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

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

OVERVIEW

We are a leading provider of integrated smart agriculture solutions in China, committed to advancing sustainable agriculture through the integrated set of intelligent agricultural machinery for the full cycle of field operations that leverage smart agriculture technologies. Our journey began in 2004 in Weifang, Shandong. We manufacture and sell agricultural machinery, including tractors, harvesting machines and agricultural implements across field preparing, planting, field management, harvesting, straw handling and grain drying, with a focus on high-end, intelligent agricultural machinery, tackling the challenges of "who to farm." Furthermore, our intelligent agricultural machinery is empowered by smart agriculture technologies to capture and integrate data on soil conditions, crop growth and environmental conditions, translating insights into precise operation decision-making to support coordinated, precision-based field operations, eventually addressing the challenges of "how to farm scientifically." Rooted in a user-centric philosophy, we aim to create lasting value for core customer and user groups, such as large-scale agricultural producers, agricultural enterprises and agricultural service organizations, as well as full-time operators and individual farmers to foster synergistic growth and advance the sustainable development of modern agriculture. Our [**REDACTED**] involves a [**REDACTED**] from Weichai Power and a separate [**REDACTED**] of our Group's business on the Main Board of the Stock Exchange.

Leadership Position

Dedicated to providing an integrated set of intelligent agricultural machinery for the full cycle of field operations that leverage smart agriculture capabilities

No. 1
In China's agricultural machinery market with a market share of **22.4%** in terms of sales revenue

No. 1
In China's intelligent agricultural machinery market with a market share of **38.1%** in terms of sales revenue

Financial Performance

RMB18.0 billion
In terms of total revenue

RMB15.6 billion
In terms of our revenue from **domestic business, representing 86.8% of our total revenue**

RMB2.4 billion
In terms of our revenue from overseas business, **representing 13.2% of our total revenue** with an annual growth rate of **38.2%**

RMB990.8 million
In terms of adjusted net profit *(non-IFRS measure)*

RMB0.6 billion
In terms of net cash flows generated from operating activities

Products, Research and Development

2,927
Patents in mainland China

311
Invention Patents

2,800+
Research and Development Personnel

China + Japan + Europe Our Global R&D Footprint

China's first commercialized 240-horsepower CVT intelligent tractor

Note: (1) Unless otherwise specified, all data in this chart is for the year ended December 31, 2025 or as of December 31, 2025. Data relating to patents and invention patents is as of the Latest Practicable Date.

OUR STRENGTHS

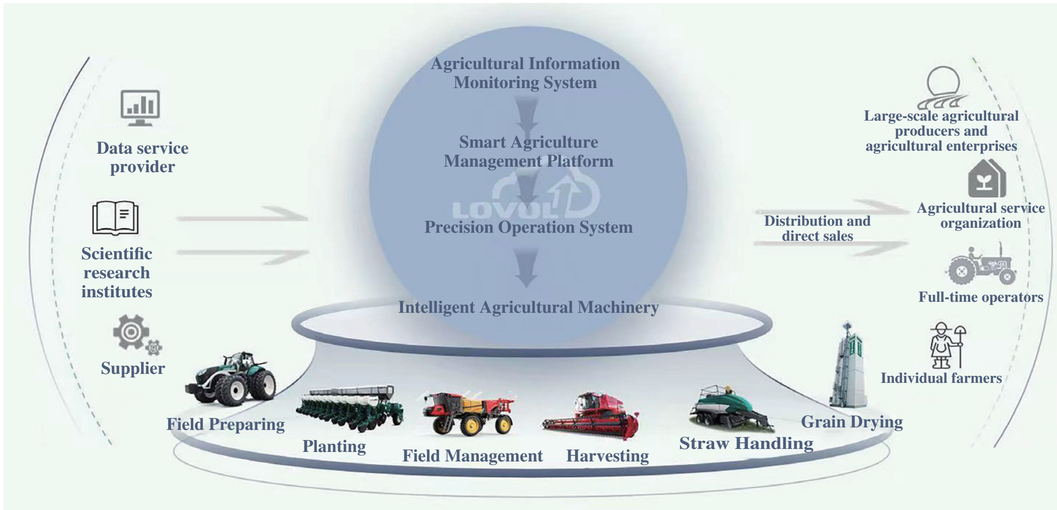
- We are a Leader in Smart Agriculture and Intelligent Agricultural Machinery Market in China, Driving Sustainable Growth through Strategic Insights;
- We are the First and Only Provider in China Offering an Integrated Set of Intelligent Agricultural Machinery across the Full Agricultural Production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

