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## SUMMARY

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*This summary aims to give you an overview of the information contained in this Document. As it is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by, and should be in conjunction with, the full text of this document. You should read the entire document before you decide to invest in the [REDACTED].*

*There are risks associated with any investment. Some of the particular risks in investing in the [REDACTED] are set out in “Risk Factors.” You should read that section carefully before you decide to invest in the [REDACTED].*

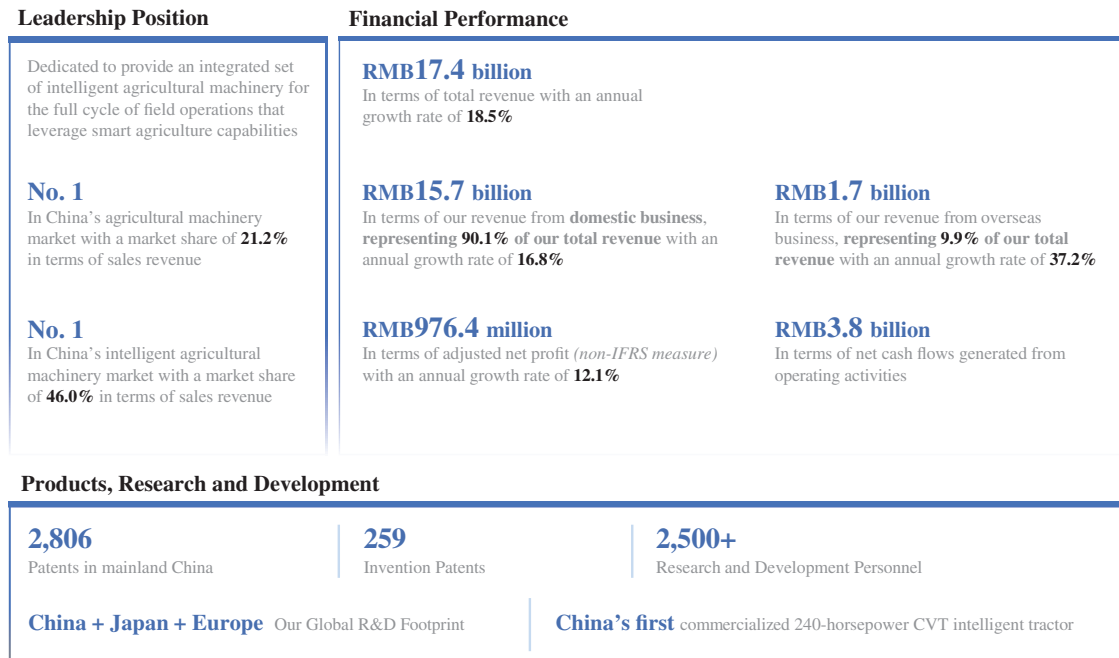
## OVERVIEW

We are a leading provider of integrated smart agriculture solutions in China, committed to advancing sustainable agriculture through the integrated set of intelligent agricultural machinery for the full cycle of field operations that leverage smart agriculture technologies. Our journey began in 2004 in Weifang, Shandong. Over the past two decades, we are engaged in the manufacturing and sale of agricultural machinery, and are dedicated to provide users with an integrated set of intelligent agricultural machinery for the full process of farming activities. Empowered by smart agriculture technologies, these machines continuously enhancing the smart capabilities, digital integration and overall efficiency across all field operations. Rooted in a user-centric philosophy and driven by technological innovation, we aim to create lasting value for core customer and user groups, such as large-scale agricultural producers, agricultural enterprises and agricultural service organizations, while also addressing the key needs of full-time operators and individual farmers to foster synergistic growth across a diversified customer and user base.

In line with our commitment to create a robust smart agriculture ecosystem and tackle the pressing challenges of “who to farm” and “how to farm scientifically,” we manufacture and sell the integrated set of intelligent agricultural machinery products, including tractors, harvesting machines and agricultural implements that span the entire modern agricultural production cycle, covering field preparing, planting, field management, harvesting, straw handling and grain drying, with a focus on high-end, intelligent agricultural machinery, addressing the challenges of “who to farm”. Build on an integrated set of intelligent agricultural machinery that covers all process of farming activities, we combine with smart agriculture technologies to gain a comprehensive understanding of soil, crop and environmental conditions draw on the real-time field data captured by these machinery, and harness smart agriculture technologies such as IoT, AI and big data technologies to transform insights into precise operation decision-making that guide our intelligent machinery to perform coordinated, precision tasks. This approach boosts productivity, enhances quality and eventually addresses the challenge of “how to farm scientifically.” Our [REDACTED] involves a [REDACTED] from Weichai Power and a separating [REDACTED] of our Group’s business on the Main Board of the Stock Exchange.

## SUMMARY

The following chart highlights our business achievements<sup>(1)</sup>:



Note:

- (1) Unless otherwise specified, all data in this chart is for the year ended December 31, 2024 or as of December 31, 2024. Data relating to research and development personnel is as of June 30, 2025. Data relating to patents and invention patents is as of the Latest Practicable Date.

## OUR STRENGTHS

- We are a Leader in Smart Agriculture and Intelligent Agricultural Machinery Market in China, Driving Sustainable Growth through Strategic Insights;
- We are the First and Only Provider in China Offering an Integrated Set of Intelligent Agricultural Machinery across the Full Agricultural Production Cycle;
- We Hold an Early-mover Advantage in Smart Agriculture Solutions in China and Achieve End-to-end Data Integration to Propel Sustained Improvements in Agricultural Productivity;
- We Build a Competitive Moat with Industry-leading R&D Capabilities that Fuels Continuous Innovation;
- We Actively Expand Global Reach with Significant Growth Potential, Backed by a Parent Group with Deep International Roots; and
- Experienced, Visionary and Professional Management Team Steers Our Sustainable Growth.

See “Business — Our Strengths.”

## SUMMARY

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### OUR STRATEGIES

We intend to pursue the following strategies to further grow our business:

- Deepen Focus on Core R&D to Build a Strategic Technological Edge in Smart Agriculture Innovation;
- Accelerate Smart Agriculture Ecosystem Development and Drive Commercialization at Scale;
- Empowering Intelligent Manufacturing System through Strengthened Global Integration and Self-controlled Resources across the Industrial Chain;
- Advance Global Strategic Expansion to Unlock International Growth Opportunities; and
- Upgrade Digital Operations to Optimize Our Intelligent Management and Decision-making Hub.

See “Business — Our Strategies.”

### OUR BUSINESS MODEL

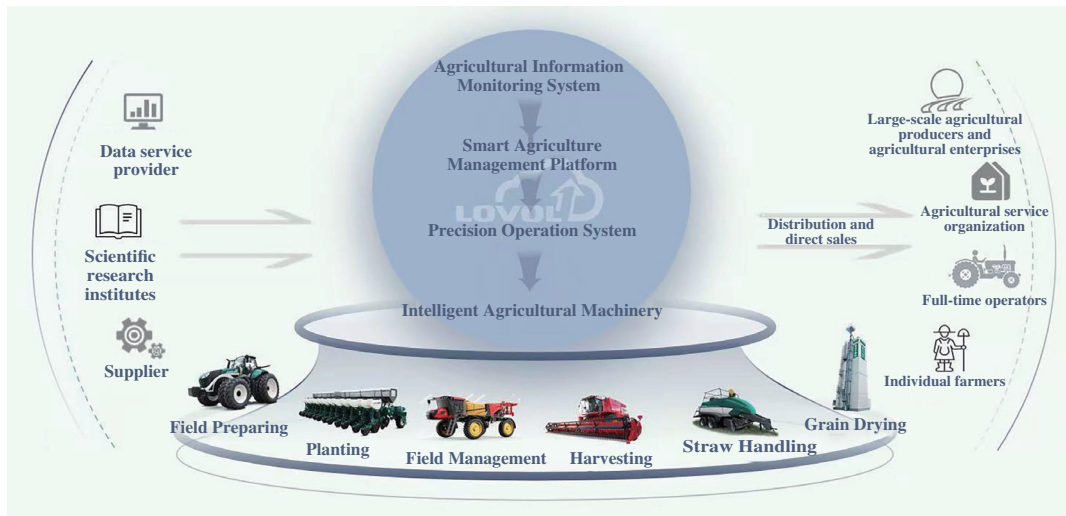
We bring together advanced intelligent agricultural machinery technologies and smart agriculture technologies to deliver a comprehensive intelligent agricultural machinery and smart agriculture solutions covering the entire agriculture production cycle. Our offerings are designed to help customer increase yields, reduces losses, lower operating costs and improve overall efficiency. This enables our transformation from traditional manufacturing to high-value, service-oriented manufacturing, and supports our pursuit of high-quality development.

