

GLOSSARY OF TECHNICAL TERMS

This glossary contains explanations of certain technical terms used in this document. Some of these terms may not correspond to standard industry meanings or usage of these terms.

“after-sales service”	any assistance or service a seller or a service provider provides to a customer after a product is sold or service is provided
“aftermarket”	the concept of the market of all the transactions and services along the automobile use life cycle after the delivery of the automobile, including without limitation to supply of after-sale components (e.g. sales of after-sale tyre and lubricant), automobile financial service, automobile insurance, maintenance, automobile modification, automobile detailing, automobile leasing, roadside assistance and second-hand automobile dealing
“AI (artificial intelligence)”	new technology researching and developing theory, methodology, technology and application system for simulation, extension and expansion of human intelligence
“automated guided vehicle”	a kind of roller-driven robot which moves by following the guiding line, marks or magnetic stripe on the floor or through visual navigation or laser navigation
“automobile modification”	any assistance or service a seller or a service provider provides to a customer after a product is sold or service is provided
“Beidou System”	Beidou Navigation Satellite System, a Chinese system that uses satellite to provide autonomous geo-spatial positioning
“big data”	a type of datasets whose size is beyond the ability of typical database software tools to capture, store, manage and analyse, with characteristics such as enormous scale of data capacity, rapid data flow, varieties in data types and low value density
“CAGR”	compound annual growth rate, a method of assessing the average growth of a value over a certain time period
“carrier”	the individual or organisation who transports passengers or goods for a profit
“CLGG Online Platform”	CLGG (車輪滾滾) Online Platform, an integrated service online platform for commercial automobiles provided by our Group

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“cloud computing”	the process of dividing data calculation and processing programme into various small programmes via internet cloud, processing and analysing the results from such small programmes by a system being comprised by multitude servers and reverting the outcome back to the user
“commercial automobiles”	mainly include trucks, pickups, trailers, buses and lorries
“commercial automobile dealership”	a commercial automobile dealership business established through one or more dealership agreements between commercial automobile manufacturers and commercial automobile sales dealers. Such dealer ships authorise the relevant dealers to conduct automobile sales, after-sales services, and other related business activities
“commercial automobile industry chain”	for the purpose of this document and according to the Frost & Sullivan Report, commercial automobile industry chain refers to, among others, (i) the upstream section of raw material supply and components manufacturing, (ii) the midstream section of R&D, manufacturing and sales of automobiles, and (iii) downstream section of sales of aftermarket products and provision of automobile financing services
“commercial automobile industry chain service”	a series of services along the sections of the commercial automobile industry chain
“commercial automobile manufacturer”	a company that produces commercial automobiles and/or components
“commercial automobile sale dealer(s)”	the sales dealer under the commercial automobile dealership
“embedded software”	a controlling application software with micro operation system or an independent controlling application software that are embedded in the hardware, to execute automatic tasks such as timely control, mobile computing, data processing, etc.
“existing reserve market”	an existing market which can be observed and ascertained, and involves market for existing and second-hand commercial automobiles
“existing volume”	the value of certain economic variables as at a specific time
“ETC”	electronic toll collection system to collect tolls electronically by using automatic automobile identification technology without need for the automobile to stop for payment

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“GDP”	gross domestic product
“GPS”	Global Positioning System. a U.S. satellite-based radionavigation system that provides geolocation and time information to its receiver anywhere on the earth
“heavy commercial automobile”	a commercial automobile with maximum permitted overall weight limit between 14 tonnes and 49 tonnes
“incremental market”	a market where its boundary is expanding and its volume is increasing, and involves market for first-hand commercial automobiles
“internal rate of return”	the annualised effective compound interest rate at which the net present value of all lease-related cash flows (both positive and negative) from a particular lease term equal to zero
“IoT for Industry”	Also known as Industrial Internet of Things (IIoT), which refers to the extension and use of the IoT in industrial sectors and applications. With a strong focus on machine-to-machine (M2M) communication, big data, and machine learning, the IIoT enables industries and enterprises to have better efficiency and reliability in their operations. The IIoT encompasses industrial applications, including robotics, medical devices, and software-defined production processes.
“IoT” or “Internet of Things”	a type of network that realises intelligent identification, positioning, tracking, monitoring and management of targeted objects achieved by exchange of information and communication between such targets and internet via intelligent terminal products under pre-determined protocol
“IoV” or “Internet of Vehicles”	the business which uses sensing technology to collect data in relation to automobile, in particular the data of automobile operation, driving behaviour of drivers and driving location, in order to provide data service and information service to various market participants of automobile ecosphere
“ISO”	International Organisation for Standardisation
“IT”	information technology

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“LPR”	LPR (Loan Prime Rate) is the most preferential lending rate offered by a commercial bank to its prime clients, and other lending rates can be offered by adding or subtracting basis points based on it. The LPR centralised quote and publish mechanism, is that the authorised publisher calculates the quotes provided by the panel banks as the average LPR and releases it to the general public. Currently the 1-year LPR and above-5-year LPR are published to the general public.
“light commercial automobile”	a commercial automobile with maximum permitted overall weight limit between 1.8 tonnes and six tonnes
“MD5”	an advanced algorithm ensuring the secured interchange between automobile engine and intelligent IoV terminal product
“medium commercial automobile”	a commercial automobile with maximum permitted overall weight limit between six tonnes and 14 tonnes
“middle (research and development) platform”	in relation to an operation system, a platform between the top platform and the foundation platform, which is a flexible and efficient structure meeting the needs from both the top platform and the foundation platform
“mini commercial automobile”	a commercial automobile with maximum permitted overall weight limit less than 1.8 tonnes
“net financing amount”	the actual amount financed by our Company after netting off the down payment received from our customer from the total vehicle value (including the purchase price of the vehicle and vehicle insurance (if applicable))
“new energy automobile”	an automobile with advanced technology and structure which is powered by unconventional vehicle fuel (or by conventional vehicle fuel but new power generating system), and is integrated with advanced vehicle dynamics control and drive technology, for example, pure electric vehicle and plug-in hybrid vehicle
“non-performing assets”	loan receivables having objective evidence of impairment as a result of one or more events that occur after initial recognition and these event(s) has an impact on the estimated future cash flows of loan receivables that can be reliably estimated
“over-the-air (OTA)”	over-the-air technology, a technology which enables remote management of software via movable telecommunication port

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“satellite positioning device”	a device installed on a commercial automobile to facilitate the provision of geolocation positioning service by systems such as Beidou System or GPS
“SMEs”	small and medium enterprises
“Tianxingjian IoV System”	the system utilised by Tianxingjian for provision of our IoV and data service, including the intelligent IoV terminal products and accessories, the relevant software and the IoV and related technologies
“truck”	business goods transportation automobile, which is a commercial automobile designed and equipped for transportation goods; depending on the transportation tonnes, truck can be classified into mini duty truck, light duty truck, medium duty truck and heavy duty truck, which are generally referred to as mini commercial automobile, light commercial automobile, medium commercial automobile and heavy commercial automobile in this document
“VR (virtual reality)”	a computer simulation system which can develop a virtual environment for users to be engaged