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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

If you have sold or transferred all your shares in Lygend Resources & Technology Co., Ltd., you should at once hand this circular to the purchaser or the 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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**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)**

- (1) REMUNERATION OF THE DIRECTORS, SUPERVISORS  
AND SENIOR MANAGEMENT FOR 2023**
- (2) PROPOSED BANK CREDIT LINE  
APPLICATIONS FOR 2023**
- (3) PROPOSED ESTABLISHMENT OF PT BUMI MINERAL SENTOSA  
AND A PROPERTY DEVELOPMENT SUBSIDIARY**
- (4) PROVISION OF GUARANTEES BY THE COMPANY  
AND/OR ITS SUBSIDIARIES FOR 2023**
- (5) APPLICATION FOR THE H SHARE FULL CIRCULATION**
- (6) PROPOSED GRANT OF AUTHORIZATION TO THE BOARD  
AND ITS DELEGATED PERSONS TO HANDLE ALL MATTERS  
RELATING TO THE H SHARE FULL CIRCULATION**
- (7) PROPOSED AMENDMENTS TO THE ARTICLES  
OF ASSOCIATION**
- AND**
- (8) NOTICE OF EXTRAORDINARY GENERAL MEETING**

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Capitalized terms used in this cover page have the same meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 4 to 12 of this circular. The notice convening the EGM of the Company to be held on 28 April 2023 at 1:00 pm at 10/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC is set out on page 19 of this circular.

A form of proxy for use by the Shareholders at the EGM is enclosed with this circular. Whether or not you intend to attend the EGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for holding the EGM (or any adjournment thereof). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM (or any adjournment thereof) should you so wish.

12 April 2023

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## DEFINITIONS

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

“Articles of Association”	the articles of association of the Company adopted on 31 December 2021, as amended from time to time
“Board” or “Board of Directors”	the board of Directors
“Chairman”	the chairman of the Board
“Company”	Lygend Resources & Technology Co., Ltd. (寧波力勤資源科技股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Stock Exchange (Stock Code: 2245)
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting to be held by the Company at 1:00 pm on 28 April 2023 at 10/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC
“General Manager”	a general manager of the Company
“Group”	the Company and its subsidiaries from time to time
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which (is)are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
“H Share Full Circulation”	the application by the Company for the proposed conversion of no more than 265,453,750 Unlisted Shares into H Shares and the listing and circulation of such Shares on the Main Board of the Stock Exchange
“Hong Kong”	the Hong Kong Special Administration Region of the PRC

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## DEFINITIONS

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“Indonesia”	the Republic of Indonesia
“Latest Practicable Date”	12 April 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“PRC Company Law”	the Company Law of the PRC (中華人民共和國公司法), as amended and adopted by the Standing Committee of the eighth National People’s Congress on 29 December 1993 and effective on 1 July 1994, which was last amended and became effective on October 26, 2018, as amended, supplemented or otherwise modified from time to time
“Proposed Amendments”	the proposed amendments to the Articles of Association as set out in Appendix II to this circular
“Remuneration Committee”	the remuneration committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC
“Senior Management”	member(s) of senior management of the Company
“Share(s)”	share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising Unlisted Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the member(s) of the supervisory committee of the Company

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## DEFINITIONS

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“Unlisted Share(s)”	comprising domestic shares and unlisted foreign shares of the Company, being ordinary share(s) issued by the Company and not listed on any stock exchange with a nominal value of RMB1.00 each, which are subscribed for and paid for in RMB by domestic investors (in relation to domestic shares) and which are subscribed for and paid for in a currency other than RMB by foreign investors (in relation to unlisted foreign shares)
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent.

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## LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Mr. CAI Jianyong (*Chairman*)  
Mr. JIANG Xinfang  
Ms. FEI Feng  
Mr. CAI Jianwei  
Mr. YU Weijun

*Registered Office:*

2/F, Mingchuang Building  
No. 707 Tiantong South Road  
Yinzhou District  
Ningbo City, Zhejiang Province  
PRC

*Non-executive Director:*

Mr. Lawrence LUA Gek Pong

*Head office in the PRC:*

10-11/F, Building C10, R&D Park, Lane 299  
Guanghua Road  
Yinzhou District  
Ningbo City, Zhejiang Province  
PRC

*Independent Non-executive Directors:*

Dr. HE Wanpeng  
Ms. ZHANG Zhengping  
Dr. WANG James Jixian

*Principal place of business in Hong Kong:*

46/F, Hopewell Centre  
183 Queen's Road East  
Wan Chai  
Hong Kong

12 April 2023

*To the Shareholders*

Dear Sir or Madam,

- (1) REMUNERATION OF THE DIRECTORS, SUPERVISORS  
AND SENIOR MANAGEMENT FOR 2023**
- (2) PROPOSED BANK CREDIT LINE  
APPLICATIONS FOR 2023**
- (3) PROPOSED ESTABLISHMENT OF PT BUMI MINERAL SENTOSA  
AND A PROPERTY DEVELOPMENT SUBSIDIARY**
- (4) PROVISION OF GUARANTEES BY THE COMPANY  
AND/OR ITS SUBSIDIARIES FOR 2023**
- (5) APPLICATION FOR THE H SHARE FULL CIRCULATION**
- (6) PROPOSED GRANT OF AUTHORIZATION TO THE BOARD  
AND ITS DELEGATED PERSONS TO HANDLE ALL MATTERS  
RELATING TO THE H SHARE FULL CIRCULATION**
- (7) PROPOSED AMENDMENTS TO THE ARTICLES  
OF ASSOCIATION  
AND**
- (8) NOTICE OF EXTRAORDINARY GENERAL MEETING**

