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Convertible Bond Code: **113641** Convertible Bond Name: Huayou Convertible Bond

Announcement of Zhejiang Huayou Cobalt Co., Ltd. on Changing Registered Capital and Amending the Articles of Association

The Board of Directors and all directors of the Company warrant that there is no false representation, misleading statement or material omissions herein, and will assume joint and several liabilities with respect to the truthfulness, accuracy and completeness hereof.

After deliberation and approval by the 14th meeting of the 6th session of Board of Directors of Zhejiang Huayou Cobalt Co., Ltd. (the “Company”), the Company decides to repurchase and cancel the 1,741,575 restricted shares that have been granted to the following incentive recipients but have not yet been unlocked, since they are no longer qualified to be incentive recipients according to the equity incentive plan of the Company. The reasons are as follows. Among the incentive recipients involved in the first grant of the restricted shares under the 2021 Restricted Stock Incentive Plan (the “2021 Incentive Plan”), 13 incentive recipients terminated their labor relations with the Company due to job transfer which was beyond their personal control, 11 incentive recipients resigned due to the Company’s proposal to negotiate with them for the termination of labor relations, 1 incentive recipient resigned due to the Company’s refusal to renew the labor contract upon its expiration, 35 incentive recipients resigned due to their personal reasons, 1 incentive recipient was dismissed by the Company due to his/her personal fault, and 6 incentive recipients resigned due to retirement. Among the incentive recipients involved in the first grant of the reserved part of the restricted shares under the 2021 Incentive Plan, 1 incentive recipient was dismissed due to his/her incompetence in the position, 4

incentive recipients terminated their labor relations with the Company due to job transfer which was beyond their personal control, 4 incentive recipients resigned due to the Company's proposal to negotiate with them for the termination of labor relations, 1 incentive recipient resigned due to the Company's refusal to renew the labor contract upon its expiration, and 21 incentive recipients resigned due to their personal reasons. Among the incentive recipients involved in the second grant of the reserved part of the restricted shares under the 2021 Incentive Plan, 1 incentive recipient resigned due to the Company's proposal to negotiate with him/her for the termination of labor relation. Among the incentive recipients involved in the first grant of the restricted shares under the 2022 Restricted Stock Incentive Plan (the "2022 Incentive Plan"), 1 incentive recipient was dismissed due to his/her incompetence in the position, 19 incentive recipients terminated their labor relations with the Company due to job transfer which was beyond their personal control, 26 incentive recipients resigned due to the Company's proposal to negotiate with them for the termination of labor relations, 82 incentive recipients resigned due to their personal reasons, 1 incentive recipient was dismissed by the Company due to his/her personal fault, and 4 incentive recipients resigned due to retirement. Among the incentive recipients involved in the grant of the reserved part of the restricted shares under the 2022 Incentive Plan, 2 incentive recipients were dismissed due to their incompetence in the position, 3 incentive recipients terminated their labor relations with the Company due to job transfer which was beyond their personal control, 20 incentive recipients resigned due to the Company's proposal to negotiate with them for the termination of labor relations, 35 incentive recipients resigned due to their personal reasons, and 1 incentive recipient died due to non-work reason. Among the incentive recipients involved in the first grant of the restricted shares under the 2023 Restricted Stock Incentive Plan (the "2023 Incentive Plan"), 2 incentive recipients were dismissed due to their incompetence in the position, 6 incentive recipients terminated their labor relations with the Company due to job transfer which was beyond their personal control, 37 incentive recipients resigned due to the Company's proposal to negotiate with them for the termination of labor relations and 39 incentive recipients resigned due to their personal reasons.

After deliberation and approval at the 14th meeting of the 6th session of Board of

Directors and the First Extraordinary General Meeting of Shareholders in 2024, the Company decides to terminate the 2021 Incentive Plan and the 2022 Incentive Plan, and repurchase and cancel the restricted shares that have been granted but not yet unlocked. After the termination of the 2021 Incentive Plan, the Company will repurchase and cancel 4,104,828 restricted shares that have been granted to 779 incentive recipients but have not yet been unlocked, including 2,978,612 restricted shares that have been granted to 566 incentive recipients in the first grant of restricted shares but have not yet been unlocked, 1,019,564 restricted shares that have been granted to 187 incentive recipients in the first grant of the reserved part of the restricted shares but have not yet been unlocked, and 106,652 restricted shares that have been granted to 26 incentive recipients in the second grant of the reserved part of the restricted shares but have not yet been unlocked. After the termination of the 2022 Incentive Plan, the Company will repurchase and cancel 7,030,520 restricted shares that have been granted to 1,318 incentive recipients (2 of whom were granted restricted shares in both the first grant of restricted shares and the grant of reserved portion of restricted shares) but have not yet been unlocked, including 5,412,120 restricted shares that have been granted to 969 incentive recipients in the first grant of restricted shares but have not yet been unlocked, 1,618,400 restricted shares that have been granted to 351 incentive recipients in the grant of the reserved part of the restricted shares but have not yet been unlocked.

