



Cenntro Electric Announces the Completion of Construction of Cennatic's Advanced Lithium-Ion Battery Facility in Mexico

November 18, 2022

North American-based Lithium-Ion Battery Production to Reduce Dependence on Foreign Supply Chain and Facilitate Greater Technological Advancements

FREEHOLD, N.J.--(BUSINESS WIRE)--Nov. 18, 2022-- [Cenntro Electric Group Limited](#) (NASDAQ: CENN), a leading EV technology company with advanced, market-validated electric commercial vehicles, today announced the completion of construction of the 10,436 square meter (111,363 square feet) facility that will house the Company's wholly owned U.S. subsidiary, Cennatic Power Inc. ("Cennatic"). Cennatic will manufacture advanced lithium-ion batteries that will be installed in Cenntro's electric commercial vehicles. The construction was completed ahead of schedule.

Installation of the production line equipment will begin immediately at the purpose-built manufacturing facility strategically located in the Aero Industrial Park in Monterrey, Mexico. The facility is on track to be fully completed by the end of 2022, and trial production is scheduled to begin in the first half of 2023.

Cennatic will produce lithium-ion batteries with advanced features, including greater temperature tolerance, faster charging time, safer operating parameters, longer life cycles, and cost efficiencies.

"This is an important milestone and moves us closer to in-house production of these essential batteries that will ultimately reduce our supply chain dependency on China," said Peter Wang, Chairman and CEO of Cenntro Electric Group. "Bringing Cennatic online ensures that we have control of a critical component in our supply chain. Moreover, Cennatic's technology will differentiate our vehicles, allow for operational enhancements, and reduce costs in battery cell production," concluded Wang.

Manufacturing batteries, battery packs, and electric vehicles in North America could make Cenntro's Commercial EVs eligible for tax credits under the new Inflation Reduction Act.

About Cenntro Electric Group

Cenntro Electric Group Ltd. (or "Cenntro") (NASDAQ: CENN) is a leading designer and manufacturer of electric light and medium-duty commercial vehicles. Cenntro's purpose-built ECVs are designed to serve a variety of organizations in support of city services, last-mile delivery, and other commercial applications. Cenntro has committed to lead the transformation of commercial fleets to zero-emissions vehicles and develop a full line of zero-emission commercial vehicles through scalable, decentralized production, and smart driving solutions empowered by the Cenntro iChassis. For more information, please visit Cenntro's website at: www.cenntroauto.com.

Forward-Looking Statements

This communication contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical facts. Such statements may be, but need not be, identified by words such as "may," "believe," "anticipate," "could," "should," "intend," "plan," "will," "aim(s)," "can," "would," "expect(s)," "estimate(s)," "project(s)," "forecast(s)," "positioned," "approximately," "potential," "goal," "strategy," "outlook" and similar expressions. Examples of forward-looking statements include, among other things, statements regarding assembly and distribution capabilities, decentralized production, and fully digitalized autonomous driving solutions. All such forward-looking statements are based on management's current beliefs, expectations and assumptions, and are subject to risks, uncertainties and other factors that could cause actual results to differ materially from the results expressed or implied in this communication. For additional risks and uncertainties that could impact Cenntro's forward-looking statements, please see disclosures contained in Cenntro's public filings with the SEC, including the "Risk Factors" in Cenntro's Annual Report on Form 20-F filed with the Securities and Exchange Commission on April 25, 2022 and which may be viewed at www.sec.gov.

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