



**Altech Batteries**  
**Limited**

ABN 45 125 301 206

**INTERIM FINANCIAL REPORT**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

**ALTECH BATTERIES LTD**  
**ABN 45 125 301 206**

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**ALTECH BATTERIES LTD**  
**ABN 45 125 301 206**

**CORPORATE DIRECTORY**

**DIRECTORS**

Giuseppe Graziano     Chairman  
Daniel Raihani         Managing Director  
Hansjoerg Plaggemars   Non-Executive Director

**CFO & COMPANY SECRETARY**

Martin Stein

**REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS**

Suite 8, 295 Rokeby Road,  
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

**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 2025.

### **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:

|                      |                                                                        |
|----------------------|------------------------------------------------------------------------|
| Giuseppe Graziano    | Chairman (appointed 28 November 2025)                                  |
| Daniel Raihani       | Managing Director (appointed 28 November 2025)                         |
| Hansjoerg Plaggemars | Non-Executive Director                                                 |
| Daniel Tenardi       | Chairman (resigned 28 November 2025)                                   |
| Ignatius Tan         | Managing Director (resigned 28 November 2025)                          |
| Peter Bailey         | Non-Executive Director (resigned 28 November 2025)                     |
| Tunku Yaacob Khyra   | Non-Executive Director (resigned 28 November 2025)                     |
| Uwe Ahrens           | Alternate Director (for Tunku Yaacob Khyra, resigned 28 November 2025) |

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 2025. This period has been marked by significant achievements and strategic advancements across various facets of the Company.

#### **1. CERENERGY® Salt Battery Project:**

##### *CERENERGY® BATTERY PROJECT FUNDING PROGRESSING WELL*

- Large European Bank in the process to be mandated
- Bank's technical due diligence team in the final site visit
- Application for the Federal government guarantee process underway
- Due diligence and submission application are underway
- Project equity funding process running concurrently
- Looking for 49% strategic partner to close project equity
- Offtake LOI agreements for first 5 years of the project

##### *ACQUISITION OF ADDITIONAL 18.75% CERENERGY® & 25% SILUMINA ANODES™ PROJECTS FROM ALTECH ADVANCED MATERIALS AG*

- All Resolutions put to shareholders in relation to the Acquisitions at the Company's General Meeting held on 14 August 2025 were carried via a poll.
- Altech acquired additional 18.75% stake in CERENERGY® Project and additional 25% stake in Silumina Anodes™ Project including outstanding shareholder loans to AAM
- Altech now hold 75% of CERENERGY® & 100% of Silumina Anodes™ projects
- Fraunhofer remains as 25% JV partner of the CERENERGY® project
- Altech issued AAM approximately 532 million fully paid ordinary shares on 1 September 2025
- AAM now 21% shareholder of ATC
- New simplified corporate structure serves to optimise financing options
- Potential for ATC to divest acquired interests to strategic partners for project financing

##### *CERENERGY® BATTERY PRELIMINARY €46.7M GERMAN GOVERNMENT GRANT APPROVAL*

- Altech Batteries GmbH's CERENERGY® battery project has been approved by Germany's Ministry of Economic Affairs and Energy as eligible for grant receipt under the "STARK"<sup>(1)</sup> economic development program
- Altech Batteries GmbH's CERENERGY® battery project passed the second stage of Government approval for a 30% CAPEX grant in the amount of 46.7 million Euro
- The grant approval is not yet final and conditional and subject to overall financial close and the availability of funds to be approved by the German Parliament as part of the 2026 Government Budget

## **DIRECTORS' REPORT (continued)**

### **REVIEW OF OPERATIONS (continued)**

- (1) STARK – Stärkung der Transformationsdynamik und Aufbruch in den Revieren und an den Kohlekraftwerkstandorten  
The STARK program supports projects that support the transformation process towards an ecologically, economically, and socially sustainable economic structure in the coal regions and is initiated by the German Federal Government and supported by the EU

#### **CERENERGY® CELL AND BATTERY PACK PROTOTYPES REACH KEY MILESTONES**

- 650+ cycles with no capacity loss, proving exceptional material stability and long operational lifespan compared to conventional batteries
- Near 100% Coulombic efficiency, confirming minimal side reactions and strong intrinsic safety of sodium nickel chloride chemistry
- High energy efficiency of up to 92%, surpassing typical 70–80% levels of competing battery technologies
- Proven safety under extreme conditions – cells remained stable during overcharge, deep discharge, and thermal cycling up to 300 °C with no gassing, leakage, or rupture
- Robust and reliable chemistry – sodium nickel chloride avoids flammable electrolytes and runaway risks, confirming suitability for safe, large-scale grid and renewable energy storage
- ABS60 prototype validated under real-world conditions –tested across diverse load profiles, high-current pulses up to 50 A, and thermal variations
- Stable, efficient performance – achieved ~88% round-trip efficiency with no observable capacity fade over 110+ cycles

#### **NEXT GENERATION CERENERGY® PACK ACHIEVES 90 KWH IN R&D BENCHMARK**

- R&D work developed an expanded CERENERGY® module concept, increasing capacity from 48 to 72 cells per module in a beehive arrangement
- Each five-module pack now delivers 90 kWh (from 60 kWh) of energy while retaining the existing casing and factory setup, requiring no infrastructure changes.
- System-level benefits include higher energy and power density, improved thermal behaviour, and cost reductions of ~30% at module and pack level
- Thermal modelling confirms uniform heat distribution with no excessive build-up, resulting in lower internal resistance, reduced  $\Delta T$  across cells, and stable performance
- Engineering refinements—simplified cell contacting, optimised welding, repositioned sensors, and a redesigned frame—improve layout, assembly efficiency, and long-term reliability
- The redesign enhances competitiveness in €/kWh and strengthens scalability towards full industrial production
- No final decision on final design as yet – further modelling work
- R&D work on incorporation into a grid pack has commenced

