

GanfengLithium



Company Presentation

April 2022





1. Recent Developments

Ganfeng Lithium – China's Largest Lithium Compounds Producer



100kt

LCE Production Capacity has been completed in China in 2021



No.1

Lithium Hydroxide and Lithium Metals Production Capacity Globally



9

Investments in Upstream Resources



565

Research & Development Staff



RMB11.04bn (US\$1.73bn)¹

FY2021
Total Revenue



RMB3.95bn (US\$620m)¹

FY2021
Adj. EBITDA



2010

IPO on Shenzhen Stock Exchange

2018

IPO on Hong Kong Stock Exchange



US\$22.12bn

Total Market Capitalization²

Note: 1. USD calculate using FX rate of 6.37. 2. As of Mar 28, 2022; calculation: A-share price x A-ordinary shares + H-share price x H-ordinary shares.

Lithium resources Developments



Mount Marion



Spodumene

Ganfeng holds 50% equity interests at project level. Project based in Australia. The current total capacity of the project is 450-480kt Spodumene concentrate per year. It is also planning to increase the capacity by 20-30% in 2022.



Cauchari-Olaroz



Brine

Ganfeng holds 46.67% equity interests at project level, and 12.5% at LAC level. Project based in Jujuy Argentina. Project is in construction and planned a 40kt LCE capacity for stage I, commissioning in 2022. Planned Stage II capacity no less than 20kt LCE.



Mariana



Brine

Ganfeng holds 100% equity interests. Project based in Salta Argentina. Project is in construction and planned a 20kt lithium chloride capacity. Solar power will be its main energy.

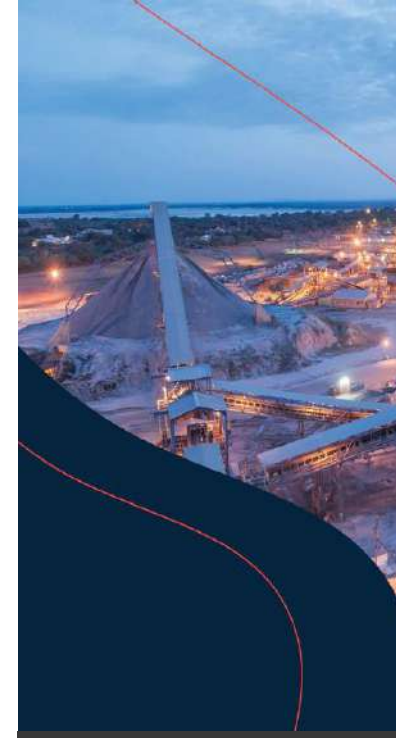


Sonora



Clay

Ganfeng holds 50% equity interests at project level, and 86.88% at Bacanora level (note). Project based in Sonora Mexico, is one of the biggest lithium clay project. Planned 50kt LIOH capacity for Stage I.



Goulamina



Spodumene

Ganfeng holds 50% equity interests at project level. Project based in Mali. Project in construction and planned a Stage I capacity of 506kt Spodumene concentrate, capacity will get to 831kt for Stage II.

Note: Bacanora shareholding by the Company on 2021/12/31.

Recent Developments and Future Plans

Lithium chemical capacity expansion



100k tons LCE supply capacity has been completed in 2021



Expect to complete **300k tons LCE** supply capacity globally before 2025E.



Ganfeng long-term capacity target of **600k tons LCE**, representing a market share of 20%



Cauchari-Olaroz Brine (Jujuy, Argentina)

Phase I 40kt lithium carbonate
Phase II no less than 20kt LCE

Mariana Brine (Salta, Argentina)

Phase I 20kt lithium chloride

Sonora Clay (Sonora, Mexico)

Phase I 50kt lithium hydroxide



Fengcheng Project (China)

Designed capacity 50kt LCE
with phase I of 25kt lithium hydroxide

Li metal (China)

7,000 tons of lithium metal

Note: the above production capacity planning includes the Company's existing sole proprietorship and joint venture projects

Lithium Battery – Ganfeng LiEnergy



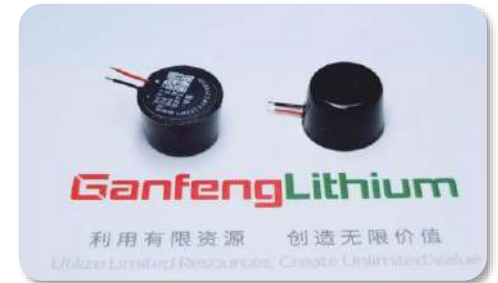
Recent Development

- 1 Ganfeng LiEnergy reached strategic cooperation intention with various customers regarding **automotive power batteries**, development of **solid-state batteries**, application of photovoltaic **energy storage** and comprehensive recycling of used lithium batteries.
- 2 The **Gen-1 semi solid-state battery** has been installed onto the first EV model **E70** produced by Dongfeng Auto.

