



Altech Batteries

Limited

ABN 45 125 301 206

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2026**

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CORPORATE DIRECTORY

DIRECTORS

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

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Martin Stein

AUDITOR

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West Perth, WA 6005, Australia

SHARE REGISTRY

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Website: www.altechgroup.com

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 LIMITED
DIRECTORS' REPORT
For the year ended 30 June 2026

The directors present their report, together with the financial statements of the Group, the Company and its controlled entities, for the financial year ended 30 June 2026.

DIRECTORS

The names and details of the directors of Altech Batteries Limited during the financial year and until the date of this report are:

Giuseppe Graziano

Chairman

Appointed 28 November 2025

Mr Graziano is a qualified accountant and a member of the Australian Institute of Company Directors. He has over 35 years' experience providing a wide range of business and financial advice to small cap unlisted and listed public companies as well as privately owned businesses in Western Australia's resource-driven industries.

Mr Graziano has advised Public and large Private groups in Corporate Advisory, strategic planning, Corporate restructuring, Capital Raisings, ASX compliance and regulatory requirements as well as Family Offices and Investment Advisory Boards. He currently serves as a non-executive director at Patronus Resources Limited, OZZ Resources Limited, Tyranna Resources Limited, Protean Energy Limited, Syntronic Limited.

Daniel Raihani

Managing Director

Appointed 28 November 2025

Mr Raihani is a dynamic business leader and entrepreneur with over 20 years of experience in finance, investments, mining, real estate, and sustainable development.

Expertise in strategic growth, operations, and stakeholder engagement across private and ASX listed companies. Mr Raihani holds a Bachelor of Business from Swinburne University. He is a member of the Australian Institute of Public Accountants (AIPA) and Member of the Australian Institute of Company Directors (MAICD).

Hansjoerg Plaggemars

Non-Executive Director

Appointed: 19 August 2020

Mr Plaggemars is a member of the board of Delphi Unternehmensberatung AG and previously of Deutsche Balaton AG (ATC shareholder) and acts as their representative. Mr Plaggemars is based in Heidelberg, Germany and is an experienced company director and manager. He studied business administration at the University of Bamberg from 1990 to 1995.

Mr Plaggemars has been a management consultant since June 2017 and is a board member of various companies within the scope of projects. Mr Plaggemars is currently a member of the management board of Frankfurt Stock Exchange listed Altech Advanced Materials AG. Mr Plaggemars also currently serves as a non-executive director at ASX listed Davenport Resources Limited (now South Harz Potash Ltd), Kin Mining LPatronus Resources Limited, Geopacific Resources Limited and Azure MineralsTheta Gold Mines Limited.

Ignatius (Iggy) Tan B.Sc, MBA, GAICD

Managing Director

Appointed: 25 August 2014– Resigned 28 November 2025

Mr Tan is a highly experienced mining and chemical executive with a number of significant achievements in commercial mining projects such as capital raisings, funding, construction, start-ups and operations. Mr Tan has over 30 years chemical and mining experience and been an executive director of a number of ASX-listed companies. He holds a Master of Business Administration from the University of Southern Cross, a Bachelor of Science from the University of Western Australia and is a Graduate of the Australian Institute of Company Directors.

Mr Tan became the Company's Managing Director in August 2014. Having been involved in the commissioning and start-up of seven resource projects in Australia and overseas, including high purity technology projects. Mr Tan is an accomplished project builder and developer. Mr Tan previously held Managing Director positions at ASX listed Kogi Iron Limited (ASX: KFE) (23-08-2013 to 1-05-2014) and Galaxy Resources Limited (ASX: GXY) (11-11-2011 to 11-06-2013). Mr Tan is currently Executive Chair of ASX listed Lithium Universe Limited (ASX: LU7) (from 10/08/2023).

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Daniel Lewis Tenardi

Non-Executive Chairman

Appointed: 30 June 2025

Non-Executive Director

Appointed: 17 September 2009 and re-designated on 30 June 2025– Resigned 28 November 2025

Mr Tenardi is a highly experienced global resource executive with over 40 years of experience in the mining and processing sectors. During his extensive career, Mr Tenardi spent 13 years at Alcoa's alumina refinery in Kwinana as well as the company's bauxite mines in the Darling Ranges of Western Australia.

Mr Tenardi was the founding Managing Director of Bauxite Resources Limited (since renamed Australian Silica Quartz Group Limited (ASX: ASQ), where he led the rapid growth of the company from its initial exploration phase, expansion of land holdings, to the commencement of trial shipments of ore and securing supportive strategic partnerships with key Chinese investors. Having built strong networks with industry leaders in the alumina sector, Mr Tenardi provides valuable alumina-specific industry experience. Mr Tenardi previously served as a Non-Executive independent director of Australian iron ore producer, Grange Resources Limited (ASX: GRR), was CEO of Ngarda Civil & Mining and has also held senior executive and operational roles at CITIC Pacific, Alcoa, Roche Mining and Rio Tinto.

Peter Bailey

Independent Non-Executive Director

Appointed: 8 June 2012– Resigned 28 November 2025

Mr Bailey is a highly experienced and qualified engineer with over 40 years of experience in the mining and industrial chemical production industry. Mr Bailey spent the majority of his career in the alumina chemicals and alumina refining industries. He was previously chief executive officer at Sherwin Alumina, an alumina refinery located in Texas, USA.

Prior to Sherwin, in 1998 Mr Bailey was president of Alcoa Worldwide Chemicals' industrial chemicals department. He was responsible for managing the company's 13 alumina plants that were in eight countries, with combined annual revenue of approximately US\$700 million. In 1996, Mr Bailey was president of Alcoa Bauxite and Alumina and was responsible for 8 alumina plants outside of Australia. He was also the Chairman of the Alcoa Bauxite joint venture in Guinea, Africa. He has a solid business network throughout the global alumina industry. Mr Bailey has not held any other listed company directorships in the past 3 years.

Tunku Yaacob Khyra B.Sc (Hons), CA

Non-Executive Director

Appointed: 22 October 2015– Resigned 28 November 2025

Tunku Yaacob Khyra is the executive Chairman of the Melewar Khyra Group of Companies (Melewar), a Malaysian-based diversified financial and industrial services group. He is the major owner and shareholder of Melewar and sits on the boards of Khyra Legacy Berhad, Mycron Steel Berhad, MAA Group Berhad, Melewar Industrial Group Berhad, Ithmaar Bank B.S.C. (listed on Bahrain Stock Exchange) and several other private companies.

Tunku Yaacob graduated with a Bachelor of Science (Hons) Degree in Economics and Accounting from City University, London. An accountant by training, he is a Fellow of the Institute of Chartered Accountants in England & Wales and a member of the Malaysian Institute of Accountants. He started his career as an Auditor with Price Waterhouse, London from 1982 to 1985 and subsequently joined Price Waterhouse Kuala Lumpur from 1986 to 1987. He joined Malaysian Assurance Alliance Berhad in 1987 and retired as its Chief Executive Officer in 1999. Tunku Yaacob has not held any other Australian listed company directorships in the last 3 years.

Uwe Ahrens

Alternate Non-Executive Director (for Tunku Yaacob Khyra)

Appointed: 22 October 2015– Resigned 28 November 2025

Mr Ahrens is executive director of Melewar Industrial Group Berhad and Managing Director of Melewar Integrated Engineering Sdn Bhd. He also sits on the board of several other private limited companies. Mr Ahrens holds master's degrees in both Mechanical Engineering and Business Administration from the Technical University Darmstadt, Germany. Upon graduation, Mr Ahrens joined the international engineering and industrial plant supplier, KOCH Transporttechnik GmbH in Germany, now belonging to FLSmidth Group, where he held a senior management position for 12 years, working predominantly in Germany, USA and South Africa. Mr Ahrens has not held any other Australian listed company directorships in the past 3 years. Mr Ahrens is the Alternate Non-Executive Director for Tunku Yaacob Khyra.

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Martin Stein Chartered Accountant, B. Bus, Chartered Secretary

Chief Financial Officer and Company Secretary

Appointed: Chief Financial Officer 1 November 2021 and Company Secretary 9 March 2022

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Mr Stein is a finance and corporate executive with over 20 years of international experience. Mr Stein has held the positions of Chief Financial Officer and Company Secretary in several ASX listed companies. In these roles, Mr Stein has been responsible for all aspects of capital raising, financial management, investor relations and corporate governance. Prior to this, Mr Stein held senior positions with Anvil Mining Limited as well as with PwC at its London office. Whilst with PwC, Mr Stein provided corporate services for companies listed on the LSE, NYSE and AIM, including Colgate-Palmolive, Sony, Heinz, DHL Express and Bosch.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year were:

- (i) Acquisition of additional 18.75% CERENERGY® & 25% Silumina Anodes™ projects from Altech Advanced Materials AG
- (ii) CERENERGY® battery preliminary €46.7M German government grant approval
- (iii) Next Generation CERENERGY® pack achieved 90 KWH in R&D benchmark
- (iv) Spherical coated silicon (5% addition) achieved 88.5% retention after 500 cycles
- (v) \$6M placement to advance battery projects
- (vi) Board changes and strategic refocus
- (vii) Surrender of Kerrigan Exploration License 70/4718
- (viii) Sale of Meckering land
- (ix) Commencement of Sodium Nickel Chloride (SNC) batteries with AmPower. New Board subsequently decided to discontinue with AmPower due to the strategy not constituting a sufficiently attractive financial return to the Company to compensate for the risk and resources associated with the distribution partnership
- (x) Silumina Anodes™ project discontinued
- (xi) CERENERGY® project impaired in accounts at 30 June 2026 and discontinued 31 July 2026

FINANCIAL POSITION & RESULTS OF OPERATIONS

The financial results of the Group for the financial year ended 30 June 2026 are:

	2026	2025
	\$	\$
Cash and cash equivalents	501,717	448,234
Net Assets	4,007,055	20,435,499
Revenue	92,250	176,490
Net profit /(loss) after tax	(43,363,306)	(15,858,171)
Profit / (Loss) per share	(0.015)	(0.009)

DIVIDENDS

No dividend has been paid since the end of the previous financial year, and no dividend is recommended for the current year.

REVIEW OF OPERATIONS AND ACTIVITIES

The year ended 30 June 2026 was a period of significant activity for Altech Batteries Limited ("Altech" or the "Company"), principally focused on progressing the commercialisation and financing of its CERENERGY® Sodium Chloride Solid State battery project in Saxony, Germany, advancing its collaboration with AMPower for sodium nickel chloride ("SNC") battery products, and continuing development of the Silumina Anodes™ battery materials technology.

During the year, the Company continued its efforts to secure the financing and strategic investment required to develop the proposed 120 MWh CERENERGY® production facility in Germany. Altech also pursued an accelerated market-entry strategy through its collaboration with AMPower, aimed at establishing a commercial presence for SNC battery technology ahead of the proposed commencement of CERENERGY® production.

The Silumina Anodes™ project was discontinued on 11 May 2026.

On 31 July 2026, the Board resolved to discontinue the CERENERGY® project after the Company's prolonged strategic partner and project financing process did not achieve the required outcome. These developments are discussed further below.

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CERENERGY® Sodium Chloride Solid State Battery Project

Throughout the financial year Altech continued to progress the CERENERGY® Sodium Chloride Solid State battery project in conjunction with the Fraunhofer Institute for Ceramic Technologies and Systems ("Fraunhofer IKTS").

The CERENERGY® technology was being developed as a stationary energy storage alternative to conventional lithium-ion battery systems. The technology utilises sodium nickel chloride chemistry and was designed for stationary grid energy storage applications, with the proposed commercial development comprising a 120 MWh per annum production facility in Saxony, Germany.

Project Financing

A principal focus during FY2026 was securing the debt and equity funding required to construct the proposed 120 MWh CERENERGY® production facility.

During the year the Company progressed discussions with European financial institutions, government agencies and prospective strategic investors. Technical and commercial due diligence on the project was undertaken as part of the prospective financing process.

The project subsequently received conditional funding approval of up to approximately €46.7 million under the German Federal Government's STARK economic development program. The proposed funding represented approximately 30% of eligible project capital expenditure and remained conditional upon, amongst other matters, the project achieving full financial close.

Altech continued to seek a strategic investor to provide the project equity component required to enable financial close. The Company conducted discussions with a number of prospective parties, including extensive negotiations with a European industrial conglomerate. Immediately following the end of the financial year, on 2 July 2026, the Company announced that the deadline for satisfying the financial-close condition attached to the German Government funding had been extended from 30 June 2026 to 30 September 2026.

Notwithstanding the extension, the strategic investment process did not ultimately result in a transaction capable of providing the funding required to proceed with the project.

CERENERGY® Prototype and Technical Development

During FY2026 the Company continued technical and commercial development work arising from the CERENERGY® prototype program.

The prototype and associated testing program were intended to demonstrate the operating characteristics of the technology and provide technical information to prospective customers, strategic partners and project financiers.

The Company also continued work directed towards the proposed scale-up of CERENERGY® technology and evaluated the technical and commercial requirements associated with larger-scale battery systems and future manufacturing capacity.

Commercialisation and Market Development

Altech continued discussions with prospective European customers and offtake parties during the year. The Company had previously secured letters of intent relating to prospective CERENERGY® GridPack production, with the proposed arrangements being dependent upon development and commissioning of the commercial production facility.

The Company's commercialisation activities during FY2026 were undertaken in parallel with the project financing process. The ability to convert prospective customer interest into commercial production was ultimately dependent upon securing sufficient debt and equity funding to construct the proposed plant, which was not obtained. Consequently, the Company was unable to progress to commercial production.

AMPOWER SNC Battery Collaboration

During the financial year Altech broadened its battery commercialisation strategy by entering a collaboration with AMPower for sodium nickel chloride battery products.

In September 2025, Altech entered into a collaboration and distribution agreement with AMPower, a subsidiary of the Chilwee Group. AMPower manufactures sodium nickel chloride batteries based on established Zebra-type battery technology. The collaboration was intended to provide Altech with earlier access to commercially manufactured SNC battery products while the CERENERGY® project continued through its development and financing phase. Under the arrangements, AMPower was to manufacture battery cells and battery systems to agreed specifications, with Altech undertaking activities including system specification, certification, marketing and distribution in selected markets. The arrangements did not involve the transfer of Altech's CERENERGY® proprietary cell technology to AMPower.

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SNC UPS Battery System

During FY2026 Altech and AMPower progressed the development of an SNC uninterruptible power supply ("UPS") battery system targeted at critical infrastructure and industrial applications.

In November 2025, the Company announced completion of the final engineering design for a next-generation SNC UPS battery system intended initially for European pipeline and industrial infrastructure applications. Five prospective field trial locations in the Netherlands were identified, with the program designed to demonstrate the SNC system as an alternative to incumbent lead-acid and nickel-cadmium backup battery systems.

The collaboration represented an initiative to establish a nearer-term route to market for Altech-branded SNC batteries and to gain practical experience in battery systems integration, customer qualification and commercialisation. In December 2025, the Company announced that a strategic decision had been made to discontinue with the AMPower project due to the strategy not constituting a sufficiently attractive financial return to compensate for the risk and resources associated with pursuing the project.

SILUMINA ANODES™ Battery Materials Project

During FY2026 the Company continued development of the Silumina Anodes™ battery materials technology in Germany. The technology had been developed to incorporate alumina-coated silicon into lithium-ion battery anodes with the objective of increasing battery energy density while addressing the expansion and degradation issues associated with the use of silicon in conventional lithium-ion battery anodes. The Silumina Anodes™ pilot plant in Saxony had been established to produce material for process development, product qualification and prospective customer testing.

In January 2026, Altech announced a strategic decision to relocate its battery materials research and development activities from Perth to Germany. The relocation was intended to place the research and development function in closer proximity to the Silumina Anodes™ pilot plant and provide operating and cost efficiencies.

The Company had also entered into confidentiality arrangements with prospective automotive and battery-sector participants for evaluation of Silumina Anodes™ material. Following a review of the project and its commercial prospects, the Company subsequently determined not to continue funding the Silumina Anodes™ development program. The project was discontinued and Altech Industries Germany GmbH entered a liquidation process, with available assets to be realised.

