Yadea Group Holdings Ltd.
雅迪集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1585)

DISCLOSEABLE TRANSACTION
ACQUISITION OF THE TARGET COMPANY

On 25 August 2026 (after trading hours), the Purchaser and the Vendor entered into the Agreement in relation to the Acquisition. Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company.

To the Director's best knowledge and belief having made all reasonable enquiries, the Vendor is an Independent Third Party.

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Acquisition is more than 5% but all of the applicable percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements but exempt from circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

THE ACQUISITION

On 25 August 2026 (after trading hours), the Purchaser and the Vendor entered into the Agreement in relation to the Acquisition. The principal terms of the Agreement are set out below.

The Agreement

Date:	25 August 2026
Parties:	(a) The Purchaser (a wholly-owned subsidiary of the Company), as purchaser (b) The Vendor, as vendor
Subject matter:	Pursuant to the Agreement, the Vendor conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Sale Interest, representing 100% equity interest the Target Company.
Consideration:	The total consideration for the Acquisition was RMB1,020,000,000 (the "**Total Consideration**"), which shall be settled by the Group in cash and be funded by the internal resources of the Group. The Total Consideration may be reduced by any "**Prohibited Outgoings**", meaning any outgoing, payment, guarantee or indemnity made or non-operating costs borne by the Target Group in favour of the Vendor, his family members or affiliates, except certain permitted pre-Completion outgoings such as (i) remuneration payable to the Vendor and his family members as directors of the Target Company and its subsidiaries based on pre-Benchmark Date scale; (ii) payments due under connected transactions entered into prior to the date of the Agreement between the Target Group and connected parties previously disclosed to the Purchaser; and (iii) the disposal by the Target Group of certain assets excluded from the Acquisition under the Agreement (the "**Excluded Assets**"). Where the consolidated net profit of the Target Group (a) for the second half of financial year 2026 is less than RMB50 million; or (b) for July to September 2026 is less than RMB30 million, the difference shall be deducted from the Total Consideration.

Where the consolidated net profit of the Target Group for the second half of financial year 2026 (i) exceeds RMB80 million but is not more than RMB100 million, the Total Consideration shall be increased by RMB2 million; or (ii) exceeds RMB100 million, the Total Consideration shall be increased by RMB5 million. If the actual number of days elapsed between the date of the Agreement and the Completion Date exceeds or is less than 6 months, the aforesaid threshold amounts will be adjusted in proportion to 184 days. Any profit or loss attributable to the Excluded Assets shall be excluded.

The Total Consideration was determined after arm's length negotiations between the Vendor and the Purchaser on normal commercial terms, taking into account, among other things, (i) the historical financial and operating performance of the Target Group, including its unaudited consolidated revenue of approximately RMB1.74 billion and RMB2.68 billion for the years ended 31 December 2024 and 2025, respectively, representing year-on-year growth of approximately 54.0%, and its unaudited consolidated net profit before taxation of approximately RMB14.9 million and RMB139.0 million for the years ended 31 December 2024 and 2025, respectively; (ii) the Target Group's established business operations and underlying commercial strengths, including its product portfolio, customer base, distribution network and brand reputation, as well as its earnings-generating capability; (iii) the Target Group's business scale and future growth prospects; and (iv) the reasons for and benefits of the Acquisition as set out in the section headed "Reasons for and Benefits of the Acquisition" in this announcement.

Payment Terms: Within seven (7) business days after the date of the Agreement, the Purchaser shall pay (a) RMB5 million (the "**Earnest Money**") to the Vendor as earnest money for the Purchaser's performance of its obligations under the Agreement; and (b) a sum equal to 25% of the Total Consideration less the Earnest Money (the "**First Payment**") to a joint bank account (the "**Escrow Account**"). Any tax arising from the Acquisition shall be paid out of the First Payment after all the Completion Conditions are fulfilled or waived in accordance with the terms of the Agreement. The balance of the First Payment shall be released from the Escrow Account to the Vendor within seven (7) business days after the Completion Date. If the Agreement terminates for any reason, the Earnest Money shall not be refundable, while the First Payment will be refunded from the Escrow Account to the Purchaser.

