

民生教育集团有限公司

Minsheng Education Group Company Limited

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 1569

Interim Report

2020 中期報告



 民生在线大学
MINSHENG ONLINE UNIVERSITY



明世教育集团&民生教育集团01569.HK

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CORPORATE INFORMATION

公司資料

BOARD (THE “BOARD”) OF DIRECTORS (“DIRECTORS”)

Executive Directors

Mr. Li Xuechun (*Chairman of the Board*)
Ms. Zhang Weiping (*Vice-chairperson of the Board*)
Mr. Zuo Yichen
Mr. Lam Ngai Lung

Non-executive Directors

Mr. Lin Kaihua
Ms. Li Yanping

Independent Non-executive Directors

Mr. Chan Ngai Sang, Kenny
Mr. Yu Huangcheng
Mr. Wang Wei Hung, Andrew

AUDIT COMMITTEE

Mr. Chan Ngai Sang, Kenny (*Chairman*)
Mr. Yu Huangcheng
Mr. Wang Wei Hung, Andrew

REMUNERATION COMMITTEE

Mr. Wang Wei Hung, Andrew (*Chairman*)
Mr. Li Xuechun
Mr. Yu Huangcheng

NOMINATION COMMITTEE

Mr. Li Xuechun (*Chairman*)
Mr. Chan Ngai Sang, Kenny
Mr. Yu Huangcheng

AUTHORISED REPRESENTATIVES

Mr. Lam Ngai Lung
Mr. Zuo Yichen

COMPANY SECRETARY

Ms. Ng Wing Shan, *FCIS, FCS*

董事(「董事」)會(「董事會」)

執行董事

李學春先生(董事會主席)
張衛平女士(董事會副主席)
左燭晨先生
林毅龍先生

非執行董事

林開樺先生
李雁平女士

獨立非執行董事

陳毅生先生
余黃成先生
王惟鴻先生

審核委員會

陳毅生先生(主席)
余黃成先生
王惟鴻先生

薪酬委員會

王惟鴻先生(主席)
李學春先生
余黃成先生

提名委員會

李學春先生(主席)
陳毅生先生
余黃成先生

授權代表

林毅龍先生
左燭晨先生

公司秘書

吳詠珊女士, *FCIS, FCS*

LEGAL ADVISOR**As to Hong Kong law:**

Luk & Partners
In Association with Morgan, Lewis & Bockius

AUDITOR

Ernst & Young
Certified Public Accountants

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA (THE "PRC")

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Beijing, the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Admiralty
Hong Kong

CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

法律顧問**有關香港法律：**

陸繼鏘律師事務所
與摩根路易斯律師事務所聯營

核數師

安永會計師事務所
執業會計師

註冊辦事處

Cricket Square, Hutchins Drive
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Cayman Islands

總部及中華人民共和國(「中國」)主要營業地點

中國北京市
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東三環中路9號
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Cayman Islands

CORPORATE INFORMATION (Continued)

公司資料(續)

HONG KONG SHARE REGISTRAR

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

PRINCIPAL BANKER

Industrial and Commercial Bank of China
Chongqing Heyang Branch

STOCK CODE

1569

COMPANY WEBSITE

www.minshengedu.com

香港證券登記處

香港中央證券登記有限公司
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主要往來銀行

中國工商銀行重慶合陽支行

股份代號

1569

公司網頁

www.minshengedu.com

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

Minsheng Education Group Company Limited (the “**Company**”), together with its subsidiaries (collectively refer to as the “**Group**” or “**we**”) is the leading private ordinary higher education and vocational education operator in the PRC. Based on the total number of students, the Company is one of the largest private ordinary higher education and vocational education groups in the PRC. Since its establishment, the Group has been dedicated to the development of on-campus education with focus on higher education. In 2019, in response with the development trend of “Internet+education” and empowerment of education with intelligent technology, the Group became the first to develop online education on top of the fundamentals of the Group’s on-campus education, so as to achieve a coordinated development of on-campus education and online education.

The Group mainly focuses on providing high-quality ordinary higher education and vocational education in the PRC, and is committed to nurturing high-end application-oriented and innovative talents in order to cope with the market demand. The Group has positioned its development in the future as one with parallel development of ordinary higher education and vocational education as well as coordinated development of on-campus education and online education, among which, the on-campus education mainly provides undergraduate education, and the online education focuses on ordinary higher education and vocational education.

As of 30 June 2020, the total number of on-campus students and online education students under an entrusted management arrangement of the Group amounted to 212,645, of which (i) 84,821 were on-campus students with 52,531 being undergraduate students (representing approximately 61.9% of the number of on-campus students); and (ii) 127,824 were online education platform students managed by the Group under an entrusted management arrangement with 113,084 being undergraduate and junior college students.

業務回顧

民生教育集团有限公司(「**本公司**」)，連同其附屬公司(統稱「**本集團**」或「**我們**」)乃中國領先的民辦普通高等教育及職業教育運營商，按學生總人數計算為中國最大的民辦普通高等教育及職業教育集團之一。本集團自成立以來一直致力發展校園教育，並以高等教育為發展核心，為順應「互聯網+教育」和智能科技賦能教育的趨勢，於2019年，本集團率先在校園教育發展的基礎上全面佈局在線教育，推進校園教育和在線教育協同發展。

本集團主要專注於在中國提供優質的普通高等教育和職業教育，致力於培養高端應用型、創新型人才，以適應市場需求。未來發展定位為普通高等教育和職業教育雙輪驅動、校園教育和在線教育協同發展，校園教育以本科為主，在線教育圍繞普通高等教育和職業教育發展。

截至2020年6月30日，本集團校園教育和在委託管理安排下的在線教育的學生總人數達到212,645人，其中，(i)校園教育在校學生總人數為84,821名(其中本科學生為52,531名，佔比約61.9%)；及(ii)本集團託管的在線教育平台學生人數為127,824名(其中，本專科學生為113,084名)。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

On-campus education

The Group currently operates and/or manages 10 schools in Chongqing, Yunnan Province, Shandong Province and Inner Mongolia Autonomous Region, which include:

- (i) **Seven higher education schools** – Chongqing College of Humanities, Science and Technology, Dianchi College of Yunnan University, Pass College of Chongqing Technology and Business University, Chongqing Vocational College of Applied Technology, Chongqing Electronic Information College, Inner Mongolia Fengzhou Vocational College (Qingcheng Branch), and Qufu Fareast Vocational and Technical College operated under an entrusted management;
- (ii) **Two secondary vocational schools** – Laoling Minsheng Secondary Vocational School and Laoling Secondary Vocational and Technical School operated under an entrusted management; and
- (iii) **One high school** – Laoling Minsheng Education High School* (樂陵民生教育高級中學).

For details, please refer to the sub-section of “On-campus education of the Group”.

Online education

In October 2019, the Group commenced the entrusted management of Guangdong Mingshi Online Education Technology Co., Ltd* (廣東明世在線教育科技有限公司) (“**Mingshi Online**”) and Guangdong Minsheng Online Education Technology Co., Ltd* (廣東民生在線教育科技有限公司) (“**Minsheng Online**”) (together referred to as the “**Guangdong Online Education Entities**”).

校園教育

本集團現時營辦及／或管理重慶市、雲南省、山東省及內蒙古自治區的10所學校。包括：

- (i) **高等學校7所**－重慶人文科技學院、雲南大學滇池學院、重慶工商大學派斯學院、重慶應用技術職業學院、重慶電信職業學院、內蒙古豐州職業學院(青城分院)及託管運營的曲阜遠東職業技術學院；
- (ii) **中職學校2所**－樂陵民生職業中等專業學校及託管運營的樂陵市職業中等專業學校；及
- (iii) **高中學校1所**－樂陵民生教育高級中學。

有關詳情，請參閱「本集團的校園教育」分節。

在線教育

於2019年10月，本集團開始對廣東明世在線教育科技有限公司(「明世在線」)及廣東民生在線教育科技有限公司(「民生在線」)(統稱為「廣東在線教育主體」)進行委託管理。

In March 2020, the Group acquired 100% of the issued share capital of TCL Educational Web Limited* (TCL教育網有限公司) (“**TCL Educational Web**”), which indirectly holds 50% of the equity interests in Beijing Open Distance Education Centre Company Limited* (北京奧鵬遠程教育中心有限公司) (“**Open Distance Education**”) through Open University Online Long Distance Learning Education Technology Company Limited* (電大在線遠程教育技術有限公司) (“**Open University Online**”) and holds 80% of the equity interests in Silk Road (Beijing) International Educational Technology Centre Company Limited* (絲綢之路(北京)國際教育科技中心有限公司) (“**Silk Road**”) through Shenzhen TCL Education Technology Company Limited* (深圳TCL教育科技有限責任公司) (“**Shenzhen TCL**”). The financial results of TCL Educational Web were consolidated to those of the Group on 30 March 2020.

For details, please refer to the sub-section of “Online education of the Group” below.

DEVELOPMENT OF MAJOR BUSINESS DURING THE REPORTING PERIOD

1. The Group has achieved significant progress in online education business development. In March 2020, the Group acquired 100% of the issued share capital of TCL Educational Web which indirectly holds 50% of equity interest in Open Distance Education through Open University Online and holds 80% of the equity interests in Silk Road through Shenzhen TCL. As of 30 June 2020, (i) as the largest distance education public service system platform in PRC, Open Distance Education cooperated with 39 national-wide prestigious universities and provided more than 500 undergraduate and junior college majors to approximately 974,000 enrolled students; (ii) IMOOC (慕課網) provided over 3,000 courses, with cumulative users of about over 19 million including approximately 7.857 million registered users; (iii) Open Distance Education had trained approximately 762,000 teachers during the six months ended 30 June 2020 (the “**Reporting Period**”).

For details, please refer to the sub-section of “Online education of the Group” below.

於2020年3月，本集團收購TCL教育網有限公司(「**TCL教育網**」) 100%的已發行股本，從而通過電大在線遠程教育技術有限公司(「**電大在線**」)間接持有北京奧鵬遠程教育中心有限公司(「**奧鵬教育**」) 50%的股權及通過深圳TCL教育科技有限責任公司(「**深圳TCL**」)持有絲綢之路(北京)國際教育科技中心有限公司(「**絲綢之路**」) 80%股權。TCL教育網的財務業績已於2020年3月30日合併至本集團。

有關詳情，請參閱下文「本集團的在線教育」分節。

報告期間的主要業務進展

1. 在線教育業務佈局取得重大突破。本集團於2020年3月收購TCL教育網100%已發行股本，通過電大在線間接持有奧鵬教育50%的股權及通過深圳TCL持有絲綢之路80%的股權。截至2020年6月30日，(i)奧鵬教育是中國最大的遠程教育公共服務體系平台，與39所國內知名大學合作，提供500多種本專科專業，在籍學生共有約97.4萬人；(ii)慕課網提供3,000多門課程，累計用戶數約1,900餘萬，其中註冊用戶約785.7萬人；(iii)奧鵬教育於截至2020年6月30日止六個月(「**報告期間**」)共培訓約76.2萬名教師。

有關詳情，請參閱下文「本集團的在線教育」分節。

- 2. Intermediate achievements have been made for the conversion of independent colleges.** The Ministry of Education of the PRC issued the Implementation Plan on Promoting the Conversion of Independent Colleges in May 2020, which reiterates the conversion of independent colleges as the priority for the establishment of higher education institutions and the determination to promote the conversion of independent colleges. During the Reporting Period, the Group made steady progress in the conversion of the two independent colleges of the Group, namely Pass College of Chongqing Technology and Business University and Dianchi College of Yunnan University, and the conversion of Pass College of Chongqing Technology and Business University has been agreed by the People's Government of Chongqing and has been reported to the Ministry of Education of the PRC. The Group believes that the successful conversion of independent colleges will help improve its ability to increase student enrollment and tuition fees, raise the revenue of the colleges and further improve the quality of the colleges.
- 2. 獨立學院轉設工作取得階段性進展。**國家教育部於2020年5月發佈《關於加快推進獨立學院轉設工作的實施方案》，再次明確獨立學院轉設為高校設置工作的重中之重，推動獨立學院加速轉設。本集團兩所獨立學院，重慶工商大學派斯學院及雲南大學滇池學院的轉設工作於報告期間順利推進，重慶工商大學派斯學院轉設已獲得重慶市人民政府同意，已上報國家教育部。本集團相信，獨立學院轉設成功後，有利於擴大在校生規模和學費提升，提高學校收入水平，進一步提升學校辦學質量。
- 3. Student enrollment quota for the new school year has been growing steadily.** The Group's schools have received from the local education authorities the student enrollment quota for 2020/2021 school year which was 36,199 (excluding adult education programs), representing a year-on-year increase of 3,588, of which the undergraduate student enrollment quota was 18,698, representing a year-on-year increase of 1,710.
- 3. 新學年招生計劃穩步增長。**本集團學校2020/2021學年獲得當地教育主管部門批准的招生計劃達到36,199人(不包括成人教育課程)，同比增加3,588人。其中，本科招生計劃為18,698人，同比增加1,710人。

- 4. The Group made smooth progress towards its new campus construction projects.** The Group's schools have more new campus under construction to increase the capacity: (i) Yangzonghai new campus of Dianchi College of Yunnan University officially commenced construction in October 2019, which covers a planned area of approximately 860 mu (畝). The Phase I project has a gross floor area of approximately 200,000 sq.m., and can accommodate 12,500 students upon completion, and is expected to be put into use in 2022; (ii) new High-speed Railway Campus of Qufu Fareast Vocational and Technical College covers an area of approximately 463 mu and the Phase I project has a gross floor area of approximately 60,000 sq.m. which is expected to be put into use in 2020.
- 4. 新校區建設進展順利。**本集團學校進一步拓展新校區建設，以增加學校容量，(i)雲南大學滇池學院陽宗海校區已於2019年10月正式動工，新校區規劃和建設用地約860畝，一期建設約20萬平方米，建成後新增容量12,500名學生，預計在2022年投入使用；及(ii)曲阜遠東職業技術學院高鐵新校區佔地約463畝，一期建設約6萬平方米，預計在2020年內投入使用。
- 5. The financing channels have been continuously expanded and optimized.** During the Reporting Period, the Group proactively expanded diversified financing channels, with a view to provide regular and long-term financial support for the business development of the Company by obtaining low-cost funds through debt financing and equity financing. (i) In April 2020, the Group was granted a loan of RMB750 million from International Finance Corporation (a member of World Bank Group) at a relatively low financing costs in the market, with a term of 8 years and an interest rate of 1.5% above the International Finance Corporation RMB Fixed Rate per annum; (ii) in June 2020, the Group placed 200,000,000 shares at a price of HK\$1.22 per share by way of top-up placing, and the net proceeds raised were approximately HK\$239 million.
- 5. 融資渠道不斷拓展優化。**本集團在報告期間積極拓展多元化的融資渠道，通過債權融資和股權融資的方式獲得低成本資金，為業務發展提供長期、穩定的金融支持。(i)於2020年4月，本集團獲得世界銀行集團成員國際金融公司八年期7.5億元人民幣貸款，貸款利率為國際金融公司人民幣固定年利率加1.5%息差，融資成本處於市場較低水平；(ii)於2020年6月，本集團以先舊後新的方式按每股1.22港元的價格配售200,000,000股股份，募集所得款項淨額約為2.39億港元。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)
管理層討論及分析(續)

ON-CAMPUS EDUCATION OF THE GROUP

As at 30 June 2020, the Group operated and/or managed ten schools in the PRC which primarily offer higher education and vocational education. Set forth below are certain particulars of the ten schools of the Group:

本集團的校園教育

截至2020年6月30日，本集團在中國營辦及／或管理十所學校，主要提供高等教育及職業教育。下列刊載本集團旗下十所學校的若干詳細資料：

			2019/2020 School Year	
			2019/2020學年	
Name of Schools	Number of Majors	Number of Students	Tuition Fees Level (Note 1)	Boarding Fees Level (Note 1)
學校名稱	招生專業數量	學生人數	學費標準 (附註1)	住宿費標準 (附註1)
			RMB	RMB
			人民幣元	人民幣元
Undergraduate Schools				
本科學校				
Chongqing College of Humanities, Science and Technology	42 undergraduate majors	22,329	12,000-18,000	1,600-2,000
重慶人文科技學院	1 junior college major			
	42 種本科專業			
	1 種專科專業			
Dianchi College of Yunnan University	47 undergraduate majors	21,187	16,000-24,500	300-1,200
雲南大學滇池學院	47 種本科專業			
Pass College of Chongqing Technology and Business University	24 undergraduate majors	17,469 (Note 2)(附註2)	12,000-16,000 (Note 2)(附註2)	1,200-1,300
	3 junior college majors			
重慶工商大學派斯學院	24 種本科專業			
	3 種專科專業			
Higher Vocational Schools				
高職學校				
Chongqing Vocational College of Applied Technology	27	3,919	4,800-9,800	1,200
重慶應用技術職業學院				
Inner Mongolia Fengzhou Vocational College (Qingcheng Branch)	21	1,779	5,000-7,000	1,200
內蒙古豐州職業學院(青城分院)				
Chongqing Electronic Information College	28	5,272	5,000-12,000	1,200-1,400
重慶電信職業學院				
Qufu Fareast Vocational and Technical College (Note 3)	27	10,604	4,600-9,980	800-1,500
曲阜遠東職業技術學院(附註3)				
Secondary Vocational Schools/High School				
中職學校／高中學校				
Laoling Minsheng Secondary Vocational School	10	515	5,000	1,000
樂陵民生職業中等專業學校				
Laoling Secondary Vocational and Technical School (Note 4)	4	454	N/A	1,000
樂陵市職業中等專業學校(附註4)			不適用	
Laoling Minsheng Education High School	N/A	1,293	15,000	1,000
樂陵民生教育高級中學	不適用			
Total	234	84,821		
總計				

Notes:

- (1) The tuition fees and boarding fees of the above-mentioned ten schools apply only to newly enrolled students for relevant school years.
- (2) As of 30 June 2020, the number of students of adult education in Pass College of Chongqing Technology and Business University reached 6,190, whose tuition fee is RMB2,600-2,800 per year.
- (3) Since February 2019, Qufu Fareast Vocational and Technical College has been entrusted to Chongqing Yuecheng Zhiyuan Education Technology Co., Ltd.* (重慶悅誠智遠教育科技有限公司) for management.
- (4) Since September 2016, Laoling Secondary Vocational and Technical School has been entrusted to Laoling Minsheng Secondary Vocational School for management.