Corporate and Funding Activities

In October 2025, the Company completed a placement to raise approximately \$6.0 million before costs through the issue of new ordinary shares. The capital raising was undertaken to provide funding for activities across the CERENERGY®, AMPower and Silumina Anodes™ projects, including battery trials and commercialisation activities and continuing work associated with CERENERGY® project financing.

In addition, on 1 September 2025 the Company issued 532,369,513 fully paid ordinary shares at \$0.033 per share to acquire a 25% interest in Altech Industries Germany GmbH and a 25% interest in Altech Energy Holdings GmbH.

During the year the Company also continued to review its corporate structure and non-core assets with the objective of reducing costs and generating additional working capital. The Company completed the sale of its freehold land at Meckering, Western Australia for \$950,000. Altech retained the associated mining lease and entered into arrangements preserving its access and mining rights over the relevant area.

RISK MANAGEMENT

Due to its size and scope of operations, the Group does not have a dedicated Risk Management Committee. Rather, the Company's board as a whole is responsible for the oversight of the Group's risk management and control framework. Responsibility for control and risk management is delegated to the appropriate level of management within the Group, with the Managing Director having ultimate responsibility to the board for the risk management and control framework.

The Managing Director highlights areas of significant business risk, and the board has arrangements in place whereby it monitors risk management, including the periodic reporting to the board in respect of operations and the financial position of the Company.

The Company does not have a dedicated internal audit function; however, it works closely with its external auditors and management for the evaluation and continual improvement of the effectiveness of its risk management and internal control procedures. The Board has established an Audit Committee.

The future performance of the Company may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business are described below. The risks factors set out, or

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other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company. This is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

RISK CATEGORY	RISK
Operational risks	The Company will be exposed to various construction and operational risks should it advance its projects through the construction phase and into operations, including unanticipated financial, operational or political events, cost overruns, changes in the prices and demand of commodities relevant to the Company's business, equipment and labour shortages, equipment failure, technical concerns including possible reserves and deliverability difficulties, environmental impacts, increases in operating cost structures, community or industrial actions, natural disasters, interruptions to the supply of power, water, chemicals or fuel, or other circumstances which may result in the delay, suspension or termination of the project, the total or partial loss of the investment and a material adverse effect on the Company's results of operations and financial condition. In addition, construction, commissioning and operational ramp up of operational assets can be subject to unexpected problems or delays in schedule.
Processing risks	Should the Company be successful in its development and operation of its projects, the Company's operations will be subject the operating risks, including the related risks associated with storage and transportation of materials, products and wastes. These operating risks have the potential to cause personal injury, property damage or environmental contamination, and may result in the shutdown of affected facilities, business interruption, or the imposition of civil or criminal penalties, which may impact the Company's standing in the public eye. There are potential hazards associated with the Company's proposed processing operations and the related storage and transportation of products and wastes. Examples of such hazards that may arise from the Company's proposed operations could include: • pipeline and storage tank leaks and ruptures; • explosions and fires; • mechanical failures; and • chemical spills and other discharges or releases of toxic or hazardous substances or gases. These hazards may cause personal injury and loss of life, damage to property or contamination of the environment, which may result in suspension of operations or the imposition of civil or criminal penalties, including fines, expenses for remediation or claims by governmental entities or third parties. Although the Company maintains various insurance type and amounts that it believes is customary for its business activities, the Company may not fully insure against all potential hazards incidental to its operations.
Supply chain	The Company may be dependent on contractors and suppliers to supply vital goods and services to its operations, should operations commence. The Company may therefore be exposed to the possibility of adverse developments in the business environments of its contractors and suppliers. Any disruption to services or supplies may have an adverse effect on the financial performance of the Company.
Failure to scale up and commercialise	There is a risk that the Company will be unable to achieve sufficient scale in the commercialisation of its products across all target customer segments, which could potentially result in reduced or negative growth. There is also a risk that the Company's products launched and developed to the market may be unprofitable because they are not supported by sufficient market interest or otherwise not adequately marketed and fail to sell. There is also a risk that the products waste operating costs or incur operating costs earlier than necessary or greater than forecast.
Market demand and price risks	If the Company progresses to become a producer and seller of its products, the Company's business will rely primarily on the production and sale of its products to a variety of buyers. Fluctuations in the global market may materially affect the future financial performance of the Company. Demand for, and pricing of, the Company's products may be sensitive to external economic and political factors, including: worldwide supply and demand;

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RISK CATEGORY	RISK
	the level of economic activity in the markets the Company may serve; the price and availability of new technology; and the availability and cost of potential substitutes. It is impossible to predict future price movements with certainty. Any sustained low prices or further declines in the price may adversely affect the Company's proposed business, results of operations or its ability to finance the development of its projects.
Access to capital risk	The Company's business and, in particular, its development of a large-scale projects, relies on access to debt and equity financing. There is a risk that the Company may not be able to access capital from these markets, which would impact the ability to develop its projects and achieve its business objectives. Further, the Company, in the ordinary course of its operations and developments, is required to issue financial assurances, particularly insurances and bond/bank guarantee instruments to secure statutory and environmental performance undertakings and commercial arrangements. The Company's ability to provide such assurances is subject to external financial and credit market assessments, and its own financial position. Loan agreements and other financing rearrangements such as debt facilities, convertible note issue and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default under a finance lease could also result in the loss of assets. The Company is exposed to risks associated with its financial instruments (consisting of cash, receivables, accounts payable and accrued liabilities due to third parties from time to time). This includes the risk that a third party to a financial instrument fails to meet its contractual obligations; the risk that the Company will not be able to meet its financial obligations as they fall due; and the risk that market prices may vary which will affect the Company's income.
General regulatory risks	The Company's business is subject to, in each of the countries in which the Company operates, or may operate, various national and local laws and regulations relating to the mining, production, marketing, pricing, transportation and storage of the Company's products and/or residues. Permits from a variety of regulatory authorities may be required for aspects of the Company's operations. Many of those permits may be subject to conditions, and a change in the conditions attaching to those permits, or the imposition of new conditions, that could have a material adverse effect on the Company's proposed business and financial condition. A change in the laws which apply to the Company's business or the way in which it is regulated could also have a material adverse effect on the Company's business and financial condition. Other changes in the regulatory environment (including applicable accounting standards) may have a material adverse effect on the carrying value of material assets or otherwise have a material adverse effect on the Company's business and/or financial condition.
Environmental risks	The Company's possible future mine development and processing program will, in general, be subject to approval by governmental authorities. Development of any of the Company's properties will be dependent on the project meeting environmental guidelines and, where required, being approved by governmental authorities and the possible future activities of the Company may be subject to extensive laws and regulations controlling not only the mining of, exploration for and processing of mineral properties, but also the possible effects of such activities upon the environment and interests of local communities. In the context of obtaining environmental permits, including the approval of reclamation plans, the Company must comply with known standards, existing laws and regulations which may entail greater or lesser costs and delays depending on the nature of the activity to be permitted and how stringently the regulations are implemented by the permitting authority. With increasingly heightened government and public sensitivity to environmental sustainability, environmental regulation is becoming more stringent, and the Company could be subject to increasing environmental responsibility and liability, including laws and regulations dealing with air quality, water and noise pollution or other discharges of materials into the environment, plant and wildlife protection, the reclamation and restoration of certain of its properties,

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RISK CATEGORY	RISK
	greenhouse gas emissions, the storage, treatment and disposal of wastes or the effects of its business on the water table and groundwater quality. Sanctions for non-compliance with these laws and regulations may include administrative, civil and criminal penalties, revocation of permits and corrective action orders. These laws sometimes apply retroactively. In addition, a party can be liable for environmental damage without regard to that party's negligence or fault.
Economic risks	Economic factors beyond the control of the Company, such as changes in commodity prices, interest rates, inflation, exchange rates and taxation, may negatively impact on the revenue and profitability of the Company.
Additional requirements for capital	The Company's capital requirements depend on numerous factors. The Company will require further financing in addition to amounts raised under the Placement. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its planned construction and development programs as the case may be.
Political risk (Malaysia)	The Company's HPA plant (under construction) is located in Malaysia. The fragility of the incumbent Malaysian federal coalition government has not, as yet, transpired into radical policy or regulation change, however risks remain that a change in political leadership could bring about policy and regulatory changes in the future, that may affect the Company and its planned HPA plant. Hence, there is no assurance that any unfavourable developments or change in the political and economic situation in Malaysia would not adversely affect the Company's ability to conduct business in the country.
Climate risk	There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include: - the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and - climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.
Sovereign risk	The projects are located in Malaysia and will be subject to the risks associated in operating in a foreign country. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents. Any future material adverse changes in government policies or legislation in foreign jurisdictions in which the Company has projects that affect foreign ownership, exploration, development or activities of companies involved in exploration and production, may affect the viability and profitability of the Company.

EMPLOYEES

The Group had 4 permanent employees as at 30 June 2026 (2025: 24 permanent employees).

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SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the directors, other than as disclosed in the Annual Financial Report, there are no other significant changes in the state of affairs of the Group that occurred during the financial year under review.

EVENTS SUBSEQUENT TO 30 JUNE 2026

CERENERGY® Project Discontinued

On 31 July 2026, Altech announced that the Board had resolved to discontinue the CERENERGY® battery project.

Throughout FY2026 and continuing after the end of the financial year, the Company had undertaken an extensive process to secure a strategic investor and the equity funding required to enable the project to proceed to financial close. This included discussions with several prospective strategic parties and negotiations with a European industrial conglomerate which had continued for more than nine months. Those discussions did not result in the investment required to proceed with the project.

Although the CERENERGY® project had secured conditional German Government funding of up to approximately €46.7 million, access to that funding remained conditional upon achieving full project financial close. In the absence of a strategic equity partner and having regard to the low likelihood of securing the balance of the funding required to construct the proposed facility, the Board determined that continued expenditure on the project was not justified.

Accordingly, the Company resolved to discontinue the CERENERGY® project and commence the orderly unwinding of Altech Batteries GmbH. The assets of Altech Batteries GmbH are to be realised as part of the unwinding process.

The discontinuation of CERENERGY® represented a significant change in the Company's strategy subsequent to year end and ended the proposed development of the 120 MWh CERENERGY® commercial production facility.

Altech Batteries GmbH filed for insolvency in Germany

As announced to the ASX on 10 August 2026, the Company advised that Altech Batteries GmbH is expected to file for insolvency in Germany, which it did on 11 August 2026.

Fraunhofer advised the Board that it is not prepared to waive its claims against ABG for outstanding liabilities, which was a pre-requisite for a solvent liquidation. After carefully weighing ATC's economic interests, the Board has concluded that further financing of Altech Batteries GmbH is not economically justifiable.

Against this background, the Board has resolved that the Company will not provide Altech Batteries GmbH with any further funds, neither directly or indirectly via the intermediate holding company, nor in any other manner. This includes shareholder loans, intragroup advances, equity injections, capital contributions, or other payments in favour of Altech Batteries GmbH.

This decision is based on an independent business and economic assessment by Altech Batteries Ltd. The Board makes no determinations regarding the legal consequences of this decision for Altech Batteries GmbH.

Non-Completion of Malaysian Available-for-sale Assets

On 27 July 2026, the Company entered into an Agreement to Purchase (ATP) in relation to the leasehold-land held in Malaysia. The purchase price offered was RM19,510,665 and the ATP required a Sale and Purchase Agreement (SPA) to be executed within forty full working days. On 29 September 2026, the Company received notification from the prospective purchaser's lawyer that the purchaser did not intend to enter into the SPA and that the offer was withdrawn.

Future Direction

Following discontinuation of the CERENERGY® and Silumina Anodes™ projects, the Board's immediate focus is on preserving and realising value from the Company's remaining assets, managing the orderly wind-down of the relevant German project entities and maintaining appropriate control over corporate expenditure.

The Company will also assess new projects and corporate opportunities that the Board considers may provide a basis for the Company's future activities and the creation of shareholder value.

ALTECH BATTERIES LIMITED
DIRECTORS' REPORT
For the year ended 30 June 2026

OPTIONS OVER UNISSUED CAPITAL

As at 30 June 2026, the Company had 126,666,667 options with an exercise price of \$0.065 per option and an expiry date of 31 October 2028 on issue. As at the date of this report 126,666,667 ordinary shares of the Company remain under option. Information in relation to this is available on both the ASX and the Company's website.

PERFORMANCE RIGHTS OVER UNISSUED CAPITAL

As at the date of this report there are no unissued ordinary shares of the Company subject to performance rights.

Details of performance rights issued to the directors and Key Management Personnel of the Company during the period of this report are contained in the Remuneration Report.

The performance rights represent unissued ordinary shares of the Company under option as at the date of this report. These performance rights do not entitle the holder to participate in any share issue of the Company. The holders of performance rights are not entitled to any voting rights until the performance rights are exercised into ordinary shares, which is only possible if the vesting conditions attached to the performance rights have been attained.

The names of all persons who currently hold performance rights granted are entered in a register kept by the Company pursuant to Section 168(1) of the *Corporations Act 2001* and the register may be inspected free of charge.

CORPORATE STRUCTURE

Altech Batteries Limited (ACN 125 301 206) is a Company limited by shares that was incorporated on 8 May 2007 and is domiciled in Australia.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company holds a mining licence that regulate its exploration and future mining activities in Western Australia. This licence includes conditions and regulations with respect to the rehabilitation of areas disturbed during its exploration or future mining activities. So far as the directors are aware, there has been no known breach of the Company's licence conditions and all exploration activities comply with relevant environmental regulations.

DIRECTORS' SHAREHOLDINGS, OPTION HOLDINGS AND PERFORMANCE RIGHTS HOLDINGS

As at the date of this report the directors' interests in shares and unlisted options of the Company are as follows:

Director	Interest in Ordinary Shares	Interest in Options	Interest in Performance Rights
Guiseppe Graziano	-	-	-
Daniel Raihani	-	-	-
Hansjoerg Plaggemars	-	-	-
Ignatius Tan*	7,940,000	-	-
Daniel Tenardi*	6,809,200	-	-
Peter Bailey*	3,774,710	-	-
Tunku Yaacob Khyra*	129,034,225	53,841,788	-
Uwe Ahrens*	1,000,000	-	-

* Resigned as a director or alternate director on 28 November 2025. The table shows the interest held in securities at the date of resignation.

ALTECH BATTERIES LIMITED
DIRECTORS' REPORT
For the year ended 30 June 2026

DIRECTORS' MEETINGS

The number of meetings of the Company's directors held in the period each director held office during the financial year and the numbers of meetings attended by each director were:

Director	Board of Director Meetings		Audit Committee		Remuneration Committee	
	Meetings Attended	Meetings held whilst a director	Meetings Attended	Meetings held whilst a director	Meetings Attended	Meetings held whilst a director
Guiseppe Graziano	2	3	-	-	-	-
Daniel Raihani	1	3	-	-	-	-
Hansjoerg Plaggemars	3	3	-	-	-	-
Ignatius Tan	1	1	-	-	-	-
Daniel Tenardi	1	1	-	-	-	-
Peter Bailey	1	1	-	-	-	-
Tunku Yaacob Khyra	-	1	-	-	-	-
Uwe Ahrens (alternate director)	1	1	-	-	-	-

REMUNERATION REPORT

Remuneration Committee

Recommendation 8.1 of the *ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition)* states that the board should establish a Remuneration Committee. The board has established a Remuneration Committee.

Use of Remuneration Consultants

The board did not engage a remuneration consultant to make any recommendations in relation to its remuneration policies for any of the key management personnel for the Company during the financial year covered by this report.

Voting and comments made at the Company's 2025 Annual General Meeting

The Company received 14,945,319 proxy votes (7.61%) against its 2025 remuneration report (from the 196,317,850 proxy votes received and eligible to vote on the resolution) tabled at the 2025 Annual General Meeting. The Company did not receive any specific feedback at the Annual General Meeting or throughout the year on its remuneration practices.

This report details the amount and nature of remuneration of each director of the Company and executive officers of the Company during the year.

