OVERVIEW

We are one of the early explorers in recycling and manufacturing critical metal resources and recycling lithium-ion batteries, as well as holding a strong position in manufacturing new energy materials. We adopt an "urban mining" recycling business model that reduces pollution while regenerating resources, through which we mitigate global greenhouse effects and advance carbon reduction and neutrality, implementing green development principles and driving the global transition to sustainable growth.

In December 2006, our Company was converted to a joint stock company. In January 2010, our Company was listed on the Shenzhen Stock Exchange (stock code: 002340).

KEY DEVELOPMENT MILESTONES

The following table sets out a summary of our Group's key development milestones:

Year	Milestone
2001	Our Company was incorporated in Shenzhen, Guangdong.
2004	We built the first used small retired batteries dismantling line and the nickel and cobalt remanufacturing line, starting the business of recycling small batteries.
2010	We were listed on the Shenzhen Stock Exchange on January 22, 2010 (stock code: 002340).
2011-2012 .	We initiated the business sub-segment of recycling and utilization of tungsten resources.
2012	We acquired 51% of GEM (Jiangsu) Cobalt Industry Co., Ltd. and started the business of manufacturing of precursors.
2013-2014 .	We introduced the business sub-segment of end-of-life vehicle recycling and established the end-of-life vehicle disposal centers in Jiangxi Province and Wuhan, Hubei, respectively.
2015	We entered into an industry-first full life-cycle value chain contract with both an international 3C electronics manufacturer and a state-owned automobile manufacturer.
	We entered into a cooperation agreement with ECOPRO for the sales of our new energy materials products.
2016	We acquired a South African company, Shu Powders Africa (Pty) Ltd, and expanded our cobalt powder manufacturing capabilities.
	We commenced the construction of a lithium-ion battery remanufacturing base in Wuhan, Hubei and a new energy materials production base in Jingmen, Hubei.
2018	Together with Tsingshan, CATL and Japan Hanwa, we commenced the construction of an industrial park for production of nickel-based products and new energy materials in Indonesia.
2021	We further established lithium-ion battery recycling centers in Wuxi, Jiangsu, Shenzhen, Guangdong and Tianjin.
	We initiated the cooperation with local business partners in respect of new energy materials production center in South Korea.
2022	Our Global Depositary Receipt was listed on SIX Swiss Exchange.
	The production line of our independently designed and operated QMB (high-pressure hydrometallurgy of laterite nickel ore) project commenced full operations.

Year	Milestone
2023	We established PT.ESG. In the same year, Merdeka, which is the first local mine owner to develop nickel resources and produce new energy materials in Indonesia, invested in PT.ESG. The establishment of PT.ESG is the first project led locally in Indonesia, marking the recognition of the Group's technology by the Indonesian market, paving the way for the Group's strategic development in Indonesia.
2024	We signed a memorandum of understanding to cooperate with ECOPRO in nickel resources precursors cathode materials production.
2025	Our QMB Industry Park's annual 30,000 ton electrolytic nickel production line has officially commenced operations, making it Indonesia's first company to establish a fully integrated nickel industry chain, including MHP, nickel sulfate crystals, electrolytic nickel, and high-nickel ternary precursor materials.

OUR MAJOR SUBSIDIARIES

As of the Latest Practicable Date, we conducted our business operations through 91 subsidiaries. The following table sets forth the principal activities and the date and place of incorporation/establishment in respect of each of our major subsidiaries as of the Latest Practicable Date (the "**Major Subsidiaries**"):