OUR STRATEGIES

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

OUR BUSINESS MODEL

We bring together advanced intelligent agricultural machinery technologies and smart agriculture technologies to deliver an integrated set of intelligent agricultural machinery and smart agriculture solutions covering the entire agriculture production cycle. These offerings are designed to help customers increase yields, reduce losses, lower operating costs and improve overall efficiency, supporting our pursuit of high-quality development. Our integrated set of intelligent agricultural machinery spans the entire modern agricultural production cycle, covering field preparing, planting, field management, harvesting, straw handling and grain drying and addresses diverse user needs across different agricultural settings. Working in synergy, our smart agriculture technologies convert agronomic experience and field data into automated, precision-based operation instructions. In particular, we create an ecosystem that leverages a core data advantage: intelligent agricultural machinery and agricultural information monitoring system continuously collects field data, which are processed by our self-developed AI algorithms into precise agronomic decisions that directly enhance machinery efficiency, adaptability and operational accuracy. This closed-loop mechanism strengthens machinery performance over time, creates a self-reinforcing competitive barrier and supports long-term customer loyalty. See "Business — Our Business Model."



OUR PRODUCTS

Agricultural Machinery

We have a comprehensive product portfolio encompassing high-quality intelligent agricultural machinery, primarily comprising (i) tractors; (ii) harvesting machines; and (iii) agricultural implements, covering field preparing, planting, field management, harvesting, straw handling and grain drying, aiming to revolutionize modern agriculture.

- ***Tractors***, spanning all advanced technology pathways, including power shift and CVT. Our tractors feature robust power performance, seamless technology integration, advanced intelligent interconnectivity, innovative new-energy technology, extensive operational adaptability and enhanced user comfort.
- ***Harvesting Machines***, providing the most comprehensive lineup of harvesting machines in China, primarily including wheel type harvesting machines, crawler type harvesting machines, corn harvesters and specialized harvesting machines.
- ***Agricultural Implements***, supporting field preparing, planting, field management, straw handling and grain drying, forming a solid foundation for synergies across diverse agricultural settings.

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

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)					
Sales of agricultural machinery	14,502,922	98.8	17,183,315	98.8	17,804,234	98.8
– Tractors	7,775,397	52.9	9,057,350	52.1	9,010,460	50.0
– Harvesting machines	6,144,335	41.9	7,092,236	40.8	7,766,795	43.1
– Agricultural implements and others	583,190	4.0	1,033,729	5.9	1,026,979	5.7
Others[(1)]	173,426	1.2	209,723	1.2	218,872	1.2
Total	**14,676,348**	**100.0**	**17,393,038**	**100.0**	**18,023,106**	**100.0**

Note: (1) Mainly including revenue generated from sales of parts and components to Weichai Power Group.

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

	Year ended December 31,								
	2023			2024			2025		
	Revenue	Sales volume	ASP	Revenue	Sales volume	ASP	Revenue	Sales volume	ASP
	(RMB in thousands)	*(unit)*	*(RMB/ unit)*	*(RMB in thousands)*	*(unit)*	*(RMB/ unit)*	*(RMB in thousands)*	*(unit)*	*(RMB/ unit)*
Tractors	7,775,397	80,591	96,480	9,057,350	84,455	107,245	9,010,460	77,801	115,814
Harvesting machinery	6,144,335	34,324	179,010	7,092,236	39,851	177,969	7,766,795	42,944	180,859

