



雅迪集團控股有限公司

YADEA GROUP HOLDINGS LTD.

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1585

2026
INTERIM REPORT



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors:

Mr. Dong Jinggui (*Chairman*)
Ms. Qian Jinghong (*Chief executive officer*)
Mr. Shen Yu

Independent Non-executive Directors:

Mr. Wong Lung Ming (*resigned with effect from 29 April 2026*)
Mr. Chen Mingyu
Ms. Ma Chenguang
Ms. Liang Qin
Mr. He Ping (*appointed with effect from 18 June 2026*)

BOARD COMMITTEES

Audit Committee

Mr. Chen Mingyu (*Chairman*)
Mr. Wong Lung Ming (*resigned with effect from 29 April 2026*)
Ms. Ma Chenguang
Ms. Liang Qin
Mr. He Ping (*appointed with effect from 18 June 2026*)

Remuneration Committee

Ms. Ma Chenguang (*Chairman*)
Mr. Wong Lung Ming (*resigned with effect from 29 April 2026*)
Ms. Liang Qin
Mr. Chen Mingyu (*appointed with effect from 29 April 2026*)
Mr. He Ping (*appointed with effect from 18 June 2026*)

Nomination Committee

Mr. Dong Jinggui (*Chairman*)
Ms. Qian Jinghong
Mr. Chen Mingyu
Ms. Ma Chenguang
Ms. Liang Qin
Mr. Wong Lung Ming (*resigned with effect from 29 April 2026*)
Mr. He Ping (*appointed with effect from 18 June 2026*)

JOINT COMPANY SECRETARIES

Mr. Shen Yu
Mr. Leung Chi Kit, ACG, HKACG

AUTHORISED REPRESENTATIVES

Ms. Qian Jinghong
Mr. Leung Chi Kit

REGISTERED OFFICE

Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Xishan Road
Dacheng Industrial Zone
Anzhen Town
Xishan District
Wuxi, Jiangsu Province
China

CORPORATE INFORMATION

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

31/F, Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
35th floor, One Pacific Place,
88 Queensway,
Hong Kong

LEGAL ADVISER

As to Hong Kong Law
Eric Chow & Co. in Association with
Commerce & Finance Law Offices
3401, Alexandra House
18 Chater Road
Central
Hong Kong

PRINCIPAL BANKERS

China CITIC Bank Corporation Limited,
Wuxi Wu'ai Sub-branch
No. 112 Renmin West Road, Liangxi District
Wuxi City, Jiangsu Province
China

Industrial and Commercial Bank of China Limited,
Fogang Sub-branch
Industrial and Commercial Bank of China
No. 106 National Road (Tangtang Section)
Tangtang Town
Fogang County
Qingyuan City, Guangdong Province
China

China Everbright Bank, Tianjin Huayuan Branch
No. 62-68 Caizi Yuan
Junction of Huayuan Road and Yashi Avenue
Nankai District, Tianjin
China

STOCK CODE

1585

WEBSITE

www.yadea.com.cn

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The first half of 2026 represented a period of adjustment for the electric two-wheeled vehicle industry in China following the full transition to the new national standards. The implementation of the new national standards accelerated the upgrading and restructuring of the industry, while also resulting in short-term pressure on market demand and changes in consumer preferences. In particular, consumer demand increasingly shifted towards electric scooters, while demand for electric bicycles experienced short-term pressure during the transition period. Against this backdrop, Yadea Group Holdings Ltd. (the “**Company**”) and together with its subsidiaries (the “**Group**”) continued to focus on its long-term development strategy and remained committed to enhancing its product competitiveness and operational capabilities.

For the six months ended 30 June 2026 (the “**Reporting Period**”), the Group recorded revenue of RMB18,236.1 million, representing a decrease of approximately 5.0% as compared with the corresponding period in 2025, which was primarily attributable to the lower sale volume of electric bicycles and batteries and chargers. In particular, the decrease in the sale volume of electric bicycles reflected short-term pressure on industry demand and the shift in consumer preferences towards electric scooters following the full transition to the new national standards. Also, due to the late Chinese New Year, the sales volume of electric scooters and electric bicycles was relatively low in the first quarter of 2026, but gradually picked up in May and June 2026. The sales volume of electric scooters increased by approximately 63.7%, from 2,128,000 units for the six months ended 30 June 2025 to 3,484,200 units for the same period in 2026, while the sales volume of electric bicycles decreased by approximately 37.8%, from 6,665,500 units to 4,148,100 units over the same period. Gross profit decreased by approximately 14.0% to RMB3,235.9 million, while gross profit margin decreased from approximately 19.6% to approximately 17.7%.

While the domestic market underwent a period of adjustment, the Group’s overseas business continued to demonstrate strong growth momentum during the Reporting Period. Demand for Yadea’s products increased across a number of overseas markets, particularly in Southeast Asia, supported by increasing adoption of electric two-wheeled vehicles and the enhanced economic attractiveness of electric mobility amid higher fuel prices in certain markets. During the Reporting Period, the Group continued to expand its overseas sales and distribution network and strengthen its localised manufacturing capabilities, including through its new manufacturing base in Vietnam, further enhancing its ability to serve growing regional demand and supporting the development of overseas markets as an important long-term growth driver.

Looking ahead to the second half of 2026, the Group expects domestic demand to gradually recover as the market further adapts to the new national standards and consumer acceptance of new-standard products improves. The Group will continue to strengthen product innovation, optimise its product portfolio and improve operational efficiency, while further developing its overseas business through deeper market penetration, broader distribution coverage and enhanced localised manufacturing and supply chain capabilities. These initiatives are expected to reinforce the Group’s competitive position and support sustainable long-term growth.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2026, the Group recorded revenue of RMB18,236.1 million, representing a decrease of approximately 5.0% compared with the corresponding period in 2025 of RMB19,185.9 million, which was primarily due to the lower sale volume of electric bicycles and batteries and chargers. In particular, the decrease in the sale volume of electric bicycles reflected short-term pressure on industry demand on electric bicycles and a shift in consumption towards electric scooters following the full transition to the new national standards.

The sales volume of electric two-wheeled vehicles for six months ended 30 June 2026 and 2025 is as follows:

	For the six months ended 30 June 2026			For the six months ended 30 June 2025		
	Revenue RMB'000	% of total	Volume '000 units	Revenue RMB'000	% of total	Volume '000 units
Product Type						
Electric bicycles	6,262,533	34.3	4,148.1	9,297,605	48.5	6,665.5
Electric scooters	6,427,787	35.3	3,484.2	3,808,547	19.8	2,128.0
Subtotal	12,690,320	69.6	7,632.3	13,106,152	68.3	8,793.5
Batteries and chargers	4,729,555	25.9	Batteries: 9,032.4 Chargers: 7,494.8	5,712,664	29.8	Batteries: 9,383.5 Chargers: 9,029.3
Electric two-wheeled vehicle parts	816,220	4.5	N/A	367,045	1.9	N/A
Total	18,236,095	100.0	–	19,185,861	100.0	–

Segment Information

For management purpose, the Group is organised into two operating segments from a product perspective. The electric two-wheeled vehicles and related accessories segment is mainly engaged in the development, manufacture and sales of electric two-wheeled vehicles and related accessories, and the batteries and electric drive segment is mainly engaged in the production and sales of batteries and electric drive products.