No.	Name of Major Subsidiary	Date of incorporation/ establishment	Place of incorporation/ establishment	Principal activities	Percentage of shareholding
1.. . .	GEM Supply Chain Management (Shanghai) Co., Ltd. (格林美供應鏈管理(上海)有限公司) ("**GEM Supply Chain**")	June 13, 2012	The PRC	Metal trading	100.00%
2.. . .	GEM (Jingmen) High Purity Chemical Materials Co., Ltd (格林美(荊門)高純化學材料有限公司) ("**GEM High Purity**")	April 19, 2021	The PRC	Manufacturing of special electronic materials, sales of special electronic materials, sales of high-purity elements and compounds	100.00%
3.. . .	Jingmen GEM Co., Ltd. (荊門市格林美新材料有限公司) ("**Jingmen GEM**")	December 4, 2003	The PRC	Recycling and utilization of waste cobalt and nickel, as well as procurement of other cobalt and nickel resources for the production and sales of ultra-fine cobalt powder, new energy battery materials and other products	100.00%
4.. . .	GEM (Jiangsu) Cobalt Industry Co., Ltd. (格林美(江蘇)鈷業股份有限公司) ("**GEM Jiangsu Cobalt**")	December 10, 2003	The PRC	Manufacturing industry of lithium-ion battery cathode materials	100.00%
5.. . .	GEM (Wuxi) Energy Material Co., Ltd. (格林美(無錫)能源材料有限公司) ("**GEM Wuxi Energy**")	March 23, 2011	The PRC	R&D and production of lithium, cobaltate and ternary materials	100.00%

No.	Name of Major Subsidiary	Date of incorporation/ establishment	Place of incorporation/ establishment	Principal activities	Percentage of shareholding
6. . .	GEM (Jingmen) International Engineering Co., Ltd. (格林美(荊門)國際工程有限公司) ("**GEM International Engineering**")	December 18, 2024	The PRC	Procurement and sales of equipment	100.00%
7. . .	GEM Hong Kong International Co., Limited (格林美香港國際物流有限公司) ("**GEM Hong Kong**")	April 2014	Hong Kong	Logistics, transportation and international trade	100.00%
8. . .	New Horizon International Holding Limited (新展國際控股有限公司) ("**New Horizon**")	July 2018	Hong Kong	Investment holding, international logistics, engineering construction, engineering construction consulting services	100.00%
9. . .	PT. Indonesia Qingmei Energy Materials ("**PT. Indonesia Qingmei**")	November 2, 2023	Indonesia	Production, manufacturing, import and export of battery-grade nickel chemical products and accessories, manufacturing of new energy materials, domestic trade, import and export of mechanical and electrical products and chemical products	100.00%
10. . .	QMB (Zhejiang) Engineering Technology Co., Ltd. (浙江美青邦工程服務有限公司) ("**QMB Engineering**")	August 13, 2019	The PRC	Engineering consulting, technology development, consulting, services and transfer in the field of engineering technology, self-operated and agency services for the import and export of various goods and technologies	78.26%
11. . .	Jiangxi GEM Resources Recycling Co., Ltd. (江西格林循環產業股份有限公司) ("**Jiangxi GEM Recycling**")	May 12, 2010	The PRC	Recycling and utilization of renewable resources	72.31%
12. . .	PT QMB New Energy Materials ("**PT QMB**")	January 8, 2019	Indonesia	Production, manufacturing, import and export of battery-grade nickel chemical products and accessories, manufacturing of new energy materials, domestic trade, import and export of mechanical and electrical products and chemical products	55.00%
13. . .	Wuhan Power Battery Recycling Technology Co., Ltd. (武漢動力電池再生技術有限公司) ("**Wuhan Power Battery**")	November 20, 2020	The PRC	Recycling of renewable resource, R&D of resource recycling and utilization technologies, manufacturing of battery, sales of battery, leasing of storage battery, recycling of waste power battery for new energy vehicles	56.47%
14. . .	Hubei Green Tungsten Resource Recycling Co., Ltd. (湖北綠鎢資源循環有限公司) ("**Hubei Green Tungsten**")	July 22, 2011	The PRC	Recycling, manufacturing and sales of tungsten carbides	51.22%
15. . .	PT Meiming New Energy Material ("**PT Meiming**")	October 6, 2023	Indonesia	Purification, smelting, mixing and casting of non-ferrous metal basic forms	55.00%

The Company held entire or majority equity interests in the above Major Subsidiaries throughout the Track Record Period.

See "Appendix VI. Statutory and General Information — 1. Further Information About Our Group — C. Further Information about Our Major Subsidiaries" for more details on share capital changes of the Major Subsidiaries within the two years preceding the date of this document.

MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

Establishment and Early Development

In December 2001, our Company was established as a limited liability company under the laws of the PRC, with an initial registered capital of RMB20 million. Upon establishment, our Company was owned as to 56% by Mr. Xu, 20% by Ms. Wang, the spouse of Mr. Xu, 10% by Shenzhen Guangyuanxin Industrial Co., Ltd., which was later known as Shenzhen Circular Technology Co., Ltd. (深圳市循環科技有限公司) and was held by Mr. Xu, Ms. Wang and three other Independent Third Parties, as to 19%, 18%, 47%, 8% and 8%, respectively, 8% by NIE Zuoren and 6% by GUO Xueyi. Each of Shenzhen Circular Technology Co., Ltd. (深圳市循環科技有限公司), NIE Zuoren and GUO Xueyi is an Independent Third Party. At the establishment of our Company in December 2001, Mr. Xu contributed his research and development achievements in green power battery technology to the Company. Since the Company's inception, Mr. Xu and Ms. Wang have played pivotal roles in the development of the group. In particular, Mr. Xu has provided strategic leadership and technical expertise, driving innovation and the commercialisation of advanced recycling technologies. Ms. Wang has contributed to the group's management and operational efficiency as well as supporting the expansion of the business.

Upon completion of several rounds of capital increase and share transfer, as of November 2006, the registered capital of our Company was increased to RMB50.68 million and the Company was owned as to 38.79% by Shenzhen Huifengyuan Investment Co., Ltd. (深圳市滙豐源投資有限公司) ("**Shenzhen Huifengyuan**"), which was ultimately controlled by Ms. Wang and Mr. Xu, 6.32% by Shenzhen Xinyuanxing New Materials Co., Ltd., currently known as Fengcheng Xinyuanxing New Materials Co., Ltd. (豐城市鑫源興新材料有限公司) ("**Fengcheng Xinyuanxing**"), and 54.89% by two Independent Third Parties.

Conversion into Joint Stock Limited Company

In December 2006, our Company was converted from a limited liability company to a joint stock limited company with a registered capital of RMB52 million, and our name was changed to Shenzhen GEM High-tech Co., Ltd. (深圳市格林美高新技術股份有限公司), which was later further changed to "格林美股份有限公司" in April 2015.

Listing on the Shenzhen Stock Exchange

As approved by the CSRC, our A Shares were listed on the Shenzhen Stock Exchange under the stock code 002340 on January 22, 2010 (the "**A-Share Listing**"). In the A-Share Listing, we issued an aggregate of 23,330,000 A Shares, accounting for 25.00% of our Company's then issued shares immediately following the A-Share Listing. Upon completion of the A-Share Listing, the total share capital of our Company amounted to 93,320,000 A Shares the Company was owned as to 22.83% by Shenzhen Huifengyuan and 8.39% by Fengcheng Xinyuanxing, which was ultimately controlled by Mr. Xu and Ms. Wang, and 68.78% by our other A Shareholders.

Private Placements of A Shares

In 2011, following the approval of our shareholders and the relevant regulatory authority, we were approved for a private placement of new A Shares. In December 2011, we issued 47,159,090 A Shares to eight subscribers, all of whom were Independent Third Parties. The private placement raised net proceeds of approximately RMB1,000,000,000. After the completion of this private placement, our total issued Shares increased to 289,791,090 A Shares.

In 2014, following the approval of our shareholders and the relevant regulatory authority, we were approved for a private placement of new A Shares. In May 2014, we issued 24,900,000 A Shares to Shenzhen Huifengyuan Investment Co., Ltd. (深圳市滙豐源投資有限公司) and 145,483,333 A Shares to other four subscribers, all of whom were Independent Third Parties. The private placement raised net proceeds of approximately RMB1,738,813,651,56. After the completion of this private placement, our total issued Shares increased to 923,840,167 A Shares.

In 2015, following the approval of our shareholders and the relevant regulatory authority, we were approved for a private placement of new A Shares. In November 2015, we issued 254,442,606 A Shares to seven subscribers, all of whom were Independent Third Parties. The private placement raised net proceeds of approximately RMB2,357,892,505.35. After the completion of this private placement, our total issued Shares increased to 1,455,434,823 A Shares.

In 2018, following the approval of our shareholders and the relevant regulatory authority, we were approved for a private placement of new A Shares. In September 2018, we issued 336,263,734 A Shares to four subscribers, all of whom were Independent Third Parties. The private placement raised net proceeds of approximately RMB1,805,950,187.82. After the completion of this private placement, our total issued Shares increased to 4,152,174,073 A Shares.

