Aleees' Product Development & Validation Instructions(202507)

Instructions:

1. Since it typically takes three to five years for customers in the electric vehicle (EV) and energy storage (ES) sectors to complete product development and certification, the Company (Aleees) should, in compliance with confidentiality agreements, disclose relevant progress to shareholders in a timely manner to increase transparency.
2. Aleees currently plans to provide progress updates on its website each January and July. If there is a silent period imposed by government or securities regulators, or in the event of force majeure, the release date will be deferred accordingly.
3. This announcement will first describe the progress of our customers' product development and certification efforts. To ensure consistent communication with customers, our company has revised its internal standard operating procedures and divided the development and certification phases into four tiers, as detailed in Table 1.
4. Aleees now has a total of 94 active customers, 62 of which are key partners. The company is actively expanding into the Indian market. A large-scale market has emerged in Europe, with some customers already initiating production expansion. Compared to January 2025, the company has added two new active customers: a well-known European automaker and a prominent American automaker, driven by the global "de-China" battery supply chain restructuring and the promotion of high tariffs and factory construction incentives by European and American governments.
5. As major global automakers gradually introduce LFP batteries, they are responding to industry demand for the development of 4th and 5th generation LFP cathode materials. 4th generation products focus on improving energy density and compaction density, elevating LFP from a traditional "low-end option" to a "practical choice." 5th generation products feature comprehensive upgrades in structure, materials, and system integration, enabling high-power fast charging capabilities and enabling them to compete with high-nickel ternary cathode materials in the high-end power market. Likai Electric currently has mature products using 4th and 5th generation LFP materials and expects to further expand its market share in the low- and mid-range electric vehicle market.
6. Furthermore, the Dry-Coated LFP Battery, an LFP product produced using a dry electrode process, significantly improves manufacturing efficiency, reduces costs, reduces carbon emissions, and improves environmental performance and cycle life compared to traditional wet processes. It holds great potential for future applications in the electric vehicle and energy storage markets. Aleees has developed a mature dry-coated LFP product and is currently providing it to European and American customers for testing. It is expected to be applied to a variety of fields such as electric vehicles, public transportation, and energy storage by newly added European customers. These customers are many internationally renowned companies with global end-market reach.
7. Currently, there are 43 major customers undergoing B-Sample and C-Sample certification. The regions are as follows: 9 in Europe, 17 in the United States, 6 in Japan, 2 in South Korea, 8 in Southeast Asia, and 1 in Taiwan. For details on the progress of Likai Electric's lithium iron phosphate material certification by global customers, please refer to Tables 2 and 3.
8. Driven by regulatory requirements and subsidies for electric vehicles in Europe and the United States, Aleees continued to expand across various market sectors in 2024. Global energy storage battery development has fully confirmed its focus on lithium iron phosphate batteries, and many automakers have also confirmed their development direction for lithium iron phosphate batteries in electric vehicles and electric pickup trucks.

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Shipments to certified customers before 2028 will not only be limited to energy storage batteries, but will also expand into the supply chain for electric vehicles, including electric vehicles and electric pickup trucks. Aleees transitioned to a lithium intellectual property provider in 2022, assisting customers with mass production through technology licensing and supporting product supply in the D-Sample stage. Going forward, Likai Electric will continue to focus on product development and serving customers in the A-C Sample stage. Through a collaborative approach, this approach will mitigate supply chain concentration risks for customers and enhance overall industry resilience.

Table 1 Certification stage levels and implementation content

Customer product verification sample	**Implementation of each phase**	
	Implementation by Customer	**Implementation by Aleees**
A	Initial verification of design concept	Laboratory small sample prototype
B	Functional verification and process feasibility verification	Start making samples using pre-production molds or close to the formal process
C	Customer acceptance and final verification before mass production	Manufactured using the same materials, equipment and processes as mass production
D	Customer acceptance and final verification before mass production	Made with the same materials, 10,000-ton production equipment and processes as mass production

Table 2 Number of international clients under certification process

Application In	**September 2023**	**January 2024**	**July 2024**	**January 2025**	**July 2025**
ESS & EV	19	18	20	19	23
ESS only	14	7	7	4	7
EV only	13	19	19	20	28
ESS & Industrial Mobility	2	1	1	2	1
Chemical Company		2	1	3	3
Total	48	47	48	48	62

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1. Table 3 Major Customers

Area	Clients	Application				Cert. Stage				Product Model
		2024/1	**2024/7**	**2025/1**	**2025/7**	**2024/1**	**2024/7**	**2025/1**	**2025/7**	
Europe	BE002	Chemical Company	Chemical Company	Chemical Company	Chemical Company	Potential Licensee	Potential Licensee	Potential Licensee	Potential License	**M125/M126**
Europe	FR002	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	A	**I22**
Europe	FR006	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	A	**LFP**
Europe	GE001				EV				C	**M18**
Europe	GE003	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	C A	**M121** **M127**
Europe	GE004	ESS & Industrial Mobility	ESS & Industrial Mobility	ESS & Industrial Mobility	ESS & Industrial Mobility	Phase-1	Phase-1	Phase-1	C	**M12**
Europe	GE005				EV				A	**M127**
Europe	GE006	EV	EV	EV	EV	Entering Phase-2	Entering Phase-2	Entering Phase-2	C	**A19**
Europe	GE007	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	C	**M23**
Europe	GE008	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-2	Phase-2	Phase-2	C	**A14**
Europe	GE009	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Potential Licensee	Potential Licensee	Potential Licensee	Potential License	**LFP**
Europe	SD001								A	**M127**
Europe	IT001	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-4	Phase-4	Phase-4	B	**M126B**
Europe	NL001				EV				B	**M126B**
Europe	NO001	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-4	Phase-4	Phase-4	C	**M121**

