

Zhejiang Huayou Cobalt Co., Ltd.

Announcement on the 2025 Profit Distribution 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:

- Distribution per share: A cash dividend of RMB 0.5 (tax inclusive) per A-share will be distributed to all shareholders, with no distribution of bonus share and conversion of capital reserve fund into share capital.

- The profit distribution is based on the total share capital registered on the record date for the implementation of the distribution, with the specific date to be specified in the announcement on the implementation of the distribution. Where there is any change in the Company's total share capital prior to the record date for the implementation of the distribution, the Company intends to maintain the distribution ratio for each share unchanged and adjust the total distribution amount accordingly, and disclose them in the relevant announcements.

- The Company does not fall under the circumstances that may trigger other risk warning as stipulated in Item (8) of the first paragraph of Article 9.8.1 of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange.

- This profit distribution plan is still subject to deliberation and approval by the shareholders' meeting of the Company.

I. Content of the 2025 profit distribution plan

(I) Details of the profit distribution plan

As audited and confirmed by Pan-China Certified Public Accounts LLP, as of December 31, 2025, the ending undistributed profits as recorded in the financial statements of the parent company of Zhejiang Huayou Cobalt Co., Ltd. (hereinafter referred to as the "Company") amounted to RMB 1,121,012,101.49. Upon resolution of the Board of Directors, the Company intends to distribute profits based on the total share capital registered on the record date for the implementation of the distribution for the year 2025. The profit distribution plan is as follows:

The Company intends to distribute a cash dividend of RMB 0.5 (tax inclusive) per share to all shareholders, with no issuance of bonus shares and conversion of capital reserve into share capital. As of April 6, 2026, the total share capital of the Company was 1,896,727,497 shares. Based on this figure, the total amount of cash dividend to be distributed is expected to be RMB 948,363,748.50 (tax inclusive). The proportion of the Company's cash dividend distribution for the current year to the net profit attributable to the parent company's shareholders in 2025 is 15.52%.

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 record date for the implementation of the distribution, the Company intends to maintain the distribution ratio for each share unchanged and adjust the total distribution amount accordingly. If the total share capital changes subsequently, the specific adjustment will be announced separately.

This profit distribution plan is still subject to deliberation and approval by the 2025 annual shareholders' meeting of the Company.

(II) Whether circumstance that may trigger other risk warnings exists

Item	2025	2024	2023
Total amount of cash dividend (RMB)	948,363,748.50	839,422,449.00	1,675,360,737.00
Total amount of repurchase and cancellation (RMB)	0	0	0
Net profit attributable to shareholders of the listed company (RMB)	6,110,378,757.84	4,154,825,193.75	3,350,891,340.06
Ending undistributed profit recorded in the parent company's financial statements (RMB)	1,121,012,101.49		
Cumulative amount of cash dividend in the most recent three fiscal years (RMB)	3,463,146,934.50		

Cumulative amount of repurchase and cancellation in the most recent three fiscal years (RMB)	0
Average net profit of the most recent three fiscal years (RMB)	4,538,698,430.55
Cumulative amount of cash dividend and repurchase and cancellation in the most recent three fiscal years (RMB)	3,463,146,934.50
Whether the cumulative amount of cash dividend and repurchase and cancellation in the most recent three fiscal years is less than RMB 50,000,000	No
Cash dividend ratio (%)	76.30
Is cash dividend ratio (E) less than 30%	No
Whether falling under the circumstances that may trigger other risk warning as stipulated in Item (8) of the first paragraph of Article 9.8.1 of the <i>Rules Governing the Listing of Stocks on Shanghai Stock Exchange</i> .	No

The net profit of the Company in the latest fiscal year is positive, both the ending undistributed profits recorded in the consolidated financial statements and the parent company's financial statements are positive, and the total cumulative cash dividend distribution in the latest three fiscal years exceeds 30% of the average net profit of the latest three fiscal years. Therefore, the Company does not fall under the circumstances that may trigger other risk warnings as specified in Item (8) of the first paragraph of Article 9.8.1 of the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*.

