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TIANQI LITHIUM

Tianqi Lithium Corporation

天齊鋰業股份有限公司

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

(Stock Code: 9696)

PROFIT WARNING

The Board hereby informs the shareholders and potential investors of the Company that, the financial department of the Company conducted preliminary estimate in accordance with the Chinese Accounting Standards for Business Enterprises, and expected that, for the year ended 31 December 2023, (i) the net profit attributable to the shareholders of the Company would range from RMB6,620 million to RMB8,950 million, representing a decrease of approximately 62.90% to 72.56% as compared with that of RMB24,124.58 million for the corresponding period of last year; (ii) the net profit after deducting the non-recurring profit or loss would range from RMB6,500 million to RMB8,820 million, representing a decrease of approximately 61.75% to 71.81% as compared with that of RMB23,059.43 million for the corresponding period of last year; and (iii) the basic earnings per share would range from RMB4.04 per share to RMB5.46 per share (the corresponding period of last year: RMB15.52 per share).

This announcement is made by Tianqi Lithium Corporation (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

PROFIT WARNING

The board of directors (the “**Director(s)**”) of the Company (the “**Board**”) hereby informs the shareholders and potential investors of the Company that, the financial department of the Company conducted preliminary estimate in accordance with the Chinese Accounting Standards for Business Enterprises, and expected that, for the year ended 31 December 2023 (the “**Reporting Period**”), (i) the net profit attributable to the shareholders of the Company would range from RMB6,620 million to RMB8,950 million, representing a decrease of approximately 62.90% to 72.56% as compared with that of RMB24,124.58 million for the corresponding period of last year; (ii) the net profit after deducting the non-recurring profit or loss would range from RMB6,500 million to RMB8,820 million, representing a decrease of approximately 61.75% to 71.81% as compared with that of RMB23,059.43 million for the corresponding period of last year; and (iii) the basic earnings per share would range from RMB4.04 per share to RMB5.46 per share (the corresponding period of last year: RMB15.52 per share).

Based on the information currently available, the Board believes that the changes of the Company's results for the year of 2023 were mainly attributable to that:

1. Affected by the volatility in the lithium chemical product market, the Company witnessed a decline in the sales price of its lithium chemical products compared to the previous year, and the gross profit of the lithium chemical products decreased;
2. The increase in the sales price of lithium concentrates compared to the previous year has led to an increase in the net profit of the Company's controlling subsidiary, Windfield Holdings Pty Ltd, resulting in an increase in income tax expenses and minority interest income;
3. Up to the date of this announcement, Sociedad Química y Minera de Chile S.A. ("SQM"), an important associate of the Company, has not released its fourth quarterly results report of the year 2023. After a thorough consideration of all the reliable information that can be used, the Company, as previous, adopted the forecast by Bloomberg on the earnings per share of SQM for the fourth quarter of the year 2023 and other information, in the calculation of the estimated investment income from SQM generated by the Company during the corresponding period. Based on the above forecast, the annual results of SQM in 2023 will witness a year-on-year decrease, therefore the investment income generated by the Company from the investment in SQM for the Reporting Period will also decrease compared with 2022;
4. In 2022, SES Holdings Pte. Ltd ("SES"), an associate of the Company, was listed on the New York Stock Exchange, resulting in a passive dilution to the Company's shareholding in SES and therefore the loss of the Company's material influence over SES. Investment income was generated accordingly as the long-term equity investment was transformed into other equity instrument investment. There were no such occurrences in 2023, leading to a year-on-year decrease in investment income of approximately RMB1,200 million. The aforementioned investment income derived from the passive disposal of a long-term equity investment due to the passive dilution to the Company's shareholding in SES is classified as non-recurring profit or loss;
5. Taking into account the market conditions, the Company's operating performances and other factors, and in accordance with the "Accounting Standards for Business Enterprises No. 8 – Asset Impairment" along with relevant accounting policies, the Company will perform an impairment test on assets displaying indications of impairment at the date of the 2023 balance sheet. According to preliminary calculations conducted by the financial department based on the current circumstances, it is anticipated that provisions for impairment losses on assets for the Reporting Period will increase compared with the previous year.

RISK WARNING

1. The financials related to this estimated results are the preliminary estimates by the financial department of the Company in accordance with the Chinese Accounting Standards for Business Enterprises, which have not been audited by any audit institution. The Company has pre-communicated with the annual audit institution on matters related to the forecast result, and there is no material difference between the Company and the audit institution on the forecast result of the Reporting Period as of the date of this announcement. As the auditing work for 2023 is still in progress, please refer to the final financials disclosed in the 2023 annual report to be published in due course by the Company in accordance with requirements under the listing rules of the jurisdictions at which the shares of the Company are listed.
2. In the meanwhile, the Company is currently compiling the financials in accordance with the International Financial Reporting Standards. In the event of significant disparities between the financials under International Financial Reporting Standards and those presented in this announcement, the Company will make further announcements in due course.
3. SQM, an important associate of the Company, is a company listed on the Santiago Stock Exchange of Chile and the New York Stock Exchange of the United States of America. According to the information disclosure rules of the two stock exchanges, SQM releases its fourth quarterly results report later than the results forecast of the Company, and the Company cannot announce SQM's results before SQM releases its fourth quarterly financial information. As of the date of this announcement, SQM has not yet announced its results report for the fourth quarter. In accordance with Article 9 of the Accounting Standards for Business Enterprises No. 32 – Interim Financial Reports, the Company estimates SQM's operating profit and loss in the fourth quarter of the year 2023 through its financial calculation model combined with the earnings per share of the fourth quarter of the year 2023 forecast by Bloomberg and other information, and estimates the investment income in SQM based on the Company's shareholding percentage therein. Such investment income may differ from the accrued investment income calculated by SQM's actual reported net profit based on the Company's shareholding percentage therein. The Company will make timely accounting treatment and timely information disclosure in strict accordance with the applicable accounting standards and information disclosure rules based on the amount of difference and the impact on the financial information of the Company. Please refer to the 2023 annual report to be published by the Company in due course, in accordance with the requirements under the listing rules of the jurisdictions at which the shares of the Company are listed.

Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

By order of the Board
Tianqi Lithium Corporation
Jiang Weiping
Chairman of the Board and Executive Director

Hong Kong, 30 January 2024

As at the date of this announcement, the Board comprises Mr. Jiang Weiping, Ms. Jiang Anqi, Mr. Ha, Frank Chun Shing and Mr. Zou Jun as executive Directors, and Mr. Xiang Chuan, Ms. Tang Guoqiong, Ms. Huang Wei and Ms. Wu Changhua as independent non-executive Directors.