Altech Batteries
Limited

QUARTERLY REPORT

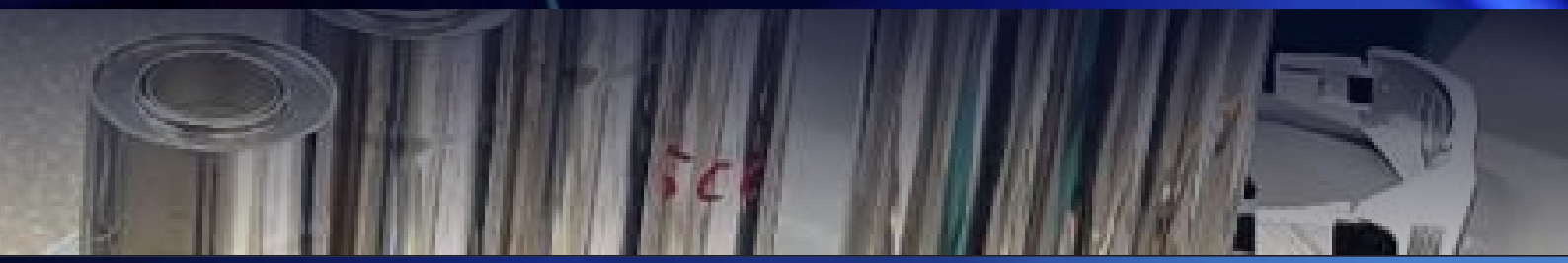
October 2025

Altech to Commence Selling Sodium Nickel Chloride (SNC) Batteries with AMPower

- Altech signs **collaboration agreement** with AMPower for early market entry into Europe, Australia and the USA
- AMPower presently produces conventional zebra design sodium nickel chloride batteries for Uninterrupted Power Supply (UPS) and are developing BESS and traction batteries
- Altech's CERENERGY® batteries use the **same sodium nickel chloride chemistry,** but are especially designed for high performance energy storage systems (ESS)
- Altech and AMPower will cooperate on sodium nickel BESS development. Each partner will have the authority to distribute the co-developed BESS under its own brand
- AMPower will manufacture energy storage packs in accordance with Altech specifications and supervision under Altech branding and distribution
- Altech gains **immediate market entry** and presence for sodium nickel chloride batteries to establish its energy storage battery market especially in Europe and Australia
- CERENERGY® cell technology I/P will not be shared with AMPower
- Altech's CERENERGY® 120 MWh battery project development in Germany remains on track
- Preliminary funding approval from the German Government for 46.7 million Euro having been received

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"[(1)] 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

[(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

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

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 levels.
- Thermal modelling confirms uniform heat distribution with no excessive build-up, resulting in lower internal resistance, reduced ΔT 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

Altech to Commence Selling Sodium Nickel Chloride (SNC) Batteries with AMPower

Altech is pleased to advise its immediate entry into the sodium nickel chloride (SNC) (or previously referred as sodium alumina solid state (SAS), battery market in Australia, Europe and United States of America through a **strategic collaboration and distribution agreement** with the current largest SNC battery manufacturer AMPower, a subsidiary of the Chilwee Group. Chilwee is the third largest e-mobility battery manufacturer in China, with an annual turnover of US$20 billion, 23,000 employees, and production capabilities spanning lead-acid, lithium-ion, sodium-ion, and next-generation battery technologies. AMPower currently manufactures conventional **Zebra-type sodium nickel chloride** (Na/NiCl2) solid-state batteries — using the **same chemistry as CERENERGY®** — but mainly for the small Uninterrupted Power Supply (UPS) industrial market. AMPower was originally established as a joint venture with General Electric to produce sodium nickel chloride UPS batteries under the Durathon brand.

In the initial phase, AMPower will produce sodium nickel chloride solid state UPS batteries for Altech which will be under Altech brand, supervision and specification for distribution across Australia, Europe, and the USA. This strategy provides a **faster pathway to cash flow for Altech**. This will strengthen the **market presence and branding** of Altech while the company advances and secures funding for its CERENERGY® 120 MWh energy storage project in Germany.

Watch Interview with Altech's European MD Mr Uwe Ahrens

https://youtu.be/yBXsP1LKir8

Altech Battery E4815
13kWh 250Ah UPS

Altech Battery E4810
10 kWh 205Ah UPS

Altech Battery E1205

Altech Battery E1109
9 kWh 82 Ah UPS

Altech Battery S6250
25 kWh 40Ah UPS

Altech Battery E620
20 kWh 43 Ah

Several battery models that will be offered by Altech immediately are shown above. These sodium nickel chloride UPS batteries are **completely fireproof**, featured **long cycle life**, and operate reliably in both **extreme heat and cold**. A key advantage of these sodium nickel chloride UPS batteries is their capacity to stay fully charged, idle, and instantly ready for discharge for more than 10 years — without the need for regular maintenance or the frequent replacements required by lead-acid, lithium-ion or Ni-Cad batteries. These UPS batteries also serve a unique niche in **explosion-proof environments** or locations where **lithium-ion batteries are restricted or banned**. To capture this market, Altech has recruited a team of experienced marketing professionals to drive the sales process.

ESS Batteries

In the second phase, AMPower, with its available production capacity, intends to manufacture sodium nickel chloride batteries for the household, industrial, and grid-scale energy storage markets. AMPower currently has a production capacity of approximately 100 MWh per annum, with the ability to scale up to 200 MWh per annum. Altech and AMPower will cooperate on small and medium size sodium nickel BESS development. Each partner will have the authority to distribute the co-developed BESS under its own brand. AMPower will produce sodium nickel chloride BESS for Altech, under Altech brand and sales managed by Altech in the three key markets Europe, Australia and the USA. This arrangement will generate additional cash flow over and above the UPS sales, while building product credibility and brand recognition, paving the way for the CERENERGY® 120 Mwh large scale industrial energy storage project in Germany.

