The following is the text of a report, prepared for the purpose of incorporation in this document, received from the independent reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong.

[To insert the firm's letterhead]

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF RADVANCE CAYMAN LIMITED AND GF CAPITAL (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Radvance Cayman Limited (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-[•] to I-[•], which comprises the combined statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2023 and 2024 (the "**Relevant Periods**"), and the combined statements of financial position of the Group as at 31 December 2023 and 2024 and material accounting policy information and other explanatory information (together, the "**Historical Financial Information**"). The Historical Financial Information set out on pages I-[•] to I-[•] forms an integral part of this report, which has been prepared for inclusion in the [REDACTED] of the Company dated [REDACTED] (the "**[REDACTED]**") in connection with the initial [REDACTED] of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange").**

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants' Reports on Historical Financial Information in Investment Circulars* as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group as at 31 December 2023 and 2024 and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively.

Review of interim financial information

We have reviewed the interim financial information of the Group which comprises the combined statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows for the nine months ended 30 September 2024 and 2025, and the combined statement of financial position of the Group and the statement of financial position of the Company as at 30 September 2025 and other explanatory information (the "**Interim Financial Information**").

The directors of the Company are responsible for the preparation and presentation of the Interim Financial Information in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively. Our responsibility is to express a conclusion on the Interim Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Interim Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-[•] have been made.

Dividends

We refer to note 12 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

No historical financial statements for the Company

As at the date of this report, no statutory financial statements have been prepared for the Company since its date of incorporation.

[•]
Certified Public Accountants
Hong Kong
[Date]

I HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing as issued by the HKICPA (the "**Underlying Financial Statements**").

The Historical Financial Information is presented in Euro ("**EUR**") and all values are rounded to the nearest thousand (EUR'000) except when otherwise indicated.

COMBINED STATEMENTS OF PROFIT OR LOSS

		Year ended 31 December		Nine months ended 30 September	
		2023	2024	2024	2025
	Notes	*EUR'000*	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
REVENUE	*5*	**48,028**	**60,635**	**52,576**	**54,190**
Cost of sales		(35,651)	(42,204)	(36,002)	(36,936)
Gross profit		**12,377**	**18,431**	**16,574**	**17,254**
Other income and gains	*6*	1,731	699	517	3,629
Selling expenses		(10,057)	(12,605)	(9,938)	(10,633)
Administrative expenses		(5,299)	(8,319)	(5,921)	(7,186)
Research and development costs		(1,232)	(1,702)	(1,251)	(1,688)
Impairment losses on financial assets, net		(160)	(43)	(125)	(160)
Other expenses		(106)	(517)	(1,240)	(202)
Finance costs	*8*	(56)	(644)	(554)	(243)
Share of profits and losses of a joint venture		—	—	—	(138)
Fair value losses on convertible redeemable preferred shares	*27*	(1,473)	(29,644)	(25,764)	(30,137)
LOSS BEFORE TAX	*7*	**(4,275)**	**(34,344)**	**(27,702)**	**(29,504)**
Income tax expense	*11*	(378)	(123)	(580)	(499)
LOSS FOR THE YEAR/ PERIOD		**(4,653)**	**(34,467)**	**(28,282)**	**(30,003)**
Attributable to:					
Owners of the parent		(4,653)	(34,467)	(28,282)	(30,003)

COMBINED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
LOSS FOR THE YEAR/PERIOD	**(4,653)**	**(34,467)**	**(28,282)**	**(30,003)**
OTHER COMPREHENSIVE INCOME/(LOSS)				
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods (net of tax):				
Exchange differences on translation of financial statements	294	(1,408)	219	5,403
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	294	(1,408)	219	5,403
Other comprehensive income/(loss) for the year/period, net of tax	**294**	**(1,408)**	**219**	**5,403**
Total comprehensive loss for the year/period, net of tax	**(4,359)**	**(35,875)**	**(28,063)**	**(24,600)**
Attributable to:				
Owners of the parent	(4,359)	(35,875)	(28,063)	(24,600)

COMBINED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December 2023	As at 31 December 2024	As at 30 September 2025
		EUR'000	*EUR'000*	*EUR'000* (Unaudited)
NON-CURRENT ASSETS				
Property, plant and equipment	*14*	1,243	1,890	1,902
Right-of-use assets	*15*	2,119	2,560	2,147
Intangible assets	*16*	102	767	648
Investments in a joint venture	*17*	—	—	15
Prepayments, deposits and other receivables	*21*	200	284	706
Total non-current assets		**3,664**	**5,501**	**5,418**
CURRENT ASSETS				
Inventories	*18*	25,331	43,340	33,798
Trade receivables	*19*	1,241	2,652	5,724
Prepayments, deposits and other receivables	*21*	7,015	4,710	7,332
Restricted cash	*20*	135	144	525
Cash and cash equivalents	*20*	19,850	18,864	19,705
Total current assets		**53,572**	**69,710**	**67,084**
CURRENT LIABILITIES				
Trade payables	*23*	2,296	5,607	3,015
Contract liabilities	*24*	80	145	159
Other payables and accruals	*25*	2,095	2,894	4,068
Interest-bearing bank borrowings	*22*	—	7,922	10,636
Lease liabilities	*15*	452	694	684
Tax payable		361	264	662
Provision	*29*	523	647	659
Convertible redeemable preferred shares	*27*	58,729	98,404	117,957
Total current liabilities		64,536	116,577	137,840
NET CURRENT LIABILITIES		**(10,964)**	**(46,867)**	**(70,756)**
TOTAL ASSETS LESS CURRENT LIABILITIES		**(7,300)**	**(41,366)**	**(65,338)**

		As at 31 December		As at 30 September
		2023	**2024**	**2025**
	Notes	*EUR'000*	*EUR'000*	*EUR'000* (Unaudited)
NON-CURRENT LIABILITIES				
Lease liabilities	*15*	1,945	2,258	1,794
Deferred tax liabilities	*26*	3	2	4
Provision	*29*	183	235	215
Total non-current liabilities		2,131	2,495	2,013
Net liabilities		**(9,431)**	**(43,861)**	**(67,351)**
DEFICITS IN EQUITY				
Equity attributable to owners of the parent				
Share capital	*30*	—	—	—
Deficits	*31*	(9,431)	(43,861)	(67,351)
Total deficits in equity		**(9,431)**	**(43,861)**	**(67,351)**

COMBINED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2023

	Share capital	Capital reserve*	Share-based payment reserve*	Exchange fluctuation reserve*	Accumulated losses*	Total deficits in equity
	EUR'000	*EUR'000* *(note 31)*	*EUR'000* *(note 31)*	*EUR'000* *(note 31)*	*EUR'000*	*EUR'000*
At 1 January 2023	—	1,941	—	263	(7,560)	(5,356)
Loss for the year	—	—	—	—	(4,653)	(4,653)
Other comprehensive income for the year:						
Exchange differences on translation of financial statements	—	—	—	294	—	294
Total comprehensive loss for the year	—	—	—	294	(4,653)	(4,359)
Share-based payments *(note 28)*	—	—	284	—	—	284
At 31 December 2023	—	1,941	284	557	(12,213)	(9,431)

Year ended 31 December 2024

	Share capital	Capital reserve*	Share-based payment reserve*	Exchange fluctuation reserve*	Accumulated losses*	Total deficits in equity
	EUR'000	*EUR'000* *(note 31)*	*EUR'000* *(note 31)*	*EUR'000* *(note 31)*	*EUR'000*	*EUR'000*
At 1 January 2024	—	1,941	284	557	(12,213)	(9,431)
Loss for the year	—	—	—	—	(34,467)	(34,467)
Other comprehensive loss for the year:						
Exchange differences on translation of financial statements	—	—	—	(1,408)	—	(1,408)
Total comprehensive loss for the year	—	—	—	(1,408)	(34,467)	(35,875)
Share-based payments *(note 28)*	—	—	1,445	—	—	1,445
At 31 December 2024	—	1,941	1,729	(851)	(46,680)	(43,861)

Nine months ended 30 September 2025 (unaudited)

	Share capital	Capital reserve*	Share-based payment reserve*	Exchange fluctuation reserve*	Accumulated losses*	Total deficits in equity
	EUR'000	*EUR'000* *(note 31)*	*EUR'000* *(note 31)*	*EUR'000* *(note 31)*	*EUR'000*	*EUR'000*
At 1 January 2025	—	1,941	1,729	(851)	(46,680)	(43,861)
Loss for the period	—	—	—	—	(30,003)	(30,003)
Other comprehensive income for the period:						
Exchange differences on translation of financial statements	—	—	—	5,403	—	5,403
Total comprehensive loss for the period	—	—	—	5,403	(30,003)	(24,600)
Share-based payments *(note 28)*	—	—	1,110	—	—	1,110
At 30 September 2025 (unaudited)	—	1,941	2,839	4,552	(76,683)	(67,351)

Nine months ended 30 September 2024 (unaudited)

	Share capital	Capital reserve	Share-based payment reserve	Exchange fluctuation reserve	Accumulated losses	Total deficits in equity
	EUR'000	*EUR'000* *(note 31)*	*EUR'000* *(note 31)*	*EUR'000* *(note 31)*	*EUR'000*	*EUR'000*
At 1 January 2024	—	1,941	284	557	(12,213)	(9,431)
Loss for the period	—	—	—	—	(28,282)	(28,282)
Other comprehensive income for the period:						
Exchange differences on translation of financial statements	—	—	—	219	—	219
Total comprehensive loss for the period	—	—	—	219	(28,282)	(28,063)
Share-based payments *(note 28)*	—	—	1,074	—	—	1,074
At 30 September 2024 (unaudited)	—	1,941	1,358	776	(40,495)	(36,420)

* The reserve accounts comprise the deficits of EUR9,431,000, EUR43,861,000 and EUR67,351,000 in the combined statements of financial position as at 31 December 2023 and 2024 and 30 September 2025, respectively.

