
SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read this document, including our financial statements and the accompanying notes, in its entirety before you decide to [REDACTED] in the [REDACTED]. There are risks associated with any [REDACTED]. Some of the particular risks in [REDACTED] in the [REDACTED] are set out in the section headed “Risk Factors” in this document. You should read that section carefully in full before you decide to [REDACTED] in the [REDACTED].

OVERVIEW

We are a leading power generation solution provider. According to Frost & Sullivan, we are the largest power generator engine provider in China, based on sales revenue of power generator engines in China in 2025. We are also a leading marine engine provider in China, ranking second in terms of sales revenue of medium- and high-speed marine engines in China in 2025, according to Frost & Sullivan. We design, develop, manufacture and sell power generator engines, marine engines, power generator sets and engine components, serving a wide array of markets across the economy, including data center, distributed power station, infrastructure construction, telecommunications, healthcare, mining, agriculture, oil & gas and vessel transportation and operation sectors. We primarily conduct our business in China and maintain overseas sales teams for sales of our products to Europe, Middle East, Africa, Asia and South America.

Our Milestones

Our history traces back to 1951, when Yulin Quantang Industrial Cooperative (玉林泉塘工業社) (“**Yulin Quantang**”) was established in Yulin, Guangxi to produce agricultural machinery and equipment. Yulin Quantang was developed and subsequently restructured as GY in 1992, with its engine and machinery business transferred into its then newly set-up subsidiary GYMCL. In 2015, a dedicated marine and genset power division was set up by GYMCL, which focused on the development, manufacture and sale of power generators and marine engines. In 2022, GYMCL injected the marine and genset power business into our Company. Since then, we have been consistently focusing on independent research and development, product innovation, engineering excellence, and have built the GYMGP brand recognized by global customers.

Our Brand and Product Portfolio

Our product portfolio primarily encompasses power generator engines and marine propulsion and auxiliary engines. Our power generator engine products are engineered and manufactured to achieve outstanding performance, featuring high power output, high reliability, and low emissions, which continuously powers the operation and growth of our end customers. We also provide power generator sets and, to a small scale, engine components and certain engine-related services.

We primarily offer “Yuchai” branded products and have gained customer recognition through diversified product offerings over the years. We also provide **mtu** branded products produced by MTU Yuchai, our joint venture with Rolls-Royce, to further broaden coverage of high-end customers. Through this dual-brand strategy, we are able to address the differentiated needs and preferences of customers.

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The table below sets forth a breakdown of our revenue by product type for the years/periods indicated:

	FY2023		FY2024		FY2025		1H2025		1H2026	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
							(unaudited)			
Power generator engines	2,457,201	75.8	3,052,467	76.4	4,216,096	68.5	1,954,638	65.7	3,032,358	67.5
Large engines	853,339	26.4	1,374,107	34.5	2,321,617	37.7	1,027,342	34.5	1,807,332	40.2
Heavy-duty engines	943,006	29.0	864,381	21.6	908,505	14.8	434,363	14.6	533,827	11.9
Medium- to light-duty engines	660,856	20.4	813,979	20.3	985,974	16.0	492,933	16.6	691,199	15.4
Marine propulsion and auxiliary engines	481,183	14.9	476,999	11.9	659,287	10.7	271,102	9.1	378,152	8.4
Power generator sets	114,769	3.6	113,234	2.8	421,417	6.9	284,157	9.5	580,789	12.9
Engine components and others	185,855	5.7	357,096	8.9	853,639	13.9	468,219	15.7	503,082	11.2
Total	3,239,008	100.0	3,999,796	100.0	6,150,439	100.0	2,978,116	100.0	4,494,381	100.0

MARKET AND OPPORTUNITIES

Our Go-to-Market Approach

We sell our products to original equipment manufacturers (OEMs), end users and distributors worldwide. Our direct customers are primarily OEMs who assemble our power generator engines together with other components into power generator sets for sales, and end users of power generator sets in a wide array of industries. In addition, we sell our marine propulsion and auxiliary engines primarily through distributors. We primarily serve our customers through an extensive service network of more than 1,000 authorized service stations and are capable of providing 24/7 rapid response.

