



NEWS RELEASE

XPEL Expands International Footprint with Acquisition of Chinese Distributor

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SAN ANTONIO--(BUSINESS WIRE)-- XPEL, Inc. (Nasdaq: XPEL) (the "Company"), a global provider of protective films and coatings, today announced that it has acquired assets of the exclusive distributor of XPEL's products in the aftermarket in China.

Ryan Pape, President and Chief Executive Officer of XPEL, commented, "We've invested heavily in the past several years to establish our direct go-to-market strategy in the top car markets of the world. China is, of course, the largest car market in the world. With this acquisition we've largely concluded this strategy in our key international markets."

The acquired business is expected to have annual revenues of approximately \$45 - \$50 million which adds incremental revenue of approximately \$13 - 18 million for the Company on a pro-forma basis.

Chris West, VP of XPEL Asia Pacific, said "Our distributor has done an amazing job helping cement XPEL as the premier brand in China for automotive films and this acquisition allows us to build on that foundation. We're excited to add to our team in China and we believe our direct involvement will facilitate more OEM and 4S opportunities while allowing us to be more efficient and move faster to meet the needs of our Chinese customers."

The transaction structure will result in the Company owning a 76% interest in the entity conducting business in

China. The purchase was completed using a combination of cash, deferred payments and other contingent consideration.

About XPEL, Inc.

XPEL is a leading provider of protective films and coatings, including paint protection film, surface protection film, window films, and ceramic coatings in the automotive, architectural, and marine industries. With a global footprint, a network of trained installers, and proprietary DAP software, XPEL is dedicated to exceeding customer expectations by providing high-quality products, leading customer service, expert technical support, and world-class training. XPEL, Inc. is publicly traded on Nasdaq under the symbol "XPEL".

Forward-looking Statements

This release includes forward-looking statements (within the meaning of Section 27A of the Securities act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended) regarding XPEL, Inc. and its business, which may include, but is not limited to, anticipated use of proceeds from capital transactions, expansion into new markets, execution of the company's growth strategy and outlook. Often, but not always, forward-looking statements can be identified by the use of words such as "plans," "is expected," "expects," "scheduled," "intends," "contemplates," "anticipates," "believes," "proposes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may," "could," "would," "might" or "will" be taken, occur or be achieved. Such statements are based on the current expectations and assumptions of the management of XPEL. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements expressed or implied by the forward-looking statements. These risks, uncertainties and other factors relate to, among others: competition, a prolonged or material contraction in automotive sales and production volumes, disruption in our supply chain, technology that could render our products obsolete, changes in the way vehicles are sold, damage to our brand and reputation, cyber events and other legal and regulatory developments. There are several risks, uncertainties, and other important factors, many of which are beyond the Company's control, that could cause its actual results to differ materially from the forward-looking statements contained in this press release, including those described in the "Risk Factors" section of Annual Report on Form 10-K. Although XPEL has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. No forward-looking statement can be guaranteed. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and XPEL undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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