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Ganfeng Lithium Group Co., Ltd.
江西赣锋锂业集团股份有限公司

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

(Stock Code: 1772)

INSIDE INFORMATION
ANNOUNCEMENT IN RELATION TO THE PROVISION FOR
ASSETS IMPAIRMENT AND ASSET WRITE-OFF

This announcement is made by Ganfeng Lithium Group Co., Ltd. (the “**Company**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter. 571 of the Laws of Hong Kong) and Rule 13.09(2) and Rule 13.10B of the Listing Rules.

Reference is made to the Company’s announcement regarding the positive profit alert dated January 27, 2026 (the “**Positive Profit Alert**”). The forecast for the annual results of 2025 disclosed by the Positive Profit Alert has already taken into account of the provision for assets impairment in this announcement. The provision for assets impairment of this announcement has no impact on the disclosed expected range of the annual results of 2025 disclosed in the Positive Profit Alert.

The 14th meeting of the sixth session of the board of directors (the “**Board**”) of the Company was convened on March 30, 2026, at which the resolution in relation to the provision for assets impairment (the “**Impairment Resolution**”) was considered and approved. Details of the Impairment Resolution are set out below:

I. OVERVIEW OF PROVISION FOR ASSETS IMPAIRMENT AND ASSET WRITE-OFF

(I) OVERVIEW OF PROVISION FOR ASSETS IMPAIRMENT

1. Reasons for provision for assets impairment

In order to objectively, truly and accurately reflect the financial position, assets value and operating conditions of the Company as at December 31, 2025, based on the principle of prudence, the Company and each of the subsidiaries within the scope of the consolidated statements conducted impairment tests against their respective assets in accordance with the Accounting Standards for Business Enterprises (the “**ASBE**”) (企業會計準則) and relevant accounting treatment regulations of the Company, and propose to make corresponding provision for assets impairment of the Company within the scope of the consolidated statements as at December 31, 2025.

2. The scope of asset, total amount and reporting period for the proposed provision for assets impairment(prepared in accordance with the ASBE)

After full inspection and asset impairment tests against assets that indicate impairment at the end of 2025, including receivables, inventories, long-term equity investment, etc., the Company and each of the subsidiaries propose to make provision for impairment of each item of assets amounting to approximately RMB587,740,500 in total in 2025. Details are as follows:

Item	Amount of provision in 2025 <i>(RMB0'000)</i>	Proportion of audited net profit attributable to shareholders of the parent company in 2025
I. Loss on credit impairment	11,818.25	7.33%
Including: receivables	11,818.25	7.33%
II. Loss on asset impairment	46,955.80	29.11%
Including: inventories	25,495.96	15.81%
Intangible assets	16,771.02	10.40%
Construction in progress	3,658.52	2.27%
long-term equity investment	1030.30	0.64%
Total	<u>58,774.05</u>	<u>36.44%</u>

Note: 1. The above data have been rounded off to the nearest second decimal place.

2. The reporting period (the “**Reporting Period**”) in which the provision for assets impairment is proposed to be included is from January 1, 2025 to December 31, 2025.

3. Approval procedures for the provision for assets impairment:

The provision for assets impairment was considered and approved at the 14th meeting of the sixth session of the Board. The audit committee of the Board (the “**Audit Committee**”) has made explanation on the reasonableness of the proposed provision for assets impairment. The provision for assets impairment is not subject to the consideration and approval at the general meeting of the Company.

(II) OVERVIEW OF ASSET WRITE-OFF

Pursuant to the relevant provisions of the ASBE and the accounting policies of the Company, to truly reflect the financial position and asset value of the Company, the Company writes off part of its accounts receivable that cannot be recovered. The amount of accounts receivable written off is RMB26,385,055.22.

The main reason for the asset write-off is that such accounts receivable have been confirmed unrecoverable. After prudent assessment by the management of the Company, the above amounts are written off. After write-off, the Company keeps record of the written-off accounts receivable for future reference so that the accounts are written off but the cases remain on file.

The Reporting Period in which the asset write-off is included is from January 1, 2025 to December 31, 2025.

II. DETAILS OF PROVISION FOR ASSETS IMPAIRMENT AND ASSET WRITE-OFF

(I) DETAILS OF PROVISION FOR ASSETS IMPAIRMENT

1. Loss on Credit Impairment

Based on the expected credit losses (the “ECLs”), the Company makes provision for impairment loss and recognizes loss allowance for financial assets measured at amortized cost and debt instruments investment at fair value through other comprehensive income. For trade receivables and contract assets which do not contain significant financing component, the Company uses a simplified measurement method to make provision for impairment loss based on the amount of lifetime ECLs. For lease receivables, receivables with significant financing components and contract assets, the Group has elected to apply the simplified measurement method and measure the loss allowance at an amount equal to the lifetime ECLs.

Except for the financial assets described above using the simplified measurement method, the Company assesses whether the credit risk of the financial assets has increased significantly since the initial recognition on each balance sheet date. Where the credit risk has not increased significantly since the initial recognition, as at the first stage, the loss allowance is measured at an amount equal to the amount of ECLs in the next 12-month, and the interest income is measured by carrying amount and the effective interest rate. Where the credit risk has increased significantly since initial recognition but not credit-impaired, as at the second stage, the loss allowance is measured at an amount equal to the amount of lifetime ECLs, and the interest income is measured by carrying amount and the effective interest rate. Where the financial assets are credit-impaired after initial recognition, as at the third stage, the loss allowance is measured at an amount equal to the amount of lifetime ECLs, and the interest income is measured by amortized cost and the effective interest rate. The Company assumes that the credit risk of a financial instrument has not increased significantly since the initial recognition if the financial instrument is determined to have low credit risk on the balance sheet date.

