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Zhejiang Huayou Cobalt Co., Ltd.

Announcement on the Cooperation Progress of Pomalaa Project among Ford Motor and PTVI

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

Project name: MHP HPAL project with annual output of 120,000 tons (amount of nickel metal) by PT Kolaka Nickel Indonesia

Recently, Huaqi Singapore, a wholly-owned subsidiary of the Company, received a feasibility study report on Pomalaa Mine Project FEL-3 issued by PTVI (“FEL-3 Study Report”). The FEL-3 Study Report shows that Pomalaa Mine can support a HPAL project with annual output of 120,000 tons. Based on the FEL-3 Study Report, Huaqi Singapore intends to select the product of MHP with annual output of 120,000 tons (amount of nickel metal).

Meanwhile, the Company intends, through Huaqi Singapore, to sign an *Amended and Restated Joint Venture Agreement* with PTVI, Ford Motor and KNI, and an *Amended and Restated Definitive Cooperation Agreement* with PTVI and KNI, to agree that the parties will jointly construct the MHP HPAL Project with annual output of 120,000 tons (amount of nickel metal) in Indonesia, according to the HPAL Project Feasibility Study Report, the total investment amount of the project is approximately 3,842.152 million US dollars (excluding working capital investment, it is approximately \$3,463.829 million). According to relevant provisions thereof, Ford Motor will first subscribe for 8.5% of the newly issued shares of KNI. Upon completion of the subscription, Huaqi Singapore, Ford Motor and

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I. Overview of the Investment

(I) Basic information

Recently, Huaqi (Singapore) Pte. Ltd. (“Huaqi Singapore”), a wholly-owned subsidiary of Zhejiang Huayou Cobalt Co., Ltd. (the “Company”), received the FEL-3 Study Report issued by PT Vale Indonesia Tbk (“PTVI”). The FEL-3 Study Report shows that Pomalaa Mine can support a HPAL project with annual output of 120,000 tons (the “Pomalaa Mine Project” or “HPAL Project”). Based on the FEL-3 Study Report, Huaqi Singapore intends to select the product of mixed nickel–cobalt hydroxide precipitates (“MHP”) with annual output of 120,000 tons (amount of nickel metal).

Meanwhile, the Company intends, through Huaqi Singapore, to sign an *Amended and Restated Joint Venture Agreement* (the “Joint Venture Agreement”) with PTVI, Ford Motor Company (“Ford Motor”) and PT Kolaka Nickel Indonesia (“KNI” or the “Project Company”), and an *Amended and Restated Definitive Cooperation Agreement* (“Definitive Cooperation Agreement”) with PTVI and KNI, to agree that the parties will joint construct the MHP HPAL Project with annual output of 120,000 tons (amount of nickel metal) in Indonesia, according to the HPAL Project Feasibility Study Report, the total investment amount of the project is approximately 3,842.152 million US dollars (excluding working capital investment, it is approximately \$3,463.829 million). According to relevant provisions thereof, Ford Motor will first subscribe for 8.5% of the newly issued shares of KNI. Upon completion of the subscription, Huaqi Singapore, Ford Motor and PTVI will hold 73.2%, 8.5% and 18.3% equity in KNI, respectively. Within the agreed time period, Ford Motor will ultimately choose to participate in the HPAL Project by way of subscribing 8.5% or 17% of KNI’s equity, and PTVI will have the right to exercise up to 30% of participation options in KNI. The ultimate equity structure of KNI will depend on the exercise of rights by all parties. The Company intends, through KNI, to sign an *Ore Supply Agreement* with PTVI to agree that PTVI shall exclusively supply to KNI and KNI shall exclusively purchase from PTVI the limonite ore from Pomalaa Mine for the HPAL Project. The Company intends, through Huaqi Singapore, to sign an *Offtake Agreement* with PTVI, and Ford Motor also intends to sign an *Offtake Agreement* with KNI; Ford, KNI, Huaqi Singapore and PTVI intends to sign an *Offtake Coordination Agreement* to further agree the parties’ sales arrangements of MHP with KNI. The Company intends, through Huayou

International Mining (Hong Kong) Limited (“Huayou International Mining”), its wholly-owned subsidiary, to sign a *Letter of Guarantee* and the *Amended and Restated Letter of Undertaking* with KNI and PTVI respectively, under which Huayou International Mining shall undertake to KNI and PTVI to take all necessary actions to cause Huaqi Singapore to properly fulfill its obligations under the Joint Venture Agreement and other relevant transaction agreements.