附註：

- (1) 上述十所學校的學費及住宿費僅適用於相關學年新入學的學生。
- (2) 截至2020年6月30日，重慶工商大學派斯學院有成人教育學生6,190人，其學費為人民幣2,600-2,800元／年。
- (3) 自2019年2月起，曲阜遠東職業技術學院已委託予重慶悅誠智遠教育科技有限公司管理。
- (4) 自2016年9月起，樂陵市職業中等專業學校已委託予樂陵民生職業中等專業學校管理。

Latest update in relation to the conversion of Pass College

Chongqing Technology and Business University (“**Technology and Business University**”), Chongqing Li’ang Industry Company Limited (“**Li’ang Industry**”) and Pass College of Chongqing Technology and Business University (“**Pass College**”) entered into an agreement (the “**Conversion Agreement**”) in relation to the termination of cooperative education and the conversion of Pass College into an independently established private general undergraduate college (the “**Conversion**”) on 27 May 2020.

Pursuant to the Conversion Agreement, the Technology and Business University, Li’ang Industry and Pass College unanimously agreed to apply for the conversion of Pass College into an independently established private general undergraduate college. After completion of the Conversion, the Technology and Business University and Li’ang Industry agreed to terminate the cooperation of sponsoring Pass College. Before obtaining the approval from the Ministry of Education (“**MOE**”) of the PRC in relation to the Conversion, Pass College shall pay an management fee per annum (2019-2020 academic year: approximately RMB14.2 million) to Technology and Business University in accordance with the Supplemental Agreement on Cooperation of Sponsoring Pass College of Chongqing Technology and Business University entered into between the Technology and Business University and Li’ang Industry in November 2006.

派斯學院轉設的最新進展

重慶工商大學(「工商大學」)、重慶利昂實業有限公司(「利昂實業」)及重慶工商大學派斯學院(「派斯學院」)於2020年5月27日就終止合作辦學及將派斯學院轉設為獨立設置民辦普通本科高等學校事宜(「轉設」)訂立協議(「轉設協議」)。

根據轉設協議，工商大學、利昂實業及派斯學院一致同意派斯學院申請轉設為獨立設置的民辦普通本科高等學校。轉設完成後，工商大學及利昂實業同意終止合作舉辦派斯學院。在國家教育部(「教育部」)批准轉設前，派斯學院需按照2006年11月由工商大學及利昂實業簽署的《關於合作舉辦重慶工商大學派斯學院補充協議》的約定，按年度支付工商大學管理費(2019至2020學年：約人民幣14.2百萬元)。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

Pass College shall be required to pay the relevant management fees for the period from the date of approval of the conversion application from Pass College by the MOE to the date on which the last session of students enrolled in the name of "Pass College of Chongqing Technology and Business University" leave school upon graduation, completion of school courses or dropping out of school which shall be calculated based on the actual number of students enrolled in the name of Pass College pursuant to the current determination mechanism of management fee, and the management fee not be lower than RMB 4 million per academic year during the transition period ("**Management Fee for Transition Period**"). In addition, Pass College agreed to pay an economic compensation of RMB4 million per academic year to the Technology and Business University for the school years from the date on which the last session of students enrolled in the name of Pass College leave school upon graduation, completion of school courses or dropping out of school to the expiry of 30 years (i.e. 30 June 2029) of cooperative education as originally agreed between the Technology and Business University and Li'ang Industry ("**Economic Compensation**").

Except for the Management Fee for Transition Period and the Economic Compensation, Li'ang Industry and Pass College shall have no obligation to pay any other fees to the Technology and Business University.

The Company are of the view that:

- (i) After the completion of Conversion, it will further release the student incremental potential, the enrollment scale and the total scale of students will be greatly enhanced, and the tuition fee will be greatly increased through high-quality teaching, and the income level will be enhanced; and
- (ii) After the completion of Conversion, it will help enrich the level of schooling, add high-end and high quality higher vocational education that the market urgently needs, explore the development of professional master's programs, develop graduate education, and build its core competitiveness and high quality school brand.

在派斯學院轉設申請獲得教育部批准之日起至以「重慶工商大學派斯學院」名義收取的最後一屆學生全部畢業、結業或肄業等形式離校之日止，派斯學院需按照現行管理費計算方法和以派斯學院名義招收的實際在校生人數支付相關的管理費用，且過渡期間每學年管理費不低於人民幣400萬元(「**過渡期管理費**」)。另外，派斯學院同意支付工商大學經濟補償人民幣400萬元／學年，期限從以派斯學院名義招收的最後一屆學生畢業、結業或肄業之日起，至工商大學和利昂實業原約定合作辦學30年期滿(即2029年6月30日)止之間的學年(「**經濟補償**」)。

除了上述過渡期管理費及經濟補償，利昂實業及派斯學院將不需要支付任何其他費用給予工商大學。

本公司認為：

- (i) 轉設完成後，將進一步釋放學生增量，招生規模及在校生總規模將有較大提升，並通過高質量教學實現學費較大提升，提高收入水平；及
- (ii) 轉設完成後，有利於豐富辦學層次，增設市場亟需的高端優質高等職業教育，探索建設專業碩士點發展研究生教育，打造自身核心競爭力 and 優質辦學品牌。

ONLINE EDUCATION OF THE GROUP

Guangdong Online Education Entities

Since October 2019, the Guangdong Online Education Entities have been entrusted to the Group, which primary provides formal education service and vocational training through online platform.

As of 30 June 2020, the Guangdong Online Education Entities provided (i) more than 260 undergraduate and junior college majors with a total of 113,084 enrolled students; and (ii) 12 vocational training programmes with a total of 14,740 students.

TCL Educational Web

In March 2020, the Group acquired 100% of the issued share capital of TCL Educational Web, which indirectly holds 50% of the equity interests in Open Distance Education through Open University Online and holds 80% of the equity interests in Silk Road through Shenzhen TCL.

(i) Open Distance Education

Open Distance Education is the first platform for distance education public service system in the PRC, and the only national and largest platform for distance education public service system. Its principal business includes three sectors: academic education services, massive online open course (“MOOC”) and continuing education for teachers.

As of 30 June 2020, (i) Open Distance Education cooperated with 39 national-wide prestigious universities and provided more than 500 undergraduate and junior college majors to approximately 974,000 enrolled students; (ii) Open Distance Education's IMOOC (慕課網) offered over 3,000 courses and had in total about 19 million users with approximately 7.857 million being registered users; (iii) Open Distance Education had trained approximately 762,000 teachers during the Reporting Period.

本集團的在線教育

廣東在線教育主體

於2019年10月，本集團開始對廣東在線教育主體進行委託管理，主要通過在線平台提供學歷教育服務以及職業教育培訓。

截至2020年6月30日，廣東在線教育主體提供(i)260多種本專科專業，在籍學生共有113,084人；及(ii)12類職業培訓，共有14,740名學生。

TCL教育網

本集團於2020年3月收購TCL教育網100%的已發行股本，通過電大在線間接持有奧鵬教育50%的股權及通過深圳TCL持有絲綢之路80%股權。

(i) 奧鵬教育

奧鵬教育是中國第一家遠程教育公共服務體系平台，也是唯一一家全國性、規模最大的遠程教育公共服務體系平台。奧鵬教育主要業務有三大板塊：學歷教育服務、大規模在線開放課程（「慕課網」）及教師繼續教育。

截至2020年6月30日，(i)奧鵬教育與39所國內知名大學合作，提供500多種本專科專業，在籍學生共有約97.4萬人；(ii)奧鵬教育的慕課網提供3,000多門課程，累計用戶數約1,900萬，其中註冊用戶約785.7萬人；(iii)奧鵬教育於報告期內共培訓約76.2萬名教師。

(ii) Silk Road

Silk Road provides domestic and foreign users in the PRC with services for the online Chinese Proficiency Test (HSK) and for examination of the Certificate for Teachers of Chinese to Speakers of Other Language (CTCSOL), as well as full-spectrum technical support services for the examinations. In April 2010, it became the first online examination site for the Chinese Proficiency Test (HSK) in China, and is responsible for the expansion of the global Chinese Proficiency Test network and undertake the construction of the online examination system. As at 30 June 2020, Silk Road had 70 online examination centres in China and 9 online examination centres abroad.

(ii) 絲綢之路

絲綢之路為中國國內外用戶提供了在線漢語水平考試(HSK)服務及《國際漢語教師證書》(CTCSOL)考試服務，以及對考試的全面技術支持服務。絲綢之路於2010年4月成為中國漢語水平考試(HSK)首個網考考點，負責全球漢語水平考試網考考點拓展並承擔網考系統的建設工作。截至2020年6月30日，絲綢之路在中國有70個網考考點及在國外有9個網考考點。

OUR INVESTMENTS IN OVERSEAS SCHOOLS

In addition to our schools in the PRC, we have invested in schools in Australia, Singapore and Hong Kong:

本集團於海外學校的投資

除本集團位於中國的學校外，本集團另外在澳大利亞、新加坡及香港投資辦學：

Top Education

We have invested in Top Education Group Ltd. ("**Top Education**"), a private higher education provider in Australia whose shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (Stock Code: 1752). As at 30 June 2020, the Company owned approximately 8.47% of equity interest in Top Education.

成峰高教

本集團已投資澳洲成峰高教集團有限公司(「**成峰高教**」)，該公司為一家位於澳洲的私立高等教育機構，其股份於香港聯合交易所有限公司(「**聯交所**」)上市(股份代號：1752)。於2020年6月30日，本公司擁有成峰高教約8.47%股權。

Beacon International College

The Group has invested in Beacon International College PTE. LTD. ("**Beacon International College**") in Singapore. As at 30 June 2020, the Company owned 22.9% of equity interest in Beacon International College.

培根國際學院

本集團已投資位於新加坡的Beacon International College PTE. LTD. (「**培根國際學院**」)。於2020年6月30日，本公司擁有培根國際學院22.9%股權。

Hong Kong Nang Yan College

The Company has invested in Hong Kong Nang Yan College of Higher Education Limited ("**Hong Kong Nang Yan College**"), a company limited by guarantee established under the laws of Hong Kong, in Hong Kong. The Company was one of the two members of Hong Kong Nang Yan College.

香港能仁學院

本公司已投資位於香港的香港能仁專上學院有限公司(「**香港能仁學院**」，根據香港法例設立的擔保有限公司)。本公司為香港能仁學院的兩名成員之一。

TOTAL NUMBER OF STUDENTS

As at 30 June 2020, the Group's total number of on-campus education and online education students reached 212,645, of which (i) total number of on-campus education students amounted to 84,821, representing an increase of approximately 13.9% as compared to that of 30 June 2019; and (ii) total number of online education platform students managed by the Group under an entrusted management arrangement amounted to 127,824. The following is a breakdown of the number of students by different levels of courses:

學生總人數

截至2020年6月30日，本集團校園教育和在線教育的學生總人數達到212,645人，其中，(i)校園教育在校生總人數為84,821名，較2019年6月30日增長約13.9%；及(ii)本集團託管的在線教育平台總學生人數為127,824名。以下為根據不同層次課程劃分的學生人數明細：

		Number of Students as at 30 June 學生人數於6月30日		Percentage Change (%) 百分比變動(%)
		2020	2019	
On-campus education	校園教育			
Undergraduate program	本科課程	52,531	48,167	+9.1%
Junior college program	大專課程	23,837	18,957	+25.7%
Secondary vocational program/ high school program	中專課程／高中課程	2,262 (Note 1)(附註1)	3,622	-37.5%(Note 1)(附註1)
Adult education program	成人教育課程	6,191	3,704	+67.1%
Total	總計	84,821	74,450	+13.9%
Online Education	在線教育			
Guangdong Online Education Entities managed by the Group under an entrusted management arrangement (Note 2)	本集團根據委託管理安排管 理的廣東在線教育主體 (附註2)			
Comprised:	包括：			
Junior college or above	專科或以上學歷	113,084	— (Note 3) (附註3)	N/A 不適用
Vocational and certification training	職業資格證培訓	14,740	— (Note 3) (附註3)	N/A 不適用
Total	總計	127,824	— (Note 3) (附註3)	N/A 不適用

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

Notes:

- (1) As at 30 June 2019, the number of students in Shouguang Bohai Experimental School was 2,562. Since 18 June 2020, Shouguang Bohai Experimental School ceased to be consolidated into the financial statements of the Group. For details, please refer to “Discontinued acquisition during the Reporting Period” below.
- (2) Since October 2019, the Guangdong Online Education Entities have been entrusted to Chongqing Mengzhuo Education Technology Company Limited* (重慶夢卓教育科技有限公司) for management. As at 30 June 2020, the Guangdong Online Education Entities were not consolidated subsidiaries of the Group.
- (3) Guangdong Online Education Entities have not become the education institutions which were operated/managed by the Group as at 30 June 2019.

附註：

- (1) 於2019年6月30日，壽光渤海實驗學校學生人數為2,562名，自2020年6月18日起，壽光渤海實驗學校不再是本集團合併的學校。有關詳情，請參閱下文「於報告期間終止進行的收購」。
- (2) 自2019年10月起，廣東在線教育主體已委託予重慶夢卓教育科技有限公司管理。於2020年6月30日，廣東在線教育主體並非本集團合併附屬公司。
- (3) 廣東在線教育主體於2019年6月30日尚未成為本集團營運／管理的教育機構。

DISCONTINUED ACQUISITION DURING THE REPORTING PERIOD

After friendly and arms-length negotiations between all parties, during the Reporting Period, the Group discontinued the project regarding Hebei University of Technology City College and Shouguang Bohai Experimental School, which is in the best interests of the Company and shareholders as a whole.

For further details regarding the discontinued acquisition, please refer to the announcements of the Company dated 22 January 2020, 19 June 2020 and 15 July 2020.

於報告期間終止進行的收購

經各方友好、平等協商，本集團於報告期間終止了河北工業大學城市學院和壽光渤海實驗學校項目，以符合本公司及股東之整體最佳利益。

有關終止進行的收購進一步詳情，請參閱本公司日期為2020年1月22日、2020年6月19日及2020年7月15日的公告。

IMPACT ON THE GROUP OF THE COVID-19 PANDEMIC

In the face of the Novel Coronavirus Disease 2019 (“**COVID-19**”) outbreak at the beginning of 2020, the Group’s schools have taken effective disease prevention and control measures and proactively organised online education activities, so as to achieve class suspension with continuing education and place emphasis both on disease containment and class resumption. The students gradually returned to school for class during May and June 2020.

In order to fight against the COVID-19 pandemic, the Group donated anti-epidemic supplies and equipment with a total worth of approximately RMB4 million to all universities in Chongqing City, and organised teacher and student volunteers to participate in the fight against the pandemic in Hubei and other cities across the country. As a member of Wuhan bound medical team from Chongqing City, outstanding graduate representatives from universities operated by the Group arrived at the front line of Wuhan and devoted themselves into the prevention and control of the pandemic. Their stories have received widespread coverage by many mainstream media outlets such as People’s Daily and xinhuanet.com.

As of 30 June 2020, (i) adjustments have been made according to the teaching plans of certain schools of the Group, therefore tuition fees income amounting to approximately RMB34 million has been deferred to be recognized in July 2020; and (ii) in accordance with the relevant guideline on refunding of boarding fees to the students due to the pandemic outbreak issued by local competent education authorities, the Group’s schools recorded refunded boarding fees of approximately RMB21 million in aggregate. Save as disclosed above, there was no significant impact on the financial position of the Group since the outbreak of the COVID-19 pandemic up to the date of this report.

COVID-19疫情對本集團的影響

面對2020年初的新型冠狀病毒肺炎(「**COVID-19**」)疫情，本集團學校採取有效防控措施，積極組織線上教學活動，實現停課不停學，「一手抓疫情防控，一手抓復學復課」。學生陸續於2020年5月至6月回校上課。

為抗擊COVID-19疫情，本集團向重慶市所有高校捐贈總價值約人民幣400萬元的防疫物資和設備，組織師生志願者參與湖北及各地抗疫工作，本集團高校優秀畢業生代表作為重慶市援鄂醫療隊隊員赴武漢參與一線抗疫工作，受到人民日報、新華網等多家主流媒體報道。

截至2020年6月30日，(i)根據本集團若干學校的教學計劃作了調整，故學費收入約人民幣34百萬元遞延至2020年7月確認；及(ii)本集團旗下學校根據當地教育主管部門所出台關於COVID-19疫情影響下學生住宿費退費相關指引，本集團學校合計退住宿費約人民幣21百萬元。除上述披露外，自COVID-19疫情爆發以來及截至本報告之日，本集團的財務狀況暫無受到重大影響。

UPGRADED THE INTERNAL ORGANISATIONAL STRUCTURE

On 20 July 2020, Ms. Zhang Weiping, Chief Executive Officer and executive Director of the Company, was appointed as the vice-chairperson of the Board of the Company. In addition, on 27 July 2020, the Company appointed the following three senior management: (i) Mr. Derek Yiyi Feng was appointed as a president of the Company, responsible for the online education business, overseas investment and mergers and acquisitions of the Group; (ii) Ms. Huang Yu was appointed as a president of the Company, responsible for the on-campus education business and public affairs of the Group; and (iii) Mr. Wang Wei was appointed as the audit director of the Company, responsible for the audit and risk control of the Group.

OUTLOOK

In view of the huge development potential in the ordinary higher education and vocational education in China, the Group will implement the strategy of “parallel development of ordinary higher education and vocational education, coordinated development of on-campus education and online education”, in an effort to achieve the following objectives:

(i) *Leader in promoting private higher education*

The on-campus education of the Group will focus on the undergraduate courses, and will implement the following business strategies:

Organic growth

The MOE of the PRC announced in May 2020 that the student enrollment scale of Junior college to bachelor's degree transfer programmes and graduate programmes in 2020 will increase by 511,000 as compared with last year. Furthermore, it was proposed by the State Council in the Government Work Report in May 2020 that student enrollment for higher vocational colleges will be substantially increased by 2 million in this year and next year, which is expected to benefit the schools operated by the Group. In order to increase the capacity of these schools, the Group plans to expand its existing campuses and build new campuses in phases, so as to accommodate more students and to meet its development needs.

升級內部組織架構

本公司於2020年7月20日委任本公司的行政總裁兼執行董事張衛平女士為董事會副主席。另外，本公司於2020年7月27日委任三名高級管理人員，分別為：(i)委任馮一意先生為本公司的總裁，主管本集團的在線教育業務板塊及海外投資併購；(ii)委任黃宇女士為本公司的總裁，主管本集團校園教育業務板塊及公共關係；及(iii)委任王偉先生為本公司的審計總監，負責本集團的審計及風險控制。

未來展望

中國的普通高等教育及職業教育發展潛力巨大，本集團將以「普通高等教育和職業教育雙輪驅動，校園教育和在線教育協同發展」為戰略，實現以下目標：

(i) *成為民辦高等教育的引領者*

本集團的校園教育以本科課程為重心，並採取以下業務策略：

內生增長

教育部於2020年5月宣佈2020年專升本、碩士研究生招生規模將同比增加51.1萬，另外國務院於2020年5月在政府工作報告中提出，高職院校將在今明兩年大規模擴招200萬人，預期本集團學校將從中受惠。為擴大大學容量，本集團計劃有步驟地分期擴建現有校區及興建新校區，以容納更多學生，滿足發展需要。

External mergers and acquisitions

According to the 2019 National Education Operation and Development Statistics* (2019年全國教育事業發展統計公報) issued by the MOE, there are 757 private colleges and universities (including 257 independent colleges) in China. The Group will seize the market opportunity arising from the conversion of independent colleges and proactively seek quality private university-level education schools as potential merger and acquisitions targets to further expand its school network.

