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Application Proof of
T E N W A Y S
Radvance Cayman Limited
(the “Company”)
(A company incorporated in the Cayman Islands with limited liability)

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TENWAYS

Radvance Cayman Limited

(A company incorporated in the Cayman Islands with limited liability)

[REDACTED]

Number of [REDACTED] Under the [REDACTED] : [REDACTED] Shares (subject to the [REDACTED])
Number of [REDACTED] : [REDACTED] Shares (subject to reallocation)
Number of [REDACTED] : [REDACTED] Shares (subject to reallocation and the [REDACTED])
Maximum [REDACTED] : HK\$[REDACTED] per Share plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565%, and AFRC transaction levy of 0.00015% (payable in full on application in Hong Kong dollars, subject to refund)
Nominal Value : US\$0.0001 per Share
[REDACTED] : [REDACTED]

Sole Sponsor, [REDACTED] and [REDACTED]



[REDACTED], [REDACTED] and [REDACTED]

[•]

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The Sole [REDACTED] (for itself and on behalf of the [REDACTED]) may, with our consent, reduce the number of [REDACTED] being offered under the [REDACTED] and/or the indicative [REDACTED] range below that stated in this document at any time on or prior to the morning of the last day for lodging [REDACTED] under the [REDACTED]. In such a case, a notice of the reduction in the number of [REDACTED] and/or the [REDACTED] will be published on the website of the Stock Exchange at www.hkexnews.hk and our website at www.tenways.com not later than the morning of the last day for lodging [REDACTED] under the [REDACTED]. See “Structure of the [REDACTED]” and “How to apply for [REDACTED]” for further details. If [REDACTED] for [REDACTED] have been submitted prior to the day which is the last day for lodging [REDACTED] under the [REDACTED], then such [REDACTED] can be subsequently withdrawn if the number of [REDACTED] and/or the [REDACTED] is so reduced.

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EXPECTED TIMETABLE

[REDACTED]

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SUMMARY

This summary aims to give you an overview of the information contained in this document. As it is a summary, it does not contain all the information that may be important to you. You should read the whole [REDACTED] before you decide to [REDACTED] in the [REDACTED]. There are risks associated with any [REDACTED]. Some of the particular risks in investing in the [REDACTED] are set out in the section headed “Risk Factors” in this document. You should read that section carefully in full before you decide to [REDACTED] in the [REDACTED].

OVERVIEW

We are a Europe-centric, innovation-driven e-mobility company, focusing on providing e-bike products that promote a healthy and sustainable lifestyle. As a key player in the e-mobility industry, we transform the European e-bike landscape by elevating consumers’ everyday mobility and offering versatile e-bikes to a broad consumer base. We prioritize product design and development, focusing on creating contemporary and sleek e-bikes with compelling aesthetic appeal that distinguish our brand. Our agile development process and access to a vast engineering talent pool enable us to swiftly integrate the latest technological innovations. Leveraging our global product development network and supply chain, alongside localized branding, production and sales channels, we achieved strong efficiency while maintaining product localization. This approach enables us to tailor each model according to the specific terrain and consumer requirements of various European regions. Our products include a comprehensive range of e-bikes, encompassing City, Hybrid and Cargo categories, complemented by accessories and services. This diversified portfolio addresses a wide spectrum of application scenarios throughout Europe, including urban commuting, off-road ventures, family hauling and load-carrying. According to Frost & Sullivan, we were the fastest e-bike company in Europe to become a company at scale since our inception. In addition, we were the fastest-growing e-bike brand in the Benelux region during 2022 to 2024 in terms of e-bike sales volume. We also ranked among the top five e-bike brands in Benelux in 2024 in the urban commuting segment in terms of sales volume. We were one of the first e-bike companies in Europe to introduce models integrating torque sensor, hub motor and belt drive.

STRENGTHS

We believe that the following competitive strengths differentiate us from our competitors and have contributed to our success: (i) a contemporary brand reshaping Europe’s e-mobility landscape through innovation; (ii) industry-changing capabilities anchored by robust product development and pioneering technology adoption; (iii) an integrated online-and-offline omnichannel sales, marketing and after-sales ecosystem elevating the overall consumer experience; (iv) a global supply chain combined with strong production partnerships ensuring quality, efficiency and operational reliability; (v) digital-centric, intelligent IT platforms driving sustained operational excellence; and (vi) an experienced management team with comprehensive industry knowledge and international perspective.

STRATEGIES

We intend to pursue the following strategies to further grow our business: (i) advance product innovation and cutting-edge technology to expand price tiers and use-case coverage; (ii) expand and strengthen brand presence by consistently fostering consumer engagement and optimizing sales and marketing channels; (iii) promote vertical integration across supply chain and production to enhance control, synchronization and margins; (iv) reinvent and upgrade the value-creation model to drive sustainable, recurring revenue growth; (v) enhance IT platforms and integrate AI-empowered solutions to continue advancing operational excellence; and (vi) pursue selective acquisitions and investments to accelerate market entry, capabilities and price-tier coverage.

SUMMARY

OUR PRODUCTS

During the Track Record Period, our revenue was primarily derived from the sales of our e-bike products, supplemented by sales of accessories, apparel and other related products and services. The following table sets forth a breakdown of our revenue during the Track Record Period.

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
<i>(€ in thousands, except percentages)</i>								
E-Bike products	47,544	99.0	59,179	97.6	51,530	98.0	52,863	97.6
City E-Bikes	41,075	85.5	47,704	78.7	41,234	78.4	41,943	77.5
Hybrid E-Bikes	6,466	13.5	9,777	16.1	8,746	16.6	8,313	15.3
Cargo E-Bikes	3	0.0	1,698	2.8	1,550	3.0	2,607	4.8
Accessories, apparel and other related products and services	484	1.0	1,456	2.4	1,046	2.0	1,327	2.4
Total	48,028	100.0	60,635	100.0	52,576	100.0	54,190	100.0

We offer three categories of TENWAYS e-bikes — City, Hybrid and Cargo — each designed to address specific consumer needs and use cases, such as urban commuting, leisure and cargo transportation. The following table sets forth a breakdown of sales volume and average selling prices of e-bikes by category.

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	Sales volume (unit)	Average selling price per unit ⁽¹⁾ (€)	Sales volume (unit)	Average selling price per unit ⁽¹⁾ (€)	Sales volume (unit)	Average selling price per unit ⁽¹⁾ (€)	Sales volume (unit)	Average selling price per unit ⁽¹⁾ (€)
City E-Bikes	34,862	1,178	40,610	1,175	34,892	1,182	36,660	1,144
Hybrid E-Bikes	4,013	1,611	6,391	1,530	5,703	1,534	5,878	1,414
Cargo E-Bikes ⁽²⁾	1	3,000	560	3,032	510	3,039	1,156	2,255
Total	38,876		47,561		41,105		43,694	

Notes:

- (1) Average selling price per unit is calculated by dividing the revenue by sales volume for each product category. Such calculated average selling prices are lower than the recommended retail price ranges because we sell to our distributors at the manufacturer selling prices which are lower than the recommended retail prices.
- (2) The average selling price of Cargo E-Bikes is relatively lower for the nine months ending September 30, 2025, primarily due to a shift in product mix. We launched Cargo Longtail Duo in 2025, which had a lower selling price than Cargo One.

BRANDING AND MARKETING

We market our e-bike products under a single, coherent brand, TENWAYS, integrating online advertising, social media, influencer partnerships, sponsorships and on-site initiatives such as industry shows and city tours. According to Cision Media Share of Voice data, for the nine months ended September 30, 2025, we ranked among the top two e-bike brands in Europe by social media mention volume. Our Europe-based branding and sales center produces localized, multilingual content across our core markets, supported by deep market insights and localized creative marketing solutions to reach Europe’s diverse consumers.

SUMMARY

SALES AND DISTRIBUTION

We have a multi-channel sales and distribution network covering both distributor and direct sales. We partner with distributors who sell our products primarily through their offline retail stores, including independent stores and retail chains. In addition, we offer direct sales to consumers and corporate customers, such as bike leasing companies, primarily via our online DTC store. The following table sets forth a breakdown of our revenue by sales channel.

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
(€ in thousands, except percentages)								
Sales to distributors	27,893	58.1	43,799	72.2	38,457	73.1	38,931	71.8
Sales to independent stores	16,639	34.7	28,197	46.5	24,320	46.2	29,425	54.3
Sales to retail chains	11,254	23.4	15,602	25.7	14,137	26.9	9,506	17.5
Direct sales	20,135	41.9	16,836	27.8	14,119	26.9	15,259	28.2
Total	48,028	100.0	60,635	100.0	52,576	100.0	54,190	100.0

The following table sets forth a breakdown of our revenue by geographic regions.

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
(€ in thousands, except percentages)								
Europe	46,532	96.8	58,718	96.8	51,072	97.1	52,943	97.7
Benelux	18,984	39.5	28,058	46.3	22,653	43.1	27,480	50.7
Germany	19,505	40.6	21,743	35.9	20,319	38.6	16,748	30.9
Other European countries	8,043	16.7	8,917	14.6	8,100	15.4	8,715	16.1
United States of America	1,484	3.1	1,876	3.1	1,470	2.8	1,217	2.2
Others ⁽¹⁾	12	0.1	41	0.1	34	0.1	30	0.1
Total	48,028	100.0	60,635	100.0	52,576	100.0	54,190	100.0

Note:

(1) Primarily included Canada, Australia and others.

Our Product Pricing

The retail prices of our products are set with reference to the positioning of each model, production costs, prevailing market conditions, pricing of comparable urban e-bikes and our target profit margins. We review and adjust our product prices periodically based on these factors and overall market conditions. We generally set our products at uniform recommended retail prices to support consistent market positioning. We may also adjust prices or offer discounts during specific marketing events, such as Black Friday and regional holidays, and offer coupons, bundles, time-limited promotions and referral credits to our online direct sales customers.

Our Customers

Our customers primarily consist of distributors, including retail chains and independent stores, as well as direct sales customers, including individual customers and corporate customers such as bike leasing companies. In 2023 and 2024 and the nine months ended September 30, 2025, our five largest customers purchased from us in the amount of €12.1 million, €15.4 million and €10.2 million, representing 25.1%, 25.4% and 18.8% of our total revenue, respectively. In the same periods, our largest customer accounted for €4.4 million, €5.8 million and €3.9 million, representing 9.1%, 9.6% and 7.3% of our total revenue, respectively.

SUMMARY

PROCUREMENT, PRODUCTION AND SUPPLY CHAIN MANAGEMENT

Procurement

As of September 30, 2025, we sourced a broad range of components from multiple countries and regions in Europe, Asia and North America through over 80 qualified suppliers. Over the course of our development, we have transformed our procurement and supply chain operations from a largely outsourced model into an integrated, strategically managed system that enhances cost efficiency, quality assurance and supply stability. Today, our OEM partners procure components through two primary channels: (i) direct procurement from qualified suppliers, typically adopted for standardized components with stable quality and straightforward logistics; and (ii) procurement through our purchasing entities, which procure and resell components requiring closer oversight, enhanced quality control or more complex supplier management.

Production

During the Track Record Period, we engaged OEM partners to produce our e-bikes, and substantially all e-bikes sold by us during the Track Record Period were produced by OEM partners.

As of September 30, 2025, we had three OEM partners in total, with the Portugal OEM partner providing products sold in Europe, the Taiwan OEM partner and Leonis providing products sold in the United States and other regions. We also established the JV Factory in Portugal and selected an OEM partner in Vietnam as a back-up production option. We carefully select OEM partners according to their product and service quality, technical capabilities, production capacities and pricing to meet our delivery timeline. In addition, we select OEM manufacturers with established operating histories and relevant quality management certifications.

Our Suppliers

Our suppliers primarily include OEM partners and suppliers of components and accessories. In 2023 and 2024 and the nine months ended September 30, 2025, purchases from our largest supplier in each period accounted for 65.5%, 41.1% and 30.9%, respectively, of our total purchase amount for the respective periods. For the same periods, purchases from our five largest suppliers in each period during the Track Record Period accounted for 88.2%, 68.7% and 57.2%, respectively, of our total purchase amount for the respective periods.

COMPETITION

The European e-bike market is moderately fragmented, with the top five companies capturing approximately 33.9% of total sales volume in 2024. In the Benelux region, our Brand ranked fifth among urban e-bike brands by sales volume, with an estimated market share of approximately 5.9%. Barriers to entry include established brand dominance, proven product quality and performance, mature distribution and after-sales networks, sophisticated supply chain and stringent regulatory compliance requirements (including CE marking and battery regulations).

SUMMARY OF HISTORICAL AND FINANCIAL INFORMATION

The following tables set forth summary financial data from our combined financial information for the Track Record Period, extracted from the Accountants’ Report set out in Appendix I to this document. The summary combined financial data set forth below should be read together with, and is qualified in its entirety by reference to, our combined financial statements, including the related notes, and the information set forth in “Financial Information”. Our combined financial information was prepared in accordance with IFRSs.

SUMMARY

Summary of Combined Statements of Profit or Loss

The following table sets forth a summary of our combined statements of profit or loss for the periods indicated:

	Year ended December 31,		Year ended December 31,		Nine months ended September 30,		Nine months ended September 30,	
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
	(€ in thousands, except percentages)							
	(unaudited)							
Revenue	48,028	100.0	60,635	100.0	52,576	100.0	54,190	100.0
Cost of sales	(35,651)	(74.2)	(42,204)	(69.6)	(36,002)	(68.5)	(36,936)	(68.2)
Product costs	(29,537)	(61.5)	(35,057)	(57.8)	(30,694)	(58.4)	(31,560)	(58.3)
Fulfillment costs	(6,114)	(12.7)	(7,147)	(11.8)	(5,308)	(10.1)	(5,376)	(9.9)
Gross profit	12,377	25.8	18,431	30.4	16,574	31.5	17,254	31.8
Other income and gains	1,731	3.6	699	1.2	517	1.0	3,629	6.7
Selling expenses	(10,057)	(20.9)	(12,605)	(20.8)	(9,938)	(18.9)	(10,633)	(19.6)
Administrative expenses	(5,299)	(11.0)	(8,319)	(13.7)	(5,921)	(11.3)	(7,186)	(13.3)
Research and development costs	(1,232)	(2.6)	(1,702)	(2.8)	(1,251)	(2.4)	(1,688)	(3.1)
Impairment losses on financial assets, net	(160)	(0.3)	(43)	(0.1)	(125)	(0.2)	(160)	(0.3)
Other expenses	(106)	(0.2)	(517)	(0.9)	(1,240)	(2.4)	(202)	(0.4)
Finance costs	(56)	(0.1)	(644)	(1.1)	(554)	(1.1)	(243)	(0.4)
Share of profits and losses of a joint venture	—	—	—	—	—	—	(138)	(0.3)
Fair value losses on convertible redeemable preferred shares	(1,473)	(3.2)	(29,644)	(48.8)	(25,764)	(48.9)	(30,137)	(55.6)
Loss before tax	(4,275)	(8.9)	(34,344)	(56.6)	(27,702)	(52.7)	(29,504)	(54.5)
Income tax expense	(378)	(0.8)	(123)	(0.2)	(580)	(1.1)	(499)	(0.9)
Loss for the year/period	(4,653)	(9.7)	(34,467)	(56.8)	(28,282)	(53.8)	(30,003)	(55.4)

Non-IFRS Measures

To supplement our combined financial statements, which are presented in accordance with IFRS, we also use adjusted net profit/(loss) (non-IFRS measure) as additional financial measure, which is not required by, or presented in accordance with IFRS. The following table presents our non-IFRS financial measure for the periods indicated.

	Year ended December 31,		Nine months ended September 30,	
	2023	2024	2024	2025
	(€ in thousands)			
Loss for the year/period	(4,653)	(34,467)	(28,282)	(30,003)
Add:				
Share-based compensation	284	1,445	1,074	1,110
Fair value losses on convertible redeemable preferred shares	1,473	29,644	25,764	30,137
Adjusted net profit/(loss)				
(non-IFRS measure)	(2,896)	(3,378)	(1,444)	1,244

SUMMARY

Summary of Combined Statements of Financial Position

The following table sets forth selected information from our summary combined financial position as of the dates indicated:

	As of December 31,		As of
	2023	2024	September 30,
	(€ in thousands)		2025
			(unaudited)
Non-Current Assets			
Property, plant and equipment	1,243	1,890	1,902
Right-of-use assets	2,119	2,560	2,147
Intangible assets	102	767	648
Investment in a joint venture	—	—	15
Prepayments, deposits and other receivables	200	284	706
Total non-current assets	3,664	5,501	5,418
Current Assets			
Inventories	25,331	43,340	33,798
Trade receivables	1,241	2,652	5,724
Prepayments, deposits and other receivables	7,015	4,710	7,332
Restricted bank deposits	135	144	525
Cash and cash equivalents	19,850	18,864	19,705
Total current assets	53,572	69,710	67,084
Current Liabilities			
Trade payables	2,296	5,607	3,015
Contract liabilities	80	145	159
Other payables and accruals	2,095	2,894	4,068
Interest-bearing bank borrowings	—	7,922	10,636
Lease liabilities	452	694	684
Tax payable	361	264	662
Provision	523	647	659
Convertible redeemable preferred shares	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)
Non-Current Liabilities			
Lease liabilities	1,945	2,258	1,794
Deferred tax liabilities	3	2	4
Provision	183	235	215
Total non-current liabilities	2,131	2,495	2,013
Net Liabilities	(9,431)	(43,861)	(67,351)
Deficits in Equity			
Share capital	—	—	—
Deficits	(9,431)	(43,861)	(67,351)
Total deficits in equity	(9,431)	(43,861)	(67,351)

SUMMARY

Summary of Combined Statements of Cash Flows

The following table sets forth a summary of our cash flows for the periods indicated:

	Year ended December 31,		Nine months ended September 30,	
	2023	2024	2024	2025
	(€ in thousands)		(unaudited)	
Net cash flows (used in)/ from operating activities	(21,196)	(13,207)	(9,774)	1,836
Net cash flows used in investing activities	(1,234)	(1,686)	(934)	(2,006)
Net cash flows from financing activities	13,396	13,063	9,238	1,937
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

Key Financial Ratios

The following table sets forth our key financial ratios as of the dates or for the periods indicated:

	As of/For the year ended December 31,		As of/For the nine months ended September 30,	
	2023	2024	2024	2025
Gross profit margin ⁽¹⁾	25.8%	30.4%	31.5%	31.8%
Current ratio ⁽²⁾	0.83	0.60	N/A	0.49
Quick ratio ⁽³⁾	0.44	0.22	N/A	0.24
Net margin ⁽⁴⁾	−9.7%	−56.8%	−53.8%	−55.4%
Adjusted net margin ⁽⁵⁾	−6.0%	−5.6%	−2.7%	2.3%
Product contribution margin ⁽⁶⁾	38.5%	42.2%	41.6%	41.8%

Notes:

- (1) Calculated by dividing gross profit by revenue for the year/period multiplied by 100%.
- (2) Calculated by dividing total current assets by total current liabilities as of the end of the year/period.
- (3) Calculated by dividing total current assets minus inventory and restricted bank deposits by total current liabilities as of the end of the year/period.
- (4) Calculated by dividing net loss by revenue for the year/period multiplied by 100%.
- (5) Calculated by dividing adjusted net profit/(loss) (non-IFRS measure) by revenue for the year/period multiplied by 100%.
- (6) Calculated by dividing revenue less product cost by revenue for the year/period multiplied by 100%.

SUMMARY

Path To Profitability

We incurred net losses during the Track Record Period. Our net losses were substantially attributable to (i) significant non-cash fair value losses on convertible redeemable preferred shares, which will cease to be recognized upon [REDACTED]; and (ii) non-cash share-based compensation expenses. Our business growth and long-term profitability are subject to a variety of factors, some of which may be beyond our control. For details, see “Risk Factors.”

Our overall profitability improved during the Track Record Period. Supported by an extensive distribution network of more than 1,400 offline retail stores run by our distributors across 29 European countries as of September 30, 2025, our gross profit increased from €12.4 million in 2023 to €18.4 million in 2024, and from €16.6 million in the nine months ended September 30, 2024 to €17.3 million in the nine months ended September 30, 2025. Our gross profit margin increased from 25.8% in 2023 to 30.4% in 2024, and from 31.5% in the nine months ended September 30, 2024 to 31.8% in the nine months ended September 30, 2025. Our adjusted net loss (non-IFRS measure) widened modestly from €2.9 million in 2023 to €3.4 million in 2024, primarily reflecting increased investments in European distribution network expansion during the period. We had an adjusted net profit (non-IFRS measure) of €1.2 million in the nine months ended September 30, 2025, compared to adjusted net loss (non-IFRS measure) of €1.4 million in the nine months ended September 30, 2024, as revenue growth, gross margin expansion and improving cost efficiency progressively offset the operating expenses incurred to support our European market expansion. For a reconciliation of our net loss for the year/period to our adjusted net profit/(loss) (non-IFRS measure), see “Financial Information — Non-IFRS Financial Measure.”

We believe we are well positioned to further improve our financial performance and progress toward sustainable profitability by (i) driving continuous revenue growth, (ii) improving our gross profit margin through supply chain optimization and localized European production, (iii) enhancing operating leverage, and (iv) normalization of non-recurring items following the [REDACTED]. However, there can be no assurance that we will achieve or sustain profitability within any particular timeframe or at all. For a detailed analysis, see “Business — Path to Profitability.”

RISK FACTORS

Our operations and the [REDACTED] involve certain risks and uncertainties, including: (i) our limited operating history makes it difficult to evaluate our prospects and the risks and challenges we may encounter, and our historical results may not be indicative of our future performance; (ii) we operate in a competitive and fragmented market, and failure to compete effectively could materially and adversely affect our business; (iii) we are subject to risks associated with our international business operations; (iv) if we are unable to develop and introduce new products at favorable margins, our competitiveness, performance and prospects for future growth could be materially and adversely affected; (v) unsatisfactory performance of, or defects in, our products may give rise to returns or recalls, regulatory actions and product liability claims, and could materially and adversely affect our business; (vi) We incurred net loss during the Track Record Period, and we may not be able to achieve or subsequently maintain profitability in the future; (vii) our growth strategies depend on our ability to reinforce our market positions in existing markets and successfully expand into new markets; (viii) if we are unable to adapt to changes in consumer preferences or effectively attract and retain customers, our business, financial conditions and results of operations could be adversely affected; (ix) we may not be able to effectively manage and develop our distribution network or maintain stable business relationships with our distributors, which could materially and adversely affect our business; and (x) increases in product cost or disruptions in our supply chains could materially and adversely affect our business.

SUMMARY

VOTING PROXY AGREEMENTS

On January 3, 2025, each of Neilever Holding Limited, Velospace Holding Limited, Best Eycles Holding Limited, Interpillars Holding Limited and Mr. Amir Fazeli (together, “**Management Shareholders**”) entered into a voting proxy agreement (the “**Voting Proxy Agreements**”) with Mr. LIANG, pursuant to which each of the Management Shareholders unconditionally granted to Mr. LIANG an irrevocable proxy with respect to the rights of the total [19,484,705] Shares held by them at the general meetings of the Company, representing approximately [12.09]% of the voting rights in our Company as of the Latest Practicable Date and approximately [REDACTED]% of the voting rights in our Company upon [REDACTED] (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan). See “History, Reorganization and Corporate Structure — Voting Proxy Agreements” for further details.

CONCERT PARTY ARRANGEMENT

Mr. Jianxiong Liang, Mr. Dingzhao Huang, Mr. Linggen Liang (the “**Acting-in-Concert Shareholders**”) agreed that they or their respective controlled entities shall take actions in concert with Mr. LIANG or in accordance with Mr. LIANG’s instruction, for the period since the earliest date of the Shareholders’ Agreements until [REDACTED] (the “**Acting-in-Concert Arrangement**”). As of the Latest Practicable Date, the Acting-in-Concert Shareholders collectively are interested in, and are entitled to exercise control over, an aggregate of approximately [42.38%] of the voting rights immediately prior to completion of the [REDACTED]. The Acting-in-Concert Arrangement will terminate upon completion of the [REDACTED]. See “History, Reorganization and Corporate Structure — Concert Party Arrangement” for further details.

OUR SINGLE LARGEST SHAREHOLDER

As of the Latest Practicable Date, Mr. LIANG was able to exercise [42.38%] of the voting rights in our Company through (i) [27,150,000] Shares owned by him through Apex Innovate Limited; (ii) [19,484,705] Shares through the Voting Proxy Agreements; and (iii) [21,635,245] Shares through the Acting-in-Concert Arrangement, which will terminate upon [REDACTED] (assuming the [REDACTED] is not exercised and no Shares will be issued pursuant to the Pre-[REDACTED] Share Incentive Plan). Mr. LIANG will be entitled to exercise control over an aggregate of approximately [REDACTED]% of the voting rights in our Company and will continue to be our single largest Shareholder. See “Relationship with Our Single Largest Shareholder” for further details.

PRE-[REDACTED] INVESTORS

Since our establishment, we have received substantial investments and support from our Pre-[REDACTED] Investors, which include renowned institutional and strategic investors, and have completed five rounds of Pre-[REDACTED] Investments. See “History, Reorganization and Corporate Structure — Pre-[REDACTED] Investments” for further details.

PRE-[REDACTED] SHARE INCENTIVE PLAN

We adopted the Pre-[REDACTED] Share Incentive Plan on February 10, 2026 to recognize the contribution of certain eligible participants and to provide incentives to retain and attract suitable personnel for the continued operation and development of our Group. As of the Latest Practicable Date, we had granted outstanding options to a total of 101 grantees, which corresponded to an aggregate of 4,919,810 underlying Shares, representing [REDACTED]% of the total number of issued Shares immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no Shares will be issued pursuant to the Pre-[REDACTED] Share Incentive Plan). See “Appendix IV — Pre-[REDACTED] Share Incentive Plan” for further details.

SUMMARY

[REDACTED] STATISTICS

All statistics in the following table are based on the assumptions that (i) the [REDACTED] has been completed and [REDACTED] Shares are issued pursuant to the [REDACTED]; (ii) the [REDACTED] is not exercised, and (iii) [REDACTED] Shares are issued and outstanding following the completion of the [REDACTED].

	Based on an [REDACTED] of HK\$[REDACTED] per Share	Based on an [REDACTED] of HK\$[REDACTED] per Share
Market capitalization of our Shares ⁽¹⁾	HK\$[REDACTED] million	HK\$[REDACTED] million
Unaudited [REDACTED] adjusted net tangible asset per Share ⁽²⁾	HK\$[REDACTED] (€[REDACTED])	HK\$[REDACTED] (€[REDACTED])

Notes:

- (1) The calculation of market capitalization of our Shares is based on [REDACTED] Shares expected to be in issue immediately upon completion of the [REDACTED].
- (2) The unaudited [REDACTED] adjusted net tangible asset per Share as of September 30, 2025 is calculated after making the adjustments referred to in “Appendix II — Unaudited [REDACTED] Financial Information” in this document. The number of shares used in deriving unaudited [REDACTED] adjusted net tangible asset per Share are [REDACTED] Shares as of September 30, 2025 which were in issue, assuming that the [REDACTED] had been completed on September 30, 2025, but does not take into account of any Shares which may be allotted and issued by our Company pursuant to the exercise of the [REDACTED].

FUTURE PLANS AND USE OF [REDACTED]

Assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the stated range of the [REDACTED] of between HK\$[REDACTED] and HK\$[REDACTED] per [REDACTED]), we estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] million from the [REDACTED] after deducting the [REDACTED] commissions and other estimated expenses in connection with the [REDACTED], assuming [REDACTED] is not exercised. We intend to use these net [REDACTED] for the purposes and in the amounts set out below, subject to changes in light of our evolving business needs and changing market conditions: (i) approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to advancing product innovation and diversifying our product portfolio; (ii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for expanding our global brand presence; (iii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for deepening our sales and distribution network; (iv) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for strengthening our supply chain and production capabilities; (v) approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated towards developing a multi-brand portfolio and acquiring or investing in companies that strengthen our capabilities, particularly those with strong technical expertise; (vi) approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to upgrading our digital IT architecture, and implementing AI to streamline operations and support data-driven decisions across all sales channels; and (vii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for working capital and other general corporate purposes.

The above allocation of the net [REDACTED] will be adjusted on a pro rata basis in the event that the [REDACTED] is fixed at a higher or lower level compared to the mid-point of the estimated [REDACTED] range. To the event that our net [REDACTED] are either more or less than expected, we will increase or decrease the allocation of the net [REDACTED] to the above purposes on a pro rata basis. For further details, please refer to the section headed “Future Plans and Use of [REDACTED]” in this document.

SUMMARY

[REDACTED]

Assuming full payment of the [REDACTED], the estimated total [REDACTED] (based on the mid-point of the [REDACTED] range and assuming that the [REDACTED] is not exercised) for the [REDACTED] are approximately HK\$[REDACTED] million, accounting for approximately of [REDACTED]% of our gross [REDACTED]. Among such estimated total [REDACTED], we expect to pay [REDACTED]-related expenses of HK\$[REDACTED] million, professional fees for our legal advisors and Reporting Accountants of HK\$[REDACTED] million and other fees and expenses of HK\$[REDACTED] million. An estimated amount of HK\$[REDACTED] million for our [REDACTED], accounting for approximately [REDACTED]% of our gross [REDACTED], is expected to be expensed through the statement of profit or loss and the remaining amount of HK\$[REDACTED] million is expected to be recognized directly as a [REDACTED] upon the [REDACTED].

DIVIDENDS AND DIVIDEND POLICY

During the Track Record Period, no dividend has been paid or declared by our Company. We do not have any fixed dividend policy nor pre-determined dividend payout ratio.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that as of the date of this document there has been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since September 30, 2025, being the end date of our latest combined financial statements, and there has been no event since September 30, 2025 that would materially affect the information shown in the Accountants’ Report set out in Appendix I to this document.

DEFINITIONS

In this document, unless the context otherwise requires, the following terms shall have the following meanings. Certain technical terms are explained in “Glossary of technical terms”.

“affiliate(s)”	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“AFRC”	Accounting and Financial Reporting Council of Hong Kong
“Articles” or “Articles of Association”	the second amended and restated articles of association of our Company conditionally adopted on [•] with effect from the [REDACTED], a summary of which is set out in “Summary of the Constitution of our Company and Cayman Islands Company Law” in Appendix III
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Combined Financial Statements”	the combined financial statements of our Company for the Track Record Period, as included in the section headed “Accountants’ Report” in Appendix I
“Beijing Shitu”	Beijing Shitu Sports Technology Company Limited* (北京十途運動科技有限公司), a limited liability company incorporated under the laws of PRC on April 29, 2025, being one of our subsidiaries
“Benelux”	Belgium, the Netherlands and Luxembourg
“Board”	the board of Directors
“business day”	any day (other than a Saturday, Sunday or public holiday in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
“[REDACTED]” or “[REDACTED]”	the [REDACTED] as named in “Directors and Parties Involved in the [REDACTED]”
“Cayman Companies Act” or “Companies Act”	the Companies Act, Cap. 22 (As Revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
[REDACTED]	[REDACTED]
“China” or “PRC”	the People’s Republic of China, and for the purposes of this document only, except where the context requires otherwise, references to China or the PRC exclude Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Chuangying Capital”	Guangzhou Chuangying Capital Investment Partnership (Limited Partnership)* (廣州市創贏資本投資合夥企業(有限合夥)), a limited partnership registered in the PRC on December 3, 2021
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Company”, “our Company”, “the Company”	Radvance Cayman Limited, an exempted company with limited liability incorporated in the Cayman Islands on January 3, 2025
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of our Company
“EIT”	enterprise income taxation
“EUR” or “€”	Euro, the lawful currency of the European Union
“European Union” or “EU”	refers to the political and economic union of member states as constituted from time to time
“Extreme Conditions”	extreme conditions caused by a super typhoon as announced by the government of Hong Kong
“Frost & Sullivan”	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an industry consultant
“Frost & Sullivan Report”	the report prepared by Frost & Sullivan
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
“Governmental Authority”	any governmental, regulatory, or administrative commission, board, body, authority, or agency, or any stock exchange, self-regulatory organization, or other non-governmental regulatory authority, or any court, judicial body, tribunal, or arbitrator, in each case whether national, central, federal, provincial, state, regional, municipal, local, domestic, foreign, or supranational
“Group”, “our Group”, “the Group”, “we”, “us”, or “our”	our Company and its subsidiaries from time to time, and where the context requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
“HK” or “Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
“Hong Kong dollars” or “HK dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
“Hong Kong Share Registrar”	Computershare Hong Kong Investor Services Limited
“Hong Kong Takeovers Code” or “Takeovers Code”	Code on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
“IFRS”	IFRS Accounting Standards, as issued from time to time by the International Accounting Standards Board
“Independent Third Party(ies)”	any entity or person who is not a connected person of our Company or an associate of such person within the meaning ascribed to it under the Listing Rules
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
“JV Factory”	the joint venture production facility in Portugal established by us and our Portugal OEM partner
“Latest Practicable Date”	February 20, 2026, being the latest practicable date for ascertaining certain information in this document before its publication

DEFINITIONS

“Laws”	all laws, statutes, legislation, ordinances, rules, regulations, guidelines, opinions, notices, circulars, directives, requests, orders, judgments, decrees, or rulings of any Governmental Authority (including the Stock Exchange and the SFC) of all relevant jurisdictions
“Leonis”	Guangzhou Leonis Machinery Co., Ltd.* (廣州市銀三環機械有限公司), a limited liability company incorporated under the laws of PRC on June 9, 1997, being one of our early investors and suppliers
“Leonis Group”	Leonis and its affiliates, including Leonis, Guangzhou RISING-SUN Mingri Import and Export Trading Co., Ltd.* (廣州明日進出口貿易有限公司) and TF-METAL Guangzhou Co., Ltd.* (廣州泰昌汽車部件有限公司)
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“M&A Rules”	the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》)
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the Growth Enterprise Market of the Stock Exchange
“Memorandum” or “Memorandum of Association”	the second amended and restated memorandum of association of our Company conditionally adopted on [•], with effect from the [REDACTED], as amended from time to time, a summary of which is set out in “Summary of the Constitution of our Company and Cayman Islands Company Law” in Appendix III
“MOFCOM”	the Ministry of Commerce of China (中華人民共和國商務部)
“Mr. Huang”	Mr. He Huang (黃河), an employee of our Group responsible for our research and development and director of Tengfeng Advanced Manufacturing and Shenzhen Shifang
“Mr. LIANG”, “Founder”	Mr. Xiaoling Liang (梁霄凌先生), our founder, an executive Director, chairman of the Board and our chief executive officer
“Mr. Sang”	Mr. Tian Sang (桑田), an executive Director
“Mr. Wang”	Mr. Lei Wang (王雷), an employee of our Group responsible for manufacture management
“NDRC”	National Development and Reform Commission of China (中華人民共和國國家發展和改革委員會)

DEFINITIONS

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
“Pedelec Investment”	Shenzhen Pedelec Investment Company Limited* (深圳市湃得樂投資有限公司), a limited liability company incorporated in the PRC and wholly owned by Mr. LIANG
“PRC Legal Advisor”	Shihui Partners, our legal advisor on PRC law
“Pre-[REDACTED] Investment(s)”	the investments in our Company undertaken by the Pre-[REDACTED] Investors, the details of which are set out in “History, Reorganization and Corporate Structure — Pre-[REDACTED] Investments — Information on the Pre-[REDACTED] Investors”
“Pre-[REDACTED] Investor(s)”	the investors set out in “History, Reorganization and Corporate Structure — Pre-[REDACTED] Investments — Information on the Pre-[REDACTED] Investors”
“Pre-[REDACTED] Share Incentive Plan”	the share incentive plan approved and adopted by our Company on February 10, 2026, and amended from time to time, the principal terms of which are set out in “Statutory and General Information — Pre-[REDACTED] Share Incentive Plan” in Appendix IV
“Preferred Share(s)”	Series Pre-A preferred shares, Series A preferred shares, Series B preferred shares and Series B+ preferred shares
“Preferred Shareholder(s)”	holder(s) of our Preferred Share(s)
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
“Principal Share Registrar”	Campbells Corporate Services Limited, the principal share registrar and transfer office
“Regulation S”	Regulation S under the U.S. Securities Act

DEFINITIONS

“RMB” or “Renminbi”	Renminbi, the lawful currency of China
“SAFE”	the State Administration of Foreign Exchange of China (中華人民共和國國家外匯管理局)
“SAIC”	the State Administration for Industry and Commerce of China (中華人民共和國國家工商行政管理總局), which has now been merged into the State Administration for Market Regulation of China (中華人民共和國國家市場監督管理總局)
“SAMR”	the State Administration for Market Regulation of China (中華人民共和國國家市場監督管理總局)
“SAT”	the State Administration of Taxation of China (中華人民共和國國家稅務總局)
“SCNPC”	the Standing Committee of the National People’s Congress of China (中華人民共和國全國人民代表大會常務委員會)
“SFC”	Securities and Futures Commission of Hong Kong
“SFO” or “Securities and Futures Ordinance”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)” or “Ordinary Share(s)”	ordinary shares in the share capital of the Company with par value of US\$0.0001 each
“Shareholder(s)”	holder(s) of our Share(s)
“Share of Voice”	the percentage of total media coverage or mentions attributable to a particular entity, brand, or topic relative to its competitors or the broader market within a defined period
“Shenzhen Shifang”	Shenzhen Shifang Technovation Company Limited*(深圳市十方運動科技有限公司), a limited liability company incorporated under the laws of PRC on May 25, 2021, being one of our subsidiaries
“Shenzhen Shitu”	Shenzhen Shitu Sports Technology Company Limited* (深圳市十途運動科技有限公司), a limited liability company incorporated under the laws of PRC on May 27, 2025, being one of our subsidiaries
“Smart Connect”	a subscription service delivered via the TENWAYS App
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
“Sole Sponsor”	GF Capital (Hong Kong) Limited
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
“State Council”	the State Council of China (中華人民共和國國務院)

DEFINITIONS

“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the meaning ascribed to it in section 15 of the Companies Ordinance
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Taiwan”	Taiwan of China
“Tenfold HK”	Tenfold (Hong Kong) Limited, a limited company incorporated in Hong Kong on February 5, 2025, being one of our subsidiaries
“Tengfeng Advanced Manufacturing”	Guangzhou Tengfeng Advanced Manufacturing Limited* (廣州市騰風智造科技有限公司), a limited liability company incorporated under the laws of PRC on December 8, 2023, being one of our subsidiaries
“Tengwei No. 1”	Shenzhen Tengwei No. 1 Investment Partnership (Limited Partnership)* (深圳騰威壹號投資合夥企業(有限合夥)), a limited partnership registered in the PRC on November 25, 2021, being a shareholding platform of our management
“Tengwei No. 2”	Shenzhen Tengwei No. 2 Investment Partnership (Limited Partnership)* (深圳騰威貳號投資合夥企業(有限合夥)), a limited partnership registered in the PRC on November 24, 2021, being a shareholding platform for our employee incentive shares
“Tengwei No. 3”	Shenzhen Tengwei No. 3 Investment Partnership (Limited Partnership)* (深圳騰威叁號投資合夥企業(有限合夥)), a limited partnership registered in the PRC on August 12, 2022, being a shareholding platform of our management
“Tengwei No. 4”	Shenzhen Tengwei No. 4 Investment Partnership (Limited Partnership)* (深圳騰威肆號投資合夥企業(有限合夥)), a limited partnership registered in the PRC on February 14, 2023, being a shareholding platform for our employee incentive shares
“TENWAYS App”	refers to TENWAYS’ proprietary mobile application
“the Guide”	the Guide for New Listing Applicants issued by the Stock Exchange
“Track Record Period”	the two years ended December 31, 2023 and 2024 and nine months ended September 30, 2025
“U.S. dollars”, “US dollars” or “US\$”	United States dollars, the lawful currency of the United States
“U.S. Securities Act”	the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
“United States”, “U.S.” or “US”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“VAT”	value-added tax

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE AND THAT THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

DEFINITIONS

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

“%” per cent

Unless otherwise expressly stated or the context otherwise requires, all data in this document is as of the date of this document.

The English names of PRC entities, PRC laws or regulations, and PRC governmental authorities referred to in this document are translations from their Chinese names and are for identification purposes. If there is any inconsistency, the Chinese names shall prevail.

Certain amounts and percentage figures included in this document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

* *For identification purpose*

GLOSSARY OF TECHNICAL TERMS

This glossary contains definitions of certain technical terms used in this document in connection with us and our business. These may not correspond to standard industry definitions, and may not be comparable to similar terms adopted by other companies.

“belt drive”	a bicycle drivetrain system that uses a toothed belt instead of a traditional metal chain to transfer power from the pedals to the rear wheel
“CE marking”	a certification mark indicating conformity with health, safety, and environmental protection standards for products sold within the European Economic Area
“DTC store”	direct-to-consumer official websites; company-operated online stores through which products are sold directly to end users
“e-bike”	also known as an electric pedal assist cycle, refers to a bicycle equipped with an electric assistance system that provides power support in response to the rider’s pedaling input and riding conditions, thereby enhancing acceleration performance and overall riding efficiency
“EN15194”	European Standard for e-bikes in Europe
“ERP”	enterprise resource planning, integrated software used to manage sales, procurement, inventory, and finance with end-to-end data visibility
“hub motor”	an electric motor built into the hub of a bicycle wheel that spins the wheel directly
“IoT”	Internet of Things, a network of interconnected physical devices embedded with sensors, software, and network connectivity that enables them to collect and exchange data over the internet
“ISO”	the International Organization for Standardization, a non-government organization based in Geneva, Switzerland, for assessing the quality systems of business organizations
“KOLs”	key opinion leaders
“Kwh” or “Wh”	kilowatt-hours or watt hours, a unit of energy measurement used to express battery capacity
“mid-drive motor”	an electric motor mounted at the bicycle’s bottom bracket that drives the crank and works with the bike’s gears
“OEM”	original equipment manufacturer, who manufactures a product in accordance with its customers’ designs which ultimately will be branded by its customers for sale
“OTA”	Over-the-air, a technology that enables wireless software updates without on-site service
“torque sensor”	a device that measures the twisting force (torque) applied to a rotating system; in e-bikes, it detects the rider’s pedaling force to adjust motor assistance proportionally
“UL2849”	a safety certification standard for electrical systems in the United States

FORWARD-LOOKING STATEMENTS

Certain statements in this document are forward-looking statements that are, by their nature, subject to significant risks and uncertainties. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as “will”, “expect”, “anticipate”, “estimate”, “believe”, “going forward”, “ought to”, “may”, “seek”, “should”, “intend”, “plan”, “projection”, “could”, “vision”, “goals”, “aim”, “aspire”, “objective”, “target”, “schedules” and “outlook”) are not historical facts, are forward-looking and may involve estimates and assumptions and are subject to risks (including but not limited to the risk factors detailed in this document), uncertainties and other factors some of which are beyond our Company’s control and which are difficult to predict. Accordingly, these factors could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

Our forward-looking statements have been based on assumptions and factors concerning future events that may prove to be inaccurate. Those assumptions and factors are based on information currently available to us about the businesses that we operate. The risks, uncertainties and other factors, many of which are beyond our control, that could influence actual results include, but are not limited to:

- our mission, goals and strategies;
- our future business development, financial conditions and results of operations;
- future developments, trends and conditions in the industry and markets in which we operate;
- our expectations regarding demand for and market acceptance of our products and services;
- our expectations regarding our relationships with customers, business partners, suppliers and other partners;
- changes in the macro environment, regional and global economy, as well as industry trends related to our operations;
- our ability to adequately protect our reputation and brand image, as well as our intellectual property rights;
- our ability to obtain adequate capital resources to fund future development plans;
- our ability to control costs, as well as to achieve and maintain operational efficiency;
- our ability to attract and retain qualified personnel;
- competition in the industries and markets in which we operate or into which we intend to expand;
- our proposed use of [REDACTED];
- rapid developments in technology and our ability to successfully keep up with technological advancement;
- changes in currency exchange rates;
- relevant government policies and regulations relating to industries which we operate in; and
- all other risks and uncertainties described in “Risk Factors”.

Since actual results or outcomes could differ materially from those expressed in any forward-looking statements, we strongly caution investors against placing undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by the Listing Rules, we undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. Statements of or references to our intentions or those of any of our Directors are made as of the date of this document. Any such intentions may change in light of future developments.

All forward-looking statements in this document are expressly qualified by reference to this cautionary statement.

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Prospective investors should carefully read and consider all the information set out in this document. In particular, you should evaluate the risks and uncertainties described below before making any [REDACTED] in the Shares. This includes (without limitation) the fact that we conduct our operations primarily outside of Hong Kong, and the legal and regulatory environment which, in some respects, may differ from that in Hong Kong. Any of the risks and uncertainties listed below could have a material and adverse effect on our business, results of operations, financial condition, or on the trading price of the Shares (causing them to decline significantly) and could cause you to lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial could also harm our business, results of operations, financial condition, or on the trading price of the Shares. Past performance is no guarantee of future results. The information given will not be updated after the date hereof, and is subject to the cautionary statements in the section headed “Forward-Looking Statements” in this document.

RISKS RELATING TO OUR INDUSTRY AND BUSINESS

Our limited operating history makes it difficult to evaluate our prospects and the risks and challenges we may encounter, and our historical results may not be indicative of our future performance.

We were founded in 2021 and have a limited operating history. As a result, investors may have limited historical information to evaluate our business, prospects and ability to execute our strategies, and it may be difficult to accurately forecast our future results of operations. In 2023 and 2024 and the nine months ended September 30, 2025, our revenue amounted to €48.0 million, €60.6 million and €54.2 million. See “Financial Information — Period to Period Comparison of Results of Operations”. However, our historical financial data may not be indicative of our future performance. Our future growth and financial performance will depend on our ability to effectively implement our business plans, expand our operations and manage costs, and are subject to various factors, including market demand, competitive dynamics, cost fluctuations and broader economic conditions, many of which are beyond our control. There can be no assurance that we will be able to sustain historical revenue growth rates or achieve profitability in the future.

We operate in a competitive and fragmented market, and failure to compete effectively could materially and adversely affect our business.

We operate in Europe’s highly competitive e-bike market, where competition is based on, among other things, distribution coverage, brand recognition, product quality, technological features and pricing. According to Frost & Sullivan, the European e-bike market remained fragmented, with the top five companies collectively accounting for approximately 33.9% of total sales volume in 2024. See “Industry Overview — Overview and Competitive Landscape of E-bike Market in Europe — Ranking and Market Share of E-bike Companies in Europe”. As a relatively new participant in the European e-bike market, we compete with established European incumbents that may have longer operating histories, stronger brand recognition, broader customer bases, more established supplier relationships and greater financial and operational resources than we do, and we anticipate the emergence of new competitors in the future. We cannot guarantee that we will be able to maintain or increase our market share in the future. Increased competition may result in lower sales volumes, pricing pressure and margin erosion. If we fail to compete effectively, our business, financial conditions, results of operations and prospects could be materially and adversely affected.

We are subject to risks associated with our international business operations.

We are headquartered in the Netherlands and operate across Europe, Asia and the United States. As of September 30, 2025, our products were sold in over 30 countries and regions. Managing geographically dispersed operations and pursuing overseas expansion requires substantial management attention and resources and is subject to heightened operational, regulatory and compliance risks. As our international operations expand, we expect to incur additional costs. If we are unable to manage the complexity of our international operations effectively, our business, financial condition, results of operations and prospects could be materially and adversely affected.

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Our international operations expose us to various risks, including: (i) differing and changing political and economic conditions and trade and regulatory regimes, such as trade controls, customs duties, tariffs, anti-dumping and countervailing measures, sanctions, quotas and other non-tariff trade barriers; (ii) compliance with multiple, and in some cases conflicting or evolving, laws, regulations, accounting standards and legal requirements across jurisdictions, including employment, taxation, customs, product standards, privacy and data protection and anti-bribery and anti-corruption; (iii) taxation and regulatory enforcement risks and restrictions on cross-border fund transfers or repatriation of earnings; (iv) operational, people and cultural challenges, including difficulties in managing, staffing and expanding overseas operations, maintaining a consistent corporate culture across a geographically dispersed workforce, differing cultural norms and customs, labor-related risks, and higher travel, infrastructure and compliance costs; (v) local market adaptation risks, including limited experience with product localization, differing technology standards, consumer preferences, warranty practices and product return policies; (vi) competitive and market risks arising from new competitors and laws or business practices favoring local competitors or employees; (vii) systems, reporting and data-related risks, including increased financial accounting and reporting burdens, challenges in implementing and maintaining internal financial controls across jurisdictions, and data localization or data residency requirements; (viii) reduced or inconsistent protection or enforceability of intellectual property rights in certain jurisdictions; and (ix) force majeure events, such as natural disasters, geopolitical instability or public health emergencies.

These risks vary across jurisdictions and are difficult to predict or control. Our overall success depends in part on our ability to manage such risks successfully, and there can be no assurance that our exposure to such risks will not materially and adversely affect our business, financial conditions, results of operations and prospects.

If we are unable to develop and introduce new products at favorable margins, our competitiveness, performance and prospects for future growth could be materially and adversely affected.

Our ability to maintain a competitive position in the e-bike and broader e-mobility industry depends on our ability to identify market trends and develop and commercialize innovative products that meet evolving consumer preferences while maintaining acceptable profit margins. During the Track Record Period, new products consistently accounted for 30–60% of our portfolio each year/period by model count.

New product development is inherently complex, time-consuming and costly. Our product development cycles can be lengthy and subject to uncertainty. For example, our concept-to-launch cycle averages approximately twelve months. During the development process, we may encounter technical challenges, design or process issues, supply chain constraints or quality risks, which may result in delays, increased development or production costs or failure to commercialize a product. If we are unable to resolve such issues in a timely and cost-effective manner, development efforts may not achieve their intended outcomes.

In addition, we cannot guarantee that newly introduced products will achieve market acceptance or meet consumer expectations at favorable margins. The commercial success of new products depends on various factors beyond our control, including our ability to accurately assess market demand, scale manufacturing efficiently, deliver products on schedule and provide satisfactory after-sales services. If new products fail to generate sufficient sales, we may be unable to recover development and commercialization costs, achieve targeted revenue or margin levels, or strengthen our market position. Failure to introduce successful products in a timely manner or at favorable margins could materially and adversely affect our market share, brand perception, and our business, financial conditions, results of operations and prospects.

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Unsatisfactory performance of, or defects in, our products may give rise to returns or recalls, regulatory actions and product liability claims, and could materially and adversely affect our business.

Our business depends on our ability to deliver products that meet applicable quality, performance and safety expectations. Our quality control and testing procedures may not always prevent or timely detect product defects, including latent defects. Product defects may also arise from raw materials, components or finished products supplied by third parties whose manufacturing processes are not under our direct control. If our products experience quality or performance issues, we may face consumer complaints, increased product returns, recalls or reputational harm. We may also initiate voluntary recalls to protect user safety and our brand, even where the underlying issue is attributable to external factors. In May 2025, we voluntarily initiated a recall of approximately 600 Cargo E-Bikes to improve design and enhance structural strength. As of the Latest Practicable Date, around 70% of the affected units had been addressed, with the vast majority returned for repair. The associated repair costs incurred were less than €800 thousand. We have complied with our notification duties under EU General Product Safety Regulation for such recalls and undertaken corresponding corrective measures, and no fines, investigations or sanctions have been imposed on us. However, there can be no assurance that future product issues or recalls, whether voluntary or mandatory, will not be more extensive or result in higher costs.

Product defects or failures may also expose us to administrative investigations, enforcement actions or penalties. If any of our products cause personal injury, property damage or other harm, we may be subject to product liability claims or litigation, which could be costly, time-consuming and disruptive to management, regardless of outcome. Although we maintain product liability insurance coverage, such insurance may be insufficient to cover all claims or may not apply to certain types of defects or losses. In addition, quality or safety incidents affecting the e-bike industry more broadly, whether or not directly involving us, may negatively affect consumer confidence and demand for our products. Any actual or perceived product quality concerns could materially and adversely affect our reputation, business, financial conditions, results of operations and prospects.

We incurred net loss during the Track Record Period, and we may not be able to achieve or subsequently maintain profitability in the future.

We incurred net losses during the Track Record Period. In 2023, 2024 and the nine months ended September 30, 2024 and 2025, we incurred net loss of €4.7 million, €34.5 million, €28.3 million and €30.0 million, respectively. We have not achieved profitability since inception.

We are in a growth and expansion stage, and our business model requires continued investments in product development, production capacity, brand building, sales and marketing, infrastructure, information systems and personnel. As a result, we expect our operating costs and expenses to remain at a high level and may continue to increase in the foreseeable future. Such costs and expenses may be incurred before sufficient economies of scale are achieved. Our ability to achieve and maintain profitability will depend on a number of factors, many of which are beyond our control, including our ability to increase sales volumes, successfully introduce and commercialize new products at favorable margins, manage costs and expenses, improve operational efficiency, respond effectively to competitive pressures, and adapt to changes in market demand, regulatory requirements and macroeconomic conditions. There can be no assurance that any improvement in our operating results will be sufficient or sustainable to enable us to achieve or maintain profitability.

If we are unable to generate sufficient revenues or effectively manage our costs and expenses, we may continue to incur significant net losses and may not be able to achieve or subsequently maintain profitability. Continued net losses could weaken our financial position, constrain our ability to execute our growth strategies, and adversely affect our ability to weather adverse market conditions. Any of the foregoing could materially and adversely affect our business, financial conditions, results of operations and prospects.

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Our growth strategies depend on our ability to reinforce our market positions in existing markets and successfully expand into new markets.

Our growth strategy involves reinforcing our market positions in core markets, particularly the Benelux region and Germany, while pursuing disciplined and selective expansion into additional European countries, as well as targeted expansion opportunities in the United States and selective entry into other markets. We also intend to broaden and deepen our sales channels through an integrated omnichannel approach involving online and offline channels. There can be no assurance that these strategies will be successfully implemented.

In existing markets, our growth depends on our ability to sustain and further strengthen our market presence. This may require continued investments in channel development, marketing initiatives, operational support and infrastructure. Competitive intensity, changes in consumer behavior, pricing pressure or execution challenges may limit the effectiveness of such efforts. There can be no assurance that we will be able to reinforce our market positions or generate returns sufficient to justify these investments. Our expansion initiatives, including geographic expansion and sales channel development, involve execution risks and may place significant demands on management resources. Expansion into new markets or regions where we have limited operating experience or brand recognition may also expose us to unfamiliar regulatory requirements, supply chain constraints, local service and after-sales service challenges, and differences in consumer preferences and competitive dynamics. Entry barriers, higher-than-expected costs or slower-than-anticipated adoption could limit our ability to achieve sustainable or profitable growth. If we are unable to effectively execute our market reinforcement or expansion strategies, our growth may be adversely affected, and our business, financial conditions, results of operations and prospects could be materially and adversely affected.

If we are unable to adapt to changes in consumer preferences or effectively attract and retain customers, our business, financial conditions and results of operations could be adversely affected.

Our market position and growth depend on our ability to understand and respond to evolving consumer preferences. Consumer demand for e-bikes and related solutions is influenced by factors such as lifestyle trends, disposable income and purchasing power, technological developments and broader economic conditions in the markets in which we operate. If we fail to anticipate or respond to changes in consumer preferences in a timely manner, our products may become less attractive, which could result in reduced demand, lower sales volumes and adverse effects on our operating results.

Our future performance also depends on our ability to attract new customers and retain existing customers. Customer engagement and purchasing decisions may be affected by a range of factors, including perceived product value, pricing, product performance and reliability, the availability and attractiveness of competing products, and overall economic conditions. If we are unable to maintain customer satisfaction or effectively convert customer interest into sales through our online and offline channels, we may experience slower customer growth or customer attrition, which could reduce sales volumes and adversely affect our business, financial conditions, results of operations and prospects.

We may not be able to effectively manage and develop our distribution network or maintain stable business relationships with our distributors, which could materially and adversely affect our business.

We sell a significant portion of our products through distributors. Revenue generated from our sales to distributors accounted for 58.1%, 72.2%, 73.1% and 71.8%, respectively, of our total revenue in 2023 and 2024 and the nine months ended September 30, 2024 and 2025. Our reliance on distributors exposes us to risks relating to order volatility, distributor performance and the stability of our distribution relationships. Our revenues may fluctuate or decline if distributors reduce, delay or cancel orders, increase sales of competing products, fail to maintain adequate inventory levels or if distributor orders do not track underlying consumer demand for our products. We may also be adversely affected if we fail to maintain relationships with existing distributors, establish new

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distributor relationships on favorable terms or timely identify and appoint replacement distributors following the loss of distributors. Changes in regulatory requirements, market conditions or consumer preferences may also affect our ability to expand or optimize our distribution network.

We face competition for distributor focus, display and promotional support from existing and new competitors, some of which may have greater resources or be able to offer more favorable commercial terms. We cannot assure you that distributors will continue to prioritize our products or that we will not lose distributors to competitors. In addition, the costs associated with expanding, consolidating or reorganizing our distribution and sales network may exceed the revenues generated from such efforts, which could adversely affect our results of operations. Our distributors’ conduct may also affect our brand and reputation. Any actual or alleged violation by distributors of our distribution arrangements, internal policies or applicable laws and regulations may result in adverse publicity, regulatory scrutiny or reputational harm, which could materially and adversely affect our business, financial conditions, results of operations and prospects.

Increases in product cost or disruptions in our supply chains could materially and adversely affect our business.

Product cost, including component cost and production cost, accounted for a significant portion of our total cost of sales, which amounted to €29.5 million, €35.1 million, €30.7 million and €31.6 million, respectively, in 2023, 2024 and the nine months ended September 30, 2024 and 2025, representing 82.9%, 83.1%, 85.3% and 85.4%, respectively, of our total cost of sales in the corresponding periods. As a result, our profitability and operating results are sensitive to changes in the availability and cost of components and other production inputs. The prices and availability of components, such as aluminum frame, are subject to volatility driven by factors beyond our control, including inflation, supply chain stability, production capacity of upstream suppliers, market supply and demand, logistics and freight availability and costs, the availability of alternative qualified components and suppliers, and changes in domestic and international laws and regulations. See “Industry Overview — Overview and Competitive Landscape of E-bike Market in Europe — Raw Materials Price Trend.” Any disruptions in our supply chains or shortages of key components could increase lead times, delay production, constrain output and increase our cost of sales. Since our components are sourced globally, logistics delays or quality issues affecting key components may disrupt production schedules and delay product deliveries. Given the seasonal nature of our sales, such delays may adversely affect our revenue and results of operations for the relevant period. In addition, we cannot assure you that EU’s anti-dumping and countervailing measures will not be extended, amended, or applied in ways that affect our products or business. See “— We may be subject to the risks associated with international trade policies, geopolitics and trade protection measures.” Any future extension or amendment of these measures could increase our procurement costs and compliance obligations, and may require supply chain restructuring or supplier requalification. There can be no assurance that we will be able to mitigate such cost increases or secure alternative sourcing on acceptable terms. Any sustained increase in component costs or supply chain disruption could reduce our gross margins, and our business, financial conditions, results of operations and prospects could be materially and adversely affected.

Production disruptions or constraints at our OEM partners, including those relating to our joint venture production facility, could materially and adversely affect our business.

We outsource the production of our products to a limited number of OEM partners, and substantially all e-bikes sold by us during the Track Record Period were produced by such OEM partners. During the Track Record Period, we cooperated with five OEM partners located in Portugal, Taiwan, Chinese mainland, Germany and Lithuania. Since 2024, we stopped making e-bike purchase orders with the OEM partners in Lithuania and Germany as part of a cost-optimization and strategic realignment initiative, transferring production to the Portugal OEM partner. The production capacity and operational stability of our OEM partners may be constrained by factors beyond our control, including equipment failures, labor shortages or labor actions, component shortages, cost increases, financial difficulties or insolvency, geopolitical developments, natural disasters or other catastrophic events. In the event of increased demand for

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our products, our OEM partners may not be able to expand production capacity or commence production at backup facilities in a timely manner. In addition, the production of e-bikes involves interdependent processes that require technical expertise and consistent execution. Changes to production processes, whether implemented by our OEM partners or by us, may result in errors, quality issues or temporary production suspensions while such issues are identified and remedied. Any disruption, delay or reduction in production output at one or more OEM partners could limit our ability to meet customer demand, result in lost sales, delay product launches or reduce market share. Given our reliance on a limited number of OEM partners, production constraints or disruptions affecting even a single OEM partner could have a disproportionate impact on our supply chain, damage our reputation and relationships with distributors and customers, and materially and adversely affect our business, financial condition, results of operations and prospects.

In May 2025, we established the JV Factory in Portugal to enhance our oversight of the production process and expand production capacity. See “Business — Production — Our Production Expansion Plan”. However, joint venture arrangements inherently involve risks. We do not unilaterally control the operating, strategic or financial decisions of the joint venture, and certain matters require consensus among the joint venture partners. Disagreements or delays in decision-making may constrain the joint venture’s operations, limit its responsiveness to changes in demand or operational issues, or result in outcomes that are not aligned with our interests. If we experience production disruptions, reduced yields or inefficiencies, or if our joint venture production facility fails to operate as expected, our ability to meet customer demand, manage costs and execute our growth plans could be adversely affected, and our business, financial conditions, results of operations and prospects could be materially and adversely affected.

Our business depends on third-party suppliers for the timely supply of high-quality components and accessories, and any disruption could materially and adversely affect our business.

Our operations rely on third-party suppliers, including OEM partners and suppliers of components and accessories. In 2023 and 2024 and the nine months ended September 30, 2025, purchases from our largest supplier in each year/period accounted for 65.5%, 41.1% and 30.9%, respectively, of our total purchase amount for the respective periods. For the same periods, purchases from our five largest suppliers accounted for 88.2%, 68.7% and 57.2%, respectively, of our total purchase amount. Our suppliers may extend lead times, fail to deliver products as scheduled or supply products that do not meet our specifications or quality requirements. Any such failure could delay production, product shipments or new product launches, limit our ability to meet customer demand and result in lost sales or reputational harm. In addition, the availability of certain components and accessories may be adversely affected by surges in industry demand or operational or financial disruptions at our suppliers. While alternative sourcing may be available for some components, certain components may be sourced from a limited number of qualified suppliers, and transitioning to alternative suppliers may involve additional costs, qualification processes or delays. If we are unable to secure sufficient supply on acceptable terms in a timely manner, our product deliveries may be delayed, our market position may be harmed, and our business, financial conditions, results of operations and prospects could be materially and adversely affected.

Damage to our brand image, negative publicity or trademark infringement could materially and adversely affect our business.

Consumer purchasing decisions in the e-bike market are influenced by brand recognition and perceptions of product quality, reliability and innovation. Our ability to maintain and grow our business depends in part on preserving the strength of our brand and reputation. Our brand image may be adversely affected by product quality issues, recalls, product liability claims, regulatory investigations or penalties, intellectual property disputes, or negative publicity or media coverage, whether or not such publicity is substantiated. Any such events could reduce consumer demand, weaken investor confidence, impair our ability to attract and retain personnel, and adversely affect our market position.

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Although we have registered trademarks in the jurisdictions in which we operate, we cannot assure you that our intellectual property will not be infringed or misused by third parties. Unauthorized use of our trademarks or brand identifiers, including through online platforms, social media or unauthorized distribution channels, may divert sales, erode brand recognition and require significant management time and resources to address. In addition, we may have limited ability to monitor or enforce compliance by distributors, OEM partners or other third parties with our quality, marketing or contractual standards, and any non-compliance or perceived misconduct by such parties could result in reputational harm, regulatory scrutiny or disputes. Any sustained impairment of our brand image or reputation could materially and adversely affect our business, financial conditions, results of operations and prospects.

Our selling and marketing activities may be costly and may not be effective in generating consumer demand.

We promote our brand and products through a range of online and offline selling and marketing channels, such as distributor retail stores, digital platforms, promotional events and advertising campaigns. These activities require significant financial and management resources. In 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our selling expenses amounted to €10.1 million, €12.6 million, €9.9 million and €10.6 million, respectively, accounting for 20.9%, 20.8%, 18.9% and 19.6%, respectively, of our revenue during the same periods. The effectiveness of selling and marketing activities is inherently uncertain and may be difficult to measure or predict. Marketing initiatives may fail to achieve the intended brand recognition, consumer engagement or sales conversion, or their effects may be delayed relative to the timing of the associated expenditures. If our selling and marketing strategies are ineffective, not implemented as planned or do not generate sufficient returns to justify the related costs, our revenue growth, operating efficiency and market position could be adversely affected, and our business, financial conditions, results of operations and prospects could be materially and adversely affected.

Our success depends on our product development capabilities, and failure to develop competitive products could materially and adversely affect our business.

The e-bike and e-mobility industry is characterized by rapid technological change, and our competitiveness depends in part on our ability to develop and improve products with attractive performance, quality and pricing. In 2023, 2024 and the nine months ended September 30, 2024 and 2025, our research and development expenses amounted to €1.2 million, €1.7 million, €1.3 million and €1.7 million, respectively. We expect to continue to invest in research and development to support our product offerings and remain competitive. However, product development activities are inherently uncertain. There can be no assurance that our research and development efforts will result in commercially successful products, be completed within anticipated timeframes or budgets, or generate returns sufficient to recover the costs incurred. In addition, our competitors may introduce products that are similar or superior to ours, or achieve competitive advantages through faster development cycles or more aggressive pricing. Due to uncertainties regarding development timelines, market acceptance and product life cycles, we may be required to modify, delay or abandon certain development projects, even after incurring significant costs. If our product development initiatives fail to commercialize, our competitiveness may be diminished, and our business, financial conditions, results of operations and prospects could be materially and adversely affected.

Failure of our warehousing and logistics service providers to provide reliable services could materially and adversely affect our business.

We rely on independent third-party service providers for the warehousing and logistics of our products, components and accessories, including transportation and delivery. Any disruption, delay or failure in the services provided by these logistics and warehousing partners — including delays in transportation, customs clearance or last-mile delivery — could adversely affect our operations and our ability to deliver products to customers and OEM production facilities in a timely manner. Such disruptions or delays may arise from factors beyond our control or the control of our service

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providers, including transportation interruptions, capacity constraints, labor disruptions, fires or other accidents, extreme weather conditions, natural disasters, regulatory restrictions, commercial disputes or the insolvency of such service providers. Incidents at warehouses or during transportation could result in loss of or damage to inventory, shipment delays, operational disruptions or unanticipated capital expenditures. We may not be able to identify or transition to alternative service providers in a timely or cost-effective manner, or at all, and losses arising from such incidents may not be fully covered by insurance. Any prolonged interruption, delay or degradation in logistics or warehousing services could result in increased costs, customer dissatisfaction and loss of sales, and our business, financial condition, results of operations and prospects could be materially and adversely affected.

Failure to meet applicable safety standards or technical specifications could result in certification loss, incidents, recalls and could materially and adversely affect our business.

Our e-bikes are subject to technical specifications and safety standards in the markets in which they are sold and we voluntarily engage third-party certification bodies to conduct testing and certification prior to factory release, sale or use in commercial activities. See “Business — Quality Control”. Such technical specifications and safety standards may evolve from time to time. If the applicable standards are updated, we may be required to update our certifications accordingly, which could restrict or prevent the sale of affected products until such updated certifications are obtained. Our e-bikes use lithium-ion batteries, which may overheat, emit smoke or catch fire in rare circumstances. Despite safety features, thermal-management systems and supplier quality controls, battery-related risks cannot be entirely eliminated. Improper storage, charging, handling or use, as well as unauthorized repairs, modifications or the use of non-approved components or accessories, may compromise safety systems and increase the risk of safety incidents or degraded performance. Any failure to meet safety standards, whether arising from our products or from broader industry incidents that heighten regulatory or consumer scrutiny, could lead to investigations, recalls, redesigns, production disruptions, additional testing or certification costs, insurance disputes, adverse publicity, regulatory action, liability claims and loss of consumer confidence. Any of these outcomes could materially and adversely affect our reputation, business, financial conditions, results of operations and prospects.

We may not be able to adequately protect our intellectual property rights, and infringement or misappropriation by third parties could materially and adversely affect our business.

We cannot assure you that our intellectual property rights will not be infringed, misappropriated or otherwise violated by third parties. Unauthorized use of our intellectual property, unfair competition or other violations of our rights may erode our competitive position, damage our brand and reputation and reduce the value of our proprietary technologies. The measures we take to protect our intellectual property, including confidentiality arrangements and legal protections, may be insufficient to prevent misappropriation, and our trade secrets may be disclosed or independently developed by competitors. Enforcing our intellectual property rights may require us to initiate litigation, arbitration or other proceedings, which can be time-consuming, costly and disruptive to management, regardless of outcome. Such proceedings may divert significant resources from our operations and could materially and adversely affect our business, financial conditions, results of operations and prospects. In addition, we may utilize licenses to third-party intellectual property to design and develop our products. Such licenses may not be available on commercially reasonable terms, or at all, and may be subject to validity challenges or termination. If we are unable to obtain or maintain necessary third-party licenses, we may be required to develop alternative technologies, modify product designs or delay product development, potentially at higher cost or with reduced functionality, which could materially and adversely affect our business, financial conditions, results of operations and prospects.

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We may be subject to claims alleging infringement of third-party intellectual property rights, which could be costly, time-consuming and disruptive, and could materially and adversely affect our business.

We cannot guarantee that our operations do not, or will not, infringe upon intellectual property rights of third parties, including trademarks, patents, copyrights, know-how or other proprietary rights. Claims or proceedings alleging intellectual property infringement may be brought against us by competitors or other third parties. If any such claims are successful, we may be required to cease the use or sale of the allegedly infringing products, processes or technologies, pay damages or penalties, develop or procure non-infringing alternatives, obtain licenses on commercially unfavorable terms or not at all, or enter into cross-licensing arrangements that could weaken our competitive position. We may also be required to compensate customers or replace products incorporating infringing technology. Any of these outcomes could be costly, time-consuming and disruptive to our operations and management. Even if infringement claims are ultimately unsuccessful, defending against such claims may require significant management attention and resources and may adversely affect our reputation. In addition, we may face infringement claims arising from various aspects of our operations, including the use of intellectual property in our marketing materials, software and other business activities. Any actual or alleged infringement of third-party intellectual property rights could materially and adversely affect our business, financial conditions, results of operations and prospects.

If we fail to retain key personnel or attract and retain qualified employees, our business and growth prospects could be materially and adversely affected.

Our future success depends in part on the continued contributions of our senior management and other key personnel, including employees with expertise in product development, technology, operations, marketing and sales. We also rely on in-house product development team to advance our core technologies and product offerings, and on experienced sales and marketing personnel to maintain customer relationships. The loss of any such personnel, or a disruption to their services, could adversely affect our ability to execute our business strategies. Competition for qualified management, technical and commercial talent is intense. If one or more members of our senior management or key personnel leave our company, join a competitor or establish a competing business, we may not be able to replace them in a timely manner, or at all. In addition, attracting, hiring and integrating new personnel can be costly, time-consuming and disruptive to our operations. If we are unable to attract, retain and effectively integrate qualified personnel as our business grows, our operational effectiveness, execution capabilities and growth prospects may be adversely affected. Any failure to retain key personnel or to attract and retain qualified employees could materially and adversely affect our business, financial conditions, results of operations and prospects.

Tightening labor market conditions, rising labor costs or labor-related disputes could materially and adversely affect our business.

Our operations depend on the availability of skilled employees, and we have experienced, and expect to continue to experience, increases in labor costs due to factors such as wage inflation, higher social benefit contributions, increases in headcount and changes in labor-related regulatory requirements. Any sustained increase in labor costs could adversely affect our cost structure and operating margins. Labor disputes, work stoppages or other labor unrest involving our employees, regional operating entities or OEM partners could disrupt operations, delay production or order fulfillment and reduce revenue, and we may have limited ability to predict or control such actions, particularly where they involve labor not directly employed by us. Labor unrest or tightening market conditions may also result in changes to labor laws and regulations, increasing compliance costs and operational complexity. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations and prospects.

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Failures or security breaches of our information technology systems could disrupt our operations and could materially and adversely affect our business.

We rely on information technology systems to support key aspects of our operations, including procurement, sales, inventory management, logistics, customer management and financial reporting, as well as communications with suppliers, distributors and customers. See “Business — Information Technology”. Any failure, interruption or degradation of these systems could disrupt our operations, impair our ability to fulfill orders and adversely affect our operating efficiency. Our information technology systems may be vulnerable to disruptions caused by events beyond our control, including natural disasters, telecommunications failures, system outages, malicious software, cyber-attacks or other security incidents. In addition, system upgrades, enhancements or modifications may require significant investment and management attention and may not deliver the anticipated operational or financial benefits, or may introduce new vulnerabilities.

We are also exposed to risks relating to data security, data leakage and data loss. Our systems, websites, applications, data and networks, as well as those of third-party suppliers and service providers, may be subject to unauthorized access, cyber-attacks, phishing, employee error or other security breaches. Any compromise of confidential or personal data could result in operational disruption, financial loss, legal liability, regulatory scrutiny and reputational harm. Cyber-security threats continue to evolve, and we may not be able to anticipate, detect or prevent all security incidents or mitigate their impact in a timely manner. Any failure or security breach of our information technology systems could materially and adversely affect our business, financial conditions, results of operations and prospects.

We may not achieve the anticipated benefits from future acquisitions, investments, partnerships or new businesses, and any failure to integrate or manage such initiatives could materially and adversely affect our business.

We have sought, and may continue to seek, to expand our operations through acquisitions, investments, partnerships or the establishment of new businesses. For example, in October 2024, we entered into a shareholders agreement with our Portugal OEM partner to form the JV Factory in Portugal to enhance our oversight of the production process and expand production capacity. Such initiatives involve inherent risks and uncertainties, and there can be no assurance that we will be able to identify suitable opportunities, complete transactions on acceptable terms, or successfully integrate and develop the acquired assets or businesses. Acquisitions and investments may expose us to challenges in integrating personnel, management teams, corporate cultures, information technology systems and business operations. We may also fail to achieve anticipated returns, revenue growth or cost synergies, or may experience customer attrition, loss of market acceptance or the departure of key employees or management personnel following a transaction. In addition, we may assume unexpected or undisclosed liabilities that are not identified through due diligence.

If we are unable to effectively integrate or manage acquired businesses, assets or investments, we may be required to incur significant integration costs, record asset impairments or write-offs, incur contingent liabilities or experience adverse tax consequences. Although acquisition agreements may contain indemnification provisions, there can be no assurance that such provisions will be enforceable, sufficient in scope, or adequate to cover all pre-acquisition liabilities. Post-acquisition disputes relating to representations, warranties or indemnities may also arise and could result in litigation or other proceedings. Any failure to realize the expected benefits of acquisitions, investments or partnerships, or any material adverse developments arising from such transactions, could materially and adversely affect our business, financial conditions, results of operations and prospects.

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Our pricing strategy may not meet customer expectations or support profitability.

Our pricing strategy may not be effective in sustaining our financial performance. Our products are priced based on factors such as product design, technology, quality and brand positioning. However, pricing decisions are subject to significant external pressures and uncertainty. Increasing competition, changes in market dynamics and shifts in customer demand and preferences may require us to adjust our pricing, offer discounts or incentives, or increase spending on marketing and promotional activities to remain competitive. The fragmented and competitive nature of the e-bike industry may intensify downward pricing pressure, which could reduce selling prices and compress our profit margins. There can be no assurance that our pricing strategy will be effective in balancing competitiveness and profitability. If we are unable to maintain pricing discipline, manage discounting or align our pricing with customer expectations and market conditions, our revenue growth and margins could be adversely affected, and our business, financial conditions, results of operations and prospects could be materially and adversely affected.

Our results of operations are subject to seasonal fluctuations, which may adversely affect our financial performance.

Our financial performance and results of operations are subject to seasonal fluctuations. Our financial results are subject to seasonal fluctuations, with stronger e-bike demand in spring and summer and weaker demand in winter, resulting in lower sales from October to February. To meet peak-season demand, we plan production and procurement well in advance, leading to higher inventory levels in the fourth and first quarters. Sales may also vary during the year due to factors such as new product launches and promotional activities. See “Financial Information — Major Factors Affecting Our Results of Operations — Seasonality”. As a result of these seasonal fluctuations, our operating results for any particular period may not be indicative of our performance for a full financial year, and comparisons between periods may not provide meaningful indications of our underlying business trends. If demand for our products declines significantly during any period, our business, financial conditions, results of operations and prospects could be materially and adversely affected.

We have historically recorded net cash outflows from operating activities, net liabilities and net current liabilities, and we may continue to face liquidity constraints.