Within seven (7) business days after the Completion Date, the Purchaser shall pay 70% of the Total Consideration (the "**Second Payment**") to the Vendor.

Within seven (7) business days after the expiry of twelve (12) months after the Completion Date, the Purchaser shall pay 5% of the Total Consideration (the "**Third Payment**") to the Vendor, provided that if the Vendor is liable to pay any compensation to the Purchaser under the Agreement, the Purchaser may deduct any such compensation from the amount of the Third Payment.

Completion Conditions: The Purchaser's obligation to make the Second Payment to the Vendor is subject to the fulfilment or waiver of the following conditions (each a "**Completion Condition**"):

(1) All representations and warranties made by the Vendor under the Agreement were true, accurate, complete and not misleading at the time they were made, and remain true, accurate, complete and not misleading up to the Completion Date.

(2) No government authority has enacted, promulgated, implemented or passed any law or government order that would render the proposed transactions under the Agreement illegal or otherwise restrict or prohibit the proposed transactions under the Agreement.

(3) There are no existing or potential claims brought by or to any government authority against the Vendor or any member of the Target Group that would restrict the proposed transaction under the Agreement, have a material adverse effect on it, or cause a material alteration to the terms of the Acquisition under the Agreement, or, in the reasonable and bona fide judgment of the Purchaser, may render the completion of the proposed transaction under the Agreement impossible or illegal, or unsuitable to continue the proposed transaction under the Agreement, or may have a material adverse effect on the Vendor or the any member of the Target Group.

(4) The Vendor and the Target Company have completed all necessary and ongoing authorizations/consents/approvals for the proposed transaction under the Agreement.

(5) All transaction documents related to the Acquisition have been properly signed by the relevant parties, and the original copies of each transaction document have been delivered to the Purchaser.

(6) There is no material adverse effect on the financial, compliance, or other conditions, operating results, assets, business, or prospects of the Vendor or any member of the Target Group; nor have any events, individually or collectively, caused a material adverse effect.

(7) The Purchaser has completed legal, financial, business, and tax due diligence on the Target Group, and has obtained internal approval on the Acquisition.

(8) The State Administration for Market Regulation of the PRC has made a decision not to conduct further Competition Review, made a decision not to prohibit after further Competition Review, or made a decision not to prohibit after the statutory Competition Review period has expired; and if there are any restrictive conditions attached, such conditions have been accepted in writing by the Purchaser.

(9) Certain core team members of the Target Group have signed retention agreements and non-competition and confidentiality agreements with the Target Group for a period not less than three (3) years from the Completion Date.

(10) The Vendor and the Target Company have provided confirmation letters confirming that all Completion Conditions have been met or have been waived.

If any of the Completion Conditions is not fulfilled or waived by the Long Stop Date, the Purchaser may (but is not obliged to) terminate the Agreement, upon which the Vendor shall return to the Purchaser all payments previously made by the Purchaser under the Agreement (except the Earnest Money) plus interest.

If any Completion Condition was not fulfilled due to default on the part of the Vendor, the Vendor shall also pay to the Purchaser a sum of RMB50,000,000 as liquidated damages. If the Purchaser's loss exceeds RMB50,000,000, the Vendor shall also bear any such difference.

If the Purchaser refuses to proceed to Completion without proper reason after all Completion Conditions have been fulfilled or if the Purchaser commits a breach of its material obligations and undertakings of the Agreement, the Purchaser shall also pay to the Vendor a sum of RMB50,000,000 as liquidated damages. If the Vendor's loss exceeds RMB50,000,000, the Purchaser shall also bear any such difference.

Upon fulfilment or waiver of all the Completion Conditions, the Vendor shall provide all necessary assistance to the Purchaser's registration of the transfer of the Sale Interest with SAIC within ten (10) business days.

Completion: Completion occurs upon completion of registration with SAIC of (a) the transfer of the Sale Interest from the Vendor to the Purchaser; and (b) the Purchaser as the sole registered owner of 100% equity interest in the registered capital of the Target Company.

