# Proposals to 2025 Annual General Meeting of Zhejiang Yongtai Technology Co., Ltd.

**27 April 2026**

**Proposal 1: 2025 Work Report of the Board of Directors**

Dear shareholders,

Zhejiang Yongtai Technology Co., Ltd. has announced its 2025 Annual Report.For details, please refer to the contents related to the work of the Board of Directors in Section III "Management Discussion and Analysis" and Section IV "Corporate Governance" of the 2025 Annual Report.

**Proposal 2: Proposed Profit Distribution for the Year 2025**

Dear Shareholders:

After audit by BDO CHINA Shu Lun Pan Certified Public Accountants LLP, the Company's consolidated financial statements for 2025 show a net profit attributable to shareholders of the listed company of RMB-46,100,649.82 and the parent company achieved a net profit of RMB-83,340,916.73. Pursuant to the provisions of the Company Law of the People's Republic of China and the Articles of Association of the Company, no appropriation of statutory surplus reserve is required.Together with the opening undistributed profit of RMB1,392,756,850.11, the parent company's undistributed profit at the end of 2025 will amount to RMB1,309,415,933.38. The undistributed profit in the consolidated financial statements at the end of 2025 will be RMB819,408,715.13.

Pursuant to the *Articles of Association*, *Shareholder Return Plan for the Next Three Years(2024–2026),* and the CSRC's *Guidelines for the Supervision of Listed Companies No.3—Cash Dividends of Listed Companies*, and considering the Company's actual production and operating results in 2025 and its future development outlook, the Company proposes that for 2025: no cash dividend distribution, no stock dividend issuance, no capital reserve conversion into share capital, and the undistributed profit will be carried forward to the next fiscal year.

**Proposal 3: Proposal on Authorizing the Board of Directors to Formulate the 2026 Interim Dividend Plan**

Dear shareholders,

To simplify the procedures for interim dividend distribution and enhance returns to investors, the Board of the Company proposes to request the Annual General Meeting to approve the relevant authorization, authorizing the Board to formulate the interim dividend plan for 2026 in light of the actual circumstances at the time, after comprehensively considering factors including the Company's profitability, stage of development, significant capital arrangements, future growth needs and reasonable returns to shareholders, and subject to compliance with relevant regulations.

**Proposal 4:Proposal on Revising the Management System for the Compensation and Allowances of Directors and Senior Executives**

Dear Shareholders:

To further enhance the Company's incentive and restraint mechanism, fully mobilize the enthusiasm and creativity of the directors and senior executives, and ensure the sustained, healthy and stable development of the Company, the Company proposes to revise the Management System for the Compensation and Allowances of Directors and Senior Executives in accordance with relevant laws and regulations, including the Company Law of the People's Republic of China and the Code of Corporate Governance for Listed Companies, as well as the provisions of the Articles of Association, and in light of the actual circumstances of the Company. Upon revision, the system will be renamed as the Compensation Management System for Directors and Senior Executives. Please refer to the attachment for details of the revised system.

Appendix: Compensation Management System for Directors and Senior Executives

# Zhejiang Yongtai Technology Co., Ltd.

# Compensation Management System for Directors and Senior Executives

## Chapter I General Provisions

**Article 1** To further improve the incentive and restraint mechanism of Zhejiang Yongtai Technology Co., Ltd. (hereinafter referred to as the "Company"), fully mobilize the enthusiasm and creativity of the directors and senior executives, and ensure the sustained, healthy and stable development of the Company, this Compensation Management System for Directors and Senior Executives (the "System") is formulated in accordance with relevant laws and regulations, including the Company Law of the People's Republic of China and the Code of Corporate Governance for Listed Companies, as well as the Articles of Association, and in light of the actual circumstances of the Company.

**Article 2** The System applies to the following personnel:

(I) Directors, including independent directors and non-independent directors (including employee representative directors);

(II) Senior Executives, including the General Manager, Deputy General Managers, Chief Financial Officer, Board Secretary, and other senior executives as stipulated in the Articles of Association.

**Article 3** The determination of compensation for directors and senior management shall follow the following principles:

(I) The principle of distribution according to work, with compensation aligned with responsibilities, authority, and benefits;

(II) The principle that compensation is linked to the company's performance and work objectives;

(III) The principle that compensation is aligned with the company's long-term interests, ensuring growth in core business operations, restraining short-term behavior, and promoting the company's long-term and stable development;

(IV) The principle that compensation follows "clear rewards and penalties, balanced incentives and constraints," ensuring that rewards and penalties are proportionate, with equal emphasis on motivation and discipline.

## Chapter II Compensation Management Body

**Article 4** The compensation plan for the company's directors shall be determined by the shareholders' meeting and disclosed accordingly. The compensation distribution plan for senior executives shall be approved by the Board, explained to the Shareholders' Meeting, and fully disclosed.

