

IN THE COURT OF CHANCERY FOR THE STATE OF DELAWARE

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	)	
SIDDHI MITTAL and JEFFREY LIEW	)	
	)	
Plaintiffs,	)	
	)	
v.	)	C.A. No. 2026-1052-DG
	)	
YHANGRY INC.,	)	
	)	
Defendant.	)	
	)	
	)	
	)	
	)	
	)	

ADDENDUM TO MAGISTRATE’S REPORTS

WHEREAS:

A. Plaintiffs and non-party Henin Zhang’s (“Zhang”) are the directors of Yhangry Inc. (the “Company”) pursuant to a status quo order entered in parallel litigation pending before Vice Chancellor Fioravanti (the “Section 225 Action”).¹ Trial in the Section 225 Action is scheduled for September 22, 2026.

B. On August 20, 2026, the Court entered two orders in this advancement action:

¹ *Zhang v. Yhangry, Inc.*, C.A. No. 2026-0764-PAF, Dkt. 117 (Del. Ch. Aug. 17, 2026).

- a. an order denying Zhang's Motion to Intervene ("Intervention Order"), either as of right or in the Court's discretion (Dkt. 17); and
- b. an order granting with modifications Plaintiffs' Motion for Entry of *Fitracks* Order ("*Fitracks* Order") (Dkt. 18).

C. The Court granted the *Fitracks* Order because (1) the parties are very near to trial, (2) Zhang conceded that Plaintiffs are entitled to advancement, (3) Plaintiff's proposed *Fitracks* order was largely the same as the *Fitracks* order Magistrate Wright entered in Zhang's advancement action, and (4) the Court could align the few terms that differed to offset the potential for Plaintiffs to obtain more favorable access to the Company's potentially limited funds.²

D. The Court denied the Intervention Order because it disagreed with Zhang's argument, which was that Company counsel would not be able to act independently when assessing Plaintiffs' advancement invoices, and, therefore, that the Court should order the Company to retain separate counsel to review Plaintiffs' invoices, taking direction, if any were needed, from Zhang, not Plaintiffs. The Court was not persuaded by Zhang's argument because (1) Company counsel was experienced Delaware counsel, (2) they appeared to have acted in the Company's interest when negotiating the terms of Plaintiffs' proposed *Fitracks* order, (3) they

² The Court has the impression that the Company's funds are limited and questions whether the parties' filings and positions across the pending actions are, at least in part, intended to hinder "the other side's" ability to pay counsel.

would be constrained to follow a Court-approved advancement process and (4) they would be subject to Court supervision.³

E. Under all the circumstances, the Court concluded that briefing an intervention motion would be a poor use of Company resources and would place an unnecessary strain on parties and counsel trying to prepare for trial.

F. The Intervention Order did not state that it was a Draft Report or a Final Report; accordingly, the Intervention Order is a Report.⁴

G. The Intervention Order did not conclude the action.⁵

H. The *Fittracks* Order stated that it was not a Final Report and that exceptions were stayed. The *Fittracks* Order did not state that it was a Draft Report.

I. The *Fittracks* Order is a Report.⁶ It did not conclude the action.

J. On August 25, Zhang filed a Notice of Exceptions covering both orders (Dkt. 19).

³ In addition, Company counsel had filed a Motion to Withdraw in all three pending actions, and V.C. Fioravanti had granted that motion in the Section 225 Action. The Court took additional comfort from the knowledge that new Delaware counsel would appreciate the scrutiny their actions would likely receive from the parties and the Court.

⁴ Ct. Ch. R. 144(b)(1) (“Any ruling, order, or decision by a Magistrate in Chancery is a ‘Report.’”).

⁵ Were I a Constitutional jurist, the Intervention Order would clearly be an interlocutory order. *See, e.g., Eastern All. Ins. Co. v. Henry*, 254 A.3d 396 (Table) (Del. 2021) (where trial court denies motion to intervene but does not declare order to be “the final act in disposing of all justiciable matters within its jurisdiction,” the order is interlocutory).

⁶ Ct. Ch. R. 144(b)(1).

K. On August 27, the Chancellor issued an order for the procedural review of Zhang's Exceptions (Dkt. 22).

IT IS HEREBY ORDERED this 4th day of September 2026 that:

1. I conclude that Zhang's Exceptions to the Intervention Order and the *Fittracks* Order are premature and untimely because neither order is a Final Report, and the Exceptions are otherwise improper because neither order is a Draft Report.⁷

2. For all the foregoing reasons, I also recommend that the Exceptions not be heard despite the procedural deficiency.⁸

3. As stated in paragraph 5 of the Chancellor's order directing this procedural review, any exceptions to this recommendation must be filed within 10 days of the filing of this addendum.

/s/ Danielle Gibbs

Magistrate Judge

⁷ Unless otherwise stated, exceptions may only be taken to a Draft Report or after a Final Report. Ct. Ch. R. 144(c)(1)–(2).

⁸ See Ct. Ch. R. 144(c)(3)(B).