
LithiumArgentina

LITHIUM ARGENTINA AG
ZUG, SWITZERLAND

**STATUTORY FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 23, 2025 TO DECEMBER 31, 2025**

(Expressed in USD'000, with supplementary information in CHF'000)



Report of the statutory auditor to the General Meeting of Lithium Argentina AG, Zug

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Lithium Argentina AG (the Company), which comprise the balance sheet as at 31 December 2025, and the income statement for the period from 23 January 2025 to 31 December 2025, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

The accompanying financial statements have been prepared assuming that the Company will continue as going concern. As discussed in Note 1 to the financial statements, the Company's ability to maintain normal operations and meet its current debt obligations depends on generating and repatriating sufficient cash flows from lithium carbonate production at Cauchari-Olaroz, or alternatively, securing additional financing, and the Company has stated that these conditions, among others, give rise to material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The Company's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. If it is not possible for the Company to continue as a going concern, the financial statements will need to be prepared on the basis of liquidation values. This would lead to a substantiated concern that the Company's liabilities exceed its assets within the meaning of article 725b CO, requiring compliance with the corresponding legal provisions. Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers AG, Dammstrasse 21, 6300 Zug
+41 58 792 68 00

Our audit approach



Overview

Overall materiality: USD 11,000 thousand

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

As key audit matter the following area of focus has been identified:

- Assessment of the recoverability of investments

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	USD 11,000 thousand
Benchmark applied	Total assets
Rationale for the materiality benchmark applied	We selected total assets as the benchmark because, in our view, it is the measure most commonly used to assess the performance of the Company, which primarily holds investments in Group entities, and it is a generally accepted benchmark for holding companies.



Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Material uncertainty related to going concern' section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Assessment of the recoverability of investments

Key audit matter	How our audit addressed the key audit matter
<p>The Company's investments are recognised at USD 710 million (equivalent to CHF 563 million) as at 31 December 2025.</p> <p>Investments are measured at acquisition cost plus subsequent capital contributions, less any impairment losses arising from project-level valuations. Investments are assessed individually on an annual basis and written down to the recoverable amount if necessary.</p> <p>We considered the recoverability of investments as a key audit matter because of the magnitude of the investments' balance and the significant judgement involved in management's estimate when determining the recoverable amounts of the investments.</p> <p>Please refer to Note 3.2 (Investments).</p>	<p>We assessed the recoverability of the Company's investments in particular by performing the following audit procedures:</p> <ul style="list-style-type: none">• We reviewed management's assessment as to whether events or circumstances existed that indicate the presence of impairment indicators and reviewed the underlying documents used.• With the support of our internal valuation experts, we evaluated the appropriateness and mathematical accuracy of the applied valuation model and challenged the key assumption used.• In selected cases, we compared the recoverable amount with the corresponding carrying amount of the investment.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

Based on our audit according to article 728a para. 1 item 2 CO, we confirm that the Board of Directors' proposal complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Joanne Burgener
Licensed audit expert
Auditor in charge

Bastian Stolzenberg
Licensed audit expert

Zug, 23 March 2026

Enclosures:

- Financial statements (balance sheet, income statement and notes)
- Board of Directors' proposal in accordance with article 728a para. 1 item 2 CO

LITHIUM ARGENTINA AG
ZUG, SWITZERLAND
BALANCE SHEET

(Expressed in thousands of US dollars and Swiss francs)