When the board or the remuneration and assessment committee of the board evaluates a director individually or discusses that director's compensation, the director concerned shall recuse himself or herself.

**Article 5** The Remuneration and Assessment Committee of the Board shall undertake the following duties:

(I) To formulate the compensation plans for the directors and senior executives of the Company;

(II) To review the performance of duties of the directors of the Company (excluding independent directors and non-independent directors who do not hold any position in the Company other than directorship) and senior executives and conduct annual assessments of them;

(III) To supervise the implementation of the Company's compensation system for directors and senior executives.

**Article 6** The Human Resources Department and the Finance Department of the Company shall cooperate with the Remuneration and Assessment Committee of the Board in the specific implementation of the compensation plans for the Company's directors and senior executives.

## Chapter III Compensation Standards

**Article 7** Compensation for Directors

(I) Independent directors and non-independent directors who do not hold any position in the Company other than directorship shall receive a fixed director allowance and shall not enjoy any other compensation or social security benefits from the Company. Reasonable expenses incurred by independent directors in performing their duties shall be borne by the Company.

(II) Non-independent directors who hold positions within the Company shall receive compensation based on their managerial positions and performance assessments in the Company, and the compensation structure shall be consistent with that of senior executives.

**Article 8** The compensation for senior executives of the Company consists of basic salary,performance-based compensation and medium- to long-term incentive income, of which the performance-based compensation shall, in principle, account for no less than fifty percent of the total of the basic salary and performance-based compensation.

(I) Basic Salary: Determined based on factors including the value, responsibilities and required competencies of the position held by the senior executives, as well as prevailing market salary levels.

(II) Performance-based remuneration: Comprehensively determined based on the Company's annual operating performance, personal performance assessment results and other factors.

(III) Medium- to long-term incentive income: Medium - and long-term incentive income can be set up through equity incentive plans, employee stock ownership plans, and other methods based on the company's development strategy.

## Chapter IV Compensation Distribution

**Article 9** The basic salary of directors and senior executives shall be paid monthly. A certain proportion of their performance-based compensation shall be paid after the annual report disclosure and performance evaluation, which shall be conducted based on audited financial data. The medium- to long-term incentive income shall be paid in accordance with the incentive scheme.

The determination and payment of performance-based compensation and medium- to long-term incentive income of the directors and senior executives shall be based primarily on performance evaluation.

**Article 10** The compensation of directors and senior executives holding operational positions in the Company shall be on a pre-tax basis. The Company shall deduct the following items from salaries and bonuses in accordance with relevant national and company regulations, and pay the balance to individuals. Items to be withheld and paid by the Company include, but are not limited to:

(I) Individual income tax for withholding and payment;

(II) The portion of social insurance expenses borne by individuals;

(III) Other amounts stipulated by the state or the Company that shall be borne by individuals.

**Article 11** If any director or senior executives leaves office due to reasons such as change of term, re-election, or resignation during the term of office, his or her compensation and allowances shall be calculated and paid according to his or her actual term of office.

## Chapter V Compensation Adjustment, Suspension and Clawback

**Article 12** The compensation system for the directors and senior executives of the Company shall serve the Company's business strategy and be adjusted accordingly in response to the evolving operating conditions of the Company to meet the needs of further development.

**Article 13** The compensation adjustments for the directors and senior executives of the Company shall be based on the following factors:

(1) changes in the compensation levels within the same industry;

(2) the inflation rate;

(3) the Company's profitability;

(4) changes in the Company's development strategy or organizational structure; and

(5) individual adjustments arising from changes in job positions.

**Article 14** If the Company records a loss in performance, it shall specifically explain during each stage of the compensation review process for directors and senior executives whether the changes in their compensation comply with the performance linkage requirements.

Where the Company turns from profit to loss as compared with the previous fiscal year or the loss expands, and the average performance-based compensation of the directors and senior executives does not decrease accordingly, the reasons for such failure shall be disclosed.

**Article 15** To restate its financial statements due to misstatements such as financial fraud, the Company shall promptly reassess the performance-based compensation and long-term incentive income of directors and senior executives and recover any excess payments accordingly.

If a director or senior officer violates his/her obligations causing losses to the Company, or is at fault for financial fraud, fund misappropriation, illegal guarantees, or other illegal activities, the Company shall reduce or stop the payment of unpaid performance-based compensation and medium- to long-term incentive income based on the severity of the situation, and fully or partially recover the performance-based remuneration and medium- to long-term incentive income already paid during the period when the related behavior occurred.

## Chapter VI Supplementary Provisions

**Article 16** The System shall come into effect after being reviewed and approved by the Board of the Company and after being reviewed and approved by the Shareholders' Meeting, and the same applies to any amendments. In the event that any provision of the System conflicts with the latest laws, regulations or rules promulgated by regulatory authorities, such latest laws, regulations and rules shall prevail.

