Chaowei Power Holdings Limited

超威動力控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 951)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

- Revenue for the Period was approximately RMB24,117 million (the corresponding period of 2025: approximately RMB27,257 million).
- Gross profit for the Period was approximately RMB1,541 million (the corresponding period of 2025: approximately RMB1,786 million).
- Profit attributable to owners of the Company for the Period was approximately RMB148.9 million (the corresponding period of 2025: approximately RMB205.2 million).
- Basic earnings per share for the Period amounted to RMB0.13 (the corresponding period of 2025: RMB0.19).
- The Board resolved not to declare an interim dividend for the Period.

INTERIM RESULTS

The board (the "Board") of directors (the "Directors" or each a "Director") of Chaowei Power Holdings Limited (the "Company") is pleased to announce the unaudited interim financial results and financial position of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2026 (the "Period"), together with the comparative figures for the corresponding period of 2025. These interim financial results have been reviewed by the Company's auditor, Ernst & Young, Certified Public Accountants and the audit committee (the "Audit Committee") of the Company.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Notes	**Six months ended 30 June** **2026** ***RMB'000*** **(unaudited)**	2025 *RMB'000* (unaudited)
Revenue	*4*	**24,117,333**	27,257,243
Cost of sales		**(22,576,565)**	(25,471,209)
Gross profit		**1,540,768**	1,786,034
Other income		**259,829**	258,465
Other gains and losses		**(28,259)**	(331)
Impairment losses on financial and contract assets, net		**(11,465)**	(56,827)
Distribution and selling expenses		**(381,552)**	(437,875)
Administrative expenses		**(330,072)**	(281,976)
Research and development expenses		**(597,252)**	(657,715)
Finance costs		**(185,247)**	(243,952)
Share of results of associates		**(1,211)**	560
Share of results of joint ventures		**(544)**	856
Profit before tax	*5*	**264,995**	367,239
Income tax expense	*6*	**(73,887)**	(91,040)
Profit for the period		**191,108**	276,199
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of foreign operations		**531**	291
Fair value gain on receivables at fair value through other comprehensive income ("FVTOCI")		**3,068**	7,891
Other comprehensive income for the period, net of income tax		**3,599**	8,182
Total comprehensive income for the period		**194,707**	284,381
Profit for the period attributable to:			
Owners of the Company		**148,863**	205,169
Non-controlling interests		**42,245**	71,030
		191,108	276,199
Total comprehensive income for the period attributable to:			
Owners of the Company		**152,462**	213,351
Non-controlling interests		**42,245**	71,030
		194,707	284,381
Earnings per share			
— Basic and diluted *(RMB)*	*7*	**0.13**	0.19

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 JUNE 2026

	Notes	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**4,495,124**	4,325,231
Right-of-use assets		**556,568**	576,767
Investment properties		**772**	1,038
Goodwill		**49,447**	49,447
Intangible assets		**62,851**	89,834
Interests in joint ventures		**51,047**	51,591
Interests in associates		**60,866**	57,471
Equity instruments at FVTOCI		**298,546**	293,546
Loan receivables		**50,000**	50,000
Deferred tax assets		**526,611**	533,377
Deposits paid for acquisition of property, plant and equipment		**298,463**	330,178
Total non-current assets		**6,450,295**	6,358,480
CURRENT ASSETS			
Inventories		**5,641,842**	4,152,858
Loan receivables		**29,500**	27,000
Trade receivables	*9*	**2,909,336**	3,038,388
Receivables at FVTOCI	*10*	**1,609,180**	2,657,297
Prepayments, other receivables and other assets		**1,771,944**	1,405,620
Financial assets at fair value through profit or loss ("FVTPL")		**194,227**	91,576
Derivative financial instruments		**11,617**	35,167
Amounts due from related parties		**9,696**	8,797
Restricted bank deposits		**3,670,991**	3,360,660
Bank balances and cash		**3,890,340**	3,752,375
Total current assets		**19,738,673**	18,529,738

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

30 JUNE 2026

	Notes	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
CURRENT LIABILITIES			
Derivative financial instruments		**22,872**	22,478
Trade payables	*11*	**1,927,869**	1,969,796
Bills payable	*12*	**2,221,767**	1,959,228
Other payables and accruals		**1,098,184**	1,162,827
Contract liabilities		**1,587,304**	1,013,352
Warranty provision		**552,367**	566,084
Tax liabilities		**19,907**	45,654
Lease liabilities		**1,674**	2,913
Amounts due to related parties		**17,652**	24,052
Borrowings		**8,317,614**	7,562,590
Total current liabilities		**15,767,210**	14,328,974
NET CURRENT ASSETS		**3,971,463**	4,200,764
TOTAL ASSETS LESS CURRENT LIABILITIES		**10,421,758**	10,559,244
CAPITAL AND RESERVES			
Share capital		**74,704**	74,704
Reserves		**6,665,735**	6,575,276
Equity attributable to owners of the Company		**6,740,439**	6,649,980
Non-controlling interests		**1,408,145**	1,365,682
TOTAL EQUITY		**8,148,584**	8,015,662
NON-CURRENT LIABILITIES			
Deferred tax liabilities		**11,429**	9,000
Lease liabilities		**1,080**	1,621
Borrowings		**2,031,829**	2,304,423
Deferred income		**228,836**	228,538
		2,273,174	2,543,582
		10,421,758	10,559,244

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 18 January 2010 as an exempted company with limited liability under the Companies Act of the Cayman Islands and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with effect from 7 July 2010.