Overview of Remuneration Policy

The board of directors is responsible for determining and reviewing compensation arrangements for the directors and executive management. The board remuneration policy is to ensure that remuneration properly reflects the relevant person's duties and responsibilities, and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality. The board believes that the best way to achieve this objective is to provide the non-executive directors, executive director and the executive management with a remuneration package consisting of both fixed and variable components that together reflects the positions, responsibilities, duties and personal performance. An equity-based remuneration arrangement for the board and executive management is in place. The remuneration policy is to provide a fixed remuneration component and a specific equity related component, with appropriate vesting (performance) conditions. The board believes that this remuneration policy is appropriate given the stage of development of the Company and the activities that it undertakes and is appropriate in aligning director and executive objectives with shareholder and business objectives.

The remuneration policy on setting the terms and conditions for the non-executive directors has been developed by the board taking into account market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

Performance rights are valued using the Black-Scholes methodology. In accordance with current accounting policy the value of these performance rights is expensed over the relevant vesting period.

Non-Executive Directors

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at a General Meeting and has been set not to exceed \$500,000 per annum. Actual remuneration paid to the Company's non-executive directors is disclosed below. Cash remuneration fees

ALTECH BATTERIES LIMITED
DIRECTORS' REPORT
For the year ended 30 June 2026

paid to non-executive directors are not linked to the performance of the Company. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company, and the directors are awarded performance rights that are subject to vesting conditions, with the approval of Shareholders.

Board fees (per year)

	2026	2025
Chairman	\$40,000	\$102,743
Other non-executive directors (excluding alternate director)	\$40,000	\$75,705

In 2026 the Chairman Guiseppe Graziano's board fees were invoiced monthly from an entity associated, other non-executive director board fees are paid quarterly, in arrears. Up until his resignation on 28 November 2025, Mr Uwe Ahrens, the alternate director for non-executive director Tunku Yaacob Khyra, had been paid a consulting fee of \$5,516 per month for non-board related services provided to the Company. These services were performed in Germany and Malaysia.

Executive Management

The remuneration of the executive management is stipulated in individual services agreements.

The Company aims to reward executives with a level of remuneration commensurate with their position and responsibilities within the Company to:

- Reward executives for Company and individual performance against targets set by reference to appropriate benchmarks.
- Reward executives in line with the strategic goals and performance of the Company; and
- Ensure that total remuneration is competitive by market standards.

Structure

Remuneration consists of the following key elements:

- fixed remuneration;
- short term incentive scheme; and
- performance rights

Fixed remuneration

Fixed remuneration consists of a fixed monthly salary, which is set to provide a base level of remuneration that is both appropriate to the position and is competitive in the market.

Remuneration packages for the staff that report directly to the Managing Director are based on the recommendation of the Managing Director, subject to the approval of the board.

Short term incentive scheme

Executives and employees of the Company participate in a short-term incentive scheme that makes available an annual cash incentive (bonus) to individuals based on the attainment of overall Company and group objectives, which are set annually. The scheme is structured to encourage executives and employees to work as a team for the attainment of the Company's overall objectives, as opposed to prescriptive individual performance objectives. Under the scheme, executives and employees can be awarded a cash bonus of between 10% and 40% of individual annual base salary, depending upon their role in the Company.

The board, on the recommendation of the Managing Director, sets annual bonus objectives, and the board also on the recommendation of the Managing Director, approves annual bonus awards. The board has complete discretion over the short-term incentive scheme.

During the year covered by this report no short-term incentives were awarded by the board to executives for the attainment of pre-determined milestones. The board does not participate in the short-term incentive scheme.

Performance rights

The board considers equity-based incentive compensation to be an integral component of the Company's remuneration platform enabling it to offer market-competitive remuneration arrangements, the award of performance rights is intended to enable recipients to share in any increase in the Company's value (as measured by share price) beyond the date of allocation of the performance rights, provided the specific performance conditions (milestones) are met.

The performance conditions that were chosen for the performance rights issued to the directors, executive management, employees and key consultants of the Company are on the basis that the achievement of each milestone will represent a significant and challenging performance outcome which will require the performance rights recipients to devote effort, time and skill above and beyond what would normally be expected for their respective fixed compensation. The attainment of each vesting condition (milestone) is not certain, but if achieved could be expected to see an increase in the value of the Company (as measured by share price), enabling the individuals to participate in this increase in value. Each milestone is transparently measurable, with the vesting condition either achieved or not achieved, with the achievement publicly announced to the ASX. The respective recipients must be employed or otherwise retained by the Company at the time of vesting for the performance rights to vest, subject to a milestone being achieved.

ALTECH BATTERIES LIMITED
DIRECTORS' REPORT
For the year ended 30 June 2026

The objectives of the award of performance rights are to provide a remuneration mechanism, through share ownership, to motivate, retain and reward the performance of employees, key consultants and Company directors. All performance rights vest based on pre-determined vesting conditions.

No performance rights held by directors or key management personnel that were outstanding as of 30 June 2026 or awarded since that date, have vested.

Details of remuneration

The following tables show details of the remuneration received by Altech Batteries Limited's key management personnel for the current and previous financial year.

2026	Primary Compensation		Post-Employment	Equity Compensation	Total
	Base Salary/Fees \$	Short Term Incentive \$	Superannuation Contributions \$	Performance Rights \$	
Directors					
D Raihani - Managing Director ⁽ⁱ⁾	78,400	-	-	-	78,400
J Graziano – Chairman ⁽ⁱ⁾	23,333	-	-	-	23,333
H Plaggemars – non-executive	58,210	-	-	-	58,210
I Tan – managing director ^{(ii)(v)}	577,902	-	52,785	-	630,687
D Tenardi – non-executive ⁽ⁱⁱ⁾	42,809	-	5,137	-	47,946
P Bailey – non-executive ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	31,544	-	-	-	31,544
Tunku Yaacob Khyra - non-executive ⁽ⁱⁱ⁾	50,471	-	-	-	50,471
U Ahrens - alternate director ^{(ii) (iv)}	33,096	-	-	-	33,096
Executives					
M Stein – CFO & company secretary	246,891	-	29,627	-	276,518
TOTAL	1,142,656		87,549	-	1,230,205

(i) Appointed 28 November 2025

(ii) Resigned 28 November 2025

(iii) Directors' fees were all paid to Waylen Bay Capital Pty Ltd.

(iv) Services were provided in Germany and Malaysia pursuant to a consultancy agreement with the Company.

(v) Included termination benefits paid on resignation.

2025	Primary Compensation		Post-Employment	Equity Compensation	Total
	Base Salary/Fees \$	Short Term Incentive \$	Superannuation Contributions \$	Performance Rights \$	
Directors					
I Tan – managing director	475,157	89,386	64,922	(626,887)	2,578
L Atkins – non-executive chairman ⁽ⁱ⁾	102,743	-	11,815	(157,502)	(42,944)
D Tenardi – non-executive	75,705	-	8,706	23,373	107,784
P Bailey – non-executive ⁽ⁱⁱ⁾	75,705	-	-	23,373	99,078
Tunku Yaacob Khyra - non-executive	75,705	-	-	23,373	99,078
U Ahrens - alternate director ⁽ⁱⁱⁱ⁾	65,541	64,000	-	93,490	223,031
H Plaggemars – non-executive	75,705	-	-	23,373	99,078
Executives					
M Stein – CFO & company secretary	280,263	53,747	38,411	50,720	423,141
TOTAL	1,226,524	207,133	123,854	(546,687)	1,010,824

(i) Resigned as non-executive Chairman on 30 June 2025

(ii) Directors' fees were all paid to Waylen Bay Capital Pty Ltd.

(iii) Services were provided in Germany and Malaysia pursuant to a consultancy agreement with the Company, effective from 1 January 2019.

Note: The fair value of performance rights is estimated at each balance date taking into account, amongst other factors, the likelihood that the various tranches of performance rights will vest to the respective participants by the vesting date. At 30 June 2025, in the case of all participants, it was deemed likely that the vesting conditions pertaining to the respective tranches of performance rights would be achieved by the vesting dates and accordingly a pro-rata portion of the deemed value of the rights has been expensed to the Profit and Loss account and accordingly has been disclosed as deemed income for each key management personnel.

ALTECH BATTERIES LIMITED
DIRECTORS' REPORT
For the year ended 30 June 2026

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		At risk remuneration	
	2026	2025	2026	2025
Directors				
J Graziano – Chairman	100%	-	-	-
D Raihani - Managing Director	100%	-	-	-
H Plaggemars – non-executive	100%	76%	-	24%
I Tan – managing director	100%	100%	-	-
D Tenardi – non-executive	100%	78%	-	22%
P Bailey – non-executive ⁽ⁱ⁾	100%	76%	-	24%
Tunku Yaacob Khyra - non-executive	100%	76%	-	24%
U Ahrens - alternate director ⁽ⁱⁱ⁾	100%	29%	-	71%
Executives				
M Stein – CFO & company secretary	100%	75%	-	25%

(i) Directors' fees were all paid to Waylen Bay Capital Pty Ltd.

(ii) Services were provided in Germany and Malaysia pursuant to a consultancy agreement with the Company, effective from 1 January 2019.

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods. Participation in the STI and LTI plans is subject to the board's discretion. Other major provisions of the services agreements are set out below.

Name	Term of agreement and notice period *	Base salary (excluding superannuation)	Termination payments **
Martin Stein <i>Chief Financial Officer & Company Secretary</i>	No fixed term 1 month notice	\$246,891 p.a.	1 month, plus 3 months if terminated because of a change in control of the Company

Non-executive director service arrangements are detailed on the first page of the remuneration report.

* The notice period applies equally to either party

** Termination benefit is payable if the Company terminates employees with notice, and without cause (e.g. for reasons other than unsatisfactory performance or gross misconduct).

Details of share-based compensation

During the financial year, no new performance rights were issued to the directors and executives of the Company (2025: Nil). Details of performance rights cancelled due to expiry and/or resignations are set out below;

Details of performance rights (subject to vesting conditions), awarded to directors and other key management personnel as part of remuneration in current and prior periods and held as at 30 June 2026, are set out below:

ALTECH BATTERIES LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2026

Name	Record Date	No. of Performance Rights	Issue price	Fair Value at issue date \$	Un-vested at 30/06/26	Final date for vesting
Directors						
Mr Iggy Tan	29/11/21	10,000,000	nil	1,400,000	-	N/A
Mr Iggy Tan	12/05/23	15,000,000	nil	1,500,000	-	N/A
Mr Dan Tenardi	27/11/20	1,000,000	nil	45,000	-	N/A
Mr Dan Tenardi	12/05/23	3,000,000	nil	300,000	-	N/A
Mr Peter Bailey	27/11/20	1,000,000	nil	45,000	-	N/A
Mr Peter Bailey	12/05/23	3,000,000	nil	300,000	-	N/A
Tunku Yaacob Khyra	27/11/20	1,000,000	nil	45,000	-	N/A
Tunku Yaacob Khyra	12/05/23	3,000,000	nil	300,000	-	N/A
Mr Uwe Ahrens	27/11/20	1,000,000	nil	45,000	-	N/A
Mr Uwe Ahrens	12/05/23	12,000,000	nil	1,200,000	-	N/A
Mr H Plaggemars	27/11/20	1,000,000	nil	45,000	-	N/A
Mr H Plaggemars	12/05/23	3,000,000	nil	300,000	-	N/A
Executives						
Mr Martin Stein	31/1/22	1,000,000	nil	120,000	-	N/A
Mr Martin Stein	12/05/23	6,000,000	nil	600,000	-	N/A

The assessed fair value of the performance rights at issue date to recipients is allocated equally over the period from the grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at issue date and at each subsequent reporting date are determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free rate for the term of the option.

Equity instruments held by key management personnel (KMP)

The tables below show the number of:

- (i) shares in the Company
- (ii) options over ordinary shares in the Company (both listed and unlisted options); and
- (iii) rights over ordinary shares in the Company

that were held during the financial year by the directors and key management personnel of the Company directly, indirectly or beneficially.

KMP Holdings of Ordinary Shares

30 June 2026	Balance at Beginning of year	Vested as Remuneration during year	Acquired/(disposed) during year	Other changes during year	Balance at End of Year
Directors					
I Tan*	7,940,000	-	-	-	7,940,000
D Tenardi*	5,809,200	-	1,000,000	-	6,809,200
P Bailey*	3,774,710	-	-	-	3,774,710
Tunku Yaacob Khyra*	83,034,525	-	45,999,700	-	129,034,225
U Ahrens*	1,000,000	-	-	-	1,000,000
H Plaggemars	100,737,763	-	-	-	100,737,763
Daniel Raihani	-	-	-	-	-
Joe Grazianno	-	-	-	-	-
Executives					
M Stein	-	-	-	-	-

* Resigned as a director or alternate director on 28 November 2025. The table shows the interest held in securities at the date of resignation.

ALTECH BATTERIES LIMITED

DIRECTORS' REPORT

For the year ended 30 June 2026

KMP Holdings of Ordinary Shares (continued)

30 June 2025	Balance at Beginning of year	Vested as Remuneration during year	Acquired/(disposed) during year	Other changes during year	Balance at End of Year
Directors					
I Tan	7,940,000	-	-	-	7,940,000
L Atkins	11,450,845	-	-	-	11,450,845
D Tenardi	5,809,200	-	-	-	5,809,200
P Bailey	3,774,710	-	-	-	3,774,710
Tunku Yaacob Khyra	83,034,525	-	-	-	83,034,525
U Ahrens	1,000,000	-	-	-	1,000,000
H Plaggemars	100,737,763	-	-	-	100,737,763
Executives					
M Stein	-	-	-	-	-

KMP Holdings of Performance Rights

30 June 2026	Balance at beginning of year	Awarded or Acquired during year	Expired unexercised / Cancelled during year	Exercised during year	Balance at end of Year	Vested and exercisable at year end	Unvested and unexercisable at year end
Directors							
I Tan	25,000,000	-	(25,000,000)	-	-	-	-
D Tenardi	4,000,000	-	(4,000,000)	-	-	-	-
P Bailey	4,000,000	-	(4,000,000)	-	-	-	-
Tunku Yaacob Khyra	4,000,000	-	(4,000,000)	-	-	-	-
U Ahrens	13,000,000	-	(13,000,000)	-	-	-	-
H Plaggemars	4,000,000	-	(4,000,000)	-	-	-	-
Daniel Raihani	-	-	-	-	-	-	-
Joe Grazianno	-	-	-	-	-	-	-
Executives							
M Stein	7,000,000	-	(7,000,000)	-	-	-	-

30 June 2025	Balance at beginning of year	Awarded or Acquired during year	Expired unexercised / Cancelled during year	Exercised during year	Balance at end of Year	Vested and exercisable at year end	Unvested and unexercisable at year end
Directors							
I Tan	30,000,000	-	(5,000,000)	-	25,000,000	-	25,000,000
L Atkins	4,000,000	-	(4,000,000)	-	-	-	-
D Tenardi	4,000,000	-	-	-	4,000,000	-	4,000,000
P Bailey	4,000,000	-	-	-	4,000,000	-	4,000,000
Tunku Yaacob Khyra	4,000,000	-	-	-	4,000,000	-	4,000,000
U Ahrens	13,000,000	-	-	-	13,000,000	-	13,000,000
H Plaggemars	4,000,000	-	-	-	4,000,000	-	4,000,000
Executives							
M Stein	7,000,000	-	-	-	7,000,000	-	7,000,000

This concludes the remuneration report, which has been audited.

ALTECH BATTERIES LIMITED
DIRECTORS' REPORT
For the year ended 30 June 2026

INDEMNIFYING OFFICERS AND AUDITOR

During the year, the Company paid an insurance premium to insure certain officers of the Company. The officers of the Company covered by the insurance policy include the directors and the company secretary named in this report.

The Directors and Officers Liability insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. The insurers do not permit the premium amount paid by the Company for this insurance to be disclosed.

The Company has not provided any insurance for the auditor of the Company.

AUDITORS' INDEPENDENCE DECLARATION

Section 370C of the *Corporations Act 2001* requires the Group's auditor Stantons, to provide the directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is attached on the following page.

NON-AUDIT SERVICES

There were no non-audit services provided by the external auditors during the year.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not party to any such proceedings during the year.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of the Company support and have adhered to the principles of corporate governance for a Company of the current size. The Company's corporate governance statement is contained in the Annual Report.

Signed in accordance with a resolution of the directors.



Daniel Raihani
Managing Director
DATED at Perth this 30th day of September 2026



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30 September 2026

Board of Directors
Altech Batteries Limited
Unit 9, 17 Prowse Street
West Perth
WA 6005

Dear Directors

RE: ALTECH BATTERIES LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Altech Batteries Limited.

