



Kaixin Auto Holdings Announces Plans for Smaller Size Electric Vehicles

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BEIJING, Aug. 10, 2021 (GLOBE NEWSWIRE) -- Kaixin Auto Holdings ("Kaixin" or the "Company") (NASDAQ: KXIN) today announced plans to enter the smaller size electric vehicle (EV) market in China. Kaixin's new energy vehicle unit has launched development plans focused on smaller EV models in the subcompact and minicompact categories. To speed up the process, the Company has discussed mergers and acquisitions with a number of electric car manufacturers. Kaixin will disclose the results in a timely manner.

Automobiles have been gradually shifting from a symbol of wealth and social status to the fundamental role of transportation tool in China. The rapid development of electric vehicle technology has closed in the technological gap to fuel vehicles and substantially lowered production costs, which has led to more consumption of electric vehicles. In addition, the rise of the younger generation of consumers in Chinese cities, who carry a preference for vehicles of lighter weight and smaller size, has made smaller size electric cars a dark horse in the Chinese automobile market segmentation. Sales of subcompact and minicompact electric cars are forecasted to reach 5 million units in 2025, making it one of the best-selling models in Chinese auto market.

About Kaixin Auto Holdings

Kaixin Auto Holdings is one of the primary dealership networks in the premium used car segment and new car sales in China. Supported by the rapid growth of China's used car market and leveraging its own hybrid business model that offers both strong online and offline presence, Kaixin has transformed from a tech-enabled financing platform into a nationwide dealer network that combines its own and affiliated dealers as well as value-added services.

Safe Harbor Statement

This announcement may contain forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. 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. Among other things, the business outlook for 2021 and quotations from management in this announcement, as well as Kaixin's strategic and operational plans, contain forward-looking statements. Kaixin may also make written or oral forward-looking statements in its filings with the U.S. Securities and Exchange Commission ("SEC"), in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about Kaixin'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: our goals and strategies; our future business development, financial condition and results of operations; the expected growth of the social networking site market in China; our expectations regarding demand for and market acceptance of our services; our expectations regarding the retention and strengthening of our relationships with used auto dealerships; our plans to enhance user experience, infrastructure and service offerings; competition in our industry in China; and relevant government policies and regulations relating to our industry. Further information regarding these and other risks is included in our other documents filed with the SEC. All information provided in this press release and in the attachments is as of the date of this press release, and Kaixin does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

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