Our an integrated set of intelligent agricultural machinery spans the entire modern agricultural production cycle, covering field preparing, planting, field management, harvesting, straw handling and grain drying. Designed for a wide range of crops, farming practices, operating conditions and farm sizes, our intelligent agricultural machinery addresses diverse user needs across different agricultural landscapes. Working in synergy, our smart agriculture technologies convert agronomic experience and field data into automated, precision-based operation instructions. These instructions enable coordinated operations across various items of intelligent agricultural machinery, delivering efficient and scientifically grounded farming practices that continuously create value for our customers.

## SUMMARY

We create an ecosystem that leverages a core data advantage: intelligent agricultural machinery and agricultural information monitoring system continuously collects field data, which our self-developed AI algorithms transform into precision agronomic decision that directly optimize machinery performance by enhancing efficiency, adaptability and accuracy in field works, thereby creating a self-reinforcing competitive barrier. By seamlessly connecting hardware, software, data and platforms, our comprehensive suite of intelligent agricultural machinery delivers systemized machinery deployment, streamlined data linkage, platform-based software architecture and end-to-end operational execution. With strong support from our stakeholders, this framework has evolved into a self-evolving ecosystem, one that not only strengthens user reliance on our solutions but also fosters long-term customer loyalty and builds a robust competitive moat. This ecosystem allows us to maintain market leadership and strong growth momentum, while playing a pivotal role in advancing China's agricultural modernization.

The following diagram illustrates our business model:



See “Business — Our Business Model.”

## SUMMARY

### OUR PRODUCTS

We offer an integrated set of intelligent agricultural machinery for the full cycle of field operations, progressively integrating intelligent capabilities to deliver end-to-end functionality empowered by intelligent agricultural technologies. Our current portfolio primarily encompasses both intelligent agricultural machinery and conventional agricultural machinery. In response to the accelerated intelligent transformation of the modern agriculture, we continue to intensify our R&D and commercialization efforts for intelligent agricultural machinery. Set forth below is a breakdown of our net revenue distinguishing between intelligent agriculture machinery offerings and conventional agriculture machinery offerings and others:

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	<i>(Unaudited)</i>									
	<i>(RMB in thousands, except for percentages)</i>									
Intelligent agricultural machinery offerings . . .	1,157,472	7.3	1,833,765	12.5	5,445,534	31.3	2,712,138	27.7	4,905,068	49.7
Conventional agricultural machinery offerings and others . . . . .	14,792,572	92.7	12,842,583	87.5	11,947,504	68.7	7,089,027	72.3	4,958,297	50.3
<b>Total . . . . .</b>	<b><u>15,950,044</u></b>	<b><u>100.0</u></b>	<b><u>14,676,348</u></b>	<b><u>100.0</u></b>	<b><u>17,393,038</u></b>	<b><u>100.0</u></b>	<b><u>9,801,165</u></b>	<b><u>100.0</u></b>	<b><u>9,863,365</u></b>	<b><u>100.0</u></b>

Our intelligent agricultural machinery deeply involves throughout the entire process of smart agriculture services, seamlessly integrating IoT, AI and big data technologies to enable multidimensional perception of agricultural information including soil condition, crop growth, environmental factors and operation process. These data streams are processed through AI-supported analysis to generate precise operational recommendations, which then directly guide coordinated and accurate farming activities such as precision seeding, variable-rate fertilization, pest/disease diagnostics and high-quality low-damage harvesting. The foregoing intelligent features deliver tangible benefits to users by reducing manual labor, minimizing resource waste, while simultaneously improving overall productivity and crop quality.

## SUMMARY

### Agricultural Machinery

We have a comprehensive product portfolio encompassing high-quality intelligent agricultural machinery, primarily comprising (i) tractors; (ii) harvesting machines; and (iii) agricultural implements. Aiming to revolutionize modern agriculture, our intelligent agricultural machinery spans the entire modern agricultural production cycle, covering field preparing, planting, field management, harvesting, straw handling and grain drying. The following chart sets forth the matrix of our agricultural machinery products:



The following table sets forth a breakdown of our revenue by product category in absolute amount and as a percentage of our total revenue for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<i>(Unaudited)</i>										
<i>(RMB in thousands, except for percentages)</i>										
Sales of agricultural machinery . . . . .	15,738,128	98.7	14,502,922	98.8	17,183,315	98.8	9,709,142	99.1	9,779,282	99.1
– Tractors . . . . .	7,943,740	49.8	7,775,397	52.9	9,057,350	52.1	5,122,352	52.2	5,427,758	55.0
– Harvesting machines . . . . .	7,254,780	45.5	6,144,335	41.9	7,092,236	40.8	4,192,357	42.8	3,830,007	38.8
– Agricultural implements and others . . . . .	539,608	3.4	583,190	4.0	1,033,729	5.9	394,433	4.1	521,517	5.3
Others <sup>(1)</sup> . . . . .	211,916	1.3	173,426	1.2	209,723	1.2	92,023	0.9	84,083	0.9
<b>Total . . . . .</b>	<b>15,950,044</b>	<b>100.0</b>	<b>14,676,348</b>	<b>100.0</b>	<b>17,393,038</b>	<b>100.0</b>	<b>9,801,165</b>	<b>100.0</b>	<b>9,863,365</b>	<b>100.0</b>

Note:

(1) Mainly including revenue generated from the sales of parts and components to Weichai Power Group for engine manufacturing.

## SUMMARY

The following table sets forth a breakdown of the sales volume and average selling price of our major agricultural machinery for the years/periods indicated:

	Year ended December 31,									Six months ended June 30,					
	2022			2023			2024			2024			2025		
	Revenue	Sales volume	ASP	Revenue	Sales volume	ASP	Revenue	Sales volume	ASP	Revenue	Sales volume	ASP	Revenue	Sales volume	ASP
	<i>(RMB in thousands)</i>	<i>(unit)</i>	<i>(RMB/unit)</i>	<i>(RMB in thousands)</i>	<i>(unit)</i>	<i>(RMB/unit)</i>	<i>(RMB in thousands)</i>	<i>(unit)</i>	<i>(RMB/unit)</i>	<i>(RMB in thousands)</i>	<i>(unit)</i>	<i>(RMB/unit)</i>	<i>(RMB in thousands)</i>	<i>(unit)</i>	<i>(RMB/unit)</i>
	<i>(Unaudited)</i>														
Tractors . . .	7,943,740	90,019	88,245	7,775,397	80,591	96,480	9,057,350	84,455	107,245	5,122,352	50,724	100,985	5,427,758	47,912	113,286
Harvesting machinery.	7,254,780	49,688	146,007	6,144,335	34,324	179,010	7,092,236	39,851	177,969	4,192,357	23,699	176,900	3,830,007	21,266	180,100

*Note:*

- (1) The ASP is calculated by dividing the revenue by the sales volume in the indicated period.