### **2. Silumina Anodes™ Battery Materials Project:**

#### **SPHERICAL COATED SILICON (5% ADDITION) ACHIEVES 88.5% RETENTION AFTER 500 CYCLES**

- 5% Silumina Anodes™ addition achieved 88.5% capacity retention after 500 cycles
- Repeated testing confirmed >88.0% retention, proving reproducibility and process stability
- Silicon stores ten times more lithium than graphite, boosting anode energy density
- Spherical alumina-coated silicon reduces swelling induced electrode degradation
- Silumina Anodes™ deliver 500 mAh/g initial capacity, >40% higher than that of commercial graphite anode
- After 500 cycles, capacity remains 420 mAh/g - greater than 60% of graphite-only cells
- Higher anode capacity enables longer EV range, lighter packs, and improved efficiency
- Saxony pilot plant producing consistent high-quality material, confirming readiness for commercial scale-up

#### **SILUMINA ANODES™ UNDER ASSESSMENT BY MAJOR BATTERY PRODUCER**

- Leading global battery manufacturer initiates collaboration
- NDA executed for confidential technical evaluation
- Silicon-enhanced anodes attract strong industry interest
- Samples manufactured and shipped for formal testing at battery group
- Industry notes unmatched low-percentage silicon performance
- Partner requests graphite-coating trials by Altech
- Latest testing results achieve 1,000 cycles at 83% retention

## **DIRECTORS' REPORT (continued)**

### **REVIEW OF OPERATIONS (continued)**

#### **3. Others**

##### *BEARER BOND FUNDS RECEIVED*

- Remaining €1M drawn down under Bearer Bond facility with major shareholder Deutsche Balaton
- Total Bearer Bonds drawn down of €2M
- Total Bearer Bond facility reduced by mutual agreement from €2.5M to €2M

##### *\$6M PLACEMENT TO ADVANCE BATTERY PROJECTS*

- Funds secured to raise \$6 million at an issue price of \$0.045 per share
- Strong foundations set to source project finance of CERENERGY®, complete the 90kWh battery prototype and assess the 4 GWh giga factory for large scale production
- Funds will be used to further progress a variety of value accretive activities at the CERENERGY® and Silumina Anodes™ Projects

##### *AMPOWER DISCONTINUED*

- Altech advised that, as part of a comprehensive strategic reset by its newly constituted Board of Directors, it has decided that it will discontinue, effective immediately, its partnership with AMPower, the Chinese producer of sodium nickel chloride (SNC) batteries for the uninterrupted power supply (UPS) market.
- The Board has determined that the AMPower strategy did not constitute a sufficiently attractive financial return to the Company to compensate for the risk and resources associated with pursuing the AMPower distribution partnership.

For further details, please refer to our corporate website at [www.altechgroup.com](http://www.altechgroup.com)

### **RESULTS OF OPERATIONS**

The operating loss after income tax of the Company for the half-year ended 31 December 2025 was \$8,487,535 (2024: \$10,070,964). The Company's basic loss per share for the period was 0.5 cents (2024: 0.6 cents).

No dividend has been paid during or is recommended for the financial period ended 31 December 2025.

### **FINANCIAL POSITION**

The Company's working capital, being current assets less current liabilities at 31 December 2025, was (\$4,428,977) (30 June 2025: (\$849,481)).

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**

During the financial half-year, there was a change in the Board composition and management following a corporate action by Altech Advanced Materials AG, which presented its intention to lodge a notice under section 249D of the Corporations Act for the convening of a General Meeting to obtain shareholders' approvals to replace and reduce the Board. As a result of this action, 5 out of the 6 Directors tendered their resignations on 28 November 2025 and a new Chairman and a new Managing Director were then appointed.

### **EVENTS SINCE 31 DECEMBER 2025**

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:

- The Company made the strategic decision to transfer the R&D laboratory from Perth to Altech's premises in Saxony, Germany. The laboratory and pilot plant are in close proximity, and this is anticipated to benefit R&D test work, the operation of pilot plant as well as provide cost benefits. A new German-based Chief Technology Officer (previous employee of Fraunhofer Institute) was also appointed. As a direct result of this, the team at the R&D laboratory in Perth were terminated from employment in February 2026.
- The Company advises that it has surrendered Exploration License 70/4718 and received acknowledgement of the surrender from the Department of Mines, Petroleum and Exploration on 10 March 2026. The Exploration License was held by the Company's 100% owned subsidiary Canning Coal Pty Ltd.

**ALTECH BATTERIES LTD**  
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**DIRECTORS' REPORT (continued)**

**AUDITOR'S INDEPENDENCE DECLARATION**

The lead auditor's independence declaration for the half-year ended 31 December 2025 has been received and immediately follows the Directors' Report.

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



Daniel Raihani  
**Managing Director**

Dated at Perth this 11<sup>th</sup> day of March 2026

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 year ended 31 December 2025, 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 11<sup>th</sup> day of March 2026.

**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 2025**

|                                                                             | Notes | 31-Dec-25<br>\$    | 31-Dec-24<br>\$     |
|-----------------------------------------------------------------------------|-------|--------------------|---------------------|
| <b>Revenue from ordinary activities</b>                                     |       |                    |                     |
| Interest income                                                             | 3(a)  | 2,397              | 39,764              |
| R&D tax refunds                                                             | 3(a)  | -                  | 47,850              |
| Other income                                                                | 3(a)  | 253,100            | 224,484             |
| <b>Total Income</b>                                                         |       | <b>255,497</b>     | <b>312,098</b>      |
| <b>Expenses</b>                                                             |       |                    |                     |
| Employee benefit expense (incorporating director fees)                      |       | (2,689,933)        | (3,382,971)         |
| Depreciation                                                                |       | (1,556,047)        | (389,492)           |
| Other expenses                                                              | 3(b)  | (2,591,794)        | (2,793,346)         |
| Share-based payments                                                        | 16    | 3,169,672          | (645,276)           |
| Provision for impairment of assets                                          | 7     | (868,471)          | -                   |
| Fair value gain / (loss) on investment in AAM AG                            | 10    | (1,438,997)        | (1,523,196)         |
| Research and development                                                    |       | (2,702,612)        | (1,635,591)         |
| Profit/Loss on disposal of assets                                           |       | (20,098)           | -                   |
| Interest expense                                                            |       | (97,861)           | (11,231)            |
| Forex gain / (loss)                                                         |       | 53,109             | (1,959)             |
| <b>Profit/(loss) before income tax expense</b>                              |       | <b>(8,487,535)</b> | <b>(10,070,964)</b> |
| Income tax expense                                                          |       | -                  | -                   |
| <b>Net profit/(loss) from continuing operations</b>                         |       | <b>(8,487,535)</b> | <b>(10,070,964)</b> |
| <b>Other comprehensive profit/(loss)</b>                                    |       |                    |                     |
| <i>Items that may be reclassified subsequently to profit and loss:</i>      |       |                    |                     |
| Exchange differences on translating foreign controlled entities             |       | (477,007)          | 1,181,715           |
| <b>Total comprehensive profit/(loss), net of tax</b>                        |       | <b>(8,964,542)</b> | <b>(8,889,249)</b>  |
| <b>Profit/(loss) for the half year attributable to:</b>                     |       |                    |                     |
| Owners of the parent entity                                                 |       | (6,553,005)        | (7,410,775)         |
| Non-controlling interest                                                    |       | (1,934,530)        | (2,660,189)         |
| <b>Total profit/(loss) for the half year, net of tax</b>                    |       | <b>(8,487,535)</b> | <b>(10,070,964)</b> |
| <b>Total comprehensive profit/(loss) for the half year attributable to:</b> |       |                    |                     |
| Owners of the parent entity                                                 |       | (7,030,012)        | (6,229,060)         |
| Non-controlling interest                                                    |       | (1,934,530)        | (2,660,189)         |
| <b>Total comprehensive profit/(loss) for the half year</b>                  |       | <b>(8,964,542)</b> | <b>(8,889,249)</b>  |
| <b>Earnings Per Share</b>                                                   |       |                    |                     |
| Basic profit/ (loss) per share (\$'s per share)                             | 4     | (0.005)            | (0.006)             |
| Diluted profit/(loss) loss per share (\$'s per share)                       | 4     | (0.005)            | (0.006)             |