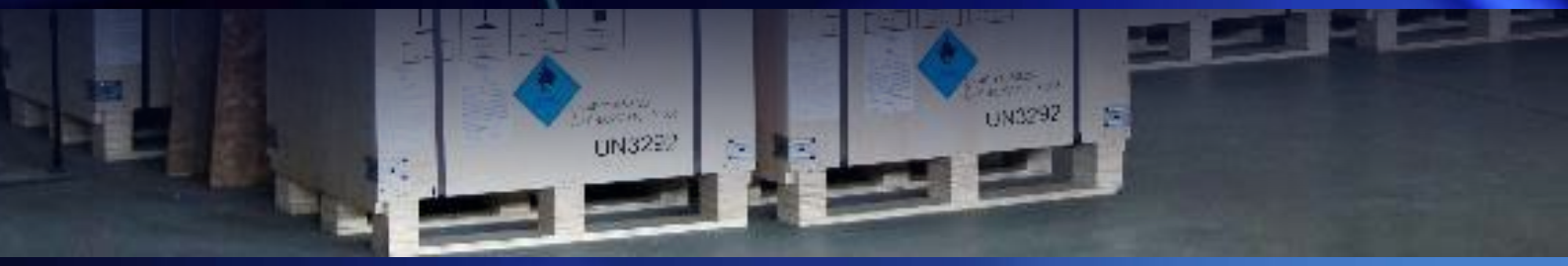

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Photo: AMPower Sodium Nickel Chloride Battery Facility

This collaboration **fast-tracks the commercialisation** of Altech's sodium nickel chloride ($Na/NiCl_2$) solid-state battery technology, enabling immediate production of Altech-branded battery packs to meet growing customer demand, reinforced by strong interest from existing offtake partners. Crucially, the arrangement **excludes any transfer or sharing of Altech's proprietary IKTS CERENERGY® battery cell technology** with AMPower, ensuring complete protection of Altech's intellectual property. And vice versa, AMPower will not transfer or share AMPowers Durathon® battery cell technology with Altech, ensuring complete protection of the intellectual property of GE and Chilwee.

Under the agreement, AMPower will manufacture the battery cells, integrate the battery management and thermal systems, and assemble the grid-ready battery packs. AMPower will also provide customers with the required warranties and performance guarantees for the grid systems. Altech will define the technical

specifications and operational modes tailored to a range of energy storage and BESS applications, while overseeing production, branding, regional certifications, marketing, and distribution across Europe, the United States, and Australia. All products produced by AMPower on requirements of Altech will be marketed under the Altech brand and interface, and will comply with international battery standards. This collaboration positions Altech to fast-track its entry into the grid battery market and establish an immediate commercial presence across its key regions.

Benefits for AMPower

AMPower's current facility is operating at an annual production rate of approximately 100 MWh, primarily supplying the small-scale UPS commercial market with 20–30 kWh battery units. The company has the ability to scale production to 200 MWh per annum with minimal additional capital investment. By supplying Altech's grid-scale battery packs, AMPower will be able to substantially increase its individual cell production volumes, unlocking greater economies of scale and reducing overall unit costs. Altech will provide the sales expansion needed to drive this market entry and support the ramp-up of AMPower's operations.

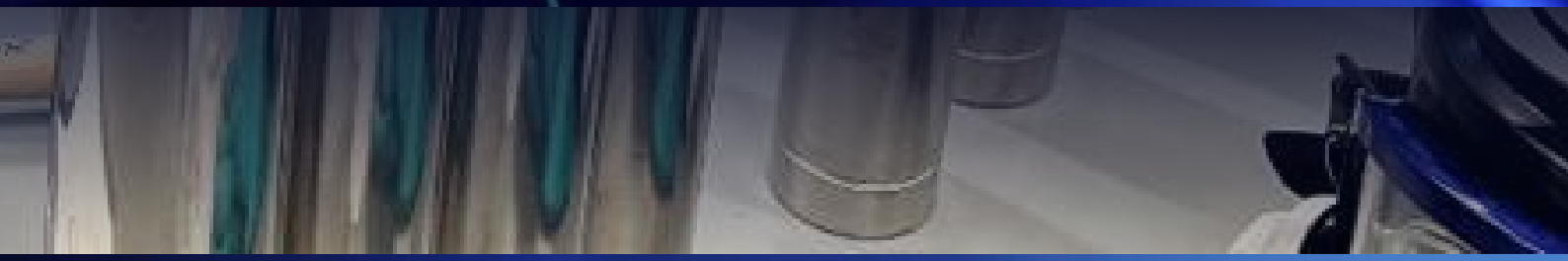
Benefits for Altech

Altech's new go-to-market strategy is designed to accelerate commercial progress and operational readiness while delivering early financial returns. By launching UPS and grid-scale battery packs ahead of commissioning its CERENERGY® plant in Germany, Altech **will establish a steady revenue stream** to offset operational costs and reduce reliance on external funding during the transition to full-scale production. Early market entry enables Altech to build a customer base across key regions — including Australia, Europe, and the United States — while strengthening brand recognition and market credibility. This first-mover advantage also mitigates risks from competing battery technologies, as Altech's sodium nickel chloride ($Na/NiCl_2$) batteries gain real-world application experience ahead of rivals.

The collaboration further provides Altech with direct exposure to battery production and systems integration, offering hands-on experience in areas such as BESS assembly, energy management systems, and system thermal control. These practical insights will support the refinement and optimisation of Altech's CERENERGY® battery packs.

Same Chemistry - Original Technology

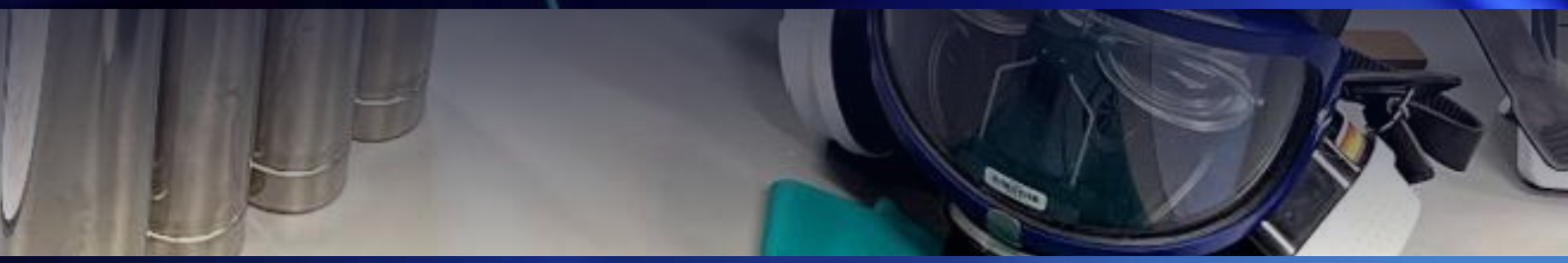
ZEBRA cells originally designed in the early 90s employ the same sodium nickel chloride ($Na/NiCl_2$) cell chemistry that forms the basis of Altech's CERENERGY® technology, however with an entirely different geometry and use profile. This proven chemistry is inherently non-flammable, highly tolerant of extreme temperatures, and delivers long cycle life with stable performance. ZEBRA batteries are particularly **well suited for UPS systems and smaller energy storage** applications.



