XPeng Inks Cooperation Agreement for New Smart EV Manufacturing Base in Wuhan

April 8, 2021

Strategic Move to Embrace Future Growth

- City of Wuhan supports XPeng to build a Smart EV manufacturing facility
- New facility has an annual capacity of 100,000 units with manufacturing and powertrain plants
- Company in pole position to accelerate auto sector's EV penetration in China

GUANGZHOU, China--(BUSINESS WIRE)-- XPeng Inc. ("XPeng" or the "Company", NYSE: XPEV), a leading Chinese smart electric vehicle (Smart EV) company, today entered into a cooperation agreement with the City of Wuhan to build a new XPeng Motors Wuhan Smart EV Manufacturing Base.

With an annual capacity by 100,000 units, the Company is well positioned to capture growing consumer demand for Smart EVs as the auto sector is experiencing the most significant transformation over decades.

Supported by the Wuhan government, XPeng will commence the construction of the new manufacturing base, covering a planned area of over 733,000 square meters, and featuring manufacturing and powertrain plants, as well as R&D facilities.

Known as one of China's major automobile hubs, Wuhan is one of the country's six key passenger vehicle manufacturing centers, with a well-developed auto supply chain and ancillary facilities, benefiting from its superior geographic location as China's high-speed rail, expressway and water transportation hub. As the capital of Hubei Province, Wuhan has a population of more than 11 million - the most populous city in Central China - and its GDP exceeded RMB1,561 billion in 2020.

Expanding into China's major auto manufacturing hub with strong local government support is another landmark in XPeng's strategic development. The cooperation agreement highlights the comprehensive support from the Wuhan government and its recognition of XPeng's leading role in the Smart EV sector.

"Smart EVs are booming in popularity in China. We have a long-term strategic roadmap to embrace the sector's transformation. Expanding our capacity in key hubs like Wuhan plays a critical role," said Mr. He Xiaopeng, Chairman and CEO of XPeng at the signing ceremony in Wuhan today. "Wuhan's strategic location as an auto manufacturing and distribution hub will further enhance our supply chain management, sales and distribution network in the future," Mr. He continued.

"Our technology know-how will help the city enrich and upgrade its Smart EV industrial capability, strengthening its pivotal role as an auto hub for the future," added Mr. He.

China's new energy vehicle market continues to gain momentum, underlined by a record-breaking sales volume of over 1.3 million in 2020.

XPeng's new Smart EV manufacturing base will also support Wuhan's strategic priorities of transforming and modernizing the city's industrial facilities, and auto manufacturing value chain, creating major innovation clusters and employment opportunities to power the auto industry of the future.

About XPeng

XPeng Inc. is a leading Chinese smart electric vehicle company that designs, develops, manufactures, and markets Smart EVs that appeal to the large and growing base of technology-savvy middle-class consumers in China. Its mission is to drive Smart EV transformation with technology and data, shaping the mobility experience of the future. In order to optimize its customers' mobility experience, XPeng develops in-house its full-stack autonomous driving technology and in-car intelligent operating system, as well as core vehicle systems including powertrain and the electrification/electronic architecture. XPeng is headquartered in Guangzhou, China, with offices in Beijing, Shanghai, Silicon Valley, and San Diego. The Company's Smart EVs are manufactured at plants in Zhaoqing and Zhengzhou, located in Guangdong and Henan provinces, respectively. For more information, please visit https://en.xiaopeng.com.

Safe Harbor Statement

This announcement contains forward-looking statements. These statements are made under the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" and similar statements. Statements that are not historical facts, including statements about XPeng's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: XPeng's goal and strategies; XPeng's expansion plans; XPeng's future business development, financial condition and results of operations; the trends in, and size of, China's EV market; XPeng's expectations regarding demand for, and market acceptance of, its products and services; XPeng's expectations regarding its relationships with customers, contract manufacturers, suppliers, third-party service providers, strategic partners and other stakeholders; general economic and business conditions; and assumptions underlying or related to any of the foregoing. Further information regarding these and other risks is included in XPeng's filings with the SEC. All information provided in this press release is as of the date of this press release, and XPeng does not undertake any obligation to update any forward-looking statement, except as required under applicable law.



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For Investor Enquiries:

IR Department
XPeng Inc.
Email: ir@xiaopeng.com

Jenny Cai
The Piacente Group
Tel: +1-212-481-2050 or +86-10-6508-0677
Email: xpeng@tpg-ir.com

For Media Enquiries:

Marie Cheung
XPeng Inc.
Tel: +852-9750-5170 or +86-1550-7577-546
Email: mariecheung@xiaopeng.com

Source: XPeng Inc.