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**Ganfeng Lithium Co., Ltd.**

**江西赣锋锂业股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1772)**

## **DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO DEEMED DISPOSAL OF A WHOLLY-OWNED SUBSIDIARY**

### **THE CAPITAL INCREASE AGREEMENTS**

The Board announces that, Ganfeng Battery, a wholly-owned subsidiary of the Company, as part of the employee stock ownership plan, proposes to enter into the Capital Increase Agreements, before December 3, 2020, with each of the Subscribers. Pursuant to the Capital Increase Agreements, the Subscribers agree to make capital contribution in the aggregate amount of RMB415.36 million, to increase the registered capital of Ganfeng Battery from RMB500.0 million to RMB915.36 million. Upon completion of the transactions contemplated under the Capital Increase Agreements, the aggregate equity interest in Ganfeng Battery held by the Company will be approximately 54.6%, and Ganfeng Battery will remain as a subsidiary of the Company.

### **IMPLICATIONS OF THE LISTING RULES**

As the transactions contemplated under the Capital Increase Agreements would result in a reduction of the percentage equity interest of the Company in Ganfeng Battery, the reduction in equity interest is considered as a deemed disposal according to Rule 14.29 of the Listing Rules, and as one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) applicable to the transactions calculated in accordance with Rule 14.07 of the Listing Rules exceed(s) 5% but is/are less than 25%, the deemed disposal constitutes a discloseable transaction under Chapter 14 of the Listing Rules.

Moreover, as (i) Mr. Li Chenglin is the son of Mr. Li Liangbin (executive Director and chairman of the Board of the Company); (ii) Mr. Wang Xiaoshen is an executive Director of the Company; (iii) Mr. Ge Zhimin is the general manager of Ganfeng Battery and was an executive Director of the Company in the past 12 months; (iv) Limited Partnership I is held as to 50.0% by Mr. Jiang Jinsong who is the general manager of Ganfeng Power; (v) Limited Partnership L is held as to 58.6% by Mr. Xu Shengwang who holds 17.0% of Ganfeng Electronics; (vi) Ms. Deng Zhaonan is an executive Director of the Company; (vii) Mr. Shen Haibo is an executive Director of the Company; (viii) Ms. Gui Juan is a supervisor of Ganfeng Battery; and (ix) Mr. Xu Xiaoxiong is the general manager of Zhejiang Fengli and was an executive Director of the Company in the past 12 months, Mr. Li Chenglin, Mr. Wang Xiaoshen, Mr. Ge Zhimin, Limited Partnership I, Limited Partnership L, Ms. Deng Zhaonan, Mr. Shen Haibo, Ms. Gui Juan and Mr. Xu Xiaoxiong are connected persons of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Capital Increase Agreements constitute connected transactions of the Company under Chapter 14A of the Listing Rules. As the percentage ratios applicable to the transactions contemplated under the Capital Increase Agreements with each of Mr. Li Chenglin, Mr. Wang Xiaoshen, Mr. Ge Zhimin and Limited Partnership L are more than 0.1% but less than 5%, the transactions are subject to reporting and announcement requirements but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules. In addition, as the percentage ratios applicable to the transactions contemplated under the Capital Increase Agreements with each of Limited Partnership I, Ms. Deng Zhaonan, Mr. Shen Haibo, Ms. Gui Juan and Mr. Xu Xiaoxiong are less than 0.1%, the transactions are de minimis, and are therefore fully exempt.

As (i) Mr. Li Chenglin is a person acting in concert with Mr. Li Liangbin; (ii) Ms. Zhong Xiaoqing, Mr. Li Liangyao, Mr. Li Liangxue, Mr. Xiong Jianlang, Mr. Chen Liangguo, Mr. Chen Qingbo, Ms. Li Zhiqin, Ms. Li Zhixia and Mr. Li Zhijian are related persons of Mr. Li Liangbin as defined under the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange (深圳證券交易所股票上市規則); (iii) Mr. Wang Xiaoshen, Ms. Deng Zhaonan and Mr. Shen Haibo are Directors of the Company; (iv) Ms. Yang Manying, Ms. Ouyang Ming, Mr. Xu Jianhua, Mr. Xiong Xunman and Mr. Fu Lihua are senior management members of the Company; (v) Mr. Ge Zhimin and Mr. Xu Xiaoxiong were Directors of the Company in the past 12 months; (vi) Mr. Liu Ming and Ms. Zhou Hainan were senior management members of the Company in the past 12 months; and the transactions contemplated under the Capital Increase Agreements are related party transactions as defined under the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the transactions are subject to the approval of the Shareholders at a Shareholders' meeting, which must be passed by two-thirds (2/3) or more of the total number of shares with valid voting rights held by Shareholders attending the meeting. The above related persons and Mr. Li Liangbin will all abstain from voting at the EGM according to the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange. A Shareholder's meeting circular will be despatched to all Shareholders in due course.

