
RELATED PARTY TRANSACTIONS

We are seeking a listing on the Hong Kong Stock Exchange pursuant to Chapter 19C of the Hong Kong Listing Rules by way of Introduction. Pursuant to Rule 19C.11 of the Hong Kong Listing Rules, Chapter 14A of the Hong Kong Listing Rules, governing connected transactions, does not apply to us. The following discussion of related party transactions has been prepared pursuant to the requirements of Form 20-F of the SEC, and is included in this document for disclosure purposes only.

CONTRACTUAL ARRANGEMENTS

PRC laws limit foreign ownership of companies engaged in new energy vehicle manufacturing and other related businesses in China. Due to these restrictions, we operate our relevant business through contractual arrangements with the variable interest entity. See “Contractual Arrangements.”

SHAREHOLDERS AGREEMENT

We entered into a shareholders agreement and a right of first refusal and co-sale agreement on November 10, 2017 with our shareholders, which consist of holders of ordinary shares and preferred shares.

The shareholders agreement and right of first refusal and co-sale agreement (i) provide for certain special rights, including right of first refusal, co-sale rights and preemptive rights and (ii) contain provisions governing board of directors and other corporate governance matters. Those special rights, as well as the corporate governance provisions, automatically terminated upon the closing of the initial public offering of our ADSs on September 12, 2018.

Pursuant to our shareholders agreement dated November 10, 2017, we have granted certain registration rights to our shareholders. Set forth below is a description of the registration rights granted under the agreement.

- (a) *Demand Registration Rights.* Holders holding 10% or more of the voting power of the then outstanding registrable securities held by all holders are entitled to request in writing that we effect a registration statement for any or all of the registrable securities of the initiating holders. We have the right to defer filing of a registration statement for a period of not more than 90 days if our board of directors determines in good faith judgment that filing of a registration statement in the near future will be materially detrimental to us or our shareholders, but we cannot exercise the deferral right on any one occasion or more than once during any twelve-month period and cannot register any other securities during such period. We are not obligated to effect more than two demand registrations. Further, if the registrable securities are offered by means of an underwritten offering, and the managing underwriter advises us that marketing factors require a limitation of the number of securities to be underwritten, the underwriters may decide to exclude up to 75% of the registrable securities requested to be registered but only after first excluding all other equity securities from the registration and underwritten offering, provided that the number of shares to be included in the registration on behalf of the non-excluded holders is allocated among all holders in proportion to the respective amounts of registrable securities requested by such holders to be included.

RELATED PARTY TRANSACTIONS

- (b) *Registration on Form F-3 or Form S-3.* Any holder is entitled to request us to file a registration statement on Form F-3 or Form S-3 if we qualify for registration on Form F-3 or Form S-3. The holders are entitled to an unlimited number of registrations on Form F-3 or Form S-3 so long as such registration offerings are in excess of US\$5.0 million. We have the right to defer filing of a registration statement for a period of not more than 60 days if our board of directors determines in good faith judgment that filing of a registration statement in the near future will be materially detrimental to us or our shareholders, but we cannot exercise the deferral right on any one occasion or more than once during any twelve-month period and cannot register any other securities during such period.
- (c) *Piggyback Registration Rights.* If we propose to register for our own account any of our equity securities, or for the account of any holder, other than current shareholders, of such equity securities, in connection with the public offering, we shall offer holders of our registrable securities an opportunity to be included in such registration. If the underwriters advise in writing that market factors require a limitation of the number of registrable securities to be underwritten, the underwriters may exclude up to 75% of the registrable securities requested to be registered but only after first excluding all other equity securities (except for securities sold for the account of our company) from the registration and underwriting, provided that the number of shares to be included in the registration on behalf of the non-excluded holders is allocated among all holders in proportion to the respective amounts of registrable securities requested by such holders to be included.
- (d) *Expenses of Registration.* We will bear all registration expenses, other than the underwriting discounts and selling commissions applicable to the sale of registrable securities, incurred in connection with registrations, filings or qualification pursuant to the shareholders agreement.
- (e) *Termination of Obligations.* We have no obligation to effect any demand, piggyback, Form F-3 or Form S-3 registration upon the earlier of (i) the tenth anniversary from the date of closing of a Qualified IPO as defined in the shareholders agreement, and (ii) with respect to any holder, the date on which such holder may sell without registration, all of such holder's registrable securities under Rule 144 of the Securities Act in any 90-day period.