The condensed consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Company and most of its subsidiaries. The principal activities of the Company and its subsidiaries (collectively referred to as the "Group") are manufacturing and sales of lead-acid motive batteries, lithium-ion batteries and other related products.

2. BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 June 2026 (the "Period") have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025.

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS — Accounting Standards Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 73

The nature and impact of the amended IFRS Accounting Standards are described below:

(a) Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.

(b) Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(c) *Annual Improvements to IFRS Accounting Standards — Volume 11* set out narrow scope amendments to IFRS 1, IFRS 7 (and the accompanying *Guidance on implementing IFRS 7*), IFRS 9, IFRS 10 and IAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding IFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

4. REVENUE

(i) Disaggregation of revenue from contracts with customers

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Lead-acid motive batteries		
Electric bike batteries	**8,368,075**	9,147,158
Electric car batteries and special-purpose electric car batteries	**4,325,384**	4,062,935
Li-ion batteries	**363,766**	357,106
Renewable materials	**11,060,108**	13,690,044
	24,117,333	27,257,243

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Timing of revenue recognition		
At a point in time	**24,117,333**	27,257,243

(ii) Performance obligations for contracts with customers

The Group sells lead-acid motive batteries, lithium-ion batteries and other related products to customers. Revenue is recognised when control of the goods has been transferred, and when the goods have been delivered to the customers' specific locations (upon delivery). Following the delivery, the customers have full discretion over the manner of distribution and price to sell the goods, have the primary responsibility when selling the goods and bear the risks of obsolescence and loss in relation to the goods. The Group generally allows a credit period of 45 to 90 days to its trade customers with good trading history, or otherwise sales on cash terms are required.

5. PROFIT BEFORE TAX

Profit before taxation has been arrived at after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Wages and salaries	**710,930**	788,406
Contributions to retirement benefits scheme	**60,630**	58,247
Labour cost *(note i)*	**16,916**	19,821
Total staff costs	**788,476**	866,474
Amortisation of intangible assets	**26,983**	20,902
Depreciation of property, plant and equipment	**260,308**	300,174
Total depreciation and amortisation	**287,291**	321,076
Depreciation of right-of-use assets	**20,199**	9,307
Cost of inventories sold	**22,576,565**	25,471,209
Impairment losses recognised/(reversed) on *(note ii)*:		
— trade receivables	**(18,948)**	49,773
— other receivables	**32,013**	3,652
— loans receivable	**–**	4,608
— amounts due from related parties	**(1,600)**	(1,206)
	11,465	56,827
Loss on disposal of property, plant and equipment	**5,749**	5,258
Net foreign exchange loss	**6,621**	507

Notes:

(i) The Group has entered into labor dispatch agreements with several service organisations which have provided labor service to the Group.

(ii) The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those applied in the preparation of the Group's annual financial statements for the year ended 31 December 2025.

6. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Current tax:		
— PRC enterprise income tax	**43,596**	47,524
Under provision in prior years		
— PRC enterprise income tax	**15,950**	6,920
Deferred tax	**14,341**	36,596
	73,887	91,040

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%. In accordance with the "Notice of the State Tax Bureau of the Ministry of Finance Regarding Certain Preferential Treatment Policies on Enterprise Income Tax", a new and high technical enterprise is subject to income tax at a preferential tax rate of 15%. Certain subsidiaries of the Company were qualified as new and high technical enterprises in accordance with the applicable EIT Law of the PRC and are subject to income tax at a preferential tax rate of 15%.

Other subsidiaries established in the PRC were subject to income tax at a rate of 25% for the Period (six months ended 30 June 2025: 25%). The Company and its subsidiaries incorporated in the British Virgin Islands, Germany, Hong Kong and other countries had no assessable profits during the Period (six months ended 30 June 2025: nil).

7. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Earnings		
Earnings for the purpose of basic earnings per share (profit for the period attributable to the owners of the Company)	**148,863**	205,169

	Six months ended 30 June	
	2026	2025
	'000	*'000*
	(unaudited)	(unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,104,127**	1,104,127

No adjustment has been made to the basic earnings per share amounts presented for the six months ended 30 June 2026 and 2025 in respect of a dilution as the Group had no potentially dilutive ordinary shares outstanding during both periods.

