
FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

Please refer to the section headed “Business—Development Strategies” in this Prospectus for a detailed discussion of our future plan.

USE OF PROCEEDS

The net proceeds of the Global Offering (after deducting the relevant expenses) are estimated to be approximately HK\$12,022 million before any exercise of the Over-allotment Option, assuming an Offer Price of HK\$75.5 per H Share, being the mid-point of the indicative Offer Price range between HK\$69.0 and HK\$82.0 per H Share. If the Over-allotment Option is exercised in full, we estimate that the additional net proceeds to our Company from the offering of these additional H Shares will be approximately HK\$1,812 million, after deducting the relevant expenses, assuming an Offer Price of HK\$75.5 per H Share. We intend to apply the net proceeds (approximately HK\$12,022 million) from the Global Offering (assuming the Over-allotment Option is not exercised) in the following manner:

- Approximately HK\$8,865 million of the net proceeds will be used to repay the outstanding balance of the SQM Indebtedness. For details of the SQM Indebtedness, please refer to the section headed “Financial Information—Indebtedness relating to the SQM Transaction”.
- Approximately HK\$1,170 million of the net proceeds will be used to fund the construction of Phase I of the Anju Plant.
- Approximately HK\$785 million of the net proceeds will be used to repay certain PRC domestic bank loans with interest rates range from 4.35% to 5.49% and maturity dates range from September 2022 to June 2025, which were used for working capital purposes and the construction of Tianqi Global Research Center in Tianfu New District, Chengdu, China.
- The remaining HK\$1,202 million of the net proceeds will be used for working capital and general corporate purposes.

If the Offer Price is set at the high-end or the low-end of the indicative Offer Price range, being HK\$82.0 or HK\$69.0 per H Share, respectively, the net proceeds to us from the Global Offering (assuming that the Over-allotment Option is not exercised) will respectively increase or decrease by approximately HK\$1,040 million. If we make a Downward Offer Price Adjustment to set the final Offer Price at HK\$62.1 per Offer Share, the estimated net proceeds we will receive from the Global Offering (assuming that the Over-allotment Option is not exercised) will be further reduced by an additional amount of approximately HK\$1,104 million.

If the Over-allotment Option is exercised in full, we estimate that we will receive total net proceeds of approximately HK\$12,637 million at the low-end of the indicative Offer Price range of HK\$69.0 per Offer Share and HK\$15,030 million at the high-end of the indicative Offer Price range of HK\$82.0 per Offer Share, after deducting the estimated underwriting fees and expenses payable by us.

To the extent that the net proceeds from the Global Offering (including the net proceeds from the exercise of the Over-allotment Option) are either more or less than expected, the net proceeds of HK\$8,865 million will first be applied to the first purpose mentioned above (namely to repay the

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outstanding balance of the SQM Indebtedness), and the remaining amount will increase or decrease accordingly and be applied to the second, third and fourth purposes mentioned above (namely to fund the construction of the Phase I of the Anju Plant, repayment of domestic bank loans, as well as general corporate purposes).

To the extent that the net proceeds of the Global Offering are not immediately required for or applied for the above purpose, we will hold such funds in short-term deposits with licensed banks and authorized financial institutions in Hong Kong or in the PRC.