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

Smart Agriculture Technologies

To empower our integrated set of intelligent agricultural machinery, we continuously enhance our smart agriculture technologies spanning "perception — analytics and decision-making — execution." Ultimately, we help realize "scientific farming" by delivering increased yields, reduced losses, lowered costs and improved efficiency for our customers. As smart agriculture remains a relatively nascent sector in China, continued market education and demand cultivation are required. We primarily promoted these services through integration with our agricultural machinery during the Track Record Period to stimulate demand, refine functionalities and build user engagement, while gradually initiating commercialization efforts to establish independent revenue streams and support sustainable long-term growth. Key smart agriculture technology stacks are as follows: (i) ***Perception Layer: Agricultural Information Monitoring System***, which integrates multi-source sensors and satellite remote sensing technologies to build a unified "space-air-ground" agricultural monitoring framework; (ii)

Analytics and Decision-making Layer: Smart Agriculture Management Platform, which supports a wide array of functions such as planting planning, machinery task scheduling, resource allocation, intelligent alerts, data visualization, service resource coordination and full-lifecycle machinery management; and (iii) ***Execution Layer: Precision Operation System***, which enables automated and precision operations across all critical stages of agricultural production through seamless integration with intelligent agricultural machinery.

RESEARCH AND DEVELOPMENT

Supported by our global R&D network, we accelerate the development of a robust technology innovation ecosystem by integrating insights and expertise from leading talent in intelligent agricultural machinery and smart agriculture worldwide. According to Frost & Sullivan, we were the first agricultural machinery company in China to establish a large-scale smart agriculture research institute. As of the Latest Practicable Date, we held 2,927 patents, including 2,215 utility model patents, 311 invention patents and 401 industrial design patents in China, and 59 patents in countries and regions overseas. We also led and participated in the formulation of 26 national standards, 18 industry standards and 56 association standards.

PRODUCTION

Leveraging our superior manufacturing technologies and large-scale production capacity, we ensure consistent high product quality and stay agile to changes in market demands. The table below sets forth the designed capacity, actual production volume and utilization rate of our production lines during the Track Record Period; see "Business — Production — Production Capacity":

	Year ended December 31,								
	2023			2024			2025		
	Designed Capacity	Actual Production	Utilization Rate	Designed Capacity	Actual Production	Utilization Rate	Designed Capacity	Actual Production	Utilization Rate
			(%)			(%)			(%)
Intelligent Tractor Manufacturing Hub	–	–	–	–	–	–	50,000	14,311	–
Tractor Factory	72,000	87,200	121.1	72,000	74,100	102.9	72,000	64,599	89.7
Wheel Type Harvesting Machines Factory	29,600	24,850	84.0	29,600	24,150	81.6	29,600	19,800	66.9
Crawler Type Harvesting Machines Factory	23,250	12,850	55.3	23,250	15,700	67.5	23,250	23,880	102.7
Agricultural Implements Factory	9,420	2,319	24.6	9,420	2,510	26.6	9,420	3,312	35.2
Components and Parts Factory (Linyi site)	320,000	214,389	67.0	350,000	242,534	69.3	350,000	271,900	77.7
Components and Parts Factory (Weifang site)	300,000	390,940	130.3	300,000	398,981	133.0	300,000	347,122	115.7

SALES, MARKETING AND CUSTOMER SERVICE

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

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)					
China	13,419,145	91.4	15,668,005	90.1	15,639,393	86.8
Overseas[1]	1,257,203	8.6	1,725,033	9.9	2,383,713	13.2
Total	**14,676,348**	**100.0**	**17,393,038**	**100.0**	**18,023,106**	**100.0**

Note: (1) Other regions include Asia (excluding Chinese Mainland), Europe, North America and South America, Africa and Oceania.

