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If you are in any doubt about this circular or as to the action to be taken, you should consult your licensed securities dealer or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Yongsheng Advanced Materials Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”), you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Yongsheng Advanced Materials Company Limited
永盛新材料有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3608)

**RENEWAL OF GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE SHARES
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held on 27 May 2022 (Friday) at 10:30 a.m. at Unit C2, 29/F, Tower 1, Admiralty Centre, No. 18 Harcourt Road, Hong Kong is set out on pages 16 to 20 of this circular. Whether or not you are able to attend the annual general meeting, you are requested to complete and return the enclosed proxy form in accordance with the instructions printed thereon to the office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting (no later than 10:30 a.m. on 25 May 2022 (Wednesday) (Hong Kong time)). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting thereof should you so desire.

27 April 2022

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be held on 27 May 2022 at 10:30 a.m. at Unit C2, 29/F, Tower 1, Admiralty Centre, No. 18 Harcourt Road, Hong Kong;
“AGM Notice”	the notice convening the AGM set out on pages 16 to 20 of this circular;
“Articles”	the articles of association of the Company;
“Board”	the board of Directors;
“close associates”	has the meaning ascribed thereto under the Listing Rules;
“Companies Act”	the Companies Act, Cap 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands;
“Company”	Yongsheng Advanced Materials Company Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange;
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to allot and issue Shares set out as resolution no. 4 in the AGM Notice;

DEFINITIONS

“Latest Practicable Date”	21 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Memorandum”	the memorandum of association of the Company;
“Nomination Committee”	the nomination committee of the Company;
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase Shares set out as resolution no. 5 in the AGM Notice;
“RMB”	Renminbi, the lawful currency of the PRC;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company;
“Shareholder(s)”	holder(s) of (a) Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers; and
“%”	per cent.

LETTER FROM THE BOARD



Yongsheng Advanced Materials Company Limited
永盛新材料有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3608)

Executive Directors:

Mr. Li Cheng (*Chairman*)
Mr. Ma Qinghai
Mr. Li Conghua
Mr. Xu Wensheng

Registered Office:

2/F, Century Yard,
Cricket Square, P.O. Box 902,
Grand Cayman, KVI-1103,
Cayman Islands

Independent non-executive Directors:

Ms. Wong Wai Ling
Mr. He Chengying
Dr. Wang Huaping

Place of Business in Hong Kong:

Unit C2, 29/F, Tower 1,
Admiralty Centre,
No. 18 Harcourt Road, Hong Kong

27 April 2022

To the Shareholders

Dear Sir or Madam,

**RENEWAL OF GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE SHARES
AND
RE-ELECTION OF RETIRING DIRECTORS**

INTRODUCTION

The purpose of this circular is to provide you with details of (i) the proposed Issue Mandate and the proposed Repurchase Mandate and the extension of the Issue Mandate by addition thereto of the number of Shares repurchased pursuant to the Repurchase Mandate; (ii) the explanatory statement regarding the Repurchase Mandate; (iii) the proposed re-election of Directors; and to give you notice of the AGM.

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES

Ordinary resolutions will be proposed at the AGM to grant to the Directors new general mandates:

- (i) to allot, issue and otherwise deal with new Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of passing the proposed resolution at the AGM; and
- (ii) to repurchase Shares on the Stock Exchange not exceeding 10% of the aggregate number of the issued Shares as at the date of passing the proposed resolution at the AGM.

In addition, a separate ordinary resolution will be proposed at the AGM to add to the Issue Mandate those Shares repurchased by the Company pursuant to the Repurchase Mandate (if granted to the Directors at the AGM).

The Directors have no present intention to exercise the Issue Mandate or the Repurchase Mandate (if granted to the Directors at the AGM).

As at the Latest Practicable Date, a total of 732,543,090 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued and/or repurchased by the Company prior to the AGM, the Company will be allowed to issue a maximum of 146,508,618 Shares, representing 20% of the aggregate number of the issued Shares as at the Latest Practicable Date.

Each of the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the AGM; (b) the date by which the next annual general meeting is required by the Companies Law or the Articles to be held; or (c) when the authority given to the Directors thereunder is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

An explanatory statement containing information regarding the Repurchase Mandate is set out in Appendix I to this circular.

