

CBAK Energy Technology, Inc.

Investor Presentation

September 2023

 中比新能源 (NASDAQ: CBAT)

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Snapshot of CBAK Energy

Our Mission

We are committed to the development of new energy and environmental protection technologies, electrifying the world to infinite possibilities.

✓ No.1

Cylindrical battery manufacturer in China

✓ 22 Years

Operational experience in the sector

✓ 2 GWh

Current annual capacity

✓ The 1st

Chinese lithium-ion battery company listed in the U.S.

✓ 5 Times

Increase year-over-year in revenues in FY2022

✓ 36 GWh

Planned annual capacity by 2025E



The 1st

Chinese company to mass produce sodium-ion batteries



13,000 Tons

Of cathode materials



\$187 Million

Pending orders as of April 30, 2023



156 Patents

In China as of December 31, 2022



13,000 Tons

Of precursors



Partnering with Three of the Top 4

Global portable power suppliers



Key Milestones

2006

Built China's **first-ever** cylindrical battery production line; **Listed on NASDAQ**, marking the first trading debut of a Chinese lithium-ion battery firm in the U.S. capital markets

2007

Initiated **China's first R&D project** for the application of lithium-ion powered battery systems in EVs



2011

Cooperation with **Chery, Haitec, Yutong, Brilliance Auto** and **China First Automobile Works**



2016

Strategic partnerships with **Dongfeng Motor, Dayun Auto, Chery** and **Brilliance Auto**



2017

China BAK was renamed to **CBAK Energy**



2022

Commenced construction of Stage 1 of Nanjing Facility Phase 2 with 6GWh capacity

Partnered with leading players in the sodium electricity industry and started R&D on Sodium-ion batteries

2021

Acquired a majority stake in Zhejiang Hitrans Lithium Battery Technology Co.

Commenced production at Nanjing lithium battery plant and expanded capacity in Dalian

2020

Establishment of **CBAK Nanjing**



2019

Established strategic partnerships with Schneider and Haier as first steps into Energy Storage



2018

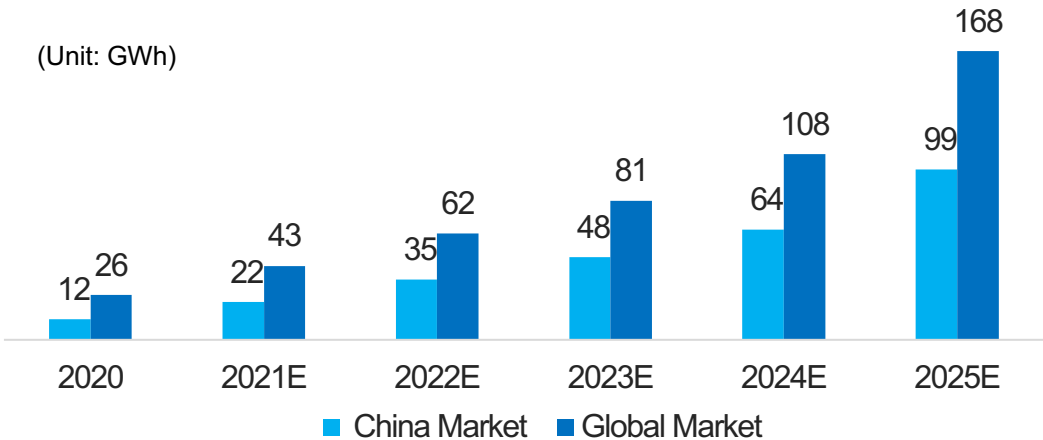
Partnered with **VISSMANN** as its sole supplier in China



Fast Growing Market for Lithium-ion Batteries Outpace CBAK Energy Growth

Global and China Market Size for Li-ion Batteries Used in Energy Storage
(2020-2025)

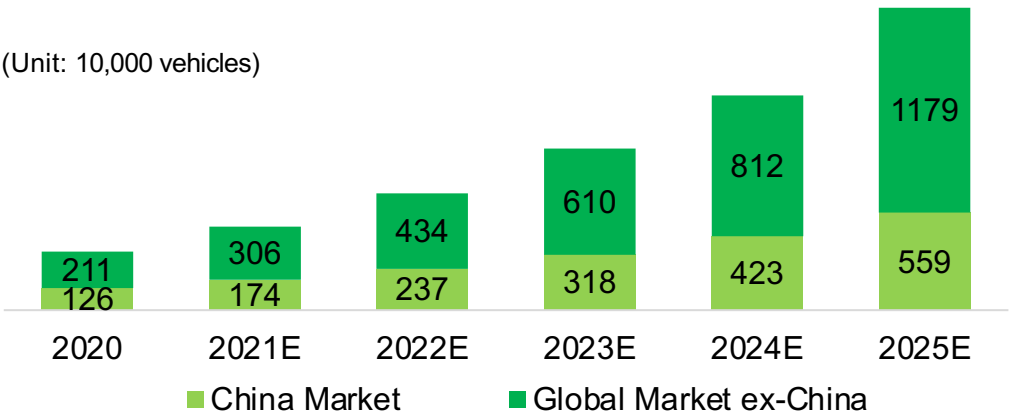
Global market: **45%** CAGR; China Market: **53%** CAGR



Sales Volume of New Energy Vehicles in China and Outside of the China Market
(2020-2025)

