

Proposals to 2023 Annual General Meeting of Zhejiang Yongtai Technology Co., Ltd.

16 May 2024

Proposal 1: 2023 Work Report of the Board of Directors

Dear shareholders,

In 2023, the Board of Directors strictly followed the provisions of laws and regulations such as the *Company Law*, as well as the *Articles of Association* and the *Rules of Procedure of the Board of Directors*, in line with the principles of being responsible to the Company and all shareholders. We fulfilled our duties diligently, earnestly implemented various resolutions passed by the general meeting of shareholders, diligently and conscientiously carried out various work, actively promoted corporate governance activities, continuously improved the level of corporate governance, and fully exerted the role of scientific decision-making and strategic management, thus ensuring the Company's continuous, healthy, and stable development. The following is the 2023 annual Board of

Directors work report of the Company:

I. Operating Situation During the Reporting Period

In 2023, the Company's Board of Directors and management team closely focused on the Company's development strategy and operation and management objectives, continuously improving the Company's governance level and operation and management capabilities; continued to deepen the main business, actively promote the construction of ongoing projects; developed marketing business through multiple channels to promote production-sales integration; strictly controlled product costs and quality, and fully promoted cost reduction and efficiency improvement for the enterprise. However, due to multiple factors such as market demand being lower than expected, significant fluctuations in raw material prices, and poor transmission of product prices, the Company achieved a total operating income of RMB 4,128 million in 2023, with a net loss attributable to shareholders of listed companies of RMB 620 million.

II. Daily Operations of the Board of Directors

1. Performance of the Board of Directors

All directors of the Company have fulfilled their duties diligently, keeping a close eye on the Company's operational management information, financial status, significant matters, and other aspects. For all proposals submitted for review by the Board of Directors, they conduct thorough discussions, offering valuable suggestions for the Company's operational development. When making decisions, they fully consider the interests and demands of small and medium shareholders, effectively enhancing the scientific nature of the Board's decisions and promoting the sustained, stable, and healthy development of the Company's production and business operations.

2. Performance of Director's Duty

The directors of the Company strictly followed the relevant regulations stipulated in the China Securities Regulatory Commission's *Measures for the Administration of Independent Directors of Listed Companies* and the Company's *Work System of Independent Directors* to diligently perform their duties, actively participated in the work of various specialized committees of the Board of Directors, carefully reviewed the relevant proposal materials and made decisions, and expressed opinions on relevant major issues. At the same time, they actively inspected the Company's operation and management, major project construction, the establishment and execution of internal control systems, the Company's annual audit and annual report preparation work, as well as fund transactions and connected transactions with controlling shareholders and other related parties. They supervised the implementation of the resolutions of the Board of Directors and put forward constructive suggestions, playing their due role in safeguarding the legitimate rights and interests of the Company and all shareholders.

3. Board of Directors' Meetings

During the Reporting Period, the Company's Board of Directors held 8 meetings, reviewed and approved the relevant matters, fulfilled the decision-making and management responsibilities of the Board of Directors, and ensured the smooth progress of the Company's various business activities through full discussion and careful decision-making by the Board of Directors.

4. Execution of the Resolutions of the Shareholders' Meeting

In 2023, the Company's Board of Directors organized and held a total of 3 shareholders' meetings. The Company strictly followed relevant laws, regulations, the "Articles of Association" and the "Rules of Procedure for the General Meeting of Shareholders" to carefully implement the decision-making procedures for major matters, implement the decision-making principle of considering first and implementing later, and strictly follow the resolutions and authorization of the shareholders' meeting to carefully

strictly abided by the requirements and implementation of the shareholders' meeting to timely implement the various resolutions adopted by the shareholders' meeting. There were no major matters that had not been approved by the shareholders' meeting, nor were there any cases of implementing first and reviewing later.

5. The Performance of the Specialized Committees of the Board of Directors and the Specialized meeting for independent directors

The Board of Directors of the Company has four specialized committees, including the Strategic Committee, Audit Committee, Nomination Committee, and Remuneration and Assessment Committee, as well as specialized meeting for independent directors. In 2023, all specialized committees and specialized meeting for independent directors operated according to the rules and regulations of the specialized committees' implementation details and the *Work System of Independent Directors*. They conducted research on professional matters, put forward opinions and suggestions, and provided decision-making references for the Board of Directors.

