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ADVANCED BATTERY TECHNOLOGIES, INC.  
Form 10QSB  
November 14, 2005

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-QSB

Quarterly Report pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

For the quarterly period ended September 30, 2005

Transition Report pursuant to 13 or 15(d) of the Securities  
Exchange Act of 1934

For the transition period to

Commission File No. 0-13337

ADVANCED BATTERY TECHNOLOGIES, INC.

-----  
(Name of Small Business Issuer in Its Charter)

DELAWARE

22-2497491

-----  
(State or other jurisdiction of  
incorporation or organization)

(I.R.S. Employer  
Identification No.)

136-14 Northern Blvd., Suite 8E, Flushing, NY 11354

-----  
(Address of principal executive offices)

718-359-6866

-----  
(Issuer's telephone number, including area code)

Check whether the issuer (1) filed all reports required to be filed by  
Section 13 or 15(d) of the Exchange Act during the past 12 months (or  
for such shorter period that the registrant was required to file such  
reports); and (2) has been subject to such filing requirements for the  
past 90 days. Yes  No

Indicate by check mark whether the registrant is a shell company (as  
defined in Rule 12b-2 of the Exchange Act) Yes  No

The number of shares outstanding of each of the issuer's class of  
equity as of the latest practicable date is stated below:

Title of each class of Common Stock Outstanding as of November 14, 2005

-----  
Common Stock, \$0.001 par value 25,337,116

Transitional Small Business Disclosure Format (check one): Yes  No

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## PART I - FINANCIAL INFORMATION

### ADVANCED BATTERY TECHNOLOGIES, INC. CONSOLIDATED BALANCE SHEET

	September 30, 2005 (Unaudited) USD -----
<b>ASSETS</b>	
Current assets	
Cash and cash equivalents	259,767
Accounts receivable	128,889
Inventories	282,227
Prepayments, deposits and other receivable	843,485
	-----
Total current assets	1,514,368
Property, plant and equipment, net	11,230,342
Construction in process	795,143
Deposits for acquisition of property, plant and equipment	20,001
Rights to use land and power, net	426,704
Patents, net	104,293
Prepaid expenses	2,756,528
	-----
Total assets	16,847,379 =====
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>	
Current liabilities	
Accounts payable	384,620
Accrued expenses and other payables	527,004
Notes payable	370,737
Other loans payable	294,231
Current maturities of long-term debts	1,882,791

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Customer deposits	328,505
Welfare payable	100,939
	-----
Total current liabilities	3,888,827
Long-term debts, less current maturities	1,235,788
	-----
Total liabilities	5,124,615
	-----
Minority interests	1,691,779
	-----
Stockholders' equity	
Common stock (Note 3)	25,337
Additional paid-in capital	13,786,123
Accumulated deficit	(3,892,085)
Accumulated other comprehensive income (Note 4)	111,610
	-----
Total stockholders' equity	10,030,985
	-----
Total liabilities and stockholders' equity	16,847,379
	=====

See the accompanying notes to the unaudited consolidated financial statements

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ADVANCED BATTERY TECHNOLOGIES, INC.  
CONSOLIDATED STATEMENTS OF OPERATIONS

	Three months ended September 30,		Nine months ended September 30,	
	2005	2004	2005	2004
	(Unaudited) USD	(Unaudited) USD	(Unaudited) USD	(Unaudited) USD
Revenue	1,337,027	116,383	1,604,795	1,085,058
Cost of sales	(852,448)	(87,815)	(1,050,576)	(697,933)
Gross profit	484,579	28,568	554,219	387,125
Other income	29	428	1,408	533
Selling expenses	(4,878)	(11,453)	(13,129)	(25,195)
General and administrative expenses	(519,172)	(273,023)	(1,496,811)	(621,142)
Research and development costs	(19,108)	(19,441)	(44,622)	(56,458)
Interest expense	(4,196)	(2,497)	(114,411)	(10,369)
Loss before minority interests	(62,746)	(277,418)	(1,113,346)	(325,506)
Minority interests	(95,251)	31,246	12,852	45,672
Net loss	(157,997)	(246,172)	(1,100,494)	(279,834)
	=====	=====	=====	=====

