

Ad hoc announcement pursuant to Art. 53 LR

## Fangda Carbon New Material Co., Ltd.

# Announcement on the Proposal for Profit Distribution for the Year 2024

The company and all members of the board hereby guarantee that the contents of this announcement do not contain any false records, misleading statements, or material omissions. They assume individual and joint responsibility for the truthfulness, accuracy, and completeness of the contents.

### Important content notice:

- Dividend per Share: A cash dividend of CNY 0.02 per share (tax included) will be distributed. No bonus shares will be issued, and no capitalization of reserves into share capital will be conducted.
- The total profit distribution will be based on the total number of shares registered on the record date for the equity distribution, excluding the shares held in the company's dedicated share repurchase account. The specific dates will be clarified in the equity distribution implementation announcement.
- If the total number of shares or the number of shares in the company's dedicated share repurchase account changes prior to the record date for the equity distribution, the company plans to maintain the total distribution amount unchanged and adjust the dividend per share accordingly. Any specific adjustments will be announced separately.
- The company does not meet the conditions stipulated in Article 9.8.1 Chapter 8 of the Shanghai Stock Exchange Listing Rules that may lead to the imposition of other risk warnings.

### I. Main Contents of the Profit Distribution Proposal

Audited by Daxin Certified Public Accountants (Special General Partnership), as of the end of 2024, the retained earnings of Fangda Carbon New Material Co., Ltd. (hereinafter referred to as the "Company") amounted to CNY 6,319,647,970.69. Following a resolution by the Board of Directors, the Company plans to pay out profits for the year 2024 based on the total number of shares registered on the record date for equity distribution, excluding the shares held in the Company's dedicated share repurchase account. This profit distribution plan is as follows:

Based on shares outstanding of Fangda Carbon determined on record date, a cash dividend of CNY 0.02 per share (tax included) will be allocated. As of December 31, 2024, the Company's total share capital was 4,025,970,368 shares, and after deducting 249,372,465 shares held in the dedicated repurchase securities account, shares outstanding is 3,776,597,903 shares. Therefore, the dividend payout will be CNY 75,531,958.06 (tax included).

The implementation plan for the equity distribution in the first quarter of 2024 has been carried out by distributing cash dividends of CNY 0.32 per 10 shares (tax included). The total amount of cash dividends paid out is CNY 127,133,515.52 (tax included).

In 2024, Company has implemented share repurchase via centralized bidding method with cash as consideration, and the total value of shares bought back is CNY 1,019,938,990.70.

Hence, the total value of cash dividends and share repurchased is CNY 1,222,604,464.28, representing 657.24% of the net income attributable to shareholders of the listed company for 2024. Specifically, shares repurchased with cash as consideration through centralized bidding, which were subsequently canceled (hereinafter referred to as "repurchase and cancellation"), is CNY 0. The overall value of cash dividends and repurchase and cancellation is CNY 202,665,473.58, accounting for 108.95% of the net income attributable to shareholders of the listed company for this year.

Company will maintain total cash dividends to be allocated to be constant, adjust payout ratio accordingly and disclose the facts in relevant announcements, if there are shares repurchase causing changes in share capital or share outstanding between the date of record date of this equity distribution and the disclosure of this announcement.

This earnings payout proposal is still subject to deliberate and approve by the shareholders' meeting.

## **II. Whether it may trigger other risk warning scenarios.**

| Items                                                                                                                                           | 2024             | 2023           | 2022           |
|-------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------|----------------|
| Total Cash Dividends (Yuan)                                                                                                                     | 202,665,473.58   | 0              | 0              |
| Total Repurchase and Cancellation Amount (Yuan)                                                                                                 | 0                | 0              | 0              |
| Net Profit Attributable to Shareholders of the Listed Company (Yuan)                                                                            | 186,021,771.78   | 416,237,631.36 | 839,939,033.95 |
| Undistributed Profits at the End of the Fiscal Year in the Parent Company's Financial Statements (Yuan)                                         | 6,319,647,970.69 |                |                |
| Total Cash Dividends Over the Last Three Accounting Years (Yuan)                                                                                | 202,665,473.58   |                |                |
| Total Repurchase and Cancellation Amount Over the Last Three Accounting Years (Yuan)                                                            | 0                |                |                |
| Average Net Profit Over the Last Three Accounting Years (Yuan)                                                                                  | 480,732,812.36   |                |                |
| Total Cash Dividends and Repurchase Cancellation Amount Over the Last Three Accounting Years (Yuan)                                             | 202,665,473.58   |                |                |
| Whether the Total Cash Dividends and Repurchase Cancellation Amount Over the Last Three Accounting Years is Less Than 50 Million Yuan           | No               |                |                |
| Cash Dividend Payout Ratio (%)                                                                                                                  | 42.16            |                |                |
| Whether the Cash Dividend Payout Ratio is Less Than 30%                                                                                         | No               |                |                |
| Whether it Triggers the Circumstances Under Article 9.8.1, Clause 1, Item (8) of the "Stock Listing Rules" That May Lead to Other Risk Warnings | No               |                |                |

## **III. Relevant Decision-Making Procedures Already Undertaken**

(1) Convening, Deliberation, and Voting of the Board Meeting

On April 24, 2025, the Company held the third meeting of the ninth session Board of Directors, which unanimously approved the proposal on the "2024 Annual Profit Distribution Plan." This profit distribution plan complies with the profit distribution policy stipulated in the "Articles of Association" of the company.

(2) Opinion of the Supervisory Committee

On April 24, 2025, the company held the eighth meeting of the ninth session of the Board of Supervisors, during which the "Proposal on the 2024 Profit Distribution Plan" was deliberated and approved. The Board of Supervisors believes that the company's 2024 profit distribution proposal complies with relevant laws, regulations, and the provisions of the "Articles of Association." The decision-making process for the cash dividends payout has been properly carried out, taking into comprehensive consideration such as the company's profitability, status of cash flows, and funds demands. The Board of Supervisors agrees with this profit distribution proposal and consents to submitting it to deliberate at the company's 2024 annual shareholders' meeting.

**4. Relevant Risk Notices**

With the intention of promoting returns of equityholders, Company believed that there will be insignificantly impact on normal operations and sustainable development of the Company, thus proposed this earnings payout proposal after profound evaluation of profitability, financial position, capital needs.

This profit distribution proposal still requires approval at the 2024 Annual General Meeting. Investors are kindly reminded to be mindful of investment risks.

Hereby Announced.

Fangda Carbon New Material Co., Ltd.  
Board of Directors  
April 26, 2025