8. DIVIDENDS

During the Period, a final dividend of HKD0.056 (equivalent to RMB0.049) per share in respect of the year ended 31 December 2025 (six months ended 30 June 2025: HKD0.043 (equivalent to RMB0.039) per share in respect of the year ended 31 December 2024) was declared to the owners of the Company. The aggregate amount of the final dividend declared in the Period was HKD61,831,000 (equivalent to RMB53,707,000) (six months ended 30 June 2025: HKD47,477,000 (equivalent to RMB43,297,000)). The final dividend in respect of the year ended 31 December 2025 has been paid in July 2026.

The board of directors of the Company resolved not to pay dividend in respect of the Period (six months ended 30 June 2025: nil).

9. TRADE RECEIVABLES

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Trade receivables — contracts with customers	**3,755,821**	3,985,813
Less: allowance for credit losses	**(846,485)**	(947,425)
	2,909,336	3,038,388

The Group normally allows a credit period of 45 to 90 days to its trade customers with good trading history, or otherwise sales on cash terms are required. The following is an analysis of trade receivables by age, presented based on the revenue recognition date, net of allowance for doubtful debts, as at 30 June 2026 and 31 December 2025:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
0–45 days	**1,596,527**	1,256,015
46–90 days	**94,072**	277,181
91–180 days	**163,562**	333,135
181–365 days	**684,076**	940,366
Over 1 year	**371,099**	231,691
	2,909,336	3,038,388

10. RECEIVABLES AT FVTOCI

The balance represents bills receivables held by the Group which is measured at FVTOCI since the bills are held within the business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and the contractual cash flows are solely payments of principal and interest on the principal amount outstanding.

11. TRADE PAYABLES

The following is an analysis of trade payables by age, presented based on the invoice date, at 30 June 2026 and 31 December 2025:

	30 June 2026 *RMB'000* **(unaudited)**	31 December 2025 *RMB'000* (audited)
0–30 days	**996,773**	983,094
31–90 days	**609,174**	600,005
91–180 days	**157,817**	194,843
181–365 days	**58,288**	57,449
1–2 years	**15,819**	19,192
Over 2 years	**89,998**	115,213
	1,927,869	1,969,796

12. BILLS PAYABLE

All the bills payable are of trading nature and will mature within one year from the issue date.

13. SIGNIFICANT EVENT AFTER THE REPORTING PERIOD

As at date of this announcement, the Group has no significant events after the reporting period.

MANAGEMENT DISCUSSION & ANALYSIS

The Group is principally engaged in the manufacture and sale of lead-acid motive batteries, lithium-ion batteries, and related products, which are mainly used in electric bikes, electric tricycles and special-purpose electric vehicles.

During the Period, the Group recorded total revenue of approximately RMB24,117 million (corresponding period in 2025: approximately RMB27,257 million) and gross profit of approximately RMB1,541 million (corresponding period in 2025: approximately RMB1,786 million). The Group's overall gross profit margin was approximately 6.4% (corresponding period in 2025: approximately 6.6%), and profit attributable to owners of the Company was approximately RMB148.9 million (corresponding period in 2025: approximately RMB205.2 million). Basic earnings per share were RMB0.13 (corresponding period in 2025: RMB0.19).

Industry Overview

Driven by policy dividends, the expansion of instant retail and product upgrades, the electric bike market continues to expand

Boosted by multiple growth drivers — including policy dividends, expansion in the instant retail sector, and product upgrades — the electric bike industry in the People's Republic of China (the "PRC" or "China") has experienced rapid growth, generating significant market development and sustained growth momentum for the Group's electric bike battery business. In 2025, with the full rollout of the new "Safety Technical Specifications for Electric Bicycles" (《電動自行車安全技術規範》) (the "New National Standard") and the broader implementation of the trade-in scheme, the annual volume of electric bicycle trade-ins in China exceeded 12.5 million units, reaching nine times the figure recorded in 2024. Industry upgrading, guided by relevant policies, has directly stimulated consumption of new vehicles that comply with the latest safety and technical standards, while also expanding the market for the Group's safe, high-standard battery products. In addition, supported by rapid delivery and instant product availability, the instant retail sector continues to expand. AskCI (中商產業研究院) forecasts that China's instant retail market value will exceed RMB1.2 trillion in 2026, with the user base reaching 810 million. The growth of instant delivery services has directly increased demand for electric delivery bicycles. As electric bikes evolve toward greater intelligence and are positioned as "tech lifestyle toys", the consumer base continues to expand. Meanwhile, demand from international markets also remains robust. Statistics released by the General Administration of Customs of the PRC and industry estimates show that in the first quarter of 2026, total exports of electric two-wheelers across the industry in China reached approximately 7.2 million units, a year-on-year surge of 68.2%, which has driven growth in overseas revenue from batteries exported alongside finished vehicles. China has also experienced a cycling boom, with the number of bicycle users now exceeding 130 million. As an intelligent upgrade to traditional bicycles, electric bikes have led a new cycling trend and provided long-term consumption support for complete vehicles and related battery markets. Industry data shows that China's full-year production of electric bikes reached 54.9 million units in 2025, representing a year-on-year increase of 29% and total electric bike ownership reached around 380 million units by the end of 2025.

