OVERVIEW

Who We Are

Positioning

We are a global provider of robotics solutions and associated enabling technologies that enhance human potential by building digital models for the real world and bringing autonomous transition to essential workflows in agriculture and livestock farming, construction, and facility management industries and beyond. Our integrated, proprietary hardware and software systems free the workforce from repetitive and menial tasks, empowering them to dedicate time and effort toward tasks where human insight, judgment, creativity make a difference. Over the years, we have continued to advance our commitment to creating accessible robotics solutions and transforming the way people live and work for the better.

Our solutions, ranging from steering and construction control systems to scanners and robotic mowers, focus on addressing the most critical and widespread pain points faced by participants of our target industries. By offering solutions that address the common, often practical challenges within an industry, we help our end users achieve efficiency and enhance job satisfaction while driving significant growth in our business. Following substantial growth since our inception, we are now an established global player in the agricultural robotics solutions market. In the global agricultural robotics solutions market, we became the third largest provider of agricultural auto-steering system kits and the second largest provider of retrofit agricultural auto-steering system kits globally in terms of shipment, with market shares of approximately 9.7% and 17.5% in 2025, respectively. Since our inception, our continuum of innovations has propelled us to achieve rapid growth, establishing us as the youngest company among the top five industry players. In terms of revenue, we became the sixth largest provider of agricultural auto-steering system kits and the fourth largest provider of retrofit agricultural auto-steering system kits globally, with market shares of approximately 3.4% and 6.6% in 2025, respectively.

Market Backdrop

While technologies have transformed many aspects of modern life, industries with heavy physical workflows, such as agriculture and livestock farming, construction, and facility management, have yet to truly benefit from the adoption of robotic and autonomous technologies. Despite being foundational to economic and environmental infrastructure, these industries remain underserved by technological innovation, particularly with the rise of embodied AI driving the integration of intelligent systems into physical machines that can achieve real-world tasks. The penetration rate of global robotics solutions with agriculture and livestock farming, construction, and facility management industries are only less than 10.0%, 1.0%, and 15.0%, respectively, in 2024.

At the same time, these essential sectors are under growing pressure to increase productivity to meet the challenges arising from labor shortage around the world.

- Aging workforces and urban migration are making it harder to secure and retain field labor, further straining operations that are already resource intensive. According to the *FAO Statistical Yearbook 2024*, global employment in agriculture, forestry, and fishing declined by 13% between 2000 and 2022, including a dramatic 47% reduction in Europe. In the United States, the average age of agricultural workers is now between 46 and 58 years, highlighting the sector's aging workforce and the scarcity of younger replacements.

- Younger generations are less inclined to enter these industries due to the physically demanding working conditions such as long hours, harsh working environments, and limited access to modern conveniences and comforts. For example, aerial construction workers often spend long hours on elevated platforms without easy access to restrooms, causing physical discomfort in addition to heightened safety risks. In addition, many agricultural and construction roles are based in remote locations with poor connectivity and limited social infrastructure, which can lead to isolation and reduced quality of life for workers. The skills required for many roles in these industries are not easily acquired, further limiting the pace at which new talent can enter and support long-term industry developments.

While some advanced robotics solutions are available, due to the significant industry knowledge and R&D resources required to develop such solutions, they are often built with long development cycles, serve limited use cases, and are costly to adopt. Few robotics players possess the industry knowledge and long-term commitment required to build solutions that work in real-world, field-base scenarios, leaving the market chronically underserved.

Workers and businesses alike need comprehensive, easy-to-use, affordable solutions that can transform how essential workflows get done with greater efficiency and operational flexibility, minimum effort, lower costs, and more sustainable practices. As a result, the global robotics market is seeing rising demand, growing at 16.1% CAGR from US$78.4 billion in 2024 to US$170.0 billion in 2029. The global robotics market of agriculture and livestock farming, construction and facility management robotics solutions are projected to reach US$27.6 billion, US$13.1 billion, and US$9.6 billion by 2029, respectively.

Value Propositions

Our solutions are purpose-built to address the most pressing challenges in the field-based scenarios. We offer tangible value to our end users in the following ways:

- ***Catalyze income growth.*** Our products enhance operational precision and control, allowing end users to achieve greater output and earn more income with the same resources. Across agriculture livestock farming, construction and facility management, we have helped end users unlock meaningful topline uplift.

- ***Generate cost savings.*** Our products help reduce costs and improve operational efficiency. Labor has been one of the biggest constraint across industries with physically intensive workflows. In terms of resource savings, the precision and control delivered by our products help save resource usage and minimize waste, thereby achieving measurable cost savings. With our efficient R&D model and streamlined supply chain, we are able to offer our solutions at affordable prices.

- ***Enhance work engagement.*** Our solutions support the long-term sustainability of essential industries by reshaping field-based work into an experience that combines the engagement of play with the impact of productivity. Through digital modeling and user-friendly design, our solutions bring the ease and satisfaction of gameplay to essential workflows. Our control systems are operated through intuitive screens that emulate the experience of managing and deploying resources in a virtual game world, making real-world operations more interactive and enjoyable. This shift not only improves overall job satisfaction, but also makes these roles more appealing and accessible to a broader range of people, especially the younger generations.

Our Achievements

With a sustained focus on transforming agricultural workflows, we became the sixth largest provider of agricultural auto-steering system kits and the fourth largest provider of retrofit agricultural auto-steering system kits globally in terms of revenue, with market shares of approximately 3.4% and 6.6% in 2025, respectively. Our relentless commitment to addressing the fundamental labor challenges is well recognized and widely accepted by our end users. During the Track Record Period, our sales volume of auto-steering kit amounted to 33,072, 34,259 and 41,921, respectively. As of December 31, 2025, we have 2,564 distributors with a geographic coverage of over 110 countries. Building on this foundation, we are well positioned to bring digital model and autonomous transition to a broader range of industries, starting with agriculture livestock farming, construction, and facility management.

Supported by our scalable distributor model, adaptive R&D approach, and efficient supply chain, we were able to sell globally from an early stage. Within a short time frame since our inception, we have been expanding our geographic coverage and reached over 110 countries as of December 31, 2025. In 2025, 53.7%, 30.2% and 11.8% of our total revenue was generated from Europe, Asia and Americas, respectively.

What We Offer

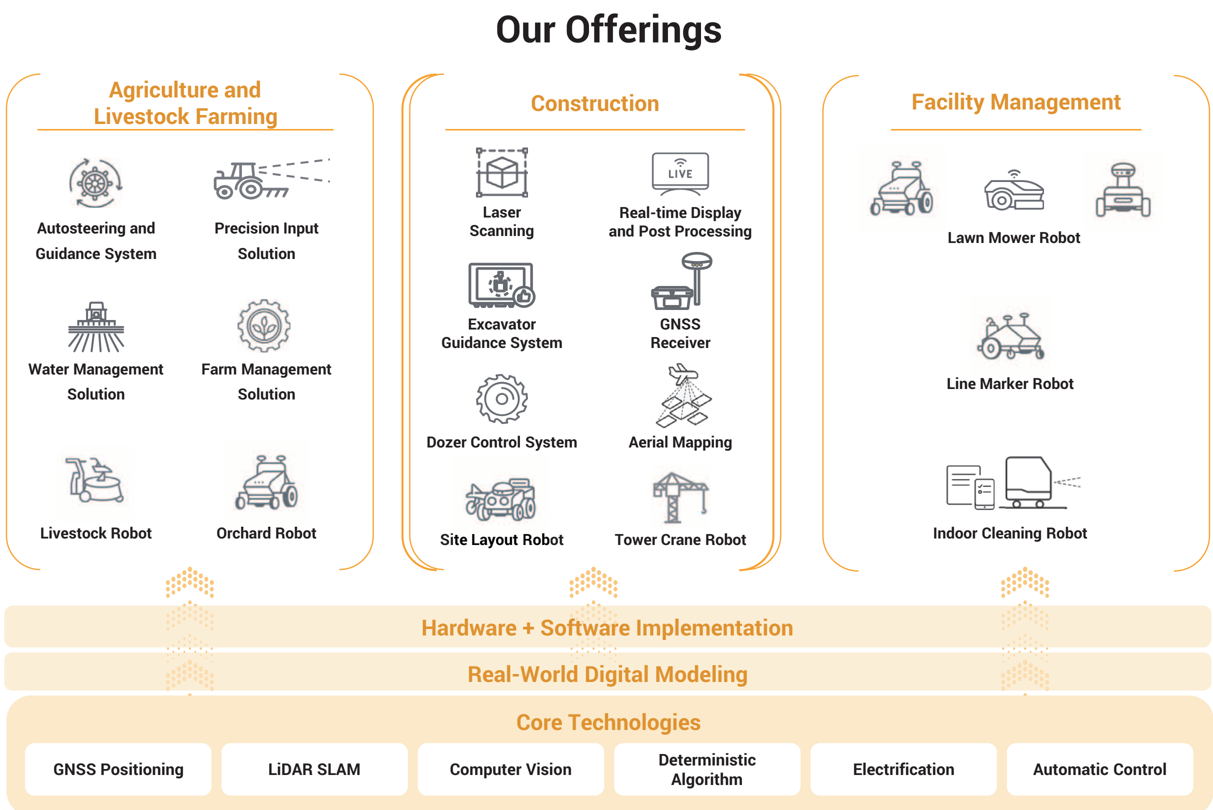
Our Solutions

We are committed to making transformative innovations broadly accessible to those essential but underserved industries. By strategically focusing on underpenetrated sectors, we purposefully building solutions that address the specific pain points of the markets we serve. Currently, we offer robotics solutions and associated enabling technologies tailored to the distinct needs of agriculture and livestock farming, construction and facility management industries at affordable prices.

- *Agriculture and livestock farming solutions.* Our precision agriculture solutions provide guidance and steering systems throughout the farming cycle. Together with our water management solution, precise input solution, and farm management solution, we help farms reduce input costs and resources usage while meaningfully increasing yield. Our livestock farming solutions introduce automation to various aspects of livestock farming and animal farming, such as feed pushing, manure cleaning and herd management.

- *Construction solutions.* With our real-world modeling capabilities, we enable laser scanning, GNSS receiver, aerial mapping, and post-processing in construction workflows. On top of the digital model for the real world, we provide machine control systems and robots to enable safer, more streamlined construction process with shorter delivery timelines for the construction industry.

- *Facility management solutions.* With our smart robots, including mowers, line markers and cleaning robots, we make facility management workflow smoother, more efficient, and more sustainable.



We have consistently invested in R&D, which allows us to deliver high-quality, pioneering products that meet the evolving needs of our end users:

- Our solid integration capabilities for different types of technologies across hardware and software form the foundation of our solutions. We seamlessly combine core technologies from different domains within a single product to deliver the optimized performance. In addition, we provide a unified software-hardware experience that helps enhance productivity from fieldwork all the way to data analytics.

- Our technology roadmap is anchored by a set of core technologies that are transferable across products developed for different scenarios. A number of our products are built on the same set of technologies, including GNSS positioning, LiDAR SLAM, computer vision, deterministic algorithm, electrification and automatic control, and we are able to flexibly deconstruct and re-integrate different technology modules to serve the product design purpose. On top of our technology infrastructure, we tailor our solutions to the unique requirements of a wide range of real-world scenarios. The combination of a proven, reusable technology infrastructure and a focus on product innovation for specific industry needs allows us to maximize R&D efficiency, accelerate time-to-market, and launch new products with optimized cost structures that drive long-term, sustainable ROI.

Distributor Model

We deliver our solutions around the world, primarily through a network of 2,564 distributors across over 110 countries, as of December 31, 2025. While we provide training and technical support to our distributors, the distributors provide onsite, immediately accessible services to the end customers. With the local expertise and established presence of our distributors, we are able to rapidly expand our market reach while ensuring the quality of on-the-ground user experience. This model also affords us the ability to quickly adapt to evolving market needs and reduce regulatory burden, allowing us to focus on our core competencies whilst partnering with distributors for their capabilities in sales and servicing.

FINANCIAL PERFORMANCE

During the Track Record Period, we achieved steady business growth. Our revenue amounted to RMB529.6 million, RMB569.8 million and RMB739.9 million in 2023, 2024 and 2025, respectively. Our gross profit margin were 53.6%, 64.5% and 65.8%, for the same years, respectively. We achieved profitability on an adjusted basis for the first time since our inception, and recorded adjusted profit (Non-IFRS measure) of RMB10.1 million in 2025, in comparison to our adjusted loss (non-IFRS) positions in 2023 and 2024.

OUR STRENGTHS

Entrepreneurial Culture and Leadership Driving Customer-Centric Innovation

Led by a team with extensive industry and global experience, we operate with a lean organizational structure and foster a culture that encourages employees to continuously learn, take initiative, and deliver meaningful results. Our management, led by our founder and chief executive officer, Dr. Wu Di, exemplifies this ethos through active involvement in product development and end-user engagement, helping shape our strategic direction from the ground up. This entrepreneurial mindset permeates our organization, enabling us to remain agile, challenge conventions, and pursue innovation that directly enhances customer outcomes. Together with an efficient R&D model, streamlined supply chain, and a team with diverse global background, we are able to drive long-term success with robotics solutions that expand the boundaries of automation across industries.

Strong R&D Capabilities Enabling Technology Integration and Scalable Product Innovation

- **Technology and R&D Capabilities** — We possess industry-leading R&D capabilities supported by over 540 dedicated R&D employees, representing 43.2% of our total workforce. As of December 31, 2025, our growing patent portfolio includes 368 patents in the PRC and other countries and regions around the world. Our R&D efforts were established in a full-stack technology foundation that spans GNSS positioning, LiDAR SLAM, computer vision, deterministic algorithm, electrification and automatic control, enabling us to deliver optimized performance across diverse environments.

- **Modular and Transferable Architecture** — Our ability to re-use and re-purpose foundational technologies for different products allows for a highly efficient R&D process. We leverage the same set of technologies, separately or as a combined module, to develop different products. This modular approach allows us to evolve our foundational technologies in the R&D process for every product, enabling us to enhance the technologies at a much faster pace than others. By developing and leveraging the proven and transferable technologies, we are able to deliver disruptive solutions in a shorter product development cycle.

- **Efficient Design with Comprehensive and Integrated Software** — Our products seamlessly integrate foundational technologies across different domains covering GNSS positioning, LiDAR SLAM, computer vision, deterministic algorithm, electrification and automatic control. We also integrate software with our hardware to enable end-to-end experience, from field work and data collection to data processing and analytics. Furthermore, our software is compatible with external data sources, allowing us to serve a broader range of users and use cases beyond our proprietary ecosystem. This integrated approach allows us to serve our users in a more efficient and comprehensive way.

Product Innovation Powered by Deep Industry Expertise

- **Standardized Products, Purposeful Design** — Our product innovation strategy centers on developing standardized solutions that address the most critical and widespread challenges within industry. This approach is grounded in a deep understanding of our end markets and the core pain points experienced by the majority of our end users. By prioritizing accessibility, our solutions empower more people to embrace technological enablement to the essential workflows, enhancing efficiency and productivity across the board. Such mass-market focus also drives volume growth and unlocks margin potentials through economies of scale.

- **Customer-centric Approach** — We approach a number of essential but underserved markets with high-performance, specialized, accessible robotics solutions tailored to their specific needs. Our products, designed to be aftersales installed, work seamlessly with users' existing equipment throughout the operational workflow, introducing minimal impact to their standard practice while bringing significant efficiency uplifts. Through the customer-centric product development approach, we are committed to empowering businesses with targeted technological solutions that address impactful economic and environmental pain points in a wide range of industries.

- **Relentless Innovation** — We are committed to continuously pushing the boundaries of product innovation and redefine what is possible in a broader range of industries. Our line marker robot automates sports field marking, enabling continuous, round-the-clock operations. These advancements reflect our dedication to staying ahead of the curve and delivering unparalleled value to our end users as a disruptor in the market.

Scalable, Efficient Distributor Model Built on Close Collaboration with Global Partners

- **Distributor Network** — We strategically targeted the global market, where the aging workforce and rising labor costs have created massive demand for robotics solutions, particularly in labor-intensive use cases. Leveraging the local expertise, established customer relationships, and in-depth know-how of our distributors, we are able to operate with better agility and navigate regulatory challenges more efficiently, achieving rapid market expansion through an asset-light approach. Our distributors handle customer service locally, ensuring high-quality support and strong relationship management on the ground. This model allows us to focus resources on advancing our core competency in technology and products, supporting our long-term growth. The number of distributors in our network has grown from 2,087 in 2023 to 2,564 in 2025, representing a three-year CAGR of 10.8%. As of December 31, 2025, we have 2,564 distributors across over 110 countries, and our products have been distributed in over 110 countries globally.

- **Scalable and leverageable Distribution Capabilities** — Our distributor network is inherently scalable, as many of our distributors already serve multiple industries and can rapidly introduce our products to a wide range of sectors we serve. This cross-industry reach allows a single distributor to support multiple verticals, significantly enhancing the efficiency and reach of our sales model. Many distributors begin with one product or one industry and gradually expand their distribution of the products from us. This land-and-expand dynamic deepens engagement and strengthens long-term relationships.