*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 2025**

|                                        | Notes | 31-Dec-25<br>\$   | 30-Jun-25<br>\$   |
|----------------------------------------|-------|-------------------|-------------------|
| <b>Current Assets</b>                  |       |                   |                   |
| Cash and cash equivalents              | 5     | 2,399,631         | 448,234           |
| Trade and other receivables            | 6     | 1,176,111         | 2,017,437         |
| Inventories                            |       | 102,340           | 21,049            |
| <b>Total Current Assets</b>            |       | <b>3,678,082</b>  | <b>2,486,720</b>  |
| <b>Non-Current Assets</b>              |       |                   |                   |
| Property, plant and equipment          | 7     | 22,879,657        | 25,725,749        |
| Right-of-use assets                    | 8     | 4,562,882         | 4,588,672         |
| Exploration and evaluation expenditure | 9     | 1,539,492         | 1,449,520         |
| Other financial assets                 | 10    | 1,196,298         | 2,635,295         |
| <b>Total Non-Current Assets</b>        |       | <b>30,178,329</b> | <b>34,399,237</b> |
| <b>TOTAL ASSETS</b>                    |       | <b>33,856,411</b> | <b>36,885,957</b> |
| <b>Current Liabilities</b>             |       |                   |                   |
| Lease liabilities                      |       | 35,096            | 35,096            |
| Trade and other payables               | 11    | 4,263,512         | 3,065,053         |
| Interest-bearing liabilities           | 12    | 3,609,246         | -                 |
| Provisions                             | 13    | 199,205           | 236,052           |
| <b>Total current liabilities</b>       |       | <b>8,107,059</b>  | <b>3,336,201</b>  |
| <b>Non-Current Liabilities</b>         |       |                   |                   |
| Lease liabilities                      |       | 26,159            | 26,159            |
| Interest-bearing liabilities           | 12    | -                 | 900,760           |
| Provisions                             | 13    | 88,061            | 208,113           |
| Loans payable                          | 14    | -                 | 11,979,225        |
| <b>Total Non-Current Liabilities</b>   |       | <b>114,220</b>    | <b>13,114,257</b> |
| <b>TOTAL LIABILITIES</b>               |       | <b>8,221,279</b>  | <b>16,450,458</b> |
| <b>NET ASSETS</b>                      |       | <b>25,635,132</b> | <b>20,435,499</b> |
| <b>Equity</b>                          |       |                   |                   |
| Contributed equity                     | 15    | 178,829,625       | 155,131,523       |
| Reserves                               | 16    | (12,583,126)      | 5,882,368         |
| Accumulated losses                     | 17    | (136,650,374)     | (130,097,369)     |
| Non-controlling interests              | 18    | (3,960,993)       | (10,481,023)      |
| <b>TOTAL EQUITY</b>                    |       | <b>25,635,132</b> | <b>20,435,499</b> |

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

**ALTECH BATTERIES LTD**  
ABN 45 125 301 206

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**For the Half-Year Ended 31 December 2025**