6. Disclosure of Company Information

In 2023, the Company's Board of Directors strictly abided by the relevant regulations on information disclosure, completed the disclosure of periodic reports on time in accordance with the relevant regulations of the China Securities Regulatory Commission and the Shenzhen Stock Exchange, and released truthfully, accurately, completely, and timely the meeting resolutions and other temporary announcements based on the Company's actual situation. The board faithfully fulfilled its obligation of information disclosure to ensure that investors could understand the Company's major matters in time and protect investors' interests to the greatest extent.

7. Investors' Relationship Management

The Board of Directors of the Company has established a securities investment department to keep investors' relationship management well, coordinating information communication and exchange between the Company, securities regulatory agencies, securities service agencies, small and medium-sized investors, media, etc. This has strengthened investors' understanding of the Company, promoted positive interaction between the Company and investors, continuously improved the Company's investment value, and effectively protected the interests of investors.

Proposal 2:2023 Work Report of the Board of Supervisors

Dear shareholders,

In 2023, the Board of Supervisors strictly followed the requirements of the *Company Law*, *Articles of Association*, *Rules of Procedure for the Board of Supervisors*, and relevant laws and regulations to perform its supervisory duties. It conducted comprehensive supervision of the Company's decision-making procedures, operations and management, financial situation, as well as the performance of duties by directors and senior management personnel. The Board of Supervisors effectively safeguarded the interests of the Company and all shareholders.

I. Work Situation of the Board of Supervisors During the Reporting Period

(I) Attendance and participation in meetings

1. During the Reporting Period, all supervisors of the Board of Supervisors attended the Company's Board of Directors meetings in accordance with the law, monitored the convening and procedures of the Board of Directors, and believed that the Board of Directors was able to earnestly implement the resolutions of the shareholders' meeting. The resolutions of the Board of Directors were in compliance with the requirements of the *Company Law* and other laws and regulations, as well as the *Articles of Association* of the Company, and there were no actions that harmed the interests of the Company and all shareholders.

2. During the Reporting Period, all supervisors of the Board of Supervisors attended all general meetings of shareholders and expressed opinions on relevant matters.

3. During the Reporting Period, the Board of Supervisors held 3 meetings, and the convening and procedures of each meeting were in compliance with the relevant provisions of the *Company Law* and the *Articles of Association* of the Company.

(II) The Meetings of the Board of Supervisors During the Reporting Period

1. The fourth meeting of the sixth Board of Supervisors was held on April 25, 2023 in the Company's meeting room through an on-site format. It reviewed and approved eight motions, including the *2022 Work Report of the Board of Supervisors*, *2022 Financial Final Accounts Report*, *2022 Profit Distribution Plan*, *2022 Annual Report* and its abstract, *2022 Self-Evaluation Report on Internal Control*, *Proposal on the Remuneration Plan for Supervisors in 2022*, "Proposal on No Longer Adopting the 'Rules of Procedure of the Board of Supervisors of Zhejiang Yongtai Technology Co., Ltd. (Draft)' (Applicable after Listing on the London Stock Exchange)", and *First Quarter Report for 2023*.

2. The fifth meeting of the sixth Board of Supervisors was held on August 30, 2023 in the Company's meeting room through an on-site format. It reviewed and approved the *Semi-Annual Report for 2023 and its Abstract*.

3. The sixth meeting of the sixth Board of Supervisors was held on October 27, 2023 in the Company's meeting room through an on-site format. It reviewed and approved the *Third Quarter Report for 2023*.

II. The Supervisory Board's Audit Opinions on Relevant Matters

In 2023, the Company's Board of Supervisors strictly followed the relevant laws, regulations, and the provisions of the *Articles of Association* to carefully fulfill its duties from the perspective of safeguarding the interests of the Company and all shareholders. It supervised and inspected the Company's legal operation, financial situation, evaluation report of the Company's internal control, and other relevant matters, and issued the following audit opinions:

(I) The Company's legal and standardized operation. During the Reporting Period, the Company was able to operate and manage in accordance with the laws and regulations such as the *Company Law*, *Securities Law*, *Code of Governance for Listed Companies*, and the provisions of the *Articles of Association*. The Company's corporate governance structure is sound, and its internal control system is complete. When fulfilling their duties, the Company's directors and senior management personnel can comply with national laws, regulations, and the *Articles of Association*. There is no illegal or damaging behavior to the Company's interests. In this regard, the Supervisory Board expresses affirmation and hopes that directors and senior management personnel can strictly abide by relevant laws and regulations in the process of major decisions and management of the Company, ensuring standardized operations in accordance with the resolutions and authorizations of the shareholders' meeting and the Board of Directors, and preventing behaviors that damage the interests of the Company and small and medium-sized shareholders.

