

GLOSSARY OF TECHNICAL TERMS

This glossary contains explanations of certain technical terms used in this document in connection with us and our business. As such, some of these terms and their meanings may not correspond to standard industry definitions or usage of these terms and may not be comparable to similar terms adopted by other companies.

“A”	ampere, the standard unit of electric current
“AIDC”	artificial intelligence data center
“arc quenching”	the process of extinguishing the electrical arc generated between contacts during on-load switching of an OLTC, in order to protect contacts and ensure the safe and reliable operation of the OLTC and transformer
“CAGR”	compound annual growth rate, calculated by dividing the ending value by the beginning value, raising the result to the power of one divided by the number of years in the relevant period, and subtracting one
“CNC”	computer numerical control, the automated control of machine tools by a computer
“DETC”	de-energized tap-changer, a tap-changer that enables adjustment of a transformer’s output voltage only when the transformer is de-energized
“dry-type OLTC”	a type of OLTC that achieves arc quenching through vacuum interrupters and utilizes gas as the insulation medium
“EHV”	extra high voltage, alternating current voltage levels in power systems that are higher than or equal to 330kV and lower than 1000kV
“EPC”	engineering, procurement and construction, a project delivery model under which a contractor is responsible for the design, procurement and construction of a new energy power station
“ESS”	energy storage system
“GHG”	greenhouse gas
“HV”	high voltage, alternating current voltage levels in power systems that are higher than 1kV and lower than 330kV

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“HVDC”	high voltage direct current, direct current voltage levels in power systems that are below $\pm 800\text{kV}$
“in-house production rate”	the ratio of the number of types of self-manufactured components to the total number of types of components included in the core bill of materials (BOM). A component is classified as “self-manufactured” if it is produced by us from raw materials or through further processing, as opposed to finished parts purchased directly from suppliers and assembled into our products
“insulation medium”	material used to provide electrical insulation, typically oil or gas, to prevent electrical breakdown and ensure safe and reliable operation of tap-changers
“kV”	kilovolt, a unit of voltage equal to 1,000 volts
“MES”	manufacturing execution system
“oil-immersed OLTC”	a type of OLTC that achieves arc quenching through oil and utilizes oil as the insulation medium
“OLTC”	on-load tap-changer, a type of tap-changer that changes the tap connections of a winding and enables adjustment of a transformer’s output voltage while the transformer remains energized and under load
“operation and maintenance”	the ongoing inspection, monitoring, servicing, maintenance, repair and overhaul activities performed on equipment after installation and commissioning to ensure its safe, stable and efficient performance throughout its service life
“power electronic OLTC”	a type of OLTC that uses semiconductor switching devices to perform tap changes electronically, with the current transfer carried out through solid-state components rather than mechanical switching contacts
“R&D”	research and development
“tap”	a connection point at a specific position along a transformer winding. Each tap corresponds to a defined number of effective winding turns

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“tap-changer”	a critical component of a transformer. By selectively connecting to different tap positions, a tap-changer adjusts the effective number of turns of the transformer winding, thereby achieving voltage regulation and maintaining the required output voltage
“UHV”	ultra high voltage, alternating current voltage levels in power systems that are higher than or equal to 1000kV
“vacuum OLTC”	a type of OLTC that achieves arc quenching through vacuum interrupters and utilizes oil as the insulation medium