	Note	December 31, 2025	
		US\$	CHF
CURRENT ASSETS			
Cash and cash equivalents		58,058	46,058
Trade receivables:		23,209	18,411
<i>due from third parties</i>		23,209	18,411
Other current receivables		175	137
<i>due from third parties</i>		175	137
Short-term loans intercompany		841	667
TOTAL CURRENT ASSETS		82,283	65,273
NON-CURRENT ASSETS			
Financial assets	3.1	338,872	268,827
<i>long-term receivables third parties</i>		19,784	15,695
<i>long-term receivables intercompany</i>		10,755	8,532
<i>long-term loans related parties</i>		308,333	244,600
Investments	3.2	710,121	563,339
TOTAL NON-CURRENT ASSETS		1,048,993	832,166
TOTAL ASSETS		1,131,276	897,439
SHORT-TERM LIABILITIES			
Trade payables		25,581	20,293
<i>due to third parties</i>		25,581	20,293
Short term convertible debt	3.3	258,750	205,266
<i>due to third parties</i>		258,750	205,266
Share-based compensation accrual	3.4	15,038	11,929
Accrued expenses		5,668	4,496
TOTAL SHORT-TERM LIABILITIES		305,037	241,984
LONG-TERM LIABILITIES			
Share-based compensation accrual	3.4	18,592	14,750
TOTAL LONG-TERM LIABILITIES		18,592	14,750
TOTAL LIABILITIES		323,629	256,734
SHAREHOLDERS' EQUITY			
Share capital	3.5	1,624	1,288
Legal capital reserves		1,275,716	1,012,025
<i>Reserves from capital contribution</i>		1,275,716	1,012,025
Accumulated losses		(469,693)	(372,608)
<i>Losses carried forward</i>		(449,977)	(356,967)
<i>Loss for the period</i>		(19,716)	(15,641)
TOTAL SHAREHOLDERS' EQUITY		807,647	640,705
TOTAL LIABILITIES AND EQUITY		1,131,276	897,439

Nature of Operations and Going Concern (Note 1)

Approved by the Board of Directors on March 23, 2026

LITHIUM ARGENTINA AG
ZUG, SWITZERLAND
INCOME STATEMENT

(Expressed in thousands of US dollars and Swiss Francs)

	Note	Period January 23, 2025 to December 31, 2025	
		US\$	CHF
Personal expenses	3.7	(32,952)	(26,141)
Other operating expenses	3.8	(8,016)	(6,359)
Financial expenses	3.9	(4,559)	(3,617)
Financial income	3.10	29,563	23,453
Non-recurring expenses	3.11	(3,752)	(2,977)
Loss before taxes		(19,716)	(15,641)
Current tax expense	3.12	-	-
Loss for the period		(19,716)	(15,641)

LITHIUM ARGENTINA AG
ZUG, SWITZERLAND
NOTES TO THE STATUTORY FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 23, 2025 TO DECEMBER 31, 2025

(Expressed in thousands of US dollars and Swiss francs, except for per share amounts, per tonne amounts, shares and equity instruments)

1. NATURE OF OPERATIONS AND GOING CONCERN

Lithium Argentina AG (“Lithium Argentina”, the “Company” or “LAR”) is a Swiss-domiciled resource company with lithium projects located in Argentina.

On January 23, 2025, the Company completed a plan of arrangement under the laws of the province of British Columbia (the “Arrangement”) involving the Company’s continuation from the province of British Columbia under the name “Lithium Americas (Argentina) Corp.” into Zug, Canton of Zug, Switzerland, as a Swiss share corporation under the name “Lithium Argentina AG.” As a result, the Company ceased to be governed by the Business Corporations Act (British Columbia). Following the Arrangement, the shareholders of the Company prior to the Arrangement continued to hold all the issued and outstanding common registered shares of the Company (the “Continuation”). On January 27, 2025, the Company began trading under the new symbol “LAR” on the Toronto Stock Exchange (“TSX”) and the New York Stock Exchange (“NYSE”).

The Company is focused on the operations of the Cauchari-Olaroz project (“Cauchari-Olaroz”). Cauchari-Olaroz is a lithium brine operation located in the Salar de Olaroz and Salar de Cauchari in Jujuy province, north-western Argentina. The Company’s interest in Cauchari-Olaroz is held through a 44.8% ownership interest in Minera Exar S.A. (“Minera Exar”), a company incorporated under the laws of Argentina. Ganfeng Lithium Co. Ltd. (“Ganfeng”) owns 46.7% of Minera Exar with the remaining 8.5% interest held by Jujuy Energia y Minería Sociedad del Estado (“JEMSE”), a mining investment company owned by the provincial government of Jujuy. Cauchari-Olaroz is in the production stage and achieved commercial production effective October 1, 2024.