(II) Inspection of the Company's financial situation. During the Reporting Period, the

Company was able to execute according to the *Accounting Standard for Business Enterprises*, *Accounting System for Business Enterprises*, and the Company's relevant financial management systems. The Supervisory Committee believes that this year's financial report truly, accurately, and completely reflects the Company's financial situation and operating conditions. The BDO CHINA Shu Lun Pan Certified Public Accountants LLP issued an objective and fair audit opinion with no reservations for the Company's 2023 annual financial report.

(III) Comments on the Company's internal control evaluation report. The *2023 Annual Internal Control Evaluation Report* issued by the Board of Directors truly and objectively reflects the establishment and operation of the Company's internal control system. The Company has established a relatively sound internal control system, formulated relatively complete and reasonable internal control systems, and they have been effectively implemented.

(IV) Opinions on related-party transactions. During the Reporting Period, the Company did not have any significant related-party transactions.

(V) The Supervisory Committee's opinions on the acquisition and sale of assets. During the Reporting Period, the Company did not have any significant acquisitions or asset sales.

(VI) The Company's establishment and implementation of the insider information informant management system. During the Reporting Period, there were no cases of insiders illegally trading the Company's stock due to violation of the insider information informant management system. Neither the Company nor its relevant personnel were subject to regulatory measures or administrative penalties due to the implementation of the insider information informant registration management system or alleged insider trading.

(VII) The Company's information disclosure management system. The Company has established the *Information Disclosure Management System*, which clearly defines relevant provisions for information disclosure management from the scope, standards, and responsibilities of information disclosure. All announcements disclosed by the Company in 2023 have fulfilled the necessary procedures in accordance with the relevant provisions of the *Information Disclosure Management System*. The announcements truly, accurately, and completely reflect the Company's operating conditions, and there is no false recording, misleading statements, or significant omissions.

In 2024, the Board of Supervisors will continue to strictly enforce the relevant provisions of the *Company Law*, *Securities Law* and *Articles of Association*, and supervise and inspect the daily performance of the Board of Directors and senior management personnel according to law. The Board of Supervisors will attend the general meeting of shareholders and the board meeting as required, timely understand the financial situation of the Company, know and supervise the legality and compliance of major decision-making matters and their implementation procedures, further enhance risk prevention awareness, faithfully perform its duties, and promote the Company's more standardized operation, so as to better maintain the interests of the Company and shareholders.

Proposal 3: Final Account Report for the Year 2023

To all Shareholders and Shareholders' proxies,

In 2023, the Company's board of directors and Management closely focus on the Company's development strategy and business management targets, continuously improving the Company's governance level and business management capabilities. In 2023, the Company continued to deepen its main business and actively promote the construction of ongoing projects; developed marketing business through multiple channels and promoted the

integration of production and sales; strictly controlled product costs and quality; and made every effort to promote cost reduction and efficiency increase for the enterprise. However, due to multiple factors such as market demand lower than expected, significant fluctuations in raw material prices, and poor product price transmission, the Company's performance declined a lot year-on-year in 2023. In 2023, the Company achieved a total operating income of RMB 4,128 million, with a year-on-year decrease in revenue for all business sectors. The net profit attributable to shareholders of the listed company was a loss of RMB 620 million.

Item	2023	2022		Increase/decrease in this year compared to the previous year	2021	
		Before adjustment	After adjustment		Before adjustment	After adjustment
Operating income (Yuan)	4,128,040,820.94	6,336,219,345.73	6,336,219,345.73	-34.85%	4,468,739,444.56	4,468,739,444.56
Net profit attributable to shareholders of the listed company (Yuan)	-619,761,432.13	553,928,336.26	554,106,172.70	-211.85%	280,285,674.06	280,285,674.06
Net profit attributable to shareholders of the listed company after deducting non-recurring profits and losses (Yuan)	-696,361,589.06	586,559,120.20	586,736,956.64	-218.68%	431,726,986.07	431,726,986.07
Net cash flow from operating activities (Yuan)	-329,126,584.00	223,682,226.37	223,682,226.37	-247.141%	576,003,356.11	576,003,356.11
Basic earnings per share (Yuan/share)	-0.69	0.63	0.63	-209.52%	0.32	0.32
Diluted earnings per share (Yuan/share)	-0.69	0.63	0.63	-209.52%	0.32	0.32
Weighted average return on net assets	-19.08%	16.01%	16.02%	Decrease by 35.10 percentage points	8.12%	8.12%
Item	End of 2023	End of 2022		Increase/decrease at the end of this year compared to the end of the previous year	End of 2021	
		Before adjustment	After adjustment		Before adjustment	After adjustment
Total assets (Yuan)	11,404,306,777.82	11,354,490,240.65	11,354,321,819.44	0.44%	9,724,424,738.20	9,724,424,738.20
Net assets attributable to shareholders of the listed company (Yuan)	3,162,895,712.22	3,427,213,937.46	3,427,045,516.25	-7.71%	3,522,385,458.26	3,522,385,458.26