OTHER RELATED PARTY TRANSACTIONS

Issuance of convertible notes

In September 2019, we issued US\$200 million principal amount of convertible notes to Huang River Investment Limited, an affiliate of Tencent Holdings Limited, and Mr. Bin Li, our founder, chairman of the board of directors and chief executive officer, collectively the Affiliate Notes. Huang River Investment Limited and Mr. Bin Li each subscribed for US\$100 million principal amount of the Affiliate Notes, each in two equally split tranches. The Affiliate Notes issued in the first tranche will mature in 360 days, bear no interest, and require us to pay a premium at 2% of the principal amount at maturity. The Affiliate Notes issued in the second tranche will mature in three years, bear no interest, and require us to pay a premium at 6% of the principal amount at maturity. The 360-day Affiliate Notes will be convertible into our Class A ordinary shares (or ADSs) at a conversion price of US\$2.98 per ADS at the holder's option from the 15th day immediately prior to maturity, and the three-year Affiliate Notes will be convertible into our Class A ordinary shares (or ADSs) at a conversion price of US\$3.12 per

RELATED PARTY TRANSACTIONS

ADS at the holder's option from the first anniversary of the issuance date. As of December 31, 2020, the 360-day Affiliate Notes issued to each of an affiliate of Tencent Holdings Limited and Mr. Bin Li have been converted to Class A ordinary shares and the three-year Affiliate Notes issued to the wholly owned company of Mr. Bin Li have been converted to ADSs.

In February 2019, we issued US\$750 million aggregate principal amount of 4.50% convertible senior notes due 2024, or the 2024 Notes. The 2024 Notes are unsecured debt and are not redeemable by us prior to the maturity date except for certain changes in tax law. The holders of the 2024 Notes may convert their notes to a number of our ADSs at their option at any time prior to the close of business on the second business day immediately preceding the maturity date pursuant to the 2024 Notes indenture. The 2024 Notes that are converted in connection with a make-whole fundamental change (as defined in the 2024 Notes Indenture) may be entitled to an increase in the conversion rate for such 2024 Notes. Huang River Investment Limited subscribed for US\$30 million aggregate principal amount of the 2024 Notes. As of December 2020, the amount of interest payable to Huang River Investment Limited for the 2024 Notes was US\$0.5 million.

Sales of goods and services agreements

In 2020 and for the nine months ended September 30, 2021, we provided sales of goods to our affiliates, including Wuhan Weineng Battery Assets Co., Ltd., Beijing Bit Ep Information Technology Co., Ltd., Beijing Yiche Interactive Advertising Co., Ltd., Beijing Yiche Information Science and Technology Co., Ltd., Shanghai Weishang Business Consulting Co., Ltd., Beijing Bitauto Interactive Technology Co., Ltd. and Kunshan Siwopu Intelligent Equipment Co., Ltd., and we received total sales of goods of RMB298.5 million and RMB2,797.6 million (US\$434.2 million), respectively.

In 2019 and 2020, we received IT support services from Beijing Yiche Information Science and Technology Co., Ltd., a company significantly influenced by Bin Li, and incurred expenses of IT support services of RMB0.5 million and RMB0.3 million, respectively.

In 2018, 2019, 2020 and for the nine months ended September 30, 2021, we received marketing and advertising services from Beijing Xinyi Hudong Guanggao Co., Ltd., Beijing Chehui Hudong Guanggao Co., Ltd., Bite Shijie (Beijing) Keji Co., Ltd., Beijing Yiche Interactive Advertising Co., Ltd., Shanghai Yiju Information Technology Co., Ltd., Tianjin Boyou Information Technology Co., Ltd. and Beijing Bit Ep Information Technology Co., Ltd., and we incurred expenses of marketing and advertising services RMB38.0 million, RMB79.3 million, RMB138.2 million and RMB4.5 million (US\$0.7 million), respectively. Beijing Yiche Interactive Advertising Co., Ltd., Shanghai Yiju Information Technology Co., Ltd., Tianjin Boyou Information Technology Co., Ltd. and Beijing Bit Ep Information Technology Co., Ltd. are controlled by our principal shareholders. In December 2020, Mr. Bin Li resigned as chairman of the Board in Beijing Bitauto Interactive Technology Co., Ltd. Since then, Beijing Bitauto Interactive Technology Co., Ltd., Beijing Xinyi Hudong Guanggao Co., Ltd., Bite Shijie (Beijing) Keji Co., Ltd. and Beijing Chehui Hudong Guanggao Co., Ltd. are no longer controlled by Mr. Bin Li, and are no longer our related parties.