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

	Year ended December 31,					
	2023		2024		2025	
	China	Overseas	China	Overseas	China	Overseas
Number of distribution partners at the beginning of the period	588	140	631	190	703	234
Number of new distribution partners	67	50	121	46	94	77
Number of terminated distribution partners	24	–	49	2	56	1
Net increase in distribution partners	43	50	72	44	38	76
Number of distribution partners at the end of the period	**631**	**190**	**703**	**234**	**741**	**310**

Sets forth below is our net revenue by sales channel during the Track Record Period:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)					
Distribution	14,416,077	98.2	17,184,147	98.8	17,788,835	98.7
Direct Sales	260,271	1.8	208,891	1.2	234,271	1.3
Total	**14,676,348**	**100.0**	**17,393,038**	**100.0**	**18,023,106**	**100.0**

OUR CUSTOMERS AND SUPPLIERS

We primarily sell our products to distribution partners and direct sales customers (primarily agricultural enterprises). The aggregate revenue from sales to our top five customers in each year during the Track Record Period accounted for 6.0%, 5.2% and 6.2% of our total revenue, respectively. Our suppliers primarily comprise suppliers of raw materials, parts and components and vehicle engines. Purchases from our five largest suppliers in each year during the Track Record Period accounted for 27.0%, 28.7% and 26.7% of our total purchases, respectively.

To the best of our knowledge, except for Shandong Heavy Industry India Pvt. Ltd., one of our five largest customers in 2025, and Shandong Heavy Industry, one of our five largest suppliers in each year during the Track Record Period, each of our five largest customers or suppliers in each year during the Track Record Period was an Independent Third Party; none of our Directors, their close associates or any Shareholders of our Company, who or which to the knowledge of the Directors owned more than 5% of our Company's issued share capital, had nay interest in any of our five largest customers or suppliers in each year during the Track Record Period.

COMPETITION

The market in which we operate is undergoing a pivotal transformation from non-intelligent agricultural machinery to intelligent models. Driven by large-scale farming, farmland consolidation and supportive national policies, demand for intelligent agricultural machinery continues to grow. Technological integrations and breakthroughs including electro-hydraulic control, remote communication and artificial intelligence further support functional upgrades and broader applications, accelerating the transition toward large-scale, high-end and intelligent agricultural machinery products. According to Frost & Sullivan, the market size of China's intelligent agricultural machinery market is projected to reach approximately RMB102.8 billion by 2030, representing a CAGR of approximately 37.9% (2025-2030). By 2030, the sector is expected to reach global levels, with a degree of intelligence of 33.8%.

[**REDACTED**]

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

SUMMARY OF MATERIAL RISK FACTORS

Our business and the [**REDACTED**] involve certain risks as set out in "Risk Factors." You should carefully read that section in its entirety before you decide to invest in our [**REDACTED**]. We believe the most significant risks we face include: (i) China's agriculture sector is undergoing a significant transformation toward modernization. We may fail to adapt to the trend effectively; (ii) We compete with both domestic and foreign companies in agricultural machinery and smart agriculture industry; (iii) We may not be able to launch new products, upgrade existing products or continuously provide a full product portfolio range in a cost-effective manner; (iv) Our continuous efforts in research and development may not generate the results we expect to achieve; (v) We may fail to successfully execute production capacity expansion plans or effectively utilize our production bases; and (vi) Operational disruption in our production facilities may interrupt our production schedule, which could adversely impact on the fulfillment of contracts.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

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

Selected Results of Operation Data

	Year ended December 31,		
	2023	**2024**	**2025**
		(RMB in thousands)	
Revenue	14,676,348	17,393,038	18,023,106
Cost of sales	(12,737,176)	(15,090,784)	(15,465,245)
Gross profit	1,939,172	2,302,254	2,557,861
Other income and gains	310,270	349,261	334,774
Selling and marketing expenses	(327,706)	(417,792)	(491,022)
Administrative expenses	(330,737)	(353,621)	(377,753)
Research and development costs	(676,878)	(838,557)	(927,270)
Reversal of impairment of financial assets	31,827	17,441	(4,656)

	Year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Other expenses	(2,196)	(21,045)	(2,731)
Finance costs	(1,908)	(1,806)	(2,436)
Share of losses/(profits) of associates	(8,769)	179	(34,704)
Profit before tax	933,075	1,036,314	1,052,063
Income tax expense	(61,803)	(79,452)	(78,779)
Profit for the year	871,272	956,862	973,284

