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DAHON TECH (SHENZHEN) CO., LTD.

大行科工（深圳）股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2543)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED DECEMBER 31, 2025**

HIGHLIGHTS

- Revenue amounted to RMB641.5 million, representing an increase of approximately 42.3% as compared to RMB450.7 million in 2024.
- Profit for the year attributable to equity shareholders of the Company amounted to RMB63.5 million, representing an increase of approximately 21.4% as compared to RMB52.3 million in 2024. Adjusted net profit (Non-HKFRS Measure) for the year attributable to owners of the Company amounted to RMB76.2 million, representing an increase of approximately 45.6% as compared to RMB52.4 million in 2024.
- Gross profit margin amounted to 33.4%, representing a year-on-year increase of 0.4 percentage point as compared to 33.0% in 2024.
- Basic earnings per share was RMB2.67, representing an increase of RMB0.18 as compared to RMB2.49 in 2024.
- The Board has recommended the payment of a final dividend of RMB1.118 per ordinary share (tax inclusive) for the year ended December 31, 2025.

The board (the “**Board**”) of directors (the “**Directors**”) of DAHON TECH (SHENZHEN) CO., LTD. (the “**Company**”) is pleased to announce the annual results of the Company and its subsidiaries (collectively, the “**Group**” or “**we**”) for the year ended December 31, 2025 (the “**Reporting Period**” or the “**Year**”), together with the comparative figures for the year ended December 31, 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

I. Business Review

Overview of the Reporting Period and Market Position

This Year marked a significant milestone in the Group's development. Our successful listing on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") not only injected strong capital momentum into the Company's growth but also elevated the "DAHON" brand to a broader capital platform. During the Reporting Period, the global bicycle industry gradually returned to a path of rational growth following inventory adjustments in the post-pandemic era. Despite various challenges, including macroeconomic uncertainties and fluctuations in raw material prices, we achieved high-quality performance growth driven by the accelerating global trend toward green mobility and rising demand for multi-modal urban commuting, bolstered by the Group's robust brand influence, product innovation and channel execution capabilities. This growth has further consolidated our leadership in China's folding bicycle market.

According to the report issued by our industry consultant, China Insights Industry Consultancy Limited ("**CIC**"), in September 2025, the Group ranked first in China's folding bicycle market in terms of two retail indices in 2024, representing relevant market shares of approximately 26.3% and 36.5%, respectively. Such market shares, which far exceed those of the second- and third-ranked competitors, are evidence of our significant competitive advantage, which also reflects consumers' strong recognition of the "DAHON" brand for its quality, technology and design. As a rapidly growing segment characterized by technological barriers within the broader bicycle industry, folding bicycles are evolving from a mere means of transport into an expression of lifestyle, integrating commuting, leisure and sports functions, and even serving as a fashion statement. Market competition has shifted from pure price competition to comprehensive competition centered on technological innovation, brand value, channel experience and ecosystem development. We believe that we have established robust competitive barriers through the following core strengths:

- **Legacy Passed Down Since Our Brand's Establishment:** Established in 1982 by Dr. Hon Ta-Wei, hailed as the "Father of Modern Folding Bicycles", the brand has over 40 years of history and a profound technical legacy. We believe that these are brand assets that our competitors will find difficult to replicate.

- **Technological Leadership:** Our portfolio of valid patents domestically and overseas stood at 140, of which 22 were invention patents as of December 31, 2025. Our core “DAHON-V” technology suite, including innovations such as “DELTECH” technology and Super Down-tube technology, delivers breakthroughs in frame rigidity, riding efficiency and safety. We were also invited to participate in the formulation of China’s national bicycle safety standards.
- **Omni-Channel Sales Network:** As of the end of the Reporting Period, we have built a comprehensive sales network covering the globe. In the domestic market, the offline distribution network covers 30 provincial-level administrative regions and more than 850 retail outlets in China. We have in-depth online cooperation with mainstream platforms such as JD.com, Tmall, Douyin, and Pinduoduo to achieve global collaboration and brand resonance. In offshore markets, products are distributed to over 40 countries and regions outside mainland China via the brand’s independent websites and a sales network comprising 14 Offshore distributors, forming a dual drive strategy of “offshore distributor network + regional independent websites”, which has effectively supported the brand’s global presence.
- **Innovative Business Model:** The “Sharing 360” project is based on the concept of open sharing and ecological co-construction, relying on our technology and brand advantages to build a full-dimensional industrial collaboration model. With technology licensing and brand licensing as the core, it opens up advantageous resources, forms an ecological closed loop, and works with partners to achieve resource complementarity and win-win results for the industry.

Key Business Performance and Business Strategy

- **Financial Performance:** During the Reporting Period, the Group sustained and strengthened its leading market share position in the folding bicycle market in mainland China. We recorded operating revenue of approximately RMB641.5 million, representing a year-on-year increase of approximately 42.3%.

- Product Portfolio and Technological Innovation:** We continue to uphold the brand concept of ‘Simply Faster’ (輕、快、美、爽). From 2022 to the end of the Reporting Period, the classic model P8 accumulated sales of over 210,000 units, of which about 75,000 were sold during the Reporting Period, demonstrating its long-lasting product vitality. At the same time, the best-selling model P10 delivered outstanding sales performance, with total sales surpassing 45,000 units during the Reporting Period. In terms of product iteration, we launched new models equipped with the latest “DAHON-V” technology and electric-assist systems, directly addressing growing demand for electric micromobility; on the R&D front, we continued to deepen our efforts by strengthening our collaboration with Tsinghua University, focusing on carbon fiber applications and frame structure optimization, while also commissioning Shenzhen University to research, develop, and improve the Company’s testing equipment, the active oscillating bicycle platform, to enhance testing accuracy and development efficiency, together building a technical reserve for future upgrades. In addition, within the “DAHON-V” technology suite, we developed a unique “DELTECH Plus” design, which forms a triangular structure between the drop handlebar and front fork, as well as between the flat handlebar and the head tube, significantly improving frame rigidity, reducing deformation, and thereby enhancing riding efficiency.
- Sales Channels and Networks:** We have established a global sales network covering both domestic and offshore markets, as well as online and offline channels, enabling coordinated multi-channel growth and strong brand synergy. In the domestic offline channel, we have focused on optimizing network quality and continuously advancing channel upgrades by strengthening the development of directly operated stores (exclusive brand outlets) and rapidly increasing the number of larger-scale, independently branded stores dedicated to DAHON products, with proactive expansion into shopping mall locations, enhancing both sales conversion and brand image. As of the end of the Reporting Period, the Group partnered with 38 distributors across 30 provincial-level administrative regions in mainland China, with retail outlets increasing to 856, including 364 exclusive stores. We have implemented a rigorous distributor management system, including regional exclusive authorization, suggested retail price guidelines, regular inventory inspections, and digital barcode tracking, which effectively manages channel inventory and pricing while preventing channel conflicts. In addition, leveraging our collaboration with Sam’s Club for customized models, we further deepened the partnership by opening four new brand-exclusive stores in Sam’s Club locations during the Reporting Period, expanding our presence in the retail warehouse channel. In the domestic online channel, we established stores on major e-commerce platforms such as JD.com, Tmall, Douyin, and Pinduoduo, maintaining rapid growth in our direct online sales. Through major e-commerce sales events, live-streamed product demonstrations and social media engagement, we have directly reached and

retained a large number of young users, successfully achieving a harmonious balance between brand building and user engagement. In offshore markets, we have continued to deepen our global footprint and accelerate the implementation of our direct-to-consumer (DTC) strategy, establishing online stores on leading global e-commerce platforms such as Amazon and Walmart while launching independent brand websites in key markets including the United States, Europe, the United Kingdom, and Australia, forming an “international e-commerce platform + regional standalone site” matrix that significantly enhances market penetration and brand influence. On the offline side, through close collaboration with Offshore distributors, we have achieved broad coverage across key regions such as the United States, Europe, the United Kingdom, and Australia, and through the coordinated integration of online and offline channels, we have effectively improved reach and conversion efficiency among offshore end consumers, providing strong support for the sustained growth of our international business.