Upgrading of school education levels

The Group is committed to nurturing high-end application-oriented talents and make great efforts to upgrade its school education levels. Chongqing College of Humanities, Science and Technology is the first and only education pilot unit to offer professional postgraduate studies among the private higher education institutions in Chongqing City. The Group also invested in Top Education as Australian National Institute of Management and Commerce which is operated by Top Education offers undergraduate and postgraduate programmes certified by the MOE of the PRC. Looking ahead, the Group will proactively seek opportunities to develop postgraduate programmes, so as to enrich its programme portfolio and upgrade its school education levels.

(ii) Pioneer in promoting online and offline coordinated development

According to the Guiding Opinions on Promoting the Healthy Development of Online Education* (關於促進在線教育健康發展的指導意見) jointly issued by eleven departments including the MOE, it is mentioned that online education is an integral part of education services, and efforts should be made to encourage private capital to establish online education organizations, so as to accelerate the integration of online and offline education. The Group believes that the online education market has huge potential, and its online education business, while maintaining rapid development, can produce effective synergetic effects with its campus education business.

外延併購

根據教育部發佈的2019年全國教育事業發展統計公報，中國有757所民辦高校(包括257所獨立院校)，本集團將抓住獨立學院轉設等市場機會，積極尋找優質的民辦本科學校為併購標的，進一步擴展學校網絡。

提高辦學層次

本集團以培養高端的應用型人才為辦學方向，著力提高辦學層次。重慶人文科技學院是重慶市民辦高校中第一所、也是目前唯一一所專業碩士學位研究生教育培育試點單位；本集團亦投資成峰高教，其旗下的澳大利亞國立管理及商業學院提供中國教育部認證的本科及研究生課程。本集團未來將積極尋找開辦研究生課程的辦學機會，以豐富辦學體系，提高辦學層次。

(ii) 成為線上線下協同發展的先行者

教育部等十一個部門聯合發佈的《關於促進在線教育健康發展的指導意見》明確指出，在線教育是教育服務的重要組成部分，鼓勵社會力量舉辦在線教育機構，加快線上線下教育融通。本集團相信，在線教育市場潛力巨大，旗下的在線教育業務在保持自身高速發展的同時，還能與本集團校園教育業務產生良好的協同效應。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

The Group will proactively consolidate its existing campus education and online education resources to provide students with mixed education mode and promote seamless integration and effective interaction between online education and campus education, so as to improve its capability to provide education service for the students. Focusing on ordinary higher education and vocational education, the Group will actively seek acquisition targets for high-quality online education, in an effort to expand its business presence of online education.

本集團將積極整合現有校園教育及在線教育的資源，為學生提供混合教育模式的課程，推動在線教育和校園教育有機銜接和良性互動，全面提升面向學生的教育服務能力。本集團將圍繞普通高等教育和職業教育，積極尋找優質標的，佈局在線教育。

FINANCIAL REVIEW

Revenue

Revenue represents the value of services rendered during the Reporting Period. The Group derives revenue primarily from tuition fees and boarding fees our schools collected from students.

Due to the outbreak of the COVID-19 pandemic, (i) the teaching plans of certain schools of the Group have been adjusted due to the COVID-19 pandemic, therefore tuition fees income amounting to approximately RMB34 million has been deferred to be recognized in July 2020; and (ii) the Group's schools had to refund the boarding fees amounting to approximately RMB21 million to the students in accordance to the boarding fees refund policy released by the relevant local educational authorities due to the COVID-19 pandemic during the Reporting Period. Despite of the above negative impacts, the Group continued to record increase in revenue, which increased by approximately 3.1% from approximately RMB526.4 million for the six months ended 30 June 2019 to approximately RMB542.7 million for the six months ended 30 June 2020.

Cost of sales

Cost of sales consists primarily of staff costs, depreciation and amortization, cost of cooperative education, utilities, and other costs.

The cost of sales increased by approximately 7.3% from RMB219.9 million for the six months ended 30 June 2019 to approximately RMB235.9 million for the six months ended 30 June 2020. This increase was primarily due to the increase in staff costs and costs of depreciation and amortization.

財務回顧

收益

收益指於報告期間所提供的服務的價值。本集團主要自學校向學生收取的學費及住宿費錄得收益。

由於COVID-19疫情影響，(i)本集團若干學校的教學計劃因應COVID-19疫情已作出調整，故學費收入約人民幣34百萬元遞延至2020年7月確認；及(ii)於報告期間，本集團旗下學校根據相關當地教育主管部門所出台關於COVID-19疫情影響下住宿費退費政策，需向學生退還住宿費約人民幣21百萬元。儘管存在上述影響，本集團的收益仍實現增長，由截至2019年6月30日止六個月的約人民幣526.4百萬元增加約3.1%至截至2020年6月30日止六個月的約人民幣542.7百萬元。

銷售成本

銷售成本主要包括員工成本、折舊及攤銷、合作教育成本、水電費及其他成本。

銷售成本由截至2019年6月30日止六個月的人民幣219.9百萬元增加約7.3%至截至2020年6月30日止六個月的約人民幣235.9百萬元。有關增長主要由於員工成本以及折舊及攤銷費用增加所致。

Gross profit

The gross profit increased by approximately 0.1% from approximately RMB306.5 million for the six months ended 30 June 2019 to approximately RMB306.8 million for the six months ended 30 June 2020, and gross profit margin slightly decreased from approximately 58.2% to approximately 56.5%. The slight decrease was mainly due to (i) the teaching plans of certain schools of the Group has been adjusted due to the COVID-19, therefore tuition fees income amounting to approximately RMB34 million have been deferred to be recognized in July 2020; and (ii) the Group's schools had to refund the boarding fees amounting to approximately RMB21 million to the students in accordance to the boarding fees refund policy released by the relevant local educational authorities due to COVID-19 during the Reporting Period.

Other income and gains

Other income and gains consist primarily of government grants, interest income, rental income and etc.

Other income and gains increased by approximately 70.7% from approximately RMB39.3 million for the six months ended 30 June 2019 to approximately RMB67.0 million for the six months ended 30 June 2020. This increase was primarily due to the increase of the government grants and the interest income.

Selling and distribution expenses

Selling and distribution expenses consist primarily of salaries and other benefits for our staff who are in charge of student recruitment and advertising, advertising expenses and student recruitment expenses.

Selling and distribution expenses increased by approximately 25.3% from approximately RMB5.6 million for the six months ended 30 June 2019 to approximately RMB7.0 million for the six months ended 30 June 2020, which was primarily due to the increase in the staff salaries and the advertising and marketing cost in relation to the student recruitment during the Reporting Period.

毛利

毛利由截至2019年6月30日止六個月的約人民幣306.5百萬元增加約0.1%至截至2020年6月30日止六個月的約人民幣306.8百萬元，而毛利率由約58.2%略微下跌至約56.5%。該略微下跌乃主要由於(i)本集團若干學校的教學計劃因應COVID-19疫情已作出調整，故學費收入約人民幣34百萬元遞延至2020年7月確認；及(ii)於報告期間，本集團旗下學校根據相關當地教育主管部門所出台關於COVID-19疫情影響下住宿費退費政策，需向學生退還住宿費約人民幣21百萬元。

其他收入及收益

其他收入及收益主要包括政府補助、利息收入及租金收入等。

其他收入及收益由截至2019年6月30日止六個月的約人民幣39.3百萬元增加約70.7%至截至2020年6月30日止六個月的約人民幣67.0百萬元。有關增長主要由於政府補助及利息收入增加所致。

銷售及分銷開支

銷售及分銷開支主要包括負責招生及廣告的人員的薪金及其他福利、廣告開支及招生開支。

銷售及分銷開支由截至2019年6月30日止六個月的約人民幣5.6百萬元增加約25.3%至截至2020年6月30日止六個月的約人民幣7.0百萬元，主要由於報告期間員工薪金及招生相關廣告及營銷成本增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

Administrative expenses

Administrative expenses primarily consist of the salaries and other benefits for general and administrative staff, consultation expenses, office-related expenses, depreciation of office buildings and equipment, environment and health expenses, travel and transportation expenses and rental expenses.

Administrative expenses increased by approximately 7.5% from approximately RMB83.1 million for the six months ended 30 June 2019 to approximately RMB89.4 million for the six months ended 30 June 2020.

Other expenses

Other expenses consist primarily of expenses relating to donations made to third-party educational and other institutions, loss on disposal of property, plant and equipment and the provision of bad debts.

Other expenses decreased substantially from approximately RMB10.5 million for the six months ended 30 June 2019 to approximately RMB4.6 million for the six months ended 30 June 2020. The decrease was primarily attributable to the provision of bad debts of approximately RMB6.5 million for the six months ended 30 June 2019 was not incurred during the period for the six months ended 30 June 2020.

Finance costs

Finance costs mainly include (i) interests on bank loans and other borrowings; and (ii) the interest on the put option liability in connection with the put option (the “**Put Option**”) granted by the vendors of the Leed International Education Group Inc. (“**Leed International**”).

Finance costs has increased from approximately RMB36.8 million for the six months ended 30 June 2019 to approximately RMB40.0 million for the six months ended 30 June 2020, which was mainly due to (i) interests on bank loans and other borrowings which were borne by the schools in our Group, (ii) interest on the Put Option liability arose from the acquisition of Leed International in August 2018; and (iii) decrease in interest from sale and lease back liabilities.

行政開支

行政開支主要包括一般及行政員工的薪金及其他福利、諮詢開支、辦公相關的開支、辦公大樓及設備折舊、環境衛生開支、差旅開支及租金開支。

行政開支由截至2019年6月30日止六個月的約人民幣83.1百萬元增加約7.5%至截至2020年6月30日止六個月的約人民幣89.4百萬元。

其他開支

其他開支主要包括有關向第三方教育及其他機構捐款的開支、出售物業、廠房及設備虧損，以及壞賬撥備。

其他開支由截至2019年6月30日止六個月的約人民幣10.5百萬元大幅減少至截至2020年6月30日止六個月的約人民幣4.6百萬元。減少主要由於截至2020年6月30日止六個月期間內並無產生截至2019年6月30日止六個月的壞賬撥備約人民幣6.5百萬元。

融資成本

融資成本主要包括(i)銀行貸款及其他借款利息；及(ii)與勵德國際教育集團有限公司(「**勵德集團**」)的賣方所授認沽期權(「**認沽期權**」)有關的認沽期權負債的利息。

融資成本由截至2019年6月30日止六個月的約人民幣36.8百萬元增加至截至2020年6月30日止六個月的約人民幣40.0百萬元，主要由於(i)本集團學校所承擔銀行貸款及其他借款利息；(ii)因於2018年8月收購勵德集團而產生的認沽期權負債利息；及(iii)售後回租負債利息減少所致。

Fair value loss/gain from an equity investment at fair value through profit or loss

Fair value loss from an equity investment at fair value through profit or loss amounted to RMB2.8 million, as compared to a fair value gain of approximately RMB0.9 million for the six months ended 30 June 2019 which was mainly due to the decrease in the fair value of the equity investment in Top Education as compared with the corresponding period in 2019.

Profit for the period

As a result of the above factors, profit for the period of the Group increased by approximately 16.1% from approximately RMB203.7 million for the six months ended 30 June 2019 to approximately RMB236.4 million for the six months ended 30 June 2020.

Adjusted net profit

The Group defines its adjusted net profit as its profit for the period after adjusting for those items which are not indicative of the Group's operating performances (as presented in the table below). This is not a IFRSs measure. The Group has presented this item because the Group considers it an important supplemental measure of the Group's operational performance used by the Group's management as well as analysts or investors. The following table shows profit and adjusted net profit of the Group for the periods presented below:

按公平值計入損益的股權投資的公平值虧損／收益

按公平值計入損益的股權投資的公平值虧損為人民幣2.8百萬元，而截至2019年6月30日止六個月為公平值收益約人民幣0.9百萬元，乃主要由於相比2019年同期對成峰高教的股權投資的公平值減少所致。

期間溢利

由於上述因素，本集團期間溢利由截至2019年6月30日止六個月的約人民幣203.7百萬元增加約16.1%至截至2020年6月30日止六個月的約人民幣236.4百萬元。

經調整淨溢利

本集團將其經調整淨溢利定義為就與本集團經營表現無關的項目作出調整後的期間溢利（如下表所呈列）。其並非一項國際財務報告準則計量。本集團呈列該項目，乃由於本集團認為其為本集團管理層以及分析師或投資者所採用的本集團經營表現的重要補充計量。下表載列本集團於以下所呈列期間的溢利與經調整淨溢利：

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Profit for the period	期間溢利	236,420	203,674
Add:	加：		
Unrealised exchange (gain)/loss	未變現匯兌(收益)／虧損	(1,758)	696
Share option expenses	購股權開支	5,193	9,706
Interest of the Put Option liability arose from the acquisition	收購事項產生的認沽期權負債的利息	18,324	18,742
Less:	減：		
Gain on disposal of a subsidiary	出售附屬公司收益	(7,093)	—
Adjusted net profit	經調整淨溢利	251,086	232,818

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

Adjusted net profit for the six months ended 30 June 2020 increased by approximately RMB18.3 million or approximately 7.8% as compared with the corresponding period in 2019. Adjusted net profit margin increased from approximately 44.2% for the six months ended 30 June 2019 to approximately 46.3% for the six months ended 30 June 2020.

FINANCIAL AND LIQUIDITY POSITION

Net current assets

As at 30 June 2020, the Group had net current assets of approximately RMB44.0 million, which primarily consisted of cash and bank balances. The current assets as at 30 June 2020 slightly decreased to approximately RMB1,479.7 million from approximately RMB1,494.8 million as at 31 December 2019. The decrease in current assets primarily attributable to a decrease in cash and bank balances, which decreased from approximately RMB1,405.4 million as at 31 December 2019 to approximately RMB1,314.9 million as at 30 June 2020, mainly due to the decrease in short-term investments measured at amortised cost.

The current liabilities decreased from approximately RMB1,482.4 million as at 31 December 2019 to approximately RMB1,435.7 million as at 30 June 2020, mainly reflecting (i) a decrease of approximately RMB539.6 million in contract liabilities as at 30 June 2020; and (ii) an increase of approximately RMB110.6 million in other payables and accruals.

Indebtedness

The Group's interest-bearing bank and other borrowings primarily consisted of short-term working capital loans to supplement our working capital and finance our expenditure and long-term project loans for the continuous development of our school buildings and facilities.

The bank loans and other borrowings amounted to approximately RMB674.9 million as at 30 June 2020, dominated in Renminbi and Hong Kong dollar ("HK\$"). As at 30 June 2020, our bank loans and other borrowings bore effective interest rates ranging from 2.5% to 24.0% per annum.

截至2020年6月30日止六個月的經調整淨溢利較2019年同期增加約人民幣18.3百萬元或約7.8%。經調整淨利潤率由截至2019年6月30日止六個月的約44.2%上升至截至2020年6月30日止六個月的約46.3%。

財務及流動資金狀況

流動資產淨值

於2020年6月30日，本集團擁有流動資產淨值約人民幣44.0百萬元，主要包括現金及銀行結餘。於2020年6月30日的流動資產由2019年12月31日的約人民幣1,494.8百萬元輕微減少至約人民幣1,479.7百萬元。流動資產減少主要歸因於現金及銀行結餘由2019年12月31日的約人民幣1,405.4百萬元減少至2020年6月30日的約人民幣1,314.9百萬元，乃主要因按攤銷成本計量的短期投資減少所致。

流動負債由2019年12月31日的約人民幣1,482.4百萬元減少至2020年6月30日的約人民幣1,435.7百萬元，主要反映(i)於2020年6月30日合同負債減少約人民幣539.6百萬元；及(ii)其他應付款項及應計費用增加約人民幣110.6百萬元。

債務

本集團的計息銀行及其他借款主要包括用於補充營運資金及為我們的支出提供資金的短期營運資金貸款及用於持續興建學校樓宇及設施的長期項目貸款。

於2020年6月30日的銀行貸款及其他借款達約人民幣674.9百萬元，均以人民幣及港幣(「港幣」)計值。於2020年6月30日，我們的銀行貸款及其他借款按2.5%至24.0%的實際年利率計息。

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of internally generated cash flows from operations and other borrowings. The Group regularly assesses its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

Contingent liabilities

As at 30 June 2020, the Group did not have material contingent liabilities, guarantees or litigations or claims of material importance, pending or threatened against any member of the Group (2019: nil).

Pledge of assets

As at 30 June 2020, certain of the Group's buildings and land with a net carrying amount of approximately RMB94.9 million (31 December 2019: RMB96.8 million) were pledged to secure bank loans and other borrowings.

Foreign exchange exposure

The majority of the Group's revenue and expenditures are denominated in RMB. As at 30 June 2020, certain bank balances were denominated in United States dollar and HK\$. The Group currently does not have any foreign currency hedging policies. The management will continue to assess the Group's foreign exchange risk exposure and consider adopting prudent measures as appropriate.

Gearing ratio

The gearing ratio, which is calculated by dividing total borrowings with interests from financial institutions by total equity, slightly decreased to approximately 16.0% as at 30 June 2020 from approximately 16.8% as at 31 December 2019, which was due to the increase in total equity during Reporting Period.

本集團的目標為通過使用經營內部產生之現金流量及其他借款維持資金持續供應與靈活性之間的平衡。本集團定期評估主要資金狀況以確保有足夠財務資源履行財務責任。

或然負債

於2020年6月30日，本集團沒有重大或然負債、擔保或本集團任何成員公司並無未決或面臨重大訴訟或申索(2019年：無)。

資產質押

於2020年6月30日，本集團賬面淨值為約人民幣94.9百萬元(2019年12月31日：人民幣96.8百萬元)的若干樓宇及土地已予抵押以取得銀行貸款及其他借款。

外幣匯兌風險

本集團的大部份收益及開支以人民幣計值。於2020年6月30日，若干銀行結餘以美元及港幣計值。本集團目前並無任何外匯對沖政策。管理層將持續評估本集團的外幣匯兌風險及考慮適時採取審慎措施。

資本負債率

於2020年6月30日，資本負債率(乃按總有息金融機構借款除以總權益計算)由2019年12月31日約16.8%輕微下降至約16.0%，乃由於報告期間總權益增加所致。

Salary increment for employees, training and development

During the Reporting Period, in order to motivate our faculty staff for better work performance, the Group has reviewed and increased the salaries of employees. The increment in salaries is based on their performance, experience and prevailing industry practices, with all compensation policies and packages reviewed on a regular basis. As required by the PRC laws and regulations, we participate in various employee social security plans for our employees that are administered by local governments, including pension, medical, maternity, work-related injury, unemployment insurance and housing provident fund.

