CONTINUING CONNECTED TRANSACTIONS

We have entered into certain agreements with our connected persons, details of which are set out below. Upon [REDACTED], the transactions contemplated under such agreements will constitute our continuing connected transactions under Chapter 14A of the Listing Rules.

OUR CONNECTED PERSONS

The table below sets forth certain parties who will become our connected persons upon [REDACTED] and the nature of their relationship with our Group:

Connected Person	Connected Relationship
Leonis	a company owned as to 33.33% by Mr. Jianxiong Liang (梁建雄) ("**Mr. JianXiong Liang**"), a former director of Shenzhen Shifang who resigned from his directorship with effect from August 26, 2025, and hence an associate of Mr. Jianxiong Liang who is and will cease to be our connected person after August 25, 2026, being the end of the twelve months from the date of Mr. Jianxiong Liang's resignation.
TF-METAL Guangzhou Co., Ltd. (廣州泰昌汽車部件有限公司) ("**TF-METAL**")	a company owned as to 45.54% by Mr. Jianxiong Liang and hence an associate of Mr. Jianxiong Liang who is and will cease to be our connected person after August 25, 2026, being the end of the twelve months from the date of Mr. Jianxiong Liang's resignation.
Guangzhou RISING-SUN Mingri Import and Export Trading Co., Ltd. (廣州明日進出口貿易有限公司) ("**RISING-SUN**")	a subsidiary of TF-METAL and hence an associate of Mr. Jianxiong Liang who is and will cease to be our connected person after August 25, 2026, being the end of the twelve months from the date of Mr. Jianxiong Liang's resignation.
M&S E-Driving System Co. Ltd. (寧波麥思動力系統有限公司) ("**MIVICE**")	a company controlled by Mr. Luo Chongquan (羅冲權) ("**Mr. Luo**"), a former director of Shenzhen Shifang who resigned from his directorship with effect from August 26, 2025, and hence an associate of Mr. Luo who is and will cease to be our connected person after August 25, 2026, being the end of the twelve months from the date of Mr. Luo's resignation.

ONE-OFF CONNECTED TRANSACTION

Lease Agreement

On 1 January 2024, TF-METAL (the "**Lessor**") and Tengfeng Advanced Manufacturing (the "**Lessee**") entered into a lease agreement (the "**Lease Agreement**"), pursuant to which the Lessor agreed to lease to the Lessee certain factory, warehouse, office, laboratory and ancillary facilities located in Huadu District, Guangzhou, the PRC, for warehousing and logistics and office use.

The lease term commenced on 1 January 2024 and will expire on 31 December 2028, with automatic renewal for an additional one-year term on the same terms and conditions unless terminated in accordance with the Lease Agreement. The Lease Agreement was entered into (i) in the ordinary and usual course of business of our Group, (ii) on arm's length basis, and (iii) on normal commercial terms with the rent being determined with reference to, among others, the prevailing market rates for similar properties in the same area and the leased acreage for the leased premises.

The balance of the lease liabilities, being the present value of the lease payments recognized by our Group in relation to the leased premise according to HKFRS 16 as of September 30, 2025 amounted to RMB5,342,000. For the years ended December 31, 2023 and 2024 and the nine months ended September 30, 2025, the value of the right-of-use assets acquired by us from the Lessor were approximately nil, RMB7,937,000 and nil, respectively.

In accordance with HKFRS 16 "Leases", our Group recognized a right-of-use asset on the statement of financial position in connection with the lease of the leased premise from the Lessor. Therefore, the lease of the leased premise from the Lessor under the Lease Agreement is regarded as an acquisition of a capital asset of our Group and a one-off connected transaction entered into by our Group prior to [REDACTED], rather than a continuing connected transaction, for the purposes of the Listing Rules. Accordingly, the reporting, announcement, annual review, circular and independent shareholders' approval requirements in Chapter 14A of the Listing Rules will not be applicable.

SUMMARY OF OUR CONTINUING CONNECTED TRANSACTIONS

Continuing Connected Transactions	Applicable Listing Rules	Waiver Sought	Proposed annual cap for the years ending December 31 (*RMB in thousands*)		
			2026	**2027**	**2028**
Fully-exempt Continuing Connected Transactions					
Mould Development Agreement[1]	14A.76(1)(a)/(c)	N/A	N/A	N/A	N/A
Trading Service Agreements[1]	14A.76(1)(a)/(c)	N/A	N/A	N/A	N/A
OEM and Prototyping Agreement[1]	14A.76(1)(a)/(c)	N/A	N/A	N/A	N/A
E-bike Componets Procurement Agreement[1]	14A.76(1)(a)/(c)	N/A	N/A	N/A	N/A
E-bike Power Systems Procurement Agreement[2]	14A.76(1)(a)/(c)	N/A	N/A	N/A	N/A

Notes:

(1) As Mr. Jianxiong Liang will cease to be a connected person of our Company from August 26, 2026, any transactions to be entered into between Leonis, TF-METAL or RISING-SUN and our Group from then on will no longer constitute continuing connected transactions of our Company.