Outside of China: **41%** CAGR; China Market: **35%** CAGR

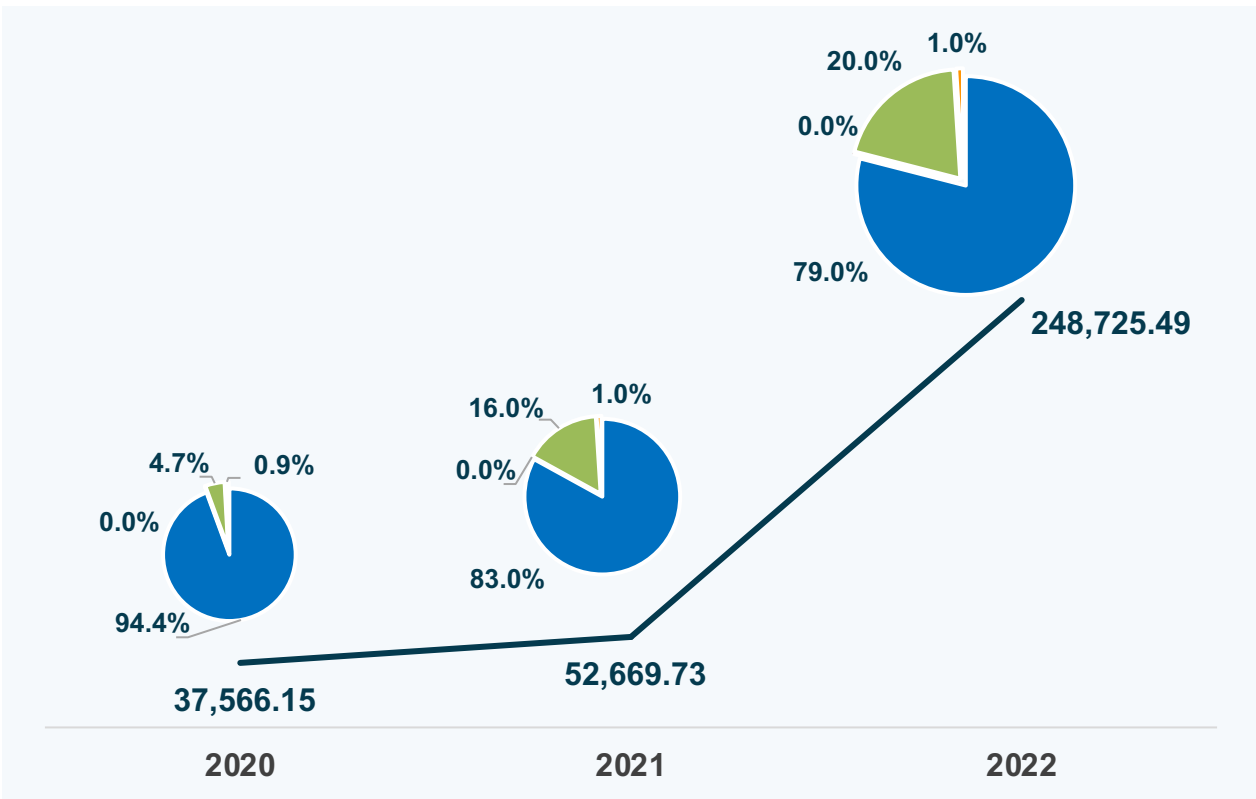
(Unit: 10,000 vehicles)



Sales by Geographic Area for CBAK Energy's High-Power Lithium Battery
(2020-2022)

(In Thousands of U.S. Dollars, except percentages)

■ Mainland China ■ USA ■ Europe ■ Others



Note:

1. This data includes materials used in the manufacturing of lithium batteries. For high power lithium batteries only, overseas markets accounted for a higher proportion of total sales.
2. A proportion of overseas sales were conducted through distributors in China, and these sales were included in the totals for Mainland China, so the share of actual overseas sales was higher.

Best-in-class Lithium-ion Battery Producer

Model 26650 Battery

Perfect Solution for Energy Storage - Reliable performance and continued innovations

- Mature product with a solid client base
- Specially designed 26650 batteries for the ultra-low temperature environment paved the way for our geographical expansion
- Key cash flow generator

Model 32140 Battery

Batteries for Light Electric Vehicles - Higher capacity and lower costs

- 4 times the capacity of regular batteries (Model 26650 batteries)
- 20% lower in cost
- A perfect solution for the LEV market

Model 46XXX Battery

Size depends on customer demand, including 46157, 46800, 46950, 46105, 46120 and 46140

- About 8 times the capacity of Model 26650
- 15% higher in Energy Density compared to Model 26650
- 12% lower in cost

Solid Clients Base

An exceptional degree of consistency in providing high quality products enables us to build a solid global client base



Key Lithium-ion Battery Supplier for Industry Leaders



- In September 2023, CBAK Energy secured battery orders worth approximately **RMB33.58 million** from Anker Innovations, one of the largest third-party accessories suppliers globally for Apple Inc.'s products.
- As of November 1, 2023, CBAK Energy had received orders totaling up to **RMB58.35 million** from Anker Innovations. It is understood that Anker Innovation will generate significant demand and ongoing monthly orders.