In addition, the Group provides comprehensive training programs to its existing and newly recruited employees and/or sponsors its employees to attend various job-related training courses and also support some excellent teachers to study, receive training and academic exchange with famous universities abroad.

SIGNIFICANT INVESTMENTS HELD

The Group held a short-term investment measured at amortised cost, equity investment at fair value through other comprehensive income included in equity investment at fair value through profit or loss during the six months ended 30 June 2020. Details are set out in Note 10 to the consolidated financial statements.

僱員加薪、培訓及發展

於報告期間，本集團為激勵教職員工更加出色優異地工作，檢討及增加了僱員的薪酬。增加的薪酬乃基於彼等的表現、經驗及現行行業慣例而釐定，並會定期檢討所有薪酬政策及組合。我們根據中國法律及法規的規定為我們的僱員參與由當地政府管理的各項僱員社會保障計劃，其中包括養老、醫療、生育、工傷和失業保險及住房公積金。

此外，本集團為其現有及新聘用的僱員提供全面培訓及／或資助僱員參加各種與工作有關的培訓課程，也支持部份優秀教師去國外知名大學學習、培訓和進行學術交流。

持有的重大投資

截至2020年6月30日止六個月，本集團持有按攤銷成本計量的短期投資、計入按公平值計入損益的股權投資之按公平值計入其他全面收益的股權投資。有關詳情載於綜合財務報表附註10。

OTHER INFORMATION

其他資料

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

As at 30 June 2020, the interests and short positions of the Directors (the "Director(s)") and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO"), Chapter 571 of the Laws of Hong Kong), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by directors of Listed Issuers (the "Model Code"), were as follows:

董事及主要行政人員於股份、相關股份及債權證中擁有的權益及淡倉

於2020年6月30日，本公司董事（「董事」）及主要行政人員於本公司或其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中擁有根據證券及期貨條例第352條須記錄於由本公司存置的登記冊，或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益及淡倉如下：

Long Position in the shares

股份中的好倉

Name of Director 董事姓名	Nature of interest 權益性質	Number of shares held 持有股份數目	Position 好倉／淡倉	Approximate percentage of shareholding in the Company as at 30 June 2020 (Note 2) 於2020年6月30日於本公司的股權概約百分比（附註2）
Mr. Li Xuechun (Note 1) 李學春先生（附註1）	Beneficial owner 實益擁有人	3,000,000,000	Long 好倉	71.13%
Ms. Zhang Weiping 張衛平女士	Beneficial owner 實益擁有人	30,000,000	Long 好倉	0.71%
Mr. Zuo Yichen 左燭晨先生	Beneficial owner 實益擁有人	8,000,000	Long 好倉	0.19%
Mr. Lam Ngai Lung 林毅龍先生	Beneficial owner 實益擁有人	8,000,000	Long 好倉	0.19%
Ms. Li Yanping 李雁平女士	Beneficial Owner 實益擁有人	1,000,000	Long 好倉	0.02%

Notes: (1) Mr. Li holds 90% of the issued share capital of Minsheng Group Company Limited (formerly known as Honest Cheer Investments Limited) ("Minsheng Group") and is its sole director and he is therefore deemed to be interested in the shares held by Minsheng Group. Ms. Li Ning, daughter of Mr. Li, holds the remaining 10% of the issued share capital of Minsheng Group.

附註：(1) 李先生持有民生集團有限公司（前稱誠悅投資有限公司）（「民生集團」）90%已發行股本，並為民生集團的唯一董事，故被視為於民生集團所持有股份中擁有權益。李寧女士為李先生的女兒，彼持有民生集團餘下的10%已發行股本。

(2) Based on the number of issued shares as of 30 June 2020, being, 4,217,720,000 shares.

(2) 基於2020年6月30日已發行股份數目（即4,217,720,000股）。

OTHER INFORMATION (Continued)
其他資料(續)

Save as disclosed above, as at 30 June 2020, neither the chief executive nor any of the Directors of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

除上述披露者外，於2020年6月30日，本公司的主要行政人員或任何董事概無於本公司及其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中擁有或被視為擁有(i)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所（包括根據證券及期貨條例的有關條文彼等被當作或視為擁有的權益或淡倉）；或(ii)根據證券及期貨條例第352條須記錄於該條所述登記冊內；或(iii)根據標準守則須知會本公司及聯交所的權益或淡倉。

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

As at 30 June 2020, so far as is known to the Directors or chief executive of the Company, the following persons (other than Directors or chief executive of the Company) or corporations who had interest or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

主要股東於股份及相關股份中擁有的權益及淡倉

就本公司董事或主要行政人員所知，於2020年6月30日，於本公司股份及相關股份擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露，或須記錄於根據證券及期貨條例第336條須存置的登記冊內的權益或淡倉的人士（本公司董事或主要行政人員除外）或公司如下：

Name of Shareholder 股東名稱	Nature of interest 權益性質	Number of shares held 持有股份數目	Position 好倉／淡倉	Approximate percentage of shareholding in the Company as at 30 June 2020 (Note 2)
				於2020年6月30日 於本公司的股權 概約百分比（附註2）
Minsheng Group (formerly known as Honest Cheer Investments Limited) 民生集團（前稱誠悅投資有限公司）	Beneficial owner 實益擁有人	3,000,000,000	Long 好倉	71.13%
City Legend International Limited (Note 1) 華昌國際有限公司（附註1）	Beneficial owner 實益擁有人	332,000,000	Long 好倉	7.87%
Phoenix Ocean Developments Limited (Note 1) 華泰發展有限公司（附註1）	Interest of corporation controlled 所控制的法團權益	332,000,000	Long 好倉	7.87%

OTHER INFORMATION (Continued)
其他資料(續)

Name of Shareholder 股東名稱	Nature of interest 權益性質	Number of shares held 持有股份數目	Position 好倉／淡倉	Approximate percentage of shareholding in the Company as at 30 June 2020 (Note 2) 於2020年6月30日 於本公司的股權 概約百分比(附註2)
Overseas Chinese Town (Asia) Holdings Limited (Note 1) 華僑城(亞洲)控股有限公司(附註1)	Interest of corporation controlled 所控制的法團權益	332,000,000	Long 好倉	7.87%
Pacific Climax Limited (Note 1)	Interest of corporation controlled 所控制的法團權益	332,000,000	Long 好倉	7.87%
Pacific Climax Limited(附註1)	所控制的法團權益			
Overseas Chinese Town (HK) Company Limited (Note 1) 香港華僑城有限公司(附註1)	Interest of corporation controlled 所控制的法團權益	332,000,000	Long 好倉	7.87%
深圳華僑城股份有限公司 (Note 1)	Interest of corporation controlled 所控制的法團權益	332,000,000	Long 好倉	7.87%
深圳華僑城股份有限公司(附註1)	所控制的法團權益			
華僑城集團有限公司 (Note 1)	Interest of corporation controlled 所控制的法團權益	332,000,000	Long 好倉	7.87%
華僑城集團有限公司(附註1)	所控制的法團權益			

Notes: (1) City Legend International Limited is 100% owned by Phoenix Ocean Developments Limited, which is 100% owned by Overseas Chinese Town (Asia) Holdings Limited. Pacific Climax Limited holds 70.94% of Overseas Chinese Town (Asia) Holdings Limited. Pacific Climax Limited is 100% owned by Overseas Chinese Town (HK) Company Limited, which is 100% owned by 深圳華僑城股份有限公司. 華僑城集團有限公司 holds 46.99% of 深圳華僑城股份有限公司.

附註：(1) 華昌國際有限公司由華秦發展有限公司全資擁有，而華秦發展有限公司由華僑城(亞洲)控股有限公司全資擁有。Pacific Climax Limited持有華僑城(亞洲)控股有限公司70.94%權益。Pacific Climax Limited由香港華僑城有限公司全資擁有，而香港華僑城有限公司由深圳華僑城股份有限公司全資擁有。華僑城集團有限公司持有深圳華僑城股份有限公司46.99%權益。

(2) Based on the number of issued shares as of 30 June 2020, being, 4,217,720,000 shares.

(2) 基於2020年6月30日已發行股份數目(即4,217,720,000股)。

Save as disclosed above, as at 30 June 2020, the Directors and the chief executive of the Company are not aware of any other person or corporation having an interest or short position in the shares and underlying shares of the Company which would require to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

除上述披露者外，於2020年6月30日，本公司董事及主要行政人員概不知悉任何其他人士或公司於本公司之股份及相關股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露，或記錄於本公司須根據證券及期貨條例第336條存置的登記冊內的權益或淡倉。

OTHER INFORMATION (Continued)
其他資料(續)

SHARE OPTION SCHEME

The share option scheme of the Company (the “**Shares Option Scheme**”) was conditionally approved by a resolution of our sole shareholder passed on 2 March 2017 and adopted by a resolution of the Board on 2 March 2017 (the “**Adoption Date**”).

Details of the options granted under the Share Option Scheme and outstanding for the Reporting Period, are as follows:

Number of options granted:

購股權計劃

本公司購股權計劃(「購股權計劃」)經唯一股東於2017年3月2日通過的決議案有條件批准及由董事會於2017年3月2日(「採納日期」)的決議案所採納。

於報告期間根據購股權計劃已授出及尚未行使的購股權詳情如下：

已授出購股權數目：

Category and name of participant	參與者類別及姓名	Date of grant of share options (Note) 授出購股權日期(附註)	Exercise price (HKD) 行使價(港元)	Outstanding as at 1 January 2020 於2020年1月1日尚未行使	Granted during the Reporting Period 報告期間授出	Exercised during the Reporting Period 報告期間行使	Lapsed during the Reporting Period 報告期間失效	Outstanding as at 30 June 2020 於2020年6月30日尚未行使
Zhang Weiping	張衛平	31/8/2017	1.39	20,000,000	-	-	-	20,000,000
		27/8/2018	1.66	10,000,000	-	-	-	10,000,000
Zuo Yichen	左熠晨	31/8/2017	1.39	5,000,000	-	-	-	5,000,000
		27/8/2018	1.66	3,000,000	-	-	-	3,000,000
Lam Ngai Lung	林毅龍	31/8/2017	1.39	5,000,000	-	-	-	5,000,000
		27/8/2018	1.66	3,000,000	-	-	-	3,000,000
Li Yanping	李雁平	27/8/2018	1.66	1,000,000	-	-	-	1,000,000
Other employees	其他員工	31/8/2017	1.39	5,000,000	-	-	-	5,000,000
		27/8/2018	1.66	10,750,000	-	-	-	10,750,000
		19/8/2019	1.42	2,000,000	-	-	-	2,000,000
Total	總計			64,750,000	-	-	-	64,750,000

Notes:

- (1) The closing prices of the shares of the Company on 31 August 2017 and 27 August 2018 and 19 August 2019, being the dates on which the Share Options were granted, were HK\$1.39, HK\$1.66 and HK\$1.42 per share respectively.

The closing prices of the shares of the Company on 30 August 2017, 24 August 2018 and 16 August 2019, being the last trading days before the dates on which the options were granted were HK\$1.38, HK\$1.55 and HK\$1.42 per share respectively.

- (2) The share options with respect to a grantee will be exercisable in the following manner:

- (i) 20% of the share options will be vested on the first anniversary of the date of grant and will be exercisable within five years from the first anniversary of the date of grant.
- (ii) 20% of the share options will be vested on the second anniversary of the date of grant and will be exercisable within five years from the second anniversary of the date of grant.
- (iii) 20% of the share options will be vested on the third anniversary of the date of grant and will be exercisable within five years from the third anniversary of the date of grant.
- (iv) 20% of the share options will be vested on the fourth anniversary of the date of grant and will be exercisable within five years from the fourth anniversary of the date of grant.
- (v) 20% of the share options will be vested on the fifth anniversary of the date of grant and will be exercisable within five years from the fifth anniversary of the date of grant.

As at the date of this interim report, the remaining number of shares available for issue under the Share Option Scheme is 400,000,000 shares, representing approximately 9.5% of the total issued shares of the Company.

During the Reporting Period, no options were exercised, cancelled or lapsed under the Share Option Scheme.

附註：

- (1) 本公司股份於2017年8月31日、2018年8月27日及2019年8月19日(均為購股權授出之日期)之收市價分別為每股1.39港元、1.66港元及1.42港元。

本公司股份於2017年8月30日、2018年8月24日及2019年8月16日(均為購股權授出日期前之最後交易日)之收市價分別為每股1.38港元、1.55港元及1.42港元。

- (2) 承授人名下之購股權將可按以下方式行使：

- (i) 20%的購股權將於授出日期起計滿一週年之日歸屬，並於授出日期滿一週年之日起計五年內將可予行使。
- (ii) 20%的購股權將於授出日期起計滿兩週年之日歸屬，並於授出日期滿兩週年之日起計五年內將可予行使。
- (iii) 20%的購股權將於授出日期起計滿三週年之日歸屬，並於授出日期滿三週年之日起計五年內將可予行使。
- (iv) 20%的購股權將於授出日期起計滿四週年之日歸屬，並於授出日期滿四週年之日起計五年內將可予行使。
- (v) 20%的購股權將於授出日期起計滿五週年之日歸屬，並於授出日期滿五週年之日起計五年內將可予行使。

於本中期報告日期，購股權計劃項下可供發行的餘下股份數目為400,000,000股，佔本公司已發行股份總數約9.5%。

於報告期間，概無購股權計劃項下購股權獲行使、註銷或失效。

EMPLOYEE AND REMUNERATION POLICIES

As at 30 June 2020, the Group employed 6,198 (as at 30 June 2019: 4,626) staff in the PRC and Hong Kong. Employees of the Group are remunerated based on their individual performance, professional qualifications, experience in the industry and relevant market trends. The management of the Group regularly reviews the Group's remuneration policy and appraises the work performance of its staff. Employee remuneration includes salaries, allowances, bonuses, social insurance and mandatory pension fund contribution. As required by the relevant regulations in the PRC, the Group participates in the social insurance schemes operated by the relevant local government authorities. The Group also participates in the mandatory provident fund schemes for our employee in Hong Kong.

A remuneration committee was set up for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the 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 sub-section headed "Share Option Scheme" above.

COMPLIANCE WITH LAWS AND REGULATIONS

During the Reporting Period and up to the date of this interim report, the Group has complied with the relevant laws and regulations that have a significant impact on the Company.

INTERIM DIVIDEND

The Board does not recommend any dividend in respect of the six months ended 30 June 2020 (2019: nil).

CODE ON CORPORATE GOVERNANCE PRACTICES

The Board has committed to achieving high corporate governance standards in order to safeguard the interests of Shareholders and to enhance corporate value and accountability. The Company has complied with all the code provisions set forth in the Corporate Governance Code (the

僱員及薪酬政策

於2020年6月30日，本集團於中國及香港聘用的員工為6,198名(於2019年6月30日：4,626名)。本集團僱員之薪酬按其個人表現、專業資格、行業經驗及相關市場趨勢釐定。本集團管理層定期檢討本集團的薪酬政策，並評估員工之工作表現。僱員薪酬包括薪金、津貼、花紅、社會保險及強制性退休基金供款。根據中國相關法規規定，本集團參與由相關當地政府機關運作的社會保險計劃。本集團亦為位於香港之僱員參與強制性公積金計劃。

本集團已設立薪酬委員會，以參照本集團的經營業績、董事及高級管理層的個人表現及可資比較市場慣例審閱本集團的酬金政策及本集團董事及高級管理層的所有酬金架構。

董事及高級管理層亦可根據購股權計劃獲得購股權。有關購股權計劃的進一步詳請，請參閱上文「購股權計劃」分節。

遵守法律及法規

於報告期間及直至本中期報告日期，本集團已遵守對本公司產生重大影響的相關法律及法規。

中期股息

董事會不建議就截至2020年6月30日止六個月派發股息(2019年：無)。

企業管治常規守則

董事會致力於達致高標準的企業管治，務求保障股東權益及提升本公司企業價值及問責性。本公司於報告期間一直遵守聯交所證券上市規則(「上市規則」)附錄十四所載的企業

“**Corporate Governance Code**”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) during the Reporting Period. The Board will continue to review and monitor the corporate governance practices of the Company for the purpose of maintaining high corporate governance standards.

MODEL CODE

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made to all the Directors of the Company and the Directors have confirmed that they have complied with the Model Code throughout the Reporting Period.

The Company has also established a code no less exacting than the Model Code for securities transactions by senior management who are likely to be in possession of unpublished price-sensitive or inside information of the Company.

AUDIT COMMITTEE AND REVIEW OF UNAUDITED INTERIM FINANCIAL INFORMATION

The audit committee of the Board has reviewed together with the management the accounting principles and policies adopted by the Group and the unaudited interim consolidated financial statements and the interim report of the Group for the Reporting Period.

RECOMMENDATION TO CONSULT PROFESSIONAL TAX ADVICE

The Company is not aware of any tax relief or exemption available to the shareholders of the Company by reason of their holding of the Company’s securities. If the shareholders of the 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 the Company, they are recommended to consult independent experts for advice.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events of the Group after the Reporting Period.

管治守則(「**企業管治守則**」)中載列的所有守則條文。董事會將繼續審閱及監督本公司的企業管治常規，以維持高標準的企業管治。

標準守則

本公司已採納上市規則附錄十所載標準守則。

已經向本公司全體董事作出具體查詢，董事已確認彼等於報告期間一直遵守標準守則。

本公司亦制訂有不遜於標準守則的守則作為可能擁有本公司未公開的股價敏感資料或內幕消息的高級管理層進行證券交易的守則。

審核委員會及未經審核中期財務資料的審閱

董事會審核委員會已連同管理層審閱本集團所採納之會計準則及政策，以及本集團於報告期間的未經審核中期綜合財務報表及中期報告。

諮詢專業稅務意見的推薦建議

本公司並不知悉本公司股東因持有本公司證券而獲提供任何稅務寬減或減免。倘本公司股東不確定購買、持有、出售、買賣或行使本公司相關股份附帶之權利的稅務影響，建議彼等諮詢獨立專家以取得意見。

報告期後之事項

本集團於報告期後並無任何重大事項。

OTHER INFORMATION (Continued)
其他資料(續)

CHANGES TO DIRECTORS' AND CHIEF EXECUTIVE'S INFORMATION

On 20 July 2020, Ms. Zhang Weiping, Chief Executive Officer and executive Director, was appointed as the vice-chairperson of the Board.