LETTER FROM THE BOARD

RETIREMENT OF DIRECTORS AND RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of seven Directors, namely Mr. Li Cheng, Mr. Ma Qinghai, Mr. Li Conghua, Mr. Xu Wenshing, Ms. Wong Wai Ling, Mr. He Chengying and Dr. Wang Huaping.

In accordance with Article 108(a) of the Articles, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. Accordingly, Mr. Li Conghua, Ms. Wong Wai Ling and Dr. Wang Huaping will retire from office by rotation at the AGM and, being eligible, offer themselves for re-election.

In accordance with Article 112 of the Articles, any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. As no director was appointed as an addition to the Board after the last general meeting of the Company, no directors shall retire from office at the AGM, and, being eligible, offer himself/herself for re-election at the forthcoming AGM pursuant to Article 112 of the Articles.

Biographical details of the Directors who are standing for re-election at the AGM, which are required to be disclosed pursuant to the Listing Rules, are set out in Appendix II to this circular.

LETTER FROM THE BOARD

Further, pursuant to Code Provision B.2.3 of the Corporate Governance Code, if an independent non-executive director serves more than nine years, her/his further appointment should be subject to a separate resolution to be approved by shareholders. Ms. Wong Wai Ling and Dr. Wang Huaping, the retiring independent non-executive Directors, would have served as independent non-executive Directors for more than nine years after November 2022 and August 2023, respectively. The Nomination Committee has assessed and reviewed the annual confirmation of independence based on the criteria set out in Rule 3.13 of the Listing Rules and affirmed that Ms. Wong and Dr. Wang remain independent as having regard that they have not taken part in the day-to-day management or performed any management role or executive function in the Company or any of its subsidiaries. The Nomination Committee had also taken into account each of Ms. Wong and Dr. Wang's working profile and their respective extensive experience as set out in Appendix II to this circular, contributions of each of them to the Board and their respective commitment to their roles. The Nomination Committee considers that each of Ms. Wong and Dr. Wang will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity. The Board concurs with the view of the Nomination Committee that Ms. Wong and Dr. Wang remain independent of management and free of any relationship which could materially interfere with the exercise of their independent judgement during their long service. Furthermore, given their professional knowledge or accounting expertise, experience and previous contributions to the Company, the Board believes that their re-election is in the best interests of the Company and its Shareholders as a whole. Therefore, the Board accepted the Nomination Committee's nomination and recommended each of Ms. Wong and Dr. Wang to stand for re-election as an independent non-executive Director by the Shareholders at the AGM. The Board is satisfied that both Ms. Wong and Dr. Wang have the required character, integrity and experience to continue fulfilling the role of an independent non-executive Director and consider both Ms. Wong and Dr. Wang to be independent.

The Nomination Committee has also considered the skills, knowledge and professional experience of Mr. Li Conghua as described in his respective biography set out in Appendix II to this circular, with reference to the board diversity policy of the Company and is of the view he possess experience in trading and management aspects respectively which have enabled him to contribute to the diversity of the Board.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining Shareholders' right to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 24 May 2022 to Friday, 27 May 2022, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all completed transfer documents accompanied by the relevant share certificate(s) and the transfer forms must be lodged with the Company's branch share registrar in Hong Kong, namely Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 23 May 2022.

ADOPTION OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND THE REPORTS OF THE DIRECTORS AND THE AUDITORS

The annual report for the year ended 31 December 2021 incorporating, among other things, the audited consolidated financial statements of the Company and its subsidiaries and the reports of the Directors and the auditors for the year ended 31 December 2021 will be sent together with this circular to the Shareholders on the same date. The audited consolidated financial statements have been reviewed by the audit committee of the Company.

RE-APPOINTMENT OF AUDITORS

The Board (which has agreed with the recommendation of the audit committee of the Company) has recommended that, subject to the approval of the Shareholders at the AGM, Ernst & Young be re-appointed as the auditors of the Company for the year ending 31 December 2022.