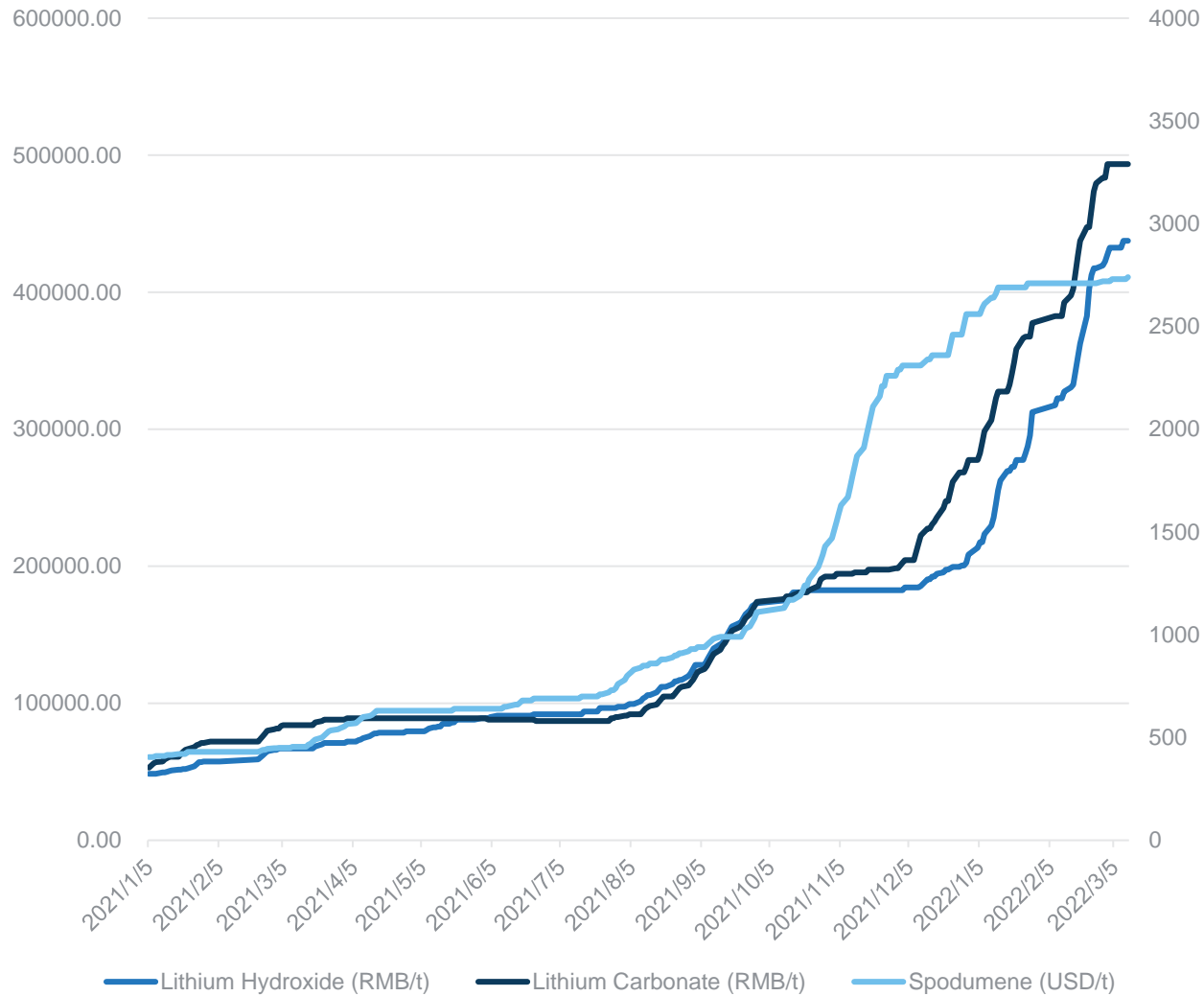


Future Plan

- 1 Construction of **high-end polymer lithium battery** R&D and production base project in Huizhou
- 2 New-type lithium battery project with annual capacity of **5GWh** annual capacity
- 3 New-type lithium battery science and technology industrial park with annual capacity of **10GWh** and advanced battery research institute project



Market view



Pricing Outlook

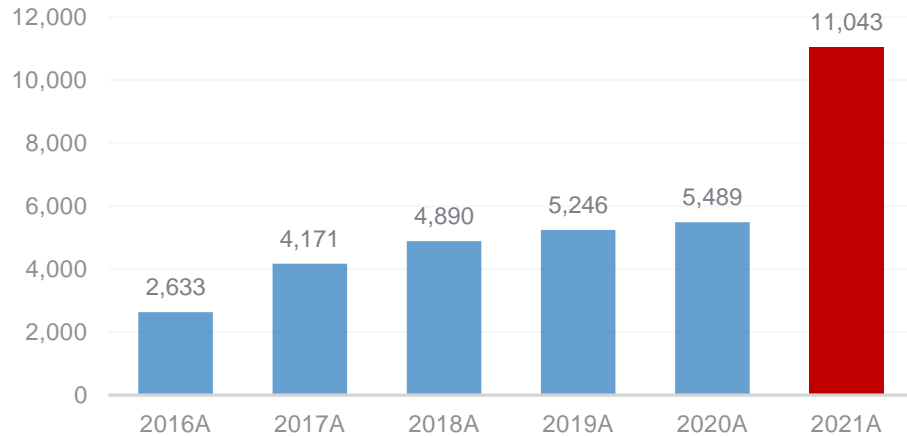
- ✓ Lithium Carbonate price is expected to **remain long-term strong** due to growing demand and climbing industry marginal production cost
- ✓ **Rising market price** of Spodumene Concentrate in short-term becomes a **solid support** for the price of Lithium Carbonate and Hydroxide.

