

**Zhejiang Huayou Cobalt Co., Ltd.**  
**Announcement on the Results of Grant of Reserved**  
**Restricted Shares under the 2024 Share Incentive**  
**Plan**

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 legal liabilities with respect to the truthfulness, accuracy and completeness hereof.

**Important Notice:**

Registration date of the restricted shares	December 25, 2025
Registered quantity of the restricted shares	630,200 shares

**I. Basic information on the first grant under the incentive plan**

Zhejiang Huayou Cobalt Co., Ltd. (the “Company”) has designed its 2024 Share Incentive Plan (the “Plan”) to use restricted shares as the incentive tool. The shares for this Plan will be sourced from the private placement of the Company’s A-shares to eligible incentive participants. In total, 19,189,300 shares are planned for grant, accounting for 1.13% of the Company’s total share capital (which is 1,697,214,928 shares after the conversion of convertible bond as of December 27, 2024). Among them, 15,351,500 shares (accounting for 0.90% of the Company's total share capital) are allocated for the first grant, while 3,837,800 shares (accounting for 0.23% of the Company's total share capital) are reserved for subsequent grants. For details, please refer to the *Summary Announcement of the 2024 Restricted Share Incentive Plan*

*(Draft) of Huayou Cobalt* (Announcement No.: 2024-127), which the Company disclosed on the official website of the Shanghai Stock Exchange (www.sse.com.cn) on December 31, 2024.

Authorized by the First Extraordinary General Meeting of Shareholders in 2025, the Company convened the 26th meeting of the 6th Board of Directors on January 23, 2025. At the meeting, the *Proposal on the First Grant of Restricted Shares to Participants* was deliberated and approved, fixing January 23, 2025 as the date of first grant and determining to grant 10,419,300 restricted shares to 1,298 qualified participants at a price of RMB15.06 per share. During the payment phase after the date of first grant was fixed, some employees did not subscribe for some or all of their allocated restricted shares within the specified timeframe. As a result, the actual number of participants in the first grant was reduced from 1,298 to 1,161 and the actual number of restricted shares issued was reduced from 10,419,300 to 9,349,300 shares. The Company has completed the procedures for the registration of the restricted shares granted in the first grant on March 7, 2025. For further details, please refer to the *Announcement on the Results of the First Grant of Restricted Shares to Participants* (Announcement No.: 2025-028) disclosed on the official website of Shanghai Stock Exchange (www.sse.com.cn) on March 11, 2025.

## **II. Basic information on the grant of reserved restricted shares**

### **(I) Details of the grant of reserved restricted shares**

Grant date	October 29, 2025
Grant quantity	630,200 shares
Number of grantees	176 people
Grant price/Exercise price	RMB30.91 per share
Share source	<input checked="" type="checkbox"/> Newly issued shares <input type="checkbox"/> Repurchased shares <input type="checkbox"/> Other sources

Authorized by the First Extraordinary General Meeting of Shareholders in 2025,

the Company convened the 36th meeting of the 6th Board of Directors on October 29, 2025. At the meeting, the *Proposal on the Grant of Reserved Restricted Shares to Participants* was deliberated and approved, fixing October 29, 2025 as the grant date and determining to grant 1,111,000 restricted shares to 302 qualified participants at a price of RMB30.91 per share, with shares sourced from the private placement of the Company's A-shares.

During the payment phase after the grant date was confirmed, some employees did not subscribe for some or all of their allocated restricted shares within the specified timeframe. As a result, the actual number of participants in the grant was reduced from 302 to 176, and the actual number of reserved restricted shares granted was reduced from 1,111,000 to 630,200 shares. Except for the above adjustments, all other aspects of the reserved grant remain consistent with those deliberated and approved at the 36th meeting of the 6th Board of Directors. For further details, please refer to the *Announcement on the Grant of Reserved Restricted Shares to Participants of Huayou Cobalt* (Announcement No.: 2025-122) disclosed on the official website of Shanghai Stock Exchange (www.sse.com.cn) on October 30, 2025.

## (II) List of participants and grant details

The reserved restricted shares will be granted to core management personnel, key employees, and other individuals deemed worthy of incentives by the Board of Directors, all employed by the Company (including its holding subsidiaries and branches; the same applies hereinafter). The distribution of the actual reserved restricted shares granted among the participants is shown in the table below:

Name	Position	Quantity of restricted shares granted (Unit: Ten Thousand Shares)	Proportion to the total reserved restricted shares granted	Proportion to total share capital at the grant date
Core management personnel, key employees, and other individuals deemed worthy of incentives by the Board of		63.02	56.72%	0.03%

Directors (176 people)			
Total number of participants (176 people)	63.02	56.72%	0.03%

### III. Validity period, lock-up period and arrangement for unlocking of the Plan

#### (I) Validity period

The validity period of the Plan shall not exceed 48 months from the date of completion of registration of the restricted shares granted to the date of unlocking or repurchase and cancellation of all restricted shares granted to the participants.

