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Yadong Group Holdings Limited

亞東集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1795

2026

INTERIM REPORT

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CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. Xue Shidong

(Chairman of the Board)

Mr. Wang Bin

(resigned on 25 August 2026)

Mr. Xiang Wenbin

Ms. Zhang Yeping

Mr. Jin Rongwei

Independent Non-Executive Directors

Mr. Zhu Qi

Mr. Ho Kin Cheong Kelvin

Ms. Li Jing

Board Committees

Audit Committee

Mr. Ho Kin Cheong Kelvin *(Chairman)*

Mr. Zhu Qi

Ms. Li Jing

Remuneration Committee

Mr. Zhu Qi *(Chairman)*

Mr. Xue Shidong

Mr. Ho Kin Cheong Kelvin

Nomination Committee

Mr. Xue Shidong *(Chairman)*

Mr. Zhu Qi

Ms. Li Jing

Ms. Zhang Yeping

Mr. Ho Kin Cheong Kelvin

Company Secretary

Ms. Li Ching Yi

Authorised Representatives

Mr. Xue Shidong

Ms. Li Ching Yi

Principal Place of Business in The People's Republic of China

No. 381 Laodong East Road
Tianning District, Changzhou
Jiangsu Province
The People's Republic of China

Headquarters and Principal Place of Business in Hong Kong

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Grand Millennium Plaza
181 Queen's Road Central
Hong Kong

Registered Office in the Cayman Islands

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P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Hong Kong Branch Share Registrar

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

Auditor

SHINEWING (HK) CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
17/F, Chubb Tower
Windsor House
311 Gloucester Road
Causeway Bay
Hong Kong

Legal Adviser

as to Hong Kong laws

David Fong & Co.
Solicitors, Hong Kong
Unit A, 12/F
China Overseas Building
139 Hennessy Road
Wanchai
Hong Kong

Principal Bank

Jiangnan Rural Commercial Bank

Stock Code

1795

Company Website

www.yadongtextile.com

MANAGEMENT DISCUSSION AND ANALYSIS

Company Profile

Yadong Group Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) is principally engaged in the design, process and sale of textile fabric products, which can be categorised into two broad types, namely (i) plain weave fabrics; and (ii) corduroy fabrics. These textile fabric products feature a variety of different colours, patterns, textures and functionalities. The Group sells its textile fabric products mainly to garment manufacturers as well as trading companies for further processing into finished garments for apparel brand operators. These textile fabric products are mainly sold or distributed in the People’s Republic of China (“**PRC**”), Japan and certain other markets in Asia, such as Taiwan, Vietnam, Bangladesh and Indonesia.

Industry Overview

Despite persistent headwinds in the PRC consumer market, including elevated youth unemployment, cautious household spending, and ongoing stress in the property sector, the overall economy continued to expand during the first half of 2026. According to the National Bureau of Statistics of China, gross domestic product grew by approximately 4.7% year-on-year in the first half of 2026, moderating from the approximately 5.3% growth recorded during the same period in 2025.

The central government continued to pursue proactive fiscal and monetary policies aimed at boosting domestic demand and consumer sentiment. Total retail sales of consumer goods increased by approximately 1.3% year-on-year in the first half of 2026. Against that subdued backdrop, the categories most directly relevant to the Group outperformed the market as a whole: retail sales of clothing, footwear, headwear and knitted textiles by enterprises above the designated size grew by approximately 6.7% year-on-year. While consumer confidence remains subdued and households continue to maintain high savings rates, the relative resilience of the apparel and textile categories and the success of national shopping festivals suggest a cautiously optimistic outlook for the remainder of the year.

Business Overview

During the first half of 2026, due to the strong encouragement of consumption by the central government, the increase in demand for the apparel and textiles industries in the PRC led to more orders from customers of the Group.

The Group recorded revenue of approximately RMB605.1 million for the six months ended 30 June 2026, representing an increase of approximately 23.7% as compared to approximately RMB489.0 million for the six months ended 30 June 2025, which was mainly attributable to the increase in purchase orders placed by customers of the Group, in particular for plain weave fabrics. The Group's gross profit increased by approximately 22.0% from approximately RMB62.7 million for the six months ended 30 June 2025 to approximately RMB76.5 million for the six months ended 30 June 2026. The gross profit margin of the Group decreased from approximately 12.8% for the six months ended 30 June 2025 to approximately 12.7% for the six months ended 30 June 2026. The Group's profit increased by approximately 18.2% from approximately RMB19.8 million for the six months ended 30 June 2025 to approximately RMB23.4 million for the six months ended 30 June 2026.

During the period under review, the Group also made substantial progress on the establishment of its production base in Vietnam. The construction of the factory building at the Vietnam-Singapore Industrial Park, Quang Ngai Province, Vietnam undertaken by Amazing Ecotech Textile Company Limited ("**Amazing Ecotech**"), an indirect 75%-owned subsidiary of the Company, has been substantially completed and preliminary production has commenced. Additions to property, plant and equipment of approximately RMB95.6 million were recorded for the six months ended 30 June 2026, and borrowing costs of approximately RMB5.5 million directly attributable to the construction were capitalised during the period. For further details, please refer to the announcements of the Company dated 25 July 2025, 11 June 2026 and 5 August 2026.