Source: Asia metal, China spot price

Proven Financial Track Record

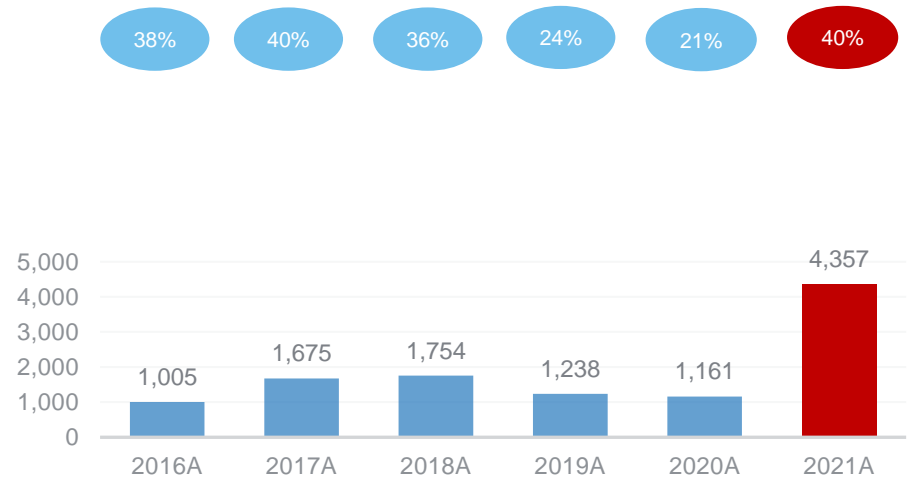
Revenue

(RMB mm, %, RMB 000/ton)



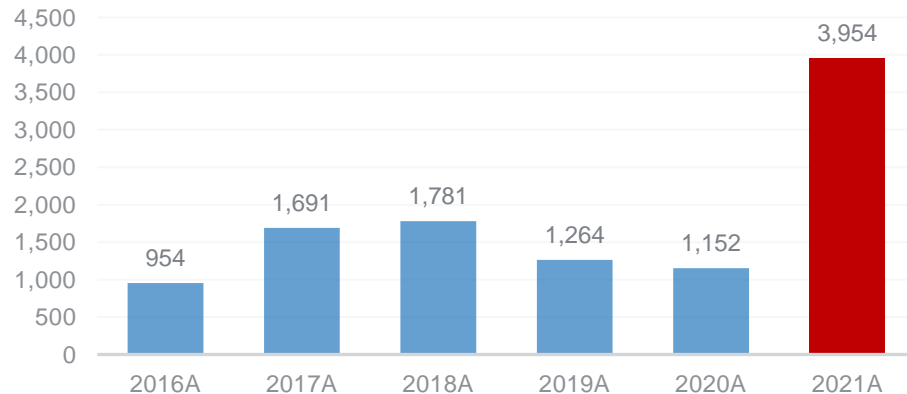
Gross Profit | Gross Profit Margin

(RMB mm, %)



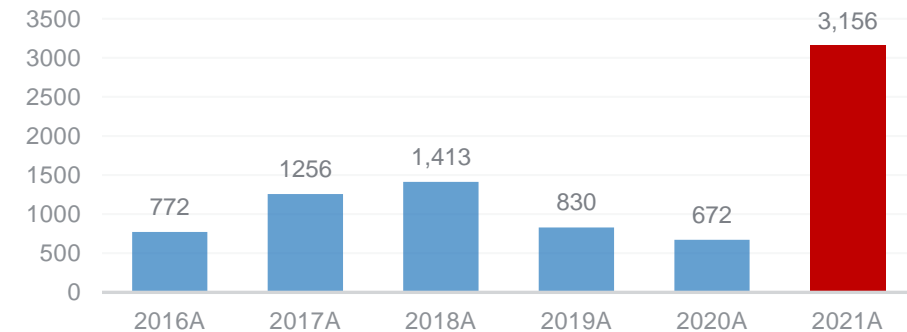
Adjusted EBITDA²

(RMB mm, %)



Adjusted Net Profit²

(RMB mm, %)

