

FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

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

USE OF [REDACTED]

Assuming that the [REDACTED] is not exercised, after deducting the [REDACTED] and other estimated [REDACTED] expenses payable by us in connection with the [REDACTED], and assuming an [REDACTED] of HK\$[REDACTED] per Share (being the [REDACTED] of the indicative [REDACTED] of HK\$[REDACTED] and HK\$[REDACTED]), we estimate that we will receive net [REDACTED] of approximately 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. In particular:
 - o Approximately [REDACTED]%, or HK\$[REDACTED], will be used to build the new factory for large-capacity harvesting machines to meet market demand for large-scale, intelligent products (such as high-capacity harvesting machines, self-propelled sprayers, forage harvesters and mower conditioners) as well as related core components, aiming to further improve our comprehensive product matrix and manufacturing capabilities. We expect that the total expenditure for the construction of this new factory will be HK\$[REDACTED]. Other than the net [REDACTED] from the [REDACTED], we plan to support the construction through our own funding resources. The base will be located in Weifang, Shandong, with a planned gross floor area of 126,000 sq.m. We commenced planning in 2025 and is expected to complete construction by the end of 2027.

Taking into consideration (i) estimated selling prices, costs and expenses with reference to those during the Track Record Period; and (ii) assuming no material change in market, fiscal and economic conditions, our management expects to achieve breakeven in the first financial year following the commencement of mass production, with an investment payback period of approximately four to five years. Breakeven period refers to the time required for the production base to first generate turnover equivalent to cover its operating costs. Investment payback period refers to the number of years needed for cumulative operating cash inflows to equal the total establishment costs, excluding the construction period.

In particular: (i) approximately [REDACTED]%, or HK\$[REDACTED], will be used to purchase advanced equipment for the new factory, such as the high-precision laser cutting machine, CNC bending machine, welding robots, AGV assembly line and testing benches to enhance manufacturing automation,

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precision and efficiency; (ii) approximately [REDACTED]%, or HK\$[REDACTED], will be used for civil engineering, including factory construction, basic interior decoration and public facilities; and (iii) approximately [REDACTED]%, or HK\$[REDACTED], will be used for other factory-related expenses, including design, equipment commissioning and completion acceptance fees.

Our development plan and corresponding expenditures include: (i) in 2025 and prior to the [REDACTED], we completed the land acquisition and commenced foundational construction; the construction expenditure in 2025 and prior to the [REDACTED] will be fully supported by our own funds; (ii) by the end of 2026, we plan to complete the construction of certain infrastructure and standardized production workflows to support preliminary product manufacturing; we plan to allocate HK\$[REDACTED] for civil construction and decoration, HK\$[REDACTED] for the purchase of machinery and equipment and HK\$[REDACTED] for other expenses (design fees, supervision fees and taxes); (iii) by the end of 2027, we plan to complete the construction of core production and auxiliary facilities to achieve production readiness; we plan to allocate HK\$[REDACTED] for civil construction, HK\$[REDACTED] for the purchase of machinery and equipment, and HK\$[REDACTED] for equipment commissioning and other expenses (including design fees, supervision fees and taxes); and (iv) in 2028, we plan to settle remaining construction payments, acceptance balance payments and quality guarantee deposits for construction work and production facilities (such acceptance balances and deposits are typically paid six to twelve months after the project commences operation); we plan to allocate HK\$[REDACTED] for construction and installation, HK\$[REDACTED] for machinery and equipment procurement, and HK\$[REDACTED] for other finishing work.

Considering (i) expected reductions in material and manufacturing costs from intelligent and flexible manufacturing to improve material and equipment utilization efficiency; and (ii) lower direct labor costs from increased automation, we expect that our overall cost structure will be optimized upon commencement of the new factory. The new facility will support product portfolio upgrades to better align with market demand, particularly for large-capacity intelligent harvesting machines. Given the above strategic benefits, we believe our expansion plan is justified.

- o Approximately [REDACTED]%, or HK\$[REDACTED], will be used for the intelligent upgrade and transformation of our factory: (i) flexible manufacturing by introducing FMS systems to enable cross-model shell switching; (ii) upgrading production automation by implementing bending robots, intelligent spraying systems and automated shell processing equipment; (iii) data-driven production through implementing information technologies to achieve dynamic process parameters adjustments; (iv) green intelligent

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manufacturing by building new environmental protection coating lines and adopting energy-saving equipment; and (v) configuring high-precision equipment and intelligent inspection systems.

