FUTURE PLANS

For further disclosure of our business objectives and strategies, see "Business — Growth Strategies."

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:

	Approximate % of the total	Total	For the year ended December 31,				
			2026	2027	2028	2029	2030
		(HK$ million)					
Expanding our PRC and overseas production facilities and enhancing the automation, efficiency and localized production support of our manufacturing infrastructure	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
• Expanding and upgrading our PRC production facilities	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
• Constructing an additional production base in Thailand	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Enriching and expanding our product and service portfolio and applying product-related intelligent technologies to our products	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Expanding our sales and service network, with a focus on strengthening our brand influence, customer loyalty, and regional channel capabilities	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Repaying a portion of our bank loans	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Working capital and other general corporate purposes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	**100%**	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

- 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. To meet the growing market demand for our products, we plan to steadily and efficiently increase our production capabilities. The proposed Yongkang and Thailand projects are not duplicative and are intended to perform different but complementary functions within our manufacturing network. The Yongkang project will principally consolidate and upgrade certain existing PRC production operations and provide dedicated capabilities for complete LSEV kits and components for export purposes. The Thailand project will principally provide an additional overseas site for the manufacture and assembly of finished LSEVs and ATVs. Both projects will be implemented progressively through 2030, and the overlap in their construction periods does not mean that their full designed capacities will be introduced simultaneously. We expect sales of our E-mobility products and powersports will increase rapidly from 2026 to 2030, driven by sustained growth in short-distance trip, outdoor

leisure, off-road sports and nature exploration use cases. According to Frost & Sullivan, the global LSEVs market, electric two-wheelers market, and powersports markets are expected to reach US$6.7 billion, US$11.1 billion and US$38.2 billion by 2030, with a CAGR of 28.2%, 5.2% and 5.4% from 2025 to 2030. More specifically:

- approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used for digital and intelligent upgrade of our PRC manufacturing facilities and the construction of new production facilities in Yongkang, Zhejiang Province. Our PRC facilities will continue to serve as our principal manufacturing, component supply and technical support base for our global operations, rather than solely for finished products exported to the U.S. Our existing Yongkang production operations commenced in 2021 and have historically been conducted mainly through leased premises. The new Yongkang facilities will be constructed on self-owned land and are expected to have a designed annual production capacity of approximately 10,000 LSEVs, 20,000 sets of complete LSEV kits and 500,000 sets of key components. More specifically:

  - approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used for construction and engineering expenditure for our new Yongkang facilities. Of the approximately **[REDACTED]** allocated to construction and engineering expenditure, approximately **[REDACTED]** will be used for the construction and fit-out of production and ancillary buildings, approximately **[REDACTED]** for other construction-related expenditure and approximately **[REDACTED]** for contingencies. The land for the new Yongkang facilities was acquired by us in 2025 at a cost of approximately RMB40.0 million. We expect to construct production and ancillary facilities with an aggregate gross floor area of approximately 144,600 sq.m., comprising multi-storey factory buildings, staff living facilities and high-rise factory buildings. Following the reallocation of the PRC production lines to powersports and component production in early 2026, for the four months ended April 30, 2026, our PRC Base had production capacity of 1,000 LSEVs and 87,860 units of powersports, with utilization rates of 73.7% and 75.3%, respectively. The new Yongkang facilities are therefore intended to complement, rather than duplicate, our existing production capacity by providing dedicated production capabilities for (i) finished LSEVs for markets outside the United States, and (ii) complete LSEV kits and key components for our overseas manufacturing bases. Demand for such additional capacity is supported by the continued growth of our LSEV business. Our LSEV sales volume increased from approximately 20.7 thousand units in 2024 to approximately 44.5 thousand units in 2025, while our LSEV revenue increased by 126.9% for the four months ended April 30, 2026 compared with the corresponding period in 2025. In addition, the utilization rate of the LSEV production capacity at our North America Base reached 89.2% for the four months ended April 30, 2026, increasing its demand for complete LSEV kits and key components supplied by our PRC operations.

  - approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used for the procurement and installation of equipment for the upgrade of our existing PRC facilities and new Yongkang facilities. We plan to procure over 70 sets of relevant equipment and systems, comprising production equipment, information systems, utility equipment and ancillary production equipment. The equipment and systems will be specified by reference to the relevant production line layout and the processing, assembly, packaging, testing and production management requirements for LSEVs, complete LSEV kits and key components. Such equipment and systems are expected to cover body processing, welding, surface treatment, component production, assembly, packaging and testing, as well as digital production management, utility support, tooling, fixtures, material handling and storage functions. We expect such equipment

and systems to enhance the automation, digital production management, process standardization and quality inspection capabilities of our PRC facilities, thereby supporting our global production allocation and overseas order fulfilment.

- approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used for staff costs. We expect to hire approximately 135 employees in phases in line with the construction progress and production ramp-up, including core management personnel, R&D personnel, production personnel, sales personnel and administrative and human resources personnel. The relevant employees are generally expected to have qualifications and education background suitable for their respective functions. In particular, our R&D personnel are required to hold a bachelor's degree or higher. The expected annual salary range for such employees will be approximately RMB80 thousand to RMB400 thousand per employee, depending on job function, seniority, technical requirements and market conditions.

  Our new facilities on self-owned land are intended to enable us to relocate and consolidate selected production and ancillary functions currently conducted in such leased premises. Constructing the facilities on self-owned land is expected to provide greater certainty over the long-term use of our principal PRC production premises and reduce our exposure to lease non-renewal, unexpected early termination, or rental increases. A purpose-built, self-owned site is also more suitable for installing and operating long-lived and site-specific production, environmental-protection, utility and information systems, which may require substantial structural works and may be costly or impracticable to dismantle and reinstall following the expiry or termination of a lease.

  The new facilities will also allow us to consolidate and upgrade our existing leased production operations and leverage proximity to our existing Yongkang operations, local procurement convenience and economies of scale. This includes the construction of digital machining and assembly workshops for LSEV body processing, component assembly and in-process quality inspection and the intelligent automation of key processes such as body processing, component assembly, and in-process quality inspection. By building an efficient and replicable standardized production system, our PRC facilities will not only support global supply chain needs but also export mature technology and management experience to our overseas bases; and

- approximately **[REDACTED]** of the **[REDACTED]**, or **[REDACTED]**, will be used for construction of one additional overseas production base in Thailand, and related upgrades to our overseas manufacturing capabilities. Of this amount, approximately **[REDACTED]** will be used for the construction of seven factory buildings and one office building, with an aggregate planned gross floor area of approximately 74,100 sq.m., and related infrastructure; approximately **[REDACTED]** will be used for the procurement and installation of production, testing, and environmental-protection equipment; approximately **[REDACTED]** will be used for other construction-related expenditure; approximately **[REDACTED]** will be used for contingencies; and approximately **[REDACTED]** will be used for staff costs. The Thailand production base is planned to have an annual production capacity of approximately 40,000 LSEVs and 30,000 ATVs. This involves constructing factories and infrastructure, procuring automated production lines and quality inspection equipment, including equipment for automated processes such as robotic welding, automatic blanking/cutting, automatic pipe bending and automated spraying for frame manufacturing, and recruiting approximately 225 additional employees in Thailand, comprising management personnel, R&D personnel, production personnel and sales personnel. The relevant employees are generally expected to possess, where applicable, qualifications required under applicable local laws and regulations, as well as relevant industry experience, technical skills or

practical training commensurate with their respective functions. In particular, our R&D personnel are required to hold a bachelor's degree or higher. The expected annual salary range for such employees will be approximately RMB69 thousand to RMB400 thousand per employee, depending on job function, seniority, technical requirements and local market conditions. Although certain production processes at the Thailand facility will be supported by automated equipment, the planned recruitment remains necessary to support production ramp-up, equipment operation and maintenance, quality inspection, assembly, packaging, warehousing, R&D, sales and local management functions. We believe these initiatives will broaden our manufacturing footprint in Southeast Asia and help reduce production and logistics costs. Although the Thailand facility had not commenced production as of the Latest Practicable Date, if ATVs and LSEVs manufactured at the facility were exported to the United States and qualified as Thailand-origin products, they would be subject to aggregate U.S. tariff rates of approximately 15.0% and 27.5%, respectively, the same as those applicable to the corresponding Vietnam-origin products. Accordingly, in selecting Thailand for our additional overseas production base, we also considered the potential tariff advantage over PRC-origin production.