OUR STRATEGIES

We will focus on leveraging our core modularized technology to rapidly expand into diverse markets and broaden our product and solution portfolio. By harnessing the scalability and adaptability of our technology, we aim to accelerate market adoption and extend real-world applications. Our commitment is to enable customers to achieve sustainable return on investment (ROI) through innovative, efficient, and tailored solutions that address their evolving operational challenges. To achieve this, we are committed to implementing our strategy through the following initiatives:

Broaden product matrix to pursue market potential

Leveraging our successful experience and current market-leading position in the precision agriculture industry, we have identified significant opportunities to extend our core technologies and expertise into adjacent industries facing similar labor and productivity challenges, such as real-world modeling and the landscaping industry. We have successfully expanded from agriculture and livestock farming into construction and facility management, where our products have already achieved top global market positions. This diversification reduces reliance on any single market segment, spreads business risk, and taps into growing demand driven by aging workforces and rising labor costs worldwide.

Our product expansion strategy emphasizes both broadening across diverse industries and application scenarios as well as deepening market penetration within key sectors. On the one hand, we enhance and diversify our existing product portfolio to better address the varied needs of our customers across multiple scenarios. On the other hand, we continuously leverage and adapt our core technologies to enter and develop new industry sectors, thereby broadening our customer base and uncovering additional market opportunities.

We maintain a diversified product portfolio and will continue to expand it based on customer needs and industry pain points. We intend to continue to upgrade existing product functionalities to create differentiated products that address diverse customer segments and price points. We will continuously collect customer feedback and incorporate the feedback directly into the product design process.

Continue to enhance R&D capabilities strengthening our core technologies and product offerings

Our R&D capabilities and core technologies form the foundation of our competitive advantages. We are the current market leader in precision agriculture industry and our R&D focus in developing market-pioneering technology solutions in areas such as advanced navigation perception, sensor fusion, autonomous control algorithms, integrated hardware-software platforms, robotic mechanical design, and software-as-a-service (SaaS) solutions for intelligent operation and management. We will integrate our R&D results into our technical architecture to deliver top-class, reliable, and efficient automation solutions for end customers across agriculture and livestock farming, construction and facility management sectors.

We will leverage our core modularized spatial perception technologies to real life application scenarios across a wide range of different industries, expanding our product portfolio while ensuring sustainable ROI for our customers. We will also work closely with our partners to swiftly translate these advanced technologies into practical products, enabling seamless operations in labor-intensive industries and accelerating the integration of our innovations into daily life.

We will continue to invest in our R&D capabilities, particularly with respect to our core technologies, in order to enhance our core technologies utilized under our products, strengthening our leading market position and improving our product competitiveness in the industry.

Improve global penetration and market reach

Central to our global expansion is our deeply rooted collaborative network of distributors worldwide, spanning over 110 countries. Our partners highly recognize the distinct technological leadership embodied in our offerings and share our enthusiasm for ongoing cooperation and mutual growth.

By deepening collaboration with more partners and distributors who share our mission, we will further expand our market reach and build mutually supportive, deeply collaborative relationships. We will provide them with DMS systems and other management tools to enhance their capabilities and strengthen partnership engagement. This also enables us to work effectively together to drive business growth while also helping to liberate more people from labor-intensive work and improve our customers' ROI.

Building on the solid foundation of our advanced technologies and strong distributor partnerships, we will continue to expand our global presence, broadening our customer base and fortifying our sales network to achieve deeper market penetration and sustained global growth. Specifically, we will: strategically strengthen our global sales network to drive the global growth of our business and improve our market penetration; strengthening product promotion on international social media platforms to improve brand awareness; and set up more oversea showrooms to offer our existing and potential customers opportunities to experience our products by participating in demonstrations.

PATH TO PROFITABILITY

Despite our steady revenue growth, we were loss-making during the Track Record Period. Our net loss was RMB471.1 million, RMB333.5 million and RMB281.1 million for 2023, 2024 and 2025, respectively. Nonetheless, we recorded adjusted loss (non-IFRS measure) of RMB268.6 million, RMB57.2 million in 2023 and 2024, respectively, and we recorded adjusted profit (non-IFRS measure) of RMB10.1 million in 2025. Our revenue increased from RMB529.6 million in 2023 to RMB569.8 million in 2024 and further increased to RMB739.9 million in 2025. Our adjusted loss (non-IFRS measure) as a percentage of revenue narrowed during the Track Record Period.

During the Track Record Period, we recorded historical losses primarily due to the following factors: (i) significant investments in R&D, as we consistently prioritized research and development. Our R&D expenses accounted for 50.9%, 40.7% and 31.2% of total revenue during the Track Record Period, reflecting our strategic focus on enhancing our R&D capabilities and strengthening our core technologies. While these investments impact short-term profitability, they are critical for securing long-term competitiveness and driving sustainable growth; (ii) significant investment in selling and distribution, as we continuously expanded our geographic footprint, strengthened brand presence and awareness, and built scalable distributor networks. Our sales and distribution expenses accounted for 31.4%, 28.0% and 27.6% of our revenue during the Track Record Period, reflecting sustained efforts in marketing, promotion, and channel development; and (iii) non-cash fair value changes of preferred shares, primarily due to the changes in market expectations, which further contributed to the reported losses.

Going forward, we will continue to improve profitability by implementing the following strategies:

Expand Our Revenue Scale

Leverage Our Leading Position in a Rapidly Growing Industry

We operate at the forefront of the rapidly growing global robotics solutions industry. The market size of global robotics solutions increased from US$49.4 billion in 2021 to US$91.4 billion in 2025, reflecting a CAGR of 16.6%. It is projected to reach US$200.9 billion by 2030, reflecting a CAGR of 17.1% from 2025, according to Frost & Sullivan. This expansion is fueled by advances in perception, navigation and control software, demographic shifts such as ageing populations and labor scarcity, rising labor costs, and the growing need for traceable and standardized operations. At the same time, declining hardware and integration costs are enabling pilot projects to scale into multi-site deployments.

Within this landscape, the agriculture and livestock farming, construction, and facility management segments together accounted for approximately 24.9% of the global market in 2025, and this share is projected to increase to 27.7% by 2030. Penetration in these segments remains at an early stage — below 11% in agriculture, 1% in construction, and 15% in facility management — highlighting significant untapped potential. Growth is driven by practical objectives such as enhancing human wellbeing, freeing up labor for higher-value work, reducing exposure to hazardous tasks, and improving productivity, quality, and safety in workplaces and public spaces.

Following substantial growth since our inception, we are now an established global player in the agricultural robotics market, ranking as the third-largest provider of agricultural auto-steering system kits and the second-largest provider of retrofit agricultural auto-steering system kits worldwide, with market shares of approximately 9.7% and 17.5% in 2025, respectively. Leveraging the industry dynamics and our market leading position, we have achieved an overall increase in sales volume and broader customer adoption, which has supported our steady revenue growth.

Revenue Growth from Our Existing Product Matrix

Robotics Solutions

During the Track Record Period, we maintained a steady growth in our revenue. Our revenue amounted to RMB529.6 million, RMB569.8 million and RMB739.9 million in 2023, 2024 and 2025. To sustain and accelerate this growth, we aim to expand the sales volume of our robotic solutions by developing products that address customer pain points, delivering specialized and accessible solutions, offering premium products at competitive prices, and creating synergies through cross-segment cross-selling. In particular:

- **Develop and Deliver Products that Matter.** Driven by deep market insights and a clear understanding of customer pain points, we drive revenue growth by developing products that truly matter to our customers. Underpinned by market intelligence, our innovation strategy focuses on standardized solutions that tackle the most critical and widespread pain points across industries. By prioritizing accessibility and purposeful design, our products enhance efficiency and productivity in essential workflows, empowering more users to adopt robotics solutions. This mass-market orientation not only expands our customer base but also accelerates sales volume growth and unlocks margin potential through economies of scale. At the same time, our customer-centric approach enables us to deliver high-performance, specialized, and accessible robotics solutions tailored to specific operational environments. During the Track Record Period, our sales volume grow rapidly. Our sales volume of agriculture and livestock farming, construction and facility management amounted to

1,104,927 units, 13,613 units and 7,434 units in 2023, respectively, and increased to 1,557,114 units, 74,605 units, and 117,974 units in 2025, respectively. By targeting underserved markets with high-performance solutions designed for seamless aftersales installation, our products integrate smoothly with existing equipment, minimizing disruption while delivering significant efficiency gains. This practical integration accelerates adoption, strengthens customer loyalty, and drives repeat purchases, ensuring that our product portfolio continues to generate sustainable revenue growth from the existing matrix.

- **Premium products with acceptable price.** We improve sales volume by positioning our products as premium solutions offered at acceptable price points. Compared to international competitors, our portfolio achieves broader market acceptance by balancing high performance with affordability. This value proposition expands our accessible customer base, accelerates adoption across diverse industries, and drives repeat purchases, ultimately translating into higher sales volumes within the existing product matrix.

- **Synergies and cross-selling between segments.** We further enhance sales growth by leveraging synergies across our product segments. Our solutions are designed to integrate seamlessly, enabling cross-selling opportunities that maximize customer lifetime value. By offering complementary products that address adjacent needs, we strengthen customer relationships, increase wallet share, and create a multiplier effect on sales volume. This cross-segment strategy ensures that our existing product matrix generates incremental revenue beyond standalone product sales.

We also plan to implement disciplined pricing strategies to drive our revenue growth. By introducing price increases within acceptable limits for customers, we preserve affordability while capturing additional value from our premium positioning. At the same time, we adopt market-specific pricing strategies to reflect the varying purchasing power across different regions. This balanced approach ensures that our products remain competitive and accessible globally, while enabling us to expand margins and sustain revenue growth from the existing product matrix.

Software Solutions

Our software solutions are provided alongside our robotics solutions, creating a seamless hardware-software ecosystem that enhances customer value and drives incremental revenue growth. By embedding software into the robotics workflow, we enable advanced functionality such as precision navigation, real-time monitoring, and data-driven decision support, which significantly improves efficiency and productivity for end users. Such synergy also accelerates adoption, as customers gain immediate access to integrated solutions without the need for separate procurement or complex installation. This approach strengthens customer loyalty, increases stickiness, and ensures recurring revenue streams, while simultaneously boosting sales volume within the existing product matrix.

Broaden Product Matrix to Pursue Market Potential

Leveraging our successful experience and current market-leading position in the precision agriculture industry, we are extending our core technologies and expertise into adjacent industries facing similar labor and productivity challenges, such as real-world modeling and landscaping. Building on our proven expansion from agriculture and livestock farming into construction and facility management — where our products have already achieved top global market positions — we are diversifying our portfolio to reduce reliance on any single segment, spread business risk, and capture growing demand driven by aging workforces and rising labor costs worldwide.

Our product expansion strategy emphasizes both breadth and depth: broadening across diverse industries and application scenarios, while deepening penetration within key sectors. On one hand, we enhance and diversify our existing product portfolio to address varied customer needs across multiple workflows. On the other, we continuously leverage and adapt our core technologies to enter new industry sectors, thereby broadening our customer base and uncovering additional market opportunities. We maintain a diversified product portfolio and will continue to expand it based on customer needs and industry pain points, upgrading existing functionalities to create differentiated products across customer segments and price points. Continuous customer feedback is directly incorporated into our design process, ensuring our solutions remain relevant, impactful, and widely adopted.

Benefit from Our Distributorship Model

Our distributorship model plays an important role in our global business and supports our expansion strategy. In 2023, 2024 and 2025, revenue generated from our distributors amounted to 507.7 million, 539.0 million and 710.8 million, respectively, accounting for approximately 95.9%, 94.6% and 96.1% of our total revenue, for the same period, respectively. As of December 31, 2025, our products were distributed in over 110 countries, ensuring both domestic and international market coverage. As of December 31, 2023, 2024 and 2025, we collaborated with 2,087, 2,224 and 2,564 distribution partners, respectively. Through a deeply rooted network of distributors spanning Europe, Asia, and the Americas, we deliver our solutions to customers worldwide. This demonstrates the critical role our distributor model plays in achieving global penetration and sustained market reach. Building on our existing global presence, we plan to place greater emphasis on developed markets such as Europe, Japan, and North America, which offer significant growth potential due to labor shortages, aging populations, and strong purchasing power.

We manage our distribution channels in strict accordance with internal policies and continuously monitor their performance through our sales management system. Our dedicated sales management team oversees the entire distributor lifecycle, including the development, evaluation, and recruitment of new distributors, negotiation and execution of contracts, and ongoing management of existing partners. This encompasses oversight of predetermined sales territories, pricing, inventory, and trade receivables, ensuring that distributors operate efficiently and in alignment with our strategic objectives.

Beyond operational oversight, we place strong emphasis on elevating after-sales service quality and strengthening customer loyalty. By providing distributors with comprehensive sales support and training, we empower them to deliver consistent, high-quality service across regions. Regular review and maintenance of distribution networks further ensure that customers benefit from reliable coverage and responsive support. This disciplined management approach not only enhances distributor performance but also reinforces customer trust, creating a virtuous cycle of stronger partnerships, improved service quality, and long-term loyalty.

To further empower our distributors, we provide them with DMS systems and a suite of management tools designed to enhance their operational efficiency and strengthen engagement. These tools enable distributors to better manage sales processes, inventory, and customer relationships, while also improving transparency and coordination with our sales management team. By equipping partners with advanced digital solutions, we elevate their capabilities, foster deeper collaboration, and ensure that our distributor network remains agile and responsive to market demands. This empowerment not only improves distributor performance but also reinforces long-term partnership engagement and mutual growth.

Enhancing Our Gross Profit Margin

Optimize Our Product Matrix

We are actively optimizing our product mix by reallocating resources toward high-margin, high-value-added solutions while gradually phasing out low-margin items. This reallocation increases the share of higher-margin products in the portfolio, strengthening overall profitability. During the Track Record Period, our gross profit margin maintains steady growth. In 2023, 2024 and 2025, our gross profit margin were 53.6%, 64.5% and 65.8%, respectively. This disciplined approach improves overall gross margin as the portfolio shifts to products that deliver differentiated performance and stronger customer value. Building on our market-leading position in precision agriculture, we selectively extend core technologies into adjacent use cases with similar labor and productivity challenges, which enrich our product mix with offerings that carry attractive unit economics and strengthen margin quality. By continuously upgrading functionalities and tailoring our products to distinct customer segments and price points, we align the product mix with segment-specific demand curves, concentrating volume in higher-margin variants and improving overall portfolio profitability.

Transition towards a Business Model with a Higher Proportion of Software Revenue

Our long-term margin expansion strategy is driven by a progressive transition toward a higher proportion of software revenue. We initially penetrate the market with cost-effective hardware solutions to build scale and customer adoption. Over time, we increase the share of subscription-based software, which carries structurally higher margins and provides recurring revenue streams. This shift not only enhances gross profit margins but also builds a more robust and sustainable business model, anchored in customer stickiness and long-term engagement. During the Track Record Period, revenue generated from software maintain steady growth. In 2023, 2024 and 2025, revenue generated from software amounted to 5.6 million, 11.7 million and 33.8 million, respectively, accounting for 1.1%, 2.0% and 4.6% of our total revenue, for the same period, respectively, while maintaining a gross profit margin of 100.0%.

A key driver of this transition is Trion, our proprietary point cloud processing software available on both iPadOS and Windows platforms. Trion enables users to quickly import and visualize raw point cloud data, generate realistic digital twin models, and integrate seamlessly with our robotics solutions. By supporting real-world scene modeling, Trion makes it easier for customers to deploy robots such as cleaning or lawn-mowing robots, improving overall efficiency and strengthening customer loyalty.

Lower Raw Material Costs

During the Track Record Period, our raw material costs decreased from RMB198.1 million in 2023 to RMB170.4 million in 2024, primarily due to our modularized design and the leverage of our existing R&D platform. Our raw material costs increased to RMB227.1 million in 2025, primarily attributable to the launch of new products and an increase in overall sales volume. By integrating design and procurement processes, we are able to procure core modules for new products at scale, which allows us to capture economies of scale. In addition, because most of the technological know-how is developed internally through vertical integration, our raw material cost remain relatively stable and efficient. To further sustain and reduce raw material costs, we are establishing long-term agreements with key suppliers to secure price stability and supply reliability, while diversifying our supplier base and maintaining safety stock levels to mitigate volatility. Looking ahead, we expect continued cost improvements as we expand sales volumes, strengthen supplier partnerships, and capitalize on our modularized design and integrated R&D capabilities.

Pursue Greater Operational Efficiency

Improve R&D Efficiency

We possess a full-stack technology foundation spanning GNSS positioning, LiDAR SLAM, computer vision, deterministic algorithms, electrification and automatic control. Leveraging this foundation, we are able to re-use and re-purpose technologies across multiple products, enabling a highly efficient R&D process. By adopting modular architectures, we minimize duplication of effort, accelerate product development cycles, and reduce R&D costs. During the Track Record Period, our research and development expenses amounted to RMB269.6 million, RMB232.1 million and RMB231.0 million, respectively, representing 50.9%, 40.7% and 31.2% of our revenue, respectively, underscoring our improved efficiency in translating R&D investment into innovation. Looking ahead, we will further leverage our modular and transferable architecture to re-use and re-purpose foundational technologies across different products, enabling a more efficient R&D process, faster evolution of core technologies, and shorter product development cycles for disruptive solutions.

