SUMMARY

This summary aims to give you an overview of the information contained in this document and should be read in conjunction with the full text of 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 document, including our financial statements and the accompanying notes, before you decide to **[REDACTED]** *in the* **[REDACTED]**. *There are risks associated with any* **[REDACTED]**. *Some of the particular risks in* **[REDACTED]** *in the* **[REDACTED]** *are set out in "Risk Factors". You should read that section carefully before you decide to* **[REDACTED]** *in the* **[REDACTED]**.

OVERVIEW

Who We Are

We are dedicated to designing, manufacturing and distributing outdoor leisure and electrified mobility products, with a leading position in the low-speed electric vehicle ("**LSEV**") market. According to Frost & Sullivan, we ranked first by revenue in the global LSEV industry in 2025, with a market share of approximately 10.9%. Our diversified product portfolio has enabled us to offer practical solutions for outdoor mobility and leisure. Our business spans two segments: (i) E-mobility products, consisting of (a) LSEVs, designed for community and on-site short-distance mobility, and (b) electric two-wheelers, including electric bicycles, electric scooters and electric balance bikes, and (ii) outdoor specialty vehicles, also known as powersports, including all-terrain vehicles ("**ATVs**") and off-road motorcycles. Our products are designed for short-distance travel within communities, recreational sports, intelligent mobility and specialized operations scenarios.

In 2025, over 97% of our revenue was derived from overseas markets, with the United States as our largest overseas market, contributing to 82.8% of the revenue. Our development is driven by expanding of product range, deepening of our sales network, and promoting brand value. Under this strategy, we strive to continuously refine our existing product portfolio and identify potential business opportunities for future development. Since we launched our LSEV products in 2022, our marketing network and diversified brand portfolio have supported the rapid growth of our LSEV business, with LSEV revenue increasing year on year from RMB78.5 million in 2023 to RMB812.3 million in 2024 and RMB1,957.5 million in 2025.

Since our inception, we have been building a production and operational network with a focus on the United States, with coverage across selected overseas markets. Drawing on more than two decades of our management team's international operating experience, we have established footprints across North America, Southeast Asia and China with localized production and sales networks in each region. This integrated "China + Southeast Asia + North America" coverage enables us to respond quickly to customer needs, adapt to local regulations and develop products tailored to regional demand, while providing localized sales and after-sales support.

Our Key Development Milestones

Our business origin can be traced back to 2004, when Taotao Group, our primary promoter, began operating business segments focused on ATVs and off-road vehicles. Our Company was established on September 24, 2015, and subsequently, acquired the relevant inventory and machinery equipment from Taotao Group in 2016.

We initially focused on the R&D, production and sales of ATVs and off-road motorcycles. In 2017, we strategically expanded our product portfolio and commenced mass production of electric scooters, electric balance bikes and electric bicycles to capture the emerging opportunities in electrified mobility. In 2022, we further broadened our E-mobility products by launching LSEV.

Our Brands and Products

Our Brands

We operate a tiered proprietary brand matrix tailored to distinct user segments and channels, comprising DENAGO™, GOTRAX™, TEKO™ and TAO MOTOR™. This matrix enables precise coverage of key consumer cohorts and supports brand synergy through differentiated positioning and operations.

- **DENAGO™ — Premium, Professional, High-Performance**. As one of our principal brands, DENAGO is positioned for E-mobility and powersports through a dedicated dealer network. The brand focuses on product quality and design, serving consumer demand in key markets. We have elevated DENAGO's international profile through strategic partnerships with sporting events and organizations, including the NBA, Dallas Open, MotoGP, and the PGA Show which has enabled DENAGO to achieve growth in a competitive market, earning market recognition. The brand also engages in cross-promotional collaborations with consumer brands such as Jack Link's, enhancing brand recognition and customer loyalty.
- **GOTRAX™ — Trendy, Eco-Friendly, Energetic**. GOTRAX is our mass-market brand, primarily distributed through large GMS and online channels. Its positioning around modern, eco-conscious, and energetic mobility has attracted a community of over one million E-mobility enthusiasts. GOTRAX electric scooters consistently rank among the top ten best-sellers on Amazon, have repeatedly earned "Amazon Best Seller" and "Amazon's Choice" designations, and were featured at the top of Walmart's annual toy list.
- **TEKO™ — Intelligent, Tech-Focused, Stylish**. Launched in September 2025, TEKO is our youngest brand, designed to complement our existing portfolio and deepen our North American market penetration. TEKO targets national chain dealers through offering products that emphasize intelligent features and fashionable design. This brand further refines our marketing network for LSEVs in North America.
- **TAO MOTOR™ — Practical, Fun, Dynamic**. As an earlier brand that traces back to our founding, TAO MOTOR is positioned around practicality, enjoyment, and dynamic performance. It serves the mass-consumer market with a range of powersports for daily commuting and outdoor leisure. TAO MOTOR was our first brand to pursue market expansion and remains a practical choice for consumers seeking versatile and reliable mobility solutions.

Our Products

We currently operate two principal business segments: (i) E-mobility products, which consist of (a) LSEVs, which are designed for short-distance travel within communities, (b) electric two-wheelers, comprising electric bicycles, electric scooters and electric balance bikes; and (ii) powersports, leveraging our experience in ATVs and off-road motorcycles.

