



Altech Batteries
Limited

ABN 45 125 301 206

INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

ALTECH BATTERIES LTD
ABN 45 125 301 206

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ALTECH BATTERIES LTD
ABN 45 125 301 206

CORPORATE DIRECTORY

DIRECTORS

Luke Atkins	Chairman
Ignatius Tan	Managing Director
Daniel Tenardi	Non-Executive Director
Peter Bailey	Non-Executive Director
Tunku Yaacob Khyra	Non-Executive Director
Hansjoerg Plaggemars	Non-Executive Director
Uwe Ahrens	Alternate Director (for Tunku Yaacob Khyra)

CFO & COMPANY SECRETARY

Martin Stein

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

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Subiaco, Western Australia, 6008

Phone: +61 8 6168 1555
Email: info@altechgroup.com
Website: www.altechgroup.com

AUDITOR

Moore Australia Audit (WA)
Level 15, Exchange Tower
2 The Esplanade
PERTH WA 6000

SHARE REGISTRY

Automic Pty Ltd
Level 5, 191 St Georges Terrace
Perth, WA, 6000
Telephone: 1300 288 664
+61 2 9698 5414

STOCK EXCHANGE LISTING

Securities of the Company are quoted on the Australian Securities Exchange Limited (ASX) and its shares are also quoted on the Frankfurt Stock Exchange (Börse Frankfurt) (FWB)

Home Exchange:	Perth
ASX Code:	ATC (shares)

FWB Code:	A3Y
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ALTECH BATTERIES LTD
ABN 45 125 301 206

DIRECTORS' REPORT

The Directors present their report on Altech Batteries Ltd for the half-year ended 31 December 2024.

BOARD OF DIRECTORS

The names and details of the Altech Batteries Ltd ("Company") directors in office during the financial period and until the date of this report are as follows:

Luke Atkins	Chairman
Ignatius Tan	Managing Director
Daniel Tenardi	Non-Executive Director
Peter Bailey	Non-Executive Director
Tunku Yaacob Khyra	Non-Executive Director
Hansjoerg Plaggemars	Non-Executive Director
Uwe Ahrens	Alternate Director (for Tunku Yaacob Khyra)

Directors were in office for this entire period unless otherwise stated.

COMPANY SECRETARY

Martin Stein

REVIEW OF OPERATIONS

Altech Batteries Ltd is pleased to present a comprehensive review of its operations for the six months ending 31 December 2024. This period has been marked by significant achievements and strategic advancements across various facets of the Company.

1. CERENERGY® Salt Battery Project:

- Altech announced that its first CERENERGY® ABS60 battery prototype is online and operating successfully. The completed battery unit has passed all physical tests with flying colours. The prototype was installed at Altech's joint venture partner Fraunhofer IKTS' test laboratory in Dresden, Germany, and integrated into a specially designed battery test station. This setup enables continuous daily charging and discharging cycles to assess the battery's efficiency, stability, and overall performance under real-world conditions.
- Altech, through its Germany subsidiary Altech Batteries GmbH ("ABG"), announced the appointment of global big four professional services firm ("funding adviser") to assist in securing finance for the construction of Altech's 120MWh CERENERGY® battery manufacturing plant in Germany. The project's financing strategy is structured across three key areas: debt, equity, and grants. These sources will cover not only the capital expenditures but also financing costs, working capital, debt service coverage, and an additional contingency for potential business interruptions.
- Altech announced the execution of the first Offtake Letter of Intent between Zweckverband Industriepark Schwarze Pumpe (ZISP) and Altech Batteries GmbH. Under this Offtake Letter of Intent (LOI), ZISP will purchase 30MWh of energy storage capacity annually, consisting of 1MWh GridPacks, for the first five years of production. The price of these batteries has been agreed and aligned to Altech's Definitive Feasibility Study assumptions. The purchase of these batteries is subject to performance tests, battery specifications and the batteries meeting customer requirements. This offtake LOI constitutes an important aspect of the financing process.
- Altech announced the execution of a second Offtake Letter of Intent between Referenzkraftwerk Lausitz GmbH (RefLau) and Altech Batteries GmbH. Reflau is a joint venture between utility companies Enertrag SE (Enertrag) and Energiequelle GmbH. Under this Offtake Letter of Intent (LOI), RefLau will purchase 30 MWh of CERENERGY® energy storage capacity in the first year, then 32 MWh per year thereafter for the next four years of production. As part of the LOI, it was further agreed that Altech will purchase green electricity at competitive prices directly from the partners in the region for the planned production plant.
- Altech announced the execution of a third offtake Heads of Agreement (HOA) between Axsol GmbH (Axsol) and Altech Batteries GmbH. Axsol is a leading, award-winning provider of integrated renewable energy solutions and is based in Germany. Axsol leverages its expertise in diverse battery technologies and systems, alongside specialised equipment, to seamlessly integrate solar, wind, hydrogen energy and fuel cell solutions. These advanced energy systems ensure safe and reliable energy supply across multiple industries. Altech has entered into an exclusive distribution agreement with Axsol to supply the western defence industry with CERENERGY® battery technology. As a certified supplier to NATO and select western allied forces, Axsol's involvement will streamline qualification procedures, enabling early market entry and sales of CERENERGY® batteries. These highly robust, durable and non-flammable batteries are ideally suited for defence applications and government agencies.