COMBINED STATEMENTS OF CASH FLOWS

		Year ended 31 December		Nine months ended 30 September	
		2023	**2024**	**2024**	**2025**
	Notes	*EUR'000*	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before tax		(4,275)	(34,344)	(27,702)	(29,504)
Adjustments for:					
Bank interest income	*6*	(197)	(216)	(190)	(77)
Finance costs	*8*	56	644	554	243
Realised (gain)/losses on foreign exchange forward contracts	*7*	(154)	(323)	(322)	160
Foreign exchange (gains)/ losses, net	*7*	(987)	(24)	1,229	(3,538)
Fair value losses on convertible redeemable preferred shares	*7*	1,473	29,644	25,764	30,137
Share of loss of a joint venture	*7*	—	—	—	138
Depreciation of property, plant and equipment	*7*	240	500	332	585
Depreciation of right-of-use assets	*7*	357	694	498	505
Amortisation of intangible assets	*7*	8	156	144	101
Impairment losses on financial assets, net	*7*	160	43	125	160
Share-based payment expense	*28*	284	1,445	1,074	1,110
Write-down of inventories to net realisable value	*7*	74	267	494	182
		(2,961)	(1,514)	2,000	202
(Increase)/decrease in inventories		(20,810)	(18,276)	(15,251)	9,360
Increase in trade receivables		(855)	(1,451)	(3,595)	(3,235)
Decrease/(increase) in prepayments, deposits and other receivables		514	3,843	(3,037)	(3,098)
Increase/(decrease) in trade payables		1,102	3,311	7,641	(2,592)
Increase in other payables and accruals		1,163	799	2,279	1,174
Increase in contract liability		57	65	71	14
Increase/(decrease) in provision		465	176	(67)	(8)

		Year ended 31 December		Nine months ended 30 September	
		2023	2024	2024	2025
	Notes	*EUR'000*	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Cash generated (used in)/from operations		(21,325)	(13,047)	(9,959)	1,817
Interest income received		197	216	190	77
Income tax paid		(68)	(376)	(5)	(58)
Net cash flows (used in)/from in operating activities		**(21,196)**	**(13,207)**	**(9,774)**	**1,836**
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from disposal of items of property, plant and equipment		8	1	1	69
Proceeds from settlement of foreign exchange forward contracts upon maturity		154	323	322	—
Purchase of foreign exchange forward contracts		—	—	—	(160)
Purchases of property, plant and equipment		(1,218)	(1,184)	(507)	(931)
Purchase of other intangible assets		(43)	(817)	(750)	—
Increase in restricted cash		(135)	(9)	—	(381)
Payments for investment in a joint venture		—	—	—	(153)
Advance of loan to a joint venture	*34*	—	—	—	(450)
Net cash flows used in investing activities		**(1,234)**	**(1,686)**	**(934)**	**(2,006)**
CASH FLOWS FROM FINANCING ACTIVITIES					
Lease payments		(222)	(819)	(615)	(620)
New bank loans		—	8,985	4,836	7,119
Repayment of bank loans		—	(1,063)	(1,003)	(4,405)
Interest paid		—	(146)	(86)	(157)
Payment of transaction cost related to issuance of convertible redeemable preferred shares		—	(375)	(375)	—
Proceeds from issuance of convertible redeemable preferred shares	*27*	13,618	6,481	6,481	—
Net cash flows from financing activities		**13,396**	**13,063**	**9,238**	**1,937**

		Year ended 31 December		Nine months ended 30 September	
		2023	**2024**	**2024**	**2025**
	Notes	*EUR'000*	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS		**(9,034)**	**(1,830)**	**(1,470)**	**1,767**
Cash and cash equivalents at beginning of year/period		30,550	19,850	19,850	18,864
Effect of foreign exchange rate changes, net		(1,666)	844	79	(926)
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD		**19,850**	**18,864**	**18,459**	**19,705**
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS					
Cash and cash equivalents as stated in the combined statements of financial position and the combined statements of cash flows	*20*	19,850	18,864	18,459	19,705

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	As at 30 September 2025
	EUR'000 (Unaudited)
NON-CURRENT ASSETS	
Investment in subsidiaries	—
Prepayments, deposits and other receivables	—
Total non-current assets	—
CURRENT ASSETS	
Prepayments, deposits and other receivables	—
Cash and cash equivalents	—
Total current assets	—
CURRENT LIABILITIES	
Other payables and accruals	—
Convertible redeemable preferred shares	—
Total current liabilities	—
NET CURRENT LIABILITIES	—
TOTAL ASSETS LESS CURRENT LIABILITIES	—
Net liabilities	—
DEFICITS IN EQUITY	
Equity attributable to owners of the parent	
Share capital	—
Deficits	—
Total deficits in equity	—

Note:

The Company was incorporated on 3 January 2025, there is no transaction during the Relevant Periods and the nine months ended 30 September 2025.

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

Radvance Cayman Limited (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability on 3 January 2025 under the Companies Act (As Revised) Chapter 22 of the Cayman Islands. The addresses of the registered office of the Company and headquarters of the Group are set out in the section headed "Corporate Information" in the [REDACTED].

The Company is an investment holding company. The Company and its subsidiaries now comprising the Group underwent the Reorganisation as set out in the paragraph headed "Reorganization" in the section headed "History, Reorganization and Corporate Structure" in the [REDACTED] (the "**Reorganisation**"). Apart from the Reorganisation, the Company has not commenced any business or operation since its incorporation.

During the Relevant Periods, the Company and its subsidiaries (collectively referred to as the "**Group**") were principally engaged in the design, development, sales and marketing of e-bike products.

As at the date of this report, the Company had direct and indirect interests in its subsidiaries, all of which are private limited liability companies (or, if incorporated outside Hong Kong, have substantially similar characteristics to a private company incorporated in Hong Kong), the particulars of principal subsidiaries of the Company are set out below:

Name	Notes	Place and date of incorporation/ registration and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
				Direct	*Indirect*	
Tenways Technovation Europe B.V.	*(a)*	Kingdom of the Netherlands ("**Netherlands**") 2 February 2022	EUR5,000,000	—	100	Design, development, sales and marketing of e-bike products
Tenways Technovation Limited	*(b)*	Hong Kong 17 October 2019	HKD46,936,270	100	—	Investment holding
Tenfold Sport Technovation Limited	*(b)*	Hong Kong 15 September 2021	HKD6,798	—	100	Trading
Shenzhen Shifang Technovation Company Limited* (深圳市十方運動科技有限公司) ("**Shenzhen Shifang**")	*(c)*	People's Republic of China ("**PRC**")/Chinese mainland 25 May 2021	RMB15,762,952	—	100	Design and development of e-bike products, operational support, trading
Guangzhou Tengfeng Advanced Manufacturing Limited* (廣州市騰風智造科技有限公司)	*(d)*	PRC/Chinese mainland 8 December 2023	RMB20,000,000	—	100	Procurement of e-bike components
Tenways Sport UK Limited	*(d)*	United Kingdom 3 March 2023	GBP110,000	—	100	Sales of e-bike products
Tenways Technovation Inc.	*(d)*	United States of America 16 December 2022	USD1,000	—	100	Sales of e-bike products

* The English names of the above companies registered in the PRC represent the best efforts made by the directors of the Company in directly translating the Chinese names of these companies as no English names have been registered.

Notes:

(a) The statutory financial statements of this entity for the year ended 31 December 2024 prepared under IFRS Accounting Standards were audited by EY Accountants B.V., certified public accountants registered in the Netherlands. No audited financial statements have been prepared for this entity for the year ended 31 December 2023.

(b) The statutory financial statements of these entities for the years ended 31 December 2023 and 2024 prepared under Hong Kong Small and Medium-sized Entity Accounting Standards were audited by C.K. LIU Certified Public Accountant (Practising), certified public accountants registered in Hong Kong.

(c) The statutory financial statements of this entity for the years ended 31 December 2023 and 2024 prepared under Chinese Accounting Standards for Business Enterprises ("**PRC GAAP**") were audited by Shenzhen Zhongzheng Yinhe Certified Public Accountants (General Partnership) (深圳中正銀合會計師事務所(普通合夥)), certified public accountants registered in the PRC.

(d) No audited financial statements have been prepared for these entities for the years ended 31 December 2023 and 2024 as these entities were not subject to any statutory audit requirements under the relevant rules and regulations in their jurisdiction of incorporation/registration.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

2.1 BASIS OF PRESENTATION

Pursuant to the Reorganisation, as more fully explained in the paragraph headed "Reorganization" in the section headed "History, Reorganization and Corporate Structure" in the [REDACTED], the Company became the holding company of the companies now comprising the Group subsequent to the end of the Relevant Periods. As the Reorganisation mainly involved inserting new holding companies and has not resulted in any change of economic substance, for the purpose of this report, the Historical Financial Information has been prepared on a combined basis by applying the principles of pooling of interests as if the Reorganisation had been completed at the beginning of the Relevant Periods.

Accordingly, the combined statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group for the Relevant Periods and the nine months ended 30 September 2024 and 2025 include the results and cash flows of all companies comprising the Group as if from the earliest date presented or since the date of incorporation of the subsidiaries, where there is a shorter period. No adjustments are made to reflect fair values, or recognise any new assets or liabilities as a result of the Reorganisation.

All intra-group transactions and balances have been eliminated on combination.

2.2 BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board ("**IASB**"). All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2025, together with the relevant transitional provisions, have been consistently adopted by the Group in the preparation of the Historical Financial Information and the Interim Financial Information.

The Historical Financial Information has been prepared under the historical cost conventions except for convertible redeemable preferred shares and financial assets at fair value through profit or loss which have been measured at fair value.

As at 30 September 2025, the Group recorded net current liabilities and net liabilities amounting to EUR70,756,000 and EUR67,351,000 and incurred accumulated losses from operation. The net current liabilities primarily arose from the convertible redeemable preferred shares amounting to EUR117,957,000 as at 30 September 2025. The directors of the Company have considered that the convertible redeemable preferred shares will not be contractually redeemable within the next twelve-month period following 30 September 2025 as the redemption rights of the convertible redeemable preferred shares is conditional upon a qualified [REDACTED] before 1 January 2028. Upon the closing of a qualified [REDACTED], the convertible redeemable preferred shares will automatically be coverted in the Company's ordinary shares.

In assessing the Group's working capital adequacy to meet its current liabilities, the directors of the Company have considered all accessible financial resources, including the internally generated funds from operations, the existing cash and cash equivalents and the back facilities available.The director of the Company are of the opinion that the Group will have sufficient working capital to meet its financial liabilities and obligations as and when they fall due for the next twelve months from 30 September 2025, and accordingly, the Historical Financial Information has been prepared on a going concern basis.

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	*Presentation and Disclosure in Financial Statements*[2]
IFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[2]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[2]
Annual Improvements to IFRS Accounting Standards — Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7[1]

1 Effective for annual periods beginning on or after 1 January 2026

2 Effective for annual/reporting periods beginning on or after 1 January 2027

3 No mandatory effective date yet determined but available for adoption

The Group is in the process of making an assessment of the impact of these new and amended IFRS Accounting Standards upon initial application. So far, the Group considers that these new and amended IFRS Accounting Standards, except for IFRS 18, may result in changes in accounting policies but are unlikely to have a significant impact on the Group's financial performance and financial position in the period of initial application. The application of IFRS 18 is not expected to have a material impact on the financial position of the Group but is expected to affect the presentation of the statements of profit or loss, statements of other comprehensive income and statements of cash flows and disclosures in the future financial information. The Group will continue to assess the impact of IFRS 18 on the Group's financial information.

2.4 MATERIAL ACCOUNTING POLICIES

Investment in a joint venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investment in a joint venture is stated in the combined statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The Group's share of the post-acquisition results and other comprehensive income of a joint venture is included in the combined statement of profit or loss and combined other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of a joint venture, the Group recognises its share of any changes, when applicable, in the combined statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the Group's investment in the joint venture, except where unrealised losses provide evidence of an impairment of the assets transferred.

Upon loss of significant influence over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Fair value measurement

The Group measures certain financial instruments at fair value at the end of each Relevant Periods. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Historical Financial Information on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an non-financial asset is required (other than inventories, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

- (i) the entity and the Group are members of the same group;
- (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
- (iii) the entity and the Group are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Office furniture	20.00%
Electronic equipment	33.33%
Transportation equipment	[REDACTED]%
Machinery and equipment	10.00% to 20.00%
Other equipment	20.00% to 33.33%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at the end of reporting period.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each Relevant Periods.