In 2018, 2019, 2020 and for the nine months ended September 30, 2021, we provided property management, administrative support, design and research and development services to our affiliates and companies controlled by our principal shareholders, including Shanghai NIO Hongling Investment Management Co., Ltd., Shanghai Weishang Business Consulting Co.,

RELATED PARTY TRANSACTIONS

Ltd., Nanjing Weibang Transmission Technology Co., Ltd., Beijing Weixu Business Consulting Co., Ltd. and Wuhan Weineng Battery Assets Co., Ltd., and we received total service income of RMB3.6 million, RMB4.2 million, RMB1.6 million and RMB39.3 million (US\$6.1 million), respectively.

In 2018, 2019, 2020 and for the nine months ended September 30, 2021, we paid a total of RMB132.2 million, RMB132.5 million, RMB174.7 million and RMB84.9 million (US\$13.2 million), respectively, for the cost of manufacturing consignment to Suzhou Zenlead XPT New Energy Technologies Co., Ltd., or Suzhou Zenlead. Suzhou Zenlead is an affiliate of ours.

In 2018, we accrued and paid a total of RMB8.1 million to Baidu Capital L.P., a former shareholder of our company, representing the interest expenses we agreed to bear for the bridge loan provided by a third party.

In 2018, we made a payment of RMB2.8 million to a supplier on behalf of Nanjing Weibang Transmission Technology Co., Ltd., one of our affiliates. As of December 31, 2020, the amount receivable has been fully repaid.

In 2018, 2019, 2020 and for the nine months ended September 30, 2021, we received research and development and maintenance services from Kunshan Siwopu, Xunjie Energy (Wuhan) Co., Ltd. and Suzhou Zenlead, and paid a total of RMB17.2 million, RMB0.3 million, RMB3.4 million and RMB13.0 million (US\$2.0 million), respectively.

Loan agreements

In 2019, we borrowed RMB25.8 million principal amount of loan from Beijing Changxing Information Technology Co., Ltd., a company significantly influenced by one of our principal shareholders, at an interest rate of 15%. As of December 31, 2020, we had repaid the loan in full.

In 2018, we granted two interest free loans to Miracle Mission Limited, an entity affiliated with our founder, with the principal amount of US\$5.0 million each. The loans matured in six months. One of the loans was converted into ordinary shares of Miracle Mission Limited upon maturity at our option. We disposed of such investment in 2019 to a third party in a privately negotiated transaction based on its then fair value and realised the gain from this investment. The other loan was fully repaid before the initial public offering of our ADSs.

In 2017, we granted interest-free loans to Ningbo Meishan Bonded Port Area Weilan Investment Co., Ltd., a company controlled by our principal shareholders. As of Latest Practicable Date, the loan was fully repaid. In November 2021, we also acquired from Ningbo Meishan Bonded Port Area Weilan Investment Co., Ltd. certain equity interests in companies associated with NIO Capital for RMB50 million.

Purchase of raw material, property and equipment

In 2018, we paid a total of RMB11.1 million to Kunshan Siwopu Intelligent Equipment Co., Ltd. or Kushan Siwopu, an affiliate of ours, for purchase of property and equipment. In 2019, we paid a total of RMB42.2 million to Kunshan Siwopu Intelligent Equipment Co., Ltd. and Nanjing Weibang Transmission Technology Co., Ltd. for purchase of property and equipment and raw material. In 2020 and for the nine months ended September 30, 2021, we paid a total

RELATED PARTY TRANSACTIONS

of RMB137.6 million and RMB634.0 million (US\$98.4 million), respectively, to Kunshan Siwopu Intelligent Equipment Co., Ltd., Nanjing Weibang Transmission Technology Co., Ltd. and Xunjie Energy (Wuhan) Co., Ltd. for purchase of property and equipment and raw material.

Employment agreements and indemnification agreements

See “Directors and Senior Management — Compensation — Employment Agreements and Indemnification Agreements” for a description of the employment agreements and indemnification agreements we have entered into with our directors and executive officers, which we consider to be related party transactions.

Share Option Grants

See “Directors and Senior Management — Compensation — Stock Incentive Plans” for a description of the share-based compensation awards we have granted to our directors and executive officers, which we consider to be related party transactions.