FUTURE PLANS

See "Business — Our Strategies" for a detailed discussion of our future plans.

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 [**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. In particular:

  - Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to build the new factory for large-capacity harvesting machines to meet market demand for large-scale, intelligent products (such as high-capacity harvesting machines, self-propelled sprayers, forage harvesters and mower conditioners) as well as core components for such machines, aiming to further improve our comprehensive product matrix and manufacturing capabilities. We expect that the total expenditure for the construction of the new factory for large-capacity harvesting machines will be HK$[**REDACTED**]. Other than the net [**REDACTED**] from the [**REDACTED**], we plan to support the the construction through our own funding resources. The base will be located in Weifang, Shandong, with a planned gross floor area of 126,000 sq.m. We commenced planning in 2025 and is expected to complete all engineering construction by the end of 2027.

    Taking into consideration the following assessments and assumptions, including (i) the estimated selling prices and costs with reference to the prices and costs during the Track Record Period; (ii) the estimated expenses with reference to the expenses incurred during the Track Record Period; and (iii) the assumption that there will be no material change in the market, fiscal and economic conditions, our management expect to achieve breakeven in the first financial year following the commencement of mass production, and the investment payback period will be approximately four to five years. Breakeven period is defined as the period it takes for the production base to generate turnover equivalent to its operating costs for the first time. Investment payback period refers to the number of years needed for the accumulated cash inflows from operating the new production base to equate the total costs paid for establishment of the production base, excluding the construction period.

In particular:

(i) Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to purchase advanced equipment for the high-precision laser cutting machine, CNC bending machine, welding robots, AGV assembly line, electric torque wrench machine, balancing manipulator, digital run-in testbed, hydraulic and electronic control inspection station, structural fatigue testing rig and performance testing bench for the new factory for large-capacity harvesting machines;

(ii) Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for civil engineering and decoration of the new factory for large-capacity harvesting machines, including factory construction, civil construction, basic interior decoration and construction of public facilities and power station buildings; and

(iii) Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for other expenses of the new factory for large-capacity harvesting machines, including design fees, equipment commissioning fees and completion acceptance fees.

In 2025 and before, we have completed the land acquisition and plan to carry out foundational construction, as well as settle necessary design and related tax expenses. The main goal is to establish a solid foundation and ensure readiness for subsequent infrastructure development. The construction expenditure in 2025 and before will be fully supported by our own funds, mainly including HK$[**REDACTED**] for land acquisition, HK$[**REDACTED**] for construction and installation, equipment procurement and other expenses such as design fees and taxes.

In 2026, we plan to complete the construction of certain infrastructure and standardized production workflows. The main goal is to develop functional production lines to support preliminary product manufacturing and operations. We plan to allocate HK$[**REDACTED**] for civil construction and decoration, HK$[**REDACTED**] for the purchase of machinery and equipment required for production and HK$[**REDACTED**] for other expenses such as design fees, supervision fees and taxes.

In 2027, we plan to complete the construction of core production facilities and auxiliary facilities. The main goal is to achieve comprehensive production readiness and meet expected market demand. We plan to allocate HK$[**REDACTED**] for civil construction and decoration, HK$[**REDACTED**] for the purchase of machinery and equipment required for production (including final payments), and HK$[**REDACTED**] for equipment commissioning, completion acceptance, and other finishing work.

According to the Frost & Sullivan, the market size of China's harvesting machinery continues to expand steadily, and it is expected to reach RMB32.1 billion by 2030, with a CAGR of 9.9% from 2024 to 2030. Specifically, according to the same source, the penetration rate of intelligent harvesting machinery in China will also continue to expand, and it is expected to increase to 50.4% by 2030. As a leading enterprise with high-performance, intelligent product strategic layout, we plan to seize market potential by expanding the production capacity of large-scale, intelligent agricultural machinery products, including large-capacity harvest machines and forage machines. The expected completion time of our new factory for large-capacity harvesting machines is 2027 with a design annual production capacity of 3,600 units, which aligns with the growth in market demand.