**Article 17** The System shall be interpreted by the Board of the Company.

**Article 18** The System shall come into effect after being reviewed and approved by the Shareholders' Meeting of the Company.

**Proposal 5: Proposal on the Remuneration Plan for the Directors and the Supervisors for the Year 2025**

Dear shareholders,

In accordance with relevant regulations including the Company's remuneration system, the Company has determined the remuneration of the Company’s Directors and Supervisors for the Year 2025 with reference to the remuneration level in the industry and the actual situation of the Company by integrating the individual’s ability, job responsibilities and performance appraisal indicators. The details are as follows:

| No. | Name | Duty | 2025 Remuneration (RMB10,000) |
|---|---|---|---|
| 1 | Wang Yingmei | Chairwoman of the Board,General Manager | 120.00 |
| 2 | Chen Lijie | Vice Chairwoman of the Board（Departing Deputy General Manager, Departing Chief Financial Officer） | 60.00 |
| 3 | Jin Yizhong | Director, Deputy General Manager | 60.00 |
| 4 | Zhang Zhengqiu | Director | 55.00 |
| 5 | Zhang Jiangshan | Director, Deputy General Manager,Secretary of the Board of Directors | 60.00 |
| 6 | Wang Lirong | Director | 40.00 |
| 7 | Zhang Weikun | Independent Director | 10.00 |
| 8 | Zheng Feng | Independent Director | 10.00 |
| 9 | Zhou Yuejiang | Independent Director | 4.17 |
| 10 | He Kuang | Departing Director,Departing General Manager | 68.49 |
| 11 | Wei Hegeng | Departing Director | 60.00 |
| 12 | Liu Zhiqiang | Departing Independent Director | 5.83 |
| 13 | Zhang Xiaohua | Departing Supervisor | 24.57 |
| 14 | Dai Huibin | Departing Supervisor | 21.02 |

**Proposal 6: Proposal on the Remuneration Plan for the Directors and the senior executives for the Year 2026**

Dear shareholders,

In accordance with the Articles of Association, the Remuneration Management System for Directors and Senior Management of the Company and other provisions, the Company has formulated the 2026 Remuneration Scheme for Directors and Senior Management by taking into account the actual operation and development of the Company and referring to the industry and regional remuneration levels, with details as follows:

**1. Remuneration Scheme**

(1) Independent directors of the Company receive fixed allowances at the standard of RMB 100,000 per year. They are not involved in the internal performance-linked assessment of the Company, and the allowances are paid on an annual basis.

(2) The remuneration of non-independent directors and senior management of the Company consists of basic salary, performance-based remuneration, medium and long-term incentives, etc. Performance-based remuneration accounts for no less than 50% of the total sum of basic salary and performance-based remuneration.

Basic salary is determined based on job responsibilities, competence, market remuneration level and other factors, and is paid monthly. Performance-based remuneration is comprehensively determined and paid based on the Company's annual operating performance, personal performance assessment results and other factors, of which a certain proportion of performance-based remuneration will be paid after the disclosure of the annual report and completion of performance evaluation. Medium and long-term incentive income is implemented in accordance with the incentive scheme.

**2. Other Provisions**

(1) The above-mentioned remuneration are all pre-tax remuneration, and the personal income tax involved shall be uniformly withheld and paid by the Company.

(2) In case of relevant payment suspension and recourse circumstances, the Company shall follow the remuneration system, and shall not damage the legitimate rights and interests of the Company.

(3) If the post of a director or senior management of the Company changes due to re-election, by-election, resignation during the term of office and other reasons, the remuneration or allowance shall be calculated and paid according to the change of position and actual term of office.

(4) Matters not covered herein shall be implemented in accordance with the provisions of national laws, administrative regulations, departmental rules, regulatory documents and the Articles of Association. If this scheme conflicts with the laws, administrative regulations, departmental rules, regulatory documents promulgated by the state in the future and the Articles of Association amended through legal procedures, it shall be implemented in accordance with the relevant laws, administrative regulations, departmental rules, regulatory documents and the Articles of Association.

**Proposal 7：2025 Annual Report and its abstract**

Dear shareholders,

Zhejiang Yongtai Technology Co., Ltd. has announced its 2025 Annual Report.For details, please refer to the announcement of 2025 Annual Report.