Save as disclosed above, the Directors confirmed that no information is required to be disclosed pursuant to Rule 13.51B of the Listing Rules during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

On 4 June 2020, Minsheng Group Company Limited (民生集團有限公司) ("**Minsheng Group**"), the Company, Mr. Li, Xuechun and China International Capital Corporation Hong Kong Securities Limited ("**CICC**") entered into a placing and subscription agreement (the "**Placing and Subscription Agreement**"), pursuant to which CICC conditionally agreed to place, on a best efforts basis, up to 200,000,000 existing shares of the Company owned by Minsheng Group to independent placees at a price of HK\$1.22 per each placing share (the "**Placing**"), and Minsheng Group conditionally agreed to subscribe, and the Company conditionally agreed to allot and issue to Minsheng Group, 200,000,000 shares of the Company at a price of HK\$1.22 per subscription share (the "**Subscription**"). 200,000,000 shares were allotted and issued by the Company and subscribed for by Minsheng Group, the net proceeds received by the Company from the Subscription amounted to approximately HK\$239 million.

Save as disclosed above, during the Reporting Period, neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

董事及主要行政人員的資料變更

於2020年7月20日，行政總裁兼執行董事張衛平女士獲委任為董事會副主席。

除上述披露外，董事確認，於報告期間概無資料須根據上市規則第13.51B條予以披露。

購買、出售或贖回本公司上市證券

於2020年6月4日，民生集團有限公司(「**民生集團**」)、本公司、李學春先生與中國國際金融香港證券有限公司(「**中國國際金融**」)訂立配售及認購協議(「**配售及認購協議**」)，據此中國國際金融有條件同意按盡力基準以每股配售股份1.22港元的價格向獨立承配人配售民生集團持有的最多200,000,000股本公司現有股份(「**配售事項**」)，且民生集團有條件同意認購而本公司有條件同意以每股認購股份1.22港元的價格向民生集團配發及發行200,000,000股本公司股份(「**認購事項**」)。本公司已配發及發行以及民生集團已認購200,000,000股股份，本公司就認購事項收取的所得款項淨額為約239百萬港元。

除上文所披露者外，於報告期間，本公司或其附屬公司概無購買、出售或贖回任何本公司已上市之證券。

MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in the section headed “Management Discussion and Analysis” above in this interim report, the Group did not have any other material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

LOAN AGREEMENT WITH COVENANT RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDERS

On 29 April 2020, Chongqing Minsheng Education Management Co., Ltd* (重慶民升教育管理有限公司) (“**Chongqing Minsheng**”), an indirect wholly-owned subsidiary of the Company, and International Finance Corporation, a member of World Bank Group entered into a loan agreement and the relevant loan documents (the “**Loan Agreement**”), pursuant to which International Finance Corporation agreed to lend, and Chongqing Minsheng agreed to borrow, a loan in an aggregate principal amount of up to RMB750 million (the “**Loan**”), the period of the Loan will be 8 years, the Loan shall be repayable in 11 equal semi-annual instalments commencing from 15 June 2023. The interest rate is 1.5% above the International Finance Corporation RMB Fixed Rate per annum. The first disbursement of the Loan of RMB400 million has been completely withdrawn, the interest rate is approximately 3.83% per annum. Proceeds from the Loan will be used for, among others, business expansion and daily operation of the Group. Pursuant to the terms of the Loan, each of Mr. Li Xuechun, the chairman of the Board, an executive director and the ultimate controlling shareholder of the Company, and Minsheng Group, being controlling shareholders of the Company, is required to perform certain specific performance obligations. Specifically, Mr. Li Xuechun shall maintain directly not less than 51% of the legal and beneficial ownership of the shares of Minsheng Group; and Minsheng Group shall maintain directly not less than 51% of the legal and beneficial ownership of the shares of the Company, for so long as any indebtedness under the Loan remains outstanding.

重大收購及出售

除本中期報告上文「管理層討論及分析」一節所披露者外，本集團於報告期間並無任何其他重大附屬公司、聯營公司及合營企業收購事項或出售事項。

附有控股股東特定履約契諾的貸款協議

於2020年4月29日，重慶民升教育管理有限公司(「**重慶民升**」，本公司一家間接全資附屬公司)與世界銀行集團成員公司國際金融公司訂立貸款協議及相關貸款文件(「**貸款協議**」)。根據貸款協議，國際金融公司同意貸款給重慶民升，而重慶民升同意向國際金融公司籌借本金總額最多為人民幣7.5億元的貸款(「**貸款**」)，貸款期限為8年，於2023年6月15日開始分11期等額償還，每半年一期。貸款利率每年為國際金融公司人民幣固定利率加1.5%息差。第一期貸款人民幣4億元已完成提款，利率約為3.83%／年。貸款將用於(其中包括)本集團業務拓展和日常運營。根據貸款的條款，本公司董事會主席、執行董事及最終控股股東李學春先生及民生集團均為本公司的控股股東，須承擔若干特定履約責任。具體而言，於貸款的任何債務未清償期間，李學春先生須直接維持持有民生集團股份不少於51%的合法及實際擁有權益；及民生集團須直接維持持有本公司股份不少於51%的合法及實際擁有權益。

OTHER INFORMATION (Continued)

其他資料(續)

According to the Loan Agreement, a breach of any of the said specific performance obligations will constitute an event of default under the Loan Agreement whereupon, International Finance Corporation will have the power to declare the commitment under the Loan Agreement to be cancelled and/or declare all outstanding amounts together with interest and the prepayment premiums payable accrued and all other sums payable by Chongqing Minsheng to be immediately due and payable.

For details of the above, please refer to the announcement of the Company dated 3 May 2020.

As at the date of this report, Minsheng Group owns approximately 71.13% of the issued shares of the Company.

根據貸款協議，違反上述任何特定履約責任將構成貸款協議的一項違約事項。當發生違約事項，國際金融公司將有權宣佈取消貸款協議項下的承諾及／或宣佈本公司全部未償還款項，連同應計利息及提前償還應付的手續費及所有其他款項即時到期，並要求重慶民生即時償還。

有關上述內容的詳情，請參閱本公司日期為2020年5月3日的公告。

於本報告日期，民生集團擁有本公司約71.13%的已發行股份。

USE OF NET PROCEEDS FROM SUBSCRIPTION

Net proceeds from the Subscription amounted to approximately HK239 million. The following sets forth a summary of the utilization of the net proceeds:

認購事項所得款項淨額用途

認購事項所得款項淨額為約239百萬港元。下表載列所得款項淨額使用概要：

Purpose 用途	Percentage to total amount 佔總金額百分比	Net proceeds 所得款項淨額 HKD 港元 (million) (百萬元)	Utilised amount at 30 June 2020 於2020年6月30日 已動用金額 HKD 港元 (million) (百萬元)	Unutilised amount at 30 June 2020 於2020年6月30日 尚未動用金額 HKD 港元 (million) (百萬元)
Merger and Acquisition and general working capital purposes of the Group. 本集團的併購及一般營運資金用途。	100%	239.0	116.7	122.3

The Company expects to utilize the unutilized net proceeds in the next 24 months.

本公司預期於未來24個月內動用尚未動用所得款項淨額。

USE OF NET PROCEEDS FROM LISTING

Net proceeds from the Listing (including the over-allotment option and after deducting underwriting fee and relevant expenses) amounted to approximately HK\$1,374.7 million. As at 30 June 2020, a total amount of HK\$1,032.0 million out of the net proceeds had been used by the Group according to the allocation set out in the prospectus of the Company dated 10 March 2017 (the “Prospectus”).

The following sets forth a summary of the utilisation of the net proceeds:

上市所得款項淨額用途

上市所得款項淨額(包括超額配股部份及經扣除包銷費用及相關開支後)為約1,374.7百萬港元。於2020年6月30日,所得款項淨額中合共1,032.0百萬港元已由本集團根據本公司日期為2017年3月10日的招股章程(「招股章程」)所載分配予以動用。

下表載列所得款項淨額使用概要:

Purpose 用途	Percentage to total amount 佔總金額百分比	Net proceeds 所得款項淨額 HKD 港元 (million) (百萬元)	Utilised amount at 30 June 2020 於2020年 6月30日 已動用金額 HKD 港元 (million) (百萬元)	Unutilised amount at 30 June 2020 於2020年 6月30日 尚未動用金額 HKD 港元 (million) (百萬元)
Acquiring additional existing schools in the PRC and overseas 收購中國及海外其他現有學校	55.0%	756.1	756.1	—
Establishing new schools or expanding the existing schools we own or operate 建立新學校或擴充我們擁有或營辦的現有學校	21.2%	291.4	—	291.4
Repaying a term loan from a third-party financial institution 償還自第三方金融機構取得的定期貸款	14.8%	203.5	203.5	—
Financing working capital and general corporate use 為營運資金及一般公司用途提供資金	9.0%	123.7	72.4	51.3
Total 總計	100.0%	1,374.7	1,032.0	342.7

The Company expects to utilise the unutilised net proceeds in the next 18 months.

本公司預期於未來18個月內動用尚未動用所得款項淨額。

MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in the sections headed “Acquisition in progress during the Reporting Period” and “Discontinued acquisition during the Reporting Period” in the Management Discussion and Analysis in this annual report, the Group did not have any other material acquisitions or disposals of subsidiaries, associates and joint ventures during the year ended 30 June 2020.

CHARITABLE DONATIONS

Charitable donations made by the Group during the year ended 30 June 2020 amounted to approximately RMB4.0 million (2019: approximately RMB621,000).

RECTIFICATION MEASURES

As disclosed in the “Business” section of the Prospectus, the Group has certain buildings occupied by Chongqing College of Humanities, Science and Technology, Pass College of Chongqing Technology and Business University and Inner Mongolia Fengzhou Vocational College (Qingcheng Branch) that had defective titles. The Group has ceased using such buildings and the Group is using the best efforts to promptly make appropriate applications with the relevant government authorities to obtain the required permits and/or acceptance checks. As at the date of this interim report, the status of the buildings are as follows:

重大收購及出售

除本年報內管理層討論及分析中「報告期間待完成的收購」及「於報告期間終止進行的收購」章節所披露者外，本集團於截至2020年6月30日止年度並無任何其他重大附屬公司、聯營公司及合營企業收購事項或出售事項。

慈善捐款

本集團於截至2020年6月30日止年度所作的慈善捐款約為人民幣4.0百萬元(2019年：約人民幣621,000元)。

整改措施

誠如招股章程「業務」一節所披露，重慶人文科技學院、重慶工商大學派斯學院及內蒙古豐州職業學院(青城分院)佔用的若干樓宇存在業權瑕疵。本集團已停止使用該等樓宇，而本集團正盡力向相關政府機關及時作出適當申請，以取得規定的許可證及／或驗收。截至本中期報告日期，樓宇的狀況如下：

Buildings occupied by 樓宇由以下機構佔用	Total number of buildings with defective titles as disclosed in the Prospectus 於招股章程披露之 存在業權瑕疵 的樓宇總數	Total number of buildings which we have obtained the building ownership certificates as at the date of this interim report 於本中期報告日期， 我們已取得房屋 所有權證的樓宇總數	The number of buildings covered by applications with the relevant government authorities to obtain the required permits and/or acceptance checks as at the date of this interim report 於本中期報告日期向相關政府 機關作出申請，以取得規定的 許可證及／或驗收的樓宇數目
Chongqing College of Humanities, Science and Technology 重慶人文科技學院	15	12	3
Pass College of Chongqing Technology and Business University 重慶工商大學派斯學院	3	3	—
Inner Mongolia Fengzhou Vocational College (Qingcheng Branch) 內蒙古豐州職業學院(青城分院)	5	—	5

On behalf of the Board

承董事會命

Li Xuechun
Chairman

主席
李學春

Hong Kong, 17 August 2020

香港，2020年8月17日

* For identification purpose only

* 僅供識別

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

中期簡明綜合損益及其他全面收益表

For the six months ended 30 June 2020 截至2020年6月30日止六個月

		Six months ended 30 June 截至6月30日止六個月		
		Notes 附註	2020 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 (Unaudited) (未經審核) RMB'000 人民幣千元
REVENUE	收益	4	542,735	526,397
Cost of sales	銷售成本		(235,905)	(219,868)
Gross profit	毛利		306,830	306,529
Other income and gains	其他收入及收益	4	67,006	39,258
Selling and distribution expenses	銷售及分銷開支		(6,959)	(5,554)
Administrative expenses	行政開支		(89,385)	(83,129)
Other expenses, net	其他開支淨額		(4,553)	(10,536)
Finance costs	融資成本		(40,035)	(36,821)
Gain on disposal of a subsidiary	出售附屬公司的收益	18	7,093	—
Share of profit of a joint venture	分佔合營企業溢利		2,619	—
Share of loss of an associate	分佔聯營公司虧損		(146)	(341)
Fair value (loss)/gain on equity investment at fair value through profit or loss	按公平值計入損益的股權投資的公平值(虧損)/收益		(2,845)	905
PROFIT BEFORE TAX	除稅前溢利	5	239,625	210,311
Income tax expense	所得稅開支	6	(3,205)	(6,637)
PROFIT FOR THE PERIOD	期間溢利		236,420	203,674
Attributable to:	以下應佔：			
Owners of the parent	母公司擁有人		236,315	207,125
Non-controlling interests	非控股權益		105	(3,451)
			236,420	203,674
Earnings per share attributable to ordinary equity holders of the parent:	母公司普通股權持有人應佔每股盈利：	8		
Basic	基本		RMB0.0584 人民幣0.0584元	RMB0.0516 人民幣0.0516元
Diluted	攤薄		RMB0.0584 人民幣0.0584元	RMB0.0515 人民幣0.0515元

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)
 中期簡明綜合損益及其他全面收益表(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

		Six months ended 30 June 截至6月30日止六個月	
		2020 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 (Unaudited) (未經審核) RMB'000 人民幣千元
PROFIT FOR THE PERIOD	期間溢利	236,420	203,674
OTHER COMPREHENSIVE INCOME	其他全面收益		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:	可能於期後期間重新分類至損益的其他全面收益：		
Exchange differences on translation of financial statements	換算財務報表之匯兌差額	(21,735)	(1,259)
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	可能於期後期間重新分類至損益的其他全面收益淨額	(21,735)	(1,259)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:	不會於期後期間重新分類至損益的其他全面收益：		
Exchange differences on translation of financial statements	換算財務報表之匯兌差額	15,697	1,664
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	不會於期後期間重新分類至損益的其他全面收益淨額	15,697	1,664
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	期間其他全面收益	(6,038)	405
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	期間全面收益總額	230,382	204,079
Total comprehensive income attributable to:	以下應佔全面收益總額：		
Owners of the parent	母公司擁有人	230,277	207,530
Non-controlling interests	非控股權益	105	(3,451)
		230,382	204,079

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

中期簡明綜合財務狀況表

30 June 2020 2020年6月30日

			30 June 2020 2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
	Notes 附註			
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment	9	物業、廠房及設備	2,292,219	2,316,856
Right-of-use assets		使用權資產	736,725	745,916
Goodwill		商譽	1,759,973	1,685,099
Other intangible assets		其他無形資產	7,276	6,027
Investment in a joint venture		合營企業投資	324,119	–
Investment in an associate		聯營公司投資	1,780	1,908
Equity investment at fair value through profit or loss	10	按公平值計入損益的 股權投資	54,409	56,165
Other non-current assets	11	其他非流動資產	645,037	770,841
Total non-current assets		非流動資產總值	5,821,538	5,582,812
CURRENT ASSETS		流動資產		
Inventories		存貨	1,592	1,408
Trade receivables	12	貿易應收款項	12,768	9,801
Prepayments, other receivables and other assets		預付款項、其他應收款項 及其他資產	150,384	74,236
Short-term investments measured at amortised cost	10	按攤銷成本計量的短期 投資	–	97,000
Cash and bank balances		現金及銀行結餘	1,314,945	1,308,361
			1,479,689	1,490,806
Asset classified as held for sale	10	分類為持作出售的資產	–	3,984
Total current assets		流動資產總值	1,479,689	1,494,790
CURRENT LIABILITIES		流動負債		
Contract liabilities	13	合約負債	47,228	586,851
Refund liabilities		退款負債	17,139	–
Other payables and accruals	14	其他應付款項及應計費用	646,576	535,970
Dividend payable		應付股息	109,239	–
Deferred income – current		遞延收入 – 即期	22,310	22,894
Interest-bearing bank and other borrowings	15	計息銀行及其他借款	431,292	321,080
Loans from the ultimate holding company	20	來自最終控股公司的貸款	146,192	–
Tax payable		應付稅項	15,707	15,648
Total current liabilities		流動負債總額	1,435,683	1,482,443
NET CURRENT ASSETS		流動資產淨值	44,006	12,347
TOTAL ASSETS LESS CURRENT LIABILITIES		總資產減流動負債	5,865,544	5,595,159

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)
 中期簡明綜合財務狀況表(續)

30 June 2020 2020年6月30日

			30 June 2020 2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
		Notes 附註		
NON-CURRENT LIABILITIES	非流動負債			
Deferred income – non-current	遞延收入－非即期		271,956	273,389
Interest-bearing bank and other borrowings	計息銀行及其他借款	15	243,620	330,132
Other long term liability	其他長期負債		290,949	296,581
Deferred tax liabilities	遞延稅項負債		5,000	5,000
Put option liability	認沽期權負債		837,588	819,264
Total non-current liabilities	非流動負債總額		1,649,113	1,724,366
Net assets	資產淨值		4,216,431	3,870,793
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Share capital	股本	16	322	307
Reserves	儲備		4,102,643	3,757,125
			4,102,965	3,757,432
Non-controlling interests	非控股權益		113,466	113,361
Total equity	總權益		4,216,431	3,870,793