MANAGEMENT DISCUSSION AND ANALYSIS

The segment information for the reportable segments for six months ended 30 June 2026 and 2025 is as follows:

	Six months ended 30 June 2026				Six months ended 30 June 2025			
	Electric two-wheeled vehicles and related accessories RMB'000	Batteries and electric drive RMB'000	Elimination RMB'000	Total RMB'000	Electric two-wheeled vehicles and related accessories RMB'000	Batteries and electric drive RMB'000	Elimination RMB'000	Total RMB'000
Total segment revenue	17,252,280	3,936,718	(2,952,903)	18,236,095	18,648,461	3,740,722	(3,203,322)	19,185,861
Total segment cost	(14,210,364)	(3,740,167)	2,950,331	(15,000,200)	(15,274,988)	(3,347,697)	3,199,989	(15,422,696)
Gross profit	3,041,916	196,551		3,235,895	3,373,473	393,025		3,763,165
Other material expense items								
Raw materials and consumables used	13,683,393	3,602,346	(2,950,331)	14,335,408	14,956,060	3,024,970	(3,212,253)	14,768,777
Employee benefits expenses	1,062,041	113,245	—	1,175,286	1,252,100	146,973	—	1,399,073
Depreciation of property, plant and equipment	203,928	30,767	—	234,695	182,005	17,301	—	199,306

Cost of sales

Cost of sales decreased by approximately 2.7% from RMB15,422.7 million for the six months ended 30 June 2025 to RMB15,000.2 million for the six months ended 30 June 2026, primarily due to the decrease in sales volume of electric bicycles.

Gross profit and gross profit margin

As a result of the foregoing, the Group's gross profit decreased by approximately 14.0% from RMB3,763.2 million for the six months ended 30 June 2025 to RMB3,235.9 million for the six months ended 30 June 2026. Gross profit margin was 17.7% for the six months ended 30 June 2026, lower than the gross profit margin of 19.6% for the six months ended 30 June 2025, mainly reflecting the lower gross profit margin of the batteries and electric drive segment and changes in the Group's product mix.

Other income and gains — net

Other income and gains, net decreased by approximately 31.2% from RMB329.2 million for the six months ended 30 June 2025 to RMB226.6 million for the six months ended 30 June 2026. The decrease was primarily due to (i) that the Group recorded net foreign exchange loss as compared with gain in the first half of 2025, (ii) super-deduction of value-added-tax decreased, and (iii) bank interest income decreased.

Profit for the Reporting Period

As a result of the cumulative effect of the foregoing, the Group's profit decreased by approximately 27.2% from RMB1,649.0 million for the six months ended 30 June 2025 to RMB1,200.4 million for the six months ended 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY AND CAPITAL RESOURCES

Cash flow

As at 30 June 2026, cash and cash equivalents amounted to RMB7,122.8 million, increased by approximately 18.9% from RMB5,991.4 million as at 31 December 2025. As at 30 June 2026, the cash and cash equivalents of the Group were substantially denominated in RMB.

The Group's primary uses of cash were daily operating expenses, payment for marketing and advertising expenses and funding of working capital. The Group financed its liquidity requirements through operating cash flows and existing cash and cash equivalents.

Net cash inflow generated from operating activities was RMB1,626.0 million for the six months ended 30 June 2026, as compared with net cash inflow generated from operating activities of RMB4,726.6 million for the six months ended 30 June 2025, which was primarily due to lower operating profit and higher working capital requirements, including increases in trade receivables and inventories, together with an increase in income tax paid.

Net cash inflow generated from investing activities was RMB186.2 million for the six months ended 30 June 2026, as compared with net cash outflow used in investing activities of RMB6,376.0 million for the six months ended 30 June 2025. Net cash outflow used in financing activities was RMB649.7 million for the six months ended 30 June 2026, as compared with net cash inflow generated from financing activities of RMB1,662.7 million for the six months ended 30 June 2025.

The Group's primary source of funding comes from cash flows generated from its operating activities and existing cash and cash equivalents. As at 30 June 2026, the Group recorded borrowings of RMB796.8 million with fixed interests ranging from 0.6% to 1.25%.

Taking into account the Group's existing cash and cash equivalents, anticipated cash flow from its operating activities, the board (the "**Board**") of directors of the Company (the "**Directors**") believes that the Group's liquidity needs will be satisfied.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial assets at FVTPL

The financial assets at FVTPL held by the Group mainly consist of wealth management products and structured deposits with relatively low level of risk purchased from the PRC state-owned banks and the PRC large-scale commercial banks, with variable returns linked to gold price or foreign exchange rates or floating interest rates and investment terms/maturity dates within six months after the purchasing date. The aggregated value of the financial assets at FVTPL decreased by approximately 6.1% from RMB4,766.0 million as at 31 December 2025 to RMB4,472.9 million as at 30 June 2026, which was primarily attributable to the redemption of the wealth management products and structured deposits held by the Group at the end of their investment terms/maturity dates. As at 30 June 2026, each of such investments (both on a standalone and an aggregated basis by each bank) has a value of less than 5% of the total assets of the Group and none of such investments constituted a notifiable transaction of the Company. There was no disposal of the Company's financial assets at FVTPL for the six months ended 30 June 2026. The changes in financial assets at FVTPL, other than wealth management products and structured deposits, are not significant and mainly due to fair value changes. The Company's subscription for the wealth management products and structured deposits is for treasury management purpose in order to maximise the utilisation of its surplus cash received from its business operations, with a view to achieving balanced yields whilst maintaining high liquidity and a low level of risk. For the six months ended 30 June 2026, the Company recorded a gain in fair value of the financial assets at FVTPL of approximately RMB51.9 million in the consolidated statement of profit or loss and other comprehensive income. The breakdown for the financial assets at FVTPL for the six months ended 30 June 2026 and the year ended 31 December 2025 is as follows:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Wealth management products and structured deposits	4,317,014	4,600,791
Listed equity investment	65,431	74,722
Unlisted equity investment	83,724	83,724
Bond investment	6,767	6,749
	4,472,936	4,765,986

Net current liabilities

As at 30 June 2026, the Group had net current liabilities of RMB2,500.3 million, as compared with net current liabilities of RMB1,877.7 million as at 31 December 2025, mainly attributable to term deposits of RMB3,292.1 million and pledged bank deposits of RMB1,599.0 million, both with maturities exceeding one year, which have been classified as non-current assets. Taking into consideration the Company's current level of cash and cash equivalents, management undertook proactive treasury management measures by placing more bank deposits with maturities over one year to capture higher interest rates.

Inventory

Inventory primarily consisted of raw materials, work in progress and finished goods. Inventory increased by approximately 25.9% from RMB1,426.6 million as at 31 December 2025 to RMB1,795.6 million as at 30 June 2026, primarily due to stocks of raw materials. The average inventory turnover days for the six months ended 30 June 2026 increased to 19.3 days from 15.1 days for the corresponding period in 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Gearing ratio

Gearing ratio is calculated by borrowings and other non-current liability divided by total equity. As at 30 June 2026, the gearing ratio of the Group is 10.4% (31 December 2025: 17.4%). The change of gearing ratio as at 30 June 2026 mainly due to the decrease in borrowings.

Human resources

As at 30 June 2026, the Group had 11,339 employees (31 December 2025: 11,245). Total staff costs, including labour outsourcing cost but excluding the Directors' remuneration, were RMB1,457.4 million (the six months ended 30 June 2025: RMB1,674.3 million). The remuneration of employees was based on their performance, skills, knowledge, experience and market trend. The Group will regularly review its remuneration policy and wages and benefits to its employees with reference to market practice and the performance of individual employees.

Contingent liabilities

As of 30 June 2026, the Group did not have any material contingent liabilities or guarantees.