Prospect

Stepping into the second half of 2026, the Group remains optimistic about the outlook for the market. With the central government's continued efforts to stimulate consumer spending, domestic demand is expected to strengthen further, driving increased activity across the apparel and textile sectors. Rising consumer engagement is anticipated to support a more vibrant retail environment, creating favourable conditions for industry growth. Looking ahead, the Group maintains a positive view of its prospects for the remainder of the year. As part of its strategic focus, the Group will continue to enhance its capabilities in product design and development, with particular emphasis on environmentally friendly textile fabrics. This aligns with the growing environmental consciousness among consumers and the broader industry shift toward sustainability. In particular, cotton fabric products made from more sustainable raw materials are expected to emerge as a key growth driver for the textile industry in 2026 and beyond. As a leading manufacturer of cotton fabrics in the PRC, the Group is well-positioned to capitalise on these opportunities and advance in step with market momentum.

The Group's production base in Vietnam is expected to become an increasingly important part of the Group's operations. Following the Group's acquisition in 2025 of the entire issued share capital of a company incorporated in Singapore, and through it an indirect 75% interest in Amazing Ecotech, which holds the usage rights until 22 April 2082 of a parcel of land of approximately 120,000 sq.m. at the Vietnam-Singapore Industrial Park in Quang Ngai Province, Vietnam, the Group has established a manufacturing platform outside the PRC for the first time. The construction of the factory building has been substantially completed and preliminary production has commenced. The Group intends to increase output progressively as commissioning is completed and the production lines are brought into steady-state operation.

The Directors believe that the Vietnam production base positions the Group well for the next stage of its development. It gives the Group a second manufacturing location and reduces the Group's reliance on a single production site; it places capacity closer to the Group's established customer base in Asia outside the PRC, with Bangladesh, Vietnam and Japan together accounting for approximately 25.3% of the Group's revenue for the six months ended 30 June 2026; and it offers the Group's customers a manufacturing origin outside the PRC at a time when apparel brand operators and garment manufacturers are actively diversifying their sourcing arrangements. The Group also expects the new facility, which has been purpose-built to current specifications, to support improvements in production efficiency over time.

The contribution of the Vietnam operations to the Group's results for the second half of 2026 is expected to be limited while production is being brought up to scale, and the Group will continue to bear depreciation and financing costs in respect of the facility. The Directors nonetheless consider the investment to be a sound one for the medium term, and the Group will manage the ramp-up carefully while continuing to monitor market conditions, tariff developments and customer demand.

The Group will remain committed to delivering high-quality products, which are essential to its long-term development. Backed by its strong brand reputation, diversified product portfolio, robust R&D capabilities, and experienced management team, the Group is confident in its ability to enhance competitiveness, elevate its market position, and achieve sustainable growth, ultimately maximising long-term value for its shareholders.

Financial Review

Revenue

The revenue of the Group increased by approximately RMB116.1 million or approximately 23.7% from approximately RMB489.0 million for the six months ended 30 June 2025 to approximately RMB605.1 million for the six months ended 30 June 2026. Such increase was primarily attributable to the increase in purchase orders placed by customers of the Group. By product category, sales of plain weave fabrics increased by approximately 33.4% to approximately RMB451.7 million and sales of corduroy fabrics increased by approximately 3.3% to approximately RMB134.7 million, while income from the provision of dyeing and processing services decreased by approximately 7.3% to approximately RMB18.6 million. By market, revenue from the PRC increased by approximately 26.5% and revenue from Japan increased by approximately 96.2%.

Cost of Sales

The cost of sales of the Group increased by approximately RMB102.2 million or approximately 24.0% from approximately RMB426.3 million for the six months ended 30 June 2025 to approximately RMB528.5 million for the six months ended 30 June 2026. Such increase was in line with the increase in the revenue during the same period.

Gross Profit and Gross Profit Margin

The gross profit of the Group increased by approximately RMB13.8 million or approximately 22.0% from approximately RMB62.7 million for the six months ended 30 June 2025 to approximately RMB76.5 million for the six months ended 30 June 2026. Such increase was primarily attributable to the increase in revenue of the Group as discussed above. The gross profit margin of the Group decreased from approximately 12.8% for the six months ended 30 June 2025 to approximately 12.7% for the six months ended 30 June 2026. Such decrease was primarily attributable to the cost of sales of the Group having increased at a slightly faster rate than its revenue during the period, and to the shift in the Group's product mix towards plain weave fabrics, which accounted for approximately 74.7% of the Group's revenue for the six months ended 30 June 2026 (six months ended 30 June 2025: approximately 69.2%).