## **THE CAPITAL INCREASE AGREEMENTS**

Ganfeng Battery is expected to enter into the Capital Increase Agreements with each of the Subscribers before December 3, 2020, pursuant to which the Subscribers agree to subscribe for the newly increased registered capital of Ganfeng Battery of RMB415.36 million, in aggregate.

The principal terms of the Capital Increase Agreements are set out below:

**Expected Date**

December 3, 2020

**Parties**

- (1) Ganfeng Battery;
- (2) Limited Partnership A;
- (3) Limited Partnership B;
- (4) Limited Partnership C;
- (5) Limited Partnership D;
- (6) Limited Partnership E;
- (7) Limited Partnership F;
- (8) Limited Partnership G;
- (9) Limited Partnership H;
- (10) Limited Partnership I;
- (11) Limited Partnership J;
- (12) Limited Partnership K;
- (13) Limited Partnership L; and
- (14) 16 individuals.

**Pricing Policy and the Basis of Pricing Policy**

As at September 30, 2020, the audited net asset value of Ganfeng Battery was RMB494,230.7 thousand. Ganfeng Battery and the Subscribers agree to increase the registered capital of Ganfeng Battery at RMB1.0 per share based on the net asset value per share, RMB0.988. The price was determined after arm's length negotiations between the Company and the Subscribers, considering the favorable prospects of Ganfeng Battery's business development.

## Consideration

Pursuant to the Capital Increase Agreements, the registered capital of Ganfeng Battery will increase from RMB500.0 million to RMB915.36 million, and the Subscribers will subscribe for the additional RMB415.36 million registered capital at par value. The subscriptions and the capital contributions shall be made in the following manner:

Name of party	<i>Unit: RMB million</i>
	<b>Capital contribution and registered capital subscribed</b>
Limited Partnership A	20.45
Limited Partnership B	28.06
Limited Partnership C	19.39
Limited Partnership D	13.25
Limited Partnership E	15.99
Limited Partnership F	24.25
Limited Partnership G	14.63
Limited Partnership H	15.17
Limited Partnership I	10.0
Limited Partnership J	10.77
Limited Partnership K	17.9
Limited Partnership L	17.4
Li Chenglin (李承霖)	57.0
Wang Xiaoshen (王曉申)	22.0
Deng Zhaonan (鄧招男)	3.0
Shen Haibo (沈海博)	3.0
Yang Manying (楊滿英)	3.0
Ouyang Ming (歐陽明)	3.0
Xu Jianhua (徐建華)	3.0
Xiong Xunman (熊訓滿)	3.0
Fu Lihua (傅利華)	3.0
Ge Zhimin (戈志敏)	62.6
Liu Ming (劉明)	14.0
Zhou Hainan (周海楠)	8.0
Xu Xiaoxiong (許曉雄)	8.0
Xiao Haiyan (肖海燕)	9.5
Lin Kui (林奎)	5.0
Gui Juan (桂娟)	1.0
<b>Total</b>	<b>415.36</b>

Such amount of capital contribution will be financed by the lawful income or otherwise self-raised funds as permitted by the PRC law of each of the Subscribers.

## Capital Contribution Arrangement

According to the Capital Increase Agreements, the capital contribution amount of each of the parties shall be paid up in full within three working days from the effective date of the Capital Increase Agreements.