Non-IFRS Measures

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

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

	Year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Reconciliation of profit for the year/period from continuing operations to EBITDA *(non-IFRS measure)* and adjusted EBITDA *(non-IFRS measure)*			
Profit for the year/period from continuing operations	871,272	956,862	973,284
Add:			
– Income tax expense	61,803	79,452	78,779
– Finance costs	1,908	1,806	2,436
– Depreciation and amortization	185,341	212,970	263,662
Less: Interest income	(133,968)	(129,450)	(121,415)

	Year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
EBITDA *(non-IFRS measure)*	986,356	1,121,640	1,196,746
Add:			
– [**REDACTED**] expenses(1)	–	19,520	17,471
Adjusted EBITDA *(non-IFRS measure)*	986,356	1,141,160	1,214,217

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

	Year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Reconciliation of profit for the years/periods from continuing operations to adjusted net profit *(non-IFRS measure)*			
Profit for the year/period from continuing operations	871,272	956,862	973,284
Add:			
– [**REDACTED**] expenses(1)	–	19,520	17,471
Adjusted net profit for the year/period *(non-IFRS measure)*	871,272	976,382	990,755

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

Our revenue increased by 18.5% from RMB14,676.3 million in 2023 to RMB17,393.0 million in 2024 driven by an increase in revenue from the sales of agricultural machinery from RMB14,502.9 million in 2023 to RMB17,183.3 million in 2024. Our revenue further increased to RMB18,023.1 million in 2025 driven by an increase in revenue from the sales of harvesting machines from RMB7,092.2 million in 2024 to RMB7,766.8 million in 2025. Our gross profit increased by 18.7% from RMB1,939.2 million in 2023 to RMB2,302.3 million in 2024, which was generally in line with our increase in revenue. Our gross profit further increased by 11.1% to RMB2,557.9 million in 2025, primarily due to a higher sales mix of high-end agricultural machinery and growth in overseas sales. Our profit for the year increased by 9.8% from RMB871.3 million in 2023 to RMB956.9 million in 2024, primarily due to (i) an increase in gross profit, and (ii) an increase in other income and gains arising from expanded R&D activities and the gradual implementation of our global strategy, which led to higher recognition of government grants from deferred income. See "Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position — Deferred Income." Our profit for the year remained relatively stable at RMB956.9 million and RMB973.3 million in 2024 and 2025.

Selected Consolidated statements of Financial Position Data

	As of December 31,		
	2023	**2024**	**2025**
		(RMB in thousands)	
Total non-current assets	3,093,405	3,984,585	5,918,312
Total current assets	11,977,438	15,197,780	14,956,973
Total assets	**15,070,843**	**19,182,365**	**20,875,285**
Total non-current liabilities	402,783	385,980	392,077
Total current liabilities	11,719,592	15,004,999	15,947,675
Total liabilities	**12,122,375**	**15,390,979**	**16,339,752**
Net current assets/(liabilities)	257,846	192,781	(990,702)
Net assets	2,948,468	3,791,386	4,535,533

Our net assets increased by 28.6% from RMB2,948.5 million as of December 31, 2023 to RMB3,791.4 million as of December 31, 2024, primarily due to our profit of the year of RMB956.9 million, partially offset by our dividend distribution of RMB114.6 million. Our net assets further increased by 19.6% to RMB4,535.5 million in 2025, primarily due to our profit of the year of RMB973.3 million, partially offset by our dividend distribution of RMB229.2 million.