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

2. Silumina Anodes™ Battery Materials Project:

- Altech achieved a remarkable milestone in its Silumina Anodes™ battery material technology. The Company announced an average 55% surge in lithium battery anode energy capacity, marking a significant breakthrough. By utilising its innovative proprietary technology, Altech has now improved on the previous 30% energy increase, by blending alumina-coated silicon particles (10%) with battery-grade graphite, to create a composite graphite/silicon anode for the lithium-ion battery electrode. Upon activation, this composite material has now exhibited a remarkable 55% increase in capacity compared to the traditional graphite-only anode material.

3. Update of High Purity Alumina Project

- Stage 1 and Stage 2 construction of the Johor HPA plant is completed. The project is currently on care and maintenance.

For further details, please refer to our corporate website at www.altechgroup.com

RESULTS OF OPERATIONS

The operating loss after income tax of the Company for the half-year ended 31 December 2024 was \$10,070,964 (2023: \$19,573,532). The Company's basic loss per share for the period was 0.6 cents (2023: 1.2 cents).

No dividend has been paid during or is recommended for the financial period ended 31 December 2024.

FINANCIAL POSITION

The Company's working capital, being current assets less current liabilities at 31 December 2024, was \$4,924,884 (30 June 2024: \$302,704).

In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the company during the financial half-year.

EVENTS SINCE 31 DECEMBER 2024

There has not arisen, since the end of the financial period, any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years, apart from:

- 76,923 unlisted options were converted into ordinary shares at exercise price of \$0.08 per share, for a total amount of \$6,154.
- 100,000 listed options were converted into ordinary shares at exercise price of \$0.06 per share, for a total amount of \$6,000.
- The Company announced that it has executed a binding Term Sheet to acquire Altech Advanced Materials AG's 25% equity interest in Altech Energy Holdings GmbH (AEH) (75% holder of CERENERGY®) and 25% equity interest in Altech Industries Germany GmbH (AIG) (100% holder of Silumina Anodes™) including all outstanding shareholder loans from AIG and AEH to AAM; together the 'Acquisitions'. In accordance with the project's ownership, the AAM equity interests to be acquired by the Company represent an additional 18.75% stake in the CERENERGY® project and an additional 25% stake in the Silumina Anodes™ project. Fraunhofer IKTS remains as 25% JV partner of the CERENERGY® project. As consideration for the Acquisitions, and subject to shareholder approval, Altech will issue to AAM approximately 532 million fully paid ordinary shares, resulting in AAM holding 21% of Altech's issued share capital post Acquisitions. The shares proposed to be issued to AAM will be subject to a voluntary escrow period of 12 months from the date of issue. The Acquisition is still subject to several conditions precedent, including the approval of the Acquisitions by shareholders at the General Meetings of the Company and AAM as well as regulatory approvals.

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the half-year ended 31 December 2024 has been received and immediately follows the Directors' Report.

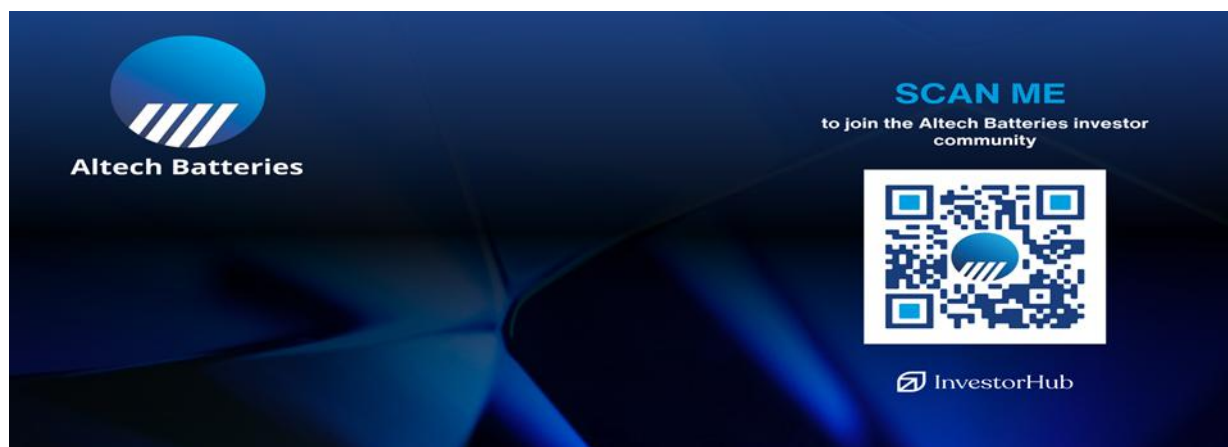
This report has been made in accordance with a resolution of the Board of Directors.



Ignatius Tan
Managing Director

Dated at Perth this 12th day of March 2025

Altech's interactive Investor Hub is a dedicated channel where we interact regularly with shareholders and investors who wish to stay up-to-date and to connect with the Altech Batteries leadership team. Sign on at our Investor Hub <https://investorhub.altechgroup.com> or alternatively, scan the QR code below.



**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE MEMBERS OF ALTECH BATTERIES LIMITED
AND CONTROLLED ENTITIES**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2024, there have been:

- a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- b) no contraventions of any applicable code of professional conduct in relation to the review.