- **“Sharing 360” Project:** This innovative business model has partnered with a number of enterprises to achieve diversified revenue streams, and continues to bring stable operating income growth to the Company. As of the end of the reporting period, we have carried out technology licensing with 9 companies and brand licensing cooperation with 17 companies through the “Sharing 360” business model, empowering partners and jointly promoting industry development, and continuing to create stable cash flow for the Company through licensing fees and sales commission, external sales of core components, brand value enhancement and asset-light, high-efficiency operations.
- **Production and Supply Chain:** In response to global market demand, the Group adopts a hybrid production model of “in-house production + strategic OEM” to ensure flexibility in production capacity and stable product quality. Domestically, we use our Huizhou plant as our core production base and plan to use the net proceeds from the listing to set up a new production facility in Huizhou to support future business expansion. Offshore, we have established strategic partnerships with offshore suppliers in Romania and the Czech Republic to optimize supply chain efficiency and enhance international market responsiveness. At the same time, we have explored the application of AI technologies to assist in procurement price benchmarking, establishing a multi-party dynamic evaluation mechanism that effectively strengthened cost control capabilities. In addition, capacity assurance mechanisms were established with core suppliers to ensure the resilience and stability of the global supply chain.

Key Challenges

The challenges facing us during the Reporting Period and going forward:

- **Industry Cyclical Fluctuations and Offshore Inventory Adjustments:** Global demand for bicycles has rebounded in the post-pandemic era, with certain offshore markets entering a destocking phase.

While focusing on the mainland China market, where growth is more certain, we continue to optimize the layout of offshore markets, accurately target through cross-border e-commerce platforms such as Amazon and independent websites, and meet user needs by launching electric-assist products.

- **Cost Pressures:** Fluctuations in prices of key raw materials, including aluminum, and rising global logistics costs have exerted pressure on our gross profit margin.

We achieved higher pricing premiums by prioritizing models with high added value within our product mix, while partially offsetting the cost pressures through bulk procurement, long-term agreements with suppliers and optimized our production processes.

- **Intensifying Competition:** Increased investment by traditional bicycle giants and new competition from electric micro-mobility brands.

Adhering to a “technology-oriented” approach, we continued to increase our investment in R&D to fortify our competitive edges in the folding bicycle sector through core patents, while empowering our brand to enhance mindshare among mid-to-high-end consumers and avoid low-end price wars.

- **Complexity of Channel Management:** As both online and offline channels expand, it is imperative to prevent conflicts across channels and ensure price stability.

We ensure healthy omni-channel development through differentiated product offerings, coordinated marketing campaigns, digital inventory monitoring and stringent distributor policies.

II. Outlook

The Board strongly recognises the long-term growth potential of the folding bicycle industry. We identified key drivers including: (1) ongoing global urbanization, particularly in Asia, where constrained living spaces drive demand for compact mobility solutions; (2) consumer pursuit of healthy, eco-conscious lifestyles making cycling a mainstream option for both leisure and commuting; (3) government initiatives promoting bicycle-friendly policies and infrastructure investments to reduce carbon emissions; (4) the integration of technologies such as electric assistance and

smart connectivity with folding functionality, creating entirely new product categories and user experiences. According to CIC forecasts, global folding bicycle retail sales are expected to grow from RMB23.1 billion in 2024 to RMB40.7 billion in 2029, at a CAGR of approximately 12.0%. In particular, Mainland China, the United States and Europe, as the world's three largest individual markets, have shown strong growth momentum.

In order to seize market opportunities and consolidate our leading position, we actively introduced IBM (China) Company Limited (IBM) to provide strategic transformation planning services to the Group at the end of the Reporting Period, and will focus on improving and advancing the following strategies:

- **Brand Building Upgrade:** We strive to upgrade from a “well-known brands within the industry” to a “brand that consumers aspire to”, and continue to build brand momentum by focusing on user needs through cross-industry co-branding, sports event sponsorship, in-depth content marketing and enhanced in-store retail experience.
- **Continued Product Development:** We will further expand our product portfolio, with a strategic focus on the development of electric-assist bicycles and other two-wheeled electric vehicles, establishing these as a second growth driver. At the same time, we will explore high-performance products such as those with medium and large wheel sizes.
- **Continuous Investment in Technology Research and Development:** We will continue to increase its investment in technology research and development. On the one hand, by introducing high-end R&D talent across diverse industry disciplines and progressively advancing the integration of industry and education, we strengthen a multi-tiered talent pipeline ranging from foundational technical personnel to leading experts. On the other hand, through discipline-based structuring and allocation, we expand the scale of its R&D team in an orderly manner, further enhancing the collaborative efficiency of its R&D organisation. On this basis, with its “fast-track” technologies at the core, we will continue to build dual competitive advantages in “lightweighting + intelligent riding”, providing solid support for product iteration and the premiumisation of its brand.
- **Capacity and Supply Chain Optimization:** We will continue to deepen the intelligent upgrade of its existing production base in Huizhou, with a view to building a benchmark high-end manufacturing base. The development of the new intelligent production base in Huizhou is progressing as planned. By introducing automated production lines, warehouse management systems and industrial internet technologies, we will enhance manufacturing efficiency, product consistency and traceability. We will deepen strategic partnerships with core suppliers to jointly plan capacity and build a more resilient and responsive supply chain, achieve cost reductions and efficiency gains through intelligent manufacturing and equipment automation, and establish a data-driven decision-making system to support the efficient operation of our global business.

- **Sales Channel Expansion and Integration:** We will continue to optimize and expand the dealer network in the domestic market, focusing on improving store productivity and channel efficiency. At the same time, we will strengthen online channel operations and explore new retail models that integrate online and offline to provide consumers with a seamless shopping experience. In offshore markets, we will focus on high-potential regions such as the United States, Europe, and Southeast Asia, and steadily expand our international business and increase market share by establishing localized teams and deepening channel cooperation.
- **Ecological Collaborative Expansion:** We are committed to upgrading the “Sharing 360” project from a single authorization and cooperation platform to an open and symbiotic “DAHON Ecological Chain” strategic system, and to realizing the qualitative change of the business model from resource output to ecological empowerment. In terms of strategic approach, we follow the progressive logic of “broad piloting — targeted incubation — merit-based adoption”: in the early stage, we quickly rolled out the market with a dual-brand parallel strategy to test the waters and accumulate diversified cooperation experience; in the medium term, we will focus on core resources on incubation and in-depth empowerment of potential partners. During the Reporting Period, we further refined our selection mechanism to identify the very best partners, formally integrating high-quality partners who met our criteria into the DAHON ecosystem. Through multi-faceted arrangements — including technology licensing, brand licensing, the supply of core components and revenue sharing — we have established a closed-loop industrial synergy characterized by complementary resources, shared risk and shared benefits. In the future, we will continue to bring in innovative manufacturers, designers, and even technology companies into our ecosystem to jointly develop innovative products based on the “DAHON” core technology system, thereby driving the efficient transformation of our technological advantages into industry influence and platform-based returns. At the same time, the Group will actively explore capital means such as strategic mergers and acquisitions, technology mergers and acquisitions, and ecosystem-related investment to further consolidate its core resource control and capacity support capabilities, and help continue to make breakthroughs and consolidate market share.

