

Dajin Heavy Industry Co., Ltd.

Annual Report 2023(Summary)

April 2024

Annual Report 2023

Section I Important Reminders, Contents and Definitions

The Board of Directors, the Board of Supervisors, directors, supervisors and senior executives of the Company guarantee that the contents of this annual report are true, accurate and complete, free from false records, misleading statements or major omissions, and bear individual and joint legal liabilities.

Jin Xin, the person in charge of the Company, Liu Aihua, the person in charge of accounting and Bai Xinhong, the principal of accounting firm (chief accountant) declare that the financial information in the financial report of the annual report is true, accurate and complete.

All directors have attended the Board of Directors meeting at which this report was deliberated.

Forward-looking statements such as future business plans and business objectives of the Company in this report do not represent the Company's profit forecasts, nor do they constitute the Company's substantive commitment to investors, so investors are advised to pay attention to investment risks.

The profit distribution plan approved by the Board of Directors of the Company is as follows: on the basis of 637,749,349 shares, a cash dividend of CNY1.82 (tax included) will be paid to all shareholders for every 10 shares; 0 bonus shares (tax included) will be given, and the reserved funds will not be converted into additional capital.

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Contents of Reference Documents

I. Financial statements signed and sealed by the legal representative, the accounting supervisor and the principal of accounting firm (person in charge of accounting).

II. Original audit reports sealed by the accounting firm and signed and sealed by registered accountants.

III. Originals of all the Company's documents and announcements and that have been publicly disclosed during the reporting period.

IV. Other relevant data.

Definitions

Item	refers to	Definition description
The Company, Company, Dajin Heavy Industry	refers to	Dajin Heavy Industry Co., Ltd.
Reporting period	refers to	January 1, 2023 to December 31, 2023
CSRC	refers to	China Securities Regulatory Commission
SZSE	refers to	Shenzhen Stock Exchange
Controlling shareholder, Fuxin Jinyin	refers to	Fuxin Jinyin Energy Consultation Co., Ltd.
Actual controller	refers to	Jin Xin
Penglai Dajin, Penglai Base	refers to	Penglai Dajin Offshore Heavy Industry Co., Ltd.
Zhangwu Xiliujiazi	refers to	Zhangwu Xiliujiazi Power New Energy Co., Ltd.
Panjin Dajin	refers to	Panjin Dajin Offshore Engineering Co., Ltd
Zhangjiakou Dajin	refers to	Zhangjiakou Dajin Wind Power Equipment Co., Ltd.
Articles of Association	refers to	Articles of Association of Dajin Heavy Industry Co., Ltd.
CNY	refers to	Chinese Yuan
Rules Governing the Listing of Stocks	refers to	Rules Governing the Listing of Stocks on Shenzhen Stock Exchange
Standardized Operation	refers to	Self-regulatory Guidelines No. 1 for Companies Listed on Shenzhen Stock Exchange - Standardized Operation of Companies Listed on the Main Board

Any difference of mantissa between the total value and the sum of items in this report is due to rounding.

Section II Company Profile and Main Financial Indicators

I. Company Information

Stock abbreviation	Dajin Heavy Industry	Stock code	002487
Stock abbreviation before change (if any)	No		
Stock Exchange where the stocks are listed	Shenzhen Stock Exchange		
Chinese name of the Company	Dajin Heavy Industry Co., Ltd.		
Chinese abbreviation of the Company	Dajin Heavy Industry		
English name of the Company (if any)	Dajin Heavy Industry Co., Ltd.		
English abbreviation of the Company (if any)	DHI		
Legal representative of the Company	Jin Xin		
Registered address	No. 155, Xinqiu Street, Xinqiu District, Fuxin City		
Postal code of registered address	123005		
Change history of the Company's registered address	No		
Office address	Room 1102, East Tower, China Overseas Plaza, Building 7, Courtyard 8, West Binhe Road, Yongdingmen, Dongcheng District, Beijing		
Postal code of office address	100077		
Company website	https://www.dajin.cn/		
Tel	010-57837708		
E-mail	stock@dajin.cn		

II. Main Accounting Data and Financial Indicators

Whether the Company is required to retroactively adjust or restate prior years' accounting data

Yes No

	2023	2022	Increase or decrease from the previous year	2021
Operating income (CNY)	4,325,081,969.61	5,106,113,624.27	-15.30%	4,431,981,035.44
Net profit attributable to shareholders of the listed company (CNY)	425,157,196.53	450,276,514.14	-5.58%	577,402,207.90
Net profits attributable to shareholders of the listed company, net of non-recurring gains or losses (CNY)	367,840,006.15	417,177,669.27	-11.83%	562,168,587.48
Net cash flow from operating activities (CNY)	808,698,823.80	112,200,514.84	620.76%	21,223,949.62

Basic EPS (CNY/share)	0.67	0.80	-16.25%	1.04
Diluted EPS (CNY/share)	0.67	0.80	-16.25%	1.04
ROEWA	6.32%	12.94%	Decreased by 6.62%	21.35%
	End of 2023	End of 2022	Increase or decrease from the end of the previous year	End of 2021
Total assets (CNY)	10,224,813,274.51	11,259,103,311.78	-9.19%	6,650,087,927.21
Net assets attributable to shareholders of the listed company (CNY)	6,914,166,614.83	6,507,025,370.64	6.26%	2,998,969,585.64

Section III Discussion and Analysis of the Management

I. Industry Situation of the Company during the Reporting Period

1. The global wind power continued to grow, offering broad growth prospect. In 2023, the global wind power market surpassed the first TW milestone, and by 2030, the annual global new installation capacity target is estimated to increase to 320GW, accumulating a total installed capacity of over 3TW.

According to the Global Wind Energy Council (GWEC), the latest Global Wind Report 2024 released this month indicates a strong growth trend in the global wind power market in 2023, with 54 countries achieving new wind power installations, adding 116.6GW, a record high, representing a 50% growth year-on-year. By the end of 2023, the cumulative global installed capacity of wind power reached 1021GW, surpassing the first TW (1000GW) milestone, a 13% increase year-on-year.