Our International Footprint

We operate three principal manufacturing bases in the PRC, Vietnam and the United States. Building on this foundation, we are establishing a multi-regional manufacturing system that features regionalized production and localized supply. Our three principal manufacturing bases are positioned with distinct roles and complementary functions, enabling us to capture growth opportunities across diverse markets and to serve customers in different regions efficiently.

Market Opportunities

The market opportunities for our product portfolio are driven by international macro trends and diversified application scenarios. Demand is rising across both personal mobility and commercial-use cases, supported by consumer lifestyle changes, environmental awareness and technological innovation.

- ***E-mobility*** E-mobility is increasingly viewed as a short-distance transportation tool with advantages such as low carbon emission, reduced cost of ownership and ease of parking. Among the sub-categories within the E-mobility, the LSEV market, particularly in the United States, has experienced rapid growth. LSEVs are a category of "micro-mobility" vehicles designed for specific scenarios such as short-distance travel within communities, commercial operations, and public services. These vehicles typically have a maximum speed not exceeding 25 miles per hour, comply with relevant U.S. low-speed vehicle regulations, and are legally permitted to operate on certain public roads. LSEVs are characterized by relatively low acquisition and maintenance costs, ease of operation, and environmental friendliness. These products are accordingly intended to address the mobility needs of a range of consumers in the United States, including middle-income consumers and residents of senior communities.

- ***Powersports*** The global powersports market increased from US$22.9 billion in 2021 to US$29.3 billion in 2025 at a CAGR of 6.4%, and is expected to reach US$38.2 billion in 2030, representing a CAGR of 5.4% from 2025 to 2030, according to Frost & Sullivan. Such rapid growth is supported by dual demand drivers. Recreationally, consumers are increasingly drawn to outdoor leisure, off-road sports and nature exploration. Functionally, powersports such as ATVs are used in agriculture, animal husbandry, emergency response and other specialty operations. The combination of entertainment and utility creates a broad and sustained growth trajectory for the product. For recreational users, zero-emission and quiet operation of electric ATVs can make the outdoor experience more pleasant. For functional applications, the instantaneous torque and intelligent control of electric motors offer efficiency and precision.

Our Financial Highlights

During the Track Record Period, we achieved consistent growth in both revenue and profitability. Our revenue increased from RMB2,144.2 million in 2023 to RMB3,941.4 million in 2025, representing a CAGR of 35.6%. Our net profit amounted to RMB280.5 million, RMB431.3 million and RMB816.3 million in 2023, 2024 and 2025, respectively, representing a CAGR of 70.6%. This growth continued in the four months ended April 30, 2026, during which our revenue increased from RMB958.8 million for the corresponding period in 2025 to RMB1,591.4 million, while our net profit increased from RMB188.8 million to RMB292.1 million for the same period. During the Track Record Period, our net profit margin remained above 10%.

COMPETITIVE STRENGTHS

We believe that the following competitive strengths contribute to our success and differentiate us from our peers: (i) A company dedicated to providing outdoor leisure and electrified mobility solutions; (ii) Extensive network supporting overseas market penetration; (iii) Integrated synergies creating structural cost advantages; (iv) Multi-regional production footprint supporting deepened operations in core markets; (v) Precise market insight driving continuous product upgrades; (vi) Forward-looking technology innovation driving value creation; and (vii) Experienced management team with relevant overseas experience.

GROWTH STRATEGIES

We intend to pursue the following strategies to further grow our business: (i) Expand and upgrade our product portfolio; (ii) Deepen and expand our sales network; (iii) Elevate brand value; (iv) Strengthen manufacturing footprint and deepen supply chain localization; and (v) Drive forward-looking technology innovation.

OUR SALES NETWORK

We have established a broad sales network for our products, comprising (i) our distribution network, which includes key account customers ("**KACs**"), dealers and wholesale customers, and (ii) direct sales through our self-operated direct-to-consumer ("**DTC**") websites and our original design manufacturing ("**ODM**") business. Our sales network is focused on the build-to-stock ("**BTS**") model and a multi-channel marketing strategy.

The following table sets forth a breakdown of our revenue by sales channels for the relevant periods indicated.

	Year ended December 31,						Four months ended April 30,	
	2023		2024		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Distribution Network:								
KACs[(1)]	748,004	34.9	837,075	28.1	652,030	16.5	328,233	20.6
Dealers[(2)]	262,482	12.2	711,528	23.9	1,847,925	46.9	962,520	60.5
Wholesale customers[(3)]	29,897	1.4	75,373	2.6	114,720	2.9	69,135	4.3
Direct Sales:								
ODM	782,106	36.5	1,104,605	37.1	1,032,963	26.2	174,671	11.0
DTC Websites[(4)]	321,757	15.0	248,048	8.3	293,792	7.5	56,864	3.6
Total	**2,144,246**	**100.0**	**2,976,629**	**100.0**	**3,941,430**	**100.0**	**1,591,423**	**100.0**

Notes:

(1) Our KACs primarily include (i) general merchandise stores ("**GMS**"), such as Walmart, Target, Academy and TSC, and (ii) third-party e-commerce platforms.