Improve Sales Efficiency

By leveraging established distributor networks spanning multiple industries, we operate an efficient and scalable model that accelerates market entry and enables rapid expansion worldwide. This reuse of proven sales channels reduces customer acquisition costs, shortens go-to-market timelines, and improves the reach of our global presence. As of December 31, 2025, we collaborated with 2,564 distributors, with distribution across more than 110 countries. This footprint enables efficient product introduction into diverse markets, where distributors activate existing relationships to drive faster adoption and broader coverage. During the Track Record Period, we continued to improve the efficiency of our selling and distribution expenses. Our selling and distribution expenses amounted to RMB166.5 million, RMB159.4 million and RMB204.2 million, respectively, representing 31.4%, 28.0% and 27.6% of our revenue, respectively. Looking ahead, by deepening collaboration with partners and distributors who share our mission, we expand our market reach and foster mutually supportive relationships. Through the provision of DMS systems and other management tools, we enhance partners' capabilities and strengthen engagement, thereby improving the overall efficiency of our sales and distribution network.

Improve Management Efficiency

By integrating digital tools and data-driven workflows, we improve transparency, reduce operational bottlenecks, and enable faster decision-making. This digital transformation strengthens coordination across departments, lowers overhead costs, and ensures that our management processes are agile enough to support rapid growth while maintaining profitability. During the Track Record Period, we continued to improve the efficiency of our administrative expenses. Our administrative expenses amounted RMB93.0 million, RMB72.4 million and RMB68.6 million, respectively, representing 17.6%, 12.7% and 9.3% of our revenue, respectively. Looking ahead, we will further adopt advanced management systems and implement digital automation initiatives to improve management efficiency.

OUR BUSINESS MODEL AND PRODUCTS

We are dedicated to the design, development and production of robotics solutions and the associated enabling technologies that enhance human potential by driving the digitalization and automation of traditionally labor-intensive workflows in various scenarios, including agriculture and livestock farming, construction, and facility management. Our robotics solutions and technologies help to improve worker satisfaction, workflow efficiency and precision, lower costs, and enable more sustainable operations. By allowing remote control of traditionally hazardous work processes, our solutions also significantly enhance workplace safety.

During the Track Record Period, we generated our revenue primarily from sales of various types of robotic solutions, covering agriculture and livestock farming, facility management and construction, and provision of software solutions, such as Trion and farming management system. For provision of software solutions, we charged customers either a subscription fee for using our applications over a period of time, or a one-off fee for granting access to specific applications.

The table below sets forth a breakdown of our revenue by segment, in absolute amounts and as percentages of total revenue, for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	(RMB in thousands except for percentages)					
Agriculture and livestock farming	470,348	88.8%	443,177	77.8%	497,536	67.2%
Product	419,145	79.1%	394,586	69.2%	436,004	61.3%
Components	51,204	9.7%	48,592	8.5%	61,533	6.0%
Construction	41,027	7.7%	82,807	14.5%	118,890	16.1%
Product	36,016	6.8%	75,062	13.2%	107,295	14.5%
Components	5,011	0.9%	7,745	1.4%	11,594	1.6%
Facility management	12,610	2.4%	32,174	5.6%	89,696	12.1%
Product	11,250	2.1%	30,430	5.3%	88,868	12.0%
Components	1,360	0.3%	1,745	0.3%	828	0.1%
Software	5,629	1.1%	11,679	2.0%	33,796	4.6%
Total	**529,614**	**100.0%**	**569,837**	**100.0%**	**739,918**	**100.0%**

Since our inception, we have steadily expanded our global footprint. Today, our sales network spans over 110 countries and regions, with Europe and Asia as our largest revenue sources. The following table sets forth our revenue breakdown by geographical locations for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	(RMB in thousands except for percentages)					
Europe	220,807	41.7%	301,076	52.8%	396,973	53.7%
Poland	19,847	3.7%	37,917	6.7%	66,214	8.9%
Austria	20,197	3.8%	16,848	3.0%	43,209	5.8%
Other countries	180,763	34.2%	246,311	43.1%	287,550	38.9%
Asia	245,857	46.4%	187,537	32.9%	223,749	30.2%
Mainland China	165,004	31.2%	121,651	21.3%	119,546	16.2%
Japan	15,435	2.9%	23,791	4.2%	33,334	4.5%
Other countries	65,417	12.3%	42,095	7.4%	70,869	9.6%
Americas	51,016	9.6%	66,777	11.7%	87,593	11.8%
Mexico	20,118	3.8%	29,656	5.2%	26,696	3.6%
United States	16,418	3.1%	10,047	1.8%	23,321	3.2%
Other countries	14,480	2.7%	27,074	4.8%	37,576	5.1%
ROW	11,934	2.3%	14,447	2.5%	31,603	4.3%
Total	**529,614**	**100.0%**	**569,837**	**100.0%**	**739,918**	**100.0%**

Note: Information about the Group's revenue from external customers is presented based on the location of the Group's direct contractual customers. Where sales are made to distributors, such geographical information reflects the location of those distributors, which may differ from the location of the ultimate end customers or the jurisdictions in which the products are ultimately sold or used.

Agricultural and Livestock Farming Solutions

Our agricultural and livestock farming robotics solutions integrate agriculture machinery with advanced precision agriculture software and technologies to free up farm workers from traditionally repetitive and labor-intensive tasks, improving productivity and precision, and saving costs by reducing wastage. Our agricultural and livestock farming robotics solutions mainly comprise precision agriculture solutions and livestock farming solutions. Our precision agriculture solutions help to support farmers in various aspects of the modern agricultural production cycle, including field preparing, planting, field management, and harvesting. Our livestock farming solutions cover various aspects in animal farming such as feed pushing and manure cleaning.

*Precision Agriculture Solution*s

Our precision agriculture solutions mainly include (i) auto-steering and guidance systems, used to automate steering and guide agricultural machinery in field work while vehicle speed remains manually controlled. All such systems are sold as retrofit products; (ii) water management systems, covering land leveling and irrigation control to improve efficiency of field management; and (iii) precision input solutions, such as ISOBUS Implement Controller and spray systems with automatic flow and section control to reduce overlaps and optimize chemical use.

Product	Key features
Auto-steering and Guidance Systems:[1]	Multi-source GNSS with up to ±2.5 cm precision; smooth auto turns and optimal path planning; reducing overlaps and improving coverage; reliable on even sloping or rough terrain; compatible with diverse machinery; operating from ultra-low speed to ultra-high speed for various farm tasks; and quick installation

FJD AG1 Guidance System

FJD AT2 Auto-steering System

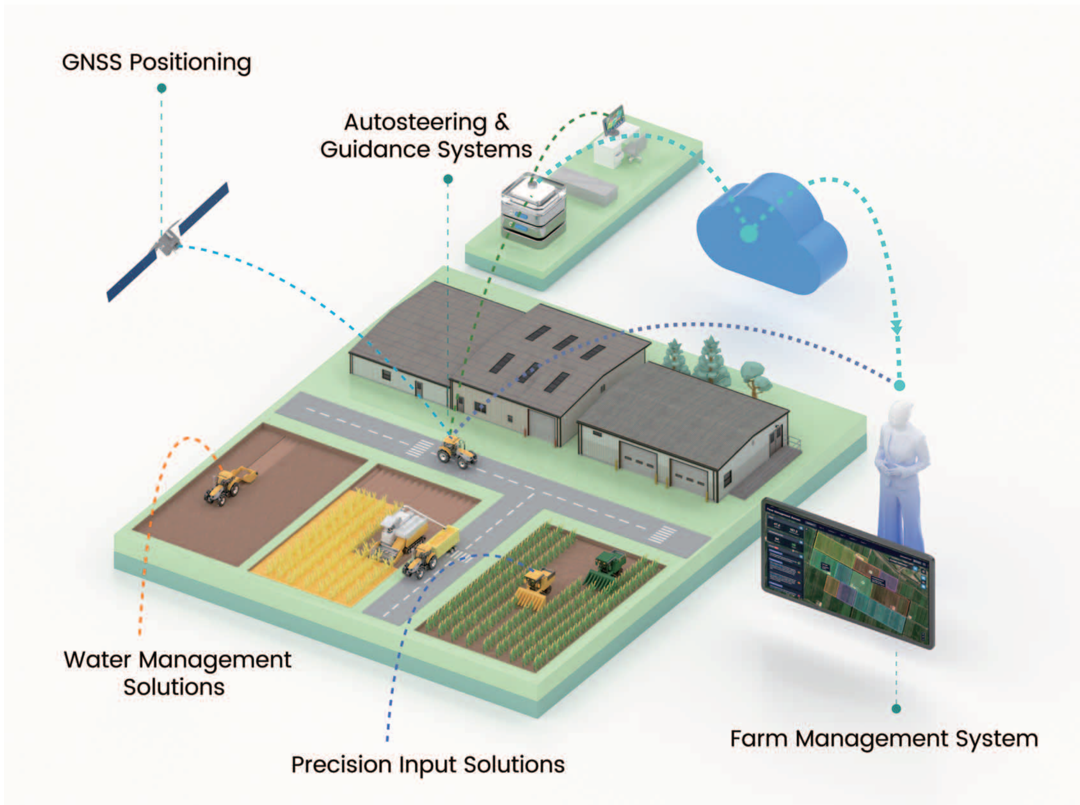
FJD AS2 Steer Ready Auto-steering System

FJD AH2 Hydraulic Auto-steering System

Note: Our auto-steering and guidance systems are sold as retrofit products.

Product	Key features
Water Management Systems:  FJD AL02 3D Land Leveling System	3D GNSS-based land leveling with high precision; multi-terrain compatibility; flexible scanning and sharing; remote assistance; and reducing pesticides and fertilizers costs
Precision Input:  ISOBUS Implement Controller  FJD ATS Precision Spray Auto-steering System	AEF certified; automated section control; individual nozzle control; variable rate application; reduced overlaps and skips at field boundaries; and tailored solutions for traditional implements

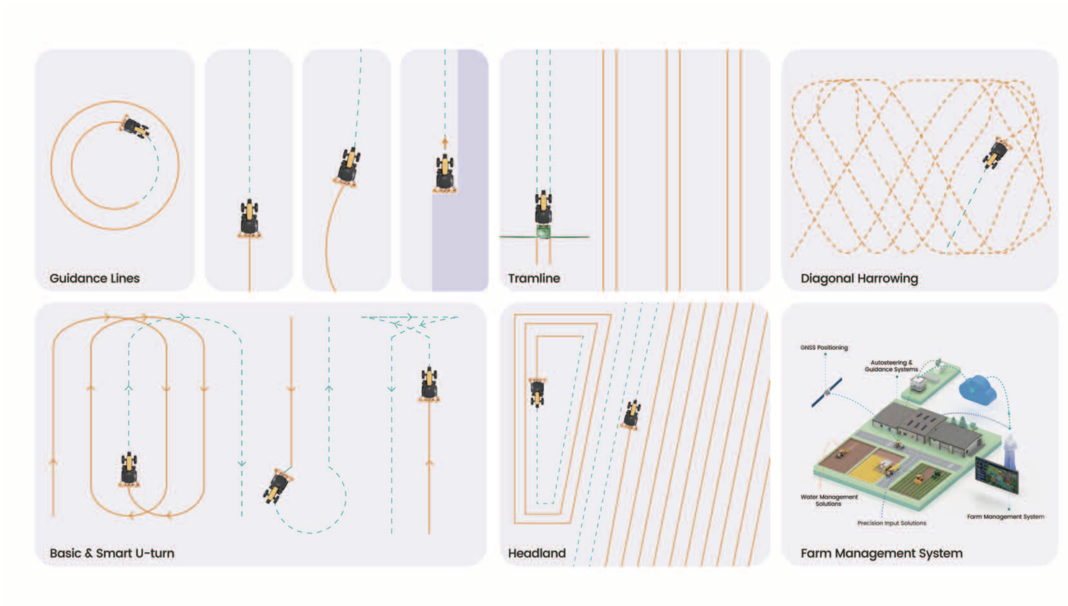
Below illustrates the interactions between our auto-steering and guidance systems, smart agricultural machinery, GNSS positioning infrastructure, farm management software, and end user.



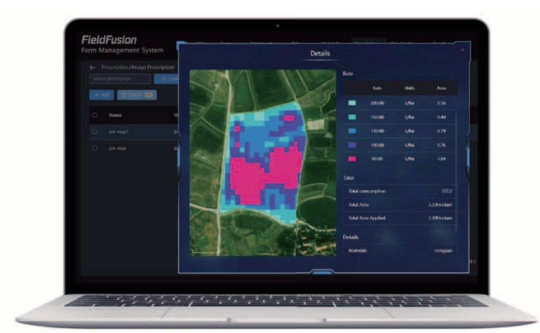
Auto-steering and Guidance Systems

We offer a comprehensive portfolio of various models of auto-steering and guidance systems, which are used to steer and guide tractors, planters, sprayers, harvesters and other agricultural machinery with enhanced precision and efficiency. They help to reduce skips and overlaps for drivers, offer guidance lines and tramlines to guide machinery on straight, curved, pivot or mixed routes across various terrains, plan optimal paths when covering fields, and save costs by reducing unnecessary fuel usage.

Below sets forth an illustration of certain functions offered by our auto-steering and guidance systems:



Our auto-steering and guidance systems are equipped with intuitive, user-friendly interfaces that simplify operation for users of all experience levels. Our software supports multi-machine collaboration, allowing users to seamlessly transfer project files among different tractors or other machinery to enable multiple machines to work together, enabling synergy and improving efficiency. Additionally, our software features the Farm Management System (FMS), which allows users to easily control and manage auto-steering and guidance systems from an integrated platform and consolidate agricultural operational data.



Water Management Solutions

Our core water management product is land leveling system which are used in farmland. Our land leveling systems are used in farmland leveling and terrain planning. They are used in a wide variety of use cases including wasteland reclamation, field consolidation and leveling, slope-to-terrace conversion and setting water flow direction.

Precision Input Solutions

We are currently one of the few that has fully mastered the technologies related to ISOBUS controllers through our ISOBUS implement controller, which can be directly applied to the core precision control of high-end agricultural machinery such as precision seeding, intelligent spraying, and variable-rate fertilization. It can also communicate seamlessly with tractors of world-renowned brands, achieving a "plug-and-play" effect. Meanwhile, it supports precision machinery control and section control functions, which significantly improve the accuracy and efficiency of agricultural machinery operations and reduce the waste of agricultural resources.

The precision spray auto-steering system represents an important practical use case for the ISOBUS Implement Controller. It upgrades most traditional sprayers into ISOBUS-compatible implements. AEF-certified, it supports multiple third-party valves with strong scalability. The system provides automatic flow rate control and section control, reducing overlaps at boundaries and minimizing skips. With stable flow, timely section switching, and high-accuracy auto-steering, it ensures uniform spraying, lowers chemical use, and prevents crop damage compared with manual operations.

Livestock farming Solutions

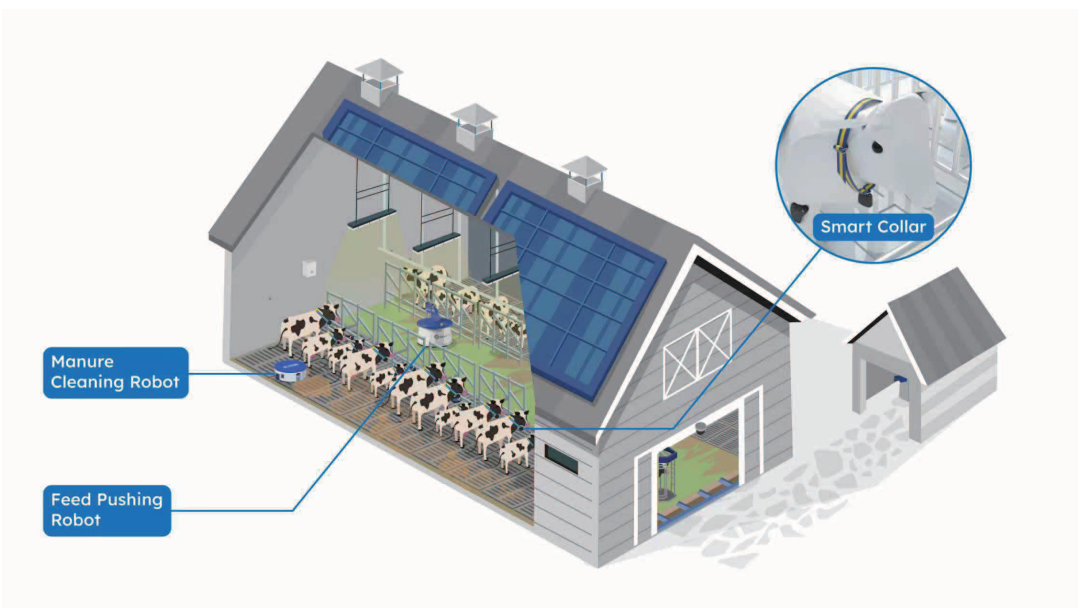
Our livestock farming solutions introduce automation to various aspects of livestock farming and animal farming, such as herd feed pushing, manure cleaning and herd management. By integrating robotic automation with intelligent control systems, our solutions streamline daily livestock management tasks and reduce reliance on manual labor.