Other Income

Other income of the Group increased from approximately RMB2.8 million for the six months ended 30 June 2025 to approximately RMB4.4 million for the six months ended 30 June 2026. Such increase was primarily attributable to the increase in the net exchange gain from approximately RMB0.5 million to approximately RMB2.7 million during the same period.

Selling and Distribution Expenses

The selling and distribution expenses of the Group increased by approximately RMB3.8 million or approximately 37.6% from approximately RMB10.1 million for the six months ended 30 June 2025 to approximately RMB13.9 million for the six months ended 30 June 2026, representing a rate of increase higher than that of the revenue of the Group during the same period. Such increase was primarily attributable to the increase in wages of sales personnel during the six months ended 30 June 2026.

Administrative Expenses

Administrative expenses of the Group increased by approximately RMB7.0 million or approximately 28.1% from approximately RMB25.0 million for the six months ended 30 June 2025 to approximately RMB32.0 million for the six months ended 30 June 2026. Such increase was primarily attributable to the increase in staff costs of the newly established factory in Vietnam during the six months ended 30 June 2026.

Finance Costs

Finance costs of the Group increased by approximately RMB0.8 million or approximately 11.7% from approximately RMB6.8 million for the six months ended 30 June 2025 to approximately RMB7.6 million for the six months ended 30 June 2026. Interest on borrowings and lease liabilities before capitalisation increased from approximately RMB6.8 million to approximately RMB13.1 million, primarily attributable to the increase in the principal amount of borrowings drawn down during the period, of which approximately RMB5.5 million was capitalised as part of the cost of the Group's production facility under construction in Vietnam.

Income Tax Expenses

Income tax expenses of the Group increased from approximately RMB3.9 million for the six months ended 30 June 2025 to approximately RMB4.1 million for the six months ended 30 June 2026. Such increase was primarily attributable to the increase in the profit before tax of the Group during the same period.

The effective income tax rate of the Group decreased from approximately 16.5% for the six months ended 30 June 2025 to approximately 14.9% for the six months ended 30 June 2026.

Profit

As a result of the foregoing, the profit for the six months ended 30 June 2026 of the Group increased by approximately RMB3.6 million or approximately 18.2% from approximately RMB19.8 million for the six months ended 30 June 2025 to approximately RMB23.4 million for the six months ended 30 June 2026.

Material Acquisitions and Disposal of Subsidiaries and Associated Companies

There were no material acquisitions or disposals of subsidiaries and associated companies by the Group during the six months ended 30 June 2026.

Capital Commitments

As at 30 June 2026, the Group had capital commitments of approximately RMB62.9 million (31 December 2025: approximately RMB62.9 million), which were mainly related to the construction of the Group's production facility in Vietnam and the acquisition of plant and machinery.

Contingent Liabilities

As at 30 June 2026, the Group did not have any significant contingent liabilities (30 June 2025: nil). The Group is currently not a party to any litigation that is likely to have a material adverse effect on the business, results of operations or financial condition.

Foreign Exchange Exposure

The Group's major operating subsidiary has foreign currency sales, which expose the Group to foreign currency risk. The Group is also exposed to foreign currency risk, which relates principally to its trade receivables, trade and bills payables, other payables and bank balances denominated in foreign currencies other than the functional currency of the relevant Group entities. Foreign currencies are also used to settle expenses for overseas operations, which expose the Group to foreign currency risk.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Gearing Ratio

As at 30 June 2026, the gearing ratio of the Group (defined as total liabilities divided by total assets and multiplied by 100%) was approximately 68.8% (31 December 2025: approximately 68.6%).

Liquidity and Financial Resources and Capital Structure

The Group has principally funded the liquidity and capital requirements through capital contributions from the Shareholders, bank borrowings and net cash generated from operating activities. As at 30 June 2026, the Group had bank balances and cash of approximately RMB139.6 million (31 December 2025: approximately RMB137.3 million). As at 30 June 2026, the current ratio of the Group was approximately 1.0 times (31 December 2025: approximately 1.0 times). The financial resources that are presently available to the Group include bank borrowings, and the Directors believe that the Group has sufficient working capital for its future requirements.

As at 1 January 2026, the Company had an issued share capital of HK\$6,000,000 divided into 600,000,000 shares. There has been no change in the capital structure of the Group during the six months ended 30 June 2026.

Debts and Charge on Assets

The total interest-bearing bank borrowings of the Group amounted to approximately RMB496.8 million as at 30 June 2026 (31 December 2025: approximately RMB373.8 million).

As at 30 June 2026, assets of the Group of approximately RMB265.3 million were charged (31 December 2025: approximately RMB252.3 million) to secure facilities to the Group from banks and financial institutions.

Significant Investments Held

Except for the Company's investment in various subsidiaries, the Company did not hold any significant investments as at 30 June 2026.