- As of November 1, 2023, CBAK Energy had received an order worth **EUR116.5 million** of lithium-ion batteries from the Viessmann Group, a leading European provider of heating, cooling, and renewable energy systems.
- CBAK Energy has been supplying lithium-ion batteries to Viessmann since 2020. In 2022, CBAK Energy received two orders for lithium-ion batteries worth **EUR59.6 million** in total.
- This will bring the total value of orders from Viessmann to approximately **EUR176.1 million**.

Strong R&D to Drive Continued Product Innovation

Large Cylindrical Batteries

--- As **the earliest manufacturer of cylindrical battery**, CBAK Energy established the first mass production line for model 18650 battery in China.

- CBAK Energy developed **the model 26650 battery**, the Company's most mature product.
 - ✓ Widely sold overseas and used in the field of energy storage, i.e., home energy storage and outdoor energy storage
 - ✓ Specially designed for our business expansion in northern China and European markets
 - ✓ Ideal for base stations, unmanned aerial vehicles (UAVs), aerospace vehicles, and military usage

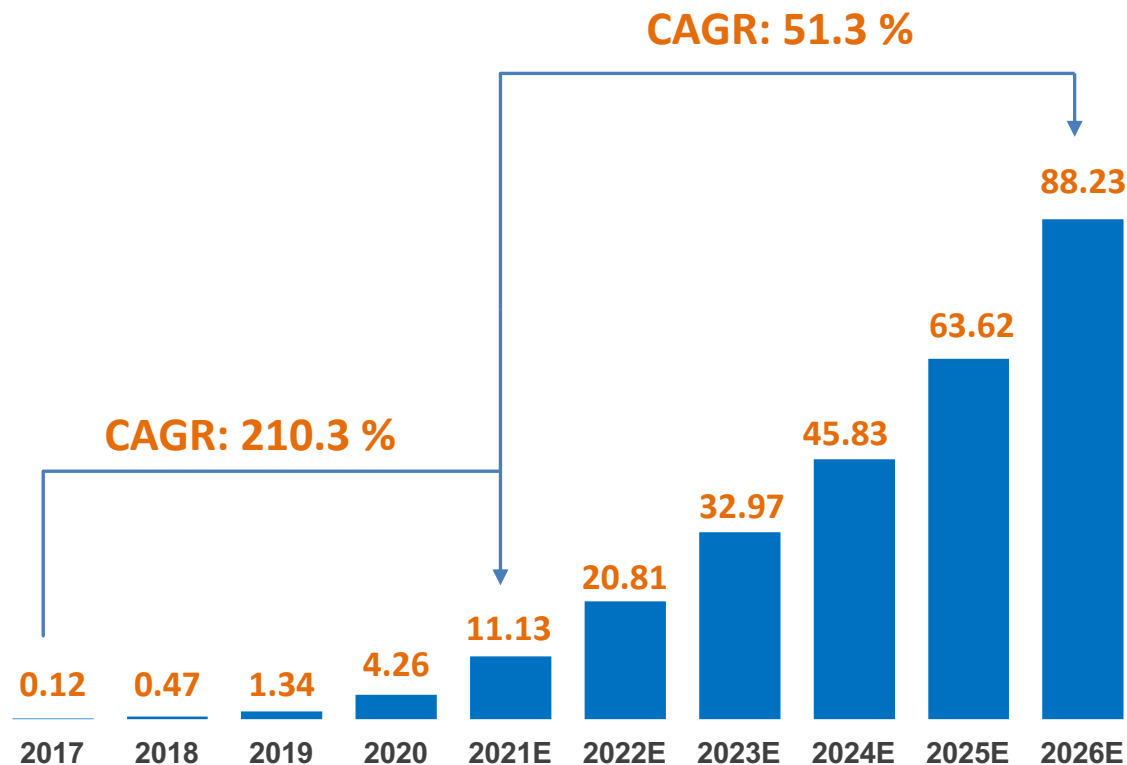
- The Company successfully rolled **out the model 32140 battery** for the LEV market, and this model became **the most mature large cylindrical battery** in the market.
 - ✓ 4 times the capacity of regular batteries (Model 26650 batteries)
 - ✓ 20% lower in cost
 - ✓ A perfect solution for the LEV market
- The Company is actively researching and developing **larger cylindrical batteries**, including **the model 46157 battery** for energy storage.
 - ✓ About 8 times the capacity of Model 26650
 - ✓ 15% higher in Energy Density compared to Model 26650
 - ✓ 12% lower in cost

Our Big Technology Breakthrough - Sodium-ion Batteries

– one step closer toward our clean energy goals

Global Market Size of Portable Energy Storage
(2017-2026)