|                                                                    | Contributed<br>Equity<br>\$ | Accumulated<br>losses<br>\$ | Share-<br>based<br>payment<br>reserves<br>\$ | Foreign<br>currency<br>translation<br>reserves<br>\$ | Non-<br>controlling<br>equity<br>interests<br>\$ | Non-<br>controlling<br>interest<br>acquisition<br>reserves<br>\$ | Total<br>\$        |
|--------------------------------------------------------------------|-----------------------------|-----------------------------|----------------------------------------------|------------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------|--------------------|
| <b>At 1 July 2025</b>                                              | 155,131,523                 | (130,097,369)               | 5,876,947                                    | 5,421                                                | (10,481,024)                                     | -                                                                | <b>20,435,498</b>  |
| Profit/(loss) after income tax for the half year                   | -                           | (6,553,005)                 | -                                            | -                                                    | (1,934,530)                                      | -                                                                | (8,487,535)        |
| Other comprehensive profit / (loss) for the half year (net of tax) | -                           | -                           | -                                            | (477,007)                                            | -                                                | -                                                                | (477,007)          |
| <b>Total comprehensive profit/(loss) for the half year</b>         | -                           | <b>(6,553,005)</b>          | -                                            | <b>(477,007)</b>                                     | <b>(1,934,530)</b>                               | -                                                                | <b>(8,964,542)</b> |
| <b>Transactions with owners in their capacity as owners:</b>       |                             |                             |                                              |                                                      |                                                  |                                                                  |                    |
| Issue of share capital (net of issue costs)                        | 23,698,102                  | -                           | -                                            | -                                                    | -                                                | -                                                                | <b>23,698,102</b>  |
| Share based payments                                               | -                           | -                           | 77,079                                       | -                                                    | -                                                | -                                                                | <b>77,079</b>      |
| Forfeiture / expiration of performance rights                      | -                           | -                           | (3,246,751)                                  | -                                                    | -                                                | -                                                                | <b>(3,246,751)</b> |
| Acquisition of additional interest in subsidiaries                 | -                           | -                           | -                                            | -                                                    | 8,454,561                                        | (14,818,815)                                                     | <b>(6,364,254)</b> |
| <b>At 31 December 2025</b>                                         | <b>178,829,625</b>          | <b>(136,650,374)</b>        | <b>2,707,275</b>                             | <b>(471,586)</b>                                     | <b>(3,960,993)</b>                               | <b>(14,818,815)</b>                                              | <b>25,635,132</b>  |
|                                                                    | Contributed<br>Equity<br>\$ | Accumulated<br>losses<br>\$ | Share-<br>based<br>payment<br>reserves<br>\$ | Foreign<br>currency<br>translation<br>reserves<br>\$ | Non-<br>controlling<br>equity<br>interests<br>\$ | Non-<br>controlling<br>interest<br>acquisition<br>reserves<br>\$ | Total<br>\$        |
| <b>At 1 July 2024</b>                                              | <b>143,117,262</b>          | <b>(118,375,155)</b>        | <b>6,023,793</b>                             | <b>(1,784,022)</b>                                   | <b>(6,345,068)</b>                               | -                                                                | <b>22,636,810</b>  |
| 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          |
| <b>Total comprehensive profit/(loss) for the half year</b>         | -                           | <b>(7,410,775)</b>          | -                                            | <b>1,181,715</b>                                     | <b>(2,660,189)</b>                               | -                                                                | <b>(8,889,249)</b> |
| <b>Transactions with owners in their capacity as owners:</b>       |                             |                             |                                              |                                                      |                                                  |                                                                  |                    |
| Issue of share capital (net of issue costs)                        | 12,014,102                  | -                           | -                                            | -                                                    | -                                                | -                                                                | <b>12,014,102</b>  |
| Share based payments                                               | -                           | -                           | 645,276                                      | -                                                    | -                                                | -                                                                | <b>645,276</b>     |
| <b>At 31 December 2024</b>                                         | <b>155,131,364</b>          | <b>(125,785,930)</b>        | <b>6,669,069</b>                             | <b>(602,307)</b>                                     | <b>(9,005,257)</b>                               | -                                                                | <b>26,406,939</b>  |

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

**ALTECH BATTERIES LTD**  
**ABN 45 125 301 206**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Half-Year Ended 31 December 2025**

|                                                                              | 31-Dec-25          | 31-Dec-24          |
|------------------------------------------------------------------------------|--------------------|--------------------|
|                                                                              | \$                 | \$                 |
| <b>Cash Flows from Operating Activities</b>                                  |                    |                    |
| Payments to suppliers, contractors and employees                             | (5,013,200)        | (3,200,602)        |
| Other receipts                                                               | -                  | 3,000              |
| R&D refund                                                                   | -                  | 553,103            |
| Interest paid                                                                | (97,270)           | (272,368)          |
| Interest received                                                            | 2,397              | 39,764             |
| <b>Net cash flows used in operating activities</b>                           | <b>(5,108,073)</b> | <b>(2,877,103)</b> |
| <b>Cash Flows from Investing Activities</b>                                  |                    |                    |
| Purchase of property, plant and equipment                                    | (988,994)          | (3,374,709)        |
| Proceeds from sale of assets                                                 | 174,713            | 769                |
| Payments for exploration expenditure                                         | (89,971)           | (221,550)          |
| Payments for R&D                                                             | (333,070)          | (1,854,308)        |
| <b>Net cash used in investing activities</b>                                 | <b>(1,237,322)</b> | <b>(5,449,798)</b> |
| <b>Cash Flows from Financing Activities</b>                                  |                    |                    |
| Net proceeds from issue of shares                                            | 5,597,540          | 11,964,102         |
| Loans from minority shareholder Altech Advanced Materials AG to subsidiaries | -                  | 1,431,539          |
| Drawdown of bearer bonds                                                     | 2,708,486          | -                  |
| Lease repayments (principal)                                                 | (19,071)           | (25,180)           |
| <b>Net cash flows from financing activities</b>                              | <b>8,286,955</b>   | <b>13,370,461</b>  |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                  | <b>1,941,560</b>   | <b>5,043,560</b>   |
| Cash and cash equivalents at the beginning of the financial period           | 448,234            | 2,117,028          |
| Foreign exchange variances on cash                                           | 9,837              | 40,040             |
| <b>Cash and cash equivalents at the end of the financial period</b>          | <b>2,399,631</b>   | <b>7,200,628</b>   |

*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 2025 was authorised for issue in accordance with a resolution of the directors on 11<sup>th</sup> 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 2025 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 2025, 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 2025 annual report.

#### **Going concern**

The Group has incurred a net loss for the half-year year ended 31 December 2025 of \$8,487,535 (2024: net loss of \$10,070,964). The Company has incurred net cash outflow from operating and investing activities for the half-year ended 31 December 2025 of \$6,345,395 (2024: \$8,326,901). As at 31 December 2025, the consolidated entity had net current liabilities of \$4,428,977 (30 June 2025: \$849,481).

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 for a period of 12 months from the date of issuing the financial statements. However, the Group has not generated any revenues to date and has accumulated losses to date. The Group does not currently have any revenue generating operations. These conditions, among others, raise substantial doubt about the ability of the Group to continue as a going concern.

In view of these matters, continuation as a going concern is dependent upon continued operations of the Company, which in turn is dependent upon the Group's ability to meet its financial requirements, repay the bearer bond liabilities, raise additional capital, and the success of its future operations. The financial statements do not include any adjustments to the amount and classification of assets and liabilities that may be necessary should the Group not continue as a going concern.

Management plans to fund operations of the Group through additional share capital being issued or sale of assets until such a time as a business combination or other profitable investment may be achieved or when the Group achieves revenue through the sale of products. There are no written agreements in place for such funding, issuance of securities or sale of products and there can be no assurance that such will be available in the future. Management believes that this plan provides an opportunity for the Group 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.