Pledge of the Group's assets

The Group pledged its assets as securities for bills payable and government financing. As at 30 June 2026, the Group had pledged bank deposits of RMB3,557.2 million (31 December 2025: RMB4,359.8 million) as security for bills payable used to finance its daily business operations. In addition, certain of the Group's buildings and construction in progress with an aggregate net carrying amount of RMB674.9 million (31 December 2025: RMB730.1 million) were pledged to secure the Group's government financing.

Currency risk

The Group operates in the PRC with most of the transactions settled in RMB except for certain sales to international market and certain wealth management products that are conducted in USD. Foreign currency risk arises when commercial transactions or recognised assets or liabilities are denominated in currency other than the entities' functional currency. The Group is exposed to foreign currency risk primarily with respect to USD.

The Group manages its foreign currency risk by performing regular reviews of the Group's net foreign currency exposures and may enter into currency forward contracts, when necessary, to manage its foreign exchange exposure.

As at 30 June 2026, substantially all of the Group's assets and liabilities were denominated in RMB. The Group did not use any derivative financial instruments to hedge its exposure to the foreign exchange rate risks during the Reporting Period.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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

The Company was incorporated in the Cayman Islands on 17 July 2014 as an exempted company with limited liability and the ordinary shares of the Company (the “**Shares**”) were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) on 19 May 2016 (the “**Listing Date**”).

As at 30 June 2026, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “**Listing Rules**”) are as follows:

Name of Director	Nature of interest	Number of Shares ^(Note 1)	Approximate percentage of shareholding ^(Note 2)
Mr. Dong Jinggui ^(Note 3)	Founder of a discretionary trust	1,959,768,943 (L)	62.96%
Ms. Qian Jinghong ^(Note 3)	Founder of a discretionary trust	1,959,768,943 (L)	62.96%

Notes:

- (1) The letter “L” denotes long position in such securities.
- (2) There were 3,112,647,294 Shares in issue as at 30 June 2026.
- (3) Such Shares were held by DQ Prosperity Group Limited, which was wholly-owned by DQ Prosperity Limited, which in turn was wholly owned by Trident Trust Company (Cayman) Limited, which was the trustee of the DQ Prosperity Trust, a family trust set up by Mr. Dong Jinggui and Ms. Qian Jinghong. Accordingly, each of Mr. Dong Jinggui, Ms. Qian Jinghong, Trident Trust Company (Cayman) Limited and DQ Prosperity Limited is deemed to be interested in the Shares held by DQ Prosperity Group Limited by virtue of Part XV of the SFO.

Save as disclosed above, as at 30 June 2026, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS OF THE SHAREHOLDERS UNDER THE SFO

As at 30 June 2026, within the knowledge of the Directors, the following persons (other than the Directors or chief executive of the Company) had an interest or a short position in the Shares or underlying Shares which would be required as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Shareholder	Nature of interest	Number of Shares (Note 1)	Approximate percentage of shareholding (Note 2)
DQ Prosperity Group Limited (Note 3)	Beneficial interest	1,959,768,943 (L)	62.96%
DQ Prosperity Limited (Note 3)	Interest in controlled corporation	1,959,768,943 (L)	62.96%
Trident Trust Company (Cayman) Limited	Trustee	1,959,768,943 (L)	62.96%

Notes:

- (1) The letter "L" denotes long position in such securities.
- (2) There were 3,112,647,294 Shares in issue as at 30 June 2026.
- (3) Such Shares were held by DQ Prosperity Group Limited, which was wholly-owned by DQ Prosperity Limited, which in turn was wholly-owned by Trident Trust Company (Cayman) Limited, which was the trustee of the DQ Prosperity Trust, a family trust set up by Mr. Dong Jinggui and Ms. Qian Jinghong. Accordingly, each of Mr. Dong Jinggui, Ms. Qian Jinghong, Trident Trust Company (Cayman) Limited and DQ Prosperity Limited is deemed to be interested in the Shares held by DQ Prosperity Group Limited by virtue of Part XV of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

2016 SHARE OPTION SCHEME

On 22 April 2016, the shareholders of the Company (the “Shareholders”) approved and adopted a share option scheme (the “2016 Share Option Scheme”) conditionally upon the approval by the Hong Kong Stock Exchange of the listing of, and permission to deal in, any Shares to be allotted and issued pursuant to the exercise of options under the 2016 Share Option Scheme. The Company received such approval from the Hong Kong Stock Exchange on 18 May 2016.

The purpose of the 2016 Share Option Scheme was to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group.

On 17 January 2023, a total of 33,550,000 share options were granted by the Company to 263 employees of the Group to subscribe for an aggregate of 33,550,000 Shares. No share options were granted by the Company during the six months ended 30 June 2026. The table below sets out a summary of the details of the movement of the share options granted on 17 January 2023 pursuant to the 2016 Share Option Scheme:

Grantee	Outstanding options as at 1 January 2026	Date of grant	Options granted	Vesting period	Exercise period	Performance targets	Exercise price	Fair value of options at the date of grant (RMB)	Options exercised during the Reporting Period	Options cancelled during the Reporting Period	Options lapsed during the Reporting Period	Options forfeited during the Reporting Period	Outstanding options as at 30 June 2026
Top 5 highest paid individuals (excluding Directors and senior management)													
	357,500	17 January 2023	650,000	2024-2026	17 January 2023-17 January 2028	For the Company and the grantees	HK\$16.14 per Share	5.56	-	-	-	(260,000)	97,500
	(Note 1)			(Note 2)		(Note 3)						(Note 4)	
Other employees													
	15,420,000	17 January 2023	32,900,000	2024-2026	17 January 2023-17 January 2028	For the Company and the grantees	HK\$16.14 per Share	5.56	-	-	-	(11,285,400)	4,134,600
	(Note 1)			(Note 2)		(Note 3)						(Note 4)	

Notes:

- (1) The closing price of the Shares immediately before the date of grant was HK\$16.14 per Share.
- (2) Of the share options granted, depending on whether the performance targets for the corresponding vesting period as set out in Note 3 below are fulfilled, 30% would be vested within 15 days after the date of publication of the annual results announcement of the Company for the year ended 31 December 2023 on the website of the Hong Kong Stock Exchange (“**First Vesting Period**”), 30% would be to be vested within 15 days after the date of publication of the annual results announcement of the Company for the year ended 31 December 2024 on the website of the Hong Kong Stock Exchange (“**Second Vesting Period**”), and 40% would be vested within 15 days after the date of publication of the annual results announcement of the Company for the year ended 31 December 2025 on the website of the Hong Kong Stock Exchange (“**Third Vesting Period**”). As the performance targets could only be partially fulfilled in the First Vesting Period, only 15% of the share options granted was vested with the remaining 15% being forfeited. In the Second Vesting Period and Third Vesting Period, the performance targets could not be met and therefore 70% of the share options granted were forfeited.
- (3) For the Company, the performance targets are as follows. In relation to the First Vesting Period, the growth rate of the Company’s consolidated revenue and net profit for the year ended 31 December 2023 shall both be no less than 20% based on the consolidated revenue and net profit of the Company for the year ended 31 December 2022. As for the Second Vesting Period, the growth rate of the Company’s consolidated revenue and net profit for the year ended 31 December 2024 shall both be no less than 44% based on the consolidated revenue and net profit of the Company for the year ended 31 December 2022. In respect of the Third Vesting Period, the growth rate of the Company’s consolidated revenue and net profit for the year ended 31 December 2025 shall both be no less than 73% based on the consolidated revenue and net profit of the Company for the year ended 31 December 2022.