#### **I. INTRODUCTION**

Reference is made to the announcement of the Company dated 3 January 2023 in relation to, among other things, the approval of the Board of the H Share Full Circulation and the proposed amendments to the Articles of Association.

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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you with the notice of the EGM and the information reasonably necessary for making informed decisions in respect of the resolutions at the EGM in respect of, among other things, (i) remuneration for directors, supervisors and senior management of the Company for 2023; (ii) proposed bank credit line applications of the Company for 2023; (iii) proposed establishment of PT Bumi Mineral Sentosa (印尼源順有限公司) and a property development subsidiary, as two wholly owned subsidiaries of the Company; (iv) provision of guarantees by the Company and/or its subsidiaries for 2023; (v) application for the H Share Full Circulation; (vi) proposed grant of authorization to the Board and its delegated persons to handle all matters relating to the H Share Full Circulation; and (vii) proposed amendments to the Articles of Association.

### II. MATTERS TO BE RESOLVED AT THE EGM

#### (A) Ordinary Resolutions

##### 1. *Remuneration of the Directors, Supervisors and Senior Management for 2023*

In accordance with the relevant provisions of the PRC Company Law, the Articles of Associations and other regulations, and taking into account the current economic environment, the actual situation of the Company and the remuneration level of the directors, supervisors and members of senior management in the same industry and other comparable companies, the Remuneration Committee and the Board has formulated the remuneration proposal of Directors, Supervisors and Senior Management for the year ending 31 December 2023. Details of the remuneration proposal are set out as follows:

###### *(a) Directors*

In view of the fact that the executive Directors concurrently hold different positions within the Company, remuneration of each of the executive Directors shall be determined based on their positions.

The remuneration before tax paid to each of the non-executive Directors' and the independent non-executive Directors' for the year ending 31 December 2023 shall be RMB300,000.

###### *(b) Supervisors*

In view of the fact that the Supervisors concurrently hold different positions within the Company, remuneration to each of the Supervisors shall be determined based on their positions, duties and performance.

###### *(c) Senior Management*

The remuneration of each of the members of Senior Management shall be based on a number of factors, including but not limited to, the positions and work performance of the relevant member, the Company's operating performance and the Company's remuneration management policy.

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## LETTER FROM THE BOARD

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The Board proposes to seek authorization from the Shareholders at the EGM for the Chairman and the General Manager (or the person(s) authorized by each of Chairman and the General Manager respectively) to enter into service contracts and/or appointment letters with each of the Directors, Supervisors and Senior Management according to terms they think fit, and deal with all other necessary and related matters, and authorize the Remuneration Committee to determine remuneration assessment and incentive management according to the abovementioned proposals. The abovementioned of authorization shall remain valid and effective from the date on which the resolution for remuneration of the directors, supervisors and senior management of the Company for 2023 has been considered and approved by the Shareholders at the EGM to the date on which the annual general meeting of the Company is due to be convened in 2024.

### ***2. Proposed Bank Credit Line Applications of the Company for 2023***

To meet the rapid business development needs of the Company, ensure that there are sufficient funds for major investment projects, production and operations of the Company and its subsidiaries, the Board proposes to seek approval from the Shareholders at the EGM, by way of an ordinary resolution, for the credit line applications of the Company in 2023 in the aggregate amount of up to RMB30 billion (or the equivalent in other currencies). The credit lines will be used on a rolling basis. The type of the credit facilities shall include, but is not limited to, letters of credit, working capital loans, fixed asset loans, project loans, promissory notes, letters of guarantee, bills discounting, financial derivatives and other integrated businesses. The Company's credit line applications to relevant financial institutions/banks, the actual amount, terms and type of credit shall be subject to the further negotiation with the relevant financial institutions and/or banks. For the avoidance of doubt, the agreement(s) to be formally signed with the relevant financial institutions and/or banks shall prevail.

At the same time, to improve financial efficiency, the Board proposes to seek approval from the Shareholders at the EGM for the Chairman and the General Manager (or the person(s) authorized by each of Chairman and the General Manager respectively) to handle all procedures relating to the abovementioned credit line applications, including but not limited to, signing all agreements and their ancillary documents provided that the relevant facility falls within the abovementioned bank credit line. The abovementioned authorization shall remain valid and effective from the date on which the resolution for the proposed bank credit line applications of the Company for 2023 has been considered and approved by the Shareholders at the EGM to the date on which the annual general meeting of the Company is due to be convened in 2024.