Intangible assets with definite useful lives are amortized on the straight-line basis over the useful economic lives as follows:

Brand	5 years
Patents	1 to 5 years
Software	3 to 10 years

Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Office and warehouse	1 to 5 years

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office and employee dormitories (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment that is considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("**SPPI**") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Gains and losses on these financial assets are never recycled to profit or loss. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes derivative instrument of foreign forward contracts purchased by the Group during the Relevant Periods and the nine months ended 30 September 2024 and 2025.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's combined statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("**ECLs**") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 90 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

Stage 1	Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
Stage 2	Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
Stage 3	Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss ("**FVTPL**"), loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, financial liabilities included in other payables and accruals, interest-bearing bank borrowings, and convertible redeemable preferred shares.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss. The net fair value gain or loss recognised in profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognised in profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to profit or loss. The net fair value gain or loss recognised in profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities at amortised cost (trade and other payables, loans and borrowings)

After initial recognition, trade payables, other payables and accruals, interest-bearing bank borrowings, and financial liabilities measured at amortised cost, are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Convertible redeemable preferred shares

Prior to and during the Relevant Periods, the Group entered into a series of share purchase agreements with independent investors and issued convertible redeemable preferred shares as detailed in note 28 to the Historical Financial Information. The Group has designated its convertible redeemable preferred shares as financial liabilities at FVTPL initially, and subsequent changes in fair value are recognised in profit or loss. Transaction costs that are directly attributable to the issuance of convertible redeemable preferred shares are recognised immediately in profit or loss.

The convertible redeemable preferred shares issued by the Group are redeemable upon the occurrence of certain future events. When the redemption rights held by the shareholders of the convertible redeemable preferred shares are unconditionally terminated, redemption liabilities are reclassified and credited to equity.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on weighted average method for raw materials and finished goods. Finish goods comprises direct materials and production costs. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the combined statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the combined statement of cash flows, cash and cash equivalents comprise cash on hand and at banks and short-term deposits as defined above.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

The Group provides for warranties in relation to the sale of e-bike products for general repairs of defects occurring during the warranty period. Provisions for these assurance-type warranties granted by the Group are initially recognised based on sales volume and past experience of the level of repairs and returns, discounted to their present values as appropriate. The warranty-related cost is revised when appropriate.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries and joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries and joint venture, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(a) Sales of e-bike products

Revenue from the sale of e-bike products is recognised at the point in time when control of the asset is transferred to the customer. For direct sales, revenue is recognised at the point in time upon the receipt of the products by the customers. For sales to distributors, revenue is recognised at the point in time upon the delivery and receipt of the products to the distributors.

The Group's sales of e-bike products provide customers with rights of return and sales incentives, giving rise to variable consideration.

(i) Sales returns

The Group imposed a fourteen-day return or exchange policy for sales on the Group's website, allowing consumers to return or exchange products within fourteen days after the delivery for no cause, while for sales to distributors, the distributors can only return or request for refund if the e-bike products delivered do not meet the pre-specified quality requirement.

For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For products that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

(ii) Sales incentives

The Group provides various sales incentives to customers, including coupons, loyalty points and volume rebates.

The Group's offers coupons and loyalty points to customers as part of its online sales initiatives. Coupons are recorded as a deduction of revenue after being used by customers. Consideration received from sales transactions is allocated between the sales of products and loyalty points based on their relative standalone selling prices. The revenue from redemption of loyalty points is deferred until the time of customers' redemption, and the amount recognised upon the redemption takes into account historical redemption patterns and customers' behaviour.

Retrospective volume rebates may be provided to certain distributors once the quantity or transactions of e-bike products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the distributor. The expected value method or the most likely amount method is used to best estimate the variable consideration for the expected future rebates. The variable consideration is estimated at the end of the reporting period and is constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(b) Others

The Group also provide accessories, apparel and other related products and services to its customers. Revenue from the provision of these products and services are recognised at the point in time when control of the asset is transferred or the services is completed.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Other employee benefits

Pension scheme

The employees of the Group's subsidiaries which operate in Europe and Chinese mainland are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Share-based payments

The Group operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("**equity-settled transactions**"). The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value of share options is determined using the Binomial model. Further details are included in note 28 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

Borrowing costs

All borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements. Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

The Historical Financial Information is presented in EUR as the major operations of the Group during the Relevant Periods and the nine months ended 30 September 2024 and 2025 were conducted in Europe. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of each reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The Company's functional currency is the United States dollar ("**USD**") and the functional currencies of certain subsidiaries are currencies other than the EUR which are determined based on the primary economic environment in which each subsidiary operates, including the currency of principal activities. As at the end of each reporting period, the assets and liabilities of the Company and these subsidiaries are translated into EUR at the exchange rates prevailing at the end of the Relevant Periods and their statements of profit or loss are translated into EUR at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the combined statement of cash flows, the cash flows of the Company and certain subsidiaries are translated into EUR at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into EUR at the average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Recognition of income taxes and deferred tax assets

Determining income tax provision involves judgement on the future tax treatment of certain transactions and when certain matters relating to the income taxes have not been confirmed by the local tax bureau. Management evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatments of such transactions are reconsidered periodically to take into account all changes in tax legislation.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are disclosed in note 26 to the Historical Financial Information.

Research and development expenses

All research costs are charged to profit or loss as incurred. Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred. Determining the timing and the amounts of development costs to be capitalised requires the use of judgements and estimation.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Variable consideration for volume rebates

Retrospective volume rebates may be provided to certain distributors once the quantity or transactions of e-bike products purchased during the period exceeds a threshold specified in the contract. The most likely amount method is used to best estimate the variable consideration for the expected future rebates. The variable consideration is estimated at the end of each of the reporting period and is constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Estimates of expected volume rebates are sensitive to changes in circumstances and the Group's estimation may not be representative of actual rebate entitlements in the future.

Leases — Estimating the incremental borrowing rate ("IBR")

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an IBR to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Provisions for warranties

The Group provides for warranties in relation to the sale of e-bike products during the warranty period. Provisions for these assurance-type warranties granted by the Group are recognised based on sales volume and past experience of the level of repairs and returns, and the actual outcome or expectation in future might be different from the original estimate, and such difference will be recognised in the periods in which such estimates have been changed.

Provision for expected credit losses on trade receivables and other receivables

The Group estimates and calculates ECLs for trade receivables under simplified approach and for other receivables under general approach. The trade receivables and other receivables that are credit-impaired are assessed for ECLs individually. Collective assessment is performed by grouping debtors based on external credit ratings and the industry features of debtors. The Group uses estimations in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables and other receivables are disclosed in notes 19 and 21 to the Historical Financial Information.

Provision against obsolete and slow-moving inventories

The Group reviews the condition of its inventories at the end of each reporting period and makes provisions against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use based on sales forecasts. Such sales forecasts are prepared based on agreements or orders on hand and estimated sales in the foreseeable future based on historical experiences with its customers and current market conditions of the semiconductor industry. Management estimates the net realisable value for those obsolete and slow-moving inventories based primarily on the latest invoice prices and current market conditions. The estimation is reassessed at the end of each reporting period. The provision against obsolete and slow-moving inventories requires the use of judgements and estimates. Where the actual outcome or expectation in future is different from the original estimate, such difference will impact on the carrying value of inventories and the write-down of inventories recognised in the periods in which such estimates have been changed.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Fair value of convertible redeemable preferred shares

The fair value of the convertible redeemable preferred shares is determined by using valuation techniques. The Group applied the back-solve method and discounted cash flow method to determine the underlying equity value of the Company and adopted the option-pricing method and equity allocation model to determine the fair value of the convertible redeemable preferred shares. Key assumptions such as the timing of the liquidation, redemption or the liquidation event as well as the probability of the various scenarios were based on the Group's best estimates. Further details are disclosd in note 27 to the Historical Financial Information.

Fair value of share-based payment transactions

The fair value of the share options in share-based payment transactions is determined by using the most appropriate valuation model based on the terms and conditions of the awards. Significant estimates on assumptions for estimating the fair value are made by the Group, further details of which are included in note 28 to the Historical Financial Information.

4. OPERATING SEGMENT INFORMATION

The Group manages its business as a whole for the purpose of making decision on resource allocation and performance assessment, therefore, no operating segment information is presented.

Geographical information

(a) Revenue from external customers

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Europe	46,532	58,718	51,072	52,943
United States of America	1,484	1,876	1,470	1,217
Others	12	41	34	30
Total revenue	48,028	60,635	52,576	54,190

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Chinese mainland	2,990	3,801	2,871
Europe	659	1,542	2,368
Others	15	158	179
Total assets	3,664	5,501	5,418

The non-current asset information above is based on the locations of the assets and excludes financial instruments.

Information about a major customer

During the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2024 and 2025, there is no single customer accounted for 10% or more of the Group's total revenues.

5. REVENUE

An analysis of revenue is as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Revenue from contracts with customers	48,028	60,635	52,576	54,190

Revenue from contracts with customers

(a) Disaggregated revenue information

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Types of goods or services				
E-bike products	47,544	59,179	51,530	52,863
Accessories, apparel and other related products and services	484	1,456	1,046	1,327
Total	48,028	60,635	52,576	54,190
Geographical markets				
Europe	46,532	58,718	51,072	52,943
United States of America	1,484	1,876	1,470	1,217
Others	12	41	34	30
Total	48,028	60,635	52,576	54,190

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Timing of revenue recognition				
Products and services transferred at a point in time	48,028	60,635	52,576	54,190

The following table shows the amounts of revenue recognised during the Relevant Periods and the nine months ended 30 September 2024 and 2025 that were included in the contract liabilities at the beginning of each reporting period and recognised from performance obligations satisfied in previous periods:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Revenue recognised that was included in contract liabilities at the beginning of the reporting periods:				
Sale of e-bike products	—	80	80	145

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sales of e-bike products

The performance obligation is satisfied upon the delivery or receipts of e-bike products. For direct sales, payment is normally fully made through online platform before the delivery. For sales to distributors, payment is mainly due within 7 to 30 days from delivery or made in advance. Some contracts provide customers with volume rebates which give rise to variable consideration subject to constraint.

For the performance obligations, they are generally satisfied within less than a year, and the Group has elected the practical expedient for not to disclose the remaining performance obligations.

6. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Other income				
Bank interest income	197	216	190	77
Realised gains on foreign exchange forward contracts, net	154	323	322	—
Government grants*	393	131	—	5
Others	—	5	5	9
Total other income	744	675	517	91
Other gains				
Foreign exchange gains, net	987	24	—	3,538
Total gains	987	24	—	3,538
Total other income and gains	1,731	699	517	3,629

* The grants related to income represent the compensation for expenses incurred by the Group or for the purpose of providing incentive to the Group by government authorities, these grants related to income are recognised in profit or loss upon receipt and there are no unfulfilled conditions or contingencies relating to these grants.

7. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

		Year ended 31 December		Nine months ended 30 September	
		2023	2024	2024	2025
	Notes	*EUR'000*	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Cost of sales*		35,509	41,216	36,011	37,072
Write-down of inventories to net realisable value***		74	267	494	182
Depreciation of property, plant and equipment**	*14*	240	500	332	585
Depreciation of right-of-use assets**	*15*	357	694	498	505
Amortisation of intangible assets**	*16*	8	156	144	101
Advertising, marketing and promotion expenses		7,268	6,986	5,874	6,553
Transaction service charges		975	665	532	579
Research and development costs*		1,232	1,702	1,251	1,688
Lease payments not included in the measurement of lease liabilities	*15*	77	110	96	86
Auditor's remuneration		13	127	127	—
Employee benefit expense (excluding directors' and chief executive's remuneration *(note 9)*):					
Salaries and other benefits		4,058	7,246	5,394	6,249
Pension scheme contributions, social welfare and other welfare		448	1,094	707	1,161
Share based payments expenses		152	575	425	487
Total employee benefit expense		4,658	8,915	6,526	7,897
Impairment losses on financial assets:					
Impairment of trade receivables	*19*	94	40	125	163
Impairment/(reversal of impairment) of other receivables	*21*	66	3	—	(3)
		160	43	125	160
Bank interest income	*6*	(197)	(216)	(190)	(77)
Foreign exchange (gain)/losses, net	*6*	(987)	(24)	1,229	(3,538)
Government grants	*6*	(393)	(131)	—	(5)
Realised (gain)/losses on foreign exchange forward contract, net	*6*	(154)	(323)	(322)	160
Share of loss of a joint venture		—	—	—	138
Fair value losses on convertible redeemable preferred shares	*27*	1,473	29,644	25,764	30,137
Product warranty provision***		1,115	1,160	870	1,147

* "Cost of sales" and "Research and development costs" also include the employee benefit expenses related to the cost of products sold and research and development activities for the Relevant Periods and the nine months ended 30 September 2024 and 2025.

** Depreciation and amortisation expenses are included in "Cost of sales", "Selling expenses", "Administrative expenses" and "Research and development costs" in the combined statements of profit or loss.

*** Write-down of inventories to net realisable value and product warranty provision are included in "Cost of sales" in the combined statements of profit or loss.

8. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Interest on bank borrowings	—	146	86	157
Interest on lease liabilities	56	123	94	86
Transaction cost related to issuance of convertible redeemable preferred shares	—	375	374	—
Total	56	644	554	243

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

The remuneration of each director as recorded during the Relevant Periods and the nine months ended 30 September 2024 and 2025, disclosed pursuant to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "**Listing Rules**"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is set out below:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Fees	—	—	—	—
Other emoluments:				
Salaries, allowances and benefits in kind	268	521	361	428
Performance related bonuses	178	193	32	—
Pension scheme contributions	28	57	41	59
Share-based payments	132	870	649	623
Subtotal	606	1,641	1,083	1,110
Total	606	1,641	1,083	1,110

(a) Independent non-executive directors

There were no emoluments payable to the independent non-executive directors during the Relevant Periods and the nine months ended 30 September 2024 and 2025.

In February 2026, the Company appointed Mr. Wai-Chan Chan, Mr. Dennis Robin de Breij and Mr. Chung Yin Pak as independent non-executive directors with effect upon the [REDACTED].

(b) Executive directors and chief executive

Year ended 31 December 2023

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Share based payment	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*	*EUR'000*
Executive directors:					
Mr. Xiaoling Liang*	60	108	2	4	174
Mr. Amir Fazeli	137	—	21	55	213
Mr. Kai Cheng	11	—	1	29	41
Mr. Tian Sang	60	70	4	44	178
Mr. Haoyu Shen***	—	—	—	—	—
Ms. Lian Ma***	—	—	—	—	—
Ms. Meizi Zhu***	—	—	—	—	—
Total	268	178	28	132	606

Year ended 31 December 2024

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Share based payment	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*	*EUR'000*
Executive directors:					
Mr. Xiaoling Liang*	128	87	11	43	269
Mr. Amir Fazeli	141	32	27	197	397
Mr. Kai Cheng	166	17	13	478	674
Mr. Tian Sang	86	57	6	152	301
Mr. Haoyu Shen***	—	—	—	—	—
Ms. Lian Ma***	—	—	—	—	—
Ms. Meizi Zhu***	—	—	—	—	—
Total	521	193	57	870	1,641

Nine months ended 30 September 2024 (unaudited)

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Share based payment	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*	*EUR'000*
Executive directors:					
Mr. Xiaoling Liang*	84	—	6	33	123
Mr. Amir Fazeli	100	32	21	147	300
Mr. Kai Cheng	116	—	10	356	482
Mr. Tian Sang	61	—	4	113	178
Mr. Haoyu Shen***	—	—	—	—	—
Ms. Lian Ma***	—	—	—	—	—
Ms. Meizi Zhu***	—	—	—	—	—
Total	361	32	41	649	1,083

Nine months ended 30 September 2025 (unaudited)

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Share based payment	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*	*EUR'000*
Executive directors:					
Mr. Xiaoling Liang*	121	—	17	31	169
Mr. Amir Fazeli	96	—	15	141	252
Mr. Kai Cheng	138	—	17	342	497
Mr. Tian Sang	73	—	10	109	192
Mr. Haoyu Shen***	—	—	—	—	—
Ms. Lian Ma***	—	—	—	—	—
Ms. Meizi Zhu***	—	—	—	—	—
Total	428	—	59	623	1,110

There was no arrangement under which a director waived or agreed to waive any remuneration during the Relevant Periods and the nine months ended 30 September 2024 and 2025.

Notes:

* Mr. Xiaoling Liang served as the chairman of the board, executive director and chief executive officer of the Company.

** In February 2026, the Company appointed Ms. Jianan Li as executive director with effect upon the [REDACTED].

*** In February 2026, Mr. Haoyu Shen, Ms. Lian Ma and Ms. Meizi Zhu resigned as directors of the Company with immediate effect.

Directors whose names are not marked with notes indicate that they were incumbent directors of the Company as of the date of this report and served in the subsidiaries now comprising the Group throughout the reporting period.

Certain of above directors received remuneration from the subsidiaries now comprising the Group. The remuneration of these directors as recorded in the financial statements of the subsidiaries is also included in the above directors' remuneration. These directors are subsequently appointed as executive director of the Group in November 2025.

During the Relevant Periods and the nine months ended 30 September 2024 and 2025, share options were granted to certain directors, further details of which are included in the disclosures in note 28 to the Historical Financial Information. The fair value of such share options, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount for the Relevant Periods and the nine months ended 30 September 2024 and 2025 is included in the above directors' remuneration disclosures.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the Relevant Periods and the nine months ended 30 September 2024 and 2025 included 3, 4, 4 and 4 directors, respectively, details of whose remuneration are set out in note 9 above. Details of the remuneration of the 2, 1, 1 and 1 highest paid employees who are neither a director nor chief executive of the Group during the Relevant Periods and the nine months ended 30 September 2024 and 2025 are as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	**2024**	**2024**	**2025**
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Salaries, allowances and benefits in kind	102	67	50	52
Performance related bonuses	146	57	—	—
Pension scheme contributions	7	6	3	9
Share-based payments	88	152	113	113
Total	343	282	166	174

The numbers of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands are as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	**2024**	**2024**	**2025**
			(Unaudited)	(Unaudited)
HK$1,000,001 to HK$1,500,000	2	—	1	1
HK$1,500,001 to HK$2,000,000	—	—	—	—
HK$2,000,001 to HK$2,500,000	—	1	—	—
Total	2	1	1	1

During the Relevant Periods and the nine months ended 30 September 2024 and 2025, share options were granted to a non-director and non-chief executive highest paid employee in respect of his services to the Group, further details of which are included in the disclosures in note 28 to the Historical Financial Statements. The fair value of such options, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above non-director and non-chief executive highest paid employee's remuneration disclosures.

11. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Cayman Islands and British Virgin Islands

Under the current laws of the Cayman Islands and the British Virgin Islands, the Company and its subsidiaries are not subject to tax on income or capital gains.

Netherlands

The income tax rate applicable to the Group's subsidiary incorporated in the Netherlands for the income subject to Dutch corporate income tax during the reporting period is 25.8%. A two-tiered profits tax rates regime is applied, whereby the first EUR200,000 of taxable profits are taxed at 19%, and the remaining profits are taxed at the standard rate of 25.8%.

Chinese mainland

The provision for corporate income tax in Chinese mainland is based on the statutory rate of 25% of the taxable profits determined in accordance with the Corporate Income Tax Law which was approved and became effective on 1 January 2008, except for certain subsidiaries of the Group in Chinese mainland which are granted tax concession and are taxed at preferential tax rates. In 2024, Shenzhen Shifang was recognised as High and New Technology Enterprise and enjoys preferential income tax rate of 15% for years ended/ending 31 December 2024, 2025 and 2026.

Hong Kong

The Group's subsidiaries incorporated in Hong Kong are subject to Hong Kong profits tax at the rate of 16.5% on any estimated assessable profits arising in Hong Kong during the periods presented. The first HKD2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

The major components of the income tax expense for the year/period are as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Current tax	375	124	580	497
Deferred tax	3	(1)	—	2
Total tax expense for the year/period	378	123	580	499

A reconciliation of the tax expense applicable to loss before tax at the statutory rate for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the preferential tax rates) to the effective tax rates, are as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
LOSS BEFORE TAX	(4,275)	(34,344)	(27,702)	(29,504)
Tax at the statutory tax rate	(1,103)	(8,861)	(7,147)	(7,612)
Effect of different tax rates enacted by local authorities	10	3,266	240	3,277
Additional deductible allowance for qualified research and development expenses	(278)	(235)	(245)	(203)
Losses attributable to a joint venture	—	—	—	36
Expenses not deductible for tax	560	4,779	6,723	4,751
Tax losses and temporary difference not recognised	1,859	1,174	1,309	250
Tax losses utilised from previous periods	(670)	—	(300)	—
Tax charge at the Group's effective rate	378	123	580	499

12. DIVIDENDS

No dividends were paid or declared by the Company during the Relevant Periods and the nine months ended 30 September 2024 and 2025.

13. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

Loss per share information is not presented as its inclusion, for the purpose of this report, is not considered meaningful due to the Reorganisation and the basis of presentation of the results of the Group for the Relevant Periods and for the nine months ended 30 September 2024 and 2025 as disclosed in note 2.1 to the Historical Financial Information.