Full implementation of new national standards accelerates industry consolidation, steering the entire industry toward greater safety and standardisation

In terms of policy, the New National Standard was fully implemented in December 2025. It has driven a comprehensive transformation of the electric bike transportation sector, steering it toward safer and more standardised development. Furthermore, the Interim Measures for the Administration of Recycling and Comprehensive Utilisation of Waste Power Batteries for New Energy Vehicles (《新能源汽車廢舊動力電池回收和綜合利用管理暫行辦法》) officially took effect on 1 April 2026. The regulation strictly prohibits the direct use or reprocessed application of waste power batteries in electric bikes. Its implementation has cut off channels through which inferior refurbished secondary batteries enter the electric bikes market and has significantly optimised the competitive landscape of the industry. The Performance Technical Specifications for Lithium-ion Batteries Used in Electric Bicycles (GB/T36972-2026) (《電動自行車用鋰離子蓄電池性能技術規範》(GB/T36972-2026)) will come into force on 1 September 2026 and will accelerate the phasing out of obsolete production capacity across the sector. A series of policies have also fuelled the high-quality development of the electric bicycle battery industry, namely the Beijing Municipal Non-Motor Vehicle Administration Regulations (《北京市非機動車管理條例》) which took effect on 1 May 2026, a special electric bicycle trade-in campaign being conducted in Guangdong Province which was officially launched in June 2026, and the Jiangxi Provincial Electric Bicycle Fire Safety Administration Regulations (《江西省電動自行車消防安全管理條例》), which took effect on 1 March 2026.

Market share of lead-acid motive batteries remained stable

As a key segment of the lead-acid battery market, lead-acid motive batteries are widely used in the electric bike sector. Benefitting from stable market demand for electric bikes, demand for lead-acid motive batteries continues to grow steadily. Lead-acid motive batteries offer advantages such as high cost-effectiveness, sophisticated technique, superior safety and stability, wide applicability and a comprehensive recycling system. Coupled with the price sensitivity of consumers of electric bikes, electric tricycles and low-speed electric four-wheelers, it is expected that these factors will continue to support stable market share and sales volume. In addition, the approximately two-year replacement cycle of lead-acid motive batteries presents a huge replacement market with steady demand.

Expanding opportunities for new sodium batteries and steady development of lithium batteries

At present, new batteries such as sodium batteries are experiencing a period of rapid development. Market demand for products is accelerating, and the market outlook remains promising. Research data from SPIR (起點研究院) indicates that global sodium-ion battery shipments hit 9 GWh in 2025, representing a year-on-year increase of 150%. Over the past three years, relevant authorities in China, including the National Energy Administration, the National Development and Reform Commission, and the Ministry of Industry and Information Technology ("MIIT"), have issued a series of policy documents in rapid succession. Policy direction has gradually evolved from initial strategic guidance to specific measures for technical breakthroughs and industrialisation. As an important representative of "next-generation batteries", sodium batteries have been clearly positioned as one of the key technical pathways for safeguarding national energy security, developing new energy storage systems, and fostering strategic emerging industries. In addition, demand for lithium-ion batteries that have already been integrated into standard applications continues to grow steadily. According to EVTank forecasts, global lithium-ion battery shipments reached 2,280.5 GWh in 2025 and are expected to reach 3,016.3 GWh in 2026, representing a year-on-year increase of 32.3%.

Released in August 2025, the "Special Action Plan for the Large-Scale Development of New Energy Storage (2025–2027)" (《新型儲能規模化建設專項行動方案(2025–2027年)》) sets out a diversified technical roadmap aimed at achieving large-scale application of lithium-ion battery energy storage and further advancing the commercialisation of sodium-ion battery energy storage. The Plan encourages the implementation of pilot demonstration projects and expands market space for the application of lithium-ion batteries and sodium-ion batteries.

Business Review

Battery business sustaining steady development

Lead-acid motive batteries are the Group's primary products. Given their mature technology, reliable performance, and high degree of compatibility, these batteries are well suited to meet the needs of electric bikes, giving them a competitive edge in the electric bike market. Currently, lead-acid motive batteries hold a substantial share of the battery market in the PRC. Thanks to its strong technological capabilities and superior product quality, as well as its established market channels and strong brand reputation, the Group has been able to maintain its leading position in the lead-acid motive batteries industry. During the Period, revenue from sales of lead-acid motive batteries was approximately RMB12,693 million, accounting for approximately 52.6% of the Group's total revenue. Sales of electric bike batteries generated revenue of approximately RMB8,368 million, accounting for approximately 34.7% of the Group's total revenue. Revenue from sales of electric vehicle batteries and special-purpose electric vehicle batteries was approximately RMB4,325 million, representing approximately 17.9% of the Group's total revenue.