### ***3. Proposed Establishment of PT Bumi Mineral Sentosa and a property development subsidiary***

On 31 March 2023, the Board passed a resolution pursuant to which the Board approved (1) a proposed investment of US\$5,000,000 by the Company in establishing a wholly-owned subsidiary of the Company, PT Bumi Mineral Sentosa (印尼源順有限公司) (“**PT Bumi**”) in Indonesia and (2) a proposed investment of RMB 200,000,000 by the Company in establishing



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## LETTER FROM THE BOARD

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a wholly-owned subsidiary in Ningbo City (provisionally named as Ningbo Lygend Property Development Co., Ltd. (寧波力勤置業開發有限公司) (“**Ningbo Lygend**”), subject to the approval of and registration with the State Administration for Industry & Commerce of the People’s Republic of China).

99.9% and 0.1% of the equity interest in PT Bumi will be held by two subsidiaries of the Company, Hong Kong Blue Whale International Limited and Lygend Source Power (Hong Kong) Limited respectively. PT Bumi will be principally engaged in, among other things, the international bulk trading of nickel ore, nickel iron and nickel products. PT Bumi shall be governed by the laws of Indonesia and in accordance with its articles of association as amended from time to time. The registered address of PT Bumi shall be APL TOWER LT. 7 UNIT T9, JL. LETJEND S. PARMAN KAV. 28, Desa/Kelurahan Tanjung Duren Selatan, Kec. Grogol Petamburan, Kota Adm. Jakarta Barat, Provinsi DKI Jakarta, Kode Pos: 11470.

100% of the equity interest in Ningbo Lygend will be held by the Company. Ningbo Lygend will be principally engaged in, among other things, project management, real estate development and management, engineering construction (subject to approval from relevant authorities in accordance with the laws of the PRC and as determined by the relevant authorities).

As PT Bumi and Ningbo Lygend will be wholly-owned subsidiaries of the Company upon establishment, their financial results will be consolidated into the financial statements of the Group. The investment amount for the establishment of each of PT Bumi and Ningbo Lygend is expected to be funded from the internal resources of the Company.

### *Reasons for and Benefits of the Proposed Establishment of PT Bumi and Ningbo Lygend*

The Board is of the opinion that the establishment of PT Bumi can further strengthen the Company’s management of nickel ore resources in Indonesia, and consolidate the status of the Company in the nickel industry and the establishment of Ningbo Lygend will be improve the efficiency of the construction and management of the Company’s headquarter building in the near future.

At the same time, to improve financial efficiency, the Board proposes to seek authorization from the Shareholders at the EGM for the Chairman and the General Manager (or the person(s) authorized by each of the Chairman and the General Manager respectively) to handle all matters relating to the abovementioned establishment of PT Bumi and Ningbo Lygend, including but not limited to, company registration procedures, appointment of key management personnel and signing of all agreements and their ancillary documents. The abovementioned authorization shall remain valid and effective from the date on which the resolution for the proposed establishment of PT Bumi and a property development subsidiary as wholly-owned subsidiaries of the Company has been considered and approved by the Shareholders at the EGM to the date on which the annual general meeting of the Company is due to be convened in 2024.

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## LETTER FROM THE BOARD

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### (B) Special Resolutions

#### 4. *Proposed Provision of Guarantees by the Company and its subsidiaries*

To meet the business development, production and operation needs of the Company and ensure the normal business activities of the Group, taking into consideration the total amount guaranteed by way of guarantees in 2022, and possible business developments in 2023, the Board proposes to seek approval from the Shareholders at the EGM, by way of a special resolution, for the various guarantees as follows:

- (1) The Company will provide guarantees to its subsidiaries in respect of relevant bank credit or loans for daily operations, for a maximum amount of RMB20 billion (or equivalent in other currencies). The aforementioned guarantees include, but are not limited to, guarantees, mortgages and pledges, and
- (2) Guarantees in respect of relevant bank credit or loans for daily operations, for a maximum amount of RMB12 billion (or equivalent in other currencies) will be provided by subsidiaries of the Company to the Company. The aforementioned guarantees include, but are not limited to, guarantees, mortgages and pledges; and
- (3) Guarantees to be provided mutually by the Company's subsidiaries in 2023 be RMB7 billion (or equivalent in other currencies) respectively. The aforementioned guarantees include, but are not limited to, guarantees, mortgages and pledges.

According to the Articles of Association, the provision of guarantees contemplated under paragraphs (1) to (3) above is subject to approval by the Shareholders on a case-by-case basis. The Board, however, believes that granting an one-off approval and mandate by the Shareholders to the Board for handling all matters in relation to the provision of the relevant guarantees by the Company and its subsidiaries will enable the members of the Group to have greater flexibility in obtaining timely credit financing.

As such, at the EGM, approval by way of special resolution will be sought from the Shareholders in relation to the provision of the guarantees contemplated under paragraphs (1), (2) and (3) above with an amount not exceeding RMB20 billion (or the equivalent in other currencies), RMB12 billion (or the equivalent in other currencies) and RMB7 billion (or the equivalent in other currencies) respectively. For the avoidance of doubt, the provision of guarantees by the Company and its subsidiaries contemplated under paragraphs (1) to (3) above is irrelevant to all the other existing guarantees provided by the subsidiaries.