14. PROPERTY, PLANT AND EQUIPMENT

The Group

	Office furniture	Electronic equipment	Transportation equipment	Other equipment	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*	*EUR'000*
31 December 2023					
At 1 January 2023					
Cost	15	112	194	—	321
Accumulated depreciation	(3)	(17)	(22)	—	(42)
Net carrying amount	12	95	172	—	279
At 1 January 2023, net of accumulated depreciation	12	95	172	—	279
Additions	561	124	322	211	1,218
Disposals	(8)	—	—	—	(8)
Depreciation provided during the year	(22)	(42)	(58)	(118)	(240)
Exchange realignment	(1)	(5)	—	—	(6)
At 31 December 2023, net of accumulated depreciation	542	172	436	93	1,243
At 31 December 2023:					
Cost	564	230	516	211	1,521
Accumulated depreciation	(22)	(58)	(80)	(118)	(278)
Net carrying amount	542	172	436	93	1,243

	Office furniture	Electronic equipment	Machinery and equipment	Transportation equipment	Other equipment	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*	*EUR'000*	*EUR'000*
31 December 2024						
At 1 January 2024						
Cost	564	230	—	516	211	1,521
Accumulated depreciation	(22)	(58)	—	(80)	(118)	(278)
Net carrying amount	542	172	—	436	93	1,243
At 1 January 2024, net of accumulated depreciation	542	172	—	436	93	1,243
Additions	93	164	99	520	233	1,109
Disposals	—	(1)	—	—	—	(1)
Depreciation provided during the year	(149)	(70)	(3)	(132)	(146)	(500)
Exchange realignment	25	5	—	4	5	39
At 31 December 2024, net of accumulated depreciation	511	270	96	828	185	1,890
At 31 December 2024:						
Cost	681	398	99	1,041	370	2,589
Accumulated depreciation	(170)	(128)	(3)	(213)	(185)	(699)
Net carrying amount	511	270	96	828	185	1,890

	Office furniture	Electronic equipment	Machinery and equipment	Transportation equipment	Other equipment	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*	*EUR'000*	*EUR'000*
30 September 2025 (Unaudited)						
At 1 January 2025						
Cost	681	398	99	1,041	370	2,589
Accumulated depreciation	(170)	(128)	(3)	(213)	(185)	(699)
Net carrying amount	511	270	96	828	185	1,890
At 1 January 2025, net of accumulated depreciation	511	270	96	828	185	1,890
Additions	181	318	73	39	328	939
Disposals	—	—	(67)	—	(2)	(69)
Depreciation provided during the period	(86)	(105)	(7)	(153)	(234)	(585)
Exchange realignment	(49)	(157)	(10)	(15)	(42)	(273)
At 30 September 2025, net of accumulated depreciation	557	326	85	699	235	1,902
At 30 September 2025:						
Cost	799	546	89	1,062	635	3,131
Accumulated depreciation	(242)	(220)	(4)	(363)	(400)	(1,229)
Net carrying amount (unaudited)	557	326	85	699	235	1,902

During the Relevant Periods and the nine months ended 30 September 2024 and 2025, none of the Group's property, plant and equipment were pledged, and no impairment for the Group's property, plant and equipment was provided.

15. LEASES

The Group as a lessee

The Group has lease contracts for various items of office and warehouse. Leases of office and warehouse generally have lease terms from 12 months to 60 months. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the Relevant Periods and the nine months ended 30 September 2025 are as follows:

The Group

	Office and warehouse
	EUR'000
31 December 2023	
At 1 January 2023:	
Cost	184
Accumulated depreciation	(82)
Net carrying amount	102
At 1 January 2023, net of accumulated depreciation	102
Additions	2,465
Depreciation provided during the year	(357)
Exchange realignment	(91)
At 31 December 2023, net of accumulated depreciation	2,119
At 31 December 2023:	
Cost	2,557
Accumulated depreciation	(438)
Net carrying amount	2,119

	Office and warehouse
	EUR'000
31 December 2024	
At 1 January 2024:	
Cost	2,557
Accumulated depreciation	(438)
Net carrying amount	2,119
At 1 January 2024, net of accumulated depreciation	2,119
Additions	1,155
Depreciation provided during the year	(694)
Exchange realignment	(20)
At 31 December 2024, net of accumulated depreciation	2,560
At 31 December 2024:	
Cost	3,619
Accumulated depreciation	(1,059)
Net carrying amount	2,560

	Office and warehouse
	EUR'000
30 September 2025 (Unaudited)	
At 1 January 2025:	
Cost	3,619
Accumulated depreciation	(1,059)
Net carrying amount	2,560
At 1 January 2025, net of accumulated depreciation	2,560
Modification	360
Depreciation provided during the period	(505)
Exchange realignment	(268)
At 30 September 2025, net of accumulated depreciation	2,147
At 30 September 2025:	
Cost	3,979
Accumulated depreciation	(1,832)
Net carrying amount (unaudited)	2,147

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the Relevant Periods and the nine months ended 30 September 2025 are as follows:

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
At the beginning of year/period	213	2,397	2,952
Additions	2,465	1,155	—
Accretion of interest recognised during the year/period	56	123	86
Payments	(222)	(819)	(620)
Modification	—	—	360
Exchange realignment	(115)	96	(300)
At the end of year/period	2,397	2,952	2,478
Analysed into:			
Current portion	452	694	684
Non-current portion	1,945	2,258	1,794

(c) The amounts recognised in profit or loss in relation to leases are as follows:

The Group

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Interest on lease liabilities	56	123	94	86
Depreciation charge of right-of-use assets	357	694	498	505
Expense relating to short-term leases and leases of low-value assets	77	110	96	86
Total amount recognised in profit or loss	490	927	688	677

(d) The total future cash outflows for leases are disclosed in note 37 to the Historical Financial Statements.

16. INTANGIBLE ASSETS

The Group

	Brand	Patents	Software	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
31 December 2023				
At 1 January 2023:				
Cost	22	1	63	86
Accumulated amortisation	(5)	(1)	(8)	(14)
Net carrying amount	17	—	55	72
Cost at 1 January 2023, net of accumulated amortisation	17	—	55	72
Additions	2	3	38	43
Amortisation provided during the year	(3)	—	(5)	(8)
Exchange realignment	(3)	1	(3)	(5)
At 31 December 2023	13	4	85	102
At 31 December 2023:				
Cost	23	5	98	126
Accumulated amortisation	(10)	(1)	(13)	(24)
Net carrying amount	13	4	85	102

	Brand	Patents	Software	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
31 December 2024				
At 1 January 2024:				
Cost	23	5	98	126
Accumulated amortisation	(10)	(1)	(13)	(24)
Net carrying amount	13	4	85	102
Cost at 1 January 2024, net of accumulated amortisation	13	4	85	102
Additions	—	713	104	817
Amortisation provided during the year	(5)	(139)	(12)	(156)
Exchange realignment	1	—	3	4
At 31 December 2024	9	578	180	767
At 31 December 2024:				
Cost	25	718	205	948
Accumulated amortisation	(16)	(140)	(25)	(181)
Net carrying amount	9	578	180	767

	Brand	Patents	Software	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
30 September 2025 (Unaudited)				
At 1 January 2025:				
Cost	25	718	205	948
Accumulated amortisation	(16)	(140)	(25)	(181)
Net carrying amount	9	578	180	767
Cost at 1 January 2025, net of accumulated amortisation	9	578	180	767
Amortisation provided during the period	(4)	(84)	(13)	(101)
Exchange realignment	(1)	—	(17)	(18)
At 30 September 2025	4	494	150	648
At 30 September 2025:				
Cost	22	717	186	925
Accumulated amortisation	(18)	(223)	(36)	(277)
Net carrying amount (unaudited)	4	494	150	648

17. INVESTMENT IN A JOINT VENTURE

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
TENCYCLES — BIKE INDUSTRY, LDA	—	—	15

On 25 October 2024, the Group, through its subsidiary Tenways Technovation Europe B.V., entered into a shareholders' agreement with a third party for the formation of a new entity. The Group holds a 49.5% ownership interest and has determined that the entity meets the criteria for classification as a joint venture.

18. INVENTORIES

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Raw materials	7,946	5,765	3,308
Finished goods	5,561	22,274	18,318
Materials consigned for processing	11,824	15,301	12,172
Total	25,331	43,340	33,798

19. TRADE RECEIVABLES

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Trade receivables	1,334	2,785	6,016
Less: allowance for expected credit losses	(93)	(133)	(292)
Total	1,241	2,652	5,724

The Group's trading terms with its customers are generally on credit with primary credit period ranging from 7 to 30 days, extended to a maximum of 60 days for customers with strong credit history.

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Long ageing balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances.

As at the end of each of the Relevant Periods and as at 30 September 2025, the Group had certain concentrations of credit risk. As at 31 December 2023 and 2024 and 30 September 2025, 25.8%, 31.5% and 19.2%, respectively, of the Group's trade receivables were due from the Group's largest debtor, and 55.8%, 44.8% and 31.0%, respectively, of the Group's trade receivables were due from the Group's five largest debtors.

An ageing analysis of the trade receivables as at the end of each of the Relevant Periods and 30 September 2025, based on invoice date and net of allowance for expected credit losses, is as follows:

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Within 1 months	1,065	1,930	4,806
1 months to 2 months	85	203	345
2 months to 3 months	40	111	226
Over 3 months	51	408	347
Total	1,241	2,652	5,724

The movements in the allowance for expected credit losses of trade receivables are as follows:

	Year ended 31 December		Nine months ended 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
At beginning of year/period	16	93	133
Impairment losses, net	94	40	163
Amount written off as uncollectible	(17)	—	(4)
At end of year/period	93	133	292

The Group applies the simplified approach and assesses the expected credit losses on an individual or portfolio basis by using a provision matrix to measure expected credit losses.

An impairment analysis is performed at the end of each reporting period. The trade receivable that are credit-impaired are assessed for ECLs individually. Collective assessment is performed by grouping debtors based on external credit ratings and the industry features of debtors. Generally, trade receivables are written off when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings.

Set out below is the information about the credit risk exposure on the Group's trade receivables:

	Year ended 31 December		Nine months ended 30 September
	2023	2024	2025
			(Unaudited)
Provision on a collective basis:			
Expected credit loss rate	3.35%	3.42%	3.54%
Gross carrying amount (EUR'000)	1,284	2,746	5,934
Expected credit losses (EUR'000)	43	94	210
Provision on an individual basis (EUR'000)	50	39	82
Total (EUR'000)	93	133	292

20. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000*
			(Unaudited)
Cash and bank balances	19,273	18,301	19,454
Cash held by other financial institutions*	712	707	776
Less: Restricted cash for foreign exchange forward contracts	(135)	(144)	(525)
Cash and cash equivalents	19,850	18,864	19,705
Cash and cash equivalents Denominated in			
— RMB	19,038	15,782	16,181
— EUR	600	1,370	2,879
— Others	212	1,712	645
Total	19,850	18,864	19,705

* As at each of the end of the Relevant Periods and as at 30 September 2025, the Group had certain amounts of cash held in accounts managed by other financial institutions such as Wise Bank, Mollie Bank and Paypal in connection with the provision of direct sales throught the Group's website which have been classified as cash and cash equivalents.

The RMB is not freely convertible into other currencies, however, under Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and restricted cash are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximated to their fair values.

21. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Non-current:			
Loan to a joint venture *(note 34)*	—	—	450
Deposits	200	209	189
Prepayment for purchase of property, plant and equipment	—	75	67
Subtotal	200	284	706
Current:			
Advance to suppliers	814	1,195	2,410
VAT recoverable	1,118	2,135	2,534
Tax recoverable	67	150	130
Amounts due from related parties *(note 34)*	4,896	833	1,518
Other receivables*	164	466	805
Export tax rebate	22	—	1
	7,081	4,779	7,398
Less: impairment**	(66)	(69)	(66)
Subtotal	7,015	4,710	7,332
Total	7,215	4,994	8,038

* Other receivables are unsecured, non-interest-bearing and repayable on demand.

** As at 31 December 2023 and 2024 and 30 September 2025, the impairment of the financial assets included in prepayments, other receivables and other assets was measured based on 12-month expected credit losses if they were not past due and there was no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, they were measured based on lifetime expected credit losses. As of 31 December 2023 and 2024 and 30 September 2025, amounts of EUR66,000, RMB69,000 and RMB66,000 were provided for the default other receivables for which the counterparty has individually credit risk. The credit risk of other receivables that are measured based on lifetime expected credit loses are assessed to be minimal.