The Company also owns 85.1% interest in the Pastos Grandes lithium project (“Pastos Grandes”) acquired through the acquisition of Millennial Lithium Corp. (“Millennial”) on January 25, 2022, and a 65% ownership interest in the Sal de la Puna project (“Sal de la Puna”), held by the Company’s wholly-owned subsidiary Arena Minerals Inc. (“Arena Minerals”) which was acquired on April 20, 2023. Pastos Grandes and Sal de la Puna are lithium brine projects located in Salta province, in north-western Argentina.

The Company’s registered office is located at Dammstrasse 19, 6300 Zug, Switzerland.

Lithium Argentina AG prepares consolidated financial statements in accordance with IFRS Accounting Standards, a recognised accounting standard. Accordingly, in accordance with Art. 961d para. 1 of the Swiss Code of Obligations, the Company is exempt from preparing a cash flow statement and a management report for the statutory financial statements. The notes to these statutory financial statements are presented in the reduced scope required under the Swiss Code of Obligations.

These statutory financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for at least the next twelve months.

As at December 31, 2025, the Company had cash and cash equivalents of \$58,058 and equity-settleable convertible notes with a face value of \$258,750 due on January 15, 2027. Subsequent to December 31, 2025, the Company’s 44.8% owned operating project, Cauchari-Olaroz held through its equity stake in Minera Exar, distributed \$41,755 to the Company. In addition, subsequent to year-end, the Company entered into a six-year \$130,000 debt facility with Ganfeng bearing interest at SOFR plus 2.5% (the “Debt Facility”).

LITHIUM ARGENTINA AG
ZUG, SWITZERLAND
NOTES TO THE STATUTORY FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 23, 2025 TO DECEMBER 31, 2025

(Expressed in thousands of US dollars and Swiss francs, except for per share amounts, per tonne amounts, shares and equity instruments)

1. NATURE OF OPERATIONS AND GOING CONCERN *(continued)*

Subsequent to year-end, realized lithium carbonate prices increased to an average of approximately \$17,000 per tonne in January and February 2026. For year 2026, Cauchari-Olaroz is expected to produce between 35,000 and 40,000 tonnes of lithium carbonate on a 100% basis and generate significant operational cash flow. In accordance with shareholder agreement that regulates governance of Cauchari-Olaroz, any excess cash flow (as defined in the shareholder agreement), from Cauchari-Olaroz is distributed among the Company and Ganfeng until a joint decision on any expansion plan is finalized.

The Company expects distributions from Cauchari-Olaroz to be sufficient to service the current portion of its long-term debt. However, its ability to maintain normal operations and meet these obligations ultimately depends on generating and repatriating sufficient cash flows from lithium carbonate production at Cauchari-Olaroz, or alternatively, securing additional financing.

The significance of the assumptions underlying the forecast cash flows from Cauchari-Olaroz, the amount and timing of distribution of the cash flow to the Company and the requirement to satisfy the current portion of long-term debt, gives rise to material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. Although the Company has been successful in obtaining distribution of cash flow from Cauchari-Olaroz and obtaining financing in the past, there can be no assurance that it will be able to distribute sufficient additional cash flow and obtain adequate financing in the future or that such financing will be available on terms acceptable to the Company.

If the Company is unable to continue as a going concern, material adjustments to the recoverability and amounts of assets and liabilities, the reported expenses, and the balance sheet classifications of assets and liabilities may be required. These financial statements do not include any adjustments that may result from the outcome of this uncertainty.

2. PRINCIPLES

These financial statements have been prepared in accordance with the provisions of the Swiss Code of Obligations (CO), Title 32, Articles 958–961d, governing accounting and financial reporting. Figures are presented in thousands of United States dollars ("US\$", or "\$"), and thousands of Swiss francs ("CHF"), except for share numbers and equity instruments. The Company's functional and presentation currency is the United States dollar. The CHF amounts are provided for information purposes only and have been translated using the year-end exchange rate.

Where not prescribed by law, the significant accounting and valuation principles applied are described below.

2.1 Trade receivables

Trade receivables are recognized at nominal value less specific allowances for doubtful accounts, where applicable.

2.2 Financial assets

Financial assets comprise long-term loans and receivables due from subsidiaries, associates and external parties. They are carried at nominal value less impairment losses where recoverability is considered doubtful.