CERENERGY® represents the next generation of sodium nickel chloride technology, featuring an advanced tubular design that enhances thermal management, improves electrochemical efficiency, and delivers higher energy density beside simplifying the manufacturing process whilst increasing quality, reliability and performance. Its simplified architecture reduces inactive material, substantially lowers system costs, and increases reliability — making it a scalable and robust solution for grid-scale stationary energy storage. Notably, the new cell design delivers a 2.6-fold increase in capacity, rising from 38 Ah to 100 Ah, marking a significant leap in performance. In addition CERENERGY® feature a number of other improvements in terms of material composition, electrode design and composition, which are part of the confidential IP and shall not be publicised.

Importantly, the cooperation with AMPower ZEBRA UPS batteries followed by small and medium size energy storage systems with the branding of Altech helps build market acceptance of sodium nickel chloride technology while fully complementing, rather than competing with, the development of the CERENERGY® grid scale battery storage production project in Germany

Photo: Strategic Cooperation Signing Ceremony



Altech Group Managing Director Iggy Tan said:

"Altech is experiencing exceptional interest in our sodium nickel chloride solid-state battery technology, especially from customers seeking safer, more reliable alternatives to lithium-ion. These batteries are inherently fireproof, perform reliably in extreme temperatures, and offer strong environmental credentials - making them an ideal fit for the needs of the stationary energy storage market. Growing concerns over battery fire risks, particularly in data centres and AI facilities, are further accelerating demand. Our collaboration with AMPower enables immediate production, and our offtake customers are eager to secure supply. With special focus on UPS as well as small and medium size energy storage this early market entry strategy is augmenting and not competing with the large scale grid energy storage CERENERGY® Battery strategy. By moving quickly to meet this demand, Altech is positioning itself as a leader in what we see as the next major wave in battery storage innovation."

Details of Agreement

Key Point	Summary
Non-Exclusive Distribution	Altech collaboration as none-exclusive distributor of AMPower's sodium nickel chloride UPS battery products in Europe (excl. some minor regions), Australia and USA under the Altech brand.
ESS development	Altech collaboration in the specifiction, development and distribution of small and medium size energy storage systems with Zebra battery cells.
Product Scope	Includes existing AMPower UPS modules, cabinets, and containers, plus future 2.1 MWh / up to 200 MWh grid-scale energy storage packs.
Market Focus	Small and medium size commercial, consumer and industrial customers*.
OEM Branding	Batteries manufactured by AMPower, under specification and supervision of Altech, will carry the Altech brand and trademarks.
Quality & Compliance	AMPower must meet Altech's specifications, CE/IEC standards, and maintain ISO9001 support; Altech retains inspection rights.
Warranty & Support	3-year comprehensive product warranty, technical assistance from AMPower, with defects addressed through replacement or credit
Installation, Integration and Maintenance	Altech will carry out the installation at site either directly or with local system integration partners. Maintenance and state of health monitoring will be carried out by Altech.
Term & Governance	Agreements runs until 31 Dec 2030, governed by Hong Kong Law with mutal confidential and ASX disclosure provisions. The agreement may be extendet by mutual consent.

**Whereby CERENERGY® Grid Pack focus is large scale utility & renewable energy providers, grid operators, city council, large industrial users and the defence industry*

CERENERGY® Battery Project Funding Progressing Well

Altech is pleased to provide an update on funding of the CERENERGY® sodium-chloride solid-state battery project in Saxony, Germany.

Debt Process

As previously mentioned, Altech has engaged ten commercial banks and two venture debt funds in the first round of financing discussions, receiving largely positive initial feedback. Based on this feedback, the Company has selected a preferred financial institution — a European bank with a proven track record in providing debt funding for technology-driven projects, particularly those within the innovation sector. Although the mandate has not yet been formally executed, Altech intends to make an official announcement once this step is complete.

Meanwhile, the bank's commercial and technical teams have been diligently conducting a comprehensive review of the CERENERGY® projects and its technology. The technical due diligence process is critical for ensuring that the project meets the bank's financing and risk criteria. As part of this process the onsite Altech experts are in detailed discussions with the bank's representative. The banks have visited Dresden and the Fraunhofer testing facilities and visit Hermsdorf, Germany where the prototype production is located in the coming weeks, which will be a key step in concluding the technical evaluation.

In parallel with these efforts, Altech is progressing discussions for securing a federal government guarantee, which would further strengthen its ability to secure the necessary debt funding for the project. Officials from the Ministry of Finance have already been briefed on the initiative, and the due diligence process for the application is actively underway. This federal guarantee will serve as an underwriter and therewith derisk any debt funding for the project substantially.

Equity Funding

In parallel with ongoing debt financing efforts, the Group has engaged several equity advisers to assist in securing the equity component of the project's funding package. As part of this strategy, Altech plans to divest a minority interest in the project to one or two strategic investors. This partial divestment is intended to attract investors who can contribute not only capital, but also strategic value, aligning with the CERENERGY® project's long-term goals of growth and sustainability.

The Group on one hand is specifically targeting large utility companies, data centre operators, investment funds, and corporations that are deeply committed to the green energy transition and on the other hand industrial partners with access and know-how and resources relevant to CERENERGY® battery production, implementation or market access. These potential partners are seen as ideal due to their strong alignment with the project's sustainable energy focus and their ability to provide significant financial support. Progress in equity discussions has been promising, with several Non-Disclosure Agreements (NDAs) signed, enabling

deeper engagement with prospective investors. Additionally, draft term sheets have been circulated to interested parties, outlining the key terms and conditions for investment. These documents provide a foundation for negotiations and facilitate more detailed discussions around the equity stake and partnership structure.