AGM

A notice convening the AGM to be held on 27 May 2022 (Friday) at 10:30 a.m. at Unit C2, 29/F, Tower 1, Admiralty Centre, No. 18 Harcourt Road, Hong Kong is set out on pages 16 to 20 of this circular for the purpose of considering and, if thought fit, passing the resolutions set out therein.

You will find enclosed a proxy form for use at the AGM. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed proxy form in accordance with the instructions printed thereon to the office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM (no later than 10:30 a.m. on 25 May 2022 (Wednesday) (Hong Kong time)). Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM, or any adjournment thereof, should you so desire.

LETTER FROM THE BOARD

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting of the Company must be taken by way of poll. Accordingly, the resolutions to be considered and, if thought fit, approved at the AGM will be voted by way of poll by the Shareholders.

RECOMMENDATION

The Directors consider that the granting of the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate and the re-election of the retiring Directors are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions as set out in the AGM Notice at the AGM.

By Order of the Board
Yongsheng Advanced Materials Company Limited
Li Cheng
Chairman and Executive Director

This appendix includes an explanatory statement required by the Stock Exchange to be presented to the Shareholders concerning the Repurchase Mandate proposed to be granted to the Directors.

1. LISTING RULES FOR REPURCHASES OF SHARES

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions.

The Listing Rules provide that all proposed repurchases of shares by a company with a primary listing on the Stock Exchange must be approved by shareholders in advance by an ordinary resolution at a general meeting, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up.

2. FUNDING AND IMPACT OF REPURCHASES

Any repurchase will be made out of funds which are legally available for the purpose in accordance with the Memorandum and Articles, the Listing Rules and the applicable laws of the Cayman Islands. As compared with the financial position of the Company as at 31 December 2021 (being the date to which the latest audited accounts of the Company have been made up), the Directors consider that there would not be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period.

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

3. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earning per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

4. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 732,543,090 Shares in issue.

Subject to the passing of the relevant ordinary resolutions to approve the general mandates to issue and repurchase Shares and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the AGM, the Directors would be authorised to exercise the powers of the Company to repurchase a maximum of 73,254,309 Shares, being 10% of the aggregate number of the issued Shares as at the Latest Practicable Date.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and in accordance with the Memorandum and the Articles.

6. EFFECT OF THE TAKEOVERS CODE AND MINIMUM PUBLIC FLOAT

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as that term is defined in the Takeovers Code), depending on the level of increase of the shareholding, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date and insofar the Directors are aware of, Mr. Li Cheng ("Mr. Li"), the Chairman of the Board and an executive Director, was interested in an aggregate of 487,132,990 shares, representing approximately 66.5% of the issued Shares, within the meaning of Part XV of the SFO. By virtue of the SFO, Ms. Chen Fangqin, the spouse of Mr. Li, is deemed to be interested in the Shares in which Mr. Li is interested for the purpose of Division 2 and 3 of Part XV of the SFO. In the event that the Repurchase Mandate was exercised in full, assuming that the issued share capital of the Company remains unchanged up to the date of the AGM, the interest of Mr. Li and Ms. Chen Fangqin in the Company will be increased from approximately 66.5% to approximately 73.9%.

On the basis of the aforesaid increase of shareholding, the Directors are not aware of any consequences of such repurchases of Shares that would result in a Shareholder, or group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code if the Repurchase Mandate was exercised in full. Moreover, the Directors do not intend to exercise the power to repurchase Shares to an extent which would render any Shareholder or group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code or to such extent that will result in the level of shareholdings in the Company held by the public float below the prescribed minimum percentage of 25%.

7. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best knowledge and belief of the Directors, having made all reasonable inquiries, any of their respective close associates has any present intention, in the event that the proposed Repurchase Mandate is granted, to sell Shares to the Company. No core connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Company is authorised to make repurchases of Shares.

8. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company (whether on the Stock Exchange or otherwise) during the six months ended on the Latest Practicable Date.

9. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous 12 months from the Latest Practicable Date were as follows:

	Shares	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2021		
April	1.85	1.41
May	1.84	1.32
June	1.65	1.50
July	1.53	1.28
August	1.28	1.25
September	1.32	1.11
October	1.31	1.12
November	1.23	0.88
December	1.30	0.85
2022		
January	1.35	0.72
February	0.82	0.70
March	0.98	0.60
April (till the Latest Practicable Date)	0.95	0.85

Set out below are details of the proposed Directors to be re-elected at the AGM.

