# XPeng Motors plans global expansion with focus on technology and localisation



Chinese electric vehicle (EV) manufacturer XPeng Motors has announced ambitious plans for global expansion, targeting a significant increase in its international presence over the coming years. Founded in 2014 and headquartered in Guangzhou, XPeng currently sells premium electric vehicles in China, Europe, and Australia, but aims to double its international footprint this year by expanding to 60 countries from the current 30.

During the company’s first global press conference held in Hong Kong, at which the 2025 X9 MPV was launched, XPeng’s CEO He Xiaopeng highlighted the company's aspiration to evolve beyond a traditional car manufacturer and establish itself as a technology-led enterprise. “To be a leader in a key global market, you must be deeply local—investing in R&D, supply chains, and production. An export-only strategy will not suffice. Right now, our priority is to establish robust local service networks that include maintenance, charging infrastructure, and over-the-air updates,” He said, according to ETAuto.

XPeng is prioritising regions such as Europe, Southeast Asia, the Middle East, and Latin America for its expansion, with Europe highlighted as the company’s most strategic and important overseas market. The firm is actively exploring investment opportunities in Europe and plans to introduce several new models there within the next three years.

Regarding its ambitions in the Indian market, company Vice-Chairman and President Dr Brian Gu acknowledged India’s vast potential but also noted the challenges. Speaking to ETAuto, Dr Gu stated, “As a market, India has a vast potential. It also has various challenges for EVs at its current adoption rate, as well as Chinese brands developing in the market. So I would say it is a market that we are monitoring. We do not have a timetable plan yet, but I think in the long run, I see India as a very promising market for overall EVs as well as future mobility products.” Dr Gu made these remarks following a week-long trip to India and highlighted that the traffic density and mobility dynamics in India differ significantly from those in China, presenting unique challenges.

XPeng’s global expansion, according to He Xiaopeng, focuses on entering markets where there is governmental support for Chinese enterprises, localisation-friendly environments, and conducive policies for technology development. These factors are regarded as essential for XPeng to establish sustainable operations overseas. However, geopolitical factors remain a significant consideration. Increasing regulatory scrutiny and tightened foreign direct investment rules in India, partly driven by national security concerns, have complicated market entry for Chinese automotive companies.

XPeng’s approach contrasts with firms such as MG Motor India, which transitioned from being a subsidiary of China’s SAIC Motor to a joint venture with India’s JSW Group, and BYD, which currently sells its imported models in India but is awaiting government approval for establishing local manufacturing. Leapmotor, another Chinese EV maker, has experienced uncertainty in its plans to enter India via a partnership with Stellantis.

Beyond market expansion, XPeng is investing heavily in technology development. The company is preparing to introduce its L3 autonomous driving technology in China by the end of this year, alongside efforts to develop an in-house artificial intelligence (AI) chip to power its semi-autonomous vehicles. The first mass-production vehicle featuring XPeng’s proprietary Turing chip is expected to be launched within the year. These developments align with the firm’s vision of delivering full-stack, homegrown autonomous driving solutions for mass-produced electric vehicles.

Looking further ahead, XPeng aims to enter the urban air mobility space. The company plans to launch its first consumer-ready flying car, dubbed the “Land Aircraft Carrier,” in mainland China by 2026, pending regulatory approvals. Initial models of the flying car will resemble large drones, designed to be compact and portable enough to fit in the bed of a pickup truck. Operating the Land Aircraft Carrier will require users to hold both a driver’s licence and a modified pilot’s licence, although the vehicle’s controls are reportedly simplified relative to traditional helicopters. Wang Tan, co-founder and Vice President of XPeng AeroHT, XPeng’s urban air mobility division, said the flying car is expected to be priced below USD 300,000 in China.

In addition to these futuristic projects, XPeng is developing a humanoid robot named ‘Iron,’ currently being tested on a small scale in a controlled environment, with plans to begin mass production next year.

XPeng’s technological advancements and expansion efforts have attracted significant attention from global industry players. In July 2023, Volkswagen invested approximately USD 700 million to acquire a 4.99% stake in the company. This strategic partnership involves co-developing two Volkswagen-branded, mid-sized electric vehicles for the Chinese market, utilising XPeng’s advanced technologies, with production slated to commence next year. XPeng emphasised that the collaboration with Volkswagen is comprehensive and goes beyond technology agreements, describing it as an in-depth strategic alliance.

While XPeng’s operations are currently unaffected by ongoing US-China tariff tensions, as it does not sell vehicles in the US, the company remains vigilant about potential economic volatility and its impact on the global supply chain.

With its diversified portfolio spanning electric vehicles, autonomous driving technologies, urban air mobility, and robotics, XPeng Motors is positioning itself as a prominent player on the global stage. Its measured approach towards entering complex markets like India reflects a strategic balancing of opportunity and regulatory realities amid an evolving geopolitical landscape.

Source: [Noah Wire Services](https://www.noahwire.com)

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