SHAUN WILLIAMS
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 12th day of March 2025.

ALTECH BATTERIES LTD
ABN 45 125 301 206

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the Half-Year Ended 31 December 2024

	Notes	31-Dec-24 \$	31-Dec-23 \$
Revenue from ordinary activities			
Interest Income	3(a)	39,764	109,443
R&D tax refunds	3(a)	47,850	55,636
Other income	3(a)	224,484	9,698
Total Income		312,098	174,777
Expenses			
Employee benefit expense (incorporating director fees)		(3,382,971)	(3,644,157)
Depreciation		(389,492)	(196,707)
Other expenses	3(b)	(2,793,346)	(2,855,075)
Share-based payments		(645,276)	(1,600,868)
Write-down of assets		-	(246,673)
Fair value gain / (loss) on investment in AAM AG		(1,523,196)	(7,431,276)
Research and development		(1,635,591)	(3,623,739)
Interest expense		(11,231)	(101,771)
Forex gain / (loss)		(1,959)	(48,043)
Profit/(loss) before income tax expense		(10,070,964)	(19,573,532)
Income tax expense		-	-
Net profit/(loss) from continuing operations		(10,070,964)	(19,573,532)
Other comprehensive profit/(loss)			
<i>Items that may be reclassified subsequently to profit and loss:</i>			
Exchange differences on translating foreign controlled entities		1,181,715	(426,247)
Total comprehensive profit/(loss), net of tax		(8,889,249)	(19,999,779)
Profit/(loss) for the half year attributable to:			
Owners of the parent entity		(7,410,775)	(16,911,913)
Non-controlling interest		(2,660,189)	(2,661,619)
Total profit/(loss) for the half year, net of tax		(10,070,964)	(19,573,532)
Total comprehensive profit/(loss) for the half year attributable to:			
Owners of the parent entity		(6,229,060)	(17,338,160)
Non-controlling interest		(2,660,189)	(2,661,619)
Total comprehensive profit/(loss) for the half year		(8,889,249)	(19,999,779)
Earnings Per Share			
Basic profit/ (loss) per share (\$'s per share)	4	(0.006)	(0.012)
Diluted profit/(loss) loss per share (\$'s per share)	4	(0.006)	(0.012)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

ALTECH BATTERIES LTD
ABN 45 125 301 206

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	Notes	31-Dec-24 \$	30-Jun-24 \$
Current Assets			
Cash and cash equivalents	5	7,200,628	2,117,028
Trade and other receivables	6	1,820,887	4,085,444
Total Current Assets		9,021,515	6,202,472
Non-Current Assets			
Property, plant and equipment	7	22,647,846	20,964,130
Right-of-use assets	8	4,689,905	4,257,874
Exploration and evaluation expenditure	9	1,380,981	1,159,431
Other financial assets	10	3,995,701	5,518,897
Total Non-Current Assets		32,714,433	31,900,332
TOTAL ASSETS		41,735,948	38,102,804
Current Liabilities			
Lease liabilities		35,314	35,314
Trade and other payables	11	3,824,313	5,639,410
Provisions	12	237,004	225,045
Total current liabilities		4,096,631	5,899,769
Non-Current Liabilities			
Lease liabilities		61,255	61,255
Provisions	12	172,803	153,707
Loans payable	13	10,998,320	9,351,263
Total Non-Current Liabilities		11,232,378	9,566,225
TOTAL LIABILITIES		15,329,009	15,465,994
NET ASSETS		26,406,939	22,636,810
Equity			
Contributed equity	14	155,131,364	143,117,262
Reserves	15	6,066,762	4,239,771
Accumulated losses	16	(125,785,930)	(118,375,155)
Non-controlling interests		(9,005,257)	(6,345,068)
TOTAL EQUITY		26,406,939	22,636,810

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

ALTECH BATTERIES LTD
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Half-Year Ended 31 December 2024

	Contributed Equity \$	Accumulated losses \$	Share-based payment reserves \$	Foreign currency translation reserves \$	Non- controlling equity interests \$	Total \$
At 1 July 2024	143,117,262	(118,375,155)	6,023,793	(1,784,022)	(6,345,068)	22,636,810
Profit/(loss) after income tax for the half year	-	(7,410,775)	-	-	(2,660,189)	(10,070,964)
Other comprehensive profit / (loss) for the half year (net of tax)	-	-	-	1,181,715	-	1,181,715
Total comprehensive profit/(loss) for the half year	-	(7,410,775)	-	1,181,715	(2,660,189)	(8,889,249)
Transactions with owners in their capacity as owners:						
Issue of share capital (net of issue costs)	12,014,102	-	-	-	-	12,014,102
Share based payments (issue of performance rights)	-	-	645,276	-	-	645,276
At 31 December 2024	155,131,364	(125,785,930)	6,669,069	(602,307)	(9,005,257)	26,406,939
At 1 July 2023	124,487,779	(90,321,959)	2,839,027	(1,016,467)	(2,113,321)	33,875,059
Profit/(loss) after income tax for the half year	-	(16,911,913)	-	-	(2,661,619)	(19,573,532)
Other comprehensive profit / (loss) for the half year (net of tax)	-	-	-	(426,247)	-	(426,247)
Total comprehensive profit/(loss) for the half year	-	(16,911,913)	-	(426,247)	(2,661,619)	(19,999,779)
Transactions with owners in their capacity as owners:						
Issue of share capital (net of issue costs)	14,998,793	-	-	-	-	14,998,793
Share based payments (issue of performance rights)	-	-	1,592,135	-	-	1,592,135
Forfeiture of performance rights	-	8,733	-	-	-	8,733
At 31 December 2023	139,486,572	(107,225,139)	4,431,162	(1,442,714)	(4,774,940)	30,474,941