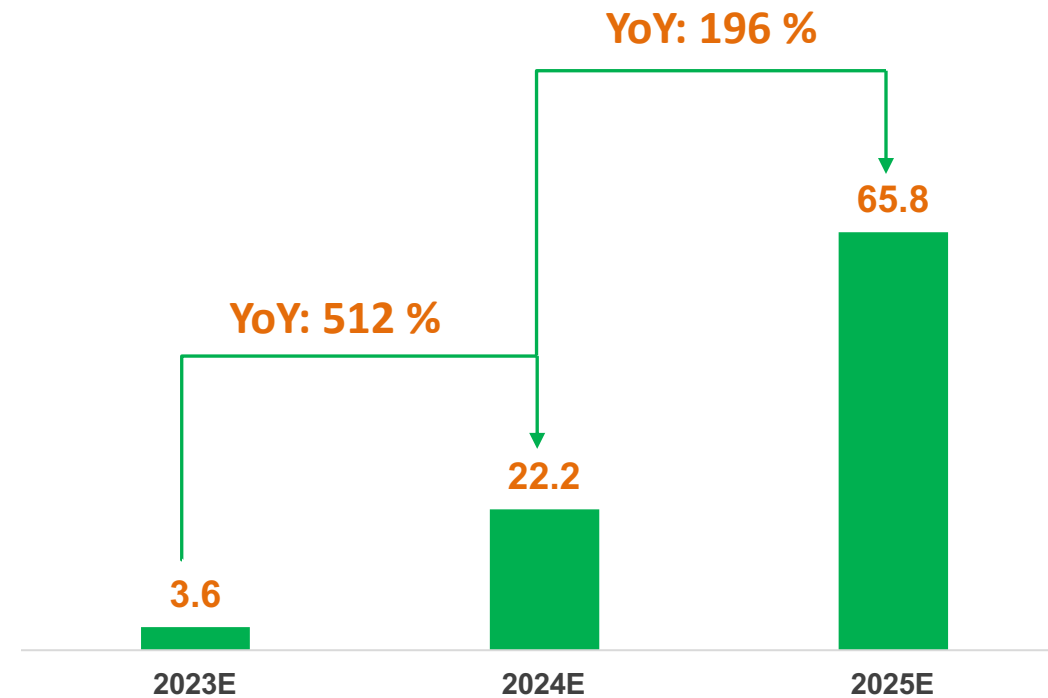
Billion RMB



Source: China Industrial Association of Power Source, LeadLeo

Global Market Size for Na-ion Batteries Used in Energy Storage
(2023-2025)

Unit: GWh



Source: Frost & Sullivan; Shenzhen Zhongshang Industry Research Institute Co., Ltd.; Dongshu Cui; Huajin Securities

Best-in-class Sodium-ion Battery Producer

Performance of Sodium-ion Batteries

- ✓ 85% of battery capacity can be released at -40°C vs. less than 60% for the lithium-ion battery at the same temperature.
- ✓ Strong fast charging capacity, and the capacity retention rate is higher than that of lithium-ion batteries, as the temperature rises slowly for sodium-ion batteries during the fast charging process.
- ✓ When the price of lithium carbonate is at RMB200,000, our sodium-ion batteries are 24-30% cheaper than our lithium-ion batteries.
- ✓ Once produced on a large scale, sodium-ion batteries are expected to replace lead-acid batteries that are widely used in light electric vehicles and have a significantly positive environmental impact.

The 1st Large Cylindrical Sodium-ion Batteries Producer

- ✓ CBAK Energy secured **RMB25 million** in funding from Hello Tech, the parent company of Jackery, a premier global portable power supplier, to advance its sodium-ion battery R&D program. The Company has already received 30% of the funding.
- ✓ Hello Tech will become CBAK Energy's first client for its sodium-ion batteries, with orders potentially worth several hundred million RMB once CBAK Energy's sodium-ion battery is ready for mass production, which is expected to fortify the Company's position as a pioneer in the commercialization of sodium-ion batteries.



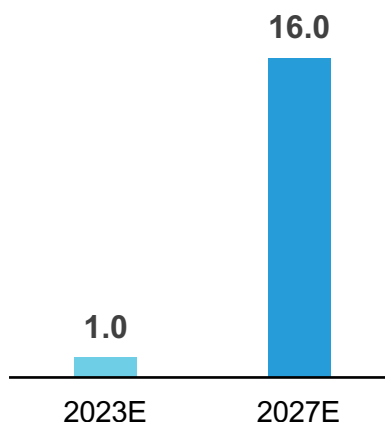
A Strategic Capacity Expansion in the Growing Addressable Market

Dalian Facility – focused on energy storage solutions

- Built in 2013 and covers an area of 154,000m²
- Primary focus is on manufacturing Model 26650 batteries
- Plan to manufacture Model 46XXX
- Expanding to a capacity of 1GWh in 2023 and ultimately 16GWh by 2027



CBAK Dalian Capacity Expansion
(Unit: GWh)



Nanjing Facility – focused on batteries for EV/LEV

Phase 1:

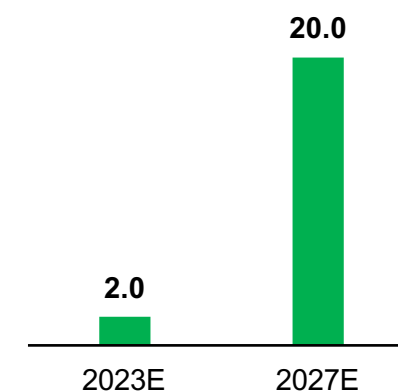
- 10,000 M²; 0.7GWh of Model 32140 capacity in operation
- Expanding to a capacity of 2GWh in 2023
- Subsidized by the Nanjing government

Phase 2:

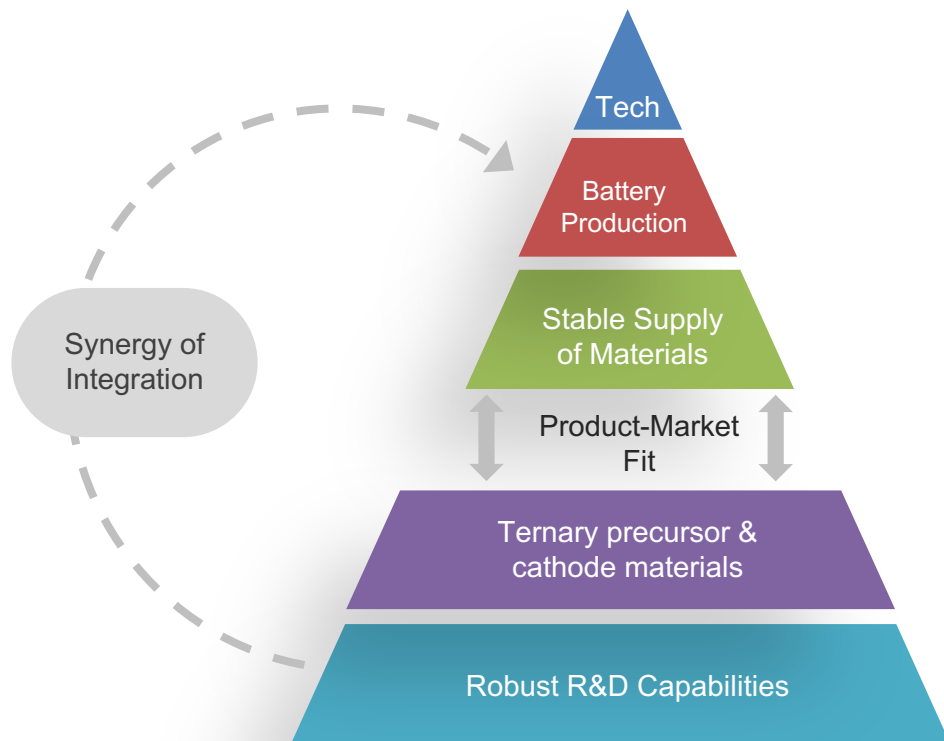
- Currently under design, and will cover an area of 73,000m²
- To be expanded to 20GWh, for Model 32140



CBAK Nanjing Capacity Expansion
(Unit: GWh)



Solid Strengths of Hitrans



The acquisition **secures a reliable supply of raw materials** to support the continuous capacity expansion and iterative product improvements, reinforcing CBAK's competitiveness.

Hitrans's Achievements

- ✓ An annual production capacity of 13,000 tons of NCM precursors and 13,000 tons of cathode materials
- ✓ "Little giant" that dominates its sector with increased financial and tax support and enhanced credit policies from the government
- ✓ Won multiple times China's Top Ten Brands of Cathode Materials for Power Lithium Batteries accolade and won the "2020 Technology Innovation Award" from the China Industrial Association of Power Sources