Our products mainly include:

- **Tractors.** We offer a full range of tractors from 25 to 340 horsepower, spanning all advanced technology pathways, including power shift and CVT. Our tractors feature robust power performance, seamless technology integration, advanced intelligent interconnectivity, innovative new-energy technology, extensive operational adaptability and enhanced user comfort.
- **Harvesting Machines.** We provide the most comprehensive lineup of harvesting machines in China, primarily including wheel type harvesting machines, crawler type harvesting machines, corn harvesters and specialized harvesting machines.
- **Agricultural Implements.** We have been developing an extensive product line for agricultural implements that supports field preparing, planting, field management, straw handling and grain drying, forming a solid foundation for synergies among various items of agricultural machinery. Our key products include high-speed precision planter, compound strip seeders, high-density large square balers, self-propelled sprayers and 400T batch dryers.

See “Business — Our Products — Agricultural Machinery.”

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## SUMMARY

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### *Smart Agriculture Technologies*

To empower our integrated set of intelligent agricultural machinery, we continuously enhance our smart agriculture technologies which span the entire chain of “perception — analytics and decision-making — execution.” Ultimately, we not only drives the intelligent transformation of our agricultural machinery offerings, but also help realize truly “scientific farming” by delivering increased yield, reduced loss, lowered costs and improved efficiency for our customers. As smart agriculture remains a relatively nascent sector in China, there is a continued need for market education and demand cultivation. As an early mover, we primarily promoted these services through integration with our agricultural machinery during the Track Record Period to stimulate demand, refine functionalities and build user engagement, and have gradually initiated commercialization efforts to establish independent revenue streams from smart agriculture services, aiming to achieve sustainable growth in the future.

Set forth below are the key smart agriculture technology stacks:

- ***Perception Layer: Agricultural Information Monitoring System.*** This system integrates multi-source sensors and satellite remote sensing technologies to build a unified “space-air-ground” agricultural monitoring framework.
- ***Analytics and Decision-making Layer: Smart Agriculture Management Platform.*** We have developed a smart agriculture management platform that supports a wide array of functions such as planting planning, machinery task scheduling, resource allocation, intelligent alerts, data visualization, service resource coordination and full-lifecycle machinery management.
- ***Execution Layer: Precision Operation System.*** Through seamless integration with our comprehensive suite of intelligent agricultural machinery, this system enables automated and precision operations across all critical stages of agricultural production, including field preparing, planting, field management and harvesting. This system serves as a catalyst for the intelligent evolution of our agricultural machinery.

### RESEARCH AND DEVELOPMENT

We believe that research and innovation is critical to our long-term competitiveness and success. Supported by our global R&D network, we accelerate the development of a robust technology innovation ecosystem by integrating insights and expertise from leading talent in intelligent agricultural machinery and smart agriculture worldwide. This strategy, driven by global cross-functional collaboration, enables us to comprehensively evaluate and refine our product and technology portfolio, stay aligned with market trends and actively shape industry standards. In addition, we pursue strategic partnerships with universities, research institutions and technology partners across the value chain. This distinctive model allows us to combine technological innovation with deep industry insight.

## SUMMARY

Our R&D efforts have resulted in continual technological breakthroughs and product innovations, which make us outstanding in the industry. As of the Latest Practicable Date, we held 2,806 patents, including 2,176 utility model patents, 259 invention patents and 371 industrial design patents in mainland China, and 53 patents in countries and regions other than mainland China. We also led and participated in the formulation of 26 national standards, 18 industry standards and 56 association standards.

See “Business — Research and Development.”

## PRODUCTION

Our comprehensive and advanced production capabilities are the foundation of our business. Leveraging our superior manufacturing technologies and large-scale production capacity, we ensure the consistent high quality of our products and stay agile in response to changes in market demands.

As of June 30, 2025, we had seven production bases for agricultural machinery and related components with 11 production lines. The table below sets forth the details of our agricultural machinery production lines for the periods indicated.

Production Plants	Production Bases	Type of Production Plants as of June 30, 2025	Approximate Total Site Area	Numbers of Production Lines as of June 30, 2025
			<i>(sq.m.)</i>	
Intelligent Tractor Manufacturing Hub . . . . .	Weifang, Shandong	Tractors	164,506.0	2
Tractor Factory . . . . .	Weifang, Shandong	Tractors	72,844.9	2
Wheel Type Harvesting Machine Factory . . . . .	Weifang, Shandong	Wheat harvesting machines, corn harvesting machines	81,697.9	2
Crawler Type Harvesting Machine Factory . . . . .	Weifang, Shandong	Rice harvesting machines, rice transplanters	44,878.2	2
Agricultural Implements Factory . . . . .	Weifang, Shandong	Balers, seeding machines, agricultural dryers, hydraulic reversible plows and mower conditioners	61,319.8	1
Components and Parts Factory (Linyi site) . . . . .	Linyi, Shandong	Drive axles for tractors, harvester gearboxes and transmission systems	55,643.2	1
Components and Parts Factory (Weifang site) . . . . .	Weifang, Shandong	Engine oil pans, shredders for harvesting machines and header	26,786.6	1



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## SUMMARY

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*Notes:*

- (1) The designed capacity of the year is calculated based on the following assumptions: (i) all production lines are functioning at full capacity; (ii) our Intelligent Tractor Manufacturing Hub and Tractor Factory operates 300 days per year/150 days per six months; and (iii) our other production facilities operate 250 days per year/125 days per six months.
- (2) The actual production volume during the year is the total volume of the products produced during that year/period.
- (3) The utilization rate during the year/period equals the actual production volume divided by the designed production capacity during the same year/period.
- (4) Our Intelligent Tractor Manufacturing Hub commenced operations in May 2025. Therefore, only actual production data from the period between commencement and June 30, 2025 has been recorded. Given the limited timeframe, calculating a meaningful utilization rate is not feasible at this stage.
- (5) As part of the Corporate Separation, we have disposed Lovol Beidahuang, a former subsidiary of our Company. See "History, Development and Corporate Structure — Major Acquisitions, Disposals and Mergers."
- (6) The designed capacity of the Tractor Factory decreased from 2022 to 2023, primarily due to our strategic adjustments of the tractor product lineup and the discontinuation of one mid-horsepower tractor production line. The utilization rate of the Tractor Factory increased from 77.7% in 2022 to 121.1% in 2023, primarily due to the increase in actual production volume in response to rising market demand, coupled with the reduction in designed capacity, and then decreased to 102.9% in 2024, primarily due to insufficient market demand for our mid-horsepower tractors. The utilization rate of the same factory increased from 111.1% for the six months ended June 30, 2024 to 115.5% for the six months ended June 30, 2025, primarily due to the increase in actual production volume in response to rising market demand.
- (7) The utilization rate of the Wheel Type Harvesting Machines Factory decreased from 97.2% in 2022 to 84.0% in 2023, primarily due to the promulgation of a new policy requiring all our agricultural machinery products to comply with a higher national emission standard, which increased the cost for users to purchase new agricultural machinery, leading users to adopt a wait-and-see approach and causing market demand to fall short of expectations. The utilization rate of the same factory remained relatively stable at 81.6% in 2024. The utilization rate of the same factory decreased from 95.1% for the six months ended June 30, 2024 to 63.8% for the six months ended June 30, 2025, mainly due to a shift in market dynamics. Our existing production line are primarily used for harvesting machines with a small feeding capacity of 12 kg/s and lower, and is not capable of scalable production of harvesting machines with a large feeding capacity of 12 kg/s and above, with only scarce production off the production line. In order to meet the growing demand for high-capacity harvesting machines, we plan to establish the new factory for large-capacity harvesting machines to expand production capacity for the relevant products. See "— Production Expansion Plan."
- (8) The utilization rate of the Crawler Type Harvesting Machines Factory decreased from 72.6% in 2022 to 55.3% in 2023, primarily due to the promulgation of a new policy requiring all our agricultural machinery products to comply with a higher national emission standard, which increased the cost for users to purchase new agricultural machinery, leading users to adopt a wait-and-see approach and causing market demand to fall short of expectations. The utilization rate of the same factory increased from 55.3% in 2023 to 67.5% in 2024, primarily due to the increase in actual production volume in response to rising market demand. The utilization rate of the same factory increased from 79.1% for the six months ended June 30, 2024 to 86.3% for the six months ended June 30, 2025, primarily due to the increase in actual production volume in response to rising market demand.
- (9) The utilization rate of the Agricultural Implements Factory was relatively low during the Track Record Period, primarily due to the promulgation of a new policy requiring all our agricultural machinery products to comply with a higher national emission standard. This policy increased the cost for users to purchase new agricultural machinery, leading users to adopt a wait-and-see approach and causing market demand to fall short of expectations. Nevertheless, driven by a market shift towards intelligent agricultural machinery, advancements in agricultural production and supportive policies, the agricultural machinery market is poised to experience demand growth in the foreseeable future, and it is anticipated that the utilization rates for the aforementioned production line will increase simultaneously.