The decision to divest part of the project is strategically aimed at easing the Company's financial burden while bringing in experienced partners who can contribute to the project's success. By securing both equity and debt financing, Altech aims to finalize the full funding package, ensuring the timely construction and commissioning of the CERENERGY® battery plant. Moving forward, the focus will be on advancing these discussions and converting interest into formal commitments, which are critical for the project's progression.

Grant Applications

Altech has been actively applying for various grants offered by the State of Saxony, Federal Government of Germany, and the European Union. The State of Saxony and Brandenburg, along with the European Union, offer substantial support for renewable energy projects, including grants aimed at converting lignite coal to renewable energy sources. These grants are part of broader efforts to transition regions dependent on fossil fuels toward sustainable energy solutions. Altech's site, located in these areas, stands to benefit from various funding programs designed to support clean energy projects, including EU grants for energy transformation and innovation. Altech has applied for several of these grants to advance its CERENERGY® project, securing essential financial backing for technology development, high-tech industries, expert employment and infrastructure upgrades.

Offtake Arrangements

Altech has secured three key Offtake Letters of Intent (LOIs) for 100% of its CERENERGY® production.

1. Zweckverband Industriepark Schwarze Pumpe (ZISP): An agreement was signed on 13 September 2024 for ZISP to purchase 30 MWh of energy storage capacity annually, consisting of 1 Mwh GridPacks, for the first five years of production. The purchase is contingent on performance tests and battery specifications meeting customer requirements.
2. Referenzkraftwerk Lausitz GmbH (RefLau): A second LOI was executed with RefLau, a joint venture between Enertrag SE and Energiequelle GmbH. RefLau will buy 30 MWh of CERENERGY® storage in the first year, increasing to 32 MWh annually for the next four years. Additionally, Altech will purchase green electricity for its planned production plant.
3. Axsol GmbH: A third LOI was signed with Axsol, a leading renewable energy solutions provider. Axsol will exclusively distribute CERENERGY® batteries to the Western defense industry, facilitating early market entry and sales. These agreements are crucial for financing and advancing the CERENERGY® project.

Acquisition of Additional 18.75% CERENERGY® & 25% Silumina Anodes™ Projects from Altech Advanced Materials AG

Altech is pleased to advise that it has acquired Altech Advanced Materials AG's (FRA: AMA) 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 acquired by ATC represent an additional 18.75% stake in the CERENERGY® project and an additional 25% stake in the Silumina Anodes™ project (refer *Figure 1 Corporate Structure before and after Acquisitions*). Fraunhofer remains as 25% JV partner of the CERENERGY® project.

As consideration for the Acquisitions, Altech issued to AAM approximately 532 million fully paid ordinary shares, resulting in AAM holding 21% of Altech's issued share capital post Acquisitions. The shares issued to AAM are subject to a voluntary escrow period of 12 months from the date of issue.

Post Acquistions

Post Acquisitions Altech now owns 100% of the Silumina Anodes™ Project and 75% of the CERENERGY® Battery Project, with Fraunhofer as 25% joint venture partner.