The movements in the loss allowance for other receivables are as follows:

	Year ended 31 December		Nine months ended 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
At the beginning of year/period	—	66	69
Impairment/(reversal of impairment), net *(note 7)*	66	3	(3)
At the end of year/period	66	69	66

22. INTEREST-BEARING BANK BORROWINGS

The Group

	31 December 2023			31 December 2024			30 September 2025 (Unaudited)		
	Effective Interest rate	Maturity	EUR'000	Effective Interest rate	Maturity	EUR'000	Effective Interest rate	Maturity	EUR'000
Current									
Bank loans-unsecured	N/A	N/A	—	2.80%	2025	7,922	2.53%	2025–2026	10,636
Total			—			7,922			10,636

As of 30 September 2025, bank loan amounting to EUR1,090,000 borrowed by Shenzhen Shifang were guaranteed by another subsidiary of the Group, which will be matured in March 2026 (31 December 2023 and 2024: none).

The Group

	As at 31 December		As at 30 September
	2023	**2024**	**2025**
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Analysed into:			
Bank loans repayable:			
Within one year	—	7,922	10,636
Total	—	7,922	10,636

The carrying amounts of bank borrowings are denominated in the following currencies:

	31 December 2023	31 December 2024	30 September 2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
RMB	—	7,922	10,636
Total	—	7,922	10,636

An analysis of the carrying amounts of bank borrowings by type of interest rate is as follows:

	31 December 2023	31 December 2024	30 September 2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Fixed interest rate	—	7,922	10,636
Total	—	7,922	10,636

23. TRADE PAYABLES

The Group

	As at 31 December		As at 30 September
	2023	**2024**	**2025**
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Trade payables	2,296	5,607	3,015

The trade payables are non-interest-bearing and are normally settled within 120 days.

An ageing analysis of the trade payables as at the end of each of the Relevant Periods and as at 30 September 2025, based on the invoice date, is as follows:

	As at 31 December		As at 30 September
	2023	**2024**	**2025**
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Within 30 days	2,292	4,558	2,420
31 to 60 days	4	628	360
61 to 90 days	—	270	235
Over 90 days	—	151	—
Total	2,296	5,607	3,015

24. CONTRACT LIABILITIES

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Short-term advances received from customers:			
Sale of e-bike products	80	145	159

Contract liabilities represent payments from customers in advance of delivery of e-bike products.

25. OTHER PAYABLES AND ACCRUALS

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Payroll payables	1,051	1,608	1,544
Other tax payables	931	861	2,295
Refund liability	15	8	58
Accrued expense	54	193	169
Others	44	224	2
Total	2,095	2,894	4,068

Other payables are non-interest-bearing and have no fixed terms of settlement.

26. DEFERRED TAX

The movements in deferred tax assets during the Relevant Periods and the nine months ended 30 September 2025 are as follows:

Deferred tax assets

	Lease liabilities
	EUR'000
At 1 January 2023	—
Deferred tax credited to the statement of profit or loss during the year	526
At 31 December 2023	526
At 1 January 2024	526
Deferred tax charged to the statement of profit or loss during the year	(36)
At 31 December 2024	490
At 1 January 2025	490
Deferred tax charged to the statement of profit or loss during the period	(127)
At 30 September 2025 (Unaudited)	363

Deferred tax liabilities

	Right-of-use assets
	EUR'000
At 1 January 2023	—
Deferred tax charged to the statement of profit or loss during the year	529
At 31 December 2023	529
At 1 January 2024	529
Deferred tax credited to the statement of profit or loss during the year	(37)
At 31 December 2024	492
At 1 January 2025	492
Deferred tax credited to the statement of profit or loss during the period	(125)
At 30 September 2025 (Unaudited)	367

For presentation purposes, certain deferred tax assets and liabilities have been offset in the combined statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Net deferred tax liabilities recognised in the combined statement of financial position	3	2	4

Deferred tax assets have not been recognised in respect of the following items:

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Tax losses	3,180	5,859	8,012
Deductible temporary differences	5,717	10,979	10,154
Total	8,897	16,838	18,166

Deferred tax assets are recognized for tax losses carried-forward to the extent that realization of the related tax benefit through future taxable profits is probable. Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

The Group has accumulative tax losses arising in Netherlands of EUR0.5 million, EUR1.9 million and EUR1.9 million as at 31 December 2023 and 2024 and 30 September 2025, respectively, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

The Group has accumulative tax losses arising in Chinese Mainland of EUR0.9 million, EUR1.4 million and EUR2.2 million as at 31 December 2023 and 2024 and 30 September 2025, respectively, that will expire in 5 to 10 years for offsetting against future taxable profits of the companies in which losses arose.

The Group has accumulative tax losses arising in Hong Kong of EUR1.7 million, EUR2.2 million and EUR3.0 million as at 31 December 2023 and 2024 and 30 September 2025, respectively, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

The Group has accumulative tax losses arising in the United Kingdom and United States of EUR0.1 million, EUR0.3 million and EUR0.9 million as at 31 December 2023 and 2024 and 30 September 2025, respectively, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

27. CONVERTIBLE REDEEMABLE PREFERRED SHARES

The Group

Shenzhen Shifang, a wholly-owned domestic subsidiary of the Company after the completion of the Reorganisation, had undergone several rounds of equity financing between 2021 to 2024.

Series pre-A financing

In November 2021, Shenzhen Shifang completed the Series pre-A financing of RMB50.0 million for the subscription of 22.2% shareholding interest in Shenzhen Shifang immediately subsequent to the closing of the transaction. In connection with the Series pre-A financing, Shenzhen Shifang also granted a warrant to the Series pre-A invenstor for the subscription of Shenzhen Shifang's additional shares at a pre-determined enterprise valuation at the earlier of a) the closing of Shenzhen Shifang's next round financing and b) twelve months following the closing of the Series pre-A financing. The warrant was subsequently exercised by the investor during the Shenzhen Shifang's series A financing.

Series A financing

In October and December 2022, Shenzhen Shifang completed the Series A-1 and Series A-2 financing (collectively referred as Series A financing) with an aggregate amount of RMB292.0 million, including the exercise of the above-mentioned warrant, for the subscription of 34.7% shareholding interest in Shenzhen Shifang immediately subsequent to the closing of the transaction.

Series B financing

In November 2023, Shenzhen Shifang completed the Series B financing with an aggregate of RMB85.0 million for the subscription of 5.4% shareholding interest in Shenzhen Shifang immediately subsequent to the closing of the transaction.

Series B+ financing

In January 2024, Shenzhen Shifang completed the Series B+ financing with an aggregate of RMB50.0 million for the subscription of 2.9% shareholding interest in Shenzhen Shifang imemdiatley subsequent to the closing of the transaction.

Certain special rights were granted by Shenzhen Shifang to above-mentioned investors and during the Reorganisation of the Group, the Company issued convertible redeemable preferred shares ("Preferred Share(s)") to these investors to replace these investors' interest in Tenways, and the special rights were concurrently replaced and substituted with below special rights granted by the Company to the holders of the Preferred Shares ("Preferred Shareholder(s)"). There was no additional accounting impact recorded by the Group during the process as there were no additional benefits to the Preferred Shareholders resulting from the modification.

(i) Key terms of the Preferred Shares

According to the Company's Amended and Restated Memorandum and Articles of Association ("**MOA**") dated 10 November 2025, the key terms of Preferred Shares are summarised as follows:

(a) Conversion right

Each holder of Preferred Shares shall have the right, at such holder's sole discretion, to convert all or any portion of the Preferred Shares into ordinary shares at any time after the date of issuance of such shares, at a 1 to 1 initial conversion ratio and subject to adjustments to reflect share dividends, share splits, dilutive issuance and other events.

In addition, each Preferred Share shall automatically be converted into the Company's ordinary shares, at the then applicable conversion price upon the closing of a qualified initial public offering ("**QIPO**") as defined in the MOA.

(b) Voting right

Each Preferred Share shall carry a number of votes equal to the number of ordinary shares then issuable upon its conversion into ordinary shares. The holders of Preferred Shares shall vote separately as a class with respect to certain matters as agreed in the MOA, otherwise the holders of Preferred Shares and ordinary shares shall vote together as a single class.

(c) Liquidation preference

In the event of any liquidation, dissolution or winding up of the Company, either voluntary or involuntary, all assets and funds of the Company legally available for distribution should be distributed to the shareholders of the Company in the sequence as follows:

- Series B+ and Series B preferred shares
- Series A preferred shares
- Series Pre-A Preferred Shares

The liquidation preference amount for each Preferred Share shall be the greater of (a) an amount equal to one hundred of relevant issue price of the respective Preferred Share, plus interest calculated based on the rate agreed in the MOA and plus all declared but unpaid dividends thereon, and (b) the net assets of the Company legally available for distribution with respect to each Preferred Share to be distributed on a pro rata, *pari passu* basis among the holders of the Preferred Shares (on an as-converted basis) together with the holders of the ordinary shares.

After distribution or payment in full of the amount to all Preferred Shares, the remaining assets of the Company available for distribution to the shareholders, if any, shall be distributed ratably among the holders of outstanding ordinary shares (for the avoidance of doubt, excluding any holder of the Preferred Shares).

(d) Dividend right

No dividend, whether in cash, in property or in shares of the capital of the Company, shall be paid on the ordinary shares of the Company unless and until the higher of the following shall be first in full on the Preferred Shares: (i) a dividend at a pre-agreed simple rate of the applicable issue price and (ii) dividend distributable or otherwise a distribution payable to a member in proportion to the total number of ordinary shares held by such member.

(e) Redemption feature

Each Preferred Share should be redeemable upon the occurrence of the following events: (i) the failure by the Company to consummate a QIPO before 1 January 2028, (ii) there is a material breach of the transaction documents by any of the group companies and/or the founder parties, (iii) the termination of employment relationship between the founder and the group companies, (iv) any alteration of the principal business of the group companies without approval, (v) a decrease of the shareholding percentage of all the founder parties as a whole less to an amount pre-agreed in the MOA and (vi) any of the equity securities of the Company becomes redeemable.

The redemption price for each Preferred Share is determined at the higher of (a) fair market value of such Preferred Share and (b) the applicable issue price of prospective Preferred Share plus a return at an agreed simple annual rate, plus all declared but unpaid dividend for the prospective Preferred Share.

(ii) Presentation and classification

The Group does not bifurcate the embedded conversion derivatives from the host debt liability arising from the redemption right held by the shareholders of the Preferred Shares and has designated the entire instruments of Preferred Shares as financial liabilities at FVTPL. The change in fair value of financial liabilities at FVTPL is charged to profit or loss except for the portion attributable to the Group's own credit risk change that shall be charged to other comprehensive income. Management considered that there was no significant change of the Group's own credit risk of the financial liabilities that drives the change in the fair value of the financial liabilities during the Relevant Periods and the nine months ended 30 September 2025.

The movements of the Group's convertible redeemable preferred shares are set out as follows:

	Year ended 31 December		Nine months ended 30 September
	2023	**2024**	**2025**
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
At the beginning of year/period	49,214*	58,729	98,404
Issuance	10,891	6,481	—
Fair value loss on convertible redeemable preferred shares	1,473	29,644	30,137
Exchange realignment (a)	(2,849)	3,550	(10,584)
At end of year/period	58,729	98,404	117,957
Analysed into:			
Current portion (b)	58,729	98,404	117,957
Total	58,729	98,404	117,957

* The beginning balance of the Group's convertible redeemable preferred shares includes an amount of EUR2,727,000, of which the relevant redeemable convertible preferred shares have been issued in 2022 and the payment was made in early 2023.