The Board believes that with our solid market foundation, clear development strategy, and enhanced financial strength following the listing, the Group is well-positioned to effectively address challenges, seize industry growth opportunities, and strive to create sustainable long-term value for the shareholders of the Company (the “Shareholders”).

III. Financial Review

Operating results

In 2025, the revenue of the Group amounted to RMB641.5 million, representing an increase of approximately 42.3% as compared to RMB450.7 million in 2024, primarily due to (i) improvements in the quality of the distributor network and an increase in the number of new retail outlets during the Reporting Period; (ii) growth in online direct sales revenue, driven by content marketing, e-commerce and social media platforms; and (iii) an increase in offshore sales revenue resulting from stronger international demand and expanded marketing activities.

Revenue from principal business

The following table illustrates the details of revenue by product category of the Group for the two years ended December 31, 2025 and 2024, respectively:

Product Category	2025	% of total	2024	% of total
	(RMB million)		(RMB million)	
DAHON Bicycles	631.1	98.4%	442.2	98.1%
Accessories, apparel and other related products	4.3	0.7%	3.4	0.8%
Licensing and royalty income	6.1	0.9%	5.1	1.1%
Total	641.5	100.0%	450.7	100.0%

Revenue from DAHON Bicycles

For the Year, the Group's revenue from sales of DAHON Bicycles was approximately RMB631.1 million (2024: RMB442.2 million), representing an increase of approximately 42.7% as compared to the previous year. The increase was a result of (i) a significant increase in the number of new exclusive shops opened; (ii) our targeted content marketing efforts, e-commerce and social media promotion; (iii) the gradual resumption of international distribution and marketing.

Revenue from accessories, apparel and other related products

For the Year, the Group's revenue from accessories, apparel and other related products was approximately RMB4.3 million (2024: RMB3.4 million), representing an increase of approximately 26.1% as compared to the previous year. The increase was a result of the increase in online sales of accessories and other related products.

Revenue from licensing and royalty income

For the Year, the Group's revenue from licensing and royalty income was approximately RMB6.1 million (2024: RMB5.1 million), representing an increase of approximately 19.9% as compared to the previous year. The increase was primarily due to the rise in the number of partner manufacturers under the "Sharing 360" project during the Reporting Period.

The table below sets out a breakdown of the Group's sales by sales channel for the two years ended December 31, 2025 and 2024, respectively:

Sales channel	2025	% of total	2024	% of total
	(RMB million)		(RMB million)	
Domestic sales	597.4	93.1%	420.9	93.4%
Including: Sales to distributors	413.6	64.5%	307.1	68.1%
Online direct sales	167.9	26.2%	100.2	22.2%
Offline direct sales	15.9	2.5%	13.6	3.0%
Offshore sales	44.1	6.9%	29.8	6.6%
Total	641.5	100.0%	450.7	100.0%

Revenue from domestic sales

During the Year, the Group's revenue from domestic sales amounted to approximately RMB597.4 million (2024: RMB420.9 million), representing an increase of approximately 41.9% compared to last year. The increase was due to (i) an increase in sales revenue to distributors of approximately 34.7% from RMB307.1 million in 2024 to RMB413.6 million in 2025; and (ii) an increase in online direct sales revenue of approximately 67.7% from RMB100.2 million in 2024 to RMB167.9 million in 2025.

Revenue from offshore sales

During the Year, the Group's revenue from offshore sales amounted to approximately RMB44.1 million (2024: RMB29.8 million), representing an increase of approximately 47.9% compared to last year. The increase was attributable to the gradual recovery of offshore marketing and distribution activities.

Gross profit and gross profit margin

In 2025, the gross profit of the Group amounted to RMB214.3 million, representing an increase of approximately 44.0% as compared to RMB148.7 million in 2024. The gross profit margin was approximately 33.4% in 2025. It represents a year-over-year increase of 0.4 percentage points from the 33.0% recorded in 2024.

Cost of sales

For the Year, the Group's cost of sales was approximately RMB427.2 million (2024: RMB302.0 million), representing an increase of approximately 41.5% as compared to the previous year, mainly due to (i) continued growth in product demand, which increased outsourcing production costs as we expanded our collaboration with suppliers; and (ii) higher sales volume, which led to greater consumption of raw materials and consumables.

Capital expenditures

During the Year, the Group's capital expenditures were approximately RMB10.0 million (2024: RMB1.3 million), representing an increase of approximately RMB8.7 million as compared to the previous year. The increase was mainly due to the construction of DAGOLD Technology's new production facilities, equipment upgrades at the Huizhou plant, and investment in information technology systems.

Other income

During the Year, the Group's other income was approximately RMB3.7 million (2024: RMB2.7 million), representing an increase of approximately 37.4% as compared to the previous year. The increase was mainly due to an increase in interest income.

Other gains and losses, net

During the Year, the Group's other gains and losses, net were amounted to approximately RMB1.0 million (2024: net losses of RMB1.2 million), representing an increase of approximately RMB2.2 million compared to the previous year. This increase was primarily attributable to an increase in net exchange gains arising from exchange rate fluctuations.

Selling and distribution costs

For the Year, the Group's selling and distribution costs were approximately RMB75.8 million (2024: RMB47.5 million), representing an increase of approximately 59.8% as compared to the previous year. The increase was mainly due to (i) increased employee benefit expenses due to increased headcount and salary increases; and (ii) higher online promotion expenses due to continued growth in online sales.

Administrative expenses

In 2025, the administrative expenses of the Group increased by 65.0% to RMB38.4 million from RMB23.3 million in 2024, primarily due to (i) an increase in post-listing compliance and related professional fees; and (ii) an increase in employee benefit expenses resulting from the increased headcount and pay rises.

Research and development expenses

The Group's research and development expenses were approximately RMB24.1 million during the Year (2024: RMB17.6 million), representing an increase of approximately 37.5% as compared to the previous year. The increase in R&D expenses was primarily attributable to an increase in employee benefit expenses driven by the recruitment of more R&D personnel, the development of new products and pay rises.

Finance costs

During the Year, the Group's finance costs remained stable at RMB0.7 million in 2025 (2024: RMB0.9 million). Finance costs primarily comprised interest expense on lease liabilities.

Income tax expense

The income tax expense increased from RMB9.4 million in 2024 to RMB11.8 million in 2025, mainly due to an increase in profit before tax.

Net profit

For the Year, the Group's net profit was approximately RMB61.1 million (2024: RMB52.3 million), representing an increase of approximately 16.9% as compared to the previous year.

Non-HKFRS measure

To supplement our consolidated financial statements which are presented in accordance with the HKFRS Accounting Standards, we also use adjusted net profit (non-HKFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, the HKFRS Accounting Standards. We believe that such non-HKFRS measure facilitate comparisons of operating performance from period to period by eliminating the potential impact of certain items and provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of adjusted net profit (non-HKFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-HKFRS measure has limitations as an analytical tool, and Shareholders should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under the HKFRS Accounting Standards.

