (the "**Controlling Shareholders**") or their respective close associates has engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group or has or may have any other conflict of interests with the Group during the six months ended 28 February 2025.

EMPLOYEES AND REMUNERATION POLICIES

As at 28 February 2025, the Group employed 6,149 employees (as at 29 February 2024: 5,106).

The Group promotes individuals based on their performance and development potential in the positions held. In order to attract and retain high-calibre staff, competitive remuneration package is offered to employees (with reference to market norms and individual employees' performance, qualification and experience). On top of basic salaries, bonuses may be paid with reference to the Group's performance as well as individual's performance.

The Group adheres to the talent cultivation concept of "Learning is an important way to improve one's personal cultivation". The Group developed the Training Management System of Basic Education Division of Tianli Education Group (《天立教育集團基礎教育事業部培訓管理制度》) and other internal policies and system, providing equal development opportunities and channels for employees.

In accordance with the relevant PRC laws and regulations, the Group contributes to the PRC social security fund (including pension insurance, medical insurance, unemployment insurance, maternity insurance and work injury insurance) and housing provident fund for its PRC employees. The Group's full-time employees in the PRC participate in a number of government-sponsored defined contribution retirement schemes under which employees are entitled to a monthly pension calculated according to certain formulas. The relevant government agencies assume the responsibility of pension payments to these retired employees. The Group makes monthly contributions to these pension schemes. Under these schemes, the Group has no obligation for post-retirement benefits other than the contributions made. Contributions to these schemes are expensed as incurred and contributions made to these defined contribution pension schemes on behalf of an employee cannot be used to reduce the Group's future obligations under these defined contribution pension schemes even if the employee leaves the Group.

The Company has also adopted a Pre-IPO Restricted Share Award Scheme, Share Option Scheme and Restricted Share Award Scheme for its employees and other eligible persons.

SHARE OPTION SCHEME

The Company has adopted a share option scheme on 24 June 2018 (the "**Share Option Scheme**"). The purpose of the Share Option Scheme is to give the eligible persons an opportunity to have a personal stake in our Company and help motivate them to optimise 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, to enable our Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

Eligible participants of the Share Option Scheme include, among others, any executive director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of our Group, any proposed employee, any full-time or part-time employee, or a person for the time being seconded to work full-time or part-time for any member of our Group, a direct or indirect shareholder of any member of our Group, a supplier of goods or services to any member of our Group, a customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of our Group, a person or entity that provides design, research, development or other support or any advisory, consultancy, professional or other services to any member of our Group; and an associate of any of the persons referred to the above.

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.

On 10 March 2023, the Company granted an aggregate of 61,000,000 share options (where each share option shall entitle the relevant grantee to subscribe for one Share) to eligible participants pursuant to the Share Option Scheme. For further details, please refer to the announcement of the Company dated 10 March 2023 and the circular of the Company dated 6 April 2023.

Details of the interests of the grantees under the Share Option Scheme are as follows:

		Number of Shares						
	Date of Grant	Number of share options granted	Outstanding as at 1 September 2024	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as at 28 February 2025	Closing price or weighted average closing price (as applicable) of the Shares immediately before the relevant exercise date(s) during the Reporting Period (HK$)
Directors								
Mr. Luo Shi	10 March 2023	30,000,000	30,000,000	0	0	0	30,000,000	N/A
Mr. Wang Rui	10 March 2023	7,000,000	7,000,000	0	0	0	7,000,000	N/A
Employee participants	10 March 2023	22,000,000	20,500,000	0	0	4,100,000	16,400,000	N/A
	24 October 2024	5,400,000 (Type A Options)	–	0	0	0	5,400,000	N/A
	24 October 2024	4,000,000 (Type B Options)	–	0	0	0	4,000,000	N/A
Service providers	10 March 2023	2,000,000	2,000,000	0	0	0	2,000,000	N/A
Total		**70,400,000**	**59,500,000**	**0**	**0**	**4,100,000**	**64,800,000**	

Notes:

1. Exercise Period of share options: the share options shall be valid for 10 years from the date of grant and lapse at the expiry of such period.

   Vesting Period of share options granted on 10 March 2023: 40% of the share options granted shall be vested after the first anniversary of the date of grant; another 30% of the share options granted shall be vested after the second anniversary of the date of grant; and the remaining 30% of the share options granted shall be vested after the third anniversary of the date of grant.

   Vesting Period of Type A Options granted on 24 October 2024: 40% of the Share Options granted shall be vested on 1 December 2025; and the remaining 60% of the Share Options granted shall be vested on 1 December 2026.