As Audit Director for the audit of the financial statements of Altech Batteries Limited for the year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD

Martin Michalik
Director

ALTECH BATTERIES LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2026

	Notes	30-Jun-26 \$	30-Jun-25 \$
Continuing Operations			
Revenue from ordinary activities			
Interest Income		2,884	46,422
R&D tax refunds		-	47,850
Other income		89,366	82,218
Total Income		92,250	176,490
Expenses			
Employee benefit expense (incorporating director fees)		(4,501,047)	(5,892,643)
Depreciation		(3,091,967)	(1,026,512)
Other expenses	2	(3,204,832)	(4,804,687)
Share-based payments	18	5,283,397	146,844
Fair value loss on investment (AAM AG)	12	(1,906,795)	(2,883,603)
Write-down of assets	31(a)	(9,788,700)	(63,205)
Exploration written off	11	(1,175,679)	-
Impairment expense	31(c)	(26,894,254)	-
Impairment of goodwill	31(b)	(5,013,832)	-
Research and development		(2,825,637)	(2,079,001)
Profit / (loss) on disposal of assets		(675,232)	3,870
Interest expense		(285,626)	(17,019)
Forex gain / (loss)		228,283	(15,569)
Profit / (loss) from continuing operations before income tax expense		(53,759,671)	(16,455,034)
Discontinued operations			
Discontinued operation – Altech Industries Germany GmbH	32	9,962,094	-
Income tax benefit	3	434,271	596,863
Net profit / (loss) for the year after income tax		(43,363,306)	(15,858,171)
Other comprehensive profit / (loss)			
<i>Items that may be reclassified subsequently to profit and loss:</i>			
Exchange differences on translating foreign controlled entities		(7,286,201)	1,789,442
Total comprehensive profit / (loss), net of tax		(50,649,507)	(14,068,729)
Profit / (loss) for the year attributable to:			
Owners of the parent entity		(39,240,989)	(11,722,215)
Non-controlling interest		(4,122,317)	(4,135,956)
Total profit / (loss) for the year, net of tax		(43,363,306)	(15,858,171)
Total comprehensive profit / (loss) for the year attributable to:			
Owners of the parent entity		(46,527,190)	(9,932,773)
Non-controlling interest	31	(4,122,317)	(4,135,956)
Total comprehensive profit / (loss) loss for the year		(50,649,507)	(14,068,729)
Earnings Per Share			
Basic profit / (loss) per share (\$ per share)	4	(0.015)	(0.009)
Diluted profit / (loss) loss per share (\$ per share)	4	(0.015)	(0.009)

The above Consolidated statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

ALTECH BATTERIES LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2026

	Notes	30-Jun-26 \$	30-Jun-25 \$
Current Assets			
Cash and cash equivalents	5(a)	501,717	448,234
Restricted Cash	5(b)	500,000	-
Trade and other receivables	6	1,004,115	2,017,437
Property, plant and equipment	8	1,119,786	-
Available for sale assets	9	4,792,721	-
Right-of-use assets	10	5,813	-
Inventories	7	-	21,049
Total Current Assets		7,924,152	2,486,720
Non-Current Assets			
Property, plant and equipment	8	6,008	25,725,749
Right-of-use assets	10	-	4,588,672
Exploration and evaluation expenditure	11	344,568	1,449,521
Other financial assets	12	728,500	2,635,295
Total Non-Current Assets		1,079,076	34,399,237
TOTAL ASSETS		9,003,228	36,885,957
Current Liabilities			
Lease liabilities		5,813	35,096
Interest-bearing liabilities	15	3,525,910	-
Trade and other payables	13	1,425,740	3,065,053
Provisions	14	38,710	236,052
Total current liabilities		4,996,173	3,336,201
Non-Current Liabilities			
Lease liabilities		-	26,159
Interest-bearing liabilities	15	-	900,760
Provisions	14	-	208,113
Loans payable	16	-	11,979,225
Total Non-Current Liabilities		-	13,114,257
TOTAL LIABILITIES		4,996,173	16,450,458
NET ASSETS		4,007,055	20,435,499
Equity			
Contributed equity	17	177,959,954	155,131,523
Reserves	18	(6,327,230)	5,882,368
Accumulated losses	20	(156,306,918)	(130,097,369)
Minority interest	21	(11,318,751)	(10,481,023)
TOTAL EQUITY		4,007,055	20,435,499

*The above Consolidated Statement of Financial Position should be read
in conjunction with the accompanying notes.*

ALTECH BATTERIES LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2026

	Contributed Equity \$	Accumulated losses \$	Share- based payment reserves \$	Foreign currency translation reserves \$	Other equity interests \$	Total \$
At 1 July 2025	155,131,523	(130,097,369)	5,876,948	5,420	(10,481,024)	20,435,499
Profit / (Loss) after income tax for the year	-	(39,240,989)	-	-	(4,122,317)	(43,363,306)
Other comprehensive profit / (loss) for the year (net of tax)	-	-	-	(7,286,201)	-	(7,286,201)
Total comprehensive profit / (loss) for the year	-	(39,240,989)	-	(7,286,201)	(4,122,317)	(50,649,507)
Transactions with owners in their capacity as owners:						
Issue of share capital (net of transaction costs)	22,785,211	-	-	-	-	22,785,211
Adjustments on deconsolidation of subsidiary	-	13,031,440	-	-	3,284,589	16,316,029
Option conversions	43,220	-	-	-	-	43,220
Fair value of options issued	-	-	360,000	-	-	360,000
Share based payments (issue of performance rights)	-	-	105,163	-	-	105,163
Expiration / cancellation of performance rights	-	-	(5,388,560)	-	-	(5,388,560)
At 30 June 2026	177,959,954	(156,306,918)	953,551	(7,280,781)	(11,318,751)	4,007,055
	Contributed Equity \$	Accumulated losses \$	Share- based payment reserves \$	Foreign currency translation reserves \$	Other equity interests \$	Total \$
At 1 July 2024	143,117,262	(118,375,154)	6,023,791	(1,784,022)	(6,345,068)	22,636,810
Profit / (Loss) after income tax for the year	-	(11,722,215)	-	-	(4,135,956)	(15,858,171)
Other comprehensive profit / (loss) for the year (net of tax)	-	-	-	1,789,442	-	1,789,442
Total comprehensive profit / (loss) for the year	-	(11,722,215)	-	1,789,442	(4,135,956)	(14,068,729)
Transactions with owners in their capacity as owners:						
Issue of share capital (net of transaction costs)	12,014,261	-	-	-	-	12,014,261
Share based payments (issue of performance rights)	-	-	777,782	-	-	777,782
Expiration / cancellation of performance rights	-	-	(924,625)	-	-	(924,625)
At 30 June 2025	155,131,523	(130,097,369)	5,876,948	5,420	(10,481,024)	20,435,499

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

ALTECH BATTERIES LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2026

		30-Jun-26	30-Jun-25
	Notes	\$	\$
Cash Flows from Operating Activities			
Payments to suppliers, contractors and employees		(7,916,967)	(7,977,644)
R&D refund received		613,267	553,103
Interest received		2,882	46,422
Interest paid		-	(275,329)
Other receipts		-	3,000
Net cash flows used in operating activities	5(c)	(7,300,818)	(7,650,448)
Cash Flows from Investing Activities			
Acquisition of plant and equipment		(1,046,898)	(4,647,410)
Payments for research and development		(356,323)	(3,346,322)
Payments for exploration expenditure		(93,721)	(290,089)
Proceeds from sale of fixed assets		1,204,972	1,911
Security bond received		22,442	-
Net cash flows used in investing activities		(269,528)	(8,281,910)
Cash Flows from Financing Activities			
Loans from AAM		2,611,216	1,447,106
Proceeds from issue of shares		6,000,000	12,957,860
Share issue costs		(423,038)	(1,006,356)
Proceeds from exercise of options		43,220	12,757
Proceeds from drawdown of bearer bonds		-	895,095
Payments into cash escrow account for Deutsche Balaton bearer bond security	5(b)	(500,000)	-
Lease repayment (principal)		(41,904)	(47,766)
Net cash flows from financing activities		7,689,494	14,258,696
Net increase /(decrease) in cash and cash equivalents		119,148	(1,673,662)
Cash and cash equivalents at the beginning of the financial year		448,234	2,117,028
Foreign exchange variance on cash		(65,665)	4,868
Cash and cash equivalents at the end of the financial year	5(a)	501,717	448,234

*The above Consolidated Statement of Cash Flows should be read
in conjunction with the accompanying notes.*

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

GENERAL INFORMATION

The financial statements cover Altech Batteries Limited as a consolidated entity consisting of Altech Batteries Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Altech Batteries Limited's functional and presentation currency.

Altech Batteries Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Unit 9, 17 Prowse Street
West Perth
Western Australia 6008

The financial statements were authorised for issue on the 30 September 2026, in accordance with the resolution of directors. The directors have the power to amend and reissue the financial statements.

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in preparing the financial report of the Group, Altech Batteries Limited ("ATC" or "Company"), are stated to assist in a general understanding of the financial report. These policies have been consistently applied to all the years presented, unless otherwise indicated.

Altech Batteries Limited is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the official list of the Australian Securities Exchange (ASX). The financial statements are presented in Australian dollars, which is the Group's functional currency.

(a) Basis of Preparation

These general-purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial report is presented in Australian dollars. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Use of Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses, these include employee provisions, amortisation and depreciation rates, share based payments and the valuation of capitalised exploration and development costs. Actual results may differ from these estimates and further disclosure on these estimates is detailed below. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

(c) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred asset or liability is recognised in relation to those temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and future tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(d) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(e) Cash and Cash Equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, which are readily convertible to cash on hand, and which are used in the cash management function on a day-to-day basis.

(f) Inventories

Inventories are carried at the lower of cost and net realisable value.

Costs are calculated using the first-in, first-out (FIFO) method and includes direct materials, direct labour and an appropriate allocation of fixed and variable manufacturing overheads allocated on a basis of normal operating capacity. Costs also include the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to the purchase of raw materials.

Net realisable value (NRV) represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

(g) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are recorded at cost of acquisition.

Plant and Equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or. A formal assessment of the recoverable amount is made when impairment indicators are present (refer to Note 1(r) for details of impairment).

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant & equipment	33% to 66%
Office Equipment	20%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(h) Employee Benefits

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Share-based payment transactions

The Group currently operates a Performance Rights Plan and also awards Performance Rights to its directors outside of the plan but on the same terms and conditions, which provides benefits to directors, consultants, executives and employees. The Group may also award performance rights or other equity instruments outside of the performance rights plan to directors, consultants, executives and employees.

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Any underlying assumptions are detailed in Note 17(e).

The cost of equity-settled transactions is recognised as a share based payment expense in the profit and loss account with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

(i) Exploration and Development Expenditure

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area.

Costs of site restoration are provided for over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Exploration and Development Expenditure *(continued)*

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(j) Research and Development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project is expected to deliver future economic benefits and these benefits can be measured reliably. Development costs have a finite life and are amortised on a systematic basis based on the future economic benefits over the useful life of the project.

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Capitalised development costs will be amortised over their expected useful life once commercial sales commence.

(k) Going Concern

The Group has incurred a net loss for the year ended 30 June 2026 of \$43,363,306 (2025: net loss of \$15,858,171). The Group has incurred net cash outflows from operating and investing activities for the year ended 30 June 2026 of \$7,570,346 (2025: net cash outflows of \$15,932,358). In addition, as at 30 June 2026, the Group had net current assets of \$2,927,979 (30 June 2025: net current liabilities of \$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.

The Group has amounts repayable to shareholder Deutsche Balaton AG pursuant to bearer bonds issued by the Company. The repayment date for these bearer bonds is 30 April 2027. The Company intends to sell its Available-for-Sale assets to extinguish the bearer bonds and interest in full and is currently in negotiations for the sale of these assets. However, should the Company not be able to sell its Available-for-Sale assets, it may not be able to repay these bearer bonds.

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, sell the its Available-for-Sale assets 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. There are no written agreements in place for such funding, issuance of securities or sale of its Available-for-Sale assets 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.

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except where the amount of GST incurred is not recoverable from the Australian Taxation Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated with the amount of GST included. GST incurred is claimed from the ATO when a valid tax invoice is provided. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(m) Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Issued Capital

Contributed Equity

Issued capital is recognised as the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Earnings per Share

Basic earnings per share ("EPS") are calculated based upon the net loss divided by the weighted average number of shares. Diluted EPS are calculated as the net loss divided by the weighted average number of shares and dilutive potential shares.

(o) Leases

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives.
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- the amount expected to be payable by the lessee under residual value guarantees.
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options.
 - lease payments under extension options if lessee is reasonably certain to exercise the options; and
 - payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Subsequently, the lease liability is measured by a reduction to the carrying amount of any payments made and an increase to reflect any interest on the lease liability.

The right-of-use assets is an initial measurement of the corresponding lease liability less any incentives and initial direct costs. Subsequently, the measurement is the cost less accumulated depreciation (and impairment if applicable). Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Leased Asset

The Company leases its research and development laboratory at Unit 2, 91 Leach Highway, Kewdale WA 6105. The lease is an extension of an earlier lease which expired on 31 March 2024. The lease has been terminated effective 31 August 2026.

The Company's wholly owned Malaysian subsidiary, Altech Chemicals Sdn Bhd leases an office space in Tanjung Langsat, Johor, Malaysia. The lease has been terminated effective 31 August 2026.

The Company accounts for all leases in accordance with the requirements specified in AASB 16 and has consequently recognised a right of use asset in the balance sheet as summarised in Note 10.

(p) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(q) Financial risk management

The board of directors has overall responsibility for the establishment and oversight of the risk management framework, to identify and analyse the risks faced by the Group. These risks include credit risk, liquidity risk and market risk from the use of financial instruments. The Group has only limited use of financial instruments through its cash holdings being invested in short-term interest-bearing securities. The primary goal of this strategy is to maximise returns while minimising risk through the use of accredited banks. Working capital is maintained at its highest level possible and regularly reviewed by the full board.

(r) Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(s) Critical accounting estimates and judgements

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

Share based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in Note 17(e).

Exploration and evaluation assets

Determining the recoverability of exploration and evaluation expenditure capitalised in accordance with the Group's accounting policy (refer Note 1(i)), requires estimates and assumptions as to future events and circumstances, in particular, whether successful development and commercial exploitation, or alternatively sale, of the respective areas of interest will be achieved. The Group applies the principles of AASB 6 and recognises exploration and evaluation assets when the rights of tenure of the area of interest are current, and the exploration and evaluation expenditures incurred are expected to be recouped through successful development and exploitation of the area or where exploration activities have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. If, after having capitalised the expenditure under the Group's accounting policy in Note 11, a judgment is made that recovery of the carrying amount is unlikely, an impairment loss is recorded in profit or loss in accordance with the Group's accounting policy in Note 1(i). The carrying amounts of exploration and evaluation assets are set out in Note 11.

Impairment of Assets

The Group assesses at each reporting date whether there is any indication that an asset or cash-generating unit (CGU) may be impaired. Where an indication of impairment exists, or when annual impairment testing is required, the Group estimates the recoverable amount of the relevant asset or CGU.

The recoverable amount is the higher of fair value less costs of disposal and value in use. Where the recoverable amount is lower than the carrying amount, an impairment loss is recognised in profit or loss, except to the extent that the impairment relates to an asset measured under another accounting standard where the impairment is recognised in accordance with that standard.

The determination of recoverable amounts involves significant judgement and estimation. Key assumptions include forecast revenue and operating costs, expected future cash flows, long-term growth rates, discount rates, useful economic lives, capital expenditure requirements and the timing of expected cash flows. These assumptions are inherently uncertain and may be affected by changes in economic conditions, market conditions, commodity prices, foreign exchange rates, interest rates, operating performance and the Group's business plans.

Changes in the assumptions and estimates used in determining recoverable amounts could result in material adjustments to the carrying amounts of assets in future reporting periods. In particular, adverse changes in forecast operating performance, discount rates, long-term growth rates or other significant assumptions may result in the recognition of additional impairment losses.