We recorded net cash outflows from operating activities of €21.2 million, €13.2 million and €9.8 million, respectively in 2023, 2024 and the nine months ended September 30, 2024. Although we recorded net cash generated from operating activities of €1.8 million for the nine months ended September 30, 2025, there can be no assurance that we will be able to generate positive operating cash flows on a sustained basis in the future. See “Financial Information — Liquidity and Capital Resources”. If we continue to experience net cash outflows from operating activities, our working capital may be constrained, which could limit our ability to fund operations, meet payment obligations or execute our business plans. Our liquidity depends on our ability to generate sufficient cash flows from operations and, where necessary, obtain external financing, which may not be available on acceptable terms, or at all.

In addition, we recorded net liabilities of €9.4 million, €43.9 million and €67.4 million, and net current liabilities of €11.0 million, €46.9 million and €70.8 million as of December 31, 2023, 2024 and September 30, 2025, respectively. We may continue to record net liabilities or net current liabilities in the future, which could expose us to liquidity pressure and increase our financial risk. Any inability to maintain adequate liquidity or manage our working capital requirements could materially and adversely affect our business, financial conditions, results of operations and prospects.

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Failure to accurately forecast demand could result in excess or insufficient inventory, which could materially and adversely affect our business.

Our financial performance depends on maintaining appropriate inventory levels. As of December 31, 2023 and 2024 and September 30, 2025, our inventory balance amounted to €25.3 million, €43.3 million and €33.8 million, respectively. During the same periods, our inventory turnover days were 154 days, 299 days and 285 days, respectively. See “Financial Information — Discussion of Certain Components of our Combined Statement of Financial Position — Inventories”. Managing inventory requires us to forecast customer demand in advance of actual sales, and there can be no assurance that such forecasts will be accurate. Demand forecasting is inherently uncertain and may be affected by factors beyond our control, including changes in consumer preferences, competitive product offerings, spending patterns and market trends. If actual demand is lower than anticipated, we may experience excess or obsolete inventory, which could increase inventory holding costs, require write-downs or adversely affect our cash flow and profitability. Conversely, if actual demand exceeds expectations, insufficient inventory levels could result in lost sales, delayed deliveries and reduced customer satisfaction. Any sustained mismatch between inventory levels and market demand, whether resulting in excess inventory or inventory shortages, could materially and adversely affect our business, financial conditions, results of operations and prospects.

We are exposed to credit risk arising from potential defaults by customers or counterparties.

We extend credit to certain customers in the ordinary course of business and are exposed to the risk that such customers or other counterparties may fail to meet their payment obligations. As of December 31, 2023 and 2024 and September 30, 2025, our trade receivables amounted to €1.2 million, €2.7 million and €5.7 million, respectively. Although we have internal credit assessment and monitoring procedures, there can be no assurance that our customers or counterparties will remain creditworthy or that payment defaults will not occur. Adverse changes in the financial condition of our customers, deterioration in market or economic conditions, or other factors could increase the risk of delayed payments or non-payment. Any failure by customers or counterparties to fulfill their contractual obligations could result in bad debt losses, increased collection costs and adverse impacts on our cash flows. Our credit risk exposure is generally limited to the carrying value of our trade receivables, contract assets and certain other financial assets. If credit losses exceed our expectations or provisions, or if payment defaults become more widespread or prolonged, our liquidity, financial position and operating results could be adversely affected. Any material increase in credit risk or customer defaults could materially and adversely affect our business, financial conditions, results of operations and prospects.

We may not be able to obtain adequate financing on commercially reasonable terms on a timely basis, or at all, and any debt financing may impose restrictions on our business.

Our ability to fund operations, pursue growth initiatives and execute our business strategies depends on our ability to obtain adequate financing on commercially reasonable terms and on a timely basis. We may require additional capital to support expansion, working capital needs and other operational requirements. There can be no assurance that such financing will be available when needed, on acceptable terms, or at all, due to factors such as our financial performance, market conditions, investor sentiment, regulatory requirements and conditions in the capital and credit markets. If we are unable to obtain sufficient financing on acceptable terms, our ability to implement our business plans, expand our operations or meet our capital requirements may be constrained. In addition, any debt financing we obtain may contain restrictive covenants or other terms that limit our operational flexibility, restrict our ability to incur additional indebtedness, make investments or distributions, or require us to maintain certain financial ratios. Compliance with such covenants may increase our operating constraints and limit our strategic options. Any inability to obtain adequate financing, or any material restrictions arising from financing arrangements, could materially and adversely affect our business, financial conditions, results of operations and prospects.

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If our preferential tax treatments are modified, revoked, cease to be available, or if our tax positions are successfully challenged, we may incur additional tax liabilities.

We benefit from certain preferential tax treatments in multiple jurisdictions. The availability of these treatments depends on our continued satisfaction of applicable eligibility requirements and is subject to changes in relevant laws, regulations, interpretations and administrative practices. There can be no assurance that such tax regimes will be maintained, renewed on comparable terms, or that we will continue to qualify for such treatments. Any discontinuation, reduction, retroactive withdrawal or other adverse change to preferential tax treatments, or any successful challenge by tax authorities to our tax positions or calculations, could increase our effective tax rate and result in additional taxes, interest and penalties in excess of our tax provisions. Any of the foregoing could materially and adversely affect our business, financial conditions, results of operations and cash flows.

Our transfer pricing arrangements may be subject to scrutiny by the relevant tax authorities in the jurisdictions where we operate.

During the Track Record Period, we conducted certain intra-group transactions among our subsidiaries and associated companies in the Netherlands and other jurisdictions. We have adopted transfer pricing arrangements to govern our intra-group transactions. Our Directors believe that the transfer prices are determined on an arm’s-length basis and are comparable to prices that would be charged between independent third parties in similar transactions. See “Business — Transfer Pricing Arrangements”. However, the allocation of profits and costs arising from cross-border intra-group arrangements involves significant judgment and is subject to differing interpretations by tax authorities in the relevant jurisdictions. There can be no assurance that tax authorities will agree with our transfer pricing methodologies or interpretations, or that applicable transfer pricing rules, regulations or enforcement practices will not change. If any tax authority determines that our intra-group transactions were not conducted on an arm’s length basis or otherwise adjusts our taxable income, it may require us to reassess transfer prices, adjust revenues, costs or expenses, and make additional tax payments. Any such transfer pricing adjustments could result in increased overall tax liabilities, including interest and penalties, and may give rise to disputes or prolonged tax audits. If such outcomes occur, our business, financial conditions, results of operations and cash flows could be materially and adversely affected.

We are subject to risks relating to third-party payment arrangements.

During the Track Record Period, some of our distributors in Europe (the “**Third-party Payment Customers**”) settled payments with us through Dynamo Retail B.V. (“**Dynamo**”), a centralized procurement platform, rather than paying us directly (the “**Dynamo Payment Arrangement**”). Under this arrangement, Dynamo acts as a payment and facilitation intermediary and is not a party to the underlying sale transactions. In 2023 and 2024 and for the nine months ended September 30, 2025, the number of Third-party Payment Customers that settled with us through Dynamo was 0, 0 and 35, respectively. The aggregate amounts settled under the Dynamo Payment Arrangement during the same periods were nil, nil and €0.4 million, respectively, representing nil, nil and 0.7% of our total revenue in the same periods, respectively. See “Business — Third Party Payment Arrangements”. If Dynamo fails to fulfill its payment obligations to us, we may be required to seek payment directly from the relevant distributors, which could result in delayed collections, increased administrative costs and potential disputes. In addition, any disruption to Dynamo’s operations or termination of the Dynamo Payment Arrangement could require us to transition affected distributors to direct payment arrangements. Such transitions may be time-consuming, operationally disruptive or unacceptable to certain distributors, which could adversely affect customer relationships, cash collection and revenue. Any material disruption to, or failure of, third-party payment arrangements could materially and adversely affect our business, financial conditions, results of operations and prospects.

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We have granted, and may continue to grant, share-based incentive awards, which may result in increased share-based compensation expenses and dilution of existing shareholders’ interests.

We have granted, and may continue to grant, share-based incentive awards to attract, retain and motivate key personnel. For details of our share incentive plan, see Note 28 to the Accountants’ Report in Appendix I to this document. The grant of share-based awards results in the recognition of share-based compensation expenses, which may increase our operating expenses and adversely affect our results of operations and financial conditions. In addition, any future grants of share-based incentive awards may dilute the ownership interests of existing shareholders. If share-based compensation expenses or dilution increase materially, our business, financial conditions, results of operations and prospects could be materially and adversely affected.

We may not be able to detect or prevent fraud, bribery, corruption or other misconduct committed by our employees, representatives, agents, customers or other third parties.

We may be exposed to fraud, bribery, corruption, or other misconduct committed by our employees, representatives, agents, customers or other third parties, which could subject us to litigation, financial losses and sanctions or penalties, and reputational harm. While our internal control procedures are designed to monitor our operations and ensure overall compliance, our internal control procedures may not be able to identify all non-compliances, suspicious transactions, fraud, corruption or bribery in a timely manner, or at all. If such misconduct occurs, we may be subject to claims, fines or suspension of our operations and may suffer from negative publicity and reputation damage.

Furthermore, it is not always possible to detect and prevent fraud and other misconduct. The precautions we take to prevent and detect such activities may not be effective. If such fraud or other misconduct does occur, it may cause negative publicity and could adversely affect our business, financial condition and results of operations. As of the Latest Practicable Date, we were not aware of any ongoing enquiries or investigations by any relevant regulators, agencies or authorities in relation to fraud or other material misconduct allegations against us. Any adverse media coverage against us on such activities may have a material and adverse effect on our reputation, thereby affecting our business, financial condition and results of operations.

We may be subject to the risks associated with international trade policies, geopolitics and trade protection measures.

Our operations are subject to geopolitical risks, including deterioration in political and economic relations among countries, political instability, and changing economic and labor conditions. These factors, often beyond our control, can result in changes to trade agreements, tariffs, customs duties, taxes, and other aspects of international trade, leading to regulatory actions or challenges that increase our operational costs and affect our market access. Trade protection measures — such as anti-dumping duties, countervailing duties, or safeguard measures — may impose higher costs or restrictions on our exports. Export controls and economic or trade sanctions may also limit our ability to export products or conduct business in specific markets, and non-compliance with applicable trade laws can result in legal penalties, reputational harm, and the loss of export privileges.

Our operations may be subject to trade control measures imposed by the European Union. The EU maintains anti-dumping and countervailing duty regimes under Regulation (EU) 2016/1036 (and subsequent Commission Implementing Regulation (EU) 2025/120) and Regulation (EU) 2016/1037 (and subsequent Commission Implementing Regulation (EU) 2025/114), which allow the European Commission to impose and maintain anti-dumping and countervailing duties on imports of e-bikes originating in the People’s Republic of China. These measures currently apply to complete e-bikes.

In addition, pursuant to Council Regulation (EC) No 71/97, measures may also apply to bicycle parts imported from China. On the other hand, anti-dumping Commission Regulation (EC) No 88/97 provides for exemption and authorization mechanisms — such as end-use and other

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conditional relief — under which qualifying imports of e-bike parts may be permitted without anti-dumping duties, provided ongoing compliance with the relevant conditions and requirements is maintained. See “Regulatory Overview” for further details.

We do not import complete e-bikes into the EU for sales from China, nor do we currently import e-bike parts into the EU for assembly. Our OEM Partner in Portugal directly purchases e-bike parts for their assembly, and we source e-bikes for sale in the EU from our OEM partner in Portugal, which is listed in Annex II to (EC) No 88/97 and therefore benefits from an exemption from the extended anti-dumping duty. Therefore, the EU anti-dumping and countervailing measures described above are not currently applicable to us.

However, our ability, or the ability of our OEM partners or joint venture manufacturing facilities, to import certain e-bike parts without anti-dumping or countervailing duties depends on the continued availability of, and ongoing compliance with, applicable exemptions, end-use authorizations, or other preferential treatment under EU trade defense laws. Any amendment to applicable trade laws or regulations, or any modification, suspension, withdrawal, or non-renewal of such exemptions or authorizations, could result in these imports becoming subject to anti-dumping and countervailing duties. Additionally, any extension of existing trade defense measures to e-bike parts, adverse determinations affecting exemption or end-use authorization status, or changes in the scope, interpretation, or enforcement of EU trade defense regulations, including a determination by the European Commission under its anti-circumvention rules that our supply chain arrangements constitute circumvention of existing measures, could significantly increase our costs, disrupt our supply chain and sourcing arrangements, and negatively impact our business, financial condition, and results of operations.

We are also subject to tariff measures adopted by the United States. In April 2025, the United States announced broad tariffs on imports from all countries, including a baseline tariff, reciprocal tariffs on certain trade partners, and fentanyl-related tariffs on goods from China, prompting retaliatory tariffs from China on U.S. goods. Although subsequent negotiations led to partial suspensions and reductions, the overall tariff environment remains elevated and subject to change from time to time.

During the Track Record Period, our products sold in the United States were exported from Chinese mainland. The tariff rates applicable to our e-bike exports from Chinese mainland to the United States have increased significantly over this period. Prior to June 2024, our products were exempt from Section 301 tariffs. Beginning in June 2024, a 25% Section 301 tariff became applicable, and combined tariff rates subsequently increased to as high as 79% in early April 2025 due to additional fentanyl-related and reciprocal tariffs. Following bilateral negotiations, certain tariffs were reduced, and as of the Latest Practicable Date, our e-bike exports from Chinese mainland were subject to a combined tariff rate of approximately 45% (comprising a 25% Section 301 tariff, a 10% reciprocal tariff, and a 10% fentanyl-related tariff). Sales in the United States account for a small proportion of our overall revenue, accounting for approximately 3.1%, 3.1% and 2.2% of our revenue in 2023, 2024 and the nine months ended September 30, 2025, respectively.

Our business is subject to complex and evolving laws and regulations regarding data security and privacy, and failure to comply could materially and adversely affect our business.

We are subject to data security and privacy laws and regulations in the jurisdictions in which we operate, many of which are complex, evolving and subject to differing interpretations. Regulatory authorities have implemented, and continue to propose, stringent requirements relating to the collection, storage, transmission, processing and use of personal data and other information. Changes in applicable laws or regulations, or their interpretation, application or enforcement, could require us to modify our data practices, information systems or business processes, which may increase compliance costs and operational complexity.

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In particular, the European Union has adopted comprehensive data protection and security laws, including the General Data Protection Regulation (“GDPR”), which imposes strict obligations on organizations regarding data processing, transparency, accountability and information security, while granting individuals extensive rights over their personal data. Compliance with the GDPR and other data protection regimes may require ongoing investment in systems, controls and personnel. We cannot assure you that our data security and privacy measures will always be effective or that we will be able to achieve or maintain full compliance with all applicable data security and privacy requirements. Any failure, actual or alleged non-compliance, or regulatory enforcement action could result in administrative penalties, litigation, remediation costs and adverse publicity, which could materially and adversely affect our reputation, business, financial conditions, results of operations and prospects.

Our business is subject to environmental, health and safety and ESG-related laws and regulations, and failure to comply could materially and adversely affect our business.

Our operations are subject to a comprehensive and increasingly stringent national and local framework of environmental, social and governance (“ESG”) laws, regulations and directives in Europe and other jurisdictions in which we operate. These requirements relate, among other matters, to hazardous waste management, solid waste and wastewater disposal, greenhouse gas emissions, occupational health and safety and biodiversity protection. Compliance with applicable environmental, health and safety and ESG requirements may require us to incur significant costs to implement, maintain and upgrade compliance policies, procedures, equipment and systems. As regulatory standards continue to evolve and become more stringent, we may be required to make additional investments or operational changes, which could increase our operating costs and affect our financial performance. Any failure to comply with applicable environmental, health and safety or ESG-related laws and regulations could result in administrative, civil or criminal penalties, remediation obligations, operational restrictions or negative public perception. In addition, our insurance coverage may be insufficient to cover all losses, liabilities or remediation costs arising from environmental or health and safety incidents or non-compliance. Any of the foregoing could materially and adversely affect our business, financial conditions, results of operations and prospects.

Any failure to comply with labor-related laws and occupational health and safety requirements may expose us to penalties and other adverse consequences.

Our operations are subject to labor-related laws and regulations governing, among other matters, employment contracts, workforce management, statutory employee benefits, and occupational health and safety. These laws have become increasingly stringent in the jurisdictions in which we operate. See “Regulatory Overview”. Changes in labor laws may require costly adjustments to our practices that could disrupt operations. If our employment or safety practices fail to comply with applicable requirements, we may be exposed to labor disputes, employee claims, government investigations, enforcement actions, workplace injury litigation, operational restrictions, reputational harm and, in certain circumstances, criminal liabilities. Any findings of non-compliance could result in administrative penalties, mandatory corrective actions or additional compensation obligations, which could materially and adversely affect our business, financial condition, results of operations and prospects.

In the Netherlands, under the Act on Mandatory Participation in an Industry-wide Pension Fund (Wet verplichte deelneming in een bedrijfstakpensioenfonds 2000), employers operating in certain industries are required to register their employees with the applicable industry-wide pension fund and make mandatory pension contributions on their behalf. Failure to comply with this obligation can result in the pension fund claiming unpaid contributions with retroactive effect, potentially up to 5 years, together with interest and penalties. Tenways Technovation Europe B.V., our Dutch subsidiary, is required to register its employees (including all historical employees) with the PMT (Stichting Pensioenfonds Metaal & Techniek) pension fund. Tenways Technovation Europe B.V. is in the process of completing the registration of its employees (including historic employees) with PMT and of paying the outstanding pension contributions retroactively for past

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periods. We have made a provision of approximately €0.5 million for the estimated shortfall in pension contributions, representing our best estimate of the outstanding contributions, including any late fees that may be payable. As advised by our Dutch counsel, considering that Tenways Technovation Europe B.V. has voluntarily initiated the registration and retroactive payment process at an early stage and is actively cooperating with PMT, the risk that PMT will seek to enforce statutory interest and collection costs in addition to the outstanding pension contributions is considered remote. However, we cannot assure you that no additional fines, penalties, or late fees will be imposed on us in relation to the delayed registration and contributions, which could materially and adversely affect our business, financial condition, and results of operations.

Pursuant to the PRC laws and regulations, our PRC subsidiaries are required to participate in various employee benefit plans, including certain social insurance, housing provident funds, unemployment insurance, medical insurance and other welfare contributions, and contribute to the plans in amounts equal to certain percentages of salaries, including bonuses and allowances, of our employees up a maximum amount specified by the local government from time to time at locations where we operate our businesses. Implementation and enforcement of these requirements have varied among local governments in the PRC. During the Track Record Period, we did not make full contributions to social insurance and housing provident fund for certain of our employees in the PRC in accordance with applicable PRC laws and regulations. In 2023 and 2024 and the nine months ended September 30, 2025, the shortfall amount were approximately RMB6.7 million, RMB7.6 million and RMB4.8 million, respectively. As of the Latest Practicable Date, we had neither received any notification from the relevant PRC authorities requiring us to pay any shortfall with respect to social insurance and housing provident funds, being investigated or imposed any administrative penalties for the aforementioned, nor were we aware of any material employee complaints or involved in any material labor disputes with our employees with respect to social insurance and housing provident fund in China. In addition, we had obtained special credit reports from the credit institutions authorized by relevant local government authorities for all of our PRC subsidiaries except for those which did not have any employee during the Track Record Period and as of the Latest Practicable Date. Moreover, we will also keep abreast of the latest developments in PRC laws and regulations in relation to social insurance and housing provident funds and make rectifications timely as soon as possible once being notified by the competent authorities. Having considered the foregoing, our PRC Legal Advisor is of the view that, the risks of us being required to pay and recover all the shortfalls of social insurance and housing provident fund contributions and being imposed any administrative penalties by the relevant PRC authorities for our failure in making full contributions to social insurance and housing provident fund, resulting from the relevant authorities’ proactive initiation of collective action, is remote, provided that there are no material changes in the prevailing policies, laws and regulations, local enforcement practices or regulatory environment, and there are no material employee complaints, reports or related litigation or arbitration. However, we cannot assure you that no fine or penalty will be imposed on us in this regard in the future, nor will the competent local government authorities not require us to pay the shortfall amount within a specified time limit or impose late fees or fines on us, which may adversely affect our financial condition and results of operations.

Our internal control and risk management systems may be ineffective or inadequately implemented, which could materially and adversely affect our business.

We have implemented risk management and internal control systems designed to support our operations and monitor compliance with applicable requirements. However, internal control and risk management systems are inherently subject to limitations, and there can be no assurance that such systems will be effective in preventing, detecting or addressing all risks, non-compliance or operational shortcomings on a timely basis. Our systems may fail to identify or mitigate risks arising from unforeseen circumstances, changes in business operations, regulatory developments or other factors not reflected in historical data. In addition, the effectiveness of our internal controls depends on proper execution by our personnel, and we cannot eliminate the risk of human error, oversight, circumvention of controls or misconduct. We may also need to implement additional or enhanced risk management and internal control measures from time to time, which could increase costs and

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require management attention and time to assess effectiveness. Any failure, inadequacy or circumvention of our internal control or risk management systems could result in operational disruptions, compliance failures, financial loss or reputational harm, and our business, financial conditions, results of operations and prospects could be materially and adversely affected.

We may fail to comply with legal or regulatory requirements or maintain required licenses, permits or registrations, which could materially and adversely affect our business.

We are required to comply with applicable laws and regulations in the jurisdictions in which we operate and to obtain and maintain the approvals, licenses, permits and registrations necessary for our business operations. See “Regulatory Overview”. Failure to obtain, renew or maintain any required approvals, licenses or permits, or any non-compliance with applicable legal or regulatory requirements, could subject us to liabilities, penalties, operational disruption and reputational harm. In the event of non-compliance, we may be required to incur additional costs, take remedial actions and divert management time and resources to address any deficiencies. We may also be subject to regulatory scrutiny, enforcement actions or adverse publicity, any of which could materially and adversely affect our business, financial conditions, results of operations and prospects.

Our failure to manage, defend or resolve claims and litigation could materially and adversely affect our business.

In the ordinary course of our business, we may be subject to claims, disputes and legal proceedings arising from, among other matters, product liability, employment-related matters, contractual disputes, intellectual property infringement, data protection and privacy issues and environmental matters. There can be no assurance that we will be able to successfully defend or resolve such claims or proceedings. If claims or litigation are determined adversely, or if we are required to settle such matters, we may be subject to fines, penalties, damages, product recalls or replacements, injunctions or other remedies, and may incur substantial legal and related costs. Defending or managing legal proceedings may also require significant management time and resources and adversely affect our reputation and cash flows. In addition, certain claims against us may relate to products or components supplied by third parties, and such parties may not be able or willing to provide timely or adequate indemnification for losses we incur. Any significant or prolonged claims, disputes or litigation could materially and adversely affect our business, financial conditions, results of operations and prospects.

Our insurance coverage may not be adequate to cover losses arising from our business operations.

We maintain certain insurance policies to cover risks associated with our operations, including property insurance for inventories and equipment, product liability insurance for our products and business interruption insurance. See “Business — Insurance”. However, our insurance coverage may not cover all risks to which we are exposed, and we do not maintain certain types of insurance, such as or key-man life insurance. In addition, there can be no assurance that insurance claims will be processed in a timely manner or that the proceeds payable under our insurance policies will be sufficient to fully compensate us for losses incurred. Any losses that are not insured or are inadequately covered, or any delay or dispute in obtaining insurance proceeds, could result in additional costs or financial losses. If any substantial uninsured or underinsured losses occur, our business, financial conditions, results of operations and prospects could be materially and adversely affected.

Force majeure events, natural disasters or outbreaks of contagious diseases could materially and adversely affect our business.

Our business, financial condition and results of operations may be adversely affected by force majeure events in the regions where we operate. Such events may include natural disasters (such as earthquakes, floods, typhoons, droughts, landslides or severe weather conditions), outbreaks of contagious diseases (including epidemics or pandemics), acts of war or terrorism, or other catastrophic events. These events could result in disruptions to our supply chains and logistics, workforce unavailability, damage to production facilities of our OEM partners or other operating

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infrastructure, closure of physical stores, reduced consumer demand and increased operating costs. Governmental measures taken in response to such events may further restrict business activities or delay operations. We cannot assure you that future force majeure events or related governmental actions will not disrupt our operations or adversely affect market demand. Any such disruption could materially and adversely affect our business, financial conditions, results of operations and prospects.

RISKS RELATING TO DOING BUSINESS IN JURISDICTIONS IN WHICH WE OPERATE

Adverse changes in economic, political and social conditions could materially and adversely affect our business and prospects.

Our financial conditions, results of operations and prospects are substantially affected by the economic, political and social conditions prevailing in the countries and regions where we operate. Macroeconomic conditions are subject to uncertainty, including the effects of monetary and fiscal policies adopted by major economies, as well as changes in government policies and international relations. Any significant deterioration in macroeconomic conditions, including a prolonged economic slowdown or recession, could reduce consumer purchasing power and demand for our products, disrupt our operations or negatively affect market confidence. Changes in political developments, government policies or international trade relations may also create operational uncertainties and challenges for our business. Any of the foregoing developments could materially and adversely affect our business, financial conditions, results of operations and prospects.

Laws and regulations in the countries where we have operations may constrain our ability to pursue growth strategies through acquisitions.

The legal and regulatory environments in the countries in which we operate can significantly impact our ability to pursue growth strategies, particularly those involving acquisitions. Mergers and acquisitions are subject to a range of jurisdiction-specific laws and regulations, including antitrust and competition laws, foreign investment restrictions and industry-specific regulatory requirements, which may introduce complexity, uncertainty and execution risk. Compliance with applicable regulatory requirements may require extensive due diligence, legal consultations and potentially lengthy approval processes, which can delay or even derail planned acquisitions. In addition, changes in these laws or their interpretation by regulatory authorities can further complicate acquisition strategies, potentially leading to increased costs or necessitating strategic pivots. These factors can affect our ability to seamlessly integrate acquired entities, realize anticipated synergies, and achieve growth objectives. If we fail to fully comply with the requirements of the regulations and other relevant rules and any required approval processes in the regions where we operate in a timely manner, it may delay the process or affect our ability to complete such transactions, which could affect our ability to expand our business or maintain our market share.

You may face difficulties in protecting your interests, and your ability to protect your rights may be limited, because we are incorporated under Cayman Islands law.

We are an exempted company incorporated in the Cayman Islands with limited liability. Cayman Islands law differs in some respects from the laws of Hong Kong and other jurisdictions where investors may be located. Our corporate affairs are governed by our Memorandum and Articles of Association, the Cayman Companies Act and the common law of the Cayman Islands. The rights of our Shareholders to take legal actions against us and/or our Directors, actions by minority shareholders and the fiduciary duties of our Directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedents in the Cayman Islands, and from English common law, which has persuasive, but not binding, authority on a court in the Cayman Islands. The rights of our Shareholders and the fiduciary duties of our Directors under the Cayman Islands law may not be as clearly established as they would be under statutes or judicial precedents in Hong Kong, the United States or other jurisdictions where investors may be located. In particular, the Cayman Islands has a less developed body of securities law than in Hong Kong. As a result, our Shareholders may have more difficulty in protecting their interests in the face

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of actions taken by our management, Directors or major Shareholders than they would as shareholders of a Hong Kong company, a United States company or companies incorporated in other jurisdictions. For details, see “Appendix III — Summary of the Constitution of Our Company and Cayman Islands Company Law” in this document.

You may experience difficulties in effecting service of legal process, enforcing Shareholders’ rights and foreign judgments or bringing actions against us or our management named in the [REDACTED] based on foreign laws.

We are an exempted company incorporated under the laws of the Cayman Islands. The rights of the Shareholders and the fiduciary duties of our Directors under the Cayman Islands laws may differ in some respects from what they would be under statutes or judicial precedents in Hong Kong or other jurisdictions where investors may be located.

Some of our Directors and executive officers reside within the Netherlands. Although the Netherlands is party to various multilateral Conventions (such as the Convention of 1 February 1971 on the Recognition and Enforcement of Foreign Judgments in Civil and Commercial Matters), bilateral treaties and the Netherlands must comply with the European Regulation (EU) 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, there are currently no instruments in place pertaining to the (reciprocal) recognition and enforcement of judgments of the courts of Hong Kong. A judgment of a foreign court of a jurisdiction for which no such instruments are in place, may not automatically be recognized and enforced in the Netherlands. In order to enforce the judgment of such a foreign court, the case must be re-introduced before the relevant Dutch court. Only in case it is established that the foreign judgment and foreign proceedings comply with Dutch law, the Dutch courts may give a decision without re-assessment of the subject-matter of the case at hand. Consequently, it is uncertain whether judgments rendered by Hong Kong courts will be recognized in the Netherlands, as this requires re-introduction of the case which may be subject to material review and discretion of the relevant Dutch court.

In addition, some of our Directors and executive officers reside within Chinese mainland. China does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts of the Cayman Islands and many other countries and regions. A judgment of a court of another jurisdiction may be reciprocally recognized or enforced in the PRC only if the jurisdiction has a treaty with the PRC or if the jurisdiction has been otherwise deemed by the courts of the PRC to satisfy the requirements for reciprocal recognition, subject to the satisfaction of other requirements. Therefore, uncertainties exist regarding the recognition and enforcement in China of judgments of a court in any of these non-PRC jurisdictions in relation to any matter not subject to a binding arbitration provision.

Pursuant to Arrangements for Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Cases between Courts of the Mainland and Hong Kong Special Administrative Region (《關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) effective on January 29, 2024, promulgated by the Supreme People’s Court, a party with an enforceable final court judgment rendered by any designated people’s court of China or any designated Hong Kong court with respect to any civil and commercial cases excluding certain types of which, may apply for recognition and enforcement of the judgment in the relevant people’s court of China or Hong Kong court. However, we cannot assure you that all judgments rendered by Hong Kong courts will be recognized and enforced in Chinese mainland, as the recognition and enforcement of any specific judgment remains subject to case-by-case review and discretion of the relevant PRC court under such Arrangement.

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We may rely to a significant extent on dividends and other distributions on equity paid by our principal operating subsidiaries to fund cash and financing requirements. Any limitation on the ability of our operating subsidiaries to make payments to us could have a material and adverse effect on our ability to conduct our business.

We are a holding company and rely on dividends and other distributions on equity paid by our principal operating entities for our cash and financing requirements, including the funds necessary to pay dividends and other cash distributions to our Shareholders, fund inter-company loans, service any debt we may incur and pay our expenses. When our principal operating entities incur additional debt, the instruments governing the debt may restrict their ability to pay dividends or make other distributions or remittances to us. Furthermore, the laws, rules and regulations applicable to our principal operating subsidiaries and certain other subsidiaries permit payments of dividends only out of their retained earnings, if any, determined in accordance with applicable accounting standards and regulations. The distribution of dividends to us from the subsidiaries in the other geographic markets in which we operate is subject to restrictions imposed by the applicable laws and regulations in these markets. Any limitation on the ability of our subsidiaries to make payments to us could have a material and adverse effect on our ability to conduct our business.

We may be subject to filing procedure and other requirements of the CSRC or other PRC governmental authorities in connection with future capital raising activities and future major events.

Our Group is headquartered in the Netherlands and operates across Europe, Asia and the United States. However, our business and corporate structures may change from time to time. If it is determined in the future that approval from or filing with the CSRC or other regulatory authorities or other procedures are required, we may fail to obtain such approval, perform such filing procedures or meet such other requirements in a timely manner or at all. We may face sanctions by the CSRC or other PRC regulatory authorities for failure to seek CSRC approval or other government authorization, or perform filing procedures, for our future financing activities, and these regulatory authorities may impose fines and penalties on us, limit our operating activities in the PRC, limit our ability to pay dividends outside the PRC, delay or restrict the repatriation of the proceeds from such future financing activities into the PRC or take other actions to restrict our financing activities, which could have a material and adverse effect on our business, results of operations, financial performance.

If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavorable tax consequences to us and our non-PRC Shareholders.

Under the PRC Enterprise Income Tax Law and its implementation rules, an enterprise established outside of the PRC may be considered as a “resident enterprise” if its “de facto management body” is within China and, thus will be subject to the enterprise income tax on its global income at the rate of 25%. Pursuant to the relevant guidance issued by the State Administration of Taxation, or SAT, we believe that none of our Company and our subsidiaries outside of China is a PRC resident enterprise for PRC tax purposes. However, the tax resident status of an enterprise is subject to determination by the PRC tax authorities, and uncertainties remain with respect to the interpretation of the term “de facto management body”. If the PRC tax authorities take a view that is contrary to us, we would be subject to a 25% enterprise income tax on our global income. Moreover, if the PRC tax authorities determine that our Company is a PRC resident enterprise for PRC enterprise income tax purposes, gains realized on the sale or other disposal of our Shares may be subject to PRC tax, at a rate of 10% in the case of non-PRC enterprises, or 20% in the case of non-PRC individuals (in each case, subject to the provisions of any applicable tax treaty), if such gains are deemed to be from PRC sources. Any such tax may reduce the returns on your investment in our Shares.

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We are exposed to market risk from changes in foreign currency exchange rates which could materially and negatively impact our profitability.

We are a Europe-based company that sells products and sources raw materials and components from multiple jurisdictions worldwide. Changes in currency exchange rates may affect the relative prices at which we and our competitors sell products in the same market and the cost of products and services we require for our operations. Our predominant exposures include Euro, RMB and the U.S. dollar. Our combined financial statements are prepared in Euro. We are also subject to translation risks when converting the financial results of our Company and non-Eurozone subsidiaries into Euro, and transactional risks arising from cross-border sales and purchases. If the Euro strengthens, the translated value of our foreign earnings could be negatively impacted; if it weakens, the cost of goods sourced from non-Eurozone jurisdictions may increase. We may not be successful in passing any resulting cost increases through to customer pricing, and there can be no assurance that we can implement effective measures to reduce or eliminate our exposure to foreign exchange rate fluctuations.

Any failure to comply with relevant regulations regarding the registration requirements for employee share incentive plans may subject our share incentive plan participants or us to fines and other legal or administrative sanctions.

In February 2012, SAFE issued the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plans of Overseas Publicly Listed Companies (《關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》) (Hui Fa [2012] No. 7), which replaced the previous rules from 2007. According to these regulations, PRC citizens and non-PRC citizens who reside in the PRC for a continuous period of not less than one year and participate in any stock incentive plan of an overseas publicly listed company are obligated to register with SAFE through a qualified domestic agent and complete other necessary procedures, save for certain exceptions. Additionally, an overseas-entrusted institution must be appointed to manage the exercise or sale of stock options and the purchase or sale of shares and interests. Our company, along with our executive officers and employees who are PRC citizens or have resided in China for at least one year and have been granted options, will need to comply with these regulations once we become a Hong Kong-listed company following the [REDACTED]. Failure to complete SAFE registrations may result in fines and legal penalties.

Furthermore, SAT has issued circulars governing employee share options and restricted shares, which stipulate that our employees in the PRC who exercise share options or receive restricted shares will be subject to PRC individual income tax. We are required to file relevant documents with the tax authorities and withhold individual income taxes for employees who exercise their share options. If our employees fail to pay, or if we fail to withhold their income taxes as required by law, we may be subject to legal or administrative penalties from the PRC tax authorities or other government agencies.

RISKS RELATING TO THE [REDACTED]

If the [REDACTED] of our Shares is higher than our consolidated net tangible book value per Share, purchasers of our Shares in the [REDACTED] may experience immediate dilution upon such purchases and may experience further dilution if we issue additional Shares in the future.

The [REDACTED] of our Shares is expected to be higher than the net tangible assets per Share immediately prior to the [REDACTED]. Therefore, purchasers of our Shares in the [REDACTED] will experience an immediate dilution in net tangible asset value per Share. In addition, we may consider offering and issuing additional securities in the future. Purchasers of our Shares may experience dilution in the net tangible asset value per Share of their investments in Shares if we issue additional securities in the future at a price which is lower than the net tangible asset value per Share prior to the issuance of such additional securities.

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There is no prior [REDACTED] market for our Shares and an active [REDACTED] for our Shares may not develop.

Prior to the [REDACTED], there was no [REDACTED] market for our Shares. An active [REDACTED] market may not develop or be sustained after the [REDACTED]. The [REDACTED] was the result of, negotiations among us and the Sole [REDACTED] on behalf of the [REDACTED] and may not be indicative of prices that will prevail in the trading market after the [REDACTED]. We have applied for [REDACTED] of, and permission to deal in, our Shares on the Stock Exchange. However, even if approved, being [REDACTED] on the Stock Exchange does not guarantee that an active trading market for our Shares will develop or be sustained. If an [REDACTED] for our Shares does not develop after the [REDACTED], the [REDACTED] and liquidity of our Shares may be adversely affected. As a result, you may not be able to resell your Shares at prices equal to or greater than the price paid for the Shares in the [REDACTED].

The liquidity and [REDACTED] of our Shares may be volatile, which may result in substantial losses for [REDACTED] purchasing our Shares pursuant to the [REDACTED].

The [REDACTED] and [REDACTED] of our Shares may fluctuate significantly due to various factors, many of which are beyond our control. These factors may include actual or anticipated variations in our operating results, including those arising from foreign exchange movements; changes in the composition of our senior management or key personnel; announcements relating to competitive developments, mergers, acquisitions or strategic alliances in our industry; changes in earnings estimates or investment recommendations by securities analysts; the initiation or outcome of litigation or regulatory investigations; changes in general economic conditions or developments affecting our industry; and movements in global equity markets or the share price performance of other companies or industries. In addition, the lifting of lock-up arrangements or sales, or perceived sales, of Shares by us or our Shareholders may exert downward pressure on the [REDACTED] of our Shares.

In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are not related or disproportionate to the operating performance of particular companies. This may include a general global economic downturn, substantial volatility in equity securities markets, and volatility and tightening of liquidity in credit markets. While it is difficult to predict how long these conditions will last, they could continue to present risks for an extended period of time. If we experience such fluctuations, results of operations and financial position could be materially and adversely affected. Moreover, market fluctuations may also materially and adversely affect the [REDACTED] of our Shares.

The market price of our Shares when trading begins could be lower than the [REDACTED] as a result of, among other things, adverse market conditions or other adverse developments that could occur between the time of sale and the time trading begins.

The [REDACTED] will not commence trading on the Stock Exchange until they are delivered, which is expected to be on the [REDACTED]. As a result, [REDACTED] may not be able to sell or otherwise deal in the [REDACTED] during that period. Accordingly, holders of the [REDACTED] are subject to the risk that the price of the [REDACTED] when trading begins could be lower than the [REDACTED] as a result of adverse market conditions or other adverse developments that may occur between the time of sale and the time trading begins.

Future or perceived sales of substantial amounts of our Shares could affect their [REDACTED].

The [REDACTED] of our Shares could decline as a result of future sales of substantial amounts of our Shares or other related securities, the issuance of new shares or other securities, or the perception that such sales may occur. Our ability to raise future capital at favorable times and prices may also be materially and adversely affected. Our Shares held by our Directors, executive officers and substantial shareholders are currently subject to certain lock-up undertakings. For more details, see “[REDACTED]” However, there is no assurance that following the expiration of the lock-up periods, these parties will not dispose of any Shares. Market sale of Shares by such

RISK FACTORS

shareholders and the availability of these Shares for future sale may have negative impact on the market price of our Shares. We cannot predict the effect of any future sales of the Shares by any of our Shareholders on the market price of our Shares.

We have no experience operating as a [REDACTED] company, and we may incur increased costs as a result of becoming a [REDACTED] company.

We lack prior experience operating as a public company. Following our [REDACTED] on the Hong Kong Stock Exchange, we anticipate encountering heightened administrative and compliance obligations, potentially leading to significant costs and expenses that were not present during our time as a private entity. The more complex and stringent regulatory framework for public companies is expected to increase our accounting, legal, financial and compliance costs, as well as render certain corporate activities more intricate and costly as regulatory approval may be required. Our management team may need to devote considerable time and focus to fulfil our public reporting and disclosure obligations and address compliance issues. While we plan to assess and monitor developments related to these regulations, we cannot accurately predict the specific developments or the extent of the additional compliance costs that we may incur. Accordingly, such increasing compliance and reporting obligations as a public company may hinder our management and operational capabilities and negatively affect our financial results.

Also, as we transition into a public company, our management will need to cultivate the expertise required to adhere to the various regulatory mandates applicable to public entities, encompassing corporate governance standards, listing requirements, and securities laws. Our management will need to assess our internal control system against new materiality thresholds and effect necessary enhancements after we transition into a public company. However, we cannot guarantee a seamless or prompt implementation of such enhancements of our internal control systems.

Certain facts, forecast and other statistics in this document obtained from publicly available sources have not been independently verified and may not be reliable.

Certain facts, forecasts and other statistics in this document are derived from various government, official sources, and third-party reports, either commissioned by us or publicly accessible and other publicly available sources. However, our Directors cannot guarantee the reliability of such source materials. We believe that the sources of the said information are appropriate sources for such information and have taken reasonable care in extracting and presenting such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. Nevertheless, information from government and official sources has not been independently verified by us, the Sole Sponsor, the Sponsor-[REDACTED], the Sole [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED] or any of their respective affiliates or advisors and, therefore, we make no representation as to the accuracy of such facts and statistics. Further, we cannot assure our investors that they are stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In all cases, our investors should consider carefully how much weight or importance should be attached to or placed on such facts or statistics.

If securities or industry analysts do not publish research reports about our business, or if they adversely change their recommendations regarding our Shares, the market price and trading volume of our Shares may decline.

The trading market for the [REDACTED] will depend in part on the research and reports that securities or industry analysts publish about us or our business. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts who cover us downgrades the [REDACTED] or publishes inaccurate or unfavorable research about our business, the market price for the [REDACTED] would likely decline. If one or more of these analysts cease coverage of our Company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for the [REDACTED] to decline.

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You should read the entire [REDACTED] carefully and should not rely on any information contained in press articles or other media relating to us or the [REDACTED].

We strongly caution you not to rely on any information contained in press articles or other media regarding us and the [REDACTED]. Prior to the publication of this document, there has been press and media coverage regarding us, our business, our industry and the [REDACTED]. Such press and media coverage may include references to certain information that does not appear in this document, including certain operating and financial information and projections, valuations and other information. None of us or any other person involved in the [REDACTED] has authorized the disclosure of any such information in the press or media and none of us accepts any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. Our Company, the Sole Sponsor, the Sponsor-[REDACTED], the Sole [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], any of our and their respective directors, supervisors, officers, representatives, employees, advisors or any other persons or parties involved in the [REDACTED] make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this document, our Company, the Sole Sponsor, the Sponsor-[REDACTED], the Sole [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], any of our and their respective directors, supervisors, officers, representatives, employees, advisors or any other persons or parties involved in the [REDACTED] disclaim responsibility for it, and you should not rely on such information.

Forward-looking statements contained in this document are subject to risks and uncertainties.

This document contains certain statements and information that are forward-looking and uses forward-looking terminology such as “believe,” “expect,” “estimate,” “predict,” “aim,” “intend,” “will,” “may,” “plan,” “consider,” “anticipate,” “seek,” “should,” “could,” “would,” “continue,” and other similar expressions. You are cautioned that reliance on any forward-looking statement involves risks and uncertainties and that any or all of those assumptions could prove to be inaccurate and as a result, the forward-looking statements based on those assumptions could also be incorrect. In light of these and other risks and uncertainties, the inclusion of forward-looking statements in this document should not be regarded as representations or warranties by us that our plans and objectives will be achieved, and these forward-looking statements should be considered in light of various important factors, including those set forth in this section. Subject to the requirements of the Listing Rules, we do not intend publicly to update or otherwise revise the forward-looking statements in this document, whether as a result of new information, future events or otherwise. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this document are qualified by reference to this cautionary statement.

WAIVERS AND EXEMPTIONS

In preparation for [REDACTED], we have sought the following waivers from strict compliance with the Listing Rules and exemptions from the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong. This will normally mean that at least two of its executive directors must be ordinarily resident in Hong Kong. We do not have sufficient management presence in Hong Kong for the purposes of Rule 8.12 of the Listing Rules.

Our Group’s management headquarters, senior management, business operations and assets are primarily based outside Hong Kong, in the Netherlands. The Directors consider that the appointment of executive Directors who will be ordinarily resident in Hong Kong would not be beneficial to, or appropriate for, our Group and therefore would not be in the best interests of our Company or the Shareholders as a whole.

Accordingly, we [have applied] for, and the Stock Exchange [has granted], a waiver from strict compliance with Rule 8.12 of the Listing Rules. We will ensure that there is an effective channel of communication between us and the Stock Exchange by way of the following arrangements:

- (a) pursuant to Rule 3.05 of the Listing Rules, our Company has appointed and will continue to maintain two authorized representatives who shall act at all times as the principal channel of communication with the Stock Exchange. Each of our authorized representatives will be readily contactable by the Stock Exchange by telephone, facsimile and/or e-mail to deal promptly with enquiries from the Stock Exchange. Both of our authorized representatives are authorized to communicate on our behalf with the Stock Exchange. At present, our two authorized representatives are Mr. Kai Cheng (程楷先生), our executive Director, and Ms. Fung Yan Chi Yammie (馮恩慈女士), our joint company secretary;
- (b) pursuant to Rule 3.20 of the Listing Rules, each Director will provide his/her contact information (including their mobile phone numbers, office phone numbers and e-mail addresses (if available)) to the Stock Exchange and to the authorized representatives. This will ensure that the Stock Exchange and the authorized representatives should have means for contacting all Directors promptly at all times as and when required;
- (c) we will endeavour to ensure that each Director who is not ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period;
- (d) pursuant to Rule 3A.19 of the Listing Rules, our Company has retained the services of Gram Capital Limited as compliance advisor (the “**Compliance Advisor**”), who will act as an additional channel of communication with the Stock Exchange. The Compliance Advisor will provide our Company with professional advice on ongoing compliance with the Listing Rules. We will ensure that the Compliance Advisor has prompt access to our Company’s authorized representatives and Directors. In turn, they will provide the Compliance Advisor with such information and assistance as the Compliance Advisor may need or may reasonably request in connection with the performance of the Compliance Advisor’s duties. The Compliance Advisor will also provide advice to our Company when consulted by our Company in compliance with Rule 3A.23 of the Listing Rules; and
- (e) meetings between the Stock Exchange and the Directors can be arranged through the authorized representatives or the Compliance Advisor, or directly with the Directors within a reasonable time frame. We will inform the Stock Exchange as soon as practicable in respect of any change in the authorized representatives, the Directors and/or the Compliance Advisor in accordance with the Listing Rules.

WAIVERS AND EXEMPTIONS

JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary must be an individual who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

Pursuant to Note 1 to Rule 3.28 of the Listing Rules, the Stock Exchange considers the following academic or professional qualifications to be acceptable:

- (a) a member of The Hong Kong Chartered Governance Institute;
- (b) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and
- (c) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

Pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing “relevant experience”, the Stock Exchange will consider the individual’s:

- (a) length of employment with the issuer and other issuers and the roles they played;
- (b) familiarity with the Listing Rules and other relevant law and regulations including the SFO, Companies Ordinance, Companies (Winding Up and Miscellaneous Provisions) Ordinance, and the Takeovers Code;
- (c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- (d) professional qualifications in other jurisdictions.

We propose to appoint Ms. Yanjun Chen (陳妍筠女士) (“**Ms. Chen**”) of the Company and Ms. Fung Yan Chi Yammie (馮恩慈女士) (“**Ms. Fung**”) as our joint company secretaries. See the section headed “Directors and senior management — Joint company secretaries” for their biographies.

Ms. Fung is an associate member of The Hong Kong Chartered Governance Institute and an associate member of The Chartered Governance Institute in the United Kingdom, and therefore meets the qualification requirements under Note 1 to Rule 3.28 of the Listing Rules and is in compliance with Rule 8.17 of the Listing Rules.

The Company’s principal business activities are outside Hong Kong. We believe that it would be in the best interests of our Company and the corporate governance of our Group to have as its joint company secretary a person such as Ms. Chen, who has been an employee of the Company and who has day-to-day knowledge of the Company’s affairs. Ms. Chen has the necessary nexus to the Board and close working relationship with management of our Company in order to perform the function of a joint company secretary and to take the necessary actions in the most effective and efficient manner.

Accordingly, while Ms. Chen does not possess the academic or professional qualifications required of a company secretary under Rules 3.28 and 8.17 of the Listing Rules, we [have applied] to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules such that Ms. Chen may be appointed as a joint company secretary of our Company.

The waiver [was granted] for a three-year period from the [REDACTED] on the conditions that: (i) Ms. Fung is appointed as a joint company secretary to assist Ms. Chen in discharging her functions as a company secretary and in gaining the relevant experience under Rule 3.28 of the Listing Rules; the waiver will be revoked immediately if Ms. Fung, during the three-year period, ceases to provide assistance to Ms. Chen as a joint company secretary; and (ii) the waiver can be revoked if there are material breaches of the Listing Rules by our Company. In addition, Ms. Chen will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance her knowledge of the Listing Rules during the three-year period from the [REDACTED]. Our Company will further ensure that Ms. Chen has access to the relevant training and support that would enhance her understanding of the Listing Rules and the duties of a company

WAIVERS AND EXEMPTIONS

secretary of an issuer listed on the Stock Exchange. Before the end of the three-year period, the qualifications and experience of Ms. Chen and the need for on-going assistance of Ms. Fung will be further evaluated by our Company. We will liaise with the Stock Exchange to enable it to assess whether Ms. Chen, having benefited from the assistance of Ms. Fung for the preceding three years, will have acquired the skills necessary to carry out the duties of company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

WAIVER AND EXEMPTION IN RELATION TO THE PRE-[REDACTED] SHARE INCENTIVE PLAN

The Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance prescribes certain disclosure requirements in relation to the share options granted by our Company (the “**Share Option Disclosure Requirements**”):

- (a) Rule 17.02(1)(b) of the Listing Rules stipulates that all the terms of a scheme must be clearly set out in this document. The Company is also required to disclose in this document full details of all outstanding options and their potential dilution effect on the shareholdings upon [REDACTED] as well as the impact on the earnings per share arising from the exercise of such outstanding options.
- (b) Paragraph 27 of Appendix D1A to the Listing Rules requires the Company to set out in this document particulars of any capital of any member of the Group that is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee.
- (c) Under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the number, description and amount of any shares in or debentures of the company which any person has, or is entitled to be given, an option to subscribe for, together with the particulars of the option, that is to say, (a) the period during which it is exercisable; (b) the price to be paid for shares or debentures subscribed for under it; (c) the consideration (if any) given or to be given for it or for the right to it; and (d) the names and addresses of the persons to whom it or the right to it was given or, if given to existing shareholders or debenture holders as such, the relevant shares or debentures must be specified in the document.

As of the Latest Practicable Date, our Company had granted options that remain outstanding under the Pre-[REDACTED] Share Incentive Plan to 101 grantees (including Directors, senior management and other employees of our Group), to subscribe for an aggregate of 4,919,810 Shares. As of the Latest Practicable Date, among the outstanding options, 750,000 were held by Directors, and 4,169,810 were held by other grantees. The Shares underlying the granted outstanding options represent [REDACTED]% of the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no Shares are issued under the Pre-[REDACTED] Share Incentive Plan). For further details of our Pre-[REDACTED] Share Incentive Plan, see the section headed “Statutory and general information — Pre-[REDACTED] Share Incentive Plan” in Appendix IV to this document.

We [have applied] to (i) the Stock Exchange for a waiver from strict compliance with the requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix D1A to the Listing Rules and (ii) the SFC for an exemption from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance pursuant to section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in connection with the disclosure of certain details relating to the options and certain grantees in this

WAIVERS AND EXEMPTIONS

document on the ground that the waiver and the exemption will not prejudice the interest of the investing public and strict compliance with the Share Option Disclosure Requirements would be unduly burdensome for our Company for the following reasons:

- (a) as of the Latest Practicable Date, we had granted outstanding options to a total of 101 grantees under the Pre-[REDACTED] Share Incentive Plan to acquire an aggregate of 4,919,810 Shares, representing approximately [REDACTED]% of the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no Shares are issued under the Pre-[REDACTED] Share Incentive Plan). The grantees under the Pre-[REDACTED] Share Incentive Plan include 2 Directors and 99 other grantees, who are current employees or consultants of our Group;
- (b) our Directors consider that it would be unduly burdensome to disclose in the document full details of all the options granted by us to each of the grantees, which would significantly increase the cost and time required for information compilation, document preparation and printing for strict compliance with such disclosure requirements. For example, the Company would need to collect and verify the addresses of 101 grantees to meet the disclosure requirement. Further, the disclosure of the personal details of each grantee, including their names, addresses and the number of options granted, may require obtaining consent from the grantees in order to comply with strict personal data privacy laws and principles in the European Union and the PRC and it would be unduly burdensome for the Company to obtain such consents given the number of grantees;
- (c) material information on the options has been disclosed in the document to provide prospective investors with sufficient information to make an informed assessment of the potential dilutive effect and impact on earnings per Share of the options in making their investment decision, and such information includes:
 - (i) a summary of the principal terms of the Pre-[REDACTED] Share Incentive Plan;
 - (ii) the aggregate number of Shares subject to the options and the percentage of our Shares of which such number represents;
 - (iii) the dilutive effect and the impact on earnings per Share upon full exercise of the options immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no Shares are issued under the Pre-[REDACTED] Share Incentive Plan);
 - (iv) full details of the options granted to Directors, members of the senior management of our Company and other connected persons, on an individual basis, are disclosed in the document, and such details include all the particulars required under Rule 17.02(1)(b) of the Listing Rules, paragraph 27 of Appendix D1A to the Listing Rules and paragraph 10 of Part 1 of the Third Schedule to the Companies (Winding up and Miscellaneous Provisions) Ordinance;
 - (v) with respect to the options granted to other grantees (other than those referred to in (iv) above), the aggregate number of such grantees and the number of Shares subject to the options, the consideration paid for the grant of the options and the exercise period and the exercise price for the options will be disclosed in the document; and
 - (vi) the particulars of the waiver and exemption granted by the Stock Exchange and the SFC, respectively;
- (d) the 99 grantees who are not Directors, members of the senior management or connected persons of the Company, have been granted options under the Pre-[REDACTED] Share Incentive Plan to acquire an aggregate of 4,169,810 Shares, which is not material in the circumstances of our Company, and the exercise in full of such options will not cause any material adverse change in the financial position of our Company;
- (e) our Directors consider that non-compliance with the Share Option Disclosure Requirements would not prevent our Company from providing potential investors with sufficient information for an informed assessment of the activities, assets, liabilities, financial position, management and prospects of our Group. Strict adherence to the

WAIVERS AND EXEMPTIONS

- disclosure requirements, including to disclose the names, addresses, and entitlements on an individual basis of 99 grantees without reflecting the materiality of the information does not provide any additional meaningful information to the investing public; and
- (f) a full list of all the grantees containing all the particulars as required under Rule 17.02(1)(b) and paragraph 27 of Appendix D1A of the Listing Rules and paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance will be made available for public inspection in accordance with “Documents delivered to the Registrar of Companies and Available on Display — Documents Available for Inspection” in Appendix V of this document.

In light of the above, our Directors are of the view that the grant of the waiver and exemption sought under this application and the non-disclosure of the required information will not prejudice the interests of the investing public.

The Stock Exchange [has granted] to our Company a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix 1A to the Listing Rules with respect to the options granted under the Pre-[REDACTED] Share Incentive Plan on the condition that:

- (a) on an individual basis, full details of the options granted under the Pre-[REDACTED] Share Incentive Plan to each of the Directors, the senior management of the Company and the other connected persons of the Company, will be disclosed in the section headed “Statutory and General Information — Pre-[REDACTED] Share Incentive Plan” in Appendix IV as required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix 1A to, the Listing Rules, and paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b) in respect of the options granted under the Pre-[REDACTED] Share Incentive Plan to grantees other than those set out in (a) above, disclosure will be made on an aggregate basis, including (1) the aggregate number of the grantees other than those set out in (a) above and the number of Shares subject to the options granted to them under the Pre-[REDACTED] Share Incentive Plan, (2) the consideration paid for the grant of the options under the Pre-[REDACTED] Share Incentive Plan, and (3) the exercise period and the exercise price for the options granted under the Pre-[REDACTED] Share Incentive Plan;
- (c) the aggregate number of Shares underlying the outstanding options granted under the Pre-[REDACTED] Share Incentive Plan and the percentage of the Company’s total issued share capital represented by such number of Shares as of the Latest Practicable Date will be disclosed in this document;
- (d) the dilutive effect and impact on earnings per Share upon the full exercise of the options under the Pre-[REDACTED] Share Incentive Plan will be disclosed in the section headed “Statutory and General Information — Pre-[REDACTED] Share Incentive Plan” in Appendix IV to this document;
- (e) a summary of the major terms of the Pre-[REDACTED] Share Incentive Plan will be disclosed in the section headed “Statutory and General Information — Pre-[REDACTED] Share Incentive Plan” in Appendix IV to this document;
- (f) the particulars of this waiver will be disclosed in this document;
- (g) a full list of all the grantees containing all the particulars as required under Rule 17.02(1)(b) and paragraph 27 of Appendix 1A of the Listing Rules and paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance will be made available for physical public inspection in accordance with “Documents delivered to the Registrar of Companies and Available on Display — Documents Available for Inspection” in Appendix V of this document; and
- (h) the grant of certificate of exemption under the Companies (Winding Up and Miscellaneous Provisions) Ordinance from the SFC exempting the Company from the disclosure requirements provided in paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

WAIVERS AND EXEMPTIONS

The SFC [has agreed to grant] to our Company the certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance with respect to the options granted under the Pre-[REDACTED] Share Incentive Plan exempting the Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that:

- (a) full details of the options under the Pre-[REDACTED] Share Incentive Plan to each of the Directors, the senior management of the Company and other connected persons will be disclosed in the section headed “Statutory and General Information — Pre-[REDACTED] Share Incentive Plan” in Appendix IV to this document as required by paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b) in respect of the options granted under the Pre-[REDACTED] Share Incentive Plan to grantees other than those referred to in (a) above, disclosure will be made on an aggregate basis, including (1) the aggregate number of the grantees and the number of Shares subject to the options granted to them under the Pre-[REDACTED] Share Incentive Plan, (2) the consideration paid for the grant of the options under the Pre-[REDACTED] Share Incentive Plan, and (3) the exercise period and the exercise price for the options granted under the Pre-[REDACTED] Share Incentive Plan;
- (c) a full list of all the grantees containing all the particulars as required under Rule 17.02(1)(b) and paragraph 27 of Appendix 1A of the Listing Rules and paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance will be made available for physical public inspection in accordance with “Documents delivered to the Registrar of Companies and Available on Display — Documents Available for Inspection” in Appendix V of this document; and
- (d) the particulars of this exemption will be disclosed in this document and that this document will be issued on or before [Monday], [REDACTED].

Further details of the Pre-[REDACTED] Share Incentive Plan are set forth in the section headed “Statutory and General Information — Pre-[REDACTED] Share Incentive Plan” in Appendix IV to this document.

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE AND THAT THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

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INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

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DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

DIRECTORS

Name	Address	Nationality
Executive Directors		
Mr. Xiaoling Liang (梁霄凌先生)	Vreeswijkstraat 53 2546 AB Den Haag The Netherlands	Chinese
Mr. Amir Fazeli	Umlaufgasse 5 1170 Vienna Austria	Austrian
Mr. Kai Cheng (程楷先生)	D2-101 Gemdale City Crown Chaoyang District Beijing PRC	Chinese
Mr. Tian Sang (桑田先生)	Unit 12C, Block 9 Chuangshiji Binhai Garden Nanshan District Shenzhen PRC	Chinese
Ms. Jianan Li (李嘉楠女士)	Molenpolderstraat 14 2493VA, Den Haag The Netherlands	Chinese
Independent Non-executive Directors		
Mr. Wai-Chan Chan (陳維贊先生)	16 Uplands Close Sevenoaks Kent TN13 3BP United Kingdom	Chinese (Hong Kong)
Mr. Dennis Robin De Breij	Nieuwegracht 64 3512 Utrecht The Netherlands	Dutch
Mr. Chung Yin Pak (白仲賢先生)	Flat C, 29/F Block 25, Laguna Verde Hung Hom Kowloon Hong Kong	Chinese (Hong Kong)

Further information about the Directors and other senior management members are set out in the section headed “Directors and Senior Management” in this document.

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

PARTIES INVOLVED IN THE [REDACTED]

Sole Sponsor	GF Capital (Hong Kong) Limited 27/F, GF Tower 81 Lockhard Road Wan Chai Hong Kong
Sponsor-[REDACTED]	[REDACTED]
Sole [REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED] and [REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
Legal Advisors to our Company	<i>As to Hong Kong and U.S. laws</i> Latham & Watkins LLP 18th Floor, One Exchange Square 8 Connaught Place Central, Hong Kong <i>As to PRC law</i> Shihui Partners 42/F, Tower C Beijing Yintai Center No. 2 Jianguomenwai Street Chaoyang District Beijing PRC

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

As to Cayman Islands law

Campbells

3001–04 & 3010, 30/F Gloucester Tower
The Landmark
15 Queen’s Road Central
Hong Kong

As to Netherlands law:

Taylor Wessing N.V.

Parnassusweg 803–805A
1082 LZ Amsterdam
The Netherlands

**Legal Advisors to the Sole Sponsor and
the [REDACTED]**

As to Hong Kong laws

Jingtian & Gongcheng LLP

Suite 3203–3209, 32/F
Edinburgh Tower
The Landmark
15 Queen’s Road Central
Hong Kong

As to PRC law

Jingtian & Gongcheng

34/F, Tower 3, China Central Place
77 Jianguo Road
Beijing, China

**Independent Auditor and Reporting
Accountants**

Ernst & Young

Certified Public Accountants

Registered Public Interest Entity Auditor

27/F, One Taikoo Place
979 King’s Road
Quarry Bay
Hong Kong

Industry Consultant

Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.

Room 2504–2505, Wheelock Square
1717 Nanjing West Road
Shanghai, China

[REDACTED]

[•]

CORPORATE INFORMATION

Headquarters	Kabelweg 57 1014BA Amsterdam The Netherlands
Principal place of business in Hong Kong	19th Floor, Golden Centre 188 Des Voeux Road Central Hong Kong
Registered office in the Cayman Islands	Palm Grove Unit 4 265 Smith Road, George Town P.O. Box 52A Edgewater Way Grand Cayman KY1-9006 Cayman Islands
Company website	<u>www.tenways.com</u> <i>(the information contained on this website does not form part of this document)</i>
Joint company secretaries	Ms. Yanjun Chen (陳妍筠女士) No. 26, Weizai West, Nanshan District, Shenzhen City, Guangdong Province Ms. Fung Yan Chi Yammie (馮恩慈女士) 19th Floor, Golden Centre 188 Des Voeux Road Central Hong Kong
Authorized representatives	Mr. Kai Cheng (程楷先生) D2-101 Gemdale City Crown Chaoyang District Beijing PRC Ms. Fung Yan Chi Yammie (馮恩慈女士) <i>(an associate member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute)</i> 19th Floor, Golden Centre 188 Des Voeux Road Central Hong Kong
Audit committee	Mr. Chung Yin Pak (白仲賢先生) (<i>Chairperson</i>) Mr. Wai-Chan Chan (陳維贊先生) Mr. Dennis Robin de Breij
Remuneration committee	Mr. Wai-Chan Chan (陳維贊先生) (<i>Chairperson</i>) Mr. Chung Yin Pak (白仲賢先生) Mr. Xiaoling Liang (梁霄凌先生)

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CORPORATE INFORMATION

Nomination committee	Mr. Dennis Robin de Breij (<i>Chairperson</i>) Mr. Wai-Chan Chan (陳維贊先生) Ms. Jianan Li (李嘉楠女士)
Principal share registrar and transfer office	Campbells Corporate Services Limited Floor 4 Willow House Cricket Square Grand Cayman KY1-9010 Cayman Islands
Hong Kong Share Registrar	Computershare Hong Kong Investor Services Limited Shops 1712–1716, 17th Floor Hopewell Centre 183 Queen’s Road East Wan Chai, Hong Kong
Compliance advisor	Gram Capital Limited Room 1209, 12/F, Nan Fung Tower 88 Connaught Road Central Hong Kong
Principal banks	The Hongkong and Shanghai Banking Corporation Limited 1 Queen’s Road Central Central Hong Kong CITIBANK N.A. HONG KONG 3 Garden Road Central Hong Kong

INDUSTRY OVERVIEW

The information and statistics set out in this section and other sections of this document were extracted from different official government publications, available sources from public market research and other sources from independent suppliers, and from the independent industry report prepared by Frost & Sullivan (the “Frost & Sullivan Report”). We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the [REDACTED]. The information from official government sources has not been independently verified by us, the Sole Sponsor, [REDACTED], any of the [REDACTED], any of their respective directors and advisers, or any other persons or parties involved in the [REDACTED], and no representation is given as to its accuracy.

OVERVIEW OF GLOBAL E-BIKE MARKET

Definition and Classification

An e-bike, also known as an electric pedal assist cycle, refers to a bicycle equipped with an electric assistance system that provides power support in response to the rider’s pedaling input and riding conditions, thereby enhancing acceleration performance and overall riding efficiency. Pursuant to the European Standard EN15194, the continuous rated output power of e-bike motor generally does not exceed 250 watts. Electric assistance is activated only when the rider is continuously pedaling and is progressively reduced as the bicycle speed approaches 25 kilometers per hour, with assistance fully disengaged upon reaching such speed. As e-bikes rely primarily on human pedal power and are classified as non-motorized bicycles comparable to conventional bicycles in most jurisdictions, they generally do not require vehicle registration or a driving license. Owing to their convenience, regulatory friendliness and broad applicability, e-bikes have become a key product category for urban commuting and recreational riding.

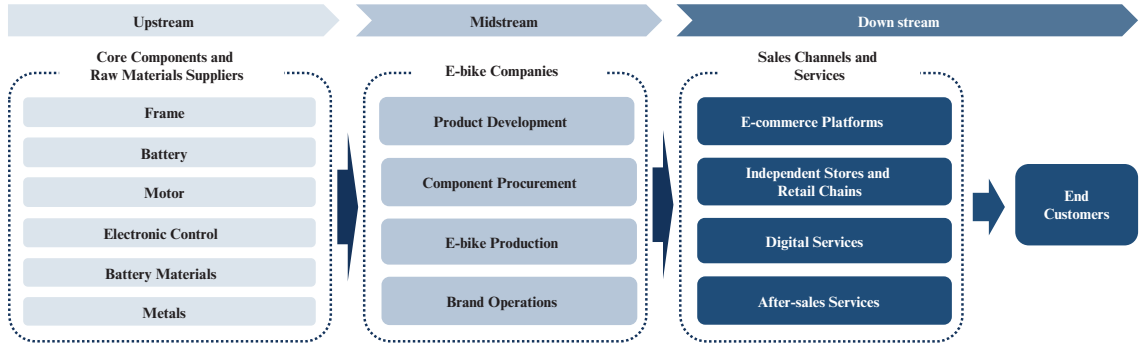
Based on differences in design, application scenarios and functional requirements, e-bikes can generally be categorized into the following types:

 Urban	 Trekking	 Mountain Biking (MTB)	 Others
Urban e-bikes are designed primarily for daily commuting and short-distance travel in urban environments. These models typically feature an upright riding posture and are equipped with integrated lighting systems, mudguards, chainguards and optional cargo racks. Their design emphasizes comfort, practicality and ease of use rather than off-road performance.	Trekking e-bikes combine characteristics of both urban and mountain e-bikes. They are typically equipped with more robust frames and higher load-capacity components, enabling operation across a wide range of conditions from paved roads to light off-road terrain. These models are suitable for long-distance riding and multi-scenario use.	Mountain e-bikes are designed to address complex and rugged terrain. These bicycles generally feature higher ground clearance, wider tires and reinforced frames, together with advanced suspension systems and relatively higher-power motors, making them suitable for off-road riding on mountainous terrain, muddy paths and other unpaved surfaces.	Other categories include cargo, performance, folding and speed e-bikes, which address specialized and diversified usage scenarios and continue to expand the functional scope and application boundaries of e-bikes.

Value Chain of Global E-Bike Market

The e-bike industry value chain can be broadly divided into three segments: upstream supply of key raw materials and core components, midstream e-bike production, and downstream sales channels and digital services.

INDUSTRY OVERVIEW



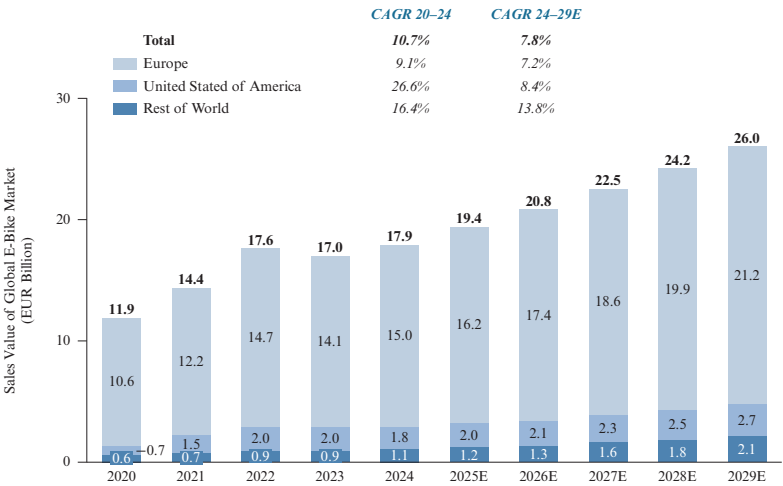
Source: Frost & Sullivan

Market Size of Global E-Bike Market

The sales value of the global e-bike market expanded from approximately €11.9 billion in 2020 to approximately €17.9 billion in 2024, representing a CAGR of 10.7%. This growth was primarily driven by continual performance enhancements in core components, including battery technology, drive systems and intelligent control systems, increasing policy support for green and sustainable mobility across Europe and other major global markets, as well as the gradual release of consumer demand for higher-quality, intelligent and multi-scenario riding experiences.

Looking ahead, the global e-bike market is expected to reach approximately €26.0 billion by 2029, representing a CAGR of 7.8% from 2024 to 2029. With ongoing upgrades in powertrain systems, deeper integration of intelligent connectivity functions, and broader penetration of e-bikes across commuting, leisure and logistics use cases, together with increasing localization and strengthening of industrial supply chains in Europe and other regions and the maturation of product ecosystems, e-bikes are expected to play an increasingly important role in the evolution of global green mobility and light transportation systems.

Sales Value of E-Bike Market by Region (Global), 2020–2029E



Source: Confederation of the European Bicycle Industry(CONEBI), U.S. Department of Energy, Frost & Sullivan

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Market Drivers of Global E-Bike Market

Urban Transportation Electrification: Against the backdrop of accelerating global trends toward green mobility and transportation electrification, the global transportation landscape is progressively shifting transportation systems from internal combustion engines to electric-powered alternatives in order to reduce fossil fuel consumption and improve environmental quality.

Environmental Regulations and Carbon Neutrality Targets: Under global carbon neutrality commitments and increasingly stringent environmental regulations, the transportation sector is accelerating its transition toward low-carbon and clean mobility.

Improvements in Electric Powertrain System Efficiency: Continuous technological advancements in motors, battery systems and electronic control units have significantly improved the range, power output and riding experience of e-bikes. Together with the ongoing enhancement of cycling infrastructure and urban transportation policies, rising consumer demand for assisted riding has increased the penetration of more efficient and compact drive systems.

Rising Consumer Health Awareness and Outdoor Cycling Culture: With rising public awareness of physical health and the growing popularity of outdoor sports and active lifestyles, e-bikes are increasingly viewed not only as transportation tools but also as an integral component of a healthy lifestyle.

Government Subsidies and Industrial Policy Support: Governments worldwide are promoting the adoption of e-bikes through purchase subsidies, tax incentives and infrastructure investment as part of broader low-carbon transportation strategies. For example, France provides purchase subsidies of up to 40% for electric bicycles designed for passenger or cargo transport, folding electric bicycles and adaptive electric bicycles. In parallel, industrial policies are driving standardization and technological upgrading across the industry. For instance, the European Union mandates upgrades to complete e-bikes, motors, electronic control systems and batteries under EU Machinery Regulation 2023/1230. Overall, the combined effect of fiscal incentives and industrial policies not only stimulates market demand but also accelerates supply chain upgrading and technological iteration.

Future Trends of Global E-Bike Market

Intelligence and Connectivity: The advancement of digital technologies and connectivity solutions is accelerating the integration of intelligent and connected functions into e-bikes.

Product Premiumization and Multi-Scenario Segmentation: Rising consumer demand for higher-quality mobility solutions is driving e-bikes toward premiumization and more clearly defined segmentation across usage scenarios.

Expansion of Sharing and Subscription Models: The growth of urbanization and increasing last-mile mobility demand are accelerating the adoption of shared and subscription-based e-bike models.

OVERVIEW AND COMPETITIVE LANDSCAPE OF E-BIKE MARKET IN EUROPE

Market Size of E-Bike Market in Europe

Sales Value and Growth Rate of E-Bike Market in Europe

The sales value of e-bike market in Europe increased from approximately €10.6 billion in 2020 to approximately €15.0 billion in 2024, representing a CAGR of 9.1%. Market growth during this period was driven by multiple structural factors, including strengthened EU carbon reduction and sustainable mobility policies, continued support through subsidies, tax incentives and infrastructure investments across the European countries, and the maturity of urban cycling culture, under which e-bikes have increasingly become an important mobility solution for short-distance commuting, urban transportation and leisure activities. From 2022 to 2023, the electric bicycle market experienced a period of short-term adjustment, primarily reflecting the lagged impact of global supply chain disruptions during the COVID-19 period. Given the relatively long supply chain and

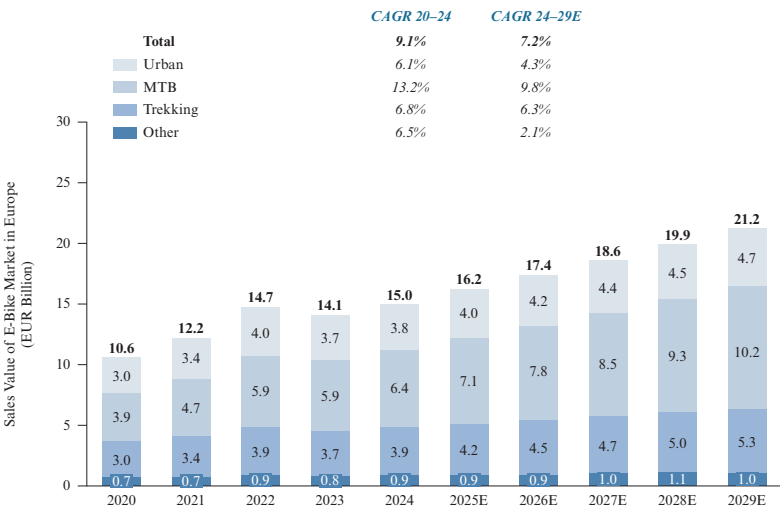
INDUSTRY OVERVIEW

production cycles of the electric bicycle industry, lead times for certain key components were extended during the pandemic, resulting in delayed market supply as demand normalized in the post-COVID recovery phase. Against this backdrop, inventory levels across the supply chain increased, and market participants implemented pricing and promotional adjustments to support inventory turnover. As a result, average selling prices recorded a moderate adjustment, and the overall market size showed a temporary moderation during the period from 2022 to 2023. Since 2024, inventory pressures have been gradually alleviated, and such adjustments are expected to continue to ease through 2025, contributing to a progressive stabilization of market conditions.

In addition, technological advancements in batteries, motors and electronic control systems significantly improved riding performance and user experience, accelerating replacement demand. Persistently high energy prices and rising costs associated with private vehicle ownership further enhanced consumer acceptance of e-bikes as a cost-efficient alternative.

Looking forward, the e-bike market in Europe is expected to evolve toward premiumization, multi-purpose applications and deeper integration of intelligent functions. Ongoing improvements in powertrain systems, connectivity features, safety standards and overall e-bike quality are expected to support the expansion of scenario-specific products, including long-range commuting models, off-road MTB models, trekking models, as well as other categories such as cargo, folding and leisure models, resulting in an increasingly diversified product structure. Supported by higher levels of supply chain localization, further refinement of regulatory frameworks and the continued maturation of the industry ecosystem, the market is expected to maintain steady growth. Sales value is projected to reach approximately €21.2 billion by 2029, with a CAGR of 7.2% from 2024 to 2029.

