

NSX ANNOUNCEMENT
23 December 2021

Market Update

Kemao Industries Limited ("KEM" or "the Company") wishes to provide an update on its business performance for the year ending 31 December 2021.

As the challenges associated with COVID-19 continue, the Company expects its annual sales will be lower than the previous year and will continue to be in a net loss position for the year ending 31 December 2021.

Apart from the depressed overseas market environment throughout the Year 2021, the Company experienced a number of unprecedented challenges, including the fast-jumping raw material costs, the continued rising shipping costs and recent strict energy usage control in China. These factors have affected the whole industry and also brought significant impact on KEM's business.

Despite the disruption and challenges, the Company confirms its financial conditions are stable and liquidity is sufficient.

Authorised by the Board,



Long Huy Lam (Bill)
Chairman