The planned self-built Thailand facility is intended to reduce our reliance on the leased production premises in Vietnam and provide greater long-term control over a material part of our overseas manufacturing infrastructure. See "Risk Factors — Risks Relating to Our Business — We face certain risks in relation to our leases." Establishing an additional manufacturing site in Thailand is also expected to reduce the geographic and site concentration of our overseas production operations, as well as our exposure to lease renewal uncertainties and other lease-related restrictions. The Thailand facility will provide an additional operating location within Southeast Asia and greater flexibility to allocate production stages, product categories and order volumes among our PRC, Vietnam, Thailand and North America bases in response to changes in customer demand, tariff risks, supply-chain conditions and other operational developments.

- 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. We will expand our R&D teams in key locations, primarily China and the United States, by offering competitive compensation to attract and retain top talent. Our R&D initiatives are intended to improve the performance, reliability, user experience and cost efficiency of our existing products. We plan to recruit approximately 200 additional R&D engineers, comprising approximately 20 engineers for LSEV product upgrades, 60 engineers for ATV product upgrades, 80 engineers for three-electric systems technology upgrades and 40 engineers for vehicle intelligence. Engineers for the LSEV and ATV projects will primarily comprise junior engineers and experienced engineers, while those for three-electric systems and vehicle intelligence will primarily comprise experienced engineers and domain experts with relevant technical expertise. The additional R&D personnel will mainly cover (a) intelligent technologies, (b) vehicle development, (c) three-electric systems, and (d) testing and validation. For expected remuneration, the average annual cash compensation for R&D hires is expected to be approximately RMB350 thousand in the PRC and US$150 thousand per person in the U.S.. The key R&D projects currently contemplated comprise (i) upgrades of our existing LSEV and ATV product lines, principally to expand model offerings and improve vehicle-level performance, comfort, durability and safety; and (ii) development of three-electric systems and vehicle intelligence technologies for application across selected LSEV and powersports models, principally to improve electric-drive efficiency and component commonality and enhance vehicle connectivity, diagnostics and remote maintenance capabilities. More specifically:

  - approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used for upgrades of our existing LSEV and ATV product lines. For LSEVs, we plan to expand our product matrix by developing four-seat, 4+2-seat and six-seat models, as well as higher value-added products such as panoramic camping carts and utility carts for venues, the

first-generation models of which have already been commercialized. We plan to use the relevant **[REDACTED]** for the continued iteration and upgrading of such products, including the development of their second-generation models, by improving product-level features such as chassis and suspension performance, electric braking response, seating comfort, cabin layout flexibility and scenario-specific configurations, which are expected to enhance ride comfort, handling and adaptability across different usage scenarios. These initiatives are expected to broaden our customer coverage, address more usage scenarios and support higher-value LSEV models. For ATVs, we plan to improve product performance, reliability and design by optimizing frame structures, steering and braking systems, suspension systems, intake and exhaust matching, electronic fuel injection systems, which electronically control fuel delivery to improve combustion efficiency and throttle response. These initiatives are expected to improve off-road performance, fuel efficiency, durability and safety, and help us compete in higher-value powersports segments.

  - approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used to apply product-related technologies to our products, including upgrades to three-electric systems and vehicle connectivity and electronic control technologies. For three-electric systems, which comprise the battery system, drive motor and vehicle electronic control system, we plan to further optimize the integrated battery, motor and electronic control architecture, including battery systems, battery management system (BMS) functions, drive motors, electric control units, thermal management, high-voltage wiring and CAN/OTA compatibility. By standardizing these core electric-drive modules, we aim to develop a reusable three-electric platform that can be adapted across selected LSEV, which is expected to shorten development cycles, improve component commonality, and enhance power output, energy efficiency, driving range and product consistency. For vehicle connectivity and electronic control technologies, we plan to improve the in-vehicle communication network, including CAN bus communication among key vehicle controllers, EPS systems that support smoother steering assistance, IoT connectivity for remote monitoring and diagnostics, and OTA remote upgrades that enable wireless software or firmware updates. These initiatives are expected to enhance steering control, fault diagnosis, remote maintenance, electrical reliability and readiness for fleet management and other operating scenarios.

