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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 2024, (i) the net loss attributable to the shareholders of the Company is estimated to range from RMB7,100 million to RMB8,200 million, as compared with that of RMB7,297.32 million for the corresponding period of last year; (ii) the net loss after deducting the non-recurring profit or loss is estimated to range from RMB7,100 million to RMB8,200 million, as compared with that of RMB7,176.53 million for the corresponding period of last year; and (iii) the basic loss per share is estimated to range from RMB4.33 to RMB5.00, as compared with the basic earnings per share of RMB4.45 for the corresponding period of last year.

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 2024 (the “**Reporting Period**”), (i) the net loss attributable to the shareholders of the Company is estimated to range from RMB7,100 million to RMB8,200 million, as compared with that of RMB7,297.32 million for the corresponding period of last year; (ii) the net loss after deducting the non-recurring profit or loss is estimated to range from RMB7,100 million to RMB8,200 million, as compared with that of RMB7,176.53 million for the corresponding period of last year; and (iii) the basic loss per share is estimated to range from RMB4.33 to RMB5.00, as compared with the basic earnings per share of RMB4.45 for the corresponding period of last year.

Based on the information currently available, the Board believes that the changes of the Company's results for the year of 2024 were mainly attributable to that:

1. Although the production and sales volume of the Company's lithium compounds and derivatives for the year 2024 and for the fourth quarter of 2024 achieved year-on-year and quarter-on-quarter growth respectively, the overall market price of lithium products during the Reporting Period experienced a significant downward trend due to market volatility of the lithium products, which led to a substantial decline in the Company's lithium product sales prices and gross profit compared to the same period of last year. Additionally, due to time cycle mismatch between the pricing mechanisms for chemical-grade lithium concentrates of the Company's holding subsidiary, Talison Lithium Pty Ltd ("**Talison**"), and the sales and pricing mechanisms for the Company's lithium chemical products, the Company's operational performance experienced a temporary loss during the Reporting Period. In 2024, as the market price of chemical-grade lithium concentrates progressively decreased, the price of lithium concentrates newly procured from Talison decreased accordingly. As the newly procured low-cost lithium concentrates gradually entered inventory and the existing stock of lithium concentrates was progressively consumed, the costs of chemical-grade lithium concentrates used in production across the Company's various production bases began to steadily align with the latest procurement prices. Consequently, the impact of the temporary mismatch in the lithium concentrates pricing mechanism diminished over time.
2. As of the date of this announcement, Sociedad Química y Minera de Chile S.A. ("**SQM**"), an important associate of the Company, has not yet released its fourth quarterly results report for 2024. After thoroughly considering all reliable information available, the Company, adhering to its consistent approach, utilized a financial calculation model based on Bloomberg's forecast of SQM's earnings per share for the fourth quarter of 2024 and other relevant information to estimate the investment income from SQM generated by the Company for the corresponding period. In addition, in its first quarterly results report for 2024, SQM disclosed that in April 2024, the Santiago Court of Appeal in Chile ruled on the tax claims for the 2017 and 2018 tax years, revoking the conclusion of the ruling of the Tax and Customs Court on the case on 7 November 2022, resulting in the recognition of approximately USD1.1 billion in income tax expenses and a corresponding reduction in net profit of SQM being approximately USD1.1 billion. Based on the aforementioned forecast data by Bloomberg, the annual results of SQM in 2024 is expected to witness a substantial year-on-year decline. Consequently, the investment income from SQM recognized by the Company for the Reporting Period will also decrease significantly compared with 2023.
3. The Company, in accordance with the Chinese Accounting Standards for Business Enterprises No. 8 – Asset Impairment and other relevant regulations, conducted an analysis and evaluation of the "Battery-grade Lithium Hydroxide Monohydrate Project with an Annual Capacity of 24,000 Tons" and the "Train II Battery-grade Lithium Hydroxide Monohydrate Project with an Annual Capacity of 24,000 Tons" (the "**Overseas Lithium Hydroxide Projects**"), according to which, an impairment test has been carried out. Following the principle of prudence, it is expected that the asset impairment losses recognized by the Company for the Reporting Period will increase as compared to 2023;
4. Since 2024, the US dollar has continued to reach highs. During the Reporting Period, exchange rate fluctuations of the Australian dollar and the Renminbi against the US dollar have resulted in an increase in exchange losses compared to 2023.

RISK WARNING

1. The estimated results are preliminary assessments prepared by the financial department of the Company and have not been audited by any audit institution. For specific financials, please refer to the 2024 annual report to be published by the Company.
2. 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 quarterly financial report later than the results forecast of the Company, and the Company cannot announce SQM's results before SQM releases its quarterly financial information. 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 2024 through its financial calculation model combined with the earnings per share of the fourth quarter of the year 2024 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 conduct timely accounting treatment and information disclosure in strict compliance with applicable accounting standards and information disclosure rules based on the amount of difference and its impact on the financial information of the Company. For specific financials, please refer to the financials disclosed in the 2024 annual report to be published by the Company.

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 Anqi
Chairlady of the Board and Executive Director

Hong Kong, 23 January 2025

As at the date of this announcement, the Board comprises Ms. Jiang Anqi, Mr. Jiang Weiping, 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.