# Advanced Lithium Electrochemistry (Cayman) Co., Ltd. (the Company")

# Minutes of the Annual Shareholders' Meeting

Time: 9:00 a.m., Tuesday, June 03, 2025

Place: No. 398, Taoying Road., Taoyuan Dist., Taoyuan City 330, Taiwan (R.O.C.)

(Chuto Plaza Hotels)

Meeting type: Video-conferencing assisted shareholders meeting(physical shareholders meeting supported by video conferencing)

E-Meeting Platform: "Shareholders meeting e-Voting Platform-Hybrid Shareholders' Meeting" by Taiwan Depository & Clearing Corporation (website: http://www.stockservices.com.tw)

Quorum: 46,449,946 shares were represented by the shareholders and proxies present at the meeting (including e-voting 24,224,311 shares), which accounts 68.30% of the Company's 68,000,000 issued and outstanding shares.

President (Directors): Chang, Sheng-Shih · Cnu, Jui-Yang · Lee, Yu-Mei · Wei, Pao-Sheng · Lee, Chao-Chin · Wang, Ying-Chou

Chairman of Meeting: Chang, Sheng-Shih

Prepared by: Lin, Song-Po

- 1. The Chairman declared the meeting duly constituted.
- 2. Chairman's speech: Omitted.
- 3. Report Items

Proposal 1:

Proposal: Business Report of 2024

Explanation: Business Report of 2024, attached in Attachment 1 of the Meeting Agenda, page 7-8.

#### Proposal 2:

Proposal: Inspection Report of Audit Committee of 2024.

#### Explanation:

- 1. In accordance with Article 14, paragraph 4, subparagraph 3 of the Taiwan Securities Transaction Act, when the company sets up the audit committee, the provisions of the Taiwan Securities Transaction Act, the Company Act and other relevant laws for the supervisor are approved by the audit committee.
- 2. In accordance with the above provisions, the Audit Committee shall use the provisions of Article 228 of the Company Act to review the business report, financial statements and proposals of the deficit compensation approved by the 9nd meeting of the 9th Board of Directors, and issue a verification report. Please refer to Attachment 2 of the Meeting Agenda, page 9

#### Proposal 3:

Proposal: Report on the Implementation of Sound Operation Plan 2024.

#### Explanation:

- 1. In accordance with No.1030051218 of the Financial Supervisory Commission on December 26, 2014, the company has reported the implementation of sound business operation 2024 at the 14nd meeting of the 9th Board of Directors on March 14, 2025.
- 2. The report of sound business operation 2024 are as attached in Attachment 3 of the Meeting Agenda, page 10-13.

# Proposal 4:

Proposal: Report of private equity 2024.

Explanation: Capital injection by issuance of 40 million shares of common stocks through private placement had been terminated by the resolution of the board of Directors due to can not be done before the expiry date on June 27 2025.

# Proposal 5:

Proposal: The company's subsidiary, Advanced Lithium Electrochemistry Co., Ltd. is handling the public auction of real estate and submitting it for public review.

#### **Explanation:**

1. In response to the operational needs of its subsidiary, Advanced Lithium Electrochemistry Co., Ltd. (hereinafter referred to as Aleees-TW), and in line with Aleees-TW's overall business planning, Aleees-TW has leased the land and factory located at No. 236, Huannan Road, Guanyin District, Taoyuan City (hereinafter referred to as Taoke Factory) from Chung Hsing Electric Machinery Co., Ltd. on May 15, 2025. The Taoke Factory has a total area of approximately 1,270 pings. It is expected to build a demonstration line and a trial production line, and will subsequently relocate the factory. The lease period is from May 15, 2025 to April 30, 2030. During the lease period, it enjoys the right of first refusal and the right of first renewal upon expiration of the lease.

#### Expected benefits:

- (i) It complies with the mainstream market of high-voltage ingot products.
- (ii) It reduces production costs and increases profit margins.
- (iii) It complies with environmental protection and policy requirements to ensure long-term development.
- (iv) The original factory assets can be revitalized and utilized to increase Aleees-TW's revenue.
- 2. As mentioned above, in order to integrate resources, revitalize assets and enrich working capital, Aleees-TW intends to carry out a public auction of the land and factory buildings at No. 2-1 (and No. 2, No. 2-3) Xinghua Road, Taoyuan District, Taoyuan City (hereinafter referred to as the subject matter).
- 3. In accordance with the provisions of the "Asset Acquisition or Disposal Operation Regulations" of Aleees-TW, Aleees-TW has obtained professional valuation reports from the Euro-Asia Real Estate Appraisers and Zhonglian Real Estate Appraisers, and in accordance with Article 185, Paragraph 1 of the Company Law,