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

中期簡明綜合權益變動表

For the six months ended 30 June 2020 截至2020年6月30日止六個月

		Attributable to owners of the parent 母公司擁有人應佔										Total Equity
		Share capital	Contributed surplus	Capital reserve	Statutory reserve	Share option reserve	Fair value reserve of financial assets at fair value through other comprehensive income 按公平值計入 其他全面收益 的金融資產 的公平值儲備	Retained profits	Exchange fluctuation reserve	Non- controlling Total	interests	
		RMB'000 人民幣千元 (Note 16) (附註16)	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2020 (audited)	於2020年1月1日(經審核)	307	160,308	1,220,650	739,535	28,855	(2,016)	1,629,752	(19,959)	3,757,432	113,361	3,870,793
Profit for the period	期間溢利	-	-	-	-	-	-	236,315	-	236,315	105	236,420
Other comprehensive income for the period:	期間其他全面收益：											
Exchange differences related to translation of financial statements	有關換算財務報表之匯兌 差額	-	-	-	-	-	-	-	(6,038)	(6,038)	-	(6,038)
Total comprehensive income for the period	期間全面收益總額	-	-	-	-	-	-	236,315	(6,038)	230,277	105	230,382
Transfer of fair value reserve upon the disposal of equity investment at fair value through other comprehensive income	於出售按公平值計入其他 全面收益的股權投資時 轉撥公平值儲備	-	-	-	-	-	2,016	(2,016)	-	-	-	-
Final 2019 dividend declared	已宣派2019年末期股息	-	-	-	-	-	-	(109,239)	-	(109,239)	-	(109,239)
Issue of shares	發行股份	15	-	223,553	-	-	-	-	-	223,568	-	223,568
Share issue expenses	股份發行開支	-	-	(4,266)	-	-	-	-	-	(4,266)	-	(4,266)
Recognition of share-based payment expenses	確認以股份為基礎之付款 的費用	-	-	-	-	5,193	-	-	-	5,193	-	5,193
Transfer from retained profits	轉撥自留存溢利	-	-	-	67,018	-	-	(67,018)	-	-	-	-
At 30 June 2020 (unaudited)	於2020年6月30日 (未經審核)	322	160,308	1,439,937	806,553	34,048	-	1,687,794	(25,997)	4,102,965	113,466	4,216,431

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)
中期簡明綜合權益變動表(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

		Attributable to owners of the parent 母公司擁有人應佔										
		Share capital	Contributed surplus	Capital reserve	Statutory reserve	Share option reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Retained profits	Exchange fluctuation reserve	Total	Non-controlling interests	Total Equity
		股本	實繳盈餘	資本儲備	法定儲備	購股權儲備	按公平值計入其他全面收益的金融資產的公平值儲備	留存溢利	外匯波動儲備	合計	非控股權益	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Note 16)										
		(附註16)										
At 1 January 2019 (audited)	於2019年1月1日（經審核）	307	160,308	1,220,650	626,472	16,408	380	1,401,208	(17,325)	3,408,408	120,987	3,529,395
Profit for the period	期間溢利	-	-	-	-	-	-	207,125	-	207,125	(3,451)	203,674
Other comprehensive income for the period:	期間其他全面收益：											
Exchange differences related to translation of financial statements	有關換算財務報表之匯兌差額	-	-	-	-	-	-	-	405	405	-	405
Total comprehensive income for the period	期間全面收益總額	-	-	-	-	-	-	207,125	405	207,530	(3,451)	204,079
Recognition of share-based payment expenses	確認以股份為基礎之付款的費用	-	-	-	-	9,706	-	-	-	9,706	-	9,706
Transfer from retained profits	轉撥自留存溢利	-	-	-	63,554	-	-	(63,554)	-	-	-	-
At 30 June 2019 (unaudited)	於2019年6月30日（未經審核）	307	160,308	1,220,650	690,026	26,114	380	1,544,779	(16,920)	3,625,644	117,536	3,743,180

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

中期簡明綜合現金流量表

For the six months ended 30 June 2020 截至2020年6月30日止六個月

		Six months ended 30 June 截至6月30日止六個月	
	Notes 附註	2020 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 (Unaudited) (未經審核) RMB'000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動所得現金流量		
Profit before tax	除稅前溢利	239,625	210,311
Adjustments for:	就以下各項調整：		
Finance costs	融資成本	40,035	36,821
Share of loss of an associate	分佔聯營公司虧損	146	341
Share of profit of a joint venture	分佔合營企業溢利	(2,619)	—
Investment income from short-term investments measured at amortised cost and short-term investments measured at fair value through profit or loss	按攤銷成本計量的短期投資及按公平值計入損益計量的短期投資之投資收入		
	4	(17)	(1,285)
Bank interest income	銀行利息收入	(5,864)	(6,013)
Interest income from a company controlled by the former shareholders of a subsidiary	來自附屬公司原股東所控制公司的利息收入		
	4	(10,297)	(4,037)
Fair value loss/(gain) from an equity investment at fair value through profit or loss	按公平值計入損益的股權投資公平值虧損／(收益)	2,845	(905)
Loss on disposal of items of property, plant and equipment, net	處置物業、廠房及設備項目虧損淨額	68	—
Gain on disposal of a subsidiary	出售一間附屬公司的收益	(7,093)	—
Government grants released	已發放的政府補助	(42,330)	(17,910)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	64,758	57,730
Depreciation of right-of-use assets	使用權資產折舊	9,191	9,194
Amortisation of other intangible assets	其他無形資產攤銷	1,062	865
Provision for expected credit losses of other receivables	其他應收款項的預期信貸虧損撥備	—	6,450
Reversal of impairment of other receivables	其他應收款項減值撥回	(12)	—
Provision for equity-settled share option expense	以權益結算的購股權開支撥備	5,193	9,706
		294,691	301,268
(Increase)/decrease in inventories	存貨(增加)／減少	(331)	123
Increase in trade receivables	貿易應收款項增加	(3,966)	(1,258)
Increase in prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產增加	(1,977)	(16,326)
Decrease in long-term prepayments, other receivables and other assets	長期預付款項、其他應收款項及其他資產減少	289	—
Increase/(decrease) in other payables and accruals	其他應付款項及應計費用增加／(減少)	36,229	(200,056)
Decrease in contract liabilities	合約負債減少	(534,152)	(506,183)
Increase in refund liabilities	退款負債增加	17,139	—
Decrease in other long term liability	其他長期負債減少	(5,632)	—
Government grants received	已收政府補助	40,313	77,800
Decrease in restricted bank deposits	受限制銀行存款減少	—	2,318
Cash used in operations	經營所用現金	(157,397)	(342,314)
Interest received	已收利息	5,864	6,013
Income tax paid	已付所得稅	(3,146)	(1,502)
Net cash flows used in operating activities	經營活動所用現金流量淨額	(154,679)	(337,803)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)
中期簡明綜合現金流量表(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

		Six months ended 30 June 截至6月30日止六個月	
	Notes 附註	2020 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 (Unaudited) (未經審核) RMB'000 人民幣千元
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		4,636	–
Increase in prepayment for acquisition of a private school		–	(18,360)
Purchase of items of property, plant and equipment		(73,134)	(114,723)
Proceeds from disposal of items of property, plant and equipment		4	–
Additions to other intangible assets		(700)	(575)
Purchase of short-term investments measured at fair value through profit or loss		–	(270,000)
Receipt from maturity of short-term investments measured at fair value through profit or loss		–	270,000
Investment income from short-term investments measured at amortised cost and short-term investments measured at fair value through profit or loss		17	1,285
Proceeds from disposal of equity investment designed at fair value through other comprehensive income		3,984	–
Acquisition of a subsidiary	17	(193,913)	–
Disposal of a subsidiary	18	(9,169)	–
Advance of a loan to a third party		(32,000)	–
Advance of a loan to a company controlled by the former shareholders of a subsidiary		–	(400,000)
Net cash flows used in investing activities		(300,275)	(532,373)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)
 中期簡明綜合現金流量表(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

		Six months ended 30 June 截至6月30日止六個月	
		2020 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 (Unaudited) (未經審核) RMB'000 人民幣千元
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量		
Proceeds from issues of shares	發行股份的所得款項	223,568	—
Share issue expenses	股份發行開支	(4,266)	—
New bank loans	新借銀行貸款	157,590	240,915
New loans from the ultimate holding company	來自最終控股公司的新貸款	146,182	—
Repayment of bank and other borrowings	償還銀行及其他借款	(119,290)	(91,500)
Interest paid	已付利息	(13,075)	(7,259)
Interest element of sale and leaseback liabilities	售後回租負債的利息部分	(5,782)	(7,723)
Principal portion of lease payments	租賃付款的本金部分	(648)	—
Principal portion of sale and leaseback liabilities	售後回租負債的本金部分	(16,583)	(17,248)
Net cash flows from financing activities	融資活動所得現金流量淨額	367,696	117,185
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(87,258)	(752,991)
Cash and cash equivalents at beginning of period	期初現金及現金等價物	1,405,361	1,505,820
Effect of foreign exchange rate changes, net	匯率變動影響，淨額	(3,158)	(40)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及現金等價物	1,314,945	752,789
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析		
Cash and bank balances	現金及銀行結餘	1,314,945	752,789

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

中期簡明綜合財務資料附註

For the six months ended 30 June 2020 截至2020年6月30日止六個月

1. CORPORATE AND GROUP INFORMATION

Minsheng Education Group Company Limited (the “**Company**”) was incorporated in the Cayman Islands on 13 December 2005 as an exempted company with limited liability under the laws of the Cayman Islands. The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is an investment holding company. During the six months ended 30 June 2020 (the “**Period**”), the Company and its subsidiaries (collectively referred to as the “**Group**”) were principally engaged in providing educational services in the People’s Republic of China (the “**PRC**”).

2.1 BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information of the Group for the Period has been prepared in accordance with International Accounting Standard (“**IAS**”) 34 *Interim Financial Reporting* issued by the International Accounting Standards Board. The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the Group’s annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2019. The unaudited interim condensed consolidated financial information is presented in Renminbi (“**RMB**”), and all values are rounded to the nearest thousand except otherwise indicated.

1. 公司及集團資料

民生教育集團有限公司(「**本公司**」)於2005年12月13日在開曼群島根據開曼群島法例註冊成立為獲豁免有限公司。本公司註冊辦事處的地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。

本公司為投資控股公司。於截至2020年6月30日止六個月(「**期間**」)，本公司及其附屬公司(統稱「**本集團**」)主要於中華人民共和國(「**中國**」)提供教育服務。

2.1 編製基準

本集團期間的未經審核中期簡明綜合財務資料乃根據國際會計準則理事會頒佈之國際會計準則(「**國際會計準則**」)第34號中期財務報告編製。未經審核中期簡明綜合財務資料並不包括須於本集團的年度財務報表內載列的所有資料及披露，並應與本集團截至2019年12月31日止年度的年度綜合財務報表一併閱讀。未經審核中期簡明綜合財務報表乃以人民幣(「**人民幣**」)呈列，除非另有說明，否則所有金額均四捨五入至最接近的千位整數。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2019, except for the adoption of the following revised IFRSs for the first time for the Period's financial information:

Amendments to IFRS 3	<i>Definition of a Business</i>
Amendments to IFRS 9, IAS 39 and IFRS 7	<i>Interest Rate Benchmark Reform</i>
Amendments to IFRS 16	<i>Covid-19-Related Rent Concessions (early adopted)</i>
Amendments to IAS 1 and IAS 8	<i>Definition of Material</i>

2.2 會計政策變動及披露變動

編製未經審核中期簡明綜合財務報表所採納的會計政策與編製本集團截至2019年12月31日止年度的年度綜合財務報表所應用者相一致，惟於期間財務資料首次採納下列經修訂國際財務報告準則除外：

國際財務報告準則 第3號(修訂本)	業務的定義
國際財務報告準則 第9號、國際會計準則第 39號及國際財務報告準 則第7號(修訂本)	利率基準改革
國際財務報告準則 第16號(修訂本)	Covid-19相關租金 優惠(提前採納)
國際會計準則第1號及國際 會計準則第8號(修訂本)	重大的定義

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The nature and impact of the revised IFRSs are described below:

- (a) Amendments to IFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group has applied the amendments prospectively to transactions or other events that occurred on or after 1 January 2020. The amendments did not have any impact on the financial position and performance of the Group.

2.2 會計政策變動及披露變動(續)

經修訂國際財務報告準則的性質及影響闡述如下：

- (a) 國際財務報告準則第3號修訂本澄清及提供有關業務定義的額外指引。該等修訂闡明，一組綜合活動及資產須至少包括一項輸入參數與一個重要過程共同對創造收益的能力作出重大貢獻，方能被視為一項業務。在並未包含所有創造收益的輸入參數及過程的情況下，業務亦可存在。該等修訂取消對市場參與者是否具備能力收購業務並持續產生收益進行的評估，相反，重點放在已取得輸入參數及已取得重要過程能否共同對創造收益的能力作出重大貢獻。該等修訂亦縮窄收益的定義，以聚焦於向客戶提供的貨品或服務、投資收入或來自日常活動的其他收入。此外，該等修訂提供有關評估已取得過程是否屬重大的指引，並引入選擇性公平值集中度測試，允許對一組已收購活動及資產是否屬一項業務進行簡單評估。本集團已按前瞻基準將該等修訂應用於2020年1月1日或之後發生的交易或其他事件。該等修訂並無對本集團的財務狀況及表現造成任何影響。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
中期簡明綜合財務資料附註(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(b) Amendments to IFRS 9, IAS 39 and IFRS 7 address the effects of interbank offered rate reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments did not have any impact on the financial position and performance of the Group as the Group does not have any interest rate hedge relationships.

(c) Amendment to IFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the covid-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective retrospectively for annual periods beginning on or after 1 June 2020 with earlier application permitted. The amendment did not have any impact on the Group's unaudited interim condensed consolidated financial information.

2.2 會計政策變動及披露變動(續)

(b) 國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號的修訂本旨在解決銀行同業拆息改革對財務申報的影響。該等修訂提供可在替換現有利率基準前的不確定期限內繼續進行對沖會計處理的暫時性補救措施。此外，該等修訂規定公司須向投資者提供有關直接受該等不確定因素影響之對沖關係的額外資料。由於本集團並無任何利率對沖關係，故該等修訂並無對本集團的財務狀況及表現造成任何影響。

(c) 國際財務報告準則第16號修訂本為承租人提供可行權宜方法，以選擇不就covid-19疫情直接引致的租金優惠應用租賃修訂會計處理。可行權宜方法僅適用於covid-19疫情直接引致的租金優惠，並且必須滿足以下所有條件：(i)租賃付款的變更導致租賃的修訂代價與緊接變更前的租賃代價實質上相同或小於該代價；(ii)租賃付款的任何減少僅影響原定於2021年6月30日或之前到期的付款及(iii)租賃的其他條款及條件並無實質性變化。該修訂於2020年6月1日或之後開始的年度期間追溯有效，可提前應用。該修訂並無對本集團的未經審核中期簡明綜合財務資料造成任何影響。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(d) Amendments to IAS 1 and IAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. The amendments did not have any impact on the Group's unaudited interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

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

IFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to segments and to assess their performance. The information reported to the directors, 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 operating segments is presented.

Geographical information

During the Period, the Group operated within one geographical segment because all of its revenue was generated in the PRC and over 90% of its long-term assets/capital expenditure were located/incurred in the PRC. Accordingly, no geographical segment information is presented.

Information about major customers

No revenue derived from service provided to a single customer accounted for 10% or more of the total revenue of the Group during the Period.

2.2 會計政策變動及披露變動(續)

(d) 國際會計準則第1號及國際會計準則第8號修訂本對重大提供新定義。新定義指出，倘遺漏、錯誤陳述或掩蓋資料可合理地預期會對一般用途財務報表的主要使用者根據該等財務報表作出的決策造成影響，則有關資料屬重大。該等修訂闡明，重大與否將視乎資料性質或程度而定。該等修訂並無對本集團的未經審核中期簡明綜合財務資料造成任何影響。

3. 經營分部資料

本集團主要於中國提供教育服務。

國際財務報告準則第8號經營分部規定，經營分部按主要經營決策者為分配資源予各分部及評估其表現而定期審閱的有關本集團組成部分的內部報告為基礎而區分。向董事（為主要經營決策者）報告的資料在資源分配及表現評估方面並不包含不連續的經營分部的財務資料，且董事已整體審閱本集團的財務業績。因此，並無呈報有關經營分部的進一步資料。

地區資料

於期間，本集團於一個地域分部內經營業務，是由於其全部收益均於中國產生，且其超過90%的長期資產／資本開支均位於／源自中國。因此，概無呈列任何地域分部資料。

有關主要客戶的資料

於期間，並無來自向單一客戶提供服務的收入佔本集團總收益10%或以上。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

4. 收益、其他收入及收益

有關收益的分析如下：

		Six months ended 30 June 截至6月30日止六個月	
		2020 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 RMB'000 人民幣千元 (Unaudited) (未經審核)
Revenue from contracts with customers	客戶合約收益		
Tuition fees	學費	522,757	487,673
Boarding fees	住宿費	19,978	38,724
		542,735	526,397
Other income and gains	其他收入及收益		
Investment income from short-term investments measured at amortised cost and short-term investments measured at fair value through profit or loss	按攤銷成本計量的短期投資及按公平值計入損益計量的短期投資之投資收入	17	1,285
Rental income	租金收入	3,112	6,390
Bank interest income	銀行利息收入	5,864	6,013
Interest income from a company controlled by the former shareholders of a subsidiary	來自附屬公司原股東所控制公司的利息收入	10,297	4,037
Government grants	政府補貼		
– Related to assets	– 資產相關	11,731	10,210
– Related to income	– 收入相關	30,599	7,700
Exchange differences, net	淨匯兌差額	1,720	–
Management service income	管理服務收入	2,282	–
Others	其他	1,384	3,623
		67,006	39,258

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

4. REVENUE, OTHER INCOME AND GAINS (continued)

The government grants were related to the subsidies received from the local government for the purpose of compensating the operating expenses arising from the schools' teaching activities and expenditures on teaching facilities. There are no unfulfilled conditions or contingencies relating to such government grants recognised.