(2) Our dealers primarily comprise distributors with whom we have entered into distribution agreements.

(3) Our wholesale customers primarily comprise customers who place bulk purchase orders with us on a one-off basis, and we have not entered into any distribution agreements with them.

(4) DTC websites refer to our self-operated online stores.

PRODUCTION

We operate a multi-regional production network across China, Southeast Asia, and United States to actively support our international operations. Our production model combines (i) in-house R&D and design, (ii) in-house production of certain core components and (iii) international supply chain management, enabling us to coordinate key stages of product development and manufacturing across regions.

RESEARCH AND DEVELOPMENT

In 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, our research and development expenses amounted to RMB87.7 million, RMB125.5 million, RMB123.4 million, RMB27.3 million and RMB29.0 million, respectively. Our research and development strategy is to create technologies to promote the development of our products, hence delivering a better driving experience. Our product development strategy involves research and development on E-mobility products and powersports based on customer demands and technological advancements. Our in-house research and development team conducts initiatives to expand the available functionalities and application scenarios of our products.

OUR CUSTOMERS

As of April 30, 2026, we have built up a broad and geographically diverse customer base, spreading across over 90 countries and regions. Our aggregate revenue from the five largest customers in each year/period during the Track Record Period was RMB1,065.4 million, RMB1,454.9 million, RMB1,370.4 million and RMB318.3 million, respectively, accounting for 49.7%, 48.9%, 34.8% and

20.0% of our total revenue, respectively. In the same periods, our revenue from the single largest customer in each year/period amounted to RMB327.3 million, RMB489.6 million, RMB520.9 million and RMB141.3 million, accounting for 15.3%, 16.5%, 13.2% and 8.9% of our total revenue, respectively.

OUR SUPPLIERS

Our suppliers primarily consist of providers of raw materials, hardware and accessories for the production of our E-mobility products and powersports. The purchase from our top five suppliers in 2023, 2024, 2025 and the four months ended April 30, 2026, was RMB172.9 million, RMB785.5 million, RMB514.1 million and RMB166.3 million, respectively, representing 13.5%, 27.1%, 20.9% and 22.5% of our aggregate purchase amount in the same periods, respectively. The purchases from our largest supplier in 2023, 2024, 2025 and the four months ended April 30, 2026, were RMB44.7 million, RMB389.6 million, RMB171.9 million and RMB43.9 million, respectively, representing 3.5%, 13.4%, 7.0% and 6.0% of our total purchase amount in the same periods, respectively.

SUMMARY HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial data from our financial information for the Track Record Period, extracted from the Accountants' Report set out in Appendix I to this Document.

Summary of Our Statements of Profit or Loss and Other Comprehensive Income

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(Unaudited)			
Revenue	2,144,246	100.0	2,976,629	100.0	3,941,430	100.0	958,845	100.0	1,591,423	100.0
Cost of sales	(1,344,740)	(62.7)	(1,944,650)	(65.3)	(2,315,223)	(58.7)	(592,403)	(61.8)	(932,501)	(58.6)
Gross profit	**799,506**	**37.3**	**1,031,979**	**34.7**	**1,626,207**	**41.3**	**366,442**	**38.2**	**658,922**	**41.4**
General and administrative expenses	(109,041)	(5.1)	(152,873)	(5.1)	(179,804)	(4.6)	(45,872)	(4.8)	(79,909)	(5.0)
Selling and marketing expenses	(314,924)	(14.6)	(313,398)	(10.6)	(351,981)	(8.9)	(110,934)	(11.7)	(137,162)	(8.7)
Research and development expenses	(87,654)	(4.1)	(125,467)	(4.2)	(123,371)	(3.1)	(27,257)	(2.8)	(29,039)	(1.8)
Net impairment losses on financial assets	(16,786)	(0.8)	(4,766)	(0.2)	(24,952)	(0.6)	6,324	0.7	(11,303)	(0.7)
Other income	19,026	0.9	23,888	0.8	26,971	0.7	5,593	0.6	6,200	0.4
Other gains, net	13,626	0.6	32,786	1.1	(39,361)	(1.0)	19,878	2.1	(50,120)	(3.1)
Operating profit	**303,753**	**14.2**	**492,149**	**16.5**	**933,709**	**23.7**	**214,174**	**22.3**	**357,589**	**22.5**
Finance income	42,959	2.0	44,147	1.5	40,893	1.0	13,957	1.4	6,082	0.3
Finance costs	(12,263)	(0.6)	(23,070)	(0.8)	(27,347)	(0.7)	(6,170)	(0.6)	(8,019)	(0.5)
Finance (costs)/ income, net	30,696	1.4	21,077	0.7	13,546	0.3	7,787	0.8	(1,937)	(0.2)
Profit before income tax	**334,449**	**15.6**	**513,226**	**17.2**	**947,255**	**24.0**	**221,961**	**23.1**	**355,652**	**22.3**
Income tax expense	(53,971)	(2.5)	(81,964)	(2.7)	(130,932)	(3.3)	(33,153)	(3.4)	(63,581)	(3.9)
Profit for the year/period	**280,478**	**13.1**	**431,262**	**14.5**	**816,323**	**20.7**	**188,808**	**19.7**	**292,071**	**18.4**
Other comprehensive income/(expenses)										
Currency translation differences of foreign operations	(386)	(0.0)	10,836	0.4	(26,178)	(0.7)	(1,110)	(0.1)	(33,744)	(2.2)
Total comprehensive income for the year/period	**280,092**	**13.1**	**442,098**	**14.9**	**790,145**	**20.0**	**187,698**	**19.6**	**258,327**	**16.2**

Revenue

During the Track Record Period, we generated our revenue from (i) E-mobility products, (ii) powersports, and (iii) others. Our revenue amounted to RMB2,144.2 million, RMB2,976.6 million, RMB3,941.4 million, RMB958.8 million and RMB1,591.4 million in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively.

