OVERVIEW

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. Mr. Cao, our founder, the chairman of the Board, executive Director and general manager, has led us in providing outdoor leisure and electrified mobility solutions. For details of the background of Mr. Cao, see "Directors and Senior Management — Directors".

In March 2023, our A Shares were listed on the ChiNext Board of the Shenzhen Stock Exchange (stock code: 301345). For details, see "— Major Shareholding Changes of the Company — Listing on the ChiNext Board of the Shenzhen Stock Exchange".

KEY MILESTONES IN THE COMPANY AND BUSINESS DEVELOPMENT

The following table shows the key milestones in business development we have achieved since our establishment.

Year	Events
2015	We established in Jinyun County, Lishui City, Zhejiang Province, mainly engaged in the production and sale of ATVs and off-road motorcycles;
2017	We started to produce a series of electric two-wheelers, including electric scooters and electric balance bikes;
	We created our own brand, GOTRAX;
2022	We started to produce LSEVs and ATVs;
	We created our own brand, DENAGO;
	We established presence in chain supermarkets such as Walmart, Target, Academy, and Best Buy;
2023	We were successfully listed on the ChiNext Board of the Shenzhen Stock Exchange;
2024	Our factory in Quang Ninh Province, Vietnam, has achieved core process manufacturing capacity coverage, with production capacity for LSEV, ATVs, etc.;
	We completed the construction of our own production base in Texas, USA;
2025	We launched a new brand, TEKO, to further improve its marketing network for LSEV in North America;
	We acquired the entire issued share capital of Champion Holdings to expand our sales scale and enrich the portfolio of our own brands in the USA.

MAJOR SUBSIDIARIES

The place of registration, date of registration and commencement of business, and principal business activities of each of our major subsidiaries are as follows:

Company name	The equity attributable to the Group	Principal business activities	Date of establishment and jurisdiction
Yongkang Taotao Technology Co., Ltd.* (永康市濤濤科技有限公司)	100%	Manufacturing and sales of motors and batteries	December 2, 2020, China
Shenzhen Baike New Energy Co., Ltd.* (深圳百客新能源有限公司)	100%	Sales of ATVs, electric scooters, electric balance bikes, motorcycle helmets and related accessories	November 19, 2019, China
Baike Vehicle Vietnam Company Limited	100%	Manufacturing and sales of powersports, LSEVs, and accessories	January 16, 2024, Vietnam
Tao Holding LLC	100%	Investment holding	April 6, 2022, USA
Golabs, Inc.	100%	Sales of intelligent electric vehicles and related products, non-powered cycling products, and associated accessories	May 1, 2017, USA
Denago EV Corporation	100%	Manufacturing and sales of LSEV products and accessories	June 20, 2023, USA
Denago Ebikes Corporation	100%	Sales of electric bicycle products and accessories in the U.S. market	June 20, 2023, USA
Tao Motor Inc.	100%	Sales of ATVs, motorcycles and related accessories	January 6, 2016, USA
Baike, Inc.	100%	Sales of ATVs, electric scooters, electric balance bikes, motorcycle helmets and related accessories	December 9, 2019, USA
Veloz Powersports Inc.	100%	Sales of off-road vehicles, ATVs, motorcycles and other products and related accessories	May 11, 2015, USA
ThunderTrek Inc	100%	Undertaking the wholesale business of Champion gasoline-powered vehicles and electric golf carts.	February 18, 2025, USA
Teko Inc	100%	Engaging in the wholesale sales of Teko brand golf carts.	October 7, 2024, USA

Company name	The equity attributable to the Group	Principal business activities	Date of establishment and jurisdiction
No Speed Limited Inc. . . .	100%	Import of electric golf carts	February 25, 2025, USA
Trailblazer Motors Inc. . . .	100%	Investment holding	August 11, 2025, USA
Champion Motorsports Group, LLC.	100%	Distributing entry-level power sports equipment through major retail chains	January 11, 2023, USA
TransVolt Inc.	100%	Sales of ATVs, electric scooters, electric balance bikes, motorcycle helmets and related accessories	March 11, 2025, USA

For further details on changes in share capital of our major subsidiaries, see "Appendix IV — Statutory and General Information — 3. Changes in the Share Capital of Our Subsidiaries".