## Shareholding Structure of Ganfeng Battery

Set out below is the shareholding structure of Ganfeng Battery as at the signing date of the Capital Increase Agreements and immediately after completion of the transactions contemplated under the Capital Increase Agreements:

Shareholders of Ganfeng Battery	Before completion of		After completion of	
	transactions under the Capital		transactions under the Capital	
	Increase Agreements		Increase Agreements	
	<i>Contribution to</i>	<i>% of equity</i>	<i>Contribution to</i>	<i>% of equity</i>
	<i>the registered</i>	<i>interest</i>	<i>the registered</i>	<i>interest</i>
	<i>capital</i>	<i>(approximately)</i>	<i>capital</i>	<i>(approximately)</i>
	<i>Unit: RMB million</i>			
The Company	500.0	100.0	500.0	54.6
Limited Partnership A	–	–	20.45	2.2
Limited Partnership B	–	–	28.06	3.1
Limited Partnership C	–	–	19.39	2.1
Limited Partnership D	–	–	13.25	1.5
Limited Partnership E	–	–	15.99	1.8
Limited Partnership F;	–	–	24.25	2.7
Limited Partnership G	–	–	14.63	1.6
Limited Partnership H	–	–	15.17	1.7
Limited Partnership I	–	–	10.0	1.1
Limited Partnership J	–	–	10.77	1.2
Limited Partnership K	–	–	17.9	2.0
Limited Partnership L	–	–	17.4	1.9
Li Chenglin	–	–	57.0	6.2
Wang Xiaoshen	–	–	22.0	2.4
Deng Zhaonan	–	–	3.0	0.3
Shen Haibo	–	–	3.0	0.3
Yang Manying	–	–	3.0	0.3
Ouyang Ming	–	–	3.0	0.3
Xu Jianhua	–	–	3.0	0.3
Xiong Xunman	–	–	3.0	0.3
Fu Lihua	–	–	3.0	0.3
Ge Zhimin	–	–	62.6	6.8

Shareholders of Ganfeng Battery	<i>Unit: RMB million</i>			
	Before completion of		After completion of	
	transactions under the Capital Increase Agreements		transactions under the Capital Increase Agreements	
	<i>Contribution to the registered capital</i>	<i>% of equity interest (approximately)</i>	<i>Contribution to the registered capital</i>	<i>% of equity interest (approximately)</i>
Liu Ming	–	–	14.0	1.5
Zhou Hainan	–	–	8.0	0.9
Xu Xiaoxiong	–	–	8.0	0.9
Xiao Haiyan	–	–	9.5	1.0
Lin Kui	–	–	5.0	0.6
Gui Juan	–	–	1.0	0.1
	<u>–</u>	<u>–</u>	<u>14.0</u>	<u>1.5</u>

## REGULATORY APPROVALS

The Company has obtained all necessary PRC regulatory approvals in relation to the Capital Increase Agreements.

## REASONS FOR AND BENEFITS OF THE CAPITAL INCREASE AGREEMENTS

The Directors consider that the capital increase represents an opportunity to optimize the shareholding structure of Ganfeng Battery, to raise capital for further business development of Ganfeng Battery, to establish long-lasting incentive mechanism for the employees, and to strengthen the development of the Company in the long term.

The Directors (including the independent non-executive Directors and save as Mr. Li Liangbin, Mr. Wang Xiaoshen, Ms. Deng Zhaonan and Mr. Shen Haibo) consider that the terms of each of the Capital Increase Agreements are on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Mr. Li Liangbin, Mr. Wang Xiaoshen, Ms. Deng Zhaonan and Mr. Shen Haibo, being Directors, abstained from voting on the resolution of the Board in respect of entering into the Capital Increase Agreements, while the remaining Directors (including the independent non-executive Directors), namely Mr. Yu Jianguo, Ms. Yang Juanjuan, Mr. Liu Jun, Ms. Wong Sze Wing, Ms. Xu Yixin and Mr. Xu Guanghua participated in the voting and approved unanimously.

## GAIN OR LOSS ATTRIBUTABLE TO THE DISPOSAL

The Company expects no gain or loss will be accrued to the Company, as the consideration for the Capital Increase Agreements fairly represents the audited total net asset value of Ganfeng Battery as at September 30, 2020.

## INFORMATION ON THE COMPANY

The Company is principally engaged in the production of lithium hydroxide, lithium carbonate, lithium fluoride and butyl lithium; and the production, processing and sales of non-ferrous metals, batteries, instrumentation components, machinery and equipment, chemical products, chemical raw materials, and chemical products.

## INFORMATION ON GANFENG BATTERY

Ganfeng Battery is principally engaged in research and development, production and sales of lithium-ion power batteries, fuel cells, and energy storage batteries; research and development, production and sales of super capacitors, battery management system, wind and solar energy storage system, and related equipment and instruments; lithium battery industrial design services; lithium battery technology consulting, promotion and transfer services; self-operated and commissioned import and export business for commodities.