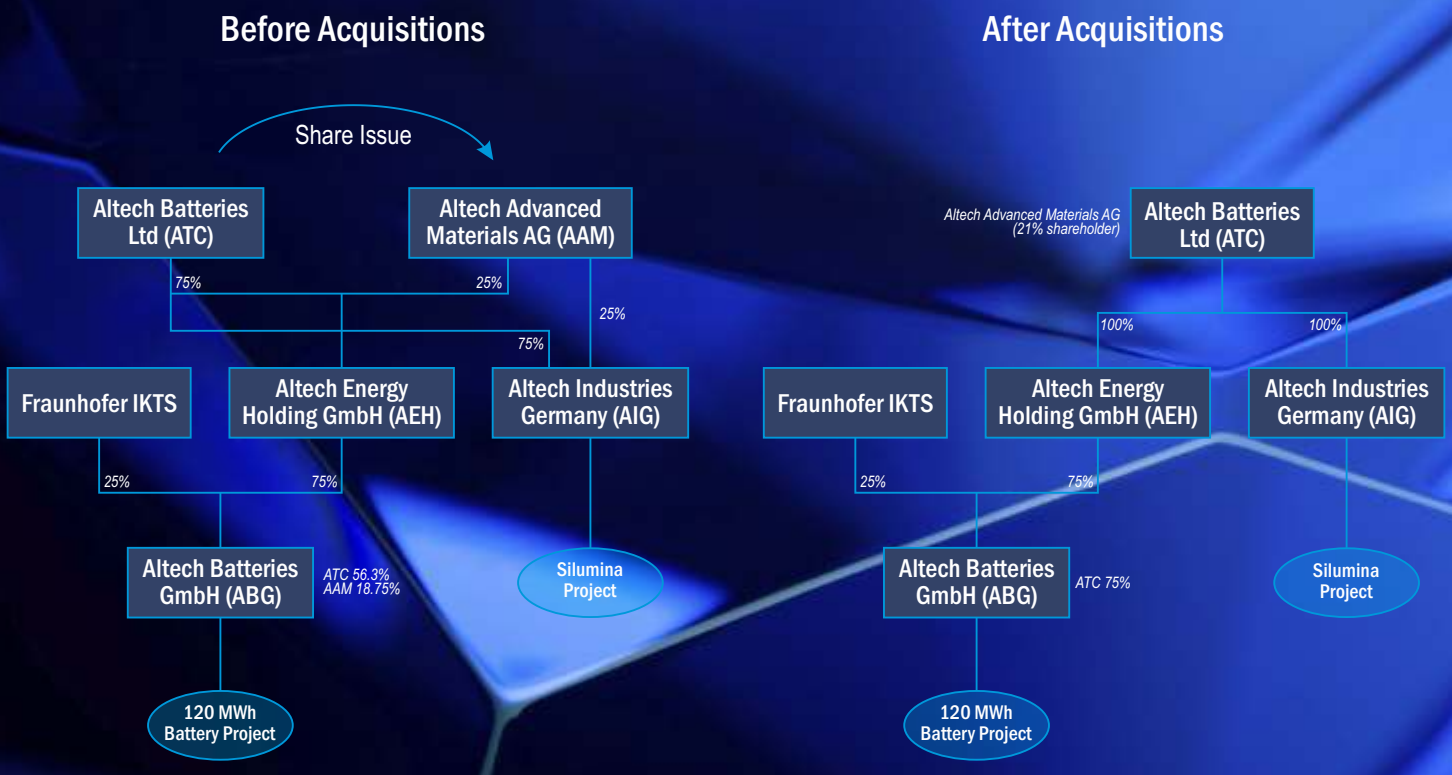


Figure 1 - Corporate Structure before and after Acquisitions

Strategic Rationale and Benefits

This transaction represents a pivotal moment for Altech's strategic growth. By acquiring 100% ownership of Silumina Anodes™ and 75% ownership of CERENERGY®, Altech is positioning itself to accelerate the development and commercialisation of these high-value projects. The Silumina Anodes™ project is a breakthrough in battery material technology, incorporating high-purity alumina in silicon anodes to improve battery performance. The CERENERGY® project, meanwhile, is at the forefront of next-generation sodium-chloride battery development, offering a sustainable alternative to conventional lithium-ion technology.

Additionally, the transaction presents a practical solution to recent funding challenges by AAM. Uncertainty among German investors regarding AAM's ownership structure has complicated AAM's fundraising efforts and hindered sustained support in Germany.

Altech now has the autonomy to make key investment and operational decisions without requiring external approvals, thereby enhancing project execution efficiency. Furthermore, the Acquisitions provide Altech with a stronger negotiation position when engaging with potential strategic partners, customers, and financiers. Through these transactions, AAM will retain long-term upside potential through its new equity stake in Altech. This structure aligns the interests of both companies and ensures that AAM continues to benefit from future successes. AAM will remain as an investment company on the Frankfurt Stock Exchange rather than holding direct interest of both projects.

Consolidating ownership reduces the complexity of project governance and enhances Altech's ability to execute strategic initiatives with greater agility and less complexity. Additionally, the issuance of shares to AAM in lieu of cash payments preserve Altech's balance sheet strength, allowing it to deploy capital more effectively towards project development and commercialisation.

The Board of Altech believes the transaction will deliver significant strategic benefits, including:

- Consolidation of ownership in the Silumina Anodes™ and CERENERGY® projects, enabling streamlined decision-making and project execution
- Improved operational flexibility and efficiency to fast-track commercialisation efforts
- Addressing recent funding challenges faced by AAM and improving capital structure alignment

CERENERGY® Battery Preliminary €46.7m German Government Grant Approval

Altech is pleased to announce that it has received official written confirmation for the grant qualification of the CERENERGY® sodium-chloride solid-state battery project in Saxony, Germany to the value of 30% of the total capital expenditure excluding working capital, financing cost and interest during construction amounting to €46,725,802.

Altech has been actively applying for various grants offered by the State of Saxony, Federal Government of Germany, and the European Union. The State of Saxony and Brandenburg, along with the European Union, offer substantial support for renewable energy projects, including grants under the STARK program aimed at converting lignite coal to renewable energy sources. These grants are part of broader efforts to transition regions dependent on fossil fuels toward sustainable energy solutions. Altech's site, located in these areas, stands to benefit from various funding programs designed to support clean energy projects, including EU grants for energy transformation and innovation.

Having now received written confirmation of the STARK program for the CERENERGY® project, it is a great sign of support and a recognition of this innovative battery technology jointly undertaken by Altech and the Fraunhofer Gesellschaft.

Bearer Bond Funds Received

Altech is pleased to advise that it has received €1M in funds from the remaining Bearer Bond facility in place with major shareholder Deutsche Balaton. The original facility was for €2.5M and this has now been adjusted by mutual agreement to €2M. The full €2M has now been drawn down.

As announced to the ASX on 25 March 2025, the Company advised that it 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, as well as to support general working capital requirements. The Company also announced that it had entered into a binding Bond Note Subscription Deed with its major shareholder Deutsche Balaton AG, under which Altech could drawdown up to €2.5M in cash in the form of interest-bearing Bearer Bonds.

As the Bond Note Subscription Deed involved the Company granting a security interest over the Company's Malaysian land, shareholder approval was required. The Company convened a General Meeting on 13 May 2025 and shareholders approved all Resolutions put to the General Meeting. The Company then applied to have the Malaysian land security registered with the relevant land authority, being Johor Corp. Although there were no laws or regulations precluding Johor Corp from registering the land security, it considered Deutsche Balaton AG a 'non-lending foreign entity' and advised that accordingly it was not comfortable in registering the land security.

The Company's wholly owned subsidiary Altech Chemicals Sdn. Bhd. is the holder of the lease agreement over the Malaysian land. The only asset of value within Altech Chemicals Sdn. Bhd. is the lease agreement over the Malaysian land. In order to provide the security to Deutsche Balaton AG so as to drawdown the Bearer Bonds, the Company enforced security over the shares of Altech Chemicals Sdn. Bhd. in favour of Deutsche Balaton AG in lieu of the land security.

On 20 August 2025, the Company's wholly owned subsidiary Altech Chemicals Australia Pty Ltd (shareholder of Altech Chemicals Sdn. Bhd.) executed a Share Charge with Deutsche Balaton AG in connection with the Bond Note Subscription Deed. Pursuant to the Share Charge, Altech Chemicals Australia Pty Ltd has offered

as a continuing Security for the due and punctual payment of all the requirements of the Bond Note Subscription Deed, charged all its rights, title and interest to all of the shares held in Altech Chemicals Sdn. Bhd. in favour of Deutsche Balaton AG. The Security is a continuing security and will extend to the ultimate balance of the due and punctual payment of all the requirements of the Bond Note Subscription Deed.

On 20 August 2025, the Company executed an Amendment Deed to the Bond Note Subscription Deed. Under the terms of the Amendment Deed, the agreed amount of bonds available to be drawdown was reduced from €2.5M to €2.0M. Additionally, 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.