Revenue by Product

The following table sets forth our revenue by products for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(Unaudited)			
E-mobility products:										
LSEV	78,500	3.7	812,304	27.3	1,957,465	49.8	427,496	44.5	969,772	61.0
Electric bicycles	164,833	7.7	231,052	7.8	178,416	4.5	35,177	3.7	74,736	4.7
Electric scooters	718,092	33.4	600,884	20.1	474,318	12.0	120,492	12.6	103,639	6.5
Electric balance bikes	295,658	13.8	199,012	6.7	123,875	3.1	28,555	3.0	20,357	1.3
Other E-mobility[(1)]	21,519	1.0	44,571	1.5	53,185	1.3	20,826	2.2	24,257	1.5
Subtotal	**1,278,602**	**59.6**	**1,887,823**	**63.4**	**2,787,259**	**70.7**	**632,546**	**66.0**	**1,192,761**	**75.0**
Powersports:										
ATV	620,427	29.0	737,818	24.8	754,722	19.1	221,201	23.1	262,534	16.5
Off-road motorcycles	122,560	5.7	186,796	6.3	187,881	4.8	69,360	7.2	79,948	5.0
Subtotal	**742,987**	**34.7**	**924,614**	**31.1**	**942,603**	**23.9**	**290,561**	**30.3**	**342,482**	**21.5**
Others[(2)]	122,657	5.7	164,192	5.5	211,568	5.4	35,738	3.7	56,180	3.5
Total	**2,144,246**	**100.0**	**2,976,629**	**100.0**	**3,941,430**	**100.0**	**958,845**	**100.0**	**1,591,423**	**100.0**

Notes:

(1) Other E-mobility mainly included electric ATVs and electric off-road motorcycles, such as GOTRAX K2 ELECTRIC DIRT BIKE and GOTRAX EVEREST ELECTRIC DIRT BIKE.

(2) Others mainly included sales of accessories and helmets.

Gross Profit and Gross Profit Margin

In 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, our gross profit amounted to RMB799.5 million, RMB1,032.0 million, RMB1,626.2 million, RMB366.4 million and RMB658.9 million, and our gross profit margin amounted to 37.3%, 34.7%, 41.3%, 38.2% and 41.4%, respectively. The following table sets forth a breakdown of our gross profit and gross profit margin by product for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(Unaudited)			
E-mobility products[(1)]	503,454	39.4	676,015	35.8	1,278,418	45.9	265,971	42.0	519,688	43.6
Powersports[(2)]	253,626	34.1	303,815	32.9	300,567	31.9	95,157	32.7	113,960	33.3
Others[(3)]	42,426	34.6	52,149	31.8	47,222	22.3	5,314	14.9	25,274	45.0
Total	**799,506**	**37.3**	**1,031,979**	**34.7**	**1,626,207**	**41.3**	**366,442**	**38.2**	**658,922**	**41.4**

Notes:

(1) Our E-mobility products primarily comprise LSEVs, electric scooters, electric balance bikes and electric bicycles, whose gross profit margins ranged from approximately 30% to 50%, 30% to 40%, 25% to 35% and 35% to 45%, respectively, during the Track Record Period.

(2) Our powersports primarily comprise ATVs and off-road motorcycles, whose gross profit margins ranged from approximately 30% to 35% and 35% to 40%, respectively, during the Track Record Period.

(3) Others mainly included sales of accessories and helmets.

Profit for the Periods

In 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, our profit amounted to RMB280.5 million, RMB431.3 million, RMB816.3 million, RMB188.8 million and RMB292.1 million, respectively.

Summary of Our Statements of Financial Position

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total non-current assets	605,195	1,381,423	2,013,031	2,079,903
Total current assets	3,182,289	3,157,166	3,893,206	4,097,020
Total non-current liabilities	64,424	58,726	145,311	158,806
Total current liabilities	781,228	1,353,353	2,140,348	2,300,255
Net current assets	2,401,061	1,803,813	1,752,858	1,796,765
Net assets	2,941,832	3,126,510	3,620,578	3,717,862

Net current assets

Our net current assets decreased by 24.9% from RMB2,401.1 million as of December 31, 2023 to RMB1,803.8 million as of December 31, 2024, primarily due to (i) the decrease in cash and cash equivalents of RMB808.3 million, (ii) the increase in trade and notes payables of RMB271.4 million, and (iii) the increase in current borrowings of RMB204.9 million, partially offset by the increase in inventories of RMB491.3 million. Our net current assets remained relatively stable at RMB1,803.8 million, RMB1,752.9 million, and RMB1,796.8 million, as of December 31, 2024 and 2025 and April 30, 2026, respectively.