Set out below is the financial information of Ganfeng Battery:

	<i>Unit: RMB thousand</i>	
	<b>For the year ended December 31, 2018 (Unaudited)</b>	<b>For the year ended December 31, 2019 (Audited)</b>
Profit (loss) before taxation	(14,576.2)	(18,646.2)
Profit (loss) after taxation	(15,552.6)	(18,646.2)

As at September 30, 2020, the audited total asset value and the audited total net asset value of Ganfeng Battery were RMB2,344,931.3 thousand and RMB494,230.7 thousand, respectively.

## INFORMATION ON THE SUBSCRIBERS

Limited Partnership A	a limited partnership established for the purpose of the employee stock ownership plan, with its general partner being Li Xiaohong (李 小 紅). Except for Lin Li (林 禮) who holds 24.5%, Li Xiaohong who holds 24.5%, Li Zhiqin (李 志 琴) who holds 19.6%, and Liang Xinghe (梁 星 河) who holds 9.8%, no other limited partner holds more than 5% equity interest of Limited Partnership A.
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- Limited Partnership B a limited partnership established for the purpose of the employee stock ownership plan, with its general partner being Tian Wenjin (田文進). Except for Chen Baoli (程寶利) who holds 17.8%, Tian Wenjin who holds 14.3%, Zhou Wei (周威) who holds 10.7%, Cheng Junhua (程軍華) who holds 7.1%, Huang Jingping (黃敬平) who holds 7.1%, and Tang Jiaojun (唐姣君) who holds 7.1%, no other limited partner holds more than 5% equity interest of Limited Partnership B.
- Limited Partnership C a limited partnership established for the purpose of the employee stock ownership plan, with its general partner being Tan Taiping (譚太平). Except for Tan Taiping who holds 15.5%, Dong Wencang (董文倉) who holds 10.3%, Liu Rui (劉銳) who holds 10.3%, and Cao Xiyi (曹錫儀) who holds 10.3%, no other limited partner holds more than 5% equity interest of Limited Partnership C.
- Limited Partnership D a limited partnership established for the purpose of the employee stock ownership plan, with its general partner being Ming Yingshi (明應時). Except for Ming Yinshi who holds 22.6%, Wang Yongwei (王永偉) who holds 15.1%, Liu Xiaohua (劉小華) who holds 15.1%, Li Weiyi (李維義) who holds 7.6%, and Yu Xiaodan (餘小旦) who holds 7.6%, no other limited partner holds more than 5% equity interest of Limited Partnership D.
- Limited Partnership E a limited partnership established for the purpose of the employee stock ownership plan, with its general partner being Gu Yongping (顧勇平). Except for Gu Yongping who holds 18.8%, Yang Shuang (楊爽) who holds 12.5%, and Wu Hongfeng (吳洪楓) who holds 6.3%, no other limited partner holds more than 5% equity interest of Limited Partnership E.
- Limited Partnership F a limited partnership established for the purpose of the employee stock ownership plan, with its general partner being Guo Zhixiong. Except for Wang Qian (王乾), who holds 16.5%, Li Tonghua (李同華) who holds 12.4%, Bin Shu (賓術) who holds 12.4%, Guo Zhixiong (郭志雄) who holds 8.3%, and Xu Song (許鬆) who holds 8.3%, no other limited partner holds more than 5% equity interest of Limited Partnership F.

