

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

UPDATE ON THE SIGNIFICANT AGREEMENT ENTERED INTO BY A MAJOR INVESTEE OF THE COMPANY

References are made to the announcements of Tianqi Lithium Corporation (the “**Company**”) dated 3 June 2024, 19 June 2024, 29 July 2024, 12 November 2025 and 24 November 2025 (the “**Announcements**”) regarding the signing of the Partnership Agreement between the Company’s major investee SQM and Codelco and the claim of illegality submitted by a wholly-owned subsidiary of the Company. Unless otherwise indicated, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements.

PROGRESS UPDATE

On 27 December 2025, Chile local time, SQM disclosed that it has completed its strategic partnership with Codelco, and that the name of the Joint Venture, SQM Salar, will be changed to Nova Andino Litio SpA.

This merger has been implemented in accordance with the terms set out in the Partnership Agreement signed by the parties on 31 May 2024. However, the merger remains subject to a resolutive condition pending the Supreme Court’s decision on an appeal filed by Tianqi Chile, a wholly-owned subsidiary of the Company.

SQM announced that, the preferences and economic rights of Series A shares (Codelco) and Series B shares (SQM S.A.), as described in the Partnership Agreement, became effective on 1 January 2025. These rights include the distribution and payment of dividends according to the methodology established in the agreement. SQM and the Joint Venture are currently working on determining the dividends to be distributed under this methodology, along with reviewing other accounting effects resulting from the merger. These will be reflected in SQM’s consolidated annual financial statements for 2025 and in the Joint Venture’s financial statements.

(Note: The above summary is an interpretation translated from SQM’s Spanish-language announcement. For the authoritative content, please refer to the Spanish-language text as disclosed by SQM.)

IMPACTS ON THE COMPANY

According to SQM's announcement, the transaction remains subject to a resolutive condition pending the decision of the Supreme Court of Chile on the appeal filed by Tianqi Chile, a wholly-owned subsidiary of the Company.

If the transaction is completed as described in SQM's announcement, the Partnership Agreement has been effective since 1 January 2025. Following its effectiveness, the agreement is expected to have an impact on the investment income and dividend entitlements attributable to the Company's long-term equity interest in SQM. As SQM and the Joint Venture are currently determining the dividends to be distributed under the methodology specified in the Partnership Agreement, while simultaneously reviewing other accounting effects arising from the transaction, the relevant matters will be reflected in SQM's consolidated annual financial statements for 2025 and in the Joint Venture's financial statements. As of the date of this announcement, the Company has not yet obtained SQM's consolidated annual financial statements for 2025 and is therefore temporarily unable to estimate the specific impact of this matter on its financial position and operating performance for the year 2025.

The impairment testing of the Company's long-term equity investment in SQM has been conducted based on the Partnership Agreement disclosed by SQM and other relevant information. The effectiveness of the Partnership Agreement does not change the assumptions underlying such impairment testing and is not expected to have a material impact on current-period profit. At the same time, the effectiveness of the Partnership Agreement is not expected to affect the Company's continued application of the equity method in accounting for and subsequently measuring its long-term equity investment in SQM. The Company will continue to closely monitor updates from SQM and, in light of the subsequent progress of the relevant transaction as well as future market conditions and other factors, will conduct ongoing and dynamic assessments of the potential impact. Should there be any material information updates or significant developments in the future, the Company will promptly fulfill its disclosure obligations in accordance with applicable laws and regulations.

RISKS

1. Risk that the Transaction May Not Be Completed

As SQM's mining and operating rights for its lithium business in the Salar de Atacama were originally scheduled to expire in 2030, if the transaction fails to be completed, no better alternative arrangement is subsequently available, and SQM fails to obtain new lithium extraction quotas for the Salar de Atacama in a timely manner, SQM's lithium operations in the Salar de Atacama may no longer be able to continue. Given the proportion of this segment in SQM's overall operating revenue and profits, SQM's operating performance would be materially affected, which possibly exerting a negative impact on the Company's investment returns from its equity interest in SQM.