Proposal 4: Proposed Profit Distribution for the Year 2023

Dear Shareholders:

Audited by BDO CHINA Shu Lun Pan Certified Public Accountants LLP, the consolidated

statement of the Company realized net profit attributable to shareholders of the listed company for the Year 2023 of RMB -619,761,432.13 , and the parent company realized net profit for the Year 2023 of RMB -19,872,325.25 . According to the provisions of *the Company Law* and *the Articles of Association*, no statutory surplus reserve is required to be withdrawn. Deducting the dividend of RMB 87,656,629.50 for the Year 2022, together with the retained earnings of RMB 1,448,099,911.68 at the beginning of the year, the actual profit available for distribution to shareholders at the end of the Year 2023 amounted to RMB 1,340,570,956.93.

According to *the Notice Regarding Further Implementation of Cash Dividends Distribution of Listed Companies*, *the Supervisory Guideline for Listed Companies No. 3 - Cash Dividends for Listed Companies*, *the Articles of Association* and *Plan for Shareholders' Return over the Next Three Years (2021-2023)* of the CSRC, and taking into account the actual production and operation situation of the Company in 2023 and its future development prospect, the Company decided not to pay cash dividends, bonus shares, or transfer of capital reserve fund into share capital in 2023, and to carry forward the retained earnings to the next year.

Proposal 5: Proposal on the Remuneration Plan for the Directors and the Supervisors for the Year 2023

Dear Shareholders:

In accordance with relevant regulations of *Management System for Remuneration and Allowances for Directors, Supervisors and Senior Management Personnel* of the Company, the Company has determined the remuneration of the Company's Directors and Supervisors for the Year 2023 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	2023 Remuneration (RMB10,000)
1	Wang Yingmei	Chairwoman of the Board	120
2	He Kuang	Director, General Manager	120
3	Chen Lijie	Director, Deputy General Manager, Chief Financial Officer	60
4	Jin Yizhong	Director, Deputy General Manager	60
5	Shao Hongming	Director (Departed in January 2024)	60
6	Wang Lirong	Director	40
7	Liu Zhiqiang	Independent Director	10
8	Zhang Weikun	Independent Director	10
9	Zheng Feng	Independent Director (Elected as Director in December 2023)	0.83
10	Zhang Zhengqiu	Chairman of the Board of Supervisors	55
11	Zhang Xiaohua	Supervisor	55
12	Dai Huibin	Supervisor	47.16
13	Xu Yongbin	Departing Independent Director	10

To all Shareholders and Shareholders' proxies,

Zhejiang Yongtai Technology Co., Ltd. has announced its 2023 Annual Report. For details, please refer to the announcement of 2023 Annual Report.

Proposal 7: 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 of not more than US\$300,000,000 (or its equivalent in other foreign currencies). 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 annual general meeting of the Company authorizes 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 term of authorization is from the date of consideration and approval at the Company's 2023 annual general meeting to the date of the 2024 annual general meeting. If the duration of a single transaction exceeds the term of the authorization, the term of the 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

may involve certain market 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 8: 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 the price of the Company's main raw material lithium carbonate is significantly affected by market price fluctuations, in order to reduce the operating risks brought about by product price fluctuations to the Company, to ensure the stability of production and operation, the Company and its subsidiaries intend to utilize futures tools hedging and protection of the value of the production and operation plan to carry out commodity futures hedging business on an opportunistic basis.

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 annual general meeting of the Company authorizes 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 authorization duration is from the date of consideration and approval at the 2023 annual general meeting of the Company to the date of the 2024 annual general meeting. If the duration of a single transaction exceeds the term of the authorization, the term of the authorization will be automatically extended until

the termination of the 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 9: 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 RMB3,550,000,000, 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 RMB1,550,000,000, and the guarantee amount for the subsidiaries whose gearing ratio exceeds 70% is not more than RMB2,000,000,000. The amount of guarantee may be transferred between subsidiaries, but when the transfer occurs, the guarantee recipients with asset-liability ratios exceeding 70% will only be able to obtain the amount of guarantee from the recipients with asset-liability ratios exceeding 70%. 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 2023 to the date of convening of the annual general meeting of 2024. The specific allocation of the amount of guarantee is as follows:

Unit: RMB 10

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	Reliability of guarantee
Zhejiang Yongtai Technology Co., Ltd.	Zhejiang Chiral Medicine Chemicals Co., Ltd.	100%	26.37%	10,500.00	15,000.00	4.74%	
	Shandong Zhanhua Yongtai Pharmaceutical Co., Ltd.	100%	64.38%	1,893.34	5,000.00	1.58%	
	Shaowu Yongtai Hi-tech Material Co., Ltd.	75%	59.76%	69,600.00	80,000.00	25.29%	
	Shanghai E-Tong Chemical Co., Ltd.	100%	62.18%	34,450.00	45,000.00	14.23%	
	Zhejiang Yongtai New Energy Material Co., Ltd.	100%	82.21%	20,000.00	40,000.00	12.65%	

	Zhejiang Yongtai Chiral Medicine Technology Co., Ltd.	100%	95.95%	22,000.00	30,000.00	9.48%	
	Inner Mongolia Yongtai Chemical Co., Ltd.	100%	89.12%	87,152.89	130,000.00	41.10%	
	Hangzhou Yongtai Chiral Biopharmaceutical Co., Ltd.	100%	0.01%	0.00	10,000.00	3.16%	
In Total				245,596.23	355,000.00	112.24%	

I. Basic information on guaranteed object

Unit: RMB

No.	Guaranteed object	Registered capital	Business scope	Discharge persons to enforce or not
1	Zhejiang Chiral Medicine Chemicals Co., Ltd.	2,034.8152	Research, development, production, sales: pharmaceutical intermediates, APIs, raw materials	No
2	Shandong Zhanhua Yongtai Pharmaceutical Co., Ltd.	10,000	Production and sales of intermediates	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	Shanghai E-Tong Chemical Co., Ltd.	1,000	Chemical products, daily necessities wholesale and retail, goods and technology import and export	No
5	Zhejiang Yongtai New Energy Material Co., Ltd.	30,000	Electronic special materials manufacturing; basic chemical APIs manufacturing; goods import and export	No
6	Zhejiang Yongtai Chiral Medicine Technology Co., Ltd.	15,000	Technical services, development, consultation, exchange, transfer and promotion; pharmaceutical production; import and export of goods and technologies	No
7	Inner Mongolia Yongtai Chemical Co., Ltd.	59,100	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
8	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

II. Major financial data of guaranteed object for the Year 2023 are as follows:

Unit: RMB 1

No.	guaranteed object	Total assets	Total liabilities	Net assets	Operating income	total profit	Net profit
1	Zhejiang Chiral Medicine Chemicals Co., Ltd.	56,159.14	14,808.40	41,350.74	41,922.77	11,283.47	9.7
2	Shandong Zhanhua Yongtai Pharmaceutical Co., Ltd.	22,201.41	14,294.31	7,907.10	14,562.12	-1,014.17	-7
3	Shaowu Yongtai Hi-tech Material Co., Ltd.	200,727.97	119,961.05	80,766.92	63,867.11	-38,457.44	-32.4
4	Shanghai E-Tong Chemical Co., Ltd.	95,654.62	59,481.88	36,172.74	150,006.76	873.21	
5	Zhejiang Yongtai New Energy Material Co., Ltd.	39,932.19	32,827.75	7,104.44	12,968.47	-3,620.16	-4
6	Zhejiang Yongtai Chiral Medicine	70,525.41	67,668.11	2,857.30	9,632.03	-9,601.17	-8.0

6	Technology Co., Ltd.	10,220.74	11,000.11	2,000.00	2,000.00	2,000.11	-0.00
7	Inner Mongolia Yongtai Chemical Co., Ltd.	272,776.48	243,100.03	29,676.45	33,855.39	-30,465.74	-25.5
8	Hangzhou Yongtai Chiral Biopharmaceutical Co., Ltd.	3,300	0.41	3,299.59	0	-0.41	

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

Proposal 10: 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 RMB5,000,000,000 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 2023 annual shareholders' general meeting until the date of the 2024 annual shareholders' general meeting.

Proposal 11: 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 2023 annual shareholders' general meeting until the date of the 2024 annual shareholders' general meeting. The specific matters of this authorization are as follows:

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.

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

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 2023 until the convening of the annual general meeting of shareholders in 2024.