EXECUTIVE DIRECTOR

Mr. Li Conghua (“**Mr. Li CH**”), aged 47, is an executive Director. Mr. Li CH has more than 15 years of experience in the textile industry, and was mainly responsible for management and supervision of ordinary operation of the Group’s trading business before the disposal of the trading business of textile-related products by the Group in May 2015. Mr. Li CH is currently responsible for conducting product market trend analysis. He worked as a chemical fiber materials salesperson in the chemical fiber department in Xiaoshan Yongsheng Trading Company Limited from June 1997 to December 2000, and worked as a department manager in chemical fiber department of Yongsheng Group from January 2000 to December 2004. Mr. Li CH has also completed the Senior Training Course for Chief Executive Officer of Growth Enterprise offered by Zhejiang University in January 2008.

Save as disclosed above, Mr. Li CH did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Mr. Li CH is the nephew of Mr. Li Cheng, who is an executive Director. Save as disclosed above, Mr. Li CH does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Li CH has no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

Mr. Li CH has entered into a Director’s service agreement with the Company for an initial term of 3 years commencing on 7 November 2016, which may be terminated by either party thereto giving to the other not less than three months’ prior written notice and is entitled to receive a Director’s remuneration of HK\$100,000 per annum which is determined with reference to the prevailing market practice, the Company’s remuneration policy, his duties and responsibilities within the Group and a discretionary bonus depending on the profit of the Company in that particular year.

Save as disclosed above, there are no other matters relating to the re-election of Mr. Li CH that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Wong Wai Ling (“**Ms. Wong**”), aged 60, is an independent non-executive Director. She is also the chairlady of the audit committee and the remuneration committee under the Board. Ms. Wong has more than 25 years of experience in accounting and auditing, and mainly provides her independent judgment on strategy, performance, resources, code of conduct and other aspects of the Company. She had worked in major international accounting firms and local accounting firms before she set up her own accounting firm in Hong Kong in 1993.

Ms. Wong is an independent non-executive director and chairperson of the audit committee and remuneration committee of Overseas Chinese Town (Asia) Holdings Limited (Main Board stock code: 3366). Ms. Wong is a non-executive director of Hin Sang Group (International) Holding Co. Limited (Main Board stock code: 6893). Ms. Wong was an independent non-executive director of AVIC International Holdings Limited (the shares of which were listed on the Main Board of Stock Exchange with stock code: 161 and had been voluntarily withdrawn from listing with effect from 17 April 2020) between 19 March 2008 and 16 April 2020. She was an independent non-executive director of China Ruifeng Renewable Energy Holdings Limited (Main Board stock code: 527) between 16 May 2006 and 31 January 2019, an executive director of Tonking New Energy Group Holdings Limited (previously known as JC Group Holdings Limited) (GEM stock code: 8326) between 21 June 2013 and 18 October 2016, and an independent non-executive director of Glory Flame Holdings Limited (GEM stock code: 8059) between 2 August 2014 and 22 March 2016.

Ms. Wong obtained a Bachelor of Arts degree from University of Hong Kong in November 1983 and a postgraduate diploma in accounting and finance from the London School of Economics and Political Science, University of London, in the United Kingdom in July 1985. She has been registered as a Certified Public Accountant in Hong Kong since June 1991 and an associate of The Association of Chartered Public Accountants in April 1990. Ms. Wong has become a fellow member of the Association of Chartered Certified Accountants (“**FCCA**”) and a fellow member of Hong Kong Institute of Certified Public Accountants (“**FCPA**”) since May 1995 and February 2001 respectively. Ms. Wong has been appointed as an independent non-executive Director since 7 November 2013.