Meanwhile, the Group has continued to promote product upgrades and has become the first company to apply graphene technology to electric vehicle batteries. The Group has also obtained 37 relevant patents, establishing itself as an industry leader through its mastery of core graphene battery technology. In addition, the signing of Nobel Prize winner and graphene pioneer Professor Andre Geim further highlights the Group's leading position in the graphene battery sector.

Through the development and application of new materials, technologies and processes, the Group's lithium-ion battery project has received professional accreditations such as the "Certificate of Industrialisation Demonstration Project under the National Torch Program" (國家火炬計劃產業化示範項目證書). By adhering to its multi-technology strategy and continuously building on its in-house research and development ("R&D") efforts, as well as its collaborations with international and domestic institutions and universities, the Group has continued to improve product quality while focusing on developing new products with distinct features for various application areas. During the Period, sales revenue from lithium-ion battery products amounted to approximately RMB364 million.

Actively advancing cutting-edge material innovation with leading sodium battery technology in the PRC

During the Period, the Group made multiple breakthroughs in the sodium battery industry. Two national standards — drafted primarily by the Group's subsidiary — Zhejiang Anli Energy Co., Ltd.* (浙江安力能源有限公司), namely "High-Temperature Batteries Part 1: General Requirements (GB/T46735.1-2025)" (《高溫蓄電池第1部分：一般要求》(GB/T46735.1–2025)) and "High-Temperature Batteries Part 3: Performance Requirements and Test Methods for Sodium-Based Batteries (GB/T46735.3-2025)" (《高溫蓄電池第3部分：鈉基蓄電池性能要求和試驗》(GB/T46735.3–2025)) were approved and came into effect on 1 May 2026. These standards will drive the standardised and regulated development of China's sodium battery industry, fill the gap in domestic standards for high-temperature sodium-based batteries in China, and further demonstrate the Group's leading technological strengths in sodium battery technologies. In addition, five new products independently developed by the Group, including High-Safety Long-Cycle Aqueous Sodium Batteries (高安全長壽命水系鈉電), Long-Cycle Graphene Alloy Integrated Reserve Batteries for Communications (通信用長壽命石墨烯合金技術儲備一體電池), and 300V Sodium-Nickel Battery Packs for Energy Storage (儲能用300V鈉鎳電池包), have successfully passed provincial-level appraisal of new industrial products, with their overall technical performance reaching a nationally leading level.

* *for identification purposes only*

Accelerated expansion of the energy storage segment in line with national policy guidance

Against the backdrop of China's "Dual Carbon" strategy and policies promoting the vigorous development of new energy storage, the high-safety new-generation battery and energy storage pilot platform spearheaded and constructed by the Group was included in the second batch of key pilot platforms being fostered by the MIIT during the Period. Focusing on next-generation battery materials such as sodium-ion batteries, the platform provides one-stop pilot services covering trial production, testing and process optimisation. The Group has assembled an R&D team covering the entire industrial chain and established a system for the commercialisation of research outcomes that integrates industry, academia, research and capital to advance the transition to new energy storage. Its sodium-ion battery project has achieved industrialisation. The Phase I production line of the 6.5 GWh sodium-ion battery project of Anqing Chaoren Energy Technology Co., Ltd.* (安慶超仁能源科技有限公司), a subsidiary of the Group, has officially been put into operation. The products are used in applications such as two-wheeled transportation, industrial and commercial energy storage and other scenarios, further accelerating technology commercialisation and supporting the expansion of the Group's green energy businesses.

Accelerating the digital transformation and upgrading of the green energy industry

The Group continues to drive the digital transformation and upgrading of the green energy industry. Faced with industry needs — including complex supply chain, higher requirements for collaborative efficiency, and the need to unlock value through data — the Group focuses on supply chain data reconstruction and intelligent, collaborative upgrading, it extensively deploys cutting-edge digital technologies such as artificial intelligence (AI), the Internet of Things (IoT) and big data, to realise real-time full-process data collection, break down information barriers across all business lines, and enhance data synergy. At the same time, the Group has also implemented an intelligent decision-making system. Leveraging digital technologies, enhances its capabilities in market demand forecasting, supply chain data collection, risk early warning and scheduling optimisation, thereby driving the intelligent transformation of supply chain management. During the Period, the MIIT released the 2025 list of typical cases of digital transformation, and the Group's "Digital Chain Collaborative Transformation Application for the Battery Industry (電池行業數智鏈路協同轉型應用)" was successfully selected.