We define adjusted net profit (non-HKFRS measure) as profit for the Year adjusted for share-based payment expenses and listing expenses. Listing expenses are related to the global offering. Share-based payment expenses are non-cash expenses arising from granting restricted shares to directors, senior management and employees. The following table sets out a reconciliation to the adjusted net profit (non-HKFRS measure) from the profit for the Year which is presented in accordance with the HKFRS Accounting Standards.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit for the Year attributable to owners of the Company	63,509	52,299
Add:		
— Equity-settled share-based payment expenses	7,629	—
— Listing expenses	5,081	66
Adjusted net profit (non-HKFRS measure)	76,219	52,365

Adjusted net profit (non-HKFRS measure) for the Year attributable to equity shareholders of the Company amounted to RMB76.2 million, representing an increase of 45.6% as compared to RMB52.4 million in 2024 resulted from the strong growth in sales volume and the continuous improvement in cost control efficiency, with both factors working together to deliver improved profitability.

Financial condition

Shareholders' equity increased from RMB125.8 million as of 31 December 2024 to RMB530.6 million as of December 31, 2025, mainly due to (i) the inclusion of IPO proceeds; and (ii) the sustained profitability of the Group.

Liquidity and financial resources

As of December 31, 2025, the Group had a total of RMB419.3 million in cash and cash equivalents, an increase of RMB317.5 million from RMB101.8 million in 2024, mainly due to the IPO.

As of December 31, 2025, the Group had not provided guarantees or pledges to related parties.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

For the year ended December 31, 2025

		Year ended December 31,	
		2025	2024
	<i>NOTES</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	3	641,470	450,720
Cost of sales		(427,220)	(301,972)
Gross profit		214,250	148,748
Other income	4A	3,691	2,687
Other gains and losses, net	4B	1,005	(1,196)
Impairment losses under expected credit loss ("ECL") model, net of reversal		(1,773)	747
Selling and distribution expenses		75,846	(47,462)
Administrative expenses		38,418	(23,289)
Research and development expenses		24,141	(17,553)
Listing expenses		(5,081)	(66)
Finance costs	5	(729)	(872)
Profit before tax		72,958	61,744
Income tax expense	6	(11,835)	(9,445)
Profit and total comprehensive income for the year		61,123	52,299
Profit and total comprehensive income for the year attributable to:			
— Owners of the Company		63,509	52,299
— Non-controlling interests		(2,386)	—
		61,123	52,299
Earnings per share (RMB)			
— Basic	9	2.67	2.49
— Diluted		2.46	2.34

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2025

		As at December 31,	
		2025	2024
	<i>NOTES</i>	<i>RMB'000</i>	<i>RMB'000</i>
Non-current assets			
Property, plant and equipment		9,307	3,032
Right-of-use assets		12,713	14,154
Deposits paid for property, plant and equipment		261	191
Intangible assets		10,506	11,443
Deferred tax assets		7,758	3,582
		40,545	32,402
Current assets			
Inventories		184,035	112,595
Trade and other receivables	10	54,962	54,680
Pledged bank deposits		50,000	—
Cash and cash equivalents		419,298	101,788
		708,295	269,063
Current liabilities			
Trade and other payables	11	157,858	125,691
Contract liabilities	12	36,854	26,551
Lease liabilities		6,659	4,480
Income tax payable		5,020	1,746
		206,391	158,468
Net current assets		501,904	110,595
Total assets less current liabilities		542,449	142,997

		As at December 31,	
		2025	2024
	NOTES	RMB'000	RMB'000
EQUITY AND LIABILITIES			
Capital and Reserve			
Share capital		32,789	23,748
Reserves		495,309	102,006
Equity attributable to owners of the Company		528,098	125,754
Non-controlling interests		2,514	—
Total equity		530,612	125,754
Non-current liabilities			
Contract liabilities	12	3,978	5,441
Lease liabilities		7,859	11,802
		11,837	17,243
		542,449	142,997

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2025

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
OPERATING ACTIVITIES		
Profit before tax	72,958	61,744
Adjustments for:		
Depreciation of property, plant and equipment	1,839	1,100
Depreciation of right-of-use assets	5,238	3,304
Amortisation of intangible assets	2,746	2,457
Loss on written off of property, plant and equipment	22	8
Net changes in write-down of inventories	167	(298)
Impairment loss under ECL model, net of reversal	1,773	(747)
Interest income	(3,117)	(1,161)
Net gain on modification of right-of-use assets and lease liabilities	(183)	—
Finance costs	729	872
Equity-settled share-based payment expenses	7,629	—
Unrealized exchange loss, net	374	570
Operating cash flows before working capital changes	90,175	67,849
Increase in inventories	(71,607)	(31,202)
Increase in trade and other receivables	(10,506)	(15,127)
Increase in trade and other payables	33,738	60,861
Increase in contract liabilities	8,840	7,097
Cash generated from operations	50,640	89,478
Income tax paid	(12,737)	(10,536)
Net cash from operating activities	37,903	78,942
INVESTING ACTIVITIES		
Placement of pledged bank deposits	(50,000)	—
Additions of property, plant and equipment	(7,945)	(955)
Additions of intangible assets	(1,809)	(355)
Deposits paid for acquisition of property, plant and equipment	(261)	—
Repayment from an associate	—	167
Interest received	3,117	1,161
Net cash (used in) from investing activities	(56,898)	18

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
FINANCING ACTIVITIES		
Proceeds from issuance of shares (including the shares issued upon exercise of the over-allotment of option)	407,935	—
Capital contribution by non-controlling interests of a subsidiary	4,900	—
Loan from a non-controlling shareholder of a subsidiary	1,643	—
Proceed from adoption of Pre-IPO Employee Incentive Schemes	—	3,032
Interest paid	(729)	(872)
Payment for principal elements of lease liabilities	(5,378)	(4,234)
Dividend paid	(30,998)	(16,200)
Issue costs paid	(40,938)	(4,793)
Net cash from (used in) financing activities	336,435	(23,067)
NET INCREASE IN CASH AND CASH EQUIVALENTS	317,440	55,893
EFFECT OF FOREIGN EXCHANGE RATE CHANGES, NET	70	—
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	101,788	45,895
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	419,298	101,788

NOTES

1. GENERAL INFORMATION

DAHON TECH (SHENZHEN) CO., LTD. 大行科工(深圳)股份有限公司 (the “**Company**”) was incorporated in the PRC on December 13, 2016 as a limited liability Company. The addresses of the registered office and the principal places of business of the Company are 801, Yizhan Business Building, No. 8 Yizhan 4th Road, Shapu Community, Songgang Street, Bao’an District, Shenzhen, the PRC. The Company was converted into a joint stock limited company under the Company Law of the PRC. Its controlling shareholder is Dr. Hon Ta-Wei (韓德瑋) (“**Dr. Hon**”).

The Company’s H shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on September 9, 2025 (the “**Listing**”).

The Company is engaged in trading of bicycles with DAHON’s brand (“**DAHON Bicycles**”) and related products, as well as granting license of trademarks. The Group is principally engaged in the manufacturing and trading of DAHON Bicycles and related products through sales to distributors, offline direct sales, online direct sales and offshore sales, as well as granting license of trademarks.