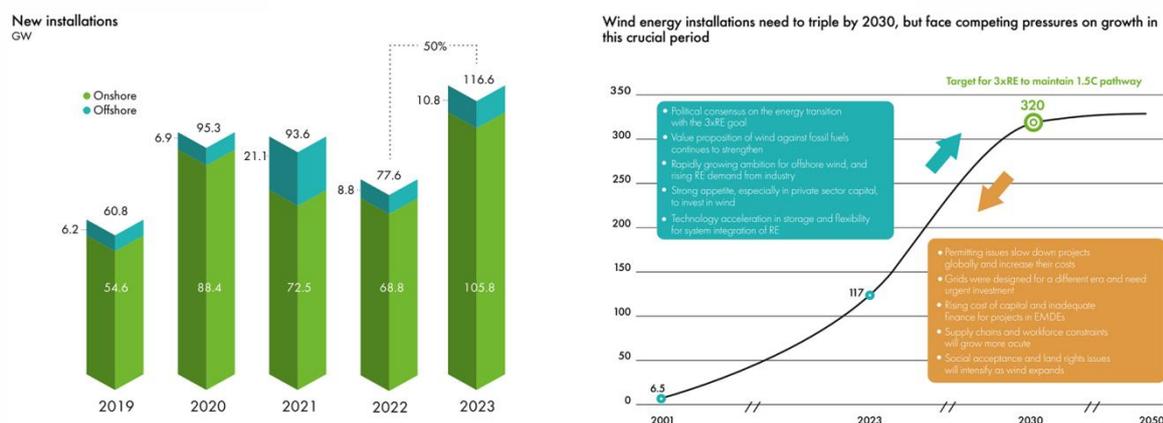


Image source: GWEC Global Wind Energy Report 2024

According to the GWEC Report, to achieve the targets set by COP28, "tripling the global installed capacity of renewable energy power generation by 2030" and "limiting the global warming within 1.5 °C as the pre-industrial level", the wind power sector needs to increase the annual new installed capacity from the current 117GW to at least 320GW by 2030. By 2030, the cumulative global installed capacity of wind power is expected to reach 3.5TW (3500GW). To achieve this goal, the GWEC Report emphasizes and calls for strengthened cooperation in key areas such as investment, supply chain, infrastructure, and public consensus to sustain the growth of wind power.

2. GWEC raised forecast for global installation growth from 2024-2028, projecting a near 10% compound annual growth rate (CAGR) in the next five years.

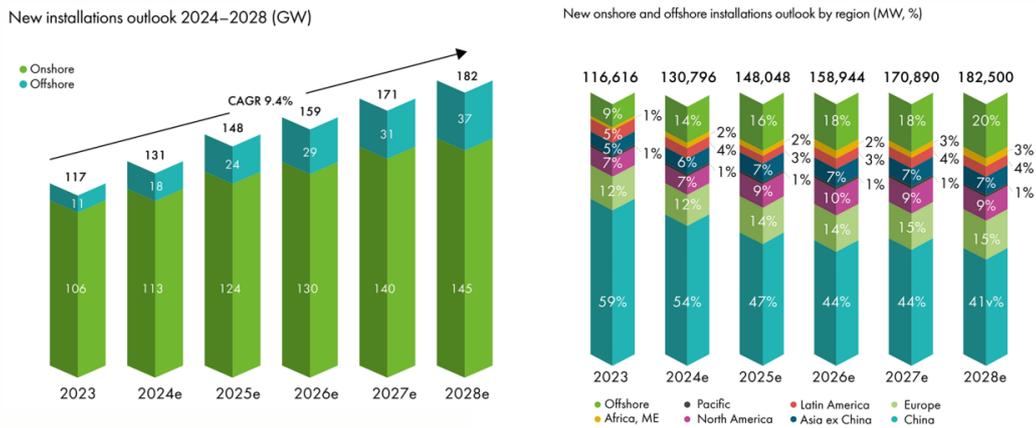


Image source: GWEC Global Wind Energy Report 2024

Although the global installed capacity level in 2023 is the highest on record, to adapt to the global policy environment and the prospects of emerging markets, GWEC Report has revised the growth forecast for 2024-2028, projecting a near 10% CAGR in the next five years. Based on this forecast, the global new installed capacity in 2024 will reach 130GW, with new installed capacity of 791GW over the next five years, averaging 158GW annually.

From 2024 to 2028, the global offshore wind capacity is expected to increase by 138GW, with an annual installed capacity projected at 27.6GW. By 2028, the annual new installed capacity of offshore wind power market is expected to reach 37.1GW, tripling the 2023 figure, and the share of offshore wind power in new global installed capacity will increase from the current 9% to 20%.

3. The CAGR forecast for the global offshore wind power market from 2024 to 2028 will be raised to 28%, up from 14.8% over the past five years. China and Europe will continue to dominate growth in the short term, while the United States and the Asia-Pacific emerging markets will gain substantial market shares starting from 2026.

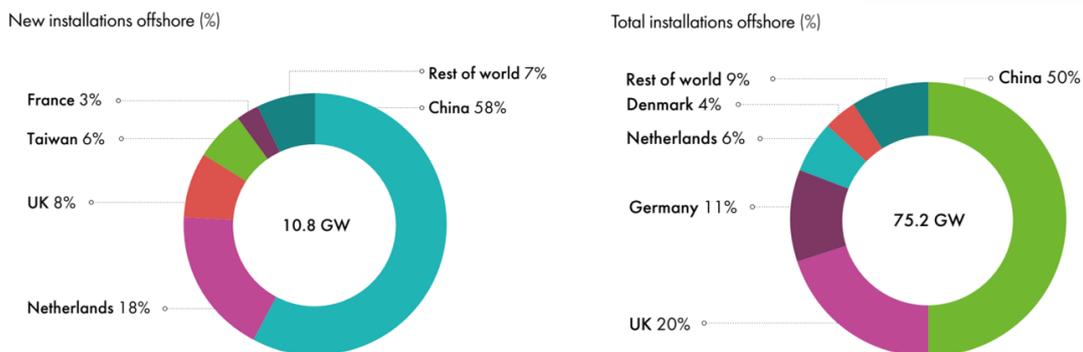


Image source: GWEC Global Wind Energy Report 2024

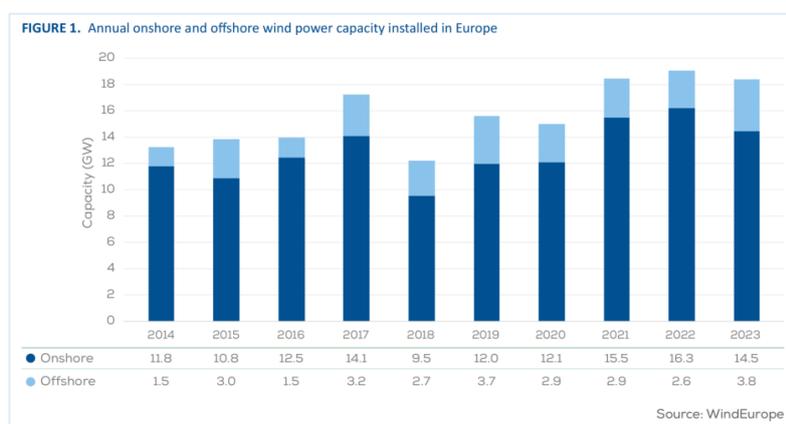
In 2023, the global new installed capacity of offshore wind power reached 10.8GW, a 24% increase year-on-year, making it the second highest year for new installed capacity of offshore wind power. The Chinese market added installed capacity of 6.3GW, and the European market added 3.8GW. By the end of 2023, the global cumulative installed capacity of offshore wind power reached 75.2GW, with the Chinese market at

38GW and the European market at 34.3GW (43% in the UK, 24% in Germany). China and Europe will continue to dominate growth in the short term, expected to exceed 85% of the global market share in 2024-2025.