Standardised reusable materials and nationwide recycling network coverage

The Group has piloted a waste lead-acid battery recycling management system in major cities across the PRC. By establishing a standardised recycling and storage system, the Group aims to gradually achieve comprehensive coverage of a standardised national recycling network and to promote green recycling management throughout the product lifecycle. At the management and control level, the Group leverages on the battery lifecycle monitoring platform and implements real-time monitoring of

* *for identification purposes only*

the transfer process across battery production, sales, recycling, transportation and relevant information network nodes. This enables tracing from "source to destination" and ensures "supervision accountability." It effectively prevents waste lead-acid batteries from being transferred to unqualified entities for treatment and disposal, thereby reducing environmental risks. At present, the Group has established lead-acid battery recycling subsidiaries in various provinces and cities, including Tianjin, Hebei, Shanghai, Shandong, Fujian and Guangxi, and has obtained "Hazardous Waste Business Licences" (《危險廢物經營許可證》) in provinces and cities such as Guangxi, Zhejiang and Shanghai. In accordance with environmental protection requirements, more than 65 transfer stations have been set up in pilot provinces and cities to enhance the efficiency of centralised collection, temporary storage and transportation of waste batteries.

Comprehensive sales network coverage bolstering brand influence

The Group has a sales and distribution network spanning the PRC, serving both primary and secondary markets. In primary markets, the Group has established long-term cooperative partnerships with several leading electric bike manufacturers and has set up dedicated departments that provide comprehensive sales services to major customers. In secondary markets, the Group boasts an extensive distribution network covering all provinces and regions across the country, supported by a national service hotline. The Group's comprehensive sales service system supports customers both online and offline, covering everything from delivery and installation to pre-sales and after-sales services.

The Group will continue to implement its layout strategy of locating production facilities near its target markets. In line with its operational goal of "enhancing quality, reducing costs, and improving efficiency", it has strategically positioned its production facilities in regions with higher demand for lead-acid motive batteries, including the Shandong, Jiangsu, Henan, Zhejiang, Anhui, Jiangxi and Hebei provinces in the PRC. This allows the Group to improve operational efficiency while reducing storage and logistics costs.

Industry-leading, multi-award-winning brand consistently recognised by the market

As a leading brand in the motive battery industry, the Group leverages its technological leadership, customer-centric service approach, robust product and service foundation, and strong brand value to continuously inject new meaning and value into its brand. Its high-quality development has earned industry recognition and helped fortify its position as an industry leader. During the Period, the Group was once again included in the "Top 500 Chinese Enterprises" (中國企業500強), "Top 500 Chinese Private-owned Enterprises" (中國民營企業500強), "Top 500 Chinese Enterprises in Manufacturing Industry" (中國製造業企業500強), "Top 500 Private-owned Enterprises in China's Manufacturing Industry" (中國製造業民營企業500強) and "Fortune Top 500 Chinese Companies" (《財富》中國500強) lists. It also featured on other prestigious lists such as the "Top 500 Chinese Energy Enterprises" (中國能源企業500強), "Global Top 500 New Energy Enterprises" (全球新能源企業500強), "Top 500 Chinese New Economy Enterprises" (中國新經濟企業500強) and "Top 500 Chinese Enterprise in Patent

Strength" (中國企業專利實力500強). In terms of brand promotion, during the Period, the Group appointed renowned movie star Mr. Donnie Yen as its brand spokesperson for the 19th consecutive year, continuing to deepen its brand influence.

Commitment to driving innovation and leading industry progress

Technological innovation is key to gaining a competitive advantage in business. With the firm belief that technological innovation is the primary driver of development, the Group has continued to expand its talent pool, enhance its R&D capabilities and demonstrate its outstanding strengths and industry leadership through its high-end products under the "CHILWEE" brand. During the Period, the Group invested approximately RMB597 million in R&D, equivalent to around 2.5% of its total revenue.

As at 30 June 2026, the Group employed more than 30 renowned experts from inside and outside the country, highlighting its competitiveness in attracting talent. The Group has also been designated a National Model Enterprise of Technological Innovation and a National Model Enterprise of Intellectual Property. It has established a range of R&D facilities, including a nationally recognised enterprise technology centre, a state-accredited laboratory, a national ecological and environmental engineering technology centre, a national postdoctoral scientific research workstation, a provincial-level key enterprise research institute, an academician workstation, and various international science and technology cooperation base. It has also established a number of technology R&D centres overseas.

Future Development Strategies

In the second half of 2026, China will further deepen the integration of technological and industrial innovation. The Group will maintain an innovation-driven approach, continuously deepening core research on lead-acid power batteries, lithium-ion batteries and sodium-ion batteries and translating cutting-edge R&D achievements into market competitiveness. It will develop premium products with longer service lives, higher energy efficiency and greater environmental friendliness, and build a full industrial chain covering mobile energy and stationary energy storage. At the same time, the Group will advance its "Zero-Carbon CHILWEE" strategy and deepen the development of "Smart CHILWEE", driving industrial upgrading through green development and digital transformation.