Our Globalization Efforts

We strive to expand our global footprint. During the Track Record Period, our overseas sales increased by 78.4% from RMB120.2 million in FY2023 to RMB214.4 million in FY2024, contributing 5.4% of our total revenue in FY2024; and our overseas sales further increased by 56.7% to RMB335.9 million in FY2025, contributing 5.5% of our total revenue in FY2025. In 1H2026, our overseas sales reached RMB232.8 million, increased by 120.5% from RMB105.6 million in 1H2025, contributing 5.2% of our total revenue in 1H2026. As of the Latest Practicable Date, our overseas sales teams covered Europe, Middle East, Africa, Asia and South America.

Our Global Opportunities

Since our inception, we have continually grown our customer base and gained customer recognition in China. We have strategically begun developing international markets and successfully achieved a foothold in several key markets.

We see substantial global opportunities ahead, underpinned by rapid capacity expansion in data centers driven by the AI revolution, the wider adoption of distributed power stations, the continued advancement of infrastructure construction and a tight supply of power generator engines. According to Frost & Sullivan, the size of the global power generator engine market is expected to grow from approximately RMB66.9 billion in 2025 to RMB159.6 billion in 2030, with a CAGR of 19.0% from 2025 to 2030; and the size of Chinese power generator engine market is expected to grow from approximately RMB18.1 billion in 2025 to RMB46.3 billion in 2030, with a CAGR of 20.7% from 2025 to 2030. In particular, AI data centers, as the core carriers of computing-power infrastructure, are expanding rapidly in market size. As demand for AI data centers is increasing significantly, reliance on highly reliable infrastructure has likewise increased and, in turn, has driven robust growth in demand for power generator engines. According to Frost & Sullivan, the size of the global market of power generator engines for data centers is expected to grow from approximately RMB38.2 billion in 2025 to RMB107.3 billion in 2030, with a CAGR of 22.9% from 2025 to 2030.

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SUPPLY CHAIN

We primarily procure components for our production of engines and power generator sets. The key components procured by us include principally cylinder block rough castings, cylinder head rough castings, crankshafts, camshafts, pistons, connecting rods, turbochargers, fuel injection pumps, fuel injectors and water pumps. To complement our product portfolio and meet customer demand, we also procure finished engines and power generator sets for sales to our customers.

Our suppliers are primarily providers of components and engines and OEMs of power generator sets based in China. We carefully select our suppliers and require them to satisfy various assessment criteria. All potential suppliers must pass our internal supplier admission standard before entering into our qualified supplier list. We also carry out regular reviews of qualified suppliers.

In FY2023, FY2024, FY2025 and 1H2026, purchases from our five largest suppliers in each year/period amounted to RMB1,328.3 million, RMB1,585.9 million, RMB2,327.4 million and RMB1,649.9 million, representing 47.4%, 44.4%, 40.9% and 42.0% of our total purchase amount, respectively.

SALES AND CUSTOMERS

We have established both a national and international sales and service network and dedicated sales teams to serve our customers globally. As of June 30, 2026, our sales and service network consisted of our headquarters, 13 regional sales centers in major geographic regions in China and five overseas business divisions for covering Europe, Middle East, Africa, Asia and South America.

Our sales model combines direct sales and distribution channels. We primarily market and sell power generator engines directly to OEMs who assemble our engines into power generator sets and sell to end users. We also market and sell power generator sets directly to end users, including leading internet technology companies and telecommunication operators. To a lesser extent, we directly sell our marine engines to OEMs. We primarily sell marine engines and, to a lesser extent, power generator engines and power generator sets through the established networks of our distributors across China and overseas. Our distributors are primarily mechanical and electrical companies and trading companies with established local customer bases.

In FY2023, FY2024, FY2025 and 1H2026, sales to our five largest customers in each year/period amounted to RMB1,088.7 million, RMB1,135.8 million, RMB2,118.7 million and RMB1,795.3 million, representing 33.6%, 28.4%, 34.4% and 39.9% of our total revenue, respectively.

CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, our Company was owned as to approximately 93.46% by GYMCL, and approximately 6.54% by the Limited Partnership Platforms which have been acting in concert with GYMCL based on their respective partnership agreements. Immediately following the completion of the [REDACTED] (assuming no exercise of the [REDACTED]), GYMCL will hold approximately [REDACTED]% of the total issued share capital of our Company.

As of the Latest Practicable Date, GYMCL was owned as to 76.41% by CYI through six intermediate holding companies, all of which are wholly-owned by CYI, including HLTS, Earnest Assets, Cathay Diesel Holdings, Tsang & Ong, GSGH, and Youngstar. CYI, whose shares are listed on NYSE, was held as to 31.21% by public shareholders, 20.09% by GY Entities, and 48.70% by HLA (whose shares are listed on the Singapore Stock Exchange) through Hong Leong (China) Limited, HL Technology Systems Pte. Ltd. and Well Summit Investments Limited. In addition, HLA beneficially owns a special share in CYI through its subsidiary that entitles it to elect a majority of directors in CYI and no shareholders' resolution may be passed without the affirmative vote of the special share. As of the Latest Practicable Date, HLA was directly and indirectly (through Starich Investments) held as to 70.52% by HLCH; and HLCH was in turn directly and indirectly (through HLE) 100% owned by HLIH, being the ultimate holding company of HLA.

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Immediately following the completion of the [REDACTED], GYMCL, HLTS, Earnest Assets, Cathay Diesel Holdings, Tsang & Ong, GSGH, Youngstar, CYI, HL Technology Systems Pte. Ltd., Hong Leong (China) Limited, Well Summit Investments Limited, HLA, HLCH, Starich Investments, HLIH, HLE, and the Limited Partnership Platforms will constitute a group of Controlling Shareholders under the Listing Rules.

See “Relationship with Our Controlling Shareholders” in this document for further details.

Transactions with the Related Parties

During the Track Record Period, we entered into various transaction and business dealings with the Related Parties, i.e., GY Entities, GYMCL Related Parties and MTU Yuchai, and the Related Parties were our suppliers and customers. In FY2023, FY2024, FY2025, 1H2025 and 1H2026, (i) our revenue from the Related Parties amounted to RMB822.6 million, RMB758.8 million, RMB614.3 million, RMB275.3 million and RMB306.8 million, representing 25.4%, 19.0%, 10.0%, 9.2% and 6.8% of our total revenue, respectively, and (ii) our purchases from the Related Parties amounted to RMB1,136.1 million, RMB1,397.8 million, RMB1,938.3 million, RMB875.9 million and RMB1,238.2 million, representing 40.5%, 39.2%, 34.1%, 24.2% and 31.5% of our total purchase amount, respectively. See “Business — Transactions with the Related Parties” and “Business — Supply Chain — Suppliers” in this document for further details.

CONNECTED TRANSACTIONS

We have entered into, and are expected to continue, certain transactions with our Controlling Shareholder, GYMCL and its associates (excluding our Group) that will constitute non-exempt continuing connected transactions of our Company under the Listing Rules upon the [REDACTED]. Accordingly, we have applied to the Stock Exchange for and the Stock Exchange [has granted], waivers in relation to certain continuing connected transactions between us and certain connected persons under Chapter 14A of the Listing Rules. See “Connected Transactions” in this document.

OUR STRENGTHS

We believe the following competitive strengths have contributed to our success and differentiate us from our competitors.

- Leading power generation solution provider in China
- Comprehensive and competitive product portfolio
- Systematic, proprietary and forward-looking R&D capabilities
- Engineering excellence across the entire value chain
- Extensive sales and service network and expanding global footprint
- Visionary management team with proven track record of innovation

See “Business — Our Competitive Strengths” in this document.

OUR STRATEGIES

We intend to pursue the following strategies to further grow our business.

- Deepen penetration in core applications to solidify market leadership
- Enrich product portfolio to cover full-scenario power demands
- Fortify technological R&D to consolidate core technological barriers
- Expand production capacity and optimize supply chain to strengthen operational support
- Accelerate global footprint expansion and construct an end-to-end global service network

See “Business — Our Strategies” in this document.