LITHIUM ARGENTINA AG
ZUG, SWITZERLAND
NOTES TO THE STATUTORY FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 23, 2025 TO DECEMBER 31, 2025

(Expressed in thousands of US dollars and Swiss francs, except for per share amounts, per tonne amounts, shares and equity instruments)

2. PRINCIPLES *(continued)*

2.3 Investments

Investments are measured at acquisition cost plus subsequent capital contributions, less any impairment losses. Investments are assessed individually on an annual basis and written down to recoverable amount if necessary (individual valuation principle).

2.4 Trade payables

Trade payables are recognized at nominal value.

2.5 Short-term convertible debt

Short-term convertible debt represents interest-bearing liabilities recognized at nominal value.

2.6 Share-based compensation

Share-based compensation granted by the Company to directors, officers and employees is settled by delivery of the Company's shares. The compensation expense is measured based on the fair value of the equity instruments at the grant date, determined using the Company's share price at that date, and recognised as personnel expenses on a straight-line basis over the vesting period.

These compensation arrangements are recognised as a liability until settlement. The liability is remeasured at each reporting date based on the Company's share price at the balance sheet date, with changes in measurement recognised in personnel expenses.

Upon exercise or settlement of the awards, the difference between the exercise price and the share price used in the most recent measurement of the liability is recognised in personnel expenses in the period of settlement.

2.7 Functional and presentation currency; translation into CHF

The Company's functional, reporting, and presentation currency is US\$, as substantially all transactions, financing activities, and investments are denominated in US\$.

For statutory filing purposes in Switzerland, an additional presentation in CHF is provided. The CHF amounts are translated solely for information purposes using the year-end exchange rate published by the Swiss National Bank.

Date	USD/CHF Exchange Rate
January 23, 2025	0.9072
December 31, 2025	0.7933

LITHIUM ARGENTINA AG
ZUG, SWITZERLAND
NOTES TO THE STATUTORY FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 23, 2025 TO DECEMBER 31, 2025

(Expressed in thousands of US dollars and Swiss francs, except for per share amounts, per tonne amounts, shares and equity instruments)

3. Information on balance sheet and income statement items

3.1 Financial assets

Financial assets include long-term receivables from third parties, intercompany receivables, and long-term loans advanced to Exar Capital, which were used to finance the construction and working-capital requirements of Cauchari-Olaroz.

Loans to Exar Capital are denominated in US\$, and are stated at nominal value less impairment. Management assessed these balances for recoverability; no impairment was required at year-end.

3.2 Investments

Investments are recorded at acquisition cost plus any subsequent capital contributions, less impairment. The principal investments are:

Company	Registered office	Share Capital & Votes held (%)
Direct participations		
Millennial Lithium B.V.	Amsterdam, Netherlands	100.0%
Arena Minerals Holdings B.V.	Amsterdam, Netherlands	100.0%
2265866 Ontario Holdings B.V.	Amsterdam, Netherlands	100.0%
Potassium S.A.	Buenos Aires, Argentina	100.0%
1511210 B.C. Ltd.	British Columbia, Canada	100.0%
Lithium Americas (Argentina) Services Corp.	Delaware, USA	100.0%
Minera Exar S.A.	Jujuy, Argentina	44.8%
Exar Capital B.V.	Amsterdam, Netherlands	49.0%
Indirect participations		
Proyectos Pastos Grandes S.A.	Salta, Argentina	85.1%
Sal de la Puna Holdings S.a.r.l	Luxembourg, Luxembourg	65.0%

The Company holds indirect investments in Proyectos Pastos Grandes S.A. (“PGCO”) and Sal de la Puna Holdings S.a.r.l through its wholly owned subsidiaries Millennial Lithium B.V. (“Millennial”) and Arena Minerals Holdings B.V. respectively.

The carrying amounts reflect initial acquisition cost and any subsequent capital contributions adjusted for any impairment arising from project-level valuations. As of December 31, 2025, the Company assessed all investments for impairment indicators and did not identify any indicators requiring an impairment charge.

