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Lygend Resources & Technology Co., Ltd.

宁波力勤资源科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2245)

DECLARATION AND PAYMENT OF SPECIAL DIVIDEND

AND

CLOSURE OF REGISTER OF MEMBERS

DECLARATION AND PAYMENT OF SPECIAL DIVIDEND

Reference is made to the announcement of Lygend Resources & Technology Co., Ltd. (the "Company") dated 19 December 2022 in relation to the notice of meeting of the board of directors (the "Board") of the Company, which was held on Tuesday, 3 January 2023.

The Board is pleased to announce a special dividend of Renminbi ("RMB") 0.3 per ordinary share of the Company (the "Special Dividend") will be paid on Tuesday, 28 February 2023 to the shareholders of the Company (the "Shareholders") whose names appear on the register of members of the Company on Sunday, 22 January 2023.

Based on 1,555,931,350 Shares in issue, the Special Dividend will amount to RMB 466,779,405.00 (tax inclusive). According to the articles of association of the Company, the Special Dividend will be denominated and declared in RMB. The Special Dividend payable to the holders of the Domestic Shares will be paid in RMB, whilst the Special Dividend payable to the holders of the H shares will be paid in Hong Kong Dollars ("HKD") (HKD 0.3357 per H Share of the Company, at the exchange rate being the average benchmark exchange rate of HKD to RMB as published by the People's Bank of China during the five business days immediately before 3 January 2023, HKD 1.0:RMB 0.89364). The payment of the Special Dividend to holders of the H shares will be paid on Tuesday, 28 February 2023.

RECORD DATE FOR DIVIDEND ENTITLEMENT AND CLOSURE OF REGISTER OF MEMBERS

The record date for determining entitlement of the Shareholders to the Special Dividend is Sunday, 22 January 2023. The register of members of the Company will be closed from Tuesday, 17 January 2023 to Sunday, 22 January 2023, during which period no transfer of shares will be registered. In order to be eligible for the Special Dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell

Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Monday, 16 January 2023.

WITHHOLDING OF INCOME TAXES

Pursuant to the Notice on the Issues Concerning Withholding Enterprises Income Tax on the Dividends Payable by PRC Resident Enterprises to Overseas Non-PRC Resident Enterprise H Share Holders (《關於中國居民企業向境外 H 股非居民企業股東派發股息代扣 代繳企業所得稅有關問題的通知》) (Guo Shui Han [2008] No. 897) of the State Administration of Taxation, a PRC resident enterprise, when distributing dividends for the year 2008 and for the years thereafter to holders of H shares who are overseas non-resident enterprises, shall be subject to enterprise income tax withheld at a uniform rate of 10%. Any H shares registered in the name of non-individual registered shareholders, including HKSCC Nominees Limited, other nominees or trustees, or other organisations or groups, will be treated as shares being held by non-resident enterprise shareholders, and consequently will be subject to the withholding of the enterprise income tax.

Pursuant to relevant laws and regulations and regulatory documents such as the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》), the Implementation Rules of the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法實施條例》), Announcement of the State Administration of Taxation in relation to the Issuing of Administrative Measures on Preferential Treatment Entitled by Nonresidents under Tax Treaties (Announcement No. 35 [2019] of the State Administration of Taxation (《國家稅務總局關於發佈<非居民納稅人享受協定待遇管理辦法>的公告》(國家稅務總局公告 2019 年第 35 號)) and the Notice of the State Administration of Taxation on the Issues Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 45 (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發[1993]45 號文件廢止後有關個人所得稅徵管問題的通知》國稅函[2011]348 號), dividends received by overseas resident individual shareholders from the stocks issued by domestic non-foreign investment enterprises in Hong Kong is subject to the payment of individual income tax, which shall be withheld by the withholding agents. However, overseas resident individual shareholders of the stocks issued by domestic non-foreign investment enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements signed between the countries in which they are residents and China, or the tax arrangements between Mainland China and Hong Kong (Macau). For individual holders of H shares, dividends payable to them are subject to the individual income tax withheld at a tax rate of 10% in general unless otherwise specified by the tax regulations and the relevant tax agreements.

Shareholders should seek professional advice with their own tax advisers regarding the possible tax implications of the dividend payment. The Board is not aware of any shareholders who have waived or agreed to waive any dividends.

By order of the board of directors of
Lygend Resources & Technology Co., Ltd.

CAI Jianyong

Chairman and Executive Director

The PRC, 3 January 2023

As at the date of this announcement, the executive directors are Mr. CAI Jianyong, Mr. JIANG Xinfang, Ms. FEI Feng, Mr. CAI Jianwei and Mr. YU Weijun; the non-executive director is Mr. Lawrence LUA Gek Pong; the independent non-executive directors are Dr. HE Wanpeng, Ms. ZHANG Zhengping and Dr. WANG James Jixian.