CERENERGY® Cell and Battery Pack Prototypes Reach Key Milestones

Altech is pleased to advise the latest performance results of the CERENERGY® cell and battery pack prototypes. These results confirm the technological maturity and robustness of the CERENERGY® technology and mark another decisive step towards industrialisation.

Cell Performance

The CERENERGY® prototype cells have successfully completed over **650 charge – discharge cycles without any detectable capacity loss**. Cycle life is a critical measure of battery durability, as most conventional batteries experience gradual degradation with every cycle. Achieving such performance highlights the outstanding stability of the materials and points to the potential for a long operational lifespan. For stationary energy storage systems (ESS), this translates into fewer battery replacements, lower lifetime operating costs, and greater reliability for end users.

The cells also delivered nearly **100% Coulombic efficiency** alongside an **energy efficiency of up to 92%** across 650 cycles. Coulombic efficiency reflects the proportion of charge recovered during discharge relative to what was supplied during charging. A **value approaching 100% indicates minimal side reactions** or parasitic losses, confirming the intrinsic stability and safety of sodium nickel chloride chemistry. This high efficiency demonstrates that the cells are not expending energy on unwanted processes such as electrode degradation. Such performance is vital for scalability, ensuring reliable, long-term operation in commercial energy storage applications.

Energy efficiency represents the proportion of energy delivered relative to the energy supplied. Competing technologies, including conventional high-temperature batteries and many flow batteries, typically achieve only around 70–80%. **By reaching 92%**, CERENERGY® positions itself in a highly competitive class, offering more cost-effective energy storage, stronger economics for grid operators, and seamless compatibility with the requirements of renewable energy integration.

The cells achieved a nominal capacity of 100 Ah and 250 Wh, with reliable performance even at higher discharge rates. A key feature is their ability to support **multiple daily charge–discharge cycles within the 20–80% state of charge (SoC) range at 25 A**. This capability positions CERENERGY® as a highly flexible solution for grid operators and energy storage providers, enabling cost-efficient, long-life performance in applications that demand frequent cycling such as renewable integration, peak shaving, and backup power.

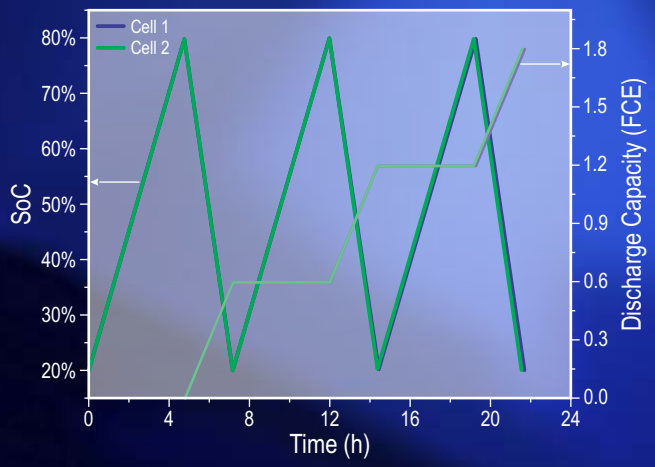


Figure 2 – Cycle Data showing State of Charge and Discharge Capacity

CERENERGY® prototype cells underwent rigorous **abuse testing**, including overcharge to 4V, deep discharge to 0.2V, and thermal cycling between room temperature and 300°C. In all cases, the cells remained stable with **no gassing, leakage, or rupture** — clear proof of their outstanding safety. These results highlight the **intrinsic stability** of sodium nickel chloride chemistry, which avoids the flammable electrolytes and runaway risks common in lithium-ion batteries. The ability to withstand extreme electrical and thermal stress demonstrates CERENERGY®'s robustness and confirms its suitability for safe, large-scale deployment in grid, renewable, and industrial energy storage applications. This was achieved over 3 cycles with 1.8 Full Charge Equivalent (FCE) into 22 hours.

Battery Pack ABS60 (60 kWh) Prototype

The first ABS60 battery pack prototype has been successfully validated under real-world operating conditions, marking a major step forward in product readiness. Testing included diverse load profiles, continuous discharges at 25 A (equivalent to C-rate of C/4 (discharges in 4 hours), or one-quarter of the pack's rated capacity per hour) at 80% depth of discharge (DoD), short-duration high-current pulses up to 50 A, and carefully controlled thermal variations.

The pack consistently demonstrated stable performance, achieving **~88% round-trip efficiency** while maintaining reliable thermal management. Efficiency refers to the proportion of input energy that can be retrieved during operation—a critical measure of economic viability for large-scale storage. Over more than

110 cycles, results showed no observable capacity fading and only a slight increase in internal resistance. Capacity fading refers to the gradual decline in usable energy over repeated cycles, while internal resistance influences power delivery and heat generation.

The absence of meaningful degradation confirms the durability and electrochemical stability of the ABS60 design. These outcomes are highly significant as they demonstrate that the pack can withstand real-world duty cycles while retaining performance and efficiency, translating into longer service life, fewer replacements, and lower total cost of ownership.

For grid operators and renewable integration projects, this combination of robust cycling capability, efficiency, and thermal stability underscores the ABS60's commercial readiness and competitive advantage in the stationary energy storage market.

