

GEM Co., Ltd.

Announcement on the signing of capital cooperation between a wholly-owned subsidiary company and Wuxi Airport Economic and Technological Development Zone in Wuxi Power Battery Low-Carbon Cycle Project

The company and all members of the board of directors guarantee that the information disclosed is true, accurate and complete, and that there are no false records, misleading statements or major omissions.

I. Overview

In view of the fact that the Yangtze River Delta is rapidly becoming the consumption center and scrap center of new energy vehicles in China, in order to promote the application of the new energy full life cycle value chain model of GEM Co., Ltd. (hereinafter referred to as the "Company") in the Yangtze River Delta, the company will greatly improve the In July 2020, the company's wholly-owned subsidiary GEM (Wuxi) Energy Materials Co., Ltd. (hereinafter referred to as "GEM (Wuxi)") and Wuxi Airport Economic Development Zone Management Committee have a core position in the field of power battery and new energy vehicle green recycling. (hereinafter referred to as "Wuxi Airport Economic and Technological Development Zone Management Committee") reached an agreement and signed on the investment in high-value new energy recycling projects (annual recycling of 100,000 sets of power batteries and annual recycling and disposal of 100,000 new energy vehicles) The "New Energy High Value Recycling Project Investment Agreement".The two parties agreed to work together to build an industrial demonstration base and engineering technology research center for green recycling of power batteries and new energy vehicles in Jiangsu Province in Wuxi Airport Economic Development Zone through the world's advanced technology and green development model, and become the world's most advanced power battery. and the New Energy Vehicle Recycling and Green Disposal Center, making new contributions

to the development of circular economy in Wuxi City and Jiangsu Province. For details, please refer to the "About the Wholly-owned Subsidiary Company and the Wuxi Airport Economic and Technological Development Zone Management Committee Signing an Annual Recycling and Processing of 100,000 Sets of Power Batteries" published by the company on <http://www.cninfo.com.cn> Announcement on the Investment Agreement with the 100,000 New Energy Vehicle Project (Announcement No.: 2020-065).

2. The progress of this time

In order to promote the strategy of "carbon peaking and carbon neutrality" and to implement Announcement No. 2020-065, the company plans to build the company's Wuxi New Energy Circular Economy Low-Carbon Demonstration Park with "power battery recycling and new energy vehicle recycling" as the mainstay. Recycling and processing 100,000 new energy vehicles and the construction of projects such as the annual recycling and remanufacturing of 100,000 tons of power batteries to reduce carbon dioxide emissions by 1 million tons Cascade utilization of parts and components—remanufacturing of new energy materials” , the new energy full life cycle low-carbon industrial model, promotes new energy vehicles from “green to green” .

On June 6, 2021, in order to promote the implementation of the above projects, with the strong support of Wuxi Airport Economic and Technological Development Zone, GEM (Wuxi) Energy Materials Co., Ltd., a subsidiary of the company, held a grand opening ceremony for the construction of the park in Wuxi. GEM (Wuxi) and Wuxi Airport Economic Development Zone and Wuxi New District Science and Technology Finance Venture Capital Group Co., Ltd. based on the principle of reciprocity, signed a capital cooperation contract for GEM Power Battery Low-Carbon Cycle Project, Wuxi Airport Economic Development Zone, Wuxi New District Technology Finance Venture Capital Investment Group Co., Ltd. will participate in the capital investment of the company's Wuxi power battery recycling project, and the specific investment amount and equity ratio will be separately agreed. All parties will use their respective advantages and strengths to jointly build the company's Wuxi New Energy Circular Economy Low-Carbon Demonstration Park, and build a "power battery recycling - new energy vehicle recycling - power battery

cascade utilization - auto parts cascade utilization - new energy material remanufacturing. "The new energy full life cycle low-carbon industrial model, to promote new energy vehicles from "green to green".