The determined limit of guarantees mentioned above represents only the contemplated and maximum amount of guarantees to be provided. The specific amount of guarantee transactions shall be subject to the guarantee agreement(s) signed with the relevant financial institutions. The Company will comply with the relevant applicable requirements of the Listing Rules upon the signing of the relevant guarantee agreement(s).

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## LETTER FROM THE BOARD

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The provision of above-mentioned guarantees will be carried out strictly in compliance with the requirements of the relevant laws and regulations of the PRC, the Listing Rules and the Articles of Association.

At the same time, to improve financial efficiency, the Board proposes to seek authorization from the Shareholders at the EGM for the Chairman and the General Manager (or the person(s) authorized by each of the Chairman and the General Manager respectively) to handle all procedures relating to the abovementioned guarantees, including but not limited to, signing all agreements and their ancillary documents provided that the relevant guarantee falls within the abovementioned guarantee limit.

If any of the guarantees above is subject to the approval by the Board or at the Shareholders' general meeting in accordance with the requirements of the Listing Rules and the Articles of Association regarding the approval of external guarantees, the relevant approval procedures shall be performed in accordance with the relevant requirements.

The abovementioned authorization shall remain valid and effective from the date on which the resolution for the proposed guarantees by the Group has been considered and approved by the Shareholders at the EGM to the date on which the annual general meeting of the Company is due to be convened in 2024.

### **5. Application for the H Share Full Circulation**

Reference is made to the announcement of the Company dated 3 January 2023 in relation to, among others, the consideration and approval of the Board of the H Share Full Circulation. The Board considered and approved the proposed conversion of no more than 265,453,750 Domestic Shares in aggregate into H Shares of the Company. Upon obtaining all relevant approvals and filings (including filing with the CSRC and the approval of the Stock Exchange) and having complied with all applicable laws, rules and regulations, such Domestic Shares shall be converted into H Shares and the Company will apply for the listing of, and permission to deal in, such H shares on the Main Board of the Stock Exchange (the “**Conversion and Listing**”). The Board proposes to seek approval from the Shareholders at the EGM, by way of special resolution, for the H Share Full Circulation. Details of the H Share Full Circulation are set out in Appendix I to this circular.

As of the Latest Practicable Date, the Company has not applied to the CSRC for the H Share Full Circulation and details of the implementation plan of the H Share Full Circulation and the Conversion and Listing have not been finalized. The Company will make further announcement(s) on the progress of the H Share Full Circulation and the Conversion and Listing in accordance with the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and/or the requirements of the Listing Rules.

The H Share Full Circulation and the Conversion and Listing are subject to other relevant procedures as required by the CSRC, the Stock Exchange and other domestic and overseas regulatory authorities. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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## LETTER FROM THE BOARD

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**6. *Proposed Grant of Authorization to the Board and its Delegated Persons to Handle Matters relating to the H Share Full Circulation***

The Shareholders who applied for the H Share Full Circulation (the “**H Share Full Circulation Shareholder(s)**”) have agreed to authorize the Board and/or its delegated persons to apply to the CSRC, the Stock Exchange and other relevant regulatory authorities for the H Share Full Circulation and be responsible for dealing with matters related to the H Share Full Circulation.

The Board proposes to seek approval from the Shareholders at the EGM to grant authorization to the Board and its delegated persons (unless otherwise authorized by the Board, such delegated persons shall be Ms. FEI Feng, an executive Director of the Company and secretary to the Board) to handle all matters in relation to the H Share Full Circulation at their sole discretion. The specific scope of authorization includes but is not limited to:

- (1) formulating, implementing and adjusting the specific plan for the H Share Full Circulation in accordance with the implementation rules, new regulations, guidance opinions, national policies formulated by the competent authorities and the review opinions or requirements of the relevant regulatory authorities on the matters relating to the H Share Full Circulation on the basis of the full circulation plan determined by the Company;
- (2) dealing with the reporting matters in relation to the H Share Full Circulation, including but not limited to preparing, producing, modifying, signing, supplementing, submitting, reporting, implementing and announcing the related documents and other legal documents in relation to the H Share Full Circulation in accordance with the requirements of the relevant regulatory authorities, and signing, modifying, supplementing, submitting, reporting and implementing various legal documents in relation to the H Share Full Circulation on behalf of the Shareholders;
- (3) being responsible for obtaining and handling all the matters in relation to all approvals and permits from the CSRC, the Stock Exchange and/or any other relevant domestic and overseas authorities for the H Share Full Circulation, handling the cross-border transfer registration and overseas centralized depository procedures for the unlisted Shares, foreign exchange registration procedures and listing on the Main Board of the Stock Exchange in accordance with the relevant laws and regulations and the authorized/approved plan;
- (4) amending the Articles of Association based on the H Share Full Circulation; and
- (5) taking all necessary actions on behalf of the Shareholders within the scope permitted by laws and regulations and the Articles of Association, and based on the authorization of the Shareholders, to decide and handle all other matters related to H Share Full Circulation.