Limited Partnership G	a limited partnership established for the purpose of the employee stock ownership plan, with its general partner being Hu Kai (胡 凱). Except for Hu Kai who holds 20.8%, Zhang Xuepu (張學普) who holds 20.8%, Sun Lizhen (孫麗珍) who holds 6.9%, Dai Shikang (戴世康) who holds 6.9%, no other limited partner holds more than 5% equity interest of Limited Partnership G.
Limited Partnership H	a limited partnership established for the purpose of the employee stock ownership plan, with its general partner being Zhang Yongxiang (張永祥). Except for Zhang Yongxiang who holds 19.8%, Lin Jiu (林久) who holds 19.8%, Jiang Hao (江浩) who holds 6.6%, and Wei Yinli (魏引利) who holds 5.3%, no other limited partner holds more than 5% equity interest of Limited Partnership H.
Limited Partnership I	a limited partnership established for the purpose of the employee stock ownership plan, with its general partner being Jiang Jinsong (蔣勁鬆). Except for Jiang Jinsong who holds 50.0%, Zhang Mengyi (章夢軼) who holds 10.0%, Wang Yanfei (王燕飛) who holds 10.0%, Zhang Haixia (張海霞) who holds 5.0%, and Zhang Xu (張旭) who holds 5.0%, no other limited partner holds more than 5% equity interest of Limited Partnership I.
Limited Partnership J	a limited partnership established for the purpose of the employee stock ownership plan, with its general partner being Wu Hongshuang (吳紅雙). Except for Zhong Xiaoqing(鍾小青) who holds 11.9% and Zhou Yan (周燕) who holds 6.5%, no other limited partner holds more than 5% equity interest of Limited Partnership J.
Limited Partnership K	a limited partnership established for the purpose of the employee stock ownership plan, with its general partner being Liao Xiaoqiu(廖小秋). No limited partner holds more than 5% equity interest of Limited Partnership K.
Limited Partnership L	a limited partnership, with its general partner being Xu Shengwang (徐聖旺). Except for Xu Shengwang who holds 58.6%, Wang Zhigang (汪志剛) who holds 17.2%, Huang Hao (黃浩) who holds 17.2%, and Liu Yun (柳雲) who holds 5.2%, no other limited partner holds more than 5% equity interest of Limited Partnership L.

Li Chenglin	Li Chenglin is the son of Mr. Li Liangbin, chairman of the Board and an executive Director of the Company
Wang Xiaoshen	Wang Xiaoshen is vice-chairman of the Board and an executive Director of the Company
Deng Zhaonan	Deng Zhaonan is executive Director of the Company
Shen Haibo	Shen Haibo is an executive Director of the Company
Yang Manying	Yang Manying is a senior management member of the Company
Ouyang Ming	Ouyang Ming is a senior management member of the Company
Xu Jianhua	Xu Jianhua is a senior management member of the Company
Xiong Xunman	Xiong Xunman is a senior management member of the Company
Fu Lihua	Fu Lihua is a senior management member of the Company
Ge Zhimin	Ge Zhimin is a senior management member of Ganfeng Battery
Liu Ming	Liu Ming is a senior management member of Ganfeng Battery
Zhou Hainan	Zhou Hainan is a senior management member of Ganfeng Battery
Xu Xiaoxiong	Xu Xiaoxiong is a senior management member of Ganfeng Battery
Xiao Haiyan	Xiao Haiyan is a senior management member of Ganfeng Battery
Lin Kui	Lin Kui is the financial executive of Ganfeng Battery
Gui Juan	Gui Juan is a supervisor of Ganfeng Battery

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, save as Mr. Li Chenglin, Mr. Wang Xiaoshen, Ms. Deng Zhaonan, Mr. Shen Haibo, Mr. Ge Zhimin, Mr. Fu Lihua, Limited Partnership I, Limited Partnership L, Mr. Jiang Jinsong, Mr. Xu Shengwang, Ms. Gui Juan, Mr. Xu Xiaoxiong (許曉雄), Ms. Li Zhiqin, Mr. Li Liangxue (李良學), Ms. Li Zhixia (李志霞), Mr. Li Zhijian (李志堅), Mr. Xiong Jianlang (熊劍浪), Mr. Chen Liangguo (陳良國), Mr. Li Liangyao (李良耀), Mr. Chen Qinbo (陳慶波), Ms. Liu Feng (劉鳳), Mr. Luo Xiaofeng (羅曉峰), Mr. Zhang Baoxiu (章保秀), Mr. Zeng Zuliang (曾祖亮), Mr. Zhu Shigui (朱實貴), and Mr. Xie Shaozhong (謝紹忠), each of the Subscribers and their respective ultimate beneficial owners (where applicable) are third parties independent of the Company and its connected persons.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the transactions contemplated under the Capital Increase Agreements would result in a reduction of the percentage equity interest of the Company in Ganfeng Battery, the reduction in equity interest is considered as a deemed disposal according to Rule 14.29 of the Listing Rules, and as one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) applicable to the transactions calculated in accordance with Rule 14.07 of the Listing Rules exceed(s) 5% but is/are less than 25%, the deemed disposal constitutes a discloseable transaction under Chapter 14 of the Listing Rules.