For individual grantees, the Group has set up a performance appraisal system for the employees, which comprehensively evaluates the performance of the grantees in an accurate and all-rounded manner. The Company will determine whether the grantees meet the individual performance target based on their performance appraisal results for the relevant year. In case of partial achievement and satisfaction of the performance targets, the applicable share options will be vested in proportion in relation to the performance targets actually achieved for the relevant year and the unvested portion of the relevant tranche of the share options shall lapse.

- (4) The share options were forfeited during the Reporting Period due to the employees’ resignation or failure to meet relevant performance targets.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The 2016 Share Option Scheme was terminated on 17 June 2024. Upon the termination of the 2016 Share Option Scheme, no further options shall be offered or granted but the provisions of the 2016 Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provisions of the 2016 Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the 2016 Share Option Scheme.

For further details, please refer to the announcement of the Company dated 17 January 2023 and note 15 to the condensed consolidated financial information of this interim report.

2024 SHARE OPTION SCHEME

On 17 June 2024, the Shareholder approved and adopted a share option scheme (the “**2024 Share Option Scheme**”) conditionally upon the approval by the Hong Kong Stock Exchange of the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of options under the 2024 Share Option Scheme. The Company received such approval from the Hong Kong Stock Exchange on 18 June 2024.

The purpose of the 2024 Share Option Scheme is to provide Eligible Participants with the opportunity to acquire proprietary interests in the Company and to encourage Eligible Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole. The 2024 Share Option Scheme will provide the Company with a flexible means of retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to the Eligible Participants.

The Eligible Participants of the 2024 Share Option Scheme consist of Employee Participants, whom the Board considers eligible from time to time and on a case-by-case basis. Generally, the Board will consider, amongst others, the general working performance, time commitment (full-time or part-time), length of service within the Group, working experience, responsibilities and employment conditions of the Employee Participants, with reference to the prevailing market practice and industry standard, or where appropriate, contribution or potential contribution to the revenue, profits or business development of the Group.

Subject to further refreshment, at the time of adoption by the Company of the 2024 Share Option Scheme, the number of Shares which may be issued in respect of all options to be granted under the 2024 Share Option Scheme of the Company must not in aggregate exceed 153,190,000 shares, representing 5% of the total number of Shares in issue as at the date of Shareholders’ approval of the 2024 Share Option Scheme (the “**Scheme Mandate Limit**”). The total number of Shares issued and to be issued upon the exercise of all options and awards granted to and to be granted (excluding any options and awards lapsed in accordance with the terms of 2024 Share Options Scheme and other share schemes) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being (the “**Individual Limit**”). Any further grant of share options in excess of either the Scheme Mandate Limit or the Individual Limit is subject to Shareholders’ approval in a general meeting of the Company and other relevant requirements set out in the terms of 2024 Share Options Scheme.

Where an Option is to be granted to any Director, the chief executive or any Substantial Shareholder of the Company or any of their respective Associates, the grant shall not be valid unless it has been approved by the independent non-executive Directors, excluding any independent non-executive Director who is a prospective Grantee of the Option (to the extent applicable). Where an Option is to be granted to a Substantial Shareholder or an independent non-executive Director (to the extent applicable) of the Company, or any of their respective Associates, and the grant will result in the number of the Shares issued and to be issued upon the exercise of all options and awards granted to and to be granted (excluding any options and awards lapsed in accordance with the terms of the 2024 Share Option Scheme and any other share scheme(s)) to such person in the 12-month period up to and including the date of grant, in aggregate, exceeding 0.1% of the total number of Shares in issue on the date of grant, such further grant of Options shall be subject to prior approval by the Shareholders in general meeting (taken on a poll).

CORPORATE GOVERNANCE AND OTHER INFORMATION

An Offer shall remain open for acceptance by the Eligible Participant according to the date specified in each Offer, being a date not later than one month after the date on which the Offer was issued, or (the date on which the conditions (if any) for the Offer are satisfied), by which the Eligible Participant must accept the Offer or be deemed to have declined it. To the extent that an Offer is not accepted within the time stated in the Offer for that purpose, it shall be deemed to have been irrevocably declined and shall immediately lapse. Unless a method for acceptance has been specified in the Offers, an Offer shall be deemed to have been granted and the Option to which the Offer relates shall be deemed to have been accepted when the Company receives the duplicate of the offer letter not later than one month after the date on which the Offer was issued, comprising acceptance of the Offer duly signed by the Grantee with the number of Shares in respect of which the Offer is accepted clearly stated therein, together with electronic remittance or cash payment to the Company of HKD1.00 as consideration for the grant of Option.

Subject to any adjustments made pursuant to the terms of the 2024 Share Option Scheme, the Subscription Price in respect of any Option shall be at a price determined by the Board at its absolute discretion and notified to the relevant Eligible Participant and shall be at least the highest of: (i) the closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; and (ii) the average closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant. In the event of any alteration in the capital structure of the Company whilst any Option remains outstanding, the Subscription Price shall be correspondingly adjusted.

For details of the 2024 Share Option Scheme, please refer to the circular of the Company dated 25 April 2024 (the "**Circular**"). Unless the context otherwise requires, capitalised terms used in this section shall have the same meanings as those defined in the Circular.

From the date of adoption of the 2024 Share Option Scheme to 30 June 2026, no option was granted, exercised, cancelled, lapsed or forfeited under the 2024 Share Option Scheme. There was no outstanding option under the 2024 Share Option Scheme as at the date of adoption of the 2024 Share Option Scheme and as at 30 June 2026. A total of 153,190,000 options is available for grant under the Scheme Mandate Limit as of 30 June 2026.

SHARE AWARD SCHEMES

(i) First Share Award Scheme

On 26 December 2018 (the "**First Adoption Date**"), the Company adopted the first share award scheme (the "**First Share Award Scheme**").

The purposes and objectives of the First Share Award Scheme are to recognise the contributions by certain participants and to give incentive to them in order to retain them for the continual operation and development of the Group, and to attract suitable personnel for further development of the Group.

For further details on the First Share Award Scheme, please refer to the announcement of the Company dated 27 December 2018.

The First Share Award Scheme was terminated on 17 June 2024. Upon termination, no further award may be granted under the First Share Award Scheme, and all awarded Shares and their related income shall become vested on the selected participant so referable on such date of termination, subject to the fulfilment of the performance targets by such selected participant, if any, and the determination by the Board, the receipt by the trustee of the First Share Award Scheme of the duly executed vesting documents and payment of the vesting expenses (as applicable) by the selected participant within the stipulated period. The returned Shares and such non-cash income remaining in the trust fund of the First Share Award Scheme shall be sold by its trustee, within 20 business days (on which the trading of the Shares has not been suspended) of receiving notice of such termination of the First Share Award Scheme. The residual cash, net sale proceeds of the returned Shares and such other funds remaining in the trust of the First Share Award Scheme (after making appropriate deductions in respect of all disposal costs, liabilities and expenses in accordance with the trust deed) shall be remitted to the Company forthwith after the sale.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(ii) Second and Third Share Award Schemes

On 6 June 2019 (the “**Second Adoption Date**”), the Company adopted the second and third share award schemes (the “**Second and Third Share Award Schemes**”).

The purposes and objectives of the Second and Third Share Award Schemes are to (i) complement the First Share Award Scheme adopted on 26 December 2018; (ii) provide incentives for the participants to continuously make substantial contributions for the long-term growth of the Group in the future; (iii) further align the interests of the selected participants directly to the Shareholders through ownership of Shares; (iv) attract and retain talented participants who may be beneficial to the growth and development of the Group; and (v) encourage or facilitate the holding of Shares by the participants.