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## LETTER FROM THE BOARD

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The abovementioned authorization shall remain valid and effective for 12 months from the date on which the resolution for the proposed grant of authorization to the Board and its delegated persons to handle matters relating to the H Share Full Circulation has been considered and approved by the Shareholders at the EGM. In the event that a H Share Full Circulation Shareholder extends the term of authorization granted under the relevant power of attorney, the term of the abovementioned authorization shall be extended accordingly.

### **7. Proposed Amendments to the Articles of Association**

Reference is made to the announcement of the Company dated on 3 January 2023 in relation to, among others, the proposed amendments to the Articles of Association in light of the application for the H Share Full Circulation and taking into account the operations and development of the Company.

Details of the Proposed Amendments are set out in Appendix II to this circular. The amended and restated Articles of Association is written in Chinese. There is no official English translation in respect thereof. Therefore, the English version shall be for reference only. In case of any discrepancy, the Chinese version shall prevail. The Proposed Amendments are subject to the approval of the Shareholders by way of a special resolution at the EGM. Prior to the passing of the relevant Special Resolution, the prevailing Articles of Association shall remain valid.

The Board is of the view that the Proposed Amendments will not have any material impact on the business operations of the Group.

### **III. EGM AND PROXY ARRANGEMENTS**

The notice of the EGM is set out on page 19 of this circular. The EGM will be held on 28 April 2023 at 1:00 pm at 10/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC, for the Shareholders to consider and, if thought fit, approve, amongst other things, (i) remuneration for directors, supervisors and senior management of the Company for 2023; (ii) proposed bank credit line applications of the Company for 2023; (iii) proposed establishment of PT Bumi and a property development subsidiary; (iv) provision of guarantees by the Company and/or its subsidiaries for 2023; (v) application for the H Share Full Circulation; (vi) proposed grant of authorization to the Board and its delegated persons to handle all matters relating to the H Share Full Circulation; and (vii) proposed amendments to the Articles of Association.

A form of proxy for use by the Shareholders at the EGM is enclosed with this circular and published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). To be valid, the proxy form must be completed and signed in accordance with the instructions printed thereon and return it to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the EGM (for the H Share Shareholders); or for the Unlisted Share

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## LETTER FROM THE BOARD

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Shareholders of the Company, to the business address of the Company in the PRC, at 10-11/F, Building C10, R&D Park, Lane 299, Guanghai Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC not less than 24 hours before the time appointed for the holding of the EGM.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll. On a poll, every Shareholder present or by proxy or (being a corporation) by its duly authorised representative shall have one vote for each Share registered in his/her/its name in the register of members of the Company. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes in the same manner.

#### IV. CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 25 April 2023 to Friday, 28 April 2023, both days inclusive. During such period, no transfer of the Company's H Shares will be registered. Holders of the H Shares of the Company whose names appear on register of members of H Shares of the Company on Friday, 28 April 2023 will be entitled to attend the EGM. In order to be eligible to attend and vote at the EGM, holders of H Shares of the Company whose transfers of Shares have not been registered shall deposit the transfer documents together with the relevant share certificates with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 24 April 2023.

#### V. RECOMMENDATION

The Board is of the view that the resolutions set out in the notice of the EGM are in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends that all Shareholders vote in favour of the relevant resolutions to be proposed at the EGM.

By order of the Board  
**Lygend Resources & Technology Co., Ltd.**  
**CAI Jianyong**  
*Chairman and Executive Director*

Details of the plan of the H Share Full Circulation are as follows:

**1. SCOPE OF SHARES THAT CAN BE APPLIED FOR CONVERSION INTO H SHARES**

All domestic shares and unlisted foreign shares of the Company.

**2. THE INTENTION OF THE APPLICATION FOR THE H SHARE FULL CIRCULATION**

As at the Latest Practicable Date, the total share capital of the Company is 1,555,931,350 shares, which consists of 238,162,600 H Shares and 1,317,768,750 Unlisted Shares, accounting for 15.3% and 84.7% of the total share capital the Company, respectively.

After communication with all Shareholders holding Unlisted Shares, as of the Latest Practicable Date, no more than 265,453,750 Domestic Shares were intended for the application for the H Share Full Circulation, which account for up to 20.14% of the Unlisted Shares and 17.06% of the total share capital of the Company. Upon completion of the H Share Full Circulation, the total number of H shares of the Company shall become 503,616,350 Shares, accounting for 32.37% of the total share capital of the Company. Holders of Unlisted Shares intending to participate in the H Share Full Circulation include Feng Yi Pte., Ltd, Ningbo Litai Enterprise Management Partnership (Limited Partnership), Ningbo Xinpan Enterprise Management Partnership (Limited Partnership) and Ningbo Yufeng Enterprise Management Partnership (Limited Partnership).