**Proposal 8: Proposal on the Amount of Guarantee for Subsidiaries**

Dear Shareholders:

In order to meet the financial needs of the subsidiaries for daily operation and business development, the Company intends to provide guarantees to certain subsidiaries included in the scope of the consolidated statements, with the total amount of guarantees expected to be no more than RMB5,500,000,000, which can be utilized on a revolving basis. The amount of guarantee for the subsidiaries whose gearing ratio does not exceed 70% is not more than RMB3,770,000,000, and the guarantee amount for the subsidiaries whose gearing ratio exceeds 70% is not more than RMB1,730,000,000. The amount of guarantee may be transferred between subsidiaries, but when the transfer occurs, guarantee recipients with asset-liability ratios exceeding 70% may only obtain the amount of guarantee from recipients whose asset-liability ratios exceeded 70% at the time the guarantee limits were reviewed and approved by the shareholders' meeting. The guarantee methods include, but are not limited to, guarantee, mortgage and pledge, and the specific amount of guarantee and guarantee period shall be executed according to the specific contract. Meanwhile, it is proposed to the annual general meeting to authorize the Chairwoman of the Company to sign legal instruments such as guarantee agreement and other related matters on behalf of the Company within the scope of the amount, and the authorization duration will be from the date of consideration and approval by the annual general meeting of 2025 to the date of convening of the annual general meeting of 2026. The specific allocation of the amount of guarantee is as follows:

Unit: RMB 10,000

| Guarantor | Guaranteed object | Shareholding ratio of guarantor | Asset-liability ratios of guaranteed party for the latest period | Balance of guarantees as at now | Current estimated amount of guarantee | Proportion of amount of guarantee to the latest net assets of the listed company | Related guarantees or no |
|---|---|---|---|---|---|---|---|

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Zhejiang Yongtai Technology Co., Ltd. | Zhejiang Chiral Medicine Chemicals Co., Ltd. | 100% | 39.72% | 19,000.00 | 22,000.00 | 8.23% | No |
| | Foshan Soin Chiral Pharma Co., Ltd. | 90% | 14.85% | 2,000.00 | 5,000.00 | 1.87% | No |
| | Shaowu Yongtai Hi-tech Material Co., Ltd. | 75% | 59.26% | 103,300.00 | 140,000.00 | 52.40% | No |
| | Inner Mongolia Yongtai Chemical Co., Ltd. | 100% | 60.90% | 146,166.91 | 200,000.00 | 74.86% | No |
| | Hangzhou Yongtai Chiral Biopharmaceutical Co., Ltd. | 100% | 59.51% | 10,000.00 | 10,000.00 | 3.74% | No |
| | Shanghai E-Tong Chemical Co., Ltd. | 100% | 70.16% | 38,650.00 | 40,000.00 | 14.97% | No |
| | Zhejiang Yongtai New Energy Material Co., Ltd. | 100% | 88.89% | 30,465.12 | 100,000.00 | 37.43% | No |
| | Zhejiang Yongtai Chiral Medicine Technology Co., Ltd. | 100% | 76.82% | 5,000.00 | 8,000.00 | 2.99% | No |
| | Shandong Zhanhua Yongtai Pharmaceutical Co., Ltd. | 100% | 94.25% | 2,134.30 | 5,000.00 | 1.87% | No |
| | Zhejiang Yongtai Pharmaceutical Co., Ltd. | 100% | 106.82% | 0.00 | 5,000.00 | 1.87% | No |
| | Yancheng Yongtai New Materials Co., Ltd. | 100% | — | 0.00 | 15,000.00 | 5.61% | No |
| In Total | | | | 356,716.33 | 550,000.00 | 205.86% | _ |

Note 1: Any inconsistency between the aggregate percentage shown in the above table and the sum of its constituent line items arises from rounding adjustments.

Note 2: As Yancheng Yongtai New Materials Co., Ltd. is a newly established entity incorporated on April 20, 2026, no financial data is available for the time being. Based on the prudence principle, it is classified into the statistical segment with a debt-to-asset ratio exceeding 70%.

## I. Basic information on guaranteed object

Unit: RMB 10,000

| No. | Guaranteed object | Registered capital | Business scope | Dishonest persons subject to enforcement or not |
|---|---|---|---|---|
| 1 | Zhejiang Chiral Medicine Chemicals Co., Ltd. | 2,034.8152 | Research, development, production, sales: pharmaceutical intermediates, APIs, raw materials | No |