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Net loss per share (Note 6) (0.01) (0.02) (0.05) (0.03)  
 =====

See the accompanying notes to the unaudited consolidated financial statements

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ADVANCED BATTERY TECHNOLOGIES, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine months ended September 30,	
	2005	2004
	(Unaudited)	(Unaudited)
	USD	USD
Cash flows from operating activities:		
Net loss	(1,100,494)	(279,834)
Adjustments to reconcile net loss to net cash (used in)/provided by operating activities:		
Depreciation and amortization	285,252	110,135
Amortization of prepaid expenses	1,070,506	173,265
Minority interests	(12,852)	(45,672)
Changes in operating assets and liabilities:		
Increase in accounts receivable	(128,564)	(30,478)
(Increase)/decrease in prepayments, deposits and other receivable	(531,665)	37,499
Increase in inventories	(42,744)	(144,553)
Increase in accounts payable and accrued expenses	657,173	376,675
(Decrease)/increase in customer deposits	(506,772)	672,920
Increase in welfare payable	41,585	27,498
Net cash (used in)/provided by operating activities	(268,575)	897,455
Cash flows from investing activities:		
Purchase of property and equipment	(3,556,117)	(162,862)
Purchase of construction in process	(636,949)	(1,140,438)
Purchase of patents	-	(10,585)
Net cash used in investing activities	(4,193,066)	(1,313,885)
Cash flows from financing activities:		
Net proceeds from long-term debt	602,492	26,646
(Decrease)/increase in other loans payable	(42,871)	302,315
Repayment from officers	-	141,343
Loans from three individuals	3,383,084	-
Net cash provided by financing activities	3,942,705	470,304
Net (decrease)/increase in cash and cash equivalents	(518,936)	53,874
Effect of foreign exchange rate changes	20,688	-

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Cash and cash equivalents, beginning of period	758,015	8,063
	-----	-----
Cash and cash equivalents, end of period	259,767	61,937
	=====	=====

See the accompanying notes to the unaudited consolidated financial statements

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### ADVANCED BATTERY TECHNOLOGIES, INC.

#### NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

##### 1. BASIS OF PRESENTATION

- (i) The accompanying consolidated financial statements of Advanced Battery Technologies, Inc. ("ABAT") and its subsidiaries (the "Group") have been prepared in accordance with generally accepted accounting principles in the United States of America for interim consolidated financial information. Accordingly, they do not include all the information and notes necessary for comprehensive consolidated financial statements.

In the opinion of the management of ABAT, all adjustments necessary for a fair presentation of the financial position and the results of operations and cash flows for the interim periods have been included. Interim results are not necessarily indicative of results for a full year.

- (ii) The Company has two subsidiaries, Cashtech Investment Limited ("Cashtech"), a British Virgin Island corporation, and Heilongjiang ZhongQiang Power-Tech Co., Ltd. ("ZQ Power-Tech"). ZQ Power-Tech is a limited liability company established in the People's Republic of China (the "PRC") in which Cashtech owns 70% interest as of September 30, 2005.
- (iii) On March 1, 2004, the previous stockholders holding 70% ownership of ZQ Power-Tech agreed to the transfer of their shares to obtain 100% ownership in Cashtech. Cashtech is the legal parent of ZQ Power-Tech since inception, with the transaction being treated as a reverse merger and recapitalization of ZQ Power-Tech, which is treated as the accounting acquirer.

On May 6, 2004, ABAT completed a share exchange with the stakeholders of Cashtech. This share exchange has been treated as a reverse takeover with Cashtech taken as the accounting acquirer and ABAT as the accounting acquiree.

The purchase method under reverse takeover accounting has been applied for the above two share exchanges. These consolidated financial statements issued under the name of the legal parent, ABAT, are a continuation of the financial statements of ZQ Power-Tech.

- (iv) The Group has accumulated deficit as at September 30, 2005. However, based on the substantial backlog of orders of approximately \$27 million that the Group has accumulated, the management of the Group believes that these orders will generate sufficient revenue and cash flows to enable the

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Group to continue as a going concern.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Company are set forth in the section "Summary of significant accounting policies" of the consolidated financial statements of the Company included in the Company's Form 10-KSB submitted to the United States Securities and Exchange Commission on March 31, 2005.