In 2020, following the approval of our shareholders and the relevant regulatory authority, we were approved for a private placement of new A Shares. In May 2020, we issued 634,793,184 A Shares to twenty-eight subscribers, all of whom were Independent Third Parties. The private placement raised net proceeds of approximately RMB2,386,512,911.01. After the completion of this private placement, our total issued Shares increased to 4,784,427,057 A Shares.

Listing on the SIX Swiss Exchange

In July 2022, the Company issued 31,002,500 Global Depositary Receipts ("**GDRs**") on the SIX Swiss Exchange (the "**SIX Swiss Exchange**") at US$12.28 per GDR, raising US $381 million and became listed on the SIX Swiss Exchange (the "**GDR Listing**"). Each GDR represents ten A shares of the Company. After the GDR issuance, our total issued Shares increased to 5,093,547,257 A Shares and the Company was owned as to 8.50% by Shenzhen Huifengyuan, which was ultimately controlled by Mr. Xu and Ms. Wang and 91.50% by our other A Shareholders.

For details of changes in share capital of our Company within the two years immediately preceding the date of this document, see "Statutory and General Information — 1. Further Information about our Group — B. Changes in Share Capital of our Company" in Appendix VI to this Document.

EMPLOYEE INCENTIVE SCHEME

In order to incentivize our employees, we adopted the Employee Incentive Schemes. See "Statutory and General Information — 4. Employee Incentive Schemes" in Appendix VI to this document for details.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, (i) each of Mr. Xu and Ms. Wang was directly interested in 0.13% and 0.26% of the total issued share capital of our Company, respectively; (ii) Shenzhen Huifengyuan Investment Co., Ltd. (深圳市滙豐源投資有限公司) ("**Shenzhen Huifengyuan**"), which is held by Mr. Xu and Ms. Wang as to 60% and 40%, respectively, was directly interested in 8.48% of the total issued share capital of our Company; (iii) Fengcheng Xinyuanxing New Materials Co., Ltd. (豐城市鑫源興新材料有限公司) ("**Fengcheng Xinyuanxing**"), which is held by Mr. Xu and Ms. Wang as to 31.46% and 1.92%, respectively, was directly interested in 0.18% of the total issued share capital of our Company. As of the Latest Practicable Date, Mr. Xu, Ms. Wang, Shenzhen Huifengyuan and Fengcheng Xinyuanxing together held an aggregate of 9.06% of the total issued share capital of our Company.

As advised by our PRC Legal Advisor, Mr. Xu and Ms. Wang were considered as having control over Fengcheng Xinyuanxing as (i) Mr. Xu and Ms. Wang are spouses, holding 33.38% of Fengcheng Xinyuanxing in aggregate, (ii) the aggregate shareholding of Mr. Xu and Ms. Wang far exceeded the shareholding of the other shareholders of Fengcheng Xinyuanxing as the remaining 66.62% of share interest in Fengcheng Xinyuanxing was held by 32 other individuals, and (iii) Mr. Xu serves as the executive director and legal representative of Fengcheng Xinyuanxing.

As such, following completion of the [**REDACTED**], Mr. Xu, Ms. Wang, Shenzhen Huifengyuan and Fengcheng Xinyuanxing constitute a single largest group of shareholders and hold an aggregate of [**REDACTED**]% of the total issued share capital of our Company.

MAJOR ACQUISITIONS AND DISPOSALS

We had not carried out any major acquisitions, disposals or mergers during the Track Record Period and up to the Latest Practicable Date.

[**REDACTED**]