Net assets

Our net assets increased by 6.3% from RMB2,941.8 million as of December 31, 2023 to RMB3,126.5 million as of December 31, 2024, primarily due to (i) profit for the year of RMB431.3 million and other comprehensive income of RMB10.8 million, and (ii) share-based compensation expenses of RMB14.1 million and the exercise of share options of RMB9.9 million; partially offset by (a) repurchases of shares under share schemes of RMB63.8 million, and (b) dividends of RMB217.7 million. Our net assets increased by 15.8% from RMB3,126.5 million as of December 31, 2024 to RMB3,620.6 million as of December 31, 2025, primarily due to (i) profit for the year of RMB816.3 million and (ii) share-based compensation expenses of RMB7.5 million recognized in other reserves, partially offset by (a) other comprehensive expenses of RMB26.2 million and (b) dividends of RMB326.5 million. Our net assets increased by 2.7% from RMB3,620.6 million as of December 31, 2025 to RMB3,717.9 million as of April 30, 2026, primarily reflecting profit for the four months ended April 30, 2026 of RMB292.1 million, partially offset by a dividend distribution of RMB163.6 million and other comprehensive expenses of RMB33.7 million.

Summary of Our Statements of Cash Flows

The table below sets forth selected cash flow statement information from our consolidated cash flow statements for the periods indicated:

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Net cash generated from operating activities	173,694	206,907	750,822	328,976	607,695
Net cash generated from/(used in) investing activities	(219,369)	(768,817)	(174,079)	108,704	(30,034)
Net cash generated from/(used in) financing activities	1,543,629	(264,492)	(454,612)	280,624	(566,632)
Net increase/(decrease) in cash and cash equivalents	1,497,954	(826,402)	122,131	718,304	11,029
Cash and cash equivalents at beginning of the year/period	142,706	1,649,015	840,755	840,755	962,206
Effects of exchange rate changes on cash and cash equivalents	8,355	18,142	(680)	21,014	(33,419)
Cash and cash equivalents at the end of the year/period	1,649,015	840,755	962,206	1,580,073	939,816

RISK FACTORS

Our operations and the **[REDACTED]** involve certain risks and uncertainties. Some of the major risks we face include, but are not limited to: (i) Global trade tensions, the initiation of anti-dumping ("**AD**") and countervailing duty ("**CVD**") investigations and increases in trade tariffs could adversely affect our business; (ii) Our success is dependent on our continued innovation and successful launches of new products, and we may not be able to anticipate or make timely responses to changes in the preferences of consumers; (iii) We may face intense competition in the E-mobility products and powersports industry; (iv) We are exposed to risks and uncertainties associated with operating, investing and expanding internationally; (v) We may be subject to product liability or warranty claims that could result in significant direct or indirect costs, or we could experience greater product returns from retailers than expected, which could harm our business and operating results; (vi) Claims by third parties for alleged infringement of their intellectual property rights and other litigation could adversely affect our business; and (vii) We face exposure to foreign currency risks.

LISTING ON THE CHINEXT BOARD OF THE SHENZHEN STOCK EXCHANGE

Since March 2023, the A Shares of our Company have been listed on ChiNext Board of the Shenzhen Stock Exchange. As of the Latest Practicable Date, our Directors confirmed that we had no instances of non-compliance with the rules of ChiNext Board of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the **[REDACTED]** attention in relation to our compliance record on ChiNext Board of the Shenzhen Stock Exchange. Our Directors confirmed and our PRC Legal Advisor advised us that during the Track Record Period and up to the Latest Practicable Date, we have not been subject to any material administrative penalties or regulatory measures imposed by PRC securities regulatory authorities and we have complied with the relevant laws and regulations on A Share listings applicable to us in all material respects. Based on the independent due diligence conducted by the Sole Sponsor, nothing has come to the Sole Sponsor's attention that would cause them to cast doubt on our Directors' confirmation with regard to the compliance records of our Company on ChiNext Board of the Shenzhen Stock Exchange.

KEY FINANCIAL RATIOS

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

	Year ended/As of December 31,			Four months ended/As of April 30,
	2023	2024	2025	2026
Rates of return				
Return on assets	10.2%	10.4%	15.6%	4.8%
Return on equity	14.4%	14.2%	24.2%	8.0%
Liquidity ratios				
Current ratio	4.07	2.33	1.82	1.78
Quick ratio	3.16	1.44	1.02	0.99
Gearing ratio	10.2%	16.0%	28.6%	27.6%

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Mr. Cao was interested in approximately 67.41% of our total issued share capital, comprising (i) approximately 41.27% by Zhongtao Investment wholly-owned by him and (ii) approximately 26.14% of our total issued share capital directly held by him. Ms. Cao, the sister of Mr. Cao, was interested in approximately 5.6% of our total issued share capital, comprising (i) approximately 3.53% of our total issued share capital controlled by Ms. Cao in her capacity as the sole general partner of our employee shareholding platform Zhongjiu Investment, (ii) approximately 1.38% of our total issued share capital directly held by her, and (iii) approximately 0.69% of our total issued share capital controlled by Ms. Cao in her capacity as the sole general partner of our employee shareholding platform Zhongbang Investment. Accordingly, Mr. Cao, Zhongtao Investment, Ms. Cao, Zhongjiu Investment and Zhongbang Investment constitute a group of Controlling Shareholders before the **[REDACTED]**. For details of the relationship among the group of our Controlling Shareholders and their shareholding in our Company, see the sections headed "History, Development and Corporate Structure" and "Substantial Shareholders."