Ms. Wong does not have any relationship with others Directors, senior management, substantial or controlling shareholders of the Company and she had no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

Ms. Wong has entered into a Directors' service agreement with the Company for an initial term of 3 years commencing on 7 November 2016, which may be terminated by either party thereto giving to the other not less than three months' prior written notice and is entitled to receive a Director's remuneration of HK\$130,000 per annum which is determined with reference to the prevailing market practice, the Company's remuneration policy, her duties and responsibilities within the Group.

Save as disclosed above, there are no other matters relating to the re-election of Ms. Wong that need to be brought to the attention of the Shareholders and there is no other information should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

Dr. Wang Huaping ("Dr. Wang") aged 55, is an independent non-executive Director. He is also a member of the audit committee, the remuneration committee and the nomination committee under the Board. Dr. Wang mainly provides his independent judgment on strategy, performance, resources, code of conduct and other aspects of the Company.

Dr. Wang has been serving as a professor and a doctoral advisor in the Faculty of Materials Science and Engineering of Donghua University since October 2002. Dr. Wang is renowned for his research in nanomaterials for fiber forming and polymer-based nanocomposite fibers, spinning forming theory and processing technology, systems of new clean production: ionic liquid/fiber-forming polymer and has published a number of papers on those topics.

Dr. Wang is an independent director of Jiangsu Jiangnan High Polymer Fiber Co. Ltd, a company which is listed on the Shanghai Stock Exchange (stock code: 600527) and Yiwu Huading Polyamide Fibre Co. Limited, a company which is listed on the Shanghai Stock Exchange (stock code: 601113). Dr. Wang was an independent director of Zhejiang Unifull Industrial Fiber Co., Ltd, a company which is listed on the Shenzhen Stock Exchange (stock code: 002427), and resigned on 4 January 2017.

Dr. Wang obtained a doctorate degree from the Faculty of Materials Science and Engineering of Donghua University in March 2002. From January 1989 to March 1992, Dr. Wang was employed by the China Textile University (currently known as Donghua University) as a trainee researcher from March 1992 to September 1995, Dr. Wang worked at Donghua University as an officer of the Technology Laboratory of Chemical Fiber Engineering Research Centre. Dr. Wang served as an assistant researcher, a deputy officer, an officer, and an associate researcher in the Faculty of Materials Science and Engineering from March 1992 to September 2002. Dr. Wang was appointed as the associate dean of the Faculty of Materials Science and Engineering from November 2004 to April 2010. Since September 2008, Dr. Wang has been a director of the Institute for Engineering Research Center of Advanced Glass Manufacturing Technology.

Dr. Wang is the deputy director of the Gaoxin Fibers Professional Committee of China Chemical Fibers Association, the deputy director of Fibers Professional Committee of China Textile Engineering Society, deputy director of Fibers Professional Committee of Shanghai Textile Engineering Society, the deputy director of Industrial Standard Committee of China Chemical Fibers Association, a committee member of Expertise Committee of China Nonwovens & Industrial Textiles Association, the expert of the Textile Industry Division of the National Development and Reform Commission, a committee member of Technical Committee of the Engineering Research Centre of the Textile Equipment of the Ministry of Education and the deputy director of the Editorial Committee of China Synthetic Fiber Industry. Dr. Wang has been appointed as an independent non-executive Director since 19 August 2014.

Dr. Wang does not have any relationship with others Directors, senior management, substantial or controlling shareholders of the Company and he had no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

Dr. Wang has entered into a Directors' service agreement with the Company for an initial term of 3 years commencing on 7 November 2016, which may be terminated by either party thereto giving to the other not less than three months' prior written notice and is entitled to receive a Director's remuneration of HK\$100,000 per annum which is determined with reference to the prevailing market practice, the Company's remuneration policy, his duties and responsibilities within the Group.