MAJOR SHAREHOLDING CHANGES OF THE COMPANY

Early Development of the Company

On September 24, 2015, our Company was established as a joint stock limited company under the laws of the PRC. The initial registered capital of our Company was RMB30.00 million, which was fully contributed by Mr. Cao and his family.

Upon completing multiple rounds of share transfers and capital injections between June 2017 to November 2019, the registered capital of our Company reached RMB82.00 million. The shareholding structure of our Company was as follows:

Name of Shareholders	Number of Shares Held	Shareholding Percentage (%)
Zhongtao Investment.	45,000,000	54.88
Mr. Cao	28,500,000	34.75
Zhongjiu Investment	3,850,000	4.70
Ms. Cao	1,500,000	1.83
Zhongbang Investment	750,000	0.91
Mr. Sun	400,000	0.49
Other Shareholders[(1)]	2,000,000	2.44
Total	**82,000,000**	**100.00**

Note:

(1) Other Shareholders, including two institutional investors and four individual Shareholders, who are Independent Third Parties, represent Shareholders holding no more than 1% of our issued share capital upon the completion of such share transfers and capital injections between June 2017 to November 2019. As at April 16, 2026 (being the record date for the 2025 annual general meeting of the Company), save for two institutional Shareholders, no other Shareholders held any A Shares issued in the A Shares listing.

Establishment of Employee Shareholding Platforms

In order to further improve the Company's long-term incentive mechanism, attract and retain outstanding talent, and enhance employees' initiative, since 2018, our Company established Zhongjiu Investment and Zhongbang Investment as our employee shareholding platforms, with a view to providing equity incentives for the eligible employees to align their interests with our Group. Ms. Cao, the sister of Mr. Cao, our executive Director and general manager, is the sole general partner of both Zhongjiu Investment and Zhongbang Investment. It is a common practice among A-share listed companies in the PRC for employee shareholding platforms to be managed by a family member of the director or controlling shareholder. Such arrangement is mainly adopted for commercial reasons, including: (i) ensuring the stability and continuity of the employee platform's management; (ii) maintaining alignment of interests with the Company's long-term development objectives; and (iii) providing a trusted and accountable individual to manage the platform on behalf of the employee participants.

Zhongjiu Investment

Zhongjiu Investment was incorporated as a limited partnership under the laws of the PRC on October 16, 2018. As of the Latest Practicable Date, Ms. Cao held approximately 90.89% partnership interests. The remaining interests of Zhongjiu Investment are held by Mr. Yao Guangqing, our executive Director and deputy general manager (as to approximately 0.78%), Mr. Lou Guidong, our deputy general manager (as to approximately 0.78%), Mr. Chai Aiwu, our deputy general manager (as to approximately 0.62%), Ms. Zhu Hongxia, our deputy general manager (as to approximately 0.52%) and 14 other employees of our Group when the stock incentive arrangements were implemented, who are not Directors or senior management members (as to approximately 6.41% in aggregate).

Zhongbang Investment

Zhongbang Investment was incorporated as a limited partnership under the laws of the PRC on October 16, 2018. As of the Latest Practicable Date, Ms. Cao held approximately 58.00% partnership interests in Zhongbang Investment, with the remaining interests held by 41 other current employees and 3 resigned employees of the Group, who were not Directors, or senior management members (as to approximately 42.00% in aggregate).

Upon the establishment of Zhongjiu Investment and Zhongbang Investment, the shareholding structure of our Company was as follows:

Shareholder Name	Number of Shares Held	Shareholding Percentage (%)
Zhongtao Investment	45,000,000	56.25
Mr. Cao	28,500,000	35.62
Ms. Cao	1,500,000	1.88
Zhongjiu Investment	3,850,000	4.81
Zhongbang Investment	750,000	0.94
Mr. Sun	400,000	0.50
Total	**80,000,000**	**100.00**

Listing on the ChiNext Board of the Shenzhen Stock Exchange

On March 21, 2023, we completed the listing of our A Shares on the ChiNext Board of the Shenzhen Stock Exchange (stock code: 301345). For the purpose of the A Shares listing, we issued an aggregate of 27,333,600 A Shares, accounting for 25% of our Company's then share capital immediately upon completion of the A Shares Listing. As part of the A Shares Listing, we conducted a strategic placing through which, among others, 7.45% of the total offered A Shares (representing 1.86% of our total share capital upon completion of the A Shares Listing) were allocated to a collective asset management scheme managed and controlled by an asset manager ("**Collective Asset Management Scheme**"), which subscribed for such A Shares for the economic benefits of our certain senior management members and core employees. The asset manager of the Collective Asset Management Scheme is Donghai Securities Co., Ltd. (東海證券股份有限公司), a professional asset manager and an Independent Third Party. Pursuant to the asset management agreement, the asset manager is entitled to, among others, manage and operate the underlying assets and make investment decisions independently as well as exercise relevant shareholder's rights in its own name, thus is the actual controller of the Collective Asset Management Scheme. The shareholding structure of our Company immediately following the completion of our A Share listing and the strategic placing was as follows:

Name of Shareholders	Number of Shares Held	Shareholding Percentage (%)
Zhongtao Investment	45,000,000	41.16
Mr. Cao	28,500,000	26.07
Zhongjiu Investment	3,850,000	3.52
Ms. Cao	1,500,000	1.37
Zhongbang Investment	750,000	0.69
Mr. Sun	400,000	0.37
Collective Asset Management Scheme	2,037,440	1.86
Other A Shareholders	27,296,160	24.97
Total	**109,333,600**	**100.00**

As at the Latest Practicable Date, the shareholding structure of our Company was as follows:

Name of Shareholders	Number of Shares Held	Shareholding Percentage (%)
Zhongtao Investment	45,000,000	41.27
Mr. Cao	28,500,000	26.14
Zhongjiu Investment	3,850,000	3.53
Ms. Cao	1,500,000	1.38
Zhongbang Investment	750,000	0.69
Collective Asset Management Scheme	82,016	0.08
Other A Shareholders	29,367,055	26.91
Total	**109,049,071**	**100.00**

2023 Restricted Share Incentive Plan

The Company adopted the 2023 Restricted Share Incentive Plan on August 2, 2023. The purpose of the 2023 Restricted Share Incentive Plan is to improve the incentive mechanism of the Group, attract and retain talents to achieve the Group's sustainable and stable development, thereby achieving the Group's long-term objectives. For details, see "Appendix IV — Statutory and General Information — 6. Employee Incentive Scheme — 2023 Restricted Share Incentive Plan".

PUBLIC FLOAT

Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public, at the time of listing, must (a) represent at least 10% of the issuer's total number of issued shares in the class to which H shares belong (excluding treasury shares); or (b) have an expected market value of not less than HK$3,000,000,000.

Our A Shares are listed on the ChiNext Board. The total number of the H Shares to be **[REDACTED]** pursuant to the **[REDACTED]** represents approximately **[REDACTED]** of the total issued share capital of the Company (before any exercise of the **[REDACTED]**). Immediately following the completion of the **[REDACTED]** (before any exercise of the **[REDACTED]**), the total number of the H Shares expected to be held by the public represents approximately **[REDACTED]** of the total issued share capital of the Company, which meets the prescribed percentage of H Shares required to be held in public hands of 10% under Rule 19A.13A(2)(a) of the Listing Rules, thereby satisfying Rule 19A.13A(2) of the Listing Rules at the time of the **[REDACTED]**.

FREE FLOAT

Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H 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 5% of the total number of issued shares in the class to which H shares belong 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.

Based on the **[REDACTED] [REDACTED]** of **[REDACTED]** per H Share, the Company's market value of H Shares is expected to be **[REDACTED]** at the time of **[REDACTED]**, which will satisfy the free float requirement under Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules.

MATERIAL ACQUISITIONS, DISPOSALS AND MERGERS

Acquisition of Champion Holdings

On December 16, 2025 (December 15, 2025, U.S. time), Trailblazer Motors Inc., an indirect wholly-owned subsidiary of our Company, entered into a share transfer agreement with Champion Motorsports Group Investor, LLC. ("**Champion Investor**"), pursuant to which Trailblazer Motors Inc., agreed to acquire, and Champion Investor agreed to sell, the entire issued share capital of Champion Holdings (the "**Acquisition**"). Following the completion of the Acquisition in late December 2025, Champion Holdings has become an indirect wholly-owned subsidiary of our Company and its financial results have been consolidated with our Group in December 2025. The Acquisition has been properly and legally completed and settled, and no approvals from the relevant authorities are required for the Acquisition.

As none of the applicable percentage ratios exceeded 25%, no additional disclosure of pre-acquisition financial information will be necessary pursuant to Rule 4.05A of the Listing Rules.