Notes:

(a) Exchange realignment represents the effect of exchange differences on the translation of financial statements, which was charged to other comprehensive income or loss.

(b) Amendment to IAS 1 *Classification of Liabilities as Current or Non-current*, which was effective on 1 January 2024, have been adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods. As a result of adoption of this amendment, the convertible redeemable preferred shares were presented as current liabilities as at the end of each of the Relevant Periods because the holders of the Preferred Shares can convert the convertible redeemable preferred shares to ordinary shares at any time at such holder's sole discretion.

(iii) Valuation techniques in the determination of the fair value of Preferred Shares

The Company used the discounted cash flow method and back-solve method to determine the underlying equity value of the Group and adopted the equity allocation model to determine the fair value of each of Preferred Shares as at the end of each of the Relevant Periods and as at 30 September 2025.

Set out below is a summary of significant unobservable inputs to the valuation of Preferred Shares together with a quantitative sensitivity analysis as at 31 December 2023 and 2024 and 30 September 2025:

	As at 31 December		As at 30 September
	2023	2024	2025
Discount rate	14.00%	13.00%	12.00%
Risk-free interest rate	2.35%	1.19%	1.50%
DLOM	15.00%	15.00%	10.00%
Volatility	41.46%	41.11%	42.62%

The Group estimated the risk-free interest rate based on the yield of the Chinese Government Bonds with maturity close to the expected exit timing as of the valuation date. The DLOM was estimated based on the option-pricing method. Under the option-pricing method, the cost of a put option, which can hedge the price change before the privately held shares can be sold, was considered as a basis to determine the lack of marketability discount. Volatility was estimated based on the annualised standard deviation of the daily stock price returns of comparable companies for a period from the valuation date and with a similar time span to expiration.

Notes:

(a) 1% increase/decrease in the discount rate with all other variables held constant would decrease/increase the fair value of Preferred Shares by by nil/nil, EUR11,256,000/EUR13,795,000 and EUR15,700,000/EUR19,898,000 as at 31 December 2023 and 2024 and 30 September 2025, respectively.

(b) 1% increase/decrease in the risk-free interest rate with all other variables held constant would decrease/increase the fair value of Preferred Shares by EUR658,000/EUR673,000, EUR664,000/EUR749,000 and EUR379,000/EUR345,000 as at 31 December 2023 and 2024 and 30 September 2025, respectively.

(c) 1% increase/decrease in DLOM with all other variables held constant would decrease/increase the fair value of Preferred Shares by EUR687,000/EUR687,000, EUR1,118,000/EUR1,118,000 and EUR1,318,000/EUR1,318,000 as at 31 December 2023 and 2024 and 30 September 2025, respectively.

(d) 1% increase/decrease in volatility with all other variables held constant would change the fair value of Preferred Shares by EUR135,000/EUR135,000, EUR44,000/EUR8,000 and EUR144,000/EUR148,000 as at 31 December 2023 and 2024, and 30 September 2025, respectively.

28. SHARE-BASED PAYMENTS

Share Incentive Plan

In May 2023, prior to the incorporation of the Company and the Reorganisation of the Group, Shenzhen Shifang passed and approved a resolution to grant certain employees share options to acquire equity in Shenzhen Shifang pursuant to the share incentive plan ("**PRC Entity Options**").

In connection with the Reorganisation of the Group, the Company adopts the pre-[REDACTED] share incentive plan ("**Share Incentive Plan**") in February 2026 to replace the PRC Entity Options, and correspondingly, the PRC Entity Options were replaced and substituted with options to acquire equity in the Company under the Share Incentive Plan, and all other terms and condition remained the same. There was no additional accounting impact recorded by the Group upon the completion of the replaced and substitution of the PRC Entity Options as there were no additional benefits to the above-mentioned employees resulting from the modification.

In accordance with the Share Incentive Plan, a maximum aggregate of 4,919,810 shares will be awarded to eligible participants, including founders, officers, key employees of the Group and other personnel determined by the executives of the Company. The Share Incentive Plan became effective immediately upon the approval of the Company, unless otherwise cancelled or amended, will remain in force for 10 years from that date. The options granted under the Share Incentive Plan has performance and service conditions, and is subject to forfeiture if the participants cannot meet certain performance targets set by the Company.

The movements of the share options during the Relevant Periods and the nine months ended 30 September 2024 and 2025 are as follows:

	As at 31 December				As at 30 September			
	2023		2024		2024		2025	
	Weighted average exercise price per share	Number of options	Weighted average exercise price per share	Number of options	Weighted average exercise price per share	Number of options	Weighted average exercise price per share	Number of options
	RMB		*RMB*		*RMB* (Unaudited)	(Unaudited)	*RMB* (Unaudited)	(Unaudited)
At beginning of year/period	—	—	0.20	1,855,000	0.20	1,855,000	0.20	2,605,000
Granted during the year/period	0.20	1,855,000	0.20	750,000	0.20	750,000	0.20	350,000
At end of year/period	0.20	1,855,000	0.20	2,605,000	0.20	2,605,000	0.20	2,955,000

During the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025, share options of 1,855,000, 750,000 and 350,000 in aggregate were granted by the Group under the Share Incentive Plan, respectively, at exercise price of RMB0.20 per share. The fair value of these share options granted during the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025 were EUR663,000 (EUR0.36 per each), EUR274,000 (EUR0.37 per each) and EUR268,100 (EUR0.80 per each), respectively, which was determined under Binomial Model. Share-based payments expense of EUR63,000, EUR263,000 and EUR263,000, respectively, was recognised by the Group during the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025, respectively.

As at 31 December 2023 and 2024 and 30 September 2025, the weighted average remaining contractual lives of outstanding options were 9.36, 8.36 and 7.61 years, respectively.

As at 30 September 2025, the Group has unrecognised share based compensation expenses under the Share Incentive Plan of EUR585,000 in total, which will be recognised by the Group in the following one to two years.

As of 30 September 2025, the Group had 2,955,000 share options outstanding under the Share Incentive Plan. The exercise in full of the outstanding share options would, under the present capital structure of the Company as of the date of this report, result in the issue of 2,955,000 additional ordinary shares of the Company and additional share capital of USD83,000 (EUR97,000) (before issue expenses).

Subsequent to the end of the reporting period, in February 2026, the Group granted all remaining options under the Share Incentive Plan to the Group's employees in respect of their services to the Group in the forthcoming periods.

Share awards granted to executive managements

In addition to share incentives granted under the Share Incentive Plan, the Group has also newly granted share awards to key executive management personnel, while certain shareholder has separately granted share awards from his own holdings to these individuals, in recognition of their significant contributions and to reinforce their continued commitments to the Group.

During the years ended 31 December 2023 and 2024 and nine months ended 30 September 2025, 7,834,700, 3,500,000 and nil share awards were granted to executive management personnel at exercise price of RMB0.02 per share and the fair value of these awards was determined under Binomial Model. These share awards has performance and service conditions, and is subject to forfeiture if the grantee cannot meet certain performance targets.

Share-based payments expenses of EUR221,000, EUR1,182,000 and EUR847,000, respectively, was recognised by the Group during the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025, respectively. As at 30 September 2025, the Group has unrecognised share based compensation expenses of EUR1,980,000 for these share awards in total, which will be recognised by the Group in the following one to two years.

Valuation techniques in the determination of the fair value

The fair value of the share options at the grant date was estimated based on the following key inputs:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
Risk-free interest rate (%)	2.67%~2.71%	2.34%~2.56%	2.34%~2.56%	1.72%
Expected volatility (%)	44.22%~45.15%	44.21%~44.48%	44.21%~44.48%	44.88%
Dividend yield (%)	—	—	—	—

29. PROVISION

The Group

	Warranties
	EUR'000
At 1 January 2023	241
Addition	1,115
Amounts utilised during the year	(650)
At 31 December 2023 and 1 January 2024	706
Addition	1,160
Amounts utilised during the year	(984)
At 31 December 2024 and 1 January 2025	882
Addition	1,147
Amounts utilised during the period	(1,155)
At 30 September 2025 (Unaudited)	874

	31 December		30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Analysed into:			
Current portion	523	647	659
Non-current portion	183	235	215
Total	706	882	874

30. SHARE CAPITAL

The Group and the Company

On 3 January 2025, the Company was incorporated with an authorised share capital of USD50,000 divided into 500,000,000 shares of USD0.0001 each.

As of the date of this report, the Company issued an aggregate of 77,709,705 ordinary shares, 21,428,570 series pre-A preferred shares, 48,532,180 series A preferred shares, 8,646,785 series B preferred shares and 4,784,480 series B+ preferred shares with each par value of USD0.0001 upon the completion of Reorganisation, more details of which are set out in the paragraph headed "Reorganisation" in the section headed "History, Reorganization and Corporate Structure" in the [REDACTED].

31. DEFICITS

The Group

The amounts of the Group's reserves and the movements therein are presented in the combined statements of changes in equity of the Historical Financial Information.

Capital reserve

Capital reserve of the Group represents the paid-up capital of the companies comprising the Group.

Exchange fluctuation reserve

The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements with functional currencies other than EUR. The reserve is dealt with in accordance with the accounting policies set out in note 2.4 to the Historical Financial Information.

Share-based compensation reserve

The share-based compensation reserve is attributable to the fair value of options granted to the Group's employees. Details are included in note 28 to the Historical Financial Information.

32. NOTES TO THE COMBINED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2024 and 2025, the Group had non-cash additions to right-of-use assets and lease liabilities of EUR2,465,000, EUR1,155,000, EUR1,155,000 and EUR360,000, respectively, in respect of lease arrangements for office and warehouse.

(b) Changes in liabilities arising from financing activities

	Lease Liabilities	Interest bearing bank borrowings	Convertible redeemable preferred shares
	EUR'000	*EUR'000*	*EUR'000*
At 1 January 2023	213	—	49,214*
Additions	2,465	—	—
Changes from financing cash flows	(222)	—	10,891
Fair value changes	—	—	1,473
Interest expenses	56	—	—
Exchange realignment	(115)	—	(2,849)
At 31 December 2023	2,397	—	58,729
At 1 January 2024	2,397	—	58,729
Additions	1,155	8,985	—
Changes from financing cash flows	(819)	(1,209)	6,481
Fair value changes	—	—	29,644
Interest expenses	123	146	—
Foreign exchange realignment	96	—	3,550
At 31 December 2024	2,952	7,922	98,404
At 1 January 2025	2,952	7,922	98,404
Additions	—	7,119	—
Modification	360	—	—
Changes from financing cash flows	(620)	(4,562)	—
Fair value changes	—	—	30,137
Interest expenses	86	157	—
Exchange realignment	(300)	—	(10,584)
At 30 September 2025 (unaudited)	2,478	10,636	117,957

* The beginning balance of the Group's convertible redeemable preferred shares includes an amount of EUR2,727,000, of which the relevant redeemable convertible preferred shares have been issued in 2022 and the payment was made in early 2023.