OUR LISTING ON THE SHENZHEN STOCK EXCHANGE AND SIX SWISS EXCHANGE AND REASONS FOR THE [REDACTED] ON THE STOCK EXCHANGE

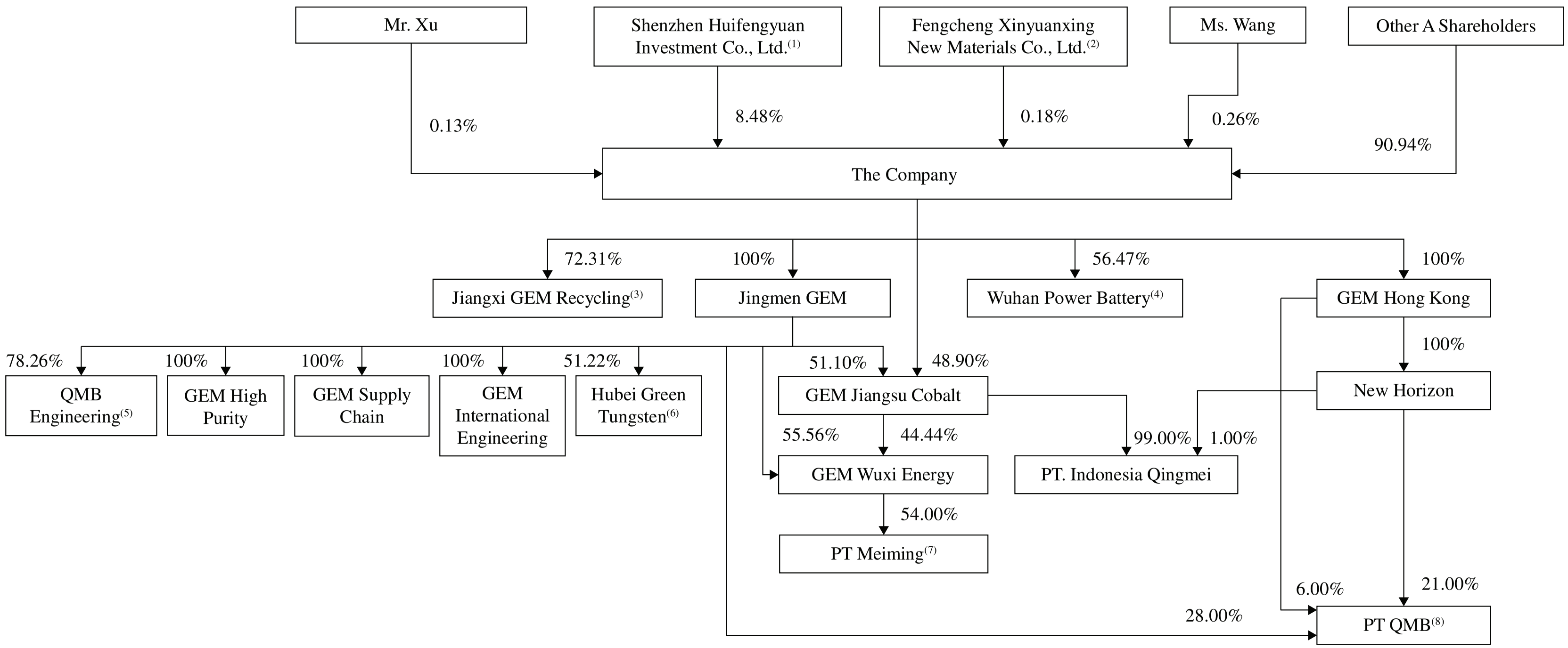
As of the Latest Practicable Date, our Directors confirmed that we had no instances of material non-compliance with the rules of the Shenzhen Stock Exchange, the SIX Swiss Exchange and other applicable securities laws and regulations in any material respects since our listing on the Shenzhen Stock Exchange and our GDR Listing, and, to the best knowledge of our Directors having made all reasonable inquiries, there was no material matter that should be brought to the investors' attention in relation to our compliance record on the Shenzhen Stock Exchange and the SIX Swiss Exchange. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would cause them to disagree with our Directors' confirmation with regard to the compliance records of the Company on the Shenzhen Stock Exchange.

We believe the [**REDACTED**] and the [**REDACTED**] on the Hong Kong Stock Exchange will help enhance our international profile, better attract overseas investors and talents, optimize our shareholding structure, and provide an additional source of capital to improve our core competitiveness. See "Business — Our Strategies" and "Future Plans and Use of [**REDACTED**]."

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Shareholding and Corporate Structure Immediately Before the [REDACTED]

The following chart depicts a simplified shareholding and beneficial ownership structure of our Group immediately prior to the completion of the [**REDACTED**] assuming that no changes are made to the issued share capital of the Company between the Latest Practicable Date and [**REDACTED**]:



THIS DOCUMENT IS IN DRAFT FORM. THE INFORMATION CONTAINED HEREIN IS INCOMPLETE AND IS SUBJECT TO CHANGE. THIS DOCUMENT MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED "WARNING" ON THE COVER OF THIS DOCUMENT.

