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Heidelberg, 20.03.2024 - Altech Advanced Materials AG (ISIN: DE000A31C3Y4, DE000A31C3Z1 und DE000A3EX2C1) announces the results of the final feasibility study (DFS) for the planned CERENERGY battery plant of Altech Batteries GmbH in Schwarze Pumpe with a planned annual production capacity of 120 MWh. Based on current price and cost calculations, this results in a sales potential of EUR 106 million per year at full capacity utilization. Free cash flow before tax is EUR 51 million per year. The EBITDA margin is 47%. The net present value (NPV) amounts to EUR 169 million. The internal rate of return is 19% and the capital repayment period is 3.7 years with continuous operation. The investment costs for the battery plant are estimated to amount to EUR 156 million.

In view of the expected economic viability of the CERENERGY project, the project partners Altech Advanced Materials AG, Altech Batteries Ltd and the joint venture partner, Fraunhofer Gesellschaft zur Förderung der angewandten Forschung e.V., now intend to enter the financing phase of the project in order to enable it to be realized as soon as possible.

Explanatory part

A first production plant for CERENERGY in Schwarze Pumpe, Saxony, for a first line with an annual capacity of 120MWh, is currently being planned. Corresponding building applications have been submitted, land acquired, and the production plant design drawn up. Altech has also submitted funding applications at federal and state level to finance the battery plant.

According to the calculations, the total operating costs of the CERENERGY sodium chloride solid-state battery amount to EUR 0.06/kWh over the entire service life and are therefore significantly lower than those of conventional lithium-ion batteries at EUR 0.13-0.16/kWh. Unlike lithium-ion batteries, CERENERGY batteries do not require external cooling or heating units and are also non-flammable. CERENERGY batteries for stationary operation consist of common salt, nickel and ceramics and do not require critical materials such as graphite, lithium and cobalt, which fluctuate greatly in price. All materials can be sourced from Europe, minimizing dependencies in the supply chain. It is expected that the production costs of CERENERGY batteries can be further reduced through scaling when the capacity at the planned production plant in Schwarze Pumpe increases to one GWh production in the next expansion stage. Analysts expect strong growth of 28% per year on average for the global grid storage market until 2040.

A summary of the feasibility study can be downloaded from the Altech Advanced Materials AG website www.altechadvancedmaterials.com in the "Project information" section.

About Altech Advanced Materials AG

Altech Advanced Materials AG (ISIN: DE000A31C3Y4, DE000A31C3Z1 und DE000A3EX2C1), based in Frankfurt am Main, is a holding company listed on the regulated market of the Frankfurt Stock Exchange. The company's aim is to participate in the solid-state battery market for stationary battery applications with CERENERGY.

Another focus is on lithium-ion batteries. An innovative anode material based on high-purity aluminum oxide (HPA) - Silumina Anodes™ - is intended to significantly increase the performance of this battery for electromobility.

CERENERGY® battery project

Altech Batteries GmbH (ABG) is a joint venture with the world-leading German battery institute Fraunhofer IKTS ("Fraunhofer") to commercialize the revolutionary CERENERGY sodium-alumina solid-state battery (SAS). CERENERGY batteries are the breakthrough alternative to lithium-ion batteries. CERENERGY batteries are fire and

explosion proof, have a lifespan of more than 15 years and operate in extremely cold and desert climates. The battery technology uses common salt and is free of lithium, cobalt, graphite and copper, eliminating dependence on critical metal price increases and supply chain issues.

The joint venture markets its CERENERGY battery and plans to build a 120 MWh production plant on the Altech site in Saxony. The plant will produce CERENERGY battery modules for the grid storage solutions market.

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End of Inside Information

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