

## **Zhejiang Huayou Cobalt Co., Ltd.**

### **Announcement on Changing the 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.

In view of the fact that: A) among the incentive targets in the first grant of the restricted shares under the 2021 Restricted Shares Incentive Plan (hereinafter the “2021 Incentive Plan”), 2 incentive targets lost their qualification as incentive targets due to their service as supervisors, 8 incentive targets did not meet the requirements in their personal performance assessment, 1 incentive target terminated the employment relationship with the Company upon the expiration of the contract, 1 incentive target left the Company due to layoffs, and 17 incentive targets voluntarily resigned due to personal reasons; B) among the incentive targets in the first grant of the reserved part of the restricted shares under the 2021 Incentive Plan, 2 incentive targets were dismissed due to incompetence, 9 incentive targets voluntarily resigned due to personal reasons, and 1 incentive target resigned due to the expiration of the agreement on re-employment after retirement; C) among the incentive targets in the second grant of the reserved part of the restricted shares under the 2021 Incentive Plan, 5 incentive targets terminated their employment relationship with the Company due to job transfers not under their control; D) among the incentive targets in the first grant of the restricted shares under the 2022 Restricted Shares Incentive Plan (hereinafter the “2022 Incentive Plan”), 2 incentive targets lost their qualification as incentive targets due to their service as supervisors, 10 incentive targets did not meet the requirements in their personal performance assessment, 4 incentive targets were dismissed due to incompetence, 1 incentive target terminated the

employment relationship with the Company upon the expiration of the contract, 1 incentive target left the Company due to layoffs, 4 incentive targets terminated their employment relationship with the Company due to job transfers not under their control, 30 incentive targets voluntarily resigned due to personal reasons, and 2 incentive targets resigned due to retirement; E) among the incentive targets in the grant of the reserved part of the restricted shares under the 2022 Incentive Plan, 3 incentive targets were dismissed due to incompetence, 2 incentive targets terminated their employment relationship with the Company due to job transfers not under their control, 24 incentive targets voluntarily resigned due to personal reasons, and thus lost their qualification to participate in the incentive plans, the Company held the third meeting of the sixth session of Board of Directors on June 19, 2023, deliberated and approved the *Proposal on Repurchase and Cancellation of Some Restricted Shares*, agreeing to repurchase and cancel a total of 759,849 restricted shares that have been granted yet still under sales restriction.

Therefore, in accordance with the *Administrative Measures for Shares Incentive of Listed Companies* and other related laws and regulations as well as the Incentive Plan, the Company repurchased a total of 759,849 restricted shares that have been granted but still under sales restriction for cancellation purpose.

The Company applied to the Shanghai Branch of China Securities Depository and Clearing Co., Ltd. (CSDC) for handling the procedures for the repurchase and cancellation of the 759,849 restricted shares, and completed the cancellation procedures in September 2023.

On October 24, 2023, the Company held the 12th meeting of the 6th session of Board of Directors, deliberated and approved the *Proposal on Changing Registered Capital and Amending the Articles of Association* (7 in favor, 0 against and 0 abstention), agreeing that the registered capital of the Company should be changed from RMB 1,699,464,115 to RMB 1,698,704,266, and the total number of shares should be changed from 1,699,464,115 to 1,698,704,266, and agreeing to the amended *Amendment to the Articles of Association*, with specific amended terms as follows:

1. “**Article 6** The registered capital of the Company is RMB 1,699,464,115.”

**Amended to be:**

“**Article 6** The registered capital of the Company is RMB 1,698,704,266.”

2. “**Article 20** The total shares of the Company are 1,699,464,115, and the shareholding structure of the Company is 1,699,464,115 ordinary shares, of which A shareholders hold 1,599,464,115 shares, representing 94.12%; and foreign investors hold 100,000,000 underlying A shares represented by GDRs based on the conversion ratio determined by the Company, representing 5.88%.”

**Amended to be:**

“**Article 20** The total shares of the Company are 1,698,704,266, and the shareholding structure of the Company is 1,698,704,266 ordinary shares, of which A shareholders hold 1,598,704,266 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 Company does not need to submit a proposal on the change in the registered capital of the Company and the revision of the Articles of Association to the shareholders’ meeting for deliberation and voting, because it is stipulated in the *Proposal on Requesting the Shareholders’ Meeting to Authorize the Board of Directors to Handle the Matters Related to Shares Incentives* deliberated and approved at the first extraordinary shareholders’ meeting of the Company in 2021 and the *Proposal on Requesting the Shareholders’ Meeting to Authorize the Board of Directors to Handle the Matters Related to the 2022 Restricted Shares Incentive Plan* deliberated and approved at the second extraordinary shareholders’ meeting of the Company in 2022 that “(6) authorize the Board of Directors to handle all necessary matters related to granting equity to incentive targets, releasing restrictions on sales and repurchasing restricted shares, including but not limited to applying to the stock exchange, opening a special account for repurchase of restricted shares, applying to the local CSDC for the depository and clearing services, amending the Company’s Articles of Association, registering changes in the Company’s registered capital, and paying the repurchase funds to incentive targets” and “(12) authorize the Board of Directors to handle the approval, registration, filing, authorization and consent procedures with relevant governments or institutions regarding the shares incentive plan, and to sign, execute, modify and complete documents submitted to

relevant governments, institutions, organizations or individuals, and to amend the Articles of Association of the Company, register changes in the Company's registered capital and take all actions that it deems necessary or appropriate in connection with the incentive plan".

Except for those mentioned above, the other contents of the Articles of Association remain unchanged. The amended Articles of Association can be found on the website of the Shanghai Stock Exchange at [www.sse.com.cn](http://www.sse.com.cn).

The Company will apply to the competent administration for industry and commerce for the registration of change as soon as possible.

It is hereby announced the above.

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

October 24, 2023