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SUMMARY KEY FINANCIAL INFORMATION

Summary of Our Consolidated Statements of Profit or Loss

The table below sets forth a summary of our consolidated statements of profit or loss for the years/ periods indicated derived from the Accountants’ Report included in Appendix I to this document.

	FY2023		FY2024		FY2025		1H2025		1H2026	
	RMB’000	% of Revenue	RMB’000	% of Revenue	RMB’000	% of Revenue	RMB’000 (unaudited)	% of Revenue	RMB’000	% of Revenue
Revenue	3,239,008	100.0	3,999,796	100.0	6,150,439	100.0	2,978,116	100.0	4,494,381	100.0
Cost of sales	(2,513,481)	(77.6)	(3,063,374)	(76.6)	(4,620,895)	(75.1)	(2,285,595)	(76.7)	(3,264,334)	(72.6)
Gross profit	725,527	22.4	936,422	23.4	1,529,544	24.9	692,521	23.3	1,230,047	27.4
Other income and gains	19,660	0.6	36,994	0.9	66,050	1.1	46,984	1.6	12,772	0.3
Research and development expenses	(211,962)	(6.5)	(285,472)	(7.1)	(362,368)	(5.9)	(176,651)	(5.9)	(188,636)	(4.2)
Selling and distribution expenses	(106,683)	(3.3)	(116,799)	(2.9)	(190,513)	(3.1)	(69,081)	(2.3)	(104,345)	(2.3)
Administrative expenses	(59,938)	(1.9)	(64,544)	(1.6)	(112,433)	(1.8)	(32,935)	(1.1)	(58,692)	(1.3)
Other expenses	(1,357)	(0.1)	(2,348)	(0.1)	(16,289)	(0.3)	(2,793)	(0.1)	(12,185)	(0.3)
Finance costs	(11,098)	(0.3)	(7,548)	(0.2)	(9,895)	(0.2)	(4,764)	(0.2)	(4,276)	(0.1)
Share of profits of a joint venture	75,060	2.3	86,112	2.2	102,775	1.7	57,047	1.9	83,104	1.8
Profit before tax	429,209	13.2	582,817	14.6	1,006,871	16.4	510,328	17.1	957,789	21.3
Income tax expenses	(33,328)	(1.0)	(47,001)	(1.2)	(129,714)	(2.1)	(62,709)	(2.1)	(131,462)	(2.9)
Profit for the year/period	395,881	12.2	535,816	13.4	877,157	14.3	447,619	15.0	826,327	18.4

During the Track Record Period, we experienced significant growth in our operating results. We recorded revenue of RMB3,239.0 million, RMB3,999.8 million, RMB6,150.4 million, RMB2,978.1 million and RMB4,494.4 million, for FY2023, FY2024, FY2025, 1H2025 and 1H2026, respectively. Our gross profit was RMB725.5 million, RMB936.4 million, RMB1,529.5 million, RMB692.5 million and RMB1,230.0 million, respectively, for FY2023, FY2024 and FY2025, 1H2025 and 1H2026, and our net profit was RMB395.9 million, RMB535.8 million, RMB877.2 million, RMB447.6 million and RMB826.3 million, respectively, for FY2023, FY2024, FY2025, 1H2025 and 1H2026.

During the Track Record Period, we generated our revenue mainly from sales of products in Chinese mainland. The following table sets forth a breakdown of our revenues by region for the years/ periods indicated:

	FY2023		FY2024		FY2025		1H2025		1H2026	
	RMB’000	%	RMB’000	%	RMB’000	%	RMB’000 (unaudited)	%	RMB’000	%
Chinese mainland	3,118,778	96.3	3,785,372	94.6	5,814,524	94.5	2,872,514	96.5	4,261,542	94.8
Overseas ⁽¹⁾	120,230	3.7	214,424	5.4	335,915	5.5	105,602	3.5	232,839	5.2
Total	3,239,008	100.0	3,999,796	100.0	6,150,439	100.0	2,978,116	100.0	4,494,381	100.0

Note:

- (1) Our overseas revenue in the Track Record Period was primarily generated from Asia, Middle East, Europe and Africa.