Emerging markets such as the United States and Asia-Pacific (excluding China) will gain significant market shares from 2026, and by 2028, the annual new installed capacity in regions outside China and Europe may account for more than 20% of the total global installed capacity.

4. By the year 2030, the annual installed capacity of offshore wind power in Europe is projected to reach 31.4 GW, surpassing that of onshore wind power and providing impetus for the growth of the global offshore wind power market.

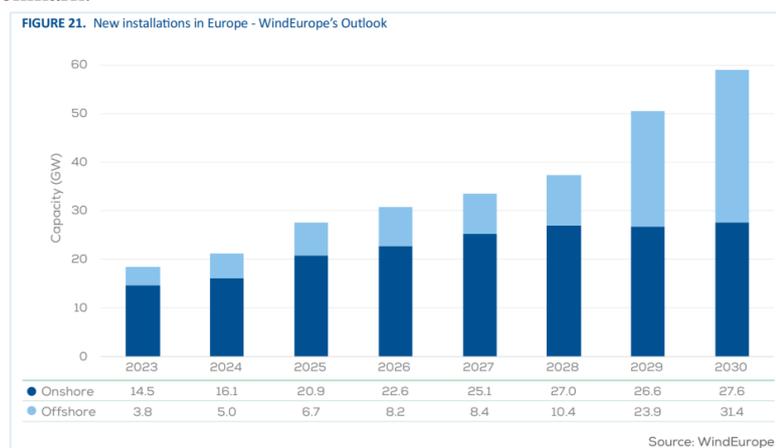
In 2023, the total new installed capacity of wind power in Europe reached 18.3 GW, with that of onshore wind power reaching 14.5 GW and offshore wind power reaching 3.8 GW. The EU27 member countries accounted for 88% of the new installed wind power capacity, with Germany being the largest wind power installation country in Europe, offshore wind power accounting for 21% of the total, and the Netherlands, the UK, France, Denmark, and Norway being the main new offshore wind power installation countries, while non-EU countries like Turkey and Serbia also have considerable new wind power installations.



Wind power installations in Europe (2014-2023)

Image source: Wind energy in Europe: 2023 Statistics and the outlook for 2024-2030

In Europe, more than 42GW of installed offshore wind power capacity is expected to be built from 2024 to 2028, with 44% of the share installed in the UK, 15% in Germany, 11% in Poland, 8% in the Netherlands, 6% in France, and 5% in Denmark.



Wind power installation forecast in Europe (2024-2030)

Image source: Wind energy in Europe: 2023 Statistics and the outlook for 2024-2030

After the break-out of Russia-Ukraine conflict, Europe is accelerating renewable energy development to achieve energy security. According to the report, the new onshore wind power installations in Europe are expected to remain relatively stable, while the new installed capacity of offshore wind power shows a significant increase starting from 2026, especially in 2029 and 2030, when a sharp increase is expected. By 2030, the annual new installed offshore capacity is projected to reach 31.4GW, surpassing onshore wind power.

Starting from 2023, Europe has already begun to turn its ambitious goals into actions. The UK government announced in March 2024 that it would provide £800 million to support offshore wind power in the sixth round of Contracts for Difference allocations (CFD AR6), which is expected to procure around 4-6GW of offshore wind power. According to the GWEC Report, 2024 will be a record year for offshore wind power auctions globally, with more than 60GW of offshore wind power capacity expected to go through the auction and leasing process.

5. Over 80% of global (excluding China) offshore wind power foundations in the next five years will be monopile products; and the global (excluding China) offshore wind power foundations capacity gap is gradually widening from now to 2030.

According to public information, from 2024-2028, monopiles will dominate the offshore wind power foundations market in Europe and other overseas markets, accounting for over 80% of the market share. Although the future wind power foundations is expected to develop to deep sea, with an annual increasing market share for jackets and floating foundations, monopiles will remain the mainstream product for offshore wind power foundations over the next five years.

According to the GWEC 2023 Report, in the 2023-2030 offshore wind energy demand and supply analysis, a capacity shortfall is expected in Europe, Asia-Pacific (excluding China), and North America in the coming years, particularly in Europe after 2027. Currently, the major production capacity of offshore wind power products in major developed economies around the world is concentrated in Europe and the Company, and the capacity fulfillment rate of global offshore wind power foundations (excluding China) is less than 70%.

Europe is projected to add 100GW of new installations from 2024-2030, with a noticeable increase in demand from 2026. Even if major European offshore foundation supplies complete expansion before 2026, the overall capacity fulfillment rate will only maintain at less than 60%, a decline rather than an increase; the expansion rate still cannot meet the pace of market demand growth.

II. The Company's Main Business during the Reporting Period

The Company primarily engages in the production and sales of wind power equipment products and invests in the development, construction, and operation of new energy projects. In the wind power equipment manufacturing sector, the Company mainly produces and sells towers, monopiles, jackets, floating foundations, transition pieces, and other wind power products.

The Company began constructing the Penglai Offshore Base ten years ago and has been actively developing the "second growth curve" in addition to the traditional onshore wind power products, namely the overseas offshore wind equipment. In recent years, this strategic focus has yielded substantial results, with a continuous increase in European orders. This year, the Company entered a new phase of its "Offshore & Overseas Strategy". In response to the high technical standards, high quality requirements, high value-added characteristics of the global offshore wind power market in developed countries, the Company is continuously iterating its market and product offerings, striving to achieve the leading market share in the major developed economies' offshore wind power markets within the next 3-5 years. Simultaneously, the Company is actively planning its "third growth curve" by collaborating with leading international floating foundation solution providers and developing the next generation of floating foundation products. Leveraging the new Panjin Base, the Company is constructing its own ship-building base, organizing its self-owned professional transport fleet, and establishing a global logistics system to become a one-stop product solution provider that integrates production and transportation.

III. Analysis on Core Competitiveness

(1) Strategic first-mover advantage

For over twenty years, the Company has been focusing on the wind power equipment manufacturing industry, pursuing superior markets and higher quality for long-term development. By conducting continuous, prudent, and thorough research on different markets and industrial chain links, the Company has iterated its products and markets ahead of key industry turning points, making strategic decisions that have allowed it to pioneer new markets and products. From the Chinese market to

international markets, and from onshore to offshore wind power products, the Company has maintained strong strategic resolve and execution capabilities.