(t) New and Amended Accounting Policies Adopted by the Group

The Group has considered the implications of new or amended Accounting Standards which have become applicable of the current financial reporting period. There have been no new or amended accounting standards for the current financial reporting period, other than:

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 Presentation and Disclosure in Financial Statements was issued by the Australian Accounting Standards Board in June 2024 and replaces AASB 101 Presentation of Financial Statements.

AASB 18 introduces new requirements for the presentation and disclosure of financial performance, including defined subtotals in the statement of profit or loss, disclosures relating to management-defined performance measures and enhanced requirements for the aggregation and disaggregation of information.

AASB 18 is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The Standard is required to be applied retrospectively in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

The Group is currently assessing the impact of AASB 18 on its financial statements, including the presentation of the statement of profit or loss, disclosure of management-defined performance measures and the aggregation and disaggregation of information. The Group will apply the Standard from its mandatory effective date.

(u) New Accounting Standards for Application in Future Periods

Australian Accounting Standards and interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2026. Management is currently assessing the impact of these standards on the Company's financial statements in the year of initial application.

(v) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent, Altech Batteries Limited and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns

ALTECH BATTERIES LIMITED

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from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 30.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Company from the date on which control is obtained by the Company. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Company. Equity interests in a subsidiary not attributable, directly or indirectly, to the Company are presented as “non-controlling interests”. The Company initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

(w) Investment in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control of those policies. Investments in associates are accounted for in the consolidated financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost (including transaction costs) and adjusted thereafter for the post-acquisition change in the Group’s share of net assets of the associate. In addition, the Group’s share of the profit or loss and other comprehensive income is included in the consolidated financial statements.

The carrying amount of the investment includes, when applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Group’s share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group’s interest in the associate.

When the Group’s share of losses in an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Group will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

The requirements of AASB 128: Investments in Associates and Joint Ventures and AASB 9: Financial Instruments are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group’s investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with AASB 136: Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with AASB 136 to the extent that the recoverable amount of the investment subsequently increases.

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(x) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Classification and subsequent measurement

Financial liabilities

Financial instruments are subsequently measured at amortised cost.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

Impairment

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Group initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy, and information about the groupings was documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;

The Group uses the following approaches to impairment, as applicable under AASB 9: Financial Instruments:

- the general approach
- the simplified approach
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the Group assesses whether the financial instruments are credit-impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the Group measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or
- there is no significant increase in credit risk since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

- trade receivables or contract assets that result from transactions within the scope of AASB 15: Revenue from Contracts with Customers and which do not contain a significant financing component; and
- lease receivables.

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Financial Instruments *(continued)*

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event);
- a lender granting to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- high probability that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

(y) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the reporting date.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each consolidated statement of profit and loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

(z) Foreign Currency

Functional and presentation currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognised in profit or loss.

When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of profit and loss and other comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit and loss and other comprehensive income on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss.

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

	30-Jun-26	30-Jun-25
	\$	\$
Accounting and audit fees	(74,379)	(73,019)
ASX and share registry fees	(171,695)	(163,664)
Corporate & consulting	(973,380)	(869,939)
Insurance expense	(245,368)	(314,585)
Occupancy	(35,446)	(592,478)
Legal fees	(837,889)	(1,144,801)
Investor relations and marketing	(344,392)	(742,189)
Office & administration	(522,283)	(904,012)
	(3,204,832)	(4,804,687)

3. Income Tax

	30-Jun-26	30-Jun-25
	\$	\$
Income tax benefit / (expense)		
Current income tax benefit / (expense)	434,271	596,863
	434,271	596,863
Tax reconciliation		
Accounting profit (loss) before tax	(43,797,577)	(16,455,034)
At statutory tax rate of 25%	(10,949,394)	(4,113,759)
Adjustment for:		
Loss on revaluation of investment	476,699	-
Research & Development Spend	-	307,661
Research & Development Offset	(434,271)	584,902
Share based payments to employees	(1,320,849)	(36,711)
Non-deductible expenses	2,837,001	3,469,957
Profit on deconsolidation of subsidiaries	5,212,787	-
Deferred Tax Asset temporary differences not brought to account	116,388	(931,410)
Deferred Tax Asset losses not brought to account	1,769,710	251,700
Foreign Tax rate differential	2,726,200	1,064,523
	434,271	596,863
Deferred tax assets		
Provisions, accruals and other	633,909	895,531
Tax losses	-	-
	633,909	895,531
Offset by deferred tax liabilities	(633,909)	(895,531)
	-	-
Deferred tax liabilities		
Capitalised mineral exploration and evaluation expenditure	633,909	895,531
Development expenditure	-	-
	(633,909)	(895,531)
Offset by deferred tax assets	633,909	895,531
	-	-
Deferred tax assets not recognised		
Tax losses	4,037,668	7,485,978
Temporary differences	3,219,404	3,082,315
	7,357,072	10,568,293

ALTECH BATTERIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

4. Earnings per share

	30-Jun-26	30-Jun-25
	\$	\$
Basic profit (loss) per share	(0.015)	(0.009)
Diluted profit (loss) per share	(0.015)	(0.009)

The weighted average number of ordinary shares used in the calculation of basic earnings per share was:

Number	Number
2,535,873,212	1,501,912,714

Potential ordinary shares have not been included in the above number as they would be anti-dilutive.

5. Cash and cash equivalents

(a) Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the Consolidated Statement of Financial Position as follows:

	30-Jun-26	30-Jun-25
	\$	\$
Cash at bank and on hand	501,717	448,234

(b) The Company has additional restricted cash of \$500,000. The restricted cash is secured by shareholder Deutsche Balaton AG, and subject to the Company repaying the Bearer Bonds and interest in full (refer Note 15), the security will be removed and the restricted cash will become available to the Company.

(c) Reconciliation of the loss from ordinary activities after income tax to the net cash flows used in operating activities:

	30-Jun-26	30-Jun-25
	\$	\$
Profit/(Loss) from ordinary activities after income tax	(43,363,306)	(15,858,171)
<i>Non-cash items:</i>		
- Income tax benefit	(434,271)	(596,863)
- Depreciation expense (Operations)	3,091,967	1,026,512
- Foreign exchange (gains) / losses	83,871	1,308,011
- Share based payments	(5,283,397)	(146,844)
- Gain on disposal of assets	675,232	(3,870)
- Write-down of assets	9,788,700	63,205
- Fair value (gain) / loss on investment in AAM AG	1,906,795	2,883,603
- Profit on deconsolidation AIG	(9,962,094)	-
- Impairment Expense AEH/ABG	26,894,254	-
- Impairment of goodwill	5,013,832	-
- Exploration written off	1,175,679	-
- Minority equity interest	4,122,317	4,135,956
<i>Change in operating assets and liabilities:</i>		
- Increase / (decrease) in operating trade and other payables	(1,639,313)	(2,574,357)
- (Increase) / decrease in operating trade and other receivables	1,013,321	2,068,007
- (Increase) / decrease in inventories	21,049	(21,049)
- Increase / (decrease) in provisions	(405,454)	65,412
Net cash outflows from Operating Activities	(7,300,818)	(7,650,448)

ALTECH BATTERIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

6. Trade and other receivables

	30-Jun-26	30-Jun-25
	\$	\$
CURRENT RECEIVABLES		
Research and development tax rebate	417,867	596,863
Sundry debtors	759	6,150
GST receivable	5,642	1,219,302
Deposits paid	23,088	51,824
Other receivable	18,753	143,298
Receivable on liquidation of AIG	538,006	-
	1,004,115	2,017,437

7. Inventories

	30-Jun-26	30-Jun-25
	\$	\$
Raw materials for Silumina project	-	508,088
Work-in-progress	-	2,739
	-	510,827
Provision for slow-moving stocks	-	(489,778)
	-	21,049

8. Property, Plant and Equipment

CURRENT ASSETS	30-Jun-26	30-Jun-25
	\$	\$
Land At cost	1,119,786	-
Total Current Property, Plant and Equipment	1,119,786	-

The land is held by Altech Batteries Germany GmbH (ABG), a company in administration and placed into liquidation subsequent to year end. ABG has amounts payable to trade creditors and the Company understands that the land will be allocated to the trade creditors within ABG. The Company does not anticipate receiving any proceeds directly from any sale of the land.

NON-CURRENT ASSETS

	30-Jun-26	30-Jun-25
	\$	\$
OFFICE EQUIPMENT		
At cost	115,210	663,848
Less: accumulated depreciation	(109,202)	(316,876)
Total office equipment	6,008	346,972
LAND		
At cost	-	4,075,309
Total land	-	4,075,309

PLANT AND EQUIPMENT

At cost	9,189	243,950
Less: accumulated depreciation	(9,189)	(232,731)
Total plant and equipment	-	11,219

ALTECH BATTERIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

8. Property, Plant and Equipment (continued)

	30-Jun-26	30-Jun-25
	\$	\$
MALAYSIAN HPA PLANT		
At cost	29,713,258	30,095,412
Less: Provision for impairment	(29,198,181)	(29,573,711)
Less: Amounts classified to Available for sale assets	(515,077)	-
Total Malaysian HPA Plant	-	521,701
 SILUMINA PILOT PLANT - GERMANY (in liquidation)		
At cost	-	11,318,183
Total German Pilot Plant	-	11,318,183
 CERENERGY BATTERY PLANT - GERMANY (in administration)		
At cost	-	9,452,365
Total German Pilot Plant	-	9,452,365
Total Non-Current Property, Plant and Equipment	6,008	25,725,749

Reconciliation

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

OFFICE EQUIPMENT

Carrying amount at the beginning of the year	346,972	138,282
Additions	-	231,385
Disposals	(334,340)	(7,737)
Depreciation expense	(6,624)	(14,958)
Carrying amount at the end of the year	6,008	346,972

LAND

Carrying amount at the beginning of the year	4,075,309	3,825,610
Additions	-	249,699
Disposals and deconsolidation of subsidiary	(2,955,523)	-
Land reclassified from Non-Current to Current	1,119,786	-
Carrying amount at the end of the year	-	4,075,309

On 29 June 2026, the Company advised that settlement had concluded in relation to the sale of Altech Meckering Pty Ltd's land held in Meckering Western Australia. Gross proceeds of \$950,000 were received. The land had a mortgage held by major shareholder Deutsche Balaton AG. As part of the sale, Deutsche Balaton AG discharged the mortgage and in return, was granted a bank Guarantee by Altech over a bank account held by Altech in the amount of \$500,000. The Guarantee provides Deutsche Balaton AG security in relation to the €2,000,000 bearer bonds that Altech owes to Deutsche Balaton AG. The bearer bonds were due for repayment on 31 October 2026 and have been extended to 30 April 2027.

On 31 July 2026, the Company announced the decision to discontinue its CERENERGY® project located in Saxony, Germany. Altech Batteries GmbH ("ABG") principal assets is a parcel of land in Germany, which will be sold back to the municipal administration as part of the liquidation process.

PLANT AND EQUIPMENT

Carrying amount at the beginning of the year	11,218	63,244
Additions	112,733	1,092
Disposals	(26,730)	-
Less: depreciation	(97,221)	(53,118)
Carrying amount at the end of the year	-	11,218

ALTECH BATTERIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

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

	30-Jun-26	30-Jun-25
	\$	\$
MALAYSIAN HPA PLANT		
Carrying amount at the beginning of the year	521,701	460,476
Additions	-	-
Less: Amount reclassified to Available-for-Sale assets	(515,077)	-
Foreign currency translation	(6,624)	61,225
Carrying amount at the end of the year	-	521,701
 SILUMINA PILOT PLANT - GERMANY (in liquidation)		
Carrying amount at the beginning of the year	11,318,183	9,961,960
Additions	-	1,356,223
Write down on deconsolidation	(11,318,183)	-
Carrying amount at the end of the year	-	11,318,183
 CERENERGY BATTERY PLANT - GERMANY (in administration)		
Carrying amount at the beginning of the year	9,452,365	6,514,557
Additions	-	2,937,808
Impairment	(9,452,365)	-
Carrying amount at the end of the year	-	9,452,365

9. Available-for-Sale Assets

	30-Jun-26	30-Jun-25
	\$	\$
Amounts reclassified from Property, Plant and equipment (Note 8)	515,077	-
Amounts reclassified from Right-of-Use Assets (Note 10)	4,277,644	-
	4,792,721	-

The Company holds Malaysian leasehold land and buildings that at 30 June 2026 that are held for sale. As such, the Company has transferred the asset from Right-of-use Assets. Refer to Note 10.

On 27 July 2026, the Company entered into an Agreement to Purchase (ATP) in relation to the leasehold-land held in Malaysia. The purchase price offered was RM19,510,665 and the ATP required a Sale and Purchase Agreement (SPA) to be executed within forty full working days. On 28 September 2026, the Company received notification from the prospective purchaser's lawyer that the purchaser did not intend to enter into the SPA and that the offer was withdrawn.

The Company has classified the Available-for-Sale Assets as Current pursuant to AASB 5 Non-current Assets Held for Sale and Discontinued Operations. AASB 5 requires that an entity shall classify an asset as current when it intends to sell the asset in its normal operating cycle. The Company has the asset available for sale and continues to market the asset to a prospective buyer with the aim of selling the asset in its normal operating cycle.

In November 2024, the Company received an independent valuation of the asset of RM15,000,000.

The ability of the Company to realise the value of the asset is dependent on the successful execution and settlement of a Sale and Purchase Agreement with a buyer. The Company continues to source a buyer.

ALTECH BATTERIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

10. Right-of-use Assets

	30-Jun-26	30-Jun-25
	\$	\$
CURRENT ASSET		
Kewdale office lease	5,813	-
	5,813	-
NON-CURRENT ASSET		
	30-Jun-26	30-Jun-25
	\$	\$
At cost	5,754,776	5,884,158
Accumulated depreciation	(1,477,132)	(1,295,486)
Amounts reclassified to Available-for-Sale Assets	(4,277,644)	-
Net carrying amount	-	4,588,672

Reconciliation

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

Right-of-use assets

At beginning of the year net of accumulated depreciation	4,588,672	4,257,874
Application during the year	(35,096)	(35,314)
Additions	-	-
Foreign currency translation	(94,286)	683,360
Depreciation charge for the year	(175,833)	(317,248)
Less: Amounts reclassified as Current Right-of Use Assets	(5,813)	-
Less: Amounts reclassified as Available-for-sale assets (Note 9)	(4,277,644)	-
Net carrying amount at the end of the year	-	4,588,672

In the year ended 30 June 2025, the Company's Right-of-use Asset related to its 30-year lease over land held in Malaysia. The lease term has 22 years remaining. 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 can 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 Lands and Mines Department. Although there were no laws or regulations precluding Johor Lands & Mines Department 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.

At 30 June 2026, the Company is actively in the process of selling the Malaysian land. As such, the Company has transferred the asset to Available-for-Sale Assets. Refer to Note 9.

ALTECH BATTERIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

11. Exploration and Evaluation expenditure

	30-Jun-26	30-Jun-25
	\$	\$
Carrying amount at the beginning of year	1,449,521	1,159,431
Exploration and evaluation expenditure incurred during the year (at cost)	70,726	290,090
Exploration costs written off	(1,175,679)	-
Carrying amount at the end of the year	344,568	1,449,521

The ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on the successful development for commercial exploitation or sale of the respective mining projects.

12. Other Financial Assets

	30-Jun-26	30-Jun-25
	\$	\$
Carrying amount at the beginning of the period	2,635,295	5,518,897
Fair value gain / (loss) on investment	(1,906,795)	(2,883,602)
Carrying amount at the end of the period	728,500	2,635,295

The Company holds 8.37% (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 30 June 2026.

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.

