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Dajin Heavy Industry Co., Ltd.

大金重工股份有限公司

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

(Stock Code: 1081)

ANNOUNCEMENT ON ACCOUNTING POLICY CHANGES

The changes in accounting policies are made by Dajin Heavy Industry Co., Ltd. (the “**Company**”) in accordance with the relevant requirements of the “Interpretation No. 20 of the Accounting Standards for Business Enterprises” issued by the Ministry of Finance of the People’s Republic of China (the “**MOF**”). The changes in accounting policies are not required to be submitted to the board (the “**Board**”) of directors or the shareholders’ general meeting of the Company for consideration and approval, and will not have any material impact on the financial position, results of operations or cash flows of the Company. Details are set out below.

I. OVERVIEW ON THE CHANGES IN ACCOUNTING POLICIES

(I) Reasons for and Date of the Changes in Accounting Policies

In June 2026, the MOF issued the “Notice on the Release of the ‘Interpretation No. 20 of the Accounting Standards for Business Enterprises’” (Cai Kuai [2026] No. 7), stipulating that amongst others, the following provisions shall be implemented from the date of promulgation of the said interpretation: the “assessment of contractual cash flow characteristics of financial assets” and the “accounting treatment and related disclosures where a currency lacks exchangeability”. For new transactions falling within the scope of the said interpretation entered into from January 1, 2026 to the effective date of the said interpretation, an enterprise shall make adjustments in accordance with the said interpretation.

As a result of the issuance of the above interpretation, the Company is required to change its accounting policies accordingly. The Company will implement the above amended accounting policies from the effective date of the said interpretation, being the date of its promulgation.

(II) Accounting Policies Adopted Before the Changes

Prior to the changes in accounting policies, the Company had implemented the “Accounting Standards for Business Enterprises – Basic Standards” and various specific accounting standards, the application guidelines for the Accounting Standards for Business Enterprises, the announcement on the Interpretation of the Accounting Standards for Business Enterprises and other relevant requirements issued by the MOF.

(III) Accounting Policies Adopted After the Changes

After the changes in accounting policies, the Company will implement the provisions of the “Interpretation No. 20 of the Accounting Standards for Business Enterprises” issued by the MOF. Other unchanged provisions will still be implemented in accordance with the “Accounting Standards for Business Enterprises – Basic Standards” and various specific accounting standards, the application guidelines for the Accounting Standards for Business Enterprises, the announcement on the Interpretation of the Accounting Standards for Business Enterprises and other relevant requirements previously issued by the MOF.

II. IMPACT OF THE CHANGES IN ACCOUNTING POLICIES ON THE COMPANY

The changes in accounting policies are changes made by the Company in accordance with the relevant requirements of the MOF. The revised accounting policies can objectively and fairly reflect the financial position and operating results of the Company, and comply with the relevant laws and regulations and the actual circumstances of the Company. The changes in accounting policies will not have any material impact on the financial position, results of operations and cash flows of the Company, do not involve any retrospective adjustments to prior years, and will not harm the interests of the Company or its shareholders.

By order of the Board
Dajin Heavy Industry Co., Ltd.
Mr. JIN Xin
Chairman of the Board and Executive Director

Hong Kong, August 21, 2026

As of the date of this announcement, the Board of the Company comprises: (i) Mr. JIN Xin, Mr. SUN Xiaole, Ms. LIU Aihua, Mr. LI Xin and Mr. JIANG Haitao as executive Directors; and (ii) Mr. CAI Meng, Mr. QU Guangjie, Ms. ZHANG Wei and Ms. LU Qiannan as independent non-executive Directors.