The chart below sets forth certain details of our livestock farming solutions:

Product		Key features
 Feed pushing robot	 Manure cleaning robot	3D LiDAR- and AI vision-based navigation, eliminating the need to install magnetic markers; 100% autonomous; quick installation; remote control, 24/7 monitoring and online diagnostics; fastest working speed on the market; operation up to 2 days on a single charge; skirt lift for slopes up to 27%; rain resistant; durable scraper designed for slatted floors; auto-charging and water refill for fully automated operation; smart light for safe navigation even in low light environment; equipped with camera to enable real-time monitoring, remote control and online diagnostics

Product		Key features
Smart collar	 Sveaverken MooCollar Bree	Real-time cattle heat detection for optimized breeding management; 24/7 monitoring of animal behavior; 1km gateway coverage; 7+ years of battery life; enables group management of cattle; provides data updates every 2 hours; sends notifications immediately when the herd behaves abnormally or displays signs of illness; and data is uploaded to cloud platform for storage and can be accessed easily via mobile app

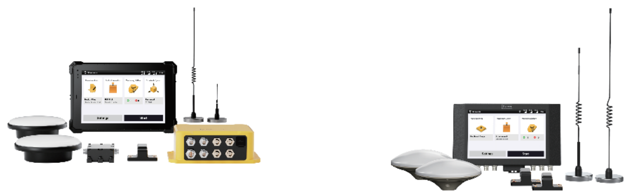
The diagram below illustrates the main use cases of our livestock farming solutions:



Construction Solutions

Our construction robotics solutions primarily comprise 3D excavator guidance and control systems, which are guidance and control systems for excavators and construction machinery, specifically motor graders and dozers to help improve accuracy and productivity and provide visual guidance to the users. The 3D excavator guidance systems currently provide visual guidance only and do not directly control the excavator's movement.

The chart below sets forth the matrix of our construction robotics solutions:

Product	Key features
 3D excavator guidance systems	Centimeter-level accuracy enabled by a 3D reference model; design file or onsite design; compatible with diverse buckets and booms; user friendly for beginners; projects management and equipment management via cloud platform; and quick installation within 1 hour
 Motor grader and dozer control systems	Automatic blade control; centimeter-level accuracy; real-time 3D visual guidance and control; task Visualization; temperature as low as -40°C; and 8-core 2.2GHz Tablet

Scanner Suite solutions

Our Scanner Suite solutions primarily include (i) LiDAR scanners, which are hand-held scanners that can be used for scanning both indoors and outdoors; (ii) RTK GNSS systems, which are systems connected to various satellite networks to provide high-precision location services for users; and (iii) aerial mappers, which are used on aircrafts or drones for wide-area mapping and 3D landscape modeling. We also offer our own point cloud processing software, our Trion model, that can be used in conjunction with our digital twin hardware to render photorealistic scenes directly from scan data uploaded by the cameras and generate immersive digital scans in minutes instead of hours. Our point cloud processing software are particularly suitable for use cases such as indoor showrooms, 3D city walks, virtual tourism and virtual house renovation.

Product	Key features
 LiDAR scanners	Powered by SLAM LiDAR technology, which can easily catch the measurements and information with high efficiency; real-time distance point cloud colorization; lightweight and portable, weighing as little as 1kg for some models; relative accuracy of up to 1.2 cm; georeferenced Point Cloud; uploads real-time scan to the cloud to enable live Access; and indoor & Outdoor Scanning

Product	Key features
  RTK GNSS systems	RTK receivers are widely used for outdoor scanning in construction, agriculture, and engineering; global constellation coverage; 1408 channels supported; supports multiple protocols; fast delivery of positions; centimeter-level high accuracy; built-in IMU; maximum 60°, calibration-free; and waterproof and durable
 	2W/5W internal radio options available; dual 5MP cameras; small size, light weight; wide communication diversity; integrated 4G modem; seamless AR Stakeout view; 2MP front camera, 5MP downward camera; seamless AR and Visual Stakeout view; wide communication diversity; and OLED screen, 2 buttons and 4 signals.
	Used for wide-area mapping, urban planning, 3D city modeling, pipeline planning, forestry scanning, and various other wide-area scanning tasks; integrated with software that provides real-time camera data; and equipped with flight plan design software that allows easy generation of flight plans by defining the survey area and generating flight lines
  Aerial mappers	Aerial mapper can be used with aircrafts or planes for photogrammetry of big scenarios; combined with 5 self-developed cameras; 150MP high resolution per camera; up to 1/2500s shutter speed; up to 4fps capture rate; and wide and fast aerial coverage

Facility management robotics solutions

Our facility management robotics solutions primarily include (i) lawn mowers robots, which provide transforming landscaping with greater efficiency and precision across both commercial landscaping care and household applications; (ii) line marker robots, which are mainly used for marking various game fields such as football fields and baseball fields; (iii) mower auto-steering kit, which can transfer traditional mowers into autonomous mowers; and (iv) cleaning robots, which provide transforming traditional commercial cleaning with greater efficiency. Our solutions are powered by advanced technologies, including GNSS positioning, LiDAR SLAM, computer vision, deterministic algorithm, electrification and automatic control.

The chart below sets forth the matrix of our facility management robotics solutions:

Product | **Key features**

Commercial Lawn Mower Robots:

RM21 Robotic Mower

FRX Robotic Mower

Z42P Robotic Mower

Key features: Vehicle-free rapid mapping; centimeter-level mowing accuracy for precise facility management care; multi-field management for efficient operations; smart path planning for optimal mowing routes; covers 20,000+m^2 in a single day; delivers high-precision mowing, even under trees; smart digital cloud platform management; and remote app control & scheduling

Product | **Key features**

Residential Lawn Mower Robots:

FR4000 Robotic Mower

FL3000 LiDAR Robotic Mower

Key features: Quick 5-minute installation with no wires; intelligent boundary recognition for precise edge cutting; drop & run setup with flexible work zones; delivers high-precision mowing, even under trees; GPS anti-theft security; auto-recharging & multi-field management; handles slopes up to 33° with all-terrain traction; rain sensor and IPX5 waterproof design for worry-free use; and smart app control for zones, progress, and schedules

PaintMaster™ Robotic Line Marker:

PaintMaster™ Pro RLM01 Robotic Line Marker

PaintMaster™ Mini RLM02 Robotic Line Marker

Key features: Handheld marker enables fast, vehicle-free mapping; centimeter-level marking precision; reduces labor and paint usage by 50%+; reduces labor up to 90%+; line Marking Simulator saves significant time and labor by previewing markings digitally; cloud-based fleet management with app control; fast & easy battery swapping, 24/7 continuous operation; and GPS anti-theft

Product	Key features
Mower auto-steering Kit:  MS100 Mower Kit	Vehicle-free rapid mapping; centimeter-level operation accuracy; quick installation and deployment; turns traditional mowers into autonomous models; all-terrain adaptability for slopes & uneven lawns; smart path planning & obstacle avoidance upgrade; reduces labor costs by 80% post; and smart digital cloud platform management

Our mower products are equipped with smart applications that do not require specific licensing. Our app's privacy policy defines the scope of personal data collected, including both information actively provided by users and data automatically generated by the system. It explains the legitimate uses of such data, such as account management and feature optimization, and sets out compliant rules for data storage, sharing, and cross-border transfer, safeguarding users' fundamental rights to access, correct, and delete their personal data.

Commercial Cleaning Solution

Persistent labor shortages, escalating operating costs and stringent hygiene regulations have increased demand for automated cleaning solutions. Our commercial cleaning robotics suite comprises two product families: compact dry and wet cleaning hybrids, and autonomous heavy-duty floor scrubbers. They are built on LiDAR SLAM and computer vision navigation, ensuring precise cleaning performance, and centralized data management, enabling facility operators to meet compliance requirements and optimize labor allocation across facilities of all sizes. By reducing reliance on human labor, businesses can save cleaning costs, energy consumption and reduce water and cleaning agent usage, saving costs and making them a more environmentally friendly choice.

The chart below sets forth certain details of our commercial cleaning solutions:

Product	Key features
 Small commercial cleaning robots: S100 Pro	Sweeps, vacuums, and mops simultaneously, unlike certain competitors that require manual part changes to switch between cleaning modes; featuring LiDAR SLAM, computer vision, and Line Laser technology, the S100 Pro offers fast mapping, better obstacle avoidance and superior navigation for even complex layouts; best-in-class cleaning efficiency with 1,000 m^2/h cleaning speed; equipped with a UV light for mop disinfection to prevent bacteria growth; dual side brushes operate flush against walls, ensuring edge-to-edge cleaning; safe for use on most floor types with adjustable water flow control and cleaning brush pressure; 6 hours of continuous operation on a 2-hour auto-charge; and fully managed via a phone app
 Large commercial cleaning robot for wet cleaning: Sveabot M100E	Heavy-duty down-pressure disc brushes apply up to 50 kg of downward force for deep scrubbing and stain removal; an 860 mm scrub width covers large areas quickly, reducing cycle times; offers fast mapping, advanced obstacle avoidance and superior navigation for large complex layouts with LiDAR SLAM and computer vision technology; with intelligent self-docking technology, the robot automatically returns to recharge when needed; safe for use on most floor types with 3 levels of brushing pressure; efficient in narrow areas with small turn-around width design; features one of the largest water tank capacities (120L) on the market for longer cleaning without frequent refills; handles slopes even when fully loaded; and fully managed via a phone app

Software

Trion Model

Our Trion Model is a proprietary, highly integrated point cloud processing software available for both iPadOS and Windows platforms. Users of Trion Model can either purchase a permanent license or subscribe on an annual basis. With the commitment of making advanced point cloud processing accessible to everyone, everywhere, it is designed to directly import, process, and visualize raw point cloud data from multiple sources — eliminating the need for complex format conversions — and significantly streamlining the workflow from data acquisition to analysis.

Leveraging 3D Gaussian Splatting technology, Trion Model can generate highly realistic digital twin models within minutes, dramatically reducing project turnaround times. It offers a suite of advanced analytical tools, including automated tilt correction, feature classification, contour extraction, cross-section analysis, and volumetric calculations, meeting the demanding requirements of professional scanning.

The Trion Model can be used in conjunction with our robotics solutions. It enables real-world scene modeling for our robotics solutions, and the resulting modeling data helps customers and distributors deploy robots such as material-pushing robots, cleaning robots, line-marking robots, and lawn-mowing robots. This makes it easier for customers to use our robotics solutions while improving overall efficiency.

In addition, Trion Model serves as a simulation platform for future robotic applications across diverse environments. Within a laboratory setting, it can simulate robotic operations in different scenarios and support task planning. With a broad application scope, Trion Model is ideal for use in residential and commercial real estate, tourism and hospitality, construction engineering, and Scan-to-BIM workflows. In particular, it helps clean and organize point cloud data, making it easier to measure volumes of soil, minerals, or storage piles, useful for construction and inventory planning. In forestry, it can automatically identify individual trees and calculate height, diameter, and canopy size, supporting forest mapping and carbon assessments. For architecture and design, Trion Model can quickly generate floor plans and cross-sections, and connect with BIM workflows to support renovation and construction projects. Its realistic 3D scene reconstruction is valuable for site inspections, accident investigations, and insurance assessments. Engineers can also use it to analyze road and tunnel profiles for better design decisions. Additionally, the software provides mapping support for robot deployment, helping define work zones and terrain features to speed up setup and improve efficiency.

OUR TECHNOLOGY

Our Core Technologies

The following outlines the core technologies that support our product development and competitive positioning in the market, all of which are proprietarily developed and owned by us.

- **High precision positioning.** We have developed proprietary high precision positioning technologies that integrate GNSS systems (including GNSS, RTK and PPP). These technologies enable centimetre-level and even millimetre-level accuracy through multi-satellite coordination, error correction algorithms, and enhancement systems. It offers high positioning accuracy, fast convergence time, and all-weather service performance, particularly in open-field environments and is widely applied across agricultural navigation kits, autonomous mowers, construction guidance and control systems, scanning instruments, and base stations.

- **Lidar SLAM.** We employ simultaneous localization and mapping (SLAM) algorithms that integrate IMU and vision data, forming the foundation of our 3D reconstruction and core robotics technologies. Our proprietary multi-sensor fusion lidar SLAM algorithm has already been applied to our products such as scanners, cleaning robots, lawn-mowing robots, and line-marking robots. We continuously optimize these algorithms for diverse application scenarios by improving dynamic object detection and removal, point-cloud filtering, and performance in feature-sparse environments. These enhancements significantly increase the stability and reliability of our products.

- **Computer Vision**. Our robotics solutions use different types of cameras, such as single-lens, dual-lens, and wide-angle fisheye, to "see" their surroundings. For example, image recognition helps material-handling robots find the right feed channels and helps lawn-mowing robots detect the edges of a lawn. Dual-lens cameras add depth perception, while fisheye cameras give a wider view of the environment. Combining vision algorithms with motion sensors further improves path planning.

- **Deterministic Algorithms**. Our core technology is a deterministic algorithm built on sensor fusion and a rule-based decision framework. By integrating data from multiple commercial sensors (such as vision, positioning, and inertial systems), we apply clearly defined rules to guide robotic actions. This approach enables our system to accumulate and address corner cases in real-world operations, ensuring that the robot can reliably achieve its tasks in a safe, predictable, and auditable manner.

- **Electrification**. Our expertise in batteries, motors, and motor control provides strong support for our robotics solutions. We have developed multiple battery specifications tailored to different applications. Reliability and quality of both batteries and motors are core considerations from the very start of product design. To ensure diagnostic capability and ease of after-sales service, we adopt modular designs. Our motor control technology integrates batteries, motors, and software through co-design, enabling flexible strategies across diverse application scenarios. This ensures an optimal balance among power consumption, performance, and reliability.

- **Automatic control.** We have developed proprietary automatic control algorithms adaptable to nearly all mainstream tractors worldwide (40–400 horsepower) and compatible with diverse chassis and steering modes. Our system delivers precise navigation and manoeuvres across varied terrains, with proven deployment across over 110 countries and applications spanning precision seeding, unmanned spraying and automated tillage, demonstrating strong global adaptability and scenario experience.

Research and Development

Research and development have been at the core of our business since our inception. We made substantial investment in research and development during the Track Record Period. During the Track Record Period, our research and development expenses amounted to RMB269.6 million, RMB232.1 million and RMB231.0 million, respectively, representing 50.9%, 40.7% and 31.2% of our revenue, respectively. The overall decrease in our research and development expenses was primarily due to the continue improvement of our R&D efficiency.

Research and development process

We have established a comprehensive research and development process consisting of six phases: (i) concept phase; (ii) preliminary analysis phase; (iii) design and development phase; (iv) validation phase; (v) launch phase; and (vi) after-sale phase. Each phase of our research and development process is governed by a rigorous stage-gate review mechanism to ensure effective risk management across technology, cost, schedule and quality dimensions.

Concept Phase. During the concept phase, we conduct in-depth feasibility studies encompassing market demand, technical viability, manufacturing capability and procurement strategy, culminating in a concept review to determine project initiation.

Preliminary Analysis Phase. In the preliminary analysis phase, we expand the project team and focus on prototype design and the formulation of detailed product requirement specifications, alongside comprehensive planning and budgeting across functional domains.

Design and Development Phase. The design phase marks the core of product realization, involving detailed design, coding and unit testing of hardware, mechanical components, embedded software and applications, followed by iterative integration testing and debugging using prototype models, leading to the completion of engineering samples and full regression testing.

Validation Phase. During the validation phase pilot production is conducted to verify manufacturability, process stability and product reliability. Finalized documentation for manufacturing processes and quality inspection standards is prepared, and relevant certifications for safety and environmental compliance are obtained.

Launch Phase. Following successful reviews of all preceding phases, the project enters the launch phase, where all deliverables are transferred to the mass production team and a comprehensive readiness assessment is conducted across manufacturing, marketing and sales channels. The product is then officially released to market.

After-Sale Phase. After-sale phase ensures ongoing lifecycle management, including customer service, issue resolution, design change control and iterative product optimization until product retirement.

Our research and development team

As of December 31, 2025, we had 540 R&D personnel, representing 43.2% of our total workforce. Our R&D personnel are highly qualified and skilled, with approximately 26.5% holding a master's degree or above, and have extensive experience in key areas such as computer science, mechanical engineering and robotics. Our R&D team is divided into two primary departments: software and hardware. The software department is divided into several specialized group, including algorithm engineering, front-end development, back-end development, embedded development, and software testing. It focuses on key areas such as algorithm development, computer vision technology, sensor fusion techniques, RM software development, and embedded software solutions. Meanwhile, the hardware department is divided into several specialized group, including hardware engineering, RF (radio frequency), electrical systems, PCB layout, component engineering, and hardware testing. It specializes in the R&D of structural design and electrical components. We also have a structural design team that works closely with both departments, consisting of two functional units: mechanical engineering and industrial design, to support mechanical engineering and cross-functional integration. We have established a dedicated collaboration hub aimed at driving the advancement and continuous evolution of our modular and transferable technology.