**3. COMPLETION TIME OF THE H SHARE FULL CIRCULATION**

The Company will complete the H Share Full Circulation as and when appropriate within the validity period of the approval documents obtained from the CSRC in relation to the H Share Full Circulation and within 12 months after the passing of the relevant resolution(s) of the H Share Full Circulation at the EGM.

**4. CONDITIONS OF THE H SHARE FULL CIRCULATION**

The H Share Full Circulation is subject to the fulfilment of the following conditions precedent:

- (1) the approval of the proposed H Share Full Circulation having been obtained at the EGM;
- (2) the authorization from the Shareholders to the Board having been obtained at the EGM;
- (3) the approval of the proposed H Share Full Circulation by the relevant administrative and regulatory authority (i.e. the CSRC); and
- (4) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, all the H shares converted from the H Share Full Circulation.

Provision	Original Article	Proposed amendments
<b>Article 3</b>	The Company was approved by the China Securities Regulatory Commission (“CSRC”) on August 2, 2022 to issue no more than 267,429,600 overseas listed foreign shares (“H Shares”) in Hong Kong.	<p>The Company was approved by the China Securities Regulatory Commission (“CSRC”) on August 2, 2022 to issue no more than 267,429,600 overseas listed foreign shares in Hong Kong.</p> <p><u>The foreign shares of the Company issued and listed on the Stock Exchange of Hong Kong Limited (the “SEHK”), as well as the original domestic shares and unlisted foreign shares listed and traded on the SEHK upon approval of the securities regulator of the State Council, collectively referred to as H shares.</u></p>
<b>Article 13</b>	The business scope of the Company as legally registered: general items: research and development of emerging energy technologies; smelting of commonly used non-ferrous metals; sales of metal ores; sales of metal materials; sales of chemical products (excluding permitted chemical products); sales of construction materials; sales of mechanical equipment; sales of timber; sales of cotton and hemp; sales of knitwear textiles and raw materials; domestic trade agent; import and export of goods; import and export of technology; import and export agent; investment activities with its owned funds; (without the approval of the financial and other regulatory authorities, shall not engage in deposit-taking, financial guarantee, discretionary wealth management, collection (financing) from the public and other financial business). (Carry out business activities legitimately and independently under the business license, except for items subject to approval in accordance with the law). Permitted items: operations of hazardous chemicals (for items subject to approval by competent authorities, shall only engage in such items after such approval is obtained, and the final business scope is subject to approval).	<p>The business scope of the Company as legally registered: general items: research and development of emerging energy technologies; smelting of commonly used non-ferrous metals; sales of metal ores; sales of metal materials; sales of chemical products (excluding permitted chemical products); sales of construction materials; sales of mechanical equipment; sales of timber; sales of cotton and hemp; sales of knitwear textiles and raw materials; domestic trade agent; import and export of goods; import and export of technology; import and export agent; <del>investment activities with its owned funds; (without the approval of the financial and other regulatory authorities, shall not engage in deposit-taking, financial guarantee, discretionary wealth management, collection (financing) from the public and other financial business).</del> (Carry out business activities legitimately and independently under the business license, except for items subject to approval in accordance with the law). Permitted items: operations of hazardous chemicals (for items subject to approval by competent authorities, shall only engage in such items after such approval is obtained, and the final business scope is subject to approval).</p>



Provision	Original Article	Proposed amendments
<p><b>Article 18</b></p>	<p>Shares issued by the Company to domestic investors for subscription in RMB shall be referred to as “domestic shares”. Shares issued by the Company to overseas investors for subscription in foreign currency are “foreign shares”. If the foreign shares are listed overseas, they are known as “overseas listed foreign shares”. Shares held by overseas investors that are not listed domestically or overseas are known as “unlisted foreign shares”.</p> <p>Shares issued with the approval of the securities regulatory authority of the State Council and approved by the overseas securities regulatory authorities for listing and trading on overseas stock exchanges shall be collectively referred to as “overseas listed shares”.</p> <p>A “foreign currency” referred to in the preceding paragraph shall refer to the statutory currency of a country or region other than RMB that is recognised by the State Administration of Foreign Exchange and can be used to pay to the Company for the shares.</p>	<p>Shares issued by the Company to domestic investors for subscription in RMB shall be referred to as “domestic shares”. Shares issued by the Company to overseas investors for subscription in foreign currency are “foreign shares”. If the foreign shares are listed overseas, they are known as “overseas listed foreign shares”. Shares held by overseas investors that are not listed domestically or overseas are known as “unlisted foreign shares”.</p> <p>Shares issued with the approval of the securities regulatory authority of the State Council and approved by the overseas securities regulatory authorities for listing and trading on overseas stock exchanges shall be collectively referred to as “overseas listed shares”.</p> <p>A “foreign currency” referred to in the preceding paragraph shall refer to the statutory currency of a country or region other than RMB that is recognised by the State Administration of Foreign Exchange and can be used to pay to the Company for the shares.</p> <p><u>Upon approval of the securities regulator of the State Council, the holders of domestic shares and unlisted foreign shares of the Company may transfer all or part of the shares they hold to overseas investors and get them listed and traded overseas; all or part of the domestic shares and unlisted foreign shares may be converted into overseas listed shares, and the converted overseas listed shares may be listed and traded on an overseas stock exchange. When the transferred or converted shares are listed and traded on an overseas stock exchange, it shall comply with the regulatory procedures, regulations and requirements of overseas securities markets. The domestic shares and unlisted foreign shares shall be regarded as the same class of shares as the original overseas listed foreign shares after converted into overseas listed shares.</u></p>

