

Keda Industrial Group Co., Ltd.**Announcement on Implementation of 2024 Annual Profit Distribution****Important notice:**

- Distribution per share

Cash dividend of RMB 0.20 per A-share

- Relevant date

Class of shares	Record date	Last trading day	Ex-rights (ex-dividends) date	Cash dividend payment date
A-Share	2025/5/23	—	2025/5/26	2025/5/26

- Differentiated dividend distribution: Yes

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

This profit distribution plan was considered and approved at the 2024 Annual General Meeting of Shareholders held by the Company on 16 April 2025.

II. Distribution plan

1. Year of Distribution: 2024

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, 59,999,862 A-share in the Company's 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 2024 Profit Distribution Plan of the Company, which was considered and approved at the 2024 Annual General Meeting of the Company, the profit distribution plan is based on the total share capital registered on the record date of equity distribution after deducting shares deposited in the special account for securities repurchase, on which basis cash dividend of RMB 2.0 per ten shares (tax included). If the total share capital of the Company changes prior to the record date of

equity distribution, the Company intends to maintain the distribution ratio per share unchanged and adjust the total amount of distribution accordingly.

As of the announcement date, the profit distribution plan is based on the total share capital of 1,917,856,391 shares after deducting 59,999,862 shares deposited in the special account for securities repurchase, resulting in a total of 1,857,856,529 shares, and the total cash dividend of RMB 371.5713 million (tax included).

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

According to the *Rules Governing the Listing of Stocks of the Shanghai Stock Exchange* and other relevant provisions, 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)

The "cash dividend" in the above formula refers to the cash dividend per share calculated based on the actual distribution adjusted by diluting the total share capital. Besides, the Company will only distribute cash dividends this time, and will not involve capitalization of reserves and other forms. Therefore, the "percentage of changes in circulating shares" in the above calculation formula is "0".

Cash dividend per share = (total share capital participating in distribution x actual cash dividend per share distributed) ÷ total share capital = (1,857,856,529×0.2) ÷ 1,917,856,391 ≈ RMB 0.1937 per share.

In summary, the Company's ex-rights (ex-dividends) reference price = (previous closing price – RMB 0.1937) ÷ (1+0) = (previous closing price – RMB 0.1937) per share.

III. Relevant date

Class of shares	Record date	Last trading day	Ex-rights (ex-dividends) date	Cash dividend payment date
A Shares	2025/5/23	—	2025/5/26	2025/5/26

IV. Measures for implementing the distribution plan

1. Implementation measures

(1) Except for shareholders who receive dividends directly from the Company and special account for securities repurchase, dividends for other shareholders will be distributed through the CSDC Shanghai Branch. The distribution will be processed through its fund clearing system to shareholders who are registered on the record date at the Shanghai Stock Exchange and have designated trading accounts with members of the Shanghai Stock Exchange. Investors who have completed designated transactions may receive cash dividends from their designated securities business department on the dividend distribution date. The dividends of the shareholders who have not completed designated transactions are temporarily retained by CSDC

Shanghai Branch and will be distributed after completing the designated transactions.

(2) The shares in the Company's special account for securities repurchase will not be included in current profit distribution.

2. Recipients of self-distribution

The Company will distribute cash dividends to Mr. Lu Qin, Mr. Bian Cheng, Foshan New Pearl Enterprise Group Co., Ltd. by itself.

3. Explanation of tax deduction

(1) For natural person shareholders and securities investment funds who hold A shares of the Company, pursuant to the Notice on Relevant Issues Concerning Differential Individual Income Tax Policies on Dividends and Bonuses of Listed Companies (Cai Shui [2015] No. 101) and the Notice on Relevant Issues Concerning the Implementation of Differential Individual Income Tax Policies on Dividends and Bonuses of Listed Companies (Cai Shui [2012] No. 85), if the stock holding period (refers to the holding time from the date of obtaining the shares of the Company in the public offering and transfer market to the day before the transfer and delivery of the shares) is more than one year, the dividend income shall be exempted from personal income tax; if the stock holding period is less than one month (inclusive), the dividend income shall be included into the taxable income in full amount, and the actual tax burden shall be 20% of the dividend income; if the stock holding period is more than one month and less than one year (inclusive), the dividend income shall be included into the taxable income at the reduced rate of 50% for the time being, and the actual tax burden shall be 10% of the dividend income.

In accordance with the provisions of the above-mentioned regulation, the Company will not withhold individual income tax for the time being when distributing cash dividends. The amount of cash dividends is RMB0.20 per share. When natural person shareholders and securities investment funds transfer their shares after the record date, CSDC Shanghai Branch shall calculate the actual amount of tax payable according to the stock holding period, and the securities company and other share custodian institutions shall deduct the tax from their capital accounts and transfer the tax to CSDC Shanghai Branch. CSDC Shanghai Branch will transfer the tax to the Company within 5 trading days of the following month. The Company will declare and pay the tax to the competent tax authority within the statutory declaration period of the month in which the tax is received.

(2) For qualified foreign institutional investors ("QFII"), the Company shall withhold and pay enterprise income tax at the rate of 10% in accordance with the requirements of the Notice on Relevant Issues Concerning the Withholding and Payment of Enterprise Income Tax Relating to the Payment of Dividends, Bonuses and Interests by PRC Resident Enterprises to QFII (Guo Shui Han [2009] No. 47). The actual cash dividend after tax will be RMB0.18 per share. If relevant shareholders consider that their dividends and bonuses shall be treated in accordance with any tax treaty (arrangement), they may file an application to the competent tax authority after receiving such dividends and bonuses in accordance with the regulations.

(3) For investors of Hong Kong Stock Exchange (including enterprises and individuals) investing in the Company's A Shares via the Shanghai Stock Connect

Program, in accordance with the provisions of the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81), prior to the Hong Kong Securities Clearing Company Limited not being able to provide detailed data, such as investor identity and holding duration to CSDC Shanghai Branch, the policy of differential taxation based on holding duration shall not be implemented. The Company will withhold and pay income tax at the rate of 10% on behalf of those investors, and the cash dividend after tax will be RMB0.18 per share.

For Hong Kong investors via the Shanghai Stock Connect Program who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of less than 10%, those enterprises or individuals may apply to the competent tax authorities for the entitlement of the rate under such tax treaty. The schedule of the equity record date and cash dividend distribution date for Shanghai-Hong Kong Stock Connect investors is consistent with that of the shareholders of the Company's A shares.

(4) 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 and cash dividend payment date for GDR investors are May 23rd, 2025 and June 3rd, 2025, respectively. The cash dividends will be paid by Citibank and National Association to GDR investors through Euroclear Bank SA/NV and Clearstream Banking, S.A.

(5) For other institutional investors and corporate shareholders holding shares of the Company, the Company will not withhold or pay any enterprise income tax on behalf of the taxpayers. It is up to the taxpayers to determine whether they should pay enterprise income tax locally in accordance with the provisions of the tax law, and the actual cash dividend paid is RMB0.20 per share.

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