NEW GONOW
新吉奧

New Gonow Recreational Vehicles Inc.

新吉奧房车有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0805)

CONNECTED TRANSACTION IN RELATION TO ENTERING INTO THE FACTORY CONSTRUCTION AND LEASE CONTRACT

The Board announces that on 3 July 2026, Xing Longtree entered into the Factory Construction and Lease Contract with Longtree Zhejiang, pursuant to which Xing Longtree agreed to rent and Longtree Zhejiang agreed to lease the Factory to be constructed on the Target Land for a fixed term of 20 years since the Lease Commencement Date.

IMPLICATION UNDER THE LISTING RULES

As at the date of this announcement, Longtree Zhejiang is a 30%-controlled company of Mr. Miao, an executive Director, the chairman of the Board, the chief executive officer of the Group, and one of the controlling shareholders of the Company. Longtree Zhejiang is therefore a connected person of the Company under Chapter 14A of the Listing Rules.

Pursuant to the *Hong Kong Financial Reporting Standard 16 — Leases*, the Company expects to recognise for an amount of RMB38,514,644.41 as right-of-use assets in the consolidated statement of financial position of the Group. The aforesaid amount is unaudited and may be subject to adjustment in the future based on actual leasing conditions. According to the Listing Rules, entering into the Factory Construction and Lease Contract and the transaction contemplated thereunder will be deemed as an acquisition of right-of-use assets by the Company.

Since the highest applicable percentage ratio (as defined under the Listing Rules) for the amount of the right-of-use assets to be recognised by the Group pursuant to the Factory Construction and Lease Contract is more than 0.1% but less than 5%, the transaction contemplated under the Factory Construction and Lease Contract constitutes a one-off connected transaction of the Company, and is subject to the reporting and announcement requirements but is exempted from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

The Board announces that on 3 July 2026, Xing Longtree entered into the Factory Construction and Lease Contract with Longtree Zhejiang, pursuant to which Xing Longtree agreed to rent and Longtree Zhejiang agreed to lease the Factory to be constructed on the Target Land for a fixed term of 20 years since the Lease Commencement Date.

THE FACTORY CONSTRUCTION AND LEASE CONTRACT

The principal terms of the Factory Construction and Lease Contract are set out below.

Date	:	3 July 2026
Parties	:	(1) Xing Longtree (2) Longtree Zhejiang
Property	:	The Factory to be constructed on the Target Land
Gross floor area of the Factory	:	Approximately 15,880.86 square meters
Expected completion date of construction of the Factory	:	29 March 2027 If the construction of the Factory is delayed (not due to a delay in the payment of the Construction Fee by Xing Longtree or force majeure), Longtree Zhejiang shall pay Xing Longtree a daily penalty of 0.05% of the total Construction Fee already paid by Xing Longtree. If the delay exceeds 90 days, Xing Longtree shall have the right to terminate the Factory Construction and Lease Contract and to demand a refund of the Construction Fee already paid, together with 20% of that amount as a penalty.

Construction Fee : The Construction Fee is RMB38,514,644.41 (tax inclusive), subject to a completion and settlement audit report issued by an independent third-party audit institution appointed by Longtree Zhejiang, which shall also be confirmed and agreed by Xing Longtree, with no more than 10% upside. The Construction Fee was the successful tender price offered by Zhejiang Yuchen Construction Engineering Co., Ltd. (浙江宇辰建築工程有限公司) ("**Zhejiang Yuchen**") in the public tender. Longtree Zhejiang received bids from Zhejiang Yuchen and another two independent third parties from the tender process. After a comprehensive assessment of the tenders taking into account various factors, including the quotation, qualification, financial conditions, reputation and performance of each bidder and provided that the contract price offered by Zhejiang Yuchen represented the lowest bid as compared to the other tenderers, the construction of the Factory was awarded to Zhejiang Yuchen.

