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Yadea Group Holdings Ltd.
雅迪集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1585)

VOLUNTARY ANNOUNCEMENT
PROPOSED SHARE REPURCHASE
UNDER THE REPURCHASE MANDATE

This announcement is made by Yadea Group Holdings Ltd. (the "**Company**") on a voluntary basis.

The board (the "**Board**") of directors (the "**Directors**") of the Company hereby announces that it intends to exercise its powers under the general mandate to repurchase (the "**Repurchase Mandate**") shares of the Company (the "**Shares**") granted by shareholders of the Company (the "**Shareholders**") to the Directors at the annual general meeting of the Company held on 5 June 2019, to repurchase Shares in the open market at appropriate timing. According to the Repurchase Mandate, the Company is allowed to repurchase a maximum of 300,000,000 Shares, being 10% of the total number of issued Shares as at 5 June 2019, being the date of passing of the Shareholders' resolution approving the Repurchase Mandate (the "**Proposed Share Repurchase**").

The financial position of the Company and its subsidiaries is currently solid and healthy. The Board considers that the current trading price of the Shares does not reflect their intrinsic value and business prospects as perceived by investors and that it presents a good opportunity for the Company to repurchase Shares. The Board believes the Proposed Share Repurchase and subsequent cancellation of the repurchased Shares could enhance the value of the Shares thereby improving the return to Shareholders. In addition, the Board believes that the Proposed Share Repurchase reflects the Company's confidence in its long term business prospects and would ultimately benefit the Company and is in the best interests of the Company and the Shareholders as a whole.

The Proposed Share Repurchase will be funded by the Company's internal resources. No repurchases would be made in circumstances that would have a material adverse impact on the working capital positions of the Company. The Company will conduct the Proposed Share Repurchase in compliance with the memorandum and articles of association of the Company, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), the Codes on Takeovers and Mergers and Share Buy-backs, the Companies Law of the Cayman Islands and all applicable laws and regulations to which the Company is subject to. The Proposed Share Repurchase shall not result in the number of the Shares held by the public falling below the relevant minimum percentage prescribed by the Listing Rules. The Company will subsequently cancel the repurchased Shares, if any.

Shareholders and potential investors should note that, as at the date of this announcement, the Company has not repurchased any Shares. The exercise of the Repurchase Mandate by the Company will be subject to market conditions and will be at the absolute discretion of the Board. The Company may or may not make share repurchases. There is no assurance of the timing, quantity or price of any share repurchases or whether or not the Company will make any repurchases. **Shareholders and potential investors should exercise caution when dealing in the securities of the Company.**

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

Hong Kong, 8 July 2019

As of the date of this announcement, Mr. Dong Jinggui, Ms. Qian Jinghong, Mr. Shi Rui and Mr. Shen Yu are the executive Directors; Mr. Zhang Yiyin is the non-executive Director; and Mr. Li Zongwei, Mr. Wu Biguang, Mr. Yao Naisheng and Mr. Wong Lung Ming are the independent non-executive Directors.