In the future, the Group will continue to identify new opportunities for business development. Save as disclosed in this interim report, as at 30 June 2026, the Group had not executed any agreement in respect of any other material acquisition, investment or capital asset and does not have any other future plans relating to any other material acquisition, investment or capital asset. Nonetheless, if any potential investment opportunity arises in the coming future, the Group will perform feasibility studies and prepare implementation plans to consider whether it is beneficial to the Group and the shareholders of the Company as a whole.

Employees and Remuneration Policies

As at 30 June 2026, the Group had a total of 884 full-time employees (31 December 2025: 597). The Group believes that employees are valuable assets that are crucial to the success of the Group. The Group generally pays its employees a fixed salary and discretionary year-end bonus and other allowances based on their respective positions and responsibilities. For the six months ended 30 June 2026, staff costs of the Group increased from approximately RMB41.7 million to approximately RMB51.0 million. Such increase was primarily attributable to (i) staff costs of approximately RMB7.0 million incurred by the Group's production base in Vietnam, which had not yet been established during the corresponding period in 2025; and (ii) an increase of approximately RMB3.0 million in staff costs of the Group's production operations in Changzhou, the PRC, which was mainly due to the increase in the number of full-time employees engaged to support the increase in production volume during the period.

Environmental Policies and Performance

The Group's business is subject to the relevant national and local environmental laws and regulations in the PRC, such as the Environmental Protection Law of the People's Republic of China. These laws and regulations govern a broad range of environmental matters, including discharge of wastewater and disposal of hazardous waste. A summary of the environmental protection laws and regulations applicable to the Group is set out in "Regulatory overview" in the prospectus of the Company dated 30 October 2020.

Subsequent Event After Reporting Period

On 25 August 2026, Mr. Wang Bin resigned as an executive Director with effect from the same date. For details, please refer to the announcement of the Company dated 25 August 2026. Save as disclosed above, the Group has no significant event occurred after the six months ended 30 June 2026 which requires additional disclosures or adjustments.

Use of Net Proceeds from Listing

The net proceeds from the Listing received by the Company, after deducting the underwriting commissions and expenses paid by the Company, are approximately HK\$81.9 million (the "**Net Proceeds**"). As disclosed in the annual results announcement of the Company for the year ended 31 December 2023, the Net Proceeds had been fully utilised.

Dividend

The Board has resolved not to recommend the payment of an interim dividend for the six months ended 30 June 2026.

OTHER INFORMATION

Corporate Governance

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). The Company has complied with all applicable code provisions of the CG Code during the six months ended 30 June 2026, except for deviation from code provision C.2.1 as explained under the paragraph headed “Chairman and Chief Executive Officer” below.

Chairman and Chief Executive Officer

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be segregated and should not be performed by the same individual. However, the Company at present does not have a chief executive officer.

The overall strategic and other key business, financial and operational policies of the Group are made collectively after thorough discussion at both the Board and senior management levels, and the Board believes that the current management structure enables effective and efficient overall strategic planning for the Group. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of chairman and chief executive officer is necessary.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code during the six months ended 30 June 2026.

The Company’s employees, who are likely to be in possession of unpublished inside information of the Company, are also subject to the Model Code.

Change in Directors' and the Senior Management's Information

Save as disclosed below, there is no change in the information of the Directors and senior management of the Company required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

On 25 August 2026, Mr. Wang Bin resigned as an executive Director with effect from 25 August 2026 in order to devote more time to his other business and personal commitments. Mr. Wang confirmed that he has no disagreement with the Board and that there are no other matters in relation to his resignation that need to be brought to the attention of the Shareholders or the Stock Exchange. For details, please refer to the announcement of the Company dated 25 August 2026.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2026, none of the Directors and the chief executive of the Company had or was deemed to have any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were required to be recorded in the register to be kept by the Company under section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

As at 30 June 2026, to the best knowledge of the Directors or chief executives of the Company, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Interests in Shares and underlying Shares of the Company

Name of Shareholder	Capacity/Nature of interest	Total number of Shares/ underlying Shares held ⁽¹⁾	Approximate percentage of shareholding interest in the Company (%) ⁽¹⁾
Oriental Ever Holdings Limited	Beneficial interest	436,353,000 (L)	72.73%
Mr. Xue Liang	Interest in a controlled corporation ⁽²⁾	436,353,000 (L)	72.73%

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) Oriental Ever Holdings Limited, which is owned as to 100% by Mr. Xue Liang, directly held 436,353,000 Shares. By virtue of the SFO, Mr. Xue Liang was deemed to have an interest in the Shares held by Oriental Ever Holdings Limited.

Save as disclosed above, as at 30 June 2026, the Company had not been notified by any other persons (other than the Directors) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which were required to be entered in the register required to be kept by the Company pursuant to section 336 of the SFO.

Share Option Scheme

The Company has adopted the share option scheme on 21 October 2020 (the "**Share Option Scheme**"). No share option has been granted, exercised, lapsed or cancelled under the Share Option Scheme since its adoption and up to the date of this interim report.