13. Trade and other payables

	30-Jun-26	30-Jun-25
	\$	\$
CURRENT PAYABLES (Unsecured)		
Trade creditors	177,212	1,574,670
Accrued expenses	118,278	1,238,533
Payroll tax payable	11,107	-
Other creditors and accruals	1,119,143	251,850
Total trade and other payables	1,425,740	3,065,053

14. Provisions

	30-Jun-26	30-Jun-25
	\$	\$
CURRENT		
Provision for annual leave	38,710	236,052
NON-CURRENT		
Provision for long service leave	-	208,113
Total provisions	38,710	444,165

ALTECH BATTERIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

15. Interest-bearing Liabilities

	30-Jun-26	30-Jun-25
	\$	\$
CURRENT		
Bond payable to Deutsche Balaton	3,314,551	-
Interest on bond payable to Deutsche Balaton	211,359	-
	3,525,910	-
NON-CURRENT		
Bond payable to Deutsche Balaton	-	895,095
Interest on bond payable to Deutsche Balaton	-	5,665
	-	900,760

The Company entered into a binding Bond Note Subscription Deed with its major shareholder Deutsche Balaton AG, under which it can draw down up to €2.5M in cash in the form of 5 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, which has been extended to 30 April 2027. As of 30 June 2026, four partial bearer bonds of €2,000,000 (\$3,314,551) have been drawn down. The facility was originally intended to be secured by Altech's land in Johor, Malaysia.

However, although there were no laws or regulations precluding Johor Lands and Mines Department 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. 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.

In addition, 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 and the Company's Meckering land was offered as additional security. Subsequently, the Meckering land was sold and \$500,000 of the sales proceeds were placed into a bank account of which Deutsche Balaton AG holds security. Refer note 5(b). Subject to the Company repaying the Bearer Bonds and interest in full, the security will be removed and the restricted cash will become available to the Company.

16. Loans Payable

	30-Jun-26	30-Jun-25
	\$	\$
Advances from Altech Advanced Materials AG (AAM)	-	11,979,225
	-	11,979,225

Loans Payable are advances from AAM to Altech Industries Germany GmbH (AIG) as part of its 25% contribution towards AIG's operations in Germany and its 25% contribution to Altech Energy Holdings GmbH (AEH). Together with the Company's 75% share of advances, AEH would then on-lend the loan to its 75%-owned subsidiary, Altech Batteries GmbH (ABG) for development of a 120MWh battery production plant in Saxony, Germany (see Note 21).

Interest payable by AIG and AEH to AAM is 3.25% per annum on the outstanding loan amount.

Upon the Company acquiring AAM's 25% interest in AIG and 25% interest in AEH, the loans payable to AAM were assigned by AAM to the Company.

ALTECH BATTERIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

17. Contributed Equity

	30-Jun-26 \$	30-Jun-25 \$
(a) Ordinary shares		
Contributed equity at the beginning of the period	155,131,523	143,117,262
Shares issued during the period	23,568,249	13,007,860
Options conversion	43,220	12,757
Transaction costs relating to shares issued	(783,038)	(1,006,356)
Contributed Equity at the end of the reporting period	177,959,954	155,131,523

Movements in ordinary share capital:

	30-Jun-26	30-Jun-25
Ordinary shares on issue at the beginning of reporting period	2,002,723,406	1,710,571,924
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
01-Sep-25 at \$0.034	532,369,513	-
20-10-2025 at \$0.045	133,333,334	-
01-12-2025 at \$0.06	10,750	-
01-12-2025 at \$0.06	2,500	-
08-12-2025 at \$0.06	120,625	-
15-12-2025 at \$0.06	98,700	-
22-12-2025 at \$0.06	5,001	-
29-12-2025 at \$0.06	24,559	-
30-12-2025 at \$0.06	81,207	-
31-12-2025 at \$0.06	2,109	-
08-04-2026 at \$0.08	269,230	-
29-04-2026 at \$0.08	15,384	-
Ordinary shares on issue at the end of the reporting period	2,669,056,318	2,002,723,406

(b) Performance Rights

At 30 June 2026, the Company had the following unlisted performance rights on issue:

Total performance rights on issue at 30 June 2025	112,650,000
Performance rights lapsed during the year	(100,650,000)
Total performance rights on issue at 30 June 2026 employees (exercise price: nil)	12,000,000

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
Total performance rights on issue at 30 June 2025	112,650,000

Each performance right converts to one fully paid ordinary share of the Company and the conversion of each performance right is subject to the holder attaining certain pre-determined vesting conditions.

(c) Listed Options

The Company issued 126,666,667 listed options during the reporting period (2025: 186,030,170). At 30 June 2026, the Company has 126,666,667 listed options on issue (2025: 186,030,170).

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

17. Contributed Equity (continued)

(d) Unlisted Options

The Company did not issue any unlisted options as part of a Share Purchase Plan during the reporting period (2025: Nil). At 30 June 2026, the Company nil unlisted options on issue (2025: 28,545,876).

(e) Share Based Payments

Performance Rights

During the year, forfeiture of performance rights relating to the former Managing Director and former Non-Executive Directors totalled \$1,715,625 and \$1,345,751 respectively (2025: \$626,887 and \$29,478 respectively).

In addition, share based payments expense relating to employees' performance rights totalled \$794,840 (2025: \$450,565)

During the financial year, the Company issued no new performance rights to certain new employees (2025: 2,400,000). 25,000,000 performance rights of the Managing Director were cancelled upon resignation, and 29,000,000 performance rights of the former non-executive directors were cancelled following their resignations.

Performance Rights Plan

Altech Batteries Limited's Performance Rights Plan ("Plan") was approved by ordinary resolution at a General Meeting of shareholders on 5 November 2014 and re-approved by shareholders in General Meetings on 12 June 2018 and 29 November 2021. All eligible directors, executive officers, employees and consultants of Altech Batteries Limited, who have been continuously employed by the Company are eligible to participate in the Plan.

The Plan allows the Company to issue rights to eligible persons for nil consideration. The rights can be granted free of charge, vesting is subject to the attainment of certain pre-determined conditions, and exercise is at a pre-determined fixed price calculated in accordance with the Plan.

During the year, the Company issued no performance rights to employees (2025: 2,400,000 to employees) pursuant to the Altech Batteries Limited Performance Rights Plan. A total of 25,000,000 performance rights of the previous Managing Director and 29,000,000 performance rights of previous Non-executive directors (2025: 5,000,000 performance rights of the previous Managing Director and 4,000,000 performance rights of the previous Non-Executive Chairman) were cancelled during the year.

18. Reserves

	30-Jun-26	30-Jun-25
	\$	\$
Share based payments reserve	953,551	5,876,948
Foreign currency translation reserve	(7,280,781)	5,420
Carrying amount at the end of the year	(6,327,230)	5,882,368

Movements:

Share based payments reserve

Balance at the beginning of the period	5,876,948	6,023,791
Fair value of performance rights issued	-	777,782
Fair value of options issued	360,000	-
Issuance / expiration / forfeiture of performance rights	(5,283,398)	(924,625)
Balance at end of year	953,550	5,876,948

Foreign currency translation reserve

Balance at the beginning of the period	5,420	(1,784,022)
Foreign exchange movements on translation of subsidiary financial statements	(7,286,201)	1,789,442
Balance at end of year	(7,280,781)	5,420

ALTECH BATTERIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

19. Financial Instruments

The Company's activities expose it to a variety of financial risks and market risks. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

(a) Interest rate risk

The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market, interest rates and the effective weighted average interest rates on those financial assets, is as follows:

	Notes	Weighted Average Effective Interest %	Funds Available at a Floating Interest Rate \$	Fixed Interest Rate \$	Assets/ (Liabilities) Non Interest Bearing \$	Total \$
2026						
Financial Assets						
Cash and cash equivalents	5(a)	0.50%	501,717	-	-	501,717
Restricted Cash	5(b)	-	-	-	500,000	500,000
Trade and other receivables	6	-	-	-	586,249	586,249
Available-for-sale assets	9	-	-	-	4,792,721	4,792,721
Other financial assets	12	-	-	-	728,500	728,500
Total Financial Assets			501,717	-	6,607,470	7,109,187
Financial Liabilities						
Trade and other payables	13	-	-	-	(1,425,740)	(1,425,740)
Lease liabilities		-	-	(5,813)	-	(5,813)
Interest-bearing liabilities	15	7.00%	-	(3,525,910)	-	(3,525,910)
Total Financial Liabilities			-	(3,531,723)	(1,425,740)	(4,957,463)
Net Financial Assets/(Liabilities)			501,717	(3,531,723)	5,181,730	2,151,724

	Notes	Weighted Average Effective Interest %	Funds Available at a Floating Interest Rate \$	Fixed Interest Rate \$	Assets/ (Liabilities) Non Interest Bearing \$	Total \$
2025						
Financial Assets						
Cash and cash equivalents	5(a)	0.50%	448,234	-	-	448,234
Trade and other receivables	6	-	-	-	1,420,574	1,420,574
Other financial assets	11	-	-	-	2,635,295	2,635,295
Total Financial Assets			448,234	-	4,055,869	4,504,103
Financial Liabilities						
Trade and other payables	13	0.00%	-	-	(3,065,053)	(3,065,053)
Lease liabilities		-	-	(61,255)	-	(61,255)
Interest-bearing liabilities	15	7.00%	-	(900,760)	-	(900,760)
Loans Payable	16	-	-	(11,979,225)	-	(11,979,225)
Total Financial Liabilities			-	(12,941,240)	(3,065,053)	(16,006,293)
Net Financial Assets/(Liabilities)			448,234	(12,941,240)	990,816	(11,502,190)

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date, is the carrying amount, net of any provisions for expected credit losses, as disclosed in the balance sheet and in the notes to the financial statements.

The Company does not have any material credit risk exposure to any single debtor or group of debtors, under financial instruments entered by it.

(c) Liquidity Risk

The Group has reduced liquidity risk due to availability of bearer bonds with Deutsch Balaton AG for drawdown post year-end. Loans payable represent advances from AAM to Altech Industries Germany GmbH as part of its 25% contribution towards AIG's operations in Germany and its 25% contribution to Altech Energy Holdings GmbH for the development of Altech Batteries GmbH's 120MWh battery production plant in Saxony, Germany. The Group's objective is to maintain a balance between continuity of development funding and flexibility through the use of available cash reserves. The following table discloses the maturity analysis of financial assets and liabilities based on managements expectations:

	Within 1 Year		Within 1-5 Years		Over 5 Years		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
	\$	\$	\$	\$	\$	\$	\$	\$
Consolidated Group								
Financial Assets								
Cash and cash equivalents	501,717	448,234	-	-	-	-	501,717	448,234
Restricted Cash	500,000	-	-	-	-	-	500,000	-
Trade and other receivables	586,249	1,420,574	-	-	-	-	586,249	1,420,574
Available-for-sale assets	4,792,721	-	-	-	-	-	4,792,721	-
Other financial assets	-	-	728,500	-	-	-	728,500	-
Total Financial Assets	6,380,687	1,868,808	728,500	-	-	-	7,109,187	1,868,808
Financial Liabilities								
Trade and other Payables	(1,425,740)	(3,065,053)	-	-	-	-	(1,425,740)	(3,065,053)
Lease Liabilities	(5,813)	(35,096)	-	(26,159)	-	-	(5,813)	(61,255)
Loans Payable	-	(11,979,225)	-	-	-	-	-	(11,979,225)
Interest-bearing liabilities	(3,525,910)	-	-	(900,760)	-	-	(3,525,910)	(900,760)
Total Financial Liabilities	(4,957,463)	(15,079,374)	-	(926,919)	-	-	(4,957,463)	(16,006,293)
Net Exposure	1,423,224	(13,210,566)	728,500	(926,919)	-	-	2,151,724	(14,137,485)

(d) Net Fair Values

For assets and other liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form. The Company has no financial assets where the carrying amount exceeds net fair values at balance date. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

(e) Foreign Exchange Risk

The Group has exposures arising from transactions that are denominated in Euros and Malaysian Ringgit. The Group holds cash and bank balances denominated in Euro and Malaysian Ringgit for working capital purposes. Consequently, the Group is exposed to movements in foreign currency exchange rates. The Group does not use any financial derivatives such as foreign currency forward contracts, foreign currency options or swaps for hedging purposes.

20. Accumulated losses

	30-Jun-26	30-Jun-25
	\$	\$
Carrying amount at the beginning of the period	(130,097,369)	(118,375,155)
Profit (loss) for the period	(39,240,988)	(11,722,214)
Accumulated losses 30 June 2026 on deconsolidation of subsidiary	13,031,440	-
Carrying amount at the end of the year	(156,306,918)	(130,097,369)

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

21. Non-Controlling interests

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 held 21% of Altech's issued share capital post-acquisition. The shares issued to AAM are 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.

On 11 May 2026, the Company made the decision to discontinue its Silumina Anodes™ project and Altech Industries Germany GmbH (AIG), the holder of all of the assets in relation to the Silumina Anodes™ was placed into liquidation on 30 June 2026 with assets monetised and net proceeds from liquidation to be passed back to Altech Batteries Ltd as 100% shareholder.

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

	30-Jun-26	30-Jun-25
	\$	\$
Carrying value at beginning of the period	10,481,024	6,345,068
Less: AIG - Minority Interest 30 June 2025	(3,097,482)	-
Less: AIG - Minority Interest P&L 30 June 2026	(187,107)	-
Share of profit/loss for the period	4,122,317	4,135,956
Carrying value at end of the period	11,318,752	10,481,024

22. Auditor's remuneration

	30-Jun-26	30-Jun-25
	\$	\$
Audit - Moore Australia Audit (WA)	-	54,322
Audit and review of the financial reports	33,500	-

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

23. Related Parties

	30-Jun-26	30-Jun-25
	\$	\$
Key management personnel compensation		
Short-term employee benefits	1,142,656	1,433,656
Post-employment benefits	87,549	123,855
Share-based payments	-	(546,688)
	1,230,205	1,010,823

During the financial year there were no loans made or outstanding at year end (2025: nil)

Other related party transactions

During the period 1 July 2025 to 28 November 2025, MIE Tech Sdn Bhd, a company controlled by Non-Executive Director, Tunku Yaacob Khyra, recharges RM52,800 monthly for secondment of Mr Uwe Ahrens to the Group.

During the period 1 July 2025 to 28 November 2025, the Company paid Mr Uwe Ahrens €2,750 monthly for consultancy services performed in Germany.

24. 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 30 June 2026, 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 nil (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 then holder of the remaining 25% in AIG.

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

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

No further amounts are payable to AIG and AIG has been placed in liquidation on 30 June 2026.

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 holder of the then remaining 25% in AEH.

Under the terms of the Shareholder Loan Agreement:

- The Company and AAM provides financing up to the amount of €15,000,000 to AEH proportionally (75% to 25%) to enable AEH to on-lend the funds to its 75% owned subsidiary, Altech Batteries GmbH (ABG) for the development of a 100MWh battery production plant in Saxony, Germany.
- Interest payable by AEH is 3.25% per annum on outstanding loan amount.

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

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

24. Expenditure commitments (continued)

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 100MWh battery production plant in Saxony, Germany.
- Interest payable by ABG is 3.25% per annum on outstanding loan amount.

No further amounts are payable to AEH and AEH has been placed into administration subsequent to 30 June 2026.

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.

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

No further amounts are payable to ABG and ABG has been placed into administration and liquidation subsequent to 30 June 2026. The Company has resolved to not providing any further funding to ABG whatsoever, and as such, no further amounts are payable by the Company to Fraunhofer. It is expected that no amounts are receivable to the Company upon the liquidation of Altech Batteries Germany GmbH or Altech Energy Holdings GmbH.

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

25. Segment Information

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.

Reportable Segments

As at 30 June 2026, the Group placed the Silumina Anodes™ project into liquidation, and impaired all of the assets in the CERENERGY® project other than the land held by ABG. The Malaysian leasehold land is recorded as an Available-for-Sale Asset. There is an Exploration and Evaluation asset recorded in Altech Meckering Pty Ltd in relation to a Mining Lease.

For the year ended 30 June 2025, the Group operates four reportable segments, being the development of Silumina Anodes™, CERENERGY® and High Purity Alumina (HPA) and Corporate, which reflects the structure used by the Group's management to assess the performance of the Group.