## SUMMARY

- (10) The utilization rate of the Components and Parts Factory (Linyi site) was relatively low in 2022, 2023 and 2024, primarily due to insufficient market demand for finished agricultural machinery products, which in turn led to an insufficient market demand for components which fall short of expectations. The utilization rate of the same factory increased from 75.3% for the six months ended June 30, 2024 to 80.1% for the six months ended June 30, 2025, primarily due to the increase in actual production volume in response to rising market demand.
- (11) The utilization rate of the Components and Parts Factory (Weifang site) increased from 89.4% in 2022 to 130.3% in 2023, primarily due to the increase in actual production volume. The utilization rate of the same factory remained relatively stable at 133.0% in 2024, as compared with 130.3% in 2023. The utilization rate of the same factory decreased from 144.9% for the six months ended June 30, 2024 to 106.9% for the six months ended June 30, 2025, primarily due to the reduced market demand for engine oil pans in the period. It is expected that a production line for components and parts of the related products will be set up in the new factory for large-capacity harvesting machines, and the utilization rate of the Components and Parts Factory (Weifang site) is anticipated to return to a stable level accordingly.

See “Business — Our Production.”

## SALES, MARKETING AND CUSTOMER SERVICE

Given the extensive range of our product offering, we establish both national and international sales and distribution networks, allowing us to provide products and services in over 120 countries and regions worldwide as of the Latest Practicable Date. The table below sets forth our net revenue by geographic regions during the Track Record Period:

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	<i>(Unaudited)</i>									
	<i>(RMB in thousands, except for percentages)</i>									
China . . . . .	15,001,050	94.1	13,419,145	91.4	15,668,005	90.1	8,833,235	90.1	8,716,412	88.4
Overseas <sup>(1)</sup> . . . . .	948,994	5.9	1,257,203	8.6	1,725,033	9.9	967,930	9.9	1,146,953	11.6
<b>Total</b> . . . . .	<b>15,950,044</b>	<b>100.0</b>	<b>14,676,348</b>	<b>100.0</b>	<b>17,393,038</b>	<b>100.0</b>	<b>9,801,165</b>	<b>100.0</b>	<b>9,863,365</b>	<b>100.0</b>

*Note:*

- (1) Other regions include Asia (excluding mainland China), Europe, North America and South America, Africa and Oceania.

We mainly work through selected distribution channels to efficiently serve our users. In addition, we have also adopted a direct sale model with certain strategic customers. We access the overseas market through international distribution partners. Our products are sold through these channels to ensure market penetration and coverage, which is particularly suitable for serving dispersed end-users through localized distribution channels, while maintaining direct connections with agricultural enterprises through our sales team.

## SUMMARY

The table below sets forth the total number of the distribution partners in China and their movements (including additions and terminations) for the periods indicated:

	Year ended December 31,			Six months ended June 30,
	2022	2023	2024	2025
Number of distribution partners in China at the beginning of the period . . .	567	588	631	703
Number of new distribution partners in China . . . . .	50	67	121	54
Number of terminated distribution partners in China . . . . .	29	24	49	32
Net increase in distribution partners in China . . . . .	<u>21</u>	<u>43</u>	<u>72</u>	<u>22</u>
Number of distribution partners in China at the end of the period . . . . .	<u><b>588</b></u>	<u><b>631</b></u>	<u><b>703</b></u>	<u><b>725</b></u>

The table below sets forth the total number of our distribution partners overseas and their movements (including addition and termination) for the periods indicated:

	Year ended December 31,			Six months ended June 30,
	2022	2023	2024	2025
Number of distribution partners overseas at the beginning of the period . . .	116	140	190	234
Number of new distribution partners overseas . . . . .	24	50	46	21
Number of terminated distribution partners overseas . . . . .	–	–	2	–
Net increase in distribution partners overseas . . . . .	<u>24</u>	<u>50</u>	<u>44</u>	<u>21</u>
Number of distribution partners overseas at the end of the period . . . . .	<u><b>140</b></u>	<u><b>190</b></u>	<u><b>234</b></u>	<u><b>255</b></u>

## SUMMARY

During the Track Record Period, we sold our products through direct sales and distribution partners. The table below set forth our net revenue by sales channel during the Track Record Period:

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
	<i>(Unaudited)</i>									
	<i>(RMB in thousands, except for percentages)</i>									
Distribution . . . . .	15,624,504	98.0	14,416,077	98.2	17,184,147	98.8	9,676,765	98.7	9,797,735	99.3
Direct Sales . . . . .	325,540	2.0	260,271	1.8	208,891	1.2	124,400	1.3	65,630	0.7
<b>Total . . . . .</b>	<b><u>15,950,044</u></b>	<b><u>100.0</u></b>	<b><u>14,676,348</u></b>	<b><u>100.0</u></b>	<b><u>17,393,038</u></b>	<b><u>100.0</u></b>	<b><u>9,801,165</u></b>	<b><u>100.0</u></b>	<b><u>9,863,365</u></b>	<b><u>100.0</u></b>

See “Business — Sales, Marketing and Customer Service — Our Sales and Distribution Network.”

### PROCUREMENT, INVENTORY MANAGEMENT AND LOGISTICS

We rely on a diverse range of raw materials, parts and components to manufacture our products. Our procurement primarily covers raw materials, including sheets and pipes, components or assemblies directly used in production such as engines, drive axles and transmissions, rough castings and unfinished parts, as well as indirect materials to facilitate our production, such as cloths, filter bags and packaging materials. Most of our raw materials, components and indirect materials are sourced from China, with a small portion of components and indirect materials originating overseas, including from Japan, Italy and the US. We maintain reasonable procurement cycles. Throughout the Track Record Period, we did not have any major shortages, delays or difficulties in procuring essential raw materials or components from suppliers.

See “Business — Procurement, Inventory Management and Logistics.”

## SUMMARY

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### OUR CUSTOMERS

We primarily sell our products to distribution partners and direct sales customers. Our direct sales customers mainly comprise agricultural enterprises. In 2022, 2023, 2024 and the six months ended June 30, 2025, the aggregate revenue from sales to our top five customers in each year/period during the Track Record Period accounted for 5.5%, 6.0%, 5.2% and 5.7% of our total revenue, respectively, and revenue from sales to our largest customer in each year/period during the Track Record Period accounted for 1.1%, 1.4%, 1.3% and 1.7% of our total revenue for the same periods. To the best of our knowledge, except for Shandong Heavy Industry India Pvt. Ltd. which is among one of our five largest customers in the six months ended June 30, 2025, our five largest customers in each year/period during the Track Record Period were all Independent Third Parties. To the best of our knowledge, except for Shandong Heavy Industry India Pvt. Ltd., none of our Directors, their close associates or any Shareholders of our Company, who or which to the knowledge of the Directors owned more than 5% of our Company’s issued share capital, had any interest in any of our five largest customers in each year/period during the Track Record Period.

See “Business — Our Customers.”