Payment of Construction Fee

The Construction Fee shall be paid in the following manner:

(1) 50% of the Construction Fee or RMB19,257,322.20 shall be paid as a deposit (the "**Deposit**") to Longtree Zhejiang within 15 days after the date of entering into the Factory Construction and Lease Contract;

(2) Up to 80% of the Construction Fee (including the Deposit) is to be paid based on the monthly project progress and actual amount of the construction work completed, provided that the Deposit will be deducted in a lump sum upon the payment of the third progress payment;

(3) Up to 85% of the Construction Fee is to be paid within 30 days after the completion of the construction of the Factory;

(4) Up to 90% of the Construction Fee is to be paid within 30 days after obtaining the acceptance and compliance form of construction completion;

(5) Up to 97% of the Construction Fee is to be paid within 30 days after the completion of the settlement documents, and the actual construction fee is subject to a completion and settlement audit report issued by an independent third-party audit institution appointed by Longtree Zhejiang, which shall also be confirmed and agreed by Xing Longtree; and

(6) 3% of the Construction Fee shall be retained by Xing Longtree as a quality assurance deposit and shall be payable within 30 days after the quality warranty period ends.

Leasing Term	:	Longtree Zhejiang exclusively and irrevocably leases the Factory to Xing Longtree for 20 years from the date of obtaining the acceptance and compliance form of construction completion and signing of the confirmation of lease delivery of the Factory by both Parties (the "**Lease Commencement Date**").
Rent	:	The annual rent for the Factory is fixed at 5% of the final Construction Fee, which shall be offset against the paid Construction Fee. For illustrative purposes, if the final Construction Fee is RMB38,514,644.41 (tax inclusive), the annual rent for the Factory shall be RMB1,925,732.22 (tax inclusive) for each of the year in the Leasing Term. Longtree Zhejiang shall not request any rent increment during the Leasing Term and Xing Longtree shall not be required to pay any additional fees for the Factory during the Leasing Term.
Use of the Factory	:	Industrial use
Undertaking by Longtree Zhejiang	:	(1) During the Leasing Term, Longtree Zhejiang shall not unilaterally revoke, change, restrict, or terminate Xing Longtree's right to use the Factory and the Target Land, nor shall Longtree Zhejiang lease, lend, license, or transfer all or part of the Factory to any third party for possession or use, nor shall Longtree Zhejiang occupy or use the Factory and the Target Land itself to engage in business that competes with Xing Longtree's business;

(2) During the Leasing Term, without prior written consent from Xing Longtree, Longtree Zhejiang shall not mortgage, pledge, transfer, sell, or donate the Target Land or the Factory in any way;

(3) During the Leasing Term, if the Factory or the Target Land is demolished due to government planning adjustments, expropriation, or other reasons, Longtree Zhejiang shall notify Xing Longtree within three (3) business days of receiving the relevant notice and fully cooperate with Xing Longtree to strive for reasonable relocation compensation (including but not limited to relocation fees, equipment dismantling and installation fees, compensation for losses due to production stoppage, etc.). At the same time, Longtree Zhejiang shall return to Xing Longtree the total amount actually paid for the construction of the Factory, after deduction of the incurred rent, within 30 days after the relocation of the Factory is completed; and

(4) Upon expiration of the Leasing Term, Xing Longtree shall have the right of first refusal to renew the lease. If Longtree Zhejiang plans to sell the Factory near the end of the Leasing Term, it shall notify Xing Longtree three months in advance. Xing Longtree shall have the right of first refusal to purchase the Factory on comparable terms to those offered to other potential purchasers.

Basis of Determination of the Construction Fee and the Rent for the Factory

Longtree Zhejiang invited public tender for the construction of the Factory and awarded it to Zhejiang Yuchen after a comprehensive assessment of the tenders, taking into account various factors, including the quotation, qualification, financial conditions, reputation and performance of each bidder. The Construction Fee was determined on an arm's length basis after considering (i) all services required by Xing Longtree in respect of the Factory and (ii) the relevant design, procurement and prevailing market conditions of the construction of the Factory.

The Rent was determined after arm's length negotiation between Xing Longtree and Longtree Zhejiang by reference to (i) the prevailing market rent of other comparable factories charged by the independent third parties on normal commercial terms at the same or nearby locations; (ii) the leasable area, geographical location and surrounding conditions of the Target Land; and (iii) the cost for the construction of the Factory. To accurately evaluate the Rent, Xing Longtree conducted a survey of factory rents in the Target Land's surrounding area, which indicates that the Rent under the Factory Construction and Lease Contract is at the lower end of the market range.