Since 2019, the Company has successfully entered the European offshore wind power market, making significant progress in marketing services optimization, technological process upgrades, quality control improvements, and transportation scheme design through close collaboration with international customers. Since last year, the Company has won a number of overseas project orders, and is currently the only supplier in the Asia-Pacific region to realize the delivery of offshore products to the European market. Building on the solid foundation of its competitive advantages in the European market, the Company is simultaneously advancing its strategic layout in deep-sea floating foundations and global logistics systems. It has established strategic partnerships with leading global research institutions and logistics scheme design organizations to create new growth curves.

In terms of industrial chain layout, while deploying major domestic offshore bases in Penglai, Tangshan, and Panjin, the Company is actively planning overseas bases in Europe, North America, and Southeast Asia, with a planned global production capacity of over 3 million tons. Based on Europe, the Company is constructing a global strategic marketing system, setting up permanent foreign institutions in Europe, North America, Japan, and Korea, and establishing a marketing service network that covers the major offshore wind development regions worldwide.

(2) Equipment and facilities advantage

As wind turbines become larger and the development of deep-sea areas continues, combined with the high delivery standards required by overseas projects, higher requirements are placed on suppliers regarding site scale, port conditions, and equipment capabilities.

The manufacturing of offshore products requires sufficient production and storage areas close to quays. The company's Penglai Offshore Base has an area of 570,000 square meters specialized in manufacturing offshore towers, monopiles, and jackets, with workshop areas exceeding 200,000 square meters. The Panjin and Tangshan bases under construction cover a larger scale and possess more superior quay infrastructures. Excellent seaport conditions are crucial for transporting wind power equipment globally and supporting the future development of offshore wind power. Penglai Dajin Port, with its deep water and open port qualifications, forms a strong barrier for exporting offshore wind power products. As one of the world's largest offshore wind power base and marshalling port, Penglai Offshore Base has three operational open-access berths, including two 100,000-ton berths and one 35,000-ton wind power installation-specific recessed berth, with natural water depths ranging from 10m to 16m, making it a premium deep-water port in China.

Advanced equipment with excellent processing accuracy and operational stability provides the foundation for delivering high-quality products to customers. After multiple phases of technical upgrades, the Company's Penglai Offshore Base has achieved a leading position in technological processes and equipment upgrades before product iterations. The Base has invested heavily in a full set of advanced equipment, including a 1000-ton gantry crane, imported plate rolling machine, triple-wire welding machine, and automatic milling machine, effectively meeting the higher demands for product quality, production and shipping efficiency required by European offshore wind power projects. Additionally, based on the future ten-year development trends of offshore wind power, the Company has initiated the deployment of more advanced production equipment and facilities in the Tangshan and Panjin Bases to meet higher delivery standards.

(3) Continuous innovation of technical processes in line with international standards

The technical barriers of offshore wind power equipment are gradually increasing, and the ability to tackle process quality challenges combined with technological innovation capacity has become the Company's greatest reliance for international development. As one of the earliest Chinese companies to provide offshore wind power equipment to international customers, the Company has accumulated quality control capabilities that meet international standards to satisfy the high-quality standards and stringent certification systems of international customers.

The Company, as one of the earliest enterprises to provide offshore wind power equipment for overseas, has taken the lead in breaking through numerous process and quality difficulties, realized several breakthroughs from 0 to 1 under the ultra-difficult process level and nearly harsh standard requirements, accumulated unique technical innovation capability, and formed a batch delivery system for executing European offshore projects.

(4) Advantage of high-quality overseas customer resources

Since entering the European offshore wind power market in 2019, the Company has accumulated a portfolio of mainstream European customers through efforts in overseas market development, international customer quality audits, and consistent project delivery. With robust comprehensive competitive capabilities, the Company has positioned itself among the top tier of the global wind power equipment manufacturing industry and established a strong brand reputation. Our products have been exported to over thirty countries and regions, including UK, Germany, France, Japan, South Korea, Vietnam, Italy, Chile, Norway, Finland, India, Canada, and Australia. We have won a reputation for quality and market services through our own excellent product quality and perfect service system. While maintaining our competitive strength in the existing European market, the Company is continuously expanding and gaining new overseas customer certifications in Europe, North America, and Southeast Asia, leading the world in overseas orders in hand.

(5) Advantage of a globalized talent pool

The Company has built a high-quality management team and a skilled industrial workforce with a global perspective through external recruitment and internal training, enhancing our global talent pool. Since 2018, we have developed a local sales team in Europe, now equipped with dozens of experienced sales personnel who closely match the needs of major energy companies and key customers in Europe. Additionally, the Company is building more comprehensive business and management teams in other overseas regions, supporting the effective implementation of our globalization strategy.

IV. Main Business Analysis**1. Overview**

(1) Accelerated overseas deployment and significant increase in overseas business revenue share; export operations now dominated by offshore products.

In 2023, the Company's total export volume grew by over 60% year-on-year, speeding up the process of going overseas, with export products contributing nearly 40% to the total revenue, increasing 23% from nearly 17% in 2022. Export operations were dominated by offshore products, with an annual overseas shipment of nearly 100,000 tons, a sales volume increase of over 4000%, and a revenue increase of over 4300% compared to the previous year.

During the reporting period, combined revenue from overseas and domestic offshore projects accounted for about 51% of the wind power segment's revenue, a 17% increase from the previous year, surpassing onshore products for the first time.

(2) Successfully realized large-scale deliveries of offshore products to Europe in 2023; multiple overseas orders will be manufactured and delivered in 2024.

As the only supplier in the Asia-Pacific region to deliver offshore wind power foundations to Europe in a decade, 2023 marked the inaugural year of large-scale export of offshore projects. Throughout the year, nearly 100,000 tons of offshore wind power products were shipped to Europe, including the manufacturing and delivery of the world's largest monopile for offshore wind power to date: with a maximum diameter of 10m, a maximum single weight of 2,014 tons, and a maximum thickness of 115 mm.

In 2024, the Company's export volume and project scope in Europe will further increase, delivering various types of offshore products, including monopiles, offshore towers, and transition pieces, to several offshore wind farm projects in France, Denmark, UK, the Netherlands, and other locations.

(3) Successively won high-quality orders of "exclusive supply", "ultra-heavy unit weight", etc., with overseas order volume increasing by over 50% year-on-year in 2023; sufficient and expanding potential orders in tendering process.

In 2023, the company leads the world regarding the total order value of offshore wind power monopiles, with total signed orders increasing by more than 50% compared to 2022. Based on the delivery schedule of orders, it is expected to deliver sequentially to countries and regions such as UK, France, Germany, Denmark, and the Netherlands from 2024 to 2026.