For further details on the Second and Third Share Award Schemes, please refer to the announcement of the Company dated 6 June 2019.

The Second and Third Share Award Schemes were terminated on 17 June 2024. Upon termination, no further award may be granted under the Second and Third Share Award Schemes.

(iii) Fourth Share Award Scheme

On 23 July 2019 (the “**Third Adoption Date**”), the Company adopted the fourth share award scheme (the “**Fourth Share Award Scheme**”, and together with the First Share Award Scheme and the Second and Third Share Award Schemes, collectively, the “**Share Award Schemes**”).

The purposes and objectives of the Fourth Share Award Scheme are to recognise the contributions by certain participants and to give incentive to them in order to retain them for the continual operation and development of the Group, to attract suitable personnel for further development of the Group and to provide certain participants with a direct economic interest in attaining a long-term relationship between the Group and certain participants.

For further details on the Fourth Share Award Scheme, please refer to the announcement of the Company dated 23 July 2019.

On 17 June 2024, the Board has resolved to amend the Fourth Share Award Scheme rules that the Shares to be awarded to the selected employee will be satisfied only by the existing Shares purchased by the delegated administrators on the market at the prevailing market price (the “**Amendments**”). Save for the Amendments, all other terms under the Fourth Share Award Scheme remain unchanged.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The table below sets out the details of the movements during the Reporting Period of the share awards granted pursuant to the Share Award Schemes:

Grantee	Date of grant of award	Unvested awards as at 1 January 2026	Awards granted during the Reporting Period	Vesting period	Awards vested during the Reporting Period	Purchase price	Awards cancelled during the Reporting Period	Awards lapsed during the Reporting Period	Awards forfeited during the Reporting Period	Unvested awards as at 30 June 2026	Fair value of awards at the date of grant (RMB)
Top 5 highest paid individuals (excluding Directors and senior management)											
	10 January 2025	2,100,000	–	2026–2028	(534,000)	5.40	–	–	(96,000)	1,470,000	5.40
										(Note 1)	
Other employees											
	20 January 2022	3,000,000	–	2022–2028	(1,000,000)	3.61	–	–	–	2,000,000	6.42
	10 January 2025	68,935,000	–	2026–2028	(20,099,100)	5.40	–	–	(938,400)	47,897,500	5.40
										(Note 1)	

Note:

- (1) The awards were forfeited during the Reporting Period due to the employees' resignation or failure to meet relevant performance targets.

As at 1 January 2026, the number of Shares available for grant under the Share Award Schemes was 58,104,800 (representing approximately 1.87% of the issued share capital as at 1 January 2026), all of which was under the Fourth Share Award Scheme.

As at 30 June 2026, the number of Shares available for grant under the Share Award Schemes was 59,139,200 (representing approximately 1.9% of the issued share capital as at 30 June 2026), all of which was under the Fourth Share Award Scheme.

For further details, please refer to note 15 to the condensed consolidated financial information of this interim report.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

There was no significant investment, material acquisition and disposal of subsidiaries and associated companies by the Group, nor was there any plan authorised by the Board for other material investments or additions of capital assets, during the Reporting Period.

EVENTS AFTER REPORTING PERIOD

On 25 August 2026 (after trading hours), the Group entered into an equity purchase agreement with an independent third party to purchase 100% of the equity interest in the registered capital of Garow Technology Group Co., Ltd. (金箭科技集團有限公司) (the “**Target Company**”) at the total consideration of RMB1,020,000,000. The Target Company, together with its subsidiaries, engages in the research and development, manufacture and sale of electric bicycles, electric scooters, electric tricycles and related parts and components. For further details, please refer to the announcement of the Company dated 25 August 2026. Other than the acquisition of the Target Company, the Group did not have any material subsequent events after the Reporting Period.

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

Pursuant to the rules of share award scheme adopted by the Company on 23 July 2019 (the “**Scheme**”), the delegated administrators for the administration of the Scheme purchased on the Hong Kong Stock Exchange a total of 2,782,000 shares at a total consideration of approximately HK\$30.17 million (highest price per share: HK\$12.0, lowest price per share HK\$8.95) during the Reporting Period.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Reporting Period.

There were no treasury shares held by the Company as at 30 June 2026 and the date of this report.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has adopted the code provisions set out in the Corporate Governance Code (the “**CG Code**”) as set out in Part 2 of Appendix C1 to the Listing Rules. The Company has fully complied with the code provisions set out in the CG Code throughout the Reporting Period. The Board will continue to review and monitor the corporate governance status of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance of the Company.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Specific enquiry has been made to all the Directors who have confirmed that they have complied with the Model Code during the six months ended 30 June 2026.

The Board has also adopted the Model Code as guidelines for its relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of their dealings in the securities of the Company. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company.

CORPORATE GOVERNANCE AND OTHER INFORMATION

INTERIM DIVIDEND

The Board resolved not to declare any payment of interim dividend for the six months ended 30 June 2026 (the six months ended 30 June 2025: nil).

AUDIT COMMITTEE REVIEW

Pursuant to the requirement of the CG Code and the Listing Rules, the Company has established an audit committee (the “**Audit Committee**”). The Audit Committee comprised of four independent non-executive Directors, being Mr. Chen Mingyu (chairman of the Audit Committee), Ms. Ma Chenguang, Ms. Liang Qin and Mr. He Ping.

The Audit Committee and the Company’s management have considered and reviewed the accounting principles and practices adopted by the Group and have discussed matters in relation to risk management, internal control and financial reporting, including the review of the unaudited condensed consolidated interim financial information of the Group for the Reporting Period.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	5	18,236,095	19,185,861
Cost of sales	7	(15,000,200)	(15,422,696)
Gross profit		3,235,895	3,763,165
Selling and distribution expenses	7	(876,913)	(818,563)
Administrative expenses	7	(447,626)	(532,373)
Research and development costs	7	(681,127)	(624,245)
Other income and gains — net	6	226,649	329,218
Operating profit		1,456,878	2,117,202
Finance costs		(16,289)	(21,508)
Share of losses of investments accounted for using the equity method		(217)	(5,290)
Profit before income tax		1,440,372	2,090,404
Income tax expense	8	(239,964)	(441,374)
Profit for the period		1,200,408	1,649,030
Profit/(loss) attributable to:			
— Owners of the Company		1,200,896	1,649,030
— Non-controlling interests		(488)	—
		1,200,408	1,649,030
Earnings per share			
— Basic (in RMB cents per share)	10(a)	39.4	54.3
— Diluted (in RMB cents per share)	10(b)	39.4	54.3

The accompanying notes on pages 25 to 40 form an integral part of this interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit for the period	1,200,408	1,649,030
Other comprehensive loss		
<i>Item that will not be reclassified subsequently to profit or loss:</i>		
Exchange difference on translation from functional currency to presentation currency	(24,256)	(27,455)
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	(11,196)	(18,038)
Other comprehensive loss for the period, net of tax	(35,452)	(45,493)
Total comprehensive income for the period	1,164,956	1,603,537
Total comprehensive income/(loss) attributable to:		
— Owners of the Company	1,165,444	1,603,537
— Non-controlling interests	(488)	—
	1,164,956	1,603,537