The Board is of the view that the terms of the Factory Construction and Lease Contract are fair and reasonable and the transaction contemplated thereunder is on normal commercial terms or better and in the ordinary and usual course of business of the Group, and are in the interests of the Company and the Shareholders as a whole. Xing Longtree shall pay the Construction Fee using proceeds from the Company's global offering.

REASONS FOR AND BENEFITS OF ENTERING INTO THE FACTORY CONSTRUCTION AND LEASE CONTRACT

As disclosed in the Company's prospectus dated 31 December 2024, the Company planned to purchase land use rights for the new production base in Zhejiang, with a total site area of more than 100,000 sq.m.. However, as disclosed in the Company's announcement dated 29 August 2025 in relation to, among other things, the change in use of proceeds, the Company was notified by the local government that they could not approve the land transfer due to land allocation. As such, the Company was not able to complete the purchase of land use right as planned. To ensure that the Company's development is not affected and its future plans are carried out in an orderly manner, the Company has been actively looking for suitable alternative land since then. Nonetheless, Xing Longtree found it difficult to identify an existing factory specifically planned in accordance with production processes, environmental impact assessment requirements, and logistics flows that meets its requirements or identify a suitable piece of land with available land-use rights for the construction of a purpose-built production factory. In March 2026, Xing Longtree became aware that the construction of the Factory on the Target Land had commenced, which is close to its existing factory buildings. Xing Longtree then approached Longtree Zhejiang with a proposal to purchase the Factory upon completion of construction, as the Factory offers an integrated location that is convenient and efficient for the transportation of raw materials and RV parts, for production management, and for personnel management for the Group.

Nonetheless, the Company was advised by its PRC legal advisers that the Target Land cannot be subdivided from the whole land whose land-use rights are wholly owned by Longtree Zhejiang and then partially transferred to Xing Longtree under applicable PRC laws and regulations. Furthermore, under PRC applicable laws and regulations, the ownership of the Factory is inseparable from the land use right upon which it is constructed; as a result, the ownership certificate of the Factory cannot be issued to Xing Longtree unless it concurrently has the underlying land-use right, which is legally impermissible under this circumstance. These legal constraints render the purchase proposal of the Factory unattainable, while the Company can only lease the Factory to be constructed on the Target Land from Longtree Zhejiang.

To incentivise Longtree Zhejiang to lease the Factory to the Group, Xing Longtree offers to pay the Construction Fee according to the payment milestones in the construction contract between Longtree Zhejiang and Zhejiang Yuchen (except for the Deposit to be paid within 15 days of the date of entering into the Factory Construction and Lease Contract).

Despite the Construction Fee paid in advance as a one-off payment of the 20-year rent upon the completion of construction of the Factory, the Group can enjoy (i) a fixed annual rent for the Factory, which avoids the Group from exposure to the future rent increase in the rent of industrial factories comparable to the Factory and (ii) an exclusively and irrevocably 20-year lease, which allows the Group to achieve the benefits of greater operational stability at a suitable location for the Group's RVs business in the long term.

Based on the above, the Directors (including the independent non-executive Directors) consider that the terms of the Factory Construction and Lease Contract are fair and reasonable, and the transaction contemplated thereunder is on normal commercial terms or better and in the ordinary and usual course of business of the Group, and in the interests of the Company and its shareholders as a whole.

INFORMATION ON THE PARTIES

The Company and Xing Longtree

The Company

The Company is an exempted company incorporated in the Cayman Islands with limited liability on May 17, 2022. The Group is a recreational vehicle enterprise with an extensive presence in Australasia that designs, develops, manufactures and sells bespoke towable RVs.

Xing Longtree

Xing Longtree is a limited liability company established under the laws of the PRC on 15 January 2024, which is an indirect wholly-owned subsidiary of the Company. Xing Longtree is primarily engaged in the production and sale of RVs.