with the consent of the Chairman of Aleees-TW (Aleees-TW is a joint-stock company composed of one legal person shareholder, and the powers of the shareholders' meeting are exercised by the board of directors. The company has only one director, who is the chairman of the board of directors, and the powers of the board of directors are exercised by the chairman), it complies with the relevant provisions of the Taiwan Company Law and Aleees-TW internal regulations on the disposal of assets. In addition, in order to comply with the spirit of corporate governance, this plan was also submitted to the company's audit committee and board of directors for discussion, and the company's audit committee and board of directors passed the resolution to authorize the chairman of Aleees-TW to conduct the selection of the public auction service team and the determination of the reserve price in accordance with the relevant provisions of the "Asset Acquisition or Disposal Operation Regulations" of Aleees-TW Finally, in order to inform shareholders of the group's major decisions, the board of directors of the company also decided to submit the relevant matters of this plan to this regular shareholders' meeting for reporting.

4. Aleees-TW is handling a real estate public auction plan. The subsequent process will be carried out in accordance with relevant laws and regulations and relevant information will be announced based on the bidding and awarding of bids.

#### 4. Proposed Items

Proposal 1: (By the Board of Directors)

Proposal: Proposal for the Business Report and Financial Statements 2024, please approve it. Explanation:

- 1. The consolidated financial statements 2024 of the company was reviewed by the accountant Wei-Hao Wu and Yen-Na Li of PwC Taiwan, and reports were issued with unreserved opinions.
- 2. The business report and financial statements 2024 accepted by the board of directors, and it is proposed to the shareholders' meeting for approval.
- 3. Business report are as attached in Attachment 1 of the Meeting Agenda, page 7-8
  The consolidated financial statements are attached in Attachment 4 of the Meeting
  Agenda, pages 14-25

# Vote Results,

	Votes		% of the total represented share present
For	38,140,828 (e-voi	te 23,530,914)	82.11%
Against	7,698,182 (e-vo	te 92,712)	16.57%
Invalid/Abstain	610936 (e-vo	te 600,685)	1.31%

Resolution: The above proposed was approved as proposed.

Proposal 2: (By the Board of Directors)

Proposal: Proposal for Deficit Compensation 2024, please approve it.

#### **Explanation:**

- 1. The Company's after-tax loss for fiscal year 2024 is NT\$235,270,748, plus the loss to be offset at the beginning of the period of NT\$529,783,225 and the loss offset by capital reduction of NT\$150,000,000, the total accumulated loss to be offset at the end of the period is NT\$615,053,973.
- 2. Since the company has a loss after tax in 2024, it will not allocate or distribute dividends in accordance with the Articles of Incorporation.
- 3. The proposal for the deficit compensation for 2024 is attached in Attachment 5 of the Meeting Agenda, page 26.

#### Vote Results,

	Votes		% of the total represented
			share present
For	38,125,675	(e-vote 23,515,761)	82.07%
Against	7,716,252	(e-vote 110,782)	16.61%
Invalid/Abstain	608,019	(e-vote 597,768)	1.30%

Resolution: The above proposed was approved as proposed.

#### 5. Discussion Items

Proposal 1: (By the Board of Directors)

Proposal: Proposal for the Raising of Private Equity.

# Explanation:

- 1. In order to cope with the company's future development or reinvestment or increase the working capital, and enhance the company's competitiveness, it is proposed the company to handle no more than 20 million shares of private equity to issue new shares of capital increase in cash. It is proposed the shareholders' meeting to authorize the board of directors to take into account the market conditions and meet the actual needs of the company, and handle the following financing methods and principles.
- 2. In accordance with Article 43 paragraph 6 of the Securities and Exchange Act and the "Directions for Public Companies Conducting Private Placements of Securities", statements are as follows:

A.Basis and reasonableness of private equity pricing

- (1). Basis for the issuing price: The price of the common stock issued by the private capital increase in cash will be no less than 50% of the reference price, which will be determined on the pricing date. The reference price is calculated based on the highest price in the following two benchmarks.
  - (a) The issuing price shall be determined by the average of the common stock

- closing price which is calculated on 1, 3 or 5 business days before the pricing date, deducting the bonus shares' ex-right and dividends, and adding back the stock price after the capital reduction.
- (b) The issuing price shall be determined by the average of the common stock closing price which is calculated on 30 business days before the pricing date, deducting the bonus shares' ex-right and dividends, and adding back the stock price after the capital reduction.