### OUR SUPPLIERS

Our suppliers primarily comprise suppliers of raw materials, parts and components and vehicle engines. Purchases from our five largest suppliers in each year/period during the Track Record Period amounted to RMB3,039.7 million, RMB3,953.3 million, RMB3,990.0 million and RMB1,950.3 million in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively, representing 22.6%, 27.0%, 28.7% and 27.2% of our total purchases for the same periods. Purchases from our largest supplier in each year/period during the Track Record Period accounted for 10.0%, 16.6%, 19.3% and 18.0% of our total purchases in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. To the best of our knowledge, except for Shandong Heavy Industry, each of our five largest suppliers in each year during the Track Record Period was an Independent Third Party. To the best of our knowledge, except for Shandong Heavy Industry, none of our Directors, their close associates or any Shareholders of our Company, who or which to the knowledge of the Directors owned more than 5% of our Company’s issued share capital, had any interest in any of our five largest suppliers in each year during the Track Record Period.

See “Business — Our Suppliers.”

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## SUMMARY

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### COMPETITION

The market in which we operate is undergoing a pivotal transformation from non-intelligent agricultural machinery to intelligent models. Driven by the rapid growth of large-scale farming entities and agricultural social service organizations, the acceleration of farmland consolidation in China, as well as the support from national policies, demand for intelligent agricultural machinery continues to expand steadily. Technological integrations and breakthroughs within China’s high-end machinery manufacturing industry including electro-hydraulic control, remote communication and artificial intelligence also provides intelligent agricultural machinery with robust support for functional upgrades and broadened application scenarios. These factors are collectively accelerating the industry’s transition toward large-scale, high-end and intelligent agricultural machinery products. According to Frost & Sullivan, the market size of China’s intelligent agricultural machinery market is projected to reach approximately RMB103.9 billion by 2030, representing a CAGR of approximately 43.6% between 2024 and 2030. By 2030, the development of China’s intelligent agricultural machinery sector is expected to reach the global level, with a degree of intelligence of 33.1%.

We compete with both domestic and international players in the smart agriculture and intelligent agricultural machinery industries. Key competitive factors include product functionality and performance, product quality and reliability, pricing, brand strength, customer experience and after-sales services. We believe that our strong brand recognition, advanced technological expertise, broad sales and distribution network and disciplined production and quality control systems provide us with a competitive edge as the industry continues to evolve.

See “Business — Competition” and “Industry Overview”.

[REDACTED]

The [REDACTED] constitutes a [REDACTED] of our Group from Weichai Power under Practice Note 15 to the Listing Rules. The proposal in relation to the [REDACTED] was submitted by Weichai Power to the Stock Exchange for approval pursuant to Practice Note 15 to the Listing Rules and the Stock Exchange has confirmed that Weichai Power may proceed with the [REDACTED]. For further details of the [REDACTED], please see “History, Development and Corporate Structure — [REDACTED] of our Group from Weichai Power.”

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## SUMMARY

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### SUMMARY OF MATERIAL RISK FACTORS

Our business and the [REDACTED] involve certain risks as set out in “Risk Factors.” You should carefully read that section in its entirety before you decide to invest in our [REDACTED]. We believe the most significant risks we face include but are not limited to the following:

- China’s agriculture sector is undergoing a significant transformation toward modernization. Failure to adapt to the trend effectively may adversely affect our business and financial results;
- We compete with both domestic and foreign companies in agricultural machinery and smart agriculture industry. If we fail to adapt to compete successfully with existing or new competitors, our business, financial condition and results of operations would be adversely affected;
- We may not be able to launch new products, upgrade existing products or continuously provide a full product portfolio range in a cost-effective manner to keep the latest market need and technological advancements in the industry, which could materially and adversely affect our business, financial condition and results of operations;
- Our continuous efforts in research and development may not generate the results we expect to achieve and may negatively affect our business, financial operation condition and results of operations;
- Any failure to successfully execute production capacity expansion plans or effectively utilize our production bases may materially and adversely affect our business, financial condition and results of operations; and
- Operational disruption and machinery breakdown in our production facilities may interrupt our production schedule, which could adversely impact on the fulfillment of contracts.

See “Risk Factors.”

### SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables present our summary of historical financial information for the years or as of the dates indicated. This summary has been derived from our historical financial information set forth in the Accountant’s Report in Appendix I to this document. The summary historical financial data set forth below should be read together with, and is qualified in its entirety by reference to, the historical financial information included in the Accountant’s Report in Appendix I to this document, including the accompanying notes, and the information set forth in “Financial Information.” Our historical financial information was prepared in accordance with IFRS Accounting Standards.

## SUMMARY

### Selected Results of Operation Data

The following table sets forth a summary of our results of operations for the years/periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	<i>(Unaudited)</i>				
	<i>(RMB in thousands)</i>				
<b>Continuing operations</b>					
Revenue . . . . .	15,950,044	14,676,348	17,393,038	9,801,165	9,863,365
Cost of sales . . . . .	(14,037,870)	(12,737,176)	(15,090,784)	8,552,087	(8,500,989)
Gross profit . . . . .	1,912,174	1,939,172	2,302,254	1,249,078	1,362,376
Other income and gains . . . . .	267,501	310,270	349,261	169,011	177,901
Selling and marketing expenses . . . . .	(301,245)	(327,706)	(417,792)	(185,020)	(219,079)
Administrative expenses . . . . .	(399,128)	(330,737)	(353,621)	(185,051)	(172,431)
Research and development costs . . . . .	(570,566)	(676,878)	(838,557)	(371,893)	(419,909)
Reversal of impairment of financial assets . . . . .	9,532	31,827	17,441	(12,625)	(34,126)
Other expenses . . . . .	(19,796)	(2,196)	(21,045)	(1,206)	(943)
Finance costs . . . . .	(3,104)	(1,908)	(1,806)	(870)	(1,068)
Share of losses/(profits) of associates . . . . .	(20,472)	(8,769)	179	224	(19,070)
<b>Profit before tax from continuing operations . . . . .</b>	<b>874,896</b>	<b>933,075</b>	<b>1,036,314</b>	<b>661,648</b>	<b>673,651</b>
Income tax expense . . . . .	(63,480)	(61,803)	(79,452)	(64,828)	(64,179)
<b>Profit for the year/period from continuing operations . . . . .</b>	<b>811,416</b>	<b>871,272</b>	<b>956,862</b>	<b>596,820</b>	<b>609,472</b>
<b>Discontinued operations</b>					
Loss for the year/period from discontinued operations . . . . .	(39,355)	-	-	-	-
<b>Profit for the year/period . . . . .</b>	<b>772,061</b>	<b>871,272</b>	<b>956,862</b>	<b>596,820</b>	<b>609,472</b>
Profit for the year/period attributable to:					
Owners of the parent . . . . .	767,932	871,165	956,409	596,701	609,527
Non-controlling interests . . . . .	4,129	107	453	119	(55)
	<u>772,061</u>	<u>871,272</u>	<u>956,862</u>	<u>596,820</u>	<u>609,472</u>

## SUMMARY

### Non-IFRS Measures

To supplement our consolidated financial statements which are presented in accordance with IFRS Accounting Standards, we also use EBITDA (*non-IFRS measure*)/adjusted EBITDA (*non-IFRS measure*) and adjusted net profit (*non-IFRS measure*) as additional financial measures, which are not required by or presented in accordance with IFRS Accounting Standards. We believe that these non-IFRS measures facilitate comparisons of operating performance from period to period and company to company. We believe that these non-IFRS measures provide useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of EBITDA (*non-IFRS measure*)/adjusted EBITDA (*non-IFRS measure*) and adjusted net profit (*non-IFRS measure*) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measures has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