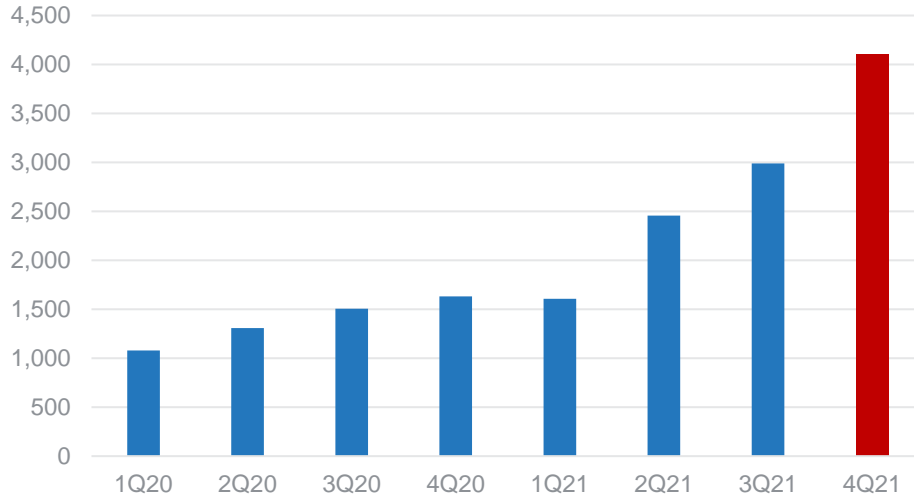


Source: Company disclosure.

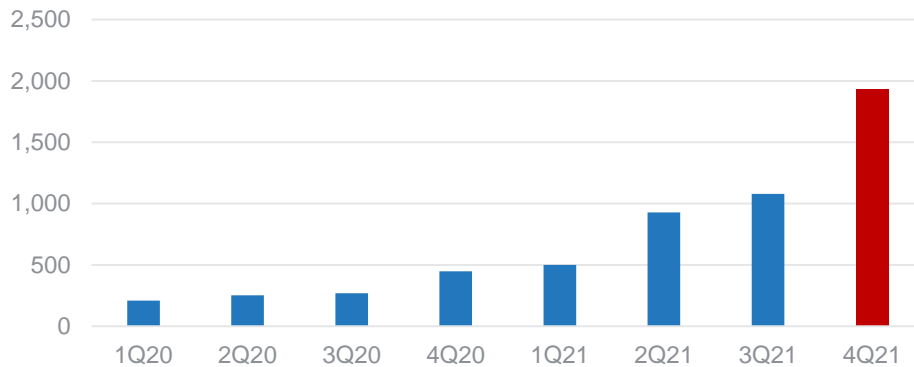
Note: 1. Adjusted EBITDA and adjusted net profit were calculated as EBITDA / net profit plus impairment loss and losses relating to Shenzhen Meibai's fire incidents, minus fair value gains from derivative financial instruments, gain on derivative financial instruments and net gain on disposal of investments at fair value through profit or loss, excluding related income tax impact.

2021 Quarter Financial Update

Revenue¹ (RMB mm)



Gross Profit¹ (RMB mm, %)