Key Achievement and Pipeline

Through our relentless efforts in research and development, we achieved several key milestones. During the Track Record Period, we launched several key products, in particular:

- In 2023, we introduced Excavator Guidance System, Motor Grader Control System and Dozer Control System. We also launched Electric Walk-behind Greens Mower Portable 3D LIDAR Scanner P1, RTK Survey Rover V10i and Robotic Mower RM21.

- In 2024, we released the world's first integrated lawnmowing and line-marking robotics solution.

- In 2025, we launched two standalone line-marking robotics models, Paintmaster Pro and Paintmaster Mini. Our portfolio of agriculture and livestock farming solutions has been expanded to include the FJD ATX Auto Steer System and the FJD AYM Yield Monitoring Solution. We also offer two scanner suite solutions: the P2 and the V4e.

Looking ahead, we maintain a robust research and development pipeline that includes next-generation auto-steering and guidance system, RTK GNSS, hand-held scanners, systems, lawn mower robots, line marker robots.

INTELLECTUAL PROPERTY

We believe the protection of our intellectual property rights is critical to our business. Our commercial future depends, in part, on our ability to obtain, maintain and defend our intellectual property rights for commercially significant technologies, inventions and know-how. As of December 31, 2025, we held 272 patents, 253 trademarks, 70 domain names and 105 software copyrights in the PRC and 96 patents, 220 trademarks and 13 domain names in countries and regions other than the PRC.

We implement protective measures to protect our intellectual property, in addition to making trademark and patent registration applications. We rely on a combination of trademark, fair trade practice, copyright and trade secret protection laws and patent protection, as well as confidentiality procedures and contractual provisions to protect our intellectual property and our trademarks. We actively monitor access to our proprietary technology and information and will use legal measures to protect ourselves against any unauthorized use of our intellectual property. We have developed proprietary technology, including patented technology, in various areas such as control systems and sensors.

As of the Latest Practicable Date, we were not involved in any litigation or arbitral proceedings in respect of misappropriation or other violations of third-party intellectual property that could have a material adverse effect on our business, results of operations or financial condition.

OUR PRODUCTION

As of December 31, 2025, we had three production bases located in Shenzhen, Fuzhou and Sweden, with an aggregate site area of approximately 25,236 sq.m. All our production lines are flexible, allowing us to adjust our production configurations based on order volumes to efficiently meet customer demands while optimizing capacity utilization.

The table below sets forth our total production volume, production capacity and capacity utilization rate for the years indicated:

	Year Ended December 31,		
	2023	2024	2025
Production volume (units)			
Agriculture and livestock farming	48,522	60,981	70,872
Construction	5,614	5,054	10,536
Facilities management	35,044	19,144	47,902
Production capacity (units)			
Agriculture and livestock farming	66,605	79,104	83,604
Construction	7,887	6,481	12,331
Facilities management	43,004	23,001	56,091
Capacity utilization rate (%)			
Agriculture and livestock farming	72.9%	77.1%	84.8%
Construction	71.2%	78.0%	85.4%
Facilities management	81.5%	83.2%	85.4%

Note:

(1) The utilization rate during the year equals the production volume divided by the production capacity during the same year.

We further set forth a breakdown of our production capabilities by production base as follows:

Shenzhen Production Base

	Year Ended December 31,		
	2023	2024	2025
Production volume (units)			
Agriculture and livestock farming	48,445	60,903	70,793
Construction	5,552	4,991	10,472
Facilities management	—	—	—
Production capacity (units)			
Agriculture and livestock farming	66,500	79,000	83,500
Construction	7,800	6,400	12,250
Facilities management	—	—	—
Capacity utilization rate (%)			
Agriculture and livestock farming	72.9%	77.1%	84.8%
Construction	71.2%	78.0%	85.5%
Facilities management	—	—	—

Fuzhou Production Base

	Year Ended December 31,		
	2023	2024	2025
Production volume (units)			
Agriculture and livestock farming	—	—	—
Construction	—	—	—
Facilities management	35,044	19,144	47,902
Production capacity (units)			
Agriculture and livestock farming	—	—	—
Construction	—	—	—
Facilities management	43,004	23,001	56,091
Capacity utilization rate (%)			
Agriculture and livestock farming	—	—	—
Construction	—	—	—
Facilities management	81.5%	83.2%	85.4%

Sweden Production Base

	Year Ended December 31,		
	2023	2024	2025
Production volume (units)			
Agriculture and livestock farming	77	78	79
Construction	62	63	64
Facilities management	—	—	—
Production capacity (units)			
Agriculture and livestock farming	105	104	104
Construction	87	81	81
Facilities management	—	—	—
Capacity utilization rate (%)			
Agriculture and livestock farming	73.3%	75.0%	76.0%
Construction	71.3%	77.8%	79.0%
Facilities management	—	—	—

Production Process and Quality Control

Our production process begins with production planning through our material requirements planning (MRP) system, which we use to forecast product demand for the upcoming quarter. Our sales and marketing personnel provide estimated sales data based on market trends, which is then consolidated and reviewed by sales managers, product line managers, and production managers to validate its accuracy and feasibility. Once the data is approved, it is passed to the supply chain team to handle procurement based on the production volume. After suppliers provide delivery timelines and production orders are generated accordingly, we then schedule production by assigning specific product lines and timelines to ensure smooth operations across multiple production lines.

After suppliers deliver the raw materials and components, incoming quality control (IQC) inspections are conducted prior to warehouse entry. Materials that meet quality standards are stored in the warehouse, while those that fail are returned to suppliers for replacement. Once production orders are initiated, materials are retrieved from the warehouse and prepared for the production line.

Our production process is divided into multiple stages, subject to the complexity of the product. During production, product quality engineering (PQE) teams conduct regular inspections to ensure quality control at every stage. Daily spot checks are performed to verify that each production step adheres to quality standards. At the end of the production line, finished products undergo final inspections, including automated testing, to ensure compliance with quality requirements. Products that pass the final quality checks are stored in the warehouse as finished goods. These goods are then distributed based on sales demand.

We are committed to minimizing the risks of product liability claims, warranty claims and product recalls through strict quality control measures. Furthermore, if our suppliers are deemed to bear (in whole or in part) product liability, we will evaluate the compensation or cost-sharing amounts to be claimed from the relevant suppliers under the terms and conditions of the supply agreements. We will also take into account various commercial factors as appropriate, including but not limited to the amount of compensation, the financial capability of the suppliers and the risk of supply chain disruptions we may face due to such compensation or cost-sharing claims.

During the Track Record Period and up to the Latest Practicable Date: (i) we had not been subject to any material administrative or other penalties from any competent authority in connection with product quality issues; (ii) we had not undertaken any material product recalls or experienced any material product returns with respect to defective products; and (iii) we had not been involved in any material dispute with customers in connection with product quality.

SEASONALITY AND ITS IMPACT ON OUR BUSINESS OPERATION

According to Frost & Sullivan, agricultural robotics solution providers, including us, are affected by natural seasonality associated with crop cultivation cycles. Demand for agricultural auto-steering systems and other intelligent farming equipment typically rises during the main planting and field operation seasons, generally in the second and third quarters, and softens during the first and fourth quarters when agricultural activity is limited. According to monthly data from the Association of Equipment Manufacturers of the United States, sales of tractors and combines typically remain below the annual average in the first half of the year, with the strongest performance often occurring in the second and third quarter. Similarly, registration data from the European Agricultural Machinery Association indicate that market demand in Europe tends to concentrate in the latter half of the year, with the second and third quarters being the peak periods for machinery procurement and delivery. This seasonal pattern is largely driven by the spring planting and autumn harvest cycles.

As a result, our revenue tends to be more concentrated in the middle of the year, reflecting the timing of key agricultural operations. The lower revenue contribution in the first half of the year in Europe, Asia, and the Americas aligns with the industry's operational pattern, where procurement and deployment of equipment are driven by seasonal field activities. Such seasonality reflects the natural purchasing rhythm of agricultural operations and may cause temporary fluctuations in quarterly revenue recognition, capacity utilization, and inventory management.

To manage such seasonality, we have adopted production and inventory planning strategies designed to balance capacity utilization across quarters and maintain supply chain resilience, ensuring stable delivery during peak agricultural seasons.

WAREHOUSING, LOGISTICS AND INVENTORY MANAGEMENT

We established comprehensive systems and procedures for warehousing, logistics, and inventory management. Meanwhile, we regularly review and update relevant procedures, which are published through our internal systems. We also provide staff training to ensure strict procedural compliance, including inspection, handling and reporting of anomalies to maintain standardized operations. We have also engaged competent logistics providers to ensure safe, timely, and reliable product delivery.

Inventory Management

Our inventories primarily comprise raw materials, work-in-progress and finished goods stored in our warehouses. We have implemented stringent inventory management measures to maintain an optimal level of inventory, generally stocking several months' supply for a product to ensure availability. We have established policies and guidelines setting out requirements on inventory control, including periodic asset audits and on-site inventory inspections through digital tools and automated processes. Our comprehensive inventory management measures enable us to maintain high standards in inventory performance and rapid responsiveness to market demands.

Logistics

For the delivery of our products, we base our logistics arrangements on the specific needs of our customers. The majority of our deliveries are made on a delivered duty unpaid (DDU) basis, where we arrange the transportation of our solutions from our production plants to our distributors as well as our direct sales customers. During the Track Record Period, we outsourced logistic activities to third-party service providers to deliver our products. We also accommodate other delivery terms, including ex works (EXW), where our customers or distributors arrange transportation from our production plants. During the Track Record Period, we outsourced logistic activities to third-party service providers to deliver our products. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material disruptions or damage in relation to product delivery.

OUR SUPPLY CHAIN

Procurement

During the Track Record Period, our procurement primarily covered raw materials and components used in the manufacturing of our robotics solutions. We primarily procure electrical components such as motors and wire harnesses, electronic components like LCD screens and modules, and structural components including sheet metal parts, machined parts and plastic enclosures. Most of our raw materials, components and indirect materials are sourced from China, with a small portion of components and indirect materials sourced from overseas suppliers. To avoid reliance on a few suppliers for our key raw materials and components, we generally maintain a larger pool of suppliers for our key raw materials and components. During the Track Record Period, we did not experience any major shortages, delays or difficulties in procuring key raw materials or components from suppliers. During the Track Record Period and up to the Latest Practicable Date, we did not experience any major price fluctuations, overstock, delays or shortages in the supply of key raw materials and components.

Supplier Selection

When selecting new suppliers, we first conduct a preliminary sample testing. After our R&D department confirms that the sample provided is of acceptable quality, a joint evaluation is conducted by our R&D, procurement, and quality assurance departments, where they perform on-site inspections and scoring. After the joint evaluation, sample approval is required, and a cost assessment is made. The project management department makes the final decision in selecting the supplier. We include penalty clauses in contracts signed with suppliers and regularly evaluate supplier performance through a scoring system, which directly impacts their procurement share. This approach helps us to maintain high quality procurement while fostering accountability among our suppliers.

Our Major Suppliers

Our suppliers primarily comprise electronic components used for signal transmission, such as integrated circuits and and modules, electrical components used for converting electric power to other forms of energy, such as motors and batteries, and structural components. In 2023, 2024 and 2025, purchases from our five largest suppliers in aggregate accounted for 16.4%, 20.4% and 14.9% of our total purchase in each year during the Track Record Period, respectively, and purchases from our largest supplier accounted for 5.0%, 8.5% and 4.6% of our total purchase for the same years, respectively. During the Track Record Period, with the exception of some standardized sensor components, all of the hardware components related to our proprietary core technologies are self-designed and self-produced.

During the Track Record Period, all of our top five suppliers in each year during the Track Record Period were Independent Third Parties of the Group. None of our Directors and their close associates or any of our current Shareholders (who, to the knowledge of our Directors, own more than 5% of our share capital) have any interest in any of our top five suppliers in each year during the Track Record Period that is required to be disclosed under the Listing Rules.

We set forth our top five suppliers in each period of the Track Record Period as follows:

Rank	Suppliers	Business Scope	Products / Services provided to the Group	Year of the commencement of cooperation with the Group	Credit term	Settlement methods	Purchase from suppliers (RMB'000)	% of total purchase
For the year ended December 31, 2023								
1	Supplier A	Human resources solutions provider, headquartered in California, USA	Agency services	2022	Monthly settlement	Bank transfer	24,111	5.0%
2	Supplier B	Electric motor manufacturer, headquartered in Jiangsu	Material purchase	2019	Credit period of 60 days/ credit period of 30 days settlement by month	Bank transfer/ bills payables	19,975	4.1%
3	Supplier C	Satellite navigation technology company, listed on Shenzhen Stock Exchange	Material purchase	2020	Credit period of 30 days settlement by month	Bank transfer	18,998	3.9%
4	Supplier D	Metal engineering company, headquartered in Sweden	Material purchase	2005	Credit period of 30 days settlement by month	Wire transfer	8,556	1.8%
5	Supplier E	Logistics solutions provider, headquartered in Jilin	Logistics service	2022	Upfront payment	Wire transfer	8,221	1.7%
	Subtotal						79,861	16.4%
For the year ended December 31, 2024								
1	Supplier A	Human resources solutions provider, headquartered in California, USA	Agency services	2022	Monthly settlement	Bank transfer	25,031	8.5%

Rank	Suppliers	Business Scope	Products / Services provided to the Group	Year of the commencement of cooperation with the Group	Credit term	Settlement methods	Purchase from suppliers (RMB'000)	% of total purchase
2	Supplier B .	Electric motor manufacturer, headquartered in Jiangsu	Material purchase	2019	Credit period of 60 days/ credit period of 30 days settlement by month	Bank transfer/ bills payables	12,547	4.3%
3	Supplier C .	Satellite navigation technology company, listed on Shenzhen Stock Exchange	Material purchase	2020	Credit period of 30 days settlement by month	Bank transfer	8,875	3.0%
4	Supplier F .	Logistics solutions provider, headquartered in Shenzhen	Logistics service	2021	Monthly settlement	Bank transfer	7,094	2.4%
5	Supplier G .	Navigation and positioning technology company, headquartered in Beijing	Material purchase	2024	Credit period of 30 days settlement by month	Bank transfer/ bills payables	6,276	2.1%
	Subtotal . .						59,823	20.4%
For the year ended December 31, 2025								
1	Supplier A .	Human resources solutions provider, headquartered in California, USA	Agency services	2022	Monthly settlement	Bank transfer	23,950	4.6%
2	Supplier G .	Navigation and positioning technology company, headquartered in Beijing	Material purchase	2024	Credit period of 30 days settlement by month	Bank transfer/ bills payables	17,177	3.3%
3	Supplier H .	Motor and lighting manufacturer, headquartered in Guangzhou	Material purchase	2023	Credit period of 60 days settlement by month	Bank transfer/ bills payables	15,702	3.0%
4	Supplier I .	Display module and optoelectronic product developer, headquartered in Shenzhen	Material purchase	2020	Credit period of 60 days settlement by month	Bank transfer/ bills payables	10,154	2.0%
5	Supplier J .	Geospatial solutions provider, headquartered in Beijing	Material purchase	2024	Credit period of 30 days settlement by month	Bank transfer	10,077	2.0%
	Subtotal . .						77,060	14.9%

Key Terms of Procurement Agreements

The key terms of our framework procurement agreements with our suppliers typically include:

- ***Duration:*** Our procurement agreements typically have a term of one year.
- ***Pricing:*** The price is generally determined by both parties through negotiation and is generally specified in purchase orders.
- ***Payment:*** We shall issue payment upon receipt of the invoice.

- ***Delivery:*** Supplier shall be responsible for the cost of delivery.

- ***Acceptance and inspection:*** Upon delivery of goods by the supplier, we first accept the goods and then conduct an inspection within the agreed time limit according to the acceptance standards and the inspection methods agreed by both parties.

- ***Warranty:*** During the warranty period, if we discover nonconforming products, the supplier shall bear all costs and provide unconditional replacement or repair.

SALES, DISTRIBUTION AND AFTER-SALES SERVICE

We deliver our solutions across the world to our end users, with the majority of which being farmers around the world, primarily through a global network of independent distributors spread across Europe, Asia, and Americas. As of December 31, 2025, our products were distributed in over 110 countries. We access both the domestic and overseas markets through distribution partners to ensure market penetration and coverage, which is particularly suitable for serving dispersed end-users through localized distribution channels, especially for end users located in remote rural areas. We derive the majority of our revenue from distributors.

The following table sets forth a breakdown of our revenue by sales channel for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	(RMB in thousands except for percentages)					
Distribution channels	507,737	95.9%	539,047	94.6%	710,752	96.1%
Direct sales	21,877	4.1%	30,790	5.4%	29,166	3.9%
Total	**529,614**	**100.0%**	**569,837**	**100.0%**	**739,918**	**100.0%**

Our relationships with these distributors operate on a seller-buyer basis, where they purchase products from us to resell to or end users. Our distributors are responsible for the retail sales of our robotics solutions to end users as well as providing after-sales services and support. Our distributors may sell our product through networks of dealers supported by the distributors, and our distributors also may directly market our products and provide customer service support. As of December 31, 2023, 2024 and 2025, we collaborated with 2,087, 2,224 and 2,564 distribution partners, respectively. Our sales are not dependent on any specific distributor.

