

CBAK Energy Announces Production Capacity Expansion in Anticipation of Increasing Client Orders

DALIAN, China, Feb. 3, 2021 /PRNewswire/ -- CBAK Energy Technology, Inc. (NASDAQ: CBAT) ("CBAK Energy", or the "Company"), a leading lithium-ion battery manufacturer and electric energy solution provider, today provided additional details for its plans previously disclosed in its 8-K filing to expand its production capacity in Nanjing and Dalian in anticipation of increasing client orders.

For its Nanjing manufacturing plants, the Company plans to attain a total capacity of 8 GWh per year to produce lithium batteries for the light electric vehicle ("LEV"), electric vehicle, and energy storage industries. The Company expects to achieve such capacity expansion through two phases of construction: Phase I is to be completed by the end of 2022 to reach an annual production capacity of 2 GWh. Phase II is to be completed by the end of 2023 to reach the remaining 6 GWh of the planned annual production capacity expansion.

As of February 3, 2021, the Company is on track with its Phase I construction and also designing its Phase II construction. As part of its Phase I construction, the Company plans to invest RMB70 million to develop a production line with annual capacity of 0.7 GWh for its new model 32140 batteries, which is expected to be put in operation in the second half of 2021 to produce 50,000 model 32140 batteries per day. The Company may adjust its capacity expansion timeline to stay in sync with market conditions and client demands.

In addition to its capacity expansion in Nanjing, the Company also expects to invest RMB50 million in its manufacturing plants in Dalian to add one more production line with an annual capacity of 0.4 GWh to produce additional 100,000 model 26650 batteries per day. At the same time, the Company continues to renovate its existing facilities, upgrade its equipment, add new equipment, improve its product functionality, and enhance the raw materials and components used for production.

Mr. Yunfei Li, Chief Executive Officer of CBAK Energy, commented, "As the market demand for cylindrical lithium iron phosphate batteries rises rapidly to keep up with the development of light electric vehicles, electric vehicles, and energy storage, we are experiencing an influx of client orders. In anticipation of continuously rising market demand, we are investing aggressively in our production capacity expansion and existing facilities renovation. Looking ahead, we remain committed to optimizing our resource allocation, capitalizing on new market opportunities, and generating lasting value for our shareholders."

About CBAK Energy

CBAK Energy Technology, Inc. is a leading high-tech enterprise engaged in the development, manufacturing, and sales of new energy high power lithium batteries. The applications of the Company's products and solutions include electric vehicles, light electric vehicles, electric tools, energy storage, uninterruptible power supply (UPS), and other high-power applications. In January 2006, CBAK Energy became the first lithium battery manufacturer in China listed on the Nasdaq Stock Market. CBAK Energy has multiple operating subsidiaries in Dalian and Nanjing, as well as a large-scale R&D and production base in Dalian.

For more information, please visit www.cbak.com.cn.

Safe Harbor Statement

This press release contains forward-looking statements, which are subject to change. The forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All "forward-looking statements" relating to the business of CBAK Energy Technology, Inc. and its subsidiary companies, which can be identified by the use of forward-looking terminology such as "believes", "expects" or similar expressions, involve known and unknown risks and uncertainties which could cause actual results to differ materially. These factors include but are not limited to: the ability of the Company to meet its contract or agreement obligations; the uncertain market for the Company's lithium battery cells; business, macroeconomic, technological, regulatory, or other factors affecting the profitability of battery cells designed for energy storage; and risks related to CBAK Energy's business and risks related to operating in China. Please refer to CBAK Energy's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as well as other SEC reports that have been filed since the date of such annual report, for specific details on risk factors. Given these risks and uncertainties, you are cautioned not to place undue reliance on forward-looking statements. CBAK Energy's actual results could differ materially from those contained in the forward-looking statements. CBAK Energy undertakes no obligation to revise or update its forward-looking statements in order to reflect events or circumstances that may arise after the date of this release unless expressly requested by applicable law.

View original content:<http://www.prnewswire.com/news-releases/cbak-energy-announces-production-capacity-expansion-in-anticipation-of-increasing-client-orders-301221352.html>



SOURCE CBAK Energy Technology, Inc.

For further information: CBAK Energy Technology, Inc., Investor Relations Department, Tel: 86-411-39185985, Email: ir@cbak.com.cn

<https://ir.cbak.com.cn/2021-02-03-CBAK-Energy-Announces-Production-Capacity-Expansion-in-Anticipation-of-Increasing-Client-Orders>