Stock Code: 603799 Stock Name: Huayou Cobalt Announcement No.: 2026-051

Zhejiang Huayou Cobalt Co., Ltd.

Announcement on Repurchase and Cancellation of Incentive Restricted Shares

Important Notice:

●Reasons for Repurchase and Cancellation:

Pursuant to the *Measures for the Administration of Equity Incentives of Listed Companies* (the "Measures") and other applicable laws and regulations, as well as the provisions of the *2023 Restricted Share Incentive Plan of Zhejiang Huayou Cobalt Co., Ltd. (Draft)* (the "2023 Incentive Plan") and the *2024 Restricted Share Incentive Plan of Zhejiang Huayou Cobalt Co., Ltd. (Draft)* (the "2024 Incentive Plan"), Zhejiang Huayou Cobalt Co., Ltd. (the "Company") has decided to repurchase and cancel a total of 3,199,980 restricted shares that have been granted but not yet vested on the grounds that: (i) certain restricted shares under the initial grant of the 2023 Incentive Plan are ineligible for vesting due to the failure to meet the company-level performance assessment for the third vesting period; and (ii) certain participants under the 2023 Incentive Plan and the 2024 Incentive Plan have become ineligible to participate for cause.

●Particulars of Shares Subject to Cancellation:

Number of Shares to be Repurchased	Number of Shares to be Canceled	Cancellation Date
3,199,980	3,199,980	June 30, 2026

I. Decision Making and Information Disclosure Regarding the Repurchase and Cancellation of Restricted Shares

(I) 2023 Restricted Share Incentive Plan

1. On July 25, 2023, the Company held the 7th meeting of the sixth Board of Directors, at which the *Resolution on the "2023 Restricted Share Incentive Plan (Draft)" of the Company and Summary*, the *Resolution on the "Measures for the Assessment and Administration of the Implementation of 2023 Restricted Share Incentive Plan" of the Company*, and the *Resolution on Requesting the General Meeting to Authorize the Board of Directors to Handle Matters Related to the 2023 Restricted Share Incentive Plan* were approved, and the independent directors expressed independent opinions on matters relating to the share incentive plan.

2. On July 25, 2023, the Company held the 4th meeting of the sixth Board of Supervisors, at which the *Resolution on the "2023 Restricted Share Incentive Plan (Draft)" of the Company and Summary*, the *Resolution on the "Measures for the Assessment and Administration of the Implementation of 2023 Restricted Share Incentive Plan" of the Company*, and the *Resolution on Verifying the "List of Participants Involved in the First Grant under the 2023 Restricted Share Incentive Plan" of the Company* were approved.

3. From July 26, 2023 to August 7, 2023, the Company publicized the names and positions of the participants involved in the first grant on the Company's website. During the publicity period, the Company's Board of Supervisors did not receive any objections. On August 9, 2023, the Company disclosed the *Publicity Statement and Verification Opinions of the Board of Supervisors of Zhejiang Huayou Cobalt Co., Ltd. On the List of Participants of the 2023 Restricted Share Incentive Plan of the Company* (Announcement No.: 2023-112).

4. On August 15, 2023, the Company held the second extraordinary general meeting in 2023, at which the *Resolution on the "2023 Restricted Share Incentive Plan (Draft)" of the Company and Summary*, the *Resolution on the "Measures for the Assessment and Administration of the Implementation of 2023 Restricted Share Incentive Plan" of the Company*, and the *Resolution on Requesting the General Meeting to Authorize the Board of Directors to Handle Matters Related to the 2023 Restricted Share Incentive Plan* were approved, and the *Self-inspection Report of Zhejiang Huayou Cobalt Co., Ltd. on the*

Trading of the Company's Shares by Insiders of the 2023 Restricted Share Incentive Plan of the Company (Announcement No.: 2023-114) was disclosed.