The Company assesses the ECLs of financial instruments individually and collectively. The Company considers the nature of credit risks of different customers, and assesses the ECLs of receivables based on common risk characteristics and aging portfolio of overdue debts. The Company calculates the overdue age based on the payment date specified in the contract. Except for the aforementioned financial instruments that are assessed collectively for ECLs, the Company assesses their ECLs individually. If the credit risk characteristics of a certain counterparty are significantly different from those of other counterparties in the portfolio, a provision for losses shall be made for the receivables from such counterparty on an individual basis.

Based on the aforementioned criteria, the provisions of impairment loss for receivables amount to RMB118.1825 million in 2025.

2. *Assets Impairment Loss*

(1) *Inventory impairment*

On the balance sheet date, inventories are measured at the lower of cost and net realizable value. If the cost of inventories is higher than the net realizable value, a provision for decline in the value of inventories is recognized in profit or loss for the relevant financial period.

Net realizable value is the estimated selling price in the ordinary course of business deducting the estimated costs upon completion, the estimated selling expenses and the related taxes. Provision is considered individually for all inventories. For inventories that relate to a product series that is produced and marketed in the same geographical area, have the same or similar uses or purposes, and cannot be practicably measured separately from other items, provision for decline in the value of inventories can be determined in aggregate.

According to the above accounting policies, the provision for inventory impairment amounted to RMB254,959,600 during the Reporting Period.

(2) *Impairment of construction in progress and intangible assets*

In accordance with Accounting Standard for Business Enterprises No. 8 – Asset Impairment and Accounting Standard for Business Enterprises No. 39 – Fair Value Measurement, if there is any indication of impairment, the recoverable amount of the asset shall be estimated. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset shall be written down to the recoverable amount, and the write-down amount shall be recognized as an asset impairment loss.

During the Reporting Period, the Company conducted impairment tests on construction in progress and intangible assets, and made provision for impairment of construction in progress of RMB36,585,200 and provision for impairment of intangible assets of RMB167,710,200.

(3) Impairment of long-term equity investment

On the balance sheet date (i.e. December 31, 2025), the Company assesses whether there is any indications of impairment on long-term equity investment in joint ventures. If there is any indication that an asset may be impaired, the recoverable amount of the asset is estimated and impairment test will be conducted. The recoverable amount is the higher of an asset's fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset. When the recoverable amount of an asset is less than its carrying amount, the Company will write down its carrying value to the recoverable amount, and the amount written down will be booked into the current profits and losses, and the corresponding provision for asset impairment will be made. The test shows that the long-term equity investment held by the Company in Dalian Ecopower Technology Co., Ltd. (大連伊科能源科技有限公司) has been impaired. As of the date of this announcement, according to sufficient communication between the finance department of the Company and auditors, and based on the principle of prudence, the provision for impairment of the long-term equity investment for 2025 is RMB10,303,000.

(II) Details of Asset Write-off

As of December 31, 2025, the Company and its subsidiaries have written off accounts receivable of RMB26,385,055.22, which are unrecoverable mainly due to factors such as abnormal operation, deregistration of the debtor entities, and are written off upon approval at a management meeting.

III. EFFECT OF PROVISION FOR ASSETS IMPAIRMENT ON FINANCIAL POSITION AND ASSET WRITE-OFF OF THE COMPANY

The provision for assets impairment will result in the reduction in the audited net profit of the Company in 2025 amounting to RMB587,740,500 (audited). The loss provision for assets impairment accounts for 36.44% of the absolute value of the net profit attributable to the owners of the parent company in 2025 of the Company.

The total amount of assets written off by the Company this time is RMB26,385,100, for which bad debt provision of RMB26,385,100 has been made. The asset write-off this time has no impact on the profit or loss for the Reporting Period.

IV. EXPLANATION OF THE BOARD ON THE REASONABLENESS OF THE PROVISION FOR ASSETS IMPAIRMENT AND ASSET WRITE-OFF

The provision for assets impairment and asset write-off of the Company complies with the ASBE and the relevant accounting policies implemented by the Company. By way of the provision for assets impairment and asset write-off, the financial report of the Company would reflect the asset condition and financial position of the Company at the end of the Reporting Period in a fairer manner, which is in line with the principle of accounting prudence and in the long-term interest of the Company and its shareholders as a whole.

V. OPINIONS OF THE AUDIT COMMITTEE OF THE BOARD ON PROVISION FOR ASSETS IMPAIRMENT AND ASSET WRITE-OFF

The Audit Committee of the Board is of the view that the provision for assets impairment and asset write-off is in line with the ASBE and the relevant accounting policies of the Company. Based on the principle of prudence, the provision method and amount can objectively and fairly reflect the financial position and operating results of the Company and does not prejudice the interest of the Company and its shareholders, in particular minority shareholders as a whole. All members of the Audit Committee approve the provision for assets impairment and asset write-off and submit it to the Board for consideration.

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

Jiangxi, PRC
March 30, 2026

As at the date of this announcement, the Board comprises Mr. LI Liangbin, Mr. WANG Xiaoshen, Mr. SHEN Haibo, Ms. HUANG Ting and Mr. LI Chenglin as executive directors of the Company; Ms. LUO Rong as non-executive director of the Company; Mr. WANG Jinben, Mr. WONG Ho Kwan, Mr. XU Jianzhang and Mr. XU Guanghua as independent non-executive directors of the Company; and Ms. LIAO Cui as employee director of the Company.