Sales Value of E-Bike Market by Application Scenario (Europe), 2020–2029E



Source: Confederation of the European Bicycle Industry(CONEBI), Frost & Sullivan

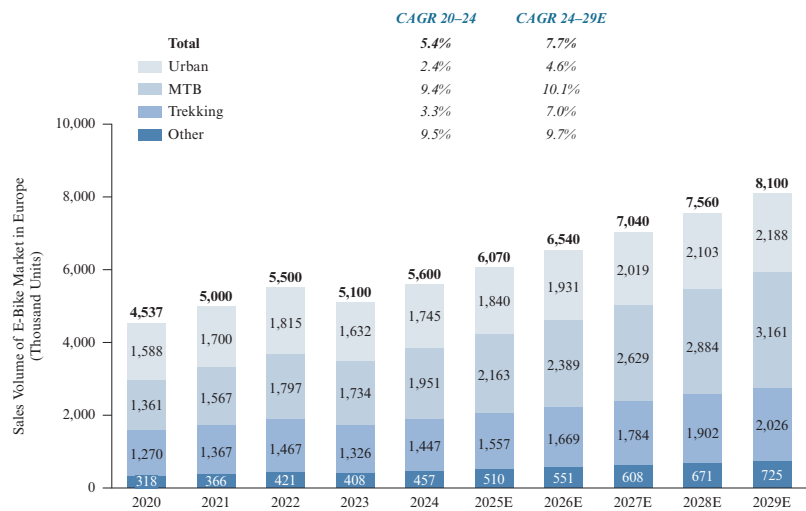
Sales Volume and Growth Rate of E-Bike Market in Europe

In terms of sales volume, the e-bike market in Europe demonstrated steady expansion, with total sales volume increasing from approximately 4,537 thousand units in 2020 to approximately 5,600 thousand units in 2024, representing a CAGR of 5.4%. Volume growth during this period was supported by sustained demand for short-distance commuting solutions, widespread adoption of e-bikes in daily urban mobility, and expanding application scenarios, including off-road riding, physical exercise and leisure activities. Improvements in affordability, product reliability and riding comfort further supported broader consumer adoption across different age groups. Looking ahead, supported by continued infrastructure development and replacement demand for

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higher-performance models, the e-bike market in Europe is expected to maintain steady growth, with sales volume projected to reach approximately 8,100 thousand units by 2029, representing a CAGR of 7.7% from 2024 to 2029.

Sales Volume of E-Bike Market by Application Scenario (Europe), 2020–2029E



Source: Confederation of the European Bicycle Industry (CONEBI), Expert Interview, Frost & Sullivan

Sales Volume and Growth Rate of E-Bike Market in Europe (by Sales Channel)

In terms of sales channels, the European e-bike market remains predominantly offline, while online channels have been growing at a faster pace. Offline sales volume increased from approximately 3,675 thousand units in 2020 to approximately 4,312 thousand units in 2024, representing a CAGR of 4.1%. Growth was supported by consumers’ preference for test riding, professional fitting, and after-sales services and maintenance provided by specialty bicycle retailers and dealer networks. Offline sales volume is projected to increase to approximately 6,037 thousand units by 2029, representing a CAGR of 7.0% from 2024 to 2029, driven by replacement demand and the continued expansion of service-oriented retail networks.

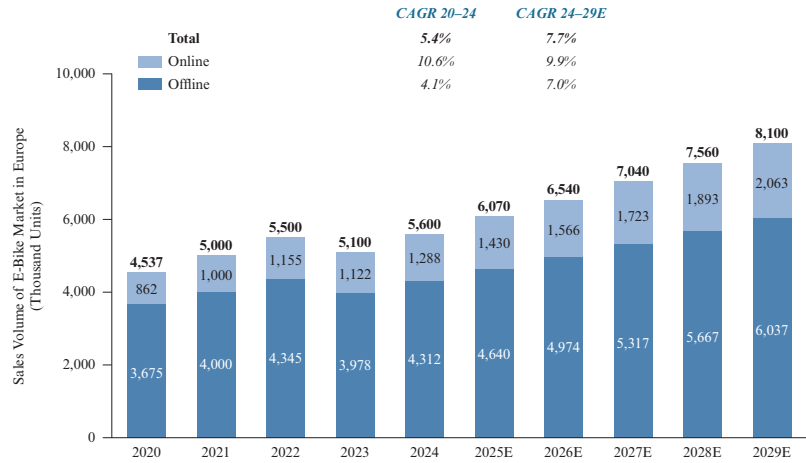
Online sales volume increased from approximately 862 thousand units in 2020 to approximately 1,288 thousand units in 2024, achieving a higher CAGR of 10.6%, reflecting increasing acceptance of direct-to-consumer models, improved logistics capabilities and growing consumer confidence in online purchasing of standardized products. Online sales volume is expected to reach approximately 2,063 thousand units by 2029, representing a CAGR of 9.9% from 2024 to 2029, with penetration expected to continue to increase alongside the integration of online ordering with offline delivery and service models.

Against this backdrop of differentiated channel growth dynamics, the structural characteristics of various offline retail formats also have a material impact on the overall market development and growth trajectory of the European e-bike market. Retail chain distributors typically operate at large scale with extensive store networks and strong financial capacity, allowing them to place sizable orders and absorb significant inventory. As these channels are generally multi-brand and professionally managed, their brand switching costs are relatively low and price sensitivity is high, resulting in more intense competition among e-bike brands. During industry upcycles, retail chains enable rapid market entry by allowing brands to access multiple stores at once, while in downcycles, heightened intra-channel competition and aggressive pricing for destocking may pressure margins and brand positioning of e-bike brands. Independent stores, in contrast, operate on a smaller scale with lower inventory levels and typically carry a limited number of brands, leading to lower price sensitivity and stronger brand loyalty. Although expansion through independent stores is slower, their higher channel stickiness and limited price competition often provide e-bike brands with a more

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stable and predictable revenue base across industry cycles. Accordingly, independent bicycle dealers currently remain the predominant offline distribution channel in the European e-bike market, supported by their service-oriented business model and closer customer relationships.

Sales Volume of E-Bike Market by Sales Channel (Europe), 2020–2029E



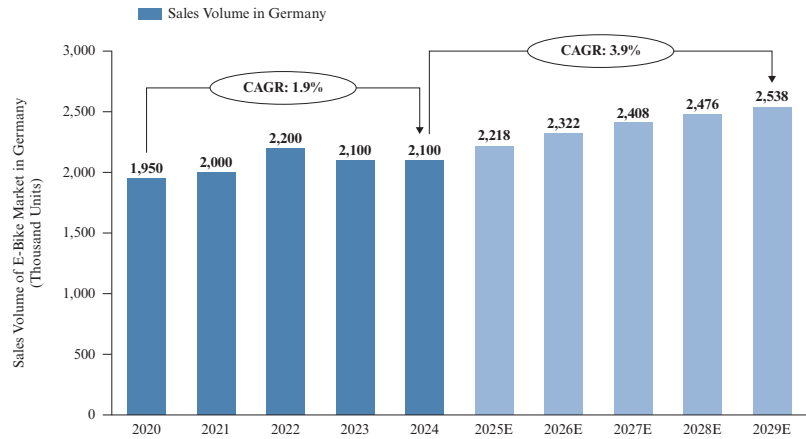
Source: Confederation of the European Bicycle Industry(CONEBI), Expert Interview, Frost & Sullivan

Sales Volume and Growth Rate of E-Bike Market in Germany

The German e-bike market demonstrated moderate but resilient growth in terms of sales volume. Total sales volume increased from approximately 1,950 thousand units in 2020 to approximately 2,100 thousand units in 2024, representing a CAGR of 1.9%. During this period, e-bike sales volumes in 2023 saw a modest decline due to elevated inventory levels following the pandemic era demand surge, prompting short-term inventory corrections and reduced ordering. During the pandemic, supply chain disruptions extended lead times for key components, contributing to delivery delays and inventory accumulation, consistent with European market dynamics. Combined with short-term market fluctuations and competitive pressure from illicit imports, these factors contributed to the observed slowdown in Germany’s unit sales.

Looking ahead, supported by replacement demand, and broader adoption of utility-oriented use, total sales volume in Germany is projected to reach approximately 2,538 thousand units by 2029, implying a CAGR of 3.9% from 2024 to 2029.

Sales Volume of E-Bike Market (Germany), 2020–2029E



Source: Confederation of the European Bicycle Industry(CONEBI), ZIV — German Bicycle Industry, Expert Interview, Frost & Sullivan

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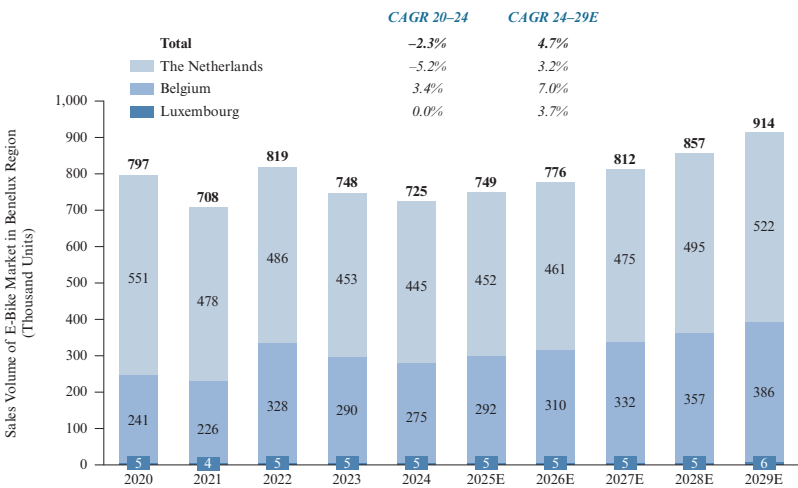
Sales Volume and Growth Rate of E-Bike Market in Benelux Region

The Benelux Region, comprising Belgium, the Netherlands and Luxembourg, is a highly integrated economic area in Western Europe and an early adopter of cross-border cooperation frameworks. The region is characterized by high population density, advanced infrastructure, strong purchasing power and a mature consumer market. With a long-established cycling culture, particularly in the Netherlands and Belgium, Benelux represents one of Europe’s most developed markets for bicycles and e-bikes, supported by extensive cycling infrastructure, favorable urban planning and strong policy support for sustainable mobility. The region also serves as an important logistics and distribution hub for Europe, benefiting from well-developed ports, transport networks and proximity to major European markets.

The e-bike market in the Benelux region experienced a period of adjustment followed by a gradual stabilization and return to growth from 2020 to 2024. Total sales volume decreased from approximately 797 thousand units in 2020 to approximately 725 thousand units in 2024, representing a CAGR of approximately -2.3%. Such changes primarily reflected post-pandemic demand normalization as well as inventory adjustments across major markets within the region. Within the Benelux region, the Netherlands remained the largest market by sales volume. Market performance was affected by supply and delivery constraints in 2021 and comparatively subdued consumer demand in subsequent years, in line with the overall contraction of the e-bike market in Europe during the period. By comparison, the Belgian market exhibited moderate fluctuations, reflecting the increasing adoption of e-bikes as a mobility solution, while also reflecting broader market adjustments associated with inventory accumulation.

Looking forward, supported by recovery in replacement demand and continued expansion of utility use cases, total sales volume in the Benelux region is projected to increase to approximately 914 thousand units by 2029, representing a CAGR of 4.7% from 2024 to 2029. Growth is expected to be increasingly driven by Belgium and Luxembourg, alongside gradual stabilization in the Netherlands market.

Sales Volume of E-Bike Market by Country (Benelux Region), 2020–2029E



Source: Confederation of the European Bicycle Industry (CONEBI), Expert Interview, Frost & Sullivan

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Ranking and Market Share of E-Bike Companies in Europe

The global e-bike market presents relatively high barriers to entry, primarily arising from the need for product development capabilities across engineering, power electronics and battery systems, compliance with regulatory and certification requirements, and the establishment of supply chain, distribution and after-sales service networks. Accordingly, competition in the global e-bike industry is driven by technological capabilities, regulatory compliance, manufacturing scale and brand positioning.

In 2024, the top five e-bike companies in Europe accounted for approximately 33.9% of total sales volume, indicating a moderately fragmented market structure. Within this competitive landscape, market participants can generally be grouped into two segments based on scale. Companies at scale, typically defined as companies with annual e-bike sales exceeding 50,000 units, tend to benefit from economies of scale, stronger supplier relationships and more established distribution networks. In contrast, emerging companies are usually smaller in scale but often compete through differentiated product designs, technological innovation or targeted market positioning. Under such market conditions, established industry groups with strong brand recognition, diversified product portfolios, advanced technologies and efficient supply chain capabilities are generally better positioned to strengthen their market presence through ongoing product upgrades, channel consolidation and selective acquisitions, and are expected to benefit from gradual industry consolidation over the medium to long term.

In 2025, the Company achieved sales of over 50,000 e-bikes in Europe, becoming the fastest-growing e-bike company in Europe to attain company-at-scale status within five years, highlighting its rapid market expansion and operational scalability.

Ranking and Market Share of Top Five E-Bike Companies in terms of Sales Volume (Europe), 2024

Ranking	E-Bike Companies	Sales Volume of E-Bikes in Europe (thousand unit)	Market Share (%)
1	Company A	662.5	11.8%
2	Company B	398.9	7.1%
3	Company C	349.3	6.2%
4	Company D	281.0	5.0%
5	Company E	211.1	3.8%
	Top five	1,902.8	33.9%
	Total	5,600.0	100.0%

Notes:

1. Company A is a private company, founded in 1867 and headquartered in the Netherlands. It is primarily engaged in the transport and mobility sector, with significant activities in the development and manufacture of bicycles, e-bikes, and related cycling products, with a diversified portfolio of brands.
2. Company B is a private company, founded in 1983 and headquartered in Germany. It is mainly engaged in the design and manufacture of bicycles, e-bikes, and related cycling products.
3. Company C is a private company, founded in 1998 and headquartered in the Netherlands. It is primarily engaged in the manufacture of bicycles, e-bikes, cargo bikes, parts and accessories, with a diversified portfolio of brands.
4. Company D is a company listed on the Taiwan Stock Exchange, founded in 1972 and headquartered in Taiwan. It is mainly engaged in the design, production, and worldwide distribution of bicycles, e-bikes, and related cycling products.
5. Company E is a private company, founded in 1976 and headquartered in the United States. It is primarily engaged in the design, manufacture, and global distribution of performance bicycles and e-bikes.

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Ranking and Market Share of E-Bike Brands in the Benelux Region

In 2024, the top five e-bike brands, ranked by sales volume of urban e-bikes, achieved combined sales of approximately 157.7 thousand units in the Benelux region, representing approximately 47.9% of total urban e-bike sales in the region. Against this backdrop, traditional brands with slower product renewal cycles or weaker technological competitiveness experienced downward pressure on their market share. In contrast, brands with strong product competitiveness, active new product launches and rapid channel expansion capabilities were better positioned to retain or enhance their market presence.

In 2024, the Company Brand ranked fifth among e-bike brands in the Benelux market based on sales volume of urban e-bikes, with a market share of approximately 5.9%, and the company’s brand was the fastest-growing e-bike brand in Benelux region during 2022 to 2024 in terms of e-bikes sales volume.

Ranking and Market Share of Top Five E-Bike Brands in terms of Sales Volume of Urban E-bikes (Benelux Region), 2024

Ranking	E-Bike Brands	Sales Volume of Urban E-Bike in the Benelux Region (thousand unit)	Market Share (%)
1	Brand A	44.8	13.6%
2	Brand B	39.9	12.1%
3	Brand C	32.5	9.9%
4	Brand D	21.2	6.4%
5	The Company Brand	19.3	5.9%
	Top five	157.7	47.9%
	Total	329.5	100.0%

Notes:

1. The Company’s brand data is provided by the Company.
2. Brand A is a Dutch bicycle brand originating from the Netherlands, launched in 1892, operating as part of a privately held, Netherlands-based global bicycle group and primarily engaged in the design and manufacture of high-quality urban and trekking e-bikes, with an emphasis on commuter and everyday transportation use cases.
3. Brand B is a bicycle brand originating from Germany, launched in 1993, operating as part of a privately held, German-based global bicycle manufacturers and primarily engaged in developing and manufacturing premium e-bikes and performance-oriented e-bikes, with a strong presence in MTB and trekking segments.
4. Brand C is a bicycle brand originating from the Netherlands, launched in 2006, operating as part of a privately held, Netherlands-based bicycle group, and is primarily engaged in the design and manufacture of urban-oriented bicycles and e-bikes, with a focus on daily commuting, lifestyle mobility, and city riding applications.
5. Brand D is a bicycle brand originating from the Netherlands, launched in 1904, operating as part of a Netherlands-based global bicycle group, and is primarily engaged in the design and manufacture of bicycles and e-bikes, with a strong focus on urban mobility, commuting, and leisure cycling applications across European markets.

Market Drivers of E-Bike Market in Europe

Policy Support and Tax Incentives: Across Europe, governments continue to promote the adoption of e-bike through purchase subsidies, tax incentives and green mobility support schemes. These fiscal measures reduce initial ownership costs and improve affordability, thereby increasing consumer adoption and demand elasticity. The inclusion of e-bikes within carbon reduction initiatives, urban commuting frameworks and sustainable mobility planning has positioned e-bikes as an important instrument for achieving carbon neutrality targets and improving air quality. The consistency of policy direction and continuity of fiscal support provides long-term institutional backing for the expansion of the e-bike market in Europe.

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Cycling Culture and Urban Infrastructure Development: Europe’s long-established cycling culture, together with continuous improvements in urban cycling infrastructure, provides a solid foundation for e-bike market growth. In cities such as Amsterdam and Copenhagen, bicycles and e-bikes are mainstream modes of commuting and daily transportation. The expansion of dedicated cycling lanes and improvements in road design and safety standards have enhanced riding convenience and safety. In addition, high urban density, traffic congestion and limited parking availability further incentivize residents to adopt flexible, cost-efficient and environmentally friendly transportation options, thereby supporting sustained demand for e-bikes.

High Energy Prices and Rising Commuting Costs: Persistently high fuel prices and rising costs associated with private ownership in Europe are driving consumers toward more economical commuting alternatives. As a zero-fuel, low-maintenance transportation option, e-bikes have become an increasingly attractive choice for urban commuters. Compared with internal combustion engine vehicles, e-bikes significantly reduce commuting expenses and help users avoid exposure to fuel price volatility, road taxes and vehicle-related fees, thereby strengthening their cost competitiveness.

Upgrading of E-Bike Performance and Safety Standards: The e-bike market in Europe is undergoing a transition toward higher performance, greater reliability and increased professionalization, driven by continuous upgrades in e-bike performance and safety standards. Improvements in batteries, motors, drive systems and e-bike structures, together with higher requirements for durability, comfort, range and safety, have strengthened consumer preference for mid- to high-end models suitable for multiple riding scenarios. The growing adoption of higher-performance configurations, including mid-drive systems, reflects rising expectations for riding experience and e-bike capability among European consumers.

Future Trends of E-Bike Market in Europe

Intelligent Connectivity and Digital Riding Experience: In Europe, e-bikes are increasingly evolving from traditional transportation tools into intelligent mobility terminals. The expansion of shared mobility and public fleet applications has increased demand for connected e-bikes equipped with remote management, GPS positioning and fleet dispatch capabilities. Digital features such as IoT connectivity, smart locks, mobile applications, remote diagnostics, navigation and subscription-based services enhance convenience, safety and service quality. Intelligent riding experiences improve product value, deepen brand-user engagement and support the penetration of mid- to high-end models as well as new service-oriented business models.

Application of New Technologies: Driven by technological progress and rising user expectations, the European e-bike industry is entering a new phase of innovation. Hub motors remain widely used in urban and lightweight models due to their simplicity and low maintenance requirements, while mid-drive systems continue to dominate mountain, trekking and mid- to high-end segments due to superior performance. Battery technology is advancing toward higher energy density and longer service life, while belt-drive systems are gaining adoption for improved durability and reduced maintenance. Production processes are increasingly incorporating flexible and automated systems to support product diversification and premiumization.

Omnichannel Sales Integration: Sales channels for e-bikes in Europe are accelerating toward omnichannel integration. While physical retail stores remain the primary sales channel, e-commerce and click-and-collect models are growing rapidly and enhancing customer reach. Leading brands increasingly combine direct-to-consumer online sales with offline test rides, professional assembly and service networks. This integration improves sales efficiency, strengthens consumer trust and supports broader market penetration across Europe.

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Rising Brand Concentration and Accelerating Mergers and Acquisitions: As the European e-bike market continues to expand and competition intensifies, the industry is moving toward higher brand concentration and resource integration. Manufacturers with stronger capital strength and technological capabilities are consolidating their market positions through mergers, acquisitions and strategic cooperation, while smaller players face increasing consolidation pressure. Higher brand concentration supports economies of scale, cost efficiency and stronger supply chain control, while enhancing consumer trust and brand recognition.

Localization of Production and European Supply Chain Restructuring: As European countries place greater emphasis on supply chain resilience, security and local economic contribution, the e-bike industry is gradually shifting from reliance on Asian imports toward localized production and regional supply chain restructuring within Europe. More brands and start-ups are establishing assembly facilities in Europe or cooperating with suppliers in Central and Eastern Europe to localize key components, and e-bike production. The adoption of flexible production systems and robotic automation has improved production efficiency and customization capabilities, enhancing supply chain responsiveness. This trend strengthens supply chain security, delivery efficiency and the “Made in Europe” brand positioning, supporting long-term competitiveness.

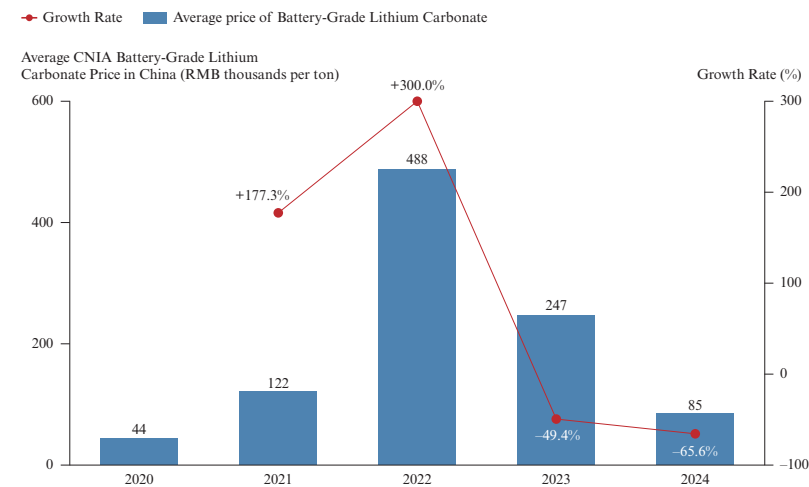
Stricter Regulations and Standard Harmonization: With growing regulatory emphasis on safety, environmental performance and consumer protection, stricter regulation and standard harmonization are becoming key drivers of industry development in Europe. Unified standards require manufacturers to improve e-bike frame and component quality, battery and electronic control safety, as well as production and testing processes. While these requirements raise entry thresholds, they also improve overall industry quality, strengthen market confidence and support standardized and sustainable industry development.

Raw Materials Price Trend

The average price of battery-grade lithium carbonate in China increased from approximately RMB44 thousand per ton in 2020 to RMB85 thousand per ton in 2024, representing a CAGR of approximately 17.9% over the same period. Entering 2020, battery-grade lithium carbonate prices remained at a relatively low level due to prior capacity expansion and a temporary slowdown in downstream demand. As demand from the new energy vehicle industry expanded rapidly and supply growth lagged behind, battery-grade lithium carbonate prices rose sharply to RMB122 thousand per ton in 2021. After that, the average price of battery-grade lithium carbonate continued to surge amid intensified supply-demand imbalance and speculative stocking activities, reaching a peak of RMB488 thousand per ton in 2022. In 2024, following significant capacity releases, inventory adjustments and a correction from the previous price spike, the average price declined and stabilized at approximately RMB85 thousand per ton. In the future, battery-grade lithium carbonate prices are expected to fluctuate within a rational range as supply-side expansion gradually aligns with downstream demand growth, with market dynamics driven by capacity discipline, cost structures and the pace of electric vehicle penetration.

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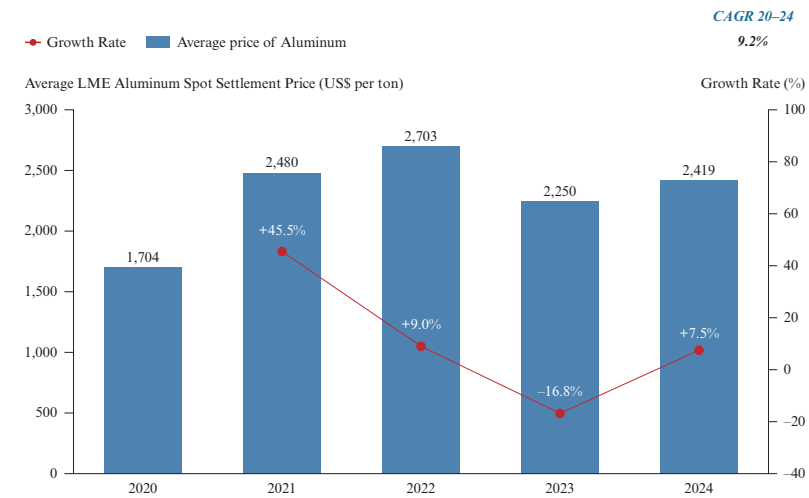
Average Battery-Grade Lithium Carbonate Price (China), 2020–2024



Source: China Nonferrous Metals Industry Association (CNIA), Frost & Sullivan

The average price of aluminum increased from approximately US\$1,704 per ton in 2020 to US\$2,419 per ton in 2024, representing a CAGR of approximately 9.2% over the same period. Entering 2020, the COVID-19 pandemic and subsequent global supply chain disruptions caused the demand for raw materials to fluctuate significantly, with aluminum prices initially suppressed by industrial lockdowns. As a key raw material for e-bike frames and components, market demand for aluminum surged during the recovery phase, leading to a rapid increase in prices from around US\$1,704 per ton in 2020 to US\$2,480 per ton in 2021. After that, the average price of aluminum continued to rise due to surging energy costs and geopolitical instability affecting smelting operations, reaching a peak of US\$2,703 per ton in 2022. In 2024, the average price of aluminum stabilized at approximately US\$2,419 per ton. In the future, the market demand for aluminum is expected to continue to grow, driven by the accelerating global transition toward electric mobility and lightweight automotive structures, thereby supporting a stable increase in the price of aluminum.

Average Aluminum Price (Global), 2020–2024



Source: London Metal Exchange(LME), Frost & Sullivan

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Entry Barriers of E-Bike Market in Europe

Supply Chain Complexity and Localized Production: The European e-bike supply chain involves metal components, battery packs, motors and electronic control systems, making stable and compliant sourcing increasingly complex. Volatility in semiconductor supply, battery raw material prices, metals and energy costs directly affects cost structures and supply reliability. In addition, localized production requirements increase investment in facilities, labor and regulatory compliance, making supply chain complexity and localization costs important entry barriers for new entrants.

Market Competition, Brand and Channel Barriers: The European market is dominated by established brands with comprehensive product portfolios, strong brand recognition, mature distribution channels and extensive after-sales service networks. High consumer expectations regarding quality, safety and service reliability limit opportunities for under-resourced entrants. Dealer relationships, service infrastructure and brand loyalty further constrain rapid market entry and large-scale expansion.

Intellectual Property and Patent Protection: Core technologies related to motors, control systems, connectivity, battery management and frame design are extensively protected by patents. Strong patent portfolios create substantial competitive barriers, particularly in high-end and smart e-bike segments. New entrants are required to invest significantly in research and development, licensing or strategic partnerships to avoid infringement risks, increasing upfront costs and market entry difficulty.

SOURCES OF INFORMATION

We commissioned Frost & Sullivan to analyse and prepare a report regarding global e-bike market as well as e-bike market in Europe. Frost & Sullivan is an independent global consulting firm founded in 1961 in New York that offers industry research and market strategies and provides growth consulting and corporate training. We agreed to pay a commission fee of RMB460,000 to Frost & Sullivan pursuant to a service agreement reached by arm’s length negotiation. Except as otherwise noted, all of the data and forecasts contained in this section are derived from the Frost & Sullivan Report. We have also referred to certain information in the “Summary,” “Risk Factors,” “Business” and “Financial Information” sections to provide a more comprehensive presentation of the industry in which we operate.

In preparing the report, Frost & Sullivan conducted both primary and secondary research and relied on various sources. The primary research was conducted via interviews with key industry experts and leading industry participants. The secondary research involved analysis of market data obtained from several publicly available data sources, such as the IMF, World Bank, Confederation of the European Bicycle Industry and other industrial associations. The market projections in the Frost & Sullivan Report are based on the following key assumptions: (i) the global social, economic, and political environment are expected to remain stable during the forecast period; (ii) global economic and industrial development are likely to maintain a steady growth in the forecast period; (iii) related industry key drivers are likely to drive the growth of the global e-bike market as well as e-bike market in Europe in the forecast period; and (iv) there is no extreme force majeure or industry regulation which may affect the market dramatically or fundamentally.

Our Directors confirm that, to the best of their knowledge, after making reasonable inquiries and exercising reasonable care, there is no material adverse change in the market information since the date of the relevant data contained in the Frost & Sullivan Report which may qualify, contradict or have an impact on the information in this section.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

OVERVIEW

We are a Europe-centric, innovation-driven e-mobility company, focusing on providing e-bike products that promote a healthy and sustainable lifestyle.

Our history began with our Founder, Mr. LIANG, utilizing his prior experience as chief executive officer and director of Leonis, to conceptualize our first e-bike CGO 600. Mr. LIANG then decided to venture out on his own to start the e-bike business by establishing Shenzhen Shifang in 2021 for our product development. Recognizing the potential for e-bikes in Europe, Mr. LIANG then decided to establish Tenways Technovation Europe B.V. and set our headquarters in the Netherlands, through which we commenced our operation. After four years of development, we have become a key player in the e-mobility industry.

From 2021 to 2024, we conducted five rounds of onshore financings, pursuant to which certain Pre-[REDACTED] Investors, including Gao Ling, Tencent and L Catterton invested in our business.

Our Company was incorporated as an exempted company with limited liability in the Cayman Islands on January 3, 2025 as the holding company of our subsidiaries. For details of our historical financing and corporate restructuring, please refer to the paragraphs headed “Pre-[REDACTED] Investments” and “Reorganization” in this section.

KEY BUSINESS MILESTONES

The following is a summary of our key business development milestones:

Year	Event
2021	Our first City E-bike CGO 600 was developed Establishment of Shenzhen Shifang as our Group’s product development center Gao Ling became our investor
2022	Incorporation of Tenways Technovation Europe B.V. in the Netherlands, serving as the Group’s global headquarters We completed our A round of Pre-[REDACTED] financing with Tencent as lead investor
2023	We launched the Hybrid E-Bikes We completed our B round of Pre-[REDACTED] financing with L Catterton as lead investor CGO800S was awarded the German Design Award CGO600 Pro was awarded the Reddot Winner
2024	We completed our B+ round of Pre-[REDACTED] financing with BA Capital Our products have been sold in more than 1,000 physical stores We launched the Cargo E-bikes
2025	Our European joint venture factory was established in Portugal CGO 009 was awarded the German Design Award

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

OUR SUBSIDIARIES

The following sets forth details of our subsidiaries:

Company	Principal business activities	Place of establishment	Date of establishment
Tenways Technovation Europe B.V.	Design, development and sales and marketing of e-bike products	the Netherlands	February 2, 2022
Tenways Technovation Limited	Investment holding	Hong Kong	October 17, 2019
Tenfold Sport Technovation Limited	Trading	Hong Kong	September 15, 2021
Shenzhen Shifang	Design and development of e-bike products, operational support, trading	PRC	May 25, 2021
Tengfeng Advanced Manufacturing	Procurement of e-bike components	PRC	December 8, 2023
Tenways Sport UK Limited	Sale of e-bike products	United Kingdom	March 3, 2023
Tenways Technovation Inc.	Sale of e-bike products	US	December 16, 2022
Tenfold HK	Investment holding	Hong Kong	February 5, 2025
Beijing Shitu	Investment holding	PRC	April 29, 2025
Shenzhen Shitu	Investment holding	PRC	May 27, 2025

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

CORPORATE DEVELOPMENT OF OUR GROUP

The following sets forth the major corporate history, shareholding changes and restructuring of our Group.

1. Establishment and Shareholding Evolution of Shenzhen Shifang

On May 25, 2021, Shenzhen Shifang was established as a limited liability company under the laws of the PRC with an initial registered capital of RMB15 million. The shareholding structure of Shenzhen Shifang upon its incorporation was set forth as below:

Name of Shareholders	Share Capital (RMB)	Shareholding Percentage (%)
Leonis ⁽¹⁾	12,000,000	80.00
Mr. Huang ⁽²⁾	1,500,000	10.00
Ms. Wen Luo (羅文) ⁽³⁾	750,000	5.00
Mr. LIANG	375,000	2.50
Mr. Sang	375,000	2.50
Total	15,000,000	100%

Notes:

- (1) Among the 80% shareholding held by Leonis, Leonis was entrusted to hold 32.5%, 10.0% and 1.0% equity interest in Shenzhen Shifang on behalf of Mr. LIANG, Mr. Jianxiong Liang (梁建雄) (a former director of Shenzhen Shifang, the legal representative and one of the shareholders of Leonis) and Mr. Sang, respectively. Leonis is owned in equal one-third interest by Mr. Jianxiong Liang (梁建雄), Mr. Linggen Liang (梁玲根) and Mr. Dingzhao Huang (黃定釗).
- (2) Among the 10% shareholding held by Mr. Huang, Mr. Huang was entrusted to hold the 6.5% equity interest in Shenzhen Shifang as employee incentive shares.
- (3) Ms. Wen Luo is the daughter of Chongquan Luo (羅冲權), a former director of Shenzhen Shifang.

On July 5, 2021, Leonis transferred RMB375,000 of the registered capital it held in Shenzhen Shifang, representing 2.5% equity interest in Shenzhen Shifang, to Ms. Yi Kang Sun, an independent third party, at nominal consideration. The registration with the administrative authority for such equity transfer was completed on July 6, 2021. On August 27, 2021, Leonis transferred RMB375,000 of the registered capital it held in Shenzhen Shifang, representing 2.5% equity interest in Shenzhen Shifang, to Mr. Lei Wang (王雷), an independent third party and an employee of the Company, at nominal consideration. The registration with the administrative authority for such equity transfer was completed on September 1, 2021.

In December 2021, in order to optimize the equity structure and reflect the actual shareholding ownership, the existing shareholders made the following share transfers to the following shareholding vehicles:

Mr. LIANG, Mr. Huang, Mr. Wang and Mr. Sang collectively established Tengwei No. 1 as a shareholding platform and transferred their respective shareholdings in Shenzhen Shifang to Tengwei No. 1. Tengwei No. 1 is a limited partnership registered in the PRC, its general partner is Pedelec Investment holding 0.1% of the partnership interest, and limited partners were Mr. LIANG, Mr. Sang, Mr. Huang and Mr. Wang, each holding as to 78.55%, 7.87%, 7.87% and 5.62% of the partnership interest, respectively.

The shareholders of Leonis collectively established Chuangying Capital and transferred their indirect shareholding in Shenzhen Shifang to Chuangying Capital and Mr. Jianxiong Liang (梁建雄), who is the legal representative and shareholder of Leonis. The general partner of Chuangying Capital was Guangzhou Chuangying Sports Technology Company Limited (廣州市創贏運動科技有限公司), a PRC company controlled by Mr. Jianxiong Liang (梁建雄) and owning as to one-third of the partnership interest. The limited partners of Chuangying Capital were Mr. Linggen Liang (梁玲根) and Mr. Dingzhao Huang (黃定釗), each owning as to one-third of the partnership interest.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

In addition, Mr. Huang transferred RMB975,000 of the registered capital in Shenzhen Shifang (representing 6.5% equity interest in Shenzhen Shifang) to Tengwei No. 2 as an employee shareholding platform. Tengwei No. 2 is a limited partnership registered in the PRC, its general partner is Pedelec Investment holding 0.1% of the partnership interest, and the sole limited partner was Mr. LIANG.

Upon completion of the above share transfers, the shareholding structure of Shenzhen Shifang was as set forth below:

Name of Shareholders	Share Capital (RMB)	Shareholding Percentage (%)
Tengwei No. 1	6,675,000	44.50
Chuangying Capital	4,725,000	31.50
Mr. Jianxiong Liang	1,500,000	10.00
Tengwei No. 2	975,000	6.50
Ms. Wen Luo	750,000	5.00
Ms. Yi Kang Sun	375,000	2.50
Total	15,000,000	100%

Mr. LIANG, Mr. Huang, and Mr. Sang collectively established Tengwei No. 3 as a shareholding platform for the RMB1,050,000 registered capital of Shenzhen Shifang (representing 5.44% equity interests of Shenzhen Shifang) purchased from Chuangying Capital on October 10, 2022 at a total consideration of RMB1,050,000. Tengwei No. 3 is a limited partnership registered in the PRC, its general partner is Pedelec Investment holding 0.1% of the partnership interest, and limited partners were Mr. LIANG, Mr. Sang and Mr. Huang, each holding as to 71.33%, 14.29% and 14.29% of the partnership interest, respectively.

In addition, in June 2023, Tengwei No. 4 subscribed for RMB1,525,903 registered capital of Shenzhen Shifang (representing 5.0% equity interests of Shenzhen Shifang) at par value of RMB1.0 per share, for employee incentive shareholding purposes. Tengwei No. 4 is a limited partnership registered in the PRC, its general partner is Pedelec Investment holding 0.1% of the partnership interest, and the sole limited partner was Mr. LIANG.

2. Pre-[REDACTED] Investments through Subscription of Registered Capital in Shenzhen Shifang

From 2021 to 2024, Shenzhen Shifang conducted five rounds of onshore financings, pursuant to which certain Pre-[REDACTED] Investors invested in our business. See “— Pre-[REDACTED] Investments” below for further details of the Pre-[REDACTED] Investments.

The shareholding structure of Shenzhen Shifang immediately following completion of the above share transfers and pre-[REDACTED] investments but before reorganization is set out as below:

Name of Shareholders	Share Capital (RMB)	Shareholding Percentage (%)
Ordinary Shareholders		
Tengwei No. 1	6,675,000	20.1028
Chuangying Capital	2,912,049	8.7701
Tengwei No. 4	1,525,903	4.5955
Mr. Jianxiong Liang	1,500,000	4.5175
Tengwei No. 3	1,050,000	3.1622
Tengwei No. 2	975,000	2.9364

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Name of Shareholders	Share Capital (RMB)	Shareholding Percentage (%)
Luxshare Precision Industrial Co., Ltd. (立訊精密工業股份有限公司) (“Luxshare Precision”) ⁽¹⁾	762,951	2.2977
Ms. Wen Luo	750,000	2.2587
Ms. Yi Kang Sun	375,000	1.1294
Preferred Shareholders		
Shanghai Gaoling Chenjun Equity Investment Partnership (Limited Partnership) (上海高瓴辰鈞股權投資合夥企業(有限合夥)) (“Shanghai Chenjun”)	5,553,061	16.7239
Guangxi Tencent Venture Capital Co., Ltd. (廣西騰訊創業投資有限公司) (“Guangxi Tencent”)	2,288,854	6.8932
Luwei Kaiteng No. 1 (Chengdu) Equity Investment Partnership (Limited Partnership) (路威凱騰壹號(成都)股權投資合夥企業(有限合夥)) (“L Catterton”)	2,085,401	6.2805
Jiaxing Dingyun Venture Investment Partnership (Limited Partnership) (嘉興鼎韞創業投資合夥企業(有限合夥)) (“Eastern Bell Capital”)	1,589,482	4.7870
Nanjing Huaying SME Development Fund Partnership (Limited Partnership) (南京華映中小企業發展基金合夥企業(有限合夥)) (“SME Huaying Fund”)	1,347,881	4.0594
Wuxi Gaoling Zhentai Equity Investment Partnership (Limited Partnership) (無錫高瓴禎泰股權投資合夥企業(有限合夥)) (“Wuxi Zhentai”)	1,267,347	3.8168
Hangzhou Haoxing Enterprise Management Partnership (Limited Partnership) (杭州灝星企業管理合夥企業(有限合夥)) (“Hangzhou Haoxing”)	953,689	2.8722
Suzhou Paiyi Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (蘇州湃益創業投資合夥企業(有限合夥)) (“Suzhou Paiyi”)	572,213	1.7233
Suzhou Yidaixin Enterprise Management Consulting Partnership (Limited Partnership) (蘇州逸代新企業管理諮詢合夥企業(有限合夥)) (“Suzhou Yixin”)	478,448	1.4409
Xiamen Heiyi No. 3 Equity Investment Partnership (Limited Partnership) (廈門黑蟻三號股權投資合夥企業(有限合夥)) (“Heiyi No. 3”)	478,448	1.4409
Ningbo Meishan Bonded Port Area Cygnus Xin Yong Investment and Consulting Co., Ltd. (寧波梅山保稅港區高鵠鑫甬投資諮詢有限公司) (“Cygnus Equity”)	63,579	0.1915
Total	33,204,306	100%

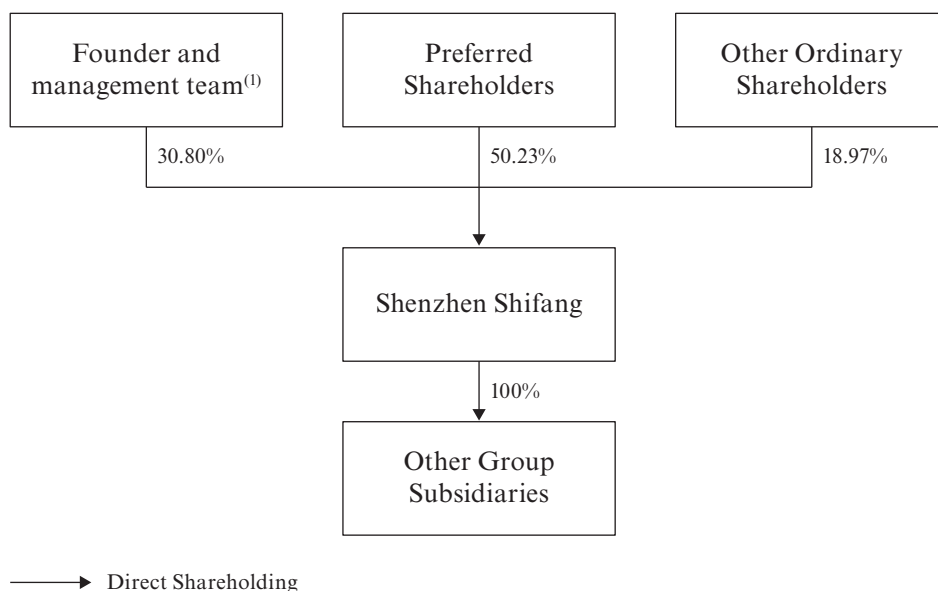
Notes:

- (1) Luxshare Precision purchased their shareholding from Chuangying Capital. Please see “Principal terms of the Pre-[REDACTED] Investments” in this section for details.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

REORGANIZATION

In 2025, we underwent reorganization of our corporate structure (the “**Reorganization**”). The following chart sets forth the simplified corporate structure of our Group immediately prior to the commencement of the Reorganization:



Notes:

- (1) The Founder and management team were holding their interests through Tengwei No. 1, Tengwei No. 2, Tengwei No. 3 and Tengwei No. 4, which are Ordinary Shareholders.

Step 1: Establishment of offshore corporate structure

Incorporation of Our Company

Our Company was incorporated as an exempted company with limited liability in the Cayman Islands on January 3, 2025 with an authorized share capital of US\$50,000 divided into 500,000,000 shares of a par value of US\$0.0001 each. Upon incorporation, our Company had the following shareholding structure:

Shareholder	Type of Shares	Number of Shares	Approx. Shareholding Percentage
Apex Innovate Limited ⁽¹⁾	Ordinary Shares	27,000,000	44.06%
Truewing Holding Limited ⁽²⁾	Ordinary Shares	10,264,700	16.75%
Velospace Holding Limited ⁽³⁾	Ordinary Shares	4,887,950	7.98%
Neilever Holding Limited ⁽⁴⁾	Ordinary Shares	4,887,950	7.98%
Best Eycles Holding Limited ⁽⁵⁾	Ordinary Shares	3,387,950	5.53%
Numerator Holding Limited ⁽⁶⁾	Ordinary Shares	3,339,700	5.45%
Syu Ling Holding Limited ⁽⁷⁾	Ordinary Shares	3,264,700	5.33%
Interpillars Holding Limited ⁽⁸⁾	Ordinary Shares	2,775,905	4.53%

Notes:

- (1) Apex Innovate Limited is a limited liability company established in the British Virgin Islands, ultimately beneficially owned by Mr. LIANG.
- (2) Truewing Holding Limited is a limited liability company established in the British Virgin Islands, ultimately beneficially owned by Mr. Jianxiong Liang.
- (3) Velospace Holding Limited is a limited liability company established in the British Virgin Islands, ultimately beneficially owned by Mr. Huang.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

- (4) Neilever Holding Limited is a limited liability company established in the British Virgin Islands, ultimately beneficially owned by Mr. Sang.
- (5) Best Eycles Holding Limited is a limited liability company established in the British Virgin Islands, ultimately beneficially owned by Mr. Wang.
- (6) Numerator Holding Limited is a limited liability company established in the British Virgin Islands, ultimately beneficially owned by Mr. Dingzhao Huang.
- (7) Syu Ling Holding Limited is a limited liability company established in the British Virgin Islands, ultimately beneficially owned by Mr. Linggen Liang.
- (8) Interpillars Holding Limited is limited liability company established in the British Virgin Islands, ultimately beneficially owned by Mr. Kai Cheng.

Incorporation of Intermediary Holding Companies

On January 13, 2025, Tenfold Holding Limited was incorporated in the British Virgin Islands as a direct wholly-owned subsidiary of our Company.

On February 5, 2025, Tenfold HK was incorporated in Hong Kong as a direct wholly-owned subsidiary of Tenfold Holding Limited.

In April and May 2025, Tenfold HK established two wholly-foreign owned enterprises in the PRC, namely Beijing Shitu and Shenzhen Shitu (collectively, the “WFOEs”).

Step 2: Allotment and issue of shares and warrants by the Company

In November 2025, to reflect the shareholding structure of Shenzhen Shifang at the level of our Company, all shareholders of Shenzhen Shifang or their affiliates entered into a share and warrant subscription agreement with, among others, our Company, to subscribe for Ordinary Shares, Preferred Shares or warrants (as the case may be) of the Company in proportion to their respective shareholding in Shenzhen Shifang. The allotment and issue of shares by the Company was completed on January 21, 2026.

Step 3: Capital Reduction of Shenzhen Shifang

As part of the Reorganization, all shareholders of Shenzhen Shifang resolved on November 12, 2025 that the Preferred Shareholders and Luxshare Precision will exit from Shenzhen Shifang via a capital reduction.

Step 4: Acquisition of Shenzhen Shifang by Beijing Shitu

Following completion of the capital reduction exercise, Beijing Shitu acquired Shenzhen Shifang from the remaining shareholders.

Upon completion of the Reorganization, Shenzhen Shifang became a wholly-owned subsidiary of the Company.

A diagram illustrating our corporate structure after completion of the Reorganization and immediately prior to the [REDACTED] is set out under “— Corporate structure before the [REDACTED]” in this section.

Compliance with PRC laws

Our PRC Legal Advisor confirmed that: (i) all necessary regulatory approvals or filings required under PRC Laws to effect the Reorganization have been obtained or made in all material respects regarding the Reorganization except that Shanghai Chenjun and Wuxi Zhentai had not acquired the business registration for foreign exchange and completed their ODI registration, and as confirmed by the relevant entities, each of them is in the process of filing with the business registration for foreign exchange and there is no substantial legal impediment for each of the entities to acquire the business registration for foreign exchange and complete its ODI registration; and (ii) all share transfers and changes in registered capital of Shenzhen Shifang as part of the Reorganization have complied with all applicable PRC Laws in all material respects.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

PRE-[REDACTED] SHARE INCENTIVE PLAN

As of the Latest Practicable Date, the Company had reserved share options to subscribe for an aggregate of 4,919,810 Shares under the Pre-[REDACTED] Share Incentive Plan, representing approximately [REDACTED]% of our Company’s issued share capital immediately after the [REDACTED] (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan). The Company will not grant further share options under the Pre-[REDACTED] Share Incentive Plan after the [REDACTED].

For more details of the Pre-[REDACTED] Share Incentive Plan, please refer to “Statutory and General Information — Pre-[REDACTED] Share Incentive Plan” in Appendix IV to this document.

VOTING PROXY AGREEMENTS

On January 3, 2025, each of Neilever Holding Limited, Velospace Holding Limited, Best Eycles Holding Limited, Interpillars Holding Limited and Mr. Amir Fazeli (together, “**Management Shareholders**”) entered into a voting proxy agreement (the “**Voting Proxy Agreements**”) with Mr. LIANG, pursuant to which each of the Management Shareholders unconditionally granted to Mr. LIANG an irrevocable proxy with respect to the rights of the total 19,484,705 Shares held by them at the general meetings of the Company, representing approximately 12.09% of the voting rights in our Company as of the Latest Practicable Date and approximately [REDACTED]% of the voting rights in our Company upon [REDACTED] (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan). The entrusted rights pursuant to the Voting Proxy Agreements include (i) attending shareholders’ meetings of the Company as proxy; (ii) exercising voting rights of the proxy Shares; (iii) proposing to convene shareholder’s meetings (if applicable); and (iv) other shareholder rights under the Articles of Association. By granting the voting rights of the Shares held by the Management Shareholders jointly to Mr. LIANG, the Voting Proxy Agreements is beneficial to the overall strategic planning and decision-making process of the Company.

The voting proxy arrangement shall be effective from the issuance of any Ordinary Share to the Management Shareholders until the earliest date upon which (i) the Management Shareholders and Mr. LIANG enter into a written agreement to terminate the Voting Proxy Agreement, (ii) the Share Holder ceases to own any Ordinary Shares in the Company, (iii) Mr. LIANG ceases to own, directly or indirectly, all of its Shares or voting rights in the Company or (iv) the expiry of one-year period from the date of the consummation of initial public offering of the Shares of the Company.

CONCERT PARTY ARRANGEMENT

Pursuant to the successive shareholders’ agreements dated October 28, 2022, November 10, 2023, January 5, 2024 and November 10, 2025 (the “**Shareholders’ Agreements**”), Mr. Jianxiong Liang, Mr. Dingzhao Huang, Mr. Linggen Liang (the “**Acting-in-Concert Shareholders**”) agreed that they or their respective controlled entities shall take actions in concert with Mr. LIANG or in accordance with Mr. LIANG’s instruction, for the period since the earliest date of the Shareholders’ Agreements until [REDACTED] (the “**Acting-in-Concert Arrangement**”). As agreed in the Shareholders’ Agreements, the Acting-in-Concert Arrangement is to consolidate and maintain Mr. LIANG’s control over the Group and will terminate upon qualified [REDACTED] of the Company.

As of the Latest Practicable Date, the Acting-in-Concert Shareholders collectively are interested in, and are entitled to exercise control over, an aggregate of approximately [42.38%] of the voting rights immediately prior to completion of the [REDACTED]. Accordingly, they are considered our controlling shareholders before [REDACTED] and will be subject to applicable lock-up requirements pursuant to Rule 10.07 of the Listing Rules upon completion of the [REDACTED].

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

The Acting-in-Concert Shareholders have confirmed that, the acting in concert arrangement is to consolidate and maintain Mr. LIANG’s control over the Group, they did not intend to exercise any common control over our Group and they do not intend to continue to act in concert with Mr. LIANG upon completion of the [REDACTED]. Accordingly, the Acting-in-Concert Arrangement will terminate upon completion of the [REDACTED].

OUR SINGLE LARGEST SHAREHOLDER

As of the Latest Practicable Date, Mr. LIANG was able to exercise 42.38% of the voting rights in our Company through (i) 27,150,000 Shares owned by him through Apex Innovate Limited; (ii) 19,484,705 Shares through the Voting Proxy Agreements; and (iii) 21,635,245 Shares through the Acting-in-Concert Arrangement, which will terminate upon [REDACTED].

Immediately upon completion of the [REDACTED], Mr. LIANG will be entitled to exercise control over an aggregate of approximately [REDACTED]% of the voting rights in our Company through (i) [27,150,000] Shares owned by him through Apex Innovate Limited; and (ii) [19,484,705] Shares through the Voting Proxy Agreements, assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan, and will continue to be the single largest Shareholder.

MAJOR ACQUISITIONS, DISPOSALS, AND MERGERS

During the Track Record Period and until the Latest Practicable Date, we did not conduct any major acquisitions, disposals, or mergers.

PRE-[REDACTED] INVESTMENTS

Overview

Between 2021 and 2024, we carried out five rounds of onshore Pre-[REDACTED] financing. See “— Corporate Development of our Group — Establishment of Shenzhen Shifang and onshore equity financings” for details. See “— Capitalization of Our Company” for the capital structure of our Company after such Pre-[REDACTED] Investments and as of the Latest Practicable Date.

Principal terms of the Pre-[REDACTED] Investments

The table below summarizes the principal terms of the Pre-[REDACTED] Investments:

Financing Round	Date of investment agreement	Date settled ⁽¹⁾	Number of shares subscribed for or acquired	Total funds raised (RMB)	Cost per share paid ⁽²⁾ (RMB)	Discount to the [REDACTED] ⁽³⁾	Post-money valuation (approx.) (RMB)
Series Pre-A	November 23, 2021	December 31, 2021	21,428,570	50,000,000	2.33	[REDACTED]%	225 million
Series A	October 28, 2022 and December 20, 2022	January 4, 2023	48,532,180	292,000,000	6.02	[REDACTED]%	842 million
Luxshare Precision’s Investment	November 9, 2023	November 27, 2023	3,814,755	25,000,000 ⁽⁴⁾	6.55	[REDACTED]%	1.00 billion
Series B	November 10, 2023	November 29, 2023	8,646,785	85,000,000	9.83	[REDACTED]%	1.59 billion
Series B+	January 5, 2024	January 17, 2024	4,784,480	50,000,000	10.45	[REDACTED]%	1.74 billion

Notes:

- (1) This refers to the date of last payment made by the relevant Pre-[REDACTED] Investors in the corresponding Pre-[REDACTED] Investment.
- (2) This is calculated based on the approximate proceeds raised by our Group following the Pre-[REDACTED] Investment, taking into account the effect of the Reorganization. For Series A round of investment, the cost per Share paid by Shanghai Chenjun and Wuxi Zhentai was approximately RMB5.15 and the cost per Share paid by other Series A investors was approximately RMB6.29. This was due to Shanghai Chenjun exercising warrants granted during Pre-A round of investment.
- (3) The discount to the [REDACTED] is calculated based on the assumption that the [REDACTED] is HK\$[REDACTED] per Share, being the midpoint of the indicative [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED].
- (4) Luxshare Precision’s investment was pursuant to a share transfer between previous shareholder, Chuangying Capital and Luxshare Precision, no new funds were raised by the Company.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Basis of consideration	The basis of consideration of each tranche of the Pre-[REDACTED] Investments was determined by the relevant Pre-[REDACTED] Investors through arm’s length negotiations between the parties based on the valuation of our Group at the time of the investment, taking into account the timing of the investment, the then status of the businesses carried out by our Group, the outlook/growth potential and financial performance of our Group, and the industry in which we operate in.
Use of proceeds from the Pre-[REDACTED] Investments	We utilized the proceeds from the Pre-[REDACTED] Investments for the operations of our Company and in accordance with the business plan or budget as approved by the Board. As of the Latest Practicable Date, approximately 88% of the funds raised from the Pre-[REDACTED] Investments had been utilized.
Lock-up	It is expected that lock-up undertakings will be given by the Pre-[REDACTED] Investors to the Sole Sponsor, pursuant to which the Pre-[REDACTED] Investors will agree that, subject to the terms of such lock-up undertakings, they will not, whether directly or indirectly, at any time during the period agreed by such Pre-[REDACTED] Investors and the Sole Sponsor dispose of any of the Shares held by such Pre-[REDACTED] Investors.
Strategic benefits of the Pre-[REDACTED] Investments	At the time of the Pre-[REDACTED] Investments, our Directors were of the view that in addition to providing additional capital for our Group’s continued growth, our Group could also benefit from the knowledge and experience of our Pre-[REDACTED] Investors. Moreover, our Directors were of the view that our Group could benefit from the Pre-[REDACTED] Investments as the Pre-[REDACTED] Investors’ investments demonstrated their confidence in the operations of our Group and served as an endorsement of our Company’s performance, strengths and prospects.

Special rights of the Pre-[REDACTED] Investors

Certain special rights were granted to our Pre-[REDACTED] Investors under the relevant agreements, such as redemption rights, preemptive rights, right of first refusal, right of co-sale, liquidation preferences, right to the adjustment of conversion price, right to appoint directors or observers on the board, information and inspection rights (the “**Special Rights**”). The redemption and liquidation preference shall be automatically terminated upon our first submission of an application for [REDACTED] (the “**Submission**”), provided in the event where (i) the Company fails to complete [REDACTED] within twenty-four (24) months after the Submission, and (ii) the [REDACTED] is withdrawn or rejected, such rights shall automatically be reinstated in full. All other Special Rights will terminate upon the completion of [REDACTED] and no Special Rights granted to the Pre-[REDACTED] Investors will survive after [REDACTED], in compliance with Chapter 4.2 of the Listing Guide.

All of the Preferred Shares will be converted into Ordinary Shares on a one-on-one basis prior to the completion of the [REDACTED], at which time our share capital will comprise of one class of shares, namely the Ordinary Shares.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Public float

Upon the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan), the Shares held by the following persons or entities will not be considered as part of the public float for the purpose of Rule 8.08 of the Listing Rules:

- 1) Apex Innovate Limited, as it is ultimately beneficially owned by Mr. Liang, our Founder and executive Director;
- 2) Amir Fazeli, our executive Director;
- 3) Interpillars Holding Limited, as it is ultimately beneficially owned by Mr. Kai Cheng, our executive Director;
- 4) Neilever Holding Limited, as it is ultimately beneficially owned by Mr. Sang, our executive Director;
- 5) Velospace Holding Limited, as it is ultimately beneficially owned by Mr. Huang, director of Tengfeng Advanced Manufacturing and Shenzhen Shifang;
- 6) Gao Ling, which will hold in excess of 10% of the issued shares of the Company and therefore constitute our substantial shareholder; and
- 7) Best Eycles Holding Limited, as it is one of the parties to the Voting Proxy Agreements.

Save as provided above, upon the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan), the Pre-[REDACTED] Investors and the remaining shareholders will collectively hold 80,364,975 Shares or approximately [43.90]% of the issued share capital of our Company. Save for Gao Ling, no other Pre-[REDACTED] Investor is a core connected person of our Company, as defined under the Listing Rules. Therefore, the Shares held by all the remaining Pre-[REDACTED] Investors will count towards the public float.

Pursuant to Rule 8.08(1) of the Listing Rules, (i) where the expected market value at the time of listing of our Company’s Shares does not exceed HK\$6 billion, at least 25% of the total number of Shares must at the time of [REDACTED] be held by the public; (ii) where the expected market value at the time of listing of our Company’s Shares exceeds HK\$6 billion but is less than HK\$30 billion, at least the higher of (a) the percentage that would result in the expected market value of such securities held by the public to be HK\$1.5 billion at the time of listing; and (b) 15% must at the time of [REDACTED] be held by the public. With respect to the indicative [REDACTED] Range of HK\$[REDACTED], HK\$[REDACTED] and HK\$[REDACTED] per [REDACTED] (being the low-end, mid-point and the high-end, respectively), the expected market capitalization of our Company’s Shares would not exceed HK\$6 billion at the low-end, mid-point and high-end of the [REDACTED] Range and the required public float percentage would be 25%.

As such, our Directors are of the view that our Company will be able to satisfy the public float requirement under Rule 8.08(1) of the Listing Rules.

Free Float

Rule 8.08A of the Listing Rules provides that, there must be sufficient shares for which listing is sought by a new applicant that are held by the public and available for trading upon listing. This will normally mean that the portion of shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 10% of the total number of issued shares in the class of shares for which listing is sought at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK\$50,000,000; or (b) have an expected market value at the time of listing of not less than HK\$600,000,000. To the best knowledge of our Directors, the [REDACTED] Shares to be issued pursuant to the [REDACTED] are expected to be held by the public and will not be subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise). Based on the low-end, mid-end and the high-end of the indicative [REDACTED] range, respectively, our Company will satisfy the free float requirements under Rule 8.08A of the Listing Rules.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Compliance with the Guide

On the basis that (i) [REDACTED] will take place more than 120 clear days after the completion of the Pre-[REDACTED] Investments, and (ii) the termination of special rights granted to the Pre-[REDACTED] Investors as disclosed in “— Special Rights of the Pre-[REDACTED] Investors” above, the Sole Sponsor confirm that the Pre-[REDACTED] Investments are in compliance with Chapter 4.2 of the Listing Guide.

Information on the Pre-[REDACTED] Investors

Set out below is a description of all of our Pre-[REDACTED] Investors. To the best knowledge of the Company, save for Hillhouse, each of the Pre-[REDACTED] Investors, together with their ultimate beneficial owners, is an independent third party.

Gao Ling

BJCZ Holdings Limited

BJCZ Holdings Limited is a limited liability company established in the British Virgin Islands and owned by Wuxi Gao Ling Zhentai Equity Investment Partnership (Limited Partnership) (無錫高瓴禎泰股權投資合夥企業(有限合夥)) (“**Wuxi Zhentai**”). Wuxi Zhentai is a limited partnership established under the laws of the PRC. Its general partner is Nanjing Gao Ling Zhenrui Investment Management Partnership (Limited Partnership) (南京高瓴禎瑞投資管理合夥企業(有限合夥)), and its investment manager is Zhuhai Gao Ling Private Fund Management Co., Ltd. (珠海高瓴私募基金管理有限公司) (“**Zhuhai Gao Ling**”).

SHCJ Holdings Limited

SHCJ Holdings Limited is a limited liability company established in the British Virgin Islands and owned by Shanghai Gao Ling Chenjun Equity Investment Partnership (Limited Partnership) (上海高瓴辰鈞股權投資合夥企業(有限合夥)) (“**Shanghai Chenjun**”). Shanghai Chenjun is a limited partnership established under the laws of the PRC. Its general partner is Shanghai Gao Ling Venture Capital Management Co., Ltd. (上海高瓴創業投資管理有限公司), and its investment manager is Zhuhai Gao Ling.

Suzhou Paiyi

Suzhou Paiyi is a limited partnership established in the PRC and is managed by its general partner, Suzhou Yaoyi Enterprise Management Co., Ltd. (蘇州垚益企業管理有限公司), which is wholly owned by Shenzhen Zeyi Consultancy Co., Ltd. (深圳市澤益諮詢有限公司). As of the Latest Practicable Date, Suzhou Paiyi had two limited partners, namely Suzhou Tencent Phase I Investment Fund Partnership (Limited Partnership) (蘇州騰訊一期跟投基金合夥企業(有限合夥)), which held approximately 65.00% partnership interest, and Beijing Tencent Phase I Investment Fund (Limited Partnership) (北京騰訊一期跟投基金(有限合夥)), which held approximately 34.95% partnership interest.

Image Frame

Image Frame Investment (HK) Limited (“**Image Frame**”) is a company incorporated in Hong Kong and is a wholly owned subsidiary of Tencent Holdings Limited (“**Tencent**”), a company listed on the Stock Exchange (HKEX: 00700 (HKD Counter) and 80700 (RMB Counter). Tencent is principally engaged in the provision of communications and social networks, games, digital content, marketing services, fintech and business services.

Eastern Bell Capital

Ding Yun International II Limited (鼎韞國際二號有限公司)

Ding Yun International II Limited (鼎韞國際二號有限公司) (“**Ding Yun**”) is a limited liability company established in the British Virgin Islands. Ding Yun is owned by Shanghai Mizhi Enterprise Management Consulting Partnership (Limited Partnership) (上海靡智企業管理諮詢合夥企業(有限合夥)) as to 100%, which is ultimately controlled by Li Yan.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Meridian Capital

Meridian Meritus Holdings Limited (華映美策達控股有限公司)

Meridian Meritus Holdings Limited is a limited liability company established in the British Virgin Islands, and is ultimately beneficially owned by SME Huaying Fund.

SME Huaying Fund is a limited partnership established under the laws of the PRC. Its general partner is Meridian Capital Management Co., Ltd. (華映資本管理有限公司), an Independent Third Party which is held as to 50% by Shanghai Yitong Investment Co., Ltd. (上海億彤投資有限公司) (ultimately controlled by Yuying Qu (瞿玉英)) and 50% by Shanghai Honglang Investment Management Co., Ltd. (上海弘朗投資管理有限公司) (ultimately controlled by Jin Ying (應瑾)), respectively.

Meridian Capital Management Co., Ltd. is a leading comprehensive private equity investment institution in China, and one of the earliest private equity investment institution with extensive layout and rich experience in the digital field in China. The single largest limited partner of SME Huaying Fund is Suzhou Huaying Phase VI Investment Partnership (Limited Partnership) (蘇州華映六期投資合夥企業(有限合夥)), holding approximately 31.87% of the partnership interest therein. No other limited partners of SME Huaying Fund holds more than 30% of the limited partnership interest.

Cygnus Equity

Cygnus Equity GP, Ltd.

Cygnus Equity GP, Ltd. is a limited liability company established in the Cayman Islands, principally focusing on investment opportunities in technology, internet and consumer industries and is ultimately beneficially owned by Mr. Ming Jin.

Cygnus Equity is a leading boutique investment bank founded by top-tier private equity investment professionals focused on investment opportunities in technology, internet and consumer industries.

L Catterton

LuxEco Mobility Co., Ltd.

LuxEco Mobility Co., Ltd. is a limited liability company established in the Cayman Islands, principally focusing on operation as an investment holding company and is ultimately beneficially owned by L Catterton Fund I (Chengdu) Equity Investment Partnership (Limited Partnership).

L Catterton is a market-leading consumer-focused investment firm managing approximately \$40 billion of equity capital.

Alibaba

Alibaba.com China Limited

Alibaba.com China Limited (“**Alibaba China**”) is a limited liability company incorporated in Hong Kong, and an indirect wholly-owned subsidiary of Alibaba Group Holding Limited (“**Alibaba Group**”).

Alibaba Group (stock code: 9988) (NYSE: BABA) is a company incorporated in the Cayman Islands, with its American depository shares, each representing eight ordinary shares, listed on the New York Stock Exchange (symbol: BABA), and its ordinary shares listed on the Stock Exchange on the (stock code: 9988). Alibaba Group’s mission is to make it easy to do business.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Luxshare Precision

Luxshare Precision Limited

Luxshare Precision Limited is a wholly-owned subsidiary of Luxshare Precision Industry Co., Ltd. (stock code: 002475.SZ), which is a company listed on the Shenzhen Stock Exchange that is primarily engaged in the manufacture of cable assemblies, connectors and precision components for consumer electronics, automotive and enterprise communication.

BA Capital

BA HM Hong Kong Limited

BA HM Hong Kong Limited is a limited liability company established in Hong Kong, primarily focusing on investment opportunities in consumer industries and other related industries in China and global markets. BA HM is owned by BA Capital Fund III, L.P. as to 98% and BA Capital Limited as to 2%. BA Capital Fund III, L.P. has BA Capital Limited as its general partner, which is ultimately controlled by Mr. Yu He.

Shanghai Yijie Enterprise Management Consulting Partnership (Limited Partnership) (上海翼解企業管理諮詢合夥企業(有限合夥))

Shanghai Yijie Enterprise Management Consulting Partnership (Limited Partnership) (“Shanghai Yijie”) is a limited partnership incorporated in the PRC. Shanghai Yijie’s general partner is Xiamen Yiyuan Investment Partnership (Limited Partnership) (廈門逸源投資合夥企業(有限合夥)). The sole limited partner of Shanghai Yijie is Heiyi No.3 and none of the limited partners of Heiyi No.3 owns more than 30% limited partnership interest.

CAPITALIZATION OF OUR COMPANY

The following table sets out the shareholding structure of our Company as of the Latest Practicable Date and immediately upon the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan).

Shareholders as at the Latest Practicable Date	Ordinary shares as at the Latest Practicable Date	Preferred Shares as at Latest Practicable Date	Series Pre-A Preferred Shares as at the Latest Practicable Date	Series A Preferred Shares as at the Latest Practicable Date	Series B Preferred Shares as at the Latest Practicable Date	Series B+ Preferred Shares as at the Latest Practicable Date	Aggregate number of ordinary shares and Preferred Shares as at the Latest Practicable Date	Aggregate ownership percentage as at the Latest Practicable Date ⁽¹⁾	Ownership percentage as of the [REDACTED] ⁽¹⁾
Apex Innovate Limited	27,150,000	—	—	—	—	—	27,150,000	16.85%	[REDACTED]%
Truewing Holding Limited	13,442,130	—	—	—	—	—	13,442,130	8.34%	[REDACTED]%
Velospace Holding Limited	4,887,950	—	—	—	—	—	4,887,950	3.03%	[REDACTED]%
Neilever Holding Limited	4,887,950	—	—	—	—	—	4,887,950	3.03%	[REDACTED]%
Luxshare Precision Limited	3,814,755	—	—	—	—	—	3,814,755	2.37%	[REDACTED]%
Wen Luo	3,750,000	—	—	—	—	—	3,750,000	2.33%	[REDACTED]%
Best Ecycles Holding Limited	3,387,950	—	—	—	—	—	3,387,950	2.10%	[REDACTED]%
Numerator Holding Limited	3,339,700	—	—	—	—	—	3,339,700	2.07%	[REDACTED]%
Syu Ling Holding Limited	4,853,415	—	—	—	—	—	4,853,415	3.01%	[REDACTED]%
Interpillars Holding Limited	4,375,905	—	—	—	—	—	4,375,905	2.72%	[REDACTED]%
Yi Kang Sun	1,875,000	—	—	—	—	—	1,875,000	1.16%	[REDACTED]%
Amir Fazeli ⁽²⁾	1,944,950	—	—	—	—	—	1,944,950	1.21%	[REDACTED]%
Gao Ling									
SHCJ Holdings Limited	—	27,765,305	21,428,570	5,828,100	508,635	—	27,765,305	17.23%	[REDACTED]%
BJCZ Holdings Limited	—	6,336,735	—	5,828,100	508,635	—	6,336,735	3.93%	[REDACTED]%
Total:	—	34,102,040	—	11,656,200	1,017,270	—	34,102,040	21.17%	[REDACTED]%
Image Frame Investment (HK) Limited	—	11,444,270	—	11,444,270	—	—	11,444,270	7.10%	[REDACTED]%
Suzhou Paiyi Entrepreneurship Investment Partnership Enterprise (Limited Partnership)	—	2,861,065	—	2,861,065	—	—	2,861,065	1.78%	[REDACTED]%

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE AND THAT THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Shareholders as at the Latest Practicable Date	Ordinary shares as at the Latest Practicable Date	Preferred Shares as at Latest Practicable Date	Series Pre-A Preferred Shares as at the Latest Practicable Date	Series A Preferred Shares as at the Latest Practicable Date	Series B Preferred Shares as at the Latest Practicable Date	Series B+ Preferred Shares as at the Latest Practicable Date	Aggregate number of ordinary shares and Preferred Shares as at the Latest Practicable Date	Aggregate ownership percentage as at the Latest Practicable Date ⁽¹⁾	Ownership percentage as of the [REDACTED] ⁽¹⁾
Ding Yun International II Limited	—	7,947,410	—	7,947,410	—	—	7,947,410	4.93%	[REDACTED]%
Meridian Meritus Holdings Limited	—	6,739,405	—	3,178,965	3,560,440	—	6,739,405	4.18%	[REDACTED]%
Cygnus Equity GP, Ltd.	—	317,895	—	317,895	—	—	317,895	0.20%	[REDACTED]%
LuxEco Mobility Co., Ltd.	—	10,427,005	—	6,357,930	4,069,075	—	10,427,005	6.47%	[REDACTED]%
Alibaba.com China Limited	—	4,768,445	—	4,768,445	—	—	4,768,445	2.96%	[REDACTED]%
BA HM Hong Kong Limited	—	2,392,240	—	—	—	2,393,240	2,392,240	1.48%	[REDACTED]%
Shanghai Yijie Enterprise Management Consulting Partnership (Limited Partnership)	—	2,392,240	—	—	—	2,392,240	2,392,240	1.48%	[REDACTED]%
Other Public Shareholders	—	—	—	—	—	—	—	—	[REDACTED]%
Total	77,709,705	83,392,015	21,428,570	48,532,180	8,646,785	4,784,480	161,101,720	100.00%	[100.00]%

Notes:

- (1) The table assumes (i) the [REDACTED] becomes unconditional and the [REDACTED] are issued pursuant to the [REDACTED], and (ii) the [REDACTED] is not exercised and no Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan.
- (2) On July 4, 2025, after the establishment of the Company, we issued 1,464,950 ordinary shares to Mr. Amir Fazeli for consideration of RMB29,299 as part of his compensation.

PRC REGULATORY REQUIREMENTS

SAFE Registration

Pursuant to the Circular of the SAFE on Foreign Exchange Administration of Overseas Investment, Financing and Round-trip Investments Conducted by Domestic Residents through Special Purpose Vehicles (國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知) (the “SAFE Circular 37”), promulgated by SAFE and which became effective on July 4, 2014, a PRC resident must register with the local SAFE branch before he or she contributes assets or equity interests to an overseas special purpose vehicle that is directly established or indirectly controlled by the PRC resident for the purpose of conducting investment or financing. Pursuant to SAFE Circular 37, failure to comply with these registration procedures may result in penalties.

Pursuant to the Circular of the SAFE on Further Simplification and Improvement in Foreign Exchange Administration on Direct Investment (國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知) (the “SAFE Circular 13”), promulgated by SAFE and which became effective on 1 June 2015, the power to accept SAFE registration was delegated from local SAFE to local banks where the assets or interests in the domestic entity are located, and the SAFE and its branches shall perform indirect regulation over the direct investment-related foreign exchange registration via banks.

As advised by our PRC Legal Advisor, as of the Latest Practicable Date, Mr. LIANG had completed the required registration under the SAFE Circular 37.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

M&A Rules

Article 11 of the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) (the “**M&A Rules**”) jointly issued by MOFCOM, the SASAC, the SAT, the CSRC, the SAIC (currently known as the SAMR) and the SAFE on August 8, 2006, effective as of September 8, 2006 and amended on June 22, 2009 with immediate effect, requires that the merger and acquisition of a domestic company with or by a domestic company, enterprise, or individual, that has related party relationship with the target company, through a special purpose vehicle, formed for overseas listing purposes and controlled directly or indirectly by the domestic company, enterprise or individuals, shall obtain the approval of MOFCOM (the “**MOFCOM Approval**”).

Pursuant to the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) effective as of 1 January 2020 and public Q&A section on the official website of MOFCOM, the approval requirements by the MOFCOM and its local branches for the establishment and registration changes of foreign-invested enterprises have been abolished since the implementation of the Foreign Investment Law of the PRC.