3.3 Convertible debt

In December 2021, the Company issued \$258,750 of 1.75% Convertible Senior Notes (the “Convertible Notes”, “Notes”) due January 15, 2027. The Notes are unsecured and bear interest at 1.75% per annum, payable semi-annually in arrears on January 15 and July 15 of each year.

Prior to October 15, 2026, the Notes are convertible at the option of the holders during certain periods, upon the satisfaction of certain conditions including:

LITHIUM ARGENTINA AG
ZUG, SWITZERLAND
NOTES TO THE STATUTORY FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 23, 2025 TO DECEMBER 31, 2025

(Expressed in thousands of US dollars and Swiss francs, except for per share amounts, per tonne amounts, shares and equity instruments)

3. Information on balance sheet and income statement items *(continued)*

- (i) If the Notes' trading price for any five consecutive trading day period was, on each day, less than 98% of the conversion value of such Notes;
- (ii) if the Company elects to (a) issue equity instruments to all holders of the Company's common shares entitling them, for a period of not more than 45 calendar days after issue, to subscribe for or purchase common shares at a price per share that is less than the average reported sales prices of the common shares for the 10-trading day period ending the trading day before the announcement of such issuance of equity instruments; or (b) make a distribution to all holders of the Company's common shares, whether such distribution is of assets, securities, or rights to purchase the Company's securities, and has a per share value exceeding at least 10% of the trading price of the common shares on the date immediately preceding the announcement date of such distribution;
- (iii) upon the occurrence of certain significant business events;
- (iv) if, at any time after the calendar quarter ending on March 31, 2022 (and only during such calendar quarter), the last reported price of the Company's common shares for at least 20 trading days (whether or not consecutive) during the last period of 30 trading days of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day (this has not occurred during the year ended December 31, 2025); or,
- (v) upon a call for redemption by the Company, or upon the Company's failure to pay the redemption price therefor.

Thereafter, the Convertible Notes will be convertible at any time until the close of business on the business day immediately preceding the maturity date. Upon conversion, the Convertible Notes may be settled, at the Company's election, in common shares of the Company, cash or a combination thereof.

The Convertible Notes mature on January 15, 2027, unless earlier repurchased, redeemed or converted. After December 6, 2024, the Company has the right to redeem the Convertible Notes at its option in certain circumstances including:

- (i) on or after December 6, 2024, if the Company's share price for at least 20 trading days during any 30 consecutive trading day period ending on, and including, the last trading day of the immediately preceding calendar quarter is over 130% of the conversion price on each applicable trading day, at a redemption price equal to 100% of the principal plus accrued and unpaid interest; and
- (ii) if the Company becomes obligated to pay additional amounts as a result of its obligation to bear the cost of Canadian or non-Canadian withholding tax, if applicable.

Redemption can result in exercisability of the conversion option. Holders of Convertible Notes have the right to require the Company to repurchase their Convertible Notes upon the occurrence of certain events.

The Convertible Notes are convertible at the option of the holders upon satisfaction of certain conditions that are beyond the control of the Company.

LITHIUM ARGENTINA AG
ZUG, SWITZERLAND
NOTES TO THE STATUTORY FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 23, 2025 TO DECEMBER 31, 2025

(Expressed in thousands of US dollars and Swiss francs, except for per share amounts, per tonne amounts, shares and equity instruments)

3. Information on balance sheet and income statement items *(continued)*

If such conditions are satisfied, the Convertible Notes would be convertible at the option of the holders and upon conversion, the Notes may be settled, at the Company's election, in common shares of the Company, cash or a combination thereof. As a result, the Company does not have the right to defer settlement of the Convertible Notes for more than 12 months from December 31, 2025, and therefore presents the Convertible Notes as a short-term liability.

3.4 Share-based compensation accrual

This liability represents the unvested portion of share-based awards granted to directors, officers, and employees under the Company's equity-compensation plans.

The liability is initially measured based on the market price of the Company's shares at the grant date and recognised as personnel expense over the vesting period. The liability is remeasured at each reporting date based on the Company's share price at the balance sheet date, with changes in measurement recognised in personnel expenses.