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

|                                  | 31-Dec-25          | 31-Dec-24          |
|----------------------------------|--------------------|--------------------|
|                                  | \$                 | \$                 |
| (a) Revenue                      |                    |                    |
| Interest income                  | 2,397              | 39,764             |
| R&D tax refunds                  | -                  | 47,850             |
| Other Income                     | 253,100            | 224,484            |
|                                  | <b>255,497</b>     | <b>312,098</b>     |
| (b) Other expenses               |                    |                    |
| Accounting and audit fees        | (27,183)           | (30,447)           |
| ASX and share registry fees      | (138,019)          | (127,807)          |
| Corporate & consulting           | (604,026)          | (516,618)          |
| Insurance expense                | (245,864)          | (263,946)          |
| Occupancy                        | (178,812)          | (294,580)          |
| Legal fees                       | (728,770)          | (606,385)          |
| Investor relations and marketing | (303,488)          | (427,787)          |
| Office & administration          | (365,632)          | (525,776)          |
|                                  | <b>(2,591,794)</b> | <b>(2,793,346)</b> |

**4. Earnings per Share**

|                                                                                                        | 31-Dec-25     | 31-Dec-24     |
|--------------------------------------------------------------------------------------------------------|---------------|---------------|
|                                                                                                        | \$            | \$            |
| Basic profit / (loss) per share                                                                        | (0.005)       | (0.006)       |
| Diluted profit / (loss) per share                                                                      | (0.005)       | (0.006)       |
|                                                                                                        | <b>Number</b> | <b>Number</b> |
| The weighted average number of ordinary shares used in the calculation of basic earnings per share was | 1,924,352,887 | 1,501,754,718 |

**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-25        | 30-Jun-25      |
|--------------------------|------------------|----------------|
|                          | \$               | \$             |
| Cash at bank and on hand | <b>2,399,631</b> | <b>448,234</b> |

**6. Trade and Other Receivables**

|                                     | 31-Dec-25        | 30-Jun-25        |
|-------------------------------------|------------------|------------------|
|                                     | \$               | \$               |
| <b>CURRENT RECEIVABLES</b>          |                  |                  |
| Research and development tax rebate | 596,863          | 596,863          |
| Sundry debtors                      | 129,932          | 6,150            |
| GST and VAT receivable              | 254,598          | 1,219,302        |
| Deposits paid                       | 50,798           | 51,824           |
| Other receivables                   | 143,920          | 143,298          |
|                                     | <b>1,176,111</b> | <b>2,017,437</b> |

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**7. Property, Plant and Equipment**

|                                                                 | 31-Dec-25         | 30-Jun-25         |
|-----------------------------------------------------------------|-------------------|-------------------|
|                                                                 | \$                | \$                |
| <b>OFFICE EQUIPMENT</b>                                         |                   |                   |
| At cost                                                         | 589,007           | 663,848           |
| Less: accumulated depreciation                                  | (316,697)         | (316,876)         |
| <b>Total office equipment</b>                                   | <b>272,310</b>    | <b>346,972</b>    |
| <br><b>LAND</b>                                                 |                   |                   |
| At cost                                                         | 3,891,036         | 4,075,309         |
| <b>Total land</b>                                               | <b>3,891,036</b>  | <b>4,075,309</b>  |
| <br><b>PLANT AND EQUIPMENT</b>                                  |                   |                   |
| At cost                                                         | 356,931           | 243,950           |
| Less: accumulated depreciation                                  | (330,051)         | (232,731)         |
| <b>Total plant and equipment</b>                                | <b>26,880</b>     | <b>11,219</b>     |
| <br><b>MALAYSIAN HPA PLANT</b>                                  |                   |                   |
| At cost                                                         | 30,573,926        | 30,095,412        |
| Less: Provision for impairment                                  | (30,043,930)      | (29,573,711)      |
| <b>Total HPA Plant</b>                                          | <b>529,996</b>    | <b>521,701</b>    |
| <br><b>SILUMINA PILOT PLANT - GERMANY</b>                       |                   |                   |
| At cost                                                         | 9,903,700         | 11,318,183        |
| <b>Total German Pilot Plant</b>                                 | <b>9,903,700</b>  | <b>11,318,183</b> |
| <br><b>CERENERGY BATTERY PLANT - GERMANY (work in progress)</b> |                   |                   |
| At cost                                                         | 8,255,734         | 9,452,365         |
| <b>Total German CERENERGY Plant</b>                             | <b>8,255,734</b>  | <b>9,452,365</b>  |
| <br><b>Total Property, Plant and Equipment</b>                  | <b>22,879,657</b> | <b>25,725,749</b> |

**Reconciliation**

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

|                                               | 31-Dec-25        | 30-Jun-25        |
|-----------------------------------------------|------------------|------------------|
|                                               | \$               | \$               |
| <b>OFFICE EQUIPMENT</b>                       |                  |                  |
| Carrying amount at the beginning of the year  | 346,972          | 138,282          |
| Additions / foreign exchange revaluation      | (1,490)          | 231,385          |
| Disposals                                     | (65,613)         | (7,737)          |
| Depreciation expense                          | (7,559)          | (14,958)         |
| <b>Carrying amount at the end of the year</b> | <b>272,310</b>   | <b>346,972</b>   |
| <br><b>LAND</b>                               |                  |                  |
| Carrying amount at the beginning of the year  | 4,075,309        | 3,825,610        |
| Additions / foreign exchange revaluation      | (184,273)        | 249,699          |
| <b>Carrying amount at the end of the year</b> | <b>3,891,036</b> | <b>4,075,309</b> |

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**7. Property, Plant and Equipment (continued)**

On 20 August 2025, the Company executed an Amendment Deed to a Bond Note Subscription Deed. The Company's Meckering land was offered as additional security for the due and punctual payment of all the requirements of the Bond Note Subscription Deed. Altech Meckering Pty Ltd, the Company's wholly owned subsidiary and holder of the Meckering land, has entered into a mortgage over the Meckering Land in favour of Deutsche Balaton AG as a continuing Security for the due and punctual payment of all the requirements of the Bond Note Subscription Deed. The value of the Meckering land as at 31 December 2025 is \$1,575,497.