3. Basic information of partners

1. Wuxi Airport Economic Development Zone is located in the east of Wuxi, across the river from Suzhou and adjacent to Wuxi Airport. The park has convenient transportation. In recent years, efforts have been made to develop emerging industries and promote industrial transformation and upgrading. Industrial clusters such as aviation industry, modern logistics industry, life science and technology industry, high-end manufacturing industry, stainless steel and non-ferrous metal industry have been formed, and a large number of advantageous enterprises have been introduced into the park. .

Wuxi Airport Economic and Technological Development Zone has a good reputation and performance capability, and has no associated relationship with the company and its controlling shareholders, actual controllers, directors, supervisors, and senior managers.

2. Wuxi New District Technology Finance Venture Capital Group Co., Ltd.

Company Name: Wuxi New District Technology Finance Venture Capital Group Co., Ltd.

Legal representative: Jin Lei

Date of establishment: January 31, 2008

Registered capital: RMB 1,367,141,000

Company address: Floor A3, Building 530, University Science and Technology Park, No. 18 Qingyuan Road, Xinwu District, Wuxi City

Business scope: venture capital; acting as an agent for other venture capital companies and other institutions or individuals in venture capital business; venture capital consulting; asset management; venture management services; participation in the establishment of venture capital companies and venture capital management consulting agencies. (For projects subject to approval according to law, business activities can only be carried out after approval by relevant departments).

Wuxi New District Science and Technology Finance Venture Capital Group Co., Ltd. has a good reputation and performance capability, and has no relationship with the company and its controlling shareholders, actual controllers, directors, supervisors, and senior managers.

4. Impact on the company

Wuxi is an important manufacturing center and new energy market center in the Yangtze River Delta. The 150-kilometer range with Wuxi as the center covers the important developed cities of Suzhou, Changzhou and Shanghai. More than 35%, it has broad prospects for power battery recycling and new energy vehicle recycling. This time, it signed a capital cooperation agreement with Wuxi Airport Economic Development Zone and Wuxi New District Science and Technology Finance Venture Capital Group Co., Ltd. for the GEM power battery low-carbon recycling project, which is to recycle 100,000 new energy vehicles and recycle 100,000 tons per year. The implementation of the power battery project is an important measure to promote the "carbon peak and carbon neutrality" strategy, which is conducive to further promoting the company's geographical location in the new energy market based on the advantages of Wuxi's surrounding area to expand the scale of new energy vehicle recycling and power battery manufacturing. To build a globally competitive power battery and new energy vehicle green recycling base in the Yangtze River Delta, to fully meet the huge demand for power battery and new energy vehicle green recycling in the Yangtze River Delta when new energy vehicles are scrapped.

After the signing of this capital cooperation, the company will quickly promote Wuxi to build an annual recycling base of 100,000 sets of power batteries and an annual recycling and processing base of 100,000 new energy vehicles, and rely on the company's chemical base in Taixing to effectively build a "power battery" in the Yangtze River Delta region. Recycling - new energy vehicle recycling - power battery cascade utilization - auto parts cascade utilization - new energy material remanufacturing" new energy full life cycle low-carbon industry model, further consolidate GEM's global "battery recycling - precursor material remanufacturing - material remanufacturing" "Recycling industry chain, complete the company's power battery recycling and new energy vehicle recycling industry layout in the Pearl River Delta, Central China, Central Plains, Beijing-Tianjin-Hebei, Yangtze River Delta and other major regions, forming the company's new energy vehicles and power vehicles covering east, west, north, south and middle. The battery recycling industry system has a very important strategic significance for strengthening the company's ability to gather in China's new energy vehicle and power battery recycling market. It will greatly enhance the company's core position in the global power battery and new energy vehicle green recycling field, and further enhance the company's Core

Competitiveness and Sustained Profitability.

5. Risk Warning

There are still uncertainties in the specific implementation progress of the project after the signing of the capital cooperation. The board of directors of the company will actively pay attention to the progress of this matter and fulfill the obligation of information disclosure in a timely manner. Investors are advised to make decisions with caution and pay attention to investment risks.

Special announcement

Board of Directors of GEM Co., Ltd.

June 6, 2021