II. Explanation on why the cash dividend ratio in current year is lower than 30%

During the reporting period, the Company achieved a net profit attributable to shareholders of the listed company of RMB 6,110,378,757.84. The total amount of cash dividend to be distributed by the Company was RMB 948,363,748.50, accounting for less than 30% of the net profit attributable to shareholders of the listed company. The specific reasons are explained as follows:

(I) Characteristics of the Company's industry, development stage, business model, profit level, solvency and capital demand

Driven by the worldwide shift toward green development and the trend of industrial intelligence, the lithium battery cathode material industry has entered a new phase marked by high-quality growth and structural expansion. Market demand is steadily rising for cathode materials that offer greater energy density and superior overall performance. As a leading

enterprise in the lithium-ion battery material industry, the vertically integrated industrial chain layout of lithium-ion battery materials created by the Company covers many domestic and overseas regions, spans the upstream development of mineral resources such as nickel, cobalt and lithium, the midstream smelting of metal materials such as nickel, cobalt, lithium and copper, as well as downstream key links and a number of products such as ternary precursors and cathode materials. At present, the Company is in a period of rapid growth, the investment in upstream resource development is large, and the multi-category businesses of the integrated industrial chain have high demand for working capital turnover, resulting in significant demand for capital scale.

(II) Estimated use of the Company's retained undistributed profit and the income therefrom

This profit distribution plan of the Company is formulated according to the actual operating conditions of the period and the business plan for 2026. The Company's retained undistributed profit will be mainly used for its development of mineral resources nickel, cobalt and lithium, project construction, research and development of new products and new processes, industrial chain extension, etc. At the same time, the Company's accumulation of an appropriate amount of undistributed profit can reduce its foreign loans, thereby reducing its asset-liability ratio and controlling financial costs, and achieving its high quality and sustainable development and maximization of the interests of shareholders. The expected income level depends on many factors such as macroeconomic situation and market competition.

(III) Whether the Company has provided convenience for minority shareholders to participate in cash dividend decision-making in accordance with the relevant regulations of China Securities Regulatory Commission

This profit distribution plan should be submitted to the Company's shareholders' meeting for deliberation and approval. The Company will provide convenience for minority shareholders to participate in cash dividend decision-making in accordance with the relevant provisions of the *Regulatory Guidelines for Listed Companies No. 3 - Cash Dividend of Listed Companies* issued by China Securities Regulatory Commission. The Company will adopt both online voting and on-site voting at a shareholders' meeting, and the voting results of minority shareholders will be counted separately and announced. At the same time, minority shareholders can express their opinions and demands on the cash dividend policy

through various ways such as the investor hotline, the Company's external mailbox, and the SSE E interactive platform.

(IV) Measures to be taken by the Company to enhance investor return

Throughout the 15th Five-Year Plan period, guided by the mission to “create value for customers and lead industrial advancement”, the Company will continuously deepen an business pattern of overseas resources, international manufacturing and global markets, promote the continuous optimization of its industrial, product, customer, and geographic structures, fully implement the five key strategic initiatives—“Technological Huayou, Green Huayou, Open Huayou, Responsible Huayou and Striving Huayou”, continuously improve its core competitiveness in the industry, and promote the improvement of its profit level to create greater value for investors. At the same time, the Company will continue to uphold the business philosophy of bringing long-term, stable and sustained returns to investors to give back to the investors.

III. Decision-making procedures performed by the Company

On April 6, 2026, the Company held the 38th meeting of the sixth Board of Directors, at which the *Proposal on the Proposal for Profit Distribution in 2025* was deliberated and approved. This profit distribution plan conforms to the Articles of Association and other relevant provisions, and is reasonable and made with full consideration of reasonable return to shareholders and sustainable development of the Company. The proposal was approved and approved to be submitted to the shareholders' meeting of the Company for deliberation.

IV. Risk warning

The proposal for profit distribution takes comprehensive consideration of the Company's development stage, future capital demand, etc., and will not have a significant impact on the Company's operating cash flow, nor will it affect the Company's normal operation and long-term development.

This profit distribution plan should be implemented after deliberation and approval by the 2025 annual shareholders' meeting of the Company. Please pay attention to investment risks.

It is hereby announced the above.

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

April 8, 2026