|                                                 | 31-Dec-25      | 30-Jun-25      |
|-------------------------------------------------|----------------|----------------|
|                                                 | \$             | \$             |
| <b>PLANT AND EQUIPMENT</b>                      |                |                |
| Carrying amount at the beginning of the year    | 11,218         | 63,244         |
| Additions / foreign exchange revaluation        | 112,981        | 1,093          |
| Less: depreciation                              | (97,319)       | (53,118)       |
| <b>Carrying amount at the end of the year</b>   | <b>26,880</b>  | <b>11,219</b>  |
| <b>MALAYSIAN HPA PLANT</b>                      |                |                |
| Carrying amount at the beginning of the year    | 521,701        | 460,476        |
| Foreign currency translation                    | 8,295          | 61,225         |
| <b>Carrying amount at the end of the period</b> | <b>529,996</b> | <b>521,701</b> |

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**

|                                                 |                  |                   |
|-------------------------------------------------|------------------|-------------------|
| Carrying amount at the beginning of the year    | 11,318,183       | 9,961,960         |
| Additions / foreign exchange revaluation        | (367,858)        | 1,356,223         |
| Depreciation                                    | (1,046,625)      | -                 |
| <b>Carrying amount at the end of the period</b> | <b>9,903,700</b> | <b>11,318,183</b> |

**CERENERGY BATTERY PLANT - GERMANY (work in progress)**

|                                               |                  |                  |
|-----------------------------------------------|------------------|------------------|
| Carrying amount at the beginning of the year  | 9,452,365        | 6,514,557        |
| Additions / foreign exchange revaluation      | (155,500)        | 2,937,808        |
| Depreciation                                  | (172,660)        | -                |
| Provision for impairment                      | (868,471)        | -                |
| <b>Carrying amount at the end of the year</b> | <b>8,255,734</b> | <b>9,452,365</b> |

**8. Right-of-use Assets**

|                                                     | 31-Dec-25        | 30-Jun-25        |
|-----------------------------------------------------|------------------|------------------|
|                                                     | \$               | \$               |
| At cost                                             | 6,090,252        | 5,884,158        |
| Accumulated depreciation                            | (1,527,370)      | (1,295,486)      |
| <b>Net carrying amount at the end of the period</b> | <b>4,562,882</b> | <b>4,588,672</b> |

**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 | 4,588,672        | 4,257,874        |
| Addition / application during the period                 | -                | (35,314)         |
| Foreign exchange revaluation                             | 206,094          | 683,360          |
| Depreciation charge for the year                         | (231,884)        | (317,248)        |
| <b>Net carrying amount at the end of the year</b>        | <b>4,562,882</b> | <b>4,588,672</b> |

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**8. Right-of-use Assets (continued)**

The Company's Right-of-use Asset relates to its 30-year lease over land held in Malaysia by Altech Chemicals Sdn Bhd (ATCSB). The lease term has 21 years remaining. The Company is in the process of selling its Malaysian land to help fund the ongoing development of the CERENERGY® battery project and the Silumina Anodes™ battery materials project, to service the repayment of principal and interest on the bearer bonds payable to Deutsche Balaton AG, as well as to support general working capital requirements.

The only asset of value within ATCSB is the lease agreement over the Malaysian land. The Company's wholly owned subsidiary Altech Chemicals Australia Pty Ltd (shareholder of ATCSB) has enforced security over the shares of ATCSB in favour of major shareholder Deutsche Balaton AG in connection with issue of €2.0M interest-bearing bearer bonds.

Lease liabilities are significantly lower in comparison to the carrying amount of the right-of-use assets as the lease of the land in Malaysia (Johor HPA plant site) has been paid upfront in full.

**9. Exploration and Evaluation Expenditure**

|                                                                             | 31-Dec-25        | 30-Jun-25        |
|-----------------------------------------------------------------------------|------------------|------------------|
|                                                                             | \$               | \$               |
| Carrying amount at the beginning of period                                  | 1,449,521        | 1,159,431        |
| Exploration and evaluation expenditure incurred during the period (at cost) | 89,971           | 290,089          |
| <b>Carrying amount at the end of the period</b>                             | <b>1,539,492</b> | <b>1,449,520</b> |

**10. Other Financial Assets**

|                                                 | 31-Dec-25        | 30-Jun-25        |
|-------------------------------------------------|------------------|------------------|
|                                                 | \$               | \$               |
| Carrying amount at the beginning of the period  | 2,635,295        | 5,518,897        |
| Fair value gain / (loss) on investment          | (1,438,997)      | (2,883,602)      |
| <b>Carrying amount at the end of the period</b> | <b>1,196,298</b> | <b>2,635,295</b> |

The Company holds 9.68% (30 June 2025: 9.68%) 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 2025.

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-25        | 30-Jun-25        |
|---------------------------------------|------------------|------------------|
|                                       | \$               | \$               |
| <b>CURRENT PAYABLES (Unsecured)</b>   |                  |                  |
| Trade creditors                       | 3,629,943        | 1,574,670        |
| Accrued expenses                      | 220,521          | 1,238,533        |
| Other creditors and accruals          | 413,048          | 251,850          |
| <b>Total trade and other payables</b> | <b>4,263,512</b> | <b>3,065,053</b> |

**12. Interest-bearing Liabilities**

|                                                 | 31-Dec-25        | 30-Jun-25      |
|-------------------------------------------------|------------------|----------------|
|                                                 | \$               | \$             |
| Bond payable to Deutsche Balaton AG             | 3,506,311        | 895,095        |
| Interest on bond payable to Deutsche Balaton AG | 102,935          | 5,665          |
|                                                 | <b>3,609,246</b> | <b>900,760</b> |

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**12. Interest-bearing Liabilities (continued)**

The interest-bearing liabilities are in relation to a binding Bond Note Subscription Deed arrangement with major shareholder Deutsche Balaton AG, under which Altech had drawn down €2.0M in cash in the form of 4 interest-bearing partial bearer bonds of €500,000 each. Each partial bearer bond bears interest rate of 7.0% per annum and has maturity date of 31 October 2026. The bearer bonds are secured by the shares of Altech Chemicals Sdn Bhd and land owned by Altech Meckering Pty Ltd.