Against the backdrop of the global green and low-carbon transformation, the Group will keep pace with worldwide opportunities for green mobility and new energy applications, fully practice its corporate mission of "promoting green energy and enhancing human life" (倡導綠色能源，完美人類生活), and continuously enhance the development of science and technology, talent and industrial ecosystems within the green energy sector. It will unswervingly pursue sustainable, high-quality development, and create long-term value for consumers, shareholders and society at large through more competitive technologies and products.

Financial Review

Revenue

The Group's revenue for the Period amounted to approximately RMB24,117,333,000, representing a decrease of approximately 11.5% from approximately RMB27,257,243,000 for the corresponding period in 2025. The decrease in revenue was mainly due to a decrease in sales of renewable materials during the Period.

Gross profit

The Group's gross profit for the Period amounted to approximately RMB1,540,768,000, representing a decrease of approximately 13.7% from approximately RMB1,786,034,000 for the corresponding period in 2025. The Group's gross profit margin for the Period was approximately 6.4% (the corresponding period of 2025: approximately 6.6%). The decrease in gross profit margin was primarily due to relative higher production cost and end-market price competition in certain regions during the Period.

Other income

The Group's other income for the Period amounted to approximately RMB259,829,000, representing a slight increase of approximately 0.5% compared to approximately RMB258,465,000 for the corresponding period in 2025. The slight increase was mainly due to an increase in the interest income on bank deposits, partially offset by a decrease in government grants received during the Period.

Distribution and selling expenses

The Group's distribution and selling expenses for the Period amounted to approximately RMB381,552,000, representing a decrease of approximately 12.9% from approximately RMB437,875,000 for the corresponding period in 2025, which was primarily attributable to decreases in advertising, transportation and commission expenses during the Period.

Administrative expenses

The Group's administrative expenses for the Period were approximately RMB330,072,000, representing an increase of approximately 17.1% from approximately RMB281,976,000 for the corresponding period in 2025, which was primarily due to increases in labour costs, depreciation expenses, and rental and utilities expenses incurred during the Period.

R&D expenses

The Group's R&D expenses for the Period amounted to approximately RMB597,252,000, representing a decrease of approximately 9.2% from approximately RMB657,715,000 for the corresponding period in 2025, which was primarily due to decreases in depreciation expenses, amortisation of long-term prepaid expenses and amortisation expenses of intangible assets during the Period.

Finance costs

The Group's finance costs for the Period decreased by approximately 24.1% from approximately RMB243,952,000 for the corresponding period of 2025 to approximately RMB185,247,000, which was primarily due to the lower interest expense on bank borrowings during the Period.

Profit before tax

For the above reasons, the Group's profit before tax for the Period decreased by approximately 27.8% to approximately RMB264,995,000 (the corresponding period of 2025: approximately RMB367,239,000).

Taxation

The Group's income tax expenses for the Period decreased by approximately 18.8% to approximately RMB73,887,000 (the corresponding period of 2025: approximately RMB91,040,000). The effective tax rate for the Period was approximately 27.9% compared to approximately 24.8% for the corresponding period in 2025. The increase in the effective tax rate during the Period was mainly due to a greater contribution to the Group's profit from subsidiaries subject to higher tax rates.

Profit attributable to owners of the Company

Due to the reasons above, the profit attributable to owners of the Company for the Period amounted to approximately RMB148,863,000, representing a decrease of approximately 27.4%, from approximately RMB205,169,000 for the corresponding period in 2025.

Liquidity and financial resources

As at 30 June 2026, the Group had net current assets of approximately RMB3,971,463,000 (31 December 2025: approximately RMB4,200,764,000), of which cash and bank balances were approximately RMB3,890,340,000 (31 December 2025: approximately RMB3,752,375,000). Net debt, including borrowings, lease liabilities and deducting cash and bank deposits (including restricted bank deposits), were approximately RMB2,790,866,000 (31 December 2025: approximately RMB2,758,512,000). The borrowings were mainly used to finance capital expenditure, the purchases of raw materials and operations of the Group. They were denominated in RMB, USD or HKD, of which approximately RMB7,346,139,000 bore interests at fixed rates and approximately RMB8,317,614,000 were repayable within 1 year. The Group adopted centralised financing and treasury policies in order to ensure that the Group's funding is utilised efficiently and it monitors its interest rate risks in a conservative manner.

As at 30 June 2026, the Group's current ratio (current assets/current liabilities) was approximately 1.25 (31 December 2025: approximately 1.29) and gearing ratio (net debt/total assets) was approximately 10.7% (31 December 2025: approximately 11.1%). The Group had sufficient cash and available banking facilities to meet its commitments and working capital requirements. The current cash position enables the Group to explore potential investment and potential business development opportunities to expand its market share in the PRC.

