

GLOSSARY OF TECHNICAL TERMS

The following is a glossary of certain terms used in this document in connection with us and/or our business. As such, these terms and their meanings may not correspond to standard industry meanings or usage of these terms.

"ACC"	adaptive cruise control
"active user"	user who accesses our APP at least once in a given day
"advanced driver assistance systems" or "ADAS"	electronic systems developed to automate, adapt, and enhance vehicle systems for safety and better driving
"AI"	artificial intelligence
"APP"	a computer program designed to run on smartphones and other mobile services
"automatic configuration"	auto-configuration of in-car settings without manual intervention
"average manufacturing cost per vehicle"	equals the total of employee compensation expenses and depreciation and amortization expenses, divided by the number of vehicles delivered during the periods
"BOM"	bill of materials
"BMS"	battery management system
"C-NCAP"	China New Car Assessment Program, a car safety assessment program run by the China Automotive Technology and Research Center
"carbon neutrality"	net zero carbon emissions, achieved through a transparent process of measuring emissions, reducing those emissions and offsetting residual emissions
"CAGR"	compound annual growth rate
"CATARC"	China Automotive Technology and Research Center
"cd"	drag coefficient, used to quantify the resistance of an object as it passes through the surrounding air
"cell-to-chassis" or "CTC"	our proprietary technology to integrate battery module with the battery tray and vehicle body

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"cloud"	a network of remote servers hosted on the Internet and used to store, manage, process data, and offer algorithms in place of local servers or personal computers
"CLTC"	China Light-duty Vehicle Test Cycle, a testing standard to measure and establish a vehicle's driving range developed by the CATARC
"corner case"	a problem or situation that occurs only outside of normal operating parameters
"data communications protocols"	a set of formal rules or standards that allows two or more entities of a communications system to transmit information via any kind of variation of a physical quantity
"DCU"	domain control unit
"ECU"	electronic control unit
"E/E architecture"	electrical/electronic architecture
"energy density"	the amount of energy a battery contains per unit of weight
"EREVs"	extended-range electric vehicles
"EV" or "electric vehicle"	the battery electric vehicles used for the carriage of passengers
"FOTA" or "firmware OTA"	firmware over the air, a technology that updates vehicle firmware remotely through cloud network
"Hangzhou Plant"	our planned plant in Qiantang New District, Hangzhou, Zhejiang
"high-voltage platform"	a platform utilizing a high power density electric powertrain system, leveraging electronic components based on third-generation wide bandgap SiC semiconductor materials and other advanced designs and technologies
"HVAC"	heating, ventilation and air conditioning

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"IATF16949"	the quality management system requirements for the design and development, production and, when relevant, installation and service of automotive-related products, throughout the automotive supply chain
"ICE"	internal combustion engine
"in-vehicle infotainment system"	a combination of vehicle systems which are used to deliver entertainment and information to the driver and the passengers through audio/video interfaces, control elements like touch screen displays, button panel, voice commands, and more
"IoV"	Internet of Vehicle, a network of vehicles equipped with sensors, software, and the technologies that mediate between these with the aim of connecting and exchanging data over the Internet according to agreed standards
"IP67"	an IP Rating representing total protection against solid ingress, and protection against temporary water immersion between 15 centimeters and 1 meter and for up to 30 minutes
"IP69K"	an IP Rating representing total protection against water ingress, close-range high pressure, high temperature spray downs, being the highest protection level available
"IP Rating"	ingress protection rating that classifies and rates the degree of protection provided by mechanical casings and electrical enclosures against intrusion, dust, accidental contact and water
"Jinhua Plant"	our own plant for vehicle production located in Jinhua, Zhejiang
"LFP battery"	lithium iron phosphate battery
"lightweight index"	an index to evaluate the lightweight degree of body structure, proportional to body mass and inversely proportional to torsion stiffness
"maximum efficiency"	the maximum efficiency of an electric drive system, referring to the ratio between the output power and the input power in an ideal scenario

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"maximum power"	an indicator to describe the dynamic performance of a vehicle; power is defined as the rate at which an object does work, and a vehicle with more power ideally will have better acceleration and higher maximum speed
"maximum torque"	torque is a rotating or twisting force produced by an engine's crankshaft; maximum torque refers to the acceleration performance of the car, especially the acceleration at low speed
"MCU"	motor control unit
"mid- to high-end segment"	the segment in China's NEV market with prices ranging from RMB150,000 to RMB300,000
"MPVs"	multi-purpose vehicles
"NAP"	Navigation Assistance Pilot
"NCM battery"	lithium nickel manganese cobalt oxide battery
"NEDC"	New European Driving Cycle, a testing standard to measure and establish a vehicle's driving range
"NEVs"	new energy passenger vehicles, comprising of battery electrics vehicles and plug-in hybrid electric vehicles (including EREV)
"NVH"	noise, vibration and harshness
"oil-cooling"	the use of oil as a coolant
"over-the-air" or "OTA"	a technology that updates vehicle software and firmware remotely through cloud network
"PCB"	a printed circuit board
"perception intelligence"	supports various recognition tasks, such as image categorization, object detection, pose detection and image segmentation, from visual data as well as 3D point clouds, speech signals and natural language text
"PHEVs"	plug-in hybrid electric vehicles
"post-subsidy price"	the purchase price that is net of the subsidies from China's central government, as applicable

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"power density"	the amount of output power generated per unit of weight
"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
"smart EVs"	electric vehicles with a rich array of connectivity, autonomous driving and AI technology features
"SiC"	silicon carbide material, a compound semiconductor material used in automotive electronic and electrical parts
"SOTA" or "software OTA"	software over-the-air
"SUVs"	sport utility vehicles
"TMS"	thermal management system
"VCU"	vehicle control unit
"vehicle architecture"	the physical layout of the vehicle and the way it implements functions through a given set of basic structural parameters and modules
"vehicle control system"	the central element of vehicle electronics, which combines several functions in one housing and control practically all the vehicle's electronic basis, comfort and security functions
"visual algorithm"	the algorithm that simulates the human visual system through a computer and related equipment, and processes the collected pictures or videos to obtain three-dimensional information of the corresponding scene, so as to adapt and understand the external environment and control the movement of a vehicle
"zonal controller"	the node in a vehicle that segments the E/E architecture and serves as the hub for all of the power distribution and data connection requirements for devices within a physical section of the vehicle