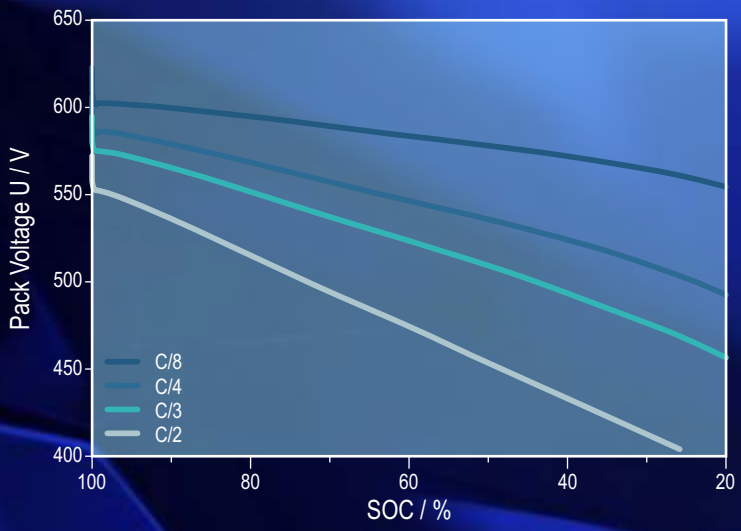


Figure 3 – Pack discharge at various C-rates and State of Charge (SOC)

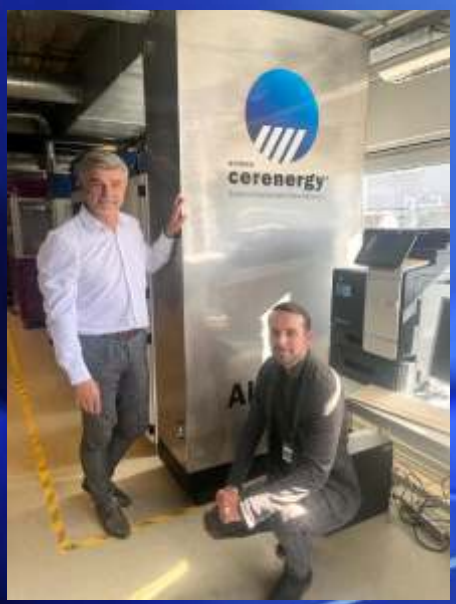


Photo: Altech team at IKTS Test Facility

Photo: ABS60 Prototype undergoing cycling tests

These results are a strong confirmation of CERENERGY®'s technological leadership and a clear signal of the technology's competitiveness and robustness for future applications in energy storage and industrial markets.

Group Managing Director, Iggy Tan said "***These results confirm CERENERGY®'s robustness and readiness for market adoption. Demonstrating long cycle life, high efficiency, and unmatched safety, we are now strongly positioned to deliver a competitive and sustainable alternative for grid and industrial energy storage***."

Next Generation CERENERGY® Pack Achieves 90 kWh In R&D Benchmark

Altech is pleased to advise that the latest research and development efforts for the CERENERGY® cell and battery pack have resulted in the design possibility of a higher-capacity battery system. Development has focused on an expanded module concept that delivers greater energy within the same casing. By shifting from the current 48-cell configuration to a beehive arrangement of **72 cells per module**, each pack — comprising five modules — now achieves an energy **capacity of 90 kWh** (from 60 kWh) while maintaining the existing battery casing structure.

Importantly, this innovation requires no modification to the established factory design and setup. At the system level, the improvements deliver higher energy and power density, enhanced thermal performance, and cost reductions of approximately 30% at both the module and pack levels.

The redesign reduces inactive or unheated areas within the battery, with R&D efforts focused on analysing

thermal distribution and heat accumulation during operation. Thermal modelling confirms that effective heat management is achievable, showing no excessive build-up during charging and discharging. Results demonstrate a uniform temperature profile, leading to lower internal resistance, reduced ΔT across cells, and more stable performance under load.

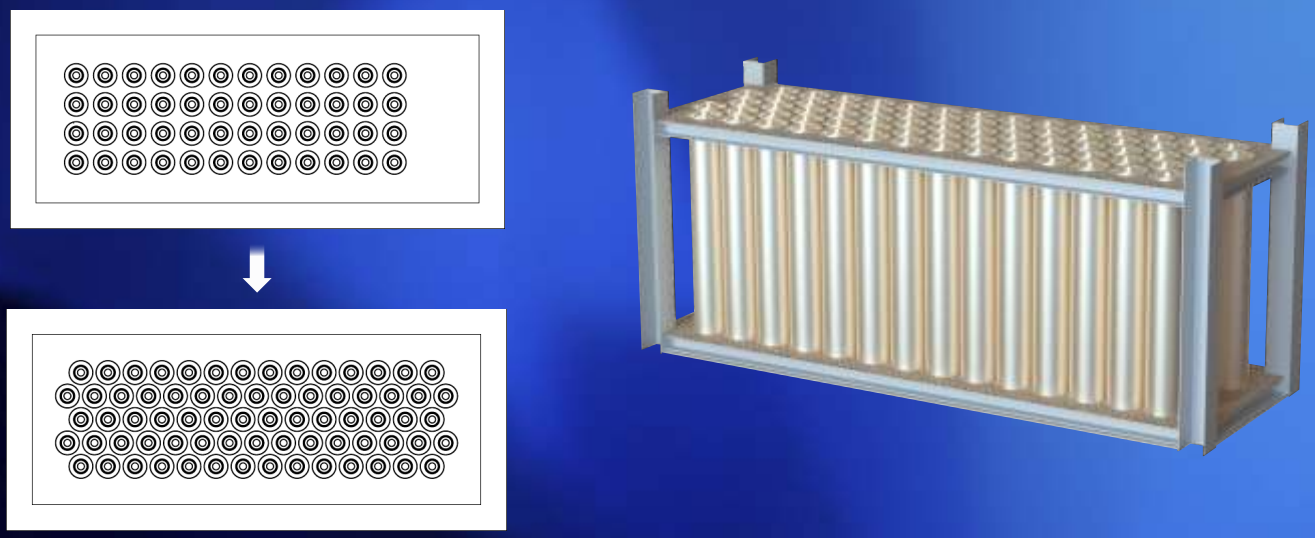


Figure 4 – Diagram showing the packing of cells in same size module from 48 to 72 cells

From an engineering perspective, the new module concept also resolves practical design challenges. It introduces simplified cell contacting, creating additional internal space and a cleaner layout. Further refinements include optimised welding techniques, repositioned temperature sensors, and a redesigned frame — collectively enhancing assembly efficiency, structural robustness, and long-term reliability.

At the system level, these advancements deliver higher energy and power density, improved thermal behaviour, and cost reductions of around 30% at both the module and pack levels. This results in a more competitive €/kWh and strengthens scalability towards full industrial production.