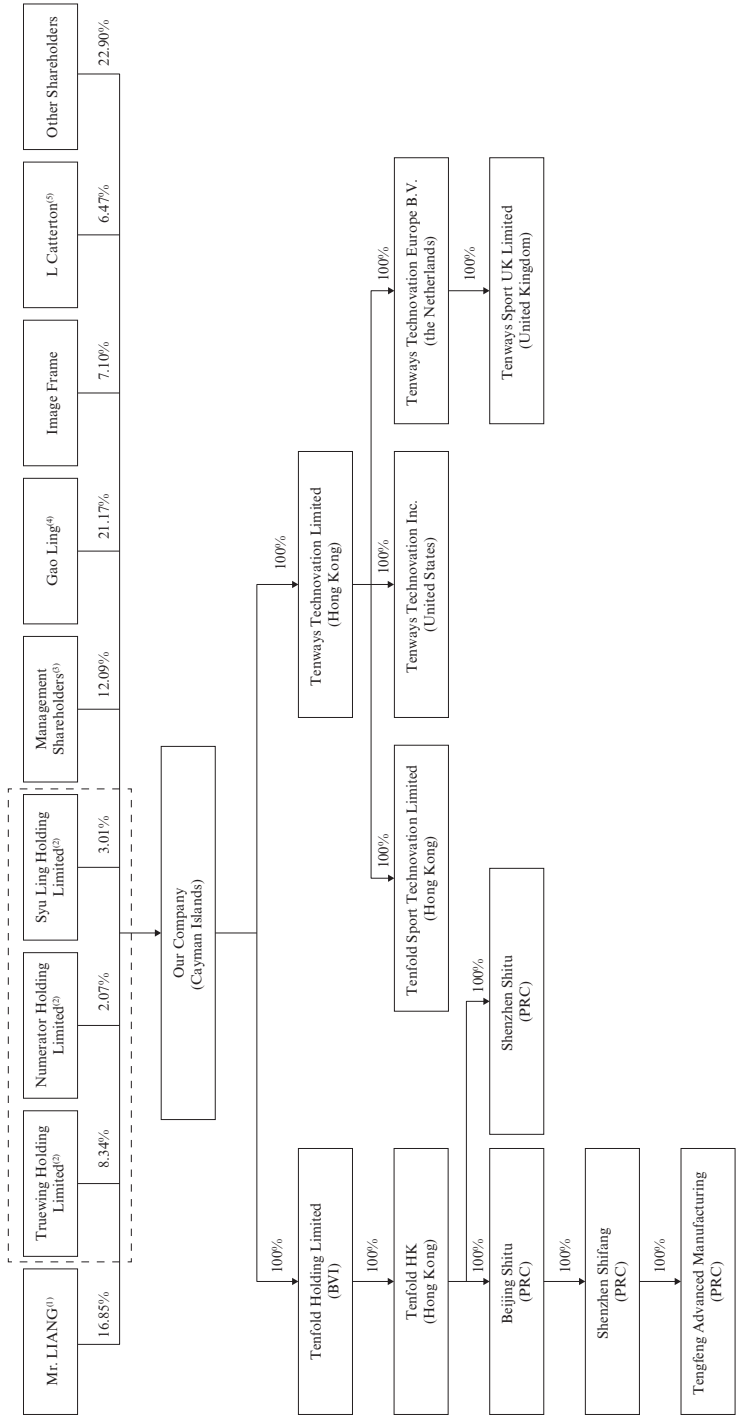
Our PRC Legal Advisor is of the opinion that, based on their understanding of the currently effective PRC laws and regulations, the Reorganization is not subject to the MOFCOM Approval as stipulated in the Article 11 of the M&A Rules.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

CORPORATE AND SHAREHOLDING STRUCTURE

Corporate structure before the [REDACTED]

The following diagram illustrates the simplified corporate and shareholding structure of our Group immediately following the reorganization but prior to the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan):



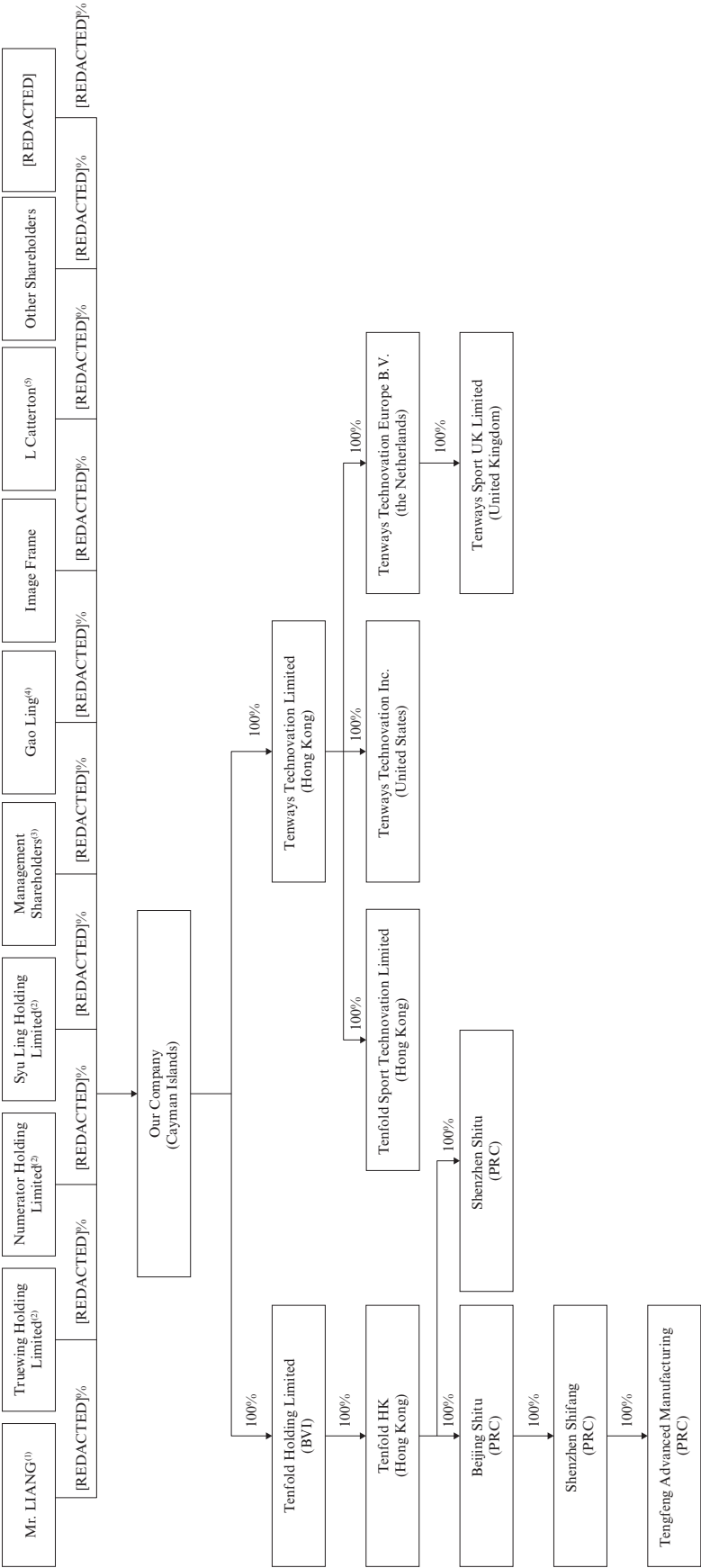
Notes:

- (1) As of the Latest Practicable Date, Mr. LIANG was able to exercise approximately 42.38% of the voting rights in our Company comprising: (i) 27,150,000 Shares held by Apex Innovate Limited; (ii) 19,484,705 Shares held by the Management Shareholders; and (iii) 21,635,245 Shares held by the Acting-in-Concert Shareholders.
- (2) Being the Acting-in-Concert Shareholders. For details of the Acting-in-Concert Arrangement, please refer to “Concert Party Arrangement” in this section.
- (3) For details of the Management Shareholders and the Voting Proxy Agreements, please refer to “Voting Proxy Agreements” in this section.
- (4) Comprising the interests in the Company held by SHCJ Holdings Limited and BJCZ Holdings Limited.
- (5) Being the interests in the Company held by LuxEco Mobility Co., Ltd.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Corporate structure immediately following the [REDACTED]

The following diagram illustrates the simplified corporate and shareholding structure of our Group immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan.):



- Notes:
- (1) Immediately following the [REDACTED], Mr. LIANG was able to exercise approximately [REDACTED]% of the voting rights in our Company comprising: (i) [27,150,000] Shares held by Apex Innovate Limited; and (ii) [19,484,705] Shares held by the Management Shareholders.
 - (2) The Acting-in-Concert Arrangement will be terminated upon [REDACTED]. For details of the Acting-in-Concert Arrangement, please refer to “Concert Party Arrangement” in this section.
 - (3) For details of the Management Shareholders and the Voting Proxy Agreements, please refer to “Voting Proxy Agreements” in this section.
 - (4) Comprising the interests in the Company held by SHCJ Holdings Limited and BJCZ Holdings Limited.
 - (5) Being the interests in the Company held by LuxEco Mobility Co., Ltd.

BUSINESS

OVERVIEW

We are a Europe-centric, innovation-driven e-mobility company, focusing on providing e-bike products that promote a healthy and sustainable lifestyle. As a key player in the e-mobility industry, we transform the European e-bike landscape by elevating consumers’ everyday mobility and offering versatile e-bikes to a broad consumer base. We prioritize product design and development, focusing on creating contemporary and sleek e-bikes with compelling aesthetic appeal that distinguish our brand. Our agile development process and access to a vast engineering talent pool enable us to swiftly integrate the latest technological innovations. Leveraging our global product development network and supply chain, alongside localized branding, production and sales channels, we achieved strong efficiency while maintaining product localization. This approach enables us to tailor each model according to the specific terrain and consumer requirements of various European regions. Our products include a comprehensive range of e-bikes, encompassing City, Hybrid and Cargo categories, complemented by accessories and services. This diversified portfolio addresses a wide spectrum of application scenarios throughout Europe, including urban commuting, off-road ventures, family hauling and load-carrying.

Europe, characterized by its vibrant cycling culture, has been the largest e-bike market globally since the early 2000s, according to Frost & Sullivan. In 2025, the European Commission released its first progress report on the European Declaration on Cycling, demonstrating strong momentum across the continent in enhancing cycling infrastructure and implementing supportive policies. Across Europe, cycling functions as a lifestyle and leisure pursuit — integral to daily routines, fitness and community life — driving demand for stylish, high-quality e-bikes that enhance the overall riding experience. As a new force reshaping the e-bike industry in Europe founded only in 2021, we have quickly established ourselves as a key player. According to Frost & Sullivan, we were the fastest e-bike company in Europe to become a company at scale since our inception. In addition, we were the fastest-growing e-bike brand in the Benelux region during 2022 to 2024 in terms of e-bike sales volume. We also ranked among the top five e-bike brands in the Benelux region in 2024 in the urban commuting segment in terms of sales volume. Notably, our CGO800S model has achieved considerable success, with sales surpassing 50,000 units within four years of its launch, and the model has been honored with the German Design Award. In 2025, we were recognized by the Erasmus Centre for Entrepreneurship as a Top 250 High-Growth Firm in the Netherlands, standing out as one of the youngest and the sole e-bike company on the list.

We were one of the first e-bike companies in Europe to introduce models integrating torque sensor, hub motor and belt drive, raising the bar for quality and performance in the industry. A torque sensor facilitates precise power management through the collection of real-time riding data, a hub motor ensures a smooth and easy ride and a belt drive system offers a low-maintenance, durable and quieter alternative to traditional chains. This integrated solution enhances the overall rider experience by reducing maintenance requirements and increasing the lifespan of e-bikes, while enabling greater design flexibility and a lightweight structural configuration, supporting sleek, stylish and aesthetic product design and reinforcing our ability to deliver differentiated and well-balanced e-bike offerings. Backed by end-to-end design, development and engineering capabilities, our product matrix spans urban, trekking and cargo models, positioning us as one of the few brands in Europe with full-range coverage. We maintain a rapid pace of innovation and, through a consumer-focused approach, translate market insights into products that align with evolving travel habits, resonating strongly with cyclists across the continent. Complementing the physical products, our in-house team is skilled at developing apps that integrate intelligent connectivity features for smarter riding. Our IoT functionality offers real-time GPS tracking, mileage and calorie statistics, carbon emission reduction estimates, anti-theft protection and battery status monitoring, delivering an enhanced experience for today’s tech-savvy cyclists.

BUSINESS

TENWAYS designs, engineers, produces and markets e-bikes under a single, coherent brand. We adopt a consumer-focused approach that prioritizes high quality products distinguished by sleek, contemporary design, compelling aesthetic appeal and premium value, setting our brand apart in the European market. Our versatile product offerings are specifically tailored to address diverse application scenarios, thereby ensuring top-tier consumer satisfaction. By implementing digital and advertising strategies including collaborating with KOLs and sports clubs, alongside offline efforts such as hosting test ride events and developing regional service networks, we effectively expanded our brand’s visibility and influence, fostering an engaged and vibrant rider community. As a result, according to Cision Media Share of Voice data, for the nine months ended September 30, 2025, we ranked among the top two e-bike brands in Europe by social media mention volume. Our ongoing marketing initiatives, including targeted advertising and strategic endorsements, are designed to reach a wider consumer base, which will further broaden and deepen our brand appeal, contributing to a more robust market position.

We have built an integrated omnichannel ecosystem that unifies online and offline sales channels. Our self-operated online direct-to-consumer (DTC) store provides riders with real-time product information, personalized recommendations and easy ordering. Post-purchase, our mobile app and website provide real-time after-sales assistance and access to accessories and services. This robust online presence directly facilitated the rapid build-out of our European retail footprint. Since 2022, our experienced local sales team, well-versed in regional markets, has swiftly expanded our reach to more than 1,400 offline retail stores run by our distributors in 29 European countries. Our sales infrastructure is further empowered by a proprietary customer relationship management (CRM) system that automates sales tasks and provides analytics and reporting. This tightly integrated ecosystem increases customer engagement, accelerates online-offline conversions and drives sustainable, organic growth.

We manage a worldwide sourcing and production network structured to deliver compliant, high-quality and cost-effective fulfillment of e-bikes. We collaborate with recognized suppliers globally who are enthusiastic about delivering their high-quality, cutting-edge components, thanks to our rapid product innovation, fast-track commercialization and supply chain integration capabilities. Anchored in Europe, we work closely with EU OEM partners to align production with core markets and meet regulatory requirements, while emphasizing sustainability, traceability and supply chain transparency. We place strong emphasis on quality control management and our robust relationships with suppliers and OEM partners further enhance our ability to maintain product quality, cost discipline, strong efficiency and on-time delivery. Through these efforts, we strive to generate value for all upstream and downstream participants across the European e-bike value chain.

We experienced steady growth during the Track Record Period. Our revenue increased by 26.2% from €48.0 million in 2023 to €60.6 million in 2024, and by 3.1% from €52.6 million in the nine months ended September 30, 2024 to €54.2 million in the nine months ended September 30, 2025. Our gross profit margin increased from 25.8% in 2023 to 30.4% in 2024, and further to 31.5% and 31.8% in the nine months ended September 30, 2024 and 2025, respectively.

Our E-Bike Products

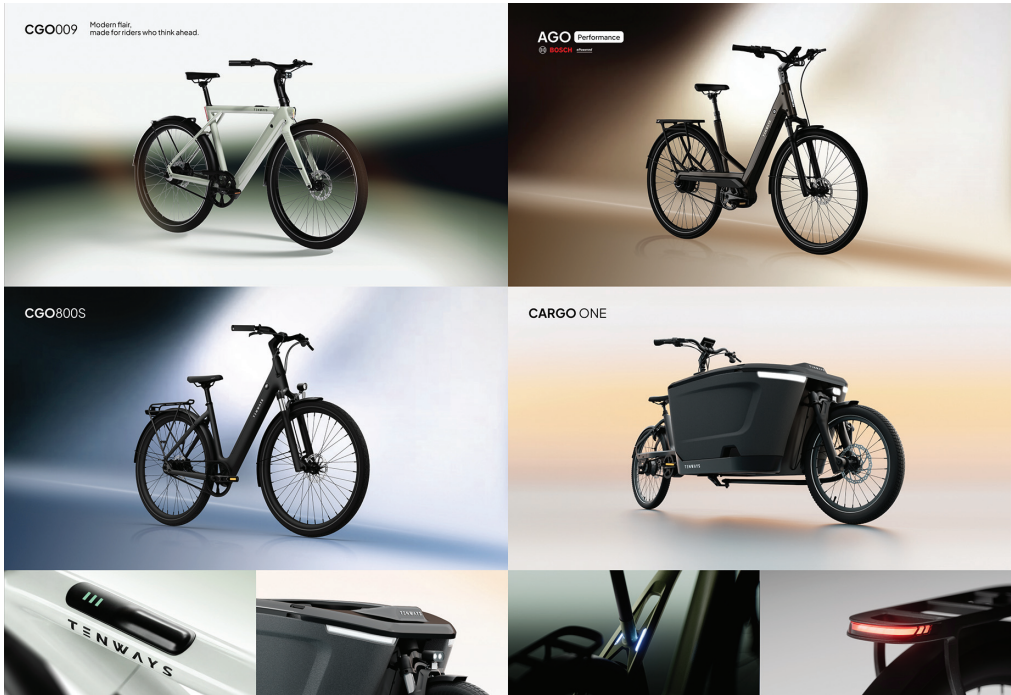
We offer three categories of TENWAYS e-bikes — City, Hybrid and Cargo — each designed to address specific consumer needs and use cases.

- **City E-Bikes:** the City E-Bikes, our inaugural and best-selling product category, comprise two sub-series, the Lightweight Series, which emphasizes simplicity, reduced weight and agile handling for efficient urban mobility, and the Smart Series, which emphasizes rider comfort, intuitive controls and advanced IoT connectivity for reliable, low-maintenance everyday commuting.
- **Hybrid E-Bikes:** combining features suited for both trekking and mountain biking, the Hybrid E-Bikes are engineered for versatility across paved and mixed terrains, allowing riders to tackle light off-road adventures and easy mountain trails.

BUSINESS

- **Cargo E-Bikes:** the Cargo E-Bikes are designed primarily to provide secure and comfortable urban transportation, offering the necessary capacity and stability for routine family mobility and substantial cargo requirements.

The following images illustrate certain details of our e-bike products:



OUR STRENGTHS

A contemporary brand reshaping Europe’s e-mobility landscape through innovation

Anchored in Europe’s cycling heartlands, we have emerged as a rapidly growing contemporary force reshaping the e-bike landscape of the region. Europe, characterized by its vibrant cycling culture, has been the largest e-bike market globally since the early 2000s. In 2025, the European Commission released its first progress report on the European Declaration on Cycling, demonstrating strong momentum across the continent in enhancing cycling infrastructure and implementing supportive policies. Across Europe, cycling functions as a lifestyle and leisure pursuit — integral to daily routines, fitness and community life — driving demand for stylish, high-quality e-bikes that enhance the overall riding experience. Founded only in 2021, we quickly established ourselves as a key player and were the fastest e-bike company in Europe to become a company at scale since our inception, according to Frost & Sullivan.

Since our founding, we have focused on rider-centric localization and end-to-end operational control, translating market insights into adoption at scale. Our market share expanded rapidly in the Benelux region, supported by clear product-market fit and an agile go-to-market strategy. The Netherlands — often regarded as Europe’s “cycling kingdom” and a core Benelux market with deeply rooted cycling culture and extensive infrastructure, has been a key focus market for us. According to Frost & Sullivan, in 2024, we ranked among the top five e-bike brands in Benelux in the urban commuting segment by sales volume. In addition, we were the fastest-growing e-bike brand in the Benelux region during 2022 to 2024 in terms of e-bike sales volume. Thanks to high sales, stylish design and strong product quality, we have built a virtuous cycle in the Benelux region — greater on-road visibility encourages consumer and distributor willingness to engage, while positive word-of-mouth combined with a robust service network converts this interest into incremental sales. In Germany, we are deepening market penetration through technology and partnerships, including collaboration with BOSCH to introduce new models.

BUSINESS

We are an innovation-driven, contemporary e-mobility brand that resonates strongly with consumers. Our dedication to innovation shapes every aspect of our operation, from products and sales channels to our supply chain and beyond. This enables us to execute with precision and efficiency, ensuring the delivery of high-quality and consumer-focused e-bikes that offer outstanding user experience. Our products are further distinguished by sleek, contemporary design and compelling aesthetic appeal, setting the TENWAYS brand apart in the European market. Our strong brand image is amplified by collaborations with leading KOLs and sports clubs. In 2025, through social media matrix placements and organic traffic exposure, we achieved approximately 300 million impressions. In addition, we organized an 18-week pop-up shop tour across 15 European cities, drawing over 27 million total impressions and enabling more than 1,000 test rides. These initiatives consistently expand our brand reach, strengthen community engagement and cultivate advocacy across our rider base. In 2025, our recognition by the Erasmus Centre for Entrepreneurship as a Top 250 High-Growth Firm in the Netherlands — where we were one of the youngest and the sole e-bike company on the list — further underscores our growth trajectory and momentum as a contemporary force reshaping Europe’s e-mobility landscape.

Industry-changing capabilities anchored by robust product development and pioneering technology adoption

As a late-entrant new force, we are distinguished by industry-changing capabilities anchored by robust product development and first-in-industry technology adoption. We bring a challenger mindset to e-bike engineering and were one of the first in Europe to introduce models integrating torque sensor, hub motor and belt drive into a unified solution. A torque sensor facilitates precise power management through the collection of real-time riding data, a hub motor ensures a smooth and easy ride and a belt drive system offers a low-maintenance, durable and quieter alternative to traditional chains. Together, this integrated system reduces mechanical complexity and maintenance needs while enabling greater design flexibility and lightweight structural configuration, supporting sleek, stylish and aesthetic product design. Notably, founded only in 2021, our product matrix has achieved full-range coverage, spanning urban, trekking and cargo models, supported by our end-to-end design, development and engineering capabilities.

Our product development is defined by high-velocity and rapid iteration. During the Track Record Period, new e-bike models accounted for approximately 30–60% of our product portfolio by model count in each year/period, enabled by a streamlined end-to-end process from market insights to engineering validation and commercialization. We leverage a deep understanding of evolving travel habits, lifestyle shifts and micromobility trends to bring refreshed, feature-rich models to market at pace. Our concept-to-launch cycle averages approximately 12 months, which is notably shorter than the industry average in Europe of 24 months. Our responsiveness is reinforced by tightly coupled cross-functional feedback loops between sales and product development, enabling data-driven prioritization and fast engineering turnarounds. For instance, the CGO600 Pro model was introduced promptly after the CGO600 in direct response to insights from our sales team regarding the demand for removable batteries. As a result, the CGO600 Pro model quickly emerged as one of our top-selling products, with its product design subsequently recognized by the 2024 Red Dot Design Award.

Our robust product development capabilities are evidenced by our proficiency in delivering products that address a wide range of application scenarios and use cases across Europe. For flat-terrain urban commuting scenarios, we launched the City E-Bikes, distinguished by their high quality, stylish design, lightweight structure and ease of maintenance, establishing notable competitiveness in the segment. For hilly and mountainous environments, we introduced the Hybrid E-Bikes with mid-drive motors and transmission systems to effectively tackle challenging terrains and enhance the user experience. We also built deep collaborations with high-quality European suppliers, including BOSCH, to introduce new models targeting mid- to premium-segment demand. In addition, our Cargo E-Bikes are designed for family hauling and load carrying scenarios, incorporating advanced features such as detachable front carts and customizable design options. Complementing the physical products, our in-house team is skilled at developing apps that integrate

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intelligent connectivity features for smarter riding. Our IoT functionality offers real-time GPS tracking, mileage and calorie statistics, carbon emission reduction estimates, anti-theft protection and battery status monitoring, delivering an enhanced experience for today’s tech-savvy cyclists. By combining high quality, premium value, stylish design, versatile offerings and smart riding features, we consistently align engineering decisions with rider needs while maintaining top-tier consumer satisfaction.

An integrated online-and-offline omnichannel sales, marketing and after-sales ecosystem elevating the overall consumer experience

We have built an integrated omnichannel sales and marketing ecosystem that unifies online and offline touchpoints to convert demand efficiently and deliver a consistent, high-quality consumer journey. Our self-operated online DTC store offers real-time product information, personalized recommendations and instant access to our full product catalog, enabling consumers to explore and purchase within minutes. Post-purchase, our mobile app and website serve as digital service platforms within a comprehensive and layered after-sales framework, providing real-time support, service coordination and issue handling across markets, thereby ensuring service continuity, timely response and consumer satisfaction. Offline, we maintain an extensive brick-and-mortar presence through more than 1,400 retail stores in 29 European countries. The offline channel has historically served as the primary avenue for e-bike sales within Europe. Over the years, we have cultivated strong partnerships and established robust relationships with renowned distributors and major national retail chains in the region, which facilitated deep market penetration and enhanced the scalability of our sales model. Reflecting the strength of these distributor relationships, we achieved a joint fifth-place ranking in the 2025 dealer satisfaction survey conducted by BOVAG Fietsbedrijven (RODI Fiets), notwithstanding being a new entrant to the European market. Our sales infrastructure is further empowered by a proprietary CRM system that automates sales tasks and provides analytics and reporting, enabling standardized sales execution and improved pipeline visibility.

Our strong online presence directly facilitated the rapid build-out of our European retail footprint. Recognizing that many local consumers prefer purchasing e-bikes in neighborhood retail stores, our experienced sales team, well-versed in regional markets, effectively leveraged digital marketing exposure and rapidly scaled our offline presence across Europe, with continued expansion underway. Purposeful cross-traffic mechanisms — such as online referrals to physical test-rides, in-store guidance to exclusive digital content and digital real-time assistance — drive higher engagement and accelerate conversion across channels.

Our marketing initiatives reinforce this integrated approach. Online, we execute targeted digital campaigns to build our social media presence and collaborate with KOLs such as Olympic champion Suzanne Schulting from 2022 to 2024 and Pamela Reif in 2023, as well as sports clubs such as Borussia Dortmund (BVB). Offline, building on our established online presence, we deepen local penetration through collaboration with retail stores to enhance in-store displays, organizing test ride events and developing regional service networks, cultivating a loyal rider community. Together, these tightly integrated online and offline channels increase consumer engagement, improve conversion efficiency and underpin organic growth. In the European e-bike market, as traditional players primarily rely on offline channels, while new entrants focus largely on online channels, our comprehensive online-offline integration represents a competitive advantage.

A global supply chain combined with strong production partnerships ensuring quality, efficiency and operational reliability

We manage a comprehensive sourcing and production network structured to deliver compliant, high-quality and cost-effective fulfillment of e-bikes, underpinned by robust relationships with component and accessory suppliers and OEM partners. For procurement, we collaborate with global suppliers who are enthusiastic about delivering their high-quality, cutting-edge components, thanks to our rapid product innovation, fast-track commercialization and supply chain integration capabilities. We work with established e-bike component suppliers on a global scale to secure

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high-quality components and materials, while our centralized procurement model enables robust end-to-end control, facilitating price negotiations and delivery coordination. Our sourcing team, averaging more than ten years of industry experience, has a profound understanding of supply chain management. This understanding is translated into execution through rigorous and continuously evolving supply chain management frameworks encompassing partner selection and onboarding processes, clearly defined quality and delivery standards, regular KPI evaluations and comprehensive compliance requirements in line with industry standards.

With our operations anchored in Europe, we adopt an EU-focused production model by collaborating with OEM partners on the continent, strategically aligning production with core markets to ensure timely delivery and consistent quality, while emphasizing sustainability, traceability and supply chain transparency. Furthermore, we are strategically expanding our production capacity through the establishment of the JV Factory, thereby further strengthening the vertical integration of our supply chain. We uphold stringent quality control standards across all locations worldwide, with European facilities emphasizing oversight of the production process and Asian sites focusing on component-level quality management. This is further reinforced by monthly alignment between sales and production, as well as disciplined inventory management. Through this integrated approach to procurement, production and quality control management, we support coordinated product localization for European terrain and requirements, ensure cost-effectiveness and robust quality, enhance operational efficiency and strive to generate value for all upstream and downstream participants across the European e-bike value chain.

Digital-centric, intelligent IT platforms driving sustained operational excellence

We drive operational efficiency with a digital-first, intelligent IT stack that standardizes core workflows, improves data visibility and accelerates decision-making.

- ***Customer Relationship Management (CRM) system.*** We operate a proprietary CRM system designed primarily to support internal sales management and execution. The system enables us to oversee sales team activities, including visit planning, activity tracking and performance monitoring, while also assisting sales personnel in managing their daily workflows more efficiently. Through standardized processes and centralized reporting, the CRM system enhances operational discipline, improves visibility into sales activities and supports more effective internal management.
- ***B2B digital portal.*** We operate a proprietary B2B digital portal designed to streamline interactions with distributors and trade partners, replacing traditional email-based communications. This portal facilitates order placement, after-sales parts procurement and account management, enabling real-time updates on order status, component availability and policy-compliant pricing and terms.
- ***Enterprise Resource Planning (ERP) system.*** We operate a proprietary ERP system that serves as the core platform for managing our end-to-end business operations across both the sales cycle and the procurement cycle. The system integrates key processes including order management, procurement, approvals, information processing and financial accounting into a unified workflow, aligning business flows, information flows and financial flows within a single system. Through built-in process controls and automation, the ERP system enhances operational efficiency, strengthens internal controls and supports standardized execution.
- ***Digital tools and analytics.*** We deploy digital tools and analytics to support internal operations and management across functions including customer service, sales operations, inventory coordination and technology support. These tools enhance data visibility, enable monitoring of sales activities and inventory status, and facilitate timely identification of overstocked or understocked situations to support responsive operational adjustments. In addition, we utilize an internal digital knowledge assistant to support system understanding and internal information access, thereby strengthening operational efficiency and management decision making.

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An experienced management team with comprehensive industry knowledge and international perspective

Our experienced management team consists of talent brought in from elite academic institutions and leading industry firms. They possess extensive industry experience and in-depth knowledge spanning the entire e-mobility value chain. In addition to deep local market insights, our management team brings strong international experience, with the majority of the team having international professional backgrounds and based in Europe. This combination of international perspective and on-the-ground market understanding supports effective decision-making and execution across our core markets.

Mr. LIANG, the Chairman, CEO and founder of our company, possesses extensive expertise in engineering and management. Drawing from his direct leadership experience within the mobility industry, he has demonstrated a proven track record and deep market understanding that are integral to our ongoing growth. Mr. Amir Fazeli, the General Manager for Europe of our company, brings more than 20 years of international management expertise throughout Europe. His background encompasses senior leadership positions within global consumer brands as well as extensive experience in multi-market operations management. His international commercial expertise and strong industry background further strengthen our leadership bench. Mr. Kai Cheng, the CFO of our company, brings deep insights in financing, operations and strategic planning, gained through his experience with leading private equity fund and investment bank institutions.

We also benefit from the strategic support of our strong and dedicated shareholder base, whose long-term orientation and industry expertise reinforce our governance, strengthen our resource allocation and enable sustained investment in technology, product quality and market expansion. Together, our leadership capabilities and institutional support position us to execute effectively on our strategic priorities and capture long-term growth opportunities.

OUR STRATEGIES

Advance product innovation and cutting-edge technology to expand price tiers and use-case coverage

We are committed to accelerating product innovation to meet a broader range of consumer use cases and price tiers, thereby expanding our addressable market while preserving our cost-performance discipline and design ethos. Our strategy includes launching new series within existing product categories and introducing new product categories. In partnership with BOSCH, we plan to introduce new models designed to meet higher-performance needs in the mid-to-premium market. In parallel, our focus will remain on advancing consumer-level features through refinements in aesthetics, structural design and quality appeal, including innovations in paint processes and materials. These initiatives will serve to further differentiate our product portfolio and elevate the rider experience across all segments.

Our technology roadmap focuses on the advancement of next-generation core systems, with particular attention to the e-drive systems comprising power battery, drive motor and electronic control systems. Specifically, we aim to pioneer the adoption of the next-generation semi-solid state battery platform, engineered to reduce weight, extend range and improve energy density. Alongside reinforcing the development of these core systems, we intend to further improve intelligent features such as enhanced power assistance and anti-theft capabilities. Our engineering practice will continue to emphasize sustainability by incorporating lightweight materials, anti-corrosion techniques, recyclable materials and environmentally responsible manufacturing methods. We will continue to collaborate with leading industry partners to accelerate commercialization cycles across targeted price tiers and use cases.

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Expand and strengthen brand presence by consistently fostering consumer engagement and optimizing sales and marketing channels

We are committed to expanding and strengthening our brand influence through consistent consumer engagement. To accomplish this objective, we plan to implement advanced marketing strategies, targeted advertising and strategic endorsements to reach a broader consumer base. While our current online marketing strategy effectively engages riders in the digital era and our offline collaborations with retail stores focus on established traditional cycling demand, we aim to broaden our appeal to diverse age groups, additional use cases and less penetrated markets. Our plans include advertising in local newspapers and radio stations, as well as partnering with community events, sports games and market fairs to connect with audience through their preferred media channels. Additionally, we intend to expand our collaborations with both national and local sports clubs and teams to engage potential customers interested in our products.

We plan to broaden and deepen our sales channels by maintaining commitment to an integrated omnichannel strategy. Our initiatives include entering new sales verticals, strengthening our presence in current markets and deepening relationships with incumbent distributors by offering consistent commercial terms, superior service standards and seasonal promotions. We aim to continue expanding our presence across independent stores and retail chains. In parallel, we plan to evaluate opportunities to acquire equity stakes in European retail chains as part of our ongoing efforts to broaden our sales channel. We intend to pursue disciplined geographic expansion into additional European countries, with the goal of opening 3,000 new stores by 2030. Our primary focus will be on Germany and the Benelux region, followed by the United Kingdom and France. We will also evaluate targeted expansion opportunities in the United States, as well as possible selective entry into other markets, subject to regulatory, supply chain and local service readiness.

Promote vertical integration across supply chain and production to enhance control, synchronization and margins

We aim to advance vertical integration across our supply chain by reinforcing end-to-end oversight, aligning production processes and optimizing margins. Central to this initiative is the continued establishment of joint venture production partnerships, which provide increased production capacity, enhanced control over key production stages and closer coordination among engineering, sourcing and production teams. In parallel, we intend to establish production capacity for e-drive systems — comprising the power battery, drive motor and electronic control systems — to support a more integrated powertrain solution for our e-bikes. This architecture is designed to improve energy efficiency, provide more precise performance tuning and streamline system diagnostics, thereby increasing product reliability and extending service life. Through these initiatives, we expect to strengthen quality control, support scalable capacity expansion and improve overall cost efficiency.

To strengthen fulfillment resilience, we aim to optimize our global supply chain layout through coordinated operations in Europe and Asia, thereby achieving an optimal balance between lead times and cost and quality considerations. Altogether, these measures are designed to improve control over critical processes, enhance cost-effectiveness and foster a more reliable, scalable operating cadence across our targeted markets and regions.

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Reinvent and upgrade the value-creation model to drive sustainable, recurring revenue growth

We aim to broaden and strengthen our revenue streams by growing our usage-based and service-oriented offerings alongside our core product sales. Leveraging our omnichannel sales network and growing brand recognition, we intend to launch an e-bike leasing program to broaden demographic reach, lower upfront adoption barriers and build a steady subscription income stream. In addition, building upon our ongoing communication with riders and insights into their needs, we expect to introduce IoT-enabled subscription services featuring enhanced anti-theft functions, real-time data analytics and alerts and predictive maintenance features, with tiered premium options to increase long-term revenue potential. Complementing these initiatives, we plan to introduce an optional extended warranty offering beyond the standard warranty period to provide greater security for consumers, enhance product residual value and generate another recurring revenue stream. To underpin these offerings at scale, we remain committed to investing in digital tools and risk management systems that enhance operational efficiency and consumer experience. Altogether, these initiatives are designed to grow our recurring and service revenues, improve unit economics through higher lifetime value and create a stronger, more resilient earnings base across different market cycles.

Enhance IT platforms and integrate AI-empowered solutions to continue advancing operational excellence

Building on our digital-centric IT architecture, including our proprietary CRM system, B2B digital portal and ERP system, we are committed to continuously upgrading our platforms to support scalable growth and operational excellence. We plan to leverage advanced analytics and adopt AI capabilities within our digital infrastructure to further streamline channel operations and enable data-driven decision-making across our organization. On sales and marketing, by integrating sophisticated automation and machine learning tools, we aim to refine demand forecasting and strengthen after-sales support, thereby deepening engagement with both consumers and distribution partners. On supply and production, we plan to deploy AI-empowered process optimization across logistics, production planning and inventory management, thereby enhancing responsiveness and agility throughout our supply network. The adoption of predictive analytics and real-time monitoring will enable us to proactively identify and mitigate operational risks and optimize resource allocation. These ongoing enhancements will unify data across all operational touchpoints and functions, empowering our teams with actionable insights and reinforcing our commitment to operational excellence as we continue to scale.

Pursue selective acquisitions and investments to accelerate market entry, capabilities and price-tier coverage

We intend to pursue selective acquisitions and investments to catalyze growth, with an emphasis on potential targets that strengthen brand and design capabilities, expand and deepen distribution channels and enhance product-related technological capabilities. Specifically, we seek opportunities that enable the development of a multi-brand portfolio to complement and strengthen our existing TENWAYS brand, provide access to new geographic markets through established platforms or add differentiated product, design or technology capabilities that enhance our overall offering. By leveraging the market presence and operating experience of target companies, we aim to accelerate brand rollout, expand retail coverage and unlock cross-selling potential across our product portfolio. In addition, we may invest selectively in retail chain distributors to deepen offline channel penetration and extend coverage into additional markets or regions. Following each transaction, we will focus on post-transaction integration to improve alignment, coordination and value capture across the expanded business, supporting more effective execution and long-term growth.

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OUR PRODUCTS

Compared with conventional bicycles, e-bikes provide electric assistance for quicker starts, smoother cruising and improved slope-climbing capabilities. In urban commuting settings, e-bikes allow riders to keep pace with city traffic and reduce travel time. E-bikes also broaden accessibility for users of different ages and fitness levels and support practical everyday mobility needs. Beyond transportation, e-bikes facilitate leisure and recreational riding, fostering community engagement and enhancing rider enjoyment. Our e-bikes are tailored for various application scenarios such as urban commuting, leisure and cargo transportation, and incorporate technologies that enhance performance and digital connectivity. During the Track Record Period, our revenue was primarily derived from the sales of our e-bike products, supplemented by sales of accessories, apparel and other related products and services. The following table sets forth a breakdown of our revenue during the Track Record Period.

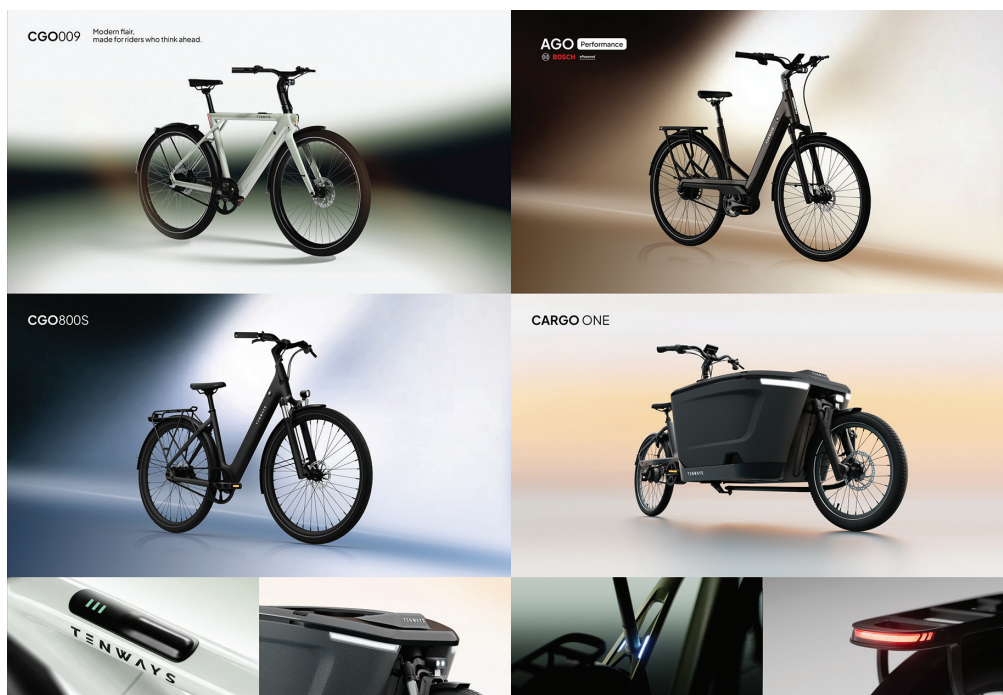
	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
	<i>(€ in thousands, except percentages)</i>							
E-Bike products	47,544	99.0	59,179	97.6	51,530	98.0	52,863	97.6
City E-Bikes	41,075	85.5	47,704	78.7	41,234	78.4	41,943	77.5
Hybrid E-Bikes	6,466	13.5	9,777	16.1	8,746	16.6	8,313	15.3
Cargo E-Bikes	3	0.0	1,698	2.8	1,550	3.0	2,607	4.8
Accessories, apparel and other related products and services	484	1.0	1,456	2.4	1,046	2.0	1,327	2.4
Total	48,028	100.0	60,635	100.0	52,576	100.0	54,190	100.0

TENWAYS E-Bikes

Across Europe, cycling serves as a lifestyle choice and leisure activity, playing an important role in daily routines, personal fitness and community engagement. This has led to increased demand for aesthetic, high-quality e-bikes that elevate the riding experience. We currently offer three categories of TENWAYS e-bikes — City, Hybrid and Cargo — each designed to address specific consumer needs and use cases. The City E-Bikes comprise two series: the Lightweight Series, which emphasizes simplicity, reduced weight and agile handling for efficient urban mobility; and the Smart Series, in addition to standard Bluetooth app connectivity available across all models, is equipped with built-in IoT connectivity, allowing the e-bike to remain continuously online without requiring smartphone connection. The Hybrid E-Bikes, combining trekking and MTB-oriented features to support both paved and light off-road riding, provide versatile options for fitness, leisure and commuting. Launched in 2024 as part of our ongoing product development initiatives and portfolio diversification, the Cargo E-Bikes are utility-oriented models with strengthened frames and integrated cargo configurations suitable for family transportation and urban logistics. According to Frost & Sullivan, Cargo E-Bikes are increasingly viewed by households as an alternative to owning a second vehicle.

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In general, our e-bikes are distinguished by several key features: frame geometry and materials designed for optimal performance and durability; wheel and tire size tailored for various terrains and riding conditions; drivetrain and assistance systems engineered for smooth power delivery and efficiency; battery capacity and range that ensure long-lasting performance and extended travel distances; braking technology that provides reliable stopping power and safety; integrated connectivity featuring anti-theft, real-time tracking and other functions; and lighting that provides both effective illumination and engaging ambient effects for riders. The following images illustrate certain details of our e-bike products:



City E-Bikes

City E-Bikes, our inaugural and best-selling product category, are designed for urban commuting with an emphasis on reliability, low maintenance and consistent ride performance. Most City E-Bike models feature a torque sensor that facilitates precise power management through the collection of real-time riding data, a hub motor that ensures a smooth and easy ride and a belt drive system that offers a low-maintenance, durable and quieter alternative to traditional chains. As of September 30, 2025, City E-Bikes comprised two series.

Lightweight Series

CGO600 (including CGO600/CGO600 Pro/CGO600 Plus) is a lightweight, efficient model that features a sleek design and an easy-to-ride platform, making it well-suited for short-to-medium city journeys. These models deliver responsive motor assistance for frequent stop-and-go urban traffic while maintaining stable and confident handling, ensuring ride comfort and agility for daily commuting needs. Notably, CGO600 Pro was recognized with the 2024 Red Dot Design Award, a prestigious international design award, for its high-quality, innovative and sleek design.

CGO800 (including CGO800S/CGO800 Plus) features a step-through frame for easy access. The geometry supports an upright riding position, and the motor assistance delivers smooth power at standard urban speeds, making it ideal for riders seeking accessibility and comfort on longer journeys. Reflecting these design strengths, CGO800S received the 2024 German Design Award, an official design award in Germany focusing on unique design trends and excellent design quality in product design, communications design and architecture.

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Smart Series

CGO009 is a single-speed city e-bike designed for integrated, app-enabled functionality. Featuring a 250W rear hub motor and a streamlined frame, this model is built for ease of use, minimal routine maintenance and app-enabled IoT connectivity. With its Dutch-inspired design and long-leg geometry tailored to local ergonomic needs, the CGO009 was developed specifically for the Netherlands market and has received international design recognition, including the 2026 German Design Award.

The following sets forth the key features of our best-selling City E-Bikes.

Model	Key Specifications	Primary Positioning	Recommended Retail Price <i>(€ per unit)</i>	Illustrations
City E-Bikes (lightweight series)				
CGO600 Pro	360 Wh removable battery - Sporty geometry 100km/charge maximum range 16–17 kg net weight	Lightweight tuning for smooth and comfortable urban commuting	€1,799	
CGO800S	460.8 Wh removable battery - Front suspension fork 100km/charge maximum range 19 kg net weight	Step-through upright geometry for accessible and comfortable urban rides	€1,899	
City E-bikes (smart series)				
CGO009	374 Wh removable battery - TENWAYS C9 motor 85km/charge maximum range 21 kg net weight	Single-speed design with smart connectivity for streamlined, low-maintenance riding	€2,199	

Hybrid E-Bikes

Our Hybrid E-Bikes are engineered for versatility, combining features suited for both trekking and mountain biking. They deliver consistent performance across paved and mixed terrains, allowing riders to tackle light off-road adventures and easy mountain trails. Equipped with mid-drive motors for consistent assistance on slopes and when carrying loads, Hybrid E-Bikes offer a balanced solution for fitness, leisure and daily commuting. As of September 30, 2025, we offered three Hybrid E-Bike models: AGO Air, AGO X and AGO T.

AGO Air is designed to provide lightweight, versatile mobility suited for daily commuting and weekend excursions, with an emphasis on easy handling and user-friendly operation.

AGO X serves as a durable, all-around model capable of traversing light off-road segments, delivering stable handling and responsive power performance.

AGO T offers premium urban comfort, featuring smooth and natural pedaling experience, low-maintenance belt-drive and stepless-shifting system, ideal for steady, extended rides across varied city terrains.

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The following sets forth the key features of our Hybrid E-Bikes.

Model	Key Specifications	Primary Positioning	Recommended Retail Price (€ per unit)	Illustrations
AGO AIR	• 560 Wh removable battery • 9-speed drivetrain • 100km/charge maximum range • 24.85 kg net weight	Urban commuting and weekend excursions	€2,199	
AGO X	• 504 Wh removable battery • 10-speed drivetrain • 100km/charge maximum range • 27 kg net weight	All-rounder for urban commuting and light off-road riding	€2,399	
AGO T	• 504 Wh removable battery • Carbon belt drive • Stepless-shifting hub • 100km/charge maximum range • 30 kg net weight	Premium model for urban riding across varied terrains	€2,699	

Cargo E-Bikes

Our Cargo E-Bikes are designed primarily to provide secure and comfortable urban transportation, offering the necessary capacity and stability for routine family mobility and substantial cargo requirements. Each model is equipped with mid-drive systems, low-maintenance belt drives and stepless shifting mechanisms for smooth, predictable power to support reliable hill-climbing capability and consistent performance across varied weather conditions. As of September 30, 2025, we offered two Cargo E-Bike models: Cargo One and Longtail Duo.

Cargo One is our flagship family e-bike, featuring an extra-large front cargo box, EV-style sidelights and versatile cargo functions that deliver ample capacity and comfort for school runs, errands and urban logistics.

Longtail Duo is a smart, space-efficient family hauler featuring an extended rear carrier and app-enabled IoT connectivity. It is designed to facilitate the transportation of children or cargo with ease while maintaining a stable and comfortable riding experience.

The following summarizes the key features of our Cargo E-Bikes.

Model	Key Specifications	Primary Positioning	Recommended Retail Price (€ per unit)	Illustrations
Cargo One	• 960 Wh removable battery • Extra-large cargo box • EV-style sidelights • 90km/charge maximum range	Flagship, high-capacity family cargo model	€4,999	
Longtail Duo	• 720 Wh removable battery • Extra long rear carrier • 100km/charge maximum range	Efficient family hauler with smart connectivity	€3,499	

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The following table sets forth a breakdown of sales volume and average selling prices of e-bikes by category.

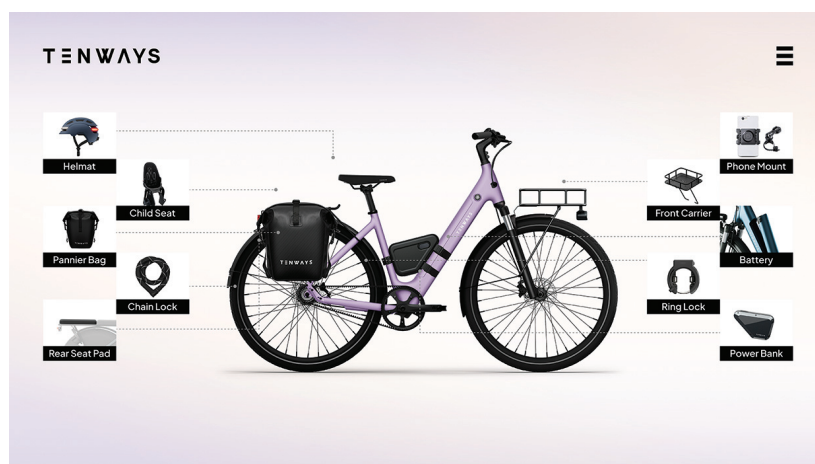
	Year ended December 31,		Year ended December 31,		Nine months ended September 30,		Nine months ended September 30,	
	2023		2024		2024		2025	
	Sales volume (unit)	Average selling price per unit ⁽¹⁾ (€)	Sales volume (unit)	Average selling price per unit ⁽¹⁾ (€)	Sales volume (unit)	Average selling price per unit ⁽¹⁾ (€)	Sales volume (unit)	Average selling price per unit ⁽¹⁾ (€)
City E-Bikes	34,862	1,178	40,610	1,175	34,892	1,182	36,660	1,144
Hybrid E-Bikes	4,013	1,611	6,391	1,530	5,703	1,534	5,878	1,414
Cargo E-Bikes ⁽²⁾	1	3,000	560	3,032	510	3,039	1,156	2,255
Total	38,876		47,561		41,105		43,694	

Notes:

- (1) Average selling price per unit is calculated by dividing the revenue by sales volume for each product category. Such calculated average selling prices are lower than the recommended retail price ranges because we sell to our distributors at the manufacturer selling prices which are lower than the recommended retail prices.
- (2) The average selling price of Cargo E-Bikes is relatively lower for the nine months ending September 30, 2025, primarily due to a shift in product mix. We launched Cargo Longtail Duo in 2025, which had a lower selling price than Cargo One.

Accessories, Apparel and Other Related Products and Services

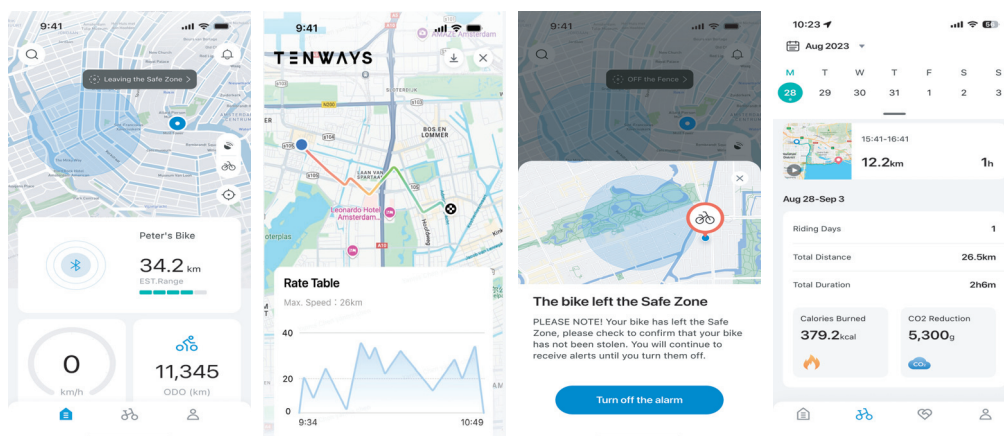
In addition to e-bikes, we offer a range of cycling accessories, apparel and related products, including child seats, helmets, locks, power banks and batteries. Set forth below are examples of our accessories, apparel and related products.



We provide the Smart Connect subscription service via our proprietary TENWAYS App, which enables users to remotely control and monitor selected models of TENWAYS e-bikes in real time. The subscription offers anti-theft and real-time tracking functions. Users can view the live location of their e-bikes and receive notifications via the TENWAYS App if movement is detected when the e-bike is unattended. In addition, the TENWAYS App provides ride-related data and analytics, such as mileage tracking, estimated calorie consumption and usage statistics. As of the Latest Practicable Date, Smart Connect was available for the CGO009 and Longtail Duo models offered for sale, each

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of which included a 12-month complimentary subscription from activation, after which a paid subscription is required for continued access. Set below are illustrations of key functions of Smart Connect:



In 2023 and 2024 and the nine months ended September 30, 2024 and 2025, revenue generated from accessories, apparel and other related products and services amounted to €484 thousand, €1.5 million, €1.0 million and €1.3 million, respectively, representing 1.0%, 2.4%, 2.0% and 2.4% of our total revenue for the respective periods.

BRANDING AND MARKETING

We design, develop, engineer and market e-bike products under a single, coherent brand, TENWAYS. Our omni channel marketing strategy is designed to support and accelerate our sales and distribution model by integrating online and offline channels to drive brand awareness, generate demand and facilitate conversion through both direct and distributor-led sales channels. This integrated approach differentiates us from many European competitors that have historically relied primarily on offline marketing. From our branding and sales center in Europe, we produce localized, multilingual content and maintain market-specific owned digital channels and local marketing partnerships. According to Cision Media Share of Voice data, for the nine months ended September 30, 2025, we ranked among the top two e-bike brands in Europe by social media mention volume.

Our sales and marketing organization operates through a structured and integrated marketing communication plan. We conduct continuous market research, analyze online channel performance and maintain regular dialogue with distributors to track consumer preferences and refine messaging. We complement our digital marketing with trade marketing programs that support retail expansion and enhance the in-store experience through standardized store materials and merchandising toolkits. Marketing content is tailored to diverse consumer demographics across our core markets, with messaging focused on riding experience, riding ease, local service, versatility and reliability — key attributes that support purchase decision-making across various sales channels.

Our marketing execution spans targeted online advertising, social media platforms and influencer partnerships, as well as offline initiatives including industry exhibitions, pop-up events and city tours. In 2025, influencer collaborations generated 41.7 million impressions across 543 partnerships, primarily in Germany and the Netherlands. We maintain long-term sponsorship arrangements, including a multi-year partnership with Borussia Dortmund that strengthens brand visibility across core markets. In 2023, we also engaged in a brand ambassador collaboration with Pamela Reif. We support distributor-led sales by expanding test-ride access and facilitating consumer interaction with our products through offline retail stores. In 2025, we conducted an 18-week, 15-city EU City Tour across the Netherlands, Belgium and Germany, and participated in the Eurobike Exhibition. Going forward, we intend to continue participating in industry events and

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conducting localized product launch activations to strengthen online-offline conversion and support the continued expansion of our sales and distribution network.



SALES AND DISTRIBUTION

Overview

We have a multi-channel sales and distribution network covering both distributor and direct sales. We partner with distributors who sell our products primarily through their offline retail stores, including independent stores and retail chains. In addition, we offer direct sales to consumers and corporate customers, such as bike leasing companies, primarily via our online DTC store. The following table sets forth a breakdown of our revenue by sales channel.

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
(€ in thousands, except percentages)								
Sales to distributors	27,893	58.1	43,799	72.2	38,457	73.1	38,931	71.8
Sales to independent stores	16,639	34.7	28,197	46.5	24,320	46.2	29,425	54.3
Sales to retail chains	11,254	23.4	15,602	25.7	14,137	26.9	9,506	17.5
Direct sales	20,135	41.9	16,836	27.8	14,119	26.9	15,259	28.2
Total	48,028	100.0	60,635	100.0	52,576	100.0	54,190	100.0

During the Track Record Period, we sold our products in 34 countries and regions across Europe, North America, Oceania and others. The following table sets forth a breakdown of our revenue by geographic regions.

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
(€ in thousands, except percentages)								
Europe	46,532	96.8	58,718	96.8	51,072	97.1	52,943	97.7
Benelux	18,984	39.5	28,058	46.3	22,653	43.1	27,480	50.7
Germany	19,505	40.6	21,743	35.9	20,319	38.6	16,748	30.9
Other European countries	8,043	16.7	8,917	14.6	8,100	15.4	8,715	16.1
United States of America	1,484	3.1	1,876	3.1	1,470	2.8	1,217	2.2
Others ⁽¹⁾	12	0.1	41	0.1	34	0.1	30	0.1
Total	48,028	100.0	60,635	100.0	52,576	100.0	54,190	100.0

Note:

(1) Primarily included Canada, Australia and others.

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Sales to Distributors

We primarily sell our products through our network of distributors, who in turn generally sell them to end consumers via offline retail stores, consistent with prevailing industry practices. Our offline presence provides consumers with the opportunity to test ride products before purchase and access to local after-sales service. In 2023 and 2024 and the nine months ended September 30, 2024 and 2025, revenue generated from sales to distributors amounted to €27.9 million, €43.8 million, €38.5 million and €38.9 million, respectively, representing 58.1%, 72.2%, 73.1% and 71.8% of our revenue for the respective periods. Consistent with industry norms, we offer our products to distributors at the manufacturer selling prices, which are lower than the recommended retail prices. Accordingly, sales to distributors generally generate lower per-unit returns than direct sales. In the nine months ended September 30, 2025, our product contribution margin of distributor sales, calculated as revenue generated from sales to distributors less product costs, divided by revenue generated from sales to distributors, was 38.1%. As of December 31, 2023, 2024 and September 30, 2025, our products were sold in 577, 1,028 and 1,408 offline retail stores, respectively. As of September 30, 2025, we worked with a total of 1,041 distributors, including (i) 331 distributors in Benelux covering 381 retail stores; (ii) 225 distributors in Germany covering 542 retail stores; (iii) 126, 113 and 71 distributors in France, the United Kingdom and the United States covering a total of 310 retail stores; and (iv) 175 distributors in other countries covering a total of 175 retail stores.

The table below sets forth the movement in number of our distributors:

	Year ended December 31,		Nine months ended
	2023	2024	September 30, 2025
As of the beginning of the period	233	454	762
Addition of new distributors for the period ⁽¹⁾	277	427	545
Terminated and/or inactive ⁽²⁾ distributors for the period	56	119	266
Net increase in number of distributors for the period	221	308	279
As of the end of the period	454	762	1,041

Notes:

- (1) New distributors refer to distributors who placed purchase orders with us during a particular period, including reactivated distributors who resumed purchasing activities after a period of inactivity.
- (2) Terminated distributors represent distributors that were directly terminated during the period indicated. Inactive distributors represent distributors that placed purchase orders with us for the period immediately preceding the period indicated but did not purchase from us for the period indicated. Inactive distributors may purchase from us in a subsequent period.

During the Track Record Period, the increase in new distributors in each period was primarily driven by our strengthened distributor recruitment and sales execution efforts, targeting both independent stores and retail chains to capitalize on opportunities in our target markets. During the Track Record Period, distributors who ceased their relationship with us were primarily inactive distributors or distributors that or had made only one-off purchases, often for test runs. In rare cases, we terminated relationships due to unsatisfactory performance, violations of our management policies or credit risks.

Our relationship with the distributors is a buyer and seller relationship. Distributors are not permitted to use our brand or trademarks beyond the scope of authorization, and we do not offer them advances or financial assistance. The lead time for sales to distributors typically ranges from two days to seven days. We ship our products to distributors after they place relevant purchase orders, and usually provide credit terms of up to 30 days. Revenue is recognized at a point in time when control of the asset is transferred to the distributor. We maintain good and stable commercial relationships with our distributors. During the Track Record Period and up to the Latest Practicable Date, we were not involved in any material disputes or legal proceedings with our distributors. To the best of our knowledge, all of our distributors during the Track Record Period were Independent Third Parties.

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Selection of New Distributors

We select distributors with stringent criteria to ensure they are capable of effectively representing our brand and promoting our products. Our key selection considerations include business qualifications, operational capability, financial soundness and service quality. Distributor candidates are required to hold all requisite business licenses and permits and are preferred if they possess relevant industry insight and marketing experience. They must demonstrate sufficient financial resources to operate retail stores and distribution networks and to maintain appropriate inventory levels. We assess their management capability and sales force based on past or current business operations, and require distributors to maintain adequate in-store display areas and sales capability for their assigned territories and product mix. Distributors must also adhere to our operating regulations, understand our brand concept, and demonstrate service awareness consistent with our consumer experience standards. In addition, candidates are expected to maintain robust after-sales service processes, including warranty and returns handling, spare parts management and customer support competency, to ensure timely resolution of consumer issues and to safeguard our brand reputation.

Management of Distributors

Our sales and marketing team is responsible for overseeing our distribution network. We conduct annual, structured assessments of our relationships with existing distributors. We evaluate distributors based on criteria such as their annual purchase volume, distribution network expansion and advertising and marketing activities. To minimize the risk of cannibalization, we have adopted the following measures: (i) we provide recommended retail prices to our distributors to support consistent market positioning; (ii) we typically designate a distributor for a specific geographic area; and (iii) we conduct regular on-site visits to monitor for sales outside designated geographies. Any non-compliant activities are reported promptly and we require timely rectification.

Moreover, we support our distributors and have instituted controls to deter channel stuffing, including: (i) reviewing distributors’ sales plans and targets and providing guidance to prevent inventory build-ups; (ii) conducting routine on-site inspections of distributors’ retail stores for sales, storage conditions, quality control, and inventory levels; and (iii) leveraging digital tools and IoT functionality by encouraging consumers to register in the TENWAYS App and monitoring device activations to assess sell-through performance and identify potential overstock risks. We generally do not allow return or exchange of products by distributors, unless due to product defects. This policy discourages over-ordering and reduces inventory accumulation. During the Track Record Period, the percentage of returned products from distributors was around 1% of total e-bikes sold, primarily due to product quality issues arising from improper handling during shipment.

If we discover any non-compliance of distributor terms and conditions, we may notify the relevant distributors in writing and require timely rectification. For material non-compliance, we are entitled to terminate distribution arrangements with non-compliant distributors. During the Track Record Period and up to the Latest Practicable Date, we were not aware of any of our distributors committing any material breach of their distribution arrangement.

Major Terms and Conditions for Distribution Arrangement

We enter into distribution arrangements with distributors typically pursuant to our general terms and conditions. According to Frost & Sullivan, it is common industry practice in Europe to set distributorship arrangements under general terms and conditions. The principal terms are summarized below:

- *Duration.* The distribution arrangement is open-ended and may be terminated on notice, with the minimum notice period generally increasing with the duration of the relationship.
- *Sales Target.* We generally do not set annual or monthly minimum purchase requirements. Distributors sell our products as independent operators.

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- *Distribution Area.* Distributors may sell to end customers and are generally free to engage in sales within the European Economic Area; offering products via third-party marketplaces is prohibited unless otherwise agreed in writing, and online advertising or offerings require our prior approval in accordance with our standards.
- *Sub-Distribution.* Distributors are not allowed to sell to sub-distributors without our prior consent.
- *Pricing Policy.* We may provide non-binding recommended resale prices to support product positioning and brand image; distributors are free to determine their own resale prices.
- *Payment.* Our standard payment term is 30 days from invoice date, subject to different terms as may be separately agreed with certain distributors.
- *Return or Exchange.* We typically do not allow return or exchange of products from distributors unless relevant products are defective.
- *Termination.* We may terminate or suspend performance upon distributor default, including non-payment, insolvency-related events, breach of contract, conduct that jeopardizes our payment interests or misuse of our intellectual property.

Sub-distributors

As of September 30, 2025 and up to the Latest Practicable Date, we did not have any sub-distributors. During the Track Record Period, however, at the initial stage of our business expansion into certain European markets such as Denmark, very few distributors engaged sub-distributors. To the best knowledge of our Directors, such sub-distributors were individuals or private enterprises primarily engaged in distributing bicycles in Europe and were Independent Third Parties.

We did not have contractual relationships or direct arrangements with sub-distributors. The relevant distributors were solely responsible for the management and oversight of their sub-distributors. In the event of any material breach or market-disruptive activity by a sub-distributor, we had the right to terminate the distribution arrangement with the relevant distributor in accordance with the distribution arrangement. During the Track Record Period and up to the Latest Practicable Date, we were not aware of any material violation of our sales policies by sub-distributors.

Direct Sales

Substantially all of our direct sales are conducted through our online DTC store. The online direct sales model allows us to build direct relationships with consumers, collect consumer feedback and maintain control over pricing, branding and consumer experience. Online direct sales are effective for new product launches, flagship models promotion and markets with high e-commerce penetration. For sales through our self-operated online DTC store, we are responsible for arranging logistics and after-sales services. While we generally do not allow return or refund for sales to distributors, we offer a 14-day return or exchange period for direct sales following delivery without cause.

Revenue from direct sales was €20.1 million, €16.8 million, €14.1 million and €15.3 million in 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. As compared to sales to distributors, we generally offer products to direct sales customers at the recommended retail prices, subject to promotional discounts or seasonal campaigns. Accordingly, direct sales generally generate higher per-unit returns than sales to distributors. In the nine months ended September 30, 2025, our product contribution margin of direct sales, calculated as revenue generated from direct sales less product costs, divided by revenue generated from direct sales, was 52.7%.

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We believe our online and offline channels operate in a complementary manner. Our online platform enables us to reach a broader range of consumers and potential corporate clients while directing traffic to our offline locations. Offline interactions, including test rides and in-store consultation, remain important factors in consumers’ purchasing decisions and help reinforce brand recognition and online engagement. To ensure consistent positioning across channels and prevent any potential cannibalization, we have implemented internal control measures, including: (i) maintaining consistent recommended retail prices across channels; and (ii) synchronizing retail promotional policies across channels.

Product Pricing

The retail prices of our products are set with reference to the positioning of each model, production costs, prevailing market conditions, pricing of comparable urban e-bikes and our target profit margins. We review and adjust our product prices periodically based on these factors and overall market conditions. We generally set our products at uniform recommended retail prices to support consistent market positioning. We may also adjust prices or offer discounts during specific marketing events, such as Black Friday and regional holidays, and offer coupons, bundles, time-limited promotions and referral credits to our online direct sales customers.

OUR CUSTOMERS

Major Customers

Our customers primarily consist of distributors, including retail chains and independent stores, as well as direct sales customers, including individual customers and corporate customers such as bike leasing companies. In 2023 and 2024 and the nine months ended September 30, 2025, our five largest customers purchased from us in the amount of €12.1 million, €15.4 million and €10.2 million, representing 25.1%, 25.4% and 18.8% of our total revenue, respectively. In the same periods, our largest customer accounted for €4.4 million, €5.8 million and €3.9 million, representing 9.1%, 9.6% and 7.3% of our total revenue, respectively. The following tables set out details of our five largest customers during the Track Record Period:

For the year ended December 31, 2023:

<u>Customers</u>	<u>Principal Business</u>	<u>Credit Terms</u>	<u>Years of Commencement of Business Relationship</u>	<u>Sales Amount</u> (€ in thousands)	<u>% of Total Revenue</u>
Customer A	An e-bike specialist retailer based in the Netherlands	30 days	2022	4,352	9.1%
Customer B	A bicycle retail chain based in Germany	15 days	2022	3,876	8.1%
Customer C	A bicycle manufacturer and distributor based in Germany	15 days	2022	1,479	3.1%
Customer D	A bicycle retailer and wholesaler	15 days	2022	1,231	2.6%
Customer E	A bicycle distributor based in Germany	15 days	2022	1,131	2.4%
Total				12,069	25.1%

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For the year ended December 31, 2024:

<u>Customers</u>	<u>Principal Business</u>	<u>Credit Terms</u>	<u>Years of Commencement of Business Relationship</u>	<u>Sales Amount</u> (€ in thousands)	<u>% of Total Revenue</u>
Customer A	An e-bike specialist retailer based in the Netherlands	45 days	2022	5,829	9.6%
Customer B	A bicycle retail chain based in Germany	30 days	2022	4,791	7.9%
Customer C	A bicycle manufacturer and distributor based in Germany	15 days	2022	1,817	3.0%
Customer E	A bicycle distributor based in Germany	15 days	2022	1,508	2.5%
Customer F	A bicycle distributor based in the Netherlands	15 days	2023	1,443	2.4%
Total				15,388	25.4%

For the nine months ended September 30, 2025:

<u>Customers</u>	<u>Principal Business</u>	<u>Credit Terms</u>	<u>Years of Commencement of Business Relationship</u>	<u>Sales Amount</u> (€ in thousands)	<u>% of Total Revenue</u>
Customer A	An e-bike specialist retailer based in the Netherlands	45 days	2022	3,945	7.3%
Customer B	A bicycle retail chain based in Germany	30 days	2022	2,306	4.3%
Customer F	A bicycle distributor based in the Netherlands	15 days	2023	1,935	3.6%
Customer C	A bicycle manufacturer and distributor based in Germany	15 days	2022	1,091	2.0%
Customer E	A bicycle distributor based in Germany	15 days	2022	895	1.7%
Total				10,172	18.8%

During the Track Record Period and as of the Latest Practicable Date, none of our Directors, their close associates or any other Shareholder who, to the best knowledge of our Directors, owned more than 5% of our issued share capital had any interest in any of our five largest customers in any year of period of the Track Record Period.

After-Sales Services

We prioritize consumer experience and provide responsive after-sales support. Our after-sales program covers both warranty matters and extended warranty services for out-of-warranty e-bikes, and operates through a layered service model across major markets. Under this model, first-level after-sales services are primarily provided by distributor-operated retail stores and authorized service partners in accordance with our service standards, while more complex or escalated cases are handled by us. As of the Latest Practicable Date, we had established an extensive after-sales service network, covering 418 distributor retail stores and authorized service partners. In addition, we maintain an online customer service team that provides support primarily via email and instant chat through our website and mobile app. We also operate an offline after-sales support team that assists distributors by coordinating spare parts requests through our B2B digital portal or via email.

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Product Warranties and Recalls

We maintain warranty practices that are consistent with industry standards and in compliance with regulations. Warranty coverage varies by product category and component. For example, battery-related components are generally covered for two years, frame-related components are covered for five years and most wear-and-tear items are covered for three to six months.

Our products undergo comprehensive quality assurance and testing procedures prior to sale. Warranty expenses remained relatively stable during the Track Record Period, amounting to €1.1 million, €1.2 million and €1.1 million in 2023, 2024 and the nine months ended September 30, 2025, respectively. During the Track Record Period and up to the Latest Practicable Date, we did not experience any product return, replacement or warranty claims that had a material adverse effect on our business, nor did we receive any complaint from customers that materially and adversely affected our results of operations.

We have also formulated product recall procedures that provide a clear and structured framework for identifying, assessing and managing product safety risks, including regulatory notification, customer communication and remedial actions, where necessary. During the Track Record Period and up to the Latest Practicable Date, we were not ordered to undertake any mandatory product recalls as required by any government authorities, which could have an adverse effect on our business, financial condition and results of operations. However, we may initiate voluntary recalls to protect user safety and our brand. In May 2025, we voluntarily initiated a recall of approximately 600 Cargo E-Bikes to improve design and enhance structural strength. See “Risk factors — Risks related to our business and industry — Unsatisfactory performance of, or defects in, our products may give rise to returns or recalls, regulatory actions and product liability claims, and could materially and adversely affect our business.”

RESEARCH AND DEVELOPMENT

Product design and development are central to our long-term competitiveness and growth. Our research and development activities focus on ensuring product compliance, quality and safety, while incorporating new technologies to address evolving consumer preferences and regulatory developments in the e-mobility industry.

Our research and development efforts emphasize performance and user experience across key areas, including structural and industrial design, riding safety and stability, comfort, power systems, connectivity and weight optimization. Key product features include lightweight frame structures, belt-drive systems, sensor-based power assistance and integrated smart connectivity. These efforts have resulted in technological advancements and accumulated proprietary know-how integrated into our products. As of September 30, 2025, we had registered 81 patents globally, comprising 4 invention patents, 20 utility model patents and 57 design patents, covering areas such as e-bike frame and structural design, batteries, IoT and telecommunications.

Our product development team is led by Mr. LIANG, our founder and CEO. As of September 30, 2025, the team comprised 40 employees engaged in product design, hardware development, IoT development and mobile application development. In 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our research and development expenses were €1.2 million, €1.7 million, €1.3 million and €1.7 million, respectively.

Product Development Process

Our average product development cycle from initial concept to commercial launch is approximately 12 months. We follow a standardized product development process designed to ensure efficiency and consistent product quality. New product proposals are developed based on end-user needs, competitive dynamics and market insights, drawing on data and consumer feedback collected through online and offline channels and internal sales systems. The product development team works cross-functionally with sales and marketing, as well as procurement and supply chain functions, to ensure manufacturability, supplier alignment and timely product launches.

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The development cycle begins with project planning and feasibility assessment, covering factors such as engineering design, safety, quality, functionality, cost and manufacturability, and is subject to management approval. Following approval, the team undertakes technical design, prototype development and testing against applicable performance, safety and reliability standards, including third-party testing and certification where required. Trial production is conducted in limited batches prior to mass production and commercial launch.

Our Technologies and Designs

As the e-bike industry continues to evolve toward greater intelligence, lightweight construction and higher powertrain efficiency, we continue to refine existing designs and incorporate new technologies to enhance product performance, quality and user experience. Our design approach takes into account local riding environments, consumer preferences and applicable regulatory requirements across markets, with an emphasis on balancing aesthetics, safety, comfort and long-term reliability. In terms of structural engineering, we focus on optimizing frame architecture and manufacturing processes to achieve a balance among reduced weight and structural strength. Our e-bike frames are designed to accommodate integrated or removable battery solutions while maintaining frame stiffness and stable ride quality. We have also developed integrated electronic control systems that combine sensor-based input and digital communication to enable coordinated power assistance. These systems are designed to provide smooth, proportionate motor support in response to rider input, enhancing riding comfort and control. In addition, we incorporate IoT-enabled connectivity solutions to support data exchange, human-machine interaction, location tracking and anti-theft functions. We have applied OTA upgrades for e-bikes. Through software and system integration, we are able to update and improve functionality across compatible models over the product lifecycle, supporting ongoing performance optimization and user experience enhancement.

Case Study — CGO009, a Dutch-style, Smart E-Bike Tailored for the Dutch Market

The Netherlands is widely recognized for its deeply embedded cycling culture and high frequency of bicycle use in everyday life. Local riding preferences are shaped by factors such as a relatively tall average height, an upright riding posture and a strong emphasis on comfort for daily urban commuting. At the same time, bicycle theft remains a persistent concern for consumers, driving demand for more advanced and integrated anti-theft solutions beyond traditional mechanical locks.

To address these market-specific needs, we launched CGO009 in February 2024. The model integrates advanced ergonomic and structural design with proprietary motor, battery and electronic control technologies, as well as IoT-enabled connectivity features. Designed with a Dutch-inspired aesthetic and long-leg geometry tailored to local ergonomic requirements, CGO009 supports a comfortable, upright riding posture suitable for everyday urban use. The model features a side-removable battery for enhanced convenience and incorporates intelligent functions such as real-time location tracking, smartphone connectivity and app-based vehicle management. Through the TENWAYS App, users can locate their e-bike in real time and benefit from enhanced anti-theft protection enabled by connected IoT systems.

By combining contemporary Dutch styling with smart functionality and user-centric engineering, CGO009 reflects our ability to translate local consumer insights into differentiated, market-specific products. In recognition of its design excellence and user-focused innovation, CGO009 received the 2026 German Design Award, underscoring the effectiveness of its aesthetic, functional and technological integration.

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The following picture illustrates the CGO009 model with its key features.



External Research and Development Cooperation

We engage in collaborative R&D partnerships with external entities to co-develop innovative technologies and products that address evolving market needs. These collaborations enable us to access external research expertise and complement our in-house R&D capabilities. In 2024, we commenced a collaboration with an academic institution on the joint R&D of electric motor technologies, with the academic institution responsible for technical R&D and us responsible for the product definition and the commercialization of research results. Intellectual property arising from the program is jointly owned by the parties on a 50:50 basis. The collaboration may be terminated upon the occurrence of specified events, including force majeure, recognized technical infeasibility or our decision to discontinue the project following a market assessment, subject to required notice. Research and development fees payable under the collaboration are determined on a milestone-based basis. There is no separate profit or loss sharing arrangement.

PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

Procurement

We source our principal components from a diversified global supplier base to support scale, quality and supply stability. As of September 30, 2025, we sourced a broad range of components from multiple countries and regions in Europe, Asia and North America through over 80 qualified suppliers.

Over the course of our development, we have transformed our procurement and supply chain operations from a largely outsourced model into an integrated, strategically managed system that enhances cost efficiency, quality assurance and supply stability. In the past, our OEM partners were responsible for the procurement of components for our products. As our business scale expanded and our operation became more sophisticated, beginning in 2023, we assumed direct management of key procurement and supply chain activities to strengthen control over components and enhance cost and quality management. In 2024, Tengfeng Advanced Manufacturing, our primary purchasing

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entity, began to procure and resell components to OEM partners, so as to assume greater responsibility, over procurement, supplier management and quality control, while OEM partners continued to procure certain components directly from suppliers approved by us.

