

Foshan City, China, 14 August 2023

Ad hoc announcement pursuant to Art. 53 LR

Announcement On the Half Year Results for 2023

The Board of Keda Industrial Group Co., Ltd. (the "Company") (SIX: KEDA) hereby announces half year results for the year of 2023.

Key Financial Indicators

Unit: in RMB ten thousand

Key accounting data	Current reporting period (January - June)	Corresponding period last year	Increase or decrease for the current reporting period over corresponding period last year (%)
Operating revenue	474,690.67	565,113.24	-16.00
Net profit attributable to shareholders of the listed company	126,806.40	212,072.52	-40.21
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss	120,981.10	212,002.63	-42.93
Net cash flows from operating activities	-4,801.50	35,186.84	-113.65

Note: All the Item above is based on consolidated statements.

Explanations on the Financial Conditions

Operating revenue: From January to June 2023 ("Reporting Period"), the Company realized operating revenue of RMB 4.747 billion, a year-on-year decrease of 16%. Among them: the Company's overall revenue of building materials machinery reached RMB 2.1 billion, of which, the Company's domestic market revenue of building materials machinery fallen sharply and affected by the domestic downstream and the retail market, while its overseas export market was relatively stable; For the overseas building materials, as of the end of the Reporting Period, the Company has operated six factories in five countries in Africa, with 16 production lines of building ceramics and one production line of sanitary ware, and a total of more than 70 million m² of building ceramic products were produced during the Reporting Period, and the Company's overseas building materials business as a whole achieved revenues of RMB1.907 billion, a year-on-year increase of 25%, and maintain a high level of profitability with a gross margin of over 43%; in terms of the lithium-ion battery materials, affected by market price fluctuations, the overall profitability of the Company's anode materials business has been compressed, with operating income of RMB 0.409 billion and a decline in gross profit margin during the Reporting Period.

Net profit attributable to shareholders of the listed company: Net profit attributable to the shareholders of the listed company was RMB1.268 billion during the Reporting Period, a year-on-year decrease of 40.21%, of which RMB 0.854 billion was contribution by the Company's recognized investment income from Qinghai Yanhu Lanke Lithium Industry Co., Ltd.

Net cash flows from operating activities: Net cash flow from operating activities in the Reporting Period decreased by 113.65% as compared with the corresponding period of the previous year, which is mainly due to the Company's larger sales and the higher tax refund received in the same period of the previous year.

While the performance was under pressure, the operational resilience was highlighted. As the Company's overseas business revenue accounted for more than 60%, the gross profit margin of the company's main business reached 31.75%, an increase of more than 3 percentage points over the same period last year.

Full Interim Report of 2023

The full Interim Report of 2023 is available on our website:

<https://www.kedagroup.com/investor/report.html>

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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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Disclaimer

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