During the Track Record Period, our costs of sales increased in line with the growth in our revenue. Our cost of sales consists of (i) costs of materials and components, primarily representing costs to procure engine components, such as cylinder block rough castings, cylinder head rough castings, fuel injectors and crankshafts, and externally sourced finished engines and finished power generator sets, (ii) staff costs, (iii) warranty expenses, (iv) impairment loss on inventory, (v) depreciation expenses, and (vi) others, primarily consisting of shipping, packaging and warehousing costs. See “Financial Information — Description of Major Components of Consolidated Statements of Profit or Loss” in this document for further details.

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Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less cost of sales, and our gross profit margin represents our gross profit divided by our revenue, expressed as a percentage. The following table sets forth a breakdown of our gross profit and gross profit margin by product type for the periods indicated.

	FY2023		FY2024		FY2025		1H2025		1H2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
							(unaudited)			
Power generator engines	560,933	22.8	745,397	24.4	1,096,463	26.0	463,319	23.7	887,097	29.3
Large engines	217,333	25.5	415,532	30.2	786,028	33.9	306,126	29.8	701,928	38.8
Heavy-duty engines	315,013	33.4	275,999	31.9	245,946	27.1	127,222	29.3	138,274	25.9
Medium- to light-duty engines	28,587	4.3	53,866	6.6	64,489	6.5	29,971	6.1	46,895	6.8
Marine propulsion and auxiliary Engines	124,854	25.9	124,312	26.1	148,180	22.5	58,767	21.7	88,701	23.5
Power generator sets	7,732	6.7	5,396	4.8	185,499	44.0	118,301	41.6	193,019	33.2
Engine components and others	32,008	17.2	61,317	17.2	99,402	11.6	52,134	11.1	61,230	12.2
Total	725,527	22.4	936,422	23.4	1,529,544	24.9	692,521	23.3	1,230,047	27.4

Summary of Our Consolidated Balance Sheets

The following table sets forth selected information from our consolidated statements of financial position as of the dates indicated.

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Total non-current assets	763,773	844,152	1,041,425	1,054,849
Total current assets	3,187,779	4,110,526	6,285,055	7,826,261
Total assets	3,951,552	4,954,678	7,326,480	8,881,110
Total current liabilities	2,619,463	3,189,460	5,023,874	5,751,934
Net current assets	568,316	921,066	1,261,181	2,074,327
Total non-current liabilities	16,434	24,798	94,049	82,770
Total liabilities	2,635,897	3,214,258	5,117,923	5,834,704
Net assets	1,315,655	1,740,420	2,208,557	3,046,406

Our net assets increased from RMB1,315.7 million as of December 31, 2023 to RMB1,740.4 million as of December 31, 2024, primarily attributable to net profit of RMB535.8 million in FY2024, capital contributions of RMB82.9 million and share-based payment expenses of RMB5.6 million, partially offset by our dividend payment of RMB200.0 million. Our net assets further increased to RMB2,208.6 million as of December 31, 2025, primarily attributable to net profit of RMB877.2 million in FY2025, share-based payment expenses of RMB10.8 million and capital contribution from the non-controlling shareholder of RMB6.3 million, partially offset by our dividend payment of RMB425.0 million and consolidation of share incentive scheme related shareholding platforms under common control of RMB61.7 million. Our net assets further increased to RMB3,046.4 million as of June 30, 2026, primarily attributable to net profit of RMB826.3 million in 1H2026, capital contribution from the non-controlling shareholder of RMB6.3 million and share-based payment expenses of RMB2.9 million.

Summary of Our Consolidated Statement of Cash Flows

The following table sets forth our selected cash flow data for the periods indicated.

