

GEM CO., LTD.
**Announcement on the company's nickel resource strategic
supply guarantee**

The Company and all members of the Board of Directors guarantee that the contents of the information disclosed are true, accurate and complete, with no false records, misleading statements or material omissions.

I, Overview

GEM CO., LTD. (hereinafter referred to as the "Company" or "GEM") is the world's leading core supplier of high-nickel ternary precursor products for power batteries for new energy vehicles, The company has established a multi-channel nickel resource supply guarantee system, to ensure the strategic supply of the company's nickel resources and the company's precursor orders in 2022 on the need for nickel resources: first, based on circular economy, get the nickel resources by recycling, and with Eve Energy and Farasis Energy etc, established a directional cycle cooperation of nickel resources, ensure the strategic supply of nickel raw materials; In 2022, The company plans to recover nickel resources of over 20, 000 t Metal nickel, to become the main supply of nickel resources needed in 2022; The second is associated with Trafigura PTE.LTD.(hereinafter referred to as"Tokor"), Metal Corp Trading AG (hereinafter referred to as "First Quantum"), Yongqing Technology Co., Ltd. (hereinafter referred to as "Yongqing"), MINGDA HOLDING PTE.LTD.(hereinafter referred to as "MINGDA"), Shanghai RAN YU LIAN Trading Co., Ltd. (hereinafter referred to as "RAN YU LIAN") and other nickel resource supply companies have signed the medium and long term supply procurement agreement for MSP, MHP (nickel wet metallurgy intermediate), high ice nickel and nickel beans, establish a global green supply chain of nickel resources; In 2022, The

company has signed a Contract of total nickel supply with Toker, First Quantum, Yongqing, MINGDA, RAN YU LIAN and other companies for more than 30, 000 tonnes of metal nickel, to ensure the sufficient nickel resources needs of the company's precursor orders in 2022; Third, the self-built Indonesian nickel resource project, the project is designed to produce 60,000 tons of nickel metal per year, The first phase of the project is expected to enter into operation in the first half of this year, at that time, the company's own nickel resources will further guarantee the company's nickel resources supply security, and effectively reduce the comprehensive cost of the company's nickel resources.

II. Impact on the company

With the rapid development of the global new energy automobile industry, high nickel low cobalt material become the trend of automotive power battery manufacturing, as a key raw material of nickel resources become a global shortage of resources, in particular, China's nickel resources, China's nickel resources cannot meet China's new energy industry development huge demand for nickel resources. The company obtains nickel resources through various channels such as self-built nickel resources, recycling nickel resources, and directional cycle of market chain nickel resources, which will effectively guarantee the company's strategic demand for nickel resources in market orders and future development in 2022. By focusing on new energy key raw materials, including nickel resources, directional cycle mode, to promote the company and new energy battery factory and new energy automobile factory direct cooperation, through with new energy battery factory, new energy automobile factory green supply chain cooperation channel, through the cooperation of resources, recycling, technology and market chain, nickel resources and other new energy key raw materials directional recycling, establish power battery recycling and nickel resources directional cycle depth cooperation, improve green beauty in power battery recycling and nickel resources recycling market share. At the same time, by signing nickel resource supply and procurement agreements with Toker, First Quantum, Yongqing, MINGDA, RAN YU LIAN and other nickel resource suppliers, the global green supply chain of nickel resources has been established. In addition, the

company speeds up the construction of self-built nickel resources projects in Indonesia, fully guarantee the safety of nickel raw material supply system, and enjoy the advantage of low-cost nickel resources. The company's multi-channel nickel resource supply system will ensure the stable and safe supply of nickel resources in the company's future, comprehensively consolidate the company's core position in the global new energy material industry, and promote the low-carbon development of world power batteries.

III. Risk warning

The company's nickel resource supply guarantee system is conducive to ensuring the company's strategic demand for nickel resources in the future development, but it does not rule out the possible market risks in the implementation process. Please invest rationally and pay attention to the investment risks.

Hereby announcement

Board of Directors of GEM CO., LTD.
February 8, 2022