5. On August 29, 2023, the Company held the 9th meeting of the sixth Board of Directors and the 6th meeting of the sixth Board of Supervisors, at which the *Resolution on the Adjustment of Matters Related to the First Grant under the 2023 Restricted Share Incentive Plan* and the *Resolution on the First Grant of Restricted Shares to Participants* were approved. The Board of Directors of the Company believed that the conditions for the first grant of restricted shares under the Incentive Plan have been fulfilled and agreed to determine August 29, 2023 as the first grant date to grant 13,682,000 restricted shares to 1,856 participants. The Board of Supervisors of the Company verified the adjusted list of participants involved in the first grant and expressed an opinion of agreement. The independent directors of the Company expressed an independent opinion of agreement for this.

6. On January 9, 2024, the Company held the 14th meeting of the sixth Board of Directors and the 9th meeting of the sixth Board of Supervisors, at which the *Resolution on the Repurchase and Cancellation of Some Restricted Shares* was approved. The Board of Supervisors of the Company issued the verification opinions for this.

7. On January 10, 2024, the Company published an announcement on the website of Shanghai Stock Exchange (http://www.sse.com.cn/) notifying creditors of claiming their creditor's rights to the Company within 45 days from the date of the announcement and of the right to ask the Company to pay off debts or provide guarantees. For details, see the *Announcement of Huayou Cobalt on the Proposal on Repurchase and Cancellation of Certain Restricted Shares and Notification to Creditors* (Announcement No. 2024-010). The Company has not received any claims of creditor's rights from the creditors at the expiration of the period for claiming of creditor's rights announced above, and completed the cancellation of the restricted shares on May 7, 2024.

8. On August 20, 2024, the Company disclosed the *Announcement of Zhejiang Huayou Cobalt Co., Ltd. on the Invalidity of the Reserved Rights under the 2023 Restricted Share Incentive Plan* (Announcement No.: 2024-077). The Company's 3,940,000 restricted shares reserved under the 2023 Restricted Share Incentive Plan have not been clearly granted to the participants more than 12 months after the incentive plan was approved at

the second extraordinary general meeting in 2023, so the reserved rights have become invalid.

9. On October 18, 2024, the Company held the 23rd meeting of the sixth Board of Directors and the 14th meeting of the sixth Board of Supervisors, at which the *Resolution on the Adjustment of the Repurchase Price of the Restricted Shares Involved in the First Grant under the 2023 Restricted Share Incentive Plan* and the *Resolution on the Proposed Repurchase and Cancellation of the Restricted Shares Involved in the First Grant under the 2023 Restricted Share Incentive Plan* were approved. The Board of Supervisors of the Company issued the verification opinions for this.

10. On November 8, 2024, the Company published an announcement on the website of Shanghai Stock Exchange (http://www.sse.com.cn/) notifying creditors of claiming their creditor's rights to the Company within 45 days from the date of the announcement and of the right to ask the Company to pay off debts or provide guarantees. For details, see the *Announcement of Huayou Cobalt on the Repurchase and Cancellation of Certain Restricted Shares and Notification to Creditors* (Announcement No. 2024-103). The Company has not received any claims of creditor's rights from the creditors at the expiration of the period for claiming of creditor's rights announced above, and completed the cancellation of the restricted shares on January 23, 2025.

11. On June 11, 2025, the Company held the 30th meeting of the sixth Board of Directors and the 21st meeting of the sixth Board of Supervisors, at which the *Proposal on Adjusting the Repurchase Price of Restricted Shares* and the *Proposal on Repurchase and Cancellation of Certain Restricted Shares* were approved. The above proposals have been approved by the Remuneration and Appraisal Committee of the Board of Directors.

12. On July 3, 2025, the Company published an announcement on the website of Shanghai Stock Exchange (http://www.sse.com.cn/) notifying creditors of claiming their creditor's rights to the Company within 45 days from the date of the announcement and of the right to ask the Company to pay off debts or provide guarantees. For details, see the *Announcement of Huayou Cobalt on the Repurchase and Cancellation of Certain Restricted Shares and Notification to Creditors* (Announcement No. 2025-074). The Company has not received any claims of creditor's rights from the creditors at the expiration of the period for claiming of creditor's rights announced above, and completed

the cancellation of the restricted shares on October 31, 2025.