   Vesting Period of Type B Options granted on 24 October 2024: 40% of the Share Options granted shall be vested on 1 December 2025; another 30% of the Share Options granted shall be vested on 1 December 2026; and the remaining 30% of the Share Options granted shall be vested on 1 December 2027.

2. The exercise price of the share options granted on 10 March 2023 shall be HK$2.48 per Share.

   The exercise price of the share options granted on 24 October 2024 shall be HK$4.72 per Share.

3. The share options granted on 10 March 2023 and 24 October 2024 are not subject to any performance target.

4. The closing price of the Shares on 23 October 2024 (i.e., the date immediately before 24 October 2024 on which the 9,400,000 share options were granted during the Reporting Period) was HK$4.71 per Share.

5. The fair value of the 9,400,000 share options as at 24 October 2024, being the date of grant, was HK$3.12 per Share. For details of the accounting standard and policy adopted, please refer to note 17 to the financial statements of this interim report.

6. During the Reporting Period, there were no participants with options and awards granted and to be granted in excess of the 1% individual limit, no related entity participants or service providers with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the relevant class of shares in issue (excluding treasury shares), and no other related entity participants under the Share Option Scheme.

CORPORATE GOVERNANCE

During the six months ended 28 February 2025, the Company has complied with all applicable code provisions set out in the CG Code contained in Part 2 of Appendix C1 to the Listing Rules, save and except for the following deviation.

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should not be performed by the same individual. Mr. Luo Shi was appointed as the chairman of the Board and the chief executive officer of the Company on 24 June 2018.

The Board believes that it is in the interest of the Company and its Shareholders for Mr. Luo Shi to assume the responsibilities of such positions, given that Mr. Luo Shi is the founder of the Company and has extensive experience in the operation and management of the Company. The Board also considers that such arrangement will not impair the balance of power and authority between the Board and the management as the Board comprises seven other experienced individuals during the six months ended 28 February 2025. In addition, for major decisions of the Group, the Company will consult Board committees and senior management as and when appropriate. The Board will review such arrangement from time to time and will continue to review and monitor the corporate governance practices of the Company for the purpose of maintaining high corporate governance standards.

Ms. Li Xiaomei has been appointed as a non-executive Director with effect from 24 December 2024. Following the appointment of Ms. Li Xiaomei as a non-executive Director, the Company has complied with the requirement of Rule 13.92 of the Listing Rules.

CONSTITUTIONAL DOCUMENTS

On 16 August 2024, for the purposes of, among other things, (a) updating and bringing the second amended and restated memorandum and articles of association of the Company (the "**Existing M&A**") in line with the latest regulatory requirements in relation to the expanded paperless listing regime and the electronic dissemination of corporate communications by listed issuers as set out in the Listing Rules which took effect from 31 December 2023, and (b) better aligning the wordings in the Existing M&A with those in the applicable laws of the Cayman Islands and the Listing Rules and incorporating certain housekeeping changes, the Board proposed to make certain amendments to the Existing M&A (the "**Proposed Amendments**") and adopt the third amended and restated memorandum and articles of association of the Company (the "**New M&A**") incorporating and consolidating all the Proposed Amendments, in substitution for, and to the exclusion of, the Existing M&A. The Proposed Amendments and the proposed adoption of the New M&A were approved by Shareholders at the extraordinary general meeting of the Company held on 27 September 2024. For details, please refer to the Company's announcements dated 16 August 2024 and 27 September 2024 and the Company's circular dated 6 September 2024.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the Company

uiry to all the Directors, they have confirmed that they have
ended 28 February 2025.

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

EVENTS AFTER THE REPORTING PERIOD

There were no significant events of the Group after the six months ended 28 February 2025 and up to the date of this report.

REVIEW OF INTERIM RESULTS

The independent auditors of the Company, namely, Ernst & Young, have carried out a review of the interim condensed financial information in accordance with the Hong Kong Standard on Review Engagement 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

The audit committee of the Company (the "**Audit Committee**") has jointly reviewed with the management and the independent auditors of the Company, the accounting principles and policies adopted by the Company and discussed internal control and financial reporting matters (including the review of the unaudited interim results for the six months ended 28 February 2025) of the Group. The Audit Committee considered that the interim results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

By order of the Board
Tianli International Holdings Limited
Luo Shi
Chairman, Executive Director and Chief Executive Officer

The PRC, 29 April 2025

Independent Review Report

Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

安永會計師事務所
香港鰂魚涌英皇道 979號
太古坊一座27樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

To the board of directors of Tianli International Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim condensed financial information set out on pages 26 to 54, which comprises the condensed consolidated statement of financial position of Tianli International Holdings Limited (the "Company") and its subsidiaries (the "Group") as at 28 February 2025 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim condensed financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim condensed financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim condensed financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Hong Kong Institute of Certified Public Accountants. A review of interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong

29 April 2025

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Six Months Ended 28 February 2025

	Notes	**For the six months ended 28 February 2025 RMB'000 (Unaudited)**	For the six months ended 29 February 2024 RMB'000 (Unaudited)
REVENUE	3	**1,876,050**	1,645,443
Cost of sales	5	**(1,170,981)**	(1,062,518)
Gross profit		**705,069**	582,925
Other income and gains	3	**8,681**	9,166
Selling and distribution expenses		**(32,047)**	(36,405)
Administrative expenses		**(117,259)**	(130,048)
Other expenses		**(8,338)**	(17,323)
Finance costs	4	**(60,296)**	(35,595)
Share of profits/(losses) of:			
A joint venture		**–**	(191)
Associates		**715**	9,608
PROFIT BEFORE TAX	5	**496,525**	382,137
Income tax expense	6	**(107,022)**	(96,274)
PROFIT FOR THE PERIOD		**389,503**	285,863
OTHER COMPREHENSIVE INCOME FOR THE PERIOD			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**(65)**	50
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**389,438**	285,913
Profit attributable to:			
Owners of the Company		**397,656**	288,881
Non-controlling interests		**(8,153)**	(3,018)
		389,503	285,863
Total comprehensive income attributable to:			
Owners of the Company		**397,591**	288,931
Non-controlling interests		**(8,153)**	(3,018)
		389,438	285,913
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic	7	**RMB19.28 cents**	RMB13.90 cents
Diluted	7	**RMB19.04 cents**	RMB13.84 cents

Interim Condensed Consolidated Statement of Financial Position (continued)

28 February 2025

	Notes	**28 February 2025 RMB'000 (Unaudited)**	31 August 2024 RMB'000
NON-CURRENT LIABILITIES			
Lease liabilities	9	**474,268**	459,468
Deferred tax liabilities		**66,756**	64,945
Deferred income		**215,380**	

Interim Condensed Consolidated Statement of Changes in Equity

For the Six Months Ended 28 February 2025

	Attributable to owners of the Company													
	Issued capital RMB'000 (note 16)	Treasury shares RMB'000	Share premium RMB'000 (note 17)	Shares repurchased for the share award scheme RMB'000 (note 17)	Share award scheme reserve RMB'000 (note 17)	Share option scheme reserve RMB'000 (note 17)	Capital reserve RMB'000	Difference arising from acquisition of non-controlling interests RMB'000	Statutory surplus reserves RMB'000	Exchange fluctuation reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
As at 31 August 2024	179,763	(1,330)	989,166	(82,153)	13,188	61,252	548,971	(1,122)	126,416	(263)	638,886	2,472,774	262	2,473,036
Profit for the period	–	–	–	–	–	–	–	–	–	–	397,656	397,656	(8,153)	389,503
Other comprehensive income for the period:														
Exchange differences on translation of foreign operations	–	–	–	–	–	–	–	–	–	(65)	–	(65)	–	(65)
Total comprehensive income for the period	–	–	–	–	–	–	–	–	–	(65)	397,656	397,591	(8,153)	389,438
Capital contribution from non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	–	–	610	610
Vested shares under the share award scheme	–	–	2,968	2,466	(3,182)	–	–	–	–	–	–	2,252	–	2,252
Equity-settled share award scheme expenses	–	–	–	–	1,290	–	–	–	–	–	–	1,290	–	1,290
Equity-settled share option expenses	–	–	–	–	–	10,200	–	–	–	–	–	10,200	–	10,200
Offsetting with dividends	–	–	–	2,156	–	–	–	–	–	–	–	2,156	–	2,156
Shares repurchased	–	(29,812)	–	–	–	–	–	–	–	–	–	(29,812)	–	(29,812)
Cancellation of issued capital	(831)	31,142		–	–	–	–			–				10,200

Interim Condensed Consolidated Statement of Changes in Equity (continued)