The Company will continue to closely monitor subsequent developments of the relevant transaction, dynamically assess the potential impact on the Company, timely adopt appropriate risk control measures, strengthen communication and coordination with relevant parties, and proactively respond to various possible scenarios, so as to safeguard, to the greatest extent possible, the Company's legitimate rights and interests as one of SQM's shareholders and protect the interests of the Company and all shareholders from impairment.

2. Risk of SQM Losing Control over Its Core Lithium Business

At present, SQM has control over its lithium business in Chile. Upon the effectiveness of the partnership with Codelco, although SQM's mining and operating rights for the lithium business in the Atacama Salar are expected to be extended from the original expiry in 2030 to 2060, and the authorized production quota for lithium extraction in the Salar de Atacama during the period from 2025 to 2030 is proposed to be increased, from the effective date of the Partnership Agreement the core lithium business in the Salar de Atacama will be held through a joint venture in which Codelco will own a majority equity interest, and the joint venture will be consolidated into Codelco's financial statements starting from the Second Period.

In the future, it is expected that from 2031 onwards, SQM will no longer have control over its core lithium business in the Salar de Atacama in Chile. The loss of control may lead to adjustments to SQM's strategic planning, or prevent existing strategic plans from being effectively implemented, or affect SQM's sustainable development due to differences in decision-making efficiency or decision-making objectives.

3. Risk that Changes in SQM's Lithium Business Earnings May Affect the Company's Investment Returns and Economic Interests

According to SQM's previous announcements, although the Partnership Agreement provides that SQM will enter into an amended Corfo-SQM contract with Corfo to increase the production quota by 300,000 tons of lithium carbonate equivalent (LCE) prior to 2030, there remains a degree of uncertainty as to whether such additional production quota can be fully achieved and the economic benefits that may be derived therefrom. In addition, following completion of the transaction, there is uncertainty regarding the costs associated with the potential increase in lithium business quotas of the Joint Venture from 2031 to 2060. Additionally, Codelco will acquire more than 50% of the interests in SQM's operations in Chile's Atacama Salar, which may lead to a reduction in SQM's future earnings, thereby adversely affecting the Company's investment returns and dividends from its equity interest in SQM. In the future, there may also be a possibility that impairment provisions will need to be recognized in respect of such investment.

The Company will continue to closely monitor updates from SQM and will promptly conduct prudent assessments from financial, commercial, legal, and governance perspectives, as appropriate.

4. Risk that the Company's Rights to Participate in SQM's Corporate Governance May Be Affected

SQM is one of the Company's important investee companies. Under the previous investment agreements, the Company is entitled to nominate three independent directors to the board of SQM. According to the Partnership Agreement disclosed by SQM, SQM intends to transfer to the joint venture certain assets, contracts, employees, and resources related to the business that currently do not belong to the Joint Venture, and to establish the Joint Venture with Codelco at the subsidiary level, together with making corresponding governance arrangements at the Joint Venture level.

Under such circumstances, it cannot be ruled out that the lawful rights and supervisory influence of the directors nominated by the Company at the level of SQM as a listed company may be weakened, which could result in the Company's interests as the second-largest shareholder, as well as the interests of other minority shareholders, not being effectively safeguarded. The Company will closely monitor developments, and will timely adjust its strategies and measures to ensure that its legitimate rights and interests are not impaired.

Going forward, the Company will continue to closely follow the progress of this matter, actively exercise its reasonable shareholder rights, and prudently conduct relevant analyses and assessments. Should there be any material information updates or significant developments in the future, the Company will promptly fulfill its disclosure obligations in accordance with applicable laws and regulations.

Shareholders and potential investors of the Company should exercise caution when dealing with the shares of the Company.

By order of the Board
Tianqi Lithium Corporation
Jiang Anqi
Chairlady of the Board and Executive Director

Hong Kong, 29 December 2025

As at the date of this announcement, the Board of the Company 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.