Immediately following the completion of the **[REDACTED]** (assuming (i) the **[REDACTED]** is not exercised, (ii) no new Shares are issued under our 2023 Restricted Share Incentive Plan and (iii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and **[REDACTED]**), Mr. Cao and Ms. Cao will continue to control, directly and indirectly (through Zhongtao Investment, Zhongjiu Investment and Zhongbang Investment), the exercise of approximately **[REDACTED]** voting rights of the enlarged issued share capital of our Company. Therefore, Mr. Cao, Zhongtao Investment, Ms. Cao, Zhongjiu Investment and Zhongbang Investment will remain as a group of Controlling Shareholders of our Company upon **[REDACTED]**.

[REDACTED]

[REDACTED]

USE OF [REDACTED]

We estimate that the net **[REDACTED]** of the **[REDACTED]**, after deducting the estimated **[REDACTED]** and other fees and expenses payable by us in connection with the **[REDACTED]**, will be approximately **[REDACTED]**, assuming the **[REDACTED]** of **[REDACTED]** per H Share), without the exercise of the **[REDACTED]**.

We currently intend to use the net **[REDACTED]** from the **[REDACTED]** for the purposes and in the amounts as set out below: (i) Approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used to expand our PRC and overseas production facilities and enhance the automation, efficiency and localized production support of our manufacturing infrastructure; (ii) Approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used to enrich and expand our product and service portfolio and apply product-related intelligent technologies to our products; (iii) Approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used to expand our sales and service network, with a focus on strengthening our brand influence, customer loyalty, and regional channel capabilities; (iv) Approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used to repay a portion of our bank loans; and (v) Approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used for working capital and other general corporate purposes.

MATERIAL MATTERS RELATING TO U.S. TARIFF AND STATUTORY PROCEEDINGS AND OTHER LITIGATION

During the Track Record Period, our revenue generated from PRC-origin products subject to U.S. tariffs amounted to RMB1,529.3 million, RMB2,275.3 million, RMB1,988.1 million and RMB389.8 million in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively, representing approximately 71.3%, 76.4%, 50.4% and 24.5% of our total revenue for the respective periods. Our LSEVs are subject to ordinary customs duties and other applicable tariffs, as well as AD and CVD cash-deposit requirements, whereas our other PRC-origin products are generally subject to ordinary customs duties and other applicable tariffs. As of the Latest Practicable Date, imports of our PRC-origin ATVs, off-road motorcycles, electric scooters and electric balance bikes, and electric bicycles to the United States were subject to aggregate tariff rates of approximately 40.0%, 17.5%, 35.0% and 35.0%, respectively. To reduce our tariff exposure in relation to LSEVs, we ceased shipping finished PRC-origin LSEVs to the United States by the end of 2024 and reallocated our U.S.-bound LSEV production arrangements such that our Vietnam Base currently produces LSEV frames and selected components and our North America Base undertakes local assembly. ATVs and LSEVs manufactured in Thailand and exported to the United States would be subject to aggregate U.S. tariff rates of approximately 15.0% and 27.5%, respectively. However, our Thailand facility remained under

construction and had not commenced production as of the Latest Practicable Date. Accordingly, during the Track Record Period and up to the Latest Practicable Date, we did not export any products manufactured in Thailand to the United States or incur any related U.S. tariffs.

As of the Latest Practicable Date, save as disclosed below, we were not subject to any litigation, arbitration or administrative proceedings pending or threatened against our Company or any Director which could have a material adverse effect on our financial condition or results of operations. For details, see "Business — Impact of U.S. Tariffs and Trade Measures" and "Business — Legal Proceedings and Compliance — Legal Proceedings."

- ***Dispute in connection with AD/CVD deposit demand.*** In August 2025, following investigations by the U.S. Department of Commerce and the ITC, the United States imposed AD and CVD orders on certain PRC-origin LSPTVs at rates of 291.04% and 41.14%, respectively. Following the imposition of U.S. AD/CVD orders on certain PRC-origin LSPTVs, U.S. Customs and Border Protection ("**CBP**") demanded estimated AD/CVD deposits totaling approximately US$9.0 million and subsequently issued claims for liquidated damages in the same amount in connection with certain imports by our U.S. subsidiary, Tao Motor, Inc ("**Tao Motor**"). Although Tao Motor's current principal business is the sale of ATVs, motorcycles and related accessories, it also imported LSPTVs into the United States for sale to customers during the Track Record Period. Accordingly, Tao Motor was subject to the cash-deposit requirements under the AD/CVD orders in respect of such imports. As advised by our Tariff Legal Advisor, our exposure for liquidated damages should be capped by the amount of customs surety bonds posted by us, which was US$1,200,000 (of which we have paid US$600,000 in cash as collateral). The relevant imports comprised 79 unliquidated entries of PRC-origin LSPTVs imported between November 1, 2024 and January 3, 2025. Tao Motor has petitioned for remission and filed a lawsuit in the U.S. Court of International Trade ("**CIT**") challenging the ITC decision, and we believe we are not under an immediate obligation to pay the demanded deposits. For details, please see "Risk Factors — Global trade tensions, the initiation of AD and CVD investigations and increases in trade tariffs could adversely affect our business," "Business — Impact of U.S. Tariffs and Trade Measures" and "Business — Legal Proceedings and Compliance — Legal Proceedings — Dispute in Connection with AD/CVD Deposit Demand."

