Stock Code: 603799 Stock Name: Huayou Cobalt Announcement No.: 2024-041
Convertible Bond Code: 113641 Convertible Bond Name: Huayou Convertible Bond

Zhejiang Huayou Cobalt Co., Ltd.

Announcement on 2023 Profit Distribution Plan

The board of directors and all directors of the Company guarantee that the information of this Announcement is free from false records, misrepresentations or

Important Notes:

Company intends to distribute a cash dividend of RMB10 (tax inclusive) for every 10 shares to all shareholders, and will not distribute bonus shares or transfer capital reserves to increase share capital.

This profit distribution shall be based on the total share capital registered on the equity registration date for the implementation of the equity distribution after deducting the shares held in the Company's special securities account for repurchase, and the exact date will be specified in the announcement for the implementation of the equity distribution.

Where there is any change to the total share capital from the date of approval of this Resolution to the equity registration date for the implementation of the equity distribution, the Company intends to maintain the distribution ratio per share unchanged and adjust the total amount of distribution accordingly with the detailed adjustment to be released in another announcement.

I. Main Contents of the Profit Distribution Plan for Year 2023

As confirmed by the audit of Pan-China Certified Public Accountants (Special General Partnership), the distributable profits of Zhejiang Huayou Cobalt Co., Ltd. (the "Company") at the end of the period was RMB 2,112,433,130.77 as of December 31, 2023. Upon resolution of the board of directors of the Company, the Company intends to distribute profits in 2023 based on the total share capital registered on the equity

registration date for the implementation of the equity distribution. The current profit distribution plan is as follows:

In line with the principle of actively paying back and sharing operating achievements of the Company with shareholders, and in order to actively carry out the special action of "Improvement of Quality and Efficiency and Focus on Return", the Company intends to distribute a cash dividend of RMB10 (tax inclusive) for every 10 shares to all shareholders, and will not distribute bonus shares or transfer capital reserves to increase share capital. As of April 18, 2024, an aggregate of 21,852,160 shares were held in the Company's special securities account for repurchase. Calculated on the basis of the Company's current total share capital of 1,710,086,798 shares less 21,852,160 of the repurchased shares, the amount of cash dividends was RMB 1,688,234,638 (tax inclusive), accounting for 50.38% of the net profit attributable to shareholders of the listed company in the 2023 consolidated financial statement.

Pursuant to the relevant laws and regulations, the repurchase of shares by a listed company by means of offer or centralized bidding with cash as consideration shall be deemed as a cash dividend by the listed company, and shall be included in the calculation of the relevant proportion of cash dividend for the current year. The total amount of funds paid cumulatively by the Company to repurchase the Company's shares through call auction in 2023 amounted to RMB 638,081,400.64, which is deemed as cash dividend; The cash dividend to be distributed in 2023 is RMB 1,688,234,638 (tax inclusive), and the amount of the Company's cash dividend for 2023 after consolidation is RMB2,326,316,038.64, accounting for 69.42% of the net profit attributable to shareholders of the listed company in the consolidated financial statement..

Shares held by the Company through special securities account for repurchase will not participate in this profit distribution, and the specific number will be disclosed in the announcement on implementation of equity distribution. Where there is any change in the Company's total share capital during the period from the date of disclosure of this Announcement to the equity registration date for implementation of equity distribution, the Company intends to maintain the distribution ratio for each share unchanged and adjust the total distribution amount accordingly. Where there is any subsequent change in the total share capital, the detailed adjustment shall be announced separately.

The aforesaid profit distribution plan is subject to the examination and approval at the 2023 annual general meeting of the Company.

II. Decision-making Procedures to be Performed by the Company

On April 18, 2024, the Company held the 19th meeting of the sixth session of the board of directors and the 12th meeting of the sixth session of the supervisory board to consider and approve the Resolution on the 2023 Profit Distribution Plan. This plan is consistent with the relevant laws and regulations, profit distribution policies stipulated in the articles of association and the shareholder return plan disclosed by the Company.

III. Relevant Risk Warnings

The current profit distribution plan takes into account the Company's development stage and future funding needs, which will not have a significant impact on the Company's operating cash flow or the Company's normal operations and long-term development.

This profit distribution plan is subject to the examination and approval at the 2023 annual general meeting of the Company. The investors are advised to pay attention to the investment risks.

The announcement is hereby made.

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

April 19, 2024