	Silumina Anodes™ \$	CERENERGY® \$	High Purity Alumina (HPA) \$	Corporate \$	Total \$
(i) Segment performance					
Year ended 30 June 2025					
Geographical	Germany & Australia	Germany	Malaysia & Australia	Australia	
Revenue					
Interest and other revenue	-	-	-	46,422	46,422
R&D tax refunds	-	-	-	47,850	47,850
Other income	59,405	20,034	2,779	-	82,218
Total Revenue	59,405	20,034	2,779	94,272	176,490
Result					
Segment loss before tax	(3,931,319)	(7,035,856)	6,216,672	(11,704,531)	(16,455,034)
Income tax benefit	-	-	-	596,863	596,863
Profit / (loss)	(3,931,319)	(7,035,856)	6,216,672	(11,107,668)	(15,858,171)
Segment assets	13,848,306	11,351,751	6,990,793	4,695,107	36,885,957
Segment liabilities	(7,342,479)	(1,603,329)	(33,480)	(7,471,170)	(16,450,458)

26. Employee entitlements and superannuation commitments

Employee Entitlements

Employee entitlements at 30 June 2026 are: Annual Leave Provision \$38,710 (2025: \$236,052) and Long Service Leave Provision nil (2025: \$208,113).

Directors, officers, employees and other permitted persons' Performance Rights Plan

Details of the Company's Performance Rights Plan are disclosed in the Remuneration Report.

Superannuation commitments

The Company contributes to individual employee accumulation superannuation plans at the statutory rate of the employees' wages and salaries, in accordance with statutory requirements, to provide benefits to employees on retirement, death or disability. Accordingly, no actuarial assessment of the plans is required.

Funds are available for the purposes of the plans to satisfy all benefits that would have been vested under the plans in the event of:

- termination of the plans;
- voluntary termination by all employees of their employment; and
- compulsory termination by the employer of the employment of each employee.

During the year employer contributions (including salary sacrifice amounts) to superannuation plans totalled \$199,369 (2025: \$228,154).

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

27. Contingent liabilities

There were no material contingent liabilities not provided for in the financial statements of the Group as at 30 June 2026 other than:

Native Title and Aboriginal Heritage

Native title claims have been made with respect to areas which include tenements in which the Group has an interest. The Group is unable to determine the prospects for success or otherwise of the claims and, in any event, whether and to what extent the claims may significantly affect the Group or its projects. Agreement is being or has been reached with various native title claimants in relation to Aboriginal Heritage issues regarding certain areas in which the Group has an interest.

Legal Claim

The Company has received a legal claim from a former German-based consultant seeking payment of €461,070 (approximately A\$741,747). The claim relates to a success fee which the former consultant alleges are owing in connection with services previously provided to Altech Industries Germany GmbH. Altech strongly disputes the claim in its entirety and does not believe that the claim has any legal merit. The Company has obtained, and continues to obtain, appropriate legal advice in relation to the matter and intends to vigorously defend the claim. Altech has not admitted any liability in relation to the claim and does not presently consider that the claim establishes any obligation on the part of the Company to make the payment sought.

28. Events subsequent to balance date

CERENERGY® project discontinued

As announced to the ASX on 31 July 2026, the Company advised that it had made the decision to discontinue its CERENERGY® project located in Saxony, Germany.

The Board of Directors have assessed the project in detail and have gone through a partner search program with some intense discussions especially with a European industrial conglomerate that had been ongoing for over nine months. These discussions have now been terminated. Given that the strategic partner program did not lead to the sought-after result, the Board determined that the likelihood of the project being successfully funded and getting into operations is now so low, that it does not justify incurring further the operating costs and decided to discontinue the CERENERGY® project.

Altech Batteries GmbH ("ABG"), the owner of all assets related to the CERENERGY® project, is now set to be unwound. Ultimately, the assets are to be liquidated, and the net proceeds, after all creditor claims and costs have been settled, will be distributed to its shareholders. The Fraunhofer Society for the Promotion of Applied Research e.V. ("Fraunhofer Society") holds a 25% stake in ABG, and ATC holds a 75% stake through its wholly owned subsidiary, Altech Energy Holdings GmbH. ABG's primary asset is a parcel of land in Germany, which will be sold back to the municipal administration in Spreetal as part of the liquidation process. The patent rights to CERENERGY® battery technology will remain with the Fraunhofer Society.

The Company understands that the net proceeds from the liquidation of ABG will be applied to the outstanding trade creditor within ABG to Fraunhofer Society.

Altech Batteries GmbH filed for insolvency in Germany

As announced to the ASX on 10 August 2026, the Company advised that Altech Batteries GmbH is expected to file for insolvency in Germany, which it did on 11 August 2026.

Fraunhofer advised the Board that it is not prepared to waive its claims against ABG for outstanding liabilities, which was a pre-requisite for a solvent liquidation. After carefully weighing ATC's economic interests, the Board has concluded that further financing of Altech Batteries GmbH is not economically justifiable.

Against this background, the Board has resolved that the Company will not provide Altech Batteries GmbH with any further funds, neither directly or indirectly via the intermediate holding company, nor in any other manner. This includes shareholder loans, intragroup advances, equity injections, capital contributions, or other payments in favour of Altech Batteries GmbH.

This decision is based on an independent business and economic assessment by Altech Batteries Ltd. The Board makes no determinations regarding the legal consequences of this decision for Altech Batteries GmbH.

Non-Completion of Malaysian Available-for-sale Assets

On 27 July 2026, the Company entered into an Agreement to Purchase (ATP) in relation to the leasehold-land held in Malaysia. The purchase price offered was RM19,510,665 and the ATP required a Sale and Purchase Agreement (SPA) to be executed within forty full working days. On 29 September 2026, the Company received notification from the prospective purchaser's lawyer that the purchaser did not intend to enter into the SPA and that the offer was withdrawn.

ALTECH BATTERIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

29. Parent entity disclosure

	30-Jun-26	30-Jun-25
	\$	\$
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Current assets	1,447,085	840,331
Non-Current assets	734,509	106,519,708
TOTAL ASSETS	2,181,594	107,360,039
LIABILITIES		
Current liabilities	331,471	1,061,148
Non-Current liabilities	3,525,910	1,135,032
TOTAL LIABILITIES	3,857,381	2,196,180
NET ASSETS	(1,675,787)	105,163,859
EQUITY		
Issued capital	177,959,954	155,131,523
Accumulated losses	(178,682,191)	(55,844,611)
Share based payments reserve	(953,550)	5,876,947
TOTAL EQUITY	(1,675,787)	105,163,859
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
Net loss	(122,837,580)	(2,955,177)
Total comprehensive loss for the year	(122,837,580)	(2,955,177)

30. Controlled entities

Investments in controlled entities comprise:

Name	Beneficial percentage held by economic entity		Principal activities
	2026	2025	
	%	%	
Altech Batteries Ltd			Parent entity
Wholly owned and/or controlled entities:			
Altech Energy Holdings GmbH ¹	100	75	Investment holding
Altech Batteries GmbH ¹	75	56	Grid-Storage Battery Plant
Altech Industries Germany GmbH ²	-	75	Battery Materials Plant
Altech Chemicals Sdn Bhd (Malaysia)	100	100	HPA Plant
Altech Meckering Pty Ltd	100	100	Kaolin Mine
Altech Chemicals Australia Pty Ltd ³	100	100	Intellectual Property/Patent Holder
Canning Coal Pty Ltd	-	100	Mineral exploration

¹ Placed into administration subsequent to 30 June 2026 and filed for insolvency

² Placed in liquidation 30 June 2026

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30. Controlled entities (continued)

³Altech Chemicals Sdn Bhd (Malaysia)

As announced to the ASX on 25 March 2025, the Company advised that it is in the process of selling its Malaysian land. 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 can 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 Lands and Mines Department. Although there were no laws or regulations precluding Johor Lands and Mines Department 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.

31. Interests in other entities

Set out below is the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group, before any intragroup eliminations.

	Altech Industries Germany GmbH		Altech Energy Holdings GmbH		Altech Batteries GmbH	
	2026	2025	2026	2025	2026	2025
	\$	\$	\$	\$	\$	\$
Summarised Financial Position						
Current assets	-	1,243,852	-	4,165	1,119,786	360,072
Non-current assets	-	13,637,168	-	22,653,174	-	10,991,679
Current liabilities	-	(625,987)	-	(12,257)	(1,119,786)	(1,603,329)
Non-current liabilities	-	(11,059,477)	-	(24,600,927)	-	(8,720,870)
NET ASSETS	-	3,195,556	-	(1,955,845)	-	1,027,552
Summarised Financial Performance						
Revenue	43,906	620,253	-	-	45,463	20,034
Profit/(loss) after tax	(12,783,196)	(3,931,319)	(24,868,418)	(299,758)	(14,170,532)	(7,035,856)
Other comprehensive income after tax	-	-	-	-	-	-
Total comprehensive income	(12,783,196)	(3,931,319)	(24,868,418)	(299,758)	(14,170,532)	(7,035,856)
Profit/(loss) attributable to non-controlling interests	(187,107)	(982,830)	(14)	(74,939)	(3,935,196)	(3,078,187)

ALTECH BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31. Interests in other entities (continued)

(a) Goodwill on acquisition of Altech Industries Germany GmbH Assets (pre-liquidation)

The Company issued a total of 532,369,513 ordinary shares for the acquisition of Altech Industries Germany GmbH and Altech Energy Holdings GmbH and Altech Energy Holdings GmbH. The ordinary shares have been valued at \$0.033 per share for a total consideration of \$17,568,194. Given that the agreement did not separate the number of shares for each entity being acquired, the consideration has been pro-rata based on the net assets of the subsidiaries at the date of acquisition.

	\$
Shares issued for acquisition of Altech Industries Germany GmbH	10,119,280
Assets and liabilities acquired	(330,580)
Goodwill on acquisition	9,788,700

(b) Goodwill on acquisition Altech Energy Holdings GmbH

The consideration for the acquisition of Altech Energy Holdings GmbH and Altech Batteries GmbH was \$7,448,914

Shares issued for acquisition of Altech Energy Holdings GmbH and Altech Batteries GmbH	7,448,914
Assets and liabilities acquired	(2,435,082)
Goodwill on acquisition	5,013,832

(c) Write-down of Assets of AEH/ABG as at 30 June 2026

Write-down of tangible and other assets \$26,894,254

Note 32: Discontinued Operations – Disposal of Altech Industries Germany GmbH

On 11 May 2026, the Company made the decision to discontinue its Silumina Anodes™ project and Altech Industries Germany GmbH (AIG), the holder of all of the assets in relation to the Silumina Anodes™ was placed into liquidation on 30 June 2026 with assets monetised and net proceeds from liquidation to be passed back to Altech Batteries Ltd as 100% shareholder.

(a) The net profit or loss from discontinued operations relating to the disposal of AIG is as follows:

	30-Jun-26 \$	30-Jun-25 \$
Revenue from ordinary activities		
Other income	43,906	59,405
Total Income	43,906	59,405
Expenses	(12,827,102)	(3,990,724)
Loss before income tax expense	(12,783,196)	(3,931,319)
Income tax expense	-	-
Net loss from discontinued operations	(12,783,196)	(3,931,319)

(b) Gain on disposal of AIG

The net gain on disposal at the disposal date of 30 June 2026 is \$9,962,094.

(c) The Cash Flows from this discontinued operation are as follows:

	30-Jun-26 \$	30-Jun-25 \$
Net cash flows used in operating activities	(1,114,441)	(1,271,581)
Net cash flows used in investing activities	(183,391)	(1,713,056)
Net cash flows from financing activities	1,242,957	2,640,000

ALTECH BATTERIES LIMITED
CONSOLIDATED ENTITY DISCLOSURE STATEMENT
As at 30 June 2026

Entity Name	Entity Type	Country of Incorporation	% of share capital held	Australian Tax Residency Status	Foreign Countries Tax Residency
Altech Batteries Limited	Body corporate	Australia	N/A	Australian	N/A
Altech Energy Holdings GmbH ¹	Body corporate	Germany	100	Foreign	Germany
Altech Batteries GmbH ¹	Body corporate	Germany	75	Foreign	Germany
Altech Industries Germany GmbH ²	Body corporate	Germany	-	Foreign	Germany
Altech Chemicals Sdn Bhd	Body corporate	Malaysia	100	Foreign	Malaysia
Altech Meckering Pty Ltd	Body corporate	Australia	100	Australian	N/A
Altech Chemicals Australia Pty Ltd	Body corporate	Australia	100	Australian	N/A

¹ Placed into administration subsequent to 30 June 2026 and filed for insolvency

² Placed in liquidation 30 June 2026

Basis of preparation

This consolidated entity disclosure statement has been prepared in accordance with the s295 (3A)(a) of the Corporations Act 2001 and includes the required information for Altech Batteries Limited and the entities it controls in accordance with AASB 10 Consolidated Financial Statements.

Key assumptions and judgements

Determination of Tax Residency

Section 295 (3A) of the Corporation Acts 2001 requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. For the purposes of this section, an entity is an Australian resident at the end of a financial year if the entity is:

- a) an Australian resident (within the meaning of the Income Tax Assessment Act 1997) at that time; or
- b) a partnership, with at least one partner being an Australian resident (within the meaning of the Income Tax Assessment Act 1997) at that time; or
- c) a resident trust estate (within the meaning of Division 6 of Part III of the Income Tax Assessment Act 1936) in relation to the year of income (within the meaning of that Act) that corresponds to the financial year.

The determination of tax residency involves judgment as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

ALTECH BATTERIES LIMITED
DIRECTORS' DECLARATION

For the year ended 30 June 2026

The Directors of the Company declare that:

1. The financial statements and note, as set out on pages 19-51, are in accordance with the Corporations Act 2001:
 - (a) comply with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
 - (b) give a true and fair view of the financial position as at 30 June 2026 and of the performance for the year ended on that date of the consolidated group.
 - (c) the information disclosed in the attached consolidated entity disclosure statement is true and correct.
2. The Managing Director and Chief Financial Officer have given the declaration required by s295A of the Corporations Act 2001.
3. 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.

This declaration is made in accordance with a resolution of the board of directors and is signed by authority for and on behalf of the directors by:



Daniel Raihani
Managing Director
DATED at Perth this 30th day of September 2026

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ALTECH BATTERIES LIMITED****Report on the Audit of the Financial Report****Opinion**

We have audited the financial report of Altech Batteries Limited ("the Company") and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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 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 report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Relating to Going Concern

We draw attention to Note 1(k) in the financial report, which indicates that the Group incurred a loss after tax of \$43,363,306 and net cash outflows from operating and investment activities of \$7,570,346 for the year ended 30 June 2026, and had net assets of \$4,007,055. The Group had cash and cash equivalents of \$501,717 (not including restricted cash of \$500,000). As stated in Note 1(k), the events or conditions, along with other matters as set forth indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

Material Uncertainty - Carrying Value of Available-for-Sale Assets

We draw attention in Note 9 in the financial report, which discloses the information relating to the Available-for-Sale Assets balance of \$4,792,721. The Group entered into an agreement to dispose of these assets subsequent to 30 June 2026 but the sale agreement was terminated in September 2026. It is still the intention of the Group to sell the

Available-for-Sale Assets therefore these assets have been reclassified as current assets in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*.

The shares of the subsidiary company Altech Chemicals Sdn Bhd, the holder of the Available-for-Sale Assets, have also been pledged as security against the Interest-bearing liability owing to Deutsche Balaton AG for an amount of \$3,314,551 due on 31 October 2026 as disclosed in Note 15. The repayment of this Interest-bearing liability has been extended to 30 April 2027.

Due to the termination of the proposed sale of the Available-for-Sale Assets, the recoverability of these assets is dependent on the successful execution and settlement with a new buyer. As a result the realisable value of the assets which may be materially less than the current carrying amount.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be Key Audit Matters to be communicated in our report.