- o Approximately [REDACTED]%, or HK\$[REDACTED], will be used to build an intelligent agricultural equipment international logistics center in Weifang, Shandong, to support our global operations, which will adopt advanced warehouse management systems to enhance precise inventory control and overseas delivery capabilities. We commenced the planning of the construction in 2025 and plan to complete all engineering construction by the end of 2028. We anticipate that the intelligent agricultural equipment international logistics center will (i) enable precise inventory and outbound shipment control via AGV-enabled smart delivery systems, (ii) support real-time inventory visibility, automated aging alerts and intelligent replenishment via integrated WMS and ERP systems, (iii) optimize delivery timeliness and cost efficiency through flexible transportation solutions, and (iv) achieve closed-loop management across order processing, delivery and inventory through integration with our overseas CRM system.
- Approximately [REDACTED]%, or HK\$[REDACTED], will be used for research and development investment to promote the development of intelligent agricultural machinery and the commercialization of smart agriculture services. In particular:
 - o Approximately [REDACTED]%, or HK\$[REDACTED], will be used for the R&D of intelligent agricultural machinery. In particular:
 - (i) Approximately [REDACTED]%, or HK\$[REDACTED], will be used for the R&D of tractors. Our main tractor research and development projects will include: (i) advanced transmission systems, by further iterating our power shift technology to enhance driving comfort and operational efficiency; (ii) new energy development technologies through the parallel development of pure electric and hybrid solutions, including pure electric compact models for orchard and facility agriculture, and hybrid high-horsepower models for dryland operations. To achieve this goal, we plan to allocate HK\$[REDACTED] for R&D staffing costs, HK\$[REDACTED] for the purchasing of equipment and materials required for R&D activities and HK\$[REDACTED] for testing and other expenses;
 - (ii) Approximately [REDACTED]%, or HK\$[REDACTED], will be used for the R&D of large-capacity harvesting machines. Our main projects will include: (i) 18-24 kg/s large-capacity intelligent harvesting machines and the planning and commercialization of hundreds of intelligent control technologies to enhance intelligent levels; (ii) large self-propelled forage harvester products, emphasizing models with wider cutting widths, benchmarking international leading technical standards to advance

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localization and overseas market expansion; and (iii) hybrid power harvesting machine products, including power endurance and energy efficiency management technologies under complex working conditions. To achieve this goal, we plan to allocate HK\$[REDACTED] for R&D staffing costs, HK\$[REDACTED] for purchasing equipment, materials and molds required for R&D activities and HK\$[REDACTED] for testing and other expenses; and

- (iii) Approximately [REDACTED]%, or HK\$[REDACTED], will be used for the R&D of agricultural robot projects. Our projects primarily include: (i) extension of intelligent operational capabilities through advances in navigation and positioning, artificial intelligence technology and intelligent communications to support intelligent, precise and green operations; and (ii) expanding application scenarios, by gradually achieving stable intelligent operations across complex terrains such as drylands, paddy fields, orchards and facility agriculture, supporting a broader range of agricultural settings. To achieve this goal, we plan to allocate HK\$[REDACTED] for R&D staffing costs, HK\$[REDACTED] for the purchase of equipment, materials, software, testing and other expenses and HK\$[REDACTED] for technology development expenses.
- o Approximately [REDACTED]%, or HK\$[REDACTED], will be used for the R&D of smart agriculture services. Our smart agriculture solutions projects include: (i) intelligent driving technology, which enhances autonomous operation via navigation control algorithms, integrated positioning, multi-machine collaboration and obstacle perception to improve efficiency and safety; (ii) intelligent cab technology, which streamlines operations and improves user experience via voice interaction, intelligent networking and optimized onboard operating systems; (iii) visual technology, which enables the accurate identification of obstacles and operational targets via virtual simulation, perception algorithms and point-cloud processing; (iv) control sensing technology, which ensures real-time monitoring and precise control through high-precision sensors and upgraded communication systems; and (v) cloud platform technology, which strengthens information security and data service capabilities and decision-making accuracy.

Through continued advancements in smart agriculture capabilities, we aim to unlock new commercialization potentials in key areas including (i) hardware upgrades to the agricultural information monitoring system to enhance intelligent perception and decision-making accuracy; (ii) improved intelligent decision-making and farm management capabilities on our smart agriculture platform to support value-added services such as scientific planting recommendations and scheduling; and (iii) precision operation software modules integrated with smart hardware to enable accurate execution across key farming stages and to explore expert Q&A features. We plan to allocate

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HK\$[REDACTED] for R&D staffing costs, HK\$[REDACTED] for consulting, testing and other expenses, HK\$[REDACTED] for purchasing equipment and materials, and HK\$[REDACTED] for technology development expenses.

The following table sets forth the key timeframe and expected outcome of our R&D activities for intelligent agricultural machinery and smart agriculture services from 2026 to 2030, based on our current estimation, which is subject to changes based on our actual needs, R&D processes and market conditions at the relevant time:

	Phase I (2026-2027)	Phase II (2028-2029)	Phase III (2029-2030)
R&D for intelligent agricultural machinery			
(i) Tractors.	Complete prototype development and initial validation for mid- to high-horsepower power-shift tractors and high-horsepower new-energy tractor platforms.	Complete testing and validation of the forementioned products or product platforms.	Market launch of the forementioned products or product platforms.
(ii) Large-capacity harvesting machines	Complete initial prototype validation and commence tooling for key components (headers, threshing drums and separation systems).	Continue prototype testing and validation, with further investment in chassis and transmission systems.	Finalize prototype validation and conduct reliability testing.
(iii) Agricultural robots.	Focus on core agricultural robot technology and advancement of prototype design.	Initiate new model design and conduct functional testing and validation.	Commence pilot sales while advancing next-generation product design.
R&D for smart agriculture solutions			
Smart agriculture solutions	Develop key technologies for dryland scenarios, including autonomous driving and intelligent perception.	Enhance dryland applications, focusing on precision operations such as yield monitoring and targeted spraying.	Expand dryland operations and interconnectivity; develop paddy field applications for autonomous driving and intelligent perception.