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CASH FLOWS
For the Half-Year Ended 31 December 2024

	31-Dec-24	31-Dec-23
	\$	\$
Cash Flows from Operating Activities		
Payments to suppliers, contractors and employees	(3,200,602)	(6,730,483)
Other receipts	3,000	-
R&D refund	553,103	-
Interest paid	(272,368)	(60,679)
Interest received	39,764	73,978
Net cash flows used in operating activities	(2,877,103)	(6,717,184)
Cash Flows from Investing Activities		
Purchase of land, property, plant and equipment	(3,374,709)	(5,245,293)
Proceeds from sale of assets	769	-
Payments for exploration expenditure	(221,550)	(129,487)
Payments for R&D	(1,854,308)	(3,166,532)
Sale of 25% Altech Industries Germany GmbH	-	2,596,055
Net cash used in investing activities	(5,449,798)	(5,945,257)
Cash Flows from Financing Activities		
Net proceeds from issue of shares	11,964,102	14,998,795
Loans from minority shareholder Altech Advanced Materials AG to subsidiaries	1,431,539	3,498,558
Lease repayments (principal)	(25,180)	(29,006)
Net cash flows from financing activities	13,370,461	18,468,347
Net increase/(decrease) in cash and cash equivalents	5,043,560	5,805,906
Cash and cash equivalents at the beginning of the financial period	2,117,028	3,571,159
Foreign exchange variances on cash	40,040	(83,344)
Cash and cash equivalents at the end of the financial period	7,200,628	9,293,721

The above statement of cash flows should be read in conjunction with the accompanying notes.

CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The interim financial report of Altech Batteries Ltd (the Company) for the half-year ended 31 December 2024 was authorised for issue in accordance with a resolution of the directors on 12th March 2025. Altech Batteries Ltd is a public company incorporated in Australia and its shares are publicly traded on the Australian Securities Exchange.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2024 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Company is a for-profit entity for financial reporting purposes under the Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Altech Batteries Ltd and its controlled entities (referred to as the consolidated group or the Company). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2024, together with any public announcements made during the following half-year.

Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, except in relation to the matters discussed below.

Critical Accounting Estimates and Judgments

The critical estimates and judgments are consistent with those applied and disclosed in the 30 June 2024 annual report.

Going concern

This report has been prepared on the going concern basis, which contemplates the continuation of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Company has incurred net cash outflow from operating and investing activities for the half-year ended 31 December 2024 of \$8,326,901 (2023: \$12,662,441). Notwithstanding this, as at 31 December 2024, the consolidated entity had net current assets of \$4,924,884 (30 June 2024: \$302,704).

The Directors will continue to monitor the capital requirements of the Group, and this includes additional capital raisings in future periods as required.

Should the Group be unable to obtain funding, there is a material uncertainty as to whether the Group will be able to continue as a going concern, and therefore, whether it will be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the interim financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that may be necessary should the Group be unable to continue as a going concern.

New and amended Accounting Standards and Interpretations adopted by the Company

The consolidated entity has considered the implications of new or amended Accounting Standards which have become applicable for the current financial reporting period.

New or amended accounting standards applicable to future periods are not expected to significantly impact the Company.

ALTECH BATTERIES LTD
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CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

3. Loss for the year includes the following specific income and expenses

	31-Dec-24	31-Dec-23
	\$	\$
(a) Revenue		
Interest income	39,764	109,443
R&D tax refunds	47,850	55,636
Other Income	224,484	9,698
	312,098	174,777
(b) Other expenses		
Accounting and audit fees	(30,447)	(39,404)
ASX and share registry fees	(127,807)	(133,948)
Corporate & consulting	(516,618)	(240,943)
Insurance expense	(263,946)	(268,500)
Occupancy	(294,580)	(407,787)
Legal fees	(606,385)	(422,593)
Investor relations and marketing	(427,787)	(354,899)
Office & administration	(525,776)	(987,001)
	(2,793,346)	(2,855,075)

4. Earnings per share

	31-Dec-24	31-Dec-23
	\$	\$
Basic profit / (loss) per share	(0.006)	(0.012)
Diluted profit / (loss) per share	(0.006)	(0.012)
	Number	Number
The weighted average number of ordinary shares used in the calculation of basic earnings per share was	1,501,754,718	1,281,799,488

5. Cash and cash equivalents

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	31-Dec-24	30-Jun-24
	\$	\$
Cash at bank and on hand	7,200,628	2,117,028

6. Trade and other receivables

	31-Dec-24	30-Jun-24
CURRENT RECEIVABLES	\$	\$
Research and development tax rebate	-	505,253
Sundry debtors	10,612	10,769
GST and VAT receivable	1,628,938	3,152,887
Deposits paid	49,822	50,284
Other receivables	131,515	366,251
	1,820,887	4,085,444

