

GEM CO., LTD.

Announcement on signing the "recycling- -nickel resources- -material manufacturing" with Ronbay Technology of the strategic Cooperation Agreement

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.

Special tip:

1. The strategic cooperation agreement signed this time is the framework agreement of the cooperation willingness and basic principles of both parties. There is still uncertainty in the specific implementation process. The board of directors of the company will actively pay close attention to the progress of this matter and timely fulfill the obligation of information disclosure. Please make careful decisions and pay attention to investment risks.

2. The signing of this Agreement will not have a significant impact on the Company's financial position and operating performance in the current year.

I, overview

In order to implement the strategic cooperation of "resources + technology + market", jointly build the industrial chain strategic cooperation system of "nickel-cobalt resources- -power battery recycling- -ternary precursor manufacturing- -ternary material manufacturing", connecting "nickel and cobalt resources-material manufacturing- -battery recycling end", forming a complete resource development, technology development and industrial development system of "nickel and cobalt resource mining- -power battery recycling- -ternary precursor manufacturing- -ternary material manufacturing", GEM CO., LTD. (hereinafter referred to as "The Company", "GEM" or "Party B") and Ningbo Ronbay New Energy Technology Co., Ltd. (hereinafter referred to as "Ronbay Technology" or "Party A") based on the principle of "deep mutual trust and deep integration", Standing in the control of the big pattern

of global new energy industry development and industry competition, standing at the strategic height of the sustainable development of nickel resources, on February 25, 2022, the Strategic Cooperation Agreement (hereinafter referred to as the "Strategic Cooperation Agreement" or "This Agreement") was jointly signed. According to the strategic cooperation agreement, both Party B in power battery recycling plate, Indonesian nickel smelting plate and precursor business strategic cooperation, jointly build global competitiveness of new energy materials industry chain, jointly promote the global new energy life cycle value chain, jointly build global nickel resources strategic supply system, with a new pattern of the global new energy industry development, create lasting value competitiveness and good return on investment. Party A shall assist Party B to become the core supplier of its precursor strategy. From 2022 to 2026, on the premise that Party B's technology, quality, cost, and competitive advantages, Party A expects to purchase no less than 300,000 tons.

According to the Articles of Association and other relevant provisions, the strategic cooperation agreement signed by the company does not need to be submitted to the board of directors and the general meeting of shareholders for deliberation and approval. The signing of the strategic cooperation agreement does not constitute a related party transaction, nor does it constitute a material assets reorganization as stipulated in the Administrative Measures for the Material Assets Reorganization of Listed Companies, and it does not need to be approved by the relevant departments. The Company will timely fulfill the obligation of information disclosure according to the subsequent actual progress.

II. Introduction of the partners

Company name: Ningbo Ronbay New Energy Technology Co., Ltd.

Legal representative: Bai Hou-shan

Registered capital: RMB 448,095,810.00 yuan

Establishment date: September 18, 2014

Registered address: No. 39, Tanjialing East Road, Yuyao City, Zhejiang Province

Business scope: R & D, manufacturing and processing of lithium battery materials, lithium battery and accessories; R & D and manufacturing of power batteries; and the import and export of goods and technologies, except for goods and technologies limited or prohibited by the state. (For projects subject to approval according to law, business activities can be carried out only after being approved by

relevant departments.)

Ronbay Technology has no association with the company and the company's controlling shareholders, actual controllers, directors, supervisors and senior management personnel.

Ronbay technology has good operating and financial condition, good reputation and performance ability. After inquiry, Ronbay technology does not belong to the person subject to enforcement for trust-breaking.

III. Core content of the strategic cooperation agreement

(1) Power battery recycling plate

1. Party B shall integrate all its power battery recycling, disassembly, echelon utilization and powder materials into the same company of Wuhan Power Battery Regeneration Technology Co., LTD. (hereinafter referred to as "Power Regeneration") as the investment object of Party A, including:

- a) Wuxi Power Battery Regeneration Technology Co., Ltd
- b) GEM (Wuhan) New Energy Vehicle Service Co., LTD
- c) Jingmen Power Battery Regeneration Technology Co., Ltd. (engaged in battery powder sorting business)
- d) Tianjin Power Battery Regeneration Technology Co., Ltd

2. In principle, Party A and its affiliated parties will value them at the assessed value and invest in power regeneration together with the same share as other shareholders. The company shall follow the governance norms of the listed company. Upon completion of the investment, Party A and its affiliated parties shall hold 18% of the equity or shares of power regeneration, and one director of the board of directors of power regeneration shall be a person nominated by Party A.