Directors' Rights to Acquire Shares or Debentures

Save as otherwise disclosed in this interim report, at no time during the six months ended 30 June 2026, was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of Shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

Purchase, Sale or Redemption of Listed Securities or Sale of Treasury Shares

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities or sold any treasury Shares (as defined under the Listing Rules). As at 30 June 2026, the Company did not hold any treasury Shares (as defined under the Listing Rules).

Audit Committee

The audit committee of the Company (the “**Audit Committee**”) has reviewed the Group's unaudited financial results for the six months ended 30 June 2026 and the accounting principles and practices adopted by the Group and discussed risk management, internal control and financial reporting matters with management including a review of the unaudited consolidated financial statements for the six months ended 30 June 2026. There is no disagreement between the Board and the Audit Committee regarding the accounting treatment adopted by the Company.

On behalf of the Board

Mr. XUE Shidong

Chairman of the Board

Hong Kong, 28 August 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	4	605,058	489,040
Cost of sales		(528,517)	(426,294)
Gross profit		76,541	62,746
Other income	6	4,362	2,816
Selling and distribution expenses		(13,855)	(10,071)
Administrative expenses		(31,994)	(24,981)
Finance costs	7	(7,583)	(6,790)
Profit before tax		27,471	23,720
Income tax expenses	8	(4,090)	(3,922)
Profit for the period	9	23,381	19,798
Profit (loss) for the period attributable to:			
— Owners of the Company		26,400	19,798
— Non-controlling interest		(3,019)	—
		23,381	19,798

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Note	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Other comprehensive (expense) income for the period:			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange difference arising on translating a foreign operation		(2,081)	3,928
Total comprehensive income for the period		21,300	23,726
Total comprehensive income (expense) attributable to:			
— Owners of the Company		25,299	23,726
— Non-controlling interest		(3,999)	—
		21,300	23,726
Earnings per share			
Basic and diluted (RMB cents)	11	4.40	3.30

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)
Non-current Assets			
Property, plant and equipment	12	462,888	381,300
Right-of-use assets		125,127	130,458
Intangible assets		113	130
Investment properties		43,007	43,770
Deferred tax assets		335	335
Deposit paid for acquisition of property, plant and equipment	14	4,078	3,548
		635,548	559,541
Current Assets			
Inventories		125,460	111,552
Trade and bills receivables	13	352,501	345,635
Prepayments and other receivables	14	19,358	29,624
Amount due from a related company	15	1,664	1,050
Time deposits	16	18,104	20,159
Bank balances and cash		139,602	137,256
		656,689	645,276
Current Liabilities			
Trade and bills payables	17	278,198	248,480
Accruals and other payables		87,947	112,006
Contract liabilities	18	687	2,429
Income tax payable		4,386	362
Lease liabilities		3,434	3,973
Borrowings	19	259,569	258,923
		634,221	626,173
Net current assets		22,468	19,103
Total assets less current liabilities		658,016	578,644

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Non-current Liabilities			
Borrowings	19	237,208	178,532
Lease liabilities		—	3,990
Deferred tax liabilities		17,379	17,379
		254,587	199,901
Net assets		403,429	378,743
Capital and Reserves			
Share capital		5,035	5,035
Reserves		365,339	340,040
		370,374	345,075
Non-controlling interest		33,055	33,668
Total Equity		403,429	378,743

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company							Non-	Total
	Share	Share	Capital	Exchange	Statutory	Retained	Total	controlling	
	capital	premium	reserve	reserve	reserve	profits		interest	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2026 (Audited)	5,035	25,046	(4,313)	6,892	21,712	290,703	345,075	33,668	378,743
Profit (loss) for the period	—	—	—	—	—	26,400	26,400	(3,019)	23,381
Exchange difference arising on translating a foreign operation	—	—	—	(1,101)	—	—	(1,101)	(980)	(2,081)
Total comprehensive income (expense) for the period	—	—	—	(1,101)	—	26,400	25,299	(3,999)	21,300
Appropriation to statutory reserve	—	—	—	—	1,628	(1,628)	—	—	—
Capital contribution from non-controlling interest	—	—	—	—	—	—	—	3,386	3,386
At 30 June 2026 (Unaudited)	5,035	25,046	(4,313)	5,791	23,340	315,475	370,374	33,055	403,429
At 1 January 2025 (Audited)	5,035	25,046	(4,313)	(7,048)	20,827	253,717	293,264	—	—
Profit for the period	—	—	—	—	—	19,798	19,798	—	—
Exchange difference arising on translating a foreign operation	—	—	—	3,928	—	—	3,928	—	—
Total comprehensive income for the period	—	—	—	3,928	—	19,798	23,726	—	—
Appropriation to statutory reserve	—	—	—	—	155	(155)	—	—	—
At 30 June 2025 (Unaudited)	5,035	25,046	(4,313)	(3,120)	20,982	273,360	316,990	—	—