13. On April 6, 2026, the Company held the 38th meeting of the sixth Board of Directors, at which the *Proposal on Adjusting the Repurchase Price of Restricted Shares* and the *Proposal on Repurchase and Cancellation of Certain Restricted Shares* were approved. The above proposals have been approved by the Remuneration and Appraisal Committee of the Board of Directors.

14. On April 29, 2026, the Company published an announcement on the website of Shanghai Stock Exchange (http://www.sse.com.cn/) notifying creditors of claiming their creditor's rights to the Company within 45 days from the date of the announcement and of the right to ask the Company to pay off debts or provide guarantees. For details, see the *Announcement of Huayou Cobalt on the Repurchase and Cancellation of Certain Restricted Shares and Notification to Creditors* (Announcement No. 2026-041). As of the date of this announcement, a publicity period of 45 days has lapsed, during which the Company did not receive any request from its creditors for debt repayment or provision of corresponding guarantee. Therefore, the repurchase and cancellation will be carried out in due course.

(II) 2024 Restricted Share Incentive Plan

1. On December 30, 2024, the Company held the 25th meeting of the sixth Board of Directors, at which the *Resolution on the "2024 Restricted Share Incentive Plan (Draft)" of the Company and Summary*, the *Resolution on the "Measures for the Assessment and Administration of the Implementation of 2024 Restricted Share Incentive Plan" of the Company*, and the *Resolution on Requesting the General Meeting to Authorize the Board of Directors to Handle Matters Related to the 2024 Restricted Share Incentive Plan* were approved.

2. On December 30, 2024, the Company held the 16th meeting of the sixth Board of Supervisors, at which the *Resolution on the "2024 Restricted Share Incentive Plan (Draft)" of the Company and Summary*, the *Resolution on the "Measures for the Assessment and Administration of the Implementation of 2024 Restricted Share Incentive Plan" of the Company*, and the *Resolution on Verifying the "List of Participants Involved in the First Grant under the 2024 Restricted Share Incentive Plan" of the Company* were approved.

3. From January 3, 2025 to January 12, 2025, the Company publicized the names and

positions of the participants involved in the first grant on the Company's website. During the publicity period, the Company's Board of Supervisors did not receive any objections. On January 14, 2025, the Company disclosed the *Publicity Statement and Verification Opinions of the Board of Supervisors of Zhejiang Huayou Cobalt Co., Ltd. On the List of Participants of the 2024 Restricted Share Incentive Plan of the Company* (Announcement No.: 2025-004). After verification, the Board of Supervisors believed that all the participants involved in the first grant included in the incentive plan meet the conditions stipulated by relevant laws, regulations and normative documents, and their status as participants under the incentive plan is legal and valid.

4. On January 20, 2025, the Company held the first extraordinary general meeting in 2025, at which the *Resolution on the "2024 Restricted Share Incentive Plan (Draft)" of the Company and Summary*, the *Resolution on the "Measures for the Assessment and Administration of the Implementation of 2024 Restricted Share Incentive Plan" of the Company*, and the *Resolution on Requesting the General Meeting to Authorize the Board of Directors to Handle Matters Related to the 2024 Restricted Share Incentive Plan* were approved, and the *Self-inspection Report of Zhejiang Huayou Cobalt Co., Ltd. on the Trading of the Company's Shares by Insiders of the 2024 Restricted Share Incentive Plan of the Company* (Announcement No.: 2025-009) was disclosed.

5. On January 23, 2025, the Company held the 26th meeting of the sixth Board of Directors and the 17th meeting of the sixth Board of Supervisors, at which the *Resolution on the Adjustment of Matters Related to the First Grant under the 2024 Restricted Share Incentive Plan* and the *Resolution on the First Grant of Restricted Shares to Participants* were approved. The Board of Directors of the Company believed that the conditions for the first grant of restricted shares under the Incentive Plan have been fulfilled and agreed to grant 10,419,300 restricted shares to 1,298 participants. The Board of Supervisors of the Company verified the adjusted list of participants involved in the first grant and expressed an opinion of agreement.