ALTECH BATTERIES LTD
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CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

7. Property, Plant and Equipment

	31-Dec-24	30-Jun-24
	\$	\$
OFFICE EQUIPMENT		
At cost	671,417	432,463
Less: accumulated depreciation	(309,862)	(294,181)
Total office equipment	361,555	138,282
 LAND		
At cost	3,912,951	3,825,610
Total land	3,912,951	3,825,610
 PLANT AND EQUIPMENT		
At cost	243,887	242,857
Less: accumulated depreciation	(211,584)	(179,613)
Total plant and equipment	32,303	63,244
 MALAYSIAN HPA PLANT (work in progress)		
At cost	29,895,043	26,563,493
Less: Provision for impairment	(29,376,815)	(26,103,017)
Total HPA Plant	518,228	460,476
 SILUMINA PILOT PLANT - GERMANY (work in progress)		
At cost	10,679,872	9,961,960
Total German Pilot Plant	10,679,872	9,961,960
 CERENERGY BATTERY PLANT - GERMANY (work in progress)		
At cost	7,142,937	6,514,557
Total German CERENERGY Plant	7,142,937	6,514,557
 Total Property, Plant and Equipment	22,647,846	20,964,129

Reconciliation

Reconciliation of the carrying amounts for each class of property, plant and equipment are set out below:

	31-Dec-24	30-Jun-24
	\$	\$
OFFICE EQUIPMENT		
Carrying amount at the beginning of the year	138,282	129,707
Additions / foreign exchange revaluation	244,384	60,276
Disposals	(7,533)	(10,232)
Depreciation expense (profit & loss account)	(13,578)	(41,469)
Carrying amount at the end of the year	361,555	138,282
 LAND		
Carrying amount at the beginning of the year	3,825,610	3,779,406
Additions / foreign exchange revaluation	87,341	46,204
Carrying amount at the end of the year	3,912,951	3,825,610

CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

7. Property, Plant and Equipment (continued)

	31-Dec-24	30-Jun-24
	\$	\$
PLANT AND EQUIPMENT		
Carrying amount at the beginning of the year	63,244	116,761
Additions / foreign exchange revaluation	1,030	17,960
Less: depreciation	(31,971)	(71,477)
Carrying amount at the end of the year	32,303	63,244

MALAYSIAN HPA PLANT (work in progress)

Carrying amount at the beginning of the year	460,476	464,187
Foreign currency translation	57,752	(3,711)
Carrying amount at the end of the period	518,228	460,476

The Malaysian HPA plant is part way constructed and is currently on care and maintenance. The Company requires further capital to complete the plant. Due to uncertainties surrounding the prospect of obtaining funding for this plant, the Company has taken the prudent approach to provide for impairment of the Malaysian HPA Plant to its fair value less costs of disposal. A valuation of the HPA plant conducted by a licenced professional valuer formed the basis of the impairment.

SILUMINA PILOT PLANT - GERMANY (work in progress)

Carrying amount at the beginning of the year	9,961,960	6,185,191
Additions / foreign exchange revaluation	717,912	3,776,769
Carrying amount at the end of the period	10,679,872	9,961,960

CERENERGY BATTERY PLANT - GERMANY (work in progress)

Carrying amount at the beginning of the year	6,514,557	1,920,565
Additions	628,380	4,593,992
Carrying amount at the end of the year	7,142,937	6,514,557

8. Right-of-use Assets

	31-Dec-24	30-Jun-24
	\$	\$
At cost	5,991,694	5,236,112
Accumulated depreciation	(1,301,789)	(978,238)
Net carrying amount at the end of the period	4,689,905	4,257,874

Reconciliation

Reconciliation of the carrying amount of right-of-use assets at the beginning and end of the current and prior periods are set out below:

Right-of-use assets

At beginning of the year net of accumulated depreciation	4,257,874	4,398,139
Additions	-	66,209
Foreign exchange revaluation	644,593	(41,418)
Depreciation charge for the year	(212,562)	(165,056)
Net carrying amount at the end of the year	4,689,905	4,257,874

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CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

9. Exploration and Evaluation Expenditure

	31-Dec-24	30-Jun-24
	\$	\$
Carrying amount at the beginning of period	1,159,431	981,637
Exploration and evaluation expenditure incurred during the period (at cost)	221,550	177,794
Carrying amount at the end of the period	1,380,981	1,159,431

10. Other Financial Assets

	31-Dec-24	30-Jun-24
	\$	\$
Carrying amount at the beginning of the period	5,518,897	17,850,837
Fair value gain / (loss) on investment	(1,523,196)	(12,331,940)
Carrying amount at the end of the period	3,995,701	5,518,897

The Company holds 10.17% (30 June 2024: 10.17%) of the issued share capital of Altech Advanced Materials AG ("AAM"). The Company has valued this investment using the prevailing share price of AAM at 31 December 2024.

The Company measures the fair value of the above investment, as required by Accounting Standard AASB 13 Fair Value Measurement. Based on the fair value hierarchy the investment is level 1 with quoted prices in active markets for identical assets or liabilities. The investment is subject to market risk, the risk in changes in market prices that will affect the fair value of the investment.

