THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Ganfeng Lithium Co., Ltd., you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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赣锋锂业
GanfengLithium

Ganfeng Lithium Co., Ltd.
江西贛鋒鋰業股份有限公司

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

(Stock Code: 1772)

(1) THE IMPLEMENTATION OF CAPITAL INCREASE AND SHARE EXPANSION AND THE INTRODUCTION OF AN EMPLOYEE SHAREHOLDING PLATFORM BY GANFENG BATTERY, A WHOLLY-OWNED SUBSIDIARY AND RELATED PARTY TRANSACTION; AND (2) NOTICE OF THE EXTRAORDINARY GENERAL MEETING

A letter from the Board is set out on pages 1 to 14 of this circular.

The notice of the EGM is set out on pages 15 to 17 in this circular. The EGM of the Company will be held at the conference room of the Company at 4th Floor, R&D Building at the Company's Headquarter, Longteng Road, Economic Development Zone, Xinyu, Jiangxi Province, PRC on Thursday, December 3, 2020 at 2:00 p.m.

Whether or not you intend to attend the EGM, you are advised to complete and return the enclosed proxy form in respect of the EGM in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours prior to the commencement of such meeting or any adjournments thereof, (i.e., not later than Wednesday, December 2, 2020 at 2:00 p.m. (Hong Kong time)). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be) should you so wish. Shareholders who intend to attend the EGM should also complete and return the reply slip in accordance with the instructions printed thereon.

November 13, 2020

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In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

"Articles of Association"	the articles of association of the Company, as amended from time to time
"Board"	the board of Directors
"Capital Increase Agreement(s)"	the capital increase agreements expected to be entered into before 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
"EGM"	the extraordinary general meeting of the Company to be held at 2:00 p.m, on Thursday, December 3, 2020 at the Conference Room, 4th Floor, R&D Building at the Company's Headquarter, Longteng Road, Economic Development Zone, Xinyu, Jiangxi Province, the PRC
"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. (新餘贛鋒電子有限公司), 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

"Latest Practicable Date"	November 11, 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
"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 Chengling, 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, and Gui Juan, and each is 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

Ganfeng Lithium Co., Ltd.
江西贛鋒鋰業股份有限公司

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

(Stock Code: 1772)

Executive Directors:
Mr. LI Liangbin
Mr. WANG Xiaoshen
Ms. DENG Zhaonan
Mr. SHEN Haibo

Non-executive Directors:
Ms. YANG Juanjuan
Mr. YU Jianguo

Independent non-executive Directors:
Mr. LIU Jun
Ms. WONG Sze Wing
Mr. XU Guanghua
Ms. XU Yixin

Registered Office:
Longteng Road
Economic Development Zone
Xinyu City, Jiangxi Province
PRC

Principal Place of Business in Hong Kong:
40/F, Sunlight Tower
248 Queen's Road East
Wanchai
Hong Kong

November 13, 2020

To the Shareholders

Dear Sir or Madam,

(1) THE IMPLEMENTATION OF CAPITAL INCREASE AND SHARE EXPANSION AND THE INTRODUCTION OF AN EMPLOYEE SHAREHOLDING PLATFORM BY GANFENG BATTERY, A WHOLLY-OWNED SUBSIDIARY AND RELATED PARTY TRANSACTION; AND
(2) NOTICE OF THE EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the announcement of the Company dated November 13, 2020.

The purpose of this circular is to provide you with the relevant information for making informed decisions in respect of the resolution at the EGM, regarding the implementation of capital increase and share expansion and the introduction of an employee shareholding platform by Ganfeng Battery, a wholly-owned subsidiary and related party transaction.

I. The implementation of capital increase and share expansion and the introduction of an employee shareholding platform by Ganfeng Battery, a wholly-owned subsidiary and related party transaction

Reference is made to the announcement of the Company dated November 13, 2020 in relation to the implementation of capital increase and share expansion and the introduction of an employee shareholding platform by Ganfeng Lithium Battery, a wholly-owned subsidiary and related party transaction.

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.