(2) As Mr. Luo will cease to be a connected person of our Company from August 26, 2026, any transactions to be entered into between MIVICE and our Group from then on will no longer constitute continuing connected transactions of our Company.

FULLY-EXEMPT CONTINUING CONNECTED TRANSACTIONS

Mould Development Agreement

On 27 April 2025, Shenzhen Shifang and Leonis entered into a mould development agreement (the "**Mould Development Agreement**"), pursuant to which we engaged Leonis to design and manufacture moulds for the production of bicycle frame related components.

According to the Mould Development Agreement, Leonis agreed to manufacture and deliver various moulds including steering bar moulds, frame moulds and related tooling, in accordance with the technical drawings, specifications and quality standards provided by us.

Leonis charges tooling fees by mould category. The unit price for each mould depends on technical complexity, size, materials used and manufacturing processes. Leonis is required to provide trial samples for our inspection and acceptance.

For the years ended December 31, 2023 and 2024 and the nine months ended September 30, 2025, the aggregate fees paid by us to Leonis under the Mould Development Agreement were approximately RMBnil, RMB1,505,000 and RMB1,903,000, respectively.

It is currently estimated that the aggregate fees to be paid by us to Leonis under the Mould Development Agreement for the period from [REDACTED] to August 25, 2026 will be 283,000.

Trading Service Agreements

In August 2024 and November 2024, RISING-SUN and Tengfeng Advanced Manufacturing entered into cooperation agreements (the "**Trading Service Agreements**") pursuant to which RISING-SUN will provide trading services to Tengfeng Advanced Manufacturing.

Pursuant to the Trading Service Agreements, RISING-SUN is responsible for handling export-related matters in compliance with applicable PRC foreign trade laws and regulations, including customs declaration, documentation, fund collection and tax refund procedures. RISING-SUN will charge an export service fee at the rate of RMB0.055 per US dollar or RMB0.0086 per Renminbi of the cargo value in respect of export related services provided. The consideration was determined after arm's length negotiations between the parties, with reference to factors including product type, specifications, quantity, production costs, prevailing market prices and customer requirements.

For the years ended December 31, 2023 and 2024 and the nine months ended September 30, 2025, the aggregate service fees paid by Tengfeng Advanced Manufacturing to RISING-SUN for the trading services provided by RISING-SUN were approximately nil, RMB134,000 and RMB204,000, respectively.

It is currently estimated that the aggregate fees to be paid by Tengfeng Advanced Manufacturing to RISING-SUN for the trading services provided by RISING-SUN for the period from [REDACTED] to August 25, 2026 will be nil.

OEM and Prototyping Agreement

On [•], Tengfeng Advanced Manufacturing and Leonis entered into a OEM and prototyping agreement (the "**OEM and Prototyping Agreement**"), pursuant to which Leonis agreed to manufacture e-bikes or prototype e-bike based on our designs, specifications, and intellectual property.

Pursuant to the OEM and Prototyping Agreement, we will provide technical requirements including motor type, battery capacity (voltage/amp-hours), frame design to Leonis. For OEM services, Leonis will manufacture e-bikes according to our technical requirements and safety standards of the target market. For prototyping services, Leonis will build prototypes for testing, including designing tooling, creating initial samples for validation, and refining the design based on test results.

For the years ended December 31, 2023 and 2024 and the nine months ended September 30, 2025, the aggregate fees paid by the Group to Leonis under the OEM and Prototyping Agreement were approximately RMB11,486,000, RMB3,226,000 and nil, respectively.

It is currently estimated that the aggregate fees to be paid by the Group to Leonis under the OEM and Prototyping Agreement for the period from [REDACTED] to August 25, 2026 will be RMB300,000.

E-Bike Components Procurement Agreement

On [•], Tengfeng Advanced Manufacturing and Leonis entered into a procurement agreement (the "**E-bike Components Procurement Agreement**"), pursuant to which Tengfeng Advanced Manufacturing agreed to purchase from Leonis certain bicycle rims and related mechanical products (the "**Products**") on a non-exclusive basis. The E-bike Components Procurement Agreement is a framework agreement which sets out the general terms governing the purchase of the Products. The specific product specifications, quantities, unit prices, delivery schedules and other commercial terms are to be determined by individual purchase orders to be issued by Tengfeng Advanced Manufacturing and accepted by Leonis from time to time during the term of the agreement.

