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November 27, 2019

California Public Utilities Commission (the "**Commission**" or "**CPUC**")
ATTN: Cody Naylor
505 Van Ness Avenue
San Francisco, 94102

Autonomous Vehicle TCP Pilot Passenger Service - Quarterly Data Report 08/01/2019 to 10/31/2019

Permit Number: TCP0038723-P

Dear Commission,

Enclosed please find Pony.ai, Inc.'s Quarterly Data Report (Permit Number TCP0038723-P) for the Charter-Party Permit (TCP) of the Drivered Autonomous Vehicle Service Pilot Program. This report is submitted pursuant to Sections 5351 through 5420 of the Public Utilities Code and Decision (D.)18-05-043 issued by the California Public Utilities Commission (CPUC). This data report covers the period of 8/1/2019 to 10/31/2019.

Pony.ai would like to supplement the enclosed data report spreadsheet with the following details:

- Pony.ai's TCP was issued by the CPUC on June 18, 2019
- During this reporting period, Pony.ai opened up its ridesharing pilot to the public in the city of Irvine on October 7, 2019. As such, the attached report covers the period from October 7, 2019 through October 31, 2019 ("**Test Pilot Reporting Period**")

Sincerely,

DocuSigned by:
Gordon Sung
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Gordon Sung
Director of Legal

I. Company Background and Pilot Introduction

Pony.ai ("**Pony**") was founded in 2016 with a mission to bring safe, accessible and sustainable mobility services to all. Pony has been testing its autonomous driving technology on public roads since 2017. We currently have autonomous vehicle service pilots up and running in multiple geographies across the globe. These pilots have enabled us to build a strong technological and operational foundation for launching a pilot service in California.

We opened our test pilot, named BotRide, to the public in early October 2019. BotRide is a shared, on-demand, and autonomous vehicle service providing rides to the community of Irvine, California, created in collaboration with partners Hyundai and Via. The service area covers several residential, commercial, and institutional points of interest, including the University of California Irvine and Irvine Business Complex.

Users can download the BotRide app from iOS or Android app stores, and in one-click launch into an end-to-end autonomous mobility experience. The product offers not only a ride-hailing experience similar to those of existing services, but also offers technology that seamlessly enables carpool and automates human-to-vehicle interactions. Additionally, the fleet is 100% electric-powered, accelerating the advent of a sustainable, autonomous, and congestion-free future.

For the reporting period of October 7, 2019 through October 31, 2019 ("**Test Pilot Reporting Period**"), Pony has been providing rides to a limited public audience in Irvine. The pilot service ramped up with a formal launch ("**Formal Pilot**") in early November and is now open to the general public. Thus, the data contained in this report is not reflective of the Formal Pilot and its full operational capabilities, which will be more accurately captured in our next CPUC Quarterly Data Report.

II. Quarterly Data Report Oct. 7, 2019 to Oct. 31, 2019

BotRide opened for service in Irvine, California on October 7, 2019 and currently operates on weekdays. During the Test Pilot Reporting Period, the service provided 180 completed trips over 19 operational days.

Pilot participants can request a ride through the BotRide app by selecting a pickup and dropoff location point from within the coverage area. The vehicles then provide a point-to-point service comparable to those of existing ride-share services. Over the Test Pilot Reporting Period, the residents of Irvine have given us a warm reception, and we have seen weekly active users as well as weekly order count increase by roughly four times since launch.

BotRide is the first public-facing autonomous vehicle pilot service in California. Any user near Irvine, CA may download the app and register for the service. The service's real-time orders display a healthy demand pattern during service hours (Figure 1).

In the 19 days of pilot operation, we have served hundreds of riders in the city of Irvine. Some operational highlights include:

- 180 trips completed, roughly 15% of which were shared rides
- Traveled 12,005 miles during service hours
- All vehicles are electric; thus, we have traveled 12,005 electric-vehicle (EV) miles

We observe two rush hour periods in the distribution of orders, with the first peak in the morning to early afternoon period, and the second peak around dinner time. This matches a healthy demand pattern in the ride-hailing industry.