Interim Condensed Consolidated Statement of Cash Flows

For the Six Months Ended 28 February 2025

	Notes	**For the six months ended 28 February 2025 RMB'000 (Unaudited)**	For the six months ended 29 February 2024 RMB'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**496,525**	382,137
Adjustments for:			
Depreciation of property, plant and equipment	8	**94,919**	79,865
Depreciation of right-of-use assets	9	**47,429**	41,189
Amortisation of other intangible assets		**3,373**	4,684
Share of profits of a joint venture and associates		**(715)**	(9,417)
Gain on disposal of financial assets at fair value through profit or loss	3	**–**	(754)
Fair value gains on financial assets at fair value through profit or loss		**–**	(4)
Unrealised foreign exchange losses/(gains), net		**242**	(6,031)
Equity-settled share award scheme expenses	5	**1,290**	1,712
Equity-settled share option scheme expenses	5	**10,200**	28,140
Bank interest income	3	**(2,454)**	(4,500)
Deferred income released to profit or loss		**(83,085)**	(66,439)
Finance costs	4	**60,296**	35,595
Loss on disposal of items of property, plant and equipment, net	5	**913**	–
		628,933	486,177
Decrease in inventories		**8,121**	10,588
Increase in trade receivables		**(21,222)**	(4,859)
Decrease/(increase) in prepayments, deposits and other receivables		**(23,535)**	968
Increase in amounts due from related parties		**(192)**	–
Increase in trade payables		**43,289**	14,572
Decrease in contract liabilities		**(497,099)**	(444,435)
Receipt of deferred income		**98,857**	27,034
Decrease in other payables and accruals		**(118,276)**	(101,684)
Cash generated from/(used in) operations		**118,876**	(11,639)
Income tax paid		**(66,030)**	(63,165)
Net cash flows from/(used in) operating activities		**52,846**	(74,804)

Interim Condensed Consolidated Statement of Cash Flows (continued)

For the Six Months Ended 28 February 2025

	For the six months ended 28 February 2025 RMB'000 (Unaudited)	For the six months ended 29 February 2024 RMB'000 (Unaudited)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(904,032)**	(915,946)
Effect of foreign exchange rate changes, net	**(307)**	6,081
Cash and cash equivalents at beginning of period	**1,349,016**	1,432,369
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**444,677**	522,504

Notes to Interim Condensed Financial Information

28 February 2025

1 BASIS OF PREPARATION

The interim condensed financial information for the six months ended 28 February 2025 (the "Period") has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*. The interim condensed financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 August 2024.

On 14 May 2021, the 2021 Implementation Regulations for Private Education Laws (the "2021 Implementation Regulations") were promulgated by the PRC State Council, and the aforesaid contractual agreements of private schools providing compulsory education (the "Affected Business") were no longer enforceable from 1 September 2021. The directors conclude that, the Group legally owned the Affected Business through the affiliated entities of the Group as a result of the contractual agreements, but ceased to have control over them from 31 August 2021 due to the 2021 Implementation Regulations. During the Period, no changes were made to the aforementioned situation.

Going concern

As at 28 February 2025, the Group recorded net current liabilities of approximately RMB2,433,968,000 (31 August 2024: RMB2,438,389,000). Included in the current liabilities as at 28 February 2025 were contract liabilities and deferred income of RMB974,723,000 (31 August 2024: RMB1,346,460,000) and RMB313,905,000 (31 August 2024: RMB271,122,000), respectively. As at 28 February 2025, the Group had cash and cash equivalents of RMB454,385,000 (31 August 2024: RMB1,358,388,000).

In view of the net current liability position, 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 a going concern after considering the following:

(a) Based on the arrangements signed with the licensed banks in Mainland China, the Group has total unutilised banking facilities of RMB1,761,775,000 (31 August 2024: RMB844,000,000), among which RMB880,000,000 will expire on 17 September 2025. In the opinion of the directors, there are no major obstacles for the Group to renew these banking facilities for an additional two years upon expiration. Additionally, the remaining unutilised banking facilities of RMB881,775,000 are available for drawdown within the next four years from 28 February 2025; and

(b) The directors of the Company have reviewed the Group's cash flow forecast prepared by management, which covered a period of not less than twelve months from 28 February 2025. In the opinion of the directors of the Company, the Group will have sufficient working capital to meet its financial obligation as and when they fall due and carry on its business without a significant curtailment of operations of not less than twelve months from 28 February 2025.

Having considered the above unutilised bank facilities and cash flows from the Group's operations, the directors are of the opinion that the Group is able to meet in full its financial obligations as they fall due for the foreseeable future, and it is appropriate to prepare the interim condensed financial information for the Period on a going concern basis.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of this interim condensed financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 August 2024, except for the adoption of the following revised IFRS Accounting standards for the first time for the current period's financial information.

Amendments to IFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to IAS 1	*Classification of Liabilities as Current or Non-current* (the "2020 Amendments")
Amendments to IAS 1	*Non-current Liabilities with Covenants* (the "2022 Amendments")
Amendments to IAS 7 and IFRS 7	*Supplier Finance Arrangements*

The nature and impact of the revised IFRS Accounting standards are described below:

(a) Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of IFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

(b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 September 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure of relevant information for supplier finance arrangements is not required for any interim reporting period during the first annual reporting period in which an entity applies the amendments. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the interim condensed consolidated financial information.