(II) Procedures for deliberation and decision-making that have been completed

The investment has been approved at the 13th meeting of the sixth session of Board of Directors of the Company. According to the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*, the *Articles of Association* and other relevant regulations, the investment shall be submitted to the Company’s general meeting of shareholders for deliberation. The agreements related to this transaction will be signed together after being deliberated and approved by the general meeting of shareholders of the Company, and by then Ford Motor will also complete the subscription of 8.5% of the newly issued shares of KNI.

(III) The investment is not a related party transaction, nor does it constitute a major asset restructuring.

II. Basic Information of the Parties

1. Company name: Ford Motor Company

2. Date of establishment: June 16, 1903

3. Business scope: Design, manufacture, and sale of high-quality cars, SUVs, trucks, and electric vehicles, as well as Lincoln luxury vehicles, provision of related after-sales services, and provision of automobile credit service through Ford Motor Credit Company LLC.

4. Shareholders and registered capital: Ford Motor is a company listed on NYSE. See its public disclosures for details.

5. Related party relationship: There is no connected relationship between Ford Motor and the Company.

1. Company name: PT Vale Indonesia Tbk

2. Date of establishment: July 25, 1968

3. Business scope: Mining, wholesale trade, transportation, power procurement, real estate, wastewater management, waste management, and recycling and remediation activities.

4. Address: Sequis Tower, 20th Floor, Unit 6 & 7, Jl. Jend. Sudirman Kav. 71, Jakarta 12190, Indonesia

5. Shareholders and Authorized capital: PTVI is a company listed on IDX: INCO. See its public disclosures for details.

6. Related party relationship: There is no connected relationship between PTVI and the Company.

1. Company name: Huaqi (Singapore) Pte. Ltd.

2. Address: 987 Serangoon Road Singapore 328147

3. Date of establishment: November 9, 2022

4. Registered capital: USD 10,000

5. Shareholders: The Company holds 100% equity in Huaqi Singapore.

6. Business scope: Wholesale trade and industrial investment

7. Key financial position:

As of December 31, 2022, Huaqi Singapore had total assets of USD 0, total liabilities of USD 0, net assets of USD 0, operating income of USD 0 and net profit of USD 0 (audited).

8. Connected relationship: Huaqi Singapore is a wholly-owned subsidiary of the Company.

1. Company name: PT Kolaka Nickel Indonesia

2. Address: Sequis Tower, 20th Floor, Unit 6 & 7, Jl. Jend. Sudirman Kav. 71, Jakarta 12190, Indonesia

3. Date of establishment: June 29, 2019

4. Authorized capital: 955,000 shares, with IDR 1,000,000 per share

5. Business scope: Non-ferrous metal manufacturing

6. Key financial position:

As of December 31, 2022, KNI had total assets of IDR 192,189 million, total liabilities of IDR 0, net assets of IDR 192,189 million, operating income of IDR 176million and net profit of IDR 176 million (audited).

7. Shareholders

Upon completion of the equity transfer, the equity structure of KNI will be as follows:

Shareholder	Before transfer	After transfer
	Shareholding ratio %	Shareholding ratio %
PT Vale Indonesia Tbk	20	18.3
Huaqi Singapore	80	73.2
Ford Motor	0	8.5
Total	100	100

1. Project site and project company

Project construction site: Kolaka districts in Southeast Sulawesi, Indonesia.

Project company: KNI.

2. Construction content and scale

The product of MHP with annual output of 120,000 tons (amount of nickel metal).

3. Project construction period

The project implementation period is approximately 36 months.

4. Total investment

According to the FEL-3 Study Report, the total investment in the HPAL Project will be approximately USD 3,842.152 million (excluding working capital investment, it is approximately \$3,463.829 million).

5. Fund raising

The project will be funded by the fund from contributing shareholder of the Project Company and self-raised funds. As an important shareholder of the Project Company, Ford shall make reasonable efforts to arrange for external debt financing (target 70:30 debt-to-equity ratio) and seek to adopt project debt financing as a preferred financing mechanism, or if such financing cannot be arranged, it should arrange other forms of external debt or bridge financing as soon as possible.

(I) Joint Venture Agreement

1. Goals and business

The goals of the Project Company are to design, develop, construct, test and put into operation of HPAL processing facilities, and to operate, maintain the HPAL Project, and produce and sell MHP products.

