Stock Code: 603799 Stock Name: Huayou Cobalt

Second Extraordinary General Meeting in 2023

Meeting Materials



August 15, 2023

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Agenda of the Second Extraordinary General Meeting in 2023

Time: 13:30 on August 15, 2023

Venue: Conference Room 1, 1/F, R&D Building of Zhejiang Huayou Cobalt Co., Ltd., No. 79 Wuzhen East Road, Tongxiang Economic Development Zone, Zhejiang

1. Declare the beginning of the meeting

2. Announce the number of shareholders attending the on-site meeting and the number of their shares

3. Elect a vote counter and a scrutineer

4. Examine the motions

5. Vote by ballot

6. Shareholders ask questions, and directors, supervisors and senior management answer shareholders' questions

7. Adjourn the meeting (wait for the online voting results;

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Details of the Second Extraordinary General Meeting

Motion 1

Resolution on the 2023 Resn Rets teh ʻ

The distribution of restricted shares to be granted under the incentive plan among the participants is shown in the table below:

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existence of the incentive plan. Those participants will be determined within 12 months after the approval of the incentive plan at the general meeting by reference to the criteria for first tranche.

The initial grant price of restricted shares under the incentive plan is RMB 25.38/share. During the period from the date of announcement of the incentive plan to the completion of registration of restricted shares by the incentive objects, the grant price of restricted shares is subject to adjustment in accordance with the incentive plan in the circumstances that the Company has capital reserves converted to share capital, dividend distribution, share split, allotment of shares, share reduction or dividend payout, etc.

The incentive plan shall be valid for no more than 48 months from the date of completion of registration of restricted shares grant to the date of lifting of restriction on sales of all restricted shares granted to the incentive objects or the date of cancellation. The grant date shall be determined by the Board of Directors after the approval of the incentive plan by the general meeting of the Company. The Company shall grant the restricted shares and complete the announcement, registration and other related procedures within 60 days after the approval by the general meeting. If the Company fails to complete the above work within 60 days, it shall disclose the reasons for the failure in a timely manner, and announce the termination of the implementation of the incentive plan and the invalidity of the ungranted restricted shares.

The Company's "2023 Restricted Share Incentive Plan (Draft)" and Summary has been approved by the seventh meeting of the sixth Board of Directors and the fourth meeting of the sixth Board of Supervisors of the Company, and is now submitted to the general meeting for consideration. For more details, please refer to the disclosure on the website of Shanghai Stock Exchange (www.sse.com.cn).

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

August 15, 2023

Motion 2

Motion on the Company's "Measures for the

2. The HR Department of the Company shall be responsible for the specific assessment work under the guidance of the Remuneration and Appraisal Committee of the Board of Directors of the Company, save the assessment results, and form a performance assessment report on this basis and submit it to the Remuneration and Appraisal Committee of the Board of Directors.

III. Performance Assessment Indicators and Standards

(I) Requirements for company performance assessment

The assessment year of lifting the restriction on sales under the incentive plan shall be three fiscal years from 2023 to 2025, one assessment in each fiscal year. The performance conditions for lifting the restriction on sales of restricted shares granted for the first time are set out in the table below:

Period of lifting the restriction on sales	**Performance assessment target**
First period of lifting the restriction on sales of restricted shares granted for the first time	Based on the operating income in 2022, the growth rate of operating income in 2023 is not less than 10%, or the net profit in 2023 is not less than RMB 6 billion
Second period of lifting the restriction on sales of restricted shares granted for the first time	Based on the operating income in 2022, the growth rate of operating income in 2024 is not less than 20%, or the cumulative net profit in 2023 and 2024 is not less than RMB 13 billion

shareholders of the listed company after deducting non-recurring profit and loss and the value after excluding the cost of the share payment under this and other incentive plans, the same below.

If the reserved shares are granted before September 30, 2023, the performance assessment target shall be the same as that of the shares granted for the first time. If the reserved restricted shares are granted after September 30, 2023, the performance assessment target for each year shall be as follows:

Period of lifting the restriction on sales	**Performance assessment target**
First period of lifting the restriction on sales of restricted shares granted for reserve	Based on the operating income in 2022, the growth rate of operating income in 2024 is not less than 20%, or the cumulative net profit in 2023 and 2024 is not less than RMB 13 billion
Second period of lifting the restriction on sales of restricted shares granted for reserve	Based on the operating income in 2022, the growth rate of operating income in 2025 is not less than 30%, or the cumulative net profit in 2023, 2024 and 2025 is not less than RMB 21 billion

If the Company fails to meet the above performance assessment target, for all incentive objects' restricted shares of which the restriction on sales can be lifted in the corresponding assessment year, the restriction on sales shall not be lifted, and the Company shall cancel based on the grant price plus the interest calculated at the benchmark deposit interest rate of the same period published by the People's Bank of China.

(II) Requirements for individual performance assessment

The Remuneration and Appraisal Committee will grade the incentive pop

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the restriction on sales is lifted can be canceled, as

Motion 3

Motion on Requesting the General Meeting to Authorize the Board of Directors to Handle Matters Related to the 2023 Restricted Share Incentive Plan

Shareholders,

In order to ensure the smooth implementation of the Company's 2023 restricted share incentive plan, the Board of Directors of the Company requests the general meeting to authorize the Board of Directors to handle the following matters (including but not limited to):

(1) To determine the grant date under the restricted share incentive plan;

(2) To adjust the number and grant price of restricted shares in accordance with the methods stipulated in the share incentive plan when the Company has capital reserves converted to share capital, stock dividend distribution, stock split, allotment of

limited to applying to the stock exchange to open a special account for restricted share repurchase, applying to the registration and clearing corporation for handling the relevant registration and clearing business, amending the Articles of Association, registering the change of the registered capital of the Company, and paying the repurchase amount to the incentive objects;

(7) To handle the matters related to restriction on sales of restricted shares of which the restriction on sales has not been lifted;

(8) To handle changes and terminations of the restricted share incentive plan in accordance with the provisions of the 2023 Restricted Share Incentive Plan, including but not limited to cancelling the incentive objects' qualification of lifting the restriction on sales, repurchasing the restricted shares of which the restriction on sales has not been lifted, handling matters related to inheritance of the restricted shares of deceased incentive objects of which the restriction on sales has not been lifted, and terminating the Company's restricted share incentive plan;

(9) To manage and adjust the Company's share incentive plan, and formulate or modify the management and implementation provisions of the plan from time to time under the premise of being consistent with the terms of the incentive plan. However, if laws, regulations or relevant regulatory authorities require such modification to be