To implement the above plans, we intend to expand our R&D and industry expert teams for R&D of intelligent agricultural machinery smart agriculture solutions. Our R&D staff recruitment plan and related costs are based on historical talent gaps and will be adjusted in line with research progress. We do not expect the expansion of the R&D team to have any adverse impact on our cost structure or future profitability. Details of our staff recruitment plan are set forth below:

Position	Roles and functions	Experience and qualifications required	Estimated no. of staff to be recruited
R&D for intelligent agricultural machinery			
(i) Tractors			
Mechanical engineer	• Tractor systems design (transmission, hydraulics and power systems)	• Rich experience in transmission, 30 hydraulics and power systems	
Electrical engineer	• Electrical system design for power-shift and new energy tractors	• Rich experience in electrical 30 systems and control electronics	

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Position	Roles and functions	Experience and qualifications required	Estimated no. of staff to be recruited
(ii) Large-capacity harvesting machines			
Mechanical engineer . . .	• Module development (threshing and separation, cleansing, grain collection, transmission, hydraulic system, header design)	• Rich experience in mechanical engineering and agricultural machinery	100
New energy engineer . . .	• System design (electric drive/battery/electronic control systems, calibration, thermal management)	• Experience in new-energy vehicle systems development	35
(iii) Agricultural robots			
Algorithm engineer . . .	• Perception and motion control algorithm development	• Rich experience in algorithm development	26
Structural engineer	• Robotics structure design	• Rich experience in robot structure design	10
Test engineer.	• Software and system testing of agricultural robots	• Rich experience in software and system testing	6
R&D for smart agriculture services			
System architecture engineer	• System architecture design and technical solution implementation	• Rich experience in embedded system and platform architecture	10
Software development and testing engineer . .	• Software development, user interaction and testing	• Rich experience in front-end development and system testing	21
Algorithm engineer . . .	• Algorithm design and data processing workflows	• Rich experience in algorithm development	7
Intelligent Driving Engineer.	• Intelligent driving algorithms and interaction feature development	• Rich experience in intelligent driving, navigation or user interaction design	25

- Approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for overseas business and market expansion. Our strategic roadmap includes exploring opportunities in regions such as Southeast Asia and South America. In particular:
 - o Approximately [REDACTED]%, or HK\$[REDACTED], will be used to strengthen overseas marketing service capabilities and product sales. In particular: approximately [REDACTED]% or HK\$[REDACTED] will be used for brand promotion through advertising, participation in exhibitions to support market development and synchronized sales promotion; and approximately [REDACTED]%, or HK\$[REDACTED] will be used to enhance service capabilities, including deploying backup equipment in end markets for the timely handling of malfunctions, upgrading diagnostic tools, strengthening service personnel trainings, and establishing a global spare parts warehouse system to reduce wastage and improve response efficiency.
 - o Approximately [REDACTED]%, or HK\$[REDACTED], will be used to expand extensive distribution channels and improve the layout of overseas service systems. In particular, our goals include: (i) in the near term (2026-2027), expanding our presence in Eastern Europe, Africa and Southeast Asia by optimizing existing product offerings and strengthening regional

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service infrastructure; (ii) in the medium term (2028-2029), targeting South America, Africa and Southeast Asia with a focus on mid- to high-end markets, enhancing brand competitiveness through CVT products and high-end paddy field machinery; and (iii) in the long term (2029-2030), advancing localized operations in South America and Europe to support diversified global production capacity and entry into global high-end markets.

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

In the event that the [REDACTED] is set at the maximum [REDACTED] or the minimum [REDACTED] of the indicative [REDACTED], the net [REDACTED] of the [REDACTED] will increase by approximately HK\$[REDACTED] or decrease by approximately HK\$[REDACTED], respectively. The additional net [REDACTED] that we would receive if the [REDACTED] were exercised in full would be (i) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the maximum [REDACTED] of the indicative [REDACTED]), (ii) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the [REDACTED] of the indicative [REDACTED]) and (iii) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the minimum [REDACTED] of the indicative [REDACTED]).

To the extent that the net [REDACTED] from the [REDACTED] are either more or less than expected, we will adjust our allocation of the net [REDACTED] for the above purposes on a pro rata basis. To the extent that the net [REDACTED] of the [REDACTED] are not immediately used for the above purposes, or if we are unable to effect any part of our future development plans as intended, we will only deposit such funds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules. If any part of our development plan does not proceed as planned for reasons such as changes in government policies that would hinder the development of any of our projects, or the occurrence of force majeure events, the Directors will carefully evaluate the situation and may reallocate the net [REDACTED] from the [REDACTED]. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.