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Kinetic Development Group Limited

力量發展集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1277)

POSITIVE PROFIT ALERT

This announcement is published by Kinetic Development Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "**Board**") of the Company would like to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2026 ("**1H2026**"), the net profit after tax for 1H2026 is expected to be between RMB730 million and RMB780 million, representing a year-on-year increase of 31% to 40%.

The significant improvement in the Company's performance in 1H2026 compared to the same period of last year was mainly attributable to:

(i) The average selling price of the Group's coal products for 1H2026 increased by approximately 18% year-on-year as driven by the rebound in market coal prices, contributing to profit growth in the principal coal business; and

(ii) Due to the Group continued exercise of effective financial control measures, the Group's profitability was further enhanced. During 1H2026, the average costs of the Group's coal products decreased by approximately 9% to 12% year-on-year, while both administrative expenses and selling expenses declined by approximately 5% to 7% year-on-year.

The information contained in this announcement is based solely on the Board's preliminary assessment of the currently available information (including the unaudited consolidated management accounts of the Group for the six months ended 30 June 2026). Such information has not been confirmed or reviewed by the audit committee of the Company. The Group's detailed financial results for 1H2026 will be disclosed in the Group's interim results announcement, which is expected to be published on or before the end of August 2026.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Kinetic Development Group Limited
Ju Wenzhong
Chairman and Executive Director

Hong Kong, 10 August 2026

As at the date of this announcement, the Board comprises seven directors, of whom three are executive directors, namely Mr. Ju Wenzhong (Chairman), Mr. Li Bo (Chief Executive Officer) and Mr. Ji Kunpeng; one is a non-executive director, namely Ms. Zhang Lin; and three are independent non-executive directors, namely Ms. Liu Peilian, Mr. Chen Liangnuan and Ms. Xue Hui.