	FY2023	FY2024	FY2025	1H2025	1H2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Net cash flows generated from/(used in) operating activities	398,602	453,382	1,220,396	573,413	(147,537)
Net cash flows (used in)/generated from investing activities	(38,978)	(98,424)	(73,933)	22,353	(62,171)
Net cash flows (used in)/generated from financing activities	(24,351)	(200,426)	(488,387)	23,367	(20,067)
Net increase/(decrease) in cash and cash equivalents	335,273	154,532	658,076	619,133	(229,775)
Cash and cash equivalents at beginning of year/period	394,693	730,071	885,866	885,866	1,545,192
Effect of foreign exchange rate changes, net	105	1,263	1,250	2,312	(1,630)
Cash and cash equivalents at end of year/period	730,071	885,866	1,545,192	1,507,311	1,313,787

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Key Financial Ratios

The following table sets forth our selected financial indicators for the periods and as of the dates indicated.

	Year ended/As of December 31,			Six months ended/ As of June 30,
	2023	2024	2025	2026
Gross profit margin	22.4%	23.4%	24.9%	27.4%
Net profit margin	12.2%	13.4%	14.3%	18.4%
Current ratio ⁽¹⁾	1.2	1.3	1.3	1.4
Quick ratio ⁽²⁾	0.7	0.8	0.8	0.9
Debt-to-asset ratio ⁽³⁾	66.7%	64.9%	69.9%	65.7%

Notes:

- (1) Current ratio is calculated by dividing current assets by current liabilities as of the end of the year/period.
- (2) Quick ratio is calculated by dividing current assets minus inventories by current liabilities as of the end of the year/period.
- (3) Debt-to-asset ratio, expressed as a percentage, is calculated by dividing total liabilities by total assets as of the end of the year/period and then multiplied by 100%.

KEY RISK FACTORS

Our business and the [REDACTED] involve certain risks, many of which are beyond our control. For details, see “Risk Factors” in this document. A summary of key risk factors is set forth below.

- Our performance is subject to the fluctuations of demands for our products from end-users in the downstream sectors we serve. Slowdown in the growth of these downstream sectors could adversely affect our business, financial condition and results of operations.
- We have, and will continue to have, significant business relationships with the Related Parties. Any material changes in our relationships with the Related Parties would have a material adverse impact on our business, financial condition and results of operations.
- Our technologies and products may become obsolete. If we are unable to continually improve our existing technologies and products, develop new technologies and products or successfully enter other markets, we may lose our competitiveness.
- Our R&D efforts may not yield the results as expected, and we may fail to maintain and grow our R&D capability.
- Failure to maintain effective control over the quality of our products could adversely affect our reputation and brand image, lead to product returns or recalls and product liability claims and result in losses of customers and market share.
- We face intense market competition in our industry, and we may not be successful in effectively competing with our competitors.
- We depend on and expect to continue to depend on our major customers for a significant percentage of our sales.
- We have a limited history as an independently operated company, and our historical growth rate may not be indicative of our future performance.

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- Our financial condition, results of operations, business or prospects may be adversely affected to the extent we are unable to continue our sales growth and business expansion.
- We may not be able to continue to use the “Yuchai” trademarks, or ensure the continued strength of the “Yuchai” trademarks

See “Risk Factors” in this document for further details.

DIVIDEND

During the Track Record Period, we declared and paid a dividend of RMB200.0 million and RMB425.0 million in FY2024 and FY2025, respectively. We currently do not have any specific dividend policy nor any predetermined dividend payout ratio. The declaration of and payment of any dividend in the future will be determined by our Directors and subject to our Articles of Association, the PRC Company Law and other applicable laws and regulations, and may be based on a number of factors, including our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our Directors may deem relevant. Regulations in the PRC currently permit payment of dividends of a PRC company only out of accumulated distributable after-tax profits less any recovery of accumulated losses and appropriations to statutory and other reserves that it is required to make, as determined in accordance with its articles of association and the accounting standards and regulations in China. There is no assurance that dividends of such amount or any amount will be declared or distributed by us in any year.