# (2). Reasonableness of the issuing price:

- (a) The actual issue price is intended to be authorized by the board of directors in accordance with the law and to be within the range of no less than the resolutions of the shareholders' general meeting, depending on the specific future contacts, market conditions and the company's future prospects. The basis for the above-mentioned private placement price is in accordance with the regulations of the competent authority, and at the same time, the timing, object and quantity of the transfer of private equity are in strict restrictions. Also, it is not allowed to be listed in the OTC within 3 years, and the liquidity is poor. Therefore, the portion of private placements should be reasonable.
- (b) In accordance with the relevant laws and regulations, when the price per share is lower than 80% of the reference price, the independent expert's opinion on the basis and rationality of the pricing should be provided to shareholders as a reference for whether the shareholders agree. To this end, the Company obtained a reasonableness opinion issued by Reanda & Pinghe Joint Accounting Firm. Please refer to pages 27 to 41 of Attachment 6 of this manual.

#### B.The means of selecting the specified persons

- (1). The recipients of this offering of common shares are limited to specific persons who meet the requirements of Article 43-6 of the Securities and Exchange Act and the Financial Supervisory Commission's Order No. 1120383220 dated September 12, 2023.
- (2). If the subscriber is a strategic investor: The company will choose the subscriber with good understanding of the company's operations and is beneficial to future operations. Individuals or legal persons who assists the company to improve its quality, reduce costs, and increase efficiency by applying the person's own experience, techniques, brand reputation or channel programs, etc. In order to improve the company's financial structure and strengthen its solvency, the funds of the subscribers can improve the overall financial quality of the company. The huge cost of capital and operational risks can be reduced, and the company's financial structure can be improved. Ito is proposed that the board of directors to be authorized to

- review the relevant qualifications of strategic investors.
- (3). If the subscriber is an insider or related parties of the company: Currently there are no planned applicants for insider or related parties.
- (4). The subscriber has not yet been arranged by the company, and it is proposed that the board of directors to be authorized to decide the arrangement of the actual subscriber.

# C.Reasons for private placement

- (1). Reasons for not using public offerings: Considering the timeliness, convenience and issuing costs, we plan on cash capital increase through private placement.
- (2). The purpose and the expected benefits of the private equity shares: The total number of private equity shares is limited to no more than 20 million shares, and the book value per share is NT\$10. It is proposed to authorize the board of directors for private placement several times within one year from the date of resolution of the shareholders' meeting. The funds for each of the private placements are used to enrich working capital, reinvestment or other capital needs for future development, and effectively reduce the cost of capital, strengthen the company's competitiveness and enhance operational efficiency.
- 3. Private shares of the private placement of securities shall have the same rights and obligations as issued shares, and shall not be transferred except to the transferees specified in Article 43 paragraph 8 of the Securities and Exchange Act within three years from the delivery date. After three full years since the delivery date, it is proposed to authorize the board of directors to apply to the competent authority for the privately placed securities to be traded on the over-the-counter markets in accordance with the relevant laws and regulations.
- 4. Except for the portion of private placements, the essential contents of the private placement plan includes issuing price, number of shares, issuance conditions, project plans, progress in the use of funds, expected benefits, and other unfinished matters. If there are any modifications in the future due to changes in objective environmental factors, it is proposed that the board of directors is authorized to fully handle it in accordance with relevant regulations.
- 5. In accordance with the letter the Securities Investor and Futures Trader Protection Center's letter No. 1140001193 dated April 14, 2025 and letter No. 1140001372 dated April 25, 2025, the Company explained relevant matters in the reply Cayman Aleees Tzu No. AC250422001 dated April 22, 2025 and letter No. AC250502001 dated May 2, 2025, respectively to explain the relevant matters. Please refer to pages 42 to 52 of Attachment 7 of this manual.

Vote Results,

	Votes	% of the total represented
		share present
For	38,096,301 (e-vote 23,486,387)	82.01%
Against	7,764,197 (e-vote 158,727)	16.71%
Invalid/Abstain	589,448 (e-vote 579,197)	1.26%

Resolution: The above proposed was approved as proposed.