Exchange rate fluctuation risk

As the Group's operations are mainly conducted in the PRC and the majority of the sales and purchases are transacted in RMB, the Directors are of the view that the Group's operating cash flow and liquidity are not subject to significant foreign exchange rate risks.

Pledge of assets

At the end of the Period, certain of the Group's assets were pledged to secure banking facilities granted to the Group. The aggregate carrying amount of the assets of the Group pledged at the end of each of the reporting periods is as follows:

	30 June 2026 *RMB'000* **(unaudited)**	31 December 2025 *RMB'000* (audited)
Buildings	**477,520**	438,054
Right-of-use assets	**398,260**	393,475
Receivables at FVTOCI	**1,609,180**	2,380,813
Restricted bank deposits	**3,670,991**	3,360,660

Contingent liabilities

The Group had no contingent liabilities as at 30 June 2026 (31 December 2025: Nil).

HUMAN RESOURCES AND EMPLOYEES' REMUNERATION

As at 30 June 2026, the Group employed a total of 12,445 (30 June 2025: 13,585) staff members in the PRC and Hong Kong. During the Period, the total cost of employees amounted to approximately RMB788,476,000 (the corresponding period of 2025: approximately RMB866,474,000). The Group sought to further strengthen staff training by offering focused training programs and study tours to management and professional technical personnel, and disseminating the latest government policy information on the lead-acid motive battery industry to all staff within the Period. The Group continued to strive for the enhancement of professional standards and overall qualities of its staff. The Group also provided competitive salary packages to its staff, encouraging them to be fully dedicated to their work and to leverage their capabilities in serving its customers.

SIGNIFICANT INVESTMENT AND MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

There were no significant investments held as at 30 June 2026, no material acquisitions or disposals of subsidiaries, associates and joint ventures during the Period, nor was there any plan authorised by the Board for other material investments or additions of capital assets at the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares (including sale of treasury shares) during the Period.

As at 30 June 2026, the number of treasury shares held by the Company is nil.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance in the interests of its shareholders. The Company has complied with all code provisions of the Corporate Governance Code (the "Code") contained in Appendix C1 of the Rules Governing the Listing of Securities (the "Listing Rules") throughout the Period, except for deviation as stated below.

Code provision C.2.1 of the Code requires the roles of chairman of the Board and chief executive officer to be separated. Mr. Zhou Mingming is currently both the chairman of the Board and chief executive officer of the Company. The Board considers that the current arrangement facilitates the execution of the Group's business strategies and maximises efficiency of its operation and is therefore beneficial to the Company and its shareholders as a whole.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions of its Directors, senior management and relevant employees (who, because of their positions in the Company, are likely to be in possession of inside information). The code is no less stringent than the required standard of dealings specified in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 of the Listing Rules. Having made specific enquiry to all Directors, all of them have confirmed that they have complied with the required standard set out in the Model Code and the Company's own code of conduct regarding Directors' securities transactions during the Period.

AUDIT COMMITTEE

The Company has established the Audit Committee. Its primary duties include, among other things, the review and supervision of the Group's financial reporting process, risk management and internal control systems. The Audit Committee comprises all three independent non-executive Directors, namely Mr. Lee Conway Kong Wai ("Mr. Lee"), Mr. Sun Wenping and Mr. Zhang Fan. Mr. Lee is the chairman of the Audit Committee and has professional qualification and experience in accounting and financial matters.

The Audit Committee has met and discussed with the external auditors of the Company, Ernst & Young, and has reviewed the accounting principles and practices adopted by the Group and the unaudited results of the Group for the Period. The Audit Committee considered that the unaudited consolidated results of the Group for the Period are in compliance with the relevant accounting standards, rules and regulations and that appropriate disclosures have been duly made in accordance with Appendix D2 of the Listing Rules in this announcement.

INTERIM DIVIDEND

The Board resolved not to declare the payment of an interim dividend for the Period.

GENERAL INFORMATION

The Group's unaudited condensed consolidated financial statements for the Period have been reviewed by the Company's auditor, Ernst & Young, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

PUBLICATION OF INTERIM REPORT

The full text of the Company's 2026 interim report for the Period will be dispatched to the shareholders of the Company (if request) and published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.chaowei.com.hk), respectively, in due course.

APPRECIATION

The Board would like to take this opportunity to express gratitude to the shareholders of the Company and the public for their continued support and to all staff for their hard work and commitment.

By Order of the Board
Chaowei Power Holdings Limited
Zhou Mingming
Chairman and Chief Executive Officer

Changxing, Zhejiang Province, the PRC, 26 August 2026

As at the date of this announcement, the executive Directors are Mr. ZHOU Mingming, Ms. YANG Yunfei, Mr. YANG Xinxin and Mr. NG Chi Kit, the non-executive Director is Ms. FANG Jianjun, the independent non-executive Directors are Mr. LEE Conway Kong Wai, Mr. SUN Wenping and Mr. Zhang Fan.