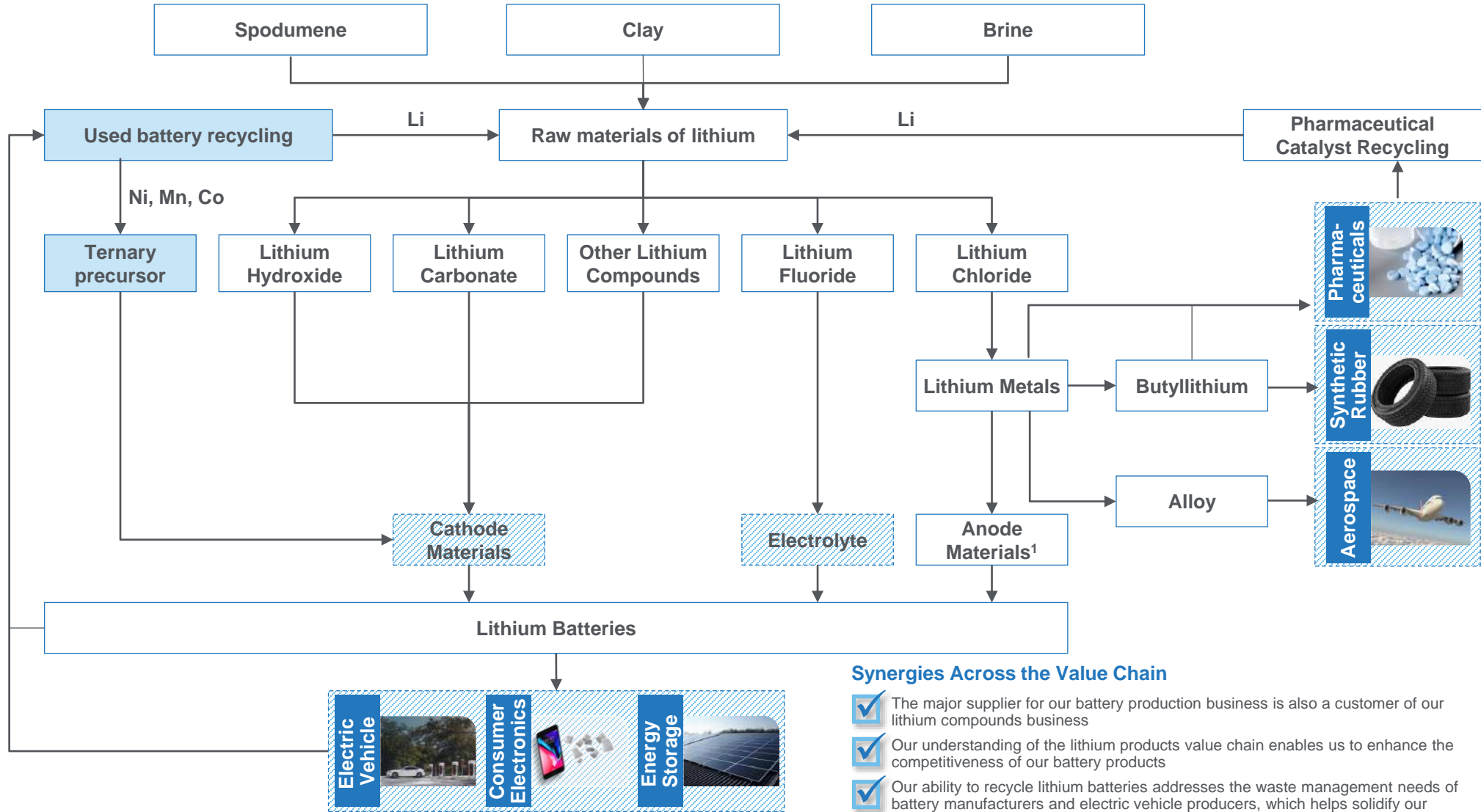



2021 Highlight

- 2021 Lithium products total production 89,742 LCE, total sales 90,718 LCE
- 2021 Revenue, Gross Profit and GP margin increase due to Lithium products quantity and price increase
- Basic Lithium stage III (50kt LIOH) ramped up to full capacity and contributed more LIOH products
- More Administrative expenses due to employee share option compensation scheme

2. Investment Highlights

1 Vertically Integrated Business Model with Synergies Across the Value Chain



 Denotes products manufactured by our customers.

Source: Annual report
 Note: 1. We produce anode for primary battery.

2 World-leading Position in Lithium Compounds and Metals with High Barriers to Entry

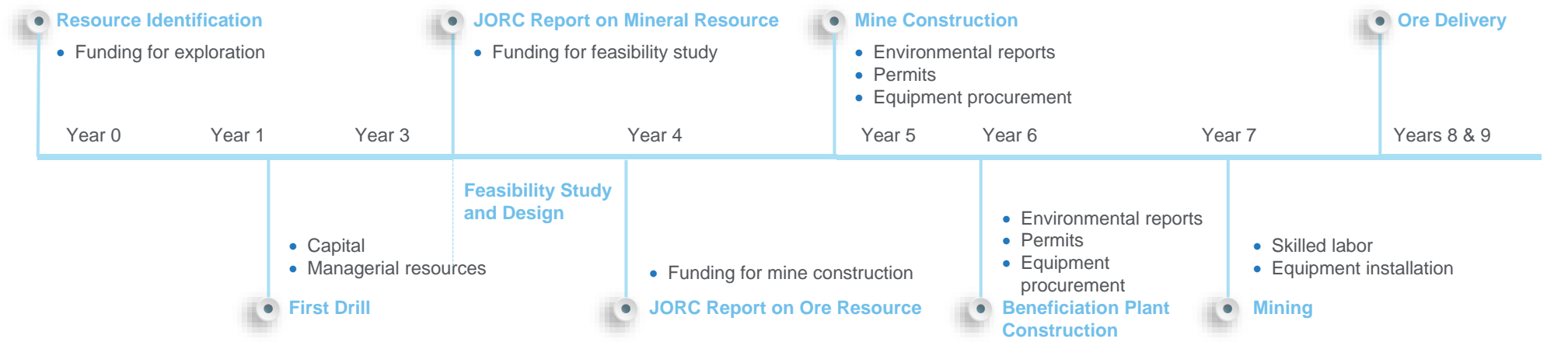
Upstream and Midstream Segments Offer the Highest Margin

	Upstream Resources	Lithium Compounds	Cathode Materials	Lithium Hexafluorophosphate	Electrolyte	Lithium Batteries
Entry Barrier	High	High	Low	Medium	Low	Medium
Capital Requirement	High	Medium	Low	Low	Low	Medium
Production Know-how	Medium	High	Low	High	Low	Medium
Clear Industry Standard	Yes	Yes	No	Yes	Yes	Yes
Access to Raw Material	Medium	Hard	Medium	Medium	Medium	Easy