- ***Tariff classification dispute.*** In a separate matter, GoLabs, Inc. ("**Golabs**"), one of our subsidiaries, challenged CBP's reclassification of certain hoverboards from "toys" to "other motor vehicles," which gave rise to assessed duties and Section 301 of the Trade Act of 1974 ("**Section 301**") tariffs of approximately US$1.73 million. This matter was formally concluded pursuant to a stipulated judgment entered on March 9, 2026, following which CBP reliquidated the relevant entry and refunded approximately US$39,000 previously paid, with no further outstanding, ongoing or contingent implications on our Group arising from the matter. As of the Latest Practicable Date, the proceeding had concluded and there was no outstanding liability to our Group in respect of the relevant entry.

- ***Patent infringement claim.*** In January 2025, Razor USA LLC filed a Section 337 complaint with the ITC against multiple respondents, including Golabs, alleging that certain GOTRAX branded electric self-balance bikes infringed certain U.S. utility and design patents. The ITC proceeding does not seek monetary damages but seeks trade remedies; Golabs is defending the proceeding, the design patent allegations were withdrawn in December 2025, while the utility patent allegations remain outstanding and as of the Latest Practicable Date, settlement conference was not held and the case remains under review by the ITC.

- ***Missouri wrongful-death lawsuit.*** Tao Motor is a defendant in a pending wrongful-death lawsuit relating to an off-road motorcycle. The plaintiff had not specified the amount of damages claimed, and settlement discussions are ongoing as of the Latest Practicable Date. The claim is covered by product-liability insurance of up to US$1.0 million, and no uninsured exposure had been identified.
- ***New York personal-injury lawsuit.*** Tao Motor is a defendant in a pending personal-injury lawsuit relating to an off-road motorcycle, in which the plaintiff seeks damages of more than US$75,000. The lawsuit is being defended by insurer-appointed counsel and is covered by product-liability insurance of up to US$1.0 million. As of the Latest Practicable Date, no uninsured exposure had been identified.

DIVIDEND

Pursuant to PRC laws and regulations, including the PRC Company Law (《中華人民共和國公司法》) and the No. 3 Guideline for the Supervision of Listed Companies — Cash Dividend Distribution of Listed Companies (2025 Revision) (《上市公司監管指引第3號－上市公司現金分紅(2025年修訂)》) and Articles of Association, within any three consecutive years, our distributed cumulative profits in cash shall not be less than 30% of the average distributable profits realized in the latest three years. We do not have any formal dividend policy or pre-determined dividend payout ratio. In 2023, 2024, 2025 and the four months ended April 30, 2026, we declared dividends of RMB164.0 million, RMB217.7 million, RMB326.5 million and RMB163.6 million, respectively, to our Shareholders. Our dividend payout ratios for the years ended December 31, 2023, 2024 and 2025 were approximately 58.2%, 50.4% and 40.1%, respectively. The dividend payout ratio for a financial year is calculated by dividing the aggregate cash dividends declared in respect of such financial year by the net profit for the same year attributable to owners of our Company and multiplying the result by 100%.

Future profit distributions may be conducted in the form of cash dividends, stock dividends or a combination thereof. Any proposed distribution of dividends is subject to the discretion of our Board and approval at our Shareholders' meetings. Our Board may recommend a distribution of dividends in the future after taking into account our results of operations, financial condition, operating requirements, capital requirements, Shareholders' interests and any other factors that our Board may deem relevant. As advised by our PRC Legal Advisor, under applicable PRC laws and our Articles of Association, any future net profit shall first be applied to make up for accumulated losses, if any, after which we are required to allocate 10% of our after-tax profit to our statutory reserve fund until such fund has reached 50% or more of our registered capital. Accordingly, we will only be able to declare dividends after our accumulated losses, if any, have been made up for and the required allocation to our statutory reserve fund has been made. There is no assurance that dividends of any amount will be declared or distributed in any year.