Notes:

(1) Shenzhen Huifengyuan Investment Co., Ltd. (深圳市滙豐源投資有限公司) is held by Mr. Xu and Ms. Wang as to 60% and 40%, respectively. As of the Latest Practicable Date, 28,850,000 A Shares held by Shenzhen Huifengyuan Investment Co., Ltd. were pledged to Guotai Haitong Securities Co., Ltd. (國泰海通證券股份有限公司) as security for financing. For details, see "Substantial Shareholders."

(2) Fengcheng Xinyuanxing New Materials Co., Ltd. (豐城市鑫源興新材料有限公司) is held by Mr. Xu and Ms. Wang as to 31.46% and 1.92%, respectively. The remaining 66.62% of share interest in Fengcheng Xinyuanxing New Materials Co., Ltd. was held by 32 individuals, all of whom are Independent Third Parties save for (i) LU Xijin, our former supervisor, who held 7.66%, (ii) ZHOU Bo, our executive Director, held 2.55%, (iii) WU Guangyuan, our former supervisor, held 0.64%, (iv) CHEN Binzhang, our former supervisor, held 0.64% and (v) WANG Jian, our former supervisor, held 3.19% of the share interest.

(3) As of the Latest Practicable Date, the remaining 27.69% share interest in Jiangxi GEM Recycling was held by 22 entities, all of which hold less than 10% share interest therein and are Independent Third Parties. These shareholders of Jiangxi GEM Recycling are cooperation partners and strategic investors.

(4) As of the Latest Practicable Date, the remaining 43.53% share interest in Wuhan Power Battery was held by 31 entities, all of which hold less than 10% share interest therein and are Independent Third Parties. These shareholders of Wuhan Power Battery are cooperation partners, strategic investors and employee shareholding platforms.

(5) As of the Latest Practicable Date, the remaining 21.74% share interest in QMB Engineering was held by Yongqing Technology Co., Ltd. (永青科技集團有限公司), which is ultimately controlled by Tsingshan Holding Group Co., Ltd.(青山控股集團有限公司), and Ningbo Brunp Contemporary Amperex Co., Ltd. (寧波邦普時代新能源有限公司), which is ultimately controlled by Contemporary Amperex Technology Co., Limited, a company listed on the ChiNext of the Shenzhen Stock Exchange (stock code: 300750) and the Hong Kong Stock Exchange (stock code: 3750), each holding 10.87% of the share interest. These shareholders of QMB Engineering are strategic investors and cooperation partners.