Provision	Original Article	Proposed amendments
<p><b>Article 21</b></p>	<p>With the approval of the securities regulatory authority of the State Council and the Hong Kong Stock Exchange, the Company may issue a total of 267,429,600 overseas listed foreign shares (including up to 34,882,000 shares under the over-allotment option).</p> <p>If the over-allotment option is not exercised, the share capital structure of the Company will be as follows: 1,550,316,176 ordinary shares, of which 507,000,000 shares are held by promoter Zhejiang Lygend Investment Co., Ltd., 1,000,000 shares are held by Ningbo Lizhan Trade Co., Ltd., 546,215,000 shares are held by other shareholders of domestic shares, 263,553,750 shares are held by shareholders of overseas unlisted foreign shares and 232,547,600 shares are held by shareholders of overseas listed foreign shares.</p> <p>If the over-allotment option is exercised, the share capital structure of the Company will be as follows: 1,585,198,289 ordinary shares, of which 507,000,000 shares are held by promoter Zhejiang Lygend Investment Co., Ltd., 1,000,000 shares are held by Ningbo Lizhan Trade Co., Ltd, 546,215,000 shares are held by other shareholders of domestic shares, 263,553,750 shares are held by shareholders of overseas unlisted foreign shares and 267,429,600 shares are held by shareholders of overseas listed foreign shares.</p>	<p>With the approval of the securities regulatory authority of the State Council and the Hong Kong Stock Exchange, the Company may issue a total of 267,429,600 overseas listed foreign shares (including up to 34,882,000 shares under the over-allotment option).</p> <p><del>If the over-allotment option is not exercised, the share capital structure of the Company will be as follows: 1,550,316,176 ordinary shares, of which 507,000,000 shares are held by promoter Zhejiang Lygend Investment Co., Ltd., 1,000,000 shares are held by Ningbo Lizhan Trade Co., Ltd., 546,215,000 shares are held by other shareholders of domestic shares, 263,553,750 shares are held by shareholders of overseas unlisted foreign shares and 232,547,600 shares are held by shareholders of overseas listed foreign shares.</del></p> <p><del>If the over-allotment option is exercised, the share capital structure of the Company will be as follows: 1,585,198,289 ordinary shares, of which 507,000,000 shares are held by promoter Zhejiang Lygend Investment Co., Ltd., 1,000,000 shares are held by Ningbo Lizhan Trade Co., Ltd, 546,215,000 shares are held by other shareholders of domestic shares, 263,553,750 shares are held by shareholders of overseas unlisted foreign shares and 267,429,600 shares are held by shareholders of overseas listed foreign shares.</del></p> <p><u>The current share capital structure of the Company is as follows: 1,555,931,350 ordinary shares, of which 507,000,000 shares are held by promoter Zhejiang Lygend Investment Co., Ltd., 1,000,000 shares are held by Ningbo Lizhan Trade Co., Ltd., 546,215,000 shares are held by other shareholders of domestic shares, 263,553,750 shares are held by shareholders of overseas unlisted foreign shares and 238,162,600 shares are held by shareholders of overseas listed foreign shares.</u></p>

Provision	Original Article	Proposed amendments
<p><b>Article 129</b></p>	<p>If the Company proposes to vary or abrogate certain rights of a certain class of shareholders, this proposal should be passed by a special resolution at the general meeting and passed at the meeting convened according to Articles 131 to 135 by the related class of shareholders. The approval of a general meeting or a class meeting of shareholders is not required if the rights conferred on a class of shareholders are varied or abrogated as a result of changes in domestic or foreign laws and regulations and the listing rules of the place where the Company’s shares are listed, as well as decisions made by domestic or foreign regulatory authorities in accordance with the law.</p>	<p>If the Company proposes to vary or abrogate certain rights of a certain class of shareholders, this proposal should be passed by a special resolution at the general meeting and passed at the meeting convened according to Articles 131 to 135 by the related class of shareholders. The approval of a general meeting or a class meeting of shareholders is not required if the rights conferred on a class of shareholders are varied or abrogated as a result of changes in domestic or foreign laws and regulations and the listing rules of the place where the Company’s shares are listed, as well as decisions made by domestic or foreign regulatory authorities in accordance with the law.</p> <p><u>The behaviors that upon approval of the State Council or the securities regulators authorized by the State Council, the shareholders of domestic shares and unlisted foreign shares of the Company transfer all or part of their holdings of shares to overseas investors, or convert all or part of their holdings of domestic shares or unlisted foreign shares into overseas listed shares and get them listed and traded on an overseas stock exchange shall not be regarded as the Company’s intention to change or abolish the rights of class shareholders, and are not subject to the approval of the general meeting of shareholders or class meeting of shareholders.</u></p>

