

Foshan City, China, 26 January 2024

Ad hoc announcement pursuant to Art. 53 LR

Announcement of 2023 Annual Results Forecast

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

- It is expected that the net profit attributable to shareholders of the listed Company in 2023 will amount to approximately RMB 2.15 billion, representing a year-on-year decline of 49.42%;
- It is expected that the net profit after extraordinary profit and loss attributable to shareholders of the listed Company in 2023 will be approximately RMB 1.95 billion, representing a year-on-year decline of 53.71%.

I. Results forecast for the period

A. Period of the results forecast

January 1, 2023 to December 31, 2023 (the "Reporting Period")

B. Results forecast

1. Based on the preliminary assessment conducted by the Company's financial department, it is estimated that the net profits attributable to shareholders of the listed Company for 2023 will amount to approximately RMB 2.15 billion, reflecting a decrease of about RMB 2.101 billion compared to the corresponding period last year, representing a year-on-year decline of 49.42%.
2. It is estimated that the net profit after extraordinary profit and loss attributable to shareholders of the listed Company in 2023 will be approximately RMB 1.95 billion, reflecting a decrease of RMB 2.263 billion compared to the corresponding period last year, representing a year-on-year decline of 53.71%.

C. The results forecast has not been audited.

II. Result for the corresponding period last year

A. Net profits attributable to shareholders of the listed Company: RMB 4.251 billion.

The net profit after extraordinary profit and loss attributable to shareholders of the listed Company: RMB 4.213 billion.

B. Earnings per share: RMB 2.229.

III. Main reasons for changes in the Company's performance during the period

In recent years, the Company's performance has been significantly impacted by the operation of Lanke Lithium Industry, a joint-stock company known as Qinghai Salt Lake Lanke Lithium Industry Co., Ltd., due to the lithium carbonate price fluctuations and the increased production capacity of Lanke Lithium Industry. In 2022 this influence accounted for over 80% of the net profit attributable to shareholders of the listed Company. During the Reporting period, Lanke Lithium Industry achieved stable year-on-year growth in both production and sales volume. However, the terminal price of lithium carbonate market experienced a continuous decline, dropping from approximately 500,000 yuan/ton at the beginning of the Reporting period to below 100,000 yuan/ton by the end of the Reporting period. As a result of this drastic fluctuation in lithium carbonate prices, Lanke Lithium Industry's performance decreased about 62% compared to the same period last year, resulting in its impact on the Company's net profit attributable to shareholders of the listed Company decreased by about RMB 2.10 billion compared with the same period of last year.

In addition, influenced by the global economic slowdown and the domestic real estate market, the Company's building materials and machinery business experienced slight fluctuations. To proactively adapt to market changes, in 2023 the Company has been continuously expanding its presence in overseas markets for ceramic machinery and accessories consumables, as well as focusing on developing universal ceramic machinery. Furthermore, it is actively promoting project construction and brand operations for its overseas building materials business to support the sustainable growth of the Company.

IV. Notice of risk

The above results forecast has not been audited by certified public accountants. The Company does not have any significant uncertain factors affecting the accuracy of the result forecast.

V. Other matters

The above estimates are unaudited preliminarily figures and subject to change. The Company's actual financial results for the financial year ended 31 December 2023 will be disclosed in the 2023 annual report of the Company. Investors are advised to pay attention to investment risks.

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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

This announcement may contain forward looking statements, estimates, opinions and projections with respect to anticipated future performance of the Company ("forward-looking statements"). These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "intends," "may," "will" or "should" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. Forward-looking statements are based on the current views, expectations and assumptions of the management of the Company and involve significant known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Forward-looking statements should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. Any forward-looking statements included herein only speak as at the date of this release. We undertake no obligation, and do not expect to publicly update, or publicly revise, any of the information, forward-looking statements or the conclusions contained herein or to reflect new events or circumstances or to correct any inaccuracies which may become apparent subsequent to the date hereof, whether as a result of new information, future events or otherwise. We accept no liability whatsoever in respect of the achievement of such forward-looking statements and assumptions.