We define EBITDA (*non-IFRS measure*) as net profit for the year from continuing operations adjusted by adding (i) income tax expense; (ii) finance costs; and (iii) depreciation and amortization, and subtracting interest income. We add back [REDACTED] expenses to EBITDA (*non-IFRS measure*) to derive adjusted EBITDA (*non-IFRS measure*). The following table reconciles EBITDA (*non-IFRS measure*) and adjusted EBITDA (*non-IFRS measure*) to our net profit for the year from continuing operations presented in accordance with IFRS Accounting Standards for the years or periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
				(Unaudited)	
				(RMB in thousands)	
<b>Reconciliation of profit for the</b>					
<b>year/period from continuing</b>					
<b>operations to EBITDA (<i>non-IFRS</i></b>					
<b><i>measure</i>) and adjusted EBITDA</b>					
<b>(<i>non-IFRS measure</i>)</b>					
Profit for the year/period from					
continuing operations . . . . .	811,416	871,272	956,862	596,820	609,472
Add:					
– Income tax expense . . . . .	63,480	61,803	79,452	64,828	64,179
– Finance costs . . . . .	3,104	1,908	1,806	870	1,068
– Depreciation and amortization . . . . .	161,758	185,341	212,970	99,540	115,216
Less: Interest income . . . . .	(161,745)	(133,968)	(129,450)	(62,209)	(71,196)
<b>EBITDA (<i>non-IFRS measure</i>) . . . . .</b>	<b><u>878,013</u></b>	<b><u>986,356</u></b>	<b><u>1,121,640</u></b>	<b><u>699,849</u></b>	<b><u>718,739</u></b>
Add:					
– [REDACTED] expenses <sup>(1)</sup> . . . . .	–	–	19,520	14,520	16,047
<b>Adjusted EBITDA (<i>non-IFRS</i></b>					
<b><i>measure</i>) . . . . .</b>	<b><u>878,013</u></b>	<b><u>986,356</u></b>	<b><u>1,141,160</u></b>	<b><u>714,369</u></b>	<b><u>734,786</u></b>

## SUMMARY

We define adjusted net profit (*non-IFRS measure*) as net profit for the year from continuing operations adjusted by adding back [REDACTED] expenses. The following table reconciles our adjusted net profit (*non-IFRS measure*) to our net profit for the year from continuing operations presented in accordance with IFRS Accounting Standards for the years or periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
					<i>(Unaudited)</i>
					<i>(RMB in thousands)</i>
<b>Reconciliation of profit for the years/periods from continuing operations to adjusted net profit (<i>non-IFRS measure</i>)</b>					
Profit for the year/period from continuing operations . . . . .	811,416	871,272	956,862	596,820	609,472
Add:					
– [REDACTED] expenses <sup>(1)</sup> . . . . .	–	–	19,520	14,520	16,047
<b>Adjusted net profit for the year/period (<i>non-IFRS measure</i>) . .</b>	<u>811,416</u>	<u>871,272</u>	<u>976,382</u>	<u>611,340</u>	<u>625,519</u>

*Note:*

(1) Related to our Previous ChiNext Application. See “History, Development and Corporate Structure — Previous ChiNext Application and [REDACTED] for [REDACTED] on the Hong Kong Stock Exchange.”

Our revenue decreased by 8.0% from RMB15,950.0 million in 2022 to RMB14,676.3 million in 2023, primarily due to a decrease in revenue from the sales of agricultural machinery from RMB15,738.1 million in 2022 to RMB14,502.9 million in 2023, which was attributable to a decrease in revenue from the sales of harvesting machines. Our revenue increased by 18.5% from RMB14,676.3 million in 2023 to RMB17,393.0 million in 2024, primarily due to an increase in revenue from the sales of agricultural machinery from RMB14,502.9 million in 2023 to RMB17,183.3 million in 2024, which was attributable to (i) an increase in revenue from the sales of tractors; (ii) an increase in revenue from the sales of harvesting machines; and (iii) an increase in revenue from the sales of agricultural implements and others. Our revenue remained relatively stable at RMB9,801.2 million and RMB9,863.4 million in the six months ended June 30, 2024 and 2025, respectively.

Our gross profit remained relatively stable at RMB1,912.2 million and RMB1,939.2 million in 2022 and 2023, respectively. Our gross profit increased by 18.7% from RMB1,939.2 million in 2023 to RMB2,302.3 million in 2024, which was generally in line with our increase in revenue. Our gross profit increased by 9.1% from RMB1,249.1 million in the six months ended June 30, 2024 to RMB1,362.4 million in the same period of 2025, primarily due to (i) an increase in revenue from the sales of tractors; and (ii) a decrease in costs of sales. See “Financial Information — Description of Major Components of Our Results of Operations.”

## SUMMARY

Our profit for the year from continuing operations increased by 7.4% from RMB811.4 million in 2022 to RMB871.3 million in 2023, primarily due to (i) an increase in other income and gains, because we had additional tax deduction of RMB67.4 million in 2023 compared to nil in 2022, mainly as a result of the introduction of preferential tax treatment in 2023; and (ii) a decrease in administrative expenses, primarily due to a decrease in employee benefit expenses, mainly as a result of the decrease in benefits paid to certain retired employees under our employee welfare initiatives as we had a higher number of qualified employees in 2022. Our profit for the year from continuing operations increased by 9.8% from RMB871.3 million in 2023 to RMB956.9 million in 2024, primarily due to (i) an increase in gross profit; and (ii) an increase in other income and gains, mainly as a result of an increase in research and development activities and the gradual implementation of our global strategy, resulting in an increase in recognition of government grants in profit or loss from deferred income. See “Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position — Deferred Income.” Our profit for the period from continuing operations remained relatively stable at RMB596.8 million and RMB609.5 million in the six months ended June 30, 2024 and 2025, respectively.

### Selected Consolidated statements of Financial Position Data

The following table sets forth selected information from our consolidated statements of financial position as of the dates indicated:

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Total non-current assets . . . . .	2,749,076	3,093,405	3,984,585	5,111,655
Total current assets . . . . .	9,766,673	11,977,438	15,197,780	13,433,687
<b>Total assets . . . . .</b>	<b>12,515,749</b>	<b>15,070,843</b>	<b>19,182,365</b>	<b>18,545,342</b>
Total non-current liabilities . .	261,757	402,783	385,980	358,493
Total current liabilities . . . . .	10,176,559	11,719,592	15,004,999	14,015,023
<b>Total liabilities . . . . .</b>	<b>10,438,316</b>	<b>12,122,375</b>	<b>15,390,979</b>	<b>14,373,516</b>
<b>Net current</b>				
<b>assets/(liabilities) . . . . .</b>	(409,886)	257,846	192,781	(581,336)
<b>Net asset . . . . .</b>	<b>2,077,433</b>	<b>2,948,468</b>	<b>3,791,386</b>	<b>4,171,826</b>

Our net assets increased by 41.9% from RMB2,077.4 million as of December 31, 2022 to RMB2,948.5 million as of December 31, 2023, primarily due to our profit of the year of RMB871.3 million.

Our net assets increased by 28.6% from RMB2,948.5 million as of December 31, 2023 to RMB3,791.4 million as of December 31, 2024, primarily due to our profit of the year of RMB956.9 million, partially offset by our distribution of RMB114.6 million.

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## SUMMARY

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Our net assets increased by 10.0% from RMB3,791.4 million as of December 31, 2024 to RMB4,171.8 million as of June 30, 2025, primarily due to our profit for the period of RMB609.5 million, partially offset by our dividend distribution of RMB229.2 million.

We recorded net current liabilities of RMB409.9 million as of December 31, 2022 and net current assets of RMB257.8 million as of December 31, 2023. This was primarily due to (i) an increase in inventories and other contract costs, mainly as a result of an increase in finished goods, mainly because we stocked up our inventories to prepare for the expected increase in sales volume of our products; and (ii) an increase in financial assets at FVTPL, mainly as a result of the maturity of all our structured deposits before the end of 2022, partially offset by (i) an increase in trade and bills payables, mainly because we increased our procurement to prepare for the expected increase in sales volume of our products; and (ii) an increase in contract liabilities, mainly as a result of an increase in advance from customers to secure order to prepare for the expected increase in market demand for our products.