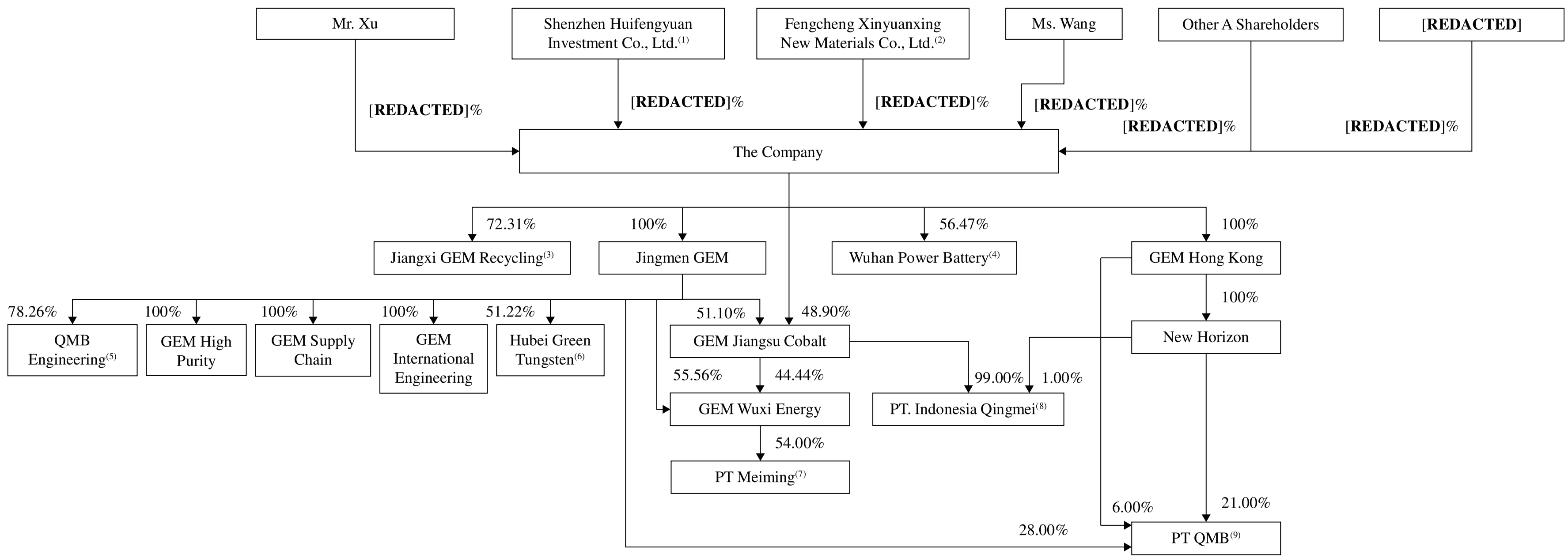
(6) As of the Latest Practicable Date, the remaining 48.78% share interest in Hubei Green Tungsten was held by 12 entities and 5 individuals, all of which hold less than 10% share interest therein and are Independent Third Parties. These shareholders of Hubei Green Tungsten are cooperation partners, strategic investors and employee shareholding platforms.

(7) As of the Latest Practicable Date, the remaining 46% share interest in PT Meiming was held by GEM Hong Kong, one of our Major Subsidiaries as to 1% and by PT Merdeka Energi Utama, H&K International Investment Holdings Limited and Cahaya Jaya Investment Pte. Ltd, each an Independent Third Party, as to 12.5%, 10.5%, 10%, respectively, and two other entities, both of which hold less than 10% share interest therein and are Independent Third Parties. These shareholders of PT Meiming are strategic investors and cooperation partners.

(8) As of the Latest Practicable Date, the remaining 45% share interest in PT QMB was held by PT Indonesia Morowali Industrial Park and Brunp (China) Recycling Technology Company Limited, each holding 10% of the share interest therein, and three other entities, all of which hold less than 10% share interest therein and are Independent Third Parties. To the best of our Company's knowledge, PT Indonesia Morowali Industrial Park is affiliated company of Tsingshan Holding Group Co,, Ltd. (青山控股集團有限公司). Brunp (China) Recycling Technology Company Limited is a subsidiary of Contemporary Amperex Technology Co., Limited, a company listed on the Shenzhen Stock Exchange (stock code: 300750) and the Hong Kong Stock Exchange (stock code: 3750). These shareholders of PT QMB are strategic investors and cooperation partners.

Shareholding and Corporate Structure upon Completion of the [REDACTED]

The following chart depicts the shareholding and beneficial ownership structure of our Group immediately following the completion of the [**REDACTED**], assuming that the [**REDACTED**] are not exercised and that no changes are made to the issued share capital of the Company between the Latest Practicable Date and [**REDACTED**]:



Notes:

(1) to (9) See "History, Development and Corporate Structure — Shareholding and Corporate Structure Immediately Before the [**REDACTED**]."

(10) So far as our Directors are aware, all the H Shares to be issued pursuant to the [**REDACTED**], representing [**REDACTED**]% of our total issued Shares upon [**REDACTED**] (assuming that the [**REDACTED**] has not been exercised and that no changes are made to our issued share capital between the Latest Practicable Date and the [**REDACTED**]), will be counted towards the [**REDACTED**] (as defined in the Listing Rules) upon [**REDACTED**]. Accordingly, upon completion of the [**REDACTED**], we will maintain a sufficient [**REDACTED**] as required under Rule 19A.13A(2) of the Listing Rules where at least 10% of our Company's total number of issued shares (excluding treasury shares, if any) will be held by the public. Also, our Company will comply with the free float requirement under Rule 19A.13C of the Listing Rules at the time of [**REDACTED**].