Moreover, as (i) Mr. Li Chenglin is the son of Mr. Li Liangbin (executive Director and chairman of the Board of the Company); (ii) Mr. Wang Xiaoshen is an executive Director of the Company; (iii) Mr. Ge Zhimin is the general manager of Ganfeng Battery and was an executive Director of the Company in the past 12 months; (iv) Limited Partnership I is held as to 50.0% by Mr. Jiang Jinsong who is the general manager of Ganfeng Power; (v) Limited Partnership L is held as to 58.6% by Mr. Xu Shengwang who holds 17.0% of Ganfeng Electronics; (vi) Ms. Deng Zhaonan is an executive Director of the Company; (vii) Mr. Shen Haibo is an executive Director of the Company; (viii) Ms. Gui Juan is a supervisor of Ganfeng Battery and (ix) Mr. Xu Xiaoxiong is the general manager of Zhejiang Fengli and was an executive Director of the Company in the past 12 months, Mr. Li Chenglin, Mr. Wang Xiaoshen, Mr. Ge Zhimin, Limited Partnership I, Limited Partnership L, Ms. Deng Zhaonan, Mr. Shen Haibo, Ms. Gui Juan and Mr. Xu Xiaoxiong are connected persons of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Capital Increase Agreements constitute connected transactions of the Company under Chapter 14A of the Listing Rules. As the percentage ratios applicable to the transactions contemplated under the Capital Increase Agreements with each of Mr. Li Chenglin, Mr. Wang Xiaoshen, Mr. Ge Zhimin and Limited Partnership L are more than 0.1% but less than 5%, the transactions are subject to reporting and announcement requirements but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules. In addition, as the percentage ratios applicable to the transactions contemplated under the Capital Increase Agreements with each of Limited Partnership I, Ms. Deng Zhaonan, Mr. Shen Haibo, Ms. Gui Juan and Mr. Xu Xiaoxiong are less than 0.1%, the transactions are de minimis, and are therefore fully exempt.

The independent non-executive Directors consider that the terms of each of the Capital Increase Agreement are on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## SHAREHOLDER'S APPROVAL

As (i) Mr. Li Chenglin is a person acting in concert with Mr. Li Liangbin; (ii) Ms. Zhong Xiaoqing, Mr. Li Liangyao, Mr. Li Liangxue, Mr. Xiong Jianlang, Mr. Chen Lianguo, Mr. Chen Qingbo, Ms. Li Zhiqin, Ms. Li Zhixia and Mr. Li Zhijian are related persons of Mr. Li Liangbin as defined under the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange (深圳證券交易所股票上市規則); (iii) Mr. Wang Xiaoshen, Ms. Deng Zhaonan and Mr. Shen Haibo are Directors of the Company; (iv) Ms. Yang Manying, Ms. Ouyang Ming, Mr. Xu Jianhua, Mr. Xiong Xunman and Mr. Fu Lihua are senior management members of the Company; (v) Mr. Ge Zhimin and Mr. Xu Xiaoxiong were Directors of the Company in the past 12 months; (vi) Mr. Liu Ming and Ms. Zhou Hainan were senior management members of the Company in the past 12 months; and the transactions contemplated under the Capital Increase Agreements are related party transactions as defined under the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the transactions are subject to the approval of the Shareholders at a Shareholders' meeting, which must be passed by two-thirds (2/3) or more of the total number of shares with valid voting rights held by Shareholders attending the meeting. The above related persons and Mr. Li Liangbin will all abstain from voting at the EGM according to the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange.

## DEFINITIONS

*In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:*

“Board”	the board of Directors
“Capital Increase Agreement(s)”	the capital increase agreements expected to be entered into on December 3, 2020, between Ganfeng Battery and each the Subscribers, each a “Capital Increase Agreement”
“Company”	Ganfeng Lithium Co., Ltd. (江西贛鋒鋰業股份有限公司), a joint stock company established in the PRC with limited liability, the A Shares of which and the H Shares of which are listed on the Shenzhen Stock Exchange (stock code: 002460) and on the Main Board of the Stock Exchange (stock code: 01772), respectively