Main Customers

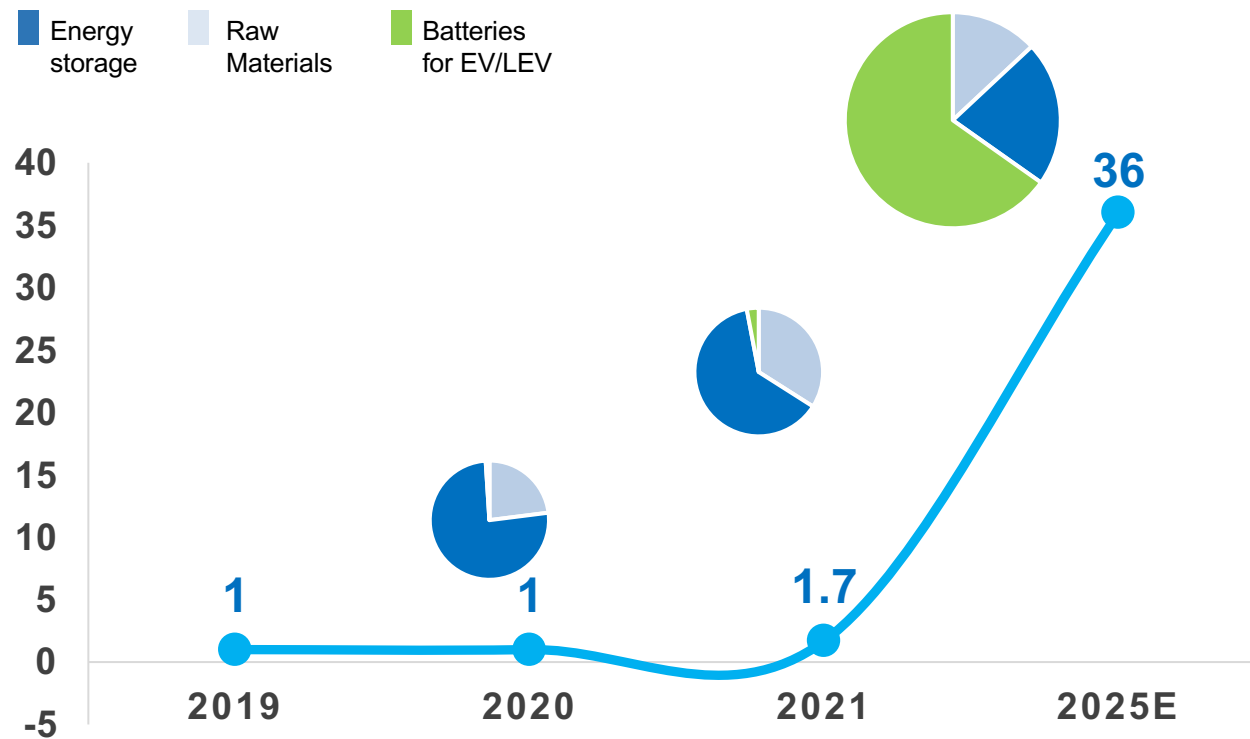


Current Business Segments and Our Vision for the Future

Battery Production Capacity & Revenue

Unit: GWh

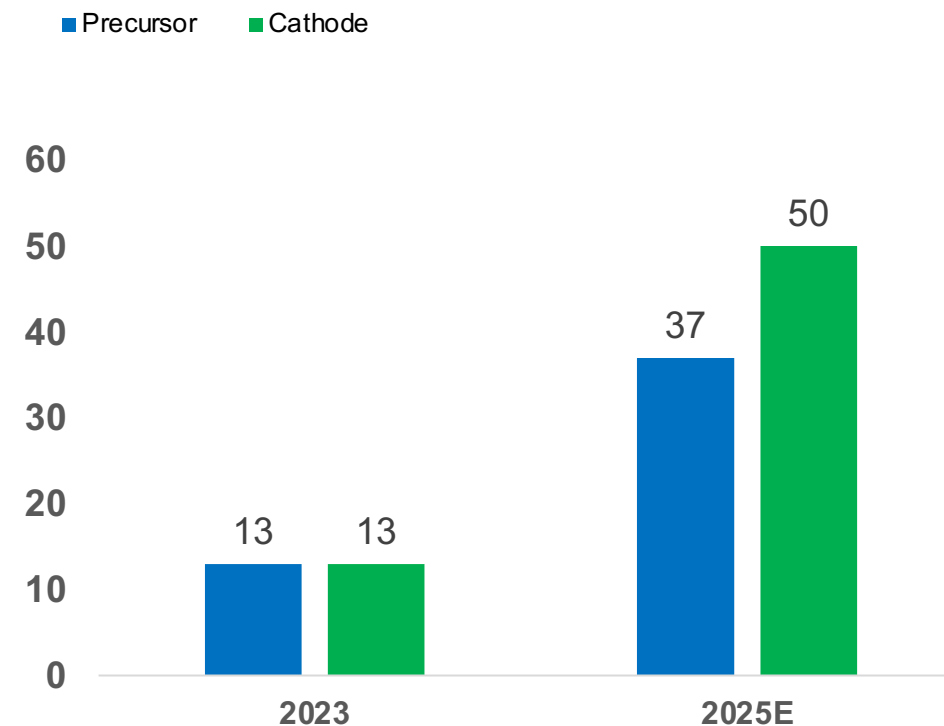
■ Energy storage ■ Raw Materials ■ Batteries for EV/LEV



Raw Material Production Capacity

Unit: Thousand Tons

■ Precursor ■ Cathode



POWERS THE WORLD WITH ELECTRIC ENERGY

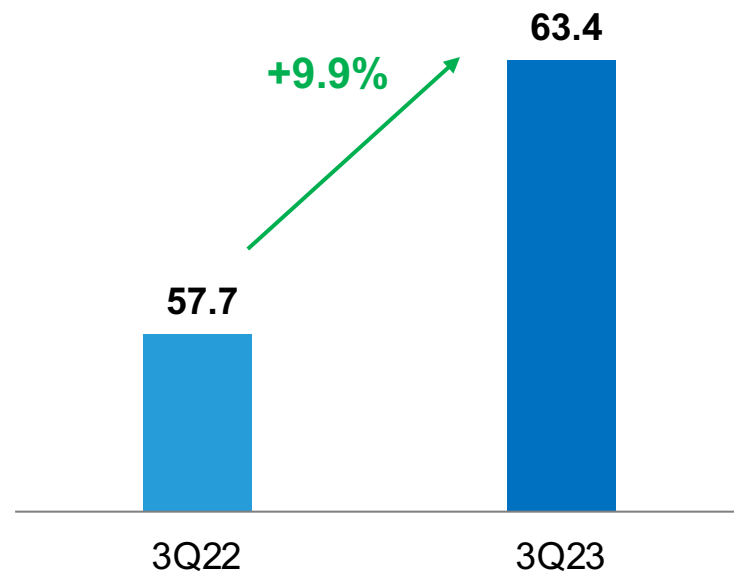
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Financial Highlights

Explosive Growth in Net Revenues

Net Revenues
(3Q22 vs 3Q23)