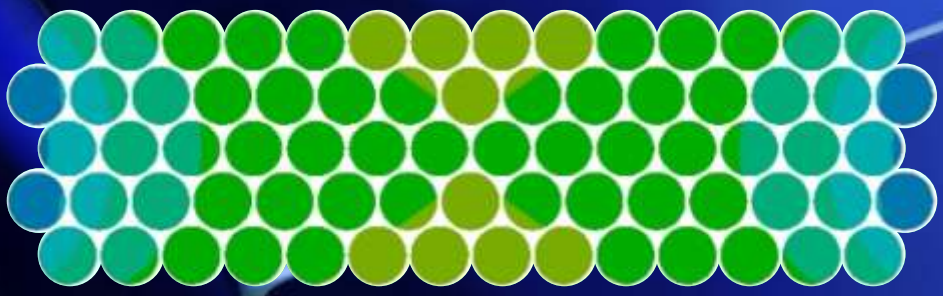


Figure 5 – Thermal modelling conducted to assess temperature profile of expanded module

A final decision on the design has not yet been reached, as additional modelling work continues alongside ongoing R&D focused on achieving seamless integration into a grid-scale battery pack, ensuring optimised performance, reliability, and cost-efficiency for future commercial deployment.

Group Managing Director, Iggy Tan said *"We are very encouraged by the outcome of our latest CERENERGY® development program. Achieving a 72-cell beehive module design that lifts pack capacity to 90 kWh — without any change to the existing casing or factory setup — is a significant milestone. Not only does this innovation increase energy density, it also simplifies engineering, enhances thermal management, and reduces cost by nearly 30%. These results strengthen the commercial competitiveness of CERENERGY® and confirm its scalability towards full industrial production. With each step, we are moving closer to delivering a next-generation, high-performance battery solution for the global energy storage market."*

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 on the following page.

Altech Batteries Limited

Altech Batteries
Limited

QUARTERLY REPORT

October 2025

Company Snapshot

Altech Batteries Limited (ASX:ATC) (FRA:A3Y)
ABN 45 125 301 206

FINANCIAL INFORMATION

(as at 30 September 2025)

Share Price:	$0.047
Shares:	2,535,1M
Options:	214.6M
Performance Rights:	112.6M
Market Cap:	$119.1M
Cash:	$0.6M

DIRECTORS

Dan Tenardi	Non-executive Chairman
Iggy Tan	Managing Director
Peter Bailey	Non-executive Director
Tunku Yaacob Khyra	Non-executive Director
Uwe Ahrens	Alternate Director
Hansjoerg Plaggemars	Non-executive Director

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Martin Stein

HEAD OFFICE

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info@altechgroup.com
www.altechgroup.com

SCAN ME
to join the Altech Batteries Investor Community and interact with Shareholders & Investors

https://investorhub.altechgroup.com

FORWARD-LOOKING STATEMENTS

This announcement contains forward looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. The forward-looking statements are made as at the date of this announcement and the Company disclaims any intent or obligation to update publicly such forward looking statements, whether as the result of new information, future events or results or otherwise.

SCHEDULE OF TENEMENTS

As per ASX Listing Rule 5.3.3, the Company held the following tenements (exploration and mining leases) as at 30 September 2025:

Tenement ID	Registered Holder	Location	Project	Grant Date	Interest end of quarter
E70/4718-I	Canning Coal Pty Ltd	WA Australia	Kerrigan	01/12/2015	100%
M70/1334	Altech Meckering Pty Ltd	WA Australia	Meckering	19/05/2016	100%

RELATED PARTY TRANSACTIONS (APPENDIX 5B – ITEM 6.1)

The amount shown in the item is for the payment of directors' fees (inclusive of superannuation, where applicable), to the Company's Managing Director, Non-Executive Directors and Alternate Director, during the quarter.

Authorised by: Iggy Tan (Managing Director)

Altech Batteries
Limited

www.altechgroup.com

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
ALTECH BATTERIES LTD	
ABN	**Quarter ended ("current quarter")**
45 125 301 206	30 September 2025

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(1,103)	(1,103)
	(e) admin and corporate costs	(948)	(948)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(35)	(35)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(2,086)**	**(2,086)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(454)	(454)
	(d) exploration & evaluation	(13)	(13)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received	-	-
2.5	Payments for research and development including on CERENERGY® battery	-	-
2.6	**Net cash from / (used in) investing activities**	**(467)**	**(467)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings (funding received from major shareholder)	2,713	2,713
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other - Lease repayments	(12)	(12)
3.10	**Net cash from / (used in) financing activities**	**2,701**	**2,701**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	448	448
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,086)	(2,086)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(467)	(467)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,701	2,701
4.5	Effect of movement in exchange rates on cash held	(15)	(15)
4.6	**Cash and cash equivalents at end of period**	**581**	**581**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	548	415
5.2	Call deposits	33	33
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**581**	**448**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(182)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (Bearer Bonds issued to major shareholder)	3,573	3,573
7.4	**Total financing facilities**	3,573	3,573

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Altech executed a binding Bond Note Subscription Deed on 25 March 2025 and an Amendment Deed to the Bond Note Subscription Deed on 20 August 2025 with major shareholder Deutsche Balaton AG, under which it can draw down up to €2.0M in cash. The bearer bonds have an interest rate of 7.0% per annum and have a maturity date of 31 October 2026. The facility is secured by Altech's land in Meckering, Western Australia as well as the shares of Altech Chemicals Sdn Bhd, Malaysia.

As of 30 September 2025, all €2.0M of the bearer bonds have been drawn down.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(2,086)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(13)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,099)
8.4	Cash and cash equivalents at quarter end (item 4.6)	581
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	581
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	0.3

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Yes

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes. On 14 October 2025, the Company announced a capital raising of $6M, comprising the issue of 133,333,334 fully paid ordinary shares at an issue price of $0.045 per Share. Participants in the placement will also receive free attaching listed options at 1 option for every 2 shares issued with an exercise price of $0.065 and expiry date of 31 October 2028. The shares were issued on 20 October 2025.

8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer:	Yes. The $6M funding will enable the company to further advance its battery projects. It will provide flexibility for the Company to deliver further trials and sales of UPS batteries, source project finance for CERENERGY®, complete the 90kWh battery prototype and assess the 4 GWh Giga factory for large scale production

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2025

Authorised by: MARTIN STEIN – CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

On behalf of the Board of Directors

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.