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Ganfeng Battery”	Jiangxi Ganfeng Battery Technology Co., Ltd. (江西贛鋒鋰電科技有限公司), a limited liability company established in the PRC on June 13, 2011 and a wholly-owned subsidiary of the Company
“Ganfeng Electronics”	Xinyu Ganfeng Electronics Co., Ltd. (新余贛鋒電子有限公司), a limited liability company established in the PRC on April 4, 2018
“Ganfeng Power”	Jiangsu Ganfeng Power Co., Ltd. (江蘇贛鋒動力科技有限公司), a limited liability company established in the PRC on August 15, 2016, a wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Limited Partnership A”	a limited partnership established for the purpose of the employee stock ownership plan, expected to be registered before November 30, 2020, the name of which is subject to approval of Xinyu Administration for Industry and Commerce
“Limited Partnership B”	a limited partnership established for the purpose of the employee stock ownership plan, expected to be registered before November 30, 2020, the name of which is subject to approval of Xinyu Administration for Industry and Commerce
“Limited Partnership C”	a limited partnership established for the purpose of the employee stock ownership plan, expected to be registered before November 30, 2020, the name of which is subject to approval of Xinyu Administration for Industry and Commerce



“Limited Partnership D”	a limited partnership established for the purpose of the employee stock ownership plan, expected to be registered before November 30, 2020, the name of which is subject to approval of Xinyu Administration for Industry and Commerce
“Limited Partnership E”	a limited partnership established for the purpose of the employee stock ownership plan, expected to be registered before November 30, 2020, the name of which is subject to approval of Xinyu Administration for Industry and Commerce
“Limited Partnership F”	a limited partnership established for the purpose of the employee stock ownership plan, expected to be registered before November 30, 2020, the name of which is subject to approval of Xinyu Administration for Industry and Commerce
“Limited Partnership G”	a limited partnership established for the purpose of the employee stock ownership plan, expected to be registered before November 30, 2020, the name of which is subject to approval of Xinyu Administration for Industry and Commerce
“Limited Partnership H”	a limited partnership established for the purpose of the employee stock ownership plan, expected to be registered before November 30, 2020, the name of which is subject to approval of Xinyu Administration for Industry and Commerce
“Limited Partnership I”	a limited partnership established for the purpose of the employee stock ownership plan, expected to be registered before November 30, 2020, the name of which is subject to approval of Xinyu Administration for Industry and Commerce
“Limited Partnership J”	a limited partnership established for the purpose of the employee stock ownership plan, expected to be registered before November 30, 2020, the name of which is subject to approval of Xinyu Administration for Industry and Commerce

“Limited Partnership K”	a limited partnership established for the purpose of the employee stock ownership plan, expected to be registered before November 30, 2020, the name of which is subject to approval of Xinyu Administration for Industry and Commerce
“Limited Partnership L”	a limited partnership, expected to be registered before November 30, 2020, the name of which is subject to approval of Xinyu Administration for Industry and Commerce
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“PRC”	the People’s Republic of China, and for the purposes of this announcement only and except where the context requires otherwise, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	A Share(s) and/or H Share(s)
“Shareholder(s)”	holder(s) of the Shares
“Subscribers”	Limited Partnership A, Limited Partnership B, Limited Partnership C, Limited Partnership D, Limited Partnership E, Limited Partnership F, Limited Partnership G, Limited Partnership H, Limited Partnership I, Limited Partnership J, Limited Partnership K, Limited Partnership L and Li Chenglin, Wang Xiaoshen, Deng Zhaonan, Shen Haibo, Yang Manying, Ouyang Ming, Xu Jianhua, Xiong Xunman, Fu Lihua, Ge Zhimin, Liu Ming, Zhou Hainan, Xu Xiaoxiong, Xiao Haiyan, Lin Kui, Gui Juan, and each a “Subscriber”



“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Zhejiang Fengli”	Zhejiang Fengli New Energy Technology Co., Ltd. (浙江鋒鋰新能源科技有限公司), a limited liability company established in the PRC on December 28, 2017 and a wholly-owned subsidiary of the Company
“%”	per cent

By order of the Board  
**Ganfeng Lithium Co., Ltd.**  
**Li Liangbin**  
*Chairman*

Jiangxi, the PRC  
November 13, 2020

*As at the date of this announcement, the Board comprises Mr. LI Liangbin, Mr. WANG Xiaoshen, Ms. DENG Zhaonan and Mr. SHEN Haibo as executive directors of the Company; Mr. YU Jianguo and Ms. YANG Juanjuan as non-executive directors of the Company; and Mr. LIU Jun, Ms. WONG Sze Wing, Ms. XU Yixin and Mr. XU Guanghua as independent non-executive directors of the Company.*