**13. Provisions**

|                                  | 31-Dec-25      | 30-Jun-25      |
|----------------------------------|----------------|----------------|
|                                  | \$             | \$             |
| <b>CURRENT</b>                   |                |                |
| Provision for annual leave       | 199,205        | 236,052        |
| <b>NON-CURRENT</b>               |                |                |
| Provision for long service leave | 88,061         | 208,113        |
| <b>Total provisions</b>          | <b>287,266</b> | <b>444,165</b> |

**14. Loans Payable**

|                              | 31-Dec-25 | 30-Jun-25  |
|------------------------------|-----------|------------|
|                              | \$        | \$         |
| Altech Advanced Materials AG | -         | 11,979,225 |

Loans Payable were 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.

The Company received shareholders' approval during a General Meeting on 14 August 2025 to enter into an arrangement with Altech Advanced Materials AG (AAM) to acquire:

- (a) 25% of the shares held by AAM in AEH, being a total of 6,250 shares in AEH,
- (b) 25% of the shares held by AAM in AIG, being a total of 6,250 shares in AIG, and
- (c) all rights, entitlements and benefits as the lender with respect to the outstanding loans, for a total consideration amount that will result in AAM directly holding 532,369,513 shares (21% of the issued share capital of Altech).

The above exercise was completed on 1 September 2025, and the loans payable to AAM were assigned to Altech.

**15. Contributed Equity**

|                                                              | 31-Dec-25          | 30-Jun-25          |
|--------------------------------------------------------------|--------------------|--------------------|
|                                                              | \$                 | \$                 |
| <b>(a) Ordinary shares</b>                                   |                    |                    |
| <b>Contributed equity at the beginning of the period</b>     | <b>155,131,523</b> | <b>143,117,262</b> |
| Shares issued during the period                              | 24,100,563         | 13,007,860         |
| Options conversion                                           | 20,577             | 12,757             |
| Transaction costs relating to shares issued                  | (423,038)          | (1,006,356)        |
| <b>Contributed Equity at the end of the reporting period</b> | <b>178,829,625</b> | <b>155,131,523</b> |

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**15. Contributed Equity (continued)**

|                                                                      | 31-Dec-25            | 30-Jun-25            |
|----------------------------------------------------------------------|----------------------|----------------------|
|                                                                      | \$                   | \$                   |
| <b>Movements in ordinary share capital</b>                           |                      |                      |
| <b>Ordinary shares on issue at the beginning of reporting period</b> | <b>2,002,723,406</b> | <b>1,710,571,924</b> |
| Shares issued during the period:                                     |                      |                      |
| 15-Aug-24 at \$0.04                                                  | -                    | 10,125,000           |
| 17-Sep-24 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           |
| 24-Feb-25 at \$0.06                                                  | -                    | 100,000              |
| 24-Feb-25 at \$0.08                                                  | -                    | 76,923               |
| 28-Mar-25 at \$0.06                                                  | -                    | 10,049               |
| 1-Sep-25 at \$0.034 (subject to voluntary escrow for 12 months)      | 532,369,513          | -                    |
| 20-Oct 25 at \$0.045                                                 | 133,333,334          | -                    |
| 1-Dec 25 at \$0.06                                                   | 13,250               | -                    |
| 8-Dec 25 at \$0.06                                                   | 120,625              | -                    |
| 16-Dec 25 at \$0.06                                                  | 98,700               | -                    |
| 22-Dec-25 at \$0.06                                                  | 5,001                | -                    |
| 30-Dec-25 at \$0.06                                                  | 105,766              | -                    |
| <b>Ordinary shares on issue at the end of the reporting period</b>   | <b>2,668,769,595</b> | <b>2,002,723,406</b> |

**(b) Performance Rights**

At 31 December 2025, the Company had the following unlisted performance rights on issue:

|                                                      |            |
|------------------------------------------------------|------------|
| performance rights - Employees (exercise price: nil) | 55,150,000 |
|------------------------------------------------------|------------|

|                                                              |                   |
|--------------------------------------------------------------|-------------------|
| <b>Total performance rights on issue at 31 December 2025</b> | <b>55,150,000</b> |
|--------------------------------------------------------------|-------------------|

At 30 June 2025, the Company had the following unlisted performance rights on issue:

|                                                                    |            |
|--------------------------------------------------------------------|------------|
| performance rights - Managing Director (exercise price: nil)       | 25,000,000 |
| performance rights - Employees (exercise price: nil)               | 58,650,000 |
| performance rights - Non-Executive Directors (exercise price: nil) | 29,000,000 |

|                                                          |                    |
|----------------------------------------------------------|--------------------|
| <b>Total performance rights on issue at 30 June 2025</b> | <b>112,650,000</b> |
|----------------------------------------------------------|--------------------|

**(c) Listed Options**

The Company issued 126,666,667 listed options during the reporting period (30 June 2025: 186,030,170). At 31 December 2025, the Company had 126,666,667 listed options on issue (30 June 2025: 186,030,170).

**(d) Unlisted Options**

The Company did not issue any unlisted options during the reporting period (30 June 2025: Nil). At 31 December 2025, the Company had 28,545,876 unlisted options on issue (30 June 2025: 28,545,876).

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**16. Reserves**

|                                               | 31-Dec-25           | 30-Jun-25        |
|-----------------------------------------------|---------------------|------------------|
|                                               | \$                  | \$               |
| Share based payments reserve                  | 2,707,275           | 5,876,947        |
| Foreign currency translation reserve          | (471,586)           | 5,421            |
| Non-controlling interest acquisition reserves | (14,818,815)        | -                |
| <b>Carrying amount at the end of the year</b> | <b>(12,583,126)</b> | <b>5,882,368</b> |

**Movements:**

**Share based payments reserve**

|                                               |                  |                  |
|-----------------------------------------------|------------------|------------------|
| Balance at the beginning of the period        | 5,876,947        | 6,023,793        |
| Fair value of performance rights issued       | 77,079           | 777,779          |
| Expiration / forfeiture of performance rights | (3,246,751)      | (924,625)        |
| <b>Balance at end of period</b>               | <b>2,707,275</b> | <b>5,876,947</b> |

**Foreign currency translation reserve**

|                                                                              |                  |              |
|------------------------------------------------------------------------------|------------------|--------------|
| Balance at the beginning of the period                                       | 5,421            | (1,784,022)  |
| Foreign exchange movements on translation of subsidiary financial statements | (477,007)        | 1,789,443    |
| <b>Balance at end of period</b>                                              | <b>(471,586)</b> | <b>5,421</b> |

**Non-controlling interest acquisition reserve**

|                                                    |                     |          |
|----------------------------------------------------|---------------------|----------|
| Balance at the beginning of the period             | -                   | -        |
| Acquisition of additional interest in subsidiaries | (14,818,815)        | -        |
| <b>Balance at end of period</b>                    | <b>(14,818,815)</b> | <b>-</b> |

On 1 September 2025, the Company acquired from Altech Advanced Materials AG (AAM), additional 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 for a total consideration of \$18,100,563, satisfied by Altech issuing to AAM 532,369,513 fully paid ordinary shares. Following this transaction, the Company's interests in AEH and AIG increased from 75% to 100%, and AAM now holds 21% of Altech's issued share capital post-acquisition. The shares issued to AAM is subject to a voluntary escrow period of 12 months from the date of issue.