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)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	82,653	(20,818)
INVESTING ACTIVITIES		
Payments for purchase of property, plant and equipment ("PPE")	(96,091)	(14,208)
(Advances to) repayment from a related company	(614)	13,747
Interest received	150	54
Withdrawal of deposits	1,399	—
Contribution from non-controlling interest	3,386	—
NET CASH USED IN INVESTING ACTIVITIES	(91,770)	(407)
FINANCING ACTIVITIES		
New borrowings raised	160,585	123,488
Government subsidies received	70	56
Payments of lease liabilities	(4,573)	(3,244)
Interest paid	(13,031)	(6,730)
Dividend paid	(29,630)	—
Repayments of borrowings	(100,665)	(124,317)
NET CASH FROM (USED IN) FINANCING ACTIVITIES	12,756	(10,747)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	3,639	(31,972)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	137,256	65,021
Effect of foreign exchange rate changes	(1,293)	2,307
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD, REPRESENTED BY BANK BALANCES AND CASH	139,602	35,356

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. Corporate Information

Yadong Group Holdings Limited (the “Company”) was incorporated in the Cayman Islands under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liability on 22 September 2016 and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 18 November 2020 (the “Listing”). Its immediate and ultimate holding company is Oriental Ever Holdings Limited (“Oriental Ever Holdings”), a company with limited liability incorporated in the British Virgin Islands (the “BVI”). Oriental Ever Holdings is wholly and directly owned by Mr. Xue Liang, who is the son of a director of the Company, Mr. Xue Shidong (the “Controlling Shareholder”).

The address of the registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, the Cayman Islands and the principal place of business of the Company is located at No. 381 Laodong East Road, Tianning District, Changzhou, Jiangsu Province, China.

The Company is an investment holding company and its subsidiaries (together referred to as the “Group”) are principally engaged in sales of fabrics products and provision of dyeing and processing services.

The condensed consolidated financial statements are presented in Renminbi (“RMB”) which is also the functional currency of the Company, and all values are rounded to the nearest thousands, except when otherwise indicated.

2. Basis of Preparation

The condensed consolidated financial statements of the Group for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

3. Principal Accounting Policies

The condensed consolidated financial statements have been prepared on the historical cost basis.

These condensed consolidated financial statements should be read in conjunction with the 2025 annual financial statements. The accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2025.

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

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

3. Principal Accounting Policies (Continued)

The application of the amendments to HKFRS Accounting Standards in the current period has had no material effect on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. Revenue

Revenue represents the amounts received and receivable arising from sales of fabric products and provision of dyeing and processing services, net of sales related taxes for the period. The Group's revenue is recognised at a point in time. An analysis of the Group's revenue disaggregated by major products or service lines is as follows:

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Sales of plain weave fabrics	451,719	338,598
Sales of corduroy fabrics	134,736	130,378
Provision of dyeing and processing services	18,603	20,064
	605,058	489,040

5. Segment Information

The directors of the Company, being the chief operating decision makers, review the Group's internal reporting in order to assess performance and allocate resource. The Group is principally engaged in sales of fabrics products and provision of dyeing and processing services. Information reported to the chief operating decision makers, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Company as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

5. Segment Information (Continued)

Geographical information

The Group's manufacturing and operations are located in the PRC and Vietnam.

An analysis of the Group's revenue from external customers is presented based on the locations of customers. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Revenue from external customers	
	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
The PRC	418,028	330,507
Bangladesh	83,291	68,539
Vietnam	43,392	41,063
Japan	26,268	13,385
Others	34,079	35,546
	605,058	489,040

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

5. Segment Information (Continued)

Geographical information (Continued)

	Non-current assets	
	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
The PRC	260,581	271,501
Vietnam	374,613	287,627
Others	19	78
	635,213	559,206

Note: Non-current assets excluded deferred tax assets.

Information about major customers

No revenue from customers contributing over 10% of the total revenue of the Group for the six months ended 30 June 2026 and 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

6. Other Income

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Bank interest income	150	54
Exchange gain, net	2,707	455
Government subsidies (note i)	70	56
Rental income	1,113	1,529
Sundry income	322	722
	4,362	2,816

Note:

- (i) The government subsidies represent the one-off government subsidies that were received from local government authorities of which the entitlements were unconditional and under the discretion of the relevant authorities. The amounts were therefore immediately recognised as other income during the six months ended 30 June 2026 and 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

7. Finance Costs

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Interests on:		
Borrowings	13,031	6,770
Lease liabilities	50	20
	13,081	6,790
Less: amounts capitalised	(5,498)	—
	7,583	6,790

Borrowing costs capitalised during six months ended 30 June 2026 arose on the specific borrowing which carried interest from 6.3% to 7.0% per annum.