Save as disclosed above, there are no other matters relating to the re-election of Dr. Wang that need to be brought to the attention of the Shareholders and there is no other information should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



Yongsheng Advanced Materials Company Limited 永盛新材料有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3608)

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of Yongsheng Advanced Materials Company Limited (the “**Company**”) will be held on 27 May 2022 (Friday) at 10:30 a.m. at Unit C2, 29/F, Tower 1, Admiralty Centre, No. 18 Harcourt Road, Hong Kong for considering and, if thought fit, passing, with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated accounts and reports of the directors and auditors of the Company and its subsidiaries for the year ended 31 December 2021.
2. To re-appoint Ernst and Young as auditors of the Company and to authorise the board of directors (the “**Directors**”) of the Company to fix their remuneration.
3. To consider and approve, each as a separate resolution, if thought fit, the following resolutions:
 - (a) Mr. Li Conghua be re-elected as an executive Director and the board of Directors be authorised to fix his Director’s remuneration;
 - (b) Ms. Wong Wai Ling be re-elected as an independent non-executive Director and the board of Directors be authorised to fix her Director’s remuneration;
 - (c) Dr. Wang Huaping be re-elected as an independent non-executive Director and the board of Directors be authorised to fix his Director’s remuneration; and

NOTICE OF ANNUAL GENERAL MEETING

4. **“THAT:**
- (A) subject to paragraph (C) of this resolution below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (B) the Directors be and are hereby authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might or would require the exercise of such powers (including but not limited to the power to allot, issue and deal with additional shares in the capital of the Company) during or after the end of the Relevant Period;
 - (C) the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraphs (A) and (B) of this resolution above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under the share option scheme adopted by the Company or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to subscribe for shares in the Company; or (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in the Company in lieu of the whole or part of a dividend in accordance with the articles of association of the Company from time to time, shall not exceed 20% of the aggregate number of the issued shares of the Company at the time of passing this resolution and the said approval shall be limited accordingly; and
 - (D) for the purposes of this resolution:

“Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:

 - (i) the conclusion of the next annual general meeting of the Company;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of the Cayman Islands or the Company's articles of association to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

5. “**THAT:**

- (A) subject to paragraph (C) of this resolution below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, and that the exercise by the Directors of all powers of the Company to repurchase such shares are subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby, generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its shares at a price determined by the Directors;
- (C) the issued share capital of the Company repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (A) of this resolution above during the Relevant Period shall not exceed 10% of the aggregate number of the issued shares of the Company as at the time of passing this resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(D) for the purposes of this resolution:

“**Relevant Period**” means the period from the time of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the first annual general meeting of the Company following the passing of this resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of the Cayman Islands or the Company’s articles of association to be held; or
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
6. “**THAT** conditional upon the passing of Resolutions 4 and 5 as set out in this notice convening the Meeting of which this Resolution forms part, the general mandate granted to the Directors pursuant to Resolution 4 as set out in this notice convening the Meeting of which this Resolution forms part be and is hereby extended by the addition thereto of an amount representing the issued share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 5 as set out in this notice convening the Meeting of which this Resolution forms part, provided that such amount shall not exceed 10% of the aggregate number of the issued shares of the Company as at the date of passing this Resolution.”

By Order of the Board
Yongsheng Advanced Materials Company Limited
Li Cheng
Chairman and Executive Director

Hong Kong, 27 April 2022

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
3. To be valid, the instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered to the office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Meeting (no later than 10:30 a.m. on 25 May 2022 (Hong Kong time)) or any adjournment thereof.
4. No instrument appointing a proxy shall be valid after expiration of 12 months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at the Meeting or any adjournment thereof in cases where the Meeting was originally held within 12 months from such date.
5. Where there are joint holders of any shares, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
6. Completion and delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the Meeting if the member so wish and in such event, the instrument appointing a proxy should be deemed to be revoked.
7. An explanatory statement containing the information necessary to enable the members to make an informed decision as to whether to vote for or against the ordinary resolution no. 6 as set out in this notice is enclosed.
8. The transfer books and register of members of the Company will be closed from 24 May 2022 to 27 May 2022, both days inclusive. During such period, no share transfers will be effected. In order to qualify for attending the Meeting, all transfer documents, accompanied by the relevant share certificates, must be lodged with the office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 23 May 2022.
9. Details of each of the retiring directors proposed to be re-elected as a Director at the Meeting are set out in Appendix II to this circular.
10. A form of proxy for use at the Meeting is enclosed.

