



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)

26 December 2024

To the Independent Shareholders

Dear Sir or Madam,

**(1) MAJOR AND CONNECTED TRANSACTIONS IN RELATION TO
THE JV COMPANIES
(2) CONNECTED TRANSACTIONS IN RELATION TO PROVISION
OF FINANCIAL ASSISTANCE TO A CONNECTED SUBSIDIARY AND
RECEIPT OF FINANCIAL ASSISTANCE FROM
A CONNECTED PERSON
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

We refer to the circular dated 26 December 2024 issued by the Company to the Shareholders (the “**Circular**”) of which this letter forms part. Unless the context otherwise requires, terms defined in the Circular shall have the same meanings when used herein.

We have been appointed by the Board to form the Independent Board Committee to consider and advise the Independent Shareholders as to whether each of the Connected JV Agreements and the Deed of Guarantee, the NBSS Share Pledge and the TBP Share Pledge is or will be entered into in the ordinary and usual course of business of the Group, and whether the terms of each of the Connected JV Agreements and the Deed of Guarantee, the NBSS Share Pledge and the TBP Share Pledge and the transactions contemplated thereunder are normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. Grand Moore has been appointed to act as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Connected JV Agreements, the Deed of Guarantee, the NBSS Share Pledge and the TBP Share Pledge and the transactions contemplated thereunder.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Your attention is also drawn to (i) the letter from the Board, as set out at pages 11 to 39 of the Circular; and (ii) the letter from Grand Moore to the Independent Board Committee and the Independent Shareholders which contains its recommendations and the principal factors taken into account in arriving at the recommendations in respect of the Connected JV Agreements, the Deed of Guarantee, the NBSS Share Pledge and the TBP Share Pledge and the transactions contemplated thereunder, as set out at pages 42 to 69 of the Circular.

Having taken into account the terms of the Connected JV Agreements, the Deed of Guarantee, the NBSS Share Pledge and the TBP Share Pledge and the advice from Grand Moore, we are of the opinion that the entering into of each of the Connected JV Agreements and the Deed of Guarantee, the NBSS Share Pledge and the TBP Share Pledge is or will be in the ordinary and usual course of business of the Group, the terms of each of the Connected JV Agreements, the Deed of Guarantee, the NBSS Share Pledge and the TBP Share Pledge and the transactions contemplated thereunder are normal commercial terms and are fair and reasonable, and the entering into of each of the Connected JV Agreements, the Deed of Guarantee, the NBSS Share Pledge and the TBP Share Pledge is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM in relation to the Connected JV Agreements, the Deed of Guarantee, the NBSS Share Pledge and the TBP Share Pledge and the transactions contemplated thereunder.

Yours faithfully,

The Independent Board Committee of
Lygend Resources & Technology Co., Ltd.

HE Wanpeng

*Independent non-executive
Director*



ZHANG Zhengping

*Independent non-executive
Director*

WANG James Jixian

*Independent non-executive
Director*

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*Independent non-executive
Director*

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