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

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

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

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on January 1, 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue

(i) Disaggregation of revenue from contracts with customers

	For the year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Types of goods or services		
DAHON Bicycles and related products		
DAHON Bicycles	631,098	442,248
Accessories, apparel and other related products	4,319	3,425
	<u>635,417</u>	<u>445,673</u>
Licensing and royalty income	<u>6,053</u>	<u>5,047</u>
Total	<u>641,470</u>	<u>450,720</u>
Geographical markets		
PRC	597,366	420,895
Japan	13,208	14,923
Offshore (with each individual country contributed less than 10% of revenue)	<u>30,896</u>	<u>14,902</u>
Total	<u>641,470</u>	<u>450,720</u>
Timing of recognition		
A point in time	638,711	448,119
Overtime	<u>2,759</u>	<u>2,601</u>
Total	<u>641,470</u>	<u>450,720</u>
Sales Channels		
Domestic sales		
— Sales to distributors	413,562	307,123
— Offline direct sales	15,861	13,610
— Online direct sales	167,943	100,162
Offshore sales	<u>44,104</u>	<u>29,825</u>
Total	<u>641,470</u>	<u>450,720</u>

(ii) Performance obligations for contracts with customers

DAHON Bicycles and related products

The Group manufactures and sells DAHON Bicycles and related products to distributors, to customers through offline and online direct sales and offshore. A contract liability is recognised for advance payments received for sales in which revenue has yet been recognised.

Domestic — Sales to distributors

Revenue is recognised at a point in time upon the receipts of the goods by the distributors. Following receipts of the goods, the customers have full discretion over the manner of distribution, also have the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods.

Domestic — Offline direct sales

Revenue is recognised at a point in time when control of the goods has transferred, upon the receipt of the goods.

Domestic — Online direct sales

For sales on the online e-commerce platforms (JD.com, Tmall, Douyin and Pinduoduo), revenue is recognised at a point in time upon the receipts of the goods by the customers.

Offshore

For sales channel in offshore, it consisted of sales to distributors and online direct sales. For sales to distributors, revenue is recognised at a point in time when control of the goods has transferred, being when the goods have been shipped to the customers' specific location (delivery). Following delivery of the goods, the customers have full discretion over the manner of distribution, also have the primary responsibility when on selling the goods and bear the risks of obsolescence and loss in relation to the goods. For online direct sales (Amazon, Walmart and brand websites), revenue is recognised at a point in time upon the e-commerce platforms has shown that the corresponding goods have been shipped to the customer's specific location (delivery) by the logistic companies appointed by the e-commerce platform.

Sales returns

For domestic sales to distributors, domestic offline direct sales and offshore sales to distributors, based on the Group's sales contracts with the customers, they can only return or request for refund if the product delivered to them does not meet the pre-specified quality requirement; otherwise, the Group does not accept product returns or exchanges without the management's consent.

For domestic online direct sales, in accordance with relevant rules and regulations, all the e-commerce platforms have imposed a seven-day return/exchange policy, allowing consumers to return or exchange products within seven days after the delivery for no cause, and the Group follow the return or exchange policies imposed by the e-commerce platforms.

Licensing and royalty income

The Group receives licensing and royalty income from granting license of trademarks. The Group charges its licensee: i) an upfront licensing fee upon the signing of contract, ii) a fixed rate royalty fee based on ex-factory price of licensing products for domestic licensee, and iii) a fixed rate royalty fee based on subsequent sale of licensing products for offshore licensee. For the upfront licensing fee, it is recognised as revenue over the licensing period. For the royalty fee based on the ex-factory price of licensing products for domestic licensee, it is recognised at a point in time when the licensee obtained the anti-counterfeiting label from the Group that will be used on the licensing product. For the royalty fee based on subsequent sale of licensing products for offshore licensee, it is recognised at a point in time when subsequent sale of licensing products from licensee occurs over the licensing period. For royalty fee based on subsequent sale of licensing products for offshore licensee, the credit term is normally 30 days after each quarter during the licensing period.

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

DAHON Bicycles and related products are delivered within a period of less than one year. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Contracts for licensing income typically have a 1 to 10-year non-cancellable term in which the Group has received the upfront licensing fee from the licensee.

The transaction price allocated to the remaining performance obligations of licensing (unsatisfied or partially unsatisfied) as at December 31, 2025 and 2024 and the expected timing of recognising revenue are as follows:

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Within one year	2,386	2,634
More than one year but not more than two years	2,116	1,919
More than two years	1,862	3,522
	6,364	8,075

Segment information

Information reported to the chief executive of the Company, being the chief operating decision maker (“**CODM**”), for the purposes of resources allocation and assessment of performance, focuses specifically on the revenue analysis by principal categories of the Group’s business. The principal categories of the Group’s business are manufacturing and trading of DAHON Bicycles and related products, and granting license of trademarks. No other discrete financial information is regularly provided to the CODM for the purposes of resources allocation and performance assessment other than the Group’s results and financial performance as a whole. Accordingly, only entity-wide disclosures, including major customers and geographical information are presented.

Geographical information

The Group's operations are located in the PRC. All of Group's non-current assets are located in the PRC. Information about the Group's revenue from external customers by geographical location of registration are set out above.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	For the year ended December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Customer A	<u>77,110</u>	<u>70,279</u>

4A. OTHER INCOME

	For the year ended December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Interest income	3,117	1,161
Government subsidies (<i>Note</i>)	264	1,262
Others	<u>310</u>	<u>264</u>
	<u>3,691</u>	<u>2,687</u>

Note: The amount mainly represents various subsidies received from the PRC government authorities. Unconditional government grants are recognised in profit and loss when received.

4B. OTHER GAINS AND LOSSES, NET

	For the year ended December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Exchange gain (loss), net	397	(570)
Others	<u>608</u>	<u>(626)</u>
	<u>1,005</u>	<u>(1,196)</u>

5. FINANCE COSTS

	For the year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Interest on lease liabilities	<u>729</u>	<u>872</u>

6. INCOME TAX EXPENSE

	For the year ended December 31,	
	2025	2024
	RMB'000	RMB'000
PRC Enterprise Income Tax — current tax		
— Current year	16,095	9,781
— Over provision in prior years	(84)	—
Deferred tax credit	<u>(4,176)</u>	<u>(336)</u>
	<u>11,835</u>	<u>9,445</u>

PRC Enterprise Income Tax

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC entities is 25% during the year ended December 31, 2025, except for group entities which entitled preferential tax rate as explained below.

Pursuant to relevant laws and regulations in the PRC, the Company is granted tax incentives for being qualified as a High and New Technology Enterprise and is entitled to a concessionary tax rate of 15% for 3 years from 2024 to 2026.

Pursuant to relevant laws and regulations in the PRC, 深圳市大行商貿有限公司 Shenzhen Dahon Trading Co., Ltd., 深圳市美大行商貿有限公司 Shenzhen Meidahon Trading Co., Ltd., 大金科工(天津)車業有限公司 DAGOLD Technology (Tianjin) Vehicle Industry Co., Ltd. and 大金科工(天津)金屬制品有限公司 DAGOLD Metal Products (Tianjin) Co., Ltd. are eligible as Small Low-profit Enterprises (小型微利企業) and are subject to preferential tax treatments. From January 1, 2025 to December 31, 2025, for Small Low-profit Enterprises, the portion of annual tax income exceeding RMB1.00 million but not exceed in RMB3.00 million shall be reduced to 25% of taxable income and subject to income tax at a rate of 20%.