Upon receiving purchase orders from Tengfeng Advanced Manufacturing specifying, among other matters, the product name, specifications, quantity, unit price, delivery location and delivery schedule, Leonis is required to confirm acceptance of each purchase order and manufacture the Products in accordance with the quality standards, technical specifications and inspection requirements agreed by the parties and applicable national, industry and enterprise standards. The Products shall be delivered to Tengfeng Advanced Manufacturing warehouse or such other delivery location as specified in the relevant purchase order.

The consideration payable under the E-bike Components Procurement Agreement will be determined through arm's length negotiations between the parties, with reference to product specifications, materials, manufacturing processes, order quantities, quality requirements and prevailing market prices offered by comparable independent suppliers. Leonis has undertaken to maintain price stability during the term of the E-bike Components Procurement Agreement under comparable conditions. Where market prices fluctuate, the parties may renegotiate the prices, failing which the original agreed prices shall continue to apply. The Group is entitled to request cost breakdowns and supporting documentation to verify the reasonableness of the quoted prices.

For the years ended December 31, 2023 and 2024 and the nine months ended September 30, 2025, the aggregate fees paid by Tengfeng Advanced Manufacturing to Leonis under the Bicycle Parts Procurement Agreement were approximately RMB248,512,000, RMB82,445,000 and RMB6,699,000, respectively.

It is currently estimated that the aggregate fees to be paid by us to Leonis under the E-Bike Components Procurement Agreement for the period from [REDACTED] to August 25, 2026 will be RMB180,000.

E-bike Power Systems Procurement Agreement

On [•], Tengfeng Advanced Manufacturing and MIVICE entered into a framework procurement agreement (the "**E-bike Power Systems Procurement Agreement**"), pursuant to which the Group agreed to purchase from MIVICE electric bicycle power systems and related components, including electric motors, controllers, sensors, wiring harnesses, displays, cranks and related power system components.

Pursuant to the E-bike Power Systems Procurement Agreement, we agreed to place orders with MIVICE for electric bicycle power systems and related components, and to provide annual sales forecasts and monthly demand estimates. MIVICE agreed to allocate sufficient production capacity to meet our forecasted demand and to prioritise our orders in the event of capacity constraints. Specific terms in respect of individual purchases and transactions are to be implemented through separate purchase orders.

The consideration for each procurement will be determined after arm's length negotiations between the parties, with reference to factors including product type, specifications, quantity, production costs, prevailing market prices and customer requirements. MIVICE undertook to offer Tenways the most competitive global pricing for comparable products under similar order volumes and commercial conditions.

For the years ended December 31, 2023 and 2024 and the nine months ended September 30, 2025, the aggregate fees paid by the Group to MIVICE under the E-bike Power Systems Procurement Agreement were approximately nil, RMB20,657,000 and RMB14,302,000, respectively.

It is currently estimated that the aggregate fees to be paid by the Group to MIVICE for the procurement of e-bike power systems for the period from [REDACTED] to August 25, 2026 will be RMB2,300,000.

Listing Rules Implications

The transactions contemplated under each of the Lease Agreement, the Mould Development Agreement, the Trading Service Agreements, the OEM and Prototyping Agreement, the E-bike Components Procurement Agreement and the E-bike Power Systems Procurement Agreement have been and will be entered into in the ordinary and usual course of business of our Group and on normal commercial terms or better. As each of the applicable percentage ratios (other than the profit ratio) under the Listing Rules in respect of these transactions is expected to be less than 0.1% or the total amount payable by our Group is expected to be less than HK$3 million for the period from [REDACTED] to August 25, 2026, these transactions will be fully exempt from the reporting, annual review, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As Mr. Jianxiong Liang and Mr. Luo will cease to be a connected person of our Company from August 26, 2026, the transactions under the Lease Agreement, the Mould Development Agreement, the Trading Service Agreement, the OEM and Prototyping Agreement, the E-bike Components Procurement Agreement and the E-bike Power Systems Procurement Agreement from then on will no longer constitute continuing connected transactions of our Company.

CONFIRMATION FROM OUR DIRECTORS

Our Directors are of the view that the continuing connected transactions as set out above have been and will continue to be carried out in the ordinary and usual course of our business on normal commercial terms or better that are fair and reasonable and in the interests of our Company and our Shareholders as a whole.