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#### New accounting pronouncement

In May 2005, the Financial Accounting Standards Board ("FASB") issued FASB Statement No. 154 "Accounting Changes and Error Corrections - a replacement of APB Opinion No. 20 and FASB Statement No. 3". This statement replaces APB Opinion No. 20 "Accounting Changes" and FASB Statement No. 3 "Reporting Accounting Changes in Interim Financial Statements", and changes the requirements for the accounting for and reporting of a change in accounting principle. It applies to all voluntary changes in accounting principle and to changes required by an accounting pronouncement which does not include specific transition provisions. FASB No. 154 requires retrospective application to prior periods' financial statements of changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative effect of the change. When it is impracticable to determine the period-specific effects of an accounting change on one or more individual prior periods presented, this statement requires that the new accounting principle be applied to the balances of assets and liabilities as of the beginning of the earliest period for which retrospective application is practicable and that a corresponding adjustment be made to the opening balance of retained earnings for that period rather than being reported in an income statement. When it is impracticable to determine the cumulative effect of applying a change in accounting principle to all prior periods, this statement requires that the new accounting principle be applied as if it were adopted prospectively from the earliest date applicable.

The adoption of the statement had no impact on the Company's results of operation or financial position.

3. COMMON STOCK	No. of shares	Amount USD
Authorized: -		
Common stock at US\$0.001 par value	60,000,000	60,000
	=====	=====
Issued and outstanding:		
At January 1, 2005	12,940,169	12,940
Shares issued for settlement of loan (Note 3(i))	11,276,947	11,277
Shares issued to a consultant (Note 3(ii))	20,000	20
Shares issued to employees (Note 3(iii))	1,100,000	1,100
	-----	-----
At September 30, 2005	25,337,116	25,337
	=====	=====

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### Notes:

- (i) On January 20, 2005, the Company entered into a contract with its chairman, Zhiguo Fu, as well as Zhijie Fu and Wenhua Yang. The contract acknowledged that these three individuals had provided \$4,832,976 to fund the construction of plant facilities owned by ZQ Power-Tech. Since the Company has a 70% interest in ZQ Power-Tech, the contract provided that the Company would issue a total of 11,276,947 shares of common stock to satisfy \$3,383,084 (i.e. 70%) of the loan from the three individuals to ZQ Power-Tech. The number of shares to be issued was based upon US\$0.30 per share, which represented the closing price of the Company's common stock on the OTC Bulletin Board on January 19, 2005.

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Accordingly, the Company issued 11,276,947 shares of common stock to the three individuals on January 20, 2005. The excess of the loan amount over the par value of the stock issued was included in additional paid-in capital.

- (ii) The Company entered into an agreement with a consultant for the provision of consultancy services in connection with the operation of the businesses of the Company for a period from January 24, 2005 to June 30, 2005. As full compensation for the services to be rendered, the Company issued to the consultant 20,000 shares of its common stock on January 24, 2005. An amount of \$10,380, which represents the aggregate fair value of the shares in excess of par value, was included in additional paid-in capital.
- (iii) On June 1, 2005, 1,100,000 shares of common stock were issued to 4 employees of the Company for the provision of services for a term of five years commencing on the same date. An amount of \$2,022,900, which represents the aggregate fair value of the shares in excess of par value, was included in additional paid-in capital.

#### 4. ACCUMULATED OTHER COMPREHENSIVE INCOME

The comprehensive income for the nine months ended September 30, 2005 of US\$99,207 represents gain on foreign currency translation.

#### 5. PATENTS

On May 31, 2005, ZQ Power-Tech issued 18,350,000 shares of stock with par value of RMB1 each to Mr. Fu Zhiguo in return for a patent transferred by Mr. Fu. The patent was appraised by a PRC appraiser to have a value of \$2,216,987 (equivalent to RMB18,350,000) on May 25, 2005. As a result, the Company's interest in ZQ Power-Tech was diluted from 70% to 51.2% at the same date.

