



## China Yuchai and Foton Form New Strategic Partnership

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SINGAPORE, July 29, 2019 /PRNewswire/ -- **China Yuchai International Limited (NYSE: CYD) ("China Yuchai")**, a leading automotive manufacturer and distributor of engines for on- and off-road applications in China through its main operating subsidiary, Guangxi Yuchai Machinery Company Limited ("GYMCL"), announced today that it has entered into a new strategic partnership with the Foton Motor Group ("Foton") to enhance their core competitiveness.

Since its inception in 1996, Foton, as a subsidiary of the Beijing Automotive Industry Holding Co., Ltd., has become one of the top 5 players in China. Foton produces a wide range of commercial vehicles including light-duty, medium-duty and heavy-duty trucks, vans, pickup trucks, buses, and construction machinery vehicles.

GYMCL and Foton have reached agreement on a series of important areas of cooperation such as product support for National VI-compliant engines and technologies, overseas market development, and new energy product development. This partnership is a major milestone and new chapter between the two parties, a leading vehicle manufacturer and a leading powertrain system developer and manufacturer.

With a long-standing track record of engine development including 6 different platforms and 11 series of new products compliant with the National VI emission standards with a power range from 100 to 660 horsepower, GYMCL plans to improve all products' thermal efficiency. In addition, GYMCL's manufacturing operations have become more automated and greener with less pollution. These green factories implement digital controls of the whole product manufacturing process, from the production mode of large assembly lines to customized scale production and development, with the support of a new generation of information technology, Internet of Things technology, intelligent science and technology.

Earlier in 2019, GYMCL held a New Energy Power Strategy and Product Launch Conference in Beijing, and introduced four new energy power systems, including an integrated power generation engine powertrain, ECVT power-splitting hybrid assembly, integrated electric drive bridge assembly, and a fuel cell system. New energy technology is a key focus of the partnership for both Foton and GYMCL for the future. This partnership provides Foton access to the ongoing technology advancements at GYMCL to ensure the performance and quality of their vehicles.

Mr. Weng Ming Hoh, President of China Yuchai, commented, "Changes in automotive technology, especially the upcoming National VI standards implementation and the evolving new energy platforms, are creating change in the Chinese automotive industry. The challenging complexity of these changes is requiring new and stronger alliances with deeper cooperation to meet the needs of end market customers."

### **About China Yuchai International**

China Yuchai International Limited, through its subsidiary, Guangxi Yuchai Machinery Company Limited ("GYMCL"), engages in the manufacture, assembly, and sale of a wide variety of light-, medium- and heavy-duty engines for trucks, buses, passenger vehicles, construction equipment, marine and agriculture applications in China. GYMCL also produces diesel power generators. The engines produced by GYMCL range from diesel to natural gas and hybrid engines. Through its regional sales offices and authorized customer service centers, the Company distributes its engines directly to auto OEMs and retailers and provides maintenance and retrofitting services throughout China. Founded in 1951, GYMCL has established a reputable brand name, strong research and development team and significant market share in China with high-quality products and reliable after-sales support. In 2018, GYMCL sold 375,731 engines and is recognized as a leading manufacturer and distributor of engines in China. For more information, please visit <http://www.cyilimited.com>.

### **Safe Harbor Statement:**

This news release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words "believe", "expect", "anticipate", "project", "targets", "optimistic", "confident that", "continue to", "predict", "intend", "aim", "will" or similar expressions are intended to identify forward-looking statements. All statements other than statements of historical fact are statements that may be deemed forward-looking statements. These forward-looking statements including, but not limited to, statements concerning China Yuchai's and the joint venture's operations, financial performance and condition are based on current expectations, beliefs and assumptions which are subject to change at any time. China Yuchai cautions that these statements by their nature involve risks and uncertainties, and actual results may differ materially depending on a variety of important factors such as government and stock exchange regulations, competition, political, economic and social conditions around the world and in China including those discussed in China Yuchai's Form 20-Fs under the headings "Risk Factors", "Results of Operations" and "Business Overview" and other reports filed with the Securities and Exchange Commission from time

to time. All forward-looking statements are applicable only as of the date it is made and China Yuchai specifically disclaims any obligation to maintain or update the forward-looking information, whether of the nature contained in this release or otherwise, in the future.

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