| | | | | |
|---|---|---|---|---|
| 2 | Foshan Soin Chiralpharma Co., Ltd. | 21,315 | Production of chemical preparations, traditional Chinese patent medicines and simple preparations preparations, laboratory and diagnostic reagents, skin care and health products, lotions and consulting services; Purchase and sale of agricultural products and traditional Chinese medicinal materials. | No |
| 3 | Shaowu Yongtai Hi-tech Material Co., Ltd. | 30,000 | Research and development of new material technologies; basic chemical APIs manufacturing; production and sales of chemical products; production of hazardous chemicals; technology and goods import and export. | No |
| 4 | Inner Mongolia Yongtai Chemical Co., Ltd. | 129,100 | Production of pesticides; production and sales of chemical products; basic chemical APIs manufacturing; sales of machinery and equipment, instruments and meters; technical services, development, consultation, exchange, transfer and promotion; goods import and export. | No |
| 5 | Hangzhou Yongtai Chiral Biopharmaceutical Co., Ltd. | 20,000 | Pharmaceutical production; medical research and experimental development; biotechnology research and development; sales of chemical products; goods and technology import and export. | No |
| 6 | Shanghai E-Tong Chemical Co., Ltd. | 1,000 | Chemical products, daily necessities wholesale and retail, goods and technology import and export. | No |
| 7 | Zhejiang Yongtai New Energy Material Co., Ltd. | 33,000 | Electronic special materials manufacturing; basic chemical APIs manufacturing; goods import and export. | No |
| 8 | Zhejiang Yongtai Chiral Medicine Technology Co., Ltd. | 40,000 | Technical services, development, consultation, exchange, transfer and promotion; pharmaceutical production; import and export of goods and technologies. | No |
| 9 | Shandong Zhanhua Yongtai Pharmaceutical Co., Ltd. | 10,000 | Production and sales of intermediates. | No |
| 10 | Zhejiang Yongtai Pharmaceutical Co., Ltd. | 40,000 | Pharmaceutical production;goods and technology import and export. | No |

| | | | | |
|---|---|---|---|---|
| 11 | Yancheng Yongtai New Materials Co., Ltd. | 20,000 | Manufacture of special electronic materials and basic chemical raw materials; Import and export of goods; Sales of metal materials and chemical products | No |

## II. Major financial data of guaranteed object for the Year 2025

Unit: RMB 10,000

| No. | guaranteed object | Total assets | Total liabilities | Net assets | Operating income | total profit | Net profit |
|---|---|---|---|---|---|---|---|
| 1 | Zhejiang Chiral Medicine Chemicals Co., Ltd. | 61,446.73 | 24,408.37 | 37,038.36 | 35,625.20 | 10,472.09 | 9,013.29 |
| 2 | Foshan Soin Chiralpharma Co., Ltd. | 32,266.41 | 4,792.50 | 27,473.91 | 12,579.30 | 2,277.61 | 1,960.64 |
| 3 | Shaowu Yongtai Hi-tech Material Co., Ltd. | 187,703.79 | 111,224.15 | 76,479.64 | 92,835.15 | 5,030.69 | 10,797.65 |
| 4 | Inner Mongolia Yongtai Chemical Co., Ltd. | 306,262.08 | 186,502.75 | 119,759.33 | 114,138.90 | 9,576.92 | 8,208.09 |
| 5 | Hangzhou Yongtai Chiral Biopharmaceutical Co., Ltd. | 15,965.56 | 9,501.76 | 6,463.80 | - | -128.46 | -128.46 |
| 6 | Shanghai E-Tong Chemical Co., Ltd. | 124,668.42 | 87,462.21 | 37,206.21 | 168,828.09 | 1,896.55 | 695.85 |
| 7 | Zhejiang Yongtai New Energy Material Co., Ltd. | 113,306.95 | 100,712.95 | 12,594.00 | 134,414.81 | 1,801.68 | 1,325.20 |
| 8 | Zhejiang Yongtai Chiral Medicine Technology Co., Ltd. | 70,917.20 | 54,481.33 | 16,435.87 | 9,282.46 | -7,678.07 | -2,052.32 |
| 9 | Shandong Zhanhua Yongtai Pharmaceutical Co., Ltd. | 29,112.72 | 27,437.54 | 1,675.18 | - | -4,656.05 | -4,438.91 |
| 10 | Zhejiang Yongtai Pharmaceutical Co., Ltd. | 14,828.64 | 15,840.46 | -1,011.82 | 1,675.40 | -5,906.03 | -5,906.03 |

Note: The inconsistency, if any, between total assets and the sum of total liabilities and net assets is due to rounding.

## III. Major financial data of the guaranteed object for the first quarter of 2026

Unit: RMB 10,000

| No. | guaranteed object | Total assets | Total liabilities | Net assets | Operating income | total profit | Net profit |
|---|---|---|---|---|---|---|---|
| 1 | Zhejiang Chiral Medicine | 63,693.56 | 24,652.30 | 39,041.26 | 7,548.91 | 2,356.36 | 2,002.91 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Chemicals Co., Ltd. | | | | | | |
| 2 | Foshan Soin Chiralpharma Co., Ltd. | 32,137.52 | 4,537.02 | 27,600.51 | 2,608.85 | 173.27 | 126.59 |
| 3 | Shaowu Yongtai Hi-tech Material Co., Ltd. | 226,113.38 | 142,714.97 | 83,398.42 | 43,320.01 | 7,996.83 | 6,820.07 |
| 4 | Inner Mongolia Yongtai Chemical Co., Ltd. | 314,577.25 | 191,732.61 | 122,844.64 | 26,773.88 | 3,691.60 | 3,070.25 |
| 5 | Hangzhou Yongtai Chiral Biopharmaceutical Co., Ltd. | 15,932.77 | 9,463.74 | 6,469.02 | - | -94.78 | -94.78 |
| 6 | Shanghai E-Tong Chemical Co., Ltd. | 130,301.21 | 92,839.57 | 37,461.64 | 82,015.96 | 205.49 | 255.42 |
| 7 | Zhejiang Yongtai New Energy Material Co., Ltd. | 161,376.49 | 147,779.60 | 13,596.89 | 68,705.98 | 965.39 | 1,002.89 |
| 8 | Zhejiang Yongtai Chiral Medicine Technology Co., Ltd. | 107,402.33 | 90,551.77 | 16,850.56 | 35,885.01 | -7.01 | 414.69 |
| 9 | Shandong Zhanhua Yongtai Pharmaceutical Co., Ltd. | 18,516.39 | 17,324.86 | 1,191.52 | - | -339.00 | -483.66 |
| 10 | Zhejiang Yongtai Pharmaceutical Co., Ltd. | 15,235.33 | 17,217.03 | -1,981.70 | 325.41 | -969.88 | -969.88 |