Our distribution partners may independently develop secondary channels in order to better cover their authorized areas and improve market penetration. We do not engage directly with sub-distribution channels or participate in their operations. For the management of secondary channels, we require our distribution partners to seek our approval for the establishment of these channels, which are typically subject to our on-site inspections.

We have set high standards and expectations for our distribution partners. Within their authorized areas, we require our distribution partners to uphold our brand equity through: (i) enhancing brand visibility and market presence within their authorized areas through localized promotion activities; (ii) providing comprehensive after-sales support and collecting customers' feedback; and (iii) adhering to our pricing structures and sales policies. Based on our requirements, we rigorously review our business relationship with distribution partners through our strict selection process and annual assessment. In 2023, 2024 and 2025, we categorized our business relationships as inactive with 809, 1,185 and 1,235 distribution partners, respectively, primarily due to our increased leverage in business negotiations attributable to the continued expansion of our business operations. As of December 31, 2025, the number of inactive distributors increased compared to December 31, 2024, mainly due to (i) failure to meet our business performance targets; (ii) changes in their business focus and (iii) deviations from our stringent payment terms.

Nonetheless, we maintain positive relationships with these distributors and actively explore potential sales opportunities, contributing to the resilience and flexibility of our sales network. During the Track Record Period and up to the Latest Practicable Date, we experienced no material unsettled disputes or litigation in relation to the termination of these distribution arrangements.

The following table sets forth our total number of distributors and their movements (including additions and terminations) for the years indicated:

	Year Ended December 31,		
	2023	2024	2025
Number of distributors at the beginning of the year	1,462	2,087	2,224
Number of new distributors	1,434	1,322	1,575
Number of inactive distributors[1]	809	1,185	1,235
Net increase/(decrease) in number of distributors	625	137	340
Number of distributors at the end of the year	2,087	2,224	2,564

Note:

(1) Inactive distributors are distributors with whom we did not have sales in the year indicated but had sales in the preceding year.

The overall increase in number of distributors in 2023, 2024 and 2025 is primarily due to the increase in number of new distributors outpaced increase in number of inactive distributors, which was mainly attributable to the continued expansion of our global reach and adoption of a tiered model to enhance market coverage.

Management of Our Distribution Channels

We manage our distribution channels in accordance with our internal policies and monitor their performance through our sales management system. Our sales management team is primarily responsible for distribution management, including: (i) development, evaluation and recruitment of new distributors; (ii) negotiation and execution of contracts with distribution partners; (iii) on-going management of distribution partners, including oversight of predetermined sales territories, pricing, inventory and trade receivables; (iv) provision of sales support and training; and (v) review and maintenance of distribution networks.

No Material Risk of Channel Stuffing

Our management is of the view that channel stuffing is unlikely to occur in our distribution channels and generally does not pose significant managerial concern, mainly due to (i) we focus on sell-out rather than sell-in, and only request distributors to maintain inventory of approximately 20%–30% of their annual procurement target to ensure supply in case of sudden demand; (ii) our core products, such as scanner and auto-steering kit, have quick fund turnover, imposing minimal inventory and capital pressure on distributors.

To monitor the inventory level of our distributors, our sales team check with to our distributors periodically to verify and update their current inventory level. Our distributors are also requested to update the inventory level of our sub-distributors periodically.

Major Terms of Distribution Agreements with Our Distribution Partners

We typically enter into standard distribution agreements with our distribution partners across different geographic regions. Salient terms of our standard distribution agreements generally include:

- ***Term:*** The duration of the distribution agreements is typically one year.

- ***Designated distribution area:*** We do not allow our distribution partners to distribute our products outside their predetermined distribution areas.

- ***Exclusivity clauses:*** We may enter into exclusivity clauses with our distributors under which only one distributor may sell our products in a given geographical area. However, not all geographical area is covered by such exclusivity clauses, and certain areas may be served by multiple distributors of ours.

- ***Sales target:*** We set annual or quarterly sales targets for our distribution partners and conduct evaluations and inspections of their performance. If a distribution partner fails to achieve its annual sales target, it is at our discretion to terminate the business relationship with, such distribution partners.

- ***Product ownership:*** Product ownership transfers to our distribution partners upon the deliverer's receipt from us.

- ***Price management:*** We have the right to set the recommended distributor price of the distributors.

- ***Payments:*** Payments may be required (i) on a prepaid basis prior to delivery of products, (ii) upon receipt of products, or (iii) within 90 days after the distributor's receipt of invoice.

- ***Logistics:*** Distributor shall be responsible for the cost of delivery.

- ***Sub-distribution:*** We do not impose any restrictions regarding sub-distribution with the distribution partners, except for the requirements of recommended distributor price and confidentiality.

- ***Anti-commercial bribery and confidentiality:*** We prevent our distribution partners from engaging in bribery or leaking our commercial secrets to any third parties.

- ***Termination:*** We list several conditions that may result in the breach of contract in the distribution agreements. We are entitled to terminate the distribution agreements if our distribution partners breach the distribution agreements through underperformance.

Independence Analysis

To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, all of our distribution partners were independent third parties.

Direct Sales

In addition to our distribution network, we make a small amount of sales directly to end customers, mainly to end customers in Hong Kong. Our direct sales are generally for specific projects, such as those related to unmanned farm initiatives, where we directly engage with end customers to better understand their unique demands and create tailored solutions.

Pricing

When pricing our products, we generally take into consideration our market positioning, the competitive advantages of our products, and market competition. We generally employ a margin-based approach where we price our product with a targeted gross margin in mind, while evaluating whether our solution offerings can achieve sufficient market traction. We also engage in competitive pricing to gain market share and/or maintain our competitive position.

We provide recommended retail prices to our distributors, while allowing distributors to determine the final retail prices. To ensure relative pricing transparency and consistency, we display our product prices on our e-commerce platform, and also actively communicate with our distributors to align on pricing strategies.

Our Sales and Marketing Team

Our marketing department coordinates marketing activities, manages our distribution network, and provides technical support and training to our distribution partners. As of December 31, 2025, we had 470 sales and marketing staff.

OUR CUSTOMERS

We primarily sell our products to domestic and international distribution partners. In 2023, 2024 and 2025, revenue from sales to our top five customers in aggregate accounted for 25.4%, 22.3% and 12.3% of our total revenue in each year during the Track Record Period, respectively, and revenue from sales to our largest customer accounted for 10.2%, 6.3% and 3.2% of our total revenue for the same years, respectively.

During the Track Record Period, all of our top five customers in each year during the Track Record Period were Independent Third Parties of the Group. While the controlling shareholder of Xin Zhifeng, one of our Shareholders, holds certain equity interest in Customer F, none of our Directors and their close associates or any of our current Shareholders (who, to the knowledge of our Directors, own more than 5% of our share capital) has any interest in any of our top five customers in each year during the Track Record Period that is required to be disclosed under the Listing Rules.

We set forth our top five customers in each year of the Track Record Period as follows:

Rank	Customers	Business Scope	Products/Services acquired to the Group	Year of the commencement of cooperation with the Group	Credit term	Settlement methods	Revenue from customers (RMB'000)	% of total revenue
For the year ended December 31, 2023								
1	Customer A .	A company primarily engaged in technical service provision and distributorship, headquartered in Zhejiang.	Agriculture and livestock farming solutions and software	2022	3 days	Wire transfer	53,769	10.2%
2	Customer B .	A company primarily engaged in energy and infrastructure, headquartered in France.	Agriculture and livestock farming solutions and software	2023	100% upfront payment/ 50% down payment and remaining 50% on credit period of 90 days	Wire transfer	33,939	6.4%

Rank	Customers	Business Scope	Products/Services acquired to the Group	Year of the commencement of cooperation with the Group	Credit term	Settlement methods	Revenue from customers (RMB'000)	% of total revenue
3	Customer C .	A company primarily engaged in manufacturing & mechanical engineering, headquartered in Germany.	Agriculture and livestock farming solutions and software	2021	100% upfront payment/ 50%-70% down payment and remaining balances on credit period of 90 days	Wire transfer	24,321	4.6%
4	Customer D .	A company primarily engaged in bearings manufacturing, headquartered in Japan.	Agriculture and livestock farming solutions, construction solutions, and software	2019	100% upfront payment/ 40 days	Wire transfer	11,702	2.2%
5	Customer E .	A company primarily engaged in agricultural technology solutions and equipment distribution, headquartered in Turkey.	Agriculture and livestock farming solutions and software	2022	50% down payment and remaining 50% on credit period of 90 days	Wire transfer	11,052	2.1%
	Subtotal. . .						134,783	25.4%
For the year ended December 31, 2024								
1	Customer F .	A company primarily engaged in import and export of automobile and mechanical equipment, headquartered in Hubei.	Agriculture and livestock farming solutions and software	2022	3 days	Wire transfer	35,761	6.3%
2	Customer G .	A company primarily engaged in agricultural machinery and rubber products, headquartered in Germany.	Agriculture and livestock farming solutions and software	2024	100% upfront payment	Wire transfer	28,910	5.1%
3	Customer C .	A company primarily engaged in manufacturing & mechanical engineering, headquartered in Germany.	Agriculture and livestock farming solutions, construction solutions, and software	2021	100% upfront payment/ 50%-70% down payment and remaining balances on credit period of 90 days	Wire transfer	21,580	3.8%
4	Customer D .	A company primarily engaged in bearings manufacturing, headquartered in Japan.	Agriculture and livestock farming solutions, construction solutions, and software	2019	100% upfront payment/ credit period of 40 days	Wire transfer	20,646	3.6%

Rank	Customers	Business Scope	Products/Services acquired to the Group	Year of the commencement of cooperation with the Group	Credit term	Settlement methods	Revenue from customers (RMB'000)	% of total revenue
5	Customer B .	A company primarily engaged in energy and infrastructure, headquartered in France.	Agriculture and livestock farming solutions and software	2023	100% upfront payment/ 50% down payment and remaining 50% on credit period of 90 days	Wire transfer	20,434	3.6%
	Subtotal. . .						127,331	22.3%
For the year ended December 31, 2025								
1	Customer D .	A company primarily engaged in bearings manufacturing, headquartered in Japan.	Agriculture and livestock farming solutions, construction solutions, facility management and software	2019	100% upfront payment/ 30% down payment and remaining 70% on credit period of 90 days/credit period of 40 days	Wire transfer	23,871	3.2%
2	Customer H .	A company primarily engaged in research, development & production of EPS, headquartered in Austria.	Agriculture and livestock farming solutions, construction solutions, facility management and software	2022	100% upfront payment/ 30% down payment and remaining 70% on credit period of 90 days	Wire transfer	21,884	3.0%
3	Customer F .	A company primarily engaged in import and export of automobile and mechanical equipment, headquartered in Hubei.	Agriculture and livestock farming solutions, construction solutions, facility management and software	2022	3 days	Wire transfer	17,010	2.3%
4	Customer G .	A company primarily engaged in agricultural machinery and rubber products, headquartered in Germany.	Agriculture and livestock farming solutions, construction solutions, facility management and software	2024	100% upfront payment/ 50%–70% down payment and remaining balances on credit period of 90 days	Wire transfer	15,358	2.1%
5	Customer I .	A company primarily engaged in smart farming equipment and agricultural automation solutions, headquartered in Austria.	Agriculture and livestock farming solutions, construction solutions, facility management and software	2023	100% upfront payment/ 20% down payment and remaining 80% on credit period of 120 days	Wire transfer	13,193	1.8%
	Subtotal. . .						91,316	12.3%

Customer Service

We uphold a customer-centric service philosophy and place great value on user experience and customer service. As we generally do not directly interact with the end users of our products, we provide extensive training to our distributors to ensure that they are able to provide adequate after-sales services to end users. In order to ensure that our end users receive adequate after-sales support, in the initial stages after the launch of a new product, we may send our customer service personnel or other employees with the relevant expertise to provide after-sales support and training to end users. In the event of any functional issues caused by our products, we dispatch R&D and after-sales personnel to provide onsite repair and maintenance services.

Third-Party Payment Arrangement

During the Track Record Period, we accepted payments made by third parties to settle the amounts that certain distributors and end customers owed to us in connection with their purchases of our products. In 2023, 2024 and 2025, the aggregate amount settled through such Third-Party Payment Arrangements was RMB14.5 million, RMB28.7 million and RMB44.3 million, respectively, representing 2.7%, 5.1% and 6.0% of our total revenue for the same years, respectively. The number of distributors and end customers who settled payments through third-party channels, referred to as "Third-Party Settled Customers," was 171 in 2023, 219 in 2024 and 331 in 2025. We confirm that we had not proactively initiated any Third-Party Payment Arrangements. Based on the representations of the Third-Party Settled Customers and to the best knowledge of our Directors, the Third-Party Settled Customers utilized Third-Party Payment Arrangements primarily because our overseas clients often rely on third parties to facilitate cross-border transactions, import and export arrangements, and intra-group settlements, offering greater payment convenience and faster processing times. As a result, we have to accept the Third-Party Payment Arrangements. The third parties who made the payments to us under these Third-Party Payment Arrangements during the Track Record Period, referred to as "Third-Party Payers," were primarily (i) the entities within the same corporate group or under common control with the Third-Party Settled Customers who initially purchased the products from us, or individuals who are the controlling shareholders of such Third-Party Settled Customers or their family members, (ii) the third parties that subsequently acquired our products from the Third-Party Settled Customers, and (iii) the entities that had other existing business relationship with the Third-Party Settled Customers. We confirm that all Third-Party Payers are independent of our Group. During the Track Record Period, regardless of jurisdictions in which they are located, the Third-Party Settled Customers generally enter into sales contracts with our subsidiaries incorporated in the PRC or Hong Kong. During the Track Record Period and up to the Latest Practicable Date, (i) we had not encountered any disputes with, nor received any refund request from, any Third-Party Settled Customer or Third-Party Payer, (ii) we had not been subject to any administrative penalties by any PRC government authorities with respect to the Third-Party Payment Arrangements, (iii) the pricing, payment and other salient terms of the agreements we entered into with the Third-Party Settled Customers were in line with our other customers not involved in the Third-Party Payment Arrangements, and (iv) we had not provided any discount, commission, rebate or other benefits to any of the Third-Party Settled Customers or the Third-Party Payers to facilitate or encourage the Third-Party Payment Arrangements. During the Track Record Period, most of our customers have entered into written contracts with the Company and the Third Party Payers setting out, among others, the payment obligation of the Third Party Payers on behalf of the customers prior to entering such Third-Party Payment Arrangements. As advised by our PRC Legal Advisers and our legal counsel as to Third-Party Payment Arrangements, our acceptance of payments through the Third-Party Payment Arrangements do not contravene any prohibitive provisions under PRC laws and regulations, and there is no law prohibiting the Third-Party Payment Arrangements in Hong Kong. Considering that we are entitled to pursue contractual counterparties under the Third_Party Payment Arrangements, our directors believe that we are not subject to any material legal consequences under such arrangements.

To safeguard our interest against risks associated with Third-Party Payment Arrangements, we have significantly enhanced and implemented various internal control measures which include, among other things: we initiated the implementation of Third-Party Payment Arrangements enhancement measures and informed our employees regarding the enhanced internal control measures; we amended our standard forms of relevant agreement so as to clearly specify the obligations of relevant parties thereof, such as the customers and the designated payors both being parties of the agreement undertake that they shall be jointly and severally liable to us for any act of non-compliance with applicable laws and regulations, falsified transaction, non-disclosure of funding sources, or any other violation of our anti-money-laundering policies; and we have internal guidelines in place regarding anti-money laundering, which require our employees to exercise reasonable due diligence with respect to all trading parties, including their business nature, business models and ownerships and proposed transactions, to identify potential risks of anti-money laundering. To ensure that no transaction made under Third-Party Payment Arrangements is falsified or otherwise possibly involved with money laundering, we keep detailed records of all orders and payments involving Third-Party Payment Arrangements to ensure that all payments made by Third-Party Payers are associated with actual, existing orders from us.

We began our third-party payment rectification efforts in August 2025. As of the Latest Practicable Date, we have fully implemented the above-mentioned internal control measures and have rectified all Third-Party Payment Arrangements. We entered into separate payment agreements with the Third-Party Payers in respect of all Third-Party Payment Arrangements during 2025. While we may continue accepting payments under Third-Party Payment Arrangements due to the aforementioned business necessity, we will only accept such payments if there is a proven business necessity on the customer's side, restrict the scope of Third-Party Payer to affiliated parties of the customer, and continue to improve our internal control and anti-money laundering measures to ensure that all Third-Party Payment Arrangements are compliant with applicable laws and regulations. Based on the foregoing, our Directors confirm that the cessation of the Third-Party Arrangements will not have a material adverse impact on the Group's operations, liquidity and financial performance, and, after consulting our internal control consultant, are of the view that our enhanced internal control measures are adequate and effective.

Having taken into account the views of our Directors as described above, the work and procedures performed by our internal control consultant, as well as the independent due diligence conducted by the Joint Sponsors (including but not limited to obtaining legal opinions from our PRC Legal Advisers and our legal counsel as to Third-Party Payment Arrangements), nothing has come to the attention of the Joint Sponsors which would reasonably cause them to cast doubt on our Directors' views as stated above.