2. Corporate governance

(1) If Ford Motor ultimately decides to hold 8.5% equity in KNI, KNI will have a maximum of eleven directors, including a chairman (who shall be the director nominated by shareholders holding more than fifty percent of the shares (the “Major Shareholders”). The directors will be appointed by the shareholders’ meeting as follows: as long as PTVI is a shareholder holding no less than 10% of the shares, it will have the right to nominate one director; PTVI may nominate one additional director for each 8.5% of the Project Company’s shares held by it after the aforesaid 10%; other shareholders will have the right to nominate one director or observer (in the case of Ford) for each 8.5% of the Project Company’s shares held by it; Major Shareholders holding less than 60% of the shares will still have the right to appoint a total of seven directors.

If Ford Motor ultimately decides to hold 17% equity in KNI, the board of directors will have a maximum of six directors, including a chairman (who shall be the director nominated by the Major Shareholders). The directors will be appointed by the shareholders’ meeting as follows: as long as PTVI is a shareholder holding no less than 10% of the shares, it will have the right to nominate one director; PTVI may nominate one additional director for each 15% of the Project Company’s shares held by it after the aforesaid 10%; each other shareholder will have the right to nominate one director or observer (in the case of Ford) for each 15% of the Project Company’s shares held by it; Major Shareholders holding less than 60% of the shares will still have the right to appoint a total of four directors.

(2) If Ford Motor ultimately decides to hold 8.5% equity in KNI, the board of supervisors will have a maximum of eleven supervisors, including a chairman (who shall be the supervisor nominated by Major Shareholders). The supervisors will be appointed by the shareholders’ meeting as follows: as long as PTVI is a shareholder holding no less than 10% of the shares, it will have the right to nominate one supervisor; PTVI may nominate

for each 8.5% of the Project Company's shares held by it; Major Shareholders holding less than 60% of the shares will still have the right to nominate a total of seven supervisors.

If Ford Motor ultimately decides to hold 17% equity in KNI, the board of supervisors will have a maximum of seven supervisors, including a chairman (who shall be the supervisor nominated by Major Shareholders). The supervisors will be appointed by the shareholders' meeting as follows: as long as PTVI is a shareholder holding no less than 10% of the shares, it will have the right to nominate one supervisor; PTVI may nominate one additional supervisor for each 15% of the Project Company's shares held by it after the aforesaid 10%; each other shareholder will have the right to nominate one supervisor for each 15% of the Project Company's shares held by it; Major Shareholders holding less than 60% of the shares will still have the right to nominate a total of four supervisors.

3. Fund raising by the Project Company and obligation of capital contribution of the parties

During the period prior to the First Participation Rights Completion Date, Huaqi Singapore and Ford Motor shall be responsible for financing the Project Company in accordance with their Relative Percentage (that is, PTVI is not a contributing shareholder); during the period after the First Participation Rights Completion Date, Huaqi Singapore, Ford Motor and PTVI shall be responsible for financing the project as contributing shareholders as agreed herein.

During the development and construction phase, the Project Company will raise funds by the methods such as shareholder's increase of capital contribution, external debt financing and shareholder's loans, to achieve target 70:30 debt-to-equity ratio.

4. Debt financing arrangement

Ford Motor shall act in good faith and use commercially reasonable efforts to arrange for project external debt financing, and seek project debt financing as a preferred financing mechanism, or if such financing cannot be arranged, it shall arrange other forms of external debt or bridge financing as soon as possible.

5. Dispute resolution

Any dispute shall first be resolved by the CEOs of each party or persons designated by the CEO of each party. If such dispute cannot be resolved within the time agreed upon after submission, or within such longer period as the parties may agree in writing, it shall

be submitted to Singapore International Arbitration Centre for arbitration. The arbitration shall be conducted in English, and the arbitration award shall be final. Subject to the provisions of this Agreement, the parties may also agree in writing to submit any unresolved dispute to an expert for determination.

(II) Ore Supply Agreement

1. Term

Unless otherwise agreed herein, this Agreement shall take effect from the effective date and shall remain in force until the earliest of the following: (i) a date 25 years after the date of first delivery of ore; (ii) the date on which this Agreement is terminated; (iii) the date on which PTVI no longer holds the legal mining right to Pomalaa Mine.

2. Ore supply

The parties agree that, from the indicative mining plan date of first delivery of ore, PTVI shall sell exclusively and KNI shall purchase exclusively all limonite ore produced from the Pomalaa mine; the low-grade sprolite ore produced from the Pomalaa mine shall be sold and delivered by PTVI in a non-exclusive manner.

