



XPeng and Zhongsheng Group Form Strategic Partnership to Accelerate Smart EV Adoption

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GUANGZHOU, China--(BUSINESS WIRE)-- XPeng Inc. ("XPeng" or the "Company", NYSE: XPEV), a leading Chinese smart electric vehicle ("Smart EV") company, today announced that it has entered into a Memorandum of Understanding ("MoU") with Zhongsheng Group ("Zhongsheng", HKEX: 0881), a leading automobile dealership group in China, to establish a long-term strategic partnership to provide both XPeng's industry-leading Smart EV products and Zhongsheng's high quality services to consumers, in order to further accelerate the Smart EV adoption in China.

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XPeng smart EV fleet

Through the partnership, the Company will leverage Zhongsheng's well-established dealership network and expertise in serving consumers for mid-to-high end automobiles to further accelerate XPeng's sales growth, while strengthening its after-sales services capabilities.

Pursuant to the partnership, Zhongsheng Group will be investing in and operating authorized XPeng branded dealership outlets to provide smart EV sales and services. Such sales and services facilities will be first launched in tier-1 or high-potential cities in China within 2021.

Looking ahead, both parties will also explore more strategic cooperation opportunities in business model innovations, creating long-term competitive advantages and value propositions to seize huge growth potential in Chinese Smart EV market.

"Consumer demand for high-quality Smart EVs is spurring rapid market growth in China," said He Xiaopeng, Chairman and CEO of XPeng. "By partnering with Zhongsheng, we can accelerate the pace of expanding our sales and service network and promote XPeng's differentiated Smart EV products and advanced autonomous driving capability to customers. The partnership will also further enhance our brand awareness, making our Smart EVs accessible to a wider range of customers. I believe the long-term strategic partnership with Zhongsheng will strengthen our leadership in the fast-growing Smart EV sector in China."

"Based on our robust group performance, a strong mix of brands in our portfolio and a nationwide dealership network with over 5 million customers across China, we are excited to take another step to embrace our industry's move toward EVs," said Huang Yi, Chairman of Zhongsheng. "We are proud to enter a national strategic partnership with XPeng to accelerate their sales and provide high-quality services to their customers. This partnership will mark the realization of Zhongsheng's New Energy Vehicle Strategy, which we initiated in Q4 2020. I strongly believe that the close collaboration between one of the leading manufacturers of smart premium EVs and one of the largest automotive dealer groups globally will substantially contribute to our mutual growth and sustainable mobility."

About XPeng Inc.

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 in the U.S. 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>.

ABOUT ZHONGSHENG

Zhongsheng Group is a leading national automobile distribution group in China principally engaged in providing one-stop services, including sales of new and second-hand automobiles, after-sales, refitting, parts and accessories, financial, insurance and leasing services. It currently operates automobile brands, consisting of luxury automobile brands including Mercedes-Benz, Lexus and Audi and mid-to-high end automobile brands including Toyota, Nissan and Honda.

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

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