Currently, our OEM partners procure components through two primary channels: (i) direct procurement from qualified suppliers, typically adopted for standardized components with stable quality and straightforward logistics; and (ii) procurement through our purchasing entities, which procure and resell components requiring closer oversight, enhanced quality control or more complex supplier management. This approach aligns procurement pathways to component characteristics and supplier reliability, strengthening operational flexibility and cost resilience. Together, these measures have supported the establishment of our globally integrated procurement network with improved efficiency, enhanced control and greater supply chain stability.

Inventory Management

We have in place an inventory management framework to track inventory levels and support coordination among our procurement, OEM partners, sales team and distributors to maintain appropriate levels of components and finished e-bikes. Our production and procurement planning take into account historical sales performance, demand forecasts, seasonality and confirmed customer orders. To improve procurement efficiency, we regularly adjust procurement forecasts based on sales performance and broader industry and market information. We communicate demand expectations to key component suppliers and OEM partners to support production planning, particularly for components with longer procurement lead times. Subject to seasonal fluctuations and availability, we maintain appropriate level of inventory for certain core components and finished e-bikes to manage demand volatility and reduce the risk of supply disruption. We conduct regular inventory counts and continuous inventory monitoring.

Warehousing and Logistics

As our procurement and supply chain model has evolved toward greater integration and operational control, we have improved our warehousing and logistics arrangements. Our warehousing and logistics framework is designed to support efficient handling of components and finished products, coordinated manufacturing activities and timely delivery of finished e-bikes to customers. Our warehousing functions are primarily outsourced to third-party providers, except for certain key components sourced by our purchasing entities from the Chinese mainland are stored in warehouses operated by those purchasing entities. In addition, warehousing of consigned materials provided to OEM partners for assembly is managed directly by the OEM partners. We require our OEM partners to maintain insurance coverage over such materials. All logistics activities within our supply chain are handled by third-party service providers.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material warehousing or logistics disruptions or significant losses arising from delivery delays or improper handling of goods.

PRODUCTION

During the Track Record Period, substantially all of our e-bikes were produced by OEM partners, although in 2024 we produced a limited number of e-bikes at our in-house facilities in the Chinese mainland for the U.S. market. We subsequently transitioned to a full OEM production model, which offers asset-light operations, flexibility, scalability and cost efficiency. According to Frost & Sullivan, OEM production is commonly used in the European bicycle industry. Set forth below are the typical arrangements under our OEM production model:

Step 1: Production Standards. We provide our OEM partners with bill of materials and specifications of key components, as well as the production standards our OEM partners are required to adhere to.

Step 2: Order Placement. We place e-bike orders with our OEM partners, specifying the required product specifications, quantities and delivery timelines.

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Step 3: Component Sourcing. Our OEM partners source the necessary components through both channels: (i) direct procurement from component suppliers; or (ii) procurement through our purchasing entities, which purchase from components suppliers and then sell them to OEM partners.

Step 4: Production. Our OEM partners produce completed e-bikes in accordance with our design and specifications.

We implement standard production processes for our e-bikes to ensure consistent quality and timely delivery. The production cycle generally takes approximately six months, from placing the order to receiving the completed e-bikes at the finished goods warehouse, including the time required for component procurement, OEM production and logistics.

OEM Partners

During the Track Record Period, we cooperated with five OEM partners in Portugal, Taiwan, the Chinese mainland, Lithuania and Germany. Save for Leonis the OEM partner in the Chinese mainland (see “— Our Suppliers — Major Suppliers” for details), the other four OEM partners were all Independent Third Parties. Since 2024, we ceased placing e-bike purchase orders with the OEM partners in Lithuania and Germany as part of our cost and supply chain optimization efforts, and transferred production to the Portuguese OEM facility. The transition was executed smoothly. As of September 30, 2025, we had three OEM partners in total, with the Portugal OEM partner providing products sold in Europe, the Taiwan OEM partner and Leonis providing products sold in the United States and other regions.

We carefully select OEM partners according to their product and service quality, technical capabilities, production capacities and pricing to meet our delivery timelines. In addition, we select OEM manufacturers with established operating histories and relevant quality management certifications, including ISO9001. We evaluate OEM partners on a regular basis based on certain key performance indicators, including production capacity, delivery performance, production safety records and cost considerations. We implement stringent quality control measures and provide technological guidance to our OEM partners to ensure consistent product quality. See “— Quality Control”. We also supervise other compliance aspects of our OEM partners. At onboarding, we verify licenses and permits, including production-related and safety-related permits, to ensure compliance with applicable laws and regulations. During the cooperation, we conduct periodic compliance reviews and on-site inspections. Our agreements with OEM partners include production-safety requirements with clearly defined liabilities for violations.

We have implemented internal control procedures to monitor and review order volumes placed with each OEM partner. Based on site visits and operational assessments, we determine whether each OEM partner has sufficient production capacity to meet both current procurement volumes and projected future needs. The OEM production of our products involves certain proprietary technologies, such as proprietary product designs and technical specifications. The research and development for these proprietary technologies is completed by our in-house product development team, and all related intellectual property and know-how are owned by us. OEM partners are contractually restricted from using or disclosing such proprietary technologies without our authorization.

We enter into framework agreements with our OEM partners, setting forth general terms that govern each production order. Set forth below are the key terms of our agreements with the OEM partners:

- *Term.* Our framework agreements with OEM partners are open-ended and may be terminated by either party on at least three months’ prior written notice. We may terminate for uncured breaches after notice, or immediately in cases of serious breach.
- *Product Quality.* OEM partners must comply with product specifications, operating procedures and inspection standards, and implement appropriate quality controls and corrective actions. During the warranty period, they are responsible for costs arising from product quality issues, including repairs or replacements.

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- *Credit Terms.* Subject to terms and conditions of purchase orders, OEM partners generally receive advance payment in accordance with agreed milestones, with settlement due within 30 days of delivery or acceptance.
- *Delivery Details.* Delivery methods of finished e-bikes are determined based on the relevant purchase orders.
- *Intellectual Property Rights.* OEM partners may use our intellectual property solely for the purpose of performing their obligations under the OEM arrangements. Any intellectual property rights arising from such use remain our exclusive property. OEM partners are required to notify us of any potential infringement risks.

During the Track Record Period and up to the Latest Practicable Date, (i) we did not experience any material breach of contracts by our OEM partners, (ii) we did not encounter any material quality issues with respect to products supplied by OEM partners and (iii) there were no instances where the OEM partners were unable to fulfill our procurement orders in a manner that had a material adverse impact on our business operations. In addition, we have not encountered material difficulties in identifying alternative OEM partners to date, and we believe that suitable alternatives are generally available in the market should the need arise.

Our Production Expansion Plan

We plan to enhance our control over the production process while expanding our production capacity by establishing joint venture manufacturing facilities and maintaining additional capacity reserves at our OEM partners to support market access and manage seasonal production requirements.

In October, 2024, we entered into a shareholders agreement with our Portugal OEM partner to form the JV Factory in Portugal. We hold a 49.5% equity interest, while the Portugal OEM partner holds the remaining 50.5%. As of the Latest Practicable Date, the JV Factory had commenced initial operational activities to support production, and had not yet commenced independent production, which is expected to start in the second half of 2026. Through this JV Factory, we aim to implement consistent factory management standards, strengthen control over production, optimize operations and build a high-efficiency, high-quality factory in Europe. The JV Factory has a gross floor area of over 8,000 square meters and an estimated annual production capacity of 50,000 bikes per year. As of September 30, 2025, the JV Factory had 45 full-time employees.

The principal terms of the shareholders agreement and the articles of association of the JV Factory include:

- *Share Transfers.* Inter-shareholder transfers are permitted. Third-party transfers are prohibited for four years from incorporation; thereafter, such transfers require JV Factory consent and are subject to pre-emption rights.
- *Board.* The board consists of three directors, two appointed by the majority shareholder and one appointed by the minority shareholder.
- *Management.* The managing director shall be appointed by the Portugal OEM partner, the finance manager by us and the production manager by mutual agreement.
- *Profit distributions.* Net profits, after legally required reserves, are applied as resolved by the general meeting, including reserves for potential acquisitions.
- *Call Option.* We hold a call option to acquire an additional 1% of share capital from the other shareholder, raising our equity interest from 49.5% to 50.5%, exercisable at our sole discretion.
- *Default.* Either party may terminate the arrangement upon a material breach by the other.

Under the current arrangement, unanimous approval of the shareholders of the JV Factory is required for certain matters that may impact on the JV Factory’s operation or financial position, including changes to share capital or structure, approval of business plans and budgets, entry into material agreements or financing outside the approved budget and transactions with shareholders or their related entities.

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In addition, we have selected an OEM partner in Vietnam as a back-up production option, which may be mobilized in response to future demand increases or supply chain contingencies and is capable of supporting deliveries to both European and U.S. markets. We believe our cooperation with OEM partners in Asia would enhance supply chain flexibility and provide additional options for managing quality, cost and delivery performance.

OUR SUPPLIERS

In addition to OEM partners, our suppliers primarily include (i) suppliers of components used in the production of our e-bikes, such as frames, electric drive systems, braking and transmission systems and other related e-bike components; and (ii) suppliers of accessories. During the Track Record Period, product costs, including components costs and production costs, amounted to €29.5 million, €35.1 million, €30.7 million, €31.6 million in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively, accounting for 82.9%, 83.1%, 85.3%, 85.4% of our cost of sales for the respective periods.

We maintain stable relationships with our suppliers. For most key components, we engage multiple approved suppliers and maintain active dual- or multi-sourcing arrangements. We believe our supplier concentration risk is low given this diversification, the availability of substitute suppliers for critical categories and our structured supplier management processes. We maintain internal control procedures to monitor procurement activities and source high-quality components at competitive prices through a vendor qualification and review process. Before onboarding suppliers, we assess factors such as production capability, product quality, delivery performance and compliance with applicable regulatory and certification requirements. We conduct regular reviews and may adjust or cease procurement relationships with suppliers that fail to meet our quality, performance or compliance standards. During the Track Record Period and up to the Latest Practicable Date, we did not terminate any suppliers in a manner that materially and adversely affected our results of operations, nor did we experience any material supplier breaches.

We typically enter into framework agreements with our component and accessory suppliers, setting forth general terms that govern each purchase order. Set forth below are the principal terms of our agreements with component and accessory suppliers:

- *Product Description.* Specifications of the components and accessories, quantity, price, as well as delivery arrangements and schedules are provided in the relevant purchase orders, subject to supplier confirmation.
- *Term.* The duration of framework agreements is typically one year and subject to automatic one-year renewals unless either party elects not to renew upon prior notice.
- *Quality.* Suppliers warrant that products comply with applicable standards and are subject to agreed quality and warranty obligations.
- *Credit Period.* We generally settle after receiving monthly statements and invoices according to payment terms specified in the relevant purchase orders. Credit terms typically range from 30 to 60 days and may vary depending on supplier relationships and commercial arrangements.
- *Delivery.* Suppliers are responsible for delivering goods to locations specified in the relevant purchase orders.
- *Liability.* The suppliers are required to bear responsibility for losses arising from quality defects attributable to them, in accordance with the agreement terms.
- *Termination.* Framework agreements may be terminated by mutual agreement in writing. In addition, we reserve the right to terminate any agreement unilaterally if a supplier fails to meet applicable performance standards, including repeated failure to meet agreed quality or delivery requirements.

Prices of certain components are subject to fluctuations driven by global supply and demand dynamics. For details of such fluctuations, see “Industry Overview — Raw Materials Price Trend.” We do not engage in hedging using derivative instruments relating to risk exposures associated with these products. We typically take into account such fluctuations in components costs when pricing

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our products. During the Track Record Period and up to the Latest Practicable Date, we did not experience any shortage of components and accessories or quality issues with our procured components and accessories that materially affected our operations, and we did not experience any material dispute with our suppliers.

Major Suppliers

In 2023 and 2024 and the nine months ended September 30, 2025, purchases from our largest supplier in each period accounted for 65.5%, 41.1% and 30.9%, respectively, of our total purchase amount for the respective periods. For the same periods, purchases from our five largest suppliers in each period accounted for 88.2%, 68.7% and 57.2%, respectively, of our total purchase amount for the respective periods. We believe that we have sufficient alternative suppliers for our business that can provide substitutes of comparable quality and prices. We do not believe that we have concentration risk in terms of suppliers.

The following tables set forth the details of our five largest suppliers in each year/period during the Track Record Period.

For the year ended December 31, 2023:

Supplier	Principal Business	Supply Type	Years of Commencement of Business Relationship	Credit Terms	Purchase Amount (€ in thousands)	% of Total Purchases
Leonis Group	A bicycle, e-bike and components manufacturer in Guangzhou, China	Components, finished e-bikes, leasing and trading services	2021	30 days	36,955	65.5%
Supplier A	A bicycle and e-bike manufacturer in Lithuania	OEM service	2022	7 days	9,775	17.3%
Supplier B	A trade and logistics company in the Netherlands	Warehousing and logistics services	2022	7 days	2,333	4.1%
Supplier C	A bicycle and e-bike manufacturer in Portugal	OEM service	2023	7 days	399	0.7%
Supplier D	An international freight forwarding and logistics company in Shenzhen, China	Logistics services	2023	7 days	299	0.5%
Total					<u>49,761</u>	<u>88.2%</u>

For the year ended December 31, 2024:

Supplier	Principal Business	Supply Type	Years of Commencement of Business Relationship	Credit Terms	Purchase Amount (€ in thousands)	% of Total Purchases
Leonis Group	A bicycle, e-bike and components manufacturer in Guangzhou, China	Components, finished e-bikes, leasing and trading services	2021	30 days	24,735	41.1%
Supplier A	A bicycle and e-bike manufacturer in Lithuania	OEM service	2022	7 days	9,070	15.1%
Supplier C	A bicycle and e-bike manufacturer in Portugal	OEM service	2023	7 days	3,731	6.2%
Ningbo M&S E-Driving System Co. Ltd (“MIVICE”) ⁽¹⁾	An e-bike drive system manufacturer in Ningbo, China	Motor and controller	2024	30 days	2,674	4.4%
Supplier E	A lithium-ion battery manufacturer in Guangzhou, China	Lithium battery	2024	60 days	1,174	1.9%
Total					<u>41,384</u>	<u>68.7%</u>

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Note:

- (1) MIVICE is controlled by Mr. Chongquan Luo, a former director of Shenzhen Shifang who resigned from his directorship with effect from August 26, 2025. See “Continuing Connected Transactions” for further details.

For the nine months ended September 30, 2025:

Supplier	Principal Business	Supply Type	Years of Commencement of Business Relationship	Credit Terms	Purchase Amount (€ in thousands)	% of Total Purchases
Supplier C	A bicycle and e-bike manufacturer in Portugal	OEM service	2023	30 days	8,467	30.9%
Supplier F	An e-bike components and smart technology supplier in Kunshan, China	Belts	2024	30 days	1,901	6.9%
Supplier G	An e-bike drive system manufacturer in Suzhou, China	Motors	2023	120 days	1,851	6.8%
MIVICE	An e-bike drive system manufacturer in Ningbo, China	Motor and controller	2024	30 days	1,777	6.5%
Supplier E	A lithium-ion battery manufacturer in Guangzhou, China	Lithium battery	2024	60 days	1,682	6.1%
Total					15,678	57.2%

Leonis Group is an established supplier of bicycle components and OEM manufacturer in China, serving numerous brands in the industry with a proven track record of reliable production and quality assurance. Since 2021, we have established an OEM arrangement with Leonis Group and have been purchasing completed e-bikes directly from it for our U.S. market. We have also sourced e-bike components from Leonis Group and engaged Leonis Group to design and manufacture moulds for the production of e-bike related components. See “Continuing Connected Transactions” for further details. Our sourcing relationship with Leonis Group has evolved over three phases as we continued to seek to improve costs efficiency and streamline procurement process: (i) before 2024, we purchased various components from Leonis Group, including items manufactured by itself or sourced from third-party suppliers, we then sold these components to our OEM partners for production; (ii) beginning in April 2024, as our own purchasing entities assumed responsibility for sourcing certain components, we ceased sourcing components manufactured by third-party suppliers through Leonis Group, while continuing to purchase frames and certain other components manufactured by Leonis Group; (iii) beginning in the second half of 2024, our OEM partners procured frames and other components directly from Leonis Group rather than through our purchasing entities. See “— Procurement and Supply Chain Management — Procurement” for further details of our sourcing arrangements under the OEM production model.

Our transactions with Leonis Group are based on the following commercial considerations: (i) product quality, as Leonis Group maintains stringent quality control standards and has demonstrated consistent manufacturing capabilities; (ii) cost efficiency, as the pricing offered by Leonis Group is competitive with market rates for comparable products and services; (iii) supply chain reliability, as Leonis Group has established production capacity and a consistent delivery track record that supports our operational requirements; and (iv) business relationship, given our history with Leonis Group (see “History” section of this document for further details). In 2023, 2024 and the nine months ended September 30, 2025, our purchase from Leonis Group amounted to €37.0 million, €24.7 million and €1.0 million, respectively, accounted for 65.5%, 41.1% and 3.4% of our total purchase amount for the respective periods.

We procure from MIVICE based on its advanced technology, competitive pricing and reliable supply. In 2023, 2024 and the nine months ended September 30, 2025, our purchase from MIVICE amounted to nil, €2.7 million and €1.8 million, respectively, accounted for nil, 4.4% and 6.5% of our total purchase amount for the respective periods.

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The pricing terms for our purchases from Leonis and MIVICE are determined through arm’s length negotiations with reference to market prices for comparable products offered by independent third-party suppliers.

Save for Leonis Group and MIVICE, during the Track Record Period and as of the Latest Practicable Date, none of our Directors, their close associates or any of our Shareholders (who owned, or to the knowledge of our Directors, had owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers in each year/period during the Track Record Period.

QUALITY CONTROL

Product quality is vital to our business, as any potential defect may pose significant risks to consumers. Our quality control system encompasses key stages across product design, procurement, OEM production, logistics and after-sales support. Additionally, our e-bikes are designed to comply with applicable e-bike standards in each jurisdiction in which they are sold. Our e-bikes sold in Europe are designed to comply with EN15194: 2017 + A1: 2023 and our e-bikes sold in the United States are designed to comply with UL2849.

Our quality control team is responsible for formulating and implementing the quality control policies across our production network, conducting inspections and maintaining consistent quality standards for OEM production and core component sourcing. These policies are regularly updated to reflect new product requirements. Our quality control personnel conduct periodic inspections and reviews at OEM partners and key component and accessory suppliers to ensure consistent implementation of our quality standards. As of September 30, 2025, 12 personnel from our product development, supply chain management and customer service functions were involved in quality control activities.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material quality control issues that would have a significant adverse impact on our business, financial condition or reputation.

Quality Control of Procurement

We purchase components and accessories from qualified suppliers who have passed our quality and reliability assessment. In accordance with our internal guidelines, incoming components and accessories are subject to inspection against applicable technical and quality standards to identify defects at an early stage.

Quality Control of Production

To ensure consistent quality of our products, we have implemented quality control procedures applicable to key stages of the production process at our OEM partners. Our OEM partners operate under ISO9001-certified quality management systems, which provide a standardized framework for production and quality assurance. We conduct on-site inspections and reviews at OEM production facilities to monitor compliance our quality standards. We maintain inspection plans and standards covering inspection scope, sampling and acceptance criteria. We coordinate with OEM partners to review quality issues on a regular basis, implement corrective measures and address defective products in accordance with agreed quality procedures. Our OEM partners also perform their own incoming material inspections, in-process inspections and final pre-shipment quality verification in line with our quality control procedures. If end customers identify quality issues, our quality control team coordinates with OEM partners to conduct review, root-cause analysis and implement corrective actions.

Quality Control of Finished Products and Warehousing

Our quality control procedures also cover storage, delivery and sales to ensure customers receive products in good condition. Finished goods are carefully packaged and stored, and we impose storage and quality requirements on all warehouse service providers, including compliance

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with applicable safety, storage and handling requirements. We also maintain product traceability and condition checks at dispatch and upon receipt by distributors to safeguard product integrity across the logistics chain.

THIRD PARTY PAYMENT ARRANGEMENT

Distributors in the European bicycle industry may choose to use centralized procurement platforms, streamline administrative processes by consolidating ordering and invoicing and standardizing payment procedures. Such arrangements enable distributors to leverage collective purchasing scale and improve coordination with suppliers. According to Frost & Sullivan, it is a common commercial practice in the European bicycle industry for distributors to use third-party centralized procurement platforms and settle payments through third-party payors.

During the Track Record Period, some of our distributors in Europe (the “**Third-party Payment Customers**”) settled payments with us through Dynamo Retail B.V. (“**Dynamo**”), a centralized procurement platform, rather than paying us directly (the “**Dynamo Payment Arrangement**”). Dynamo aggregates orders from multiple distributors to facilitate centralized procurement and secure more favorable pricing and contractual terms. Under the supplier agreement between us and Dynamo dated June 2025 (the “**Dynamo Agreement**”), Dynamo acts as a payment and facilitation intermediary, while the underlying sale contracts remain between us and the relevant distributors. To the best of our knowledge, Dynamo is not our connected person and is independent from each of our Directors, Shareholders and senior management.

Pursuant to the Dynamo Agreement, eligible distributors designated as Dynamo’s regular customers place purchase orders with us in their own name. We issue invoices to the relevant distributors, with copies provided to Dynamo for settlement purposes. Dynamo arranges payment to us in accordance with the agreed payment terms and subsequently collects payment from the distributors. In consideration for Dynamo’s platform and facilitation services, we pay Dynamo agreed service fees, including a listing fee and a del credere fee. Where Dynamo has made payment to us, it is contractually subrogated to our rights against the relevant distributors. If Dynamo does not make payment in accordance with the agreed terms, we retain contractual rights to pursue payment directly from the relevant distributor.

In 2023 and 2024 and for the nine months ended September 30, 2025, the number of Third-party Payment Customers that settled payments with us through Dynamo was 0, 0 and 35, respectively. In the same periods, the aggregate amount settled under the Dynamo Payment Arrangement was nil, nil and €0.4 million, respectively, representing nil, nil and 0.7% of our total revenue for the corresponding periods.

Our Directors confirm that, during the Track Record Period, (i) other than the Dynamo Payment Arrangement, we did not accept payments made by any third party that was not the contracting customer, nor did we proactively initiated to or participated in any other third-party payment arrangements; (ii) we did not provide any discount, commission, rebate, or other benefit to any of the Third-Party Payment Customers to facilitate or incentivize the Dynamo Payment Arrangement; (iii) the pricing and payment terms applicable to the Third-Party Payment Customers were generally consistent with those offered to other customers under similar circumstances; and (iv) transactions under the Dynamo Payment Arrangement were recorded completely and accurately in our accounting books and records in all material respects.

In light of the commercial rationale for the Dynamo Payment Arrangement and our customer onboarding and vetting procedures, we believe that the risks relating to fraud, money laundering and terrorist financing are low, compared with other forms of third-party payment arrangements. Nevertheless, we remain subject to potential risks associated with the Dynamo Payment Arrangement. For details, see “Risk Factors — Risks Relating to Our Industry and Business — We are subject to risks relating to third-party payment arrangements.” To safeguard our interests against the risks associated with the Dynamo Payment Arrangement and to prevent any other forms

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of third-party payment arrangements, we have implemented internal control measures, including customer and counterparty due diligence, segregation of invoicing and payment confirmation functions, monitoring of third-party payment transactions and periodic internal reviews.

INFORMATION TECHNOLOGY

We utilize information technology systems across our operations to retrieve and analyze procurement, sales, inventory, logistics, customer and financial data. These systems support planning, quality and inventory control, sales and distribution, budgeting, human resources and financial reporting, thereby enhancing management and operational efficiency. See “— Our Strengths — Digital-centric, intelligent IT platforms driving sustained operational excellence” for further details. In addition to our CRM system, B2B digital portal and ERP system, we also employ the following IT systems:

- ***B2C digital portal.*** We operate a dedicated e-commerce platform that captures order information, integrates with our proprietary ERP system and supports online payment processing.
- ***Product Lifecycle Management (PLM) System.*** We use a PLM system across all programs to ensure each project follows a compliant, documented and controlled development process. All phases are gated, traceable, and time-bound, with real-time oversight of schedules, change control and required approvals. The PLM system centralizes product design and development data, automates product documentation and workflows and improves development efficiency and cost control.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material information technology system failure or downtime that had a material adverse effect on our business operations.

DATA PRIVACY AND PROTECTION

We collect certain personal data points from our customers, suppliers, distributors and users through their interaction with our products and transactions, as well as through the usage of our TENWAYS App. We also collect personal data from our employees for employment purposes. Through our service agreements and privacy policies, we inform users of the purpose, scope and methods of data collection and processing. We obtain explicit consent via pop-up confirmations or written acknowledgements, as applicable. Data is stored using secured storage solutions with measures such as access control implemented to ensure data security.

To effectively mitigate data and cybersecurity risks, we have established a set of policies, processes, and systems across our ecosystem to protect our systems and networks from potential threats. We also provide regular data protection training to employees to increase their compliance awareness.

We continuously monitor international regulatory developments and assess data protection laws in key jurisdictions, such as the EU’s General Data Protection Regulation (“**GDPR**”) and the United States’ California Consumer Privacy Act (“**CCPA**”), the PRC Data Security Law and the PRC Personal Information Protection Law (“**PIPL**”). We align our data-handling practices to the requirements applicable in each jurisdiction in which we operate.

With respect to our operations in the European Union, we have adopted a data protection policy framework, and implemented a set of baseline technical and organizational measures designed to support compliance with the GDPR. These measures include an external privacy notice, a template data processing agreement for the engagement of processors, a record of processing activities and the designation of a data protection officer. We have conducted a data transfer impact assessment in relation to transfers of personal data from the European Union to the PRC. Our cross-border data transfer arrangements are subject to periodic review.

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During the Track Record Period and up to the Latest Practicable Date, we did not collect or process personal information of consumers in the PRC in our operation. Except for sharing the names, job titles and email addresses of certain employees within the PRC with our overseas subsidiaries for the purpose of internal group management, business collaboration and system support, no other personal information of individuals within the PRC will be shared with our overseas subsidiaries.

INTELLECTUAL PROPERTY

Our intellectual property rights are fundamental to our success and competitiveness. We rely on a combination of trademarks, trade secrets and other intellectual property laws, as well as confidentiality agreements with our employees, suppliers, customers and others to protect our intellectual property. We also take a proactive approach in managing our intellectual property. In order to mitigate infringement risks, we engaged external professional third-party agencies to perform infringement searches with respect to products already on the market or products that could potentially infringe third-party intellectual property rights. Moreover, our agreements with our OEM partners provide that they shall not develop or manufacture products for any third party based on our technical specifications, production methods, patents, proprietary technology or other confidential information, nor shall they use any of our patents or related intellectual property rights without our prior written consent. We are entitled to terminate the agreement and request liquidated damages if our OEM partners violate such requirements.

As of September 30, 2025, we had registered 81 patents globally, comprising 4 invention patents, 20 utility model patents and 57 design patents. See “Statutory and General Information — Further Information about our Business — 2. Intellectual Property Rights” in Appendix IV to this document for details of our material intellectual property rights. In 2024, we entered into an intellectual property licensing arrangement with a third party, under which we, as a licensee, are permitted to use a frame structure related patent owned by this third party. The license is non-exclusive, perpetual, worldwide, and sublicensable to affiliates and suppliers. During the Track Record Period, we did not have any licensing arrangements where we were the licensor.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any threatened or pending disputes, litigation, or legal proceedings for any material violation of intellectual property rights of any person that would have a material adverse effect on our business.

TRANSFER PRICING ARRANGEMENTS

The Organization for Economic Cooperation and Development (“OECD”) has issued the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations (“**OECD Transfer Pricing Guidelines**”). According to the OECD Transfer Pricing Guidelines, intra-Group transactions should be conducted on an arm’s length basis.

During the Track Record Period, we primarily conducted our business in the Netherlands, the Chinese mainland, Hong Kong, the United States and the United Kingdom. We have engaged a tax services firm (the “**Transfer Pricing Consultant**”) to conduct transfer pricing analyses on intra-Group transactions during the Track Record Period in accordance with the OECD Transfer Pricing Guidelines and applicable transfer pricing rules and regulations in the Chinese mainland, Hong Kong, the Netherlands, the United States and the United Kingdom, and to provide transfer pricing reviews on intra-Group transactions. The main intra-Group transactions during the Track Record Period included (i) buy-sell transactions involving materials (including frames, batteries and other components), finished products and spare parts, and (ii) sales and operational support services as well as supply chain support services.

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In accordance with the OECD Transfer Pricing Guidelines and the relevant local transfer pricing rules and regulations, we applied the transactional net margin method to analyze the intra-Group buy-sell transactions, and the comparable uncontrolled price method to analyze the sales and operational support service transactions. In analyzing intra-Group buy-sell transactions involving materials, finished products and spare parts, we used operating margin as the appropriate profit level indicator to determine the arm’s length range of profit returns.

Based on the transfer pricing review and analyses prepared in accordance with the representations made by and information provided by the Company, the Transfer Pricing Consultant is of the view that the Group as a whole was not exposed to the risk of underpayment of corporate income tax in the Chinese mainland, Hong Kong, the Netherlands, the United States and the United Kingdom where the relevant subsidiaries were located during the Track Record Period from the perspective of local applicable transfer pricing laws and regulations as well as the OECD Transfer Pricing Guidelines.

Our Directors confirm that during the Track Record Period and up to the Latest Practicable Date, we were not aware of any outstanding inquiry, audit, investigation or challenge by any tax authorities in relation to the intra-Group transactions. We have been and will continue to closely monitor our transfer pricing arrangements including reviewing the reasonableness of the pricing policy of intra-group transactions from time to time. However, similar to other matters relating to tax, we cannot assure that our transfer pricing arrangements will not be subject to review and possible challenge by any tax authorities in future, though the Directors believe that we have reasonable grounds to defend ourselves against such possible challenges. See “Risk Factors — Risks Relating to Our Industry and Business — Our transfer pricing arrangements may be subject to scrutiny by the relevant tax authorities in the jurisdictions where we operate.”

COMPETITION

The European e-bike market is moderately fragmented, with the top five companies capturing approximately 33.9% of total sales volume in 2024. Barriers to entry include established brand dominance, proven product quality and performance, mature distribution and after-sales networks, sophisticated supply chain and stringent regulatory compliance requirements (including CE marking and battery regulations). See “Industry Overview” for details of our competitive landscape.

We believe we are well positioned in the e-bike market due to our innovative brand, strong product development and technology capabilities, integrated omnichannel sales and service ecosystem, and global supply chain supported by reliable partners.

SEASONALITY

Our financial performance and results of operations are subject to seasonal fluctuations. Demand for e-bikes is generally stronger during the spring and summer months and weaker during the winter months due to reduced cycling activity in colder weather. As a result, we typically experience lower sales from October to February of each year compared to other periods. In addition, to support anticipated demand during peak seasons, we plan our production and procurement activities in advance in accordance with our annual business planning process. Given the lead time involved in sourcing components and manufacturing, as well as the limited flexibility to adjust production capacity in the short term, we typically prepare raw materials and production inventory approximately six months in advance of expected sales periods. As a result, inventory levels are generally higher in the fourth and first quarters compared to other periods. Sales of our products can also fluctuate throughout the year for other reasons, including the timing of new product launches and promotional campaigns.

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EMPLOYEES

As of September 30, 2025, we had 243 full-time employees, comprising 52 based in Europe across the Netherlands, Germany, the United Kingdom, France, Austria, Poland, Italy and Belgium, and 191 based in Shenzhen and Guangzhou in the PRC. The following table sets forth the number of our full-time employees by function as of September 30, 2025:

Function	Number of Employees	Percentage
Sales, branding and marketing	100	41.2%
Supply chain management	41	16.9%
Product design and development	40	16.5%
General administration	62	25.5%
Total	243	100.0%

Our employees are key assets to our development, and our success depends heavily upon our employees’ provision of consistent, high-quality and reliable services. In order to attract, retain and develop the knowledge, skills and capabilities of our employees, we place strong emphasis on recruitment, training and development. We recruit our employees primarily through online recruitment, on-campus recruitment, job fairs, recruitment agencies and internal and external referrals. We also provide training on a regular basis across key functions, including introductory training for new employees, technical training, product training, management training and workplace safety training. We design our remuneration packages by reference to the local industry benchmarks and offer compensation that is competitive within our industry.

We enter into individual employment contracts with our employees to cover matters such as wages, employee benefits, confidentiality, workplace safety and working conditions, and termination. We also make contributions for our employees, purchase mandatory insurance (if applicable), and provide employee benefits such as commercial insurance, as required by the relevant laws and regulations of jurisdictions in which we operate. For our employees in the Netherlands, as required by Dutch Law, companies operating in our industry are legally required to register their employees with the applicable industry-wide pension fund and make mandatory pension contributions on their behalf. We are required to register our employees in the Netherlands with the PMT (Stichting Pensioenfonds Metaal & Techniek) pension fund. For our employees in the PRC, as required by PRC Law, we participate in various social security plans including housing provident fund, pension insurance, medical insurance, work-related injury insurance, maternity insurance, and unemployment insurance. We did not experience any significant difficulty in recruiting employees, nor had we experienced any labor shortages during the Track Record Period and up to the Latest Practicable Date that materially affected our operations.

Our Company has not established any labor union. We believe we have maintained a stable and constructive relationship with our employees, and did not have any material labor dispute during the Track Record Period.

PROPERTIES

Our corporate headquarters is in Amsterdam, the Netherlands. As of September 30, 2025, we did not own any properties but leased four properties from third parties in Amsterdam, Hong Kong, Shenzhen, and Guangzhou, with an aggregate area of approximately 8,866 square meters. The properties in Amsterdam, Hong Kong and Shenzhen are primarily used for office purposes. The properties in Guangzhou are primarily used for warehousing and logistics.

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PATH TO PROFITABILITY

Historical Losses

We were loss-making during the Track Record Period. In 2023, 2024 and the nine months ended September 30, 2024 and 2025, we recorded losses of €4.7 million, €34.5 million, €28.3 million and €30.0 million, respectively. These losses were primarily attributable to (i) significant non-cash fair value losses on convertible redeemable preferred shares of €1.5 million, €29.6 million, €25.8 million and €30.1 million for the respective period, which were non-cash accounting charges arising from the increase in the estimated fair value of the Group’s equity between successive reporting dates and will cease to be recognized upon the automatic conversion of all preferred shares into ordinary shares upon [REDACTED]; (ii) share-based compensation of €0.3 million, €1.4 million, €1.1 million and €1.1 million in 2023, 2024 and the nine months ended 2024 and 2025, respectively; (iii) upfront investments in building our European omnichannel distribution network, including costs incurred in onboarding independent stores, establishing local sales teams and building brand awareness across our key European markets; and (iv) research and development expenses of approximately €1.2 million, €1.7 million, €1.3 million and €1.7 million in 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively, incurred for the continued development and improvement of our e-bike products and technology platform.

Our adjusted net profit/(loss) (non-IFRS measure), defined as net loss for the period adding the share-based compensation and fair value losses on convertible redeemable preferred shares, modestly widened from €2.9 million in 2023 to €3.4 million in 2024, primarily reflecting increased investments in distribution network expansion, with the pace of investment in sales infrastructure, brand building and new market entry temporarily outpacing the growth in contribution from these initiatives. Our adjusted result subsequently improved, from an adjusted net loss of €1.4 million in the nine months ended September 30, 2024 to an adjusted net profit of €1.2 million in the nine months ended September 30, 2025, reflecting the combined effect of revenue growth, gross margin expansion and improving cost efficiency. For a reconciliation, see “Financial Information — Non-IFRS Financial Measure.” Furthermore, our gross profit margin increased from 25.8% in 2023 to 30.4% in 2024, and from 31.5% in the nine months ended September 30, 2024 to 31.8% in the nine months ended September 30, 2025, reflecting the benefits of economies of scale in our direct sourcing model and a channel mix shift toward higher-margin sales channels.

We believe we are well positioned to progress toward sustainable profitability by (i) driving continuous revenue growth, (ii) improving gross profit margin, (iii) enhancing operating leverage, and (iv) normalization of non-recurring items following the [REDACTED]. Our financial results may continue to be affected by estimated [REDACTED] of approximately HK\$71.8 million, of which approximately HK\$43.2 million is expected to be charged to the statement of profit or loss. These [REDACTED] are one-off in nature and will not recur following the [REDACTED].

Driving Continuous Revenue Growth

Expansion and Maturation of Sales Channel

As of September 30, 2025, our products were distributed through more than 1,400 offline retail stores operated by our distributors across 29 European countries, providing an extensive brick-and-mortar presence that facilitates consumer test rides and after-sales services. As our existing store base matures and distributor relationships deepen, our Directors believe that a growing proportion of revenue may be derived from repeat orders placed by established distributors, which carry lower associated selling costs per unit as the initial cost of onboarding, training and marketing support is amortized over a larger and more frequent order base, and that this dynamic may contribute to improved operating margins over time. In addition to the existing store base, as demonstrated during the Track Record Period, our Directors believe that we will continue to develop partnerships with distributors across Europe, which may further drive our future sales growth.

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Growing Brand Awareness and Consumer Engagement

We believe that a strong brand reputation has been instrumental in driving consumer trust and loyalty, which in turn increases the demand for our products. In the Benelux region, we have built a virtuous cycle — greater on-road visibility encourages consumer and distributor willingness to engage, while positive word-of-mouth combined with a robust service network converts this interest into incremental sales. Our Directors believe that our ability to continuously enhance recognition of our brand may positively affect our consumer base, pricing position and market share. See “Business — Sales and Marketing.”

Revenue Quality and Product Mix Diversification

During the Track Record Period, we offered three categories of e-bikes — City, Hybrid and Cargo — each designed to address specific consumer needs and use cases. Our best-selling City E-Bikes accounted for 85.5%, 78.7%, 78.4% and 77.5% of total revenue in 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. Following the introduction of Hybrid E-Bikes in 2023 and Cargo E-Bikes in 2024, sales from these new categories represented a growing share of our overall revenue. Hybrid and Cargo E-Bikes were sold at higher average selling prices than City E-Bikes, reflecting their enhanced specifications and targeted use cases. For our City E-Bike category, average selling prices remained relatively stable while sales volume continued to increase during the Track Record Period. Our Directors believe that the continued upgrade of our product portfolio may support further improvements in revenue quality over time.

Product Line Extension and Addressable Market Expansion

We plan to introduce a new series of e-bikes, targeting the premium market segment in regions with hilly terrain. The new series is positioned at a higher price tier and is designed to address a new target demographic that our current product portfolio does not fully serve. While these products carry a higher bill-of-materials cost, the corresponding higher average selling price is intended to support the absolute gross profit contribution per unit. Our Directors believe that this product line extension may broaden our addressable market and further enhance our competitive positioning across European markets, complementing our established presence in the urban commuting segment. See “Business — Our Strengths — Industry-changing capabilities anchored by robust product development and pioneering technology adoption.”

Favorable Industry Trends and Anticipated Market Recovery

The European e-bike market is projected to maintain steady growth. According to Frost & Sullivan, total sales value of the European e-bike market is expected to reach approximately €21.2 billion by 2029, representing a CAGR of approximately 7.2% from 2024 to 2029, supported by higher levels of supply chain localization, continued infrastructure development and broader adoption of e-bikes across multiple application scenarios including urban commuting, trekking and cargo transportation. In terms of sales volume, the European e-bike market is projected to reach approximately 8.1 million units by 2029, representing a CAGR of approximately 7.7% from 2024 to 2029, driven by replacement demand and the expansion of service-oriented retail networks. Supportive policy frameworks further underpin this growth trajectory. Governments across Europe continue to promote the adoption of e-bikes through purchase subsidies, tax incentives and infrastructure investment as part of broader low-carbon transportation strategies. We believe that our established supply chain compliance capabilities and our localized European manufacturing presence through the JV Factory may position us favorably relative to certain competitors that face heightened regulatory or tariff-related challenges.

Improving Gross Profit Margin

Direct sourcing and Economies of Scale

During the Track Record Period, we progressively transitioned from an intermediary-based procurement model to direct sourcing through our PRC-based entity, Tengfeng Advanced Manufacturing. This direct procurement model has enabled us to exercise greater control over

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supplier qualification, component quality and purchasing costs, while reducing our reliance on third-party intermediaries. The average product cost for our City E-bikes, our best-selling product category, decreased by approximately 10% in 2024 compared to 2023, and by a approximately 5% in the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024. We believe that the continued deepening of our direct sourcing relationships and the expansion of our procurement volumes may support further procurement cost improvements.

Localized European Production

In October 2024, we entered into a shareholders agreement with our Portugal OEM partner to form the JV Factory in Portugal. The JV Factory has a gross floor area of over 8,000 square meters and an estimated annual production capacity of 50,000 bikes per year. As of the Latest Practicable Date, the JV Factory had commenced initial operational activities to support production, and had not yet commenced independent production, which is expected to start in the second half of 2026. Our Directors believe that, over the medium term, the JV Factory may contribute to improve profitability primarily through (i) reduced manufacturing costs, as the dedicated production line is expected to achieve greater production efficiency by focusing exclusively on our e-bike models, enabling optimization of production processes, shorter cycle times and reduced per-unit overhead; (ii) profit participation, as we are entitled to share in the profits generated by the JV Factory in proportion to our equity interest; and (iii) enhanced product quality control, as the dedicated facility enables us to implement more rigorous quality assurance protocols throughout the manufacturing process, which our Directors believe may support improved product reliability and contribute to warranty cost management over time.

Product Quality Improvement and Warranty Cost Management

During the Track Record Period, we recognized product warranty provisions of approximately €1.1 million, €1.2 million, €0.9 million and €1.1 million in 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively, which were included in our cost of sales. The improved supply chain controls implemented through Tengfeng Advanced Manufacturing are designed to enhance product reliability, which our Directors believe may support warranty cost management over time.

Enhancing Operating Leverage

Our selling expenses amounted to €10.1 million, €12.6 million, €9.9 million and €10.6 million in 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively, accounting for 20.9%, 20.8%, 18.9% and 19.6% of our revenue during the same periods. As our business expanded during the Track Record Period, we were able to maintain relatively stable selling expense ratios, reflecting disciplined cost management and the effectiveness of our sales execution. The moderation primarily reflects the maturation of our European distribution network and a shift toward revenue from established distributor relationships and organic brand awareness, which carry lower associated selling costs per unit. In addition, certain categories of selling expenses, in particular marketing and brand-building activities such as sponsorships, exhibitions and promotional campaigns, are largely non-variable in nature and do not scale proportionally with sales volume. As these activities are designed to build and sustain long-term brand awareness rather than support individual unit sales, our Directors expect such expenditure to remain relatively stable in absolute terms while revenue grows, resulting in a declining proportion of selling expenses as a percentage of revenue over time. Our Directors believe that selling expenses may accordingly grow at a rate slower than revenue growth.

Our administrative expenses as a percentage of revenue were 11.0%, 13.7%, 11.3% and 13.3% in 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. The increase from 2023 to 2024 was primarily driven by the establishment of new offices, share-based compensation expenses and non-recurring professional fees in connection with the [REDACTED]. Employee costs as a proportion of administrative expenses increased from 37.9% in 2023 to 54.4% in the nine months ended September 30, 2025, reflecting the build-out of our corporate and operational teams to support business expansion. The estimated [REDACTED] of approximately HK\$43.2

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million charged to profit or loss are one-off in nature. As of September 30, 2025, unrecognized share-based compensation expenses amounted to approximately €2.6 million, to be recognised over the following one to two years. Our Directors believe that, following normalization of these items, the underlying administrative expense base may benefit from further scale efficiencies.

Normalization of Non-Recurring Items

A substantial portion of our loss during the Track Record Period was attributable to non-cash and non-recurring items, including (i) fair value losses on convertible redeemable preferred shares of €1.5 million, €29.6 million, €25.8 million and €30.1 million in 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively, which will cease upon automatic conversion of all preferred shares into ordinary shares upon [REDACTED]; (ii) estimated [REDACTED] of approximately HK\$43.2 million charged to profit or loss, which are one-off in nature; and (iii) share-based compensation expenses, which our Directors expect to moderate as pre-[REDACTED] grant schedules are substantially vested. Taking together the foregoing factors, our Directors believe that our post-[REDACTED] statutory financial results will more closely reflect underlying operational performance. See “Financial Information — Non-IFRS Financial Measure.”

The foregoing forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results to differ materially from those expressed or implied. There can be no assurance that we will achieve or sustain profitability within any particular timeframe or at all. For details, see “Risk Factors” and “Forward-Looking Statements.”

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

ESG Governance

Led by the Board of Directors (the “**Board**”), we are committed to integrating ESG considerations into our business operations. The Board has the overall responsibility for overseeing ESG strategy, policies, and performance, including ESG-related risks and opportunities (particularly climate-related matters), and reviews progress against relevant metrics and targets to ensure alignment with our long-term development.

To support the Board’s oversight, we have established an ESG working group comprising senior management and heads of major functional departments. Delegated by the Board, the ESG working group is responsible for coordinating ESG- and climate-related matters across our Group. Key responsibilities of ESG working group include:

- Developing, implementing, and reviewing our ESG framework, including management approach, strategy, policies, action plans and initiatives;
- Identifying, assessing, prioritizing and managing material ESG-related risks and opportunities, including climate-related risks, ESG-related risks along the supply chain, ESG-related risks and opportunities in our decision-making, strategy, and major transactions;
- Monitoring ESG performance and progress against targets;
- Reviewing and monitoring the effectiveness of our stakeholder engagement channels;
- Tracking of stakeholders’ feedback relating to the review and approval of material issues and materiality matrix;
- Arranging continuing professional ESG training for directors and senior management;
- Collecting and analyzing the key ESG performance indicators annually; and
- Preparing ESG-related reports, including an annual ESG report and an ESG-related risk and opportunity assessment report for the Board’s approval.

The ESG working group reports to the Board at least once a year on ESG performance, key risks and opportunities, and the implementation status of related measures. The Board retains the ultimate oversight responsibility for our ESG risk management.

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Identification and Management of ESG-related Risks and Opportunities

We conduct periodic assessments to identify, evaluate, and prioritize material ESG-related risks and opportunities relevant to our business, either negative or positive, actual or potential, taking into account our business nature, industry characteristics, and with reference to local and international reporting frameworks. With the assistance of third-party ESG consultants, we formulate a dual ESG-related risks and opportunities rating system to dynamically monitor and assess both the risks and the effectiveness of our corresponding mitigation measures. We assess identified ESG-related risks and opportunities by assigning initial risk ratings based on their likelihood and potential impact on our business and financial performance. We then implemented corresponding mitigating measures and determined residual risk ratings after taking into account the effectiveness of our ESG-related risk control measures.

Set forth below is a summary of identified material ESG-related risks and opportunities and the corresponding measures that have been formulated.

ESG-related Risks	Timeframe	Potential Impacts	Our Responses
Climate-related physical risks Acute risks: The increased severity and frequency of extreme weather events due to climate change (e.g., typhoons, rainstorms, floods)	Short, medium and long term	- Disruption to business operation and supply chain and logistics arrangement - Damage to property and assets in our operating locations, which may adversely impact our financial results	Monitoring local weather forecast closely, reminding employees to remain familiar with business contingencies, and implementing emergency protective measures
Climate-related transition risks Policy and legal risks: Evolving climate-related laws and regulations in transition to a low-carbon economy, including China's 2060 carbon neutral goal	Medium to long term	Increase in compliance and operating costs	- Regularly monitoring the latest changes in laws, policies and regulations - Promptly communicating the policy updates to our employees to ensure compliance
Other ESG-related risks Supply chain risks: Energy consumed and greenhouse gas (“GHG”) emissions released along the supply chain	Medium to long term	Increase in reputational and operational risks	- Encouraging our suppliers to explore opportunities to reduce environmental impact within their operations and manufacturing processes - Establishing policies requiring suppliers to comply with environmental laws and regulations, as well as minimizing energy consumption where possible
Supplier product quality and supply chain stability risks: Failure to meet customer expectations due to poor supplier product and service quality as well as poor supply chain stability	Short, medium and long term	Increase in reputational risks, which may adversely impact our financial results	- Establishing procurement policy and supplier management policy to specify the supplier evaluation process, review frequency and criteria, including the consideration of product quality, technical ability and timely delivery - Maintaining stable long-term partnerships with major suppliers to ensure supply chain stability

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ESG-related Risks	Timeframe	Potential Impacts	Our Responses
Climate-related opportunities Markets: Increasing market demand for the transition toward low-carbon transportation solutions, driven by the imperative to reduce carbon emissions and the growing awareness of sustainability among consumers	Medium to long term	• Increase in operating revenue driven by growing market demand for e-bikes	• Continuously investing in R&D and conducting market research to enhance our competitiveness, such as e-bikes to accommodate riders of different age groups • Focusing on talent development by providing product innovation training, ensuring employees stay informed about the latest sustainability trends

ESG Policy

We are committed to incorporating ESG factors into our business decision-making process. As such, we have established a group-level ESG policy complemented by a set of measures and initiatives to guide our actions and measures to strengthen our sustainability efforts.

Sustainable Mobility

As a Europe-centric, innovation-driven e-mobility company, we design, develop and market e-bike products that promote a healthy and sustainable lifestyle. By integrating new technologies with elegant, stylish designs, we are committed to delivering high-quality e-bikes and comprehensive customer support that advance urban mobility.

Our e-bikes are designed to enable customers to adopt sustainable mobility solutions in their daily lives by providing an efficient, low-carbon alternative to conventional urban transportation. Compared with conventional bicycles, the electric-assist feature of our e-bikes allows riders to keep pace with city traffic, shorten travel time and reduce noise and emissions. Designed for durability and ease of maintenance, our e-bikes incorporate recyclable aluminum, and use packaging materials certified by Forest Stewardship Council (FSC), prioritizing longevity and reparability to encourage long-term use as well as energy and resource efficiency.

Beyond transportation, our e-bikes also promote healthy mobility through leisure and recreational riding as well as cargo transportation, enhancing accessibility across diverse scenarios. Designed to support everyday fitness and well-being, our e-bikes broaden accessibility for riders of different ages and fitness levels, foster rider’s community engagement and enhance overall riding enjoyment. By offering high-quality e-bikes as affordable and sustainable mobility solutions with enhanced performance and digital connectivity, we reduce the environmental footprint of daily transportation and empower customers to adopt lower-emission lifestyles, contributing to the broader transition toward green mobility and global decarbonization.

Environment

Our environmental policy outlines our green practices and measures (as far as practicable), with a focus on emission reduction, waste reduction, resource conservation, protection of environmental and natural resources, as well as addressing climate change.

Energy, Air and Greenhouse Gas Emissions Management

Our primary sources of our energy consumption and GHG emissions (scope 1 and 2) are purchased electricity in our operations and fuel consumption. To improve energy efficiency and reduce emissions, we have implemented measures such as adopting energy efficient equipment and LED lighting systems, increasing the use of natural light, and reminding employees to switch off lighting and equipment when not in use. We will also consider adopting electric vehicles where appropriate.

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Water Consumption

Our water consumption mainly arises from municipal water usage in office operations. We have implemented water-saving practices, including timely repair of water leaks, adoption of water-efficient fixtures, and internal communications to encourage employees to reduce water usage.

Waste Management and Use of Resources

Non-hazardous waste primarily consists of waste paper, packaging cartons, used file folders and plastic bottles generated from office operation while hazardous waste mainly comprises motors, electrical and electronic equipment as well as batteries from end-of-life test vehicles and customer returns. We ensure proper handling and disposal of all waste and, where necessary, engage licensed third-parties for collection and treatment. To ensure proper waste management, each department is required to classify, collect, and label both solid and hazardous waste by category, supported by a designated team overseeing overall waste management across operations. Hazardous waste is stored in designated areas and containers, maintained detailed records by generating department and waste category, and handled by licensed third-party providers.

To reduce non-hazardous waste, we promote recycling, waste sorting, increase the use of recycled materials in the R&D, and encourage employees to minimize waste.

Environmental Metrics

The table below sets forth key environmental metrics of our business operations^{1, 2}:

		Year ended December 31,		Nine months ended
	Unit	2023	2024	September 30, 2025
Emissions				
GHG emissions³				
Total (Scopes 1, 2)	tCO ₂ e	18.67	103.98	86.31
Total (Scopes 1, 2, 3)	tCO ₂ e	546.47	907.27	686.71
(i) Direct emissions (Scope 1)	tCO ₂ e	0.00	6.00	3.74
(ii) Energy indirect emissions (Scope 2)	tCO ₂ e	18.67	97.98	82.57
(iii) Other indirect emissions (Scope 3) ⁴	tCO ₂ e	527.80	803.29	600.39
Total (Scopes 1, 2) intensity	tCO ₂ e/million EUR revenue	0.40	1.82	1.67
Total (Scopes 1, 2, 3) intensity	tCO ₂ e/million EUR revenue	11.60	15.86	13.31
Use of Resources				
Energy				
Total	MWh	38.75	208.58	171.71
(i) Purchased electricity	MWh	38.75	188.04	158.91
(ii) Unleaded petrol ⁵	MWh	0.00	20.54	12.80
Intensity	MWh/million EUR revenue	0.82	3.65	3.33
Water				
Total	m ³	955.74	1,068.70	923.45
Intensity	m ³ /million EUR revenue	20.28	18.68	17.90

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Notes:

- 1 Theses data cover our major business operations.
- 2 Totals may not be the exact sum of numbers stated here due to rounding.
- 3 The calculation of GHG emissions made reference to the GHG Protocol published by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). Scope 1 (Direct) emissions cover GHG emissions directly produced by business owned or controlled by the Group, Scope 2 (Energy indirect) emissions cover GHG emissions of indirect energy resulted from purchased electricity consumed by our operations, while Scope 3 (Other indirect) emissions that occur in the Group’s value chain.
- 4 The Scope 3 emissions include available data arising from Category 6: business travel and Category 7: employee commuting.
- 5 The Group’s major business operations did not involve fuel consumption in 2023.

Social

We are committed to fostering a caring workplace culture that upholds diversity, equal opportunities, health and safety and employee well-being. Our social policy has outlined socially responsible practices and measures.

Employment and Labor Practice

We aim to build an inclusive and diverse workforce. We uphold principles of equal opportunity, diversity, and inclusiveness in all aspects of employment, including compensation, recruitment, promotion, benefit, and welfare. We respect labor rights, and we strictly prohibit the recruitment and use of child and forced labor.

We actively invest in our workforce by providing internal and external training programs enhance professional skills, and competence. We also seek to strengthen employee engagement by organizing recreational activities and maintaining open communication channels to promote job satisfaction and a supportive working environment.

Occupational Health and Safety

As part of our efforts to uphold occupational health and safety standards, we maintain a safe and healthy workplace through a structured in-house emergency response program. We have established accident reporting and handling procedures, requiring employees to notify their department head or emergency response officers (“ERO”) and manage accidents in accordance with applicable laws and regulations. We have also implemented relevant health and safety policies and measures, including regular safety training on fire safety, first aid, and occupational health to support employee overall wellbeing. Furthermore, we have established emergency response measures and plans specifying the appropriate procedures and departments responsible for handling emergencies, such as fire incidents and evacuations. For example, we designate suitable employees as certified EROs in the Netherlands office and provide them with accredited training in first aid, fire safety and evacuation. We did not experience any major work safety-related incidents involving our employees during the Track Record Period.

Supply Chain Management

We have established a supply chain ESG risk management policy and supplier code of conduct that set out our sustainability expectations on suppliers, including employment practices, health and safety, business ethics, data privacy as well as environmental protection. ESG considerations are incorporated into our new supplier selection and regular evaluation process. We require strict adherence to the EU REACH Regulation (Registration, Evaluation, Authorization and Restriction of Chemicals), RoHS (Restriction of Hazardous Substances), and other relevant international and national regulations governing hazardous substances. Suppliers are also expected to align with internationally recognized standards, such as SA8000, ISO14001, OHSAS18001 and Electronic Industry Code of Conduct (EICC). On-site inspections are conducted when necessary to ensure our sustainability expectations are met. In addition, we promote environmentally preferable procurement by prioritizing products with higher energy efficiency and encouraging suppliers to adopt environmentally friendly products and services.

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We are devoted to responsible mineral sourcing by requiring our suppliers and contractors to declare their commitments on “No Conflict Minerals” and their engagement in supply chain monitoring based on Conflict Minerals Reporting Template (CMRT), a standardized reporting tool developed by the Responsible Business Alliance’s (RBA) Responsible Minerals Initiative (RMI).

Our approved suppliers have obtained various internationally recognized certifications that demonstrate compliance with ESG standards as required, including but not limited to:

- Amfori social audit report, confirming the adherence to the amfori BSCI Code of Conduct, including fair labor practices, safe working conditions and compliance with international standards on labor rights, no child or forced labor and ethical practices throughout the supply chain;
- EN ISO 13849–1:2015 and EN ISO 13849–2:2012 safety of machinery certifications;
- ISO9001:2015 quality management system certification, which has been obtained by our OEM partners;
- ISO14001:2015 environmental management system certification;
- ISO45001:2018 occupational health and safety certification.

Product Responsibility

We are committed to delivering high-quality and safe products and services for our customers. As such, we have obtained and maintained the necessary approvals, permits, certificates and licenses, including but not limited to EN15194:2017 + A1:2023 for electrically power assisted cycles (EPACs) in Europe and UL2849 for electrical systems for e-bikes in the United States. We have established comprehensive quality control and assurance procedures that adhere to applicable national regulatory standards, supported by our quality management team. Moreover, we have established measures throughout our operations, including supplier quality requirements, regular on-site inspections, quality control procedures, as well as product and raw material quality inspection guidelines, and procedures for non-conformance and product recall management. For details, please refer to the paragraph headed “Quality Control” above in this section.

To ensure customer satisfaction and safety, we standardize after-sales services, including product repair, maintenance, customer follow-up, and complaint handling. Additionally, to safeguard customer privacy, we have implemented proactive data governance policies covering data collection, storage, processing, transmission, and sharing. We have also implemented measures to safeguard intellectual property, including periodic employee training and establishing a designated team to oversee IP management. We have established relevant policies as a guide for our employees to ensure the authenticity and reliability of our product advertising, marketing and labeling materials, which undergo thorough review before publication to ensure compliance and prevent false or misleading information.

Business Ethics

We uphold high standards of business ethics and strictly prohibit bribery, extortion, fraud, money laundering, and other unethical practices. We have established preventive measures, including anti-corruption training for directors and employees, and whistleblowing channels for reporting potential misconduct. The Board oversees the implementation and effectiveness of these measures.

Community Investment

We strive to contribute to the community and shoulder corporate responsibility. We establish an ongoing partnership with Just One Tree, which we pledged to fund the planting of new trees as part of their reforestation projects based on our e-bike sales. Moving forward, we will explore opportunities to establish additional focus areas for community investment, as well as partnerships with social impact organizations where appropriate.

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RISK MANAGEMENT AND INTERNAL CONTROL

Our management has designed and implemented a risk management policy to address various potential risks identified in relation to day-to-day operations of our self-operated and distributor-operated stores, including strategic risks, operational risks, financial risks and legal risks. Our risk management policy sets forth procedures to identify, analyze, categorize, mitigate and monitor various risks, with clearly defined roles and responsibilities across different levels of the organization.

Furthermore, to monitor the implementation of our risk management policies and corporate governance measures after the [REDACTED], we have adopted and will continue to adopt, among others, the following risk management measures:

- establish the Audit Committee to review our financial reporting process and internal control system, set up the risk management and internal audit procedures, provide advice and comments to our Board and perform other duties and responsibilities as may be assigned by the Board;
- establish whistle-blowing procedures to encourage our employees to bring those conducts to the attention of our senior management and Board of Directors and ensure the protection of whistle-blowers;
- adopt various policies to ensure our compliance with the Listing Rules, including but not limited to policies in respect of risk management, connected transactions and information disclosures;
- engage accounting firms to provide professional advice and consultations with respect to our risk management; and
- arrange for our Directors and senior management to attend training seminars on the Listing Rules’ requirements and the responsibilities of a director of a Hong Kong listed company.

Our Audit Committee is responsible for overseeing risk management and internal control to ensure the adequacy, effectiveness and alignment with our strategic objectives. For composition of the Audit Committee and the qualification and experience of the members, see “Directors and Senior Management.” Our senior management team is responsible for the day-to-day implementation of these internal control procedures and for ensuring compliance across all subsidiaries and functional departments. We also conduct regular reviews of our policies and procedures to mitigate risks and to ensure compliance with regulatory requirements and business objectives.

INSURANCE

In addition to statutory social insurances required under applicable laws including pension, medical, work-related injury, maternity, and unemployment insurance, we also maintain product liability insurance for our products and property insurance for our inventories and equipment. We also maintain trade receivables insurance for certain customer balances as part of our overall risk management.

We review our insurance policies from time to time to assess the adequacy and breadth of coverage. We believe our existing insurance coverage is adequate for our existing operations and is in line with industry standards. During the Track Record Period and up to the Latest Practicable Date, we had not made, nor had we been the subject of, any insurance claims of a material nature.

LICENSES, PERMITS AND REGULATORY APPROVALS

During the Track Record Period and up to the Latest Practicable Date, we had obtained all requisite licenses, permits and approvals from the relevant government authorities that are material to our operations in the jurisdictions where we operate. These licenses, permits and approvals remained in full force and effect, and no circumstances existed that would reasonably be expected to result in their revocation or cancellation. Our Directors are of the view that there is no material legal impediment to renewing relevant licenses or permits.

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LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We may from time to time become a party to various legal, arbitration or administrative proceedings arising in the ordinary course of our business, such as labor disputes. During the Track Record Period and up to the Latest Practicable Date, there were no litigation, arbitration or administrative proceedings pending or threatened against our Group or any of our Directors that could have a material adverse effect on our Group’s financial condition or results of operations.

Compliance

We are subject to various regulatory requirements and guidelines issued by authorities in the Netherlands and other jurisdictions where we operate. During the Track Record Period and up to the Latest Practicable Date, we did not commit any material non-compliance with applicable laws and regulations, and we did not experience any material non-compliance incident which, taken as a whole and in the opinion of our Directors, would be likely to have a material and adverse effect on our business, financial condition, or results of operations. During the Track Record Period and up to the Latest Practicable Date, we complied with applicable laws and regulations in all material respects in the jurisdictions where we operate.

AWARDS AND RECOGNITIONS

We have received numerous awards and recognitions in respect of our design, brands and products, including:

<u>Award/Recognition</u>	<u>Issuing Entity</u>	<u>Awarding Year</u>
German Design Award 2026	German Design Council	2026
Netherlands Top 250 High-Growth Firm	Erasmus Centre for Entrepreneurship	2025
Red Dot Design Award	Design Zentrum Nordrhein Westfalen	2024
German Design Award 2024	German Design Council	2024

REGULATORY OVERVIEW

DUTCH LAWS AND REGULATIONS

We are subject to various laws and regulations that are relevant to our business operations in the Netherlands.

Product Safety

The product safety framework applicable to e-bikes in the Netherlands consists of a combination of horizontal EU product safety legislation and sector-specific EU harmonization legislation, as implemented and enforced at national level.

At EU level, the core horizontal framework is the Regulation (EU) 2023/988 (*General Product Safety Regulation*, GPSR), which applies to all consumer products placed on or made available on the EU market. For e-bikes as regulated products, the primary sector-specific safety regime is the EU machinery safety framework, currently based on the Directive 2006/42/EC (*Machinery Directive*) and, as of 20 January 2027, the Regulation (EU) 2023/1230 (*Machinery Regulation*). This regime sets the essential health and safety requirements and the conformity assessment framework applicable to electrically power assisted bicycles (with pedal assistance up to 25 km/h and a maximum power output of 250 watts). In addition, other EU product harmonization legislation may apply in parallel, depending on the technical configuration of the e-bike and its components.

In the Netherlands, this EU product safety framework is implemented and enforced primarily through the Dutch Commodities Act (*Warenwet*) and the implementing decrees adopted thereunder, in particular the Decree on Machinery under the Dutch Commodities Act (*Warenwetbesluit machines*) and the Decree on Electrical Equipment under the Dutch Commodities Act (*Warenwetbesluit elektrisch materiaal*).

Under this framework, economic operators placing or making e-bikes available on the Dutch and EU market are required to ensure that only safe products are placed on the market, and that e-bikes comply with the applicable essential health and safety requirements. They must carry out the appropriate conformity assessment procedures, maintain technical documentation demonstrating conformity, issue a valid EU declaration of conformity, and affix the required CE marking and mandatory product information. Traceability requirements must be fulfilled, including the identification of the relevant economic operators in the supply chain, and storage and transport conditions do not jeopardize the conformity and safety of the e-bikes. Once products are on the market, effective post-market monitoring procedures are in place to identify safety risks, and where a risk is identified, corrective measures are taken without delay, including withdrawal, recall and consumer warnings as necessary. In the event of product safety incidents, non-compliance or enforcement actions, the competent authorities shall be informed and fully cooperated with.

Product and Environment

The Regulation (EU) 2023/1542 (*Batteries Regulation*) establishes a harmonized EU framework governing the placing on the market and putting into service of batteries, covering sustainability, safety, conformity, labeling and information requirements. The Regulation expressly applies to light means of transport (“LMT”) batteries, which include traction batteries used in e-bikes.

Under this Regulation, economic operators must ensure that batteries placed on the EU market comply with the applicable safety and performance requirements and can demonstrate such conformity. The Regulation also establishes a harmonized extended producer responsibility (“EPR”) regime for batteries, including obligations relating to the registration, reporting and the organization and financing of the collection, treatment and recycling of waste batteries. In addition to these already applicable obligations, the Regulation introduces several new requirements including general rules on battery labeling, carbon footprint, the introduction of a battery passport, as well as a specific requirement for LMT batteries concerning their removability and replaceability. The Regulation provides for a phased application of these requirements, with different obligations entering into force on different dates.

REGULATORY OVERVIEW

In addition to the Regulation (EU) 2023/1542 (*Batteries Regulation*), the Directive 2012/19/EU (*WEEE Directive*) and the Directive 94/62/EC (*PPW Directive*) form the EU’s EPR framework for products. The WEEE Directive establishes the EPR regime for the waste electronic and electric equipment (“WEEE”) and the PPW Directive establishes the EPR regime for the packaging waste, each of which includes obligations relating to registration, reporting, and the organization and financing of the collection, treatment and recycling of respective waste streams.

In the Netherlands, the WEEE Directive is implemented through the Regulation on Discarded Electrical and Electronic Equipment (*Regeling afgedankte elektrische en elektronische apparatuur*). Under this regime, producers, including entities that place electronic and electric equipment (EEE) on the Dutch market under their own brand, are responsible for complying with the applicable EPR obligations. From an operational perspective, producers in the Netherlands typically fulfil their WEEE obligations by participating in the national collective compliance system operated by Stichting OPEN, through which registration in the national register and the payment of the applicable waste management contribution are organized.

In parallel, the PPW Directive is implemented primarily through the Decree on the Management of Packaging 2014 (*Besluit beheer verpakkingen 2014*) and the related implementing rules. Under this regime, producers and importers that place packaged products on the Dutch market are responsible for complying with packaging EPR obligations. From an operational perspective, producers in the Netherlands typically fulfil their packaging EPR obligations through participation in the national collective compliance scheme operated by *Verpact*, which organizes, among other things, the collection and recycling system and the payment of the packaging waste management contribution.

Consumer Protection

The EU consumer protection legal framework is primarily established by three directives: the Directive 2005/29/EC (*Unfair Commercial Practices Directive*), the Directive 2011/83/EU (*Consumer Rights Directive*) and the Directive (EU) 2019/771 (*Sale of Goods Directive*). Together, these instruments create a common EU framework for consumer marketing practices, online contracting and consumer rights and remedies for purchased goods.

In the Netherlands, this EU consumer protection framework is implemented mainly through the Dutch Civil Code (*Burgerlijk Wetboek*) with the relevant rules set out in specific parts of Book 6 and in Book 7. These provisions form the core of Dutch consumer protection law and transpose the above EU directives. Substantively, Dutch consumer protection law regulate four main areas. Firstly, traders are prohibited from engaging in unfair commercial practices, encompassing both misleading conduct and aggressive conduct. Secondly, for distance and online contracts, extensive pre-contractual information obligations apply, covering trader’s identity, main product characteristics, total price, delivery and payment arrangements, and the statutory 14-day withdrawal right. In addition, traders must ensure that the contract is confirmed to the consumer on a durable medium. Thirdly, Dutch law contains a system for controlling unfair terms in consumer contracts, under which unfair clauses may be set aside, with certain types of clauses deemed or presumed unfair. Finally, mandatory rules for consumer sales contracts require goods conform to the contract and a harmonized set of consumer remedies in the event of non-conformity, such as repair, replacement, price reduction and termination of the contract, as well as specific rules on the burden of proof.

In addition to the consumer protection framework outlined above, e-commerce services in the Netherlands must also comply with Directive (EU) 2019/882 (*The European Accessibility Act*) from 28 June 2025 onwards. The Act requires service provider to ensure that their digital interfaces are accessible to users with disabilities, generally aligns with the internationally recognized Web Content Accessibility Guidelines. In the Netherlands,

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The Act is implemented via the Implementation Act on Accessibility Requirements for Products and Services (*Implementatiewet toegankelijkheids-voorschriften producten en diensten*), with the Authority for Consumers and Markets (“ACM”) appointed as the enforcement authority for e-commerce services.

Competition

In the Netherlands, the conduct of undertakings is regulated by Article 101 and 102 of the Treaty on the Functioning of the European Union (TFEU), the Regulation (EC) 139/2004 (*Merger Control Regulation*) and the Dutch Competition Act (*Mededingingswet*). These rules are designed to ensure that economic operators (undertakings) operate in a fair and competitive market, thereby safeguarding an effective level of competition. Under the Dutch Competition Act, it is expressly prohibited to abuse a dominant market position or to participate in cartels or other agreements or concerted practices that restrict competition.

Trade and Custom

The EU imposes anti-dumping and countervailing measures under a comprehensive legal framework. Regulation (EU) 2016/1036 (*Anti-dumping Regulation*) and Regulation (EU) 2016/1037 (*Anti-subsidy Regulation*) set out rules for investigating and imposing duties on dumped or subsidised imports that cause injury to the EU domestic industry. These have been supplemented by subsequent amendments, including Regulation (EU) 2017/2321 (*Market Distortion Amendment Regulation*) and Regulation (EU) 2018/825 (*Trade Defence Modernisation Regulation*), which introduced changes to the calculation of dumping margins, investigation procedures, and rules on non-market economy treatment.

Specific anti-dumping and countervailing measures apply to electric bicycles originating in China. Following an expiry review, the definitive anti-dumping duties and countervailing duties have been extended for a further five years until January 2030. The current applicable measures are set out in Implementing Regulation (EU) 2025/120 imposing definitive anti-dumping duties on complete e-bikes from China, succeeding Implementing Regulation (EU) 2019/73 (*E-bike Anti-dumping Regulation*) and Implementing Regulation (EU) 2025/114 imposing definitive countervailing duties on e-bikes from China, succeeding Implementing Regulation (EU) 2019/72 (*E-bike Countervailing Duty Regulation*). The anti-dumping duties range from approximately 10.3% to 70.1% depending on the exporter, while the countervailing duties range from approximately 3.9% to 17.2%.

For conventional (non-electric) bicycles originating in China, the EU has also adopted anti-dumping measures through Council Regulation (EEC) 2474/93 (*Bicycle Anti-dumping Regulation*). As an anti-circumvention measure, these duties have been extended to certain bicycle parts by Council Regulation (EC) 71/97 (*Bicycle Parts Anti-Dumping Extension Regulation*), covering key components such as frames, forks, transmission systems, brakes, wheels and handlebars (of both conventional and electric bikes). An exemption regime under Commission Regulation (EC) 88/97 (*Bicycle Parts Exemption Regulation*) allows certain imports of bicycle parts to be exempted from the extended duties where:

- (a) the final consignee is an assembler which has been granted an exemption under this Regulation;
- (b) the final consignee holds a valid end-use authorization;
- (c) the average monthly import volume does not exceed 300 units per type over 12 months; or
- (d) the parts are used for the assembly of bicycles fitted with an auxiliary motor (TARIC additional code 8835) or non-bicycle vehicles.

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Data and Information Technology

Regulation (EU) 2016/679 (*General Data Protection Regulation* or *GDPR*) applies to all organizations that process personal data of individuals in the EU. It sets out binding rules for the collection, use, storage, and sharing of personal data, with the aim of strengthening the protection of privacy and fundamental rights. It imposes obligations such as transparency, data minimization, appropriate security measures and adherence to data subject rights (including access, rectification, and erasure).

In the Netherlands, the GDPR is implemented by the GDPR Dutch implementation Act (*Uitvoeringswet Algemene verordening gegevensbescherming* or *UAVG*) which provides national rules and clarifications where the GDPR allows Member State discretion. The UAVG mostly covers the processing of citizen service numbers (BSN) and other special category data.

Regulation (EU) 2023/2854 (*Data Act*) is applicable to businesses that manufacture or provide connected products or related digital services in the EU. The Data Act complements Regulation (EU) 2022/868 (*Data Governance Act*) and establishes binding rules on access to and use of data generated by connected products and related services. It clarifies and expands users’ rights to access and use data generated by connected products and related services to share it with third parties of their choice. These requirements have implications for product design, data governance and technical infrastructure. In the Netherlands, the Data Act is implemented through the Dutch Data Act Implementation Act (*Uitvoeringswet Dataverordening*), pursuant to which, Enforcement powers under the Data Act are primarily vested in the ACM and, insofar as the processing of personal data is concerned, the Dutch Data Protection Authority (*Autoriteit Persoonsgegevens*).

Directive (EU) 2022/2555 (*NIS2 Directive*) entered into force in 2023 and further broadens cybersecurity rules previously established by Directive (EU) 2016/1148 (*NIS Directive*). It establishes a harmonized EU framework for cybersecurity risk management, incident reporting, supervision and enforcement. The Directive applies to medium-sized and large entities, and certain entities designated as ‘essential’ or ‘important’ entities, operating in specified sectors in the EU. It contains three main obligations (i) a duty of care requiring business to conduct risk assessments and implement appropriate technical and organizational measures to ensure the continuity of services and the protection of network and information systems; (ii) a duty to report incidents that have or may have a significant disruptive effect on the provision of services; and (iii) a supervision obligation, meaning entities within scope are subject to regulatory supervision.

Regulation (EU) 2024/1689 (*AI Act*) applies where an AI system is placed on the market, put into service or used in the European Union. The most extensive and detailed compliance obligations apply to high-risk AI systems. In addition, the AI Act contains a number of horizontal obligations and restrictions that are relevant regardless of whether an AI system is classified as high-risk, including in particular: (i) a prohibition on certain unacceptable and manipulative or deceptive AI practices; (ii) a general obligation for organizations using AI systems to ensure an appropriate level of AI literacy among relevant staff; and specific transparency obligations for certain AI systems, including an obligation to inform individuals where an AI system is designed to interact directly with them. The AI Act applies on a phased basis.

Employment and Labor Relations

Book 7 of the Dutch Civil Code, in particular Title 10, contains the core statutory rules governing employment relationships in the Netherlands and applies to employers and employees. These rules cover, *inter alia*, probation periods, holidays and leave, notice periods, sickness, and termination of employment. Where deviations from statutory rules are permitted, this is explicitly provided for by law, typically through a collective labor agreement (CLA) or, in limited cases, an individual employment contract. In addition to the contractual employment law rules under the Dutch Civil Code, employers in the Netherlands are subject to a range of mandatory public law and regulatory requirements governing working conditions, employee entitlements, workplace safety and employment-related administration.

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In the Netherlands, collective labor agreements (*collectieve arbeidsovereenkomsten*, CAOs) are governed primarily by the Collective Labor Agreements Act (*Wet op de collectieve arbeidsovereenkomst*) and the Generally Binding and Non-Binding of Collective Labour Agreement Provisions Act (*Wet op het algemeen verbindend en onverbindend verklaren van bepalingen van collectieve arbeidsovereenkomsten*). Under this framework, a CAO is an agreement concluded between one or more employers (or employers’ organizations) and one or more trade unions, regulating employment conditions such as remuneration, working hours, allowances, leave arrangements and other terms of employment. Where a CAO has been declared generally binding (*algemeen verbindend verklaard*, *AVV*) by the Dutch Minister of Social Affairs and Employment, its mandatory provisions apply to all employers and employees falling within its scope, irrespective of whether the employer is a party to the CAO. As a result, employers whose activities fall within the scope of an AVV-declared CAO are required to apply the mandatory employment conditions set out in that CAO to their employees.