Revenue from contracts with customers

(i) Disaggregated revenue information

4. 收益、其他收入及收益(續)

政府補貼與就學校教學活動產生的經營費用及教學設施開支所作補償向當地政府收取的補助有關。有關已確認的政府補貼並無任何關連的未達成條件或或然事項。

客戶合約收益

(i) 分類收益資料

		Six months ended 30 June 截至6月30日止六個月	
		2020 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 RMB'000 人民幣千元 (Unaudited) (未經審核)
Timing of revenue recognition	收益確認時間		
Tuition fees recognised over time	隨時間推移確認的學費	522,757	487,673
Boarding fees recognised over time	隨時間推移確認的住宿費	19,978	38,724
		542,735	526,397

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

5. PROFIT BEFORE TAX

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

5. 除稅前溢利

本集團除稅前溢利乃扣除／(計入)以下
 各項後達致：

		Six months ended 30 June 截至6月30日止六個月	
		2020 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 RMB'000 人民幣千元 (Unaudited) (未經審核)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	64,758	57,730
Depreciation of right-of-use assets	使用權資產折舊	9,191	9,194
Amortisation of other intangible assets	其他無形資產攤銷	1,062	865
Lease payments not included in the measurement of lease liabilities	並無計入租賃負債計量的租金付款	3,266	3,468
Auditor's remuneration	核數師酬金	1,280	1,180
Employee benefit expense (excluding directors' remuneration):	僱員福利開支(不包括董事酬金):		
Wages and salaries	工資及薪金	132,353	100,350
Equity-settled share option expense	以權益結算的購股權開支	1,631	2,414
Pension scheme contributions (defined contribution schemes)	退休金計劃供款(界定供款計劃)	23,950	22,559
		157,934	125,323
Foreign exchange differences, net	淨匯兌差額	(1,720)	2,919
Impairment of financial assets:	金融資產減值:		
Impairment of financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產減值	—	6,450
Reversal of impairment of financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產減值撥回	(12)	—
		(12)	6,450
Investment income from short-term investments measured at amortised cost and short-term investments measured at fair value through profit or loss	按攤銷成本計量的短期投資及按公平值計入損益計量的短期投資之投資收入	(17)	(1,285)
Bank interest income	銀行利息收入	(5,864)	(6,013)
Interest income from a company controlled by the former shareholders of a subsidiary	來自附屬公司原股東所控制公司的利息收入	(10,297)	(4,037)
Fair value loss/(gain) on equity investment at fair value through profit or loss	按公平值計入損益的股權投資公平值虧損／(收益)	2,845	(905)
Gain on disposal of a subsidiary	出售附屬公司的收益	(7,093)	—
Loss on disposal of items of property, plant and equipment, net	處置物業、廠房及設備項目虧損淨額	68	—
Donation expense	捐贈開支	4,016	621

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

6. INCOME TAX

6. 所得稅

		Six months ended 30 June 截至6月30日止六個月	
		2020 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 RMB'000 人民幣千元 (Unaudited) (未經審核)
Current – Mainland China	即期－中國內地		
Charge for the Period	期間徵繳	3,205	6,637

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

The Company, Minsheng Education Company Limited, Minsheng Education Services Company Limited, Minsheng Education Development Company Limited, Minsheng Vocational Education Company Limited, Minsheng Secondary Education Company Limited, Minsheng Education Technology Company Limited ("Minsheng Education Technology"), Minsheng Education Investment Company Limited and Leed International Education Group Inc. which were incorporated in the Cayman Islands, are not subject to income tax.

Minsheng Education Development (Hong Kong) Company Limited, Hong Kong College of Technology and Business Limited and Leed International Education Group (China) Limited which were incorporated in Hong Kong, were subject to profits tax at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the Period.

本集團須根據本集團成員公司所在及經營之司法權區產生之溢利按實體基準繳付所得稅。

本公司、民生教育有限公司、民生教育服務有限公司、民生教育發展有限公司、民生職業教育有限公司、民生中學教育有限公司、民生教育科技有限公司(「民生教育科技」)、民生教育投資有限公司及勵德國際教育集團有限公司均於開曼群島註冊成立，毋須繳付所得稅。

民生教育發展(香港)有限公司、香港工商學院有限公司及勵德國際教育集團(中國)有限公司於香港註冊成立，其於香港產生之估計應課稅溢利在期間內須按16.5%的稅率繳納利得稅。

6. INCOME TAX (continued)

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the Period.

Pursuant to the PRC Corporate Income Tax Law and the respective regulations, except for the preferential tax rate of 15% under the Western Development Tax Incentive Scheme available to Chongqing Li'ang Education Services Company Limited and Chongqing Pass Education Services Company Limited, and the preferential rate of 20% under the Notice Regarding the Implementation on Tax Reduction/Exemption Policies for Small and Micro-sized Enterprises (SEMs) available to Chongqing Huizhi Education Services Company Limited, the companies of the Group which operate in Mainland China are subject to Corporate Income Tax ("CIT") at a rate of 25% on their respective taxable income.

According to the Implementation Rules for the Law for Promoting Private Education (the "Implementation Rules"), private schools, whether requiring reasonable returns or not, may enjoy preferential tax treatments. Private schools for which the school sponsors do not require reasonable returns are eligible to enjoy the same preferential tax treatment as public schools. It is stated in the Implementation Rules that the relevant authorities under the State Council may introduce preferential tax treatments and related policies applicable to private schools requiring reasonable returns. During the Period and up to the date of this report, no separate policies, regulations or rules have been introduced by the authorities in this regard. In accordance with the historical tax returns filed to the relevant tax authorities, except for Laoling Minsheng Education High School Company Limited which was incorporated as a limited company, the Group's schools did not pay corporate income tax for the provision of formal educational services and had enjoyed the preferential tax treatments in the Period.

7. INTERIM DIVIDEND

The Board does not declare any interim dividend for the six months ended 30 June 2020 (six months ended 30 June 2019: nil).

6. 所得稅(續)

由於本集團並無在香港產生或賺取任何應課稅溢利，故此期間內並無作出香港利得稅撥備。

根據中國企業所得稅法及有關法規，除重慶利昂教育服務有限公司及重慶派斯教育服務有限公司可享有的西部開發稅項獎勵計劃下的15%優惠稅率及重慶匯智教育服務有限公司可享有的關於實施小微企業普惠性稅收減免政策的通知下的20%優惠稅率外，本集團旗下於中國內地營運的公司須就各自的應課稅收入按25%稅率繳付企業所得稅(「企業所得稅」)。

根據《民辦教育促進法實施條例》(「實施條例」)，民辦學校不論要求取得合理回報與否，均可享受稅收優惠政策。出資人不要求取得合理回報的民辦學校，依法享受與公辦學校同等的稅收優惠政策。實施條例規定，國務院相關部門可制定要求取得合理回報的民辦學校適用的稅收優惠政策及相關政策。於期間及截至本報告日期，並無機關就此制定單獨的政策、法規及規則。根據向相關稅務機構遞交的過往納稅申報單，除以有限公司成立的樂陵民生教育高級中學外，本集團的學校在期間並未就提供正規教育服務繳納企業所得稅並享受優惠稅收待遇。

7. 中期股息

董事會並無宣派截至2020年6月30日止六個月的任何中期股息(截至2019年6月30日止六個月：無)。

8. 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 Period attributable to ordinary equity holders of the parent of RMB236,315,000 (2019: RMB207,125,000), and the weighted average number of ordinary shares of 4,046,291,429 (2019: 4,017,720,000) shares in issue during the Period.

The calculation of the diluted earnings per share amount is based on the profit for the Period attributable to ordinary equity holders of the parent of RMB236,315,000 (2019: RMB207,125,000). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares of 4,046,291,429 (2019: 4,017,720,000) in issue during the Period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares of nil (2019: 5,344,483) assumed to have been issued at no consideration on the deemed exercise of share options into ordinary shares.

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2020, the Group acquired assets with a cost of RMB48,911,000 (30 June 2019: RMB103,076,000) as additions to property, plant and equipment, and acquired property, plant and equipment by acquisition of a subsidiary with a cost of RMB1,085,000 (30 June 2019: nil).

During the six months ended 30 June 2020, the Group disposed of property, plant and equipment by disposal of a subsidiary with a net book value of RMB9,803,000 (30 June 2019: nil).

Assets with a net book value of RMB72,000 were disposed of by the Group during the six months ended 30 June 2020 (30 June 2019: nil), resulting in a net loss on disposal of RMB68,000 (30 June 2019: nil).

8. 母公司普通股權持有人應佔每股盈利

每股基本盈利乃根據母公司普通股權持有人應佔期間溢利人民幣236,315,000元(2019年：人民幣207,125,000元)及期間已發行普通股加權平均數4,046,291,429股(2019年：4,017,720,000股)計算。

每股攤薄盈利乃根據母公司普通股權持有人應佔期間溢利人民幣236,315,000元(2019年：人民幣207,125,000元)計算。計算時使用的普通股加權平均數即計算每股基本盈利所用之期間已發行普通股數目4,046,291,429股(2019年：4,017,720,000股)，以及視為行使購股權以認購普通股時假設已無償發行普通股的加權平均數零股(2019年：5,344,483股)。

9. 物業、廠房及設備

於截至2020年6月30日止六個月，本集團以成本人民幣48,911,000元(2019年6月30日：人民幣103,076,000元)收購資產以添置物業、廠房及設備，並透過收購一間附屬公司以收購物業、廠房及設備，成本為人民幣1,085,000元(2019年6月30日：零)。

於截至2020年6月30日止六個月，本集團透過出售一間附屬公司以出售賬面淨值為人民幣9,803,000元的物業、廠房及設備(2019年6月30日：零)。

於截至2020年6月30日止六個月，本集團出售賬面淨值為人民幣72,000元的資產(2019年6月30日：零)，錄得出售淨虧損人民幣68,000元(2019年6月30日：零)。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

10. OTHER INVESTMENTS/ASSET CLASSIFIED AS HELD FOR SALE

10. 其他投資／分類為持作出售資產

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Current assets	流動資產		
Short-term investments measured at amortised cost (i)	按攤銷成本計量的短期投資(i)	—	97,000
Non-current assets	非流動資產		
Equity investments measured at – Fair value through profit or loss (ii)	按以下方式計量的股權投資 – 按公平值計入損益(ii)	54,409	56,165
Non-current asset classified as held for sale	分類為持作出售的非流動資產		
Equity investment at fair value through other comprehensive income (iii)	按公平值計入其他全面收益的股權投資(iii)	—	3,984

(i) Short-term investments measured at amortised cost

Short-term investments measured at amortised cost are wealth management products with guaranteed returns. They were denominated in RMB. The investments were held for collection of contractual cash flows and the contractual cash flows of these investments qualify for solely payments of principal and interest, and hence they were measured at amortised cost.

(ii) Equity investment at fair value through profit or loss

Equity investment at fair value through profit or loss represents a listed security. The fair value of the listed security is determined based on the closing price quoted in an active market. It is categorised within level 1 of the fair value hierarchy.

(i) 按攤銷成本計量的短期投資

按攤銷成本計量的短期投資為具保證回報的理財產品。該等產品以人民幣計值。有關投資乃持有以賺取合約現金流量，而該等投資的合約現金流量合資格為純粹本息付款，因而按攤銷成本計量。

(ii) 按公平值計入損益的股權投資

按公平值計入損益的股權投資指上市證券。上市證券的公平值乃基於活躍市場收市價釐定，其歸入公平值層級的第一級。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

10. OTHER INVESTMENTS/ASSET CLASSIFIED AS HELD
 FOR SALE (continued)

(iii) Equity investment at fair value through other
 comprehensive income

Equity investment at fair value through other comprehensive income represents an unlisted security. The fair value of the unlisted security is measured using a valuation technique with unobservable inputs and hence categorised within level 3 of the fair value hierarchy. As at 31 December 2019, the equity investment at fair value through other comprehensive income is reclassified to asset held for sale according to the security transfer agreement entered into with an independent third party in December 2019. And it was categorised within level 1 of the fair value hierarchy at 31 December 2019.

10. 其他投資／分類為持作出售資產(續)

(iii) 按公平值計入其他全面收益的股
 權投資

按公平值計入其他全面收益的股權投資指非上市證券。非上市證券的公平值乃採用不可觀察參數的估值方法計量，因而屬於公平值層級的第三級。於2019年12月31日，根據2019年12月與一名獨立第三方訂立的證券轉讓協議，按公平值計入其他全面收益的股權投資重新分類為持作出售資產，且其於2019年12月31日歸入公平值層級的第一級。

11. OTHER NON-CURRENT ASSETS

11. 其他非流動資產

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Prepayments for acquisition of land use rights	收購土地使用權的預付款項	164,575	199,972
Prepayments for property, plant and equipment	物業、廠房及設備的預付款項	—	121,058
Long-term prepayments, other receivables and other assets	長期預付款項、其他應收款項及其他資產	8,131	9,480
Loan to a third party	向一名第三方貸款	32,000	—
Loan to an associate – Hong Kong Nang Yan College of Higher Education Limited	向聯營公司(香港能仁專上學院有限公司)貸款	40,331	40,331
Loan to a company controlled by the former shareholder of a subsidiary	向附屬公司原股東控制的公司貸款	400,000	400,000
		645,037	770,841

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12. TRADE RECEIVABLES

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

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Within 1 year	一年內	12,597	9,428
1 to 2 years	一至兩年	168	370
2 to 3 years	兩至三年	3	3
		12,768	9,801

12. 貿易應收款項

截至期間末，按交易日期及扣除撥備計算，貿易應收款項的賬齡分析如下：

13. CONTRACT LIABILITIES

Details of contract liabilities are as follows:

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Short-term advances received from customers	向客戶收取的短期預付款		
Tuition fees	學費	37,093	535,025
Boarding fees	住宿費	10,135	51,826
		47,228	586,851

13. 合約負債

合約負債詳情如下：

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13. CONTRACT LIABILITIES (continued)

Contract liabilities include short-term advances received from students in relation to the proportionate service not yet provided. The Group receives tuition and boarding fees from students in advance prior to the beginning of each academic year. Tuition and boarding fees are recognised proportionately over the relevant period of the applicable program. The students are entitled to refund of the payment in relation to the proportionate service not yet provided.

13. 合約負債(續)

合約負債包括就尚未提供服務按比例向學生收取的短期預付款。本集團於每學年開始前預先向學生收取學費及住宿費。學費及住宿費於有關課程的相關期內按比例確認。學生有權按比例收回仍未提供服務的相關款項。

14. OTHER PAYABLES AND ACCRUALS

14. 其他應付款項及應計費用

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Accrued bonuses and other employee benefits	應計花紅及其他僱員福利	42,385	59,444
Payables for catering services	應付餐飲服務款項	29,005	29,007
Payables for purchase of property, plant and equipment	購買物業、廠房及設備的應付款項	174,869	199,092
Payables for management fee	管理費應付款項	47,996	24,313
Miscellaneous expenses received from students (note (i))	收取學生的雜項開支(附註(i))	56,736	40,300
Other tax payable	其他應付稅項	770	2,110
Payables for audit fee	審計費用應付款項	1,280	1,820
Payables for interest	應付利息	9,341	7,577
Consideration payable for business combination	業務合併應付代價	205,800	91,730
Other payables*	其他應付款項*	78,394	80,577
		646,576	535,970

* Payables of RMB20,000,000 (31 December 2019: RMB20,000,000) to the non-controlling shareholder of Chongqing Electronic Information College is included within other payables. Other payables are non-interest-bearing and repayable on demand.

* 向重慶電信職業學院非控股股東支付的應付款項人民幣20百萬元(2019年12月31日：人民幣20百萬元)已計入其他應付款項。其他應付款項為免息，並按要求償還。

Note (i): The amounts represent the miscellaneous expenses received from students which will be paid out on behalf of students.

附註(i)：金額為收取學生的雜項開支，將代學生支付。

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15. INTEREST-BEARING BANK AND OTHER BORROWINGS 15. 計息銀行及其他借款

		30 June 2020 2020年6月30日			31 December 2019 2019年12月31日		
		Effective interest rate (%) 實際利率(%)	Maturity 到期	RMB'000 人民幣千元 (Unaudited) (未經審核)	Effective interest rate (%) 實際利率(%)	Maturity 到期	RMB'000 人民幣千元 (Audited) (經審核)
Current	即期						
Bank loans – secured	銀行貸款－有抵押	4.4-6.5	2020-2021	228,990	5.3-6.5	2020	111,000
Current portion of long term bank loans – secured	長期銀行貸款的即期部分－有抵押	6.5-7.1	2020-2021	18,000	6.5-7.1	2020	23,400
Current portion of long term bank loans – unsecured	長期銀行貸款的即期部分－無抵押	2.5-4.0	2020-2021	70,560	2.5-4.0	2020	69,873
Other loans -unsecured	其他貸款－無抵押	15.0-24.0	on demand 按要求	6,144	15.0-24.0	on demand 按要求	6,144
Current portion of long-term government loans-secured	長期政府貸款的即期部分－有抵押	3.5	2020-2021	4,000	3.5	2020	2,000
Current portion of lease liabilities	租賃負債的即期部分	3.6	2021	894	3.6	2020	1,072
Current portion of sale and leaseback liabilities	售後回租負債的即期部分	6.5-7.7	2020-2021	102,704	6.5-7.7	2020	107,591
				431,292			321,080
Non-current	非即期						
Bank loans – secured	銀行貸款－有抵押	–	–	–	6.5-7.1	2021	4,000
Bank loans – unsecured	銀行貸款－無抵押	2.5-4.0	2021-2024	211,679	2.5-4.0	2021-2024	278,583
Government loan -secured	政府貸款－有抵押	3.5	2032	26,000	3.5	2032	28,000
Lease liabilities	租賃負債	–	–	–	3.6	2021	441
Sale and leaseback liabilities	售後回租負債	6.5-7.7	2021	5,941	6.5-7.7	2021	19,108
				243,620			330,132
				674,912			651,212

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For the six months ended 30 June 2020 截至2020年6月30日止六個月

15. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued) 15. 計息銀行及其他借款(續)

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Analysed into:	分析如下：		
Bank loans:	銀行貸款：		
Within one year or on demand	一年之內或按要求	317,550	204,273
In the second year	第二年	70,560	73,871
In the third to fifth years, inclusive	第三至第五年， 首尾兩年包括在內	141,119	208,712
		529,229	486,856
Other borrowings repayable:	其他應償還借款：		
Within one year or on demand	一年之內或按要求	6,144	6,144
Government loan:	政府貸款：		
Within one year or on demand	一年之內或按要求	4,000	2,000
In the second year	第二年	2,000	2,000
In the third to fifth years, inclusive	第三至第五年， 首尾兩年包括在內	4,000	6,000
Beyond five years	超過五年	20,000	20,000
		30,000	30,000
Lease liabilities:	租賃負債：		
Within one year or on demand	一年之內或按要求	894	1,072
In the second year	第二年	—	441
		894	1,513
Sale and leaseback liabilities:	售後回租負債：		
Within one year or on demand	一年之內或按要求	102,704	107,591
In the second year	第二年	5,941	19,108
In the third to fifth years, inclusive	第三至第五年， 首尾兩年包括在內	—	—
		108,645	126,699
		674,912	651,212

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
 中期簡明綜合財務資料附註(續)

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15. INTEREST-BEARING BANK AND OTHER BORROWINGS
 (continued)

Notes:

- (a) Certain of the Group's bank loans and government loan are secured by the Group's certain property, plant and equipment and certain leasehold land, which had an aggregate carrying value at the end of the Period of approximately RMB94,897,000 (31 December 2019: RMB96,820,000).
- (b) Except for the 2.5%-4.0% unsecured bank loan which is denominated in Hong Kong dollars, all borrowings are in RMB.
- (c) The Group's other loans are unsecured, bear interest at rates ranging from 15.0% to 24.0% (2019: 15.0% to 24.0%), and are repayable on demand.