8. Income Tax Expenses

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Current tax:		
Hong Kong Profits Tax	4,090	3,922
PRC Enterprise Income Tax ("EIT")	—	—
	4,090	3,922
Deferred tax		
Current year	—	—
	4,090	3,922

8. Income Tax Expenses (Continued)

- (i) Pursuant to the rules and regulations of the BVI and the Cayman Islands, the Group is not subject to any income tax in these jurisdictions.
- (ii) Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. For the six months ended 30 June 2026 and 2025, Hong Kong Profits Tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.
- (iii) Under the Law of the PRC on EIT (the “EIT Law”) and Implementation Regulation of the EIT Law, the statutory EIT rate of Yadong (Changzhou) Science and Technology Co., Ltd. (“Yadong (Changzhou)”), a subsidiary of the Group established in the PRC is 25% for both years. In December 2024, Yadong (Changzhou) obtained a high-tech enterprise certificate and is subject to EIT at a reduced rate of 15% for three years from 2024 to 2026.
- (iv) A tax concession of 100% was granted to the Group under Hong Kong tax jurisdiction which is subject to a ceiling of HK\$3,000 (six months ended 30 June 2025: HK\$1,500) per company for the six months ended 30 June 2026.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

9. Profit for the Period

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Profit for the period has been arrived at after charging:		
Directors' emoluments	1,121	1,175
Salaries, allowances and other benefits (excluding directors' emoluments)	44,503	35,425
Contributions to retirement benefits scheme (excluding directors' emoluments)	5,385	5,083
Total staff costs	51,009	41,683
Auditor's remuneration	166	153
Amortisation of intangible assets	17	29
Amount of inventories recognised as an expense	509,423	401,458
Depreciation of property, plant and equipment	11,832	11,699
Depreciation of investment properties	763	767
Depreciation of right-of-use assets	2,764	1,554

10. Dividends

No interim dividend has been declared in respect of the six months ended 30 June 2026 and 2025.

11. Earnings Per Share

The calculation of the basic earnings per share during the six months ended 30 June 2026 and 2025 is based on the profit for the period attributable to the owners of the Company and the weighted average number of ordinary shares in issue.

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Earnings for the purpose of basic earnings per share (profit for the period attributable to the owners of the Company)	26,400	19,798
Weighted average number of ordinary shares for the purpose of basic earnings per share	'000 600,000	'000 600,000

Diluted earnings per share

Diluted earnings per share is as same as basic earnings per share as there were no dilutive potential ordinary shares outstanding for the six months ended 30 June 2026 and 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

12. Movements in Property, Plant and Equipment

During the six months ended 30 June 2026, the Group has addition of property, plant and equipment of approximately RMB95,561,000 (six months ended 30 June 2025: RMB18,212,000).

13. Trade and Bills Receivables

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade receivables	341,715	319,356
Bills receivables	11,559	27,052
Less: Impairment	(773)	(773)
	352,501	345,635

As at 30 June 2026, the gross amount of trade and bills receivables arising from contracts with customers amounted to approximately RMB353,274,000 (31 December 2025: RMB346,408,000).

13. Trade and Bills Receivables (Continued)

The Group allows credit period of up to 90 days to its trade customers. The Group does not hold any collateral over its trade and bills receivables. The following is an aged analysis of trade and bills receivables, net of impairment, presented based on the invoice date, which approximates the respective revenue recognition dates, at the end of the reporting period.

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 30 days	281,185	245,179
31 to 60 days	42,717	50,200
61 to 90 days	17,459	19,429
91 to 180 days	11,140	30,827
Total	352,501	345,635

The Group applies simplified approach to provide for expected credit loss ("ECL") prescribed by HKFRS 9. The Group assessed the ECL for trade and bills receivables in grouped based on shared credit risk characteristics as at 30 June 2026 and 31 December 2025.

13. Trade and Bills Receivables (Continued)

Impairment assessment on trade and bills receivables subject to ECL model

The Group measures the loss allowance for trade and bills receivables at an amount equal to lifetime ECL. The ECL on trade and bills receivables are estimated using a provision matrix by reference to past default experience of the debtor adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due ageing status is not further distinguished between the Group's different customer bases.

There has been no change in the estimation techniques or significant assumption made during the six months ended 30 June 2026 and year ended 31 December 2025.

The movement in the impairment losses of trade and bills receivables during the six months ended 30 June 2026 and year ended 31 December 2025 is as follows:

	Impairment loss allowance RMB'000
Balance as at 1 January 2025 (Audited)	997
Reversal of impairment loss	(224)
Balance as at 31 December 2025 (Audited) and 30 June 2026 (Unaudited)	773

14. Prepayments and Other Receivables

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Non-current assets		
Deposit paid for acquisition of PPE	4,078	3,548
Current assets		
Prepayments	14,688	24,641
Other tax recoverables	1,775	1,780
Others	2,895	3,203
	19,358	29,624
	23,436	33,172

Note: ECL on prepayments and other receivables are insignificant as they are low risk of default and no significant increase in credit risk as at 30 June 2026 and 31 December 2025.

15. Amount Due from a Related Company

The amount due from a related company is unsecured, non-interest bearing, repayable on demand and non-trade in nature.