IX. 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; handle other matters related to the issuance.

Proposal 12: Proposal on Amending the *Rules of Procedure for the General Meeting of Shareholders*

Dear shareholders:

In order to regulate the behavior of the Company and ensure that the general meeting of shareholders exercises its powers in accordance with the law, the Company intends to amend the *Rules of Procedure for the General Meeting of Shareholders* in accordance with the relevant provisions of the *Measures for the Administration of Independent Directors of Listed Companies* and in light of the actual situation of the Company itself.

Proposal 13: Proposal on Amending the *Rules of Procedure of the Board of Directors*

Dear shareholders:

In order to standardize the internal structure of the Board of Directors and ensure the efficient and orderly operation of the Board of Directors, the Company proposes to amend the *Rules of Procedure of the Board of Directors* in accordance with the relevant provisions of the *Measures for the Administration of Independent Directors of Listed Companies* and in light of the actual situation of the Company itself.

Proposal 14: Proposal on Amending the *Decision-making System for Related*

Transactions

Dear shareholders:

In order to standardize the related transactions of the Company, ensure that the related transactions of the Company are in line with the principles of fairness, impartiality and openness, and safeguard the legitimate rights and interests of the Company and the shareholders of the Company, the Company intends to amend the *Decision-Making System for Related Transactions* in accordance with the relevant provisions of the *Shenzhen Stock Exchange Listing Rules* and the *Measures for the Administration of Independent Directors of Listed Companies*.

Proposal 15: Proposal on Amending the *System for the Management and Utilization of Collected Funds*

Dear shareholders:

In accordance with the provisions of relevant laws and regulations such as the *Measures for the Administration of Registration of Initial Public Offerings of Stocks*, the *Administrative Measures for the Issuance and Registration of Securities by Listed Companies* and the *Shenzhen Stock Exchange's Self-disciplinary Supervision Guideline for Listed Companies No. 1 - Standardized Operation of Listed Companies on the Main Board* and other relevant laws and regulations, and in light of the actual situation of the Company, the Company intends to amend the *System for the Management and Utilization of Collected Funds*.

Proposal 16: Proposal on Renewing the 2024 Audit Institution

Dear shareholders:

BDO CHINA Shu Lun Pan Certified Public Accountants LLP (hereinafter referred to as "BDO China") has the qualification to engage in auditing of securities business, has the experience and ability to provide auditing services for listed companies, and is able to follow the professional standards of independence, objectivity and fairness in the provision of auditing services for the Company, and is committed to performing its duties to provide high-quality auditing services for the Company. The reports issued by the Company reflect the actual situation, financial condition and operating results of the Company in an objective and truthful manner, and have effectively fulfilled the duties of an auditing organization and safeguarded the legitimate rights and interests of the Company and its shareholders from a professional point of view.

In order to maintain the continuity and integrity of the auditing work, the Company intends to re-appoint BDO China as the Company's auditor for the year 2024 for a period of one year. The Board of Directors of the Company would like to request the general meeting of shareholders to authorize the management of the Company to determine reasonable audit fees based on the total assets, audit scope and workload of the Company.

reasonable audit fees based on the total assets, audit scope and workload of the Company, with reference to the relevant auditing fee standards of the pricing department and in conjunction with the actual fee level in the region.

(i) Institutional information

1. Basic Information

BDO China was founded by Dr. Pan Xulun, a leading accountant in China, in 1927 in Shanghai, and resumed its operation in 1986. It became the first special general partnership certified public accountants firm in China to complete its restructuring in 2010, with its registered office in Shanghai and its chief partner, Mr. Zhu Jiandi. BDO China is a member firm of BDO, an international accounting network, and has long been engaged in the securities service business. Before the implementation of the new securities law, it was licensed to conduct securities and futures business, and was qualified to conduct H-share audits, and has been registered with the Public Company Accounting Oversight Board (PCAOB) in the United States.

At the end of 2023, BDO China had 278 partners, 2,533 certified public accountants (CPAs), a total of 10,730 practitioners, and 693 CPAs who had signed an audit report on the securities services business.

The business revenue (audited) of BDO China for FY2023 was RMB5.001 billion, of which RMB3.516 billion was from audit services and RMB1.765 billion was from securities services.

In 2023, BDO China provided annual report audit services for 671 listed companies, with audit fees of RMB832 million, and 45 audit clients of listed companies in the same industry.

2. Investor Protection Capability

As of the end of 2023, BDO China has allocated a professional risk fund of RMB166 million, and the cumulative compensation limit for purchased professional insurance was RMB1.25 billion yuan. The relevant professional insurance could cover civil liability arising from audit failures.

