

GEM CO., LTD.

Announcement on signing the Strategic Cooperation Framework Agreement on the integration of phosphorus resources and chemical new energy and materials industry chain with Xinyangfeng Agricultural Technology Co. Ltd

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 framework agreement signed this time is a framework agreement of the cooperation will and basic principles of both parties. There are still uncertainties 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

With the rapid development of the global new energy industry and competition pattern changes, around the market drive of "carbon peak carbon neutral" and the concept of "ecological first, green development", continue to build "green, circulation, low carbon" leading enterprise image, integrate GEM Co., Ltd. (hereinafter referred to as "company", "GEM" or "Party B") and Xinyangfeng Agricultural Technology Co. Ltd (hereinafter referred to as "Yonfer" or "Party A") in the phosphorus chemical resources, material manufacturing, power battery market advantage, enhance GEM and Yonfer's industry influence and global core competitiveness. On January 10th, 2022, GEM and Yonfer through friendly consultation signed the Phosphorus Resources Chemical New Energy Materials Industry Chain Integration Strategic Cooperation Framework Agreement (hereinafter referred to as the "Strategic Cooperation Framework Agreement"), GEM and Yonfer decided to

combine advantage resources, joint investment "phosphate resources-iron phosphate" new phosphorus chemical new energy materials industry chain, build global competitiveness of "phosphorus chemical resources-lithium iron phosphate material manufacturing, power battery recycling and reuse" new phosphorus chemical new energy materials industry chain. According to the Strategic Cooperation Framework Agreement, from 2022, Yonfer shall lead the development of phosphorus resources, the investment and construction of iron phosphate material not less than 150,000 tons per year and supporting basic phosphate base chemicals; GEM shall take the lead in developing the downstream market, lithium iron phosphate manufacturing technology and the construction of lithium iron phosphate material not less than 100,000 tons per year.

According to the Articles of Association and other relevant provisions, the strategic cooperation framework 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 Framework 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 partner

Company name: Xinyangfeng Agricultural Technology Co. Ltd

Legal representative: Yang Caixue

Registered capital: RMB1,304,529,290.00

Establishment date: October 20, 1986

Registered address: No.7, North Moon Lake Road, Jingmen, Hubei Province

Business scope: ammonium phosphate, phosphate fertilizer, compound (compound) fertilizer, organic-inorganic compound fertilizer, organic fertilizer, biological organic fertilizer, microbial fertilizer, potassium sulfate, mixed fertilizer, stability, slow release fertilizer, controlled release fertilizer, water-soluble fertilizer, urea aldehyde sustained release fertilizer, chemical raw materials and products (excluding hazardous chemicals and other special items) production, sales, Production and sales of soil conditioners, oyster shell derivatives, seaweed extracts and chemical fertilizers containing seaweed extracts (excluding hazardous chemicals and other special specified items), Chloroalkali production, Sulphuric acid production, Liquid ammonia for anhydrous ammonia production, hydrochloric acid, sulfuric acid, liquid ammonia,

sulfur (par) wholesale, General freight transport, Transportation of chemical dangerous goods (8,23), Soil remediation, Farmland restoration, Heavy metal pollution prevention and control, Packaging and decoration print printing, other print printing, Manufacturing, sale of woven bags, Storage (excluding hazardous goods) services, Import and export of goods or technologies (except for goods and technologies prohibited by the state or involving administrative examination and approval), Operating feed processing and "three to one supplement" business, equity investment, investment management, Sales and storage of chemical fertilizers (excluding hazardous chemicals and other national special regulation projects), Conference Services, House, equipment rental, Midsize Restaurants, Operating guest rooms, Domestic water transport, Research and development of solid waste comprehensive utilization technology and processing and sales of related products (excluding national special regulation projects).(For projects subject to approval according to law, business activities can only be carried out after being approved by relevant departments.)

Yonfer has no association with the company and the company's controlling shareholders, actual controllers, directors, supervisors and senior managers.

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

3. Core contents of the strategic Cooperation Framework Agreement

(1) Cooperation mode

Both sides as long-term business strategic partners, to "depth of mutual trust, deep cooperation, mutual growth, mutual benefit and win-win" as the principle, to give full play to their respective "phosphate chemical resources-lithium iron phosphate material manufacturing" industry chain advantage, aggregate capital development "phosphorus resources-iron phosphate-lithium iron phosphate" new energy material industry chain, leading the healthy and sustainable development of lithium material industry, promote cooperation industry core and the strategic interests maximization, through friendly consultation, decided in the new energy material industry capacity optimization layout, product research and development upgrade, industrialization, industrial investment and other fields to establish a comprehensive strategic cooperation.

1, In view of the global competition pattern change, both sides, strategic partners and strategic investors, actively seek to reduce the industrial chain manufacturing costs, joint respective advantage resources, according to the global competition pattern, release their

biggest preferential (including the most competitive according to the marketization principle price advantage), to ensure that the industrial chain cost in the global competitiveness.

2. Party A focuses on the development and development of "phosphorus resources- -iron phosphate", and actively invests in the lithium iron phosphate materials led by Party B according to the needs.

3. Party B focuses on the recycling of lithium iron phosphate materials and lithium iron phosphate power batteries, and actively invests in the "phosphorus resource- -iron phosphate" industry led by Party A according to the needs.

4. According to the needs of future development, the two sides will actively explore joint investment in the establishment of global cooperation in power battery recycling factories or other new energy fields to ensure the demand for green supply of the global industrial chain.

5. Party A and Party B may designate specific implementation entities to implement the cooperation projects agreed upon in this Strategic Cooperation Framework Agreement. Party A shall designate its wholly-owned subsidiary Yanfeng Chuyuan New Energy Technology Co., Ltd. as the implementing subject; Party B shall designate GEM (Hubei) New Energy Materials Co., Ltd. under its control as the implementing subject.