On September 11, 2005, ZQ Power-Tech agreed with Mr. Fu to rescind the aforementioned transaction. Mr. Fu is returning the shares to ZQ Power-Tech. As a result, the Company now owns 70% of the capital stock of ZQ Power-Tech, as it did before the May 31 transaction.

Mr. Fu has also agreed to contribute the patent to the capital of

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ZQ Power-Tech without compensation.

### 6. NET LOSS PER SHARE

- (i) The basic net loss per share is calculated using the net loss and the weighted average number of common shares outstanding during the interim periods.

	Three months ended September 30, 2005      2004		Nine months ended September 30, 2005      2004	
Net loss	USD (157,997)	USD (246,172)	USD (1,100,494)	USD (279,834)
Weighted average number of shares outstanding	25,337,116	10,328,321	23,450,589	9,707,902
Basic net loss per share	USD (0.01)	USD (0.02)	USD (0.05)	USD (0.03)

- (ii) The diluted net loss per share is not presented as there was no dilutive effect for either interim period.

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### 7. SUPPLEMENTAL CASH FLOW INFORMATION

	Nine months ended September 30, 2005      2004	
	USD	USD
Interest paid	114,411	10,369
Income taxes	-	-

Other than the above-mentioned information, during the nine months ended September 30, 2005, the Group had the following non-cash transactions:

- (i) The Company issued 20,000 of its common stock to a consultant for the provision of consultancy work, the details of which are set out in note 3(ii).
- (ii) The Company issued a total of 1,100,000 of its common stock to 4 employees for the provision of services, the details of which are set out in note 3(iii).
- (iii) The Company's chairman Mr. Zhiguo Fu contributed a patent to the capital of ZQ Power-Tech without compensation, the details of which are set out in note 5.

### 8. COMMITMENTS

- (i) At September 30, 2005, the Group had capital commitments amounting to \$6,537 in respect of acquisition of property, plant and equipment which are contracted for but not provided in the financial statements.



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- (ii) At September 30, 2005, the Group had agreed to pay \$135,937 to Harbin Institute of Technology for the research and development of polymer lithium-ion batteries for motor vehicles.

### 9. WARRANTIES

The Group warrants that all batteries manufactured by it will be free from defects in material and workmanship under normal use for a period of one year from the date of shipment. The Group's experience for costs and expenses in connection with such warranties has been minimal and during the nine months ended September 30, 2005, no amounts have been considered necessary to reserve for warranty costs.

### 10. RELATED PARTY TRANSACTIONS

During the period ended September 30, 2005, the Group sold goods amounting to \$618,744 to a related company in which a director of the Company has a controlling interest. The transaction was entered into in the normal course of business and on normal commercial terms.

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### Item 1. Management's Discussion and Analysis or Plan of Operation Forward Looking Statements

The information in this discussion contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include statements regarding our capital needs, business strategy and expectations. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. Readers are cautioned that there are risks and uncertainties which may cause actual future results to differ from the results anticipated in these forward-looking statements. A detailed discussion of some of the risks that may cause such a difference has been set forth in the Company's Annual Report on Form 10-KSB for the year ended December 31, 2004 in the section numbered "Item 6" under the heading "Risk Factors That May Affect Future Results." Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's opinions only as of the date hereof. We disclaim any obligation to publicly update these statements, or disclose any difference between its actual results and those reflected in these statements.

#### RECENT BUSINESS EVENTS

##### Business Overview

Advanced Battery Technologies, Inc. is a holding company with one subsidiary: Cashtech Investment Limited, a British Virgin Islands corporation. Cashtech Investment Limited has only one asset, which is 70% of the capital stock of Heilongjiang ZhongQiang Power-Tech Co., Ltd., a China limited liability company ("ZQ Power-Tech").

ZQ Power-Tech designs, manufactures and markets rechargeable polymer lithium-ion ("PLI") batteries. PLI batteries produce a relatively high average of 3.8 volts per cell, which makes them attractive in terms of both weight and volume. Additionally, they can

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be manufactured in very thin configurations and with large footprints. PLI cells can be configured in almost any prismatic shape, and can be made thinner than 0.0195 inches (0.5 mm) to fill virtually any shape efficiently. The Company's products include rechargeable PLI batteries for electric automobiles, motorcycles, mine-use lamps, notebook computers, walkie-talkies and other personal electronic devices.