3. Commercial production and delivery

By an agreed time thereafter, provide PTVI with an overview of the project production at the commencement of commercial production and a demand forecast for the annual ore volume. Within the agreed time after receipt of the production overview and demand forecast from KNI, PTVI shall provide the relevant delivery plan to KNI for review and approval.

4. Dispute resolution

Any dispute shall be resolved by the CEO of each party (or a person holding equivalent position). If such dispute cannot be resolved within the time agreed upon after submission, or within such longer period as the parties may agree, it shall be submitted to Singapore International Arbitration Centre for arbitration. The arbitration shall be conducted in English, and the arbitration award shall be final. Subject to the provisions of this Agreement, the parties may also submit any unresolved dispute to an expert for determination.

Offtake Agreements

1. Principle of exclusive sales and purchase of MHP products

Before the First Participation Right Completion Date, Huaqi Singapore and Ford Motor shall purchase from KNI all MHP in proportion to their Relative Percentage (defined in the Joint Venture Agreement, excluding PTVI). On or after the First Participation Right Completion Date, PTVI, Huaqi Singapore and Ford Motor shall purchase from KNI all MHP in proportion to their Relative Percentage (defined in the Joint Venture Agreement, including PTVI).

2. Specific arrangements for exclusive sales and purchase of MHP products

With respect to each _____, the parties agree that the terms and conditions of such _____ and the statements contained therein may be amended, supplemented, restated or replaced only with the prior written approval of all other parties. However, provided that the proposed amendment will not affect the rights and obligations of any other offtaker under its _____, will not have any negative economic impact on KNI and will not provide any economic benefits to other relevant offtaker, such prior written approval of all other parties will not be required.

KNI shall ensure that the terms and conditions of any _____

relevant agreements.

1. The guarantor (Huayou International Mining) irrevocably and unconditionally guarantees to the beneficiary (PTVI) the performance and compliance with all obligations by the obligor (Huaqi Singapore) under the (the “Guaranteed Obligations”), and in case the obligor fails to fully or partially perform or comply with any Guaranteed Obligations, the guarantor will, upon request by the beneficiary, perform or comply with the relevant Guaranteed Obligations.

2. Guarantee period

The _____ is a continuous and irrevocable guarantee for the Guaranteed Obligations. It shall take effect from the completion date agreed upon in the _____ signed by Ford Motor and other parties thereto, until the earlier of the following: (1) the obligor has fully performed and complied with all Guaranteed Obligations in accordance with the terms and conditions of the _____ ; or (2) the

_____ has been terminated or amended in respect of the obligor or beneficiary, or the obligor or beneficiary is no longer a party to the _____ .

The above resolutions are subject to the final approval by the shareholders' meeting.

In the Company’s development strategy plan during the “14th Five-Year Plan” period, new energy lithium battery materials industry is taken as core business for development. With the global commercialization of new energy vehicles, there will be a growing demand for nickel resources to be used in ternary materials. Under the related cooperation agreements signed with PTVI and Ford Motor, the scale and amount of investment in Pomalaa Mine Project are determined, and the rights and obligations of the parties are further clarified, which is an important milestone in Pomalaa Mine Project. The Company, PTVI and Ford Motor will jointly promote the development of nickel resources in Indonesia, and give full play to their respective advantages to create a competitive nickel manufacturing system for new energy power batteries, make a green and sustainable supply chain and promote high-quality development of the Company.

The investment will not have any significant impact on the Company’s business

performance in 2023. It is uncertain whether it will have any impact on future business performance of the Company.

1. The Company needs to go through government approval/filing and/or other administrative procedures in China and Indonesia for the external investment, and it is uncertain whether they can be successfully completed.

2. The investment is an arrangement made by the Company in accordance with the medium and long-term development plan. It will take a long time in project construction, during which there are uncertainties in domestic and foreign markets, industrial policies and technology, and unforeseen factors or force majeure factors that may result in uncertainty in the realization of future operating benefits.

3. In the process of project investment and construction, financing, changes in credit policies, and smooth financing channels are uncertain to some extent, and there is a risk that the project may not be completed smoothly because funds cannot be raised on time.

4. There is great uncertainty in the future price trend of nickel-cobalt metal, and if the price of nickel-cobalt metal falls sharply in the future, it will result in significant uncertainty in the profitability of the project.

5. The agreements related to this transaction will be signed together with the approval of the competent authorities of all parties, and there is uncertainty about whether they can be approved.

6. The investment does not constitute a performance commitment. Please pay attention to investment risks.

It is hereby announced the above.

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

December 4th, 2023