The accompanying notes on pages 25 to 40 form an integral part of this interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	11	5,330,054	5,280,622
Right-of-use assets		1,046,118	1,033,386
Intangible assets		972,907	993,150
Investments accounted for using the equity method		267	484
Equity instruments at fair value through other comprehensive income ("FVTOCI")		338	352
Prepayments, deposits and other receivables		777,011	777,452
Prepayment for acquisition of property, plant and equipment and right-of-use assets		68,981	109,988
Deferred income tax assets		267,658	218,949
Pledged bank deposits		1,598,960	1,456,041
Term deposits		3,292,115	3,131,441
Total non-current assets		13,354,409	13,001,865
Current assets			
Inventories	12	1,795,580	1,426,556
Trade receivables	13	1,007,278	470,286
Prepayments, deposits and other receivables		695,151	730,335
Financial assets at fair value through profit or loss ("FVTPL")		4,472,936	4,765,986
Debt instruments at FVTOCI		46,422	15,091
Pledged bank deposits		1,958,289	2,903,764
Term deposits		41,567	691,440
Cash and cash equivalents		7,122,812	5,991,384
Total current assets		17,140,035	16,994,842
Total assets		30,494,444	29,996,707

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		90,021	137,351
Lease liabilities		94,967	94,598
Deferred income		78,035	64,342
Other non-current liabilities		272,123	361,104
Other payables and accruals		11,249	4,876
Total non-current liabilities		546,395	662,271
Current liabilities			
Borrowings		796,782	1,462,379
Trade and bills payables	14	13,670,430	14,099,472
Other payables and accruals		3,008,654	2,601,684
Contract liabilities		492,582	317,773
Lease liabilities		60,453	34,102
Income tax liabilities		203,508	357,105
Dividends payable	9	1,407,952	–
Total current liabilities		19,640,361	18,872,515
Total liabilities		20,186,756	19,534,786
Net assets		10,307,688	10,461,921
EQUITY			
Share capital	15(a)	195	195
Share premium and reserves		10,306,737	10,461,482
Equity attributable to Owners of the Company		10,306,932	10,461,677
Non-controlling interests		756	244
Total equity		10,307,688	10,461,921

The accompanying notes on pages 25 to 40 form an integral part of this interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

Notes	Attributable to Owners of the Company											Non-controlling interests	Total
	Share capital	Merger reserve	Share premium account	Statutory reserve	FVTOCI reserve	Treasury shares	Translation reserve	Share award reserve	Other reserve	Retained profits	Sub-total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2026 (audited)	195	(121,024)	-	378,499	(14,658)	(349,619)	25,331	242,681	(185,819)	10,486,091	10,461,677	244	10,461,921
Profit/(loss) for the period	-	-	-	-	-	-	-	-	-	1,200,896	1,200,896	(488)	1,200,408
Other comprehensive loss for the period, net of income tax	-	-	-	-	-	-	(35,452)	-	-	-	(35,452)	-	(35,452)
Total comprehensive (loss)/income for the period	-	-	-	-	-	-	(35,452)	-	-	1,200,896	1,165,444	(488)	1,164,956
Dividends provided for or paid	9	-	-	-	-	-	-	-	-	(1,407,952)	(1,407,952)	-	(1,407,952)
Employee share schemes — value of employee services	15(c)	-	-	-	-	-	-	1,163	-	-	1,163	-	1,163
Restricted share units vested	-	-	103,461	-	-	127,570	-	(117,935)	-	-	113,096	-	113,096
Repurchase of shares for share award scheme	15(b)	-	-	-	-	(26,496)	-	-	-	-	(26,496)	-	(26,496)
Capital injection by a non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	1,000	1,000
As at 30 June 2026 (unaudited)	195	(121,024)	103,461	378,499	(14,658)	(248,545)	(10,121)	125,909	(185,819)	10,279,035	10,306,932	756	10,307,688
At 1 January 2025 (audited)	195	(121,024)	456,537	320,360	(14,658)	(300,661)	112,579	63,653	(185,819)	8,426,690	8,757,852	222	8,758,074
Profit for the period	-	-	-	-	-	-	-	-	-	1,649,030	1,649,030	-	1,649,030
Other comprehensive loss for the period, net of income tax	-	-	-	-	-	-	(45,493)	-	-	-	(45,493)	-	(45,493)
Total comprehensive (loss)/income for the period	-	-	-	-	-	-	(45,493)	-	-	1,649,030	1,603,537	-	1,603,537
Dividends provided for or paid	9	-	(456,537)	-	-	-	-	-	-	(793,368)	(1,249,905)	-	(1,249,905)
Employee share schemes — value of employee services	15(c)	-	-	-	-	-	-	92,005	-	-	92,005	-	92,005
Repurchase of shares for share award scheme	15(b)	-	-	-	-	(19,450)	-	-	-	-	(19,450)	-	(19,450)
As at 30 June 2025 (unaudited)	195	(121,024)	-	320,360	(14,658)	(320,111)	67,086	155,658	(185,819)	9,282,352	9,184,039	222	9,184,261

The accompanying notes on pages 25 to 40 form an integral part of this interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Cash flows from operating activities		
Cash generated from operations	2,081,601	4,936,389
Income tax paid	(455,592)	(209,802)
Net cash generated from operating activities	1,626,009	4,726,587
Cash flows from investing activities		
Proceeds from sale of financial assets at FVTPL	10,595,491	12,983,202
Payment for financial assets at FVTPL	(10,250,542)	(15,937,386)
Interest received from bank deposits	40,156	91,912
Purchases of property, plant and equipment and other long-term assets	(316,275)	(554,058)
Proceeds from disposal of property, plant and equipment	25,772	31,348
Purchases of intangible assets	(3,644)	(1,026)
Payment for term deposits and pledged bank deposits	(300,000)	(3,270,000)
Proceeds from maturity of term deposits	371,431	280,000
Proceeds from government grants relating to the purchase of property, plant and equipment	17,780	–
Proceeds from reduction of investment accounted for using the equity method disposed	6,000	–
Net cash generated from/(used in) investing activities	186,169	(6,376,008)
Cash flows from financing activities		
Proceeds from borrowings and other non-current liabilities	786,650	2,614,474
Repayment of borrowings and other non-current liabilities	(1,493,639)	(907,980)
Payment for pledged bank deposits	–	(28,960)
Proceeds from pledged bank deposits	–	60,000
Interest paid	(3,313)	(13,453)
Capital injection by a non-controlling interest	1,000	–
Proceeds from exercise of restricted share units	113,185	–
Repayments of lease liabilities	(27,098)	(41,953)
Repurchase of shares	(26,496)	(19,450)
Net cash (used in)/generated from financing activities	(649,711)	1,662,678
Net increase in cash and cash equivalents	1,162,467	13,257
Effect of foreign exchange rate changes on cash and cash equivalent	(31,039)	(6,610)
Cash and cash equivalents at beginning of the period	5,991,384	7,868,883
Cash and cash equivalents at end of the period	7,122,812	7,875,530

The accompanying notes on pages 25 to 40 form an integral part of this interim financial information.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026
(All amounts in RMB unless otherwise stated)

1 GENERAL INFORMATION

Yadea Group Holdings Ltd. (the “**Company**”) is an exempted company incorporated in the Cayman Islands with limited liability under the Companies Law of the Cayman Islands. The registered office address of the Company is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company is 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong. The Company’s shares have been listed on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) with effect from 19 May 2016.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the research and development, manufacture and sale of electric vehicles, batteries and related accessories in the People’s Republic of China (the “**PRC**”).

In the opinion of the directors of the Company (the “**Directors**”), the ultimate holding company of the Company is DQ Prosperity Group Limited, which is incorporated in the British Virgin Islands, and the ultimate controlling shareholders of the Company are Mr. Dong Jinggui and Ms. Qian Jinghong (collectively the “**Controlling Shareholders**”).