Key Audit Matters	How the matter was addressed in the audit
Investments in Altech Industries Germany GmbH, Altech Energy Holdings GmbH and Altech Batteries GmbH (refer to Notes 31 and 32 to the financial statements) During the year, the Group increased the shareholdings in: - Altech Industries Germany GmbH ("AIG") from 75% to 100%; - Altech Energy Holdings GmbH ("AEH") from 75% to 100%; and - Altech Batteries GmbH ("ABG") from 56.25% to 75%. At 30 June 2026, the Group placed AIG into liquidation. The directors assessed the carrying value of the investments in AEH and ABG to their recoverable amounts as at 30 June 2026. The Group then decided on 31 July 2026 to discontinue the operations of AEH and ABG and subsequently placed these entities into administration. Investments in AIG, AEH and ABG are considered a key audit matter due to: - the judgement and estimates on the accounting for AIG at the date of liquidation; and - the judgements and estimates involved in assessment the recoverable amounts of the investments in AEH ad ABG and the accounting for the discontinued operations subsequent to year end.	Inter alia, our audit procedures included the following: i) Obtaining an understanding of the events and conditions relating to these entities; ii) Obtaining management's assessment of the events and conditions relating to these entities; iii) Obtaining the supporting documentation on the liquidation of AIG; iv) Reviewing the accounting treatments for these entities including the assessment of the carrying value of the assets; v) Checking the mathematical accuracy of management's calculation; and vi) Assessing the adequacy of the disclosures within the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other Matter

The financial report of the Group for the year ended 30 June 2025 was audited by another auditor who expressed an unmodified opinion on the financial report on 15 September 2025. The half year report for the six months ended 31 December 2025 was reviewed by the same auditor noted above and signed on 11 March 2026.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free from misstatement whether due to fraud and error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty

exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Altech Batteries Limited for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd



Martin Michalik
Director

West Perth, Western Australia
30 September 2026

ALTECH BATTERIES LIMITED
CORPORATE GOVERNANCE STATEMENT
For the year ended 30 June 2026

The board of directors of Altech Batteries Limited ("ATC") is committed to conducting the Company's business in accordance with the highest standards of corporate governance. The board is responsible for the Company's Corporate Governance and the governance framework, policy and procedures, and charters that underpin this commitment. The board ensures that the Company complies with the corporate governance requirements stipulated in the Corporations Act 2001 (Cth), the ASX Listing Rules, the constitution of the Company and any other applicable laws and regulations.

The table below summarises the Company's compliance with the ASX Corporate Governance Councils Corporate Governance Principles and Recommendations (4th Edition), in accordance with ASX Listing Rule 4.10.3.

Principles and Recommendations		Disclosure	Compliance
Principle 1 – Lay solid foundations for management and oversight			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management	These matters are disclosed in the Company's Board Charter, which is available on the Company's website	Complies
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director	When a requirement arises for the selection, nomination and appointment of a new directors, the board forms a sub-committee that is tasked with this process, and includes undertaking appropriate checks and any potential candidates. When directors retire and nominate for re-election, the board does not endorse a director who has not satisfactorily performed their role.	Complies Complies
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	The company executes a letter of appointment with each director and services agreements with senior executives.	Complies
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair; on all matters to do with the proper functioning of the board.	The Company Secretary reports to the chair of the board on all matters to do with the proper function of the board.	Complies
1.5	A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under the Act.	Due to its size and limited scope of operations, the Company does not currently have a diversity policy. The Company does not yet collect diversity data sets for employees, management or Board. We understand that diversity encompasses a wide range of dimensions, including age, sex, ethnicity and other characteristics that contribute to an inclusive and diverse workforce. As the Company's activities increase in size, scope and/or nature, the board will consider the appropriateness of adopting a diversity policy.	Does not comply

ALTECH BATTERIES LIMITED
CORPORATE GOVERNANCE STATEMENT
For the year ended 30 June 2026

Principles and Recommendations		Disclosure	Compliance
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	The board currently undertakes, on an annual basis, an internal formal evaluation of the performance of the board and individual directors. In addition to this, the Chairman provides informal feedback to individual board members on their performance and contribution to board meetings, on an ongoing basis.	Complies
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	The performance of all senior executives is evaluated on an annual basis by the Managing Director and in the case of the Managing Director, by the board.	Complies

Principle 2 – Structure the board to be effective and add value			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent Director; and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	Due to its size and limited scope of operations, the Company does not currently have a nomination committee, however board sub-committees are formed, as required, to manage matters that would normally be dealt with by a formally constituted nomination committee, as was the case with the search and appointment of the current Managing Director. As the Company's activities increase in size, scope and/or nature, the board will consider the appropriateness of a nomination committee.	Does not comply
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	A copy of the board skill matrix is appended to this Corporate Governance Statement.	Complies
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	Mr Giuseppe (Joe) Graziano is considered by the board to be an independent director and this is disclosed on the Company web site and in its annual and half-yearly director reports. The length of service of each director is disclosed in the Company's annual and half yearly director reports and in notices of meetings when directors are nominated for re-election.	Complies

ALTECH BATTERIES LIMITED
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For the year ended 30 June 2026

Principles and Recommendations		Disclosure	Compliance
2.4	A majority of the board of a listed entity should be independent directors.	Mr Giuseppe (Joe) Graziano is the only independent member of the Company's board.	Does not comply however the board is of the view that the skills and experience of the directors allow the board to act in the best interests of shareholders and is appropriate for the size of the Company.
2.5	The chair of the board of a listed entity should be an independent director and, in particular; should not be the same person as the CEO of the entity.	Mr Giuseppe (Joe) Graziano is the Chairman and is an independent Non-Executive Director.	Complies
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	The Company Secretary and Managing Director ensure the comprehensive induction of all new directors to the Company, this includes site visits, presentations and meetings with executives. All directors are afforded opportunities for ongoing professional development at Company expense.	Complies
Principle 3 – Instil a culture of acting lawfully, ethically and responsibly			
3.1	A listed entity should articulate and disclose its values	The Board is committed to the development of a statement of values.	Does not Comply
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	The Company code of conduct is available on the Company web site.	Complies
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy	The Company's Whistleblower Policy is available on the Company web site as well as company intranet.	Complies
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or a committee of the board is informed of any material breaches of that policy	An anti-bribery and corruption policy is available on the Company web site	Complies

ALTECH BATTERIES LIMITED
CORPORATE GOVERNANCE STATEMENT
For the year ended 30 June 2026

Principles and Recommendations		Disclosure	Compliance
Principle 4 – Safeguard the integrity of corporate reports			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director; who is not the chair of the board, and disclose: (3) the charter of the committee (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	Audit Committee has been formed. The Audit Committee Charter is available on the Company's website.	Complies
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	The board does receive a statement signed by the Managing Director and the Chief Financial Officer.	Complies
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	This process is currently being documented. Once this documentation is complete, a copy of the process will be available on the Company website.	Does not comply
Principle 5 – Make timely and balanced disclosure			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rules 3.1	The Company does have a Continuous Disclosure policy, which is available on the Company web site.	Complies
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made	The board does receive copies of all market announcement, whether material or not, immediately after lodgement with the market.	Complies
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation	All new and substantive investor or analyst presentations are released to ASX ahead of presentation.	Complies

ALTECH BATTERIES LIMITED
CORPORATE GOVERNANCE STATEMENT
For the year ended 30 June 2026

Principles and Recommendations		Disclosure	Compliance
Principle 6 – Respect the rights of security holders			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	The company does provide information about its governance on the Company's web site.	Complies
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	The Company has implemented an investor relations program targeting retail investors and encourages all investors or potential investors to communicate with the Company via its web site.	Complies
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	The Company Shareholder Communication Policy is available on the Company web site. The company hosts its AGM online through its share registry platform.	Complies
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	All resolution at the Company's 2025 annual general meeting of shareholders were determined by poll	Complies
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Security holder can elect to receive communications from the Company electronically either by contacting the Company's share registrar, or the Company directly.	Complies
Principal 7 – Recognise and manage risk			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendance of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	The Risk Management Committee has been formed . The charter of the committee is currently being documented. Once this documentation is complete, a copy of the charter will be available on the Company website.	Complies
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	The board reviews the risk management framework annually.	Complies
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	The Company does not currently have an internal audit function. The board considers that the Company is not of a size that currently warrants an internal audit function.	Does not comply.

ALTECH BATTERIES LIMITED
CORPORATE GOVERNANCE STATEMENT
For the year ended 30 June 2026

Principles and Recommendations		Disclosure	Compliance
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	Included in the Annual Financial Report.	Complies
Principle 8 – Remunerate fairly and responsibly			
8.1	The board of a listed entity should: (a) have a remuneration committee which:: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director and disclose (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendance of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	Does not have due to the small size of the company.	Does not comply
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	The Company discloses its practices in relation to the remuneration of non-executive directors, executive directors and senior executives in its annual remuneration report.	Complies
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it	The company's Security Trading Policy obliges all directors, officers and employees of the Company to advise the Company, via the company secretary, or any securitisation of Company securities. A copy of the policy is available on the Company's web site. As at the date of this statement the company secretary has not been advised by an officer or employee of the Company of any securitisation of Company securities that they own.	Complies

As the Company's activities increase in size, scope and/or nature, the Company's corporate governance principles will be reviewed by the board and amended as appropriate.

Further details of the Company's corporate governance policies and practices are available on the Company's website at www.altechgroup.com.

ALTECH BATTERIES LIMITED
CORPORATE GOVERNANCE STATEMENT
For the year ended 30 June 2026

Board experience, skills and attributes matrix

Experience, skills and attributes	Altech Batteries Limited board
Total directors **	3

Experience	
Corporate leadership	3
International experience	3
Resources Industry experience	3
Other board level experience	3
Capital projects experience	3
Equity and debt raising / capital markets	3
Batteries and/or chemicals industry experience	3
Knowledge and skills	
Legal	1
Minerals and/or chemicals processing	1
Engineering and project development	1
Finance and Accounting	2
Tertiary qualifications	
Law	-
Engineering	-
Commerce/Business	3

ALTECH BATTERIES LIMITED

ASX ADDITIONAL INFORMATION

The shareholder information set out below was applicable as at 30 September 2025.

Altech Batteries Ltd has its registered office at Suite 9/17 Prowse Street, West Perth, Western Australia, Australia, 6005. The telephone number is +61 8 6168 1555. Altech shares are listed on the Australian Securities Exchange as well the Frankfurt Stock Exchange.

COMPANY SECRETARY

The name of the Company Secretary is Mr Martin Stein.

TWENTY LARGEST HOLDERS OF LISTED SECURITIES

The names of the twenty largest holders of each class of listed securities are listed below:

Ordinary Shares

Position	Holder Name	Holding	% IC
1	ALTECH ADVANCED MATERIALS AG	532,369,513	19.95%
2	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	216,380,740	8.11%
3	BNP PARIBAS NOMS PTY LTD	109,203,819	4.09%
4	DELPHI UNTERNEHMENSBERATUNG AKTIENGESELLSCHAFT	100,737,763	3.77%
5	MAA GROUP BERHAD	84,545,241	3.17%
6	CITICORP NOMINEES PTY LIMITED	68,306,384	2.56%
7	SMS INVESTMENTS S A	57,418,528	2.15%
8	CODE NOMINEES PTY LTD <RETAIL A/C>	48,760,423	1.83%
9	SHARESIES AUSTRALIA NOMINEE PTY LIMITED	27,927,590	1.05%
10	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	25,652,065	0.96%
11	MR KENNETH JOSEPH HALL <HALL PARK A/C>	17,000,000	0.64%
12	DIMONE INVESTMENTS PTY LTD	15,500,000	0.58%
13	MR JOHN SMITH & MS BARBARA SMITH <JOHN R SMITH FAMILY A/C>	15,019,231	0.56%
14	MR GREGORY BRUCE HILL	15,000,000	0.56%
15	FINCLEAR SERVICES PTY LTD <SUPERHERO SECURITIES A/C>	13,172,727	0.49%
16	MR YUSUF KUCUKBAS <YASEP A/C>	13,010,000	0.49%
17	J & B SMITH SUPERANNUATION PTY LTD <LOCH M FRASER CU TRA SF A/C>	13,000,000	0.49%
18	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	11,952,784	0.45%
19	MR MICHAEL JAMES HOLDEN	11,000,000	0.41%
20	MS KENG YOKE LEE	9,500,000	0.36%
	Total	1,405,456,808	52.66%
	Total issued capital - selected security class(es)	2,669,056,318	100.00%

ALTECH BATTERIES LIMITED
ASX ADDITIONAL INFORMATION

Options Exercisable at \$0.06 and Expiring 31 October 2028

Position	Holder Name	Holding	% IC
1	EVOLUTION CAPITAL PTY LTD	30,000,000	23.68%
2	VIDOG CAPITAL PTY LTD	13,125,000	10.36%
3	M & K KORKIDAS PTY LTD <M & K KORKIDAS PTY LTD A/C>	9,726,548	7.68%
4	CITICORP NOMINEES PTY LIMITED	5,555,555	4.39%
5	IQ GLOBAL ASSET PARTNERS PTY LTD <IQ S/F A/C>	5,000,000	3.95%
5	MR DANIEL GIOVINAZZO	5,000,000	3.95%
6	UBS NOMINEES PTY LTD	4,777,778	3.77%
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	3,959,354	3.13%
8	MR PETER NIGEL ROBERTS & MRS CHERYL ANNE ROBERTS <ROBERTS SUPER FUND A/C>	3,500,000	2.76%
9	GOFFACAN PTY LTD	3,103,667	2.45%
10	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	3,095,982	2.44%
11	HOPE STREET EQUITIES PTY LTD <HOPE STREET CAPITAL A/C>	2,625,000	2.07%
12	RIYA INVESTMENTS PTY LTD	2,250,000	1.78%
13	BLJ TECHNOLOGIES PTY LTD	2,222,222	1.75%
13	DRM TECHNOLOGIES PTY LTD	2,222,222	1.75%
14	MARK ALLEN MCGREGOR	1,666,667	1.32%
15	MR CLINTON BLAKE MCNAMEE & MRS LYNNE FRANCES MCNAMEE	1,450,000	1.14%
16	ABN AMRO CLEARING AUSTRALIA NOMINEES PTY LTD <CUSTODIAN A/C>	1,244,400	0.98%
17	RESPITE PTY LTD <TWENTY TWO SUPER FUND A/C>	1,111,111	0.88%
17	BILGOLA NOMINEES PTY LIMITED	1,111,111	0.88%
18	LEHAV PTY LTD <THE VHL FAMILY A/C>	1,000,000	0.79%
18	PACROB PTY LTD <THE ROBERTS FOUNDATION A/C>	1,000,000	0.79%
18	MR PETER VI CUONG LOI	1,000,000	0.79%
19	PHILLIP STREET HOLDINGS PTY LTD <PHILLIP STREET A/C>	944,444	0.75%
20	FREDRONN PTY LTD <FREDRONN FAMILY A/C>	847,222	0.67%
	Total	107,538,283	84.90%
	Total issued capital - selected security class(es)	126,666,667	100.00%

ALTECH BATTERIES LIMITED

ASX ADDITIONAL INFORMATION

DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of security holders by size of holding as at 30 September 2026:

Ordinary Shares					
Distribution			Number of Shareholders	Number of Shares	% of Issued Shares
1	–	1,000	230	22,862	0.00%
1,001	–	5,000	244	1,009,499	0.04%
5,001	–	10,000	948	7,834,498	0.29%
10,001	–	100,000	3,733	153,829,910	5.76%
100,001	–	and over	2,045	2,506,359,549	93.90%
Totals			7,200	2,669,056,318	100.00%

SUBSTANTIAL SHAREHOLDERS

The names of the substantial shareholders listed in the holding Company's register as at 30 September 2026 are:

Substantial Shareholder	Number of Shares	% of Issued Shares
ALTECH ADVANCED MATERIALS AG	532,369,513	19.95%
BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	216,380,740	8.11%

UNMARKETABLE PARCELS

The Company has 3.859 holders of unmarketable parcels, being a parcel of shares less than \$500.

UNQUOTED SECURITIES

Altech Batteries Limited does not have any unlisted securities:

VOTING RIGHTS

Subject to any rights or restrictions for the time being attached to any shares or class of shares of the Company, each member of the Company is entitled to receive notice of, attend and vote at a general meeting. Resolutions of members will be decided by a show of hands unless a poll is demanded. On a show of hands each eligible voter present has one vote. However, where a person present at a general meeting represents personally or by proxy, attorney or representative more than one member, on a show of hands the person is entitled to one vote only despite the number of members the person represents.

On a poll each eligible member has one vote for each fully paid share held and a fraction of a vote for each partly paid share determined by the amount paid up on that share.

ON-MARKET BUY BACK

There is currently no on-market buyback program for any of Altech Batteries Limited's listed securities.

EXPLORATION AND MINING INTERESTS

As at 30 June 2026, the Company has an interest in the following tenements:

Tenement ID	Registered Holder	Location	Project	ATC Interest	Grant Date
M70/1334	Altech Meckering Pty Ltd	WA Australia	Meckering	100%	19/05/16