Note: The inconsistency, if any, between total assets and the sum of total liabilities and net assets is due to rounding.

**Proposal 9: Proposal on the Foreign Exchange Hedging Business**

Dear Shareholders:

In accordance with the relevant regulations of *the Articles of Association, Management System for the Foreign Exchange Hedging* and Shenzhen Stock Exchange, the Company intends to carry out foreign exchange hedging business as follows:

**I. Overview of the foreign exchange hedging business**

**(I) Purpose of the transaction**

The Company and its subsidiaries have a large number of export business, in order to effectively manage foreign currency assets, enhance financial soundness, and prevent and hedge against adverse impacts on the Company in the event of significant fluctuations in exchange rates, the Company and its subsidiaries intend to cooperate with banks and other financial institutions that are qualified for relevant business operations to carry out the foreign exchange hedging business.

**(II) Transaction amount**

Based on the scale of assets and business needs, the Company and its subsidiaries intend to carry out the foreign exchange hedging business with a limit of not more than US$100,000,000 or its equivalent in other foreign currencies (maximum contract value on any trading day). The above quota may be utilized on a rolling basis, but the balance of the foreign exchange hedging business conducted at any point in time (including the relevant amount of the proceeds of the foregoing transactions for re-transactions) shall not exceed the above quota.

**(III) Major currencies and business varieties involved**

The currencies involved in the foreign exchange hedging business to be carried out by the Company and its subsidiaries are limited to the major settlement currencies used for the Company's production and operation, mainly including the U.S. dollars, Euro and Pound. The main varieties of the foreign exchange hedging business to be carried out by the Company include future foreign exchange settlement, foreign exchange swaps, foreign exchange option business and other foreign exchange derivative product trading business.

**(IV) Duration and authorization**

The Company intends to propose to the general meeting of shareholders to authorize the operating management of the Company and its subsidiaries and their authorized persons to conduct the foreign exchange hedging business, enter into relevant agreements and handle other related matters. The aforesaid limit and the term of authorization is from the date of consideration and approval at the Company's 2025 annual general meeting to the date of the 2026 annual general meeting. If the duration of a single transaction exceeds the abovementioned limit or the term of authorization, the aforesaid limit or the term of authorization will be automatically extended until the termination of the single transaction.

**(V) Source of funds**

The transaction is funded by the Company's own funds and does not involve the use of raised funds.

**II. Transaction risk analysis and risk control measures**

The foreign exchange hedging business carried out by the Company and its subsidiaries may involve certain internal control risks, exchange rate fluctuation risks, collection and payment forecast risks and performance risks. In this regard, the Company will strictly follow the principles of lawfulness, prudence, safety and effectiveness, and strictly control the risks by continuously improving the internal control of the Company, timely adjusting the foreign exchange hedging strategy, strengthening the management of accounts receivable, and carefully selecting the cooperative financial institutions.

**Proposal 10: Proposal on Commodity Futures Hedging Business**

Dear Shareholders:

In accordance with the relevant regulations of *the Articles of Association*, *the Management System for Commodity Futures Hedging Business* and the Shenzhen Stock Exchange, the Company intends to carry out commodity futures hedging business as follows:

**I. Overview of the commodity futures hedging business**

**1. Purpose of the transaction**

Given that lithium carbonate, the main raw material for the Company's lithium battery material products, is significantly affected by market price fluctuations, in order to reduce the operating risks brought about by raw material price fluctuations to the Company, to ensure the stability of production and operation, the Company and its subsidiaries intend to utilize the hedging and value protection functions of futures tools, and carry out commodity futures hedging business on an opportunistic basis in accordance with the production and operation plan.

The Company and its subsidiaries to carry out commodity futures hedging business based on spot demand, not for the purpose of speculation, make full use of the price discovery and risk hedging function of the futures market, to avoid the risks brought about by irregular fluctuations in the price of raw materials, to ensure that the cost of the product is relatively stable, which is necessary.