[REDACTED] STATISTICS

The [REDACTED] constitutes a [REDACTED] from HLA, which is a Controlling Shareholder of ours and whose shares are listed on the Singapore Stock Exchange. Based on HLA’s submissions and representations, the Singapore Stock Exchange advised on December 5, 2025 that it had no comments on the [REDACTED] of our Company. CYI, a subsidiary of HLA and a Controlling Shareholder of ours, has its shares listed on the NYSE. CYI is not required to obtain approval or consent from the U.S. Securities and Exchange Commission or the NYSE in connection with the [REDACTED]. Additionally, no approval from the shareholders of CYI and/or HLA is required for the [REDACTED] and the [REDACTED].

The statistics in the following table are based on the assumption that (i) the [REDACTED] has been completed and [REDACTED] [REDACTED] are [REDACTED] 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]
[REDACTED] of our H Shares ⁽¹⁾	HK\$[REDACTED]	HK\$[REDACTED]
Unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at June 30, 2026 ⁽²⁾	HK\$[REDACTED]	HK\$[REDACTED]

Notes:

- (1) The calculation of [REDACTED] is based on the assumption that [REDACTED] H Shares expected to be in issue immediately following the completion of the [REDACTED] (including [REDACTED] H Shares to be converted from Unlisted Shares and [REDACTED] new H Shares to be issued under the [REDACTED], and assuming the [REDACTED] is not exercised).
- (2) The unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share are arrived at after adjustments referred to in “Appendix II — Unaudited [REDACTED] Financial Information” in this document.

SUMMARY

FUTURE PLANS AND [REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED] (after deducting the [REDACTED] fees and [REDACTED] and estimated expenses payable by us in connection with the [REDACTED], and assuming the [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the [REDACTED] of the [REDACTED] of HK\$[REDACTED] to HK\$[REDACTED] per Share and assuming the [REDACTED] is not exercised).

We intend to use the [REDACTED] that we will receive from [REDACTED] for the following purposes:

1. approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be allocated to the construction of two machining lines and two assembly and testing lines;
2. approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used for the enhancement of existing product series and research and development of four new product series;
3. approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used for strategic investments in, or acquisitions of, business opportunities in companies or entering into joint venture with companies within the engine manufacture industry and/or our core component supply chain; and
4. approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used for working capital and general corporate purposes.

See “Future Plans and [REDACTED] — [REDACTED]” in this document for further information.

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, [REDACTED], and other fees incurred in connection with the [REDACTED]. The estimated total [REDACTED] expenses (based on the mid-point of the [REDACTED] and assuming that the [REDACTED] is not exercised) for the [REDACTED] are approximately RMB[REDACTED] (equivalent to approximately HK\$[REDACTED]), accounting for approximately [REDACTED]% of our gross [REDACTED]. The estimated total [REDACTED] expenses consist of (i) [REDACTED]-related expenses (including but not limited to [REDACTED] and fees) of approximately RMB[REDACTED] (approximately HK\$[REDACTED]), and (ii) non-[REDACTED] related expenses of approximately RMB[REDACTED] (approximately HK\$[REDACTED]), which consist of fees and expenses of legal advisors and Reporting Accountants of approximately RMB[REDACTED] (approximately HK\$[REDACTED]), and other fees and expenses of approximately RMB[REDACTED] (approximately HK\$[REDACTED]). During the Track Record Period, RMB[REDACTED] had been recognized as [REDACTED] expenses in our consolidated statements of profit or loss. We expect to incur [REDACTED] expenses of approximately RMB[REDACTED] (equivalent to approximately HK\$[REDACTED]) which is expected to be charged in profit or loss subsequent to the Track Record Period. Approximately RMB[REDACTED] (equivalent to HK\$[REDACTED]) of the estimated [REDACTED] expenses is directly attributable to the [REDACTED] of [REDACTED] and will be recognized as a deduction in equity directly upon the [REDACTED]. This calculation is subject to adjustments based on the actual amount incurred or to be incurred.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Since the end of the Track Record Period, we have continued to advance our business development initiatives by pursuing the R&D of new engine series and performance enhancement of our existing products.

Our Directors have confirmed that there has been no material adverse change in our financial or trading position or prospects since June 30, 2026, being the end date of our latest consolidated financial statements as set out in the Accountants’ Report included in Appendix I to this document, and up to the date of this document.