Our net current assets decreased by 25.2% from RMB257.8 million as of December 31, 2023 to RMB192.8 million as of December 31, 2024, primarily due to (i) an increase in trade and bills payables, mainly as a result of (a) an increase in settlement period with certain suppliers; and (b) an increase in amount of accepted bill used for settlement; and (ii) a decrease in inventories and other contract costs, mainly as a result of a decrease in finished goods, mainly due to the increase in sales volume of harvesting machines, resulting from the increased market demand for our products, partially offset by (i) an increase in cash and cash balances; (ii) a decrease in contract liabilities, mainly driven by more efficient product acceptance by our distributors, leading to increasing revenue recognition by us; (iii) an increase in restricted deposits, mainly as a result of an increase in bank acceptance bills; (iv) an increase in prepayments, other receivables and other assets, mainly as a result of the increase in accumulated VAT refund along with our growth in business operation; (v) an increase in financial assets at FVTPL, mainly as a result of the purchase of new wealth management products in 2024; and (vi) an increase in trade and bills receivables, which was generally in line with our revenue growth.

We had net current liabilities of RMB581.3 million as of June 30, 2025 compared to net current assets of RMB192.8 million as of December 31, 2024, primarily due to (i) a decrease in cash and cash equivalents; (ii) a decrease in inventories and contact costs, mainly as a result of the relatively high level of inventories at year-end to prepare for the sales in the coming year; and (iii) a decrease in restricted deposits, mainly as a result of an decrease in bank acceptance bills, partially offset by (i) an increase in trade and bills receivables, mainly because our trade receivables from customers have not reached their settlement periods as of June 30, 2025; and (ii) an increase in financial assets at FVTPL, mainly as a result of the purchase of new wealth management products in the six months ended June 30, 2025.

## SUMMARY

Our net current liabilities increased by 24.8% from RMB581.3 million as of June 30, 2025 to RMB725.5 million as of October 31, 2025, primarily due to (i) an increase in trade and bills payables, mainly as a result of an increase in amount of accepted bill used for settlement; (ii) a decrease in other payables and accruals, mainly as a result of our distribution of dividends; and (iii) an increase in provisions, mainly (a) along with an increase in sales of parts and components, and (b) the slowdown in warranty settlement of distributors, partially offset by (i) an increase in trade and bills receivables, mainly as a result of the growing proportion of orders from our Chinese distributors being settled on credit terms driven by end-customer demand and the practice of installment sales among their competitors; and (ii) an increase in cash and bank balances, mainly as a result of our increase cash generated from operating activities.

See “Financial Information — Liquidity and Capital Resources — Net Current Assets or Liabilities.”

### Selected Consolidated Cash Flow Statements Data

The following table sets out our selected data from our consolidated statements of cash flows for the periods indicated:

The following table sets forth our cash flow for the years indicated:

	<u>Year ended December 31,</u>			<u>Six months ended June 30,</u>	
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2024</u>	<u>2025</u>
	<i>(Unaudited)</i>				
	<i>(RMB in thousands)</i>				
Net cash flows					
from/(used in)					
operating activities . . . . .	3,097,741	852,429	3,813,110	1,921,754	(1,723,062)
Net cash flows					
from/(used in)					
investing activities . . . . .	589,832	(1,284,612)	(4,373,928)	(2,608,622)	354,213
Net cash flows					
from/(used in)					
financing activities . . . . .	(1,300,025)	(11,504)	(121,878)	(13,557)	31,323
Net					
increase/(decrease)					
in cash and cash					
equivalents . . . . .	<u>2,387,548</u>	<u>(443,687)</u>	<u>(682,696)</u>	<u>(700,425)</u>	<u>(1,337,526)</u>
Cash and cash					
equivalents at end					
of year . . . . .	<u>5,889,399</u>	<u>5,451,296</u>	<u>4,780,087</u>	<u>4,758,232</u>	<u>3,453,698</u>

## SUMMARY

In the six months ended June 30, 2025, we had net decrease in cash and cash equivalents of RMB1,337.5 million, mainly because we had net cash flows used in operating activities of RMB1,723.1 million, which was primarily attributed to our profit before tax of RMB673.7 million, as adjusted by (i) non-cash and non-operating items, primarily comprising depreciation of property, plant and equipment of RMB83.8 million; and (ii) changes in working capital, which primarily comprised (a) an decrease in inventories and other contract costs of RMB817.7 million, and (b) an increase in trade and bills receivables of RMB2,336.0 million.

See “Financial Information — Liquidity and Capital Resources — Consolidated Cash Flow Statements.”

### Key Financial Ratios

The following table sets forth our key financial ratios for the years indicated:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
				<i>(Unaudited)</i>	
Gross profit margin (%) <sup>(1)</sup> . . . . .	12.0	13.2	13.2	12.7	13.8
Net profit margin (%) <sup>(2)</sup> . . . . .	4.8	5.9	5.5	6.1	6.2
Adjusted net profit margin ( <i>non-IFRS</i> <i>measure</i> ) (%) <sup>(3)</sup> . . . . .	5.1	5.9	5.6	6.2	6.3
Quick ratio <sup>(4)</sup> . . . . .	0.7	0.7	0.8	0.8	0.8
Current ratio <sup>(5)</sup> . . . . .	1.0	1.0	1.0	1.0	1.0
Debt-to-equity ratio <sup>(6)</sup> . . . . .	5.0	4.1	4.1	4.2	3.4

*Notes:*

- (1) Gross profit margin equals gross profit divided by revenue and multiplied by 100%.
- (2) Net profit margin equals net profit for the year or period divided by revenue for the year or period and multiplied by 100%.
- (3) Adjusted net profit margin (*non-IFRS measure*) equals adjusted net profit (*non-IFRS measure*) for the year or period divided by revenue for the year or period and multiplied by 100%.
- (4) Quick ratio equals total current assets less inventories and other contract costs divided by total current liabilities.
- (5) Current ratio equals current assets divided by current liabilities as of the same date.
- (6) Debt-to-equity ratio equals total debt divided by total equity as of the same date.

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## SUMMARY

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### OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, our Company was directly held as to approximately 61.10% by Weichai Power and 27.26% by Weichai Holdings. Weichai Power was held as to approximately 16.33% by Weichai Holdings, which was in turn wholly owned by Shandong Heavy Industry, a state-owned company ultimately owned as to 90.00% by Shandong SASAC and 10.00% by Shandong Provincial Department of Finance. As Weichai Power is a consolidated subsidiary of Weichai Holdings and Weichai Holdings is able to exert substantial influence at the shareholders' meetings of Weichai Power, each of Weichai Holdings and Shandong Heavy Industry is also entitled to, through Weichai Power, indirectly control the exercise of more than 30% of the voting power at general meetings of our Company. As such, Weichai Power, Weichai Holdings and Shandong Heavy Industry, were collectively entitled to control approximately 88.36% of the voting rights of our Company.

Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), Weichai Power, Weichai Holdings and Shandong Heavy Industry will collectively be entitled to control approximately [REDACTED]% of the voting rights of the enlarged share capital of our Company. According, Weichai Power, Weichai Holdings and Shandong Heavy Industry will constitute our Controlling Shareholders upon the [REDACTED].

We have entered into and expect to continue to conduct certain transaction after the [REDACTED] with our Controlling Shareholders and their respective associates, which will constitute non-exempt continuing connected transactions under Chapter 14A of Listing Rules. See "Connected Transactions."

Our Group is the only member of our Controlling Shareholders principally engaged in the manufacturing and sales of agricultural machinery, which is completely different from the business of our Controlling Shareholders (excluding our Group). As such, our Directors are of the view that there is a clear business delineation between the Group's and its Controlling Shareholders' businesses. Certain our Directors, namely Mr. Wang Guimin, Mr. Wang Junwei, Mr. Wang Decheng and Mr. Sun Chenglong also holds positions in our Controlling Shareholders and their respective close associates. However, our Directors consider that we are still able to carry on our business independently from our controlling Shareholders and their close associates from a management perspective. See "Relationship with Our Controlling Shareholders".