PRECAUTIONARY MEASURES FOR THE AGM

The health of the Shareholders, staff and stakeholders of the Company is of paramount importance to the Company. In view of (i) the recent outbreak of the Novel Coronavirus (COVID-19) brought by the divergent variants of COVID-19 in Hong Kong and the PRC; (ii) the social distancing and gathering restrictions in Hong Kong; and (iii) the travel restrictions between Hong Kong and the PRC, the following arrangements will be made for the AGM:

- (a) The Company reminds all Shareholders that attendance in person at the meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the meeting or any other person as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and returning the proxy form attached to this circular.
- (b) In appointing the chairman of the meeting or any other person as proxy, the duly completed and signed proxy form must be lodged with Tricor Investor Services Limited, the Company's share registrar, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 48 hours before the time of the meeting (i.e. 10:30 a.m. on 25 May 2022 (Wednesday) (Hong Kong time)) or any adjourned meeting.
- (c) Shareholders will be able to view, listen and participate in the AGM through a live webcast through Tencent Meeting, which can be accessed using computers, mobile phones or any browser-enabled electronic or communication devices. Prior registration is required.
- (d) Registered Shareholders who wish to join the AGM through the live webcast must complete registration by 4:00 p.m. on 25 May 2022 (Wednesday) (Hong Kong time) to is-enquiries@hk.tricorglobal.com or telephone hotline (852) 2980 1333 of Tricor Investor Services Limited, the Company's share registrar, together with the following information:
 - (i) full name;
 - (ii) registered address;
 - (iii) number of Shares held;
 - (iv) Hong Kong identity card number, passport number or company registration number (as the case may be);
 - (v) contact telephone number; and
 - (vi) email address.

Shareholders having completed registration and identity verification will be provided the web link and password to access the Tencent Meeting at the start of the AGM until its conclusion. Shareholders who are given the web link and password of the Tencent Meeting should not share such information to anyone else.

- (e) Non-registered Shareholders who wish to attend and participate in the AGM through the Tencent Meeting should provide the information listed in paragraph (d) above, and (i) contact and instruct their banks, brokers, custodians, nominees or HKSCC Nominees Limited (together the "**Intermediary**") (through which the shares of the Company are held on their behalf) to appoint themselves as proxies or corporate

PRECAUTIONARY MEASURES FOR THE AGM

representatives to attend the AGM through the Tencent Meeting; and (ii) provide their e-mail addresses to their Intermediary before the time limit required by the relevant Intermediary. Relevant information including login details to access the Tencent Meeting will then be sent by the share registrar, namely Tricor Investor Services Limited, to the e-mail addresses provided by the non-registered Shareholders.

- (f) During the live webcast of the AGM, no remote voting system is provided. For the avoidance of doubt, presence through Tencent Meeting is not counted as quorum or attendance of the AGM, and will not revoke any proxy instrument previously delivered to the Company by the same Shareholder.
- (g) Shareholders who register for the Tencent Meeting may submit questions related to the resolutions to be tabled for approval at the AGM. To do so, all questions must be submitted 48 hours before the time of the meeting (i.e. 10:30 a.m. on 25 May 2022 (Wednesday) (Hong Kong time)) by email to is-enquiries@hk.tricorglobal.com. They may also raise questions during the AGM through the live dialogue function. The Board will arrange for as many of the questions asked to be answered as possible at the AGM.

In case the Shareholders or their proxies choose to attend the meeting in person, please comply with the policies and requirements of Hong Kong regarding the prevention and control of COVID-19 pandemic.

The Company will implement the following precautionary measures at the AGM to protect attending Shareholders, staff and stakeholders of the Company from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every Shareholder, proxy or other attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.5 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) The Company encourages each attendee to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served, and there will be no corporate gift.
- (iv) Each attendee may be asked whether (a) he/she travelled outside of Hong Kong within the 14-day period immediately before the AGM; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions may be denied entry into the meeting venue or be required to leave the meeting venue.

If any Shareholder has any question relating to the meeting, please contact Tricor Investor Services Limited, the Company's share registrar. Contact information is as follows:

Tricor Investor Services Limited
Level 54, Hopewell Centre,
183 Queen's Road East,
Hong Kong
Website: www.tricorglobal.com
Email: is-enquiries@hk.tricorglobal.com
Tel: 2980 1333
Fax: 2810 8185