The condensed consolidated financial information has been approved for issue by the Board of Directors on 25 August 2026.

2 BASIS OF PREPARATION

The condensed consolidated financial information has been prepared in accordance with Hong Kong Accounting Standard 34 (“**HKAS 34**”) *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange.

The condensed consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2025 and any public announcements made by the Company during the six months ended 30 June 2026.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

3 ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2025, as described in those annual financial statements, except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings (Note 8) and the adoption of new and amended standards (Note 3.1) as set out below.

3.1 Application of amendments to Hong Kong Financial Reporting Standards (“HKFRS”) Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2026 for the preparation of the Group’s condensed consolidated financial information:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group’s financial position and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial information.

3.2 New standards and amendments to standards that have been issued but not effective

A number of new standards and amendments to standards have not come into effect for the financial year beginning 1 January 2026 and have not been early adopted by the Group in preparing the condensed consolidated financial information. None of these is expected to have a significant effect on the condensed consolidated financial information of the Group, except for HKFRS 18 which will mainly impact the structure and the presentation of statement of profit or loss.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The resulting accounting estimates will, by definition, seldom equal the related actual results.

In preparing the condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 December 2025.

5 REVENUE AND SEGMENT INFORMATION

5.1 Disaggregation of revenue from contract with customers

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Types of goods		
Electric bicycles	6,262,533	9,297,605
Electric scooters	6,427,787	3,808,547
Batteries and chargers	4,729,555	5,712,664
Electric two-wheeled vehicle parts	816,220	367,045
	18,236,095	19,185,861
Timing of revenue recognition		
At point in time	18,236,095	19,185,861

Information about major customers

Since no revenue from sale to a single customer amounted to 10% or more of the Group's revenue for the Reporting Period, no major customer information is presented in accordance with HKFRS 8 *Operating Segments*.

5.2 Segment information

The Group's business activities, for which discrete financial information is available, are regularly reviewed and evaluated by the chief operating decision maker (the "CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Company that make strategic decisions. The CODM considers the business primarily from product perspective.

The Group's operation has following reportable segments for the six months ended 30 June 2026 and 2025:

- Electric two-wheeled vehicles and related accessories; and
- Batteries and electric drive.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

5 REVENUE AND SEGMENT INFORMATION (Continued)

5.2 Segment information (Continued)

The “Electric two-wheeled vehicles and related accessories” segment is mainly engaged in the development, manufacture and sales of electric two-wheeled vehicles and related accessories. “Batteries and electric drive” segment is mainly engaged in the production and sales of batteries and electric drive.

The CODM assess the performance of the operating segments mainly based on segment revenue and gross profit of each operating segment. The revenues from inter-segment and external customers reported to the CODM are measured in a manner consistent with that applied in the condensed consolidated statement of profit or loss.

Other information, together with the segment information, provided to CODM, is measured in a manner consistent with that applied in this condensed financial information. There were no segment assets and segment liabilities information provided to the CODM, as the CODM does not use this information to allocate resources to or evaluate the performance of the operating segments.

The segment information provided to the CODM for the reportable segments for the six months ended 30 June 2026 and 2025 is as follows:

	Six months ended 30 June 2026				Six months ended 30 June 2025			
	Electric two-wheeled vehicles and related accessories RMB'000	Batteries and electric drive RMB'000	Elimination RMB'000	Total RMB'000	Electric two-wheeled vehicles and related accessories RMB'000	Batteries and electric drive RMB'000	Elimination RMB'000	Total RMB'000
Total segment revenue	17,252,280	3,936,718	(2,952,903)	18,236,095	18,648,461	3,740,722	(3,203,322)	19,185,861
Total segment cost	(14,210,364)	(3,740,167)	2,950,331	(15,000,200)	(15,274,988)	(3,347,697)	3,199,989	(15,422,696)
Gross profit	3,041,916	196,551		3,235,895	3,373,473	393,025		3,763,165
Other material expense items								
Raw materials and consumables used	13,683,393	3,602,346	(2,950,331)	14,335,408	14,956,060	3,024,970	(3,212,253)	14,768,777
Employee benefits expenses	1,062,041	113,245	–	1,175,286	1,252,100	146,973	–	1,399,073
Depreciation of property, plant and equipment	203,928	30,767	–	234,695	182,005	17,301	–	199,306

Geographical information

Since over 90% of the Group's total consolidated revenue was generated in the PRC and over 90% of the Group's non-current assets (not including financial assets and deferred income tax assets) were located in the PRC, no geographical information is presented in accordance with HKFRS 8 *Operating Segments*.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

6 OTHER INCOME AND GAINS — NET

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Other income		
Bank interest income	79,861	96,325
Government grants	85,105	89,543
Super-deduction of value-added-tax ("VAT") ⁽ⁱ⁾	38,381	81,700
Others	920	1,165
	204,267	268,733
Other gains — net		
Gains from financial assets at FVTPL	51,899	54,689
Net gains/(loss) on disposal of property, plant and equipment and intangible assets	702	(16,616)
Net foreign exchange (loss)/gains	(36,864)	2,202
Others	6,645	20,210
	22,382	60,485
	226,649	329,218

(i) This represents the additional input VAT which is allowed by tax authorities for further VAT output deduction.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

7 EXPENSE BY NATURE

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Raw materials and consumables used	14,335,408	14,768,777
Employee benefits expenses	1,175,286	1,399,073
Outsourcing labour fee	285,972	279,511
Advertising expenses	267,022	174,989
Depreciation of property, plant and equipment	234,695	199,306
Mould costs	167,215	88,984
Travelling expenses	141,385	150,969
Freight expenses	113,445	78,122
Depreciation of right-of-use assets	35,601	33,960
Consulting and professional service expenses	35,468	33,050
Amortisation of intangible assets	23,415	25,226
Product design fee	11,704	13,317
Auditor's remuneration	3,046	3,349
— Audit services	2,900	3,150
— Non-audit services	146	199
Other expenses	176,204	149,244
Total cost of sales, selling and distribution expenses, administrative expenses and research and development expenses	17,005,866	17,397,877

8 INCOME TAX EXPENSE

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Current PRC Enterprise Income Tax	336,078	468,198
Deferred income tax	(96,114)	(26,824)
Income tax expense for the period	239,964	441,374

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

9 DIVIDENDS

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Final dividends for the year ended 31 December 2025 of 53 HK cents (2024 — a final dividend of 22 HK cents and a special dividend of 23 HK cents) per fully paid share	1,407,952	1,249,905

10 EARNINGS PER SHARE

(a) Basic

Basic earnings per share (“EPS”) is calculated by dividing the profit of the Group attributable to the Owners of the Company by the weighted average number of ordinary shares in issue during each interim period.

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit attributable to Owners of the Company (RMB'000)	1,200,896	1,649,030
Weighted average number of ordinary shares in issue (thousand shares)	3,045,705	3,038,972
Basic EPS (in RMB cents/share)	39.4	54.3

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

10 EARNINGS PER SHARE (Continued)

(b) Diluted

Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit attributable to Owners of the Company arising from (RMB'000):	1,200,896	1,649,030
Weighted average number of ordinary shares in issue (thousand shares)	3,045,705	3,038,972
Adjustments for share based compensation — RSUs (thousand shares)	5,449	—
Weighted average number of ordinary shares for the calculation of diluted EPS (thousand shares)	3,051,154	3,038,972
Diluted EPS (in RMB cents/share)	39.4	54.3

11 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired property, plant and equipment with cost of RMB335,795,000 (the six months ended 30 June 2025: RMB518,735,000).