Save as disclosed in "Material Acquisitions, Disposals and Mergers" in this section, we did not conduct any other acquisitions, disposals or mergers that we consider to be material to us during the Track Record Period and up to the date of the document.

Relationship with Champion Holdings and Champion Motorsports

Background

Champion Motorsports Group, LLC. ("**Champion Motorsports**"), a wholly-owned subsidiary of Champion Holdings, is a U.S.-based sales and distribution platform for powersports and outdoor recreational mobility products. It is headquartered in Mesquite, Texas and maintains a branch warehouse in Lavonia, Georgia. We have established a stable business relationship with Champion Motorsports since 2023, and it was one of our five largest customers in each of 2023, 2024 and 2025. Prior to the Acquisition, Champion Motorsports was an Independent Third Party of our Company. It primarily purchased E-mobility products and powersports from us on an ODM basis for onward sale in the U.S. through its retail and dealer channels. Its products are positioned for the U.S. mass-market and specialty retail channels, targeting customers in the outdoor recreation, rural lifestyle and family leisure markets.

Commercial Rationale

We regard the Acquisition as being of positive value considering (i) Champion Holdings' established customer base, sales network covering more than 2,000 retail stores operated by TSC and certain of Champion Motorsports' other KACs, brand resources and after-sales service infrastructure; and (ii) the expected synergies from integrating its downstream sales and distribution capabilities with our product development and manufacturing capabilities. Champion Motorsports' relationships with these KACs are ongoing commercial relationships under standard KAC agreements rather than fixed-term purchase commitments.

Consideration and Valuation

The acquisition cost amounted to approximately RMB313.4 million, comprising (i) cash consideration of approximately RMB105.4 million (US$15.0 million); and (ii) trade receivables originally due from Champion Holdings and Champion Motorsports to our Group with a carrying amount of approximately RMB207.9 million. Such carrying amount represented gross trade receivables of approximately RMB219.0 million, net of an allowance for expected credit losses of approximately RMB11.0 million. The allowance was recognized before the Acquisition in accordance with our consistently applied accounting policy for trade receivables, taking into account primarily the aging profile, historical repayment pattern and expected recoverability of the relevant receivables, and did not arise from any commercial dispute or the subsequent waiver of the receivables.

Before agreeing to the cash consideration, we engaged external professional advisers to conduct legal, financial and valuation due diligence on Champion Holdings and arranged for its financial information to be audited. In assessing and negotiating the cash consideration, we considered, among other things, (i) the findings of such due diligence and audit; (ii) the commercial factors described under "— Commercial Rationale" above, including Champion Holdings' established U.S. sales network and customer relationships; (iii) the expected benefits of integrating Champion Holdings' downstream sales and distribution operations; and (iv) the potential to improve Champion Holdings' operating efficiency and financial performance following the Acquisition through the integration of its operations and more effective control over its selling, administrative and other operating costs, which we considered could support its path toward profitability. Following several rounds of arm's length commercial negotiations, the parties agreed on the cash consideration of US$15.0 million after taking into account the foregoing factors.

According to a valuation report dated December 16, 2025, which adopted September 30, 2025 as the valuation benchmark date and applied the asset-based approach, Champion Holdings had appraised identifiable assets of approximately US$86.8 million and appraised liabilities of approximately US$90.7

million, resulting in an appraised net liability position of approximately US$3.9 million as of September 30, 2025. Champion Holdings recorded revenue of approximately US$92.3 million for the year ended December 31, 2024 and approximately US$78.3 million for the nine months ended September 30, 2025. However, it recorded net losses of approximately US$12.0 million and US$9.3 million for the year ended December 31, 2024 and the nine months ended September 30, 2025. Following the Acquisition, we began implementing measures to improve Champion Motorsports' operating efficiency and financial performance, including (i) aligning its product planning, procurement and inventory management with our product development, manufacturing and supply chain capabilities; and (ii) applying our budgeting and expense-control procedures to reduce unnecessary or non-budgeted expenditures.