Pursuant to relevant laws and regulations in the PRC, the Company is entitled to claim an additional 100% of the research and development costs incurred as tax deductible expenses in determining its tax assessable profits.

The income tax expense for the year can be reconciled to the profit before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	For the year ended	
	December 31,	
	2025	2024
	RMB'000	RMB'000
Profit before tax	<u>72,958</u>	<u>61,744</u>
Tax at the statutory PRC EIT rate of 25%	18,240	15,436
Tax effect of expenses not deductible for tax purpose	172	457
Tax effect of tax losses not recognised	576	—
Additional deduction of research and development expenses	(2,281)	(1,295)
Income tax on preferential tax rates	(4,788)	(5,153)
Over provision in prior years	<u>(84)</u>	<u>—</u>
	<u>11,835</u>	<u>9,445</u>

7. PROFIT FOR THE YEAR

	For the year ended	
	December 31,	
	2025	2024
	RMB'000	RMB'000
Profit for the year is arrived at after charging (crediting):		
Auditor's remuneration	1,350	55
Listing expenses	5,081	66
Cost of inventories recognised as expense	427,220	301,972
Including: write-down of inventories, net of reversal	167	(298)
Depreciation of property, plant and equipment	1,839	1,670
Depreciation of right-of-use assets	5,238	4,475
Amortization of intangible assets	<u>2,746</u>	<u>2,457</u>
Total depreciation and amortization	9,823	8,602
Capitalized in inventories	<u>(2,103)</u>	<u>(1,741)</u>
	<u>7,720</u>	<u>6,861</u>
Directors' emoluments	5,890	5,090
Employee benefits expenses (excluding directors' emoluments)	64,829	58,923
Including: contributions to retirement benefit schemes	8,271	6,915
Equity-settled share-based payment expenses	6,705	—
Capitalized in inventories	<u>(15,942)</u>	<u>(13,514)</u>
	<u>48,887</u>	<u>45,409</u>

8. DIVIDENDS

For the year ended December 31, 2025

On April 7, 2025 and July 15, 2025, the Company declared dividends of RMB0.84 per share, in aggregate RMB20,000,000 and RMB0.63 per share, in aggregate RMB15,000,000, respectively, to its shareholders. The amount of RMB35,000,000 was paid during the year ended December 31, 2025. The amount of RMB30,998,000 was recognised as dividend distributed to the shareholder and the amount of RMB4,002,000 was recognised in profit or loss for the grantees of the 2022 Pre-IPO Employee Incentive Scheme, 2023 Pre-IPO Employee Incentive Scheme and 2024 Pre-IPO Employee Incentive Scheme.

Subsequent to the end of the reporting period, a final dividend in respect of the year ended December 31, 2025 of RMB1.118 per ordinary share (tax inclusive), in an aggregate amount of RMB36,658,000, has been proposed by the directors of the Company and is subject to approval by the Shareholders in the forthcoming annual general meeting.

For the year ended December 31, 2024

On January 18, 2024 and May 17, 2024, the Company declared dividends of RMB0.21 per share, in aggregate RMB4,908,000 and RMB0.56 per share, in aggregate RMB13,092,000, respectively, to its shareholders. The amount of RMB18,000,000 was paid during the year ended December 31, 2024. The amount of RMB16,200,000 was recognised as dividend distributed to the shareholder and the amount of RMB1,800,000 was recognised in profit or loss for the grantees of the 2022 Pre-IPO Employee Incentive Scheme and 2023 Pre-IPO Employee Incentive Scheme.

9. EARNINGS PER SHARE

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

	For the year ended December 31, 2025 RMB'000		2024 RMB'000	
Profit for the year attributable to the owners of the Company for the purpose of basic and diluted earnings per share	<u>63,509</u>		<u>52,299</u>	
No. of shares:				
Weighted average number of ordinary shares for the purpose of basic earnings per share (Note)	23,763,792		21,032,165	
Effect of dilutive potential ordinary shares:				
Pre-IPO Employee Incentive Scheme	2,032,761		1,285,429	
Over-allotment option	<u>13,597</u>		<u>—</u>	
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>25,810,150</u>		<u>22,317,594</u>	

Note: Outstanding ordinary shares that are contingently returnable are not treated as outstanding and are excluded from the calculation of basic earnings per share for the years ended December 31, 2025 and 2024 until the date the shares are no longer subject to recall.

10. TRADE AND OTHER RECEIVABLES

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Trade receivables from contracts with customers	12,415	14,524
Receivables from an original equipment manufacturer (“OEM”) supplier	62	4,842
Less: Allowances for credit losses	(134)	(688)
	12,343	18,678
Value-added tax recoverable	27,131	13,526
Other receivables and deposits	4,085	2,736
Prepayments to suppliers	7,974	8,354
Other prepayments	3,429	3,324
Deferred issue costs	—	8,062
Other receivables, deposits and prepayments	42,619	36,002
	54,962	54,680

As at January 1, 2024, trade receivables from contracts with customers (net of allowances for credit losses) amounted to RMB22,157,000.

The following is an ageing analysis of trade receivables presented based on invoice date at the end of each reporting period:

	At December 31,	
	2025	2024
	RMB'000	RMB'000
0–30 days	4,744	7,327
31–60 days	6,759	1,540
61–90 days	294	307
Over 90 days (<i>Note</i>)	680	10,192
	12,477	19,366

Note:

As at December 31, 2024, including in the over 90 days ageing analysis consisted of trade receivable from an OEM supplier amounted to RMB4,842,000 which was settled during the year. The trade receivable from an OEM supplier represents a receivable from selling raw materials to the OEM supplier for the manufacturing of DAHON Bicycles, where the relevant sales was net-off with cost of sales during the year ended December 31, 2024.

The Group allows a credit term from 0 to 60 days. As at December 31, 2025, included in the Group's trade receivables balance are debtors with gross carrying amount of RMB8,779,000 (2024: RMB17,967,000) is past due as at the reporting date. Out of the past due balances of the Group, no trade receivables have been past due 90 days or more as at December 31, 2025. As at December 31, 2024, RMB17,967,000 has been past due 90 days or more and is not considered as in default since the directors of the Company are of the opinion that the balances are still considered recoverable due to the management's historical experience on the settlement pattern from these debtors.

11. TRADE AND OTHER PAYABLES

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Trade payables	59,920	82,049
Bills payables (<i>Note (i)</i>)	46,110	—
Other payables and accrued charges		
Amount due to a non-controlling shareholder of a subsidiary (<i>Note (ii)</i>)	11,405	9,600
	1,643	—
Repurchase obligation under		
Pre-IPO Employee Incentive Schemes	9,994	11,216
Accrued staff costs	22,835	17,609
Value-added tax and other tax payables	5,951	1,948
Accrued issue costs	—	3,269
	<u>157,858</u>	<u>125,691</u>

Notes:

- (i) These relate to trade payables in which the Group has issued bills to the relevant suppliers for settlement of trade payables. The suppliers can obtain the invoice amounts from the bank on the maturity date of the bills which is later than the settlement date of original invoice. The Group continues to recognise these trade payables as the Group are obliged to make payments to the relevant banks on due dates of the bills, under the same conditions as agreed with the suppliers under the original invoice without further extension. In the consolidated statement of cash flows, settlements of these bills by the Group are included within operating cash flows based on the nature of the arrangements.
- (ii) The amount due to a non-controlling shareholder of a subsidiary is non-trade in nature, interest free, unsecured and repayable on demand.