Million USD

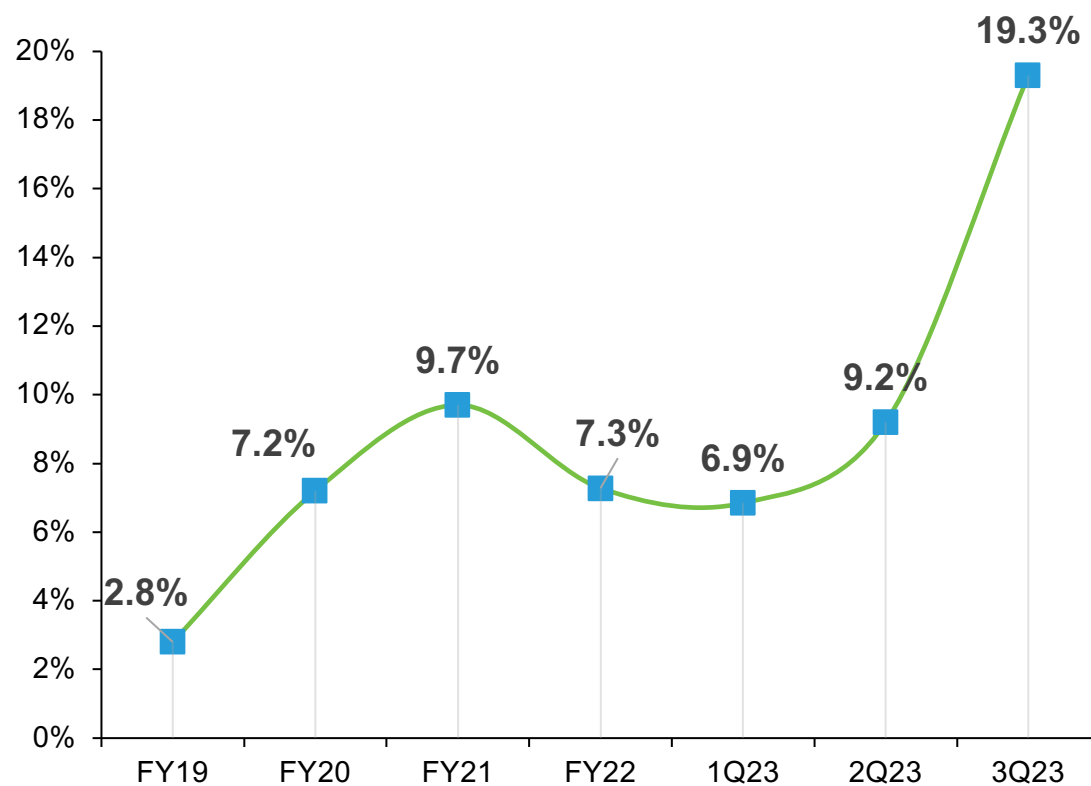


Net Revenues From Battery Business on Applications

Net Revenues From Battery Business on Applications	3Q 2022 (USD)	3Q 2023 (USD)	% YOY
Electric Vehicles	19,688	402,863	1946.2
Light Electric Vehicles	1,146,370	1,114,107	-2.8
Uninterruptable Supplies	24,679,901	42,810,683	73.5
Total	25,845,959	44,327,653	71.5

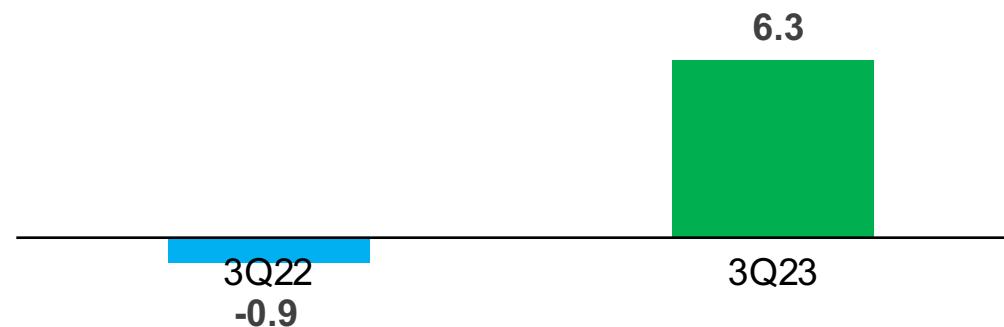
Improving Profitability

Gross Margin (%)



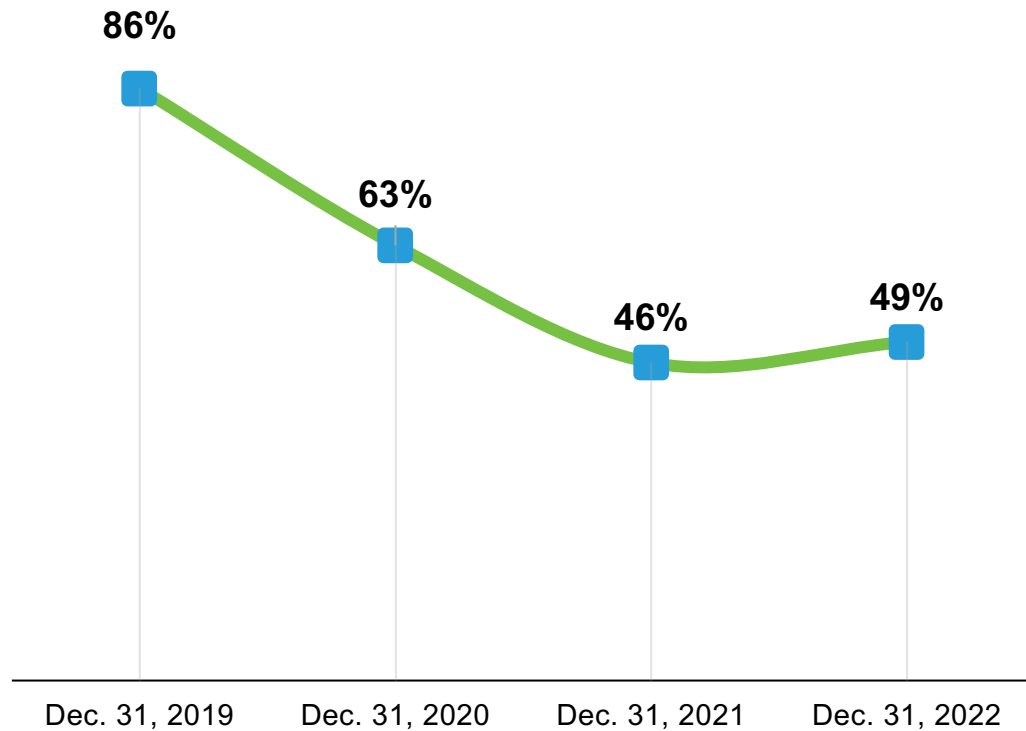
Net Income (Loss) Attributable to Shareholders of CBAK Energy
(After deducting the change in fair value of warrant)
(3Q22 vs 3Q23)