Intellectual Property of Champion Holdings

Through the Acquisition, we acquired control over (i) Champion Motorsports' ownership of the "Racka™" trademark and (ii) Champion Motorsports' contractual rights as licensee under a trademark licence agreement with The Coleman Company, Inc. in respect of the "COLEMAN™" and "MADDOG GEAR™" trademarks and trade names, including its exclusive rights to use the "COLEMAN" brand in the United States and Canada. During the term of the licence, through Champion Motorsports, we are entitled to use the "COLEMAN" brand in connection exclusively licensed products in the United States and Canada, and the "MADDOG GEAR" powersport accessories in the United States. The initial term of the licence agreement expires on December 31, 2028. Provided that Champion Motorsports complies with the terms and conditions and gives the licensor written renewal notice by December 31, 2027, the parties may enter into arm's length negotiations to extend the licence on mutually agreed terms.

As advised by our Reporting Accountants, under IAS 38, an expected renewal period may be taken into account in determining the useful life of contractual rights where there is evidence supporting renewal without significant cost. Subject to the licensor's consent, management expects the licence to continue beyond December 31, 2028 without significant cost relative to the expected future economic benefits and, taking into account such anticipated continuation, the applicable product life cycles, industry practice for comparable trademark licences and potential commercial obsolescence, determined an estimated useful life of ten years for the relevant contractual licence rights. In determining an estimated useful life of ten years, the senior management of our Company considered the applicable product life cycles, potential commercial obsolescence and industry practice for comparable trademark licences, under which licence terms generally range from five to 16 years, with ten years being the most common term. These considerations, together with management's assessment of anticipated renewals, formed the basis for management's estimate of the period over which the acquired contractual licence rights are expected to generate economic benefits. Accordingly, such rights are amortized on a straight-line basis over an estimated useful life of ten years, which represents the total expected period of economic benefit and does not imply an additional ten-year renewal term. For details, please refer to "Financial Information — Intangible Assets" and Note 18(d) to the Accountants' Report.

According to Frost & Sullivan, "COLEMAN" is a long-established outdoor recreation brand used by various licensees across multiple product categories and markets. Its established brand recognition and market position support the commercial value of Champion Motorsports' licensed rights.

If the licences are not renewed, we would no longer be entitled to use the relevant brands for the licensed products in the applicable territories following expiry, subject to any contractual sell-off rights. This could disrupt sales, reduce revenue and profitability, and result in inventory write-downs and additional rebranding and marketing costs. For details, see "Risk Factors — We may be unable to renew our licences to use the 'COLEMAN' and 'MADDOG GEAR' brands, which could adversely affect our operations and financial performance."

Champion Holdings' Sales Network

As of April 30, 2026, Champion Motorsports had five KACs and its products were distributed through a sales network covering over 2,000 TSC stores across the United States. Champion Motorsports also maintains U.S.-based after-sales service capabilities, including warranty processing, repair support, spare-parts supply and customer service.

Following the Acquisition, Champion Motorsports became one of our principal U.S. sales platforms. We considered the Acquisition strategically beneficial as it enabled us to gain direct access to Champion Holdings' established sales network in particular TSC, customer relationships, after-sales service infrastructure and brand resources, by integrating Champion Holdings' downstream sales and distribution capabilities with our upstream product development and manufacturing capabilities. We plan to use Champion Motorsports' existing retail channels to market and sell our products in the United States. We also plan to utilize Champion Motorsports' existing after-sales service infrastructure in connection with products sold through those channels. Supplies by our manufacturing entities to Champion Motorsports are consequently intra-group transactions and are eliminated upon consolidation, while sales by Champion Motorsports to downstream third-party customers are recognised as external sales of our Group.

For further details of the Acquisition, see "Financial Information — Discussion of Selected Items From the Consolidated Statements of Financial Position — Impairment Tests for Goodwill" and Note 18 to the Accountants' Report as set out in Appendix I to this Document.