The situation of civil liability assumed in civil litigation related to practice in the past three years:

Plaintiff (Arbitrator)	Defendant (Respondent in Arbitration)	Litigation (Arbitration) Case	Litigation (Arbitration) Amount	Litigation (Arbitration) Outcome
Investor	Geeya;çZhou Xuhui;çBDO China	2014 annual report	There was still over RMB10 million remaining in the litigation process.	The joint liability has been covered by the professional insurance purchased by BDO China, and all effective judgments have been fulfilled.
Investor	Protruly, Northeast Securities, Yinxin Appraisal and BDO China	2015 restructuring, 2015 annual report and 2016 annual report	RMB800,000	In the first judgment, BDO China was held liable for 15% of the liabilities owed to investors by Protruly due to securities misrepresentation between December 30, 2016, and December 14, 2017. The professional insurance purchased by BDO

Plaintiff (Arbitrator)	Defendant (Respondent in Arbitration)	Litigation (Arbitration) Case	Litigation (Arbitration) Amount	China, amounting to Litigation (Arbitration) RMB1.25 billion, was Outcome sufficient to cover the compensation amount.
---------------------------	---	-------------------------------------	---------------------------------------	---

3. Integrity Record

In the past three years, BDO China has not received any criminal penalties for practices, received one administrative penalty, been subjected to supervisory measures 29 times, received one self-disciplinary measure, and had no disciplinary actions. This involved 75 practitioners.

(II) Project Information

1. Basic Information

Project	Name	CPA practice time	Commencement of auditing listed companies	Commencement of practice with this firm	Commencement of providing audit service for the Company
Project Partner	Guo Xianming	1994	2002	2012	2020
Certificated Public Accountants for Signature	Li Dan	2015	2013	2015	2023
Certificated Public Accountants for Signature	Chen Fan	2024	2015	2024	2023
Quality Control Reviewer	Shen Ligang	1999	2007	2004	2019

(1) Project Partner's Practice in the Past Three Years:

Name: Guo Xianming

Time	Name of the Public Company	Position
2022-2023	Zhejiang Great Shengda Packing Co., Ltd.	Signature Partner
2022-2023	Zhejiang Yongtai Technology Co., Ltd.	Signature Partner
2022-2023	Zhejiang Orient Gene Biotech Co., Ltd.	Signature Partner
2022-2023	Zhejiang Wansheng Co., Ltd.	Signature Partner
2020-2021	Riyue Heavy Industry Co., Ltd.	Signature Partner
2021-2022	Zhejiang Titan Co., Ltd.	Signature Partner

(2) Certificated Public Accountants for Signature's Practice in the Past Three Years:

Name: Li Dan

Time	Name of the Public Company	Position
2023	Xiang Piao Piao Food Co., Ltd.	Certificated Public Accountants for Signature
2022- 2023	Ningbo Color Master Batch Co., Ltd.	Certificated Public Accountants for Signature
2021	Zhejiang Runyang New Material Technology Co., Ltd.	Certificated Public Accountants for Signature

Name: Chen Fan

Time	Name of the Public Company	Position
2023	Ningbo Color Master Batch Co., Ltd.	Project team member

(3) Quality Control Reviewer's Practice in the Past Three Years:

Name: Shen Ligang

Time	Name of the Public Company	Position
2021	Ningbo Jiangfeng Electronic Materials Co., Ltd.	Signature Partner
2021	Zhejiang Vie Science & Technology Co., Ltd	Signature Partner
2021	Jack Sewing Machine Co Ltd	Signature Partner
2021	Ningbo Peacebird Fashion Co., Ltd.	Signature Partner
2021	Junhe Pumps Holding Co., Ltd.	Signature Partner
2021- 2022	Zhejiang Yinlun Machinery Co., Ltd	Signature Partner
2022- 2023	Changzhou Galaxy Century Microelectronics Co., Ltd.	Signature Partner
2021- 2023	Ningbo Gaofa Automotive Control System Co., Ltd.	Quality Control Reviewer
2021- 2023	Changzhou Fusion New Material Co., Ltd.	Quality Control Reviewer

2. Independence and Integrity Record of Project Team Members

There is no breach of the independence requirement under the Code of Ethics for Certified Public Accountants of PRC by the project partner, Certificated Public Accountants for Signature and quality control reviewer.

The individuals mentioned above have had no adverse records in the past three years.

3. Audit Fee

(1) Pricing Principles for Audit Fee

The pricing is primarily based on the level of responsibility undertaken for professional services and the degree of technical expertise required. It takes into account factors such as the experience and level of staff involved in the work, corresponding fee rates, and the amount of time dedicated to the project.