3. No less than 26% of the materials produced by the subject (calculated by the proportion of the metal quality in the final product) shall be supplied to Party A at a fair price.

4. Party B undertakes that power regeneration will be the only subject of Party B engaged in lithium recycling business in the world. In the future, all lithium recycling investment and business activities of Party B will be led by power regeneration.

(2) Nickel resources smelting plate in Indonesia

1. Party B will persuade shareholders of PT.QMB NEW ENERGY MATERIALS (hereinafter referred to as "QMB") agrees that Party B's affiliates shall transfer 8% of the shares of QMB to Party A, and Party A and other cooperative shareholders shall

enjoy the same shares and rights. Upon completion of the investment, Party A and its affiliated parties shall hold 8% of the shares of QMB.

(3) Precursor business cooperation

1, Party A shall assist Party B to become its precursor strategy core suppliers, from 2022 to 2026, in Party B precursor product technology, quality, cost, delivery and service aspects to meet the requirements of Party A and under the premise of competitive advantage, Party A is expected to purchase from Party B precursor not less than 300,000 tons, according to the market changes, Party A will regularly refresh the demand forecast. The actual purchase quantity shall be based on the development progress of both products and customers, and the annual plan and monthly purchase and sale order shall prevail. Party A shall provide Party B to Party B with necessary support for precursor testing and technology development, and Party B shall provide Party A with competitive prices of nickel, cobalt, manganese and other metal raw materials as well as precursor processing fees.

2. Party B shall open the nickel-cobalt salt processing channel to Party A and allow Party A to provide MHP, high ice nickel, ternary waste, nickel, cobalt hydroxide and other raw materials for nickel-cobalt salt or precursor production. The processing fee shall depend on the variety and quality difference of the raw materials separately.

3. Party B shall be responsible for the precursor production capacity investment, financing, management and operation, to ensure the qualified product quality and stable supply.

(4) Due diligence in relevant cooperation

1. Both parties agree that in order to determine the specific business cooperation and details under this Agreement, Party A shall conduct the relevant investment objects, investment subjects or related assets and business of Party B (including its subsidiaries) for business, law, finance, audit, evaluation (specific according to the actual situation needs to determine).

2. Party B promises that if Party A decides to conduct the relevant due diligence or audit, evaluation, Party B and its related companies will actively cooperate, and will timely, true, accurate and complete to provide Party A and its intermediaries / consultants all work required information and information, to Party A more comprehensive understanding of relevant investment object, investment enterprise assets, finance, business, etc., better promote related cooperation matters.

3. The time period of the due diligence shall be uniformly arranged by Party B as

by other investors.

(5) Exclusivity clause

1. In principle, within a certain period of time after this Agreement comes into force, after Party B cooperates with Party A to complete the necessary due diligence work, both parties shall form a substantive cooperation agreement on articles (1) to (3) and cooperate in accordance with the cooperation Agreement.

2. Party A intends to invest in the target company and Party B agree, within a certain period after signing this agreement, unless the written consent of both parties, the target company shall not directly or indirectly with any third party to a contract of both parties (including but not limited to any form of the same business cooperation agreement, investment agreement, asset trading agreement, etc.). If the aforementioned situation has occurred, it shall be terminated immediately. Any party committing the aforementioned act shall be deemed to be a breach of contract and shall be liable to the non-breaching party.

3. If the two parties reach a part of the cooperation agreement within the exclusive term, the part of the cooperation agreement reached shall be implemented. If a substantive cooperation agreement is not reached within the exclusive period, the two parties shall no longer restrain each other.

(6) Confidentiality

1. When signing and executing this Agreement, the parties agree that the contents and relevant discussions shall be kept strictly confidential and shall not be disclosed to any third party other than this Agreement, except for the performance of this Agreement. If each party needs to perform the obligation of information disclosure in accordance with the law, it shall negotiate with the other party in advance and keep the consistency between the information disclosure and the information disclosure content. Neither party shall use this Agreement alone to publicize it externally. Both parties promise to keep the other party's trade secrets and other non-public confidential information known through the cooperation according to law, and ensure that the relevant personnel involved in the cooperation matters are strictly confidential. In this article, "third party" means any natural person, enterprise or its branch, agency, organization or other entity.

