

Brighsun 2U Executive Summary for GreenX Listing

20 April 2023

Introduction

In 2021, 2U secured USD 2.09 million in funding from Brighsun 2UT STO, which has facilitated significant progress in the research and development of both lithium-sulphur and solid-state batteries. 2U is preparing for the commercialisation and production of these batteries for standard as well as long-range electric vehicles.

Accurate data has been obtained through pilot manufacturing of cathode materials for 2U lithium-sulphur batteries, temperature control during the processing and production of anode materials and sulphur mixing which has yielded stable and consistent results. These efforts have enabled the resolution of critical problems in the mass production of lithium-sulphur batteries; however, progress has been impeded by the COVID pandemic and impact to global supply chain. Consequently, the focus and efforts has shifted to the development and production of solid-state and semi-solid-state batteries, which have yielded promising results.

Technology and Market

After nearly two years of R&D and testing, 2U has achieved a battery energy density of 350 W/h, volume-specific energy of 745 W/L, and an operating temperature range of -20 °C to 55 °C for semi-solid and solid-state batteries. In particular, semi-solid-state batteries are ready for large-scale industrial production and are expected to be used in electric vehicles and e-bikes from second half of this year. Given the increasing scale of production of electric vehicles and the global transition to electric vehicles, 2U technological advantages in the high-energy density semi-solid batteries offer a promising opportunity to meet market demand and gain a competitive advantage.

Batteries that rely on liquid electrolyte are known to have several challenges:

- (1) The liquid electrolyte requires a separator between the cathode and anode electrodes. However, lithium ions that do not cross the separator during charging and discharging gradually accumulate into dendrites, which can pierce the separator and cause a short circuit. This can greatly reduce the battery's lifespan and even lead to explosions or combustion due to the production of combustible gases.
- (2) Liquid electrolytes are not resistant to low temperatures and are unsuitable for high and low temperature environments. Battery capacity and charge/discharge are severely affected at temperatures below -10°C, making the battery unusable.



For instance, in an environment of -15°C , an electric vehicle range is only 48.5% of its original range at normal temperature. On the other hand, high temperatures cause the battery shelf to deform, reducing its performance and lifespan. Furthermore, long exposure to sunlight results in irreversible sulfation and bulging.

Solid-state batteries, on the other hand, overcome the major shortcomings of existing electric vehicle batteries. The absence of separators in solid-state batteries ensures that dendrites do not grow, reducing the likelihood of internal micro-short circuits, explosions, and combustion. Additionally, solid-state batteries can function at temperatures as low as -20°C and in extreme weather conditions as low as -40°C . A temperature of up to 50°C rarely causes bulging and does not affect the battery's lifespan negatively. Therefore, solid-state batteries have become the development direction for electric vehicle batteries.

Business Development and Market Expansion

A mutual understanding of collaboration has been achieved with Chery Automobile, the ninth largest automobile manufacturer in China with 1.2 million vehicles produced in 2022 and export to over 80m countries. Leveraging Chery's robust production capacity, automobile core technologies and modern exterior and interior designs, along with 2U's high energy density battery, it is now feasible to manufacture long-range electric vehicles. The design and development of 2U battery management system and battery pack have been accomplished.

Brighsun has entered into a Memorandum of Understanding (MOU) with a leading Middle Eastern country for the distribution of electric vehicles and has signed a contract with a major Swiss automobile distributor for the purchase of five prototype EV. Discussions through proxies are presently underway in other countries and regions.

Furthermore, 2U has reached a strategic partnership with Green X to drive the adoption of digital asset via Security Token Offering (STO). 2UT security token will be one of the first security tokens to be listed and traded on GreenX exchange which will be critical component of the New Digital World ecosystem. 2UT is poised to become an equity digital pass going forward. 2U electric vehicles will cooperate with 2U Chat intelligent social platform to create the next generation of connected vehicles and adopt the web 3.0 business model to work with partners and consumers to share the feast of benefits brought by technology.