Provision	Original Article	Proposed amendments
<b>Article 135</b>	<p>Apart from the holders of other classes of shares, the holders of the domestic shares and holders of overseas listed foreign shares shall be regarded as shareholders of different classes. The special voting procedures at a general meeting for class shareholders shall not apply for the following circumstances:</p> <p>(I) upon the approval by way of a special resolution passed by a general meeting, the Company issues overseas listed foreign shares every twelve months, provided that the amount of shares intended to be issued is not more than twenty percent of the issued and outstanding shares of the class;</p> <p>(II) the Company's plan on issuing overseas listed foreign shares at the time of establishment which is completed within fifteen months from the date of approval from competent securities department under the State Council; or</p> <p>(III) where with the approval by the security's regulatory authorities of the State Council the shareholders who hold the domestic shares of the Company transfer the shares held by them to foreign investors and causes these shares to be listed and traded on an overseas stock exchange.</p>	<p>Apart from the holders of other classes of shares, <u>the holders of domestic shares and holders of unlisted foreign shares</u> are deemed to <u>be the same type of shareholders</u>, the holders of the domestic shares, <u>the holders of unlisted foreign shares</u> and holders of overseas listed foreign shares shall be regarded as shareholders of different classes. The special voting procedures at a general meeting for class shareholders shall not apply for the following circumstances:</p> <p>(I) upon the approval by way of a special resolution passed by a general meeting, the Company issues overseas listed foreign shares every twelve months, provided that the amount of shares intended to be issued is not more than twenty percent of the issued and outstanding shares of the class;</p> <p>(II) the Company's plan on issuing overseas listed foreign shares at the time of establishment which is completed within fifteen months from the date of approval from competent securities department under the State Council; or</p> <p>(III) where with the approval by the security's regulatory authorities of the State Council the shareholders who hold the domestic shares <u>and the unlisted foreign shares</u> of the Company transfer the shares held by them to foreign investors <u>or the conversion of domestic shares and unlisted foreign shares into overseas listed shares</u> and causes these shares to be listed and traded on an overseas stock exchange.</p>

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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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)**

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “EGM”) of Lygend Resources & Technology Co., Ltd. (the “**Company**”) will be held at 1:00 pm on 28 April 2023 (or any adjournment thereof) at 10th Floor, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, People’s Republic of China, to consider and, if thought fit, pass the following resolutions. Unless otherwise defined, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 12 April 2023.

### ORDINARY RESOLUTIONS

1. to consider and approve the remuneration of the directors, supervisors and senior management of the Company for 2023.
2. to consider and approve proposed bank credit line applications of the Company for 2023.
3. to consider and approve the proposed establishment of PT Bumi Mineral Sentosa and a property development subsidiary.

### SPECIAL RESOLUTIONS

4. to consider and approve the provision of guarantees by the Company and/or its subsidiaries for 2023.
5. to consider and approve the application for the H Share Full Circulation by the Company.
6. to consider and approve the grant of authorization to the Board of Directors and its delegated persons to handle all matters relating to the H Share Full Circulation.
7. to consider and approve the amendments to the Articles of Association.

By order of the Board  
**Lygend Resources & Technology Co., Ltd.**  
**CAI Jianyong**  
*Chairman and Executive Director*

The PRC, 12 April 2023

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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*Notes:*

1. The voting at the EGM will be conducted by way of poll.
2. For the purpose of determining the eligibility to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 25 April 2023 to Friday, 28 April 2023, both days inclusive. During such period, no transfer of the Company's H Shares will be registered. Holders of the H Shares of the Company whose names appear on register of members of H Shares of the Company on Friday, 28 April 2023 will be entitled to attend the EGM. In order to be eligible to attend and vote at the EGM, holders of H Shares of the Company whose transfers of Shares have not been registered shall deposit the transfer documents together with the relevant share certificates with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 24 April 2023.
3. Each Shareholder entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on his or her behalf. A proxy needs not be a Shareholder.
4. Ordinary resolution at a general meeting shall be passed by one half or above of the voting rights held by shareholders (including their proxies) attending the general meeting. Special resolution at a general meeting shall be passed by two-thirds or above of the voting rights held by shareholders (including their proxies) attending the general meeting.
5. The form of proxy must be signed by the Shareholder or his/her attorney duly authorized in writing. If the Shareholder is a corporation, the instrument must be either under its common seal or signed by the director or his/her attorney duly authorized. If the instrument is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorization document must be notarized.
6. In order to be valid, the form of proxy of the holders of H Shares together with the power of attorney or other authorization document (if any) signed by the authorized person or notarially certified power of attorney must be deposited at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; or for the Unlisted Share Shareholders of the Company, to the business address of the Company in the PRC, at 10-11/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC, not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the EGM if he/she so wishes.
7. The EGM is expected to last for no more than half a day. Shareholders or their proxies attending the meeting are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the meeting shall produce their identity documents.
8. All times refer to Hong Kong local time, except as otherwise stated.