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Area	Clients	Application				Cert. Stage				Product Model
		2024/1	**2024/7**	**2025/1**	**2025/7**	**2024/1**	**2024/7**	**2025/1**	**2025/7**	
US	US001	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-4	Phase-4	Phase-4	C A	**M121**
US	US002	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	C A	**A20** **M128/A21/I24**
US	US004				ESS				C	**M121**
US	US005	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-1	Phase-1	Phase-1	A	**M126C**
	US006				ESS				A	**I22/LVPF**
US	US007	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	A	**LFP**
US	US009	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	C	**M23/M18**
US	US012	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	C	**A19/M23**
US	US013	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-1	Phase-1	Phase-1	C A	**M23** **M127**
US	US014	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	C A	**M12** **I22**
US	US016	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	A	**I22/I24**
US	US017	ESS	ESS	ESS	ESS	Phase-1	Phase-1	Phase-1	C	**M121**
US	US018	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	C	**M23**
US	US019	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-1	Phase-1	Phase-1	A	**M126C**
US	US022	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	A	**M126C**
US	US023	ESS & EV	ESS & EV	ESS & Industrial Mobility	ESS & Industrial Mobility	Phase-1	Phase-1	Phase-1	C	**M18**
US	US024	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-1	Phase-1	Phase-1	C	**A14/M23**

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Area	Clients	Application				Cert. Stage				Product Model
		2024/1	**2024/7**	**2025/1**	**2025/7**	**2024/1**	**2024/7**	**2025/1**	**2025/7**	
US	US025	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	C	**A121/M23**
US	US026	ESS	ESS	ESS	ESS	Phase-1	Phase-1	Phase-1	C A	**M23/A14** **I22**
US	US027				ESS & EV				C	**M23/A14** **I22**
US	US029				EV				C	**M23**
US	US031				EV				A	**M126C/I22**
US	US036				ESS & EV				A	**I22**
US	US037				EV				C	**A20** **M128/A21/I24**
US	US038				ESS & EV				C	**M18/M126A**
Japan	JP001	ESS	ESS	ESS	ESS	Phase-4	Phase-4	Phase-4	C	**M121**
Japan	JP002				EV				C	**A14**
Japan	JP003	EV	EV	EV	EV	Phase-3	Phase-3	Phase-3	C	**A20** **M128/A21/I24**
Japan	JP004	ESS	ESS	ESS	ESS	Phase-2	Phase-2	Phase-2	C	**M121**
Japan	JP005	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-4	Phase-4	Phase-4	B	**M126B**
Japan	JP007				EV				B	**M126B**
Korea	KR001	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-3	Phase-3	Phase-4	A	**M127/M128**
Korea	KR002	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-2	Phase-2	Phase-2	A C	**M127** **A14/A19/A20**
Korea	KR003	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-1	Phase-1	Phase-1	A	**M127**
Korea	KR004	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	C	**A14**

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Area	Clients	Application				Cert. Stage				Product Model
		2024/1	**2024/7**	**2025/1**	**2025/7**	**2024/1**	**2024/7**	**2025/1**	**2025/7**	
SEA	SA002	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-3	Phase-3	Phase-3	C	**M121**
SEA	SA003		ESS & EV	ESS & EV	ESS & EV		Phase-3	Phase-3	A	**M127**
SEA	SA004	ESS	ESS	ESS	ESS	Phase-1	Phase-1	Phase-1	C	**M121**
SEA	SA005	EV	EV	EV	EV	Phase-2	Phase-2	Phase-2	C	**M12/M18**
SEA	SA010	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-1	Phase-1	Phase-1	C	**M121/M18**
SEA	SA012	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-1	Phase-1	Phase-1	C	**M18**
SEA	SA013	ESS & EV	ESS & EV	ESS & EV	ESS & EV	Phase-1	Phase-1	Phase-1	C	**M12/M121/M23**
SEA	SA014	ESS	ESS	Chemical Company	Chemical Company	Potential Licensee	Potential Licensee	Potential Licensee	Potential Licensee	**LFP**
SEA	SA016	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	C	**M121**
SEA	SA017	ESS	ESS	Chemical Company	Chemical Company	Phase-1	Potential Licensee	Potential Licensee	Potential Licensee	**LFP**
SEA	SA018	EV	EV	EV	EV	Phase-1	Phase-1	Phase-1	C	**M121**
SEA	SA019	ESS	ESS	EV	EV	Phase-1	Phase-1	Phase-1	C	**M121**