On the development and 2U ecosystem and applications, a major redevelopment and enhancement is in progress, and preliminary establishment of real-time translation communication has been achieved.

In the area of health supplements, 2U has successfully developed two health products, one Chinese medicine product, and one health supplement.



Summary of 2U Major Achievements in 2021-2023

1. The lithium-sulphur battery pilot test in 2021 yielded remarkable results.
2. In 2022, the commercialisation of 2U solid-state batteries made significant progress.
3. The Australian Department of Health TGA has approved three 2U health products NAD+, NMN and medicine Immune Booster. The GMP certified factory in Australia is producing Honeysuckle+Mix.
4. Concrete steps have been taken with leading Chinese automobile manufacturer, Chery Automobile, for the commercialisation and supply of 2U battery to Chery EV.
5. Cooperation intentions have been established with leading automobile distributor for the distribution of 2U EV in the Middle East .
6. The listing of 2UT Security Token on GreenX Shariah Compliant ESG Exchange.
7. 2U semi-solid battery technology will be ready for mass production in 2023.
8. The development of long-range electric vehicle battery packs and battery management systems is complete.
9. The refactoring of the 2U body backend is at the finishing stages.



2023-2025 Fund Raising Plan:

Stage 1:

Financing Requirement: USDT 8,000,000

2UT token price: USDT 8.00/token 2UT tokens to be issued: 1,000,000

The primary purposes of the fund raising are:

1. OEM production of electric vehicles and batteries, including further optimization of battery pack design, redesign of chassis battery compartment, and logo design.
2. 2U electric vehicle regulatory certification, including EU certification, Australia ADRS certification, and Saudi Arabia certification.
3. Development of intelligent systems for electric vehicles and 2U social platforms, including the design of multilingual voice control for electric vehicles and development of programs related to the operation of electric vehicle systems.
4. Improvement of 2U mall construction, including the Crypto Shopping Building and enhancement of the online shopping mall in Malaysia.
5. Establishment of an online sales platform for electric vehicles, including an online sales platform and online after-sales service platform.

Stage 2:

Funding target: USD 200 million,

STO 2UT unit price: USD 16/token,

2UT issuance: 12,500,000 tokens.

The primary objectives of the raised funds are as follows:

6. Continuation of automobile import road regulation certification in various countries, including Malaysia, the United States, Indonesia, Thailand, Vietnam, and Brazil.
7. Establishment of a battery plant in Malaysia to support the production of 10,000 electric vehicles, and a production base for 100,000 2U mobile phone batteries.
8. Strengthening the construction of 2U apps and promoting the 2U Chat market. This includes continued development of the 2U platform to form an ecosystem integrating 2U and new energy investment and financing, promotion of 2U to assist dealers in the market, and making Internet new energy vehicles in the true sense, becoming the terminal of the Internet and the server of the blockchain.
9. Exploration of online sales of electric vehicles.
10. OEM production of 2U mobile phones.



Stage 3:

Financing target: USD 1 billion,

STO 2UT unit price: USD 32/token,

2UT issuance: 31,250,000 tokens.

The primary objectives of the raised funds are as follows:

11. Expansion of battery production capacity and the establishment of electric vehicle assembly lines. This phase will expand battery production capacity by 10 times to support 100,000 electric vehicles.
12. Promotion of electric vehicle charging systems in countries where they are mature, including road code certification in those countries, and continued promotion of the market globally.
13. Construction and expansion of factories in Malaysia, including the establishment of an assembly plant for 100,000 electric vehicles and the expansion of a battery plant in Malaysia with a capacity of 100,000 vehicles.
14. Completion of the development of 2U 36 application platforms and gradual completion of foreign cooperation. This includes the completion of the ecology of connected new energy vehicles, construction of the 2U 36 platforms, and forming the entire ecology of digital finance in the 2U industry chain.

The successful implementation of the aforementioned plan hinges on securing the designated financing amount at each stage. In the event that the targeted financing is not attained, the corresponding objectives will be adjusted to align with the actual financing situation.