Upon exercise or settlement of the awards, the difference between the exercise price and the share price used in the most recent measurement of the liability is recognised in personnel expenses in the period of settlement.

3.5 Share capital and reserves

As of January 23, 2025, the share capital consisted of 161,932,234 registered shares with a par value of \$0.01 each, fully paid in.

During the period from January 23, 2025, to December 31, 2025, 474,670 shares were issued under the Company's equity compensation plan.

As of December 31, 2025, the share capital consisted of 162,406,904 registered shares with a par value of \$0.01 each, fully paid in.

On June 19, 2025, shareholders approved an increase to the Board of Directors' authority to issue shares under the Company's capital band in the Articles from 10% to 50% of the Company's issued share capital and to maintain the current authority to cancel shares under the Company's capital band in the Articles at 10% of the Company's issued share capital. As a result, the Board of Directors may increase the share capital up to \$2,429 or reduce it to \$1,457 until June 19, 2030. Within these limits, the Board may carry out capital increases or reductions, including through the issuance or cancellation of registered shares, adjustments to par value, or transactions related to mergers or other strategic transactions. The Board determines the terms of any issuance, including subscription rights. As of December 31, 2025, no transactions had been undertaken under the capital band.

Legal capital reserves consist of paid-in capital qualifying as reserves from capital contributions for Swiss tax purposes. As of December 31, 2025, these reserves had not yet been approved by the Swiss Federal Tax Authority.

LITHIUM ARGENTINA AG
ZUG, SWITZERLAND
NOTES TO THE STATUTORY FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 23, 2025 TO DECEMBER 31, 2025

(Expressed in thousands of US dollars and Swiss francs, except for per share amounts, per tonne amounts, shares and equity instruments)

3. Information on balance sheet and income statement items *(continued)*

3.6 Purchases and Sales of Lithium Carbonate

Offtake Agreement with Ganfeng and Bangchak

The Company and Ganfeng are entitled to a share of offtake from production at Cauchari-Olaroz. The Company is entitled to 49% of the offtake, which would amount to approximately 19,600 tonnes per annum (“tpa”) of lithium carbonate assuming full capacity is achieved. The Company has entered into an offtake agreement with each of Ganfeng and BCP Innovation PTE. LTD (“Bangchak”), a wholly-owned subsidiary of Bangchak Corporation Public Company Ltd., to sell a fixed amount of offtake production at market-based prices, with Ganfeng entitled to 80% of the first 12,250 tpa of lithium carbonate (9,800 tpa assuming full production capacity) and Bangchak entitled to up to 6,000 tpa of lithium carbonate (assuming full production capacity).

The balance of the Company’s offtake entitlement, amounting to up to approximately 3,800 tpa of lithium carbonate, is uncommitted, but for limited residual rights available to Bangchak to the extent production does not meet full capacity.

Purchases and sales of lithium carbonate

During the year ended December 31, 2025, the Company purchased its 49% share of Minera Exar’s lithium carbonate shipped during the period. The Company subsequently sold this lithium carbonate to Ganfeng and Bangchak and acted in the capacity of agent in these sales transactions, as title to the lithium carbonate was acquired and transferred simultaneously. The Company was not directly exposed to inventory or price risk related to the lithium carbonate.

During the year ended December 31, 2025, the Company’s purchases of lithium carbonate from Minera Exar were equal to its sales to Ganfeng and Bangchak. As the Company did not earn any commission on these transactions, there was no impact on the Company’s income statement for the year ended December 31, 2025.

As at December 31, 2025, the Company had a payable of \$25,507 to Minera Exar relating to lithium carbonate purchases, and trade receivables totaling \$23,209 from Ganfeng relating to sales of lithium carbonate, as disclosed on the balance sheet. No allowance for doubtful accounts was recorded for these receivables. The receivables were fully settled subsequent to December 31, 2025.

3.7 Personnel expenses

Personnel expenses relate to salaries, director fees, and share-based compensation.

3.8 Other operating expenses

Other operating expenses comprise administrative, legal, consulting, and listing costs incurred by the Swiss holding company.

3.9 Financial expenses

Financial expenses include interest on convertible debt, foreign-exchange losses, and other bank charges.