High Barriers to Entry Favoring Established Producers

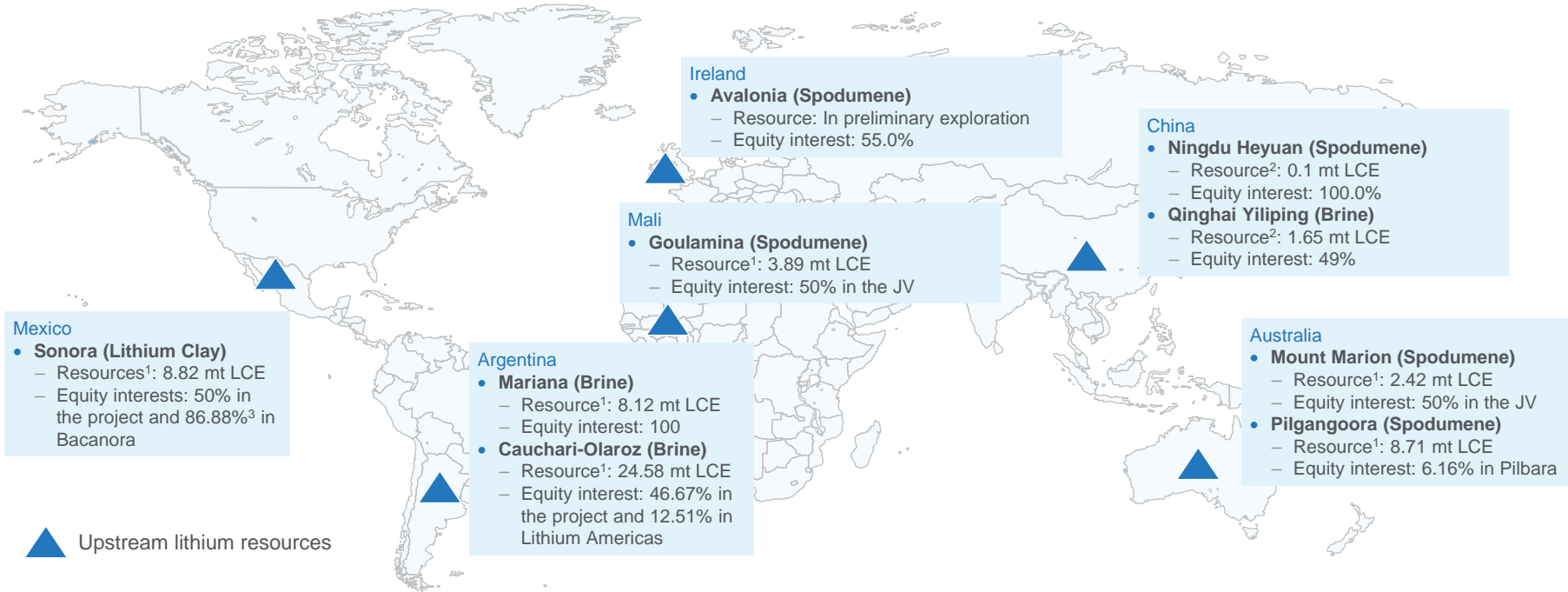
- 1 Production Technologies and Know-how
- 2 Product Development and Application Expertise
- 3 Customer Relationships and Product Accreditation Process
- 4 Secure Supply of Lithium Raw Materials at Competitive Cost
- 5 Operational Integration between Resource Extraction and Compound Production
- 6 Access to Experienced Management and Technical Personnel
- 7 Major Capital Expenditures and Investments

Indicative Development Timeline for Greenfield Spodumene Projects



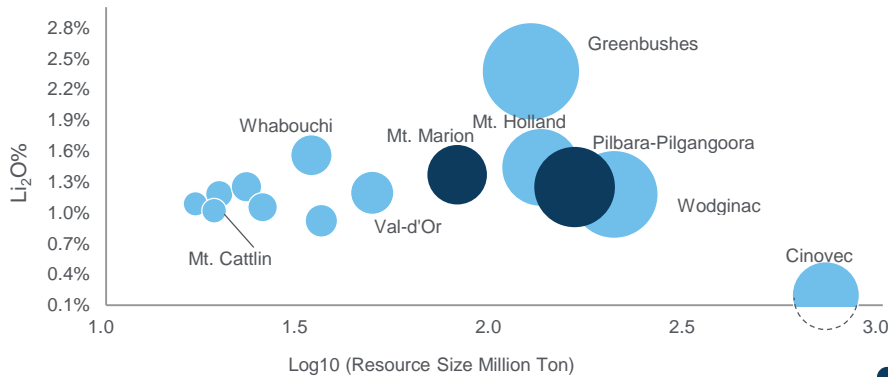
Source: CRU report.

3 Access to Secure, High Quality Supply of Lithium Raw Materials

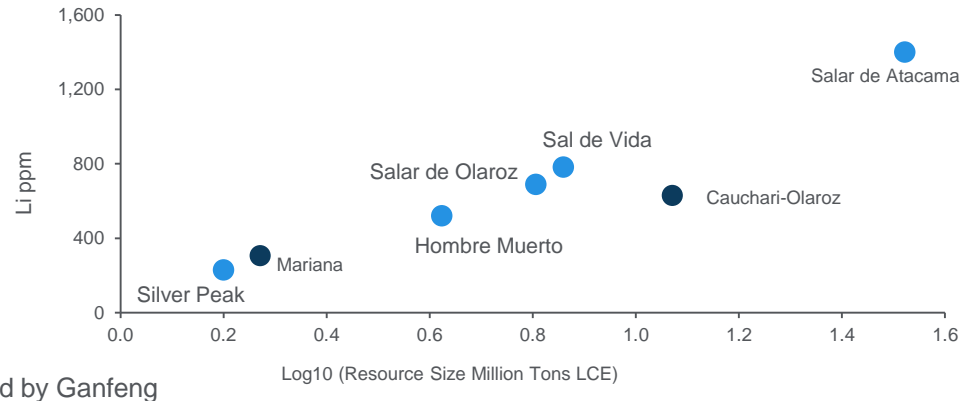


Resource Estimates for Lithium Hardrock Deposits⁴

Bubble Size = Contained LCE (Mt)



Resource Estimates for Lithium Brine Deposits⁴



Source: Company disclosure, CRU report.