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 total 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:

Unit: RMB million

Name of party	Capital contribution and registered capital subscribed
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 Chengling (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
Total	415.36

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, each party shall make full payment for the capital contribution 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 date of the Capital Increase Agreements and immediately after completion of the transactions contemplated under the Capital Increase Agreements:

Unit: RMB million

Shareholders of Ganfeng Battery	**Before completion of transactions under the Capital Increase Agreements**		**After completion of transactions under the Capital Increase Agreements**	
	Contribution to the registered capital	**% of equity interest (approximately)** *(%)*	**Contribution to the registered capital**	**% of equity interest (approximately)** *(%)*
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 Chengling	–	–	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	Before completion of transactions under the Capital Increase Agreements		After completion of transactions under the Capital Increase Agreements	
	Contribution to the registered capital	% of equity interest (approximately) *(%)*	Contribution to the registered capital	% of equity interest (approximately) *(%)*
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

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, development, production, and sales of lithium ion power battery, fuel cell, energy storage battery, super capacitor, battery management system, wind and photovoltaic power, and relevant equipment and instruments. It also provides lithium battery industry design, lithium battery technology consultancy, technology promotion and transfer services, as well as self-management of import/export and import/export agency.

Set out below is the financial information of Ganfeng Battery:

Unit: RMB thousand

	For the year ended December 31, 2018 (Unaudited)	**For the year ended December 31, 2019** (Audited)
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.

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 Jingpin (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 Wenchang (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 Yinshi (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 Menyi (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 (鐘小青) 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 Chengling	Li Chengling 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 Chengling, 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, 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 percentage ratios (as defined under the Listing Rules) applicable to the transactions calculated in accordance with Rule 14.07 of the Listing Rules exceed 5% but are less than 25%, the deemed disposal constitute a discloseable transaction under Chapter 14 of the Listing Rules.

Moreover, as (i) Mr. Li Chengling is the son of Mr. Li Liangbin (executive Director and chairman of the Board); (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 Partner 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 Chengling, 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 Chengling, Mr. Wang Xiaoshen, Mr. Ge Zhimin and 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.

Shareholders' 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 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.

II. EGM

The notices of the EGM are set out on pages 15 to 17 of this circular.

The proposed resolution regarding the proposed capital increase in Ganfeng Battery is subject to the approval by way of special resolutions of Shareholders at the EGM pursuant to The Shenzhen Stock Exchange Listing Rules and Guidelines of the Shenzhen Stock Exchange for the Standard Operation of Listed Companies (Revised in 2020), which must be passed by two-third (2/3) or more than two-third (2/3) of the total number of shares with valid voting rights held by Shareholders attending the meeting.

Pursuant to the Listing Rules and the Articles of Association, any vote of the Shareholders at a general meeting shall be taken by poll except where the chairman of such meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be made by the Company after the EGM in the manner prescribed under the Listing Rules.

Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders will be required to abstain from voting the resolution set out in this circular.

Save as Mr. Li Chengling is a person acting in concert with Mr. Li Liangbin, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, there is (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon any Shareholder; and (ii) no obligation or entitlement of any Shareholder as at the Latest Practicable Date, whereby he/she has or may have temporarily or permanently passed control over the exercise of the voting right in respect of his/her Shares to a third party, either generally or on a case-by-case basis. Accordingly, to the best knowledge, information and belief of the Directors, there exists no discrepancy between any Shareholder's beneficial shareholding interest in the Company and the number of Shares in respect of which such Shareholder will control or will be entitled to exercise control over the voting right at the EGM.

Whether or not you are able to attend the EGM in person, you are requested to complete the proxy forms in accordance with the instructions printed thereon and return the same to the share registrar of H Shares of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not later than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the proxy forms shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so desire.

III. RECOMMENDATION

The Board (save as Mr. Li Liangbin, Mr. Wang Xiaoshen, Ms. Deng Zhaonan and Mr. Shen Haibo) considers that the proposed resolution set out above are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board (save as Mr. Li Liangbin, Mr. Wang Xiaoshen, Ms. Deng Zhaonan and Mr. Shen Haibo) recommends that Shareholders eligible to vote at the EGM to attend and vote in favour of the resolutions.