The following is an ageing analysis of trade payables and bills payables presented based on the invoice date and the bill issue date at the end of each reporting period:

	At December 31,	
	2025	2024
	RMB'000	RMB'000
0–90 days	103,355	75,359
91–180 days	2,675	928
Over 180 days	—	5,762
	<u>106,030</u>	<u>82,049</u>

The average credit period on purchases of goods and services of the Group and Company is 0 to 90 days.

12. CONTRACT LIABILITIES

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Current		
Sale of DAHON Bicycles and related products	34,468	23,917
Licensing income	2,386	2,634
	<u>36,854</u>	<u>26,551</u>
Non-current		
Licensing income	3,978	5,441
	<u>40,832</u>	<u>31,992</u>

As at January 1, 2024, the Group had contract liabilities of RMB24,895,000, which included contract liabilities for sale of DAHON Bicycles and related products amounting to RMB14,945,000, and licensing income amounting to RMB9,950,000, respectively.

The following table shows the revenue recognised to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in prior periods.

	At December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Sale of DAHON Bicycles and related products		
Balance at the beginning of the year	23,917	14,945
Decrease in contract liabilities as a result of recognition of revenue during the year	(23,917)	(14,945)
Increase in contract liabilities as a result of receiving prepayments for sale of DAHON Bicycles and related products during the year	34,468	23,917
Balance at the end of the year	34,468	23,917
Licensing income		
Balance at the beginning of the year	8,075	9,950
Decrease in contract liabilities as a result of recognition of revenue during the year	(2,759)	(2,601)
Increase in contract liabilities as a result of receiving upfront licensing fee during the year	1,048	726
Balance at the end of the year	6,364	8,075

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Company was listed on the Stock Exchange on September 9, 2025 (the “**Listing Date**”). The net proceeds received from the global offering, after deducting the underwriting fees and commissions and other expenses payable by the Company in connection with the global offering, amounted to approximately HK\$344.5 million at an offering price of HK\$49.5 per H share of the Company (the “**H Share**”) (not including the net proceeds of approximately HK\$52.8 million received by the Company from the partial exercise of the Over-allotment Option on October 5, 2025 (the “**Over-allotment Option**”). Such proceeds have been and will continue to be applied in the manner consistent with that in the Prospectus:

Statement of Use of Proceeds from the Global Offering					Expected time to utilize the remaining net proceeds in full
Approximate Percentage of the total net proceeds	Net proceeds from the global offering <i>(HKD' million)</i>	Utilized Amount during the Reporting Period <i>(RMB' million)</i>	Unutilized Amount (as of December 31, 2025) <i>(RMB' million)</i>		
Production facilities and supply chain system (Modernization of production systems and expansion of operational scale)	30%	119.2	1.5	107.2	9 September 2030
Expanding the sales and distribution network (Strengthening the distribution network and strategic brand development to consolidate market position and accelerate global expansion)	30%	119.2	0.3	108.4	9 September 2030
Enhancement of R&D capabilities and technology	30%	119.2	0.1	108.6	9 September 2030
Working capital and other uses	10%	39.7	31.2	4.9	9 September 2030
	100%	397.3	33.1	329.1	

Notes:

- (1) The gross proceeds raised by the Company from the Global Offering and the partial exercise of the Over-allotment Option was converted into Renminbi upon receipt, being approximately RMB407.9 million.
- (2) The net proceeds from the Global Offering (without taking into consideration the partial exercise of the Over-allotment Option) were approximately HK\$344.5 million (equivalent to RMB313.9 million). In October 2025, the Company received additional net proceeds of approximately HK\$52.8 million (equivalent to RMB48.3 million) for the exercise of the Over-allotment Option.

The Company intends to use the net proceeds in the same manner and proportion as set out in the section headed “Future Plans and Use of Proceeds” of the prospectus of the Company dated September 1, 2025 (the “**Prospectus**”). As of the date of this announcement, the Company does not anticipate any change to its plan on the use of proceeds.

As disclosed in the announcement of the Company dated October 5, 2025, the Company has received additional net proceeds of approximately HK\$52.8 million from the Over-allotment shares issued and allotted upon the partial exercise of the Over-allotment Option after deduction of the estimated underwriting fees and commissions and expenses payable by the Company in connection with the global offering. The additional net proceeds will be allocated by the Company on a pro rata basis to the purposes as set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

MARKET RISKS

CURRENCY RISK

Certain Group entities have sales and purchases denominated in Euro (“**EUR**”), Hong Kong Dollar (“**HKD**”), United States Dollar (“**USD**”), British Pound Sterling (“**GBP**”) and Japanese Yen (“**JPY**”), other than the functional currency of respective entities, which expose the Group to market risk arising from changes in foreign exchange rates. The management closely monitors foreign currency exposure and will consider hedging significant foreign currency exposure should the need arise.

The Group’s monetary assets and liabilities denominated in EUR, HKD, USD, GBP and JPY at the end of each reporting period and the carrying amounts are as follows:

	Assets		Liabilities	
	As at December 31, 2025	2024	As at December 31, 2025	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Currency				
EUR	1,604	6,587	82	5,989
HKD	1,681	128	52	—
USD	16,307	14,179	5,817	408
GBP	172	163	27	—
JPY	9	583	63	—

INTEREST RATE RISK

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances which is mainly concentrated on the fluctuation of benchmark deposit interest rates in the PRC. The management of the Group closely monitors interest rate movement and manages the potential risk. The Group currently does not have an interest rate hedging policy. However, the management of the Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

CREDIT RISK AND IMPAIRMENT ASSESSMENT

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposure are primarily attributable to trade receivables, other receivables and deposits, pledged bank deposits and bank balances. As of December 31, 2025 and 2024, the Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

SIGNIFICANT INVESTMENTS, ACQUISITION AND DISPOSAL

During the Reporting Period, there was no significant asset acquisition or disposal, merger or equity investment of the Company.

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

From the Listing Date up to December 31, 2025, there was no purchase, sale or redemption of any listed securities (including sale of treasury shares as defined under the Listing Rules) of the Company by the Company or any of its subsidiaries. As of December 31, 2025, the Company did not hold any treasury shares (as defined under the Listing Rules).

EVENTS AFTER THE REPORTING PERIOD

As of the date of this announcement, there were no material subsequent events after the Reporting Period.

CORPORATE GOVERNANCE

The Company strives to attain and maintain relatively high standards of corporate governance that are best suited to the needs and interests of the Group, as it believes that effective corporate governance practices are fundamental to safeguarding the interests of its Shareholders and other stakeholders and enhancing Shareholder value.

The Board has adopted the Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). During the period from the Listing Date to December 31, 2025, the Company has fully complied with all the code provisions under the CG Code save as disclosed below.