The management considered that the amount due from a related company to be low credit risk and thus no impairment provision is recognised during the six months ended 30 June 2026 and year ended 31 December 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

16. Time Deposits

As at 30 June 2026, the Group had fixed-term time deposit in a bank in the PRC and Vietnam with maturity of more than three months but less than one year. The deposit carry fixed interests rate at 0.35% to 4.30% (31 December 2025: 0.35% to 4.30%) per annum.

17. Trade and Bills Payables

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade payables	272,111	235,419
Bills payables	6,087	13,061
	278,198	248,480

The following is an aged analysis of trade and bills payables presented based on invoice date at the end of the reporting period.

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 30 days	161,916	180,658
31 to 60 days	41,455	34,219
61 to 90 days	58,974	20,833
91 to 180 days	14,364	11,979
181 to 365 days	1,140	622
Over 365 days	349	169
Total	278,198	248,480

17. Trade and Bills Payables (Continued)

The average credit period on purchases of goods is ranging from 30 to 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

18. Contract Liabilities

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Contract liabilities	687	2,429

Contract liabilities represent advances received from customers related to sales of fabric products.

19. Movements in Borrowings

During the current interim period, the Group raised borrowings of approximately RMB160,585,000 (six months ended 30 June 2025: approximately RMB123,488,000) and repaid borrowings of approximately RMB100,665,000 (six months ended 30 June 2025: approximately RMB124,317,000).

The weighted average effective interest rate of borrowings for the six months ended 30 June 2026 was 4.75% per annum (six months ended 30 June 2025: 3.57% per annum).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

20. Pledge of Assets

At 30 June 2026 and 31 December 2025, the Group had pledged the following assets to secure facilities granted to the Group from banks and financial institutions:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Building	34,478	35,192
Right-of-use assets	121,773	122,498
Investment properties	43,007	43,770
Machineries	66,054	50,808
	265,312	252,268

21. Share-Based Payment Transactions

Share-option scheme

The Company has adopted a share option scheme (the "Share Option Scheme") upon Listing. The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group.

The maximum number of unexercised share options issuable upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company as from 21 October 2020 (excluding, for this purpose, shares issuable upon exercise of options which have been granted but which have lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) (the "Adoption Date") must not in aggregate exceed 10% of all the shares in issue as at the Listing. Therefore, it is expected that the Company may grant options in respect of up to 60,000,000 shares (or such numbers of shares as shall result from a sub-division or a consolidation of such 60,000,000 shares from time to time) to the participants under the Share Option Scheme.

21. Share-Based Payment Transactions (Continued)

Share-option scheme (Continued)

Share options granted to a Director, chief executive or substantial shareholder (or any of their respective close associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the option). In addition, any grant of share options to a substantial shareholder or an independent non-executive Director (or any of their respective close associates), in excess of 0.1% of the shares of the Company in issue on the date of offer with an aggregate value (based on the closing price of the Company's shares quoted on the Stock Exchange at the date of grant) in excess of HK\$5 million made within any 12-month period from the date of grant (inclusive) would be subject to shareholders' approval in a general meeting.

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK\$1. The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of a share on the date of grant of the option of the Company. During the six months ended 30 June 2026, no options were granted under the Share Option Scheme.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

22. Related Party Transactions

- (a) Save as disclosed elsewhere in the condensed consolidated financial statements, the Group had the following balances with related parties during the six months ended 30 June 2026 and year ended 31 December 2025:

Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Amount due from a related party Changzhou Dongxia Real Estate Agency Ltd. (常州市東霞房地產代理有限公司) ("Dongxia") (i) & (ii)	1,664	1,050
Maximum amount outstanding during the period/year Dongxia	3,944	16,319

Notes	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Rental expenses paid to a related party Dongxia	2,000	1,600

22. Related Party Transactions (Continued)

(a) (Continued)

Notes:

- (i) The balances are unsecured, interest free, repayable on demand and non-trade in nature.
- (ii) Dongxia is a related company incorporated in the PRC and is beneficially owned by Mr. Xue Shidong, the director of the Company.

(b) Compensation of key management personnel

The emoluments of the directors of the Company and other members of key management were as follows:

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Short-term benefits	3,470	2,067
Post-employment benefits	233	108
	3,703	2,175

The emoluments of key management personnel are determined by the remuneration committee having regard to the performance of the individuals and market trends.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

22. Related Party Transactions (Continued)

(c) Right-of-use assets

Certain right-of-use assets are leased from a related company. For the six months ended 30 June 2026, the amount of rent payable by the Group under the lease is RMB4,000,000 (31 December 2025: RMB8,000,000).

As at 30 June 2026, the carrying amount of the related lease liabilities was RMB3,931,000 (31 December 2025: RMB7,882,000).

(d) Guarantee

Certain of the Group's banking facilities were granted from pledged assets or guarantees given by the related party.

23. Capital Commitments

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Capital expenditure in respect of the acquisition of property, plant and equipment and construction in progress contracted for but not provided in the condensed consolidated financial statements	62,925	62,851