(7) Liability for breach of contract

1. Either party fails to perform any provision of this Agreement shall be deemed to be a breach of contract. If either party defaults (hereinafter referred to as the

"Breaching Party") and causes direct losses to the other party, the Breaching Party shall be liable for compensation in accordance with legal provisions and provisions hereof.

2. During the duration of this Agreement, any tolerance, grace or delay in the exercise of the rights of one Party under this Agreement shall not prejudice, affect or restrict all the rights of one Party under this Agreement and relevant laws, and shall not be deemed to permit or recognize any breach of this Agreement or to waive its right to take action on the existing or future breach of the other Party.

(8) Dispute settlement

1. Any disputes arising from the execution of this Agreement shall be settled by both parties through friendly negotiation, and shall be submitted to the jurisdiction of the people's court of the plaintiff's domicile. During the dispute and litigation, other parts of this agreement except the part of the dispute and litigation. The litigation-related expenses incurred by both parties (including but not limited to attorney's fee, travel fee, evidence collection fee, notarization fee, case acceptance fee, property preservation fee, property preservation premium, execution fee, assessment fee, etc.) shall be borne by the losing party.

IV. Impact on the company

Ronbay Technology is a leading enterprise in the field of high nickel ternary cathode materials, taking the lead in successfully developing high nickel materials for power batteries in the world. As the first domestic enterprise to realize the mass production of high nickel ternary materials, Ronbay Technology has obvious first-mover advantages. At present, the shipments of high nickel ternary cathode materials have jumped to the first echelon in the world, showing its strong competitive advantages and broad prospects in the field of global high nickel ternary materials. GEM is the author of the industrial concept of "limited resources and infinite circulation" and the pioneer of urban mining in China. For 20 years, the company by mining urban mines and development of new energy materials, establish resource cycle mode and clean energy material mode to promote carbon peak, carbon neutral target, become the world nickel cobalt lithium recycling, power battery recycling and ternary precursor, cobalt oxide material manufacturing core enterprise, the core products high nickel ternary precursor and cobalt oxide is the world's high quality products, is the world's advanced green low carbon enterprises. The nickel resource project with an annual output of 50,000 tons of nickel metal led by the

company has entered the rapid construction stage. The company has built advanced power battery recycling and disposal centers in Wuhan, Wuxi, Tianjin, Shenzhen and other regions, and three power battery recycling enterprises have been included in the list of "Standard Conditions for Comprehensive Utilization of Waste New Energy Vehicle Power Battery Industry" by the Ministry of Industry and Information Technology.

The company and Ronbay Technology signed a strategic cooperation agreement, the two sides shall conduct strategic cooperation in power battery recycling, Indonesian nickel resource smelting and precursor business, It is based on the control of global new energy materials development and industry competition pattern, based on the strategic development needs of both sides in new energy materials, effectively combining the strategic advantages in "resource + technology + market", It is conducive to opening up the two sides from the "power battery recycling-resource regeneration-material re-engineering", deep fusion of the upstream and downstream, jointly build a complete resource development, technology development and industrial development system of "nickel and cobalt resource mining- -power battery recycling- -ternary precursor manufacturing- -ternary material manufacturing", explore the model model of green development of the global new energy industry, to build a strategic cooperation system featuring joint contribution, shared benefits and win-win benefits, jointly build globally competitive supply chains and value chains, to realize the coordinated development of economic benefits and social benefits, constantly consolidate the core position of both sides in the global new energy industry chain, to enhance the global industry influence of both sides, to further enhance the core competitiveness and sustainable profitability of all parties involved, It is in line with the strategic development interests of both sides and those of the majority of investors. It is conducive to all parties to jointly build a world-class low-carbon industry and contribute to the world's green development and commercialization of new energy.

The signing of this strategic cooperation agreement shall not have an impact on the independence of the company's business and operation, and will not have a significant impact on the company's financial position and operating results in this year. The smooth performance of this agreement is expected to have a positive impact on the company's future business development.

V. Risk tips

This strategic cooperation agreement is the framework and intention agreement of cooperation intention and basic principles, and is still uncertain due to policy adjustment, macroeconomic influence, market environment changes; following the formal cooperation agreement, the Company will perform the review procedures strictly according to laws and regulations and timely fulfill the obligation of information disclosure. Please make careful decisions and pay attention to investment risks.

