

GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains explanations of certain technical terms used in this document in connection with our Company and our business. Such terminology and meanings may not correspond to standard industry meanings or usages of those terms.

"3D structural design"	the creation of three-dimensional structural models used to define the geometry, strength, and functional layout of components or assemblies
"ABS"	a tough, rigid thermoplastic terpolymer of acrylonitrile, butadiene and styrene, commonly used in appliance housings and automotive components
"AGV"	automated guided vehicles
"AI"	artificial intelligence
"autonomous driving"	the operation of vehicles with varying levels of autonomy, where full autonomy (L5) allows the vehicle to drive without human input, while lower levels involve some degree of shared control between the driver and the vehicle
"CAE"	computer-aided engineering, referring to the use of computer software to assist in engineering analysis such as structural, thermal, and fluid simulations
"CAGR"	compound annual growth rate
"CAMDS"	China Automotive Material Data System
"CAS"	computer-aided styling, referring to the use of digital tools to create, refine, and visualize the aesthetic and surface design of a vehicle or component
"CATIA"	computer-aided three-dimensional interactive application, a multi-platform CAD/CAM/CAE software suite used for 3D modeling, engineering, and product lifecycle management in industries such as automotive and aerospace

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“CFD analysis”	computational fluid dynamics analysis, a simulation method used to predict airflow, heat transfer, and fluid behaviour around or within components or systems
“CNAS”	China National Accreditation Service for Conformity Assessment
“cold-knife weakening”	a mechanical process in which a blade creates controlled weakened lines on a material to enable precise bending or separation without using heat
“design-in”	the process of incorporating a supplier’s product or component into a customer’s product design at an early development stage
“ECU”	electronic control unit
“electrification”	in the automotive industry, refers to the process of powering the vehicle by electricity, replacing vehicle components that operate on a conventional energy source
“EMS”	Equipment Management System, a software platform used to monitor, schedule, and control the lifecycle of production equipment, supporting preventive maintenance, performance tracking, fault reporting, and overall asset utilization
“end-capping”	a process used to seal, close, or finish the ends of a trim, profile, or decorative component to ensure proper appearance, durability, and protection
“ERP”	Enterprise Resource Planning, an integrated software platform used to manage and automate core business processes across an organization. ERP systems consolidate data from various departments, such as finance and supply chain to enhance efficiency and provide a unified view of business operations
“EV”	electric vehicle
“FMEA”	failure mode and effects analysis, a structured method used to identify potential failure modes in a product or process and evaluate their impact to prevent defects and improve reliability

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"FVPL"	Fair value through profit and loss
"GFA"	gross floor area
"humanoid robotics"	robotic systems designed to resemble and mimic the form, motion, and functional capabilities of the human body for enhanced interaction and operational flexibility
"HMI"	human-machine interface
"HUD"	head-up display, a system that projects key driving information onto the windshield or a dedicated screen within the driver's forward field of view
"HVAC"	heating, ventilation, and air conditioning system used to control the thermal comfort, air quality, and airflow within a vehicle interior
"hot riveting"	a joining process in which a heated rivet is formed or deformed to secure components together
"in-house tooling"	a process in which a company independently designs, develops, manufactures, and maintains its own production tools, molds, and related equipment to enhance confidentiality, ensure production quality, improve delivery responsiveness, and reduce reliance on external tooling suppliers
"injection molding"	a manufacturing process in which molten plastic is injected into a mold cavity to form components with defined shapes and surface features
"in-mold decoration"	a process in which decorative films or graphics are placed inside a mold so that the decoration becomes integrated with the molded plastic surface during molding
"in-mold grain forming"	a process in which a textured film or grain pattern is formed directly within the mold during molding, allowing the surface texture to integrate with the molded plastic part
"intelligent cockpit"	an integrated in-vehicle system that combines intelligent and networked electronic products

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“IoT”	Internet of Things, referring to the network of physical objects embedded with sensors, software and other technologies to connect and exchange data with other devices and systems over the internet. These objects range from everyday household items to sophisticated industrial tools. The primary aim of IoT is to enable seamless communication and interaction between devices, enhancing efficiency, automation and data-driven decision-making
“ISE”	Identity Security Engine
“ISO”	the International Organization for Standardization, an independent, non-governmental organization that develops and publishes international standards
“ISO 14001”	an internationally recognized standard for environmental management system published by the ISO
“ISO 45001”	an internationally recognized standard for occupational health and safety management systems published by the ISO
“IT”	information technology
“laser weakening”	a process in which a laser creates controlled weakened lines or patterns on a material to enable precise bending, tearing, or separation
“linear vibration welding”	a welding process in which two thermoplastic parts are joined by applying linear vibratory motion under pressure to generate frictional heat and create a solid-state bond
“mass production”	a large-scale production phase that adopts automated intelligent manufacturing and engineering facilities to ensure product consistency, reduce labor costs, enhance utilization, and achieve cost-efficiency
“MES”	Manufacturing Execution System, software that monitors and coordinates real-time production activities on the shop floor. It links planning with operations, tracks material and process status, enhances workflow visibility, and helps optimize throughput, quality, and traceability

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“NEV”	new energy vehicles, comprising of battery electrics vehicles, plug-in hybrid electric vehicles and fuel cell vehicles
“NVH performance”	the noise, vibration, and harshness characteristics of a component or system that determine its acoustic comfort and mechanical refinement in a vehicle
“OEM”	automotive original equipment manufacturers (automotive manufacturer(s)), company(ies) that design, develop, and manufacture vehicles, and market their vehicles directly to customers
“OTA”	over-the-air
“OTS”	off-tool sample, referring to parts produced using production-intent tooling to validate design, process stability, and quality before mass production
“PC”	a tough, transparent thermoplastic featuring high impact strength and heat resistance, widely used in lenses, safety glazing and engineering applications
“PP”	a thermoplastic polymer made from propylene, known for low density, chemical resistance and wide use in packaging and consumer products
“PPAP”	production part approval process, a standardized procedure used to validate that a supplier’s production process can consistently manufacture parts meeting all customer requirements before mass production
“PPM”	parts per million, a quality metric indicating the number of defective parts found in one million units produced or delivered
“QMS”	Quality Management System, a formalized set of policies, procedures, and processes used to ensure products and services meet defined standards and customer expectations. It supports document control, nonconformance handling, audits, and continuous improvement aligned with regulatory and industry requirements

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"RBA"	Responsible Business Alliance
"R&D"	research and development
"RFID"	radio frequency identification, a technology for data acquisition by way of radio frequency between transponders and a host system
"RFQ"	request for quotation
"sensor"	a device, module, machine, or subsystem whose purpose is to detect events or changes in its environment and send the information to other electronics, frequently a computer processor
"SOP"	start of production, the official launch point at which a product or component enters mass production after completing all validation steps
"trim assembly"	a module consisting of interior or exterior trim components that are combined into a single assembled unit for vehicle application
"TISAX"	Trusted Information Security Assessment Exchange
"VOC"	Volatile Organic Compounds, organic compounds that participate in atmospheric photochemical reactions or are defined as such by relevant regulations
"WMS"	Workplace (or occupational) Management System