Longtree Zhejiang

Longtree Zhejiang is a limited liability company established under the laws of the PRC on 3 September 2013, which is a 30%-controlled company of Mr. Miao, an executive Director, the chairman of the Board, the chief executive officer of the Group, and a controlling shareholder of the Company. Mr. Miao indirectly holds 65% equity interest in Longtree Zhejiang and is the ultimate beneficial owner of Longtree Zhejiang. Longtree Zhejiang is mainly engaged in manufacturing vehicle parts and accessories.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Longtree Zhejiang is a 30%-controlled company of Mr. Miao, an executive Director, the chairman of the Board, the chief executive officer of the Group, and one of the controlling shareholders of the Company. Longtree Zhejiang is therefore a connected person of the Company under Chapter 14A of the Listing Rules.

Pursuant to the *Hong Kong Financial Reporting Standard 16 — Leases*, the Company expects to recognise for an amount of RMB38,514,644.41 as right-of-use assets in the consolidated statement of financial position of the Group after the completion of construction of the Factory. The aforesaid amount is unaudited and may be subject to adjustment in the future based on actual leasing conditions. Nevertheless, Xing Longtree will not be obliged to pay any Rent, which shall be offset by the Construction Fee, to Longtree Zhejiang during the whole Leasing Term. According to the Listing Rules, entering into the Factory Construction and Lease Contract and the transaction contemplated thereunder will be deemed as an acquisition of right-of-use assets by the Company.

Since the highest applicable percentage ratio (as defined under the Listing Rules) for the amount of the right-of-use assets to be recognised by the Group pursuant to the Factory Construction and Lease Contract is more than 0.1% but less than 5%, the transaction contemplated under the Factory Construction and Lease Contract constitutes a one-off connected transaction of the Company, and is subject to the reporting and announcement requirements but is exempted from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

As Longtree Zhejiang is a 30%-controlled company of Mr. Miao (an executive Director, the chairman of the Board, the chief executive officer, and a controlling shareholder of the Company), Mr. Miao is considered to have a material interest in the transactions contemplated under the Factory Construction and Lease Contract. Therefore, Mr. Miao has abstained from voting on the resolutions regarding the Factory Construction and Lease Contract proposed to the Board.

Save as disclosed above, none of the Directors is deemed to have a material interest in the transaction contemplated under the Factory Construction and Lease Contract, and none of them had to abstain from voting in respect of the Factory Construction and Lease Contract at the Board meeting.

DEFINITIONS

"30%-controlled company"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of directors of the Company
"Company"	New Gonow Recreational Vehicles Inc.
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"connected transaction(s)"	has the meaning ascribed thereto under the Listing Rules
"controlling shareholders"	has the meaning ascribed thereto under the Listing Rules
"Director(s)	the director(s) of the Company
"Factory"	the factory to be constructed on the Target Land under the Factory Construction and Lease Contract
"Factory Construction and Lease Contract"	the factory construction and lease contract dated 3 July 2026, entered into between Xing Longtree and Longtree Zhejiang in respect of the construction and lease of the Factory
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Financial Reporting Standard"	the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

"Longtree Zhejiang"	Longtree (Zhejiang) Automotive Co., Ltd. (隆翠(浙江)汽車有限公司), a limited liability company established under the laws of the PRC on 3 September 2013
"Mr. Miao"	Mr. Miao Xuezhong (繆雪中), an executive Director, the chairman of the Board and the chief executive officer of the Group, and one of the controlling shareholders of the Company
"PRC"	the People's Republic of China, which, solely for the purposes of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"RVs"	a motor vehicle or a towable recreational vehicle equipped with living quarters and amenities found in a home, designed for travel, camping, and leisure activities
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Land"	approximately 14,951 square meters of land located at No. 333 Tongren Road, Wutong District, Tongxiang, Zhejiang Province, the PRC
"Xing Longtree"	Xing Longtree Automotive Technology (Zhejiang) Co., Ltd. (興隆翠汽車科技(浙江)有限公司), a limited liability company established under the laws of the PRC on 15 January 2024, and an indirect wholly-owned subsidiary of the Company
"%"	per cent

By order of the Board
New Gonow Recreational Vehicles Inc.
Mr. MIAO Xuezhong
Executive Director, Chairman of the Board and Chief Executive Officer

Hong Kong, 3 July 2026

As at the date of this announcement, the Board comprises Mr. MIAO Xuezhong, Ms. LIU Qin and Mr. Andrew Robert CRANK as executive Directors and Ms. HE Jie, Mr. YU Mingyang and Ms. NG Weng Sin as independent non-executive Directors.