11. Trade and other payables

	31-Dec-24	30-Jun-24
	\$	\$
CURRENT PAYABLES (Unsecured)		
Trade creditors	2,524,706	5,106,179
Accrued expenses	1,122,136	379,728
Payroll tax payable	23,923	20,600
Other creditors and accruals	153,548	132,903
Total trade and other payables	3,824,313	5,639,410

12. Provisions

	31-Dec-24	30-Jun-24
	\$	\$
CURRENT		
Provision for annual leave	237,004	225,045
NON-CURRENT		
Provision for long service leave	172,803	153,707
Total provisions	409,807	378,752

13. Loans Payable

	31-Dec-24	30-Jun-24
	\$	\$
Altech Advanced Materials AG	10,998,320	9,351,263

Loans Payable are advances from AAM to Altech Industries Germany GmbH (AIG) as part of its 25% contribution towards AIG's operations in Germany and its 25% contribution to Altech Energy Holdings GmbH (AEH). Together with the Company's 75% share of advances, AEH would then on-lend the loan to its 75%-owned subsidiary, Altech Batteries GmbH (ABG) for development of a 120MWh battery production plant in Saxony, Germany. Interest payable by AIG and AEH to AAM is 3.25% per annum on the outstanding loan amount.

CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

14. Contributed Equity

	31-Dec-24	30-Jun-24
	\$	\$
(a) Ordinary shares		
Contributed equity at the beginning of the period	143,117,262	124,487,779
Shares issued during the period	13,007,860	19,580,196
Transaction costs relating to shares issued	(993,758)	(950,713)
Contributed Equity at the end of the reporting period	155,131,364	143,117,262

	31-Dec-24	30-Jun-24
	\$	\$
Movements in ordinary share capital		
Ordinary shares on issue at the beginning of reporting period	1,710,571,924	1,426,765,869
Shares issued during the period:		
21-Jul-23 at \$0.07	-	42,857,142
11-Aug-23 at \$0.07	-	147,145,801
17-Aug-23 at \$0.07	-	29,414,218
27-Oct-23 at \$0.07	-	7,142,857
21-May-24 at \$0.065	-	57,246,037
14-Aug-24 at \$0.04	10,125,000	-
17-Sep-24 as consideration for provision of services	1,351,352	-
17-Sep-24 at \$0.04	161,842,312	-
11-Oct-24 at \$0.04	51,979,179	-
26-Nov-24 at \$0.06	66,666,667	-
Ordinary shares on issue at the end of the reporting period	2,002,536,434	1,710,571,924

(b) Performance Rights

At 31 December 2024, the Company had the following unlisted performance rights on issue:

performance rights - Managing Director (exercise price: nil)	30,000,000
performance rights - Employees (exercise price: nil)	58,650,000
performance rights - Non-Executive Directors (exercise price: nil)	33,000,000

Total performance rights on issue at 31 December 2024	121,650,000
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At 30 June 2024, the Company had the following unlisted performance rights on issue:

performance rights - Managing Director (exercise price: nil)	30,000,000
performance rights - Employees (exercise price: nil)	56,250,000
performance rights - Non-Executive Directors (exercise price: nil)	33,000,000

Total performance rights on issue at 30 June 2024	119,250,000
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(c) Listed Options

The Company issued 186,140,219 listed options during the reporting period (30 June 2024: Nil). At 31 December 2024, the Company had 186,140,219 listed options on issue (30 June 2024: Nil).

(d) Unlisted Options

The Company did not issue any unlisted options during the reporting period (30 June 2024: Nil). At 31 December 2024, the Company had 28,622,799 unlisted options on issue (30 June 2024: 28,622,799).

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CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

15. Reserves

	31-Dec-24	30-Jun-24
	\$	\$
Share based payments reserve	6,669,069	6,023,793
Foreign currency translation reserve	(602,307)	(1,784,022)
Carrying amount at the end of the year	6,066,762	4,239,771

Movements:

Share based payments reserve

Balance at the beginning of the period	6,023,793	2,839,027
Fair value of performance rights issued	645,276	3,364,979
Expiration / forfeiture of performance rights	-	(180,213)
Balance at end of period	6,669,069	6,023,793

Foreign currency translation reserve

Balance at the beginning of the period	(1,784,022)	(1,016,467)
Foreign exchange movements on translation of subsidiary financial statements	1,181,715	(767,555)
Balance at end of period	(602,307)	(1,784,022)

16. Accumulated losses

	31-Dec-24	30-Jun-24
	\$	\$
Carrying amount at the beginning of the period	(118,375,155)	(90,321,959)
Profit / (loss) for the period	(7,410,775)	(28,061,929)
Expiration of performance rights	-	8,733
Carrying amount at the end of the period	(125,785,930)	(118,375,155)

17. Events subsequent to balance date

There has not arisen, since the end of the financial period, any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years, apart from:

- 76,923 unlisted options were converted into ordinary shares at exercise price of \$0.08 per share, for a total amount of \$6,154.
- 100,000 listed options were converted into ordinary shares at exercise price of \$0.06 per share, for a total amount of \$6,000.
- The Company announced that it has executed a binding Term Sheet to acquire Altech Advanced Materials AG's 25% equity interest in Altech Energy Holdings GmbH (AEH) (75% holder of CERENERGY®) and 25% equity interest in Altech Industries Germany GmbH (AIG) (100% holder of Silumina Anodes™) including all outstanding shareholder loans from AIG and AEH to AAM; together the 'Acquisitions'. In accordance with the project's ownership, the AAM equity interests to be acquired by the Company represent an additional 18.75% stake in the CERENERGY® project and an additional 25% stake in the Silumina Anodes™ project. Fraunhofer IKTS remains as 25% JV partner of the CERENERGY® project. As consideration for the Acquisitions, and subject to shareholder approval, Altech will issue to AAM approximately 532 million fully paid ordinary shares, resulting in AAM holding 21% of Altech's issued share capital post Acquisitions. The shares proposed to be issued to AAM will be subject to a voluntary escrow period of 12 months from the date of issue. The Acquisition is still subject to several conditions precedent, including the approval of the Acquisitions by shareholders at the General Meetings of the Company and AAM.

CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

18. Expenditure commitments

(a) Exploration

The Company has certain obligations to perform minimum exploration work on the various mineral leases that it holds. These obligations may vary over time, depending on the Company's exploration programs and priorities. As at 31 December 2024, total exploration expenditure commitments on tenements held by the Company have not been provided for in the financial statements and those which cover the following twelve month period amount to \$228,000 (30 June 2024: \$228,000). These obligations are also subject to variations, may be subject to farm-out arrangements, sale of relevant tenements or via application for expenditure exemptions from prior-year commitments from the relevant government department.

(b) Loan Commitments

On 1 May 2015, the Company entered into an Intercompany Loan Agreement (Agreement) with its 100% owned subsidiary Altech Chemicals Sdn Bhd (ATCSB).

Under the terms of the Agreement:

- The Company extends a loan facility up to the amount of \$100,000,000 to provide funding to enable ATCSB to advance the development of a high purity alumina manufacturing facility in Malaysia.
- Interest payable is nil for the period up to and preceding the date at which ATCSB commences commercial production from its proposed high purity alumina manufacturing facility.
- From the date at which ATCSB commences commercial production from its proposed high purity alumina manufacturing facility, interest shall be charged on the loan at an arms-length commercial rate of interest.

On 1 April 2020, the Company entered into a Shareholder Loan Agreement with its 75% owned subsidiary Altech Industries Germany GmbH (AIG). On 29 December 2020, the Shareholder Loan Agreement was amended to include the party Altech Advanced Materials AG (AAM), the holder of the remaining 25% in AIG.

Under the terms of the Shareholder Loan Agreement and as amended on 29 December 2020:

- The Company extends a loan facility up to the amount of €50,000,000 to provide funding to enable AIG to advance the development of its operations in Germany.
- AIG simultaneously and proportionally (75% to 25%) utilises the facility made available under the AAM Shareholder Loan Agreement. That is, funding to be provided to AIG is allocated in the proportions of 75% by the Company and 25% by AAM.
- Under this agreement, interest payable is nil for the period up to and preceding the date at which AIG commences commercial production from its proposed battery materials manufacturing facility.
- An Amendment Agreement was entered into by both parties on 11 November 2022, following which interest is payable by AIG at 3.25% on outstanding loan amount.

On 22 November 2022, the Company entered into a Shareholder Loan Agreement with its 75% owned subsidiary Altech Energy Holdings GmbH (AEH) and AAM, the holder of the remaining 25% in AEH.

Under the terms of the Shareholder Loan Agreement:

- The Company and AAM provides financing up to the amount of €15,000,000 to AEH proportionally (75% to 25%) to enable AEH to on-lend the funds to its 75% owned subsidiary, Altech Batteries GmbH (ABG) for the development of a 120MWh battery production plant in Saxony, Germany.
- Interest payable by AEH is 3.25% per annum on outstanding loan amount.

On 6 December 2022, the Company's 75% owned subsidiary, AEH entered into a Shareholder Loan Agreement with its 75% owned subsidiary Altech Batteries GmbH (ABG).

Under the terms of the Shareholder Loan Agreement:

- AEH extends a loan facility up to the amount of €15,000,000 to enable ABG to advance the development of a 120MWh battery production plant in Saxony, Germany.
- Interest payable by ABG is 3.25% per annum on outstanding loan amount.

On 7 December 2022, the Company's subsidiary ABG entered into a Research and Development Agreement with Fraunhofer-Institut Fur Keramische Technologien Und Systeme IKTS ("Fraunhofer") to develop battery systems for stationary energy storage based on sodium nickel chloride technology. The aim is to bring the technology to commercial production through the development of a 100MWh battery production plant in Saxony, Germany. Under the terms of the Research and Development Agreement:

- The project starts on 13 September 2022 and has an expected period of performance of 4 years.
- ABG makes quarterly payments up to a total combined amount of €13,600,000 for services performed by Fraunhofer, in accordance with an R&D Payment Plan, over a period of 4 years commencing on 13 December 2022:

CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

18. Expenditure commitments (continued)

(b) Loan Commitments (continued)

Payment Instalment (€ 'mil)	0.360	0.360	0.560	0.660	1.020	1.020	1.370	0.700	1.150	0.900	0.700	0.700	0.550	0.550	1.500	1.500
Payment Date	13.12.2022	13.03.2023	13.06.2023	13.09.2023	13.12.2023	13.03.2024	13.06.2024	13.09.2024	13.12.2024	13.03.2025	13.06.2025	13.09.2025	13.12.2025	13.03.2026	13.06.2026	13.09.2026
Payment	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	P13	P14	P15	P16

- By mutual agreement, the timeline has been pushed back by one month, with the first payment being made in January 2023.
- In the event that ABG fails to provide timely payment, Fraunhofer may terminate the R&D contract.
- If commercialisation becomes unviable through outcome of a Definitive Feasibility Study, ABH may terminate the R&D contract.