**2. Transaction amount**

The margin amount for the hedging business conducted by the Company and its subsidiaries shall not exceed RMB100 million (excluding the amount for physical delivery of the underlying futures); the maximum contract value held on any one trading day shall not exceed 50% of the latest audited net assets. The quota mentioned above may be utilized on a rolling basis, but the amount of commodity futures hedging business conducted at any point in time (including the amount relating to re-transactions of the proceeds of the aforesaid transactions) shall not exceed the quota mentioned above.

**3. Trading mode**

The commodity futures hedging business carried out by the Company and its subsidiaries is limited to the lithium carbonate futures varieties listed and traded on the domestic commodity futures exchanges that are related to the Company's production and operation, and any speculative trading for the purpose of chasing profits is strictly prohibited.

**4. Business authorization and transaction duration**

The Company intends to propose to the annual general meeting of shareholders to authorize the operating management of the Company and its subsidiaries and their authorized persons to carry out commodity futures hedging business, and to operate and manage the hedging business in accordance with the relevant provisions and processes of *the Management System for Commodity Futures Hedging Business* formulated by the Company. The aforesaid limit and the term of authorization is from the date of consideration and approval at the Company's 2025 annual general meeting to the date of the 2026 annual general meeting. If the duration of a single transaction exceeds the abovementioned limit or the term of authorization, the aforesaid limit or the term of authorization will be automatically extended until the termination of the single transaction.

**5. Source of funds**

The transaction is funded by own funds or self-financing, and does not involve the use of raised funds.

**II. Transaction risk analysis and risk control measures**

The commodity futures hedging business carried out by the Company and its subsidiaries may involve certain market risk, policy risk, liquidity risk, internal control risk and technical risk. In this regard, the Company will strictly follow the principles of lawfulness, prudence, safety and effectiveness, and strictly control the risks through continuous improvement of the Company's internal control, strengthening the training and supervision of the personnel of the hedging business, and standardizing the operation of the business process.

**Proposal 11: Proposal on Applying for a Comprehensive Credit Line from Relevant Financial Institutions**

Dear shareholders,

Based on the needs of business development, the Company and its subsidiaries included in the consolidated financial statements hereby apply to relevant financial institutions for a cumulative balance not exceeding RMB6,000,000,000 comprehensive credit line. This credit line will be used for various purposes including but not limited to working capital loans, acceptance of bills, fixed asset loans, project loans, trust financing, trade financing, and financing leasing. The specific credit limits and loan terms will be determined by each financial institution. This credit line is revolving and can be used repeatedly. At the same time, the board of directors hereby requests the shareholders' general meeting to authorize the legal representative of each company to fully represent the Company and its subsidiaries in signing relevant agreements and handling other related matters within the credit line. This authorization period will be from the date of approval at the 2025 annual shareholders' general meeting until the date of the 2026 annual shareholders' general meeting.

**Proposal 12: Proposal on Authorizing the Board of Directors to Issue Shares to Specific Parties through a Simplified Procedure**

Dear shareholders,

Based on relevant laws and regulations such as the *Administrative Measures for the Issuance and Registration of Securities by Listed Companies*, the *Rules Governing the Review of Offering and Listing of Listed Companies' Securities on the Shenzhen Stock Exchange,* and the *Detailed Implementation Rules on the Offering and Underwriting of Securities by Listed Companies on the Shenzhen Stock Exchange,* as well as the provisions of the Company's *Articles of Association*, the board of directors of the Company proposes to seek authorization from the shareholders' general meeting to handle matters related to the issuance of shares to specific parties through a simplified procedure (hereinafter referred to as "the issuance"). The authorization period will be from the date of approval at the 2025 annual shareholders' general meeting until the date of the 2026 annual shareholders' general meeting. The specific matters of this authorization are as follows:

**I. Particulars of the Current Authorization**

**(I) Confirm whether the Company meets the conditions for issuing shares to specific parties through a simplified procedure**

Authorize the board of directors to conduct a self-examination of the Company's actual status quo and relevant matters in accordance with the *Companies Law of the People's Republic of China*, *the Securities Law of the People's Republic of China, the Administrative Measures for the Issuance and Registration of Securities by Listed Companies,* and other relevant laws, regulations, normative documents, and the Company's *Articles of Association,* in order to determine whether the Company meets the conditions for issuing shares to specific parties through a simplified procedure.

**(II) Types and par value of the issued shares**

The domestic Chinese Renminbi ordinary shares (A-shares) issued by the

Company to specific parties with a total financing amount shall not exceed RMB300 million and not exceed 20% of the Company's net assets as of the most recent year-end. The par value of each share is RMB1.