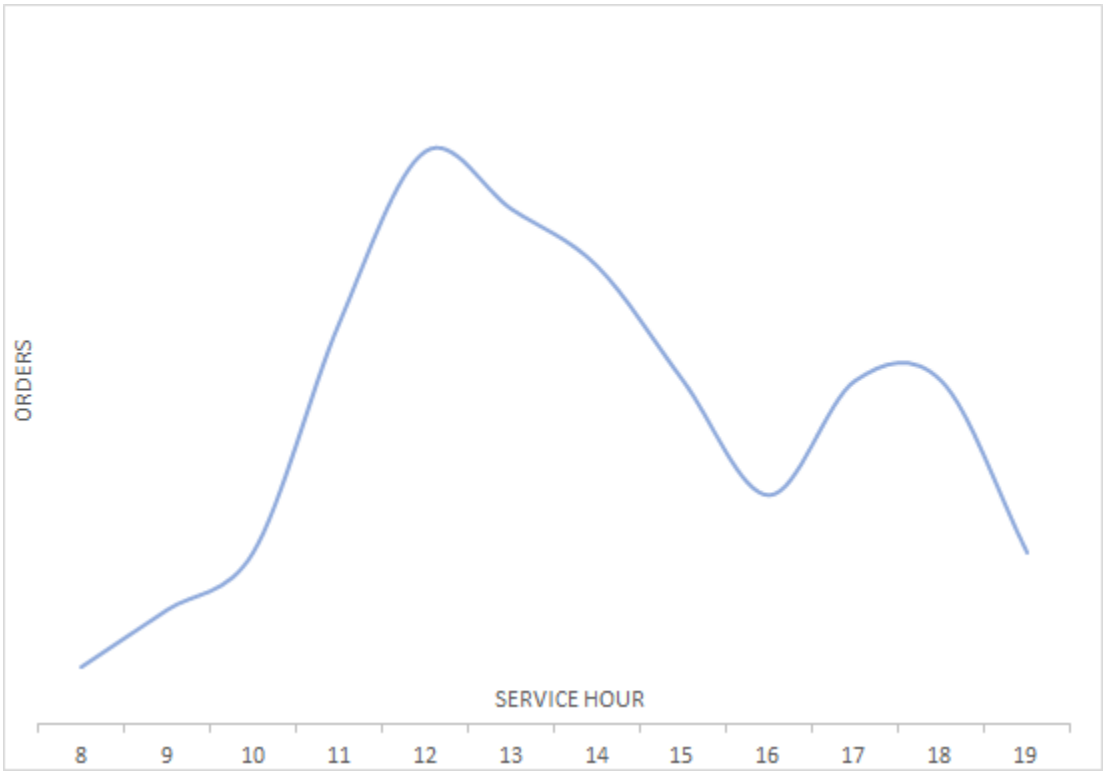

Figure 1: Demand by Service Hour

Over the Test Pilot Reporting Period, we have seen a substantial growth in the service's usage. The service's order volume in the last week of the reporting period has surged to around four times that of our launch week (Figure 2). The average user has used the

service around four times during the 19 days of service, or about once every week excluding weekends.

The service's unique user pool has also exhibited a healthy growth trend. Over the reporting period, the user base grew substantially to around four times that of our launch week, with roughly 80% of riders using the service more than once. (Note our last operational week had one fewer day.) Multiple users have hailed a ride more than 10 times since launch, exhibiting a regular transit demand pattern.

Figure 2: Four Times Growth in Weekly Trips

The service prioritizes ridesharing in order to optimize road resources, help alleviate congestion and reduce overall carbon footprint. During the reporting period, we provided our first shared ride on Oct 15 and saw shared ride service rapidly increase. Around 15% of our total overall rides have been shared rides.

Our fully electric and autonomous vehicles further substantiate our goal for a sustainable and autonomous future. With zero ICE (internal combustion engine) powered rides and mass expansion of shared rides, we would minimize our carbon footprint, cut emissions and continue to provide first-rate autonomous mobility services without the expense of the environment. We will continue to work with our partners to build a sustainable future mobility ecosystem.

