Free translation of the official statement from Magene:

Qingdao Bianjin Intelligent Technology Co., Ltd.

Explanation on the Incident Involving a User's Fall While Using the QED Road Electronic Shifting System in Shenzhen

On August 7, 2025, Qingdao Bianjin Intelligent Technology Co., Ltd. (hereinafter referred to as "our company" or "Bianjin Technology") received an accident video involving a user fall reportedly related to "QED Road Electronic Shifting System" from a distributor. Bianjin Technology attached great importance to the matter and immediately initiated an emergency response mechanism. On August 10, we noticed widespread discussion and attention in the media and among distributors regarding the post "Please request Bianjin Technology to immediately suspend sales and recall the electric shifter due to a crash." Below is a detailed account of the incident:

Incident Handling Process:

- August 7, 2025, 14:30: Our company's sales channel received the accident video from the distributor and immediately informed the sales, technical, and product teams.
- 16:30: The company quickly organized a team consisting of the user experience service center, the electric shifting system center, and a task force from the drivetrain product technology center to discuss the incident.
- 17:03: The customer experience service center supervisor called the user to confirm injuries and specific circumstances, then added the user to WeChat.
- 17:10: Further contact via WeChat to learn more about the user's injuries.
- 17:39: The task force urgently procured the necessary replacement brake pads in Hangzhou for on-site investigation.
- 21:40: Continued attention to the user's injury and comfort.
- August 8, 2025, 10:16: The main members of the task force visited the user's residence in Hangzhou for on-site communication and clarification—confirming that the primary cause of the crash was not directly related to shortcomings in Bianjin's product.

The company will bear related responsibilities. At that time, the user expressed no complaints.

With the user's consent and on-site supervision, our technicians conducted a preliminary analysis and inspection of the product involved in the incident:

- 1. The user's product was not installed by an officially authorized Bianjin Technology service outlet.
- 2. The QED system components themselves showed no signs of modification.
- 3. The product structure showed significant damage.
- 4. All fasteners on the caliper housing were checked for looseness—none was found.
- 5. The brake pad was severely worn (about 3/4 of the material had been worn off).
- 6. The brake pad surface showed a heavy accumulation of abrasive material and powder.
- 7. The thickness of the brake disc was normal, but the user's brake pads were made of an ultra-lightweight brand of "empty pads."
- 8. After reassembling the calipers, since replacement pads were not brought on site, technicians coordinated with local bike shops and replaced the worn pads with new Magura pads. Post-replacement, braking performance was restored.

(Photos demonstrating worn brake pads and the repair process are included in the original text.)

Comprehensive Analysis and Preliminary Cause

After analysis, our company preliminarily believes the cause of the incident is as follows:

The QED Road Electronic Shifting System's standard resin brake pads, when used with certain super-light brake pads not originally supplied or authorized by Bianjin, led to excessive wear. When braking, these non-standard pads did not provide sufficient friction and could not effectively grip the disc, resulting in a loss of braking function.

With the user's permission, the company is retrieving the removed brake pads for further laboratory testing. A summary and conclusion will be provided to the user upon completion.

Considering the user sustained injuries, the company will assist with medical and travel costs, as well as purchase supplies to facilitate the user's travel home.

Bianjin Technology values user experience and corporate responsibility. We apologize to our users and the public for the trouble and pain caused, and we will take full responsibility and communicate follow-up investigation results to the user in a timely manner.

Special Reminder:

To ensure users of the Bianjin Technology Road Electronic Shifting System receive professional installation and after-sales services, Bianjin Technology has authorized

over 500 electronic shifting service outlets across the country. Please have all installation and maintenance performed at official authorized service outlets for professional service.

Qingdao Bianjin Intelligent Technology Co., Ltd.

August 11, 2025