15. 計息銀行及其他借款(續)

附註：

- (a) 本集團的若干銀行貸款及政府貸款由本集團若干物業、廠房及設備以及若干租賃土地抵押擔保，其於期間末總賬面值約為人民幣94,897,000元(2019年12月31日：人民幣96,820,000元)。
- (b) 除2.5%-4.0%無抵押銀行貸款以港元計值外，所有借款均以人民幣計值。
- (c) 本集團其他貸款為無抵押，利率介乎15.0%至24.0%(2019年：15.0%至24.0%)，須按要求償還。

16. SHARE CAPITAL

Shares

16. 股本

股份

	30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Authorised:	法定：	
10,000,000,000 ordinary shares of US\$0.00001 each as at 30 June 2020 (31 December 2019: 10,000,000,000 ordinary shares)	於2020年6月30日的 10,000,000,000股 每股面值0.00001美元的 普通股(2019年12月31日： 10,000,000,000股普通股)	
	747	747
Issued and fully paid:	已發行及繳足股款：	
4,217,720,000 ordinary shares as at 30 June 2020 (31 December 2019: 4,017,720,000 ordinary shares)	於2020年6月30日的 4,217,720,000股 普通股(2019年12月31日： 4,017,720,000股普通股)	
	322	307

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
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For the six months ended 30 June 2020 截至2020年6月30日止六個月

16. SHARE CAPITAL (continued)

Shares (continued)

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

16. 股本(續)

股份(續)

本公司股本變動概要如下：

		Number of shares in issue 已發行 股份數目	Share capital 股本 RMB'000 人民幣千元
At 1 January 2019 (audited)	於2019年1月1日(經審核)	4,017,720,000	307
At 31 December 2019 and 1 January 2020 (audited)	於2019年12月31日及 2020年1月1日(經審核)	4,017,720,000	307
Share issue	股份發行	200,000,000	15
At 30 June 2020 (unaudited)	於2020年6月30日(未經審核)	4,217,720,000	322

17. BUSINESS COMBINATION

On 25 March 2020, Minsheng Education Technology, a wholly-owned subsidiary of the Company, entered into share purchase agreement with TCL Technology Investments Limited (the "Vendor"), pursuant to which Minsheng Education Technology agree to acquire 100% of the issued share capital of TCL Educational Web Limited ("Educational Web") from the Vendor at a cash consideration of RMB420.0 million. Educational Web is an investment holding company and its subsidiaries and joint venture are principally engaged in providing online education services. The acquisition was made as part of the Group's strategy to expand its network of online education. The acquisition has been accounted for using the acquisition method. The handover was completed on 30 March 2020. Since then, Educational Web has become a subsidiary of the Company.

17. 業務合併

於2020年3月25日，本公司的全資附屬公司民生教育科技與TCL Technology Investments Limited (「賣方」)訂立股份購買協議，據此，民生教育科技同意向賣方收購TCL教育網有限公司(「教育網」) 100%的已發行股本，現金代價為人民幣420,000,000元。教育網為一家投資控股公司，其附屬公司及合營企業主要從事提供在線教育服務。收購事項為本集團拓展在線教育網絡策略的一部分。收購事項已採用收購法入賬。移交已於2020年3月30日完成。從此教育網成為本公司附屬公司。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
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17. BUSINESS COMBINATION (continued)

The fair value of the identifiable assets and liabilities of Educational Web as at the date of acquisition were as follows:

17. 業務合併(續)

教育網於收購日期可識別資產及負債的公平值如下：

	Note 附註	Fair value recognised on acquisition 收購時確認 公平值 RMB'000 人民幣千元 (Unaudited) (未經審核)
Property, plant and equipment	物業、廠房及設備	9
Investment in a joint venture	合營企業投資	1,085
Other intangible assets	其他無形資產	321,500
Cash and bank balances	現金及銀行結餘	1,611
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	20,287
Other payables and accruals	其他應付款項及應計費用	2,709
Total identifiable net assets at fair value	可識別淨資產總額，按公平值	(2,066)
Goodwill on acquisition	收購帶來的商譽	345,126
Satisfied by:	支付：	74,874
Cash consideration	現金代價	214,200
Consideration payable	應付代價	205,800
		420,000

An analysis of the cash flows in respect of the acquisition of subsidiaries is as follows:

就收購附屬公司的現金流量分析如下：

	RMB'000 人民幣千元 (Unaudited) (未經審核)
Cash consideration	現金代價 (214,200)
Cash and bank balances acquired	所收購現金及銀行結餘 20,287
Net outflow on acquisition included in cash flows from investing activities	計入投資活動所得現金流量的收購流出淨額 (193,913)

The purchase price allocation of Educational Web is still preliminary, pending the finalisation of valuation of certain property, plant and equipment and investment in a joint venture, and the determination of the tax basis of the assets and liabilities acquired.

教育網的購買價分配仍在初步磋商階段，尚待有關若干物業、廠房及設備以及合營企業投資的估值最終落實及釐定所收購資產及負債的稅項基準。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
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For the six months ended 30 June 2020 截至2020年6月30日止六個月

18. DISPOSAL OF A SUBSIDIARY

18. 出售一間附屬公司

		30 June 2020 2020年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)
Net assets disposal of:	出售的資產淨值：	
Property, plant and equipment	物業、廠房及設備	9,803
Cash and bank balances	現金及銀行結餘	9,169
Trade receivables	貿易應收款項	999
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	1,878
Inventories	存貨	147
Other non-current assets	其他非流動資產	151,977
Trade payables	貿易應付款項	(10,160)
Contract liabilities	合約負債	(5,471)
Other payables and accruals	其他應付款項及應計費用	(102,247)
		56,095
Gain on disposal of a subsidiary	出售一間附屬公司的收益	7,093
		63,188
Satisfied by:	分類為：	
Other receivables	其他應收款項	63,188

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of a subsidiary is as follows:

就出售一間附屬公司的現金及現金等價物的淨流入分析如下：

		the Period 本期間 RMB'000 人民幣千元 (Unaudited) (未經審核)
Cash consideration	現金代價	—
Cash and bank balances disposed of	所出售現金及銀行結餘	(9,196)
Net outflow of cash and cash equivalents in respect of the disposal of a subsidiary	就出售一間附屬公司的現金及現金等價物的淨流出	(9,196)

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 中期簡明綜合財務資料附註(續)

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19. COMMITMENTS

The Group had the following capital commitments at the end of the Period:

19. 承擔

本集團於期間末的資本承擔如下：

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Contracted, but not provided for:	已訂約但未撥備：		
Equipment	設備	31,185	40,207
Buildings	樓宇	223,897	208,085
Loans committed to a third party	向一名第三方承諾的貸款	15,000	50,000
Acquisition of private schools and companies	收購民辦學校及公司	172,440	172,440
		442,522	470,732

At the end of the Period, the Group did not have significant capital commitments that were authorised but not contracted for.

於期間末，本集團並無授權但未訂約的重大已資本承擔。

20. RELATED PARTY TRANSACTIONS

20. 關連方交易

(a) Name and relationship of related party

(a) 關連方名稱及與關連方的關係

Name 名稱	Relationship 關係
Minsheng Group Company Limited 民生集團有限公司	The ultimate holding company 最終控股公司

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20. RELATED PARTY TRANSACTIONS (continued)

(b) In addition to the transactions detailed elsewhere in this financial information, the Group had the following transactions with related party during the period:

20. 關連方交易(續)

(b) 於期間，除本財務資料其他地方所詳述的交易外，本集團與關連方有以下交易：

		Six months ended 30 June 截至6月30日止六個月	
		2020 RMB 人民幣 (Unaudited) (未經審核)	2019 RMB 人民幣 (Unaudited) (未經審核)
Loans from:	貸款來自：		
Minsheng Group Company Limited	民生集團有限公司	146,192	—
Interest expense to:	應付利息開支：		
Minsheng Group Company Limited	民生集團有限公司	846	—

(c) Outstanding balances with related party

Loans from the ultimate holding company:

(c) 與關連方相關的未償還結餘

來自最終控股公司的貸款：

		30 June 2020 2020年 6月30日 RMB 人民幣 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB 人民幣 (Audited) (經審核)
Loans from:	貸款來自：		
Minsheng Group Company Limited	民生集團有限公司	146,192	—

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 中期簡明綜合財務資料附註(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

20. RELATED PARTY TRANSACTIONS (continued)

(d) Compensation of key management personnel of the Group:

20. 關連方交易(續)

(d) 本集團主要管理人員的薪酬：

		Six months ended 30 June 截至6月30日止六個月	
		2020 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 RMB'000 人民幣千元 (Unaudited) (未經審核)
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	7,478	7,164
Equity-settled share option expense	以股權結算的購股權費用	3,885	7,954
Pension scheme contributions	退休金計劃供款	62	31
		11,425	15,149

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:

21. 金融工具的公平值及公平值層級

本集團金融工具(賬面值與公平值合理相若者除外)的賬面值及公平值如下：

		30 June 2020 2020年6月30日	
		Carrying amounts 賬面值 RMB'000 人民幣千元 (Unaudited) (未經審核)	Fair values 公平值 RMB'000 人民幣千元 (Unaudited) (未經審核)
Financial assets	金融資產		
Financial asset at fair value through profit or loss	按公平值計入損益的金融資產	54,409	54,409
Loan to an associate included in other non-current assets	計入其他非流動資產的向聯營公司貸款	40,331	40,331
Financial assets included in other non-current assets (other than loan to an associate)	計入其他非流動資產的金融資產(向聯營公司貸款除外)	434,370	434,370
		529,110	529,110
Financial liabilities	金融負債		
Interest-bearing bank and other borrowings (other than lease liabilities)	計息銀行及其他借款(租賃負債除外)	674,018	669,381
Loans from the ultimate holding company	來自最終控股公司的貸款	146,192	146,192
Put option liability	認沽期權負債	837,588	837,588
		1,657,798	1,653,161

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

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

21. 金融工具的公平值及公平值層級(續)

		31 December 2019 2019年12月31日	
		Carrying amounts	Fair values
		賬面值	公平值
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Audited)	(Audited)
		(經審核)	(經審核)
Financial assets	金融資產		
Equity investment designated at fair value through other comprehensive income included in asset classified as held for sale	計入分類為持作出售的資產的指定按公平值計入其他全面收益的股權投資	3,984	3,984
Financial asset at fair value through profit or loss	按公平值計入損益的金融資產	56,165	56,165
Loan to an associate included in other non-current assets	計入其他非流動資產的向聯營公司貸款	40,331	40,331
Financial assets included in other non-current assets (other than loan to an associate)	計入其他非流動資產的金融資產(向聯營公司貸款除外)	402,370	402,370
		502,850	502,850
Financial liabilities	金融負債		
Interest-bearing bank and other borrowings (other than lease liabilities)	計息銀行及其他借款(租賃負債除外)	649,699	644,493
Put option liability	認沽期權負債	819,264	819,264
		1,468,963	1,463,757

Management has assessed that the fair values of cash and bank balances, financial assets included in prepayments, other receivables and other assets, trade receivables and financial liabilities included in other payables and accruals and loans from the ultimate holding company approximate to their carrying amounts largely due to the short term maturities of these instruments.

管理層已評定現金及銀行結餘、計入預付款、其他應收款項及其他資產的金融資產、貿易應收款項及計入其他應付款項及應計費用的金融負債以及來自最終控股公司的貸款的公平值與其賬面值相若，主要是由於該等工具短期內到期。

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

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 value of financial assets included other non-current assets except for a loan to an associate, which have been measured at fair value, and financial liabilities included in interest-bearing bank and other borrowings has 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 fair value as a result of the Group's own non-performance risk for interest-bearing bank and other borrowings as at 31 December 2019 and 30 June 2020 were assessed to be insignificant.

The fair value of the put option liability has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The fair values of listed equity investments are based on quoted market prices.

The fair value of the loan to an associate included in other non-current assets has been estimated using a discounted cash flow valuation model based on assumptions that were not supported by observable market prices or rates. The valuation required the directors to make estimates about the expected future cash flows including expected future interest return on maturity of the loan to an associate. The directors believe that the estimated fair value resulting from the valuation technique, which is recorded in the consolidated statement of financial position, is reasonable, and that it is the most appropriate value at the end of the reporting period.

21. 金融工具的公平值及公平值層級(續)

金融資產及負債的公平值以自願交易方(非強迫或清盤出售)當前交易中該工具的可交易金額入賬。以下方法及假設用作估計彼等的公平值：

計入其他非流動資產且按公平值計量的金融資產(向聯營公司貸款除外)及計入計息銀行及其他借款的金融負債的公平值乃透過採用具類似條款、信貸風險及餘下到期日的工具現時可用利率貼現預期未來現金流量計算。因本集團於2019年12月31日及2020年6月30日就計息銀行及其他借款的本身不履約風險而導致的公平值變動乃評估為並不重大。

認沽期權負債的公平值透過採用具類似條款、信貸風險及餘下到期日的工具現時可用利率貼現預期未來現金流量計算。

上市股權投資的公平值按市場報價計算。

計入其他非流動資產的向聯營公司貸款的公平值，乃採用貼現現金流估值模式估計，當中的假設並無取得可觀察市價或比率支持。有關估值須董事就預期未來現金流(包括向聯營公司貸款到期時的預期未來利息回報)作出估計。董事相信，按此估值方法得出的估計公平值(於綜合財務狀況表入賬)乃屬合理，並為報告期末最恰當的估值。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

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

Set out below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 30 June 2020 and 31 December 2019:

30 June 2020

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
	估值方法	重大不可觀察參數	幅度	公平值對參數的敏感度
Loan to an associate included in other non-current assets	Discounted cash flow method	Discount rate	3.27%	0.5% increase/(decrease) in interest return rate would result in (decrease)/increase in fair value by RMB894,600/RMB894,600
計入其他非流動資產的向聯營公司貸款	貼現現金流方法	貼現率	3.27%	利息回報率上升／(下跌)0.5%將導致公平值(減少)／增加人民幣894,600元／人民幣894,600元

31 December 2019

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
	估值方法	重大不可觀察參數	幅度	公平值對參數的敏感度
Loan to an associate included in other non-current assets	Discounted cash flow method	Discount rate	3.27%	0.5% increase/(decrease) in interest return rate would result in (decrease)/increase in fair value by RMB894,600/RMB894,600
計入其他非流動資產的向聯營公司貸款	貼現現金流方法	貼現率	3.27%	利息回報率上升／(下跌)0.5%將導致公平值(減少)／增加人民幣894,600元／人民幣894,600元

21. 金融工具的公平值及公平值層級(續)

下表為金融工具估值於2020年6月30日及2019年12月31日的重大不可觀察參數及量化敏感度分析的概要：

2020年6月30日

2019年12月31日

21. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)**Fair value hierarchy**

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value**As at 30 June 2020****21. 金融工具的公平值及公平值層級(續)****公平值層級**

下表闡明本集團金融工具的公平值計量層級：

按公平值計量的資產**於2020年6月30日**

		Fair value measurement using 公平值計量使用			Total 總計
		Quoted prices in active markets (Level 1) (第一級) RMB'000 人民幣千元 (Unaudited) (未經審核)	Significant observable inputs (Level 2) (第二級) RMB'000 人民幣千元 (Unaudited) (未經審核)	Significant unobservable inputs (Level 3) (第三級) RMB'000 人民幣千元 (Unaudited) (未經審核)	
Financial asset at fair value through profit or loss	按公平值計入損益的金融資產	54,409	—	—	54,409
Loan to an associate included in other non-current assets	計入其他非流動資產的向聯營公司貸款	—	—	40,331	40,331
		54,409	—	40,331	94,740

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

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

Fair value hierarchy (continued)

Assets measured at fair value (continued)

As at 31 December 2019

21. 金融工具的公平值及公平值層級(續)

公平值層級(續)

按公平值計量的資產(續)

於2019年12月31日

		Fair value measurement using 公平值計量使用			
		Quoted prices in active markets 於活躍市場的報價 (Level 1) (第一級) RMB'000 人民幣千元 (Audited) (經審核)	Significant observable inputs 重大可觀察參數 (Level 2) (第二級) RMB'000 人民幣千元 (Audited) (經審核)	Significant unobservable inputs 重大不可觀察參數 (Level 3) (第三級) RMB'000 人民幣千元 (Audited) (經審核)	Total 總計 RMB'000 人民幣千元 (Audited) (經審核)
Equity investment designated at fair value through other comprehensive income included in asset classified as held for sale	計入分類為持作出售的資產的指定按公平值計入其他全面收益的股權投資	3,984	–	–	3,984
Financial asset at fair value through profit or loss	按公平值計入損益的金融資產	56,165	–	–	56,165
Loan to an associate included in other non-current assets	計入其他非流動資產的向聯營公司貸款	–	–	40,331	40,331
		60,149	–	40,331	100,480

During the Period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

The Group did not have any financial liability measured at fair value at the end of the Period.

於期間內，第一級與第二級之間的公平值計量並無轉撥，亦無轉入或轉出第三級的公平值。

於期間末，本集團並無按公平值計量的任何金融負債。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

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

Fair value hierarchy (continued)

Liabilities for which fair values are disclosed

As at 30 June 2020

21. 金融工具的公平值及公平值層級(續)

公平值層級(續)

披露公平值的負債

於2020年6月30日

		Fair value measurement using 公平值計量使用			Total 總計
		Quoted prices in active markets 於活躍市場的報價 (Level 1) (第一級) RMB'000 人民幣千元 (Unaudited) (未經審核)	Significant observable inputs 重大可觀察參數 (Level 2) (第二級) RMB'000 人民幣千元 (Unaudited) (未經審核)	Significant unobservable inputs 重大不可觀察參數 (Level 3) (第三級) RMB'000 人民幣千元 (Unaudited) (未經審核)	
Interest-bearing bank and other borrowings (other than lease liabilities)	計息銀行及其他借款 (租賃負債除外)	-	669,381	-	669,381
Loans from the ultimate holding company	來自最終控股公司的貸款	-	146,192	-	146,192
Put option liability	認沽期權負債	-	837,588	-	837,588
		-	1,653,161	-	1,653,161

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

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

Fair value hierarchy (continued)

Liabilities for which fair values are disclosed (continued)

As at 31 December 2019

21. 金融工具的公平值及公平值層級(續)

公平值層級(續)

披露公平值的負債(續)

於2019年12月31日

		Fair value measurement using 公平值計量使用			
		Quoted prices in active markets 於活躍市場的報價 (Level 1) (第一級) RMB'000 人民幣千元 (Audited) (經審核)	Significant observable inputs 重大可觀察參數 (Level 2) (第二級) RMB'000 人民幣千元 (Audited) (經審核)	Significant unobservable inputs 重大不可觀察參數 (Level 3) (第三級) RMB'000 人民幣千元 (Audited) (經審核)	Total 總計 RMB'000 人民幣千元 (Audited) (經審核)
Interest-bearing bank and other borrowings (other than lease liabilities)	計息銀行及其他借款 (租賃負債除外)	–	644,493	–	644,493
Put option liability	認股期權負債	–	819,264	–	819,264
		–	1,463,757	–	1,463,757

22. EVENTS AFTER THE PERIOD

There were no significant events of the Group after the Period.

22. 期後事項

於期間後，本集團並無發生重大事項。



民生教育集团有限公司

Minsheng Education Group Company Limited