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, **[REDACTED]** and other fees incurred in connection with the **[REDACTED]**. Assuming the **[REDACTED]** is not exercised and based on the **[REDACTED]** of **[REDACTED]** per **[REDACTED]**, **[REDACTED]** expenses to be borne by us are estimated to be approximately **[REDACTED]** (**[REDACTED]**), comprising: (i) **[REDACTED]** fees of **[REDACTED]** (**[REDACTED]**); and (ii) **[REDACTED]** expenses of **[REDACTED]** (**[REDACTED]**), which are further categorized into: (a) fees and expenses of legal advisors and accountants of **[REDACTED]** (**[REDACTED]**); and (b) other fees and expenses of **[REDACTED]** (**[REDACTED]**). Approximately **[REDACTED]** (**[REDACTED]**) has been charged or is expected to be charged to our consolidated statements of profit or loss, and approximately **[REDACTED]** (**[REDACTED]**) is expected to be deducted from equity upon the completion of the **[REDACTED]**. During the Track Record Period, we incurred **[REDACTED]** expenses of **[REDACTED]** (**[REDACTED]**), among which **[REDACTED]** (**[REDACTED]**) was recognized in our consolidated statement of profit or loss, and **[REDACTED]** (**[REDACTED]**) was directly attributable to the **[REDACTED]** of Shares and will be deducted from equity upon **[REDACTED]**. The **[REDACTED]** expenses represent approximately

[REDACTED] of the gross **[REDACTED]** of the **[REDACTED]**, assuming the **[REDACTED]** of **[REDACTED]** per **[REDACTED]** and that the **[REDACTED]** is not exercised. The **[REDACTED]** expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

BUSINESS ACTIVITIES IN REGIONS SUBJECT TO INTERNATIONAL SANCTIONS

Our business operations overseas are subject to the jurisdiction of international sanctions administered by various authorities, including those of the Relevant Jurisdictions. That said, as advised by our International Sanctions Legal Advisor, during the Track Record Period, we did not conduct any Primary Sanctioned Activities or Secondary Sanctionable Activities, and neither we nor any of our subsidiaries has been designated as a Sanctioned Target or could be deemed a Sanctioned Trader.

We recorded sales to certain customers located in Russia during the Track Record Period. All such customers were screened and confirmed not to be listed on any applicable sanctions lists, nor were they owned or controlled by Sanctioned Targets. During the Track Record Period, our sales to customers located in Russia amounted to approximately RMB112.9 million, RMB100.3 million, RMB46.6 million and RMB4.3 million in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively, representing approximately 5.3%, 3.4%, 1.2% and 0.3% of our total revenue for the corresponding periods. We sold product to 10, 10, 11 and 6 customers located in Russia during the Track Record Period. Such sales did not constitute a material portion of our revenue, and substantially all of such sales were order-based transactions, rather than recurring or long-term contractual arrangements.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

U.S. Production Capacity

Subsequent to April 30, 2026 and up to the Latest Practicable Date, we continued to advance the build-out and production ramp-up of our North America base to support the growth of our LSEV business and enhance our localized production capabilities. As a result of the continued improvement in our production arrangements, our monthly production volume of LSEVs at our North American base exceeded 8,000 units in June 2026.

No Material Adverse Change

Our Directors confirm that, up to the date of this Document, there has been no material adverse change in our financial or trading position since April 30, 2026 and there is no event since April 30, 2026 which would materially affect the information shown in our financial statements included in the Accountants' Report in Appendix I to this Document.

Summary of Unaudited Financial Information for the Six Months Ended June 30, 2026

We are a public company listed on the Shenzhen Stock Exchange and have disclosed unaudited key financial information prepared under PRC GAAP as of and for the six months ended June 30, 2026 pursuant to the relevant PRC securities laws and regulations. We have included our unaudited interim condensed consolidated financial information prepared in accordance with IAS 34, Interim Financial Reporting, in Appendix IA to this Document. Such information has been reviewed by our reporting accountant, Confucius International CPA Limited, in accordance with Hong Kong Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

The members of our Board, including our Audit Committee, have received and reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended June 30, 2026, as set out in Appendix IA to this Document. We have complied with the code provisions in Part 2 of the Corporate Governance Code set out in Appendix C1 to the Listing Rules, except for code provision C.2.1. (for details, please refer to "Directors and Senior Management — Corporate Governance"). We confirm that we will not breach our Articles of Association, applicable laws and

regulations of the PRC or other regulatory requirements as a result of not distributing a separate interim report for the six months ended June 30, 2026. Pursuant to the Note to Rule 13.48(1) of the Listing Rules, we do not intend to distribute a separate interim report for the six months ended June 30, 2026.

Our revenue increased by 60.6% from RMB1,713.3 million for the six months ended June 30, 2025 to RMB2,750.9 million for the six months ended June 30, 2026. Such increase was primarily attributable to higher sales of LSEVs in the United States, which were driven by (i) continued market demand for our LSEV products in the United States; (ii) the continued expansion of our LSEV dealer network, and greater market acceptance of our DENAGO and TEKO brands in the United States; and (iii) the continued optimization of our LSEV product mix toward higher-value models. Geographically, our revenue from the United States increased by 74.1% from RMB1,337.9 million for the six months ended June 30, 2025 to RMB2,328.8 million for the six months ended June 30, 2026.

Our gross profit increased by 70.9% from RMB680.0 million for the six months ended June 30, 2025 to RMB1,162.3 million for the six months ended June 30, 2026, primarily attributable to the growth in revenue from our E-mobility products, particularly LSEVs. Our gross profit margin increased from 39.7% to 42.2% during the same periods, primarily attributable to a shift in our revenue mix toward E-mobility products, which generally carried higher gross profit margins than our powersports products.

See "Appendix IA — Unaudited Interim Condensed Consolidated Financial Information" and "Financial Information — Recent Development and No Material Adverse Change" for details.