#### (II) Lock-up period and arrangement for unlocking

##### 1. Lock-up period

The lock-up period of the reserved restricted shares granted under the Plan is 12 months and 24 months, respectively, from the date of completion of registration of the corresponding portion granted. Restricted shares granted to the participants under the Plan may not be transferred, used to secure or repay debt until they are unlocked. After the expiration of the lock-up period, the Company shall handle the matters related to unlocking for the participants that meet the conditions of unlocking, and the restricted shares held by the participants that do not meet the conditions of unlocking shall be repurchased and cancelled by the Company.

##### 2. Arrangement for unlocking

The unlocking periods of the reserved restricted shares granted under the Plan and the time arrangement for unlocking during each period are shown in the table below:

Arrangement for unlocking	Time of unlocking	Proportion of the shares to be unlocked to the total shares granted
First unlocking period for the	From the first trade date 12 months after the date of completion of registration of the reserved restricted	50%

reserved restricted shares granted	shares granted to the last trade date within 24 months from the date of completion of registration of the reserved restricted shares granted	
Second unlocking period for the reserved restricted shares granted	From the first trade date 24 months after the date of completion of registration of the reserved restricted shares granted to the last trade date within 36 months from the date of completion of registration of the reserved restricted shares granted	50%

Any restricted shares that a participant did not apply for unlocking, or can not apply for unlocking since the participant does not meet the conditions of unlocking, within the aforementioned periods will be repurchased and cancelled by the Company in accordance with the provisions of the Plan. The equity interests in such locked restricted shares may not be carried over to subsequent periods.

Additional shares acquired by participants through conversion of capital reserve to share capital, stock dividends or stock splits, derived from the restricted shares granted, shall also be subject to lock-up restrictions, and may not be sold on the secondary market or otherwise transferred, and their unlocking periods shall be consistent with those of the restricted shares granted. If the Company repurchases restricted shares that have not been unlocked, these additional shares shall be repurchased as well.

#### **IV. Verification of the capital for subscription of the reserved restricted shares granted this time**

According to the *Capital Verification Report* (Tianjian Yan [2025] No. 432) issued by Pan-China Certified Public Accounts LLP, as of November 30, 2025, 176 participants have subscribed for 630,200 restricted shares, increasing the registered capital of RMB630,200.00. The total amount of the actual subscription funds is RMB19,479,482.00, of which RMB630,200.00 is included in the paid-in capital and RMB18,849,282.00 is included in the capital reserve (share premium). Since the shares were issued via private placement to participants, the total share capital of the Company is increased by 630,200 shares.

## **V. Registration of the reserved restricted shares granted**

The Company has completed the procedures for the registration of 630,200 reserved restricted shares granted with the Shanghai Branch of China Securities Depository and Clearing Co., Ltd. and obtained the *Certificate of Registration of Securities Change*. The registration date for the reserved restricted shares granted under the Plan is 26 December 2025.

## **VI. Influence on the controlling shareholder of the Company before and after the grant**

Upon completion of the procedures for the registration of the reserved restricted shares granted, the total number of shares of the Company increased from 1,896,097,297 to 1,896,727,497 and the number of shares held by the controlling shareholder Huayou Holding Group Limited and the person acting in concert Mr. Chen Xuehua remained 391,169,847, but their shareholding ratio decreased slightly from 20.63% to 20.62%. This grant will not cause any change in the controlling shareholder and actual controller of the Company.

## **VII. Changes in share capital structure**

Unit: Shares

<b>Class</b>	<b>Number before change</b>	<b>Change</b>	<b>Number after change</b>
Restricted shares	12,018,380	630,200	12,648,580
Unrestricted shares	1,884,078,917	0	1,884,078,917
Total	1,896,097,297	630,200	1,896,727,497

Note: The actual share change is subject to the share capital structure table issued by Shanghai Branch of China Securities Depository and Clearing Co., Ltd.

## **VIII. Plan for the use of raised funds**

The total funds raised from the grant of reserved restricted shares amount to RMB19,479,482.00, which will be fully used to supplement the Company's working capital.

## IX. Impact of the new shares on the latest financial report

In accordance with relevant provisions of the *Accounting Standards for Business Enterprises No. 11 – Share-based Payments*, the Company determines the fair value of the restricted shares at the grant date using the relevant valuation tools and finally recognizes the share-based payment expense under the Plan, which will be amortized in proportion to the number of unlocked restricted shares over the course of the implementation of the Plan. The incentive cost arising from the Plan will be charged to recurring gains and losses.

In accordance with the requirements of Chinese Accounting Standards, the Board of Directors has determined that the grant date this time under the Plan is October 29, 2025, and the incentive cost is recognized based on the fair value of the restricted shares on the grant date. After calculation, the estimated total impact of the reserved restricted shares granted on the Company's annual accounting costs is shown in the table below:

Number of reserved restricted shares granted (Unit: Ten Thousand Shares)	Total expense to be amortized (Unit: RMB Ten Thousand)	Y2025	Y2026	Y2027
63.02	2,009.71	251.21	1,339.81	418.69

Note: (1) The above results do not represent final accounting costs. The actual accounting cost is related not only to the actual grant date, grant price and number of shares granted, but also to the actual number of shares effective and ineffective. (2) The final impact of the above expense to be amortized on the Company's operating results will be subject to the annual audit report issued by the accounting firm.

It is hereby announced the above.

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

December 27, 2025