Considering (i) the anticipated reduction in material costs (including costs for various parts and components) and manufacturing expenses through the intelligent transformation of our production processes and the adoption of flexible manufacturing systems, which will enhance the efficiency of material and equipment utilization; and (ii) the expected decrease in direct labor costs resulting from the incorporation of multiple automated operations in the facility, we expect that our overall cost structure will be optimized upon commencement of the new factory for large-capacity harvesting machines. In addition, the construction of the new facility will support product portfolio upgrades, enabling us to better align with market demand for intelligent agricultural machinery, in particular, large-capacity intelligent harvesting machines. As a result, we anticipate improved cost structure and enhanced profitability in the future. Given the aforementioned cost-saving measures and strategic benefits, we believe that our expansion plan is justified.

- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the intelligent upgrade and transformation of our factory, enhancing the level of intelligent manufacturing and automation. In particular, we will carry out upgrades in the following areas: (i) flexible manufacturing capability enhancement, which comprehensively improves production line adaptability by introducing FMS systems to achieve rapid switching and efficiency optimization of cross-model shell processing; (ii) production automation upgrade, which reduces labor intensity while ensuring product quality consistency through the purchase of bending robots, intelligent spraying systems and automated shell processing equipment; (iii) data-driven production optimization, which achieves dynamic adjustment of process parameters through real-time production data collection and algorithm analysis by implementing information technology transformation, thereby promoting quality and efficiency improvement; (iv) green intelligent manufacturing system construction, which reduces unit energy consumption and harmful substance emissions by building new environmental protection coating lines and adopting energy-saving equipment; and (v) precision manufacturing

capability enhancement, which ensures operational accuracy and quality stability in manufacturing of our products and their respective components by configuring high-precision equipment and intelligent detection systems in welding, parts processing and assembly processes.

- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to to build an intelligent agricultural equipment international logistics center in Weifang, Shandong, to create a global supply chain service system supporting our own operational use. In particular, our intelligent agricultural equipment international logistics center will mainly implement advanced warehouse management systems to achieve precise control of bulk transportation and inventory, enhancing the delivery capabilities for overseas orders. We had commenced the planning of the construction in 2025 and complete all engineering construction by the end of 2027. We anticipate the establishment of the intelligent agricultural equipment international logistics center will bring us the following benefits: (i) by equipping the intelligent agricultural equipment international logistics center with AGV smart delivery systems, we will gain precise control over inventory and outbound shipments to overseas markets; (ii) leveraging WMS and ERP systems, we will be capable of real-time inventory tracking, with automated alerts for aging stock and intelligent replenishment mechanisms to maintain optimal inventory levels; (iii) by adopting flexible transportation modes, including full-container shipping, less-than-container-load shipping and air freight tailored to product type and shipment volume, we will ensure timely delivery while enhancing cost efficiency; and (iv) integrating the intelligent agricultural equipment international logistics center with our overseas CRM system will enable closed-loop management across ordering, delivery and inventory management, significantly improving responsiveness and execution efficiency in our overseas operations.

  According to the Frost & Sullivan, the export scale of China's agricultural machinery continues to expand steadily. In 2024, China's exports of key agricultural machinery including tractors, harvesters and machinery for field management totaled approximately RMB14.9 billion, marking a 12.3% increase compared to 2023. The competitiveness of China's agricultural machinery in the global market is gradually increasing. As a leader in smart agriculture in China, we plan to seize the opportunity for global market expansion by laying out supply chain infrastructure, shortening the technology conversion cycle on the research and development end and optimizing the logistics cost structure on the delivery end.

- 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. In particular:

  - Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the research and development of intelligent agricultural machinery. In particular:

    (i) Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the research and development of tractors. Our main tractor research and development projects will include: (i) an advanced transmission system, we will continuously deepen our power shift technology iterations, further improving driving comfort and operational efficiency, as well as simultaneously developing diversified power shift products; (ii) new energy development strategy, we will allocate resources for the parallel development of pure electric and hybrid technology routes by widely deploying research resources for pure electric compact products suitable for orchards or facility agriculture, as well as hybrid power high-horsepower models for drylands operations. To achieve this goal, we plan to allocate HK$[**REDACTED**] for R&D staffing costs, HK$[**REDACTED**] for purchasing equipment, materials and molds required for research and development activities and HK$[**REDACTED**] for testing and other expenses. Our forecast for R&D staffing costs for development of intelligent agricultural machinery is based on historical talent gaps and will be adjusted dynamically in line with actual research progress and team-building needs. We do not expect the expansion of the R&D team to have any adverse impact on our cost structure or future profitability;

