FUTURE PLANS

See "Business—Our Business Growth Strategies" for a detailed description of our future business plans and strategies.

[REDACTED]

We estimate that we will receive net [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**] million, after deducting estimated [**REDACTED**], fees and expenses payable by us in connection with the [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**], and assuming the [**REDACTED**] is not exercised.

- Approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be allocated to research and development to strengthen our technology layout in the fields of intelligence, new energy and high-end manufacturing. Specifically, we plan to invest approximately RMB[**REDACTED**] in capital expenditures related to systems upgrades and the development of intelligent manufacturing and flexible production systems. This investment will be made in the form of fixed asset investments, with construction planned for completion between 2026 and 2028. The investment and breakeven periods are expected to range from three to five years, while the initial phase of AI intelligent applications will require higher investment with a longer and more uncertain return cycle, preliminarily assessed at around five years. Key construction plans include: (i) enhancing operational digitalization across four business domains: (a) R&D domain: we will build integrated R&D systems to shorten development cycles and improve design efficiency through PDM system integration and BOM configuration management. We will also deploy advanced R&D tools such as simulation management, structured manuals, and specialized software to enhance new product development capabilities; (b) supply chain domain: we will unify ERP systems to improve financial and operational integration, streamline processes, and support lean digital management. We will upgrade supply chain systems through process reengineering and technology enablement to enhance responsiveness, reduce costs, and optimize inventory turnover. We will implement digital manufacturing operations systems to improve planning, execution, and material control, enabling end-to-end data integration and operational efficiency. Intelligent manufacturing and flexible production systems will be developed through automation and smart transformation of production lines; (c) sales and service domain: we will upgrade foreign trade management systems to establish an "ERP + CRM" model for overseas operations, improving coordination and reducing communication costs. We will also integrate domestic marketing systems to support aftermarket innovation and transition from one-time transactions to lifetime value creation; and (d) functional domain: we will transform financial operations from accounting-focused to control-oriented, supported by a digital operations center and AI-powered risk management, customer service, and contract management. We will build a data platform to enhance data sharing, governance maturity, and predictive analytics, while ensuring robust data security and classification standards; and (ii) AI intelligent application: we will also comprehensively promote AI upgrades across all management and operational processes to improve quality, reduce costs, enhance efficiency, and control risks. This includes building a unified AI technology platform and toolchain, and piloting AI applications in contract review, intelligent risk control, data querying, digital employees, and smart customer service to empower intelligent business management.

  - o Approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for the strategic development of the smart construction sector, including breakthroughs in frontier technologies, upgrades of smart systems and the development of smart machinery. In particular:

    - ▪ Approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**] million, will be used for R&D of frontier smart construction technologies and the upgrade of smart systems. We will focus our investment on R&D of key technologies, such as proprietary AI models for construction machinery, autonomous driving capabilities and highly automated construction technologies. We also plan to continuously iterate and upgrade our smart systems, including the power optimization, assisted control, autonomous travel, collaborative construction and intelligent interactive systems, to promote the upgrade of the construction mode from "human-led" to "highly autonomous." This AI Assistant is intended to augment our smart construction platform across various scenarios including mining, road construction, port operations and other applications; and

- Approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to expand and enrich the portfolio of smart construction machinery. We intend to leverage smart and AI technologies to develop a range of next-generation smart construction, including, but not limited to, intelligent mining trucks, intelligent dozers and intelligent excavators. This initiative will deepen integration between our intelligent construction machinery and AI Assistant, expanding the advantages of AI empowerment to all series of products, thereby creating our proprietary smart construction product and service ecosystem.

o Approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for the research and development of high-end machinery for mining and new energy. We will continuously invest in the R&D, testing and prototyping of mining products to meet the growing demand for larger and more advanced construction machinery in mining operations, and will embrace the industry trend toward green and low-carbon construction machinery by consistently investing in the development of new energy technologies. This includes advancing pure-electric, hybrid, and cable-electric technology routes to expand our product line of new energy machinery and reinforce our leading position in the high-end construction machinery market.

• Approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for the high-quality expansion of our global sales and service network.

o Approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to enhance our global sales network and market influence. In particular:

- We will, based on local market conditions and by establishing partnerships with qualified distribution partners and direct sales outlets, expand our global sales network, including continually expanding our sales network in Africa, South America, Southeast Asia and the Middle East and progressively establishing sales channels in developed markets like Europe and the United States;

- We will recruit experienced domestic and international sales professionals to build a sales team with global vision and strong execution capabilities to support the expansion of the global sales network. The following table sets forth our proposed staff hiring plan and salary range for domestic and international sales professionals, which may vary depending on the specific staff level, experience, and country or region of employment, from 2026 to 2030.

	2026	**2027**	**2028**	**2029**	**2030**
Expected new hires	4	7	8	10	11
Proposed salary range per employee *(RMB in thousands)* . . .	300~ 1,000	320~ 800	350~ 800	380~ 600	400~ 600

- We will continuously enhance our global brand image. We intend to consistently build the "Shantui Community (山推朋友圈)" and expand Shantui influence across the global construction machinery industry through an integrated combination of online and offline channels, including, but not limited to, extensive participation in international industry exhibitions and trade fairs, as well as enhanced promotional and marketing efforts through various online platforms both domestically and internationally.

o Approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to improve global service capabilities and localized operations. We will strategically invest in the construction of service network in core overseas markets and overseas localized operation system. In particular:

- We will establish additional overseas service centers and spare parts depots to enhance the timeliness and efficiency of spare part supply and after-sales services. We intend to set up new service centers and spare parts depots primarily in Africa, Europe, South America and Southeast Asia. Concurrently, we will prioritize the preparation and establishment of subsidiaries in countries such as Indonesia, Nigeria, Australia and Thailand, further strengthening our localized service capabilities; and

- We will continuously expand our local teams of professional service engineers and technical support staff in oversea markets, ensuring that the quality of our services keeps pace with the expansion of our sales channels.