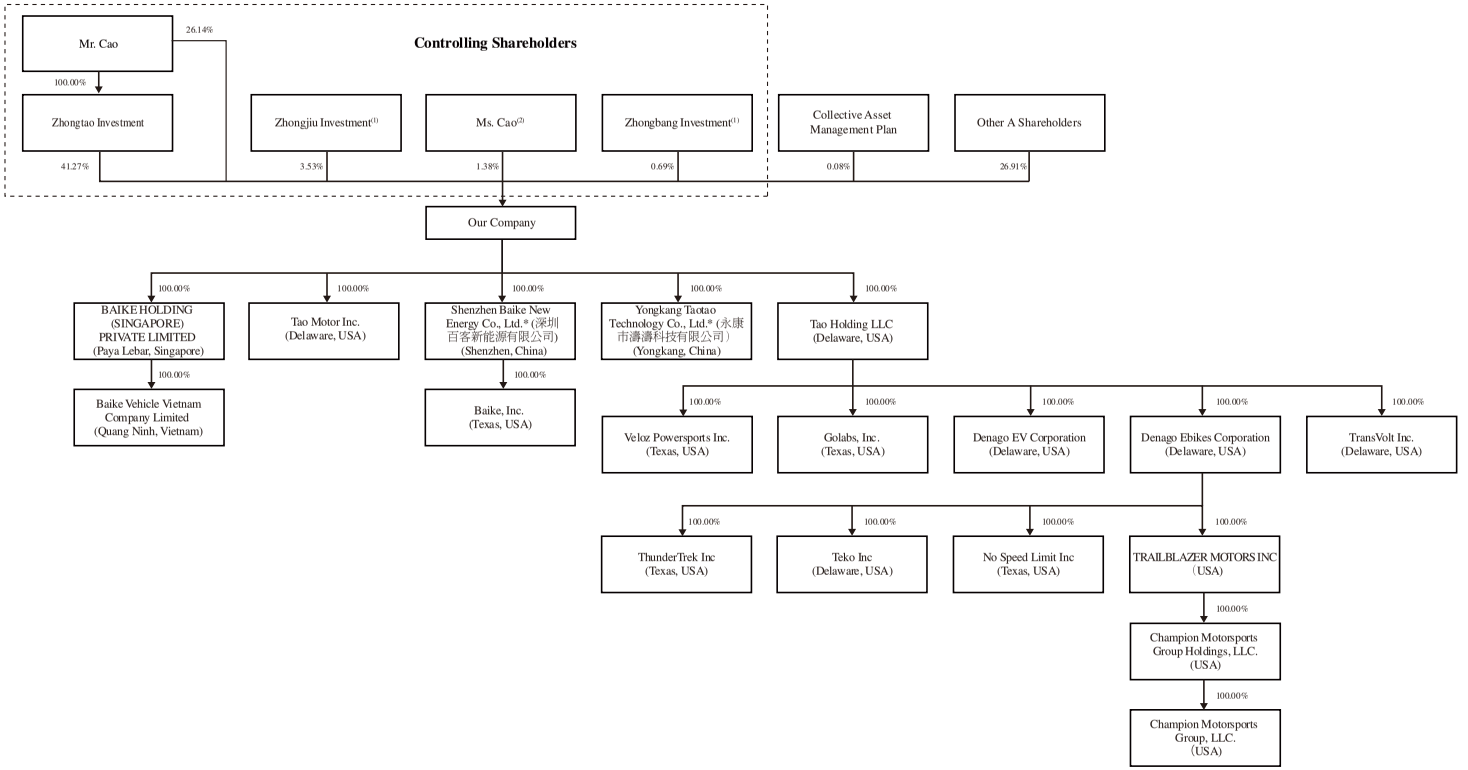
OUR LISTING ON THE CHINEXT BOARD OF THE SHENZHEN STOCK EXCHANGE AND THE REASONS FOR OUR [REDACTED] ON THE STOCK EXCHANGE

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.

The Company seeks to **[REDACTED]** on the Hong Kong Stock Exchange to provide more funds for our business development and expansion, to provide an additional financing platform for the Company when necessary, to further strengthen our corporate image and market position in the industry and to better attract overseas **[REDACTED]** and talents. For details, see "Business — Growth Strategies" and "Future Plans and Use of **[REDACTED]**".

SHAREHOLDING STRUCTURE IMMEDIATELY BEFORE THE [REDACTED]

The following chart sets forth our simplified shareholding structure and major subsidiaries immediately before the **[REDACTED]**:



Notes:

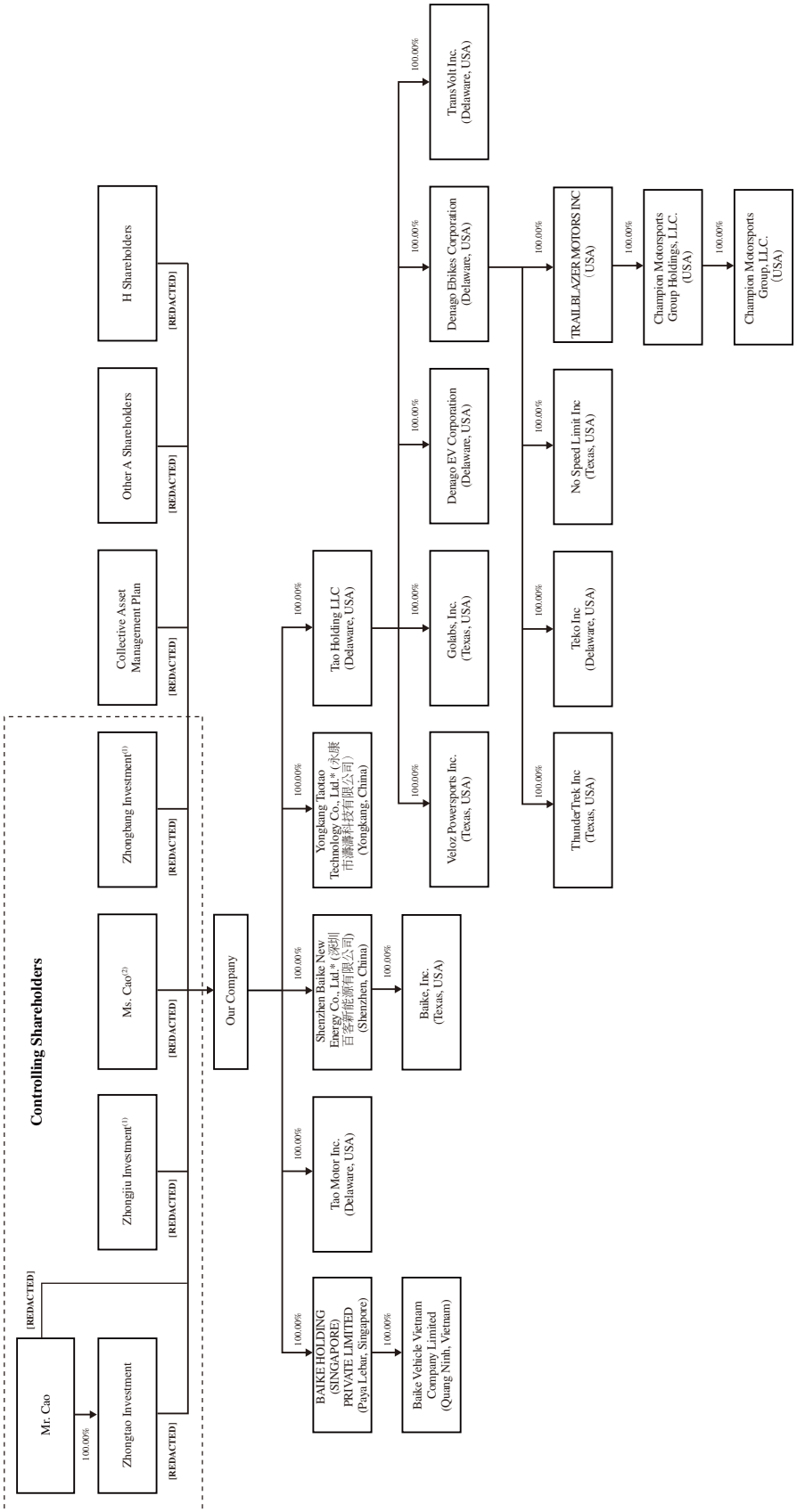
(1) See "— Major Shareholding Changes of the Company — Establishment of Employee shareholding platforms".

(2) Ms. Cao, the sister of Mr. Cao, as the sole general partner of each of Zhongjiu Investment and Zhongbang Investment, is responsible for management and exercising the voting rights attaching to the Shares held by each of Zhongjiu Investment and Zhongbang Investment, in accordance with the partnership agreement entered into among the general and limited partners of each of Zhongjiu Investment and Zhongbang Investment, respectively. Therefore, Ms. Cao, Zhongjiu Investment and Zhongbang Investment, together with Mr. Cao and Zhongtao Investment are considered as a Controlling Shareholder Group as defined under the Hong Kong Listing Rules. For further details, see "Relationship with Controlling Shareholders".

(3) The Company also directly and indirectly wholly owns 27 subsidiaries established in various jurisdictions.

SHAREHOLDING STRUCTURE IMMEDIATELY FOLLOWING THE COMPLETION OF THE [REDACTED]

The following chart sets forth our simplified shareholding structure and major subsidiaries immediately following the completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised):



Notes (1) to (3): Please refer to the details contained in the preceding pages.