    The following table sets forth the key timeframe and expected outcome of our research and development of tractors from 2026 to 2029, based on our current estimation, which is subject to changes based on our actual needs, research and development process and market conditions at the relevant time:

	Expected research and development outcome
Phase I (2026-2027) . . .	Completion of prototype development and initial validation for the mid- to high-horsepower power-shift tractor and high-horsepower new energy tractor platform product, supported by procurement of key components such as transmission and battery packs.
Phase II (2027-2028) . .	Completion of testing and validation for the mid- to high-horsepower power-shift tractor product and high-horsepower new energy tractor platform product, with continued procurement of key components such as transmission and battery packs.

	Expected research and development outcome
Phase III (2028-2029) . .	Market launch of the mid- to high-horsepower power-shift tractor product and high-horsepower new energy tractor platform product, supported by final procurement of key components used in testing and development.

To implement the above plans, we intend to expand our R&D and industry expert teams for research and development of tractors by experts in the fields of mechanical and electrical engineering. The details of our implementation plan in relation to staff recruitment are set forth as below:

Position	Roles and functions	Experience and qualifications required	Estimated No. of Staff to be recruited
Mechanical engineer . . .	• Design of tractor systems including transmission and power systems	• Rich experience in agricultural machinery mechanical system design	30
Electrical engineer . . .	• Design of electrical systems for tractor products	• Rich experience in electric systems	30

(ii) Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the research and development of large-capacity harvesting machines. Our main projects for large-capacity harvesting machines will include: (i) the development of 18 kg/s large-capacity intelligent harvesting machines, as well as allocating research resources and planning for the development and commercialization of hundreds of intelligent control technologies to continuously improve intelligent control levels; (ii) the development of large self-propelled forage harvester products, focusing on the development of models with a cutting width of more than six meters, benchmarking international leading technical standards, aiming to promote the localization process of forage harvester and overseas market expansion; and (iii) the development of hybrid power harvesting machine products, including power endurance and energy efficiency management technologies under complex working conditions, accelerating the breakthrough of new energy agricultural machinery technology barriers. To achieve this goal, we plan to allocate HK$[**REDACTED**] for R&D staffing costs, HK$[**REDACTED**] for purchasing equipment, materials and molds required for research and development activities and HK$[**REDACTED**] for testing and other expenses; and

The following table sets forth the key timeframe and expected outcome of our research and development of large-capacity harvesting machines from 2026 to 2029, based on our current estimation, which is subject to changes based on our actual needs, research and development process and market conditions at the relevant time:

	Expected research and development outcome
Phase I (2026-2027) . . .	Completion of initial prototype validation and commencement of tolling for key components such as headers, threshing drums, separation systems and kernel processors, supported by procurement in relation to the respective threshing and separation components.
Phase II (2027-2028) . .	Continued prototype testing and validation, with continued investment in chassis and transmission system tooling, supported by procurement in relation to transmission systems.
Phase III (2028-2029) . .	Finalize phased prototype validation and continued reliability testing.

To implement the above plans, we intend to expand our R&D and industry expert teams for research and development of large-capacity harvesting machines by experts in the fields of mechanical engineering and new energy agricultural machinery, including electrical and thermal management system. The details of our implementation plan in relation to staff recruitment are set forth as below:

Position	Roles and functions	Experience and qualifications required	Estimated No. of Staff to be recruited
Mechanical engineer . . .	• Module development, prototyping, and production • Participation in quality issue analysis and product improvement	• Rich experience in mechanical engineering and agricultural machinery industry	102
New energy engineer . . .	• Design of electrical and charging systems for new energy harvesting machines	• Rich experience in new energy vehicle industry	35

(iii) Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the research and development of agricultural robot projects. Our agricultural robot project development focus will include: (i) extension of intelligent operational capabilities, by implementing innovations in navigation and positioning technologies, artificial intelligence technology and intelligent communications, we aim to enhance fine-tuned operation capabilities and advance the intelligent, precise and green development of agricultural robots, thereby improving overall operational efficiency and quality; and (ii) extension of product application scenarios, by gradually achieving stable intelligent operations across complex terrains such as drylands, paddy fields, orchards and facility agriculture, we aim to deliver reliable solutions for broader and more diversified agricultural environments. To achieve this goal, we plan to allocate HK$[**REDACTED**] for R&D staffing costs, HK$[**REDACTED**] for the purchase of equipment, material or software, testing and other expenses and HK$[**REDACTED**] as technology development expenses.