According to Frost & Sullivan, the use of third-party payment arrangements is not uncommon within the robotics solutions market. Agricultural machinery and intelligent agricultural equipment are typically sold through multi-tier distribution networks. In many cases, end users (farmers, cooperatives, or agricultural service providers) rely on financial leasing, credit purchase, or regional distributors to complete transactions. Payments are therefore often executed by third parties such as (i) financing or leasing institutions, (ii) distributors or dealers, or (iii) agricultural platforms or cooperatives on behalf of end users. These arrangements facilitate financing efficiency, support customer acquisition, and align with the working capital practices of rural markets.

Similar third-party payment arrangements are also adopted by major agricultural equipment manufacturers through their local dealers or finance subsidiaries. For companies engaged in robotics solutions industry, similar models exist in certain project-based sales, where the project integrator or distributor executes payments to the manufacturer on behalf of the final end user.

See "Risk Factors — Risks Relating to Our Business and Industry — We are subject to risks associated with third-party payments."

PROPERTIES

Owned Properties

Our headquarters are located in Shenzhen. As of the Latest Practicable Date, we owned one properties with an aggregate gross floor area of approximately 1,470.3 sq.m. in the PRC, primarily for offices.

Leased Properties

As of the Latest Practicable Date, we leased 25 properties with a total site area of approximately 30,795.1 sq.m and two land parcels with a total site area of approximately 4,462.0 sq.m in China, primarily for production facilities, warehouse and offices, and six properties in Hong Kong, Sweden, Singapore and Poland with a total site area of approximately 4,807.0 sq.m, primarily for offices and warehouse. We did not experience material difficulties in renewing any our leases during the Track Record Period and up to the Latest Practicable Date.

As of December 31, 2025, we had no single property with a carrying amount of 15% or more of our total assets, and on this basis, we are not required by Rule 5.01A of the Hong Kong Listing Rules to include in this Document any valuation report. Pursuant to section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this Document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which requires a valuation report with respect to all of our interests in land or buildings.

As of the Latest Practicable Date, with regard to 13 leased properties and leased land parcels with an aggregated area of approximately 15,030.9 sq.m. in the PRC, we have not been provided by the lessors with valid title certificates or other documents proving ownership rights of the relevant leased properties, or, in the event we acted as sublessees, the consent from the property owner or the holder of the right to use for certain leased properties and leased land parcel. Furthermore, with regard to 18 leased properties with an aggregated area of approximately 13,783.5 sq.m. in the PRC, we did not register and file such lease with the relevant government authorities.

Under the applicable PRC laws and regulations, the parties to a lease are required to register and file such lease with the relevant government authorities. While the lack of registration will not affect the validity of the leases under PRC laws and regulations, we may be ordered by the relevant government authorities to register the relevant leases within a prescribed period, failing which we may be subject to a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease.

Furthermore, as of the Latest Practicable Date, certain of our leased properties and land parcels are subject to other defects, including: (i) failure to obtain consent from not less than two-thirds of the members of villager assembly or the representatives of the villagers for certain leased land parcels located on collectively-owned land; and (ii) failure to obtain authorization from relevant authorities for certain of our leased properties located on allocated land. Such defects may result in the termination of our relevant leases, and we may need to seek alternative premises and incur additional costs for relocation.

In addition to the aforementioned title defects, as of the Latest Practicable date, we did not complete the Fire Safety Filing required for one of our leased properties. The failure to complete the Fire Safety Filing was due to the aged nature of the property; due to the property's outdated design, it was difficult to renovate the building's existing fire prevention system to the level required by the applicable laws and regulations. We have nevertheless implemented a series of measures, including daily fire safety inspections, 24/7 fire watch, periodical tests of fire-prevention equipment, and periodical fire drills, to ensure the safety of our employees and our operations.

As advised by our PRC Legal Advisor, (i) the risk of material administrative penalty for any of the title defects in our leased properties and land parcels is remote; (ii) the lack of registration and filing of the leases will not affect the validity of the leases under PRC laws, but we may have a maximum penalty of RMB10,000 imposed on us for each non-registered lease if we fail to complete the lease registration and filing after we are requested to do so by the competent PRC government authorities; (iii) we may be ordered to carry out relevant remedial actions for the lack of Fire Safety Filing of the leased property and have a maximum penalty of RMB5,000 imposed on us for such lease. During the Track Record Period, we were not subject to any material administrative penalties in relation to these properties.

Our Directors are of the view that (i) we would not face any material difficulties to identify and lease alternative properties if our leases were to be prematurely terminated due to the aforementioned title defects; and (ii) the aforementioned administrative penalties, if imposed upon us, would not have an materially adverse impact on our business or financial position.

LICENSES, PERMITS AND APPROVALS

We are required to obtain permits, licenses, approvals, filings and certifications for certain business operated by us from the relevant government authorities in accordance with the applicable laws and regulations. During the Track Record Period and up to the Latest Practicable Date, we had obtained all licenses, permits, approvals, filings and certifications that are material to our operations, and such licenses, permits, approvals, filings and certifications all remain in full effect. See "Regulatory Overview" for more details regarding the laws and regulations to which we are subject.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material difficulty in renewing such licenses, permits, approvals and certificates. To the best of our Directors' knowledge, we do not expect to encounter any material difficulty in renewing them when they expire, if applicable, and no material unexpected or adverse changes have occurred since the date of their respective issuance.

The following table sets forth the key licenses and permits material to our business and operations as of December 31, 2025:

License/Permit	Holder	Grant Date	Expiration Date
Certificates of Pattern Approval for Measuring Instruments of the People's Republic of China (中華人民共和國計量器具型式批准證書)	FJ Dynamics (Shenzhen) Co., Ltd.	December 11, 2023	N/A
Customs Registration Receipt for Import and Export Consignee (海關進出口貨物收發貨人備案回執)	FJ Dynamics Technology Academy (Changzhou) Co., Ltd.	September 27, 2018	Permanent
Customs Registration Receipt for Import and Export Consignee (海關進出口貨物收發貨人備案回執)	FJ Dynamics (Shenzhen) Co., Ltd.	July 21, 2020	Permanent

EMPLOYEES

As of December 31, 2025, we had 1,251 employees, the majority of which were located in China. The following table sets forth a breakdown of our employees by function as of December 31, 2025:

Function	Number of Employees	% of Total
Administrative	123	9.8
Sales and marketing	470	37.6
R&D	540	43.2
Manufacturing	118	9.4
Total	**1,251**	**100.0**

Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our human resources strategy, we offer employees competitive salaries and performance-based cash bonuses. We primarily recruit our employees through internal referrals, online recruitment, campus recruitment and local job fairs. We align our employee planning and recruitment strategies with our strategic development plan, proactively reserving talent and building a talent pipeline. We have established detailed policies to manage our recruitment processes. Standard employment contracts and confidentiality agreements are signed with employees, and we have also entered into non-compete agreements with key employees.

We prohibit all forms of discrimination based on race, gender, religion, age, nationality or any other characteristic.

As required by PRC laws and regulations, we participate in employee social security plans organized by municipal and provincial government, including pension, medical insurance, work-related injury insurance, unemployment insurance, maternity insurance and housing funds. We are required under PRC laws and regulations to make contributions to employee social security schemes at specified percentages of the salaries, bonuses and certain allowances of our employees, up to a maximum amount specified by the local government from time to time. We have granted, and plan to continue to grant, share-based incentive awards to our employees in the future to incentivize their contributions to our growth and development. To prevent the leak of trade secrets and confidential information, we have entered into confidentiality agreements with our key employees.

We hire outsourced employees for certain non-technical positions, such as security guards and janitors. We clearly specify the rights and obligations of our outsourced employees in the outsourcing agreements.

During the Track Record Period, we engaged third-party employment agencies to dispatch contract workers. According to the Interim Provisions on Labor Dispatch (《勞務派遣暫行規定》) promulgated by the Ministry of Human Resources and Social Security on January 24, 2014, which became effective on March 1, 2014 (the "**Interim Provisions**", the number of dispatched contract workers hired by an employer shall not exceed 10% of the total number of its employees (including both directly hired employees and dispatched contract workers). Pursuant to relevant PRC laws and regulations, if an employer violates regulations related to labor dispatch, the labor administration department will order it to make corrections within a specified period. Failure to make corrections within the given period may lead to a fine ranging from RMB5,000 to RMB10,000 per person. During the Track Record Period, the number of dispatch contract workers hired by one of our subsidiaries exceeded 10% of its total employees. The subsidiary is principally engaged in the research, development, production and sale of smart power tools. Since we had not received any notice of warning or order or been subject to any administrative penalties or other disciplinary actions from relevant PRC authorities during the Track

Record Period and up to the Latest Practicable Date, and as of the Latest Practicable Date, all of our subsidiaries within our Group had less than 10% of dispatched contract workers, as advised by our PRC Legal Adviser, the likelihood that we would be subject to material administrative penalties due to our non-compliance with the labor dispatch regulations is low and our Directors believe that such issues are unlikely to have a significant adverse impact on our business operation and financial condition.

We believe that we maintain a positive working relationship with our employees. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material disputes with our employees.

INFORMATION SECURITY AND PRIVACY

In our business operations, we may collect, process, and store various types of business data and personal information, including that of customers, suppliers, and other business partners. We place great importance on the confidentiality and integrity of data and information and are committed to building a comprehensive and compliant data security management system to prevent the risks of data leakage, abuse, or illegal access during transmission, storage, and use. Additionally, we have established data backup and disaster recovery mechanisms to ensure the high availability of critical business data and business continuity. Regular data recovery drills further enhance our ability to respond quickly to and repair unexpected network incidents.

We adopt different hardware and software architectures across our GNSS/RTK-enabled products depending on their application scenarios. Our construction and facility management solutions are designed based on a multi-satellite constellation system. For agriculture and livestock farming solutions, legacy models include multi-constellation systems, while certain units have been upgraded to operate on a BeiDou-only basis. Newly launched agricultural navigation devices are configured with BeiDou-only hardware.

The data we collect, process and output in our domestic operations are technical in nature, publicly accessible and globally receivable, and align with the definition of open service under international GNSS standards. As at the Latest Practicable Date, we had not received any investigation, inquiry or rectification notice from PRC regulatory authorities (including but not limited to national confidentiality, security or cyberspace departments) regarding our GNSS/RTK products in connection with state secrets or national security concerns.

We collect and process data in the PRC primarily comprising (i) device operation and performance data, (ii) customer account and personal information (such as contact details), and (iii) customer-imported data during use of our products and services, which may include farm-related data such as soil maps and crop yields.

Data ownership and consent are governed by our user agreements and privacy policies. Personal information remains the property of the individual data subject, and we act as the data processor under authorisation. Customer-imported data is owned by the customer. Device performance data and anonymised, aggregated analytical results that do not identify any individual are owned by us and used to improve our products and services.

We deploy servers globally based on customer location, with data stored locally and segregated across jurisdictions. For data collected in the PRC, we do not transfer or store such data overseas, nor do we permit foreign entities to access or export data stored within the PRC.

To ensure compliance with applicable PRC data protection laws, we have implemented internal control measures including data classification, encryption, access control, backup protocols, and emergency response mechanisms. We maintain standard cybersecurity infrastructure and have designated responsible personnel for cybersecurity, personal information protection and data governance. We also enforce internal policies covering the full lifecycle of personal information management, supported by technical safeguards and staff training.

We strictly comply with the Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》), the Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》), the Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》), as well as the applicable data protection laws and regulations in the jurisdictions of our overseas operations, continuously improving our internal data compliance governance framework. To this end, we have established data security and cybersecurity management systems that span the entire Group, and we have set up a dedicated team to coordinate the Group's information security strategies and implementation.

We have deployed multiple protective IT mechanisms and infrastructure, including a data classification system, point-to-point encrypted transmission protocols, centralized software deployment and configuration management. These systems and infrastructure operate in collaboration to effectively identify, thwart, and respond to potential information security risks.

We have implemented Information Security Code of Conduct for Employees, that clearly defines confidentiality responsibilities for each employee. Regular training and assessments are conducted for employees in confidential systems or key positions. As of the Latest Practicable Date, we have not experienced any major data security incidents or information breaches.

During the Track Record Period and up to the Latest Practicable Date, (i) we had not received any claim from any third party against us on the ground of infringement of any third party's right to data and privacy protection as provided by any applicable laws and regulations, (ii) there had been no legal proceeding pending or threatened against us initiated by competent government authorities or third parties with respect to cybersecurity, data security and personal information protection, and (iii) we had not experienced material leakage of personal information in relation to laws and regulations of cybersecurity, data security and personal information protection. Based on the above, as well as that (i) we have implemented internal policies on protecting cybersecurity, data security and personal information; and (ii) we will continuously pay close attention to the legislative and regulatory development in cybersecurity, data security and personal information protection, maintain ongoing communication with relevant government authorities and implement all necessary measures in a timely manner to ensure continuous compliance with the relevant laws and regulation, and after consultation with local counsels in our major jurisdictions, we are of the view that, during the Track Record Period and up to the Latest Practicable Date, we have undertaken ongoing measures to ensure compliance concerning cybersecurity, data security and personal information protection, aiming to aligning with the requirements of relevant cybersecurity, data and personal information protection laws and regulations in material aspects and we have been in compliance with the relevant PRC and Hong Kong laws and regulations relating to cybersecurity, data security and personal information protection in material aspects during the Track Record Period and up to the Latest Practicable Date.

However, as the laws and regulations in the cybersecurity, data security and personal information protection are still developing, we cannot assure you that we can always timely adapt to all the aspects of such laws and regulations. See "Risk Factors — We collect and access certain personal information of end users of our robotics solutions through our systems. Any actual or perceived failure to comply with cybersecurity, data security and personal information protection laws, or concerns regarding our practices or policies in collecting, using, storing, transmitting, disclosing or otherwise processing such data could expose us to potential liabilities".

COMPETITION

We operate in the global robotics solutions market across agriculture and livestock farming, construction and facility management sectors. The market size of the global robotics solutions market increased from US$49.4 billion in 2021 to US$91.4 billion in 2025, reflecting a CAGR of 16.6%. It is projected to reach US$200.9 billion by 2030, reflecting a CAGR of 17.1% from 2025. Market growth is supported by continued advances in perception, navigation and control software, ageing demographics alongside labour scarcity and rising labour costs, the need for traceable and standardised operations, alongside the declining hardware and integration costs that enable pilots to scale into multi-site deployments. By industry applications, the market spans agriculture and livestock, construction, facility management and other robotics solutions. In 2025, the combined market position of the agriculture and livestock, construction, and facility management segments accounted for about 24.9% of the global total and is expected to increase to around 27.7% by 2030. The remaining portion comprises other robotics solutions. Market growth among these segments is activated by practical objectives that enhance human wellbeing and free up labour for higher-value work, including reducing exposure to repetitive and hazardous tasks, extending service availability and consistency, raising productivity and quality, and improving cleanliness and safety in workplaces and public spaces. As the sixth largest provider of agricultural auto-steering system kits and the fourth largest provider of retrofit agricultural auto-steering system kits globally in terms of revenue in global agricultural robotics solutions market, we believe we are in a strong position to capture the opportunities offered by the growth of the market.

The global agricultural auto-steering system kits market increased from approximately US$1.2 billion in 2021 to US$2.1 billion in 2025, representing a CAGR of 16.5%. Within this market, the retrofit agricultural auto-steering system kits segment reached around US$1.1 billion, accounting for 50.7% of the total in 2025. Its growth has been driven by strong replacement and upgrade demand from existing agricultural machinery fleets, as downstream consumers increasingly adopt automation retrofits to enhance precision and efficiency without purchasing new equipment.

By contrast, the OEM-integrated segment, which mainly serves new tractor or harvester sales and targets customers seeking factory-installed precision systems with higher upfront costs, reached approximately US$1.0 billion in 2025, representing 49.3% of the total market.

Looking ahead, the total market is projected to expand to around US$3.7 billion by 2030, reflecting a CAGR of 11.6%. Over the same period, the retrofit segment is expected to grow from US$1.1 billion in 2025 to US$2.0 billion in 2030, representing a CAGR of 13.7%, with its market share increasing to around 55.5%. The OEM-integrated segment is forecast to reach US$1.6 billion by 2030, reflecting a CAGR of 9.4%. Overall market expansion will continue to be supported by the wider adoption of GNSS-based retrofit solutions, which enhance operational accuracy, productivity, and labour efficiency.

See "Industry Overview" for more details on our competitive landscape, industry growth drivers and development trends.

IMPACT OF THE COVID-19 OUTBREAK

Our Directors confirm that COVID-19 outbreak did not have any material adverse impact on the operations of the Group.

INSURANCE

We maintain insurance coverage sufficient to cover major assets, facilities, and liabilities, including but not limited to property-related insurance, product liability insurance, cargo transportation insurance, employer liability insurance and export trade credit insurance. We periodically review our insurance coverage based on past experience, production changes and any changes in industry norms.

