

*Indicative Announcement on the Internal Transfer of Certain Stocks by Agreement
between the Actual Controller and his Party Acting in Concert and the Change in Equity*

I. General Information on this Transfer by Agreement

(I) Overview of this transfer by agreement

recently received a notification from Huayou Holding Group Co., n Xuehua, the actual controller of the Company. This notification confirms that Huayou Holding and Mr. Chen Xuehua entered into the *Stock Transfer Agreement* on Dec. 6, 2024, whereby Mr. Chen Xuehua shall transfer by agreement 27,501,515 unrestricted tradable stocks of the Company held by him at a price of RMB 37.50 per stock, amounting to a total transfer price of RMB1,031,306,812.50.

Huayou Holding, an enterprise under the control of Mr. Chen Xuehua, is a party acting in concert with Mr. Chen Xuehua. This transfer by agreement represents an internal shareholding adjustment among the parties acting in concert and does not involve any external transfer or reduction of shareholding in the secondary market. Furthermore, it will not lead to any change in the Company's controlling shareholder or actual controller. Please find further details of the change in equity below:

Name of shareholder	Before the change		After the change	
	Shareholding (stocks)	Shareholding %	Shareholding (stocks)	Shareholding %
Huayou Holding	260,313,967	15.34%	287,815,482	16.96%
Chen Xuehua	110,006,461	6.48%	82,504,946	4.86%
Total	370,320,428	21.82%	370,320,428	21.82%

Note: The above shareholding percentages are calculated on the basis of the Company's total capital stock as of December 5, 2024.

II. Basic Information on the Parties to this Transfer by Agreement

(I) Basic information on the transferor

Name	Chen Xuehua
Gender	Male
Nationality	China

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ID No.	330425*****
Domicile	*****Tongxiang City, Jiaxing, Zhejiang Province
Whether having the right of permanent residence in other countries/regions	None

(II) Basic information on the transferee

Enterprise Name	Huayou Holding Group Co., Ltd.
Enterprise Type	Limited liability company
Legal Representative	Chen Xuehua
Registered Capital	RMB 70,092,039.94
Unified Social Credit Code	913304837964928985
Establishment Date	December 19, 2006
Registered Address	Room 103, Building 6, 288 Development Avenue, Tongxiang Economic Development Zone, Tongxiang City, Jiaxing, Zhejiang Province
Business Scope	General items: holding company services; equity investment; investment activities utilizing its own funds; sale of electronic special materials; sale of metal ores; sale of non-ferrous metal alloys; sale of metal materials (With the business license, business activities can be carried out independently according to the law, except for items subject to approval by law). Licensing items: import and export of goods; import and export of technology (For items subject to approval by law, business activities can be carried out only after such approvals have been obtained from competent authorities, and specific business items to be conducted are subject to those specified in the approvals).

III. Main Contents of the Stock Transfer Agreement (the Agreement)

Transferor: Chen Xuehua

Transferee: Huayou Holding Group Co., Ltd.

The Transferor and the Transferee shall be collectively referred to as the Parties and individually as a Party .

(I) Subject matter of this transfer

The subject matter of this transfer shall be the subject stocks, i.e. 1.62% of the total capital stock of the listed company (i.e., 27,501,515 stocks) held by the Transferor as at the date of the Agreement and all rights and interests thereunder, including but not limited

to all rights and interests in respect of the bonus stocks, dividends, and conversion of the capital reserve into capital stock arising during the transition period. The aforesaid bonus stocks, dividends and conversion of capital reserve into capital stock shall be subject to the relevant resolutions of the Board of Directors of the subject listed company as well as its general meeting of shareholders.

(II) Price for this transfer

The Parties have agreed on a transfer price of RMB 37.50 per stock, resulting in a total price of RMB 1,031,306,812.50 for this transfer.

(III) Transaction process

The Parties have agreed that following the execution of the Agreement, the Transferor or his designated party shall apply to the Shanghai Stock Exchange in a timely manner to complete the formalities relating to the confirmation of compliance concerning this transfer of stocks.

The Parties have agreed that, upon obtaining the confirmation of compliance from the Shanghai Stock Exchange, the Transferor or his designated party shall, in a timely manner, apply with China Securities Depository and Clearing Corporation Limited Shanghai Branch and other authorities for the registration of the transfer of stocks under the Agreement, so as to enable the Transferee to be legally registered as the owner of the subject stocks, along with all rights and interests thereunder.

The Transferor and the Transferee shall perform their respective tax obligations in accordance with the law. Each Party shall bear and pay the taxes and charges imposed by relevant agencies that arise from the execution and performance of the Agreement in accordance with the law.

(IV) Amendments and termination of the Agreement

Any amendments or termination of the Agreement shall be made in writing. Furthermore, any amendment or modification of the Agreement forms an integral part of the Agreement.

In the event that either Party's performance of obligations under the Agreement

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