The Company signed an exclusive supply agreement with a leading energy company in Germany, committing to deliver a total of 105 monopiles, covering all the foundation demands of that wind farm. The Company also signed a production reservation agreement with a European energy company, with the maximum unit weight of monopiles reaching 2,700 tons. The signed orders have higher technical standards and larger supply scale, serving as the most effective approval to the Company's manufacturing capability and quality control.

Meanwhile, the Company is participating in several offshore projects in Europe, Japan, Korea, and the United States, with a total demand exceeding 3 million tons, involving monopiles, jackets, floating foundations, and other offshore products. It is expected to obtain tender results sequentially from 2024 to 2027.

(4) Layout of "Penglai + Tangshan + Panjin" three major offshore bases, covering "global full-range offshore products".

(a) One of the worlds largest monopile manufacturing and export base - Penglai Offshore Base

In 2023, the Penglai Base underwent multiple technological upgrades and effective manufacturing and transportation practices of offshore export projects. This included system upgrades across technologies, processes, equipment, and logistics, establishing it as a world-class offshore base. It has now become one of the largest global base for manufacturing monopiles meeting European offshore wind power standards, highly recognized by mainstream wind power developers and OEMs in Europe, with multiple batches of international customers conducting site audits, and granted with various international and domestic technical certifications.

(b) Dajin Strategic New Base – Caofeidian Offshore Super Factory expected to be constructed and put into operation by March 2025.

The Tangshan Caofeidian Base will adopt the world's most advanced equipments and facilities, and the globally first created fully indoor manufacturing model for ultra-large sections, building a world-class super factory capable of mass-producing all types of ultra-large wind power and offshore oil and gas foundations.

The project covers more than 86 hectares, aligning with the global forefront of offshore wind power products for the next decade, focusing on the manufacturing lines for ultra-large deep-sea jackets and floating foundations. In terms of equipment and facilities, the base features a unique large-volume design by the Company, with the workshop height of 65m, a single span width of 70m, and a length of 410m. The complete design breaks the industry limits of processing capacity and innovates product manufacturing techniques. The Factory's largest single gantry crane has a lifting capacity of 3,000 tons, with all core equipment imported from Europe.

To meet the production and delivery needs of subsequent offshore monopile orders and deep-sea project orders, the Caofeidian Offshore Super Factory will accelerate construction, which is expected to complete construction and put into operation by March 2025.

(c) Establish a global logistics system and shipbuilding base specially for the transportation of offshore wind power equipment – Panjin Offshore Base

To complement the global strategic layout, the Company is building a supporting global logistics system. The special transportation vessel for offshore wind power equipment, designed and manufactured by the Company itself, has design breadth of 51m, total length of 240m, deadweight of over 50,000 tons, and draft of 8m. This vessel is designed and built based on the exclusive needs and long-term planning of offshore wind power equipment transportation, significantly improving transportation efficiency compared to the large transportation vessels currently used in the market. In the future, it will provide the Company with more economical and convenient solutions for transportation of overseas offshore products, especially deep-sea products.

The Company will gradually deliver two special transportation vessels for offshore wind power equipment in 2025. In the future, it plans to build its own transport fleet composed of 10 to 20 ultra-large transportation vessels of different tonnages.

(5) Reserve deep-sea technology, actively promoting the development and bidding of the next generation of offshore products (floating foundations, jackets).

The Company has collaborated with a global leading floating foundation design company to develop the next generation of floating foundation products, covering the entire process from design, manufacturing, transportation, to assembly. Additionally, the Company was invited to participate in and propel the bidding of multiple European floating foundation and jacket projects.

(6) Orderly expand new energy power projects, becoming a new growth driver for the Company's performance.

During the reporting period, the Fuxin Zhangwu Xiliujiazi 250MW wind power project was connected to the grid, generating over 400 million kWh of electricity annually, contributing a revenue of CNY132 million. This project is located in a region with rich wind resources, and is expected to positively impact the Company's performance in 2024.

The Tangshan Caofeidian Shilihai 250MW fishery-solar PV project has completed its filing, which is expected to commence construction in mid-2024 and completed within the year. Additionally, the Company has reserved a total of 1GW new energy development projects in Hebei Province.

2. Income and costs

(1) Composition of operating income

Unit: CNY

	2023	2022	Year-on-year
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	Amount	Proportion to operating income	Amount	Proportion to operating income	increase or decrease
Total operating income	4,325,081,969.61	100%	5,106,113,624.27	100%	-15.30%
By industry					
Metal products	4,193,467,024.83	96.96%	5,106,113,624.27	100.00%	-17.87%
New energy power generation	131,614,944.78	3.04%	-	-	-
By product					
Wind power equipment products	4,146,031,513.82	95.86%	4,992,421,341.99	97.77%	-16.95%
New energy power generation	131,614,944.78	3.04%	-	-	-
Other	47,435,511.01	1.10%	113,692,282.28	2.23%	-58.28%
By region					
Domestic	2,610,429,784.50	60.36%	4,268,188,304.95	83.59%	-38.84%
Export	1,714,652,185.11	39.64%	837,925,319.32	16.41%	104.63%
By sales mode					
Direct selling	4,325,081,969.61	100.00%	5,106,113,624.27	100.00%	-15.30%

Product regions are divided by the location of the final installation, the same below.

(2) Industry, product, region or sales mode that accounts for more than 10% of the Company's operating income or operating profit

Applicable Not applicable

Unit: CNY

	Operating income	Operating costs	Gross margin	Year-on-year increase or decrease of operating income	Year-on-year increase or decrease of operating costs	Year-on-year increase or decrease of gross margin
By industry						
Metal products	4,193,467,024.83	3,297,773,333.62	21.36%	-17.87%	-22.45%	4.64%
New energy power generation	131,614,944.78	13,617,633.50	89.65%	-	-	-
By product						
Wind power equipment products	4,146,031,513.82	3,285,357,254.03	20.76%	-16.95%	-22.48%	5.65%
New energy power generation	131,614,944.78	13,617,633.50	89.65%	-	-	-
By region						
Domestic	2,610,429,784.50	2,063,097,732.02	20.97%	-38.84%	-40.87%	2.72%
Export	1,714,652,185.11	1,248,293,235.10	27.20%	104.63%	63.61%	18.25%
By sales mode						
Direct selling	4,325,081,969.61	3,311,390,967.12	23.44%	-15.30%	-22.13%	6.72%

(3) Performance of major sales contracts and major purchase contracts signed by the Company up to the reporting period

Subject matter of contract	Counterparty	Total contract amount	Total amount fulfilled	Amount fulfilled during the reporting period	Amount to be fulfilled	Whether to perform normally	Description of non-normal performance of the contract	Amount of sales revenue recognized during the current period	Cumulative amount of sales revenue recognized	Collection of accounts receivable
Supply of monopile foundation for an offshore wind farm in Germany	A European energy development company	626 million euros	0	0	626 million euros	Yes	Not applicable	0	0	Not applicable