IV. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully
For and on behalf of the Board
GANFENG LITHIUM CO., LTD.
LI Liangbin
Chairman

Ganfeng Lithium Co., Ltd.
江西贛鋒鋰業股份有限公司

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

(Stock Code: 1772)

NOTICE OF THE EGM

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the "**EGM**") of Ganfeng Lithium Co., Ltd. (the "**Company**") will be held at the conference room of the Company at 4th Floor, R&D Building at the Company's Headquarter, Longteng Road, Economic Development Zone, Xinyu, Jiangxi Province, the People's Republic of China on Thursday, December 3, 2020 at 2:00 p.m. for the following purposes. Unless otherwise stated, the terms used herein and in the following resolution shall have the same meanings as defined in the circular of the Company dated November 13, 2020 (the "**Circular**"), for which the notice convening the EGM shall constitute a part. The following resolution shall be considered and approved, if thought fit, at the EGM:

SPECIAL RESOLUTION

1. To consider and approve the resolution in relation to the implementation of capital increase and share expansion and the introduction of an employee shareholding platform by Ganfeng Battery, a wholly-owned subsidiary and related party transaction.

By order of the Board
GANFENG LITHIUM CO., LTD.
LI Liangbin
Chairman

November 13, 2020

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

Notes:

(A) In order to determine the list of shareholders of the Company who will be entitled to attend and vote at the EGM, the registers of members of the Company will be closed from Monday, November 30, 2020 to Thursday, December 3, 2020, both days inclusive, during which no transfer of H shares in the share capital of the Company with a nominal value of RMB1.00 each, which are traded in Hong Kong dollar and listed on the Hong Kong Stock Exchange (the "**H Shares**"), will be effected. Holders of H Shares whose names appear on the registers of members of the Company at 4:30 p.m. on Friday, November 27, 2020 shall be entitled to attend and vote at the EGM. In order for the holders of H Shares to qualify to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Friday, November 27, 2020 for registration.

(B) Holders of H Shares intending to attend the EGM (or any adjournment thereof) should complete and return the reply slip for attending the EGM (or any adjournment thereof) personally, by facsimile or by post.

Holders of H Shares should complete and return the reply slip to the Company's H Share Registrar by facsimile at (852) 2865 0990 or by post to (or by depositing it at) 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong such that the reply slip shall be received by the Company's H Share Registrar 10 days before the EGM (i.e. on or before Monday, November 23, 2020).

(C) Each holder of H Shares may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the EGM (or any adjournment thereof) on his behalf. A proxy need not be a shareholder of the Company.

(D) Holders of H Shares must use the form of proxy of the Company for appointing a proxy and the appointment must be in writing. The form of proxy must be signed by the relevant shareholder of the Company or by a person duly authorized by the relevant shareholder of the Company in writing (a "**power of attorney**"). If the form of proxy is signed by the person authorized by the relevant shareholder of the Company as aforesaid, the relevant power of attorney and other relevant documents of authorization (if any) must be notarized. If a corporate shareholder of the Company appoints a person other than its legal representative to attend the EGM (or any adjournment thereof) on its behalf, the relevant form of proxy must be affixed with the company seal of the corporate shareholder of the Company or duly signed by the chairman of the board of directors or any other person duly authorized by that corporate shareholder of the Company as required by the articles of association of the Company.

(E) To be valid, the form of proxy and the relevant notarized power of attorney (if any) and other relevant documents of authorization (if any) as mentioned in note (D) above must be delivered to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited (address: 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong), not less than 24 hours before the time appointed for the EGM (i.e. not later than 2:00 pm on Wednesday, December 2, 2020, Hong Kong time) (or any adjournment thereof).

(F) Shareholders may contact the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited by telephone at (852) 2862 8555 or by email to hkinfo@computershare.com.hk in connection with the EGM.

(G) A shareholder of the Company or his proxy should produce proof of identity when attending the EGM (or any adjournment thereof). If a corporate shareholder's legal representative or any other person duly authorised by such corporate shareholder attends the EGM (or any adjournment thereof), such legal representative or other person shall produce his proof of identity, proof of designation as legal representative and/or the valid authorization document (as the case may be).

(H) The EGM (or any adjournment thereof) is expected to last for one day. Shareholders who attend the EGM (or any adjournment thereof) shall bear their own travelling and accommodation expenses.

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