The sector-specific collective labor agreement applicable to the two-wheeler sector is the Collective Labor Agreement for the Motor Vehicle and Two-Wheeler Sector (*CAO voor het motorvoertuigenbedrijf en het tweewielerbedrijf*). The most recent CAO covers the period 2025–2027. For employers that are members of BOVAG, the CAO applies as from 1 February 2025. Following its declaration as generally binding (*algemeen verbindend verklaard*) as per 16 September 2025, the mandatory provisions of this CAO apply to all employers and employees within the scope of the motor vehicle and two-wheeler sector as from that date. Failure to comply with an applicable CAO may result in civil claims by employees and trade unions, including claims for retroactive payment of wages and other benefits and the retroactive correction of employment conditions, and, in certain cases, liability for damages.

The Dutch occupational pension framework is primarily governed by the Pensions Act (*Pensioenwet*). This Act regulates the general legal framework for occupational pension schemes, including employees’ pension rights, information obligations, governance and supervision of pension funds and pension administrators. In addition, mandatory participation in a sector pension fund is governed by the Mandatory Participation in an Industry-wide Pension Fund Act 2000 (*Wet verplichte deelneming in een bedrijfstakpensioenfonds 2000*).

This Act enables the Dutch government, by ministerial decision, to declare participation in a designated sector pension fund mandatory for all employers whose activities fall within the defined scope of that sector. For the metal and technology sector, which includes the two-wheeler industry, the designated mandatory sector pension fund is Pension Fund for Metal and Technique (Stichting Pensioenfonds Metaal & Techniek or PMT). Employers subject to the mandatory participation must register with PMT, provide complete and accurate employee and salary data, pay the applicable pension contributions, comply with reporting obligations and comply with audits and enforcement. Failure to comply with these obligations may entitle PMT to claim outstanding pension contributions retroactively, together with statutory interest and collection costs.

PORTUGUESE LAWS AND REGULATIONS

We are subject to various laws and regulations that are relevant to our business operations in Portugal.

Product Safety and Labeling

General Product Safety (Regulation (EU) 2023/988 of 10 May 2023)

Product safety in Portugal is primarily governed by Regulation (EU) 2023/988, under which economic operators can only place on the market or make available safe products. When assessing product safety, specific features of the product must be taken into account, including its design, technical features, composition, packaging, instructions for assembly and, where applicable, installation, use and maintenance, as well as the effect on other products where interconnection between products is reasonably foreseeable.

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Prior to placing products on the market, manufacturers are required to ensure that the products have been designed and manufactured in compliance with the applicable safety requirements, to carry out internal risk analyses and to draw up technical documentation containing at least a general description of the product and its essential characteristics relevant for assessing its safety.

Manufacturers are also required to ensure that products bear a type, batch or serial number or other element enabling the identification of the product, which is easily visible and legible for consumers. Where the size or nature of the product does not allow for this, the required information must be included on the packaging or in a document accompanying the product.

Accreditation and Market Surveillance Requirements Relating to the Marketing of Products (Regulation (CE) 765/2008 of 8 July 2008)

Regulation (EC) 765/2008 establishes a framework for the market surveillance of products in order to ensure compliance with requirements providing a high level of protection of public interests, including general health and safety, health and safety at the workplace, consumer protection, environmental protection and security. The CE marking was created within this context, and consists of a marking by which the manufacturer indicates that the product is in conformity with the applicable requirements set out in EU harmonization legislation providing for its affixing.

Each Member State has appointed a single national accreditation body. In Portugal, such entity is the “*Instituto Português de Acreditação*” (the Portuguese Accreditation Institute). The CE marking is affixed only by the manufacturer or its authorized representative, and results in the manufacturer indicating that it takes responsibility for the conformity of the product.

Waste Management

Management of Waste Electrical and Electronic Equipment and Packaging (Decree-Law no. 152-D/2017, December 11)

Decree-Law no. 152-D/2017 establishes a unified regime for specific waste streams subject to the principle of extended producer responsibility, transposing Directives 2015/720/EU, 2016/774/EU, and 2017/2096/EU.

In specific waste streams managed under the extended producer responsibility regime, the financial or financial and operational responsibility for managing the life-cycle stage of products when they reach end of life and become waste is assigned, in whole or in part, to the producer of the product, the packer, and the supplier of service packaging. Stakeholders involved throughout the product life cycle, from design and manufacture through distribution, placing on the market and use, to the handling of the corresponding waste, are jointly responsible for its management and must contribute, to the extent of their respective involvement and responsibility, to the functioning of the relevant management systems.

Producers, packers that use non-reusable packaging and suppliers of non-reusable service packaging are required to manage the relevant waste through either individual or integrated management systems, which are subject, respectively, to authorization or licensing pursuant to the applicable legislation.

Batteries and Waste Batteries (Regulation (EU) 2023/1542 of 12 July 2023)

Regulation (EU) 2023/1542 establishes requirements on sustainability, safety, labeling, marking and information applicable to batteries placed on the market or put into service within the EU. It also establishes the minimum requirements for extended producer responsibility, collection and treatment of waste batteries and related reporting obligations. Specifically for waste batteries, the Regulation provides that producers must be registered as such in each relevant Member State, and makes them responsible, under the extended producer responsibility regime, for batteries they make available on the market for the first time within a Member State.

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Furthermore, producers of removable batteries shall ensure that all waste removable batteries are collected separately in the territory of a Member State where they make removable batteries available on the market for the first time, with collection arrangements being proportionate to the volume and characteristics of the batteries placed on the market. Distributors are required to take back waste batteries from the end-user free of charge and without imposing an obligation on the end-user to buy or to have bought a new battery.

Customs and Trade

Import and export activities in Portugal are governed by the general customs and trade framework applicable within the EU. Accordingly, as an EU Member State, Portugal applies the EU legal regime concerning various dimensions of international trade, including anti-dumping duties, subsidies and countervailing measures, sanctions and export controls.

With regard to anti-dumping, Regulation (EU) 2016/1036 of 8 June 2016 establishes the EU framework on protection against dumped imports from countries not members of the EU and is implemented through Commission Implementing Regulation (EU) 2025/120 of 23 January 2025, which imposes definitive anti-dumping duties on imports of electric bicycles originating in the People’s Republic of China.

As regards countervailing measures, Regulation (EU) 2016/1037 of 8 June 2016 establishes the EU framework on protection against subsidized imports from non-EU countries and is implemented through Commission Implementing Regulation (EU) 2025/114 of 23 January 2025, which imposes definitive countervailing duties on imports of electric bicycles originating in the People’s Republic of China. In this respect, the applicable anti-dumping duty rates range from 10.3% to 70.1%, and the applicable countervailing duties range from 3.9% to 17.2%.

Licensing

Activity Licensing

Under Portuguese law, the assembly and sale of electric bicycles are not subject to any industry-specific licensing or regulatory authorization requirements.

Facilities Licensing

In Portugal, the use of real estate properties is generally subject to compliance with the applicable urban planning and municipal licensing framework, and to the issuance of the relevant municipal use title, confirming the authorized use of the premises in accordance with the applicable municipal planning instruments.

Employment

Employment matters in Portugal are primarily governed by the Portuguese Labor Code, approved by Law No. 7/2009, of 12 February. The Labor Code regulates the key aspects of employment relationships, including employment contracts, working time, holiday entitlements, parental rights, termination of employment, amongst other aspects. In addition to statutory legislation, employment relationships may also be governed by the collective bargaining agreement applicable to the relevant sector. This agreement establishes terms and conditions governing employment relationships that may differ from those set out in the general Portuguese labor law, typically in a manner more favorable to employees.

Health and Safety

In the field of occupational safety and health, the key legislation is Law No. 102/2009, of 10 September, which sets out the legal regime for promoting and ensuring safety and health at work, and transposes the EU Framework Directive 89/391/EEC.

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In general, this regime determines that employers must ensure safe and healthy working conditions in all aspects of work, including through the identification and assessment of specific workplace risks, the implementation of appropriate preventive and protective measures, the provision of adequate information and training to employees, the organization of occupational health and safety services and the establishment of emergency procedures.

PRC LAWS AND REGULATIONS

We are subject to various laws and regulations that are relevant to our business operations in China.

Foreign Investment

The establishment, operation and management of companies in PRC are governed by the PRC Company Law (《中華人民共和國公司法》) which was promulgated by the Standing Committee of the National People’s Congress (the “SCNPC”) on December 29, 1993, came into effect on July 1, 1994 and was last revised on December 29, 2023. The latest revised PRC Company Law, which is also applicable to foreign-invested companies, mainly focused on improving the establishment and liquidation system of companies, optimizing organizational structures of companies, improving the capital system of companies, strengthening the responsibilities of the controlling shareholder and management, and enhancing the social responsibilities of companies, etc.

Pursuant to the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the “**Foreign Investment Law**”) promulgated by the National People’s Congress (NPC) on March 15, 2019 and came into effect on January 1, 2020, the “Foreign Investment” refers to the investment activity directly or indirectly conducted by the foreign natural person, enterprise or other organization (hereinafter referred to as the “**foreign investors**”). The state applies the administrative system of pre-establishment national treatment plus negative list to foreign investment. Foreign Investors shall not invest in any field prohibited by the Negative List and shall meet the investment conditions stipulated for any field restricted by the Negative List, while for foreign investments outside the Negative List, national treatment will be given. The business forms, structures, and rules of activities of foreign-funded enterprises shall be governed by the PRC Company Law, the Partnership Law of the PRC (《中華人民共和國合夥企業法》) and other laws.

Pursuant to the Measures on Reporting of Foreign Investment Information (《外商投資信息報告辦法》), issued by the MOFCOM and the SAMR on December 30, 2019 and came into effect on January 1, 2020, for foreign investors carrying out investment activities directly or indirectly in the PRC, the foreign investors or foreign-invested enterprises shall submit investment information to the commerce authorities pursuant to such measures.

Import and Export Goods

Pursuant to the Regulations on the Administration over Import and Export of Goods of the PRC (《中華人民共和國貨物進出口管理條例》) which was promulgated by the State Council on December 10, 2001 and most recently amended on March 10, 2024, the PRC government exercises uniform administration over the import and export of goods, but the prohibitions or restrictions explicitly stipulated in the laws or administrative regulations shall still be complied with during the conduct of import and export of goods by individuals or entities. Pursuant to the Foreign Trade Law of the PRC (《中華人民共和國對外貿易法》), which was promulgated by the SCNPC on May 12, 1994 and last amended on December 27, 2025 with effect on March 1, 2026, unless otherwise provided by laws and regulations, the PRC government allows free export and import of goods and technologies, and protects the intellectual property rights associated with international trade. The authorities have canceled the requirements to file records and register formalities for foreign trade operators engaging in the import or export of goods or technology with the MOFCOM or the agency entrusted from December 30, 2022.

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Pursuant to the Law of the People’s Republic of China on Import and Export Commodity Inspection (《中華人民共和國進出口商品檢驗法》) which was promulgated on February 21, 1989 and last amended on April 29, 2021, the import and export commodities which are listed in the catalog of import and export commodities subject to compulsory inspection shall be inspected in accordance with the compulsory requirements of the technical regulations of the State.

Pursuant to the Customs Law of the PRC (《中華人民共和國海關法》) issued by the SCNPC on January 22, 1987 and last amended and came into effect on April 29, 2021, the declaration of import and export goods may be made by consignees and consignors themselves, and such formalities may also be completed by their entrusted customs brokers that have registered with the Customs. The consignees and consignors for import or export of goods and the customs brokers engaged in customs declaration shall register with the Customs in accordance with the laws.

Pursuant to the Administrative Provisions of the PRC on the Filing of Customs Declaration Entities (《中華人民共和國海關報關單位備案管理規定》) issued by the General Administration of Customs on 19 November 2021 and became effective on 1 January 2022, the consignees and consignors for imported or exported goods and the customs brokers engaged in customs declarations shall undergo recordation formalities at the relevant administration department of customs in accordance with the laws.

Overseas Listing and M&A

On August 8, 2006, six PRC regulatory agencies jointly issued the M&A Rules which were effective on September 8, 2006 and amended on June 22, 2009. Foreign investors shall comply with the M&A Rules when they purchase equity interests of a domestic company or subscribe the increased capital of a domestic company, and thus changing the nature of the domestic company into a foreign-invested enterprise; or when the foreign investors establish a foreign-invested enterprise in the PRC, purchase the assets of a domestic company and operate the assets; or when the foreign investors purchase the asset of a domestic company, establish a foreign-invested enterprise by injecting such assets and operate the assets.

On February 17, 2023, the CSRC released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the “**Trial Measures**”) and several supporting guidelines, which came into effect on March 31, 2023. According to the Trial Measures, (1) domestic companies that seek to offer or list securities overseas, both directly and indirectly, should fulfill the filing procedure and report relevant information to the CSRC; (2) the determination as to whether or not an overseas offering and listing by domestic companies is indirect, shall be made on a substance over form basis; and (3) where a domestic company seeks to indirectly offer and list securities in an overseas market, the issuer shall designate a major domestic operating entity responsible for all filing procedures with the CSRC, and where an issuer makes an application for offering and listing in an overseas market, the issuer shall submit filings with the CSRC within three business days after such application is submitted.

On February 24, 2023, the CSRC released the Provisions on Strengthening the Confidentiality and Archives Administration Related to the Overseas Securities Offering and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the “**Confidentiality Provisions**”), which came into effect on March 31, 2023. The Confidentiality Provisions aim to expand the applicable scope of the regulation to indirect overseas offerings and listings by PRC domestic companies and emphasize the confidentiality and archive management duties of PRC domestic companies during the process of overseas offerings and listings.

Overseas Investment

Pursuant to the Administrative Measures for Overseas Investment (《境外投資管理辦法》) promulgated by the MOFCOM on September 6, 2014 and implemented on October 6, 2014, the MOFCOM and provincial competent commerce authorities shall carry out administration either by record-filing or approval, depending on different circumstances of overseas investment by

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enterprises. Outbound investment by enterprises that involves sensitive countries and regions, or sensitive industries shall be subject to administration by approval. Overseas investment by enterprises that falls in any other circumstances shall be subject to administration by record-filing.

Pursuant to the Administrative Measures for Overseas Investment of Enterprises (《企業境外投資管理辦法》) promulgated by the NDRC on December 26, 2017 and implemented on March 1, 2018, a domestic enterprise, or the investor, making an outbound investment shall obtain approval or conduct record-filing for outbound investment projects, report relevant information, and cooperate with the supervision and inspection. Sensitive projects, specifically including projects involving sensitive countries and regions and sensitive industries, carried out by investors directly or through overseas enterprises controlled by them shall be subject to approval; non-sensitive projects directly carried out by investors, namely, non-sensitive projects involving investors’ direct contribution of assets or rights and interests or provision of financing or guarantee shall be subject to record-filing. The NDRC shall promulgate the catalog of sensitive industries. The currently effective sensitive industry catalog is the Catalog of Sensitive Sectors for Overseas Investment (2018 Edition) (《境外投資敏感行業目錄(2018年版)》), effective on March 1, 2018.

Intellectual Property Rights

Trademarks

According to the Trademark Law of the PRC (《中華人民共和國商標法》), which was last amended by the SCNPC on April 23, 2019 and came into effect on November 1, 2019, and the Detailed Rules for the Implementation of Trademark Law of the PRC (《中華人民共和國商標法實施條例》), which was amended by the State Council on April 29, 2014 and came into effect on May 1, 2014, registered trademarks include commodity trademarks, service trademarks, collective trademarks and certificate trademarks. A registered trademark is valid for ten years and is renewable every ten years since the day after the expiration date of the previous term of validity of the trademark where a registered trademark needs to be used after the expiration of its validity term. A registration renewal application shall be filed within twelve months (with an extension period of six months) prior to the expiration of the term.

Patents

According to the Patent Law of the PRC (《中華人民共和國專利法》) which was most recently amended on October 17, 2020 and became effective on June 1, 2021, and its Implementation Rules (《中華人民共和國專利法實施細則》) which were most recently amended on December 11, 2023 and became effective on January 20, 2024, the patents are classified into three types, “invention”, “utility model” and “design.” Invention patents, design patents and utility model patents are valid respectively for twenty years, fifteen years and ten years, from the date of application.

Copyright and Computer Software Copyright

In accordance with the Copyright Law of the People’s Republic China (《中華人民共和國著作權法》) which was latest amended on November 11, 2020 and effective on June 1, 2021, Chinese citizens, legal persons or organizations without legal personality enjoy copyright over their works, whether published or not.

According to the Regulations on the Protection of Computer Software (《計算機軟件保護條例》), which was last amended by the State Council on January 30, 2013 and came into effect on March 1, 2013, software created by Chinese citizens, legal entities or other organizations, whether published or not, shall enjoy copyright protection. Copyrights shall include the right of publication, authorship, alteration, reproduction, distribution, lease, translation, etc.

REGULATORY OVERVIEW

Cybersecurity, Data Security and Protection of Personal Information

Cybersecurity and Data Security

The PRC government has enacted laws and regulations with respect to internet information security and protection of personal information from any abuse or unauthorized disclosure. The PRC Cybersecurity Law (《中華人民共和國網絡安全法》), which was latest amended by the SCNPC on October 28, 2025 and became effective on January 1, 2026, requires network operators, including internet information services providers among others, to comply with laws and regulations and fulfill their obligations to safeguard security of the network when conducting business and providing services. The PRC Cybersecurity Law further requires network operators to take all necessary measures in accordance with applicable laws, regulations and compulsory national requirements to safeguard the safe and stable operation of the networks, respond to cybersecurity incidents effectively, prevent illegal and criminal activities, and maintain the integrity, confidentiality and usability of network data.

The PRC Data Security Law (《中華人民共和國數據安全法》) was promulgated on June 10, 2021 and became effective on September 1, 2021. The PRC Data Security Law imposes data security and privacy obligations on entities and individuals carrying out data activities, and introduces a data classification and hierarchical protection system based on the importance of data in economic and social development, as well as the degree of harm it will cause to national security, public interests, or legitimate rights and interests of individuals or organizations when such data is tampered with, destroyed, leaked, or illegally acquired or used.

On March 22, 2024, the CAC issued the Provisions on Facilitating and Regulating Cross-Border Data Flows (《促進和規範數據跨境流動規定》) (the “**Cross-Border Data Flows Provisions**”), which requires that data processors shall apply to the national cyberspace administration for security assessment of cross-border data transfer under certain circumstances. Nevertheless, Articles 3 to 6 of the Cross-Border Data Flow Provisions also provide certain exemptions from applying for the security assessment or authentication, and entering into the standard contracts, including international trade, cross-border transportation, academic cooperation, transactional manufacturing, marketing and other activities that do not involve personal information or important data, among others.

On September 24, 2024, the State Council released the Cyber Data Security Administration Regulations (《網絡數據安全管理條例》) (“**Cyber Data Regulations**”), which came into force on January 1, 2025. The Cyber Data Regulations stipulate that internet data processors who carry out internet data processing activities that affect or may affect national security shall undergo national security review in accordance with relevant state regulations. In addition, the Administrative Measures for Internet Data Security also regulate other specific requirements in respect of the data processing activities conducted by data processors in the view of personal data protection, important data safety, data cross-broader safety management and obligations of network platform service providers.

Protection of Personal Information

Pursuant to the Civil Code, the personal information of a natural person shall be protected by the law. Any organization or individual that need to obtain personal information of others shall obtain such information legally and ensure the security of such information, and shall not illegally collect, use, process or transmit personal information of others, or illegally purchase, sell, provide or make public personal information of others.

On August 20, 2021, the SCNPC issued the PRC Personal Information Protection Law (《中華人民共和國個人信息保護法》), which took effect on November 1, 2021. The PRC Personal Information Protection Law reiterates the circumstances under which a personal information processor could process personal information and the requirements for such circumstances. No

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organization or individual may illegally collect, use, process or transmit personal information, illegally buy or sell, provide or make personal information public, or engage in the processing of personal information that endangers the national security or public interests.

Taxation

Enterprise Income Tax

On March 16, 2007, the NPC promulgated the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) which was latest amended on December 29, 2018, and the State Council enacted the Regulations for the Implementation of the Law on Enterprise Income Tax of the People’s Republic of China (《中華人民共和國企業所得稅法實施條例》) which were latest amended on December 6, 2024 (collectively, the “EIT Law”). According to the EIT Law, a resident enterprise shall pay EIT on its income originating from both inside and outside PRC at an EIT rate of 25%. Foreign invested enterprises in the PRC fall into the category of resident enterprises, which shall pay EIT for the income originated from domestic and overseas sources at an EIT rate of 25%. High and new technology enterprises which are supported by the State may enjoy a preferential EIT rate of 15%. A non-resident enterprise having no office or establishment inside China, or a non-resident enterprise whose incomes have no actual connection to its office or establishment inside China must pay enterprise income tax on the incomes derived from China at a rate of 10%.

The EIT Law and its implementation rules, as well as the Law of the People’s Republic of China on the Administration of Tax Collection (《中華人民共和國稅收徵收管理法》) promulgated by the NPC and last amended on April 24, 2015, provide the rules of tax adjustment, which require the transactions between an enterprise and its related parties shall be made at arm’s length principle. Where transactions between an enterprise and its related parties fail to comply with the arm’s length principle and results in a reduction of the taxable income, the tax authorities shall have the right to make reasonable adjustments.

Transfer Pricing

According to the EIT Law and its Implementation Regulations, as well as the Tax Collection and Administration Law of the People’s Republic of China (《中華人民共和國稅收徵收管理法》) that was most recently revised and effective on April 24, 2015, and the Implementing Regulations of the Tax Collection and Administration Law of the People’s Republic of China (《中華人民共和國稅收徵收管理法實施細則》) that was most recently revised and effective on February 6, 2016, for business transactions between affiliated enterprises, the receipt or payment of prices and fees shall follow the arm’s length principle. Where the receipt or payment of prices and fees does not follow the arm’s length principle and results in a reduction of taxable income, the tax authorities shall have the right to make reasonable adjustments. Based on the Announcement of the State Taxation Administration on Matters Relating to the Improvement of the Administration of Related Party Transaction Reporting and Contemporaneous Documentation (《國家稅務總局關於完善關聯申報和同期資料管理有關事項的公告》) promulgated and became effective on June 29, 2016, enterprises which have related-party transactions and meet corresponding conditions shall prepare their contemporaneous documentation (同期資料) per tax year and submit to the tax authority if required by the same. Contemporaneous documentation includes master file (主體文檔), local file (本地文檔) and special issue file (特殊事項文檔). According to the Announcement of the State Taxation Administration on Issuing the Administrative Measures for Special Tax Adjustment and Investigation and Mutual Agreement Procedures (《國家稅務總局關於發佈〈特別納稅調查調整及相互協商程序管理辦法〉的公告》) which partially repealed the Implementation Regulations for Special Tax Adjustments (Trial) (《特別納稅調整實施辦法(試行)》), and was issued on March 17, 2017 and became effective on May 1, 2017 and was amended on June 15, 2018, an enterprise may adjust and pay taxes at its own discretion when it receives a special tax adjustment risk warning or identifies its own special tax adjustment risks, while the tax authorities may also carry out special tax investigation and adjustment in accordance with the relevant provisions in regard to enterprises that adjust and pay taxes at their own discretion.

REGULATORY OVERVIEW

Value-Added Tax

Pursuant to the Value-added Tax of the PRC (《中華人民共和國增值稅法》) promulgated by SCNPC on December 25, 2024 and became effective from January 1, 2026, which repealed the Provisional Regulations of the People’s Republic of China on Value-added Tax (《中華人民共和國增值稅暫行條例》), promulgated on December 13, 1993 and last amended on November 19, 2017, along with the Implementation Regulations for the Value-added Tax Law of the People’s Republic of China (《中華人民共和國增值稅法實施條例》) which was issued on December 25, 2025, and effective from January 1, 2026, all enterprises and individuals engaged in the sale of goods, the provision of processing, repair and replacement services, sales of services, intangible assets, real property, and the importation of goods within the territory of the PRC shall be liable for Value-added Tax (“VAT”). Pursuant to the Announcement on the Value-added Tax Reduction and Exemption Policy for Small-scale VAT Taxpayers (《關於增值稅小規模納稅人減免增值稅政策的公告》), small-scale VAT taxpayers whose taxable sales revenue shall be subject to the 3% levy rate shall be eligible for a reduced rate of 1% and the Announcement shall be in effect until December 31, 2027.

Dividend Withholding Tax

Pursuant to the EIT Law and its implementation rules, if a non-resident enterprise has not set up an organization or establishment in the PRC, or has set up an organization or establishment but the income derived has no actual connection with such organization or establishment, it will be subject to a withholding tax on its PRC-sourced income at a rate of 10%. Pursuant to the Arrangement between Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Tax Evasion on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), the withholding tax rate in respect to the payment of dividends by a PRC enterprise to a Hong Kong enterprise is reduced to 5% from a standard rate of 10% if the Hong Kong enterprise directly holds at least 25% of the shares of the PRC enterprise.

The SAT issued the Announcement of State Taxation Administration on Promulgation of the Administrative Measures on Non-resident Taxpayers Enjoying Treaty Benefits (國家稅務總局關於發佈《非居民納稅人享受協定待遇管理辦法》的公告) (the “**SAT Circular 35**”) on October 14, 2019, which became effective on January 1, 2020. According to the SAT Circular 35, no approvals from the tax authorities are required for a non-resident taxpayer to enjoy treaty benefits, where a non-resident taxpayer self-assesses and concludes that it satisfies the criteria for claiming treaty benefits, it may enjoy treaty benefits at the time of tax declaration or at the time of withholding through the withholding agent, but it shall gather and retain the relevant materials as required for future inspection, and accept follow-up administration by the tax authorities. There are also other conditions for enjoying the reduced withholding tax rate according to other relevant tax rules and regulations.

Foreign Exchange

The principal regulations governing foreign currency exchange in China are the Foreign Exchange Administration Regulations of the PRC (《中華人民共和國外匯管理條例》) which was promulgated by the State Council on January 29, 1996, and was latest amended on August 5, 2008. Pursuant to these regulations and other PRC rules and regulations on currency conversion, Renminbi is freely convertible for payments of current account items, such as trade and service-related foreign exchange transactions and dividend payments, but not freely convertible for capital account items, such as direct investment, loan or investment in securities outside China unless prior approval of the State Administration for Foreign Exchange of the PRC (the “SAFE”) or its local counterpart is obtained.

On February 13, 2015, SAFE promulgated the Notice on Further Simplifying and Improving the Direct Investment-related Foreign Exchange Administration Policies (《關於進一步簡化和改進直接投資外匯管理政策的通知》), according to which, entities and individuals may apply for such foreign exchange registrations from qualified banks. The qualified banks, under the supervision of SAFE, may directly review the applications and conduct the registration. On March 30, 2015, SAFE promulgated the Circular on Reforming the Management Approach regarding the Settlement of

REGULATORY OVERVIEW

Foreign Capital of Foreign-invested Enterprise (《關於改革外商投資企業外匯資本金結匯管理方式的通知》) (the “**Circular 19**”). According to Circular 19, the use of capital by foreign-invested enterprises shall follow the principles of authenticity and self-use within the business scope of enterprises.

The Circular of Further Improving and Adjusting Foreign Exchange Administration Policies on Foreign Direct Investment (《關於進一步改進和調整直接投資外匯管理政策的通知》) (the “**SAFE Circular 13**”) which became effective on June 1, 2015 and was amended on December 30, 2019, cancels the administrative approvals of foreign exchange registration of direct domestic investment and direct overseas investment and simplifies the procedure of foreign exchange-related registration. Pursuant to SAFE Circular 13, investors should register with banks for direct domestic investment and direct overseas investment.

The Circular on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account (《關於改革和規範資本項目結匯管理政策的通知》) (the “**Circular 16**”), was promulgated by SAFE on June 9, 2016. Pursuant to Circular 16, enterprises registered in the PRC may also convert their foreign debts from foreign currency to Renminbi on a self-discretionary basis. Circular 16 reiterates the principle that Renminbi converted from foreign currency-denominated capital of a company may not be directly or indirectly used for purposes beyond its business scope or prohibited by PRC Laws, while such converted Renminbi shall not be provided as loans to its non-affiliated entities.

On January 26, 2017, SAFE promulgated the Circular on Further Improving Reform of Foreign Exchange Administration and Optimizing Genuineness and Compliance Verification (《國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知》), which stipulates several capital control measures with respect to the outbound remittance of profit from domestic entities to offshore entities, including: (i) banks should check board resolutions regarding profit distribution, the original version of tax filing records, and audited financial statements pursuant to the principle of genuine transactions; and (ii) domestic entities should hold income to account for previous years’ losses before remitting the profits. Moreover, pursuant to this circular, domestic entities should make detailed explanations of the sources of capital and utilization arrangements, and provide board resolutions, contracts, and other proof when completing the registration procedures in connection with an outbound investment.

The Notice for Further Advancing the Facilitation of Cross-border Trade and Investment (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) promulgated by the SAFE on October 23, 2019 and amended on December 4, 2023, which, among other things, allows all foreign investment enterprises to use Renminbi converted from foreign currency denominated capital for equity investments in China, as long as the equity investment is genuine, does not violate applicable laws, and complies with the negative list on foreign investment.

According to the Circular of the State Administration for Foreign Exchange on Optimizing Foreign Exchange Administration to Support the Development of Foreign-related Business (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》) promulgated and effective on April 10, 2020, by the SAFE, the reform of facilitating the payments of incomes under the capital accounts shall be promoted nationwide. Under the prerequisite of ensuring true and compliant use of funds and compliance and complying with the prevailing administrative provisions on use of income from capital projects, enterprises which satisfy the criteria are allowed to use income under the capital account, such as capital funds, foreign debt and overseas listing, etc., for domestic payment, without the need to provide proof materials for veracity to the bank beforehand for each transaction.

Real Estate Leasing

Pursuant to the Law on Administration of Urban Real Estate of the PRC (《中華人民共和國城市房地產管理法》), which was promulgated by the SCNPC on 5 July 1994, was last revised on 26 August 2019 and came into effect on 1 January 2020, in case of house leasing, the lessor and lessee

REGULATORY OVERVIEW

are required to enter into a written lease contract, containing such provisions as the leasing term, usage, rental and repair liabilities, as well as other rights and obligations of both parties, and go through registration and filing procedures with the real estate administration department.

According to the Civil Code, failure of the parties to the lease contract to complete the formalities for registration in accordance with the laws and administrative regulations shall not affect the validity of the contract.

Labor Laws and Social Insurance

According to the Labor Law of the PRC (《中華人民共和國勞動法》), or the Labor Law, which was promulgated by the SCNPC in July 1994, effective on January 1, 1995, and most recently amended in December 2018, an employer shall develop and improve its rules and regulations to safeguard the rights of its workers. An employer shall develop and improve its labor safety and health system, stringently implement national protocols and standards on labor safety and health, conduct labor safety and health education for workers, guard against labor accidents and reduce occupational hazards.

The Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), which was promulgated by the SCNPC on June 29, 2007, effective on January 1, 2008, and most recently amended in December 2012, and the Implementation Regulations on Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》), promulgated and became effective on September 18, 2008, regulate both parties to a labor contract, namely the employer and the employee, and contain specific provisions involving the terms of the labor contract. It is stipulated by the Labor Contract Law and the Implementation Regulations on Labor Contract Law that a labor contract must be made in writing. An employer and an employee may enter into a fixed-term labor contract, an unfixed term labor contract, or a labor contract that concludes upon the completion of certain work assignments, after reaching an agreement upon due negotiations.

Enterprises in China are required by PRC laws and regulations to participate in certain employee benefit plans, including social insurance funds, namely a pension plan, a medical insurance plan, an unemployment insurance plan, a work-related injury insurance plan and a maternity insurance plan, and a housing provident fund, and contribute to the plans or funds in amounts equal to certain percentages of salaries, including bonuses and allowances, of the employees as specified by the local government from time to time at locations where they operate their businesses or where they are located. According to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) and the Interim Regulations on Levying Social Insurance Premiums (《社會保險費徵繳暫行條例》), an employer that fails to make social insurance contributions may be ordered to rectify the non-compliance and pay the required contributions within a stipulated deadline and be subject to a late fee of up to 0.05% or 0.2% per day, as the case may be. If the employer still fails to rectify the failure to make social insurance contributions within the stipulated deadline, it may be subject to a fine ranging from one to three times the amount overdue.

Pursuant to the Second Interpretation on Several Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》) issued by the PRC Supreme People’s Court on August 1, 2025, which became effective on September 1, 2025, if an employer fails to make mandatory social insurance contributions in accordance with applicable laws for an employee, such employee is entitled to unilaterally terminate the labor contract and demand statutory economic compensation. In addition, the judicial interpretation further clarifies that any agreement between an employer and an employee to waive mandatory social insurance contributions, or any undertaking by an employee that such contributions need not be paid, shall be deemed null and void.

According to the Regulations on Management of Housing Fund (《住房公積金管理條例》), an enterprise that fails to make housing fund contributions may be ordered to rectify the non-compliance and pay the required contributions within a stipulated deadline; otherwise, an application may be made to a local court for compulsory enforcement.

REGULATORY OVERVIEW

Employee Stock Incentive Plans

On February 15, 2012, the SAFE promulgated the Notice of the State Administration of Foreign Exchange on Issues Concerning the Foreign Exchange Administration of Domestic Individuals’ Participation in Equity Incentive Plans of Overseas Listed Companies (《國家外匯管理局關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》), or the Stock Option Rules. In accordance with the Stock Option Rules and relevant rules and regulations, PRC citizens or non-PRC citizens residing in China for a continuous period of not less than one year, who participate in any stock incentive plan of an overseas publicly listed company, subject to a few exceptions, are required to register with the SAFE through a domestic qualified agent, which could be a PRC subsidiary of such overseas listed company, and complete certain procedures. We and our employees who are PRC citizens or reside in China for a continuous period of not less than one year and participate in our stock incentive plan will be subject to such regulation.

In addition, the State Taxation Administration (the “SAT”), has issued circulars concerning employee share options or restricted shares. Under these circulars, employees working in the PRC who exercise share options, or whose restricted shares vest, will be subject to PRC individual income tax (the “IIT”). The PRC subsidiaries of an overseas listed company have obligations to file documents related to employee share options or restricted shares with relevant tax authorities and to withhold IIT of those employees related to their share options or restricted shares. If the employees fail to pay, or the PRC subsidiaries fail to withhold, the IIT according to relevant laws, rules and regulations, the PRC subsidiaries may face sanctions imposed by the tax authorities or other PRC government authorities.

Dividend Distribution

The principal regulations governing distribution of dividends of wholly foreign-owned enterprise (“WFOE”), include the PRC Company Law, the Foreign Investment Law and the Implementing Regulation for the Foreign Investment Law of the PRC. Under these regulations, wholly foreign-owned enterprises in China may pay dividends only out of their accumulated profits, if any, determined in accordance with the PRC accounting standards and regulations. In addition, Foreign invested enterprises in the PRC are required to allocate at least 10% of their accumulated profits each year, if any, to fund certain reserve funds unless these reserves have reached 50% of the registered capital of the enterprises. These reserves are not distributable as cash dividends.

DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

Upon [REDACTED], the Board will consist of eight Directors, including five executive Directors and three independent non-executive Directors. The following table provides certain information about our Directors:

The following table sets forth the key information about our Directors:

Name	Age	Position/Title	Time of Joining our Group	Date of Appointment as a Director	Responsibilities
<i>Executive Directors</i>					
Mr. Xiaoling Liang (梁霄凌先生)	41	Chairman of the Board, Executive Director and Chief Executive Officer	May 2021	January 2025	Responsible for overall strategic planning, business and operational management of our Group
Mr. Amir Fazeli	53	Executive Director and Europe General Manager	March 2022	November 2025	Responsible for overall business and operational management in Europe
Mr. Kai Cheng (程楷先生)	36	Executive Director and Chief Financial Officer	October 2023	November 2025	Responsible for overseeing the overall financial management, capital markets, investor relations and strategic development of our Group
Mr. Tian Sang (桑田先生)	53	Executive Director and Asia General Manager	May 2021	November 2025	Responsible for overall business and operational management in PRC and Asia
Ms. Jianan Li (李嘉楠女士)	40	Executive Director, Vice President and Financial Director	January 2024	[REDACTED]	Responsible for overseeing the finance and corporate internal controls and processes
<i>Independent Non-executive Directors</i>					
Mr. Wai-Chan Chan (陳維贊先生)	61	Independent non-executive Director	[REDACTED]	[REDACTED]	Responsible for providing independent opinion and judgment to the Board
Mr. Dennis Robin de Breij	54	Independent non-executive Director	[REDACTED]	[REDACTED]	Responsible for providing independent opinion and judgment to the Board
Mr. Chung Yin Pak (白仲賢先生)	42	Independent non-executive Director	[REDACTED]	[REDACTED]	Responsible for providing independent opinion and judgment to the Board

Executive Directors

Mr. Xiaoling Liang (梁霄凌先生), aged 41, is our executive Director, Chairman of the Board and Chief Executive Officer. Mr. LIANG was appointed as a Director in January 2025, and is responsible for overall strategic planning, business and operational management of the Group.

Mr. LIANG currently assumes a number of positions at our Group. He founded Tenways Technovation Europe B.V. in February 2022. Mr. LIANG possesses extensive expertise in engineering and management. Drawing from his direct leadership experience within the mobility industry, he has demonstrated a proven track record and deep market understanding that are integral to our ongoing growth.

Prior to founding the Group, Mr. LIANG served as the general manager at Leonis from January 2018 to December 2021. From September 2014 to December 2017, he served as the director of the marketing center at Guangzhou Trinity Cycles Co., Ltd. (廣州千里達實業有限公司).

DIRECTORS AND SENIOR MANAGEMENT

Mr. LIANG obtained a master’s degree in engineering from School of Business, Sun Yat-Sen University (中山大學) in the PRC in June 2014. He also obtained a bachelor’s degree in engineering, majoring in electronic science and technology, from South China University of Technology (華南理工大學) in the PRC in July 2007.

Mr. Amir Fazeli, aged 53, is our executive Director and Europe General Manager. Mr. Fazeli was appointed as a Director in November 2025, and is responsible for overseeing our business and operational management in Europe.

Prior to joining our Group, Mr. Fazeli worked for over a decade at Maclaren Group. He first served at Maclaren Europe Limited from January 2006 to December 2008. He then transitioned to work at Maclaren GmbH from July 2009 to January 2018, and subsequently served at Maclaren UK Limited with his last role as senior brand manager from January 2018 to February 2022.

Mr. Fazeli obtained a bachelor’s degree in business administration from Vienna University of Economics and Business Administration in Austria in July 2001.

Mr. Kai Cheng (程楷先生), aged 36, is our executive Director and Chief Financial Officer. Mr. Cheng was appointed as a Director in November 2025, and is responsible for overseeing the overall financial management, capital markets, investor relations and strategic development of our Group.

Prior to joining our Group, Mr. Cheng served as executive director at Zhuhai Hillhouse Private Equity Fund Management Co., Ltd. (珠海高瓴私募基金管理有限公司) and its affiliates from June 2015 to February 2019, and from March 2020 to October 2023. Earlier, from December 2012 to May 2015, Mr. Cheng worked in the investment banking division of China International Capital Corporation Limited (中國國際金融股份有限公司).

Mr. Cheng obtained a bachelor’s degree in management, majoring in accounting, from Tsinghua University (清華大學) in the PRC in July 2012.

Mr. Tian Sang (桑田先生), aged 53, is our executive Director and Asia General Manager. Mr. Sang was appointed as a Director in November 2025, and is responsible for overseeing our business and operational management in PRC and Asia.

Prior to joining our Group, Mr. Sang was the general manager at Saipu Fitness (Beijing) Co., Ltd. (賽普健身(北京)股份有限公司), a company listed on the National Equities Exchange and Quotations (NEEQ), from February 2016 to September 2019.

Mr. Sang obtained an EMBA degree at the China Europe International Business School (中歐國際工商學院) in the PRC in September 2012. He obtained a master’s degree in business administration at Xi’an Jiaotong University (西安交通大學) in the PRC in December 2007. He also obtained a bachelor’s degree in engineering, majoring in textile design, at the Northwest Institute of Textile Science and Technology (西北紡織工學院) in the PRC in July 1996.

DIRECTORS AND SENIOR MANAGEMENT

Ms. Jianan Li (李嘉楠女士), aged 40, is our vice president and financial director. Ms. Li was appointed as a Director in February 2026, with effect from [REDACTED], and is responsible for overseeing the finance and corporate internal controls and processes of our Group.

Prior to joining our Group, Ms. Li served at Huawei Technologies Co., Ltd. (華為技術有限公司) from August 2010 to December 2023, with her last role being the chief financial officer of Digital Power BV, a subsidiary of the Huawei group.

Ms. Li obtained her master’s degree in economics from Shanghai University of Finance and Economics (上海財經大學) in the PRC in June 2010.

Independent Non-executive Directors

Mr. Wai-Chan Chan (陳維贊先生), aged 61, is appointed as our independent non-executive Director with effect from the [REDACTED]. He is responsible for providing independent opinion and judgment to the Board.

Mr. Chan is currently the managing director of The Consumer Goods Forum, a trade association for the consumer goods and retail industry, where he has served since May 2020. Prior to that, he served as a partner at Oliver Wyman from August 2015 to April 2020. Prior to that, he was a partner and co-founder of the Greater China office of OC&C, a management consulting firm, which was subsequently acquired by Oliver Wyman.

Mr. Chan also served as a non-executive director of Bellamys Australia Limited (ASX: BAL), an infant milk formula company listed on the Australian Securities Exchange, from February 2017 to December 2019.

Mr. Chan obtained a Master of Business Administration from Harvard Business School in the United States in June 1994 and a Doctor of Philosophy in Materials Science and Metallurgy from the University of Cambridge in the United Kingdom in June 1989.

Mr. Dennis Robin de Breij, aged 54, is appointed as our independent non-executive Director with effect from the [REDACTED]. He is responsible for providing independent opinion and judgment to the Board.

Mr. De Breij currently serves as the chairman of the supervisory board at Baker Tilly Netherlands since December 2025. Previously, Mr. De Breij served as supervisory director at Ordina NV, a digital transformation consulting company, which was previously listed on the Euronext Amsterdam prior to its takeover and delisting, from January 2021 to September 2023.

Mr. De Breij founded the corporate law firm deBreij Evers Boon (later renamed to deBreij) where he served as partner from 2005 to 2020.

Mr. De Breij obtained free doctoral examination from Utrecht University in the Netherlands in August 1995.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Chung Yin Pak (白仲賢先生), aged 42, is appointed as our independent non-executive Director with effect from the [REDACTED]. He is responsible for providing independent opinion and judgment to the Board.

Mr. Pak is the chief financial officer of Admiralty Harbour Capital Limited (鐘港資本有限公司) since August 2018. Prior to that, he consecutively served as finance director of China Minsheng Financial Holding Corporation Limited (中國民生金融控股有限公司) (stock code: 0245.HK) from December 2015 to February 2018, vice president at China Asset Management (Hong Kong) Limited (華夏基金(香港)有限公司) from July 2011 to April 2015, audit manager at Ernst & Young from December 2007 to July 2011, and audit senior manager at Deloitte Touche Tohmatsu from August 2005 to November 2007.

Mr. Pak obtained a Master of Laws from The University of Hong Kong in June 2022, a Bachelor of Laws from the University of London in June 2018, and a bachelor’s degree in accounting and finance from The University of Hong Kong in June 2005. He is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants since February 2009 and the Washington State Board of Accountancy since October 2015, and a Chartered Financial Analyst charterholder since September 2012.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. The table below shows certain information in respect of the senior management of our Company:

Name	Age	Position/Title	Time of Joining our Group	Date of Appointment as a Director	Responsibilities
Mr. Xiaoling Liang (梁霄凌先生)	41	Chairman of the Board, Executive Director and Chief Executive Officer	May 2021	January 2025	Responsible for overall strategic planning, business and operational management of our Group
Mr. Amir Fazeli	53	Executive Director and Europe General Manager	March 2022	November 2025	Responsible for overall business and operational management in Europe
Mr. Kai Cheng (程楷先生)	36	Executive Director and Chief Financial Officer	October 2023	November 2025	Responsible for overseeing the overall financial management, capital markets, investor relations and strategic development of our Group
Mr. Tian Sang (桑田先生)	53	Executive Director and Asia General Manager	May 2021	November 2025	Responsible for overall business and operational management in PRC and Asia

For the biographical details of the above senior management, see “— Board of Directors — Executive Directors” in this section above.

GENERAL

Save as disclosed above, none of the Directors or members of senior management of our Company has been a director of any public company the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this document.

None of the Directors or members of the senior management of our Company has completed his/her respective education programs as disclosed in this section by way of attendance of long distance learning or online courses.

None of the Directors or members of the senior management of our Company is related to any other Directors and members of the senior management of our Company.

DIRECTORS AND SENIOR MANAGEMENT

Save as disclosed above, to the best knowledge, information and belief of our Directors having made all reasonable inquiries, there was no other matter with respect to the appointment of our Directors that needs to be brought to the attention of the Shareholders and there was no information relating to our Directors that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules as of the Latest Practicable Date.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Each of our Directors confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, either directly or indirectly, with our Company’s business which would require disclosure under Rule 8.10 of the Listing Rules.

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules in February 2026, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his/her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he/she has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of the Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his/her independence at the time of his/her appointments.

JOINT COMPANY SECRETARIES

Ms. Yanjun Chen was appointed as a joint company secretary of the Company in February 2026 with effect from [REDACTED]. She has been serving as assistant to the chief executive officer since November 2023.

Prior to joining our Group, Ms. Chen served as finance manager at the Shenzhen branch of Shanghai Pudong Development Bank Co., Ltd. (上海浦東發展銀行股份有限公司深圳分行) from January 2021 to December 2022.

Ms. Chen obtained her bachelor’s degree in finance from the Guangdong University of Foreign Studies (廣東外語外貿大學) in the PRC in June 2018. She further obtained her master of science in financial forecasting and investment from the University of Glasgow in the United Kingdom in June 2020.

Ms. Fung Yan Chi Yammie (馮恩慈女士) was appointed as a joint company secretary of the Company in February 2026 with effect from [REDACTED]. Ms. Fung is an assistant manager of the Listed & Fiduciary Corporate Services Department of Trident Corporate Services (Asia) Limited.

Ms. Fung has over 10 years of experience in the corporate secretarial and governance services field. Her practice focuses on company secretarial advisory, corporate governance and regulatory compliance services for both public and private companies.

Ms. Fung obtained a master’s degree in professional accounting and corporate governance from the City University of Hong Kong in July 2016 and a bachelor’s degree in English studies from The Hong Kong Polytechnic University in October 2012. She is an Associate Member of The Chartered Governance Institute in the United Kingdom and The Hong Kong Chartered Governance Institute.

DIRECTORS AND SENIOR MANAGEMENT

BOARD COMMITTEES

Our Board delegates certain responsibilities to various committees. Our Company has formed three Board committees, namely the Audit Committee, the Nomination Committee and the Remuneration Committee.

Audit Committee

We have established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the Corporate Governance Code. The Audit Committee consists of three Directors, namely Mr. Chung Yin Pak, Mr. Wai-Chan Chan and Mr. Dennis Robin de Breij. Mr. Chung Yin Pak has the appropriate professional qualifications or accounting or related financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules, and serves as the chairperson of the Audit Committee. The primary duties of the Audit Committee include, but not limited to, the following:

- (a) proposing the appointment or change of external auditors to our Board, and monitoring the independence of external auditors and evaluating their performance;
- (b) examining the financial information of our Company and reviewing financial reports and statements of our Company;
- (c) examining the financial reporting system, the risk management and internal control system of our Company, overseeing their rationality, efficiency and implementation and making recommendations to our Board; and
- (d) dealing with other matters that are authorized by our Board.

Remuneration Committee

We have established a Remuneration Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph E.1 of the Corporate Governance Code. The Remuneration Committee consists of three Directors, namely Mr. Wai-Chan Chan, Mr. Chung Yin Pak and Mr. LIANG. Mr. Wai-Chan Chan serves as the chairperson of the Remuneration Committee. The primary duties of the Remuneration Committee include, but not limited to, the following:

- (a) making recommendations to the Board on the Company’s policy and structure for all Directors’ and senior managements’ remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (b) monitoring the implementation of remuneration system of our Company;
- (c) making recommendations on the remuneration packages of our Directors and senior management; and
- (d) dealing with other matters that are authorized by our Board.

Nomination Committee

We have established a Nomination Committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and paragraph B.3 of the Corporate Governance Code. The Nomination Committee consists of three Directors, namely Mr. Dennis Robin de Breij, Mr. Wai-Chan Chan and Ms. Jianan Li. Mr. Dennis Robin de Breij serves as the chairperson of the Nomination Committee. The primary duties of the Nomination Committee include, but not limited to, the following:

- (a) conducting extensive search and providing to our Board suitable candidates for our Directors, chief executive officer and other members of the senior management;
- (b) reviewing the structure, size and composition (including the skills, knowledge and experience) of our Board at least annually, assisting our Board in maintaining a board skills matrix and making recommendations on any proposed changes to our Board to complement the Company’s corporate strategy;

DIRECTORS AND SENIOR MANAGEMENT

- (c) researching and developing standards and procedures for the election of our Board members, chief executive officer and members of the senior management, and making recommendations to our Board;
- (d) assess the independence of independent non-executive directors;
- (e) supporting our Company’s regular evaluation of our Board’s performance; and
- (f) dealing with other matters that are authorized by our Board.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Our Directors receive compensation in the form of fees, salaries, allowances, discretionary bonuses, share-based compensation, retirement benefit scheme contributions and other benefits in kind.

For the years ended December 31, 2023 and 2024, and the nine months ended September 30, 2025, the aggregate amount of remuneration paid or payable to our Directors amounted to €606 thousand, €1.64 million and €1.11 million, respectively.

Under the current compensation arrangement, we estimate the total compensation before taxation to be accrued to our Directors for the year ended December 31, 2026 to be approximately €2.00 million.

For the years ended December 31, 2023 and 2024 and the nine months ended September 30, 2025, there were 3, 4 and 4 Directors among the five highest paid individuals, respectively. The total emoluments for the remaining individuals among the five highest paid individuals amounted to €343 thousand, €282 thousand and €174 thousand for the years ended December 31, 2023 and 2024, and nine months ended September 30, 2025, respectively.

Further information on the remuneration of each Director and the five highest paid individuals during the Track Record Period is set out in Appendix I.

See “Statutory and General Information — Pre-[REDACTED] Share Incentive Plan” in Appendix IV for details regarding the Share Incentive Plan for, among others, Directors and senior management. For details of the service contracts and appointment letters that we have entered into with our Directors, see “Statutory and General Information — Further Information about our Directors — Particulars of Directors’ Service Contracts and Appointment Letters” in Appendix IV.

During the Track Record Period, no remuneration was paid by our Company to, or receivable by, our Directors or the five highest paid individuals as an inducement to join or upon joining our Company or as compensation for loss of office in connection with the management positions of our Company or any of our subsidiaries.

During the Track Record Period, none of our Directors waived any remuneration. Save as disclosed above, no other payments had been paid, or were payable, by our Company or any of our subsidiaries to our Directors or the five highest paid individuals during the Track Record Period.

CORPORATE GOVERNANCE

Pursuant to Code Provision C.2.1 of part 2 of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive officer should be separate and should not be performed by the same individual. We do not have a separate chairman and chief executive officer and Mr. LIANG currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively.

DIRECTORS AND SENIOR MANAGEMENT

BOARD DIVERSITY POLICY

In order to enhance the effectiveness of our Board and to maintain the high standard of corporate governance, we have adopted the board diversity policy which sets out the objective and approach to achieve and maintain diversity of our Board. Pursuant to the board diversity policy, we seek to achieve board diversity through the consideration of a number of factors when selecting the candidates to our Board, including but not limited to gender, skills, age, professional experience, knowledge, cultural and educational background, and length of service. The ultimate decision of the appointment will be based on merit and the contribution which the selected candidates will bring to our Board.

Our Directors have a balanced mix of knowledge and skills, including overall management and strategic development, accounting and corporate governance in addition to industry experience. We have three independent non-executive Directors with different industry backgrounds, representing over one-third of the members of our Board. Our Company has evaluated the structure, size and composition of our Board, and is of the opinion that the structure of our Board is reasonable, and the experience and skills of the Directors in various aspects and fields can enable our Company to maintain a high standard of operations.

Besides, we particularly recognize the importance of gender diversity. Our Board currently consists of one female Director and seven male Directors. We have taken, and will continue to take, steps to promote gender diversity at all levels of our Company, including but without limitation to our Board and senior management levels. Going forward, we will continue to work to enhance gender diversity of our Board when selecting and recommending suitable candidates for Board appointments and will maintain at least one female Director on the Board. Our Company also intends to promote gender diversity at the mid to senior level so that our Company can maintain a balanced gender ratio at different levels. Taking into account our existing business model and specific needs as well as the different background of our Directors, the composition of our Board satisfies our board diversity policy.

Our Nomination Committee is responsible for ensuring the diversity of our Board members. After the [REDACTED], our Nomination Committee will examine the board diversity policy from time to time to ensure its continued effectiveness and we will disclose in our corporate governance report about the implementation of the board diversity policy on an annual basis.

COMPLIANCE ADVISOR

We have appointed Gram Capital Limited as our Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules. Our Compliance Advisor will provide us with guidance and advice as to compliance with the Listing Rules and applicable Hong Kong laws.

Pursuant to Rule 3A.23 and 8A.34 of the Listing Rules, our Compliance Advisor will advise our Company, among others, in the following circumstances:

- (a) before the publication of any regulatory announcement, circular or financial report;
- (b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues, sales or transfers of treasury shares and share repurchases;
- (c) where we propose to use the [REDACTED] from the [REDACTED] in a manner different from that detailed in this document or where our business activities, developments or results deviate from any forecast, estimate or other information in this document; and
- (d) where the Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

The term of appointment of the Compliance Advisor shall commence on the [REDACTED] and is expected to end on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [REDACTED].

RELATIONSHIP WITH OUR SINGLE LARGEST SHAREHOLDER

OUR SINGLE LARGEST SHAREHOLDER

As of the Latest Practicable Date, Mr. LIANG was able to exercise approximately 42.38% of the voting rights in our Company through (i) 27,150,000 Shares (representing approximately 16.85% of the voting rights in our Company) owned by him through Apex Innovate Limited; and (ii) 19,484,705 Shares (representing approximately 12.09% of the voting rights in our Company) held by the Management Shareholders through the Voting Proxy Agreements; and (iii) 21,635,245 Shares (representing approximately 13.42% of the voting rights in our Company) owned by the Acting-in-Concert Shareholders through the Acting-in-Concert Arrangement, which will terminate upon [REDACTED].

The Management Shareholders subject to the Voting Proxy Agreements consist of:

- (a) Neilever Holding Limited, intermediary holding company of Mr. Sang;
- (b) Velospace Holding Limited, intermediary holding company of Mr. Huang;
- (c) Best Ecycles Holding Limited, intermediary holding company of Mr. Wang;
- (d) Interpillars Holding Limited, intermediary holding company of Mr. Kai Cheng; and
- (e) Mr. Amir Fazeli.

The Acting-in-Concert Shareholders under the Acting-in-Concert Arrangement consist of:

- (a) Mr. Jianxiong Liang (梁建雄), through his intermediary holding company Truewing Holding Limited;
- (b) Mr. Linggen Liang (梁玲根), through his intermediary holding company Syu Ling Holding Limited; and
- (c) Mr. Dingzhao Huang (黃定釗), through his intermediary holding company Numerator Holding Limited.

The Acting-in-Concert Shareholders have confirmed that, the acting in concert arrangement is to consolidate and maintain Mr. LIANG’s control over the Group, they did not intend to exercise any common control over our Group and they do not intend to continue to act in concert with Mr. LIANG upon completion of the [REDACTED]. Accordingly, the Acting-in-Concert Arrangement will terminate upon completion of the [REDACTED].

Immediately upon the completion of the [REDACTED] and assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan, Mr. LIANG will hold approximately [REDACTED]% of the voting rights in our Company through (i) 27,150,000 Shares (representing [REDACTED]% of the voting rights in our Company) owned by him through Apex Innovate Limited; and (ii) 19,484,705 Shares (representing [REDACTED]% of the voting rights in our Company) through the Voting Proxy Agreements. Accordingly, Mr. LIANG will continue to be our Single Largest Shareholder upon the completion of the [REDACTED].

INDEPENDENCE FROM OUR SINGLE LARGEST SHAREHOLDER

Having considered the following factors, our Directors are satisfied that we are able to carry out our business independently from our Single Largest Shareholder upon and after [REDACTED].

Management Independence

Our management and operational decisions are made by the Board in a collective manner. Upon [REDACTED], our Board will consist of eight Directors, including five executive Directors and three independent non-executive Directors.

RELATIONSHIP WITH OUR SINGLE LARGEST SHAREHOLDER

Our Directors have relevant experience to ensure the proper functioning of the Board. We further believe that our Directors and members of the senior management are able to perform their roles in our Company in managing our business independently from our Single Largest Shareholder and its close associates for the following reasons:

- (a) among all our executive Directors and senior management, except for Mr. LIANG, all other executive Directors and senior management have no other relationship with our Single Largest Shareholder. They have substantial experience in the industry and have been with our Group in management capacity for a number of years as further described in the section headed “Directors and Senior Management”, which will enable them to discharge their duties independently from the Single Largest Shareholder. Specifically, when performing his duty as one of the executive Directors of the Company, Mr. LIANG has been devoting and will continue to allocate adequate amount of time and efforts to the management and operation of our Group and would bear the best interests of the Company and the Shareholders as a whole;
- (b) our independent non-executive Directors have extensive experience in different areas. We believe that they will be able to exercise their independent judgment and will be able to provide impartial opinions in the decision-making process of our Board to protect the interests of our Shareholders;
- (c) each of our Directors is aware of his or her fiduciary duties as a director, which requires, among other things, that he or she acts for our Company’s best interests and he or she must not allow any conflict between his or her duties as a Director and his or her personal interests;
- (d) our Company has established internal control mechanisms to identify related party transactions and connected transactions to ensure that our Shareholders or Directors with conflicting interests in a proposed transaction will abstain from voting on the relevant resolutions. Where a Board meeting or Shareholders’ meeting is held to consider a proposed transaction in which our Directors or Single Largest Shareholder or any of their respective close associates have a material interest, the relevant Directors or our Single Largest Shareholder and its close associates shall abstain from voting on the relevant resolutions and shall not be counted towards the quorum for the voting; and
- (e) we have adopted a series of corporate governance measures to manage potential conflicts of interest, if any, between our Group and our Single Largest Shareholder, which would enhance our independent management. For further information, see “— Corporate Governance Measures” below.

Operational Independence

Our Company has full rights to make all decisions regarding, and to carry out, our own business operations independently. We hold and enjoy the benefit of all relevant permits and licenses necessary to carry out our business in all material respects. Our Group has sufficient assets, capital, equipment, technology and employees to operate its business independently from our Single Largest Shareholder. We also have a core management team led by the chairman of our Board to operate the business independently from our Single Largest Shareholder. In addition, our organizational structure is made up of individual departments, each with specific areas of responsibilities. We have also established a set of internal control measures to facilitate the effective operation of our business.

Based on the above, our Directors are satisfied that we have been operating independently from our Single Largest Shareholder during the Track Record Period and will continue to operate independently of the business of our Single Largest Shareholder upon [REDACTED].

RELATIONSHIP WITH OUR SINGLE LARGEST SHAREHOLDER

Financial Independence

Our Group has its own internal control, accounting, funding, reporting and financial management system as well as accounting and finance department. Moreover, our Group opens and manages bank accounts independently, and has never shared any bank account with our Single Largest Shareholder. Our Group has independent taxation registration according to the relevant laws, and makes tax payments independently according to the applicable taxation laws and regulations. Our Group has never made any tax payment jointly with Single Largest Shareholder or any other entities controlled by it.

As of the Latest Practicable Date, our Group does not rely on our Single Largest Shareholder for any provision of financial assistance. Our Directors confirm that as of the Latest Practicable Date, on one hand, none of the Single Largest Shareholder or its close associates had provided any loans, guarantees or pledges to our Group and, on the other hand, our Group did not provide any loans, guarantees or pledges to our Single Largest Shareholder.

Based on the above, our Directors are of the view that we are able to maintain financial independence from our Single Largest Shareholder and its close associates.

RULE 8.10 OF THE LISTING RULES

As of the Latest Practicable Date, our Single Largest Shareholder had no interest in any other business which competes or is likely to compete, either directly or indirectly, with our Company’s business which would require disclosure under Rule 8.10 of the Listing Rules.

CORPORATE GOVERNANCE MEASURES

Our Directors believe that there are adequate corporate governance measures in place to manage the potential conflict of interests between our Single Largest Shareholder and our Group and to safeguard the interests of our Shareholders taken as a whole for the following reasons:

- where a Shareholders’ meeting is to be held for considering proposed transactions in which our Single Largest Shareholder or its close associates have a material interest, our Single Largest Shareholder will not vote on the resolutions and shall not be counted in the quorum in the voting;
- our Group has established internal control mechanisms to identify connected transactions. Upon [REDACTED], if any transaction is proposed between our Group and our Single Largest Shareholder and its close associates, we will comply with the requirements of the Articles of Association and the Listing Rules, including, where appropriate, the reporting, annual review by the independent non-executive Directors, announcement and independent Shareholders’ approval;
- our Board consists of a balanced composition of executive Directors and independent non-executive Directors, with independent non-executive Directors representing not less than one-third of our Board to ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our independent non-executive Directors individually and collectively possess the requisite knowledge and experience to perform their duties. They will review whether there is any conflict of interests between our Group and our Single Largest Shareholder and provide impartial and professional advice to protect the interests of our minority Shareholders;
- where our Directors reasonably request the advice of independent professionals, such as financial advisors, the appointment of such independent professionals will be made at our Company’s expenses; and

RELATIONSHIP WITH OUR SINGLE LARGEST SHAREHOLDER

- we have appointed Gram Capital Limited as our Compliance Advisor, who will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules including various requirements relating to directors’ duties and corporate governance, and inform us on a timely basis of any amendment or supplement to the Listing Rules or applicable laws and regulations in Hong Kong.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest that may arise between our Company and our Single Largest Shareholder, and to protect our minority Shareholders’ interests after [REDACTED].

CONTINUING CONNECTED TRANSACTIONS

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

OUR CONNECTED PERSONS

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

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

ONE-OFF CONNECTED TRANSACTION

Lease Agreement

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

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

CONTINUING CONNECTED TRANSACTIONS

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

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

SUMMARY OF OUR CONTINUING CONNECTED TRANSACTIONS

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

Notes:

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

FULLY-EXEMPT CONTINUING CONNECTED TRANSACTIONS

Mould Development Agreement

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

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

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

CONTINUING CONNECTED TRANSACTIONS

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

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

Trading Service Agreements

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

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

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

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

OEM and Prototyping Agreement

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

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

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

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

E-Bike Components Procurement Agreement

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

CONTINUING CONNECTED TRANSACTIONS

commercial terms are to be determined by individual purchase orders to be issued by Tengfeng Advanced Manufacturing and accepted by Leonis from time to time during the term of the agreement.

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

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

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

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

E-bike Power Systems Procurement Agreement

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

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

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

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

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

CONTINUING CONNECTED TRANSACTIONS

Listing Rules Implications

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

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

CONFIRMATION FROM OUR DIRECTORS

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

SUBSTANTIAL SHAREHOLDERS

As far as our Directors are aware, immediately following the completion of the [REDACTED] and assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan, the following persons will have interests and/or short positions (as applicable) in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, will be, directly or indirectly, interested in 10% or more of the issued voting rights of our Company or any other member of our Group:

SUBSTANTIAL SHAREHOLDERS OF OUR COMPANY

Name of substantial shareholders	Capacity/Nature of Interest ⁽¹⁾	Number of Shares ⁽²⁾	Approximate percentage of shareholding in each class of share of our Company after the [REDACTED] ⁽²⁾
Gao Ling			
SHCJ Holdings Limited ⁽³⁾	Beneficial Interest	27,765,305	[REDACTED]%
BJCZ Holdings Limited ⁽³⁾	Beneficial Interest	6,336,735	[REDACTED]%
Mr. LIANG	Interest in controlled corporation ⁽⁴⁾	27,150,000	[REDACTED]%
	Interest through voting rights entrustment ⁽⁵⁾	19,484,705	[REDACTED]%
Apex Innovate Limited	Beneficial Interest	27,150,000	[REDACTED]%
Mr. Jianxiong Liang	Interest in controlled corporation ⁽⁶⁾	13,442,130	[REDACTED]%
Truewing Holding Limited	Beneficial Interest	13,442,130	[REDACTED]%
Tencent	Interest in controlled corporation ⁽⁷⁾⁽⁸⁾	14,305,335	[REDACTED]%
Image Frame Investment (HK) Limited	Beneficial Interest	11,444,270	[REDACTED]%
LuxEco Mobility Co., Ltd.	Beneficial Interest	10,427,005	[REDACTED]%

Notes:

- (1) All interests stated are long positions.
- (2) The table assumes (i) the [REDACTED] becomes unconditional and the [REDACTED] are issued pursuant to the [REDACTED], and (ii) the [REDACTED] is not exercised and no Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan.
- (3) SHCJ Holdings Limited (“SHCJ”) and BJCZ Holdings Limited (“BJCZ”) are ultimately managed and controlled by Zhuhai Gao Ling Private Fund Management Co., Ltd. (珠海高瓴私募基金管理有限公司) (“Zhuhai Gao Ling”). Accordingly, Zhuhai Gao Ling is deemed to be interested in the 34,102,040 Shares held by SHCJ and BJCZ under the SFO.
- (4) Apex Innovate Limited is ultimately beneficially owned by Mr. LIANG, thus, Mr. LIANG is deemed to be interested in the 27,000,000 Shares held by Apex Innovate Limited under the SFO.
- (5) Pursuant to the Voting Proxy Agreements, Neilever Holding Limited, Velospace Holding Limited, Best Ecycles Holding Limited, Interpillars Holding Limited and Mr. Amir Fazeli have entrusted Mr. LIANG to exercise the voting rights attached to the Shares held by them. For further details, see “History, Reorganization and Corporate Structure—Voting Proxy Agreement” in this document.
- (6) Truewing Holding Limited is ultimately beneficially owned by Mr. Jianxiong Liang, thus, Mr. Jianxiong Liang is deemed to be interested in the 13,442,130 Shares held by Truewing Holding Limited under the SFO.
- (7) Image Frame Investment (HK) Limited (“Image Frame”) is a company incorporated in Hong Kong and is a wholly owned subsidiary of Tencent Holdings Limited (“Tencent”), a company listed on the Stock Exchange (HKEX: 00700 (HKD Counter) and 80700 (RMB Counter)). Accordingly, Tencent is deemed to be interested in the 11,444,270 Shares held by Image Frame under the SFO.

SUBSTANTIAL SHAREHOLDERS

- (8) Suzhou Paiyi Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (蘇州湃益創業投資合夥企業(有限合夥)) (“**Suzhou Paiyi**”) is managed by its general partner, Suzhou Yaoyi Enterprise Management Co., Ltd. (蘇州垚益企業管理有限公司), which is wholly owned by Shenzhen Zeyi Consultancy Co., Ltd. (深圳市澤益諮詢有限公司). Suzhou Tencent Phase I Investment Fund Partnership (Limited Partnership) (蘇州騰訊一期跟投基金合夥企業(有限合夥)) is the largest limited partner of Suzhou Paiyi Entrepreneurship Investment Partnership Enterprise (Limited Partnership).

Save as disclosed above, our Directors are not aware of any other person who will, immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan.), have any interest and/or short positions in our Shares or underlying Shares which would fall to be disclosed to us pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, will be, directly or indirectly, interested in 10% or more of the issued voting shares of our Company or any other member of our Group.

SHARE CAPITAL

AUTHORIZED AND ISSUED SHARE CAPITAL

The following is a description of our authorized share capital and the amount in issue and to be issued as fully paid or credited as fully paid immediately prior to and following the completion of the [REDACTED], assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the Pre-[REDACTED] Share Incentive Plan:

Share capital as at the date of this document

Authorized share capital

<u>Number</u>	<u>Description of share</u>	<u>Aggregate nominal value</u>
416,607,985	Ordinary share with a par value of US\$0.0001	US\$41,660.80
83,392,015	Preferred shares with a par value of US\$0.0001	US\$8,339.20
500,000,000	Shares in total	US\$50,000.00

Issued shares

<u>Number</u>	<u>Description of share</u>	<u>Aggregate nominal value</u>
77,709,705	Ordinary shares with a par value of US\$0.0001	US\$7,770.97
83,392,015	Preferred shares with a par value of US\$0.0001	US\$8,339.20
161,101,720	Shares in total	US\$16,110.17

Share capital immediately following the completion of the [REDACTED]

Issued share capital

<u>Number</u>	<u>Description of share</u>	<u>Aggregate nominal value</u>
[161,101,720]	Shares in issue	US\$[16,110.17]
[REDACTED]	Shares to be issued pursuant to the [REDACTED]	US\$[REDACTED]
[REDACTED]	Shares in total	US\$[REDACTED]

Ranking

The [REDACTED] rank equally with all Shares currently in issue or to be issued as mentioned in this document and, in particular, will rank *pari passu* for all dividends or other distributions declared, made or paid on the Shares in respect of a record date which falls after the date of this document.

POTENTIAL CHANGES TO SHARE CAPITAL AFTER LISTING

Circumstances under which general meeting and class meeting are required

Pursuant to the Cayman Companies Act and the terms of the Articles of Association, our Company may by ordinary resolution (i) increase its share capital by the creation of new shares; (ii) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares; (iii) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person; and (iv) sub-divide its shares or any of them into shares of smaller amount. In addition, our Company may by special resolution reduce its share capital or any capital redemption reserve subject to any conditions prescribed by the Cayman Companies Act.

See “Summary of the Constitution of Our Company and Cayman Islands Company Law — 2. Articles of Association — 2.5 Alteration of capital” in Appendix III for further details.

SHARE CAPITAL

If at any time the share capital of our Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the Cayman Companies Act, be varied or abrogated only with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

See “Summary of the Constitution of Our Company and Cayman Islands Company Law — Articles of Association — 2.4 Variation of rights of existing shares or classes of shares” in Appendix III for further details.

General mandate to issue Shares

Subject to the [REDACTED] becoming unconditional, our Directors were granted a general mandate to allot, issue and deal with any Shares or securities convertible into Shares of not more than the sum of:

- 20% of the total number of Shares in issue immediately following the completion of the [REDACTED] (but excluding any Shares which may be issued pursuant to the exercise of the [REDACTED] and the shares to be issued under the Pre-[REDACTED] Share Incentive Plan); and
- the total number of Shares repurchased by our Company pursuant to the authority referred to in “— General mandate to repurchase Shares” below.

This general mandate to issue Shares will remain in effect until the earliest of:

- the conclusion of the next annual general meeting of our Company unless, by resolution of members passed at that meeting, the authority is renewed, either unconditionally or subject to condition;
- the expiration of the period within which the next annual general meeting of our Company is required to be held under any applicable laws of the Cayman Islands or the memorandum and the articles of association of our Company; and
- the passing of resolution of members by our Shareholders in a general meeting revoking or varying the authority.

General mandate to repurchase Shares

Subject to the [REDACTED] becoming unconditional, our Directors were granted a general mandate to repurchase our own Shares up to 10% of the total number of Shares in issue immediately following the completion of the [REDACTED] (but excluding any Shares which may be issued pursuant to the exercise of the [REDACTED] and the shares to be issued under the Pre-[REDACTED] Share Incentive Plan).

This mandate only relates to repurchases on the Stock Exchange or on any other stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, and in accordance with all applicable laws and the requirements under the Listing Rules or equivalent rules or regulations of any other stock exchange as amended from time to time.

This general mandate to repurchase Shares will remain in effect until the earliest of:

- the conclusion of the next annual general meeting of our Company unless, by resolution of members passed at that meeting, the authority is renewed, either unconditionally or subject to condition;
- the expiration of the period within which the next annual general meeting of our Company is required to be held under any applicable laws of the Cayman Islands or the memorandum and the articles of association of our Company; and
- the passing of resolution of members by our Shareholders in a general meeting revoking or varying the authority.

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE AND THAT THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

SHARE CAPITAL

See “Statutory and General Information — Further information about our group — 5. Explanatory Statement on Repurchase of Our Own Securities” in Appendix IV for further details of this general mandate to repurchase Shares.

SHARE INCENTIVE PLAN

We have adopted the Pre-[REDACTED] Share Incentive Plan. See “Statutory and General Information — Pre-[REDACTED] Share Incentive Plan” in Appendix IV for further details.

FINANCIAL INFORMATION

You should read the following discussion and analysis in conjunction with our combined financial statements, included in the Accountants’ Report in Appendix I, together with the respective accompanying notes. Our combined financial information has been prepared in accordance with the IFRS Accounting Standards.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause future results to differ significantly from those projected in the forward-looking statements include, but are not limited to, those discussed in “Risk Factors” and “Forward-Looking Statements” and elsewhere in this document.

OVERVIEW

We are a Europe-centric, innovation-driven e-mobility company, focusing on providing e-bike products that promote a healthy and sustainable lifestyle. As a key player in the e-mobility industry, we transform the European e-bike landscape by elevating consumers’ everyday mobility and offering versatile e-bikes to a broad consumer base. We prioritize product design and development, focusing on creating contemporary and sleek e-bikes with compelling aesthetic appeal that distinguish our brand. Our agile development process and access to a vast engineering talent pool enable us to swiftly integrate the latest technological innovations. Leveraging our global product development network and supply chain, alongside localized branding, production and sales channels, we achieved strong efficiency while maintaining product localization. This approach enables us to tailor each model according to the specific terrain and consumer requirements of various European regions. Our products include a comprehensive range of e-bikes, encompassing City, Hybrid and Cargo categories, complemented by accessories and services. This diversified portfolio addresses a wide spectrum of application scenarios throughout Europe, including urban commuting, off-road ventures, family hauling and load-carrying. We experienced steady growth during the Track Record Period. Our revenue increased by 26.2% from €48.0 million in 2023 to €60.6 million in 2024, and by 3.1% from €52.6 million in the nine months ended September 30, 2024 to €54.2 million in the nine months ended September 30, 2025. Our gross profit margin increased from 25.8% in 2023 to 30.4% in 2024, and further to 31.5% and 31.8% in the nine months ended September 30, 2024 and 2025, respectively.

BASIS OF PRESENTATION

Our 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 January 1, 2025, together with the relevant transitional provisions, have been early adopted by us in the preparation of the historical financial information throughout the Track Record Period. In addition, our historical financial information includes applicable disclosures required by the Hong Kong Listing Rules and by the Hong Kong Companies Ordinance.

Our historical financial information has been prepared under the historical cost convention, except for convertible redeemable preferred shares and financial assets at fair value through profit or loss (“FVTPL”) which have been measured at fair value.

FINANCIAL INFORMATION

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

General Factors

Our business, financial condition, results of operations and prospects are affected by general factors affecting the e-mobility industry, which include:

- overall economic growth and disposable income of our consumers;
- evolving consumption patterns and fluctuations in consumer demand;
- growth and competition environment of the e-bike industry;
- relevant laws and regulations, government policies and initiatives; and
- occurrence of force majeure events, outbreak of public health incidents, acts of war, social and economic chaos and natural disasters.

Unfavorable changes in any of these factors could materially and adversely affect our business, financial condition, results of operations and prospects.

Specific Factors

Besides the general factors affecting the industry, our business, financial condition, results of operations and prospects are also affected by specific factors, including the following major factors:

Product Portfolio Upgrade and Product Mix

Our ongoing introduction of new products and enhancement of existing products tailored to consumer demand and preference are key contributors to our growth. We plan to continually introduce new products to strengthen our product portfolio and we expect our revenue growth to be driven in part by the ongoing product expansion and upgrade. In 2024, 2025 and the nine months ended September 30, 2024 and 2025, we introduced three, two, two and two new models, respectively. New models are defined as e-bike models newly launched during the relevant period, including models featuring new structural changes or new design, but excluding new color variants or component-level functional upgrades. These new models accounted for approximately 30–60% of our product portfolio by model count in each year/period during the Track Record Period.