VI. Other relevant instructions

1. The Company disclosed framework agreements in the recent three years are as follows:

The Memorandum of Understanding on the Promotion of New Energy Vehicle Battery cascade Utilization and Recycling Project signed by the Company, Pohang City Government, South Korea and ECOPRO; The Memorandum of Supply of NCM8 Series and 9 Series (MOU) signed with ECOPRO; The Memorandum of Understanding on Power Battery High Nickel precursor Material Investment Agreement signed by the subordinate company Fu'an Qingmei Energy Materials Co., Ltd and ECOPRO ; The High-Nickel precursor supply of ECOPRO & GEM Power Battery (NCA & NCM) signed by the Company and ECOPRO; The subordinate company Jingmen GEM Co., Ltd., and Ningbo Brunp Times New Energy Co., Ltd., Brunp (China) Recycling Technology Co., Limited, Yongqing Technology Co., Ltd., New Horizon International Holding Limited, PT.Indonesia Morowali Industrial Park signed the The Memorandum of the PT.QMB NEW ENERGY MATERIALS; The company and its wholly-owned subsidiary signed the Strategic Cooperation Framework Agreement between Jingmen GEM Co., LTD., and Hunan Brunp Recycling Technology Co., Ltd., Guangdong Brunp Recycling Technology Co., Ltd., and Foshan Sanshui Brunp Resource Recycling Co., Ltd.; The Memorandum of Cooperation on 10,000 tons of recycled nickel products signed by the company and Eve Energy Co., Ltd. ; The Strategic Cooperation Framework Agreement on the Construction of Waste Power Battery and Battery Waste Green Treatment Industry Chain was signed with Farasis Energy (Gan Zhou) Inc.; High Nickel precursor for ECOPRO BM & GEM (NCA & NCM) 2024-2026 (MOU) signed with ECOPRO BM; The Framework Agreement on Strategic Supply of ternary precursor and cobalt oxide signed by Jingmen GEM Co., LTD., and Xtc New Energy Materials(Xiamen) Co., Ltd. The Strategic Cooperation Framework Agreement on the integration of

phosphorus resources and chemical new energy and materials industry chain signed by the Company and Xinyangfeng Agricultural Technology Co. Ltd. All of the above agreements are being performed.

2. On June 7, 2021 the company disclosed the Pre-disclosure Announcement on the controlling shareholder, the acting persons, actual controllers and part of the Board (Announcement No.: 2021-057) on the CNINFO(www.cninfo.com.cn), The controlling shareholder Shenzhen Huifengyuan Investment Co., LTD., and the concerted action person Fengcheng Xinyuanxing New Material Co., Ltd. the actual controller Professor Xu Kaihua and Ms. Wang Min plan to reduce their holdings of no more than 1.4763% of the total shares of the company through collective bidding or block trading, Mr. Zhou Bo, Ms. Wang Jian, Senior managers Mr. Song Wanxiang, Mr. Ouyang Mingzhi, Mr. Lu Xijin, Mr. Zhang Aiqing and Mr. Mu Menggang plan to reduce their shares by no more than 25% of their total shares of the company through centralized bidding. The above-mentioned personnel reduction plan from the pre-disclosure announcement from 15 trading days after the date of disclosure within 6 months. As of the date of this announcement, the Company has not received any notice from other Dong Jiangaogao to reduce the company's shares in the next three months.

3. On July 14, 2021 the company disclosed on the CNINFO(www.cninfo.com.cn) about part of the supervisors, executives share holdings plan implementation announcement (Announcement No.: 2021-064), as of July 13, 2021, the company supervisors Mr Zhou Bo, Ms Wang Jian, senior management Mr Song Wanxiang, Mr Ouyang Mingzhi, Mr Lu Xijin, Mr Zhang Aiqing, Mr Mu Menggang shares advance disclosure of reduction plan has been completed.

4. On December 23, 2021 the company disclosed on the CNINFO(www.cninfo.com.cn) on the controlling shareholder and concerted action, the actual controller share reduction plan implementation and reduction ratio of more than 1% announcement (Announcement No.: 2021-117), the company controlling shareholder Shenzhen Huifengyuan Investment Co., LTD., and concerted action person Fengcheng Xinyuanxing New Material Co., Ltd. the actual controller Professor Xu Kaihua and Ms Wang Min disclosure reduction plan has been completed.

5. In the next three months, if the controlling shareholder of the Company,

shareholders holding more than 5% of the shares and Executive、 Supervisors and senior managers change their shares, the Company will fulfill the obligation of information disclosure in strict accordance with the regulations.

VII.. Documents for future reference

The Ronbay Technology-GEM Strategic Cooperation Agreement jointly signed by both sides.

Hereby announcement

Board of Directors of GEM CO., LTD.

February 27,2022