Within 1 month from the complete performance of the project and full payment of the €13,600,000, Fraunhofer shall transfer the ownership of the foreground IP in relation to the project to ABG.

On 14 December 2023, with the transformation of the CERENERGY® battery pack into a substantial 60kWh unit specifically designed for the grid storage market and the re-design of the pilot plant at Fraunhofer IKTS, an amendment to the Research & Development Agreement was executed. The revised R&D Payment Plan is as shown below:

Payment Instalment (€ 'mil)	0.360	0.360	0.560	0.660	0.600	0.600	0.600	0.800	1.660	1.500	1.300	1.300	0.650	0.650	1.100	0.900
Payment Date	13.12.2022	13.03.2023	13.06.2023	13.09.2023	13.12.2023	13.03.2024	13.06.2024	13.09.2024	13.12.2024	13.03.2025	13.06.2025	13.09.2025	13.12.2025	13.03.2026	13.06.2026	13.09.2026
Payment	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	P13	P14	P15	P16

On 19 December 2024, considering the progress of the project, further amendment was made to the Research & Development Agreement with Fraunhofer, resulting in extension of period of performance from 4 years to 5 years and changes to the R&D Payment Plan. The revised R&D Payment Plan is as shown below:

Payment Instalment (€ 'mil)	0.360	0.360	0.560	0.660	0.600	0.600	0.600	0.800	1.438	0.800	1.300	1.300	1.000	1.000	1.320	0.900
Payment Date	13.12.2022	13.03.2023	13.06.2023	13.09.2023	13.12.2023	13.03.2024	13.06.2024	13.09.2024	01.07.2025	01.01.2026	01.05.2026	01.08.2026	01.11.2026	01.02.2027	01.05.2027	01.08.2027
Payment	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	P13	P14	P15	P16

(c) Capital commitments

EPC contracts for the construction of the Malaysian HPA plant and the Australian kaolin loading facility have been executed with SMS group GmbH and Stimulus Engineering Pty Ltd for prices of US\$280 million and US\$2.5 million respectively. Commitment to the contracted expenditure is subject to a number of conditions being met including the securing of the total targeted project funding. As at 31 December 2024, the Company had no capital commitments in relation to either contract (30 June 2024: Nil). All works completed as stage 1 or stage 2 early works construction under the US\$280 million SMS group GmbH contract had been billed to the Company and paid as at 31 December 2024. As at 31 December 2024, no early works had been completed under the Stimulus Engineering Pty Ltd contract.

On 9 August 2022, the Company's 75%-owned subsidiary, Altech Industries Germany GmbH entered into a Contract for Supplies and Services with Hatch Kuttner GmbH (formerly Kuttner GmbH & Co) for the development of a battery materials pilot plant in Saxony Germany, for the price of €2,981,146. The contract sum was subsequently varied to €5,196,936. As at 31 December 2024, the Group had capital commitments of €154,229. It is currently anticipated that all the commitment amounts will become payable during the financial year (2024/25).

CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

19. Operating Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The financial statements presented above are the same as the reports the directors review.

The Group operates four reportable segments, being the development of Silumina Anodes™, CERENERGY®, High Purity Alumina (HPA) and Corporate, which reflects the structure used by the Group's management to assess the performance of the Group.

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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Altech Batteries Ltd, I state that:

In the opinion of the directors:

- (a) the financial statements and notes of the Company are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2024 and of the performance for the half-year ended on that date of the Company; and
 - (ii) complying with Accounting Standards AASB 134: "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board.



Ignatius Tan
Managing Director

Perth, Western Australia
12 March 2025

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF ALTECH BATTERIES LIMITED
AND CONTROLLED ENTITIES****Report on the Half-Year Financial Report****Conclusion**

We have reviewed the accompanying half-year financial report of Altech Batteries Limited (the company) and its controlled entities (the consolidated entity or group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the company is not in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard *AASB 134: Interim Financial Reporting and the Corporations Regulations 2001*.

Material Uncertainty Related to Going Concern

In forming our opinion on the group half-year financial report, which is not modified, we have considered the adequacy of the disclosure made in Note 2 concerning the group's ability to continue as a going concern. The conditions as explained in Note 2 to the half-year financial statements indicate the existence of a material uncertainty which may cast significant doubt about the group's ability to continue as a going concern. The group half-year financial statements do not include the adjustments that would result if the group were unable to continue as a going concern.

Basis for Conclusion

We conducted our review in accordance with Auditing Standards on Review Engagements *ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF ALTECH BATTERIES LIMITED
AND CONTROLLED ENTITIES (CONTINUED)**

Responsibility of the Directors for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- i. giving a true and fair view of the Company's financial position as at 31 December 2024 and its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



SHAUN WILLIAMS
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 12th day of March 2025.