ZQ Power-Tech focused its initial marketing activities in Southeast Asia, primarily China, Taiwan and Japan in 2004. After we expanded our manufacturing capacity in April 2005, ZQ Power-Tech started to expand its marketing efforts in North America and worldwide. In June 2005, ZQ Power Tech. started to establish a network of sales offices in the Middle East and Africa by an agreement with IGT, Inc. of Dubai, U.A.E.

### Polymer Lithium Ion Battery Development Program

On November 10, 2005, the Company announced that the manufacturing and product tests using Altair Nanotechnologies Inc.'s nano-structured lithium titanate spinel electrode materials have been successful. The company announced further progress in its Polymer Lithium Ion Battery Development Program:

1. Advanced Battery Technologies has contracted with Harbin University of Science and Technology to design the electrical controls and management system for a sedan conversion using Altair's advanced nanotechnology electrode materials in its lithium polymer batteries.
2. Advanced Battery Technologies also has entered into a cooperative agreement with the Beijing Institute of Technology for the development and testing of four electric buses to be built by Advanced Battery as prototypes for the 2008 Olympic Electric Bus Program.

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### Cooperation with BIT to Develop All-electric Buses

On September 7, 2005, ZQ Power-Tech signed a cooperation contract with the Beijing Institute of Technology ("BIT") to develop all-electric buses with enhanced power systems and design, including the building of low and super-low floors to facilitate and expedite customer use. The buses are being designed to operate in large and mid-sized cities, both in China and abroad.

The cooperation agreement provides that BIT will provide the technology and ABAT will build the prototypes. The buses will use ABAT's advanced rechargeable PLI batteries. BIT will design the materials and develop the manufacturing procedures. The agreement also envisions the development of buses for long distance travel, with enhanced design and comfort.

The timelines require the completion of the low floor and super-low floor prototypes in the first half of 2006, with testing to be completed in August 2006. Once testing is complete, ABAT will both supply the batteries and manufacture the buses. The parties expect to showcase their all-electric bus at the 2008 Olympics.

### ABAT's Holding Percentage Changed

On May 31, 2005, ZQ Power-Tech issued 18,350,000 shares of stock

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with par value of RMB1 each to Mr. Fu Zhiguo in return for a patent transferred by Mr. Fu. The patent was appraised by a PRC appraiser to have a value of \$2,216,987 (equivalent to RMB18,350,000) on May 25, 2005. The patent provides ZQ Power-Tech with the core technology that distinguishes its batteries from those of competitors. As a result of the transaction, the Company's interest in ZQ Power-Tech was diluted from 70% to 51.2% at the same date, which constituted a deemed disposal by the Company of its partial interest in ZQ Power-Tech.

On September 11, 2005, ZQ Power-Tech agreed with Mr. Fu to rescind the aforementioned transaction. Mr. Fu is returning the shares to ZQ Power-Tech. As a result, the Company now owns 70% of the capital stock of ZQ Power-Tech, as it did before the May 31 transaction.

Mr. Fu has also agreed to contribute the patent to the capital of ZQ Power-Tech without compensation.

### New Employees Training

The Company finished the training of the newly hired 900 employees, which started in the second quarter. As a result, the new production lines can now reach their anticipated manufacturing capacity, and the Company can now manufacture enough products to begin to satisfy its backlog of orders.

## RESULTS OF OPERATIONS

### Revenues

During the first quarter of this year, the Company closed its old production lines to focus on completion of a new production facility. The Company completed its new production facility in the second quarter, then focused on the fine tuning of the new production lines and the training of newly hired employees. As a result, revenues during the first and second quarters of 2005 were minimal. Most revenues for the nine months ended September 30, 2005 were generated in the third quarter, especially in September 2005.