**(III) Issuance recipients and allotment to existing shareholders**

The issuance recipients will consist of no more than 35 specific parties, including legal persons, natural persons, or other legal investment organizations, in accordance with regulatory requirements. If a securities investment fund management company, a securities company, a qualified overseas institutional investor, or a Renminbi qualified overseas institutional investor subscribes to two or more products managed by them, they will be considered as one issuance recipient. If a trust company is an issuance recipient, they can only subscribe using their own funds. The final issuance recipients will be determined by the board of directors in consultation with the underwriting institution (lead underwriter) based on the subscription price. All issuance recipients in this issuance will subscribe to the Company's shares in Chinese Renminbi cash.

**(IV) Pricing reference date, pricing principles, issuance price, and issuance quantity**

The pricing reference date for this issuance is the first day of the offering period. The issuance price will not be lower than 80% of the average stock price for the 20 trading days preceding the pricing reference date. The issuance quantity will be determined by dividing the total funds raised by the issuance price, and it will not exceed 30% of the Company's total pre-issuance share capital. The final issuance price and issuance quantity will be determined by the board of directors in consultation with the underwriting institution (lead underwriter) based on the results of price inquiries. If the Company's stock undergoes dividend payout, stock dividend, capitalization of capital reserves, or other exit rights or exit dividend events between the pricing reference date and the issuance date, the issuance price for this offering will be adjusted accordingly.

The final issue price shall, pursuant to the authorization granted by the annual general meeting of the Company, be determined by the Company's board of directors in consultation with the sponsor (lead underwriter) in accordance with applicable rules and based on the results of the book-building process.

**(V) Lock-up Period Arrangement**

Stocks issued to specific recipients shall not be transferable for a period of 6 months from the end of the issuance. If the issuance recipients fall under the provisions of Article 57, Paragraph 2 of the *Administrative Measures for the Issuance and Registration of Securities by Listed Companies,* the stocks subscribed by them shall not be transferable for a period of 18 months from the end of the issuance. The stocks obtained by the issuance recipients through stock dividend distribution or capitalization of capital reserves by the listed company shall also be subject to the aforementioned lock-up arrangement. The issuance of stocks to specific recipients by the authorized board of directors will not result in a change in the company’s control.

**(VI) Use of Raised Funds**

The use of funds raised in this offering shall comply with the following provisions:

1. Align with national industrial policies and relevant laws and regulations on environmental protection and land management;

2. The use of raised funds shall not be for financial investments and shall not be directly or indirectly invested in companies whose main business is trading securities;

3. After the implementation of the funding projects, there shall be no significant adverse effects on horizontal competition, on fairness of connected transaction involving the controlling shareholder, actual controller, and their controlled entities, and no significant impact on the independence of the Company’s production and operation.

**(VII) Allocation of Accumulated Profits before the Issuance**

After this issuance, the undistributed profits accumulated by the Company before the issuance will be shared by the old and new shareholders of the Company in proportion to their post-issuance shareholding.

**(VIII) Validity Period of Resolutions**

The resolutions of this issuance shall be valid from the date of approval at the annual general meeting of shareholders in 2025 until the convening of the annual general meeting of shareholders in 2026.

**II. Authorization to the Board of Directors to Handle the Specific Matters of the Issuance**

Authorize the board of directors to handle the declaration matters of the issuance; formulate, adjust, and implement the issuance plan in accordance with the Company's actual status quo; prepare, modify, and submit the issuance plan and the application materials for listing of the issuance, handle relevant procedures, carry out other procedures related to shares restriction and matters related to the listing of the issuance, and handle information disclosure matters related to the issuance in accordance with regulatory requirements; sign, modify, supplement, complete, submit, and execute all agreements, contracts, and documents related to the issuance; adjust the specific arrangements for investment projects of raised funds within the scope of resolutions of the shareholders' general meeting in accordance with the requirements of relevant regulatory authorities and the actual situation of the securities market; engage intermediaries such as sponsor institutions (lead underwriter) and handle other matters related to this; if the total share capital of the Company changes before the issuance due to stock dividend, capital reserve being converted into share capital, or other reasons, the board of directors shall be authorized to adjust the upper limit of the issuance quantity accordingly; open a segregated escrow account for holding offering proceeds; handle other matters related to the issuance.

**III. The Company Is Neither a General Dishonest Enterprise nor a Customs Dishonest Enterprise**

Upon verification, the Company does not fall within the scope of enterprises subject to punitive measures as stipulated in the Memorandum of Understanding on Implementing Joint Disciplinary Actions Against Judgment Debtors Subject to Enforcement for Dishonest Acts and the Memorandum of Understanding on Implementing Joint Disciplinary Actions Against Customs Dishonest Enterprises. The Company is neither a general dishonest enterprise nor a customs dishonest enterprise, nor has it engaged in any dishonest conduct that may affect this issuance of shares to specific objects under the simplified procedure.