The Company has applied to the Shanghai Branch of China Securities Depository and Clearing Co., Ltd. for going through the procedures for the repurchase and cancellation of the said 12,873,923 restricted shares, and they were cancelled on May 7, 2024.

On August 19, 2024, the 20th meeting of the 6th session of Board of Directors of the Company passed the *Proposal on Changing Registered Capital and Amending the Articles of Association* with a vote of 7 in favor, 0 against and 0 abstention, agreeing that the Company change its registered capital and share capital and amended its Articles of Association due to the repurchase and cancellation of some restricted shares. Therefore, the registered capital of the Company is changed from RMB 1,710,083,466 to RMB 1,697,206,543, the share capital of the Company is changed from 1,710,083,466 to

1,697,206,543, and relevant provisions of the Articles of Association of the Company are amended as follows:

1. **“Article 6** The registered capital of the Company is RMB 1,710,083,466.”

is amended to: **“Article 6** The registered capital of the Company is RMB 1,697,206,543.”

2. **“Article 20** The total shares of the Company are 1,710,083,466, and the shareholding structure of the Company is 1,710,083,466 ordinary shares, of which A shareholders hold 1,610,083,466 shares, representing 94.15%; and foreign investors hold 100,000,000 underlying A shares represented by GDRs based on the conversion ratio determined by the Company, representing 5.85%.”

is amended to: **“Article 20** The total shares of the Company are 1,697,206,543, and the shareholding structure of the Company is 1,697,206,543 ordinary shares, of which A shareholders hold 1,597,206,543 shares, representing 94.11%; and foreign investors hold 100,000,000 underlying A shares represented by GDRs based on the conversion ratio determined by the Company, representing 5.89%.”

The change of registered capital and amendment of Articles of Association of the Company is not subject to the voting and approval of the General Meeting of Shareholders. The reason is that it is explicitly stipulated “(6) Authorize the Board of Directors to handle all matters necessary for granting equity to incentive recipients, unlocking the restricted shares and repurchasing restricted shares, including but not limited to applying to the stock exchange, opening a special account for repurchasing restricted shares, applying to the registration and clearing company for registration and clearing services, amending the Articles of Association, registering the change in registered capital, and paying repurchase funds to incentive recipients” and “(12) Authorize the Board of Directors to handle the approval, registration, filing, ratification and consent procedures for the equity incentive plan with relevant government or institutions, to sign, execute, modify or complete the documents to be submitted to relevant governments, institutions, organizations or individuals, amend the Articles of Association, handle the registration of changes in the registered capital, and take all necessary, proper or appropriate actions that it deems relevant to the incentive plan” in

the *Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to Equity Incentives* deliberated and approved at the First Extraordinary General Meeting of Shareholders in 2021, the *Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to the 2022 Restricted Stock Incentive Plan* deliberated and approved at the Second Extraordinary General Meeting of Shareholders in 2022, the *Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to the 2023 Restricted Stock Incentive Plan* deliberated and approved at the Second Extraordinary General Meeting of Shareholders in 2023, and “The General Meeting of Shareholders agrees to authorize the Board of Directors to handle all matters necessary for terminating the incentive plan and repurchasing restricted shares from the incentive recipients, including but not limited to applying to the stock exchange, opening a special account for repurchasing restricted shares, applying to the registration and clearing company for registration and clearing services, amending the Articles of Association, registering the change in registered capital, and paying repurchase funds to incentive recipients; to handle the approval, registration, filing, ratification and consent procedures for the equity incentive plan with relevant government or institutions, to sign, execute, modify or complete the documents to be submitted to relevant governments, institutions, organizations or individuals, amend the Articles of Association, handle the registration of changes in the registered capital, and take all necessary or appropriate actions that it deems relevant to the incentive plan” in the *Proposal on Terminating the 2021 and 2022 Restricted Stock Incentive Plans and Repurchasing and Canceling Restricted Shares* deliberated and approved at the First Extraordinary General Meeting of Shareholders of the Company in 2024.

Except for the above, other provisions of the Articles of Association of the Company remain unchanged. Please refer to the website of Shanghai Stock Exchange (www.sse.com.cn) for the amended version of the Articles of Association.

The Company will apply for registration of change with the market regulation authority as soon as possible.



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This above announcement is hereby made.

Board of Directors of Zhejiang Huayou Cobalt Co., Ltd.

August 20, 2024