

## **CBAK Energy Announces Hitrans's Revenues Reach Almost \$100 Million in First Nine Months of 2021 Before Acquisition Closes, Four Times Their Own Revenues in Same Period**

DALIAN, China, March 17, 2022 /PRNewswire/ -- CBAK Energy Technology, Inc. (NASDAQ: CBAT) ("CBAK Energy," or the "Company"), a leading lithium-ion battery manufacturer and electric energy solution provider in China, today announced financial highlights of Zhejiang Hitrans Lithium Battery Technology Co. ("Hitrans"), a leading lithium-ion battery material supplier in China that CBAK Energy has completed an acquisition of 81.56% of its equity stake, for the first nine months of 2021.

Hitrans's revenues were \$97.9 million in the first three quarters of 2021, roughly four times CBAK Energy's revenues in the same period. Hitrans generated a gross profit of \$11.0 million, about 2.7 times the gross profit of CBAK Energy in the same period. Its operating profit was \$4.2 million. More detailed financial data of Hitrans can be accessed on the 8K filing filed by the Company to the Securities and Exchange Commission on March 17, 2022.

	First Nine Months of 2021 (\$)
	Hitrans
Revenues	97,875,308
Gross Profit	10,963,386
Operating Profit (Loss)	4,229,511

Considering the transaction was closed on November 29, 2021, Hitrans's financial performance before the closing date will not be incorporated into CBAK Energy's financial results for the 2021 fiscal year. Hitrans's results for the first nine months of 2021 are provided for a better understanding of its financial performance, and its excellent results are expected to significantly increase CBAK Energy's financial results in 2022 and beyond.

After the acquisition, CBAK Energy just replaced some financial and administration personnel of Hitrans while other team members, including technical and sales personnel, remained the same to continue their support for the business growth of the unit. Hitrans mainly focuses on the production and sales of NCM precursors and cathode materials for lithium batteries. Building upon its superior performance and cutting-edge technologies, Hitrans has become one of small and medium-sized enterprises that dominate major markets in niche sectors with increased financial and tax support and enhanced credit policies from the government, which allows such companies to further innovate and grow into "little giants." Such a small and medium-sized enterprise with a considerable amount of government support is therefore a factor that numerous Chinese investors will evaluate when selecting investment targets of great potential growth. At present, Hitrans's main customers include:

- A subsidiary of the world's largest producer of batteries for electric vehicles;
- China's largest cylindrical lithium-ion battery manufacturer;
- The world's leading manufacturer of soft-pack power and energy storage batteries;
- China's leading supplier of cathode materials for lithium-ion batteries;

Mr. Yunfei Li, Chief Executive Officer of CBAK Energy commented, "Apart from bringing a new main business line to the Company, the Hitrans acquisition was a result of our strategies for long-term growth in the battery industry. As the demand for electrification continues to rise, the adoption of electric vehicles will also expedite, which will then promote the market for batteries and their raw materials. The acquisition of Hitrans will enable us to build a powerful battery ecosystem where a stable supply of raw materials is secured for ongoing battery innovations and development. Moreover, its stellar financial performance demonstrates that we made the right decision. Going forward, we are more confident in our capabilities for capturing opportunities in an ever-growing market while delivering lasting value to all our shareholders."

### **About CBAK Energy**

CBAK Energy Technology, Inc. is a leading high-tech enterprise in China 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](http://www.cbak.com.cn).

## About Hitrans

Zhejiang Hitrans Lithium Battery Technology Co. is a leading developer and manufacturer of ternary precursor and cathode materials in China, with a mission to become the world's first-class producer of cathode materials for new energy lithium batteries. The Company's products have a wide range of applications, including electric vehicles, electric tools, high-end digital products, storage, etc. Hitrans has more than 50 authorized patents or accepted patent applications, and is dedicated to the advancement of cutting-edge technologies for sustainable development and growth.

For more information, please visit <http://www.chinahitrans.com/en>.

## Safe Harbor Statement

*This press release contains "forward-looking statements" that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this press release, including statements regarding our future results of operations and financial position, strategy and plans, and our expectations for future operations, are 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. We have attempted to identify forward-looking statements by terminology including "anticipates," "believes," "can," "continue," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "should," or "will" or the negative of these terms or other comparable terminology. Our actual results may differ materially or perhaps significantly from those discussed herein, or implied by, these forward-looking statements.*

*Any forward-looking statements contained in this press release are only estimates or predictions of future events based on information currently available to our management and management's current beliefs about the potential outcome of future events. Whether these future events will occur as management anticipates, whether we will achieve our business objectives, and whether our revenues, operating results, or financial condition will improve in future periods are subject to numerous risks. There are a significant number of factors that could cause actual results to differ materially from statements made in this press release, including: significant legal and operational risks associated with having substantially all of our business operations in China, the Chinese government may exercise significant oversight and discretion over the conduct of our business and may intervene in or influence our operations at any time, which could result in a material change in our operations and/or the value of our securities or could significantly limit or completely hinder our ability to offer or continue to offer securities to investors and could cause the value of such securities to significantly decline or be worthless, trading in our securities may be prohibited under the Holding Foreign Companies Accountable Act if the PCAOB subsequently determines our audit work is performed by auditors that the PCAOB is unable to inspect or investigate completely, the effects of the global Covid-19 pandemic, changes in domestic and foreign laws, regulations and taxes, uncertainties related to China's legal system and economic, political and social events in China, the volatility of the securities markets; and other risks including, but not limited to, the ability of the Company to meet its contractual obligations, the uncertain market for the Company's lithium battery cells and business, macroeconomic, technological, regulatory, or other factors affecting the profitability of battery cells designed for energy storage that we discussed or referred to in the Company's disclosure documents filed with the U.S. Securities and Exchange Commission (the "SEC") available on the SEC's website at [www.sec.gov](http://www.sec.gov), including the Company's most recent Annual Report on Form 10-K as well as in our other reports filed or furnished from time to time with the SEC. You should read these factors and the other cautionary statements made in this press release. If one or more of these factors materialize, or if any underlying assumptions prove incorrect, our actual results, performance or achievements may vary materially from any future results, performance or achievements expressed or implied by these forward-looking statements. The forward-looking statements included in this press release are made as of the date of this press release and the Company undertakes no obligation to publicly update or revise any forward-looking statements, other than as required by applicable law.*

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