  The following table sets forth our proposed staff hiring plan and salary range for local professional service engineers and technical support staff in major oversea markets, which may vary depending on the specific staff level, experience, and country or region of employment, from 2026 to 2030.

	2026	**2027**	**2028**	**2029**	**2030**
Expected new hires					
– local professional service engineers	12	15	17	20	21
– technical support staff	4	6	8	9	12
Proposed salary range per employee *(RMB in thousands)*					
– local professional service engineers	200~950	210~750	230~750	250~700	280~700
– technical support staff	300~600	320~800	350~600	400~900	420~800

  We expect to incur total capital expenditures of approximately RMB198 million for the expansion of overseas service centers and spare parts depots, as well as the enhancement of localized service capabilities. The investment will take the form of equity investments, fixed asset investments, warehouse leasing costs, and personnel-related expenses. Construction is planned to take place between 2026 and 2028, with an estimated investment and breakeven period of three to five years.

  Specifically, we plan to continuously expand the number of overseas subsidiaries, distributors, and service outlets in key regions including Southeast Asia, Africa, Europe, and the Americas. In 2025, we aim to complete the establishment of subsidiaries in Indonesia, Australia, Thailand, and Nigeria, with operations commencing in 2026. We will also continue to promote the development of subsidiaries in strategic markets such as Brazil and Guinea. Through a combined distributor-subsidiary model, we will optimize the layout of spare parts depots in key markets. We will implement parts support policies to encourage distributors to increase inventory levels, and support subsidiaries in leasing warehouses, utilizing bonded warehouses, and third-party logistics facilities to strengthen spare parts availability.

  We will further advance the construction of localized service systems overseas. Leveraging the platforms of our overseas subsidiaries, we will build service centers in key markets, including repair workshops and the deployment of specialized equipment such as forklifts and overhaul tools. We will also recruit and develop localized service teams to improve response times and service quality across our overseas operations.

The expansion of our workforce in research and development, sales, and customer services may result in an increase in short-term operating costs and a shift in our cost structure, with a potential rise in fixed cost proportion. However, we believe that such investments are essential to support our long-term strategic growth. Enhanced R&D capabilities are expected to strengthen our technological leadership in intelligent, new energy and high-end construction machinery, improve product value, and reinforce our market position. Similarly, the expansion of our global sales and service teams is expected to drive revenue growth, improve customer acquisition and retention, and support the commercialization of our advanced product portfolio. Through refined personnel management and optimized cost structures, we aim to improve overall cost efficiency and profitability over the long term.

- Approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for comprehensive digital and intelligent upgrades of our management and operations. In particular:

  - o We will continuously improve and enhance our information and digital systems across critical operational processes, achieving comprehensive digital integration and seamless data flows across all core processes such as R&D, supply chain, production, sales and servicing, and building a solid digital foundation for high-efficiency operations; and

  - o We will further leverage our digital foundation by extensively applying smart technologies across various management and operational processes, including ongoing development and implementation of smart management and office systems, smart procurement and supply systems, smart manufacturing and flexible production systems.

- Approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to repay existing bank borrowings, with the remaining balance of such borrowings to be repaid with cash generated from operations. In particular, we will repay the following bank loans:

Name of bank	Principal amount	Maturity date	Interest rate (%)	Use of loans
The Export-Import Bank of China, Shandong Branch . .	RMB400 million	December 5, 2026	2.40%	To supplement our working capital and for general corporate purposes

- Approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to supplement our working capital and for general corporate purposes.

If the net [**REDACTED**] from the [**REDACTED**] exceed the above funding requirements and, to the extent permitted by applicable laws and regulations, we will use the surplus funds for working capital. If we urgently need the funds for the above purposes, but cannot immediately obtain the net [**REDACTED**] from the [**REDACTED**], we will use self-raised funds to meet the relevant funding requirements and replace these self-raised funds with the net [**REDACTED**] from the [**REDACTED**] when the [**REDACTED**] become available to us. If the net [**REDACTED**] of the [**REDACTED**] are not immediately applied to the above purposes, we will only deposit those net [**REDACTED**] 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 applicable laws and regulations in other jurisdictions).

If the [**REDACTED**] is exercised in full, the net [**REDACTED**] that we will receive will be approximately HK$[**REDACTED**] million at the [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**]. In the event that the [**REDACTED**] is exercised, we intend to apply the additional net [**REDACTED**] to the above purposes in the proportions stated above.

FUTURE PLANS AND USE OF [REDACTED]

If any part of our plan does not proceed as planned for reasons such as changes in government policies that would render any of our plans not viable, or the occurrence of force majeure events, our Directors will carefully evaluate the situation and may reallocate the net [**REDACTED**] from the [**REDACTED**].

We will issue an appropriate announcement if there is any material change to the above proposed use of [**REDACTED**].