The following table sets forth the key timeframe and expected outcome of our research and development of agricultural robots from 2026 to 2029, based on our current estimation, which is subject to changes based on our actual needs, research and development process and market conditions at the relevant time:

	Expected research and development outcome
Phase I (2026-2027) . . .	Focused efforts on core agricultural robot technology development and advancement of prototype design, which was supported by procurement of related perception sensors.
Phase II (2027-2028) . .	Initiation of development of new agricultural robot model and functional testing and validation, supported by procurement of related perception sensor and control modules.
Phase III (2028-2029) . .	Commencement of pilot sales of agricultural robot products, with next-generation agricultural robot product design launched in parallel.

To implement the above plans, we intend to expand our R&D and industry expert teams for research and development of agricultural robots by experts in the fields of algorithm development and robotic structural design. The details of our implementation plan in relation to staff recruitment are set forth as below:

Position	Roles and functions	Experience and qualifications required	Estimated No. of Staff to be recruited
Algorithm engineer . . .	• Development of perception and motion control algorithms	• Rich experience in algorithm development	26
Structural engineer . . .	• Design and development of robotic structures	• Rich experience in robot structure design	10
Test engineer. .	• Software and system testing of agricultural robots	• Rich experience in software and system testing	6

o Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the research and development of smart agriculture services. Our development focus for smart agriculture solutions include: (i) intelligent driving technology, which enhances the autonomous operation level of agricultural machinery through the development of navigation control algorithms, integrated positioning, multi-machine collaboration and obstacle perception technologies, thereby improving operational efficiency and driving safety; (ii) intelligent cab technology, which significantly streamlines operational complexity and improves user experience via voice interaction, intelligent networking and optimized onboard operating systems; (iii) visual technology, which enables agricultural machinery to accurately identify obstacles and operational targets through virtual simulation, perception algorithms and point-cloud processing technology, further enhancing operational precision; (iv) control sensing technology, which ensures real-time status monitoring and precise control of agricultural machinery operations through high-precision sensors and upgraded communication systems, providing more stable and efficient performance; and (v) cloud platform technology, which strengthens information security and data service capabilities by integrating data and intelligent algorithms, assisting agricultural producers in analyzing and utilizing data more safely and reliably, thereby improving the scientific accuracy of decision-making.

Through continuous technological advancement in smart agriculture capabilities, we aim to broaden their scope and deliver greater flexibility to end-users, unlocking new commercialization potentials in the following key areas: (i) hardware upgrades to the agricultural information monitoring system to enhance intelligent perception and deliver more accurate data for decision-making; (ii) improved intelligent decision-making and farm management capabilities on our smart agriculture platform, strengthening our ability to provide value-added services such as scientific planting recommendations and scheduling; and (iii) precision operation software modules integrated with smart hardware to enable accurate execution across field preparing, planting, field management and harvesting, while exploring the potential for expert Q&A features. To achieve these goals, we plan to allocate HK$[**REDACTED**] for R&D staffing costs, HK$[**REDACTED**] for consulting, testing and other expenses, HK$[**REDACTED**] for purchasing equipment and materials, and HK$[**REDACTED**] for technology development expenses. Our forecast for R&D staffing costs for development of smart agriculture services is based on historical talent gaps and will be adjusted dynamically in line with actual research progress and team-building needs. We do not expect the expansion of the R&D team to have any adverse impact on our cost structure or future profitability.