Note: 1. Total resource is the sum of measured resource, indicated resource and inferred resource; LCE data of total spodumene resources is converted through lithium oxide resources contained in ores; mt LCE stands for million tons LCE; 2. Measured pursuant to China national standards; 3. Shareholding as at 2021/12/31, the acquisition is in progress

3 Access to Secure, High Quality Supply of Lithium Raw Materials (Cont'd)

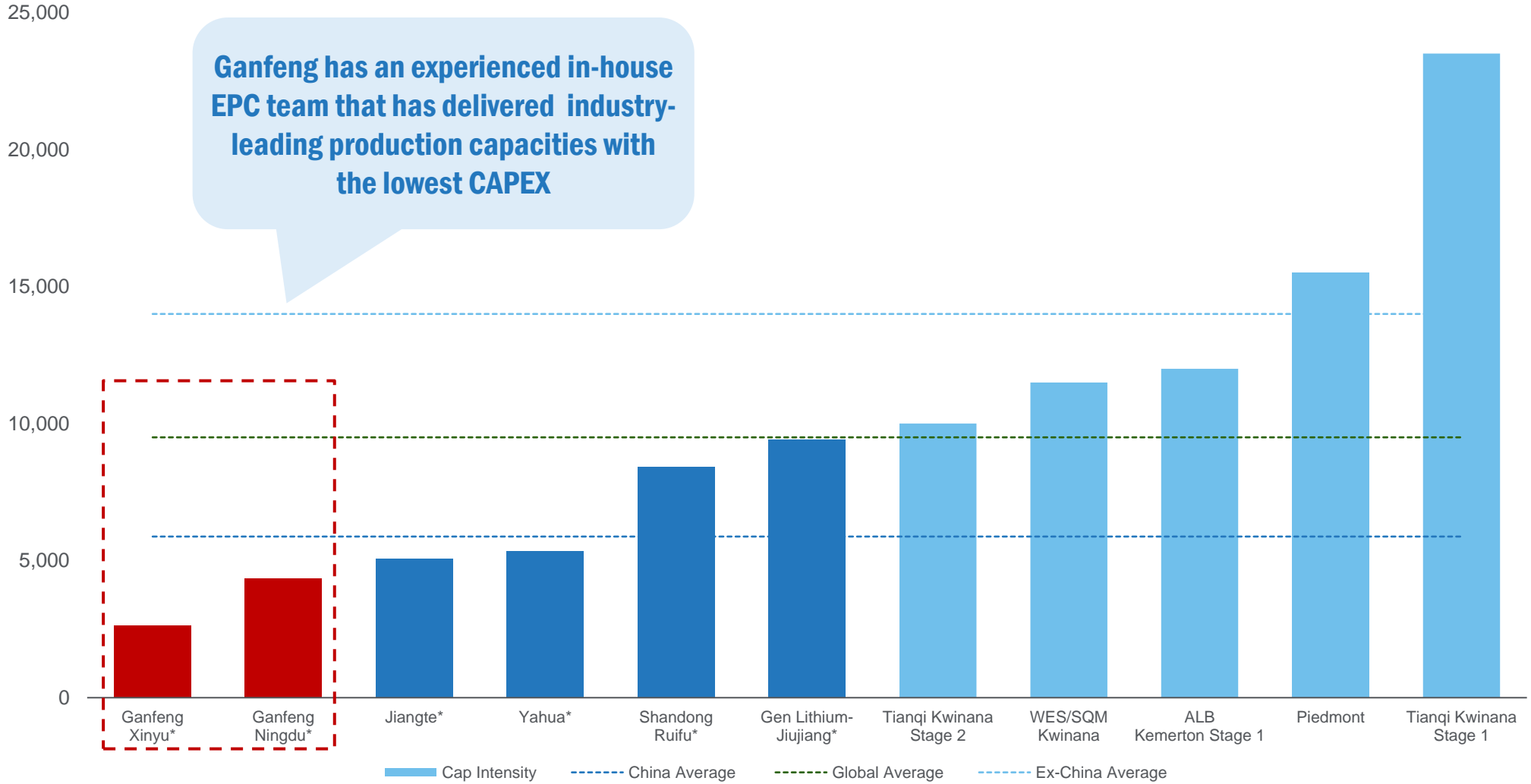
Our upstream offtakes are sufficient to support our downstream demand and the flexible pricing mechanism provide us margin protection in tough environment.

