

Keda Industrial Group Co., Ltd.

Announcement on Implementation of 2022 Annual Profit Distribution

Important notice:

- Distribution per share

A share cash dividend of RMB0.68 per share

- Relevant date

Class of shares	Record date	Last trading day	Ex-rights (ex-dividends) date	Cash dividend payment date
A Shares	2023/5/26	—	2023/5/29	2023/5/29

- Differentiated dividend distribution: Yes

I. Session and date of the General Meeting of Shareholders for passing the distribution plan

This profit distribution plan is deliberated and passed at 2022 Annual General Meeting of Shareholders held by the Company on 8 May 2023.

II. Distribution plan

1. Year of Distribution: 2022

2. Distribution Participants:

All shareholders of the Company registered in the Shanghai Branch of China Securities Depository and Clearing Corporation Limited (hereinafter referred to as "CSDC Shanghai Branch") as at the close of the Shanghai Stock Exchange in the afternoon of the record date.

According to the *Guidelines for Self-regulation of Listed Companies on the Shanghai Stock Exchange No. 7—Share Repurchase* and other relevant provisions, shares in the special account for securities repurchase does not enjoy the right of profit distribution and capitalization of reserves. Therefore, the Company's shares in the special account for securities repurchase will not participate in this profit distribution.

3. Differentiated Dividend Distribution Plan

(1) The differentiated dividend distribution plan

According to the Resolution on the 2022 Profit Distribution of the Company, which was considered and approved at the 2022 annual general meeting of the Company, the

profit distribution plan is based on the total share capital of 1,948,419,929 shares registered on the record date of equity distribution after deducting 30,563,538 shares deposited in the special account for securities repurchase was 1,917,856,391 shares, on which basis cash dividend of RMB 6.80 per ten share (tax included) and the total cash dividend of RMB1,304,142,345.88 (tax included).

(2) The Calculation Basis for Ex-rights and Ex-dividends of the Differentiated Dividend Distribution

According to the relevant provisions of the Rules Governing the Listing of Stocks of the Shanghai Stock Exchange, the Company calculates the ex-rights (ex-dividends) reference price according to the following formula:

Ex-rights (ex-dividends) reference price = (previous closing price – cash dividends per share) ÷ (1+ percentage of changes in circulating shares)

According to the Resolution on the 2022 Profit Distribution of the Company considered and approved at the 2022 annual general meeting, the profit distribution plan does not involve capitalization of reserves and other forms, so the percentage of changes in circulating shares is “0”.

The total share capital on the record date of equity distribution of the Company is 1,948,419,929 shares. After deducting the 30,563,538 shares held in the special account for securities repurchase, which shall not be entitled to the profit distribution, the number of shares actually participated in the distribution are 1,917,856,391 shares.

Cash dividend per share = total share capital participating in distribution x cash dividend per share actually distributed ÷ total share capital = 1,917,856,391 × 0.68 ÷ 1,948,419,929 ≈ 0.6693;

In summary, the Company's ex-rights (ex-dividends) reference price = (previous-closing price – RMB 0.6693) ÷ (1+0) = (previous closing price – RMB 0.6693) per share.

III. Relevant date

Class of shares	Record date	Last trading day	Ex-rights (ex-dividends) date	Cash dividend payment date
A Shares	2023/5/26	—	2023/5/29	2023/5/29

IV. Implementation Method

The cash dividends of shareholders Mr. Liang Tongcan, Mr. Lu Qin, Macrolink Holdings Co., Ltd. (hereinafter referred to as "Macrolink") and Mr. Bian Cheng are

directly distributed by the Company. According to the requirements of the administrator of the bankruptcy reorganization of Macrolink, the dividend will be paid to the administrator account of Macrolink. The distribution of cash dividends for shareholders other than those with cash dividends directly distributed is entrusted by the Company to CSDC Shanghai Branch.

For eligible investors who invest in Global Depository Receipts (GDRs) issued by the Company on the SIX Swiss Exchange ("GDR investors") and comply with the relevant domestic and overseas regulatory rules, the cash dividends will be paid by CSDC Shanghai Branch entrusted by the Company to "Citibank, National Association", the nominal holders of GDRs corresponding to the underlying A shares. According to the tax regulations such as the Enterprise Income Tax Law of the People's Republic of China, the income tax is withheld and paid at a rate of 10%. After receiving the GDR dividend income, if GDR investors need to enjoy the relevant tax agreement (arrangement) treatment, they can apply to the competent tax authority by themselves in accordance with the regulations.

The record date for GDR investors will be the same as that for A-shareholders, the ex-rights (ex-dividends) date for GDR investors is May 25, 2023, and the cash dividend payment date is June 5, 2023. The cash dividends will be paid by Citibank and National Association to GDR investors through Euroclear Bank SA/NV and Clearstream Banking, S.A..

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About Keda Industrial Group

Keda is currently the biggest and the second biggest supplier of building ceramic machinery and equipment in Asia and the world, respectively. Adhering to its mission of "green solution, greener life" and after 30 years of operation and development, Keda has successfully achieved its targets of "domestic production of ceramic machinery and equipment" and "being a strong global player in the building materials equipment industry" and completed the transformation from a single equipment manufacturer to a supplier providing complete categories of ceramic machinery and whole-plant entire production line solutions, growing into a leading enterprise in the ceramic machinery industry in China and the world. For more information, visit <http://www.kedagroup.com>.

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