III. Terminology and Definitions

1. Total quarterly vehicle miles traveled during passenger service by all vehicles in the entity's list of Autonomous Vehicle equipment, provided per-vehicle ("Service Mileage")

   In accordance with D.18-05-43, Pony's Drivered AV pilot data was "*collected and reported only when the vehicle is in AV passenger service, as opposed to being used for other testing purposes. Passenger service is defined as the period of time during which the entity is providing passenger service consistent with the terms and conditions of its TCP permit allowing it to participate in these pilot programs, including when the app is on and the vehicle is available for passengers to reserve using the app."* All Pony vehicles registered for the pilot are registered in the California DMV's Autonomous Vehicle Tester program. Between trips conducted for purposes of the pilot, each vehicle continued self-driving testing without passengers on public roads.

2. Total quarterly vehicle miles traveled during passenger service that are served by electric vehicles or other vehicles not using an internal combustion engine, provided per- vehicle ("EV Mileage")

   All vehicles registered in the pilot are fully electric 2019 Hyundai Kona EVs. Therefore, all of the reported service mileage is considered electric vehicle mileage. This fully serves our intent to minimize emissions and contribute to a more sustainable, eco-friendly mobility solution for all.

3. Total quarterly vehicle miles traveled during passenger service, from the vehicle's starting location when it first accepted a trip request to the pickup point for each requested trip, expressed in miles and provided per-vehicle ("Pickup Mileage", "Deadhead Mileage")

   When a pilot participant requests a trip through the BotRide app, our system matches the individual with the nearest vehicle that can complete the requested trip.

   Our algorithm has been optimized to strategically deploy vehicles and capture the largest pockets of demand. Therefore, we are able to improve road usage

efficiency, reduce idle vehicle time, and improve customer experience by reducing pickup time.

4. Amount of time each vehicle waits between ending one passenger trip and initiating the next passenger trip, expressed as both a daily average and a monthly total in hours or fraction of hours for each vehicle (idling or dwell time). (“Idle Time”)

   We have strictly adhered to the letter of the text and have classified all the time during which our vehicle is operational excluding time related to trip fulfillment as idle time. This may artificially inflate the true idle hours of our vehicles, as they continuously test on the road in between trips. Furthermore, we strategically deploy our vehicles to different locations in the coverage area throughout service time to anticipate and best capture the incoming demand. All of the above will inflate our idle time, and as such the reader should not view this figure as indicative of our mature operations.

5. Vehicle occupancy (total number of passengers) in each vehicle for each trip (“Vehicle Occupancy”)

   Our shared ride algorithms automatically match riders with different pickup and dropoff locations, which may result in different routes determined for each single rider. In order not to understate the multiple individual trips at different dropoff and pickup locations that our shared rides serve, we count each rider-trip as a unique trip. Around 15% of the trips were shared.

6. Accessibility

   We aim for a future of autonomous mobility that is accessible to all, including but not limited to riders with disabilities or special needs. Our app and service include some accessibility features, which we are continuing to expand as we build a deeper understanding of product requirements through discussion with the special needs or disability community. Some current features include:

   1. In-vehicle audio cues: we have the full capability to include audio messages, similar to those of a navigation app, to keep visually impaired riders fully informed on their journey. We may provide descriptions of vehicle maneuvers (e.g. “turning right”) and have implemented this feature in multiple vehicles.

2. In-vehicle visual displays with text messages: this complements standard in-vehicle communication, providing both visual and audio cues to inform riders of the current status of the ride.

3. Multi-channeled feedback system: the user may provide feedback directly through the app, communicate via voice in-vehicle or reach our customer service hotline via phone.

In our rider recruitment process, we do not ask the pilot participants to disclose whether or not they have a disability or special needs. We therefore cannot track precisely how many rides served an individual who needed accommodation for a disability or special needs. However, during the Test Pilot Reporting Period, we received positive reception for the features described. As we continue to expand our feature offerings and better understand the needs of the broader community, we believe we can provide a dramatically improved and accessible mobility experience to the disabled and special needs community in the future.

November 27, 2019

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ATTN: Cody Naylor
505 Van Ness Avenue
San Francisco, 94102

Re: Verification Statement

I am an officer of Pony.ai, Inc., and I am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to matters therein stated on information or belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 27, 2019, at Fremont, California.

Sincerely,

Jun (James) Peng
Chief Executive Officer