3. REVENUE, OTHER INCOME AND GAINS (continued)

An analysis of other income and gains is as follows:

	For the six months ended 28 February 2025 RMB'000 (Unaudited)	For the six months ended 29 February 2024 RMB'000 (Unaudited)
Other income		
Government grants	**4,406**	2,077
Bank interest income	**2,454**	4,500
Rental income	**31**	457
Others	**1,790**	1,374
Total other income	**8,681**	8,408
Gains		
Gain on disposal of financial assets at fair value through profit or loss	**–**	754
Fair value gains on financial assets at fair value through profit or loss	**–**	4
Total gains	**–**	758
Total	**8,681**	9,166

4. FINANCE COSTS

An analysis of the Group's finance costs is as follows:

	For the six months ended 28 February 2025 RMB'000 (Unaudited)	For the six months ended 29 February 2024 RMB'000 (Unaudited)
Interest on bank and other borrowings	**47,192**	46,650
Interest on lease liabilities (note 9)	**12,765**	9,759
	59,957	56,409
Less: Interest capitalised	**–**	(20,814)
Subtotal	**59,957**	35,595
Other finance costs:		
Unwinding of discounted amounts of non-current liabilities	**339**	–
Total	**60,296**	35,595
Interest rates of borrowings costs capitalised (%)	**N/A**	4.20-6.95

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

The calculations of basic and diluted earnings per share attributable to ordinary equity holders of the Company are based on the following data:

	For the six months ended 28 February 2025 RMB'000 (Unaudited)	For the six months ended 29 February 2024 RMB'000 (Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the Company, used in the basic and diluted earnings per share calculations	**397,656**	288,881

	Number of shares ('000)	
	For the six months ended 28 February 2025	For the six months ended 29 February 2024
Shares		
Weighted average number of ordinary shares in issue	**2,113,711**	2,154,000
Effect of the weighted average number of ordinary shares:		
Repurchased under the share award scheme	**(56,548)**	(56,548)
Treasury shares repurchased for cancellation	**–**	(22,882)
Weighted average number of vested ordinary shares granted under the share award plan	**5,448**	4,313
Adjusted weighted average number of ordinary shares used in the basic earnings per share calculation	**2,062,611**	2,078,883
Effect of dilution – weighted average number of ordinary shares:		
Share award scheme	**2,984**	816
Share options	**22,933**	7,162
Adjusted weighted average number of ordinary shares used in the diluted earnings per share calculation	**2,088,528**	2,086,861

8. PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment during the Period are as follows:

	RMB'000
Carrying amount as at 1 S.4aember 2024	**4,969,301**
Additions	**32,523**
Disposals	**(1,109)**
Depreciation charged for the Period	**(94,919)**
Carrying amount as at 28 February 2025 (unaudited)	**4,905,796**

Notes:

(a) As at 28 February 2025, the Group was in the customary process of obtaining the relevant property ownership certificates for certain buildings with a net carrying amount of approximately RMB707,662,000 (31 August 2024: RMB867,580,000). The Group's buildings can only be sold, transferred or mortgaged when the relevant certificates have been obtained.

(b) No interest expense was capitalised into property, plant and equipment during the Period (six months ended 29 February 2024: RMB20,814,000).

9. LEASES

The carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the Period are as follows:

	Right-of-use assets			
	Leasehold land RMB'000 (Unaudited)	Buildings and other premises RMB'000 (Unaudited)	Total RMB'000 (Unaudited)	Lease liabilities RMB'000 (Unaudited)
As at 1 S.4aember 2024	**1,989,730**	**458,965**		
		Additions		
As at 28 February 2024				

10. GOODWILL

Reconciliation of the carrying amount of the Group's goodwill at the beginning and end of the Period is presented below:

	RMB'000
At 1 September 2024 and 28 February 2025	**106,465**

IAS 36 requires an entity to perform impairment tests on goodwill on an annual basis. Management did not identify any significant adverse changes in the operating results and macro environment during the Period. Accordingly, the Company's management did not perform impairment tests on goodwill as at 28 February 2025.

11. TRADE RECEIVABLES

An ageing analysis of trade receivables as at the end of the Period, based on the transaction date, is as follows:

	28 February 2025 RMB'000 (Unaudited)	31 August 2024 RMB'000
Within 3 months	**36,327**	11,967
Over 3 months	**3,257**	6,395
Total	**39,584**	18,362

Trade receivables as at the end of the Period were not individually nor collectively considered to be impaired. None of the above trade receivables was either past due or impaired.

12. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	28 February 2025 RMB'000 (Unaudited)	31 August 2024 RMB'000
Current portion:		
Security deposits	**19,510**	18,774
Prepayments	**56,181**	33,052
Advances to staff	**29,460**	33,380
Loans to third parties	**15,394**	15,394
Deductible input value-added tax and prepaid income tax	**12,771**	17,544
Other receivables	**17,095**	10,415
Subtotal	**150,411**	128,559
Non-current portion:		
Prepayments for property, plant and equipment	**3,875**	3,573
Deductible input value-added tax	**56,331**	58,762
Prepayments for the acquisition of land use rights	**88,366**	–
Subtotal	**148,572**	62,335
Total	**298,983**	190,894

13. TRADE PAYABLES

An ageing analysis of trade payables as at the end of the Period, based on the invoice date, is as follows:

	28 February 2025 RMB'000 (Unaudited)	31 August 2024 RMB'000
Within 3 months	**48,938**	52,918
3 to 6 months	**26,576**	821
Over 6 months	**10,293**	2,888
Total	**85,807**	56,627

14. CONTRACT LIABILITIES

	28 February 2025 RMB'000 (Unaudited)	31 August 2024 RMB'000
Advances received from customers		
Comprehensive educational services	**724,117**	1,020,897
Comprehensive logistical services	**208,930**	227,492
Sale of products	**20,204**	42,648
Others	**21,472**	55,423
Total	**974,723**	1,346,460

15. INTEREST-BEARING BANK AND OTHER BORROWINGS

	Notes	28 February 2025 Effective interest rate (%)	Maturity	RMB'000 (Unaudited)	31 August 2024 Effective interest rate (%)	Maturity	RMB'000
Current							
Bank loans – secured	(a)	**3.50-5.40**	**2025**	**100,000**	4.00-6.15	2024-2025	190,000
Bank loans – unsecured		**3.95**	**2025**	**24,000**	–	–	–
Current portion of long-term bank loans – secured	(a)	**3.95-7.00**	**2025-2026**	**554,025**	4.20-7.00	2024-2025	476,545
Current portion of long-term bank loans – unsecured		**3.30-4.50**	**2025-2026**	**12,410**	4.85	2024-2025	25,750
Current portion of long-term other borrowing – secured	(a), (b)	**6.10**	**2025-2026**	**50,170**	6.10	2024-2025	48,648
Total – current				**740,605**			740,943
Non-current							
Bank loans – secured	(a)	**3.60-7.00**	**2026-2030**	**804,280**	4.20-7.00	2025-2030	1,017,845
Bank loans – unsecured		**3.30-4.50**	**2026-2032**	**484,840**	4.85	2025-2027	268,750
Other borrowing – secured	(a), (b)	**–**	**–**	**–**	6.10	2025-2026	25,457
Total – non-current				**1,289,120**			1,312,052
Total				**2,029,725**			2,052,995

16. SHARE CAPITAL

Shares

	28 February 2025 HK$'000 (Unaudited)	31 August 2024 HK$'000
Authorised:		
10,000,000,000 ordinary shares of HK$0.1 each	**1,000,000**	1,000,000
Issued and fully paid:		
2,105,880,000 (31 August 2024: 2,115,654,000) ordinary shares of HK$0.1 each	**210,588**	211,565
Equivalent to approximately (in RMB'000)	**178,932**	179,763

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	Issued capital equivalent to approximately HK$'000	RMB'000
At 1 September 2024	2,115,654,000	211,565	179,763
Cancellation of issued capital	(9,774,000)	(977)	(831)
At 28 February 2025	**2,105,880,000**	**210,588**	**178,932**

17. SHARE-BASED PAYMENT

(a) Restricted share award scheme

The following awarded shares were outstanding under the restricted share award scheme at the end of the Period:

	Number of shares repurchased for the scheme	Number of awarded shares
At 1 September 2024	52,235,300	7,354,200
Vested during the Period	(1,134,700)	(1,134,700)
At 28 February 2025	**51,100,600**	**6,219,500**

During the Period, 1,134,700 shares were vested under the restricted share award scheme. The purchase costs and the related share-based payment expenses charged of the granted shares vested were reversed from the related share award scheme reserve. The difference of RMB2,968,000 arising from this transfer was credited to share premium.

During the Period, the total share award scheme expenses of RMB1,290,000 were charged to profit or loss (six months ended 29 February 2024: RMB1,712,000).

(b) Share Option Scheme

On 24 October 2024, the Group granted a total of 9,400,000 equity-settled share options (the "October 2024 Share Option Scheme") to the eligible participants, under the Share Option Scheme at a nominal consideration of HK$0.1 in total by each of the grantee. The exercise price of the share options was fixed at HK$4.72 per share.