Type of resources	Project name	Current offtaking situation	Project progress
Spodumene	Mount Marion	The Company offtakes 49% of the output of the project, PMI offtakes 51%, and both parties mutually agreed Ganfeng will process PMI's part of spodumene into lithium products and responsible for sales.	Under operation
	Pilbara Pilgangoora	Project phase I supplies the Company with no more than 160,000 tons of 6% lithium concentrate per annum; project phase II will supply the Company with no more than 150,000 tons of lithium concentrate per annum after it completes construction and puts into production.	Project phase I is operating, phase II is under construction
	Finniss	The Company offtakes at least 75,000 tons of spodumene per year	Under construction
	Goulamina	The Company offtakes 50% of the output of the project, and can offtake 100% of the output under certain conditions.	Under construction
	Manono	The Company has obtained the offtaking rights with an initial period of 5 years, and it can choose whether to extend the term for another 5 years according to the Company's own needs. From the third year, the annual supply of 6% lithium concentrate to the company will increase to 160,000 tons.	Under construction
Brine	Cauchari-Olaroz	The Company has secured the offtaking rights to 76% of the phase I products from the project, which has a planned annual battery-grade lithium carbonate production capacity of 40,000 tons.	Under construction
	Mariana	Offtake products based on proportion of equity interests in the project	Under construction
Lithium clay	Sonora	The Company offtakes 50% lithium products produced in project phase I, and is entitled to increase lithium products offtaken to 75% in project phase II	Under construction

Source: Company disclosure

4 Lowest-CAPEX Intensity for New-Build Capacity

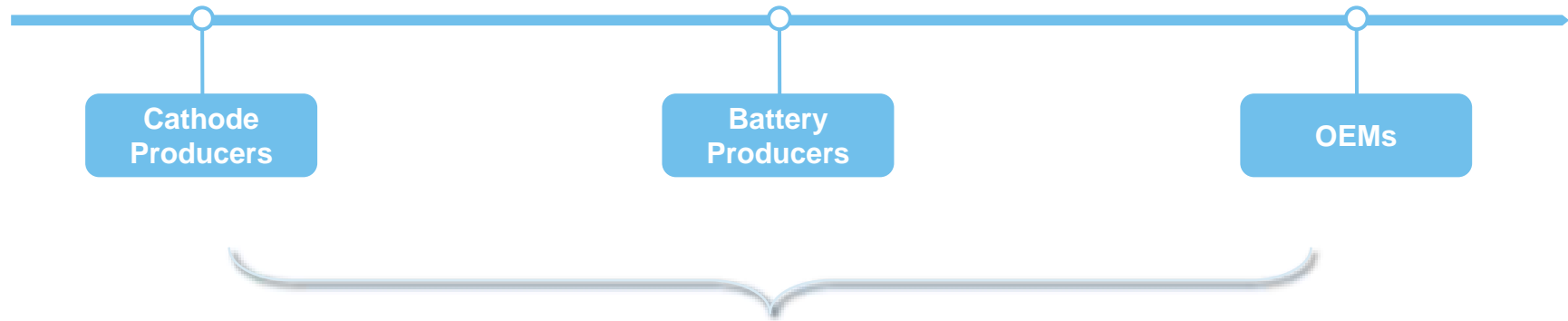
Chemical Plant Capital Intensity (US\$/ton LCE)



Source: Canaccord Genuity.
* China based plants

5 Blue-chip Customer Base with High Visibility for Growing Demand

GanfengLithium



1 Fixed Volume Long-term Contracts

- ✓ **Most** of contracts lock down purchasing volumes from clients, providing visibility on future revenue

Supply Contracts & Selected Collaboration Agreements



2 Market-based Adjustable Contract Pricings

- ✓ Help establish **long-term relationships** with blue-chip customers
- ✓ Effectively track chemical pricings and **stabilize margins**

6 Visionary and Experienced Management Team with an Established Talent Pool



LI Liangbin
Chairman
President

Nearly 30 years of
industry experience

- Mr. Li, our founder, has been serving as Chairman of the Board of Directors since the incorporation of Ganfeng
- He has been serving as Vice President of the China Nonferrous Metal Industry Association, Lithium Branch
- Previously he worked at scientific research institute of Jiangxi Lithium Plant, a state-owned enterprise
- He was named “Expert with Outstanding Contribution” and was selected to join the National Talents Project in 2015
- Mr. Li was a chemistry major in college and has extensive knowledge in lithium related chemicals



WANG Xiaoshen
Vice Chairman

25+ years of industry
experience

- Mr. Wang joined Ganfeng in 2006 and was appointed Vice Chairman of the Board of Directors in 2010
- He worked at China National Nonferrous Metals Industrial Xinjiang Co., Ltd., Xinjiang Lithium Salts Plant, mainly responsible for lithium business
- He obtained bachelor’s degree in industrial engineering management from North China University of Technology and an EMBA from the China Europe International Business School
- As the new executive Director, he was appointed as the chairman of the Sustainable Development Committee



DENG Zhaonan
Vice President
(Production & Operation)

10+ years of industry
experience



XU Jianhua
Vice President
(Engineering Construction,
Equipment Management)

27+ years of industry
experience



SHEN Haibo
Vice President
(Sales & Promotion
Department)

20+ years of industry
experience



OUYANG Ming
Vice President
(Secretary of the Board)

15+ years of industry
experience



YANG Manying
Vice President
(Finance)

20+ years of industry
experience



LIU Ming
Vice President
(Production Safety &
Research)

10+ years of industry
experience