Our net current assets decreased by 25.2% from RMB257.8 million as of December 31, 2023 to RMB192.8 million as of December 31, 2024, primarily due to (i) an increase in trade and bills payables resulting from longer settlement periods and greater use of accepted bills; and (ii) a decrease in inventories and other contract costs in line with increased harvesting machines sales driven by rising demand, partially offset by (i) an increase in cash and cash balances; (ii) a decrease in contract liabilities due to more efficient distributor acceptance; (iii) an increase in restricted deposits from bank acceptance bills; (iv) an increase in prepayments, other receivables and other assets due to VAT refunds; (v) an increase in financial assets at FVTPL from wealth management products in 2024; and (vi) an increase in trade and bills receivables in line with our revenue growth. We had net current liabilities of RMB990.7 million as of December 31, 2025, primarily due to (i) a decrease in cash and bank balances, primarily due to the purchase of new wealth management products in 2025; and (ii) an increase in trade and bills payables, generally in line with our revenue growth, partially offset by (i) an increase in trade and bills receivables, primarily due to (a) our increase in trade receivables from customers who have not reached their settlement periods as of December 31, 2025, and (b) the growing proportion of orders from our Chinese distributors being settled on credit terms driven by end-customer demand and the practice of installment sales among their competitors; and (ii) an increase in financial assets at FVTPL, primarily due to the purchase of new wealth management products in 2025.

Selected Consolidated Cash Flow Statements Data

	Year ended December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Net cash flows from operating activities	852,429	3,813,110	646,056
Net cash flows used in investing activities	(1,284,612)	(4,373,928)	(619,265)
Net cash flows used in financing activities	(11,504)	(121,878)	(294,491)
Net decrease in cash and cash equivalents	(443,687)	(682,696)	(267,700)
Cash and cash equivalents at end of year	5,451,296	4,780,087	4,520,550

Key Financial Ratios

	Year ended December 31,		
	2023	**2024**	**2025**
Gross profit margin (%)	13.2	13.2	14.2
Net profit margin (%)	5.9	5.5	5.4
Adjusted net profit margin (*non-IFRS measure*) (%)	5.9	5.6	5.5
Quick ratio	0.7	0.8	0.7
Current ratio	1.0	1.0	0.9
Debt-to-equity ratio	4.1	4.1	3.6

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, our Company was directly held as to approximately 61.10% by Weichai Power and 27.26% by Weichai Holdings. Weichai Power was held as to approximately 16.33% by Weichai Holdings, which was in turn wholly owned by Shandong Heavy Industry, a state-owned company ultimately owned as to 90.00% by Shandong SASAC and 10.00% by Shandong Provincial Department of Finance. As Weichai Power is a consolidated subsidiary of Weichai Holdings and Weichai Holdings is able to exert substantial influence at the shareholders' meetings of Weichai Power, each of Weichai Holdings and Shandong Heavy Industry is also entitled to, through Weichai Power, indirectly control the exercise of more than 30% of the voting power at general meetings of our Company. As such, Weichai Power, Weichai Holdings and Shandong Heavy Industry, were collectively entitled to control approximately 88.36% of the voting rights of our Company. Immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), Weichai Power, Weichai Holdings and Shandong Heavy Industry will collectively be entitled to control approximately [**REDACTED**]% of the voting rights of the enlarged share capital of our Company. According, Weichai Power, Weichai Holdings and Shandong Heavy Industry will constitute our Controlling Shareholders upon the [**REDACTED**].

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

Our Group is the only member of our Controlling Shareholders principally engaged in the manufacturing and sales of agricultural machinery, which is completely different from the business of our Controlling Shareholders (excluding our Group). As such, our Directors are of the view that there is a clear business delineation between the Group's and its Controlling Shareholders' businesses. Certain our Directors, namely Mr. Wang Guimin, Mr. Wang Junwei, Dr. Guo Shenggang and Mr. Sun Chenglong also holds positions in our Controlling Shareholders and their respective close associates. However, our Directors consider that we are still able to carry on our business independently from our controlling Shareholders and their close associates from a management perspective. See "Relationship with Our Controlling Shareholders". We have been procuring a substantial portion of engines for our business production from Weichai Power Group. During the Track Record Period, the procurement amount of engines by us from Weichai Power Group accounted for approximately 69.8%, 83.1% and 80.3% of the total purchases of engines made by us. Such procurement of engines is set out on normal commercial terms, which are not less favourable than those for transactions between our Group and Independent Third Parties under the same conditions. Despite the relatively high procurement amount of engines from Weichai Power Group during the Track Record Period, we believe the business relationship between our Group and Weichai Power Group is mutually beneficial and the likelihood that our relationships with Weichai Power Group will materially adversely change or terminate is remote.