Relevant Property:	The Excluded Assets include land and factory building situated at North of Anzhen Panlong No.2 Road and West of Jing No.2 Road, Xishan District, Wuxi City, the PRC (中華人民共和國無錫市錫山區安鎮盤龍二路北、經二路西) (the "**Relevant Property**"). As at the date of this announcement, the Target Group occupies the Relevant Property as its enamel coating factory. After the disposal of the Relevant Property by the Target Group to the Vendor but before Completion, the Vendor shall complete the registration of mortgage over the Relevant Property in favour of the Purchaser for 5 years as security for the Vendor's due performance of his obligations under the Agreement.
Retention and Non-competition Undertaking:	The Vendor undertakes that, for three (3) years after the Completion, he shall remain as an employee of the Target Company as person in charge of the product and research and development functions of the Target Group. Definitive terms of the employment including remuneration shall be separately agreed between the Vendor and the Purchaser. The Vendor undertakes that, for three (3) years after the Completion, save with prior written consent of the Purchaser, he shall not, and shall cause his family members and any entities directly and/or indirectly controlled by them to not directly or indirectly engage in any business that is similar to, or in competition with, the Main Business (defined below) of the Target Group (each a "**competitive business**"), nor will they directly or indirectly hold any interest in, serve or work for, any entity that constitutes a competitive business with the Target Group (except in cases where they hold less than 5% of shares in any listed company for investment purposes), or engage in any other conduct that is detrimental to the interests of the Target Company.

INFORMATION OF THE PARTIES

The Company is an investment holding company. The Group is principally engaged in the research and development, manufacture and sale of electric two-wheeled vehicles, batteries and related accessories in the PRC. The Purchaser is an indirect wholly-owned subsidiary of the Company.

The Vendor is a natural person resident in the PRC. As at the date of this announcement, he is the sole registered and beneficial owner of all equity interest in the registered capital of the Target Company.

To the Director's best knowledge and belief having made all reasonable enquiries, the Vendor is an Independent Third Party.

INFORMATION OF THE TARGET GROUP

The Target Group is principally engaged in the research and development, manufacture and sale of electric bicycles, electric scooters, electric tricycles and related parts and components (collectively, the "**Main Business**"). The Target Group places significant emphasis on technological research and development and has independently developed its smart dual-chip 2.0 system, incorporating seven safety technologies covering key components such as batteries, motors and controllers. The Target Group has also established differentiated product advantages and a stable customer base among delivery riders. The information on the main subsidiaries of the Target Group is as follows:

1. Garow Technology Group Limited* (金箭科技集團有限公司), established in Wuxi, the PRC. It is primarily engaged in investment activities, the provision of support for coordination at group level, as well as production site management and leasing in Jiangsu region.

2. Jiangsu Jinjian Vehicle Industry Manufacturing Co., Ltd.* (江蘇金箭車業製造有限公司), established in Wuxi, the PRC. It is primarily engaged in the manufacture and sales of electric two-wheeled vehicles.

3. Tianjin Jinjian Electric Vehicle Co., Ltd.* (天津金箭電動車有限公司), established in Tianjin, the PRC. It is primarily engaged in the manufacture and sales of electric two-wheeled vehicles and electric tricycles.

4. Tianjin Jinjian Industrial Co., Ltd.* (天津金箭實業有限公司), established in Tianjin, the PRC. It is primarily engaged in production site management and leasing in Tianjin region, painting and processing of coated components, processing of frame and small components of electric vehicles in Tianjin region.

5. Guangdong Jinjian Electric Vehicle Co., Ltd.* (廣東金箭電動車有限公司), established in Guangdong, the PRC. It is primarily engaged in the manufacture and sales of electric two-wheeled vehicles.