Property, plant and equipment with a net book value of RMB24,326,000 were disposed of by the Group during the six months ended 30 June 2026 (the six months ended 30 June 2025: RMB22,896,000).

As at 30 June 2026, certain of the Group's buildings and construction in progress with an aggregate net carrying amount of RMB674,907,000 (31 December 2025: RMB730,095,000) were pledged to secure the Group's government financing.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

12 INVENTORIES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Raw materials	792,508	537,379
Work in progress	335,864	279,010
Finished goods	667,208	610,167
	1,795,580	1,426,556

13 TRADE RECEIVABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade receivables	1,033,227	486,732
Less: allowance for credit losses	(25,949)	(16,446)
	1,007,278	470,286

The following is an ageing analysis of trade receivables, presented based on the invoice dates:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 6 months	956,928	425,164
Over 6 months	50,350	45,122
	1,007,278	470,286

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

14 TRADE AND BILLS PAYABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade payables	6,812,219	4,246,981
Bills payables	6,858,211	9,852,491
	13,670,430	14,099,472

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

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 3 months	6,759,509	4,212,346
3 to 12 months	40,222	19,073
Over 12 months	12,488	15,562
	6,812,219	4,246,981

Trade payables are non-interest-bearing and generally have a credit term of 30 to 90 days.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

15 SHARE CAPITAL

(a) Share capital

	Number of shares	Share capital USD'000
Authorised:		
5,000,000,000 ordinary shares of USD0.00001 each	5,000,000,000	50
Issued and fully paid		
At 30 June 2026 and 31 December 2025	3,112,647,294	31
Equivalent to RMB'000		195

(b) Treasury shares

For the six months ended 30 June 2026 and 2025:

	Number of shares		RMB'000	
	2026 (Unaudited)	2025 (Unaudited)	2026 (Unaudited)	2025 (Unaudited)
Treasury shares				
At beginning of period	76,500,339	72,154,339	349,619	300,661
Share repurchase for share award scheme	2,782,000	1,646,000	26,496	19,450
Vested and transferred to employees	(21,633,100)	–	(127,570)	–
At end of period	57,649,239	73,800,339	248,545	320,111

(c) Share based payment

The Company historically adopted the share award schemes to recognise the contributions by certain participants and to give incentive to them in order to retain them for the continual operation and development of the Group, to attract suitable personnel for further development of the Group and to provide certain participants with a direct economic interest in attaining a long-term relationship between the Group and certain participants. A trust or equivalent entity (i.e. limited partnership) was established under a trust deed/partnership entered into by the Company to administer the schemes, and for the purchase or subscription of the shares of the Company, based on financial support given by the Group. Any shares subsequently awarded by the Company to the qualifying employees will be settled with the shares held by these entities on behalf of the Company. The Directors have determined that the Company controls the trust or equivalent entity through the trust deed/partnership agreement and therefore consolidates these entities.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

15 SHARE CAPITAL (Continued)

(c) Share based payment (Continued)

RSUs

The following table summarises certain information in respect of RSUs activity for the six months ended 30 June 2026 and 2025:

	Number of awards		Weighted average grant date fair value per share	
	2026	2025	2026	2025
	(Unaudited)	(Unaudited)	RMB (Unaudited)	RMB (Unaudited)
RSUs outstanding, beginning of period	74,035,000	16,394,000	5.47	5.67
Granted	–	75,015,000	–	5.40
Vested	(21,633,100)	–	5.48	–
Forfeited	(1,034,400)	(15,604,000)	5.40	5.39
RSUs outstanding, end of period	51,367,500	75,805,000	5.47	5.47

In 2022 and 2025, the Group has granted RSUs to certain employees under the share award schemes. The RSUs granted would vest in different schedules from the grant date. The fair value of RSUs granted was determined by reference to the market price and exercise price of the ordinary share of the Company. Vesting of the RSUs is subject to certain performance measures and continued employment with the Group.

Share options

The following table summarises certain information in respect of share options activity for the six months ended 30 June 2026 and 2025:

	Number of share options		Weighted average exercise price per share option	
	2026	2025	2026	2025
	(Unaudited)	(Unaudited)	RMB (Unaudited)	RMB (Unaudited)
Share options outstanding, beginning of period	15,777,500	25,174,500	13.89	13.89
Forfeited	(11,545,400)	(9,261,000)	13.89	13.89
Share options outstanding, end of period	4,232,100	15,913,500	13.89	13.89
Exercisable at the end of the period	4,232,100	4,489,500	13.89	13.89

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

15 SHARE CAPITAL (Continued)

(c) Share based payment (Continued)

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expense were as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
RSUs granted ⁽ⁱ⁾	1,163	92,005

- (i) The Company reversed share-based compensation expenses of RMB47,259,000 recognised in prior periods during the six months ended 30 June 2026 because the related performance conditions of the awards granted were not expected to be met.

16 CAPITAL COMMITMENTS

	As at	As at
	30 June	31 December
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statement	279,166	443,876

[illegible]

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

17 FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

Fair Value Measurements of Financial Instruments

The following table presents the Group's financial assets which are measured at fair value as at 30 June 2026 and 31 December 2025.

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 30 June 2026				
Financial assets at FVTPL				
— Wealth management products and structured deposits at FVTPL	—	4,317,014	—	4,317,014
— Listed equity investment	65,431	—	—	65,431
— Unlisted equity investment	—	—	83,724	83,724
— Bond investment	—	6,767	—	6,767
Equity instrument at FVTOCI	—	—	338	338
Debt instruments at FVTOCI	—	46,422	—	46,422
Total	65,431	4,370,203	84,062	4,519,696

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 31 December 2025				
Financial assets at FVTPL				
— Wealth management products and structured deposits at FVTPL	—	4,600,791	—	4,600,791
— Listed equity investment	74,722	—	—	74,722
— Unlisted equity investment	—	—	83,724	83,724
— Bond investment	—	6,749	—	6,749
Equity instrument at FVTOCI	—	—	352	352
Debt instruments at FVTOCI	—	15,091	—	15,091
Total	74,722	4,622,631	84,076	4,781,429

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets (such as publicly traded equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

17 FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

Fair Value Measurements of Financial Instruments (Continued)

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The valuation technique is discounted cash flows that reflects the credit risk of various counterparties.

(c) Financial instruments in level 3

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- Market approach by benchmarking to enterprise value to sales ratio of comparable companies.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for financial instruments.

Level 3 instruments of the Group's assets and liabilities include equity instruments at FVTOCI and FVTPL.

The following table presents the changes in level 3 items for the six months ended 30 June 2026 and 2025:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
At the beginning of the period	84,076	82,608
Currency translation difference	(14)	(5)
At the end of the period	84,062	82,603

18 RELATED PARTY TRANSACTIONS AND BALANCES

There were no significant related party transactions and balances for the six months ended 30 June 2026 and 2025 and as of 30 June 2026 and 31 December 2025.

19. EVENTS AFTER THE REPORTING PERIOD

On 25 August 2026 (after trading hours), the Group entered into an equity purchase agreement with an independent third party to purchase 100% of the equity interest in the registered capital of Garow Technology Group Co., Ltd. (金箭科技集團有限公司) (the "Target Company") at the total consideration of RMB1,020,000,000. The Target Company, together with its subsidiaries, engages in the research and development, manufacture and sale of electric bicycles, electric scooters, electric tricycles and related parts and components. Other than the acquisition of the Target Company, the Group did not have any material subsequent events after the Reporting Period.