(2) Industrial investment mode

From 2022, within two years, the two sides will jointly focus on building the basic production capacity of "phosphate resources, iron phosphate and lithium iron phosphate", and quickly build the basic scale of a globally competitive industrial chain to meet the basic needs of the industrial chain.

1. Party A shall take the lead in developing phosphorus resources, and lead the investment and construction of no less than 150,000 tons of iron phosphate materials and supporting phosphate base chemicals. In the iron phosphate project led by Party A, both parties agree that Party B shall subscribe for 35% of the registered capital of the iron phosphate project company and invest the registered capital according to the subscription proportion.

2. Party B shall take the lead in developing the downstream market, and lead the development of lithium iron phosphate manufacturing technology, and lead the construction of lithium iron phosphate materials of no less than 100,000 tons per year. In the lithium iron phosphate project led by Party B, both parties agree that Party A shall subscribe for 35% of the registered capital of the lithium iron phosphate project company or participate in Party B's capital increase and share expansion with the same amount of capital invested in one item. The specific amount shall be separately negotiated by the parties according to the project needs.

(3) R & D cooperation mode

The two sides should jointly strengthen cooperation in talent training, new product development, application research, industrialization transformation, platform (subject) application, jointly release the advantages of technological innovation and research and development innovation platform, actively promote the sharing and deep integration of the industrial chain technology platform, and promote the leading technological competitiveness of the industrial chain in the world.

(4) Other agreed matters

1. This Strategic Cooperation Framework Agreement serves as a cooperation intention framework agreement between the two parties. The specific cooperation implementation shall be subject to the formal investment cooperation agreement signed in accordance with this Strategic Cooperation Framework Agreement.

2. The cooperation between the parties under this Strategic Cooperation Framework Agreement shall not affect their pursuit of other partners in the same or broader field, and either party shall respect the interests and reputation of the other party under this Strategic Cooperation Framework Agreement in cooperation with other partners.

3. Both parties shall keep confidential the contents and all relevant matters of this Strategic Cooperation Framework Agreement. Without the consent of the other party, neither party shall disclose it in writing or not in writing, or disclose it to any third party. If either party violates it, the breaching party shall compensate the non-breaching party for the losses. If the regulatory authorities require both parties to disclose this strategic cooperation framework agreement, both parties shall negotiate together to ensure that the disclosed text is consistent.

4. All parties to this Strategic Cooperation Framework Agreement shall be exempted from liability due to force majeure, that is, unforeseeable, unavoidable and insurmountable objective circumstances that fail to perform the provisions of this Strategic Cooperation Framework Agreement.

5. This Strategic Cooperation Framework Agreement and its annexes are made in quadruplicate and shall come into force upon being sealed by both parties. Each party shall hold two copies with the same legal effect. This Strategic Cooperation Framework Agreement shall come into force upon being sealed by both parties. The term of cooperation shall be subject to the specific project investment and cooperation agreement signed by the project implementation subject designated by both parties. After the signing of this strategic cooperation framework Agreement, both parties shall begin consultations on the relevant terms of investment cooperation in the iron phosphate or lithium iron phosphate project, reach an agreement and start the project construction as soon as possible. If the parties do not sign the

specific implementation investment cooperation agreement within 6 months after the signing of the strategic cooperation framework Agreement, the strategic cooperation framework agreement shall be automatically terminated.

6. Any dispute arising from this Strategic Cooperation Framework Agreement shall be settled by both parties through negotiation. If no agreement fails through negotiation, either party may file a lawsuit with the People's Court of Dongbao District, Jingmen City.

Iv. Impact on the company

The main business of Yonfer is the research and development, production and sales of new energy materials such as phosphate chemical industry, phosphate compound fertilizer, new fertilizer and iron phosphate, and master rich phosphorus resources and mature phosphorus chemical product technology. 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.

GEM and Yonfer signed a strategic cooperation framework agreement, Through cooperation with Yonfer to invest and build the construction of no less than 150,000 tons of iron phosphate materials, supporting basic phosphate chemicals and no less than 100,000 tons of lithium iron phosphate materials, Combining both advantages in phosphorus chemical resources, material manufacturing and power battery market, It is conducive to building a globally competitive new phosphorus chemical new energy materials whole industry chain of "lithium phosphate chemical resources- -lithium iron phosphate material manufacturing- -power battery recycling and reuse", To achieve the company's tentative expansion from ternary precursor material to iron phosphate precursor material and lithium iron phosphate material, Comprehensively promote the stability of the company's new energy power battery raw materials and precursor material manufacturing in the downstream market, Promote the stability of the company's power battery recycling in the ternary power battery and lithium iron phosphate battery market field, Form a world-competitive urban mine recycling and new energy materials industry chain, Consolidate the company in the world's new energy material industry of the core head enterprises and core competitiveness. It is conducive to accelerating the implementation of the low-carbon cycle industry project with a new output value of ten

billion yuan, promote the company to build a world-class low-carbon industrial demonstration park in the Yangtze River Economic Belt, take the lead in implementing carbon neutrality in 2030, and boost the smooth realization of the national dual-carbon strategy.

The signing of this strategic cooperation framework Agreement shall not affect 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 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 framework 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 as required by 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. 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 Jiangao 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 OuYangMingzhi, 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 Strategic Cooperation Framework Agreement on the Integration of Phosphorous Resources and Chemical New Energy Materials Industry Chain was jointly signed by both sides.

Hereby announcement

Board of Directors of GEM CO., LTD.

January 10,20022