FINANCIAL INFORMATION OF THE TARGET COMPANY

The following table sets forth the consolidated financial information of the Target Company for the two financial years ended 31 December 2024 and 2025 based on the unaudited consolidated financial statements prepared in accordance with CASBE:

	For the year ended 31 December	
	2024	**2025**
	(RMB'000)	*(RMB'000)*
	Unaudited	*Unaudited*
Revenue	1,743,737	2,680,320
Net profit before taxation	14,877	138,968
Net profit after taxation	14,853	122,536

According to the unaudited consolidated financial statements prepared in accordance with CASBE, the consolidated total assets of the Target Company as at 31 December 2024 and 2025 were approximately RMB829.4 million and approximately RMB1,248.5 million, respectively, and the book value, namely the consolidated net assets, of the Target Company as at 31 December 2024 and 2025 were approximately RMB177.5 million and approximately RMB331.6 million, respectively.

FINANCIAL IMPACTS OF THE ACQUISITION ON THE GROUP

Upon Completion, the Group will become the sole beneficial owner of all equity interest in the registered capital of the Target Company, and the Target Company will become an indirect wholly owned subsidiary of the Company. The financial results of the Target Group will be consolidated into the consolidated financial statements of the Group.

REASONS AND BENEFITS OF THE ACQUISITION

The Acquisition represents an important step in the Group's strategy to further consolidate its market position and expand its presence in the electric two-wheeled vehicles market and commercial-use segments, including delivery service. The Directors believe that the Acquisition will enable the Group to capture opportunities arising from ongoing industry consolidation, broaden its customer base and application scenarios, and realise potential synergies through increased scale, enhanced operating efficiency and wider market coverage. The Acquisition is also consistent with the Group's strategy of developing a diversified multi-brand and multi-product portfolio.

The Directors consider that the terms of the Acquisition are conducted on an arm's length basis and on normal commercial terms, and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Acquisition is more than 5% but all of the applicable percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements but exempt from circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The completion of the Acquisition is subject to the satisfaction (or, if applicable, waiver) of the Completion Conditions and as such, the Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following defined expressions shall have the following meanings:

"Acquisition"	the purchase of the Sale Interest by the Purchaser from the Vendor subject to the terms and conditions of the Agreement
"Agreement"	the equity purchase agreement (股權收購協議) entered into by and between the Purchaser as purchaser and the Vendor as vendor on 25 August 2026 (after trading hours) governing the terms of the Acquisition
"Benchmark Date"	30 June 2026
"Board"	the board of Directors
"CASBE"	the China Accounting Standards for Business Enterprises
"Company"	Yadea Group Holdings Ltd., a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
"Competition Review"	the merger control review process conducted by the State Administration for Market Regulation of the PRC required for the transfer of the Sale Interest under the Agreement
"Completion"	completion of the Acquisition in accordance with the terms of the Agreement
"Completion Conditions"	conditions precedent to the Completion as set out in the Agreement

"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	person(s) who are not connected person(s) of the Company
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange
"Long Stop Date"	the date falling 120 days after the date of the Agreement, *provided that* if the Competition Review has not been completed by then, the Long Stop Date shall be automatically postponed to the date falling thirty (30) days after the date of the decision of the Competition Review, but in any event no later than the date falling 180 days after the date of the Agreement (or such later date as agreed between the Purchaser and the Vendor)
"PRC"	the People's Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
"Purchaser"	Wuxi Yadea Consulting Co., Ltd. (無錫雅迪諮詢有限公司), a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"SAIC"	the State Administration of Industry and Commerce, or any of its branch registration offices
"Sale Interest"	100% of the equity interest in the registered capital of the Target Company
"Shareholder(s)"	holder(s) of issued shares in the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Garow Technology Group Co., Ltd.* (金箭科技集團有限公司), a limited liability company established under the laws of the PRC

"Target Group"	the Target Company and its subsidiaries
"Vendor"	Mr. ZHU Chaofeng (祝超峰), a natural person resident in the PRC
"%"	per cent.

By order of the Board
Yadea Group Holdings Ltd.
Dong Jinggui
Chairman

Hong Kong, 25 August 2026

As at the date of this announcement, Mr. Dong Jinggui, Ms. Qian Jinghong and Mr. Shen Yu are the executive directors of the Company; and Mr. Chen Mingyu, Ms. Ma Chenguang, Ms. Liang Qin and Mr. He Ping are the independent non-executive directors of the Company.

* *for identification purposes only*