We have been procuring a substantial portion of engines for our business production from Weichai Power Group. During the Track Record Period, the procurement amount of engines by us from Weichai Power Group accounted for approximately 50.25%, 69.76%, 83.12% and 79.0% of the total purchases of engines made by us. Such procurement of engines is set out on normal commercial terms, which are not less favourable than those for transactions between our Group and Independent Third Parties under the same conditions. Despite the relatively high procurement amount of engines from Weichai Power Group during the Track Record Period, we believe the business relationship between our Group and Weichai Power Group is mutually beneficial and the likelihood that our relationships with Weichai Power Group will materially adversely change or terminate is remote.

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## SUMMARY

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### IMPACT OF COVID-19 PANDEMIC

During the Track Record Period and up to the Latest Practicable Date, considering that (i) we did not encounter difficulties in securing raw material supplies; (ii) there was no significant disruption in our production or product delivery processes; and (iii) we did not experience any material labor shortage attributable to the COVID-19 pandemic, our management are of the view that the COVID-19 pandemic did not have any material adverse impact on our business or financial condition. As COVID-19 has gradually subsided since 2023, we do not expect any material adverse impact from COVID-19 going forward.

### DIVIDENDS

On June 6, 2025, our Company's Eighth Board of Directors approved the proposal to distribute a cash dividend of RMB0.2 per share (tax inclusive), based on the shareholder register as of the actual dividend payment date, with the total dividend amount reaching RMB229.2 million. Our dividends declared in June 2025 has been paid in July 2025 with our own capital reserve. We declared interim dividends of RMB540.0 million and final dividends of RMB421.2 million in 2022. We have declared final dividends of RMB114.6 million in 2024. We did not declare dividend in 2023. As of the Latest Practicable Date, we have paid the dividends declared in 2022 and 2024 in full. Our dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by us in the future. Any future determination of dividends distribution, as well as the amount will be made at the discretion of our Board of Directors which will be subject to the corporate shareholder approval processes and may be based on a number of factors, including but not limited to our future operations and earnings, capital requirements and surplus, cash flows and general financial condition, contractual restrictions, taxation and other factors from time to time that the Board of Directors may deem relevant, and will also be subject to our Articles of Association and constitutional documents, as well as applicable laws and regulations. According to our Articles of Association, we shall distribute cash dividends at least once per financial year, provided that (i) the applicable conditions for cash dividend distribution are fulfilled; and (ii) there are no material investment plans or significant capital expenditure arrangements. In general, the annual cash dividend payout ratio shall not be less than 10% of the distributable profits in the consolidated financial statements for the relevant financial year. If we are profitable in the current year and the accumulated undistributed profits are positive, on the condition that (i) all applicable conditions for cash dividend distribution are fulfilled; (ii) all necessary approvals are obtained; and (iii) there are no material adverse change in financial, economic and market conditions, the profit distributed by us in cash each year for the years ended December 31, 2025, 2026 and 2027 are expected to be not less than 40% of the distributable profits of the respective year. Interim dividends may also be distributed at discretion when circumstances permit. Any future declarations and payments of dividends may or may not reflect the historical declarations and payments of dividends.

**SUMMARY**

**[REDACTED] STATISTICS**

All statistics in the following table are based on the assumptions that (i) the [REDACTED] has been completed and [REDACTED] H Shares are issued and sold in the [REDACTED] and (ii) the [REDACTED] is not exercised.

	<b>Based on an [REDACTED] of HK\$[REDACTED] per [REDACTED]</b>	<b>Based on an [REDACTED] of HK\$[REDACTED] per [REDACTED]</b>
Market capitalization of our Shares <sup>(1)</sup> . . . . .	HK\$[REDACTED]	HK\$[REDACTED]
Market capitalization of our H Shares <sup>(2)</sup> . . . . .	HK\$[REDACTED]	HK\$[REDACTED]
Unaudited [REDACTED] adjusted net tangible assets per share <sup>(3)</sup> . . . . .	HK\$[REDACTED]	HK\$[REDACTED]

*Notes:*

- (1) The calculation of market capitalization is based on [REDACTED] Shares expected to be in issue immediately upon completion of the [REDACTED], assuming the [REDACTED] is not exercised.
- (2) The calculation of market capitalization of our H Shares is based on [REDACTED] H Shares expected to be in issue immediately upon completion of the [REDACTED] and conversion of Domestic [REDACTED] Shares into H Shares, without taking into account any allotment and issuance of H Shares upon exercise of the [REDACTED] Option.
- (3) The unaudited [REDACTED] adjusted net tangible assets per share is arrived at after the [REDACTED] referred to in "Appendix II — Unaudited [REDACTED] Financial Information."

**USE OF [REDACTED]**

Assuming that the [REDACTED] is not exercised, after deducting the [REDACTED] and other estimated [REDACTED] expenses payable by us in connection with the [REDACTED], and assuming an [REDACTED] of HK\$[REDACTED] per Share (being the [REDACTED] of the indicative [REDACTED] of HK\$[REDACTED] and HK\$[REDACTED]), we estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] from the [REDACTED]. We intend to use the [REDACTED] from the [REDACTED] for the purposes and in the amounts set forth below:

- Approximately [REDACTED]%, or HK\$[REDACTED], will be used for the construction of the new factory for large-capacity harvesting machines, the intelligent upgrade and transformation of the current production lines and an intelligent agricultural equipment international logistics center;

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## SUMMARY

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- Approximately [REDACTED]%, or HK\$[REDACTED], will be used for research and development investment to promote the development of intelligent agricultural machinery and the commercialization of smart agriculture services;
- Approximately [REDACTED]%, or HK\$[REDACTED], will be used for overseas business and market expansion; and
- Approximately [REDACTED]%, or HK\$[REDACTED], will be used for working capital and general corporate purpose.

See “Future Plans and Use of [REDACTED].”

[REDACTED]

### [REDACTED] EXPENSES

[REDACTED] expenses consist of professional fees, [REDACTED] and other fees incurred in connection with the [REDACTED]. We expect to incur [REDACTED] expenses of approximately RMB[REDACTED] (HK\$[REDACTED]), comprising: (i) [REDACTED] fees of RMB[REDACTED] (HK\$[REDACTED]); and (ii) non [REDACTED] expenses of RMB[REDACTED] (HK\$[REDACTED]), which are further categorized into: (a) fees and expenses of legal advisors and accountants of RMB[REDACTED] (HK\$[REDACTED]); and (b) other fees and expenses of RMB[REDACTED] (HK\$[REDACTED]), assuming the [REDACTED] is not exercised and based on the [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the [REDACTED] of the [REDACTED]), approximately RMB[REDACTED] (HK\$[REDACTED]) of which is expected to be charged to our combined statements of profit or loss, and approximately RMB[REDACTED] (HK\$[REDACTED]) of which is expected to be deducted from equity upon completion of the [REDACTED]. The [REDACTED] expenses are expected to represent approximately [REDACTED]% of the

## SUMMARY

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gross [REDACTED] of the [REDACTED], assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the [REDACTED] of the indicative [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. We do not expect such expenses to have a material adverse impact on our results of operations in 2025.

### RECENT DEVELOPMENT

Subsequent to the end of the Track Record Period, we continued to implement initiatives such as marketing model innovation, channel optimization and product portfolio adjustment. These efforts help us navigate market pressures and support business growth. Consequently, the market share of our major products increased compared to the same period in 2024, further strengthening our leading position in the industry.

Our Directors confirm that, up to the date of this document, there had been no material adverse change in our financial or trading position or prospects since June 30, 2025, being the end date of the periods reported in Appendix I to this document, and there is no event since June 30, 2025 that would materially affect the information as set out in the Accountant's Report in Appendix I to this document.