Our results of operations may also be affected by changes in our product mix. During the Track Record Period, we offered three categories of e-bikes — City, Hybrid and Cargo — each designed to address specific consumer needs and use cases. Our best-selling category, the City E-Bikes, accounted for 85.5%, 78.7%, 78.4% and 77.5% of total revenue for 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively. Following the introduction of new product categories of Hybrid E-Bikes in 2023 and the Cargo E-Bikes in 2024, sales from these new categories represented a growing share of our overall revenue during the Track Record Period. Hybrid and Cargo E-Bikes were sold at higher average selling prices than City E-Bikes, reflecting their enhanced specifications and targeted use cases. During the Track Record Period, for our best-selling City E-Bike category, average selling prices remained relatively stable, while sales volume continued to increase. Average selling prices of Hybrid E-Bikes experienced a modest decline due to heightened market competition, with higher unit sales partially offsetting the pricing pressure. Any change in the structure of revenue contribution and selling prices from our business may have a corresponding impact on our overall profitability.

Multi-Channel Sales Network

The breadth of our sales network largely affects our ability to reach our consumers and our revenue growth. Our sales network spans a multitude of online and offline channels, enabling us to achieve broad consumer coverage. We sell our products primarily through our network of distributors to effectively cover the European market. For the years ended December 31, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, revenue from sales to distributors accounted for 58.1%, 72.2%, 73.1% and 71.8% of our total revenue, respectively. As of September 30, 2025, our products were available for purchase at over 1,400 retail stores in 29 European countries.

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The offline channel has historically served as the primary avenue for e-bike sales within Europe. Over the years, we have cultivated strong partnerships and established robust relationships with leading distributors in the region. During the Track Record Period, our sales to distributors increased significantly by 57.0% from €27.9 million in 2023 to €43.8 million in 2024, and remained relatively stable at €38.5 million and €38.9 million in the nine months ended September 30, 2024 and 2025, respectively, thanks to our strengthened sales initiatives to enhance our brick-and-mortar presence. Our distributors include independent stores and retail chains. Retail chain distributors typically operate extensive store networks and enable rapid market access and scale, and are generally multi-brand and professionally managed, with relatively low brand switching costs and higher price sensitivity, while independent stores operate on a smaller scale with lower inventory levels and carry a limited number of brands, resulting in lower price sensitivity and stronger brand loyalty. During the Track Record Period, revenue from independent stores represented 59.7%, 64.4%, 63.2%, and 75.6% of total revenue from sales to distributors for 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. The higher channel stickiness and more stable ordering patterns of independent stores supported our revenue performance, particularly during periods of industry adjustment. See “Industry Overview — Overview of Global E-Bike Market — Value Chain of Global E-Bike Market.”

Brand Awareness and Marketing Execution

We believe that a strong brand reputation has been instrumental in driving consumer trust and loyalty, which in turn increases the demand for our products. We have adopted a range of online and offline sales and marketing strategies, such as targeted advertisement and strategic endorsements, to expand our brand’s visibility and influence, fostering an engaged and vibrant rider community. We incurred selling expenses of €10.1 million, €12.6 million, €9.9 million and €10.6 million in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively, accounting for 20.9%, 20.8%, 18.9% and 19.6% of our revenue during the same periods, respectively. Our digital advertising expenses and exhibitions, campaigns and sponsorships promotion expenses represented a majority of our total selling expenses, in aggregate accounting for 15.1%, 11.5%, 11.2% and 12.1% of our revenue in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively. We believe that our strong brand name is critical to our consumer acquisition and retention, and our ability to continuously enhance recognition of our brands may affect our consumer base, selling price, market share and in turn results of operations.

Product Development and Technological Capabilities

The success of our products and the growth of our revenue depend on our capability to develop high-quality, consumer-focused products that meet evolving market demands and incorporate advanced technologies. Achieving this objective requires in-depth technological knowledge and engineering skills, underscoring the importance of sustaining our technical edge. For example, we were one of the first e-bike brands in Europe to introduce models integrating torque sensor, hub motor and belt drive. Such models consistently accounted for over 70% of our revenue during the Track Record Period. We have invested and will continue to invest in research and development to maintain and promote our technological capabilities. In 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our research and development costs amounted to €1.2 million, €1.7 million, €1.3 million and €1.7 million, respectively. We believe our investment in product development and technological capabilities will solidify our market position and drive our growth in the long run.

Cost Management, Supply Chain and Operational Efficiency

Efficient cost management is key to our financial performance. Our cost of sales, which primarily consists of product costs and fulfillment costs (including warehousing, logistics, warranty and others), amounted to €35.7 million, €42.2 million, €36.0 million and €36.9 million in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively, representing 74.2%, 69.6%, 68.5% and 68.2% of our revenue in the same periods, respectively. During the Track Record Period, product costs, including component costs and production costs, amounted to €29.5 million,

FINANCIAL INFORMATION

€35.1 million, €30.7 million and €31.6 million in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively, accounting for 82.9%, 83.1%, 85.3% and 85.4% of our cost of sales. Our success is dependent on our continued ability to reduce our exposure to, or mitigate the impact of, increases in the cost of components, as well as production related costs. For our City E-Bike category, our best-selling product line, average product costs decreased by 10.1% in 2024 compared to 2023, and by 4.8% in the nine months ended September 30, 2025 compared to the same period in 2024, primarily due to economies of scale achieved from higher production volumes and our strengthened bargaining power with suppliers. Our suppliers primarily include our component and accessory suppliers and OEM partners. During the Track Record Period, we engaged OEM partners to produce our e-bikes and substantially all e-bikes sold by us were produced by our OEM partners. Accordingly, our ability to secure stable and sufficient production capacity from our OEM partners at reasonable and competitive prices is critical to supporting our sales growth and ensuring the reliability of our operations.

Our results of operations depend partly on our ability to improve operational efficiency. Selling expenses historically represent a significant part of our expenses. Our selling expenses amounted to €10.1 million, €12.6 million, €9.9 million and €10.6 million in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively, accounting for 20.9%, 20.8%, 18.9% and 19.6%, respectively, of our revenue during the same periods. As our business expanded during the Track Record Period, we were able to maintain relatively stable selling expense ratios, reflecting disciplined cost management and the effectiveness of our sales execution. During the Track Record Period, our administrative expenses amounted to €5.3 million, €8.3 million, €5.9 million and €7.2 million in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively, accounting for 11.0%, 13.7%, 11.3% and 13.3%, respectively, of our revenue during the same periods. We expect our costs and expenses to increase in absolute amount as we grow our business while decreasing as a percentage of our revenue as we continue to enhance brand recognition, improve operational efficiency and achieve economies of scale.

Seasonality

Our financial performance and results of operations are subject to seasonal fluctuations. Demand for e-bikes is generally stronger during the spring and summer months and weaker during the winter months due to reduced cycling activity in colder weather. As a result, we typically experience lower sales from October to February of each year compared to other periods. In addition, to support anticipated demand during peak seasons, we plan our production and procurement activities in advance in accordance with our annual business planning process. We typically prepare raw materials and finished goods in advance of expected sales periods given the lead time involved in sourcing components and manufacturing, as well as the limited flexibility to adjust production capacity in the short term. As a result, inventory levels are generally higher in the fourth and first quarters compared to other periods. Sales of our products can also fluctuate throughout the year for other reasons, including the timing of new product launches and promotional campaigns.

Foreign Exchange Rate Fluctuations

Our results of operations may be affected by foreign exchange rate fluctuations due to differences between the currencies in which our revenues and costs are denominated. During the Track Record Period, substantially all of our revenue was generated in Europe and denominated primarily in euros, while a significant portion of our components were sourced from suppliers in the PRC and settled in Renminbi. As a result, we are exposed to transactional foreign exchange risk, as fluctuations in the exchange rate between the Euro and Renminbi may affect our product costs and operating results. During the Track Record Period, we recorded net foreign exchange gains of €1.0 million in 2023 and €24 thousand in 2024, net foreign exchange losses of €1.2 million in the nine months ended September 30, 2024 and net foreign exchange gains of €3.5 million in the nine months ended September 30, 2025. In addition, we are subject to translational foreign exchange risk, as

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assets and liabilities denominated in currencies other than Euros may be translated into Euros for financial reporting purposes, which may result in exchange differences on translation of financial statements in our other comprehensive income or loss and affect our reported financial position.

MATERIAL ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

In the application of our accounting policies, our Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The following set forth certain material accounting policies. See Notes 2.4 and 3 to the Accountants’ Report in Appendix I to this document for more details.

Revenue Recognition

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of goods or services is transferred to the customers at an amount that reflects the consideration to which we expect 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 we 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 recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Sales of E-Bike Products

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

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

- ***Sales Returns.*** We imposed a fourteen-day return or exchange policy for sales, 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 does 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 we 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 recognized. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognized for the right to recover products from a customer. The impact throughout the Track Record Period is insignificant.

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- *Sales Incentives.* We provide various sales incentives to customers, including coupons, loyalty points and volumes rebates. Our offers coupons and loyalty points to customers as part of its online sales initiatives. Coupons are recorded as a deduction of revenue when 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 of loyalty points are deferred until the time of customers’ redemption and the amount recognized upon the redemption takes into account estimated breakage which is derived from historical redemption patterns and customer behavior. Retrospective volume rebates may be provided to certain offline distributors once the quantity or transactions of e-bike products purchased during the periods exceeds a threshold specified in the contract. Rebates are offset against amount 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 each of the reporting periods and is constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

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.

Convertible Redeemable Preferred Shares

Prior to and during the Track Record Period, we entered into a series of share purchase agreements with independent investors and issued convertible redeemable preferred shares as detailed in Note 27 to the Accountants’ Report in Appendix I to this document. We have designated its convertible redeemable preferred shares as financial liabilities at FVTPL initially, and subsequent changes in fair value are recognized in profit or loss. Transaction costs that are directly attributable to the issuance of convertible redeemable preferred shares are recognized immediately in profit or loss.

The convertible redeemable preferred shares issued by us 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.

Share-Based Payments

We operate a pre-[REDACTED] share incentive plan for the purpose of providing incentives and rewards to eligible participants who contribute to the success of our operations. Our employees (including Directors) 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 Binomial model. Further details are included in Note 28 to the Accountants’ Report in Appendix I to this document.

FINANCIAL INFORMATION

COMBINED STATEMENTS OF PROFIT OR LOSS

The following table sets forth a summary of our combined statements of profit or loss in absolute amount and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,		Year ended December 31,		Nine months ended September 30,		Nine months ended September 30,	
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
	(€ in thousands, except percentages)							
	(unaudited)							
Revenue	48,028	100.0	60,635	100.0	52,576	100.0	54,190	100.0
Cost of sales	(35,651)	(74.2)	(42,204)	(69.6)	(36,002)	(68.5)	(36,936)	(68.2)
Product costs	(29,537)	(61.5)	(35,057)	(57.8)	(30,694)	(58.4)	(31,560)	(58.3)
Fulfillment costs	(6,114)	(12.7)	(7,147)	(11.8)	(5,308)	(10.1)	(5,376)	(9.9)
Gross profit	12,377	25.8	18,431	30.4	16,574	31.5	17,254	31.8
Other income and gains	1,731	3.6	699	1.2	517	1.0	3,629	6.7
Selling expenses	(10,057)	(20.9)	(12,605)	(20.8)	(9,938)	(18.9)	(10,633)	(19.6)
Administrative expenses	(5,299)	(11.0)	(8,319)	(13.7)	(5,921)	(11.3)	(7,186)	(13.3)
Research and development costs	(1,232)	(2.6)	(1,702)	(2.8)	(1,251)	(2.4)	(1,688)	(3.1)
Impairment losses on financial assets, net	(160)	(0.3)	(43)	(0.1)	(125)	(0.2)	(160)	(0.3)
Other expenses	(106)	(0.2)	(517)	(0.9)	(1,240)	(2.4)	(202)	(0.4)
Finance costs	(56)	(0.1)	(644)	(1.1)	(554)	(1.1)	(243)	(0.4)
Share of profits and losses of a joint venture	—	—	—	—	—	—	(138)	(0.3)
Fair value losses on convertible redeemable preferred shares	(1,473)	(3.2)	(29,644)	(48.8)	(25,764)	(48.9)	(30,137)	(55.6)
Loss before tax	(4,275)	(8.9)	(34,344)	(56.6)	(27,702)	(52.7)	(29,504)	(54.5)
Income tax expense	(378)	(0.8)	(123)	(0.2)	(580)	(1.1)	(499)	(0.9)
Loss for the year/period	(4,653)	(9.7)	(34,467)	(56.8)	(28,282)	(53.8)	(30,003)	(55.4)

NON-IFRS FINANCIAL MEASURE

To supplement our combined financial statements, which are presented in accordance with IFRSs, we also use adjusted net profit/(loss) (non-IFRS measure) as additional financial measure, which is not required by, or presented in accordance with IFRSs. We believe this non-IFRS measure facilitates comparisons of operating performance from year to year and company to company by eliminating potential impacts of certain items. We believe that this measure provides useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as they help our management. However, such non-IFRS financial measure we presented may not be directly comparable to similar measures presented by other companies. The use of this non-IFRS measure should not be considered as substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

We define adjusted net profit/(loss) (non-IFRS measure) as loss for the year/period adjusted for share-based compensation expenses and fair value losses of convertible redeemable preferred shares. Share-based compensation expenses are non-cash expenses arising from granting share awards to our employees. Fair value losses of convertible redeemable preferred shares will be converted into equity of our Company upon [REDACTED]. The following table presents our non-IFRS financial measure for the periods indicated.

	Year ended December 31,		Nine months ended September 30,	
	2023	2024	2024	2025
	(€ in thousands)			
Loss for the year/period	(4,653)	(34,467)	(28,282)	(30,003)
Add:				
Share-based compensation	284	1,445	1,074	1,110
Fair value losses on convertible redeemable preferred shares	1,473	29,644	25,764	30,137
Adjusted net profit/(loss) (non-IFRS measure)	(2,896)	(3,378)	(1,444)	1,244

FINANCIAL INFORMATION

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

Revenue Breakdown by Product Category

During the Track Record Period, our revenue was primarily derived from the sales of our e-bike products. The following table sets forth our revenue breakdown by product category in absolute amount and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
(€ in thousands, except percentages)								
E-Bike products	47,544	99.0	59,179	97.6	51,530	98.0	52,863	97.6
City E-Bikes	41,075	85.5	47,704	78.7	41,234	78.4	41,943	77.5
Hybrid E-Bikes	6,466	13.5	9,777	16.1	8,746	16.6	8,313	15.3
Cargo E-Bikes	3	0.0	1,698	2.8	1,550	3.0	2,607	4.8
Accessories, apparel and other related products and services	484	1.0	1,456	2.4	1,046	2.0	1,327	2.4
Total	48,028	100.0	60,635	100.0	52,576	100.0	54,190	100.0

Revenue by Geographic Region

The following table sets out a breakdown of our revenue by geographical region, in absolute amount and as a percentage of our total revenue, for the periods indicated.

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
(€ in thousands, except percentages)								
Europe	46,532	96.8	58,718	96.8	51,072	97.1	52,943	97.7
Benelux	18,984	39.5	28,058	46.3	22,653	43.1	27,480	50.7
Germany	19,505	40.6	21,743	35.9	20,319	38.6	16,748	30.9
Other European countries	8,043	16.7	8,917	14.6	8,100	15.4	8,715	16.1
United States of America	1,484	3.1	1,876	3.1	1,470	2.8	1,217	2.2
Others ⁽¹⁾	12	0.1	41	0.1	34	0.1	30	0.1
Total	48,028	100.0	60,635	100.0	52,576	100.0	54,190	100.0

Notes:

(1) Primarily included Canada, Australia and others.

Revenue Breakdown by Sales Channel

The following table sets forth our revenue breakdown by sales channel in absolute amount and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
(€ in thousands, except percentages)								
Sales to distributors	27,893	58.1	43,799	72.2	38,457	73.1	38,931	71.8
Sales to independent stores	16,639	34.7	28,197	46.5	24,320	46.2	29,425	54.3
Sales to retail chains	11,254	23.4	15,602	25.7	14,137	26.9	9,506	17.5
Direct sales	20,135	41.9	16,836	27.8	14,119	26.9	15,259	28.2
Total	48,028	100.0	60,635	100.0	52,576	100.0	54,190	100.0

FINANCIAL INFORMATION

Cost of Sales

Our cost of sales primarily consisted of product costs, which included components costs and production costs, and fulfillment costs, which included warehousing, logistics, customs duties, insurance and warranty costs incurred during the Track Record Period. The following table sets forth our cost of sales breakdown by nature in absolute amount and as a percentage of our total cost of sales for the periods indicated:

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
	<i>(€ in thousands, except percentages)</i>							
Product costs	29,537	82.9	35,057	83.1	30,694	85.3	31,560	85.4
Fulfillment costs	6,114	17.1	7,147	16.9	5,308	14.7	5,376	14.6
Total	35,651	100.0	42,204	100.0	36,002	100.0	36,936	100.0

Gross Profit and Gross Profit Margin

During the Track Record Period, our gross profit increased from €12.4 million in 2023 to €18.4 million in 2024 and increased from €16.6 million in the nine months ended September 30, 2024 to €17.3 million in the nine months ended September 30, 2025. During the same periods, our gross profit margin was 25.8%, 30.4%, 31.5% and 31.8%, respectively.

Other Income and Gains

During the Track Record Period, our other income primarily consisted of (i) bank interest income, (ii) investment income from derivative instruments relating to Euro forward exchange settlement transactions, and (iii) government grants. Our other gains or losses primarily consisted of foreign exchange gains primarily driven by changes in the Euro to Renminbi exchange rate. The following table sets forth a breakdown of our other income and gains in absolute amount for the periods indicated:

	Year ended December 31,		Nine months ended September 30,	
	2023	2024	2024	2025
	<i>(€ in thousands, except percentages)</i>			
Other income				
Bank interest income	197	216	190	77
Investment income, net	154	328	327	9
Government grants ⁽¹⁾	393	131	—	5
Total other income	744	675	517	91
Other gains				
Foreign exchange gains	987	24	—	3,538
Total other gains	987	24	—	3,538
Total	1,731	699	517	3,629

Note:

- (1) Represented certain government grants related to income and was recognized by us in profit or loss once received.

FINANCIAL INFORMATION

Selling Expenses

Our selling expenses primarily consisted of digital advertising expenses, exhibitions, campaigns and sponsorships promotion expenses, employee costs and share-based compensation. The following table sets forth a breakdown of our selling expenses in absolute amount and as a percentage of our total selling expenses for the periods indicated:

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
<i>(€ in thousands, except percentages)</i>								
Digital advertising expenses	4,818	47.9	3,970	31.5	3,264	32.8	4,120	38.7
Exhibitions, campaigns and sponsorships promotion expenses	2,449	24.4	3,016	23.9	2,610	26.3	2,433	22.9
Employee costs	2,064	20.5	4,218	33.5	2,996	30.1	3,122	29.4
Share-based compensation	37	0.4	199	1.6	148	1.5	142	1.3
Others ⁽¹⁾	689	6.8	1,202	9.5	920	9.3	816	7.7
Total	10,057	100.0	12,605	100.0	9,938	100.0	10,633	100.0

Note:

- (1) Others primarily represent depreciation and amortization, consulting fee, travel expenses and insurance fee.

Administrative Expenses

Our administrative expenses primarily consisted of employee costs, office and rental expenses, share-based compensation, professional services expenses and transaction charges. The following table sets forth a breakdown of our administrative expenses in absolute amount and as a percentage of our total administrative expenses for the periods indicated:

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
<i>(€ in thousands, except percentages)</i>								
Employee costs	2,006	37.9	3,829	46.0	2,746	46.4	3,908	54.4
Office and rental expenses	1,001	18.9	1,101	13.2	923	15.6	821	11.4
Share-based compensation	190	3.6	1,062	12.8	788	13.3	835	11.6
Professional service	637	12.0	1,101	13.2	604	10.2	622	8.7
Transaction charges	975	18.4	665	8.0	532	9.0	579	8.1
Others ⁽¹⁾	490	9.2	561	6.8	328	5.5	421	5.8
Total	5,299	100.0	8,319	100.0	5,921	100.0	7,186	100.0

Note:

- (1) Others primarily represent depreciation and amortization and travel expenses.

Research and Development Costs

Our research and development costs primarily consisted of employee cost, design fee, patent application and related fee, share-based compensation and travel expenses. The following table sets forth a breakdown of our research and development costs in absolute amount and as a percentage of our total research and development costs for the periods indicated:

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
<i>(€ in thousands, except percentages)</i>								
Employee costs	910	74.0	1,064	62.5	794	63.4	868	51.4
Design fee	141	11.4	357	21.0	234	18.7	537	31.8
Patent application and related fee	62	5.0	60	3.5	56	4.5	104	6.2
Share-based compensation	57	4.6	184	10.8	137	11.0	132	7.8
Travel expenses	62	5.0	37	2.2	30	2.4	47	2.8
Total	1,232	100.0	1,702	100.0	1,251	100.0	1,688	100.0

FINANCIAL INFORMATION

Impairment Losses on Financial Assets, Net

During the Track Record Period, our impairment losses on financial assets, net primarily represented impairment losses on trade receivables and other receivables. Our impairment losses on financial assets, net amounted to €0.2 million, €43 thousand, €0.1 million and €0.2 million in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively.

Other Expenses

During the Track Record Period, our other expenses primarily consisted of non-operating expenses, including losses on net foreign exchange loss, disposal of assets, donations and other extraordinary losses. Other expenses amounted to €0.1 million, €0.5 million, €1.2 million and €0.2 million in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively.

Finance Costs

During the Track Record Period, our finance costs primarily included interest on lease liabilities, interest on bank loans and costs related to issuance of convertible redeemable preferred shares. Our interest on bank loans amounted to nil, €146 thousand, €86 thousand and €0.2 million in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively. Our interest on lease liabilities amounted to €56 thousand, €123 thousand, €94 thousand and €86 thousand in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively. Our costs related to issuance of convertible redeemable preferred shares amounted to nil, €0.4 million, €0.4 million and nil in 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively.

Share of Profits and Losses of a Joint Venture

During the Track Record Period, our share of profits and losses of a joint venture primarily represented our share of profits and losses of our Portugal JV Factory. Our share of profits and losses of a joint venture amounted to nil, nil, nil and a loss of €0.1 million in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively.

Fair Value Losses on Convertible Redeemable Preferred Shares

Prior to and during the Track Record Period, we entered into a series of share purchase agreements with independent investors and issued convertible redeemable preferred shares. We designated our convertible redeemable preferred shares as financial liabilities at FVTPL initially, and subsequent changes in fair value are recognized in profit or loss. Transaction costs that are directly attributable to the issuance of convertible redeemable preferred shares are recognized immediately in profit or loss. As the fair value of our preferred share liabilities increased in line with the growth in our overall valuation, such increases in fair value were recognized as losses in our financial statements. Our fair value losses on convertible redeemable preferred shares amounted to €1.5 million, €29.6 million, €25.8 million and €30.1 million in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively.

Income Tax Expense

We recorded income tax expenses of €0.4 million, €0.1 million, €0.6 million and €0.5 million in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively.

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

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.

FINANCIAL INFORMATION

Netherlands

The income tax rate applicable to our subsidiary incorporated in 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 €200,000 of taxable profit is taxed at 19%, and the remaining profit is 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 January 1, 2008, except for certain of our subsidiaries in Chinese mainland which are granted tax concession and are taxed at preferential tax rates.

Hong Kong

Our subsidiaries incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 16.5% on any estimated assessable profits arising in Hong Kong during the period 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%.

During the Track Record Period and up to the Latest Practicable Date, we did not have any material dispute with any tax authority.

Loss for the Year/Period

As a result of the foregoing, during the Track Record Period, we recorded net loss of €4.7 million, €34.5 million, €28.3 million and €30.0 million in 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively.

PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Nine Months Ended September 30, 2025 Compared with Nine Months Ended September 30, 2024

Revenue

Revenue by Product Category

Our revenue increased by 3.1% from €52.6 million in the nine months ended September 30, 2024 to €54.2 million in the nine months ended September 30, 2025, primarily due to an increase in revenue generated from our e-bike products.

Our revenue from e-bike products increased by 2.6% from €51.5 million in the nine months ended September 30, 2024 to €52.9 million in the nine months ended September 30, 2025, primarily due to the launch of the Cargo Longtail Duo model in 2025, which was designed to capture the increasing popularity of cargo e-bikes in Europe and was well received by the market, demonstrating the strength of our new product offerings.

Our revenue from accessories, apparel and other related products increased by 26.9% from €1.0 million in the nine months ended September 30, 2024 to €1.3 million in the nine months ended September 30, 2025, primarily driven by substantial growth in e-bike unit sales and our effort to broaden our accessory and related product offerings.

FINANCIAL INFORMATION

Revenue by Geographic Region

Europe continued to be our primary market. Revenue from Europe increased by 3.7% from €51.1 million in the nine months ended September 30, 2024 to €52.9 million in the nine months ended September 30, 2025, primarily driven by an increase in revenue from Benelux, partially offset by a decrease in revenue from Germany. Specifically:

- Our revenue from Benelux increased by 21.3% from €22.7 million in the nine months ended September 30, 2024 to €27.5 million in the nine months ended September 30, 2025, primarily driven by our strengthened sales initiatives that expanded our retail store coverage, alongside the strong performance of our newly launched models in the Benelux region.
- Our revenue from Germany decreased by 17.6% from €20.3 million in the nine months ended September 30, 2024 to €16.7 million in the nine months ended September 30, 2025, primarily attributed to intense market competition in 2025, while we strategically opted against engaging in low-price competition to preserve our brand image.

Our revenue from the United States of America decreased by 17.2% from €1.5 million in the nine months ended September 30, 2024 to €1.2 million in the nine months ended September 30, 2025, primarily attributable to our strategic decision to adjust the scale of our business in the region in response to tariff policies.

Our revenue from other geographic regions remained stable at €34 thousand and €30 thousand for the nine months ended September 30, 2024 and 2025, respectively.

Revenue by Sales Channel

Our revenue from sales to distributors increased from €38.5 million in the nine months ended September 30, 2024 to €38.9 million in the nine months ended September 30, 2025, primarily due to an increase in revenue from sales to independent stores of €5.1 million, resulted from our ongoing sales initiatives to expand our brick-and-mortar presence and more resilient demand and ordering patterns of this channel during the industry’s adjustment period. This increase was partially offset by a decrease of revenue from sales to retail chains of €4.6 million, mainly due to intensified pricing competition among e-bike brands within retail chain channels, as brands adopted more aggressive pricing and inventory destocking strategies during industry adjustment. Our revenue from direct sales increased by 8.1% from €14.1 million in the nine months ended September 30, 2024 to €15.3 million in the nine months ended September 30, 2025, primarily attributable to our greater brand recognition among consumers.

Cost of Sales

Our cost of sales increased by 2.6% from €36.0 million in the nine months ended September 30, 2024 to €36.9 million in the nine months ended September 30, 2025. The increase in cost of sales was primarily attributable to a 2.8% increase in our product costs, which was in line with our revenue growth.

Gross Profit and Gross Profit Margin

Our gross profit increased by 4.1% from €16.6 million in the nine months ended September 30, 2024 to €17.3 million in the nine months ended September 30, 2025 and our gross profit margin increased from 31.5% in the nine months ended September 30, 2024 to 31.8% in the nine months ended September 30, 2025. The increases were primarily due to the continued improvements in our cost efficiency, driven by supply chain optimization, economies of scale and enhanced procurement efficiency. The increases in gross profit and gross profit margin were partially offset by the impact of modest downward adjustments in average selling prices for certain product models reflecting our pricing flexibility enabled by improved cost efficiency and competitive market conditions.

FINANCIAL INFORMATION

Other Income and Gains

Our other income and gains amounted to an income and gains of €0.5 million in the nine months ended September 30, 2024 and an income and gains of €3.6 million in the nine months ended September 30, 2025, primarily due to net foreign exchange gains increased from nil in the nine months ended September 30, 2024 to gains of €3.5 million in the nine months ended September 30, 2025, primarily due to the favorable appreciation of the Euro against the Renminbi in the nine months ended September 30, 2025.

Selling Expenses

Our selling expenses increased by 7.0% from €9.9 million in the nine months ended September 30, 2024 to €10.6 million in the nine months ended September 30, 2025, primarily due to an increase in the digital advertising expenses, which was primarily attributable to increased digital platform promotion expenses as part of our continued online-offline integrated branding and marketing strategy.

Administrative Expenses

Our administrative expenses increased by 21.4% from €5.9 million in the nine months ended September 30, 2024 to €7.2 million in the nine months ended September 30, 2025, primarily due to an increase in employee costs, as a result of a larger employee base in 2025.

Research and Development Costs

Our research and development costs increased by 34.9% from €1.3 million in the nine months ended September 30, 2024 to €1.7 million in the nine months ended September 30, 2025, primarily due to an increase in design fee, which was led by the greater number of new e-bike models under development, as well as expenses incurred in connection with a joint development project with an academic institution.

Impairment Losses on Financial Assets, Net

Our impairment losses on financial assets, net increased from €125 thousand in the nine months ended September 30, 2024 to €160 thousand in the nine months ended September 30, 2025, primarily due to an increase in impairment loss on trade receivables resulting from higher trade receivables balance of our sales in the third quarter of 2025.

Other Expenses

Our other expenses decreased from €1.2 million in the nine months ended September 30, 2024 to €0.2 million in the nine months ended September 30, 2025, primarily due to a change from a net foreign exchange loss in 2024 to a net foreign exchange gain in 2025, as a result of the favorable appreciation of the Euro against the Renminbi in the nine months ended September 30, 2025.

Finance Costs

Our finance costs decreased from €554 thousand in the nine months ended September 30, 2024 to €243 thousand in the nine months ended September 30, 2025, primarily due to the cost of €374 thousand related to the issuance of our convertible redeemable preferred shares in the nine months ended September 30, 2024 while no such cost was incurred in the same period of 2025, and partially offset by an increase in interest on bank loans in the nine months ended September 30, 2025 resulting from a larger volume of bank loans.

Share of Profits and Losses of a Joint Venture

Our share of profits and losses of a joint venture amounted to nil in the nine months ended September 30, 2024 and €0.1 million in the nine months ended September 30, 2025, primarily due to the costs associated with the commencement of operation of the Portugal JV Factory in April 2025.

FINANCIAL INFORMATION

Fair Value Losses on Convertible Redeemable Preferred Shares

Our fair value losses on convertible redeemable preferred shares increased by 17.0% from €25.8 million in the nine months ended September 30, 2024 to €30.1 million in the nine months ended September 30, 2025, primarily due to an increase in the overall company valuation.

Income Tax Expense

Our income tax expense remained stable at €0.6 million and €0.5 million in the nine months ended September 30, 2024 and 2025, respectively.

Loss for the Period

As a result of the foregoing, our loss for the period increased from €28.3 million in the nine months ended September 30, 2024 to €30.0 million in the nine months ended September 30, 2025.

Year Ended December 31, 2024 Compared with Year Ended December 31, 2023

Revenue

Revenue by Product Category

Our revenue increased by 26.2% from €48.0 million in 2023 to €60.6 million in 2024, primarily driven by increase in revenue generated across all product lines.

Our revenue from e-bike products increased by 24.5% from €47.6 million in 2023 to €59.2 million in 2024, as we continued to introduce new models and scale production capacity. Total sales volume across all models increased by 22.3% year-over-year, supported by the successful introduction of our CGO009 model in 2024. The growth was further driven by stronger product recognition, exemplified by models such as the CGO800S, recipient of the 2024 German Design Award, and the CGO600 Pro, recipient of the 2024 Red Dot Design Award. These achievements significantly contributed to greater market acceptance of our products. In addition, our strengthened marketing and branding efforts contributed to higher customer engagement, which further supported the overall increase in sales.

Our revenue from accessories, apparel and other related products increased significantly by 200.8% from €0.5 million in 2023 to €1.5 million in 2024, primarily due to launch of multiple new accessories in 2024, such as e-bike power banks, carriers and pannier bags.

Revenue by Geographic Region

Europe continued to be our primary market. Revenue from Europe increased by 26.2% from €46.5 million in 2023 to €58.7 million in 2024, primarily driven by an increase in revenue from Benelux, supplemented by revenue growth in Germany. Specifically, our revenue from Benelux increased by 47.8% from €19.0 million in 2023 to €28.1 million in 2024, primarily due to (i) the successful launch of new e-bike models tailored for the Benelux region, which delivered robust sales performance, and (ii) our targeted marketing initiatives implemented in 2024 that enhanced our brand visibility, such as a high-profile product launch event held in Amsterdam. In addition, our revenue from Germany increased by 11.5% from €19.5 million in 2023 to €21.7 million in 2024, reflecting our continued penetration of the German market.

Our revenue from the United States of America increased by 26.4% from €1.5 million in 2023 to €1.9 million in 2024, primarily driven by our initial entry into the U.S. market in 2023, followed by an expansion of our model offerings and broader sales channel coverage in 2024.

Our revenue from other geographic regions increased by 241.7% from €12 thousand in 2023 to €41 thousand in 2024, primarily due to our entry into new markets, such as Canada, in 2024 and the expansion of sales within these regions.

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Revenue by Sales Channel

Our revenue from sales to distributors increased by 57.0% from €27.9 million in 2023 to €43.8 million in 2024, primarily due to our strengthened sales initiatives to enhance our brick-and-mortar presence since 2024. Specifically, our revenue from sales to independent stores increased by €11.6 million, driven by the expansion of our European sales team and strengthened sales execution, which enabled broader store coverage and more effective engagement with independent stores. Our revenue from direct sales decreased by 16.4% from €20.1 million in 2023 to €16.8 million in 2024, primarily due to our increased promotion of physical retail stores on our website in 2024, which encouraged online consumers to make their purchases offline.

Cost of Sales

Our cost of sales increased by 18.4% from €35.6 million in 2023 to €42.2 million in 2024, primarily due to an 18.7% increase in product costs and an 16.9% increase in fulfillment costs, in line with our sales growth.

Gross Profit and Gross Profit Margin

Our gross profit increased by 48.9% from €12.4 million in 2023 to €18.4 million in 2024, and our gross profit margin increased from 25.8% in 2023 to 30.4% in 2024. The increases were primarily attributable to (i) material reductions in per-unit costs, driven by economies of scale from higher production volumes, supply chain optimization and enhanced procurement efficiency, including the introduction of additional suppliers, which strengthened our bargaining power as we expanded production and introduced new models during the year; and (ii) further optimization of our supply chain through upstream integration, as we continued to internalize certain procurement functions by establishing our own purchasing entities and assuming direct sourcing responsibilities, which improved cost control and reduced reliance on procurement intermediaries.

Other Income and Gains

Our other income and gains decreased by 59.6% from €1.7 million in 2023 to €0.7 million in 2024, primarily due to decrease of net foreign exchange gain in 2024, as a result of the depreciation of the Euro against the Renminbi in 2024.

Selling Expenses

Our selling expenses increased by 25.3% from €10.1 million in 2023 to €12.6 million in 2024, primarily due to an increase in employee costs resulting from the establishment of a localized sales team in Europe.

Administrative Expenses

Our administrative expenses increased by 57.0% from €5.3 million in 2023 to €8.3 million in 2024, primarily driven by (i) an increase in employee costs, as a result of the expansion of local team in Europe and the establishment and expansion of our supporting entities in Asia, as well as (ii) an increase in share-based compensations.

Research and Development Costs

Our research and development costs increased by 38.1% from €1.2 million in 2023 to €1.7 million in 2024, primarily due to an increase in design fee, driven by the development of new e-bike models and the upgrading of existing models.

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Impairment Losses on Financial Assets, Net

Our impairment losses on financial assets, net decreased from €160 thousand in 2023 to €43 thousand in 2024, primarily due to a decrease in impairment losses on trade receivables and other receivables, as a result of reversals or collection of receivables impaired in previous period.

Other Expenses

Our other expenses increased from €0.1 million in 2023 to €0.5 million in 2024, primarily due to an increase in non-operating expenses, primarily one-off expenses related to an OEM transition during the year.

Finance Costs

Our finance costs increased from €56 thousand in 2023 to €644 thousand in 2024, primarily attributable to (i) an incurrence of cost related to the issuance of our convertible redeemable preferred shares in 2024, (ii) an incurrence of interest on bank loans resulting from newly obtained bank loans, and (iii) an increase in interest on lease liabilities due to expanded office facilities and leasing activities.

Fair Value Losses on Convertible Redeemable Preferred Shares

Our fair value losses on convertible redeemable preferred shares increased from €1.5 million in 2023 to €29.6 million in 2024, primarily due to an increase in the overall company valuation.

Income Tax Expense

Our income tax expense decreased from €0.4 million in 2023 to €0.1 million in 2024, primarily due to a decrease in current income tax, as a result of the utilization of carry-forward tax loss by our subsidiaries in 2024.

Loss for the Year

As a result of the foregoing, our loss for the year increased from €4.7 million in 2023 to €34.5 million in 2024.

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DISCUSSION OF CERTAIN COMPONENTS OF OUR COMBINED STATEMENTS OF FINANCIAL POSITION

The following table sets forth the components of our combined statements of financial position as of the dates indicated:

	As of December 31,		As of
	2023	2024	September 30,
	(€ in thousands)		2025
			(unaudited)
Non-Current Assets			
Property, plant and equipment	1,243	1,890	1,902
Right-of-use assets	2,119	2,560	2,147
Intangible assets	102	767	648
Investment in a joint venture	—	—	15
Prepayments, deposits and other receivables	200	284	706
Total non-current assets	3,664	5,501	5,418
Current Assets			
Inventories	25,331	43,340	33,798
Trade receivables	1,241	2,652	5,724
Prepayments, deposits and other receivables	7,015	4,710	7,332
Restricted bank deposits	135	144	525
Cash and cash equivalents	19,850	18,864	19,705
Total current assets	53,572	69,710	67,084
Current Liabilities			
Trade payables	2,296	5,607	3,015
Contract liabilities	80	145	159
Other payables and accruals	2,095	2,894	4,068
Interest-bearing bank borrowings	—	7,922	10,636
Lease liabilities	452	694	684
Tax payable	361	264	662
Provision	523	647	659
Convertible redeemable preferred shares	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)
Non-Current Liabilities			
Lease liabilities	1,945	2,258	1,794
Deferred tax liabilities	3	2	4
Provision	183	235	215
Total non-current liabilities	2,131	2,495	2,013
Net Liabilities	(9,431)	(43,861)	(67,351)
Deficits in Equity			
Share capital	—	—	—
Deficits	(9,431)	(43,861)	(67,351)
Total deficits in equity	(9,431)	(43,861)	(67,351)

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Property, Plant and Equipment

Our property, plant and equipment primarily consisted of transportation equipment, office furniture and electronic equipment. The following table sets out a breakdown of our property, plant and equipment as of the dates indicated:

	As of December 31,		As of
	2023	2024	September 30,
	(€ in thousands)		2025
			(unaudited)
Transportation equipment	436	828	699
Office furniture	542	511	557
Electronic equipment	172	270	326
Machinery and equipment	—	96	85
Other equipment	93	185	235
Total	1,243	1,890	1,902

Our property, plant and equipment increased by 52.1% from €1.2 million as of December 31, 2023 to €1.9 million as of December 31, 2024, primarily attributable to the purchases of business vans. Our property, plant and equipment remained stable at €1.9 million as of September 30, 2025.

Right-of-Use Assets

Our right-of-use assets consisted of lease contracts for our office space and warehouse in Europe and Asia. Our right-of-use assets increased from €2.1 million as of December 31, 2023 to €2.6 million as of December 31, 2024, primarily due to leasing of new office space in Asia during 2024. Our right-of-use assets further decreased from €2.6 million as of December 31, 2024 to €2.1 million as of September 30, 2025, primarily due to depreciation of right-of-use assets during the period, as well as the impact of foreign exchange translation arising from the conversion of assets denominated in non-Euro currencies into Euros.

Intangible Assets

Our intangible assets consisted of software, trademarks and patents. Our intangible assets increased from €0.1 million as of December 31, 2023 to €0.8 million as of December 31, 2024, primarily due to the acquisition of a new patent license and the implementation of a new ERP system. Our intangible assets then decreased from €0.8 million as of December 31, 2024 to €0.6 million as of September 30, 2025, primarily due to the amortization of the intangible assets.

Inventories

Our inventories primarily consisted of (i) raw materials, including batteries, motors, controllers and frames, (ii) materials consigned for processing, including components dispatched to our OEM partners for assembly post-purchase, and (iii) finished goods, including e-bikes stored in inventory for sale. The following table sets out a breakdown of our inventories as of the dates indicated:

	As of December 31,		As of
	2023	2024	September 30,
	(€ in thousands)		2025
Raw materials	7,946	5,765	3,308
Materials consigned for processing	11,824	15,301	12,172
Finished goods	5,636	22,616	18,842
Less: Inventory provision	(75)	(342)	(524)
Total	25,331	43,340	33,798

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Our inventories increased by 71.1% from €25.3 million as of December 31, 2023 to €43.3 million as of December 31, 2024, primarily due to an increase in finished goods, in anticipation of higher market demand in the beginning of the year.

Our inventories decreased by 22.0% from €43.3 million as of December 31, 2024 to €33.8 million as of September 30, 2025, as we typically maintain higher inventory levels at year-end to prepare for demand in the following year and lower levels in the third quarter in line with our sales cycle.

We periodically assess the value of our inventories to determine whether to recognize provisions for impairment. As of December 31, 2023, 2024 and September 30, 2025, our inventory provision amounted to €75 thousand, €342 thousand and €524 thousand, respectively.

The table below sets forth an aging analysis for our inventories, net of loss allowances as of the dates indicated.

	As of December 31,		As of
	2023	2024	September 30,
	<i>(€ in thousands)</i>		2025
Within 1 year	25,289	43,257	33,753
1 years to 2 years	42	72	45
2 years to 3 years	—	11	—
Total	25,331	43,340	33,798

The following table sets forth our inventory turnover days for the periods indicated:

	Year ended December 31,		Nine months ended
	2023	2024	September 30,
			2025
Inventory turnover days ⁽¹⁾	154	299	285

Note:

- (1) Inventory turnover days are calculated using the average of opening balance and closing balance of inventories (excluding inventory provision) for a year divided by cost of sales for the relevant year/period and multiplied by 365/270 days.

Our inventory turnover days increased from 154 days in 2023 to 299 days in 2024. In 2023, inventory turnover days were relatively reflecting a lower opening inventory balance as our procurement model prior to 2023 primarily involved the purchase of finished goods. In 2024, inventory turnover days increased as we managed additional procurement stages, which lengthened the inventory cycle. Inventory turnover days also increased in 2024 as inventory planning was undertaken based on anticipated market demand for 2025 and planned product launches. Our inventory turnover days decreased from 299 days in 2024 to 285 days for the nine months ended September 30, 2025, primarily reflecting seasonal factors. Inventory turnover days were lower at the end of the third quarter compared to year-end, as we typically maintain higher inventory levels in the fourth and first quarters to prepare for anticipated sales in the following quarters.

As of January 31, 2026, €12.9 million, or 38.2% of our inventory as of September 30, 2025 had been utilized or sold.

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Trade Receivables

The following table sets forth a breakdown of our trade receivables as of the dates indicated:

	As of December 31,		As of
	2023	2024	September 30,
	<i>(€ in thousands)</i>		2025
			<i>(unaudited)</i>
Trade receivables	1,334	2,785	6,016
Allowance for expected credit losses	(93)	(133)	(292)
Total	1,241	2,652	5,724

Our trade receivables, net of allowance for expected credit losses, increased from €1.2 million as of December 31, 2023 to €2.7 million as of December 31, 2024, which was generally in line with our sales increase. Our trade receivables further increased to €5.7 million as of September 30, 2025, primarily driven by the elevated sales volumes during our peak season in September, leading to a higher receivables balance compared to the typically lower sales period in December.

We normally grant credit terms of 15 to 30 days to our customers. The following table sets forth the aging analysis of our trade receivables as of the dates indicated, based on the billing dates and net of allowance for expected credit losses:

	As of December 31,		As of
	2023	2024	September 30,
	<i>(€ in thousands)</i>		2025
Within one months	1,065	1,930	4,806
One month to two months	85	203	345
Two months to three months	40	111	226
Over three months	51	408	347
Total	1,241	2,652	5,724

The following table sets forth our trade receivables turnover days for the periods indicated:

	Year ended December 31,		Nine months ended
	2023	2024	September 30,
			2025
Trade receivables turnover days ⁽¹⁾	7	12	22

Note:

- (1) Trade receivables turnover days are calculated using the average of opening balance and closing balance of trade receivables (excluding provision for impairment) for a year divided by revenue for the relevant year/period and multiplied by 365 days/270 days.

Our trade receivables turnover days increased from 7 days in 2023 to 12 days in 2024, and further to 22 days for the nine months ended September 30, 2025 and were generally consistent with our credit terms with customers.

As of January 31, 2026, €5.4 million, or 94.5% of our trade receivables as of September 30, 2025 had been settled.

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Prepayments, Deposits and Other Receivables (Current)

The following table sets forth a breakdown of our prepayments, deposits and other receivables as of the dates indicated:

	As of December 31,		As of
	2023	2024	September 30,
	(€ in thousands)		2025
			(unaudited)
Advance to suppliers	814	1,195	2,410
VAT recoverable	1,185	2,285	2,664
Tax recoverable	67	150	130
Export tax rebate	22	—	1
Amounts due from related parties	4,896	833	1,518
Other receivables ⁽¹⁾	97	316	675
	7,081	4,779	7,398
Less: Impairment ⁽²⁾	(66)	(69)	(66)
Total	7,015	4,710	7,332

Notes:

- (1) Other receivables are unsecured, non-interest-bearing and repayable on demand.
- (2) As of December 31, 2023, December 31, 2024 and September 30, 2025, the impairment of the financial assets included in prepayments, other receivables and other assets were measured based on 12-month expected credit loss if 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, they were measured based on lifetime expected credit loss.

Our prepayments, deposits and other receivables, net of impairment of other receivables, decreased from €7.0 million as of December 31, 2023 to €4.7 million as of December 31, 2024, primarily due to a decrease in amounts due from a related party, which was attributable to the utilization and settlement of advances previously made to a related-party supplier, in connection with the optimization of our supply chain management during 2024. The decrease was partially offset by an increase in VAT recoverable, which was in line with higher procurement activity driven by our business growth in 2024. Our prepayments, deposits and other receivables increased from €4.7 million as of December 31, 2024 to €7.3 million as of September 30, 2025, primarily due to increases in amounts due from related parties, which mainly represented prepayments made for procurement, as well as increases in advance to suppliers and VAT recoverable, both attributable to higher procurement activity in connection with our business growth in 2025 and preparation for projected expansion in 2026.

Trade Payables

Our trade payables primarily consisted of amounts payable to suppliers for goods purchased. Our trade payable increased from €2.3 million as of December 31, 2023 to €5.6 million as of December 31, 2024, in line with the increase in our procurement and inventory levels in 2024. Our trade payable decreased from €5.6 million as of December 31, 2024 to €3.0 million as of September 30, 2025, primarily attributable to reduced procurement volumes during the period as a result of seasonal factors, as procurement volumes at the end of the third quarter were typically lower than at year-end, when we maintain higher inventory levels in the fourth and first quarters.

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The following table sets forth the aging analysis of our trade payables as of the dates indicated, based on the date of goods received from the suppliers:

	As of December 31,		As of
	2023	2024	September 30,
	(€ in thousands)		2025
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

The following table sets forth our trade payables turnover days for the Track Record Period:

	Year ended December 31,		Nine months ended
	2023	2024	September 30,
			2025
Trade payables turnover days ⁽¹⁾	18	34	32

Note:

- (1) Trade and bills payables turnover days are calculated using the average of opening balance and closing balance of trade and bills payables for a year divided by cost of sales used for the relevant year/period and multiplied by 365/270 days.

Our trade payables turnover days increased from 18 days in 2023 to 34 days in 2024, primarily due to the extended payment terms secured with suppliers, reflecting both enhanced business stability and higher procurement volumes. Our trade payables turnover days remained relatively stable at 34 days in 2024 and 32 days for the nine months ended September 30, 2025.

As of January 31, 2026, €2.8 million, or 92.9% of our trade and bills payables as of September 30, 2025 had been settled.

Contract Liabilities

Our contract liabilities primarily represented short-term advances received from customers arising from sale of e-bike products. Our contract liabilities include payments from the customers based on sales order in advance of delivery of products under the contracts. Our contract liabilities increased from €80 thousand as of December 31, 2023 to €0.1 million as of December 31, 2024, and further to €0.2 million as of September 30, 2025, primarily due to advances we received from customers prior to delivery or formal receipt of our e-bike products before September 30, 2025.

As of January 31, 2026, €0.2 million, or 100% of our contract liabilities as of September 30, 2025, had been subsequently recognized as revenue.

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Other Payables and Accruals

Our other payables and accruals primarily consisted of payroll payables and other tax payables.

	As of December 31,		As of
	2023	2024	September 30,
	<i>(€ in thousands)</i>		2025
			<i>(unaudited)</i>
Payroll payables	1,051	1,608	1,544
Other tax payables	931	861	2,295
Refund liabilities	15	8	58
Accruals	54	193	169
Others ⁽¹⁾	44	224	2
Total	2,095	2,894	4,068

Note:

(1) Primarily represented payables related our operating expenditures.

Our other payables and accruals increased from €2.1 million as of December 31, 2023 to €2.9 million as of December 31, 2024, primarily due to an increase in payroll payables as a result of increased accrual of annual bonuses for the year. Our other payables and accruals further increased from €2.9 million as of December 31, 2024 to €4.1 million as of September 30, 2025, primarily attributable to an increase in other tax payables, mainly consisting of VAT payable, reflecting seasonal factors, as VAT payable was typically higher at the end of the third quarter compared to year-end, when sales activity is generally lower.

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Current Assets and Liabilities

The following table sets forth our current assets and liabilities as of the dates indicated:

	As of December 31,		As of	As of
	2023	2024	September 30,	January 31,
			2025	2026
	<i>(€ in thousands)</i>		<i>(unaudited)</i>	
Current assets				
Inventories	25,331	43,340	33,798	37,287
Trade receivables	1,241	2,652	5,724	5,888
Prepayments, deposits and other receivables	7,015	4,710	7,332	2,298
Restricted bank deposits	135	144	525	526
Cash and cash equivalents	19,850	18,864	19,705	16,599
Total current assets	53,572	69,710	67,084	62,598
Current liabilities				
Trade payables	2,296	5,607	3,015	5,896
Contract liabilities	80	145	159	247
Other payables and accruals	2,095	2,894	4,068	1,441
Interest-bearing bank borrowings	—	7,922	10,636	9,203
Lease liabilities	452	694	684	555
Tax payable	361	264	662	663
Provision	523	647	659	612
Convertible redeemable preferred shares	58,729	98,404	117,957	124,915
Total current liabilities	64,536	116,577	137,840	143,532
Net current liabilities	(10,964)	(46,867)	(70,756)	(80,934)

Our net current liabilities increase by 14.4% from €70.8 million as of September 30, 2025 to €80.9 million as of January 31, 2026, primarily due to the increase of our current liabilities by €5.7 million and the decrease of our current assets by €4.5 million. Our current liabilities increased from €137.8 million as of September 30, 2025 to €143.5 million as of January 31, 2026, primarily due to the increase in the fair value of our convertible redeemable preferred shares by €7.0 million resulting from the increase in our company valuation. Our current assets decreased from €67.1 million as of September 30, 2025 to €62.6 million as of January 31, 2026, primarily due to the decrease in prepayments, deposits and other receivables by €5.0 million.

Our net current liabilities increased by 51.0% from €46.9 million as of December 31, 2024 to €70.8 million as of September 30, 2025, primarily due to the increase in current liabilities and the decrease in current assets. Our current liabilities increased from €116.6 million as of December 31, 2024 to €137.8 million as of September 30, 2025, primarily due to an increase in convertible redeemable preferred shares of €19.6 million and an increase in interest-bearing bank borrowings of €2.7 million. Our current assets decreased from €69.7 million as of December 31, 2024 to €67.1 million as of September 30, 2025, primarily due to a decrease in inventories of €9.5 million, partially offset by an increase in trade receivables of €3.1 million, an increase in prepayments, deposits and other receivables of €2.6 million, and an increase in cash and cash equivalents of €0.8 million.

Our net current liabilities increased by 327.5% from €11.0 million as of December 31, 2023 to €46.9 million as of December 31, 2024, primarily due to the increase in current liabilities, partially offset by the increase in current assets. Our current liabilities increased from €64.5 million as of December 31, 2023 to €116.6 million as of December 31, 2024, primarily due to an increase in

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convertible redeemable preferred shares of €39.7 million, an increase in interest-bearing bank borrowings of €7.9 million and an increase in trade payables of €3.3 million. Our current assets increased from €53.6 million as of December 31, 2023 to €69.7 million as of December 31, 2024, primarily due to an increase in inventories of €18.0 million, partially offset by a decrease in prepayments, deposits and other receivables of €2.3 million.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flow

The following table sets forth a summary of our cash flow for the periods indicated:

	Year ended December 31,		Nine months ended September 30,	
	2023	2024	2024	2025
	<i>(€ in thousands)</i>		<i>(unaudited)</i>	
Net cash flows (used in)/ from operating activities	(21,196)	(13,207)	(9,774)	1,836
Net cash flows used in investing activities	(1,234)	(1,686)	(934)	(2,006)
Net cash flows from financing activities	<u>13,396</u>	<u>13,063</u>	<u>9,238</u>	<u>1,937</u>
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	<u>(1,666)</u>	<u>844</u>	<u>79</u>	<u>(926)</u>
Cash and cash equivalents at end of year/period	<u>19,850</u>	<u>18,864</u>	<u>18,459</u>	<u>19,705</u>

Net Cash (Used in)/from Operating Activities

In the nine months ended September 30, 2025, we had net cash generated from operating activities of €1.8 million, as compared to loss before tax of €29.5 million. The principal items accounting for the difference were the adjustments for fair value losses on convertible redeemable preferred shares of €30.1 million, partially offset by net foreign exchange gains of €3.5 million. The amount was further adjusted by the changes in working capital, which primarily consisted of a decrease in inventories of €9.4 million and a decrease in trade receivables of €3.2 million, partially offset by an increase in prepayments, deposits and other receivables of €3.1 million and an decrease in trade payables of €2.6 million.

In 2024, we had net cash used in operating activities of €13.2 million, as compared to loss before tax of €34.3 million. The principal items accounting for the difference were the adjustments for fair value losses on convertible redeemable preferred shares of €29.6 million. The amount was further adjusted by the changes in working capital, which primarily consisted of (i) an increase in inventories of €18.3 million and (ii) an increase in trade receivables of €1.5 million, partially offset by (i) an increase in trade payables of €3.3 million and (ii) a decrease in prepayments, deposits and other receivables of €3.8 million.

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In 2023, we had net cash used in operating activities of €21.2 million, as compared to loss before tax of €4.3 million. The principal items accounting for the difference were the adjustments for net foreign exchange gains of €1.0 million, partially offset by fair value losses on convertible redeemable preferred shares of €1.5 million. The amount was further adjusted by the changes in working capital, which primarily consisted of an increase in inventories of €20.8 million, partially offset by (i) a decrease in prepayments, deposits and other receivables of €0.5 million, (ii) an increase in other payables and accruals of €1.2 million and (iii) an increase in trade payables of €1.1 million.

Net Cash Flows Used in Investing Activities

In the nine months ended September 30, 2025, we had net cash used in investing activities of €2.0 million, primarily attributable to (i) purchases of property, plant and equipment of €0.9 million, (ii) an advance of loan to a joint venture of €0.5 million, (iii) increase in restricted cash of €0.4 million and (iv) payments for investment in a joint venture of €0.2 million.

In 2024, we had net cash used in investing activities of €1.7 million, primarily attributable to (i) purchases of property, plant and equipment of €1.2 million and (ii) purchase of other intangible assets of €0.8 million.

In 2023, we had net cash used in investing activities of €1.2 million, primarily attributable to purchases of property, plant and equipment of €1.2 million.

Net Cash Flows from Financing Activities

In the nine months ended September 30, 2025, we had net cash from financing activities of €1.9 million, primarily attributable to new bank loans of €7.1 million, partially offset by repayment of bank loans of €4.4 million.

In 2024, we had net cash from financing activities of €13.1 million, primarily attributable to new bank loans of €9.0 million and proceeds from convertible redeemable preferred shares of €6.5 million, partially offset by repayment of bank loans of €1.1 million.

In 2023, we had net cash from financing activities of €13.4 million, primarily attributable to proceeds from convertible redeemable preferred shares of €13.6 million.

Working Capital Sufficiency

Our Directors are of the opinion that, taking into account the estimated net proceeds from the [REDACTED] and other financial resources available to us, including cash flows from operating activities and financing activities and cash and cash equivalents, we have sufficient working capital to meet our present requirements and for the next 12 months from the date of this document.

FINANCIAL INFORMATION

INDEBTEDNESS

As of December 31, 2023 and 2024, September 30, 2025 and January 31, 2026, our indebtedness included bank borrowings and lease liabilities. The following table sets forth the breakdown of our indebtedness as of the dates indicated:

	<u>As of December 31,</u>		<u>As of</u>	<u>As of</u>
	<u>2023</u>	<u>2024</u>	<u>September 30,</u>	<u>January 31,</u>
	<i>(€ in thousands)</i>		<u>2025</u>	<u>2026</u>
			<i>(unaudited)</i>	
Interest-bearing bank borrowings				
Current				
Bank loans-unsecured	—	7,922	10,636	9,203
Total current	—	7,922	10,636	9,203
Lease liabilities				
Current	452	694	684	620
Non-current	1,945	2,258	1,794	1,493
	2,397	2,952	2,478	2,113
Convertible redeemable preferred shares				
Current	58,729	98,404	117,957	124,915
	58,729	98,404	117,957	124,915
Total	61,126	109,278	131,071	136,231

Interest-Bearing Bank Borrowings

As of December 31, 2023 and 2024, September 30, 2025 and January 31, 2026, our interest-bearing bank borrowings primarily consisted of unsecured bank loans. As of December 31, 2023 and 2024, September 30, 2025 and January 31, 2026, our interest-bearing bank borrowings was nil, €7.9 million, €10.6 million and €9.2 million, respectively. See Note 22 to the Accountants’ Report in Appendix I to this document for details of the interest rates and the maturity.

As of January 31, 2026, we had unutilized banking facilities of €10.2 million.

Lease Liabilities

Our current and non-current lease liabilities increased from €2.4 million as of December 31, 2023 to €3.0 million as of December 31, 2024, primary due to leasing of new office space in Asia in 2024. Our current and non-current lease liabilities decreased from €3.0 million as of December 31, 2024 to €2.5 million as of September 30, 2025, primarily due to the repayments of principal amounts under the existing lease arrangements in 2025. Our current and non-current lease liabilities decreased from €2.5 million as of September 30, 2025 to €2.1 million as of January 31, 2026, primarily due to our payments of lease arrangements.

Convertible Redeemable Preferred Shares

As of December 31, 2023 and 2024, September 30, 2025 and January 31, 2026, our convertible redeemable preferred shares amounted to €58.7 million, €98.4 million, €118.0 million and €124.9 million, respectively. The increases were primarily due to the increase in our overall valuation.

No Other Outstanding Indebtedness

Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, the agreements under our borrowings did not contain any covenant that would have a material adverse effect on our ability to make additional borrowings or issue debt or equity securities in the future. Our Directors further confirm that we had no defaults in bank borrowings, nor did we breach

FINANCIAL INFORMATION

any covenants (that were not waived) during the Track Record Period and up to the Latest Practicable Date. Our Directors further confirm that during the Track Record Period and up to the Latest Practicable Date, we did not experience any material difficulties in obtaining bank loans and other borrowings, credit facilities, or withdrawal of facilities or requests for early repayment. Our Directors confirm that there has not been any material change in our indebtedness since January 31, 2026 and up to the date of this document.

Except as disclosed above, as of January 31, 2026, being the most recent practicable date for determining our indebtedness, we did not have any outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, liabilities under acceptance or other similar indebtedness, hire purchase commitments, guarantees or other material contingent liabilities. Our Directors have confirmed that there has been no material change in our indebtedness from January 31, 2026 to the date of this document.

CAPITAL EXPENDITURES

During the Track Record Period, our capital expenditure primarily consisted of purchases of property, plant and equipment and purchases for other intangible assets. The table below sets forth our capital expenditure for the periods indicated:

	Year ended December 31,		Nine months ended
	2023	2024	September 30, 2025
	<i>(€ in thousands)</i>		
Purchases of property, plant and equipment	1,218	1,184	931
Purchases for other intangible assets	43	817	—
Total	1,261	2,001	931

We had capital expenditures of €1.3 million, €2.0 million and €0.9 million in 2023 and 2024 and the nine months ended September 30, 2025, respectively. We plan to continue to make capital expenditures to support our business growth and expansion strategy. See “Future Plans and Use of [REDACTED].” We intend to fund these expenditures with available financial resources, including cash generated from operations, net [REDACTED] from the [REDACTED], and potential future equity or debt financing. We may adjust our capital expenditure for any given year according to our development plans or in light of market conditions and other factors we believe to be appropriate.

CONTINGENT LIABILITIES

As of January 31, 2026, we did not have any material contingent liability, guarantee or any litigation or claim of material importance, pending or threatened against us or any member of our Group that is likely to have a material and adverse effect on our business, financial condition and results of operations, although there can be no assurance that this will not be the case in the future.

FINANCIAL INFORMATION

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios as of the dates or for the periods indicated:

	As of/For the year ended December 31,		As of/For the nine months ended September 30,	
	2023	2024	2024	2025
Gross profit margin ⁽¹⁾	25.8%	30.4%	31.5%	31.8%
Current ratio ⁽²⁾	0.83	0.60	N/A	0.49
Quick ratio ⁽³⁾	0.44	0.22	N/A	0.24
Net margin ⁽⁴⁾	−9.7%	−56.8%	−53.8%	−55.4%
Adjusted net margin ⁽⁵⁾	−6.0%	−5.6%	−2.7%	2.3%
Product contribution margin ⁽⁶⁾	38.5%	42.2%	41.6%	41.8%

Notes:

- (1) Calculated by dividing gross profit by revenue for the year/period multiplied by 100%.
- (2) Calculated by dividing total current assets by total current liabilities as of the end of the year/period.
- (3) Calculated by dividing total current assets minus inventory and restricted bank deposits by total current liabilities as of the end of the year/period.
- (4) Calculated by dividing net loss by revenue for the year/period multiplied by 100%.
- (5) Calculated by dividing adjusted net profit/(loss) (non-IFRS measure) by revenue for the year/period multiplied by 100%.
- (6) Calculated by dividing revenue less product cost by revenue for the year/period multiplied by 100%.

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. For details of our material related party transactions, see Note 34 to the Accountants’ Report in Appendix I to this document.

Our Directors are of the view that each of the related party transactions set out in Note 34 to the Accountants’ Report in Appendix I to this document was conducted in the ordinary course of business on an arm’s length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet arrangements. We also have not entered into any financial guarantees or other commitments to guarantee the payment obligations of third parties. In addition, we have not entered into any derivative contracts that are indexed to our equity interests and classified as owners’ equity. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or that engages in leasing, hedging or R&D services with us.

FINANCIAL RISKS DISCLOSURE

Our principal financial instruments comprise cash and cash equivalents, interest-bearing bank borrowings, and investments at fair value through other comprehensive income. The main purpose of these financial instruments is to raise finance for our operations. We have various other financial assets and liabilities such as trade receivables and trade payables, other receivables and other payables, which arise directly from our operations. The main risks arising from our financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. See Note 37 to the Accountants’ Report in Appendix I to this document for more details.

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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. Our exposure to the risk of changes in market interest rates relates primarily to our interest-bearing bank and other borrowings.

Foreign Currency Risk

Foreign currency risk is the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between Euros and other currencies in which we conduct business may affect our financial condition and results of operations.

Credit Risk

We trade only with recognized and creditworthy parties. It is our 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 our exposure to bad debts is not significant. The credit risk of our other financial assets, which comprise cash and cash equivalents, financial assets included in prepayments, other receivables and other assets, arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

For financial assets included in prepayments, other receivables and other assets, management makes periodic collective assessment as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experience. Our Directors believe that there is no material credit risk inherent in our outstanding balance of other receivables.

Liquidity Risk

We monitor our risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both of our financial instruments and financial assets and projected cash flows from operations. Our objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank borrowings and lease liabilities.

DIVIDENDS AND DIVIDEND POLICY

We do not have any fixed dividend policy nor pre-determined dividend payout ratio. We did not declare or distribute any dividend to our Shareholders during the Track Record Period. However, we may distribute dividends in the future by way of cash or by other means that we consider appropriate. Pursuant to our Articles of Association, our Board may declare dividends in the future after taking into account our results of operations, financial condition, cash requirements and availability and other factors as it may deem relevant at such time. As advised by our Cayman legal advisors, we are a holding company incorporated under the laws of the Cayman Islands, pursuant to which, the financial position of accumulated losses does not necessarily prohibit us from declaring and paying dividends to our Shareholders, as dividends may still be declared and paid out of our share premium account notwithstanding our profitability provided that this would not result in our Company being unable to pay its debts as they fall due in the ordinary course of business.

DISTRIBUTABLE RESERVES

As of September 30, 2025, we did not have any distributable reserves.

[REDACTED]

[REDACTED] represent professional fees, [REDACTED] commissions and other fees incurred in connection with the [REDACTED]. We estimate that our [REDACTED] will be approximately HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the indicative [REDACTED] range) and no exercise of the [REDACTED]), representing [REDACTED]% of the gross [REDACTED] (based on the mid-point of our indicative price range for the [REDACTED] and assuming that the [REDACTED] is not exercised) of the [REDACTED]. We expect to incur [REDACTED] of HK\$[REDACTED] million, of which HK\$[REDACTED] million is expected to be recognized in the profit or loss and

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FINANCIAL INFORMATION

HK\$[REDACTED] million is expected to be recognized as a [REDACTED] directly upon [REDACTED]. Our Directors do not expect such expenses to materially impact our results of operations in 2025. By nature, our [REDACTED] are composed of (i) [REDACTED] commission of HK\$[REDACTED] million, and (ii) non-[REDACTED] related expenses of HK\$[REDACTED] million, which consist of fees and expenses of legal advisors and reporting accountants of HK\$[REDACTED] million and other fees and expenses of HK\$[REDACTED] million.

UNAUDITED [REDACTED] ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

See “Appendix II — Unaudited [REDACTED] Financial Information.”

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that up to the date of this document there has been no material adverse change in our financial or trading position or prospects since September 30, 2025, being the end date of the periods reported in Appendix I to this document, and there is no event since September 30, 2025 that would materially affect the information as set out in the Accountants’ Report in Appendix I to this document.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

See “Business — Our Strategies” in this document for a detailed description of our future plans.

USE OF [REDACTED]

We estimate that we will receive net [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED] million, after deducting [REDACTED] fees and commissions and other estimated [REDACTED] expenses paid and payable by us in relation to the [REDACTED], based on an [REDACTED] of HK\$[REDACTED] per Share and assuming that the [REDACTED] is not exercised.

We currently intend to use these net [REDACTED] for the purposes and in the amounts set forth below, subject to adjustments based on business needs and market conditions:

- (i) approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to advancing product innovation and diversifying our product portfolio. Specifically:
 - approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to product iteration and the introduction of new models and product lines, such as e-MTBs, and folding e-bikes;
 - approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to hardware development, including development of proprietary technologies for core e-drive systems, including advanced mid-drive motor systems, battery management systems and electronic control systems;
 - approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to software, upgrade with an emphasis on upgrading digital features and building up an ecosystem. This includes improving the TENWAYS App user experience, expanding digital services (such as OTA updates, GPS tracking, and digital anti-theft), developing integrated intelligent applications, and strengthening data compliance and security for users; and
 - approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for establishing research and development centers and product testing facilities.
- (ii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for expanding our global brand presence in the following areas:
 - funding online-offline integrated marketing campaigns, including seasonal and product launch campaigns, as well as localized market-specific campaigns;
 - enhancing our brand image and visibility through updated visual materials, high-impact advertising, sponsorships, brand events, and initiatives aimed at eco-conscious consumers; and
 - expanding our marketing and community engagement efforts, which include building partnerships with influencers, strengthening PR and media presence, enhancing social media and community management, and developing multilingual content to support brand awareness and customer engagement.
- (iii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for deepening our sales and distribution network in the following areas:
 - expanding into additional European countries, expanding local sales teams, and developing partnerships with distributors and service centers to support local sales, after-sales service and market penetration in such markets; and
 - acquiring equity stakes in selected European retail chains to strengthen partnerships and broaden sales channels.

FUTURE PLANS AND USE OF [REDACTED]

- (iv) Approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for strengthening our supply chain and production capabilities in the following areas:
- forming joint ventures for developing and manufacturing battery, motor and controller components for e-bikes; and
 - continuing to upgrade production infrastructure and equipment at the JV Factory; and
 - expanding production capacity by forming new joint ventures for e-bike production.

- (v) Approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated towards developing a multi-brand portfolio and acquiring or investing in companies that strengthen our capabilities, particularly those with strong technical expertise.

As of the Latest Practicable Date, we had not entered into any legally binding agreements in respect of the above acquisitions or investments, nor had we identified any specific acquisition targets.

- (vi) Approximately [REDACTED]%, or HK\$[REDACTED] million, will be allocated to upgrading our digital IT architecture, and implementing AI to streamline operations and support data-driven decisions across all sales channels.
- (vii) Approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for working capital and other general corporate purposes.

In the event that the [REDACTED] is exercised in full, the additional net [REDACTED] that we would receive would be HK\$[REDACTED] million based on an [REDACTED] of HK\$[REDACTED] per Share, after deduction of [REDACTED] fees and commissions and other estimated expenses paid and payable by us in relation to the [REDACTED]. Additional net [REDACTED] received due to the exercise of any [REDACTED] will be used for the above purposes accordingly on a pro-rata basis if the [REDACTED] is exercised.

To the extent that the net [REDACTED] from the [REDACTED] are either more or less than expected, we will adjust our allocation of the net [REDACTED] for the above purposes on a pro rata basis.

If the net [REDACTED] of the [REDACTED] are not immediately applied to the above purposes and to the extent permitted by applicable law and regulations, we will deposit the net [REDACTED] into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions), so long as it is deemed to be in the best interests of our Company. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules and make an appropriate announcement if there is any change to the above proposed use of [REDACTED].

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[REDACTED]

[REDACTED]

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[REDACTED]

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[REDACTED]

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[REDACTED]

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STRUCTURE OF THE [REDACTED]

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HOW TO APPLY FOR [REDACTED]

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HOW TO APPLY FOR [REDACTED]

[REDACTED]

APPENDIX I

ACCOUNTANTS’ REPORT

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.

APPENDIX I

ACCOUNTANTS’ REPORT

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]

APPENDIX I

ACCOUNTANTS’ REPORT

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.

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ACCOUNTANTS’ REPORT

COMBINED STATEMENTS OF PROFIT OR LOSS

	<i>Notes</i>	Year ended 31 December		Nine months ended 30 September	
		2023	2024	2024	2025
		<i>EUR’000</i>	<i>EUR’000</i>	<i>EUR’000</i> (Unaudited)	<i>EUR’000</i> (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)

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ACCOUNTANTS’ REPORT

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	<u>(4,653)</u>	<u>(34,467)</u>	<u>(28,282)</u>	<u>(30,003)</u>
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	<u>294</u>	<u>(1,408)</u>	<u>219</u>	<u>5,403</u>
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	<u>294</u>	<u>(1,408)</u>	<u>219</u>	<u>5,403</u>
Other comprehensive income/(loss) for the year/period, net of tax	<u>294</u>	<u>(1,408)</u>	<u>219</u>	<u>5,403</u>
Total comprehensive loss for the year/ period, net of tax	<u>(4,359)</u>	<u>(35,875)</u>	<u>(28,063)</u>	<u>(24,600)</u>
Attributable to:				
Owners of the parent	<u>(4,359)</u>	<u>(35,875)</u>	<u>(28,063)</u>	<u>(24,600)</u>

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ACCOUNTANTS’ REPORT

COMBINED STATEMENTS OF FINANCIAL POSITION

		As at 31 December		As at
		2023	2024	30 September
	Notes	EUR'000	EUR'000	2025
				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)

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ACCOUNTANTS’ REPORT

		As at 31 December		As at
		2023	2024	30 September
	Notes	EUR'000	EUR'000	2025
				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)

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ACCOUNTANTS’ REPORT

COMBINED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2023

	Share capital <i>EUR'000</i>	Capital reserve* <i>EUR'000</i> <i>(note 31)</i>	Share-based payment reserve* <i>EUR'000</i> <i>(note 31)</i>	Exchange fluctuation reserve* <i>EUR'000</i> <i>(note 31)</i>	Accumulated losses* <i>EUR'000</i>	Total deficits in equity <i>EUR'000</i>
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 <i>(note 28)</i>	—	—	284	—	—	284
At 31 December 2023	—	1,941	284	557	(12,213)	(9,431)

Year ended 31 December 2024

	Share capital <i>EUR'000</i>	Capital reserve* <i>EUR'000</i> <i>(note 31)</i>	Share-based payment reserve* <i>EUR'000</i> <i>(note 31)</i>	Exchange fluctuation reserve* <i>EUR'000</i> <i>(note 31)</i>	Accumulated losses* <i>EUR'000</i>	Total deficits in equity <i>EUR'000</i>
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 <i>(note 28)</i>	—	—	1,445	—	—	1,445
At 31 December 2024	—	1,941	1,729	(851)	(46,680)	(43,861)

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ACCOUNTANTS’ REPORT

Nine months ended 30 September 2025 (unaudited)

	Share capital <i>EUR'000</i>	Capital reserve* <i>EUR'000</i> <i>(note 31)</i>	Share-based payment reserve* <i>EUR'000</i> <i>(note 31)</i>	Exchange fluctuation reserve* <i>EUR'000</i> <i>(note 31)</i>	Accumulated losses* <i>EUR'000</i>	Total deficits in equity <i>EUR'000</i>
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 <i>(note 28)</i>	—	—	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 <i>EUR'000</i>	Capital reserve <i>EUR'000</i> <i>(note 31)</i>	Share-based payment reserve <i>EUR'000</i> <i>(note 31)</i>	Exchange fluctuation reserve <i>EUR'000</i> <i>(note 31)</i>	Accumulated losses <i>EUR'000</i>	Total deficits in equity <i>EUR'000</i>
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 <i>(note 28)</i>	—	—	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.

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ACCOUNTANTS’ REPORT

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)

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ACCOUNTANTS’ REPORT

	<i>Notes</i>	Year ended 31 December		Nine months ended 30 September	
		2023	2024	2024	2025
		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

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	<i>Notes</i>	Year ended 31 December		Nine months ended 30 September	
		2023	2024	2024	2025
		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

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APPENDIX I

ACCOUNTANTS’ REPORT

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	As at <u>30 September</u> <u>2025</u> <i>EUR’000</i> (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.

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ACCOUNTANTS’ REPORT

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* (廣州市騰風製造科技有限公司)	(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:

- 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.
- 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.
- 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.
- 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.

APPENDIX I

ACCOUNTANTS’ REPORT

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 converted 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	<i>Presentation and Disclosure in Financial Statements²</i>
IFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures²</i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments¹</i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity¹</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency²</i>
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.

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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 a 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.

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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.

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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.

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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.

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ACCOUNTANTS’ REPORT

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.

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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.

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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.

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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.

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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

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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

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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 disclosed 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.

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Geographical information

(a) Revenue from external customers

	Year ended 31 December		Nine months ended 30 September	
	2023 EUR'000	2024 EUR'000	2024 EUR'000 (Unaudited)	2025 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 EUR'000	2024 EUR'000	2025 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 EUR'000	2024 EUR'000	2024 EUR'000 (Unaudited)	2025 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 EUR'000	2024 EUR'000	2024 EUR'000 (Unaudited)	2025 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

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	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.

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7. LOSS BEFORE TAX

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

	<i>Notes</i>	Year ended 31 December		Nine months ended 30 September	
		2023	2024	2024	2025
		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.

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8. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023 EUR’000	2024 EUR’000	2024 EUR’000 (Unaudited)	2025 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 EUR’000	2024 EUR’000	2024 EUR’000 (Unaudited)	2025 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 EUR’000	Performance related bonuses EUR’000	Pension scheme contributions EUR’000	Share based payment EUR’000	Total 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

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Year ended 31 December 2024

	Salaries, allowances and benefits in kind <i>EUR’000</i>	Performance related bonuses <i>EUR’000</i>	Pension scheme contributions <i>EUR’000</i>	Share based payment <i>EUR’000</i>	Total <i>EUR’000</i>
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 <i>EUR’000</i>	Performance related bonuses <i>EUR’000</i>	Pension scheme contributions <i>EUR’000</i>	Share based payment <i>EUR’000</i>	Total <i>EUR’000</i>
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 <i>EUR’000</i>	Performance related bonuses <i>EUR’000</i>	Pension scheme contributions <i>EUR’000</i>	Share based payment <i>EUR’000</i>	Total <i>EUR’000</i>
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.