During the Period, no share options under the Share Option Scheme were exercised and 4,100,000 share options under the Share Option Scheme lapsed. The exercise prices and exercise periods of the share options outstanding as at the end of the Period are as follows:

	Number of share options	Exercise price per share HK$	Fair value per option HK$	Exercise period
March 2023 Share Option Scheme	25,400,000	2.48	1.59	10 March 2023 to 10 March 2033
April 2023 Share Option Scheme	30,000,000	2.48	1.47	26 April 2023 to 10 March 2033
October 2024 Share Option Scheme	9,400,000	4.72	3.12	24 October 2024 to 24 October 2034
Total	64,800,000			

17. SHARE-BASED PAYMENT (continued)

(b) Share Option Scheme (continued)

The fair value of the share options of the March 2023 Share Option Scheme was RMB35,911,000 (HK$1.5933 each), of which the Group reversed a share option expense of RMB704,000 (six months ended 29 February 2024: recognised a share option expense of RMB14,174,000) due to the lapsed shares during the Period.

The fair value of the share options of the April 2023 Share Option Scheme was RMB38,784,000 (HK$1.4657 each), of which the Group recognised a share option expense of RMB5,087,000 (six months ended 29 February 2024: RMB13,966,000) during the Period.

The fair value of the share options of the October 2024 Share Option Scheme was RMB26,934,000 (HK$3.1228 each), of which the Group recognised a share option expense of RMB5,817,000 (six months ended 29 February 2024: Nil) during the Period.

The fair value of equity-settled share options granted during the Period was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

	October 2024 Share Option Scheme
Dividend yield	1.57%
Expected volatility	94.30%
Risk-free interest rate	3.21%
Expected life of options (year)	10
Weighted average share price (HK$ per share)	3.1228

The expected life of the options is based on the historical data over the past three years and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

18. DIVIDEND

At the meeting of the board of directors held on 29 April 2025, the board of directors resolved to pay an interim dividend of RMB5.78 cents per share for the Period (six months ended 29 February 2024: RMB4.17 cents). The total interim dividend was RMB121,725,000 (six months ended 29 February 2024: RMB88,237,000).

19. COMMITMENTS

The Group had the following contractual commitments as at the end of the Period:

	28 February 2025

20. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(c) Transactions with related parties

(1) Construction of property, plant and equipment

	For the six months ended 28 February 2025 RMB'000 (Unaudited)	For the six months ended 29 February 2024 RMB'000 (Unaudited)
Nanyuan Construction	**7,306**	122,843

The considerations for the construction of property, plant and equipment were determined at prices of actual costs plus a premium in the range of 9% to 11% of the actual costs, depending on the prevailing market circumstances.

(2) Provision of management services and sale of products

	For the six months ended 28 February 2025 RMB'000 (Unaudited)	For the six months ended 29 February 2024 RMB'000 (Unaudited)
Shanghai Yaqiao	**252**	–
Luzhou TianZhan	**179**	–
Total	**431**	–

The considerations for the management services and sale of products to related parties were determined based on prices similarly available to the Group's third-party customers.

(3) Purchase obligations of non-controlling interests in a subsidiary

	For the six months ended 28 February 2025 RMB'000 (Unaudited)	For the six months ended 29 February 2024 RMB'000 (Unaudited)
Shanghai Yaqiao	**–**	14,915

20. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(c) Transactions with related parties (continued)

(4) Advances given and repayment of advances given

	For the six months ended 28 February 2025 RMB'000 (Unaudited)	For the six months ended 29 February 2024 RMB'000 (Unaudited)
Advances given to:		
Affected Business	**80,182**	65,939
Repayment of advances given:		
Affected Business	**46,765**	42,598

(5) Advances received and repayment of advances received

	For the six months ended 28 February 2025 RMB'000 (Unaudited)	For the six months ended 29 February 2024 RMB'000 (Unaudited)
Advances received from:		
Chengdu Shenzhou Tianli	**–**	23,000

20. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(c) Transactions with related parties (continued)

(6) Other transactions with related parties

The Group provides financial guarantees for the Affected Business. The principal terms of the guarantees are set out as follows:

			Guaranteed amount	
Borrower	**Lender and beneficiary of the guarantee**	**Guarantor**	**28 February 2025 RMB'000**	31 August 2024 RMB'000

20. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(d) Compensation of key management personnel of the Group

	For the six months ended 28 February 2025 RMB'000 (Unaudited)	For the six months ended 29 February 2024 RMB'000 (Unaudited)
Salaries, allowances and benefits in kind	**1,440**	1,406
Equity-settled share award scheme expenses	**6,312**	17,166
Pension scheme contributions	**35**	34
Total	**7,787**	18,606

21. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	28 February 2025 RMB'000 (Unaudited)	31 August 2024 RMB'000	**28 February 2025 RMB'000 (Unaudited)**	31 August 2024 RMB'000
Financial liabilities				
Interest-bearing bank and other borrowings, non-current	**1,289,120**	1,312,052	**1,289,120**	1,312,052
Amounts due to related parties – non-current	**737,762**	987,777	**705,115**	955,759
Total	**2,026,882**	2,299,829	**1,994,235**	2,267,811

Management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, amounts due from related parties, and the current portion of amounts due to related parties and interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short-term maturities of these instruments.

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 fair values of the non-current portion of amounts due to related parties and interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in the Group's own non-performance risk for amounts due to related parties and interest-bearing bank and other borrowings as at 28 February 2025 were assessed to be insignificant.

21. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

Liabilities for which fair values are disclosed:

28 February 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Interest-bearing bank and other borrowings, non-current	–	1,289,120	–	1,289,120
Amounts due to related parties – non-current	–	705,115	–	705,115

Definitions

In this report, the following expressions have the meanings set out below unless the context requires otherwise:

"Audit Committee"	a committee of the Board established by the Board for the purpose of overseeing the accounting and financial reporting processes of the Company and audits of the financial statements of the Company
"Board"	the board of Directors of the Company
"CG Code"	Corporate Governance Code as set out in part 2 of Appendix C1 to the Listing Rules
"Company"	Tianli International Holdings Limited (天立國際控股有限公司), a company incorporated in the Cayman Islands with limited liability on 24 January 2017, the Shares of which are listed on the Main Board of the Stock Exchange
"Director(s)"	the director(s) of the Company
"Gaokao"	the National Higher Education Entrance Examination (普通高等學校招生全國統一考試)
"Group", "we", "us" or "our"	the Company, its subsidiaries and entities under the Company's control through contractual arrangements in the PRC
"IPO"	initial public offering
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
"Nomination Committee"	a committee of the Board established by the Board to assist, identify, screen and recommend to the Board appropriate candidates to serve as Directors of the Company, to oversee the process for evaluating the performance of the Board and to develop, recommend to the Board and monitor nomination guidelines for the Company
"PRC"	the People's Republic of China which, for the purpose of this report, excludes the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Pre-IPO Restricted Share Award Scheme"	the pre-IPO restricted share award scheme for the award of Shares to eligible participants, adopted by the Company on 26 January 2018, the principal terms of which are set out in the section headed "Statutory and General Information – D. Restricted Share Award Scheme" in Appendix V to the Prospectus
"Prospectus"	the prospectus of the Company dated 28 June 2018 issued by the Company in relation to the listing of its Shares on the Main Board of the Stock Exchange
"Reporting Period"	the period for the six months ended 28 February 2025
"Restricted Share Award Scheme"	the restricted share award scheme for the award of Shares to eligible participant, adopted by the Company on 17 December 2018, pursuant to the announcement made by the Company on 17 December 2018
"RMB"	Renminbi yuan, the lawful currency of the PRC

"Selected Participants"	eligible persons selected by the Board or authorized administrators to be granted the share awards under the Restricted Share Award Scheme at its sole discretion
"Share(s)"	ordinary share(s) in the capital of the Company with nominal value of HKD0.1 each
"Share Option Scheme"	the share option scheme of our Company, adopted pursuant to a resolution of our Shareholders on 24 June 2018, the principal terms of which are summarized in the section headed "Statutory and General Information – E. Share Option Scheme" in Appendix V to the Prospectus
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Structured Contracts"	collectively, the Exclusive Business Cooperation Agreement, the Exclusive Call Option Agreement, the School Sponsors' and Directors' Rights Entrustment Agreement, the School Sponsors' Powers of Attorney, the Directors' Powers of Attorney, the Shareholders' Rights Entrustment Agreement, the Shareholders' Powers of Attorney, the Spouse Undertakings, the Equity Pledge Agreements, and the Loan Agreement, and any subsequent amendments and supplements to such agreements, further details of which are set out in "Structured Contracts" in the Prospectus
"Tianli Education"	Shenzhou Tianli Education Investment Co., Ltd. (神州天立教育投資有限責任公司), a limited liability company established in the PRC on 19 April 2013 and our principal operating subsidiary, it was formerly known as Sichuan Shenzhou Tianli Education Investment Co., Ltd. (四川神州天立教育投資有限公司)
"Trustee"	THE CORE TRUST COMPANY LIMITED (匯聚信託有限公司) (which is independent of and not