Million USD



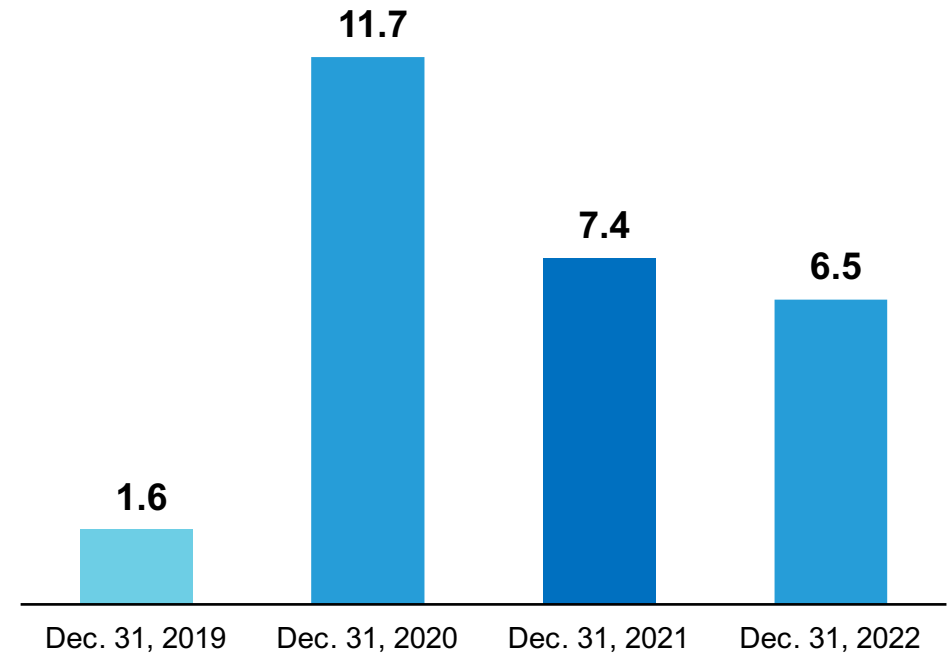
Solid Financial Position

Liabilities to Asset Ratio



Cash and Cash Equivalents

Million USD



Note: liabilities to assets ratio = total liabilities / total assets

Condensed Consolidated Statement of Comprehensive Income (Loss)

	Three months ended		Nine months ended	
	September 30, 2022	September 30, 2023	September 30, 2022	September 30, 2023
	US\$	US\$	US\$	US\$
Net revenues	57,721,692	63,441,109	194,267,650	148,258,680
Cost of revenues	(54,261,244)	(51,192,531)	(179,955,540)	(129,219,716)
Operating expenses:				
Research and development expenses	(2,385,591)	(2,577,714)	(7,998,181)	(8,013,760)
Sales and marketing expenses	(834,501)	(1,116,377)	(2,361,839)	(2,800,969)
General and administrative expenses	(1,866,055)	(3,240,770)	(6,556,944)	(9,302,798)
(Provision for) recovery of doubtful accounts	142,966	(24,623)	(68,651)	(286,283)
Finance (expenses) income, net	687,345	(447,031)	71,869	(189,248)
Other income (expenses) , net	(991,352)	601,654	(1,165,094)	1,022,907
Change in fair value of warrants	936,000	15,000	4,699,000	136,000
Income tax credit (expenses)	2,012	305,431	(84,230)	1,015,626
Net income (loss)	(848,728)	5,764,148	848,040	620,439
Net income (loss) attributable to CBAK Energy Technology, Inc.	(290)	6,334,792	1,249,353	2,319,447

Condensed Consolidated Balance Sheets

	As of Dec 31, 2022	As of Sep 30, 2023
	US\$	US\$
Current Assets:		
Cash and cash equivalents	6,519,212	3,176,249
Pledged deposits	30,836,864	42,511,872
Trade and bills receivable, net	27,413,575	45,564,242
Inventories	49,446,291	37,451,597
Prepayments and other receivable	5,915,080	7,266,257
Receivables from former subsidiary, net	5,518,052	323,973
Income tax recoverable	57,934	-
Total Current Assets	125,707,008	136,294,190
Total Non-Current Assets	118,325,726	150,546,879
Total Assets	244,032,734	286,841,069
Total Current Liabilities	111,933,857	161,331,986
Total Non-Current Liabilities	7,720,380	5,955,923
Total Liabilities	119,654,237	167,287,909
Total Equity	124,378,497	119,553,160
Total Liabilities and Shareholder's Equity	244,032,734	286,841,069