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	**2024**	**2024**	**2025**
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Within operating activities	77	110	96	86
Within financing activities	222	819	615	620
Total	299	929	711	706

33. COMMITMENTS

The Group had the following commitments provided to a joint venture (note 17) as at the end of the reporting period:

	31 December		30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Capital contribution	—	150	—

Besides that, as at the end of Relevant Periods and as at 30 September 2025, the Group does not have other significant contractual commitments.

34. RELATED PARTY TRANSACTIONS

The directors are of the view that the following companies are related parties that have material transactions or balances with the Group during the Relevant Periods and the nine months ended 30 September 2024 and 2025.

(a) Names and relationships of the related parties

Name	Relationship
Guangzhou Leonis Machinery Co., Ltd. (廣州市銀三環機械有限公司*) ("**Leonis**")	Shareholder of the Group
TF-METAL Guangzhou Co., Ltd. (廣州泰昌汽車部件有限公司*) ("**TF-METAL**")	Leonis's affiliate
Guangzhou RISING-SUN Import and Export Trading Co., Ltd. (廣州明日進出口貿易有限公司*) ("**RISING-SUN**")	Subsidiary of TF-METAL
Ningbo M&S E-Driving System Co. Ltd. (寧波麥思動力系統有限公司*) ("**MIVICE**")	Company controlled by an immediate family member of the Group's shareholder
Litbike UAB ("**Litbike**")	Company significantly influenced by Leonis
TENCYCLES — BIKE INDUSTRY, LDA ("**Tencycles**")	Joint venture of the Group
EMTC B.V. ("**EMTC**")	Company controlled by a former director of the Group's major subsidiary

* The English names of the above companies registered in the PRC represent the best efforts made by the directors of the Company in directly translating the Chinese names of these companies as no English names have been registered.

(b) The Group had the following transactions with related parties during the Relevant Periods and the nine months ended 30 September 2024 and 2025:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)	*EUR'000* (Unaudited)
Purchases of products or services from:				
Leonis	34,020	11,090	8,318	832
Litbike	9,775	9,070	6,803	—
RISING-SUN	2,935	13,559	10,169	50
MIVICE	—	2,674	2,006	1,777
TF-METAL	—	86	65	61
EMTC	172	336	252	1,140
Total	46,902	36,815	27,613	3,860

The above purchase of products or services were based on commercial negotiation between the Group and related parties.

(c) Outstanding balances with related parties:

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Prepayments, deposits and other receivables: (trade nature)			
Leonis	120	100	1,514
RISING-SUN	407	—	—
Tencycles	—	—	4
Litbike	4,369	334	—
MIVICE	—	399	—
Total	4,896	833	1,518
Prepayments, deposits and other receivables (non-current): (non-trade nature)			
Tencycles*	—	—	450
Total	—	—	450

* The Group had an outstanding loan due from the joint venture amounting to EUR450,000 as at 30 September 2025. This balance is unsecured, bears interest at 4% per annum, and is due for repayment prior to 25 October 2028. The Directors expected that the amount will not be collected following the next twelve months and presented the balances as non-current assets.

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Trade payables: (trade nature)			
RISING-SUN	1,325	—	—
Leonis	521	484	38
MIVICE	—	297	35
EMTC	77	—	51
Total	1,923	781	124

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Lease liabilities (current and non-current): (trade nature)			
TF-METAL	—	861	641
Total	—	861	641

On 1 January 2024, the Group entered into a lease agreement with TF-METAL to lease certain office for warehousing, logistics and office use. The Group recognised right-of-use assets and lease liabilities of RMB7,937,000 (equivalent to EUR1,027,000) accordingly and recorded lease liabilities as at 31 December 2024 and 30 September 2025.

(d) Compensation of key management personnel of the Group

The compensation of key management personnel of the Group for each of the period during the Relevant Periods and the nine months ended 30 September 2024 and 2025 represented the directors and chief executives' remuneration as disclosed in note 9 to the Historical Financial Information.

35. FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

	As at 31 December 2023	As at 31 December 2024	As at 30 September 2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Financial assets at amortised cost:			
Trade receivables	1,241	2,652	5,724
Financial assets included in prepayments, other receivables and other assets	390	702	1,426
Restricted bank deposits	135	144	525
Cash and cash equivalents	19,850	18,864	19,705
Total	21,616	22,362	27,380

Financial liabilities

	As at 31 December 2023	As at 31 December 2024	As at 30 September 2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Financial liabilities at fair value through profit or loss:			
Convertible redeemable preferred shares	58,729	98,404	117,957
Financial liabilities at amortised cost:			
Trade payables	2,296	5,607	3,015
Financial liabilities included in other payables and accruals	98	417	171
Interest-bearing bank borrowings	—	7,922	10,636
Total	61,123	112,350	131,779

36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, restricted cash, financial assets included in prepayments, other receivables and other assets, trade receivables, trade payables, interest-bearing bank borrowings, and financial liabilities included in other payables and accruals, and lease liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair values of the non-current portion of lease liabilities have been calculated by discounting the expected future cash flows using rates currently available, and the difference between the fair value with the carrying amount is insignificant.

The Group's finance department is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At the end of each of the Relevant Periods and 30 September 2025, the finance department analysed the movements in the values of financial instruments and determined the major inputs applied in the valuation. The valuation is reviewed and approved by the senior management.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The details of the methods and assumptions used to estimate the fair values of the convertible redeemable preferred shares (level 3) are set out in note 27 to the Historical Financial Information.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Liabilities measured at fair value:

As at 31 December 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
Convertible redeemable preferred shares	—	—	58,729	58,729

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
Convertible redeemable preferred shares	—	—	98,404	98,404

As at 30 September 2025 (Unaudited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*
Convertible redeemable preferred shares	—	—	117,957	117,957

During the Relevant Periods and the nine months ended 30 September 2024 and 2025, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and cash equivalents, interest-bearing bank borrowings, and convertible redeemable preferred shares. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing bank and other borrowings. The interest rate risk is limited due to the interest-bearing bank borrowings' interest rates are fixed.

Foreign currency risk

Foreign currency risk is the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between EUR and other currencies in which the Group conducts business may affect the Group's financial condition and results of operations.

The following table demonstrates the sensitivity at the end of each of the Relevant Periods to a reasonably possible change in foreign currency exchange rates, with all other variables held constant, of the Group's profit before tax.

	Increase/ (decrease) in foreign exchange rate	Decrease/ (increase) in profit before tax
	%	*EUR'000*
Year ended 31 December 2023		
If EUR weakens against the USD	–5%	63
If EUR strengthens against the USD	5%	(63)
If EUR weakens against the RMB	–5%	533
If EUR strengthens against the RMB	5%	(533)
Year ended 31 December 2024		
If EUR weakens against the USD	–5%	66
If EUR strengthens against the USD	5%	(66)
If EUR weakens against the RMB	–5%	164
If EUR strengthens against the RMB	5%	(164)
Nine months ended 30 September 2025 (Unaudited)		
If EUR weakens against the USD	–5%	47
If EUR strengthens against the USD	5%	(47)
If EUR weakens against the RMB	–5%	147
If EUR strengthens against the RMB	5%	(147)

Credit risk

The Group trades only with recognised and creditworthy parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, restricted cash, financial assets included in prepayments, other receivables and other assets, with a maximum exposure equal to the carrying amounts of these instruments. The directors believe that there is no material credit risk inherent in the Group's outstanding balance of these other financial assets.

Maximum exposure and year/period-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year/period-end staging classification as at the end of each of the Relevant Periods and 30 September 2025.

The amounts presented are gross carrying amounts for financial assets.

At 31 December 2023

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*	*EUR'000*
Trade receivables*	—	—	—	1,334	1,334
Financial assets included in prepayments, other receivables and other assets					
— Normal**	390	—	—	—	390
— Doubtful**	—	—	66	—	66
Restricted cash	135	—	—	—	135
Cash and cash equivalents	19,850	—	—	—	19,850
Total	20,375	—	66	1,344	21,775

At 31 December 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*	*EUR'000*
Trade receivables*	—	—	—	2,785	2,785
Financial assets included in prepayments, other receivables and other assets					
— Normal**	702	—	—	—	702
— Doubtful**	—	—	69	—	69
Restricted cash	144	—	—	—	144
Cash and cash equivalents	18,864	—	—	—	18,864
Total	19,710	—	69	2,785	22,564

At 30 September 2025 (Unaudited)

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	EUR'000	*EUR'000*	*EUR'000*	*EUR'000*	*EUR'000*
Trade receivables*	—	—	—	6,016	6,016
Financial assets included in prepayments, other receivables and other assets					
— Normal**	1,426	—	—	—	1,426
— Doubtful**	—	—	66	—	66
Restricted cash	525	—	—	—	525
Cash and cash equivalents	19,705	—	—	—	19,705
Total	21,656	—	66	6,016	27,738

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 19 to the Historical Financial Information. At the end of each of the Relevant Periods and 30 September 2025, the Group had no significant concentrations of credit risk.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank borrowings and lease liabilities.

The maturity profile of the Group's financial liabilities as at the end of each of the Relevant Periods and 30 September 2025, based on the contractual undiscounted payments, is as follows:

At 31 December 2023

	Less than 12 months or on demand	1 to 5 years	Total
	EUR'000	*EUR'000*	*EUR'000*
Trade payables	2,296	—	2,296
Financial liabilities included in other payables and accruals	98	—	98
Lease liabilities	777	2,970	3,747
Convertible redeemable preferred shares	—	59,714	59,714
Total	3,171	62,684	65,855

At 31 December 2024

	Less than 12 months or on demand	1 to 5 years	Total
	EUR'000	*EUR'000*	*EUR'000*
Trade payables	5,607	—	5,607
Financial liabilities included in other payables and accruals	417	—	417
Interest-bearing bank borrowings	8,013	—	8,013
Lease liabilities	902	2,820	3,722
Convertible redeemable preferred shares	—	75,304	75,304
Total	14,939	78,124	93,603

At 30 September 2025 (Unaudited)

	Less than 12 months or on demand	1 to 5 years	Total
	EUR'000	*EUR'000*	*EUR'000*
Trade payables	3,015	—	3,015
Financial liabilities included in other payables and accruals	171	—	171
Interest-bearing bank borrowings	10,711	—	10,711
Lease liabilities	802	1,858	2,660
Convertible redeemable preferred shares	—	72,272	72,272
Total	14,699	74,130	88,829

The timing of the cash outflow for the convertible redeemable preferred shares is determined based on the term that the Preferred Shareholders may request the Group to redeem if there is no QIPO by 1 January 2028 (note 27).

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

The Group monitors capital using the debt to asset ratio, which is total liabilities divided by total assets. The Group's policy is to maintain the gearing ratio at a reasonable level.

The debt to asset ratios as at 31 December 2023 and 2024 and 30 September 2025 were as follows:

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	*EUR'000*	*EUR'000* (Unaudited)
Total liabilities	66,667	119,072	139,853
Total assets	57,236	75,211	72,502
Debt to asset ratio	116.5%	158.3%	192.9%

38. EVENTS AFTER THE RELEVANT PERIODS

Except otherwise disclosed in note to the Historical Financial Information, there were no other significant events after 30 September 2025 that require additional disclosure or adjustments.

39. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of its subsidiaries in respect of any period subsequent to 30 September 2025.