SANY HEAVY INDUSTRY CO., LTD.
三一重工股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6031)

ANNOUNCEMENT
ADOPTION OF THE CHINA ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES (CASBE) FOR THE PREPARATION OF FINANCIAL REPORTS ON A UNIFORM BASIS
AND
PROPOSED TERMINATION OF APPOINTMENT OF THE H SHARE FINANCIAL REPORT AUDITOR

This announcement is made by the board (the "**Board**") of directors (the "**Directors**") of SANY Heavy Industry Co., Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.51 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Reference is made to the circular of the Company dated May 11, 2026 for the 2025 annual general meeting ("**2025 AGM**") and the related poll results announcement dated June 2, 2026 (the "**Announcement**"). As disclosed in the Announcement, an ordinary resolution in relation to the re-appointment of Ernst & Young Hua Ming LLP ("**Ernst & Young Hua Ming**") as the Company's domestic audit institution for the year 2026 and the appointment of Ernst & Young ("**Ernst & Young**") as the Company's overseas audit institution for the year 2026 with the term of one year, effective from the date of consideration and approval at the 2025 AGM was duly approved by the shareholders of the Company (the "**Shareholders**").

On June 24, 2026, the Company convened the third meeting of the ninth session of the audit committee of the Board (the "**Audit Committee**") and the tenth meeting of the ninth session of the Board, at which the resolution regarding the adoption of China Accounting Standards for Business Enterprises ("**CASBE**") for the preparation of financial reports on a uniform basis and the proposed termination of appointment of Ernst & Young as the Company's overseas audit institution (the "**H Share Financial Report Auditor**") was considered and approved. Pursuant to the articles of association of the Company, the adoption of CASBE for the preparation of financial reports on a uniform basis need not be submitted to the Company's general meeting for deliberation and have taken effect upon approval by the Board. However, the proposed termination of the appointment of the H Share Financial Report Auditor shall be subject to consideration and approval by the Shareholders at the extraordinary general meeting of the Company to be convened on July 14, 2026.

The details of the aforementioned matters are hereby announced as follows:

ADOPTION OF CASBE FOR THE PREPARATION OF FINANCIAL REPORTS ON A UNIFORM BASIS

The Company is listed on both the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"), and adopts CASBE and International Financial Reporting Standards ("**IFRS**") for the preparation of financial reports and disclosure of relevant financial information, respectively.

Pursuant to Rule 4.11(c) and Rule 19A.31(4) of the Listing Rules, an issuer which is incorporated in Mainland China as a joint stock limited company and listed on the Hong Kong Stock Exchange (the "**PRC issuer**") may adopt CASBE for the preparation of financial statements, and if the PRC issuer's primary listing is on the Hong Kong Stock Exchange, its annual accounts may be audited by a practising accounting firm in the People's Republic of China ("**PRC**") that meets the relevant conditions, provided that the PRC issuer has prepared its annual financial statements in accordance with CASBE. Under the mutual recognition agreement, a practising accounting firm in the PRC recognized by the Ministry of Finance of the PRC and the China Securities Regulatory Commission ("**CSRC**") has been recognized as a suitable auditor or reporting accountant for Mainland incorporated companies listed in Hong Kong, and is a recognized PIE auditor (within the meaning of the Listing Rules) as mentioned in Section 20ZT of the Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong).

In view of the fact that the financial reports prepared in accordance with CASBE and the IFRS have largely converged, the Company proposes to adopt CASBE for the preparation of financial reports and disclosure of related financial information on a uniform basis commencing from the interim report for the period ended June 30, 2026.

IMPACT OF THE ADOPTION OF CASBE FOR THE PREPARATION OF FINANCIAL REPORTS ON A UNIFORM BASIS

The adoption of CASBE for the preparation of financial reports and disclosure of related financial information on a uniform basis will not have any material impact on the results or financial position of the Group, and is in the interests of the Company and its Shareholders as a whole.

PROPOSED TERMINATION OF APPOINTMENT OF THE H SHARE FINANCIAL REPORT AUDITOR

Ernst & Young is currently the H Share Financial Report Auditor for the Company that provides audit services in respect of the Company's financial reports prepared in accordance with the IFRS for a term commencing from the date of consideration and approval at the Company's 2025 AGM held on June 2, 2026 to the conclusion of the 2026 annual general meeting. In view of the Company's proposed adoption of CASBE for the preparation of financial reports on a uniform basis and the fact that Ernst & Young Hua Ming, the Company's domestic financial report auditor, has been recognized by the Ministry of Finance of the PRC and the CSRC as eligible for providing audit service to issuers incorporated in Mainland China and listed in Hong Kong using the auditing standards of Mainland China. Therefore, the Company proposes to terminate the appointment of Ernst & Young as the H Share Financial Report Auditor of the Company and to appoint Ernst & Young Hua Ming, the domestic auditor, as the H Share Financial Report Auditor of the Company.

Following preliminary discussions with Ernst & Young Hua Ming and Ernst & Young, taking into account the proposed termination of appointment of Ernst & Young, the Company's current business conditions, scope of consolidated financial statements, the estimated remaining audit workload for 2026 and prevailing market fee levels, the total audit fees for financial statements and internal control services for 2026 are estimated to be adjusted to approximately RMB4.2 million. Should there be any material changes to the Company's business operations or consolidation scope, the audit fees will be adjusted accordingly based on actual circumstances.

Ernst & Young has confirmed that there is no matter relating to the termination of the appointment of the H Share Financial Report Auditor that should be brought to the attention of the holders of the Company's securities. There is no disagreement between the Company and Ernst & Young regarding the termination of the appointment of the H Share Financial Report Auditor .

Subject to approval at the Company's first extraordinary general meeting in 2026, Ernst & Young Hua Ming, the domestic auditor, will be the sole audit firm of the Company to audit the financial reports of the Company in accordance with CASBE, and will concurrently undertake the responsibilities as the audit institution for both the Company's A-Share and H-Share financial reports.

OPINIONS OF THE AUDIT COMMITTEE AND THE BOARD

All members of the Audit Committee and all Directors agree that, given the substantial convergence between CASBE and IFRS, and the support from the relevant policy documents for PRC enterprises to adopt CASBE for the preparation of H-share financial reports, the uniform adoption of these standards is conducive to enhancing the efficiency of information disclosure and reducing preparation costs, and will not have any material adverse impact on the authenticity and accuracy of the financial reports and investors' decision-making. It is therefore unanimously agreed that commencing from the interim report for the period ended June 30, 2026, the Company will uniformly adopt CASBE to prepare financial reports and disclose relevant financial information, and will no longer separately engage an overseas financial report auditor.

GENERAL

An extraordinary general meeting will be convened by the Company on July 14, 2026 to consider and, if thought fit, approve the foresaid matters. A circular containing, among others, details of the proposed termination of appointment of the H Share Financial Report Auditor will be dispatched to the Shareholders in due course.

By order of the Board
SANY Heavy Industry Co., Ltd.
XIANG Wenbo
Executive Director and Chairman of the Board

Hong Kong, the PRC
June 24, 2026

As at the date of this announcement, the Board comprises: (i) Mr. XIANG Wenbo and Mr. YU Hongfu as executive directors; (ii) Mr. LIANG Wengen, Mr. LIANG Zaizhong and Mr. LIU Daojun as non-executive directors and (iii) Mr. WU Zhongxin, Ms. XI Qing and Mr. LAM Yuk Kun Lawrence as independent non-executive directors.