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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.

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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.

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ACCOUNTANTS’ REPORT

14. PROPERTY, PLANT AND EQUIPMENT

The Group

	<u>Office furniture</u> <i>EUR'000</i>	<u>Electronic equipment</u> <i>EUR'000</i>	<u>Transportation equipment</u> <i>EUR'000</i>	<u>Other equipment</u> <i>EUR'000</i>	<u>Total</u> <i>EUR'000</i>	
31 December 2023						
At 1 January 2023						
Cost	15	112	194	—	321	
Accumulated depreciation	(3)	(17)	(22)	—	(42)	
Net carrying amount	<u>12</u>	<u>95</u>	<u>172</u>	<u>—</u>	<u>279</u>	
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	<u>542</u>	<u>172</u>	<u>436</u>	<u>93</u>	<u>1,243</u>	
At 31 December 2023:						
Cost	564	230	516	211	1,521	
Accumulated depreciation	(22)	(58)	(80)	(118)	(278)	
Net carrying amount	<u>542</u>	<u>172</u>	<u>436</u>	<u>93</u>	<u>1,243</u>	
	<u>Office furniture</u> <i>EUR'000</i>	<u>Electronic equipment</u> <i>EUR'000</i>	<u>Machinery and equipment</u> <i>EUR'000</i>	<u>Transportation equipment</u> <i>EUR'000</i>	<u>Other equipment</u> <i>EUR'000</i>	<u>Total</u> <i>EUR'000</i>
31 December 2024						
At 1 January 2024						
Cost	564	230	—	516	211	1,521
Accumulated depreciation	(22)	(58)	—	(80)	(118)	(278)
Net carrying amount	<u>542</u>	<u>172</u>	<u>—</u>	<u>436</u>	<u>93</u>	<u>1,243</u>
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	<u>511</u>	<u>270</u>	<u>96</u>	<u>828</u>	<u>185</u>	<u>1,890</u>
At 31 December 2024:						
Cost	681	398	99	1,041	370	2,589
Accumulated depreciation	(170)	(128)	(3)	(213)	(185)	(699)
Net carrying amount	<u>511</u>	<u>270</u>	<u>96</u>	<u>828</u>	<u>185</u>	<u>1,890</u>

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	Office furniture <i>EUR'000</i>	Electronic equipment <i>EUR'000</i>	Machinery and equipment <i>EUR'000</i>	Transportation equipment <i>EUR'000</i>	Other equipment <i>EUR'000</i>	Total <i>EUR'000</i>
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	<u>511</u>	<u>270</u>	<u>96</u>	<u>828</u>	<u>185</u>	<u>1,890</u>
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	<u>557</u>	<u>326</u>	<u>85</u>	<u>699</u>	<u>235</u>	<u>1,902</u>
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)	<u>557</u>	<u>326</u>	<u>85</u>	<u>699</u>	<u>235</u>	<u>1,902</u>

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

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	Office and warehouse <i>EUR'000</i>
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 <i>EUR'000</i>
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
	<i>EUR'000</i>	<i>EUR'000</i>	<i>EUR'000</i> (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

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(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 EUR'000	2024 EUR'000	2024 EUR'000 (Unaudited)	2025 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 EUR'000	Patents EUR'000	Software EUR'000	Total 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

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	Brand <i>EUR’000</i>	Patents <i>EUR’000</i>	Software <i>EUR’000</i>	Total <i>EUR’000</i>
31 December 2024				
At 1 January 2024:				
Cost	23	5	98	126
Accumulated amortisation	(10)	(1)	(13)	(24)
Net carrying amount	<u>13</u>	<u>4</u>	<u>85</u>	<u>102</u>
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	<u>9</u>	<u>578</u>	<u>180</u>	<u>767</u>
At 31 December 2024:				
Cost	25	718	205	948
Accumulated amortisation	(16)	(140)	(25)	(181)
Net carrying amount	<u>9</u>	<u>578</u>	<u>180</u>	<u>767</u>
	Brand <i>EUR’000</i>	Patents <i>EUR’000</i>	Software <i>EUR’000</i>	Total <i>EUR’000</i>
30 September 2025 (Unaudited)				
At 1 January 2025:				
Cost	25	718	205	948
Accumulated amortisation	(16)	(140)	(25)	(181)
Net carrying amount	<u>9</u>	<u>578</u>	<u>180</u>	<u>767</u>
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	<u>4</u>	<u>494</u>	<u>150</u>	<u>648</u>
At 30 September 2025:				
Cost	22	717	186	925
Accumulated amortisation	(18)	(223)	(36)	(277)
Net carrying amount (unaudited)	<u>4</u>	<u>494</u>	<u>150</u>	<u>648</u>

17. INVESTMENT IN A JOINT VENTURE

The Group

	As at 31 December		As at
	2023	2024	30 September
	<i>EUR’000</i>	<i>EUR’000</i>	2025
			<i>EUR’000</i>
			(Unaudited)
TENCYCLES — BIKE INDUSTRY, LDA	<u>—</u>	<u>—</u>	<u>15</u>

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.

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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.

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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 2025
	2023	2024	(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 2025
	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 through 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.

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21. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at 31 December		As at
	2023	2024	30 September
	EUR’000	EUR’000	2025
			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 losses are assessed to be minimal.

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

	Year ended 31 December		Nine months ended
	2023	2024	30 September
	EUR’000	EUR’000	2025
			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).

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The Group

	As at 31 December		As at
	2023	2024	30 September
	EUR’000	EUR’000	2025
			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	31 December	30 September
	2023	2024	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	31 December	30 September
	2023	2024	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
	2023	2024	30 September
	EUR’000	EUR’000	2025
			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
	2023	2024	30 September
	EUR’000	EUR’000	2025
			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

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24. CONTRACT LIABILITIES

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	EUR'000	EUR'000	EUR'000 (Unaudited)
<i>Short-term advances received from customers:</i>			
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

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Deferred tax liabilities

	Right-of-use assets
	<i>EUR’000</i>
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
	2023	2024
	<i>EUR’000</i>	<i>EUR’000</i>
		30 September
		2025
		<i>EUR’000</i>
		(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
	2023	2024
	<i>EUR’000</i>	<i>EUR’000</i>
		30 September
		2025
		<i>EUR’000</i>
		(Unaudited)
Tax losses	3,180	5,859
Deductible temporary differences	5,717	10,979
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.

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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 investor 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 immediately 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

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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
	2023	2024	30 September
	<i>EUR’000</i>	<i>EUR’000</i>	<i>EUR’000</i>
			(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	<u>58,729</u>	<u>98,404</u>	<u>117,957</u>
Analysed into:			
Current portion (b)	<u>58,729</u>	<u>98,404</u>	<u>117,957</u>
Total	<u>58,729</u>	<u>98,404</u>	<u>117,957</u>

* 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.

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(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
	2023	2024	30 September 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:

- 1% increase/decrease in the discount rate with all other variables held constant would decrease/increase the fair value of Preferred Shares 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.
- 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.
- 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.
- 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.

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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		RMB	
					(Unaudited)	(Unaudited)	(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 (%)	—	—	—	—

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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.

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(b) Changes in liabilities arising from financing activities

	Lease Liabilities	Interest bearing bank borrowings	Convertible redeemable preferred shares
	<i>EUR'000</i>	<i>EUR'000</i>	<i>EUR'000</i>
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	<u>2,397</u>	<u>—</u>	<u>58,729</u>
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	<u>2,952</u>	<u>7,922</u>	<u>98,404</u>
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)	<u>2,478</u>	<u>10,636</u>	<u>117,957</u>

* 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
	<i>EUR'000</i>	<i>EUR'000</i>	<i>EUR'000</i>	<i>EUR'000</i>
			(Unaudited)	(Unaudited)
Within operating activities	77	110	96	86
Within financing activities	<u>222</u>	<u>819</u>	<u>615</u>	<u>620</u>
Total	<u>299</u>	<u>929</u>	<u>711</u>	<u>706</u>

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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.

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(c) Outstanding balances with related parties:

	As at 31 December		As at
	2023	2024	30 September
	EUR’000	EUR’000	2025
			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
	2023	2024	30 September
	EUR’000	EUR’000	2025
			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
	2023	2024	30 September
	EUR’000	EUR’000	2025
			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.

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35. FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

	As at 31 December		As at 30 September
	2023	2024	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		As at 30 September
	2023	2024	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

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As at 31 December 2024

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	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			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	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.

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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

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At 31 December 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1 EUR’000	Stage 2 EUR’000	Stage 3 EUR’000	Simplified approach EUR’000	Total 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 EUR’000	Stage 2 EUR’000	Stage 3 EUR’000	Simplified approach EUR’000	Total 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 EUR’000	1 to 5 years EUR’000	Total 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

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At 31 December 2024

	Less than 12 months or on demand EUR'000	1 to 5 years EUR'000	Total 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 EUR'000	1 to 5 years EUR'000	Total 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 2023 EUR'000	2024 EUR'000	As at 30 September 2025 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.

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE AND THAT THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

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APPENDIX II UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX III

SUMMARY OF THE CONSTITUTION OF OUR COMPANY AND CAYMAN ISLANDS COMPANY LAW

Set out below is a summary of certain provisions of the Memorandum and Articles of Association of the Company and of certain aspects of Cayman Islands company law.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on January 3, 2025 under the Companies Act. The Company’s constitutional documents consist of its Amended and Restated Memorandum of Association (**Memorandum**) and its Amended and Restated Articles of Association (**Articles**).

SUMMARY OF THE CONSTITUTION OF THE COMPANY

1 Memorandum of Association

The Memorandum of Association of the Company was conditionally adopted on [•] and states, *inter alia*, that the liability of the members of the Company is limited, that the objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by the Cayman Companies Act or any other law of the Cayman Islands.

The Memorandum of Association is available for inspection at the address specified in Appendix V in the section headed “Documents Delivered to the Registrar of Companies and Documents on Display”.

2 Articles of Association

The Articles of Association of the Company were conditionally adopted on [•] and include provisions to the following effect:

2.1 *Classes of Shares*

The share capital of the Company consists of ordinary shares. The authorized share capital of the Company at the date of adoption of the Articles is [•] divided into [•] shares of [•] each.

2.2 *Directors*

(a) Power to allot and issue Shares

Subject to the provisions of the Cayman Companies Act and the Memorandum and Articles of Association, the unissued shares in the Company (whether forming part of its original or any increased capital) shall be at the disposal of the Directors, who may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration, and upon such terms, as the Directors shall determine.

Subject to the provisions of the Articles of Association and to any direction that may be given by the Company in general meeting and without prejudice to any special rights conferred on the holders of any existing shares or attaching to any class of shares, any share may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, and to such persons at such times and for such consideration as the Directors may determine. Subject to the Cayman Companies Act and to any special rights conferred on any shareholders or attaching to any class of shares, any share may, with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company or the holder thereof, liable to be redeemed.

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(b) Power to dispose of the assets of the Company or any subsidiary

The management of the business of the Company shall be vested in the Directors who, in addition to the powers and authorities by the Articles of Association expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not by the Articles of Association or the Cayman Companies Act expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Cayman Companies Act and of the Articles of Association and to any regulation from time to time made by the Company in general meeting not being inconsistent with such provisions or the Articles of Association, provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

(c) Compensation or payment for loss of office

Payment to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must first be approved by the Company in general meeting.

(d) Loans to Directors

There are provisions in the Articles of Association prohibiting the making of loans to Directors or their respective close associates which are equivalent to the restrictions imposed by the Companies Ordinance.

(e) Financial assistance to purchase Shares

Subject to all applicable laws, the Company may give financial assistance to Directors and employees of the Company, its subsidiaries or any holding company or any subsidiary of such holding company in order that they may buy shares in the Company or any such subsidiary or holding company. Further, subject to all applicable laws, the Company may give financial assistance to a trustee for the acquisition of shares in the Company or shares in any such subsidiary or holding company to be held for the benefit of employees of the Company, its subsidiaries, any holding company of the Company or any subsidiary of any such holding company (including salaried Directors).

(f) Disclosure of interest in contracts with the Company or any of its subsidiaries

No Director or proposed Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any person, company or partnership of or in which any Director shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being any member or so interested be liable to account to the Company for any profit so realized by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall, if his interest in such contract or arrangement is material, declare the nature of his interest at the earliest meeting of the board of Directors at which it is practicable for him to do so, either specifically or by way of a general notice stating that, by reason of the facts specified in the notice, he is to be regarded as interested in any contracts of a specified description which may be made by the Company.

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A Director shall not be entitled to vote on (nor shall be counted in the quorum in relation to) any resolution of the Directors in respect of any contract or arrangement or any other proposal in which the Director or any of his close associates (or, if required by the Listing Rules, his other associates) has any material interest, and if he shall do so his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters, namely:

- (i) the giving to such Director or any of his close associates of any security or indemnity in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;
- (ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his close associates has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (iii) any proposal concerning an offer of shares, debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or any of his close associates is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iv) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries including:
 - (A) the adoption, modification or operation of any employees’ share scheme or any share incentive scheme or share option scheme under which the Director or any of his close associates may benefit; or
 - (B) the adoption, modification or operation of a pension or provident fund or retirement, death or disability benefits scheme which relates both to Directors, their close associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or any of his close associates, as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (v) any contract or arrangement in which the Director or any of his close associates is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

(g) Remuneration

The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Directors, or the Company in general meeting, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided amongst the Directors in such proportions and in such manner as they may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.

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The Directors shall also be entitled to be paid all expenses, including travel expenses, reasonably incurred by them in or in connection with the performance of their duties as Directors including their expenses of traveling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged on the business of the Company or in the discharge of their duties as Directors.

The Directors may grant special remuneration to any Director who shall perform any special or extra services at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be agreed.

The remuneration of an executive Director or a Director appointed to any other office in the management of the Company shall from time to time be fixed by the Directors and may be by way of salary, commission or participation in profits or otherwise or by all or any of those modes and with such other benefits (including share option and/or pension and/or gratuity and/or other benefits on retirement) and allowances as the Directors may from time to time decide. Such remuneration shall be in addition to such remuneration as the recipient may be entitled to receive as a Director.

(h) Retirement, appointment and removal

The number of Directors shall not be less than two.

The Directors shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting.

The Company may by ordinary resolution remove any Director (including a Managing Director or other executive Director) before the expiration of his period of office notwithstanding anything in the Articles of Association or in any agreement between the Company and such Director (but without prejudice to any claim for compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment of office as a result of the termination of this appointment as Director).

The Company may by ordinary resolution appoint another person in his place. Any Director so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed. The Company may also by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the first annual general meeting of the Company after this appointment and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors and which Directors who are to retire by rotation at such meeting.

No person shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless, during the period, which shall be at least seven days, commencing no earlier than the day after the dispatch of the notice of the meeting appointed for such election and ending no later than seven days prior to the date of such meeting, there has been given to the Secretary of the Company notice in writing by a member of the Company (not being the person to be proposed) entitled to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

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There is no shareholding qualification for Directors nor is there any specified age limit for Directors. The office of a Director shall be vacated:

- (i) if he resigns his office by notice in writing to the Company at its registered office or its principal office in Hong Kong;
- (ii) if an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Directors resolve that his office be vacated;
- (iii) if, without leave, he is absent from meetings of the Directors (unless an alternate Director appointed by him attends) for 12 consecutive months, and the Directors resolve that his office be vacated;
- (iv) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (v) if he ceases to be or is prohibited from being a Director by law or by virtue of any provision in the Articles of Association;
- (vi) if he is removed from office by a notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) for the time being then in office; or
- (vii) if he shall be removed from office by an ordinary resolution of the members of the Company under the Articles of Association.

At every annual general meeting of the Company one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

(i) Borrowing powers

The Directors may from time to time at their discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof.

(j) Proceedings of the Board

The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit in any part of the world. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

2.3 Alteration to constitutional documents

No alteration or amendment to the Memorandum or Articles of Association may be made except by special resolution.

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2.4 Variation of rights of existing shares or classes of shares

If at any time the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the Cayman Companies Act, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting all the provisions of the Articles of Association relating to general meetings shall *mutatis mutandis* apply, but so that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy or duly authorized representative) at the date of the relevant meeting not less than one-third in nominal value of the issued shares of that class.

The special rights conferred upon the holders of shares of any class shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

2.5 Alteration of capital

The Company may, from time to time, whether or not all the shares for the time being authorized shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by ordinary resolution, increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts as the resolution shall prescribe.

The Company may from time to time by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares. On any consolidation of fully paid shares and division into shares of larger amount, the Directors may settle any difficulty which may arise as they think expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Directors for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares ratably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;
- (b) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so canceled subject to the provisions of the Cayman Companies Act; and
- (c) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of the Cayman Companies Act, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights, over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.

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The Company may by special resolution reduce its share capital or any capital redemption reserve in any manner authorized and subject to any conditions prescribed by the Cayman Companies Act.

2.6 Special resolution — majority required

A “special resolution” is defined in the Articles of Association to have the meaning ascribed thereto in the Cayman Companies Act, for which purpose, the requisite majority shall be not less than three-fourths of the votes of such members of the Company as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorized representatives, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given and includes a special resolution signed by all members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly appointed representatives), and any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last member to sign.

In contrast, an “ordinary resolution” is defined in the Articles of Association to mean a resolution passed by a simple majority of the votes of such members of the Company as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorized representatives, at a general meeting held in accordance with the Articles of Association and includes an ordinary resolution approved in writing by all the members of the Company aforesaid.

2.7 Voting rights

Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a poll every member (except the holder of treasury share(s) (as defined under the Companies Act, the “**Treasury Share(s)**”)) present in person (or, in the case of a member being a corporation, by its duly authorized representative) or by proxy shall have one vote for each share registered in his name in the register of members of the Company.

Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

In the case of joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding.

A member of the Company in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote by any person authorized in such circumstances to do so and such person may vote by proxy.

Save as expressly provided in the Articles of Association or as otherwise determined by the Directors, no person other than a member of the Company duly registered and who shall have paid all sums for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member of the Company), or to be reckoned in a quorum, either personally or by proxy at any general meeting.

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At any general meeting a resolution put to the vote of the meeting shall be decided by way of a poll save that the chairman of the meeting may allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands.

If a recognized clearing house (or its nominee(s)) is a member of the Company it may authorize such person or persons as it thinks fit to act as its proxy(ies) or representative(s) at any meeting of the Company (including general meeting and creditors meeting of the Company) or at any general meeting of any class of members of the Company provided that, if more than one person is so authorized, the authorization shall specify the number and class of shares in respect of which each such person is so authorized. A person authorized pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the recognized clearing house (or its nominee(s)) which he represents as that recognized clearing house (or its nominee(s)) could exercise as if it were an individual member of the Company holding the number and class of shares specified in such authorization, including, where a show of hands is allowed, the right to vote individually on a show of hands.

All members for the time being entitled to receive notice of and to attend and vote at general meetings (or, in the case of a member being a corporation, its duly authorized representative), shall have the right to speak at any general meetings of the Company.

A Treasury Share shall not be voted, directly or indirectly, at any general meeting of the Company and shall not be counted in determining the total number of issued shares at any given time, whether for the purposes of the Articles of Association or the Companies Act.

2.8 Annual general meetings and extraordinary general meetings

The Company must hold a general meeting as its annual general meeting each financial year. Such meeting must be held within six months after the end of the Company’s financial year. The annual general meeting shall be specified as such in the notices calling it.

Extraordinary general meetings may be convened on the requisition of one or more shareholders (or any one member which is a recognized clearing house (or its nominee(s)) holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings.

2.9 Accounts and audit

The Directors shall cause to be kept such books of account as are necessary to give a true and fair view of the state of the Company’s affairs and to show and explain its transactions and otherwise in accordance with the Cayman Companies Act.

The Directors shall from time to time determine whether, and to what extent, and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection by members of the Company (other than officers of the Company) and no such member shall have any right of inspecting any accounts or books or documents of the Company except as conferred by the Cayman Companies Act or any other relevant law or regulation or as authorized by the Directors or by the Company in general meeting.

The Directors shall, commencing with the first annual general meeting, cause to be prepared and to be laid before the members of the Company at every annual general meeting a profit and loss account for the period, in the case of the first account, since the incorporation of the Company and, in any other case, since the preceding account, together with a statement of financial position as at the date to which the profit and loss account is made up and a Director’s report with respect to the profit or loss of the Company for the period covered by the profit and loss account and the state of the Company’s affairs as at the end of such period, an auditor’s report on such accounts and such other reports and accounts as may be required by

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law. Copies of those documents to be laid before the members of the Company at an annual general meeting shall not less than 21 days before the date of the meeting, be sent in the manner in which notices may be served by the Company as provided in the Articles of Association to every member of the Company and every holder of debentures of the Company provided that the Company shall not be required to send copies of those documents to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

The appointment, removal and remuneration of an auditor or auditors of the Company shall require the approval of an ordinary resolution of the members in general meeting. The Company shall at every annual general meeting appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting and fix the remuneration of such auditor(s) being appointed. The removal of any auditor before the expiration of his period of office shall be approved at a general meeting; and the members shall at that meeting appoint new auditor in its place for the remainder of the term. Subject to compliance with the Listing Rules, the Board may fill any casual vacancy in the office of auditor, but while any such vacancy continues, the surviving or continuing Auditor or Auditors, if any, may act.

2.10 Notice of meetings and business to be conducted thereat

An annual general meeting shall be called by not less than 21 days’ notice in writing and any extraordinary general meeting shall be called by not less than 14 days’ notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place (except in the case of a virtual meeting held in accordance with the Articles of Association) and agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Notice of every general meeting shall be given to the auditors and all members of the Company (other than those who, under the provisions of the Articles of Association or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company).

Notwithstanding that a meeting of the Company is called by shorter notice than that mentioned above, it shall be deemed to have been duly called if it is so agreed:

- (a) in the case of a meeting called as an annual general meeting, by all members of the Company entitled to attend and vote thereat or their proxies; and
- (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving that right.

2.11 Transfer of shares

Transfers of shares may be effected by an instrument of transfer in the usual common form or in such other form as the Directors may approve which is consistent with the standard form of transfer as prescribed by the Stock Exchange.

The instrument of transfer shall be executed by or on behalf of the transferor and, unless the Directors otherwise determine, the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company in respect thereof. All instruments of transfer shall be retained by the Company.

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The Directors may, in its absolute discretion, and without assigning any reason, refuse to register any transfer of any share which is not fully paid up or on which the Company has a lien. The Directors may also decline to register any transfer of any shares unless:

- (a) the instrument of transfer is lodged with the Company accompanied by the certificate for the shares to which it relates (which shall upon the registration of the transfer be canceled) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- (b) the instrument of transfer is in respect of only one class of shares;
- (c) the instrument of transfer is properly stamped (in circumstances where stamping is required);
- (d) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four;
- (e) the shares concerned are free of any lien in favor of the Company; and
- (f) a fee of such amount not exceeding the maximum amount as the Stock Exchange may from time to time determine to be payable (or such lesser sum as the Directors may from time to time require) is paid to the Company in respect thereof.

If the Directors refuse to register a transfer of any share they shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal.

The registration of transfers may, on 10 business days’ notice (or on 6 business days’ notice in the case of a rights issue) being given by advertisement published on the Stock Exchange’s website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association or by advertisement published in the newspapers, be suspended and the register of members of the Company closed at such times for such periods as the Directors may from time to time determine, provided that the registration of transfers shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the members of the Company may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year).

2.12 Power of the Company to purchase its own shares

The Company is empowered by the Cayman Companies Act and the Articles of Association to purchase its own shares subject to certain restrictions and the Directors may only exercise this power on behalf of the Company subject to the authority of its members in general meeting as to the manner in which they do so and to any applicable requirements imposed from time to time by the Stock Exchange and the Securities and Futures Commission of Hong Kong. The holder of the shares being purchased shall be bound to deliver up to the Company at its principal place of business in Hong Kong or such other place as the Directors shall specify the certificate(s) thereof, if any, and thereupon the Company shall pay to him the purchase or redemption monies in respect thereof. The Board shall have the discretion to cancel such certificate(s).

Subject to the Listing Rules, the Directors may, prior to the purchase, redemption or surrender of any share, determine that such share shall be held as a Treasury Share or cancelled, and may resolve to cancel a Treasury Share or transfer a Treasury Share on such terms as they think proper.

2.13 Power of any subsidiary of the Company to own shares

There are no provisions in the Articles of Association relating to the ownership of shares by a subsidiary.

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2.14 Dividends and other methods of distribution

Subject to the Cayman Companies Act and the Articles of Association, the Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Directors. No dividend may be declared or paid other than out of profits and reserves of the Company lawfully available for distribution, including share premium.

Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For these purposes no amount paid up on a share in advance of calls shall be treated as paid up on the share.

The Directors may from time to time pay to the members of the Company such interim dividends as appear to the Directors to be justified by the profits of the Company. The Directors may also pay half-yearly or at other intervals to be selected by them any dividend which may be at a fixed rate if they are of the opinion that the profits available for distribution justify the payment.

The Directors may retain any dividends or other monies payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. The Directors may also deduct from any dividend or other monies payable to any member of the Company all sums of money (if any) presently payable by him to the Company on account of calls, installments or otherwise.

No dividend shall carry interest against the Company.

Whenever the Directors or the Company in general meeting have resolved that a dividend be paid or declared on the share capital of the Company, the Directors may further resolve: (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up on the basis that the shares so allotted are to be of the same class as the class already held by the allottee, provided that the members of the Company entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or (b) that the members of the Company entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Directors may think fit on the basis that the shares so allotted are to be of the same class as the class already held by the allottee. The Company may upon the recommendation of the Directors by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the foregoing a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to members of the Company to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, interest or other sum payable in cash to a holder of shares may be paid by cheque or warrant sent through the post addressed to the registered address of the member of the Company entitled, or in the case of joint holders, to the registered address of the person whose name stands first in the register of members of the Company in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the register of members of the Company in respect of such shares, and shall be sent at his or their risk and the payment of any such cheque or warrant by the bank on which it is drawn shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any

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endorsement thereon has been forged. The Company may cease sending such cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise its power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered. Any one of two or more joint holders may give effectual receipts for any dividends or other monies payable or property distributable in respect of the shares held by such joint holders.

Any dividend unclaimed for six years from the date of declaration of such dividend may be forfeited by the Directors and shall revert to the Company.

Whenever the Directors or the Company in general meeting have resolved that a dividend may be paid or declared, the Directors may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind, and in particular of paid up shares, debentures or warrants to subscribe securities of any other company, and where any difficulty arises in regard to such distribution the Directors may settle it as they think expedient, and in particular may disregard fractional entitlements, round the same up or down or provide that the same shall accrue to the benefit of the Company, and may fix the value for distribution of such specific assets and may determine that cash payments shall be made to any members of the Company upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.

No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the Company’s assets (including any distribution of assets to members on a winding up) may be declared or paid in respect of a Treasury Share. Notwithstanding the foregoing, nothing in the Articles of Association prevent an allotment of shares as fully paid up bonus shares in respect of a Treasury Share and shares allotted as fully paid up bonus shares in respect of a Treasury Share shall be treated as Treasury Shares.

2.15 Proxies

Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person who must be an individual as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the meeting. A proxy need not be a member of the Company.

Instruments of proxy shall be in common form or in such other form as the Directors may from time to time approve provided that it shall enable a member to instruct his proxy to vote in favor of or against (or in default of instructions or in the event of conflicting instructions, to exercise his discretion in respect of) each resolution to be proposed at the meeting to which the form of proxy relates. The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates provided that the meeting was originally held within 12 months from such date.

The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney authorized in writing or if the appointor is a corporation either under its seal or under the hand of an officer, attorney or other person authorized to sign the same.

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The instrument appointing a proxy and (if required by the Directors) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the registered office of the Company (or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 48 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. Delivery of any instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

2.16 Calls on shares and forfeiture of shares

The Directors may from time to time make calls upon the members of the Company in respect of any monies unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium or otherwise) and not by the conditions of allotment thereof made payable at fixed times and each member of the Company shall (subject to the Company serving upon him at least 14 days’ notice specifying the time and place of payment and to whom such payment shall be made) pay to the person at the time and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine. A person upon whom a call is made shall remain liable on such call notwithstanding the subsequent transfer of the shares in respect of which the call was made.

A call may be made payable either in one sum or by installments and shall be deemed to have been made at the time when the resolution of the Directors authorizing the call was passed. The joint holders of a share shall be jointly and severally liable to pay all calls and installments due in respect of such share or other monies due in respect thereof.

If a sum called in respect of a share shall not be paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 15% per annum, as the Directors may determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.

If any call or installment of a call remains unpaid on any share after the day appointed for payment thereof, the Directors may at any time during such time as any part thereof remains unpaid serve a notice on the holder of such shares requiring payment of so much of the call or installment as is unpaid together with any interest which may be accrued and which may still accrue up to the date of actual payment.

The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made or installment is unpaid will be liable to be forfeited.

If the requirements of such notice are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or installments and interest due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares and not actually paid before the forfeiture. A forfeited share shall be deemed to be the property of the Company and may be re-allotted, sold or otherwise disposed of.

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A person whose shares have been forfeited shall cease to be a member of the Company in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which at the date of forfeiture were payable by him to the Company in respect of the shares, together with (if the Directors shall in their discretion so require) interest thereon at such rate not exceeding 15% per annum as the Directors may prescribe from the date of forfeiture until payment, and the Directors may enforce payment thereof without being under any obligation to make any allowance for the value of the shares forfeited, at the date of forfeiture.

2.17 Inspection of register of members

The register of members of the Company shall be kept in such manner as to show at all times the members of the Company for the time being and the shares respectively held by them. The register may, on 10 business days’ notice (or on 6 business days’ notice in the case of a rights issue) being given by advertisement published on the Stock Exchange’s website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association or by advertisement published in the newspapers, be closed at such times and for such periods as the Directors may from time to time determine either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members of the Company may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year).

Any register of members kept in Hong Kong shall during normal business hours (subject to such reasonable restrictions as the Directors may impose) be open to inspection by any member of the Company without charge and by any other person on payment of a fee of such amount not exceeding the maximum amount as may from time to time be permitted under the Listing Rules as the Directors may determine for each inspection.

2.18 Quorum for meetings and separate class meetings

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment of a chairman which shall not be treated as part of the business of the meeting.

Two members of the Company (excluding the holder of a Treasury Share) present in person or by proxy shall be a quorum provided always that if the Company has only one member of record the quorum shall be that one member present in person or by proxy.

A corporation being a member of the Company shall be deemed for the purpose of the Articles of Association to be present in person if represented by its duly authorized representative being the person appointed by resolution of the directors or other governing body of such corporation or by power of attorney to act as its representative at the relevant general meeting of the Company or at any relevant general meeting of any class of members of the Company.

The quorum for a separate general meeting of the holders of a separate class of shares of the Company is described in paragraph 2.4 above.

2.19 Rights of minorities in relation to fraud or oppression

There are no provisions in the Articles of Association concerning the rights of minority shareholders in relation to fraud or oppression.

2.20 Procedure on liquidation

Subject to the Cayman Companies Act, the Company may by special resolution resolve that the Company be wound up voluntarily.

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If the Company shall be wound up, and the assets available for distribution amongst the members of the Company as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members of the Company in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively. If in a winding up the assets available for distribution amongst the members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members of the Company in proportion to the capital paid up at the commencement of the winding up on the shares held by them respectively. The foregoing is without prejudice to the rights of the holders of shares issued upon special terms and conditions.

If the Company shall be wound up, the liquidator may with the sanction of a special resolution of the Company and any other sanction required by the Cayman Companies Act, divide amongst the members of the Company in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members of the Company. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members of the Company as the liquidator, with the like sanction and subject to the Cayman Companies Act, shall think fit, but so that no member of the Company shall be compelled to accept any assets, shares or other securities in respect of which there is a liability.

2.21 Untraceable members

The Company shall be entitled to sell any shares of a member of the Company or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or operation of law if: (a) all cheques or warrants, not being less than three in number, for any sums payable in cash to the holder of such shares have remained uncashed for a period of 12 years; (b) the Company has not during that time or before the expiry of the three month period referred to in (d) below received any indication of the whereabouts or existence of the member; (c) during the 12 year period, at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed by the member; and (d) upon expiry of the 12 year period, the Company has caused an advertisement to be published in the newspapers or subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association, giving notice of its intention to sell such shares and a period of three months has elapsed since such advertisement and the Stock Exchange has been notified of such intention. The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former member for an amount equal to such net proceeds.

SUMMARY OF CAYMAN ISLANDS COMPANY LAW AND TAXATION

1 Introduction

The Cayman Companies Act is derived, to a large extent, from the older Companies Acts of England, although there are significant differences between the Cayman Companies Act and the current Companies Act of England. Set out below is a summary of certain provisions of the Cayman Companies Act, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of corporate law and taxation which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

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2 Incorporation

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 3 January 2025 under the Cayman Companies Act. As such, its operations must be conducted mainly outside the Cayman Islands. The Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the size of its authorized share capital.

3 Share Capital

The Cayman Companies Act permits a company to issue ordinary shares, preference shares, redeemable shares or any combination thereof.

The Cayman Companies Act provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premia on those shares shall be transferred to an account called the “share premium account”. At the option of a company, these provisions may not apply to premia on shares of that company allotted pursuant to any arrangement in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The Cayman Companies Act provides that the share premium account may be applied by a company, subject to the provisions, if any, of its memorandum and articles of association, in such manner as the company may from time to time determine including, but without limitation:

- (a) paying distributions or dividends to members;
- (b) paying up unissued shares of the company to be issued to members as fully paid bonus shares;
- (c) in the redemption and repurchase of shares (subject to the provisions of section 37 of the Cayman Companies Act);
- (d) writing-off the preliminary expenses of the company;
- (e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company; and
- (f) providing for the premium payable on redemption or purchase of any shares or debentures of the company.

No distribution or dividend may be paid to members out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid the company will be able to pay its debts as they fall due in the ordinary course of business.

The Cayman Companies Act provides that, subject to confirmation by the Grand Court of the Cayman Islands or any conditions prescribed by the Cayman Companies Act, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorized by its articles of association, by special resolution reduce its share capital in any way pursuant to the Cayman Companies Act.

Subject to the detailed provisions of the Cayman Companies Act, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorized by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a shareholder. In addition, such a company may, if authorized to do so by its articles of association, purchase its own shares, including any redeemable shares. The manner of such a purchase must be authorized either by the articles of association or by an ordinary resolution of the company. The articles of association may provide that the manner of purchase may be determined by the directors of the company. At no time may a company redeem or purchase its shares unless they are fully paid. A company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any member of the company holding shares. A

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payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

There is no statutory restriction in the Cayman Islands on the provision of financial assistance by a company for the purchase of, or subscription for, its own or its holding company's shares. Accordingly, a company may provide financial assistance if the directors of the company consider, in discharging their duties of care and to act in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's-length basis.

4 Dividends and Distributions

With the exception of section 34 of the Cayman Companies Act, there are no statutory provisions relating to the payment of dividends. Based upon English case law which is likely to be persuasive in the Cayman Islands in this area, dividends may be paid only out of profits. In addition, section 34 of the Cayman Companies Act permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account (see paragraph 3 above for details).

5 Shareholders' Suits

The Cayman Islands courts can be expected to follow English case law precedents. The rule in *Foss v. Harbottle* (and the exceptions thereto which permit a minority shareholder to commence a class action against or derivative actions in the name of the company to challenge (a) an act which is ultra vires the company or illegal, (b) an act which constitutes a fraud against the minority where the wrongdoers are themselves in control of the company, and (c) an action which requires a resolution with a qualified (or special) majority which has not been obtained) has been applied and followed by the courts in the Cayman Islands.

6 Protection of Minorities

In the case of a company (not being a bank) having a share capital divided into shares, the Grand Court of the Cayman Islands may, on the application of members holding not less than one-fifth of the shares of the company in issue, appoint an inspector to examine into the affairs of the company and to report thereon in such manner as the Grand Court shall direct.

Any shareholder of a company may petition the Grand Court of the Cayman Islands which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.

Claims against a company by its shareholders must, as a general rule, be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by the company's memorandum and articles of association.

The English common law rule that the majority will not be permitted to commit a fraud on the minority has been applied and followed by the courts of the Cayman Islands.

7 Disposal of Assets

The Cayman Companies Act contains no specific restrictions on the powers of directors to dispose of assets of a company. As a matter of general law, in the exercise of those powers, the directors must discharge their duties of care and to act in good faith, for a proper purpose and in the interests of the company.

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SUMMARY OF THE CONSTITUTION OF OUR COMPANY AND CAYMAN ISLANDS COMPANY LAW

8 Accounting and Auditing Requirements

The Cayman Companies Act requires that a company shall cause to be kept proper books of account with respect to:

- (a) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place;
- (b) all sales and purchases of goods by the company; and
- (c) the assets and liabilities of the company.

Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company’s affairs and to explain its transactions.

9 Register of Members

An exempted company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or without the Cayman Islands, as its directors may from time to time think fit. There is no requirement under the Cayman Companies Act for an exempted company to make any returns of members to the Registrar of Companies of the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection.

10 Inspection of Books and Records

Members of a company will have no general right under the Cayman Companies Act to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company’s articles of association.

11 Special Resolutions

The Cayman Companies Act provides that a resolution is a special resolution when it has been passed by a majority of at least two-thirds of such members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given, except that a company may in its articles of association specify that the required majority shall be a number greater than two-thirds, and may additionally so provide that such majority (being not less than two-thirds) may differ as between matters required to be approved by a special resolution. Written resolutions signed by all the members entitled to vote for the time being of the company may take effect as special resolutions if this is authorized by the articles of association of the company.

12 Subsidiary Owning Shares in Parent

The Cayman Companies Act does not prohibit a Cayman Islands company acquiring and holding shares in its parent company provided its objects so permit. The directors of any subsidiary making such acquisition must discharge their duties of care and to act in good faith, for a proper purpose and in the interests of the subsidiary.

13 Mergers and Consolidations

The Cayman Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) “merger” means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company, and (b) “consolidation” means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (a) a special resolution of each constituent company and (b) such

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other authorization, if any, as may be specified in such constituent company’s articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies of the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Dissenting shareholders have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

14 Reconstructions

There are statutory provisions which facilitate reconstructions and amalgamations approved by (i) a majority in number representing 75% in value of creditors, or (ii) a majority of 75% in value of shareholders or class of shareholders, as the case may be, depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the Grand Court of the Cayman Islands. Whilst a dissenting shareholder would have the right to express to the Grand Court his view that the transaction for which approval is sought would not provide the shareholders with a fair value for their shares, the Grand Court is unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management and if the transaction were approved and consummated the dissenting shareholder would have no rights comparable to the appraisal rights (i.e. the right to receive payment in cash for the judicially determined value of his shares) ordinarily available, for example, to dissenting shareholders of United States corporations.

15 Take-overs

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may at any time within two months after the expiration of the said four months, by notice require the dissenting shareholders to transfer their shares on the terms of the offer. A dissenting shareholder may apply to the Grand Court of the Cayman Islands within one month of the notice objecting to the transfer. The burden is on the dissenting shareholder to show that the Grand Court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority shareholders.

16 Indemnification

Cayman Islands law does not limit the extent to which a company’s articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy (e.g. for purporting to provide indemnification against the consequences of committing a crime).

17 Liquidation

A company may be placed in liquidation compulsorily by an order of the court, or voluntarily (a) by a special resolution of its members if the company is solvent, or (b) by an ordinary resolution of its members if the company is insolvent. The liquidator’s duties are to collect the assets of the company (including the amount (if any) due from the contributories (shareholders)), settle the list of creditors and discharge the company’s liability to them, ratably if insufficient assets exist to discharge the liabilities in full, and to settle the list of contributories and divide the surplus assets (if any) amongst them in accordance with the rights attaching to the shares.

18 Stamp Duty on Transfers

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

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19 Taxation

Pursuant to section 6 of the Tax Concessions Act (as amended) of the Cayman Islands, the Company may obtain an undertaking from the Financial Secretary of the Cayman Islands:

- (a) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and
- (b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:
 - (i) on or in respect of the shares, debentures or other obligations of the Company; or
 - (ii) by way of the withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Act (as amended).

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are not party to any double tax treaties that are applicable to any payments made by or to the Company.

20 Exchange Control

There are no exchange control regulations or currency restrictions in the Cayman Islands.

21 Economic Substance Requirements

Pursuant to the International Tax Cooperation (Economic Substance) Act (As Revised) (“**ES Law**”) that came into force on 1 January 2019, a “relevant entity” is required to satisfy the economic substance test set out in the ES Law. A “relevant entity” includes an exempted company incorporated in the Cayman Islands as is the Company; however, it does not include an entity that is tax resident outside the Cayman Islands. Accordingly, if an exempted company incorporated in the Cayman Islands is tax resident outside the Cayman Islands, it will not be required to satisfy the economic substance test set out in the ES Law.

22 General

Campbells, the Company’s legal advisers on Cayman Islands law, have sent to the Company a letter of advice summarizing aspects of Cayman Islands company law. This letter, together with a copy of the Cayman Companies Act, is available for inspection as referred to in the section headed “Documents Delivered to the Registrar of Companies and Available on Display” in Appendix V. Any person wishing to have a detailed summary of Cayman Islands company law or advice on the differences between it and the laws of any jurisdiction with which he/she is more familiar is recommended to seek independent legal advice.

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FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation

Our Company was incorporated under the laws of the Cayman Islands as an exempted company with limited liability on January 3, 2025.

Our registered office address is at Palm Grove Unit 4, 265 Smith Road, George Town, P.O. Box 52A Edgewater Way, #1653, Grand Cayman KY1-9006, Cayman Islands. Accordingly, our Company’s corporate structure and Memorandum and Articles of Association are subject to the relevant laws of the Cayman Islands. A summary of our Memorandum and Articles of Association is set out in Appendix III to this document.

Our registered place of business in Hong Kong is at 19th Floor, Golden Centre, 188 Des Voeux Road Central, Hong Kong. We were registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on [•] with the Registrar of Companies in Hong Kong. Ms. Yammie Fung has been appointed as the authorized representative of our Company for the acceptance of service of process and any notices required to be served on the Company in Hong Kong. The address for service of process is 19th Floor, Golden Centre, 188 Des Voeux Road Central, Hong Kong.

As of the date of this document, our Company’s headquarters is located at Kabelweg 57, 1014BA. Amsterdam, Netherlands.

2. Changes in Share Capital of Our Company

Our Company was incorporated with an authorized share capital of US\$50,000 divided into 500,000,000 Shares with a par value of US\$0.0001 each.

Save as disclosed in the section headed “History, Reorganization and Corporate Structure” in this document, there has been no alteration in the share capital of our Company within the two years immediately preceding the date of this document.

3. Changes in the Share Capital of Members of Our Group

The following sets out the changes in the share or registered capital of the members of our Group within the two years immediately preceding the date of this document:

- (a) On January 22, 2026, Shenzhen Shifang underwent capital reduction and reduced its registered share capital from RMB33,204,306 to RMB15,762,952.

Save as disclosed above, there has been no alteration in the share capital of any members of our Group within the two years immediately preceding the date of this document.

4. Resolutions Passed by Our Shareholders’ General Meeting in Relation to the [REDACTED]

At the extraordinary general meeting of the Shareholders held on [•], the following resolutions, among other things, were duly passed:

- (a) conditional on (i) the [REDACTED] granting [REDACTED] of, and permission to deal in, the Shares in issue and to be issued as stated in this document and such [REDACTED] and permission not subsequently having been revoked prior to the commencement of dealing in the Shares on the Stock Exchange; (ii) the [REDACTED] having been determined; and (iii) the obligations of the [REDACTED] under each of the [REDACTED] becoming unconditional (including if relevant, as a result of the waiver of any condition(s) thereunder) and such obligations not having been terminated in accordance with the terms of the [REDACTED] or otherwise, in each case on or before such dates as may be specified in the [REDACTED];
 - (i) all of the preferred shares of par value US\$0.0001 each, whether issued or unissued be re-designated as Shares of US\$0.0001 each on a one-for-one basis;

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- (ii) the [REDACTED], [REDACTED], and [REDACTED] were approved, and our Directors were authorized to negotiate and agree the [REDACTED] and to allot and issue the [REDACTED] (including pursuant to the [REDACTED]);
- (iii) a general mandate (the “**Sale Mandate**”) was granted to our Directors to allot, issue, and deal with any Shares or securities convertible into Shares and to make or grant offers, agreements, or options which would or might require Shares to be allotted, issued, or dealt with, provided that the number of Shares so allotted, issued, or dealt with or agreed to be allotted, issued, or dealt with by our Directors, shall not exceed 20% of the total number of Shares in issue immediately following completion of the [REDACTED];
- (iv) a general mandate (the “**Repurchase Mandate**”) was granted to our Directors to repurchase our own Shares on the Stock Exchange or on any other stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, such number of Shares as will represent up to 10% of the total number of Shares in issue immediately following completion of the [REDACTED];
- (v) the Sale Mandate was extended by the addition to the total number of Shares which may be allotted and issued or agreed to be allotted and issued by our Directors pursuant to such general mandate of an amount representing the total number of the Shares purchased by our Company pursuant to the Repurchase Mandate, provided that such extended amount shall not exceed 10% of the total number of the Shares in issue immediately following completion of the [REDACTED]; and
- (b) the Memorandum and Articles of Association were approved and adopted effective conditional on and immediately prior to [REDACTED] on the [REDACTED].

Each of the general mandates referred to above will remain in effect until the earliest of:

- (a) the conclusion of the next annual general meeting of our Company unless, by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to condition;
- (b) the expiration of the period within which the next annual general meeting of our Company is required to be held under any applicable laws of the Cayman Islands or the Memorandum and Articles of Association of our Company; and
- (c) the passing of an ordinary resolution by our Shareholders in a general meeting revoking or varying the authority.

5. Explanatory Statement on Repurchase of Our Own Securities

The following summarizes restrictions imposed by the Listing Rules on share repurchases by a company listed on the Stock Exchange and provides further information about the repurchase of our own securities.

(a) *Shareholders’ approval*

A listed company whose primary listing is on the Stock Exchange may only purchase its shares on the Stock Exchange, either directly or indirectly, if: (i) the shares proposed to be purchased are fully-paid up, and (ii) its shareholders have given a specific approval or general mandate by way of an ordinary resolution of shareholders.

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(b) Size of mandate

The exercise in full of the Repurchase Mandate, on the basis of [REDACTED] Shares in issue immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no Shares are issued under the Pre-[REDACTED] Share Incentive Plan), could accordingly result in up to approximately [REDACTED] Shares being repurchased by our Company.

The total number of shares which a listed company may repurchase on the Stock Exchange may not exceed 10% of the number of issued shares as of the date of the shareholders’ approval.

(c) Reasons for repurchases

Our Directors believe that it is in the best interests of our Company and the Shareholders for our Directors to have general authority from the Shareholders to enable our Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made where our Directors believe that such repurchases will benefit our Company and the Shareholders.

(d) Source of funds

Repurchases must be funded out of funds legally available for the purpose in accordance with the Memorandum and Articles of Association and the applicable Laws of the Cayman Islands.

Our Company shall not repurchase its own Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

Any repurchases by our Company may be made out of profits or out of an issue of new shares made for the purpose of the repurchase or, if authorized by its Memorandum and Articles of Association and subject to the Cayman Companies Act, out of capital, and, in the case of any premium payable on the purchase out of profits or from sums standing to the credit of our share premium account or, if authorized by its Memorandum and Articles of Association and subject to the Cayman Companies Act, out of capital.

(e) Suspension of repurchase

A listed company shall not repurchase its shares on the Stock Exchange at any time after inside information has come to its knowledge until the information is made publicly available. In particular, during the period of one month immediately preceding the earlier of: (i) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the company’s results for any year, half-year, quarterly, or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the company to announce its results for any year or half-year under the Listing Rules, or quarterly, or any other interim period (whether or not required under the Listing Rules), until the date of the results announcement, the company may not repurchase its shares on the Stock Exchange unless there are exceptional circumstances.

(f) Trading restrictions

A listed company is prohibited from repurchasing its shares on the Stock Exchange if the purchase price is 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange.

A listed company may not repurchase its shares if that repurchase would result in the number of listed securities which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange.

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(g) Status of repurchased shares

Our Company may cancel any repurchased Shares and/or hold them as treasury shares subject to, among others, market conditions and its capital management needs at the relevant time of the repurchases, which may change due to evolving circumstances. Shareholders and potential investors should pay attention to any announcement to be published by us in the future, including but without limitation, any next day disclosure return (which shall identify, amongst others, the number of repurchased Shares that are to be held in treasury or cancelled upon settlement of such repurchases).

The [REDACTED] of all Shares which are held as treasury shares will be retained. Our Company will ensure that treasury shares are appropriately identified and segregated. For any treasury shares deposited with CCASS pending resale on the Stock Exchange, our Company will ensure that it would not exercise any shareholders’ rights or receive any entitlements which would otherwise be suspended under the relevant laws if those shares were registered in our Company’s own name as treasury shares by, including but not limited to, obtaining an approval by the board of our Company that (i) our Company should procure its broker not to give any instructions to HKSCC to vote at general meetings for the treasury shares deposited with CCASS; and (ii) in the case of dividends or distributions, our Company should withdraw the treasury shares from CCASS, and either re-register them in its own name as treasury shares or cancel them, in each case before the record date for the dividends or distributions.

The [REDACTED] of all Shares which are purchased by our Company (whether on the Stock Exchange or otherwise) but not held as treasury shares shall be automatically cancelled upon repurchase. Our Company shall ensure that the documents of title of these repurchased Shares are cancelled and destroyed as soon as reasonably practicable following settlement of any such repurchase.

(h) Close associates and core connected persons

None of our Directors or, to the best of their knowledge having made all reasonable enquiries, any of their close associates have a present intention, in the event the Repurchase Mandate is approved, to sell any Shares to our Company.

No core connected person of our Company has notified our Company that they have a present intention to sell Shares to our Company, or have undertaken to do so, if the Repurchase Mandate is approved.

A listed company shall not knowingly purchase its shares on the Stock Exchange from a core connected person (namely a director, chief executive or substantial shareholder of the company or any of its subsidiaries, or a close associate of any of them), and a core connected person shall not knowingly sell their interest in shares of the company to it.

(i) Takeover implications

If, as a result of any repurchase of Shares, a Shareholder’s proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

(j) General

If the Repurchase Mandate were to be carried out in full at any time, there may be a material adverse impact on our working capital or gearing position (as compared with the position disclosed in our most recent published audited accounts). However, our Directors do not propose to exercise the Repurchase Mandate to such an extent as would have a material adverse effect on our working capital or gearing position.

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Our Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws in the Cayman Islands.

We have not made any repurchases of our Shares in the previous six months.

FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

The following are contracts (not being contracts entered into in the ordinary course of business) entered into by any member of our Group within the two years immediately preceding the date of this document that are or may be material:

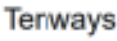
(a) the [REDACTED]

2. Intellectual Property Rights

Save as disclosed below, as of the Latest Practicable Date, there were no other trademarks, service marks, patents, intellectual property rights, or industrial property rights which are or may be material in relation to our business.

a) Trademarks

As of the Latest Practicable Date, we had registered the following trademarks that we consider material to our business:

No.	Trademark	Owner	Class	Place of Registration	Registration Number	Registration Date	Expiry Date
1.		Tenways Technovation Europe B.V.	12	EU	018452264	09-10-2021	9-10-2031
2.		Tenways Technovation Europe B.V.	12	EU	018486039	06-04-2021	06-04-2031
3.		Tenways Technovation Europe B.V.	12	EU	018486037	11-03-2021	06-04-2031
4.	RADVANCE	Tenways Technovation Europe B.V.	12	EU	019175553	08-06-2025	04-20-2035
5.	LONGTAIL	Tenways Technovation Europe B.V.	12	EU	019068647	11-29-2024	08-16-2034
6.		Shenzhen Shifang	12	EU	018876822	05-18-2023	05-18-2033
7.		TENWAYS TECHNOVATION LIMITED	12	UK	UK00003651838	06-07-2021	06-07-2031
8.		TENWAYS TECHNOVATION LIMITED	12	UK	UK00003625563	08-20-2021	04-13-2031
9.		TENWAYS TECHNOVATION LIMITED	12	UK	UK00003651839	06-07-2021	06-07-2031
10.		Shenzhen Shifang	12	UK	UK00003913293	08-31-2023	05-18-2033
11.	LONGTAIL	Tenways Technovation Europe B.V.	12	UK	UK00004088589	02-28-2025	08-16-2035
12.		TENWAYS TECHNOVATION LIMITED	12	Switzerland	788856	10-28-2022	10-28-2032
13.		TENWAYS TECHNOVATION LIMITED	12	Switzerland	789930	11-29-2022	11-25-2032

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No.	Trademark	Owner	Class	Place of Registration	Registration Number	Registration Date	Expiry Date
14.	TENWAYS	TENWAYS TECHNOVATION LIMITED	12	Norway	324338	10-27-2022	10-27-2032
15.	TENWAYS	TENWAYS TECHNOVATION LIMITED	12	Norway	324570	11-29-2022	11-22-2032
16.	TENWAYS	Shenzhen Shifang	12	US	6,779,883	07-05-2022	07-05-2032
17.	Tenways	Shenzhen Shifang	12	US	6,265,608	02-09-2021	02-09-2031
18.	TENWAYS	TENWAYS TECHNOVATION LIMITED	12	Iceland	V0130360	12-15-2023	05-05-2033
19.	TENWAYS	Shenzhen Shifang	12	Hong Kong	306247396	05-19-2023	05-19-2033
20.	TENWAYS	TENWAYS TECHNOVATION LIMITED	12	PRC	57187587	03-21-2022	03-20-2032
21.	Tenways	TENWAYS TECHNOVATION LIMITED	12	PRC	57185645	03-14-2022	03-13-2032
22.	TENWAYS	Shenzhen Shifang	12	PRC	68381805	08-14-2023	08-13-2033

b) Copyrights

As of the Latest Practicable Date, we had registered the following copyrights that we consider material to our business

No.	Copyright	Owner	Registration No.	Place of registration	Registration Date	Expiry Date
1	Electric-Assist Bicycle Mobile Charging Monitoring and Management System V1.0	Shenzhen Shifang	2023SR1622425	PRC	12-13-2023	12-31-2072
2	Electric Power-Assisted Bicycle Servo Electric Flow Valve Control Software V1.0	Shenzhen Shifang	2023SR1622694	PRC	12-13-2023	12-31-2072

c) Patents

As of the Latest Practicable Date, we had registered the following patents that we consider material to our business:

No.	Patent Description	Type of Right	Owner	Patent No.	Place of Registration	Registration Date	Expiry Date
1.	Moped Capable of Carrying People and Goods	Invention Patent	Tenways Technovation Europe B.V.	NL2036300B1	The Netherlands	11-17-2023	11-17-2043
2.	Structure of Goods-Carrying Rear Goods Shelf	Invention Patent	Tenways Technovation Europe B.V.	NL2036458B1	The Netherlands	12-08-2023	12-08-2043
3.	Tube-embedded GPS box installation locking structure	Invention Patent	Tenways Technovation Europe B.V.	US12376247B2	US	07-29-2025	03-19-2044
4.	CGO800S	Industrial Design	Tenways Technovation Europe B.V.	DM/227250	EU-Swiss -UK- US-Norway	02-23-2023	02-23-2048
5.	CGO001-CGO009	Industrial Design	Tenways Technovation Europe B.V.	DM/231786	EU-Swiss -UK- US-Norway	09-15-2023	09-15-2048
6.	AGO T-AGO X-Cargo One-CGO600pro	Industrial Design	Tenways Technovation Europe B.V.	DM/230926	EU-Swiss -UK- US-Norway	05-22-2023	05-22-2048

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No.	Patent Description	Type of Right	Owner	Patent No.	Place of Registration	Registration Date	Expiry Date
7.	CGO800S	Industrial Design	Tenways Technovation Europe B.V.	USD1066144S	US	03-11-2025	03-11-2040
8.	CGO600pro	Industrial Design	Tenways Technovation Europe B.V.	USD1067832S	US	03-25-2025	03-25-2040
9.	Longtail Duo	Industrial Design	Tenways Technovation Europe B.V.	015105754-0001	EU	06-05-2025	06-05-2050
10.	Ago Air	Industrial Design	Tenways Technovation Europe B.V.	015105838-0001	EU	06-05-2025	06-05-2050
11.	CGO Compact	Industrial Design	Tenways Technovation Europe B.V.	015121714-0001	EU	10-30-2025	10-30-2050
12.	AGO X V1	Industrial Design	Tenways Technovation Europe B.V.	015121727-0001	EU	10-30-2025	10-30-2050
13.	CGO 009 V1	Industrial Design	Tenways Technovation Europe B.V.	015123675-0001	EU	11-13-2025	11-13-2050

d) Domain Names

As of the Latest Practicable Date, we owned or have been licensed to use the following domain names which we consider material to be or may be material to our business:

No.	Domain Name	Registered Owner	Expiry Date
1	tenways.com	Tenways Technovation Europe B.V.	03-28-2027
2	tenways.de	Tenways Technovation Europe B.V.	07-26-2026
3	tenways.fr	Tenways Technovation Europe B.V.	01-11-2027
4	tenways.uk	Tenways Technovation Europe B.V.	01-10-2027
5	tenways.us	Tenways Technovation Inc.	09-11-2026

FURTHER INFORMATION ABOUT OUR DIRECTORS

1. Particulars of Directors’ Service Contracts and Appointment Letters

(a) Executive Directors and Non-executive Directors

We have entered into service contracts with each of our executive Directors and our non-executive Directors in respect of, among other things, (i) compliance of the Listing Rules and applicable laws; and (ii) observance of the Articles of Association. Such service contracts have terms of three years commencing from the date of appointment until terminated in accordance with the terms and conditions of the service contract or by either party giving to the other party not less than one month’s prior notice in writing.

(b) Independent non-executive Directors

Each of our independent non-executive Directors has entered into a letter of appointment with us. The term of appointment shall be for an initial term of three years from the [REDACTED] or until the third annual general meeting of the Company after the [REDACTED], whichever is sooner (subject to retirement as and when required under the Articles of Association and the Listing Rules). Either party may terminate the agreement by giving not less than three months’ written notice.

Under their letter appointments, each of the independent non-executive Directors is entitled to an annual fixed fee.

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(c) Others

Save as disclosed in this document, none of our Directors has or is proposed to have a service contract with any member of our Group (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

2. Remuneration of Directors

The aggregate amount of remuneration for our Directors for the years ended December 31, 2023, 2024 and the nine months ended September 30, 2025 was EUR606 thousand, EUR1.64 million and EUR1.11 million, respectively.

Under the arrangements currently in force, we estimate that the aggregate remuneration (excluding any discretionary bonus which may be paid) payable to, and benefits in kind receivable by, our Directors by any member of our Group in respect of the year ending December 31, 2026 is approximately EUR2.00 million.

3. Disclosure of Interests

(a) Interests and short positions of our Directors and chief executive in the share capital of our Company or our associated corporations following completion of the [REDACTED]

Immediately following completion of the [REDACTED] and assuming the [REDACTED] are not exercised, the interests or short positions of our Directors and chief executive of our Company in the Shares, underlying Shares and debentures of our Company or any associated corporations, within the meaning of Part XV of the SFO, which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO, or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to our Company and the Stock Exchange are set out below:

(i) Interest in our Company

Name	Position(s)	Nature of interest ⁽¹⁾	Number of Shares	Approximate % of issued Shares immediately after completion of the [REDACTED] ⁽²⁾
Mr. LIANG	Chairman of the Board, Executive Director and Chief Executive Officer	Beneficial owner ⁽³⁾	250,000	[REDACTED]%
		Interest in controlled corporation ⁽⁴⁾	27,150,000	[REDACTED]%
		Interest through voting rights entrustment ⁽⁵⁾	19,484,705	[REDACTED]%
Mr. Amir Fazeli	Executive Director and Europe General Manager	Beneficial owner	1,944,950	[REDACTED]%
Mr. Kai Cheng	Executive Director and Chief Financial Officer	Interest in controlled corporation ⁽⁶⁾	4,375,905	[REDACTED]%
Mr. Tian Sang	Executive Director and Asia General Manager	Interest in controlled corporation ⁽⁷⁾	4,887,950	[REDACTED]%
Ms. Jianan Li	Executive Director, Vice President and Financial Director	Beneficial owner ⁽⁸⁾	500,000	[REDACTED]%

Notes:

(1) All interests are in long positions.

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- (2) Assuming the [REDACTED] is not exercised and without taking into account any Shares which may be allotted and issued pursuant to the exercise of any options under the Pre-[REDACTED] Share Incentive Plan.
- (3) Mr. LIANG is granted options to subscribe for 250,000 Shares pursuant to the Pre-[REDACTED] Share Incentive Plan.
- (4) Mr. LIANG is the ultimate beneficial owner of Apex Innovate Limited. Thus, he is deemed to be interested in the 27,150,000 Shares held by Apex Innovate Limited under the SFO.
- (5) Pursuant to the Voting Proxy Agreements, Neilever Holding Limited, Velospace Holding Limited, Best Eycles Holding Limited, Interpillars Holding Limited and Mr. Amir Fazeli have entrusted Mr. LIANG to exercise the voting rights attached to the Shares held by them. Thus, Mr. LIANG is deemed to be interested in Shares held by Neilever Holding Limited, Velospace Holding Limited, Best Eycles Holding Limited, Interpillars Holding Limited and Mr. Amir Fazeli under the SFO.
- (6) Mr. Kai Cheng is the ultimate beneficial owner of Interpillars Holding Limited. Thus, he is deemed to be interested in the 4,375,905 Shares held by Interpillars Holding Limited under the SFO.
- (7) Mr. Tian Sang is the ultimate beneficial owner of Neilever Holding Limited. Thus, he is deemed to be interested in the 4,887,950 Shares held by Neilever Holding Limited under the SFO.
- (8) Ms. Jianan Li is granted options to subscribe for 500,000 Shares pursuant to the Pre-[REDACTED] Share Incentive Plan.

Save as disclosed above, none of the Directors or the chief executive of the Company will, immediately following the completion of [REDACTED], have an interest and/or short position (as applicable) in the Shares, underlying Shares or debentures of the Company or any interests and/or short positions (as applicable) in the shares, underlying shares or debentures of the Company’s associated corporations (within the meaning of Part XV of the SFO) which (i) will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), (ii) will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or (iii) will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange, in each case once the Shares are listed on the Stock Exchange.

(b) Interests and short positions disclosable under Divisions 2 and 3 of Part XV of the SFO

For information, so far as is known to our Directors or chief executive, of each person, other than our Directors or chief executive, who immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised) will have an interest or short position in the Shares or underlying Shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, is, directly or indirectly, interested in 10% or more of the issued voting shares of any other member of our Group, see “Substantial Shareholders.”

Save as set out above, as of the Latest Practicable Date, our Directors were not aware of any persons who would, immediately following the completion of the [REDACTED], be interested, directly or indirectly, in 10% or more of the nominal of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group or had option in respect of such capital.

PRE-[REDACTED] SHARE INCENTIVE PLAN

1. Summary

The following is a summary of the principal terms of the Pre-[REDACTED] Share Incentive Plan of the Company as adopted on February 10, 2026. The Pre-[REDACTED] Share Incentive Plan does not involve the grant of any share options after [REDACTED] and is not subject to the provisions of Chapter 17 of the Listing Rules.

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We [have applied] to the Stock Exchange and the SFC, respectively for, (i) a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix 1A to the Listing Rules; and (ii) an exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance from strict compliance with the disclosure requirements of paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance. See “Waivers and Exemptions — Waivers and Exemption in relation to the Pre-[REDACTED] Share Incentive Plan” for more information.

(a) Purpose

The purpose of the Pre-[REDACTED] Share Incentive Plan is to promote the success and enhance the value of our company by linking the personal interests of our employee to those of our Shareholders and by providing such individuals with an incentive for outstanding performance to generate superior returns to our Shareholders.

(b) Types of awards

Share options or any other type of awards granted to an eligible participant.

(c) Eligible participants

We may grant awards to employees, Directors and other persons as determined by the chief executive officer (or any other authorized personnel).

(d) Maximum number of Shares

The maximum aggregate number of shares which may be issued pursuant to all Awards granted under the Pre-[REDACTED] Share Incentive Plan is 7,149,810 shares.

(e) Administration

The Board shall be the managing authority responsible for the implementation of the Pre-[REDACTED] Share Incentive Plan.

(f) Award agreement

Options granted under the Pre-[REDACTED] Share Incentive Plan are evidenced by award agreements that sets forth the terms, conditions and limitations for each award which may include the term of an award, the provisions applicable in the event the participant’s employment or service terminates, and our Company’s authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind an award.

(g) Vesting schedule and performance objectives

The chief executive officer (or any other authorized personnel), in his discretion, shall set performance objectives or other vesting criteria which, depending on the extent to which they are met, will determine the number or value of the Awards that will be granted or paid out to the Participants.

(h) Exercise of options

The granted options may be exercised in whole or in part at any time after the relevant exercise date in the following manner:

- (i) The Company will determine the number of the options that may be exercised by the participants based on the evaluation results and give written notice of exercise (the “**Notice of Exercise**”) to the participants to inform the participants of the total exercise price and method of payment.
- (ii) The participants may choose to exercise part or all of the options exercisable in each period, provided, however, if the Founder or a core management personnel chooses to exercise part of the options, the portion that have not been exercised may be carried forward to the next period; and the portion of option granted to the general

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participants which have not been exercised, except as otherwise agreed by the chief executive officer (or any other authorized personnel), shall be deemed as being waived by such participant and shall not be accumulated.

- (iii) The participants shall execute any documents required for the exercise of option, including giving written notice of exercise to the Company on a form and in such manner as may be required by the Company, specifying the number of Shares to be purchased within ten (10) days upon the receipt of the Notice of Exercise from the Company, accompanying by payment in full of the aggregate exercise price of the Shares so purchased in cash or by check, or as determined by the chief executive officer (or any other authorized personnel), in his sole discretion, (i) by means of any cashless exercise procedure approved by the chief executive officer (or any other authorized personnel), (ii) by a reduction in the number of Ordinary Shares previously owned by the Participant or otherwise deliverable pursuant to the award, (iii) any other form of consideration approved by the chief executive officer (or any other authorized personnel) and permitted by applicable laws, or (iv) any combination of the foregoing.

(i) Transfer restrictions

Unless otherwise expressly provided in the Pre-[REDACTED] Share Incentive Plan or by applicable laws, by the award agreement (as amended from time to time) and otherwise agreed by the Company in its sole discretion, prior to the elapse of any relevant lock-up period, the participant shall not transfer any award and/or the Shares obtained therefrom, and amounts payable or Shares issuable pursuant to an award will be delivered only to (or for the account of), and in the cases of Shares, registered in the name of, the participant; provided, however, that a participant shall be permitted to transfer one or more options to a trust controlled by the participant for estate planning purposes.

(j) Amendment and termination

During the implementation of the Pre-[REDACTED] Share Incentive Plan, the Board has the right to adjust and amend the plan. The termination of the Plan shall be approved by the general meeting of the Company.

2. Outstanding options granted

As of the Latest Practicable Date, the number of Shares underlying the outstanding options granted under the Pre-[REDACTED] Share Incentive Plan amounts to 4,919,810 Shares, representing approximately [REDACTED]% of the issued Shares immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no Shares are issued under the Pre-[REDACTED] Share Incentive Plan). As of the Latest Practicable Date, we had conditionally granted options to 101 participants under the Pre-[REDACTED] Share Incentive Plan. The Company will not grant further Awards under the Pre-[REDACTED] Share Incentive Plan after [REDACTED].

Assuming full vesting and exercise of all outstanding options granted under the Pre-[REDACTED] Share Incentive Plan, the shareholding of our Shareholders immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no Shares are issued under the Pre-[REDACTED] Share Incentive Plan) will be diluted by approximately [REDACTED]%. However, basic loss per share and diluted loss per share are not presented as such information is not considered meaningful due to the Reorganization and the preparation of the results of the Group for the relevant periods on the basis as disclosed in Note 1 to the Accountants Report set out in Appendix 1 to this document.

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The following table summarizes, as of the Latest Practicable Date, the number of Shares underlying outstanding options that we granted to our Directors pursuant to the Pre-[REDACTED] Share Incentive Plan.

Name	Role	Address	Date of grant	Vesting Period/ Dates	Exercise price per Share (RMB)	Number of Shares under the outstanding options granted	Approximate % of issued Shares immediately after completion of the [REDACTED] ⁽¹⁾
Mr. LIANG	chairman of the Board, executive Director and chief executive officer	Vreeswijkstraat 53, 2546 AB, Den Haag, Netherlands	February 10, 2026	February 10, 2026	0.02	250,000	[REDACTED]%
Ms. Jianan Li	executive Director, vice president and finance director	Molenpolderstraat 14, 2493VA, Den Haag, Netherlands	February 10, 2026	February 10, 2026; February 28, 2026; February 28, 2027; February 29, 2028	0.20	500,000	[REDACTED]%
Subtotal:	2 grantees					750,000	[REDACTED]%

Note:

- (1) Assuming the [REDACTED] is not exercised and without taking in account any Shares which may be allotted and issued pursuant to the exercise of any options under the Pre-[REDACTED] Share Incentive Plan.

The table below sets out the details of the outstanding options granted to the remaining 99 grantees under the Pre-[REDACTED] Share Incentive Plan, who are not Directors, members of the senior management or other connected persons of our Company:

Range of Shares underlying outstanding Options	Total number of grantees ⁽¹⁾	Date of grant	Vesting period	Exercise price per Share (RMB)	Number of Shares under the outstanding options granted	Approximate % of issued Shares immediately after completion of the [REDACTED] ⁽²⁾
0 Share to 100,000 Shares	92	February 10, 2026; February 19, 2026	in instalments within 3–4 years from date of grant	0.20	2,201,000	[REDACTED]%
100,001 Shares to 200,000 Shares	2	February 10, 2026; February 19, 2026	in instalments within 3–4 years from date of grant	0.20	280,000	[REDACTED]%
200,001 Shares to 300,000 Shares	2	February 10, 2026	in instalments within 3–4 years from date of grant	0.20	550,000	[REDACTED]%
300,001 Shares to 400,000 Shares	3	February 10, 2026	in instalments within 3–4 years from date of grant	0.20	1,138,810	[REDACTED]%
Subtotal:	99 grantees				4,169,810	[REDACTED]%

Note:

- (1) The grantees include one consultant who provided design services at the early development stages of the Group.
- (2) Assuming the [REDACTED] is not exercised and without taking in account any Shares which may be allotted and issued pursuant to the exercise of any options under the Pre-[REDACTED] Share Incentive Plan.

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OTHER INFORMATION

1. Estate duty

Our Directors have been advised that no material liability for estate duty is likely to fall upon any member of our Group.

2. Litigation

Save as disclosed in this document, no member of our Group is engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance is known to our Directors to be pending or threatened by or against our Company that would have a material adverse effect on our Company’s results of operations or financial condition.

3. Sole Sponsor

The Sole Sponsor satisfy the independence criteria applicable to sponsor set out in Rule 3A.07 of the Listing Rules.

The Sole Sponsor will receive an aggregate of US\$0.6 million for acting as the sponsor for [REDACTED].

4. Consent of experts

This document contains statements made by the following experts

<u>Name</u>	<u>Qualification</u>
GF Capital (Hong Kong) Limited	A licensed corporation to conduct type 6 (advising on corporate finance) regulated activities as defined under the SFO
Shihui Partners	Legal advisor to the Company as to PRC laws
Ernst & Young	Certified Public Accountants under Professional Accountant Ordinance (Chapter 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent Industry consultant
Campbells	Legal advisor to the Company on Cayman Islands law
Taylor Wessing N.V.	Legal advisor to the Company on Dutch law

Save as disclosed, as of the Latest Practicable Date, none of the experts named above had any shareholding interest in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

Each of the experts named above have given and have not withdrawn their respective written consent to the issue of this document with copies of their reports, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

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5. Binding effect

This document shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

6. Bilingual document

The English language and Chinese language versions of this document are being published separately in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

7. Preliminary expenses

We have not incurred any material preliminary expenses in relation to the incorporation of our Company.

8. Disclaimers

(a) Save as disclosed in this document, within the two years immediately preceding the date of this document:

- (i) there are no commissions for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any shares in or debentures of our Company; and
- (ii) there are no commissions, discounts, brokerages or other special terms granted in connection with the issue or sale of any capital of any member of our Group, and no Directors, promoters or experts named in the part headed “— Other information — Consent of experts” received any such payment or benefit.

(b) Save as disclosed in this document:

- (i) there are no founder, management or deferred shares in our Company or any member of our Group;
- (ii) we do not have any promoter and no cash, securities or other benefit has been paid, allotted or given within the two years immediately preceding the date of this document, or are proposed to be paid, allotted or given to any promoters;
- (iii) none of the Directors or the experts named in the part headed “— Other information — Consent of experts” above has any interest, direct or indirect, in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this document, acquired or disposed of by or leased to, any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;
- (iv) there are no bank overdrafts or other similar indebtedness by our Company or any member of our Group;
- (v) there are no hire purchase commitments, guarantees or other material contingent liabilities of our Company or any member of our Group;
- (vi) there are no outstanding debentures of our Company or any member of our Group;
- (vii) there are no other stock exchange on which any part of the equity or debt securities of our Company is listed or dealt in or on which [REDACTED] or permission to deal is being or is proposed to be sought;

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE AND THAT THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

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- (viii) no capital of any member of our Group is under option, or is agreed conditionally or unconditionally to be put under option; and
- (ix) there are no contracts or arrangements subsisting at the date of this document in which a Director is materially interested or which is significant in relation to the business of our Group.

APPENDIX V DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES AND AVAILABLE ON DISPLAY

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this document delivered to the Registrar of Companies in Hong Kong for registration were, among other documents:

- (a) the written consents referred to in “Statutory and General Information — Other information — 4. Consent of experts” in Appendix IV; and
- (b) copies of the material contracts referred to in “Statutory and General Information — Further information about our business — 1. Summary of material contracts” in Appendix IV.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be published on the website of the Stock Exchange at www.hkexnews.hk and our Company’s website at www.tenways.com up to and including the date which is 14 days from the date of this document:

- (a) the Memorandum and the Articles;
- (b) the material contracts referred to in “Statutory and General Information — Further information about our business — 1. Summary of material contracts” in Appendix IV;
- (c) the service contracts and the letters of appointment with our Directors referred to in “Statutory and General Information — Further information about our Directors — 1. Particulars of Directors’ service contracts and appointment letters” in Appendix IV;
- (d) the report issued by Frost & Sullivan, a summary of which is set forth in “Industry Overview”;
- (e) the PRC legal opinion issued by Shihui Partners, our PRC Legal Advisor, in respect of certain general corporate matters and property interests in China of our Group;
- (f) the Dutch legal opinion issued by Taylor Wessing N.V., our legal advisor on Dutch law, in respect of certain general corporate matters and property interests in Netherlands of our Group;
- (g) the Accountants’ Report and the report on the unaudited pro forma financial information of our Group from Ernst & Young, the texts of which are set out in Appendices I and II, respectively;
- (h) the audited combined financial statements of our Company for the years ended December 31, 2023, 2024 and reviewed combined financial statements of our Company for the nine months ended September 30, 2025;
- (i) the letter of advice prepared by Campbells, our legal advisor on Cayman Islands law, summarising certain aspects of Cayman company law referred to in Appendix III;
- (j) the Cayman Companies Act;
- (k) the written consents referred to in “Statutory and General Information — Other information — 4. Consent of experts” in Appendix IV; and
- (l) the terms of the Pre-[REDACTED] Share Incentive Plan.

DOCUMENTS AVAILABLE FOR INSPECTION

A copy of a list of grantees under the Pre-[REDACTED] Share Incentive Plan containing all details as required under the Listing Rules, will be available for inspection at the office of Latham & Watkins LLP, at 18/F, One Exchange Square, 8 Connaught Place, Central, Hong Kong, during normal business hours up to and including the date which is 14 days from the date of this document.