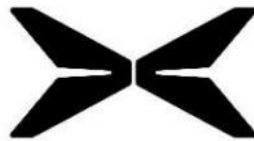


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**XPeng Inc.**  
**小鹏汽车有限公司\***

*(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 9868)**

## **COMPLETION OF ISSUE OF NEW SHARES UNDER GENERAL MANDATE**

XPeng Inc. (the “**Company**”) refers to its announcement dated 26 July 2023 (the “**Announcement**”) in relation to, among other things, (i) the Technical Framework Agreement on strategic technical collaboration with Volkswagen (China) Investment Co., Ltd. (“**Volkswagen**”), and (ii) the issue of Class A ordinary shares to Volkswagen (or a nominee of Volkswagen, which is an affiliate of Volkswagen) under the general mandate pursuant to the Share Purchase Agreement. Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as those defined in the Announcement.

## **COMPLETION OF THE INVESTMENT**

The Board is pleased to announce that all the conditions precedent set out in the Share Purchase Agreement had been fulfilled and completion of the Investment (the “**Completion**”) took place on 6 December 2023 in accordance with the terms and conditions of the Share Purchase Agreement. An aggregate of 94,079,255 Class A ordinary shares (the “**Subscription Shares**”), representing approximately 4.99% of the total issued and outstanding share capital of the Company immediately following the Completion, have been successfully allotted and issued to Volkswagen Finance Luxemburg S.A., an affiliate of Volkswagen (the “**Investor**

**Nominee**”), at the Purchase Price of US\$15 per ADS (equivalent to HK\$58.6 per Class A ordinary share based on each ADS representing two Class A ordinary shares and an exchange rate of HK\$7.8096 to US\$1.00). The total nominal value of the Subscription Shares is US\$940.79255.

The total Purchase Price for all the Subscription Shares is approximately US\$705.6 million. The net proceeds from the Investment (after deducting related costs and expenses payable by the Company) amounted to approximately US\$704.6 million. The net Purchase Price (after deducting related costs and expenses payable by the Company) is approximately US\$15 per ADS (equivalent to approximately HK\$58.5 per Class A ordinary share based on each ADS representing two Class A ordinary shares and an exchange rate of HK\$7.8096 to US\$1.00). As disclosed in the Announcement, the Company plans to use the net proceeds from the Investment for general corporate purposes, including working capital needs.

## **EFFECT ON THE SHARE CAPITAL STRUCTURE**

The share capital structure of the Company (a) immediately prior to the Completion and (b) immediately following the Completion is set out as follows:

	<b>Immediately prior to the Completion</b>		<b>Immediately following the Completion</b>	
	<i>Number of shares</i>	<i>Approximate percentage of number of shares in issue and outstanding</i>	<i>Number of shares</i>	<i>Approximate percentage of number of shares in issue and outstanding</i>
<b>Class A ordinary shares:</b>				
Investor Nominee	0	0.00%	94,079,255	4.99%
Other Shareholders	1,442,568,318 <sup>(Note)</sup>	80.53%	1,442,568,318 <sup>(Note)</sup>	76.51%
Sub-total	1,442,568,318 <sup>(Note)</sup>	80.53%	1,536,647,573 <sup>(Note)</sup>	81.50%
<b>Class B ordinary shares:</b>				
	348,708,257	19.47%	348,708,257	18.50%
<b>Total</b>	<b>1,791,276,575</b>	<b>100.00%</b>	<b>1,885,355,830</b>	<b>100.00%</b>

*Note: Excluding 9,052 Class A ordinary shares issued to the Company’s depository bank for bulk issuance of ADSs and reserved for future issuance upon the exercise or vesting of awards granted under the Company’s 2019 Equity Incentive Plan as of the date of this announcement.*

## **OBSERVER ARRANGEMENT**

As disclosed in the Announcement, the Company has agreed to appoint an individual nominated by the Investor Nominee to act as a non-voting observer to the Board. The observer shall be subject to obligations of non-disclosure of, and no improper use of, confidential information (including inside information) relating to the

Company's business and the Company's insider trading policies and procedures, as if such observer is a Director. The Company's insider trading policies and procedures are in line with the applicable laws and regulations, including the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

## **STRATEGIC TECHNICAL COLLABORATION**

In addition, pursuant to the Technical Framework Agreement on strategic technical collaboration with Volkswagen, XPENG and Volkswagen are making significant progress on the joint development of the two B-class battery electric vehicles models. The project feasibility study has achieved positive outcome and has been completed. In addition, both parties are actively evaluating deeper strategic collaboration in smart electric vehicle technologies.

By order of the Board

**XPeng Inc.**  
**Xiaopeng He**  
*Chairman*

Hong Kong, 6 December 2023

*As at the date of this announcement, the board of directors of the Company comprises Mr. Xiaopeng He as an executive Director, Ms. Xiao Hu, Mr. Ji-Xun Foo and Mr. Fei Yang as non-executive Directors, and Mr. Donghao Yang, Ms. Fang Qu and Mr. HongJiang Zhang as independent non-executive Directors.*

*\* For identification purpose only*