This acquisition represented an additional 25% stake in the Silumina Anodes™ project and an additional 18.75% stake in the CERENERGY® project. Fraunhofer IKTS remains as 25% JV partner of the CERENERGY® project.

The equity adjustment arising from the difference between consideration paid and Non-Controlling Interest (NCI) carrying value is recognised as NCI acquisition reserves.

**17. Accumulated Losses**

|                                                 | 31-Dec-25            | 30-Jun-25            |
|-------------------------------------------------|----------------------|----------------------|
|                                                 | \$                   | \$                   |
| Carrying amount at the beginning of the period  | (130,097,369)        | (118,375,155)        |
| Profit / (loss) for the period                  | (6,553,005)          | (11,722,214)         |
| <b>Carrying amount at the end of the period</b> | <b>(136,650,374)</b> | <b>(130,097,369)</b> |

## CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

### 18 Acquisition of Additional Interest in Subsidiaries

On 1 September 2025, the Company acquired from Altech Advanced Materials AG (AAM), additional 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 for a total consideration of \$18,100,563, satisfied by Altech issuing to AAM 532,369,513 fully paid ordinary shares. Following this transaction, the Company's interests in AEH and AIG increased from 75% to 100%, and AAM now holds 21% of Altech's issued share capital post-acquisition. The shares issued to AAM is subject to a voluntary escrow period of 12 months from the date of issue.

This acquisition represented an additional 25% stake in the Silumina Anodes™ project and an additional 18.75% stake in the CERENERGY® project. Fraunhofer IKTS remains as 25% JV partner of the CERENERGY® project.

Reconciliation of movements in Non-Controlling Interests are set out below:

|                                           | 31-Dec-25   | 30-Jun-25  |
|-------------------------------------------|-------------|------------|
|                                           | \$          | \$         |
| Carrying value at beginning of the period | 10,481,024  | 6,345,068  |
| Share of profit / loss for the period     | 1,934,530   | 4,135,956  |
| Acquisition of additional interest        | (8,454,561) | -          |
| Carrying value at end of the period       | 3,960,993   | 10,481,024 |

### 19. 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:

- The Company made the strategic decision to transfer the R&D laboratory from Perth to Altech's premises in Saxony, Germany. The laboratory and pilot plant are in close proximity, and this is anticipated to benefit R&D test work, the operation of pilot plant as well as provide cost benefits. A new German-based Chief Technology Officer (previous employee of Fraunhofer Institute) was also appointed. As a direct result of this, the team at the R&D laboratory in Perth were terminated from employment in February 2026.
- The Company advises that it has surrendered Exploration License 70/4718 and received acknowledgement of the surrender from the Department of Mines, Petroleum and Exploration on 10 March 2026. The Exploration License was held by the Company's 100% owned subsidiary Canning Coal Pty Ltd.

### 20. 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 2025, 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 \$144,000 (30 June 2025: \$144,000). 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 then 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. On 1 September 2025, the Company acquired the additional 25% stake held by AAM and AIG, AIG became a 100% owned subsidiary of the Company and AAM is no longer a party to the funding requirements of AIG.

## CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

### 20. Expenditure commitments (continued)

#### (b) Loan Commitments (continued)

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 utilises the facility made available under the Shareholder Loan Agreement. That is, funding to be provided to AIG is now allocated 100% by the Company.
- 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 on 11 November 2022, following which interest is payable by AIG at 3.25% on outstanding loan amount.
- Following the acquisition by the Company of AAM's 25% interest in AIG on 1 September 2025, the loan payable to AAM was assigned to the Company

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

Under the terms of the Shareholder Loan Agreement:

- The Company provides financing up to the amount of €15,000,000 to AEH to enable AEH to on-lend the funds to its 100% 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.
- Following the acquisition by the Company of AAM's 25% interest in AEH on 1 September 2025, the loan payable to AAM was assigned to the Company.

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.

#### (c) Research and Development Commitments

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:

|                             |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |
|-----------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 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.

## CONDENSED NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

### 20. Expenditure commitments (continued)

#### (c) Research and Development Commitments (continued)

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        |

Payments to Fraunhofer are currently behind schedule, with €3.2M (representing P9 – P11) due by June 2026. Should the company be unable to make this payment, Fraunhofer has the right to terminate the R&D contract.

As at the date of this report, the Company's payments to Fraunhofer are behind schedule with P9 – P10 overdue. Fraunhofer has the right to terminate the Research & Development Agreement and withdraw the Company's joint venture participation in the CERENERGY® project, in which case, the Company would have no further rights to the CERENERGY® technology. The Company would need to raise additional capital in order to make the payments, which at the date of the half-year financial report it does not intend to do. The Company remains in close contact with Fraunhofer and both parties continue to work together to commercialise the technology.

#### (d) 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 Simulus 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 2025, the Company had no capital commitments in relation to either contract (30 June 2025: 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 2025. As at 31 December 2025, no early works had been completed under the Simulus Engineering Pty Ltd contract. As the HPA project is no longer being pursued, no further liabilities are anticipated pursuant to the EPC contracts contracts.

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 2025, the Group does not have any (30 June 2025: €145,823) capital commitments in relation to this contract.

### 21. 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 three reportable segments, being the development of Silumina Anodes™, CERENERGY® and Corporate, which reflects the structure used by the Group's management to assess the performance of the Group.

**ALTECH BATTERIES LTD**  
**ABN 45 125 301 206**

**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 2025 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.



Daniel Raihani  
**Managing Director**

Perth, Western Australia  
11th March 2026

**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 2025, 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 2025 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 11<sup>th</sup> day of March 2026.