Pursuant to code provision C.2.1 of Part 2 of the CG Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the roles of chairman and chief executive should be separate and should not be performed by the same individual. We do not have a separate chairman of the Board and general manager of the Company and Dr. Hon Ta-Wei currently performs these two roles. Our Group considers that appointing Dr. Hon as both the chairman of our Board and the general manager of our Company will provide us with strong and consistent leadership, resulting in more effective planning and management of our Group. In view of Dr. Hon’s extensive industry experience, personal profile and critical role in our Group’s historical development, we believe that it would be beneficial for our Group’s business prospects if Dr. Hon continues to act as both the chairman of our Board and the general manager of our Company. Our Board will continue to review and consider splitting the roles of the chairman of our Board and the general manager of our Company at a time when it is appropriate by taking into account the circumstances of our Company as a whole.

The Company will continue to review its corporate governance practices to ensure its continued compliance with the CG Code, to enhance its corporate governance standard, to comply with the increasingly stringent regulatory requirements, and to meet the rising expectations of the Shareholders and investors.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) in Appendix C3 to the Listing Rules as its own code of conduct governing securities transactions by the Directors and the supervisors of the Company (the “**Supervisors**”). Having made specific enquiries to all the Directors and Supervisors, each of them has confirmed that they have complied with the required standards as set out in the Model Code from the Listing Date to December 31, 2025.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) consists of three members, all of them are independent non-executive Directors, namely Mr. Zhao Gensheng (Chairman), Dr. Lee Lai Sun Peter, and Mr. Liu Xuequan. The Group’s annual results for the year ended December 31, 2025 have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the preparation of the financial information complies with the applicable accounting standards, the requirements of the Listing Rules and any other applicable legal requirements, and that adequate disclosures have been made.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of cash flows and the related notes thereto for the year ended December 31, 2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on March 27, 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

SUFFICIENT PUBLIC FLOAT

Based on information publicly available to the Company and to the knowledge of the Directors, since the Listing Date and up to the date of this announcement, approximately 27.57% of the Company’s issued share capital is held by the public, which meets the 25% minimum requirement under the Listing Rules.

PUBLICATION OF THE RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the Company’s website at <https://dahon.com>, and the website of the Stock Exchange at www.hkexnews.hk. The annual report of the Company for the year ended December 31, 2025 will be dispatched to the Shareholders in the manner in which the Shareholders have selected to receive corporate communications and made available on the Company’s and the Stock Exchange’s websites in due course.

DIVIDEND

Proposal for profit distribution of 2025

Audited profit available for distribution to Shareholders as of December 31, 2025 amounted to approximately RMB63.5 million. The proposal for profit distribution of 2025 is subject to approval by the Shareholders at the annual general meeting of the Company (“AGM”).

The Board of Directors of the Company has recommended profit distribution for 2025 of RMB1.118 in cash (tax inclusive) per ordinary share as the final dividend based on the number of shares held by Shareholders registered as of the close of business on the record date for profit distribution and dividend payment. The dividend will be denominated and declared in RMB, and distributed to the domestic Shareholders in RMB and to the overseas Shareholders in Hong Kong Dollars. The exchange rate for the dividend calculation in Hong Kong Dollars is based on the average benchmark exchange rate of RMB against Hong Kong Dollar as published by the People’s Bank of China one week preceding the date of the declaration of such dividend.

The Company expects to pay the dividend to holders of domestic shares on or around June 18, 2026, whereas the expected payment date of final dividend of the Company for 2025 to holders of H shares is or around June 18, 2026.

In respect of the Company’s distribution of final dividend to Shareholders whose names appear on the H share register of the Company on Friday, May 29, 2026, the Company will process income tax payable on dividends and profit distributions in accordance with relevant taxation laws and regulations of China. The details are as follows:

1. In connection with overseas non-resident corporate H Shareholders, a 10% enterprise income tax to be withheld and paid on behalf of such Shareholders by the Company shall apply in accordance with relevant provisions of the Notice of the State Administration of Taxation on Issues Concerning the Withholding and Payment of Enterprise Income Tax on Dividends Paid by Chinese Resident Enterprises to Overseas Non-Resident Corporate H shareholders (Guo Shui Han 2008 No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函2008897號)). Any H shares registered in the name of non-resident corporate H Shareholders, including HKSCC Nominees Limited, other nominees or trustees, or other organizations or groups, will be treated as shares being held by non-resident corporate H Shareholders, and consequently will be subject to the withholding of the enterprise income tax.

2. Pursuant to relevant laws and regulations and regulatory documents such as the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》), the Implementation Rules of the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法實施條例》), the Notice of the State Administration of Taxation in relation to the Administrative Measures on Preferential Treatment Entitled by Nonresidents under Tax Treaties (Tentative) (Guo Shui Fa 2009 No. 124) (《國家稅務總局關於印發〈非居民享受稅收協議待遇管理辦法(試行)〉的通知》(國稅發2009124號)) and the Notice of the State Administration of Taxation on the Issues Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa 1993 No. 45 (Guo Shui Han 2011 No. 348) (《國家稅務總局關於國稅發199345號文件廢止後有關個人所得稅徵管問題的通知》(國稅函2011348號)), dividends received by overseas resident individual shareholders from the stocks issued by domestic non-foreign investment enterprises in Hong Kong are subject to the payment of individual income tax, which shall be withheld by the withholding agents. However, overseas resident individual shareholders of the stocks issued by domestic non-foreign investment enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements signed between the countries in which they are residents and China, or the tax arrangements between Mainland China and Hong Kong (Macau). For individual holders of H shares, dividends payable to them are subject to the individual income tax withheld at a tax rate of 10% in general unless otherwise specified by the tax regulations and the relevant tax agreements.

ANNUAL GENERAL MEETING

It is proposed that the AGM will be held on Thursday, May 14, 2026. Shareholders should refer to details regarding the AGM set out in the circular of the Company, the notice of AGM and form of proxy accompanying thereto to be dispatched to the Shareholders.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the annual general meeting, the register of members of the Company will be closed from Monday, May 11, 2026 to Thursday, May 14, 2026, both days inclusive, during which period no transfer of H shares of the Company will be registered. The record date for the purpose of ascertaining the eligibility of the holders of H shares to attend and vote at the AGM is Thursday, May 14, 2026. In order to be eligible to attend and vote at the forthcoming AGM, holders of H Shares must lodge all completed transfer documents accompanied by the relevant share certificates with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong on or before 4:30 p.m. on Friday, May 8, 2026. The notice of the AGM will be dispatched to the Shareholders in the manner in which the Shareholders have selected to receive corporate communications and made available at the Company's and the Stock Exchange's websites in due course.

For the purpose of ascertaining Shareholders' entitlement to the final dividend, the register of members of the Company will be closed from Tuesday, May 26, 2026 to Friday, May 29, 2026, both days inclusive, during which period no transfer of H shares of the Company will be registered. In order to establish entitlements to the final dividend, all transfers of H shares of the Company, accompanied by the relevant share certificates, must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Friday, May 22, 2026, being the business day before the first day of closure of the register of members. The members of the H shares whose names appear on the H share register of members on Friday, May 29, 2026 will be entitled to receive the final dividend.

By order of the Board
DAHON TECH (SHENZHEN) CO., LTD.

Dr. Hon Ta-Wei

Chairman of the Board, Executive Director and General Manager

Shenzhen, March 27, 2026

As of the date of this announcement, the executive directors of the Company are Dr. Hon Ta-Wei, Ms. Li Guiyu, Ms. Liu Guocun and Ms. Lee Hsiu-Fen; and the independent non-executive directors of the Company are Dr. Lee Lai Sun Peter, Mr. Liu Xuequan and Mr. Zhao Gensheng.