Shareholder account number 7766 who participated in the video conference platform made the following statement:

- 1. Regarding the fact that the price per share of the private placement common stock of your company in this private placement case is lower than 80% of the reference price, although independent expert opinions have been provided, the pricing ratio of this private placement case is actually lower than that of other private placement companies. Please carefully consider increasing the pricing ratio of the private placement price, and explain in detail the rationality of the pricing ratio of this private placement or provide other relevant information for shareholders to understand.
- 2. Please include the above speech content and the company's reply in detail in the minutes of the shareholders' meeting.

#### Reply from the financial and accounting director:

The pricing ratio of this private placement is mainly determined by considering the three-year transfer restriction on private placement securities under the Securities and Exchange Act, the company's operating performance, future prospects, common stock market prices and market practices. In addition, the pricing basis of the Company for the above-mentioned private placement securities complies with the provisions of "Things to Note for Publicly Issued Companies Handling Private Placement of Securities", and there is no situation that will significantly damage the interests of shareholders. The actual pricing date and private placement price of the above-mentioned securities of the Company's private placement are proposed to be submitted to the shareholders' meeting within a range not less than the shareholders' meeting resolution to authorize the board of directors to determine it based on the specific person's situation and market conditions in the future. The private placement pricing ratio will be carefully conside

#### Chairman's additional explanation:

There is currently no specific target for the private placement of the Company. In recent years, it has been used as a record for fund raising. This year, the price percentage is mainly considered to be more volatile in the securities market. The price percentage with greater flexibility is set and submitted to the shareholders' meeting for

authorization in case of emergency.

Proposal 2: (By the Board of Directors)

Proposal: Proposal for Modification of the "Articles of Incorporation".

Explanation: In accordance with the Company Law and the operational requirements of the company, certain articles of the "Articles of Association" of our company have been revised. The modified "Articles of Incorporation" table is attached in Attachment 8 of the Meeting Agenda, pages 53

#### Vote Results,

	Votes	% of the total represented
		share present
For	38,138,246 (e-vote 23,528,332)	82.10%
Against	7,702,812 (e-vote 97,342)	16.58%
Invalid/Abstain	608,888 (e-vote 598,637)	1.31%

Resolution: The above proposed was approved as proposed.

Proposal 3: (By the Board of Directors)

Proposal: Proposal for Modification of the "Procedures for acquiring or disposing of assets".

Explanation: In conjunction with the adjustment of the Company's approval authority and related operations, the Company intends to revise its " Procedures for acquiring or disposing of assets". Please refer to pages 54-57 of Attachment 9 of this manual.

Vote Results.

	Votes	% of the total represented
		share present
For	38,129,629 (e-vote 23,519,715)	82.08%
Against	7,707,957 (e-vote 102,487)	16.59%
Invalid/Abstain	612,360 (e-vote 602,109)	1.31%

Resolution: The above proposed was approved as proposed.

#### 6. Extemporary Motions

Shareholder attendance certificate No. 5018 said that since the fifth report item involves the disposal of major assets of the company's subsidiary, Advanced Lithium Electrochemistry Co., Ltd., in order to express support for the company's asset revitalization plan and make the company more in line with the spirit of corporate governance, I suggest that this shareholders' meeting vote to agree that Aleees-TW disposes of the Guishan factory by public auction, and authorizes the chairman of Aleees-TW to be responsible for the selection of the public auction service team, the determination of the reserve price, and the signing of the real estate sales contract and all other matters related to the disposal of the Guishan factory.

Shareholder attendance certificate No. 5017 seconded the above shareholder proposal.

### Vote Results,

	Votes	% of the total represented
		share present
For	31,722,163 (e-vote 17,112,249)	68.29%
Against	7,605,471 (e-vote 1)	16.37%
Invalid/Abstain	7,122,312 (e-vote 7,112,061)	15.33%

Resolution: After voting, the proposal was passed if the number of votes in favor reached more than 2/3 of the number of shares present.

Shareholder account No. 68184 said, Hello everyone, today I am here to encourage the company team. I hope that under the great changes in the world economy and the impact of the United States' de-Chinaization, the company can seize the great foundation of the times and create brilliant results for Aleees, and the EPS can grow and get better next year.

# 7. Closure of the Meeting: 10:05 a.m., Tuesday, June 03, 2025

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This meeting minutes was recorded in accordance with Article 183, paragraph 4 of the provisions of the Company Act. The meeting audio recording still prevail regarding the meeting content, proceedings and shareholders' statements.

For the convenience of readers, the minutes of the Annual Shareholders' Meeting have been translated into English from the original Chinese version. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language version shall prevail.

Chairman

Recorder