The following table sets forth the key timeframe and expected outcome of our research and development of smart agriculture services from 2026 to 2029, based on our current estimation, which is subject to changes based on our actual needs, research and development process and market conditions at the relevant time:

	Expected research and development outcome
Phase I (2026-2027) . . .	Focused development of key technologies for dryland scenarios, including autonomous driving and intelligent perception.
Phase II (2027-2028) . .	Continued enhancement of dryland applications, with emphasis on precision operations such as yield monitoring, automatic alignment and targeted spraying.
Phase III (2028-2029) . .	Further expansion of dryland operations, strengthening interconnectivity collaboration, with development of paddy field operations with emphasis on autonomous driving and intelligent perception launched in parallel.

To implement the above plans, we intend to expand our R&D and industry expert teams for research and development of smart agriculture solution by experts in the fields of system architecture design, front-end software development, algorithm engineering, intelligent driving and user interaction. The details of our implementation plan in relation to staff recruitment are set forth as below:

Position	Roles and functions	Experience and qualifications required	Estimated No. of Staff to be recruited
System architecture engineer	• System architecture design and technical solution implementation	• Rich experience in embedded system development and platform architecture design	10
Software development and testing engineer	• User interaction implementation, software development and testing	• Rich experience in front-end development and system testing	21
Algorithm engineer	• Algorithms design and data processing workflows building	• Rich experience in algorithm development	7
Intelligent Driving Engineer	• Development of intelligent driving algorithms and interaction features	• Rich experience in intelligent driving, navigation or user interaction design	25

- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for overseas business and market expansion. Our strategic roadmap includes exploring opportunities in regions such as Southeast Asia and South America. In particular:

  - Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to strengthen overseas marketing service capabilities and product sales. In particular:

    (i) Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for expenses related to brand promotion, mainly through advertising and distributing other promotional materials, as well as attending exhibitions to achieve potential market development and synchronized sales promotion in various markets; and

    (ii) Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to enhance service capabilities, mainly through (i) deploying backup equipment in end markets to ensure swift handling of malfunctioning vehicles; (ii) equipping service personnel with advanced diagnostic tools and intensifying staff training programs to improve technical service proficiency and professional image; and (iii) establishing a global parts supply warehouse system to reduce parts wastage and strengthen incident response capabilities.

- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to expand extensive distribution channels and improving the layout of overseas service systems.

  The following table sets forth the key timeframe and expected outcome of our overseas market expansion from 2026 to 2029, based on our current estimation, which is subject to changes based on our actual needs and market conditions at the relevant time:

	Expansion Strategy
Phase I (2026-2027) . .	We intend to expand our presence in Eastern Europe, Africa and Southeast Asia by optimizing existing product offerings and enhancing our service infrastructure to consolidate our regional position.
Phase II (2027-2028) . .	We plan to target South America, Africa and Southeast Asia, focusing on mid- to high-end market segments. By expanding our product portfolio, particularly in CVT and high-end paddy field machinery, we aim to increase brand competitiveness and capture market share.
Phase III (2028-2029). .	We plan to advance localized operations in South America and Europe, enabling diversified global production capacity and entry into the global high-end market.

- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for working capital and general corporate purpose.

In the event that the [**REDACTED**] is set at the maximum [**REDACTED**] or the minimum [**REDACTED**] of the indicative [**REDACTED**], the net [**REDACTED**] of the [**REDACTED**] will increase by approximately HK$[**REDACTED**] or decrease by approximately HK$[**REDACTED**], respectively.

The additional net [**REDACTED**] that we would receive if the [**REDACTED**] were exercised in full would be (i) HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the maximum [**REDACTED**] of the indicative [**REDACTED**]), (ii) HK$ [**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the [**REDACTED**] of the indicative [**REDACTED**]) and (iii) HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the minimum [**REDACTED**] of the indicative [**REDACTED**]).

To the extent that the net [**REDACTED**] from the [**REDACTED**] are either more or less than expected, we will adjust our allocation of the net [**REDACTED**] for the above purposes on a pro rata basis.

To the extent that the net [**REDACTED**] of the [**REDACTED**] are not immediately used for the above purposes or if we are unable to effect any part of our future development plans as intended, we will only deposit such funds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

If any part of our development plan does not proceed as planned for reasons such as changes in government policies that would hinder the development of any of our projects, or the occurrence of force majeure events, the Directors will carefully evaluate the situation and may reallocate the net [**REDACTED**] from the [**REDACTED**]. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.