Section IV Corporate Governance

I. Profit Distribution and Capital Reserve Conversion to Share Capital of the Company

Number of bonus shares per 10 shares (shares)	0
Dividend payout per 10 shares (CNY) (tax included)	1.82
Equity base for distribution proposal (shares)	637,749,349
Amount of cash dividends (tax included) (CNY)	116,070,381.52
Amount of cash dividends by other means (such as share repurchase) (CNY)	0.00
Total amount of cash dividends (including other means) (CNY)	116,070,381.52
Distributable profit (CNY)	2,376,861,748.74
Ratio of Amount of cash dividends (tax included) (CNY) in total profit distribution	100%
Current cash dividends	
If the Company's development stage is in the growth period and there is a major capital expenditure arrangement, when profit distribution is made, cash dividends should account for at least 20% of the profit distribution	
Notes on the Details of Plan for Profit Distribution or Capital Reserve Converted into Share Capital	
Based on the total share capital of the Company of 637,749,349 shares as at the date of disclosure of this announcement, a cash dividend of CNY1.82 (tax included) per 10 shares will be paid to all shareholders, and the remaining undistributed profits will be carried forward to future years, with no bonus shares to be distributed and no conversion of capital reserve to share capital.	

II. Internal Control Audit Report

Applicable Not applicable

Review opinion in the internal control audit report	
We believe that, as of December 31, 2023, Dajin Heavy Industry has maintained effective internal controls over financial statements in all significant aspects in accordance with the "Basic Internal Control Norms for Enterprises" and relevant regulations.	
Disclosure of internal control audit report	Disclosed
Date of full disclosure of internal control audit report	April 27, 2024
Index of full-text disclosure of internal control audit report	Internal control audit report of Dajin Heavy Industry Co., Ltd.
Opinion type of internal control audit report	Standard unqualified opinion
Whether there are material deficiencies in non-financial reports	No

Section V Important Matters

I. Material Guarantee

Unit: CNY10,000

Total company guarantee (i.e. the sum of the first three items)			
Total approved guarantee limit during the reporting period (A1+B1+C1)	1,300,000	Total actual guarantee issued during the reporting period (A2+B2+C2)	875,130.09
Total approved guarantee limit at the end of the reporting period (A3+B3+C3)	875,130.09	Total actual guarantee balance at the end of the reporting period (A4+B4+C4)	606,879.81
Total actual guarantee (i.e., A4+B4+C4) as a percentage of the Company's net assets		87.77%	
Including:			
Balance of guarantees provided for shareholders, actual controllers, and their affiliated parties (D)		0	
Balance of debt guarantees provided directly or indirectly for guaranteed objects with an asset-liability ratio exceeding 70% (E)		60,000	
Amount of total guarantees exceeding 50% of net assets (F)		261,171.48	
Sum of above three guarantees (D+E+F)		261,171.48	

Section VI Information on Share Changes and Shareholders

I. Securities Issuance and Listing

Name of stock and its derivatives	Issue date	Issue price (or interest rate)	Issue quantity	Listing date	Number of approved listings	Transaction end date	Disclosure index	Disclosure date
Stock type								
Non-public offering of shares	January 3, 2023	37.35	82,088,349	January 4, 2023	82,088,349	-	For details, please refer to the "Non-public Issuance Report of A Shares and Listing Announcement of Dajin Heavy Industry Co., Ltd." published by "Securities Times", "China Securities Journal" and CNINFO (http://www.cninfo.com.cn) on December 30, 2022.	December 29, 2022

II. Shareholders and Actual Controllers

1. Number of shareholders of the Company and their shareholdings

Unit: Stock

Total number of common shareholders at the end of the reporting period	98,671	Total number of common shareholders at the end of the previous month before the annual report disclosure date	92,352	Total number of preferred shareholders with restored voting rights at the end of the reporting period (if any) (see Note 8)	0	Total number of preferred shareholders with restored voting rights at the end of the previous month before the annual report disclosure date (if any) (see Note 8)	0	
Shareholding situation of shareholders holding more than 5% or top 10 shareholders (excluding shares lent through refinancing)								
Name of shareholder	Nature of shareholder	Shareholding ratio	Number of shares held at the end of the reporting period	Changes during the reporting period	Number of shares with restrictions on sale	Number of shares without restrictions on sale	Pledges, tags or freezes	
							Share status	Quantity
Fuxin Jinyin Energy Consultation Co., Ltd.	Domestic non-state-owned legal person	38.93%	248,300,500	5,250,000	0.00	248,300,500	Not applicable	0
Hong Kong Securities Clearing Company Limited	Overseas legal person	1.45%	9,242,818	2,018,053	0.00	9,242,818	Not applicable	0
China Securities Co., Ltd. - CCB New Energy Industry Equity	Other	1.35%	8,595,690	6,769,090	0.00	8,595,690	Not applicable	0

Securities Investment Fund								
Jin Xin	Domestic natural person	1.21%	7,745,625	0	5,809,219	1,936,406	Not applicable	0
National Social Security Fund 104	Other	0.76%	4,866,800	4,866,800	0.00	4,866,800	Not applicable	0
National Social Security Fund 602	Other	0.54%	3,449,776	711,576	0.00	3,449,776	Not applicable	0
Cathay Fund - Agricultural Bank of China - Cathay Blue Chip Value No. 1 Collective Asset Management Plan	Other	0.49%	3,100,000	3,100,000	0.00	3,100,000	Not applicable	0
CITIC Securities Co., Ltd. - CCB Xingrun One-Year Holding Hybrid Securities Investment Fund	Other	0.46%	2,917,600	2,917,600	0.00	2,917,600	Not applicable	0
CGN Capital Holdings Co., Ltd.	State-owned legal person	0.42%	2,677,376	2,677,376	0.00	2,677,376	Not applicable	0
Li Yamei	Domestic natural person	0.40%	2,577,500	0	0.00	2,577,500	Not applicable	0

2. Controlling shareholders of the Company

Nature of controlling shareholder: Natural person holding

Type of controlling shareholder: Legal person

Name of controlling shareholder	Legal representative/principal of the Company	Date of establishment	Organization code	Major business
Fuxin Jinyin Energy Consultation Co., Ltd.	Jin Xin	August 11, 2003	912109037527653728	General items: Business management consulting, consulting and planning services, information consulting services (excluding licensed information consulting services), marketing planning (except for business items subject to approval pursuant to the law, the Company shall carry out business activities autonomously with business license pursuant to the law)

The controlling shareholder of the Company did not change during the reporting period.