During the Track Record Period and up to the Latest Practicable Date, we did not submit any material insurance claims, nor did we experience any material difficulties in renewing our insurance policies. Our Directors believe that our insurance coverage is, as confirmed by Frost & Sullivan, adequate in line with industry norm. However, the risks related to our business and operations may not be fully covered by insurance. For details, see "Risk Factors — Risks Related to Our Business and Industry — Our insurance may not sufficiently cover all losses or potential claims that could affect our business, results of operations, and financial condition."

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

Overview

We have established the *ESG Comprehensive Management Policy* in accordance with Appendix C2 to the Listing Rules to regulate the Group's Environment, Social and Governance ("**ESG**") compliance. Our Board will take primary responsibility for overseeing and identifying environmental, social and climate-related risks and opportunities that may affect us, formulating, reviewing and adopting our ESG policies and targets, and conducting ESG information disclosure.

ESG Committee has been established by our Board to provide support in the following areas: implementing ESG policies and targets; formulating and reviewing ESG strategies; executing and supervising the implementation of ESG management policies, strategies and targets across the Company, monitoring the progress in achieving targets and providing timely reports; conducting materiality assessments of ESG-related risks; continuously monitoring the implementation of the Group's ESG risk mitigation measures; organizing the preparation of ESG reports; and carrying out ESG management and enhancement initiatives. Our ESG Committee is required to report to our Board on the Group's ESG performance and the effectiveness of our ESG systems on an annual basis.

Potential Impact of ESG-related Risks and Our Solutions

Under the supervision of the Board, we actively identify and monitor short-term, medium-term and long-term ESG-related risks. We have adopted various strategies and measures to identify, evaluate, manage and mitigate such risks, including but not limited to: reviewing and assessing the ESG reports of comparable companies in our industry to identify common ESG-related risks; arranging regular discussions and meetings with management to ensure that all material ESG risks are identified and reported; engaging with key stakeholders on major ESG principles and practices; formulating detailed ESG risk early warning systems and management measures; quantifying performance indicators; identifying and considering ESG risks and opportunities separately from other business risks and opportunities; and setting short-term and long-term targets for key environmental and social performance indicators.

Indicators and Targets

Our ESG Committee will set targets for each major key performance indicator at the beginning of each financial year. Our Board will review the relevant targets for major key performance indicators annually, taking into account relevant historical performance.

We will conduct an enterprise risk assessment at least once a year to evaluate our current and potential risks. Our decisions to reduce, transfer, accept or control risks would be influenced by a variety of factors. When we consider that there are major risks and opportunities, we will take them into account in our strategic, financial planning and corporate governance policies.

We have identified the following ESG risks and opportunities as material ones that may affect our business, strategies or financial performance. We have formulated and implemented strategies and internal policies and procedures to manage and mitigate such risks. During the Track Record Period, we kept monitoring a number of ESG indicators (some of which are set out below) to further assess and manage the environmental and social risks and opportunities arising from our business operations.

Environmental Protection

Hazardous Waste

We have established internal policies to prevent environmental risks and ensure compliance with applicable national, industry and local standards, laws, regulations and policy requirements. We regularly monitor the generation of hazardous waste. We are committed to reducing hazardous waste and emissions. We would transfer hazardous waste to designated storage facilities. Subsequently, those hazardous waste would be collected and processed by qualified third-party waste disposal companies. The waste disposal companies would issue us written records for the transfer of hazardous waste.

During the Track Record Period, the total amount of hazardous waste generated and disposed of at our principal place of operation (Mainland China) was as follows:

		Year ended December 31,		
Indicator		2023	2024	2025
Hazardous Waste	**Amount of Hazardous Waste (tonnes)**(1)	21.92	—	—

Note:

(1) We have collected and analyzed statistics on hazardous waste generated from our major business activities. Such waste mainly included waste liquid from engine assembly and component cleaning, waste mineral oil, and paint waste liquid generated at our Changzhou and Weifang plants. Such waste was collected or disposed of by qualified suppliers. Since 2024, we have no longer generated hazardous waste from these business activities due to our streamlined offerings.

Consumption of Resources

To achieve our sustainable development objectives, we monitor our environmental performance in areas such as resource utilization efficiency and energy consumption. We also formulate environmental management plans to continuously enhance energy efficiency. We also ensure that all operational activities comply with relevant government environmental laws and requirements, with the aim of avoiding or mitigating any adverse impact of our operations and services on the environment.

We have established a series of measures to monitor our electricity and water consumption levels and have adopted initiatives to improve energy efficiency. During the Track Record Period, the total amount of purchased electricity and water resources consumed at our principal place of operation (Mainland China) was as follows:

		Year ended December 31,		
Indicator		**2023**	**2024**	**2025[2]**
Electricity Consumption	**Total Electricity Consumption (MWh)**	2,247.97	1,889.86[1]	1,630.14
	Intensity (MWh/million RMB)	4.24	3.31	2.20
	Year-on-year Change of Intensity	—	(0.22)	(0.34)
Water Consumption	**Total Water Consumption (tonnes)**	7,605.67	7,133.31	5,852.32
	Intensity (tonnes/million RMB)	14.36	12.52	7.91
	Year-on-year Change of Intensity	—	(0.13)	(0.37)

Note:

(1) 90 MWh of the total electricity consumption in 2024, was sourced as purchased green electricity.

(2) Our overseas entities are not involved in energy-intensive operations such as factories and have a relatively small workforce; therefore, they are currently excluded from resource consumption and greenhouse gas emission statistics and calculations.

Climate Change

Typhoons, torrential rains, floods, and other extreme weather events pose direct threats to our factories, warehouses, and offices, substantially impacting our operations. Such disasters may result in damage to workplaces and production facilities, disrupt operational activities, and even endanger employee safety. Extreme weather can trigger supply chain disruptions, causing indirect impacts on business continuity.

Additionally, climate change issues may significantly impact many of our stakeholders, such as our customers. Rising temperatures directly affect crop growth cycles and environments, making it impossible for crops originally adapted to specific climates to maintain their original yields and quality. Increased extreme precipitation may trigger floods and inundate farmland, while more frequent severe convective weather events like hailstorms can also lead to reduced crop yields. Moreover, the warming and humidification trend creates favorable conditions for the proliferation of pests and diseases. Farmers must invest more time and resources in pest control, introducing greater uncertainty into agricultural production.

We actively identify and monitor the environmental impacts of our business activities. Given the nature of our operations, our activities involve electricity consumption and generate greenhouse gas emissions. Through the formulation of our "*Policy on Low-carbon Development and Climate Change Response*", we have incorporated climate-related issues (including actual and transitional risks) into our risk assessment process and actively respond to climate change. During the Track Record Period, we were not materially affected by climate-related matters, nor did we incur any material capital expenditure or compliance costs in this regard.

To mitigate the impact of climate change, we take the reduction of energy consumption and pollution as important factors in designing our products, and regularly review and analyze statistics of carbon emissions generated from our business operations. Based on the tracking and verification of emission indicators, we actively take actions and explore solutions to reduce carbon emissions. At our principal place of operation (Mainland China), we account for greenhouse gas ("**GHG**") emissions, covering Scope 1 and Scope 2 emissions while outlining the plan to gradually identify Scope 3 emissions and, when conditions permit, include Scope 3 emissions in our greenhouse gas accounting. Scope 1 emissions mainly originate from the fuel consumed by our self-owned vehicles. Scope 2 emissions refer to indirect greenhouse gas emissions primarily from purchased electricity consumption.

The following table sets forth our Scope 1 and Scope 2 greenhouse gas emissions at our principal place of operation (Mainland China) during the Track Record Period:

		Year ended December 31,		
Indicator		**2023**	**2024**	**2025**[(2)]
GHG[(1)]	**Scope 1 GHG**[(2)] **emissions (tCO_2e)**	12.90	9.08	12.27
	Scope 2 GHG[(3)] **emissions (tCO_2e)**	1,192.77	1,002.76	864.95
	Total GHG Emissions (Scope 1 & Scope 2) (tCO_2e)	1,205.68	1,011.84	877.23
	GHG Emission Intensity (tCO_2e/million RMB revenue)	2.28	1.78	1.19
	Year-on-year Change of GHG Emission Intensity	—	(0.22)	(0.33)

Notes:

(1) We calculated our total GHG emissions in Mainland China based on the carbon emission factors published in official PRC government sources, including the *China Energy Statistical Yearbook* and the *Notice on the Publication of the 2023 Power Carbon Dioxide Emission Factors*.

(2) Our Scope 1 greenhouse gas emissions are calculated based on the gasoline and diesel consumption of our company vehicles.

(3) Our Scope 2 greenhouse gas emissions are calculated based on our total purchased electricity consumption.

Social Responsibility

Employment and Care

We enter into employment contracts with our employees in accordance with applicable laws and regulations, including the *Labor Law of the People's Republic of China (《中華人民共和國勞動法》)* and the *Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》)*, the *Fair Labor Standards Act* (FLSA) in the US, the *Working Time Directive* in the European Union, the *Employment Act* in Singapore, and the *Labour Standards Act* in Japan. We have also established internal policies such as the *Employee Handbook* and the *Labor Employment Management Rules*. We adhere to the principles of legality, fairness, equality, voluntariness, mutual consent and good faith, and recruit employees based on merit. We actively safeguard the rights of our female employees and strictly prohibit the use of child labor in any of our business operations.

During the Track Record Period, the number of our employees and their distribution were as follows:

Indicator		Year ended December 31, 2023	2024	2025
Number of Employees	**Male Employees (persons)**	848	688	838
	Female Employees (persons)	310	253	331
By Geography	**Employees in Mainland China (persons)**	1,060	859	1,061
	Employees in Hong Kong, Macau, Taiwan and overseas (persons)	98	82	108
By Age Group	**Below 30 years old (persons)**	440	294	442
	30 to 50 years old (persons)	695	628	709
	Above 50 years old (persons)	23	19	18

Welfare and Benefits

We are committed to offering competitive remuneration packages to attract and retain employees. We provide appealing benefits and care initiatives, including marriage and childbirth benefits, festive gifts and community activities.

We are also focused on fostering equality, inclusiveness and diversity within our organization. Through our *Diversity, Equity and Inclusion Policy*, we ensure that all employees are treated and respected equally in recruitment, training, health, and professional and personal development, thereby maximizing equal career opportunities for everyone. Employees who encounter any unfair treatment or discrimination may immediately seek assistance from their department manager, our human resources department or our management team. We will follow up promptly with investigations and report the case to law enforcement authorities when necessary.

Workplace Safety

We have adopted and maintained a series of rules, standard operating procedures and measures to safeguard a healthy and safe working environment for our employees, ensuring that our operations comply with applicable workplace safety regulations in the jurisdictions where we operate. We have implemented safety guidelines that outline potential safety hazards, and we have formulated relevant policies and taken measures to ensure workplace hygiene and employee health. To ensure compliance with applicable laws and regulations, our human resources department would consult our legal advisers when necessary, to adjust our human resources policies in response to material changes in labor and safety laws and regulations. In the event of a workplace injury, we would intervene promptly to ensure that the affected employee receives immediate assistance and care.

Development and Training

To further support professional development, our employee training and management program is divided into two major categories: on-the-job training and onboarding training. These programs cover both professional knowledge and the introduction of our corporate culture and values. We provide ample resources to help our employees to succeed.

During the Track Record Period, the participation of our employees in training was as follows:

Indicator		Year ended December 31, 2023	2024	2025
Employee Training	**Total number of employees trained (persons)**	877	474	862
	Percentage of employees trained	75.73%	50.37%	73.74%
	Average training hours per employee (hours)	10.2	12.8	10.94

Anti-corruption and Anti-bribery

We have formulated and implemented a series of policies, such as the *Anti-corruption Policy* and the *Corporate Hospitality Management Rules*, to ensure that our operations comply with applicable anti-bribery and anti-corruption laws and regulations in the jurisdictions where we operate. These policies set out potential bribery and corruption acts, our anti-bribery and anti-corruption measures, and reporting procedures. Prohibited improper payments under these policies include bribes, kickbacks, excessive gifts or facilitation fees, or any other payments made or offered to obtain undue business advantages.

Our compliance department is responsible for investigating reported incidents and taking appropriate actions where necessary. We also conduct background checks prior to the engagement of any third party, and ensure that the hiring process is carried out in full compliance with our anti-bribery and anti-corruption policies. In addition, we provide regular training to our employees on anti-bribery and anti-corruption policies to strengthen the effective implementation of such policies.

Supply Chain Management

We have established supplier management policies to supervise our product development, procurement and production processes. We prudently evaluate our suppliers based on their historical quality performance and require them to provide relevant certifications, including ISO9001, ISO14001 and ISO45001 certifications, as well as compliance with the EU *Registration, Evaluation, Authorisation and Restriction of Chemicals* (REACH) and *Restriction of Hazardous Substances Directive* (RoHS), the U.S. *Toxic Substances Control Act* (TSCA), and the Japan *Chemical Substances Control Law* (CSCL), to ensure that our products comply with the local legal requirements of the markets into which they are sold.

In addition, we encourage our suppliers to comply with applicable environmental and social regulations. We are committed to reducing environmental impact by collaborating with suppliers to manufacture and deliver products in a more environmentally responsible manner. We also include anti-corruption clauses in our agreements with suppliers to prevent collusion and fraud.

Product Quality and Safety

Our Group has obtained ISO9001, ISO14001 and ISO45001 certifications in line with our business needs. These certifications demonstrate our reliability and effectiveness of our production processes to our customers. During the Track Record Period, we were not subject to any material claims or penalties in relation to product safety issues, major defects or malfunctions, or false advertising, and we have complied with applicable laws and regulations in all major respects.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

From time to time, we may become involved in legal proceedings and claims that arise in the ordinary course of our business activities. We cannot predict the results of litigation and claims. See "Risk Factors — Risks Relating to Our Legal and Regulatory Requirements — Any legal or regulatory proceedings against us could be costly and time-consuming to defend or settle and could harm our reputation."

During the Track Record Period and up to the Latest Practicable Date, there were no legal proceedings pending or threatened against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

Non-Compliance

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material non-compliance incidents that have led to fines, enforcement actions, or other penalties that would have a material adverse effect on our business, results of operations, financial condition or reputation.

TARIFFS AND TRADE RESTRICTIONS

During the Track Record Period and up to the Latest Practicable Date, our geographic coverage have reached over 110 countries as of December 31, 2025. In 2025, 53.7%, 30.2% and 11.8% of our total revenue was generated from Europe, Asia and Americas, respectively, each subject to different import tariff policies. Pursuant to our framework agreements and order terms, the majority of import tariffs were borne by distributors, while in limited cases tariffs were borne fully or partially (e.g. 50% of incremental tariffs) by us. The transaction value of such orders represented approximately 3.9%, 0.8% and 0.6% of our total revenue in 2023, 2024 and 2025, respectively. The fluctuation was primarily due to order volume changes.

In terms of tariff rates, our products were generally subject to U.S. tariffs 7.5% to 180.9% and E.U. tariffs of up to 2.7%. In 2023, 2024 and 2025, revenue generated from sales to the U.S. amounted to RMB16.4 million, RMB10.0 million and RMB23.3 million respectively, representing 3.1%, 1.8% and 3.2% of our total revenue for the same year, respectively. The sale volume for our sales to the U.S. amounted to 6,963 thousand units, 2,608 thousand units and 2,588 thousand units, respectively, for the same year. The average selling price was RMB2,358.0, RMB3,852.3 and RMB9,011.1, respectively, for the same year.

To mitigate the impact of tariffs, we adopted a range of measures, including pre-shipment stocking and establishing overseas production capacity. At present, given our globalized supply chain and overseas stock reserves, these tariff measures have not had a material adverse impact on our operations or financial performance.

INTERNAL CONTROL AND RISK MANAGEMENT

Our Directors believe that internal control procedures and risk management are crucial to our business development and success. In order to strengthen our internal control procedures and risk management system to better safeguard the interests of our Shareholders, we have adopted enhanced internal control and risk management measures as follows: adopted policies to ensure compliance with the Listing Rules, including, but not limited to, aspects related to risk management, connected transactions and information disclosure; provided enhanced training programs on quality assurance and production safety; and distributed employee handbooks to enhance employees' awareness of complying with laws and regulations.

Taking into consideration the adoption and implementation of the above-mentioned internal control procedures and risk management measures, our Directors are of view that our enhanced internal control and risk management system are adequate and effective to address various potential risks identified in relation to our business.

AWARDS AND RECOGNITIONS

During the Track Record Period, we have won numerous awards, honors and recognitions for our achievements and outstanding product quality, including the following:

Year of Grant	Award/Recognition	Issuing Organization/Authority
2025	2025 Agricultural Machinery Annual Award — Market Leadership Award	Agricultural Machinery Magazine
2024	Deloitte Hong Kong Technology Fast Growth Leading Enterprise	Deloitte
2024	High-Tech Enterprise	Jiangsu Provincial Department of Science and Technology, Jiangsu Provincial Department of Finance, Jiangsu Provincial Tax Service of the State Taxation Administration
2023	2022 2nd Annual Top Ten Smart Agricultural Machines — Best Design Award	Agricultural Machinery Magazine
2021	Innovation Award for Autonomous Driving Technology Application Scenarios	CAIRDC Pearl Award
2021	Microsoft IoT Most Valuable Partner of the Year 2021	Microsoft
2021	Gold Plus Supplier Assessment Certificate	SGS and Alibaba