6. On June 11, 2025, the Company held the 30th meeting of the sixth Board of Directors and the 21st meeting of the sixth Board of Supervisors, at which the *Proposal on Adjusting the Repurchase Price of Restricted Shares* and the *Proposal on Repurchase and Cancellation of Certain Restricted Shares* were approved. The above proposals have been

approved by the Remuneration and Appraisal Committee of the Board of Directors.

7. On July 3, 2025, the Company published an announcement on the website of Shanghai Stock Exchange (http://www.sse.com.cn/) notifying creditors of claiming their creditor's rights to the Company within 45 days from the date of the announcement and of the right to ask the Company to pay off debts or provide guarantees. For details, see the *Announcement of Huayou Cobalt on the Repurchase and Cancellation of Certain Restricted Shares and Notification to Creditors* (Announcement No. 2025-074). The Company has not received any claims of creditor's rights from the creditors at the expiration of the period for claiming of creditor's rights announced above, and completed the cancellation of the restricted shares on October 31, 2025.

8. On April 6, 2026, the Company held the 38th meeting of the sixth Board of Directors, at which the *Proposal on Adjusting the Repurchase Price of Restricted Shares* and the *Proposal on Repurchase and Cancellation of Certain Restricted Shares* were approved. The above proposals have been approved by the Remuneration and Appraisal Committee of the Board of Directors.

9. On April 29, 2026, the Company published an announcement on the website of Shanghai Stock Exchange (http://www.sse.com.cn/) notifying creditors of claiming their creditor's rights to the Company within 45 days from the date of the announcement and of the right to ask the Company to pay off debts or provide guarantees. For details, see the *Announcement of Huayou Cobalt on the Repurchase and Cancellation of Certain Restricted Shares and Notification to Creditors* (Announcement No. 2026-041). As of the date of this announcement, a publicity period of 45 days has lapsed, during which the Company did not receive any request from its creditors for debt repayment or provision of corresponding guarantee. Therefore, the repurchase and cancellation will be carried out in due course.

II. Repurchase and Cancellation of the Restricted Shares

(I) Reasons and basis for repurchase and cancellation of the restricted shares

1. Repurchase and cancellation due to the failure by certain restricted shares under the initial grant of the 2023 Incentive Plan to meet the company-level performance assessment for the third vesting period

Pursuant to the Measures and other applicable laws and regulations, as well as the provisions of Chapter VIII "Grant and Vesting Conditions of Restricted Shares" of the Company's 2023 Incentive Plan, the Company intends to repurchase and cancel a total of 2,603,100 restricted shares granted under the 2023 Incentive Plan that are ineligible for vesting due to failure to meet the company-level performance assessment for the third vesting period.

2. Repurchase and cancellation due to participants' ineligibility to receive incentives

Pursuant to the Measures and other applicable laws and regulations, as well as the provisions of Chapter XIII "Treatment of Abnormalities Regarding the Company/Incentive Participants" of the Company's 2023 Incentive Plan and 2024 Incentive Plan, the Company intends to repurchase and cancel a total of 596,880 restricted shares that have been granted but not yet vested, on the grounds that certain participants under the 2023 Incentive Plan and the 2024 Incentive Plan have become ineligible to participate for cause.