3. Actual controller of the Company and its concerted parties

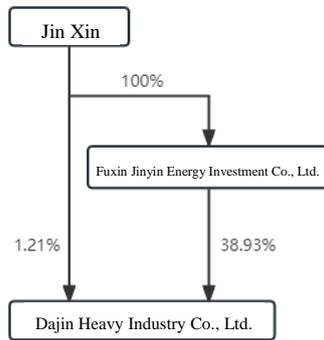
Nature of actual controller: Domestic natural person

Type of actual controller: Natural person

Name of actual controller	Relationship with actual controller	Nationality	Whether the right of residence in other countries or regions is obtained
Jin Xin	In person	China	No
Main occupation and position	Currently serves as the Chairman of the Company and its subsidiaries; concurrently serves as Executive Director and General Manager of Fuxin Jinyin Energy Consultation Co., Ltd.;		
Information on domestic and overseas listed companies that have been controlled in the past 10 years	No		

The actual controller of the Company did not change during the reporting period.

Block diagram of the property rights and control relationship between the Company and the actual controller



Section VII Financial Report

I. Audit Report

Type of audit opinion	Standard unqualified opinion
Signing date of audit report	April 25, 2024
Name of audit institution	BDO China Shu Lun Pan Certified Public Accountants LLP
Document No. of audit report	XKSBZ [2024] No. ZG11375
Name of certified public accountant	Shi Aihong, Xiong Yu

II. Financial Statements

The unit of statements in the notes to financial statements is CNY.

1. Consolidated balance sheet

Prepared by: Dajin Heavy Industry Co., Ltd.

December 31, 2023

Unit: CNY

Item	December 31, 2023	January 1, 2023
Current assets:		
Monetary funds	1,960,572,967.42	4,052,470,388.42
Provision for settlement fund		
Funds lent		
Trading securities	1,003,673,018.90	
Derivative financial assets		
Notes receivable	40,188,682.53	
Accounts receivable	1,629,436,576.02	1,769,653,223.06
Accounts receivable financing	289,715,098.79	375,298,033.27
Prepayment	278,551,569.66	408,572,826.77
Premium receivable		
Reinsurance accounts receivable		
Reserves for reinsurance contract receivable		
Other receivables	32,988,574.48	355,280,093.41
Including: interest receivable		

Dividends receivable		
Redemptory monetary capital for sale		
Inventory	1,545,529,824.24	1,736,764,364.60
Contract assets	307,716,357.72	189,251,347.41
Held-for-sale assets		
Non-current assets maturing within one year		
Other current assets	205,002,094.08	102,844,574.67
Total current assets	7,293,374,763.84	8,990,134,851.61
Non-current assets:		
Loans and advances		
Debt investments	112,174,657.55	
Other debt investments		
Long-term receivables		
Long-term equity investment		
Other equity instrument investment		
Other non-current financial assets		
Investment real estate		
Fixed assets	1,564,756,590.02	1,041,030,360.60
Construction in progress	836,938,008.14	902,948,109.31
Productive biological assets		
Oil-and-gas assets		
Right-of-use assets	124,882,564.34	53,410,403.15
Intangible assets	270,047,977.16	225,043,597.30
Development expenditures		
Goodwill		
Long-term deferred expenses		
Deferred tax assets	20,848,996.60	8,752,420.73
Other non-current assets	1,789,716.86	37,783,569.08
Total non-current assets	2,931,438,510.67	2,268,968,460.17
Total assets	10,224,813,274.51	11,259,103,311.78
Current liabilities:		
Short-term loans	9,769,934.37	426,079,140.36

Loans from the central bank		
Borrowed funds		
Trading financial liabilities	21,481,786.02	
Derivative financial liabilities		
Notes payable	1,053,285,789.19	1,728,263,823.30
Accounts payable	612,478,188.29	422,106,303.30
Advances from customers		
Contract liabilities	588,995,745.72	694,388,236.89
Financial assets sold for repurchase		
Deposits from customers and other banks		
Receiving from vicariously traded securities		
Receiving from vicariously sold securities		
Employee compensation payable	11,024,892.33	9,796,898.60
Taxes payable	14,693,699.96	53,674,509.52
Other payables	94,255,158.01	86,158,423.05
Including: interest payable		
Dividends payable		
Handling charges and commissions payable		
Reinsurance accounts payable		
Held-for-sale liabilities		
Non-current liabilities maturing within one year	493,189,271.50	79,062,272.71
Other current liabilities	30,966,023.97	43,994,609.10
Total current liabilities	2,930,140,489.36	3,543,524,216.83
Non-current liabilities:		
Reserves for insurance contracts		
Long-term loans		394,000,000.00
Bonds payable		
Including: preferred stock		
Perpetual bonds		
Lease liabilities	88,093,066.19	23,717,958.69
Long-term payables	108,681,305.37	602,558,550.53
Long-term employee benefits payable		

Estimated liabilities		
Deferred income	179,522,520.99	184,162,049.43
Deferred tax liabilities	4,209,277.77	4,115,165.66
Other non-current liabilities		
Total non-current liabilities	380,506,170.32	1,208,553,724.31
Total liabilities	3,310,646,659.68	4,752,077,941.14
Owner's equity:		
Share capital	637,749,349.00	637,749,349.00
Other equity instruments		
Including: preferred stock		
Perpetual bonds		
Capital reserve	3,806,028,183.90	3,806,610,083.90
Less: treasury stock		843,000.00
Other comprehensive income	-894,460.53	-474,386.06
Special reserve		
Surplus reserve	94,421,793.72	90,579,859.48
General risk reserve		
Undistributed profits	2,376,861,748.74	1,973,403,464.32
Total owner's equity attributable to the parent company	6,914,166,614.83	6,507,025,370.64
Minority equity		
Total owner's equity	6,914,166,614.83	6,507,025,370.64
Total liabilities and owner's equity	10,224,813,274.51	11,259,103,311.78

Legal Representative: Jin Xin Person in charge of Accounting: Liu Aihua Principal of Accounting Firm: Bai Xinhong

2. Consolidated income statement

Unit: CNY

Item	2023	2022
I. Total operating income	4,325,081,969.61	5,106,113,624.27
Including: operating income	4,325,081,969.61	5,106,113,624.27
Interest income		
Premium earned		
Handling charges and commissions		
II. Total operating costs	3,888,096,631.86	4,655,069,722.53
Including: operating costs	3,311,390,967.12	4,252,192,335.62
Interest expenses		
Expenditures for handling fee and commissions		
Refunded premiums		
Net compensation expenses		
Net amount withdrawn for insurance contract reserves		