Revenues for the three months ended September 30, 2005 were \$1,337,027, as contrasted with revenue of \$116,383 for the three months ended September 30, 2004. Revenues for the nine months ended September 30, 2005 were \$1,604,795, compared to revenues of \$1,085,058 during the first nine months of 2004. The increases were due to the completion in August 2005 of the process of training new employees to man the production lines installed in the Spring of 2005. With the new staff of trained employees, our production lines are now reaching their anticipated manufacturing capacity. In September 2005, therefore, the Company made bulk shipments of products that represented 75% of the Company's revenue for the first nine months of 2005. We expect revenue to continue to grow, as we begin to satisfy our backlog of orders.

### Selling, general and administrative expenses

Selling, general and administrative expenses for the three months ended September 30, 2005 were \$524,050 and for the three months ended September 30, 2004 were \$284,476. Likewise, the Company incurred selling, general and administrative expenses of \$1,509,940 in the nine months ended September 30, 2005, compared to selling, general and administrative expenses of \$646,337 in the first nine months of 2004. The increase during 2005 was due to the expansion of facilities and the increase in the number of employees. In addition, during 2005 we amortized \$1,070,506 of prepaid expenses attributable to stock that we

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issued in 2004 and 2005 to certain consultants and employees.

### Net Loss

Net loss for the three months ended September 30, 2005 was \$157,997, compared to net loss of \$246,172 realized in the three months ended September 30, 2004. Net loss for the nine months ended September 30, 2005 was \$1,100,494, compared to a net loss of \$279,834 in the nine months ended September 30, 2004. The increase of net loss was due to the increase in expenses related to capacity expansion and the amortization of prepaid expenses.

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### LIQUIDITY AND CAPITAL RESOURCES

Until December 2004, the development and initial operations of ZQ Power-Tech were financed primarily by contributions to capital made by Zhiguo Fu, the Company's Chairman. On December 1, 2004, ZQ Power-Tech entered into a Loan Agreement with Harbin Commercial Bank, and received a loan of RMB20 million (approximately \$2.4 million). The Loan Agreement requires that half of the principal be paid in a balloon in November 2005 and half in November 2006. Interest at 8.064% per annum is payable monthly. \$1.9 million of the obligation is secured by a pledge of ZQ Power-Tech's manufacturing facilities; the remainder of the debt is secured by a pledge of our realty assets.

The arrangement with Harbin Commercial Bank provided ZQ Power-Tech with working capital. Nevertheless, the expansion of its manufacturing facilities that has been ongoing since early 2004 required that Mr. Fu and two business associates contribute \$4,832,976 to fund construction. In January 2005 Advanced Battery compensated Mr. Fu and his associates for 70% of that contribution by issuing them a total of 11,276,947 common shares.

Despite its negative working capital, the Company believes that it has sufficient liquidity to fund its near-term operations. The principal capital resource available is \$12,472,190 in property, plant and equipment, construction in process, related deposits and real property rights, which ZQ Power-Tech owns subject only to the Harbin Commercial Bank lien for \$2.4 million. Based on the substantial backlog of orders that ZQ Power-Tech has accumulated, it believes that additional secured financing will be available to it on favorable terms when needed. Until then, if short-term cash shortages occur, Mr. Fu has committed to provide financing as needed.

Based upon the financial resources available to ZQ Power-Tech, management believes that it has sufficient capital and liquidity to sustain operations for the foreseeable future.

### Item 3. Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. The evaluation was undertaken in consultation with our accounting personnel. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are currently effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934 is

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recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. As we develop new business or if we engage in an extraordinary transaction, we will review our disclosure controls and procedures and make sure that they remain adequate.

There were no changes in the internal controls over our financial reporting that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Item 3. Defaults Upon Senior Securities

Item 4. Submission of Matters To a Vote of Security Holders

Item 5. Other Information

Item 6. Exhibits

Exhibits

- 31.1 Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 31.2 Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32.1 Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2 Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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SIGNATURES

In accordance with Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ADVANCED BATTERY TECHNOLOGIES, INC.  
(Registrant)

Date: November 14, 2005

By: /s/ Zhiguo Fu  
-----

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Name: Zhiguo Fu  
Title: Chief Executive Officer and  
Chairman of the Board

Date: November 14, 2005

By: /s/ Guohua Wan

-----  
Name: Guohua Wan  
Title: Chief Financial Officer