(2) Year-on-year Changes in Audit Fees

	2023	2024	Changes%
Audit fee for annual report (RMB10,000)	210	Determined by the managements with authorization from the Company's shareholders' general meeting based on the audit workload and fair and reasonable pricing principles	/
Audit fee for internal audit (RMB10,000)	20	Determined by the managements with authorization from the Company's shareholders' general meeting based on the audit workload and fair and reasonable pricing principles	/

Proposal 17: Proposal on the Plan for Shareholders' Return Over the Next Three Years (2024-2026)

Dear Shareholders,

In order to further improve the profit distribution decision-making and supervision mechanism of Zhejiang Yongtai Technology Co., Ltd. (the "Company"), attach importance to the reasonable investment return of shareholders and increase the transparency and operability of profit distribution decision-making, according to the CSRC's the Notice Regarding Further Implementation of Cash Dividends Distribution by Listed Companies (CSRC Announcement [2012] No. 37) and the Listed Companies Regulatory Guidance No. 3 - Cash Dividends Distribution by Listed Companies (CSRC Announcement [2023] No. 61), and other relevant documents and requirements, combined with the actual situation

of the company, the Plan for Shareholders' Return Over Next Three Years (2024-2026) has been formulated, with the following content:

Article 1: Factors Considered in Formulating Shareholder Dividend Return Plan

The Company focuses on long-term and sustainable development. Based on a comprehensive analysis of the actual operation and development of itself, shareholder requirements and wishes, social capital costs, external financing environment and other factors, a systematic arrangement is made for profit distribution. This establishes a continuous, stable, and scientific shareholder return mechanism to ensure the continuity and stability of the Company's profit distribution policy.

Article 2: Principles for Formulating Company Shareholder Dividend Return Plan

The formulation of the Company's shareholder dividend return plan should fully consider investor returns and reasonably balance and handle the relationship between using operating profits for its own development and returning profits to shareholders. It adheres to the basic principle with cash dividends as the main method. The shareholder dividend return plan for the next three years will strictly implement the profit distribution policy stipulated in the Company's articles of association.

Article 3: Specific Plan for Shareholder Dividend Returns over the Next Three Years (2024-2026)

1. The Company's profit distribution can take the form of cash, stock, or a combination of cash and stock. The Board of Directors may propose interim cash distributions based on the Company's funding needs.

2. After making up for losses, and deducting the statutory reserve fund, and provided that the Company is profitable and cash flow meets the requirements for continuous operation and long-term development, the accumulated profits distributed in cash for the three consecutive years from 2024 to 2026 shall not be less than 35% of the average distributable profits achieved during those three years.

The Board of Directors shall differentiate the following situations and implement a differentiated cash dividend policy, after taking into account factors such as the Company's industry characteristics, development stage, operational model, profitability level and major capital expenditure:

(1) If the Company is in the mature stage of development and has no major capital expenditure, the proportion of cash dividends in the current profit distribution should be at least 80%.

(2) If the Company is in the mature stage of development and has major capital expenditure, the proportion of cash dividends in the current profit distribution should be at least 40%.

(3) If the Company is in the growth stage of development and has major capital expenditure, the proportion of cash dividends in the current profit distribution should be at least 20%.

In case it is difficult to distinguish the development stage of the Company but there is major capital expenditure, the provisions of the previous paragraph's third item shall apply.

3. The Company may, according to its development needs, reward investors by capitalizing capital reserve fund or distributing stock dividends.

4. At the end of each fiscal year, the Board of Directors shall propose a profit distribution plan, which shall be submitted to the shareholders' general meeting for approval. The formulation and implementation of the Company's profit distribution plan shall actively consider and accept the suggestions and supervision of all shareholders (including small and medium-sized investors), independent directors, and supervisors.

Article 4: Period and Decision-Making Mechanism for the Formulation of Future Shareholder Dividend Return Plans

1. The Company shall review the Plan for Shareholders' Return Over the Next Three Years at least once every three years. Based on the opinions of shareholders (especially small and medium-sized shareholders), independent directors, and supervisors, appropriate and necessary modifications shall be made to the dividend distribution policy being implemented by the Company to determine the shareholder dividend return plan for that period.

2. The Board of Directors shall, based on the Company's actual operations, fully consider the Company's profitability, cash flow, development stage, and current funding needs and consulting with shareholders (including small and medium-sized investors), independent directors, and supervisors, formulate annual or interim profit distribution plans, which shall be implemented after being approved by the shareholders' general meeting.

Article 5: This plan shall take effect from the date of approval by the Company's shareholders' general meeting.



This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

MSCLEFLZZLLBBF