

CBAK Energy Releases Status Update on SEC Announcements Under Holding Foreign Companies Accountable Act

DALIAN, China, April 22, 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 that the Company is aware of the fact that it was provisionally identified by the U.S. Securities and Exchange Commission (the "SEC") under the Holding Foreign Companies Accountable Act (the "HFCAA") on April 21, 2022.

The identification was anticipated by the Company as a routine HFCAA application that follows CBAK Energy's filing of an annual report on Form 10-K for the fiscal year ended December 31, 2021 with the SEC on April 15, 2022. This indicates that the SEC has determined the Company used an auditor who cannot be inspected or investigated completely by the Public Company Accounting Oversight Board (the "PCAOB"), to issue the audit report for the Company's financial statements for the fiscal year ended December 31, 2021.

Pursuant to the HFCAA, the SEC shall prohibit a company's securities from being traded on a U.S. stock exchange if the company has been identified by the SEC under the HFCAA for three consecutive years due to the PCAOB's inability to inspect its auditor because of a position taken by the authority in the foreign jurisdiction where the auditor is located.

CBAK Energy plans to identify and engage an independent public accounting firm that satisfies PCAOB inspection requirements for the audit of its consolidated financial statements within the requisite timeframe. As always, the Company will continue to comply with all applicable laws and regulations in all jurisdictions where it operates or is listed and strive to maintain its listing status on the Nasdaq Stock Market.

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.

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, 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.

For investor and media inquiries, please contact:

In China:

CBAK Energy Technology, Inc.
Investor Relations Department
Mr. Thierry Jiewei Li
Phone: 86-18675423231
Email: ir@cbak.com.cn

The Blueshirt Group
Ms. Feifei Shen
Phone: +86 13466566136
Email: feifei@blueshirtgroup.com

The Blueshirt Group
Ms. Suwen Feng
Phone: +86 13917110134
Email: suwen@blueshirtgroup.com

In the United States:

The Blueshirt Group
Ms. Julia Qian
Phone: +1 973-619-3227
Email: julia@blueshirtgroup.com

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