IMPACT OF COVID-19 PANDEMIC

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

DIVIDENDS

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

[**REDACTED**] STATISTICS

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

	Based on an [REDACTED] of HK$[REDACTED] per [REDACTED]	**Based on an [REDACTED] of HK$[REDACTED] per [REDACTED]**
Market capitalization of our Shares(1)	HK$[**REDACTED**]	HK$[**REDACTED**]
Market capitalization of our H Shares(2)	HK$[**REDACTED**]	HK$[**REDACTED**]
Unaudited [**REDACTED**] adjusted net tangible assets per share(3)	HK$[**REDACTED**]	HK$[**REDACTED**]

Notes:

(1) The calculation of market capitalization is based on [**REDACTED**] Shares expected to be in issue immediately upon completion of the [**REDACTED**], assuming the [**REDACTED**] is not exercised.

(2) The calculation of market capitalization of our H Shares is based on [**REDACTED**] H Shares expected to be in issue immediately upon completion of the [**REDACTED**] and conversion of Domestic [**REDACTED**] Shares into H Shares, without taking into account any allotment and issuance of H Shares upon exercise of the [**REDACTED**].

(3) The unaudited [**REDACTED**] adjusted net tangible assets per share is arrived at after the [**REDACTED**] referred to in "Appendix II — Unaudited [**REDACTED**] Financial Information."

USE OF [REDACTED]

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

- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the construction of the new factory for large-capacity harvesting machines, the intelligent upgrade and transformation of the current production lines and an intelligent agricultural equipment international logistics center;
- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for research and development investment to promote the development of intelligent agricultural machinery and the commercialization of smart agriculture services;
- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for overseas business and market expansion; and
- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for working capital and general corporate purpose.

See "Future Plans and Use of [**REDACTED**]."

[REDACTED] EXPENSES

[**REDACTED**] expenses consist of professional fees, [**REDACTED**] and other fees incurred in connection with the [**REDACTED**]. We expect to incur [**REDACTED**] expenses of approximately RMB[**REDACTED**] (HK$[**REDACTED**]), comprising: (i) [**REDACTED**] fees of RMB[**REDACTED**] (HK$[**REDACTED**]); and (ii) non [**REDACTED**] expenses of RMB[**REDACTED**] (HK$[**REDACTED**]), which are further categorized into: (a) fees and expenses of legal advisors and accountants of RMB[**REDACTED**] (HK$[**REDACTED**]); and (b) other fees and expenses of RMB[**REDACTED**] (HK$[**REDACTED**]), assuming the [**REDACTED**] is not exercised and based on the [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the [**REDACTED**] of the [**REDACTED**]), approximately RMB[**REDACTED**] ([**REDACTED**]) is expected to be charged to our combined statements of profit or loss, and approximately RMB[**REDACTED**] (HK$[**REDACTED**]) is expected to be deducted from equity upon completion of the [**REDACTED**]. The [**REDACTED**] expenses are expected to represent approximately [**REDACTED**]% of the gross [**REDACTED**] of the [**REDACTED**], based on the same assumptions. The [**REDACTED**] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate. We do not expect such expenses to have a material adverse impact on our results of operations in 2025.

RECENT DEVELOPMENT

Subsequent to the end of the Track Record Period, we continued to implement initiatives such as marketing model innovation, channel optimization and product portfolio adjustment, helping us navigate market pressures and support business growth. Our Directors confirm that, up to the date of this document, there had been no material adverse change in our financial or trading position or prospects since December 31, 2025, being the end date of the periods reported in Appendix I to this document, and there is no event since December 31, 2025 that would materially affect the information as set out in the Accountant's Report in Appendix I to this document.