- 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. We plan to establish three marketing service centers in Dallas, Texas, the United States, covering LSEVs, E-mobility two-wheelers and powersports, respectively, and recruit approximately 21 additional local sales and service employees. More specifically:

  - approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used for investment and set-up expenditure for the three marketing service centers in Dallas, Texas. Such costs are expected to primarily include leasing and basic fit-out/renovation of premises, procurement of hardware and software systems, display and office equipment, and related contingency expenses required for the establishment and initial operation of the service centers.

  - approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used for project implementation expenses for the expansion of our sales and service network. In particular, approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used for the recruitment and compensation of approximately 21 additional local sales and service employees to support the three marketing service centers in Dallas, Texas; approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used for marketing and promotional activities, including online advertising targeting dealer networks, advertising in industry magazines and publications, the production of brand and product videos for E-mobility two-wheelers, regional dealer meetings and participation in industry

exhibitions; and approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used for other project implementation expenses, including product design-related expenses, third-party service fees and warehouse consumables.

We plan to establish separate marketing service centres for these three product segments because they differ in product features, sales channels, customer base and after-sales service requirements. In particular, LSEVs are four-wheeled low-speed vehicles primarily sold through dealers and require dedicated support for product demonstration, dealer training, technical support, spare parts coordination and warranty handling. E-mobility two-wheelers, including electric bicycles, electric scooters and electric balance bikes, are primarily sold through KACs, GMS, third-party e-commerce platforms and DTC channels, and require support for high-volume consumer sales, online customer service, product returns and customer feedback collection. Powersports, including ATVs and off-road motorcycles, require more specialized support relating to engines, powertrain systems, off-road use cases, product safety and dealer training. Dallas was selected primarily because our North American headquarters and local management team are based in the Dallas area, which allows us to leverage existing management, logistics and service resources.

The additional 21 local sales and service employees are expected to be recruited in Dallas, Texas, comprising 12 sales personnel, including three sales directors and nine sales managers, as well as nine management, product and customer service personnel. For the sales personnel, we generally expect candidates for sales director positions to have a bachelor's degree or above, or equivalent practical experience, and relevant experience in vehicle, mobility, consumer durable products, dealer management, sales operations or after-sales service. For sales manager positions, we generally expect candidates to have an associate degree, vocational education background or above, or equivalent practical experience. The indicative annual salary is expected to be approximately RMB0.9 million per employee for sales directors and approximately RMB0.6 million to RMB0.7 million per employee for sales managers.

- Approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, will be used to repay a portion of our bank loans. This is intended to optimize our debt structure, reduce financial costs, increase our operational funding flexibility and create balance sheet headroom for potential future strategic investments and acquisitions, thereby providing a more solid financial foundation for our continued business growth.

- Approximately **[REDACTED]** of the net **[REDACTED]**, or **[REDACTED]**, for working capital and other general corporate purposes.

If we set the final **[REDACTED]** to be below the **[REDACTED]**, we will reduce the allocation of the net **[REDACTED]** to the above purposes on a pro rata basis. Any additional **[REDACTED]** received from the exercise of the **[REDACTED]** will also be allocated to the above purposes on a pro rata basis. In the event that the **[REDACTED]** is exercised in full, we will receive additional net **[REDACTED]** of **[REDACTED]** (after deducting the estimated **[REDACTED]** and other fees and expenses payable by us in connection with the **[REDACTED]** and assuming the **[REDACTED]** of **[REDACTED]** per H Share).

To the extent that the net **[REDACTED]** are not immediately applied to the above purposes, we intend to deposit the net **[REDACTED]** into short-term interest-bearing accounts at licensed commercial banks and/ or other authorized financial institutions (as defined under the SFO or applicable laws and regulations in other jurisdictions) so long as it is deemed to be in the best interests of our Company.