LITHIUM ARGENTINA AG
ZUG, SWITZERLAND
NOTES TO THE STATUTORY FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 23, 2025 TO DECEMBER 31, 2025

(Expressed in thousands of US dollars and Swiss francs, except for per share amounts, per tonne amounts, shares and equity instruments)

3. Information on balance sheet and income statement items *(continued)*

3.10 Financial income

Financial income includes interest earned on loans to Exar Capital, intercompany loans and bank deposits.

3.11 Non-recurring expenses

Non-recurring expenses primarily consist of professional fees incurred in connection with the Company's continuation into Switzerland, as well as other non-recurring transactions.

3.12 Direct taxes

The Company is subject to ordinary corporate income tax at the federal level and in the Canton of Zug, as well as to Swiss capital taxes.

No current corporate income tax expense was recognised for the year ended December 31, 2025, as the Company incurred a loss for the period. A capital tax expense was recognised within other operating expenses in the income statement, and a corresponding liability of \$67 was recognised as of December 31, 2025, relating to Swiss capital taxes.

4. Other information

4.1 Subsequent events

- a) Subsequent to December 31, 2025, in February 2026, Millennial approved a capital reduction and repaid \$61,292 to the Company using the proceeds received from PGC.

On February 9, 2026, the Company entered into an assignment agreement with Ganfeng pursuant to which the Company purchased receivables owing from Exar Capital in the amount of \$26,005. The purchase was funded from the capital repayment received from Millennial.

- b) Subsequent to December 31, 2025, in March 2026, Exar Capital used its existing cash balance to repay \$6,468 of outstanding loan interest to the Company.
- c) Subsequent to December 31, 2025, in March 2026, the Company entered into a six-year \$130,000 debt facility agreement with Ganfeng bearing interest at SOFR plus 2.5% (the "Debt Facility").

The Debt Facility is secured by the Company's equity interest in a proposed joint venture between the Company and Ganfeng intended to consolidate their respective interests in the Pozuelos-Pastos Grandes and Sal de la Puna lithium brine projects located in Salta, Argentina (the "New JV"). The Debt Facility may be prepaid without penalty and is available to refinance existing corporate debt and for general corporate purposes.

Under the terms of the Debt Facility, the Company has agreed to allocate up to 50% of its offtake from the initial development phase of the New JV, capped at 6,000 tonnes per annum of lithium carbonate equivalent, to Ganfeng at market prices.

LITHIUM ARGENTINA AG
ZUG, SWITZERLAND
NOTES TO THE STATUTORY FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 23, 2025 TO DECEMBER 31, 2025

(Expressed in thousands of US dollars and Swiss francs, except for per share amounts, per tonne amounts, shares and equity instruments)

4. Other information *(continued)*

4.2 Equity-based awards held by members of the Board of Directors, Executive Management, and employees

Members of the Board of Directors, Executive Management, and employees may hold equity-based awards of the Company under the Company's share-based compensation plan.

During the year ended December 31, 2025, 3,161 equity-based awards were granted to members of the Board of Directors and Executive Management with a grant-date fair value of \$8,748, and 1,691 equity-based awards were granted to employees with a grant-date fair value of \$4,712.

4.3 Full-time equivalent employees

The average number of full-time equivalent employees during 2025 did not exceed 10.

4.4 Guarantees provided to third parties

The Company has provided a guarantee to Ganfeng in respect of its share of certain bank loans of Minera Exar amounting to \$107,800. No liability has been recognized in these financial statements in connection with this guarantee as at December 31, 2025.

LITHIUM ARGENTINA AG
ZUG, SWITZERLAND
NOTES TO THE STATUTORY FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 23, 2025 TO DECEMBER 31, 2025

(Expressed in thousands of US dollars and Swiss francs, except for per share amounts, per tonne amounts, shares and equity instruments)

Proposed appropriation of accumulated losses

The Board of Directors proposes to the Annual General Meeting the following appropriation of accumulated losses:

	December 31, 2025	
	US\$	CHF
Losses brought forward	(449,977)	(356,967)
Net losses for the period	(19,716)	(15,641)
Losses to be carried forward	(469,693)	(372,608)