(II) Number of individuals involved in the repurchase and cancellation

A total of 3,199,980 restricted shares are subject to repurchase and cancellation. Among them, 2,603,100 restricted shares granted under the 2023 Incentive Plan are subject to repurchase and cancellation due to the failure to meet the company-level performance assessment for the third vesting period. In addition, among the participants involved in the first grant under the 2023 Incentive Plan, 19 participants left the Company due to involuntary position transfers or other reasons, 3 participants retired, 1 participant left the Company because the contract expired and the Company did not renew the contract, 62 participants voluntarily resigned for personal reasons, and 1 participant was dismissed for personal fault, involving a total of 181,680 restricted shares subject to repurchase and cancellation; among the participants involved in the first grant under the 2024 Incentive Plan, 15 participants left the Company due to involuntary position transfers, 1 participant left the Company because the contract expired and the Company did not renew the contract, 55 participants voluntarily resigned for personal reasons, 1 participant was dismissed for personal fault, and 2 participants failed the personal performance assessment, and among the participants involved in the reserved grant, 2 participants voluntarily resigned for personal reasons, and 1 participant was dismissed for personal fault, involving a total of 415,200 restricted shares subject to repurchase and cancellation.

(III) Arrangements for repurchase and cancellation

The Company has opened a special securities account for repurchase with Shanghai Branch of China Securities Depository and Clearing Corporation Limited (the "CSDC"), and has also applied to the CSDC for the repurchase and cancellation of the said restricted shares.

The restricted shares are expected to be canceled on June 30, 2026, after which the Company will complete the relevant change registration procedures with the competent administration for industry and commerce in accordance with the law.

III. Changes in Share Structure of the Company After the Repurchase and Cancellation of Restricted Shares

After the repurchase and cancellation of restricted shares, the changes in the Company's share capital structure are as follows:

Unit: Share

Class	Before Change	Change	After Change
Restricted Shares	9,120,300	-3,199,980	5,920,320
Non-Restricted Shares	1,887,607,197	-	1,887,607,197
In Total	1,896,727,497	-3,199,980	1,893,527,517

Note: The information regarding share capital before the change as shown above is based on the equity structure as of June 24, 2026. The registered capital of the Company after the change shall be the amount registered with the competent administration for industry and commerce.

IV. Changes in Shareholding Percentages of the Controlling Shareholder and Its Person Acting in Concert After the Repurchase and Cancellation of Restricted Shares

Following the cancellation, the Company's total share capital will be reduced from 1,896,727,497 shares to 1,893,527,517 shares. As the number of shares held by the controlling shareholder, Huayou Holding Group Co., Ltd. ("Huayou Holding") and its person acting in concert, Mr. Chen Xuehua, remain unchanged, the decrease in the Company's total share capital will cause their shareholding percentages to increase from 20.62% to 20.66%. The changes in shareholding percentages are as follows:

Name of Shareholder	Number of Shares Held Before Change	Shareholding Percentage	Number of Shares Held After Change	Shareholding Percentage After

	(share)	Before Change	(share)	Change
Huayou Holding	308,664,701	16.27%	308,664,701	16.30%
Chen Xuehua, Person Acting in Concert	82,505,146	4.35%	82,505,146	4.36%
In Total	391,169,847	20.62%	391,169,847	20.66%

V. Representations and Undertakings

The Board of Directors of the Company represents that the decision-making procedures and information disclosure involved in the repurchase and cancellation of restricted shares are in line with laws and regulations, the Measures, and the arrangements under the share incentive plans and the agreement on the grant of restricted shares of the Company, and there is no harm to the legitimate rights and interests of the participants and the interests of creditors.

The Company undertakes that it has verified and warranted the truthfulness, accuracy and completeness of the object, number of shares and cancellation date of the restricted shares to be repurchased and canceled, and has fully informed the relevant participants of the repurchase and cancellation, and the relevant participants have not expressed objections to the repurchase and cancellation. If there is any dispute with the relevant participants arising from the repurchase and cancellation, the Company will assume the relevant legal liability arising therefrom.

VI. Concluding Legal Opinions

Lawyers of Grandall Law Firm (Hangzhou) believe that, as of the date of the Legal Opinion, the reasons for repurchase and cancellation of certain restricted shares, the number and price of such shares, the source of funds and other relevant matters are in line with the Measures and other applicable laws, administrative regulations, normative documents, and the provisions of the Incentive Plans.

This announcement is hereby made.

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

June 26, 2026