Expenditures for policy dividends		
Reinsurance expenses		
Taxes and surcharges	30,656,739.46	18,419,984.86
Sales expenses	70,459,195.99	40,202,685.40
Administrative expenses	155,636,365.43	119,003,801.18
R&D expenses	255,605,750.57	215,341,392.76
Financial expenses	64,347,613.29	9,909,522.71
Including: interest expenses	13,839,058.50	24,878,002.86
Interest income	34,625,865.25	12,789,779.72
Add: other income	30,210,469.55	26,029,372.91
Investment income (loss indicated with "-")	15,418,039.24	63,099,520.11
Including: income from investments in associates and joint ventures		
Income from derecognition of financial assets at amortized cost	-6,874,289.14	
Exchange income (loss indicated with "-")		
Net exposure hedging income (loss indicated with "-")		
Income from changes in fair value (loss indicated with "-")	2,191,232.88	
Credit impairment loss (loss indicated with "-")	-1,061,200.89	-17,463,171.22
Asset impairment loss (loss indicated with "-")	-6,916,975.14	-341,687.73
Gains from disposal of assets (loss indicated with "-")	-19,871.20	638,349.46
III. Operating profits (loss indicated with "-")	476,807,032.19	523,006,285.27
Add: non-operating income	8,056,920.21	5,831,011.01
Less: non-operating expenses	138,631.92	4,975,624.95
IV. Total profit (total loss indicated with "-")	484,725,320.48	523,861,671.33
Less: income tax expenses	59,568,123.95	73,585,157.19
V. Net profit (net loss indicated with "-")	425,157,196.53	450,276,514.14
(I) Classification by going concern		
1. Net profits from going concern (net loss indicated with "-")	425,157,196.53	450,276,514.14
2. Net profits from discontinued operation (net loss indicated with "-")		
(II) Classification by attribution of the ownership		
1. Net profit attributable to shareholders of the parent company	425,157,196.53	450,276,514.14
2. Minority profit or loss		
VI. Net amount of other comprehensive income after tax	-420,074.47	46,406.34
Net amount of other comprehensive income after tax attributable to the owners of the parent company	-420,074.47	46,406.34
(I) Other comprehensive income that cannot be reclassified into profits or losses in subsequent periods		8,500.00
1. Changes from re-measurement of defined benefit plan		
2. Other comprehensive income that cannot be carried over to profit or loss under equity method		

3. Changes in the fair value of other equity instrument investment		8,500.00
4. Changes in the fair value of the company's own credit risk		
5. Other		
(II) Other comprehensive income that will be reclassified into profit or loss	-420,074.47	37,906.34
1. Other comprehensive income that can be carried over to profit or loss under equity method		
2. Changes in the fair value of other debt investments		
3. Amount of reclassified financial assets credited to other comprehensive income		
4. Credit impairment provision of other debt investments		
5. Hedging reserve of cash flows		
6. Translation difference of foreign currency financial statements	-420,074.47	37,906.34
7. Other		
Net post-tax other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	424,737,122.06	450,322,920.48
Total comprehensive income attributable to the owners of the parent company	424,737,122.06	450,322,920.48
Total comprehensive income attributable to minority shareholders		
VIII. Earnings per share (EPS)		
(I) Basic EPS	0.67	0.80
(II) Diluted EPS	0.67	0.80

Legal Representative: Jin Xin Person in charge of Accounting: Liu Aihua Principal of Accounting Firm: Bai Xinhong

3. Consolidated cash flow statement

Unit: CNY

Item	2023	2022
I. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	4,188,380,117.80	4,211,265,814.88
Net increase in deposits from customers and interbank		
Net increase in loans from the central bank		
Net increase in funds borrowed from other financial institutions		
Cash received for the premium of the original insurance contract		
Net cash received from reinsurance operations		
Net increase in policyholders' savings and investment funds		
Cash by charging interests, handling charges and commissions		
Net increase in borrowed funds		
Net increase in funds for repurchase business		
Net cash received from receiving from vicariously traded securities		
Refund of tax and levies	144,817,655.80	166,378,968.70
Other cash received from operating activities	564,812,577.22	333,921,658.27
Subtotal of cash inflows of operating activities	4,898,010,350.82	4,711,566,441.85
Cash paid for purchasing goods and receiving services	3,439,988,212.26	3,895,005,310.47
Net increase in customer loans and advances		
Net increase in deposits in the central bank and interbank		

Cash paying the compensation of the original insurance contract		
Net increase in the borrowed funds		
Cash paid for interests, handling charges and commissions		
Cash for paying policy bonus		
Cash paid to and for employees	211,590,577.58	159,442,640.32
Tax payments	199,330,375.67	199,263,403.86
Other cash paid for operating activities	238,402,361.51	345,654,572.36
Subtotal of cash outflows from operating activities	4,089,311,527.02	4,599,365,927.01
Net cash flows from operating activities	808,698,823.80	112,200,514.84
II. Cash flows from investing activities:		
Cash received from investment recovery	5,411,960,800.00	80,010,000.00
Cash received from investment income	19,892,837.26	2,421,792.93
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	62,180.00	4,405.00
Net cash received from disposal of subsidiaries and other business entities	67,724,904.19	
Other cash received relating to investment activities		
Subtotal of cash inflows of investing activities	5,499,640,721.45	82,436,197.93
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	413,363,384.36	685,996,572.21
Cash paid for investment	6,501,960,800.00	80,000,000.00
Net increase in pledge loans		
Net cash paid for acquiring subsidiaries and other business units		
Other cash paid relating to investment activities		7,307,083.06
Subtotal of cash outflows of investing activities	6,915,324,184.36	773,303,655.27
Net cash flow from investment activities	-1,415,683,462.91	-690,867,457.34
III. Cash flows from financing activities:		
Cash received from investment		3,060,264,246.80
Including: cash received by subsidiaries by absorbing minority shareholders' investment		
Cash received from loans	9,761,853.72	1,013,738,051.76
Cash received from other financing activities		
Subtotal of cash inflows from financing activities	9,761,853.72	4,074,002,298.56
Cash paid for debt repayment	974,982,474.39	465,686,540.81
Cash paid for distribution of dividends and profits or payment of interests	39,534,366.41	65,331,207.79
Including: dividends and profits paid by subsidiaries to minority shareholders		
Cash paid relating to other financing activities	5,818,122.52	45,267,874.92
Subtotal cash outflows of financing activities	1,020,334,963.32	576,285,623.52
Net cash flow from financing activities	-1,010,573,109.60	3,497,716,675.04
IV. Impact of exchange rate changes on cash and cash equivalents	-56,613,535.33	1,994,575.63
V. Net increase in cash and cash equivalents	-1,674,171,284.04	2,921,044,308.17
Add: opening balance of cash and cash equivalents	3,575,799,952.92	654,755,644.75
VI. Closing balance of cash and cash equivalents	1,901,628,668.88	3,575,799,952.92

Legal Representative: Jin Xin Person in charge of Accounting: Liu Aihua Principal of Accounting Firm: Bai Xinhong