

GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains explanations of certain technical terms used in this Document in connection with our Company and our business. Such terminology and meanings may not correspond to standard industry meanings or usages of those terms.

“AGV”	automated guided vehicle
“AI”	artificial intelligence
“AMR”	autonomous mobile robot
“API”	application programming interface
“ASN”	advance shipment notice
“big data”	refers to extremely large and complex datasets that exceed the processing capabilities of traditional data management tools
“CAGR”	compound annual growth rate
“cash collection rate”	calculated by cash received from sale of products divided by GMV
“cash conversion cycle”	calculated by adding inventory turnover days and trade and bills receivables turnover days, then subtracting trade payables turnover days
“cloud computing”	a delivery model under which computing power, storage capacity, software applications and business systems are provided through internet networks on an on-demand basis, with resources centrally deployed on cloud server clusters that support elastic scaling, on-demand allocation and centralized operation and maintenance, without requiring enterprises to build or maintain on-premises data centers or hardware infrastructure
“drop ship”	a fulfillment method where a company sells products without holding inventory, relying on its suppliers to ship directly to customers
“ERP”	enterprise resource planning
“ESG”	environmental, social and governance
“GFA”	gross floor area
“GHG”	greenhouse gas
“GMV”	gross merchandise value, referring to the total value of merchandise sold by us in a given period, excluding the value of returned goods in the same period
“ISO”	the International Organization for Standardization, an independent, non-governmental organization that develops and publishes international standards

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“IT”	information technology
“key accounts”	customers that are primarily integrated into our system through API connection and generated transaction value in the relevant year, selected based on operational scale, business characteristics and procurement volume
“LTC”	lead-to-cash
“MRO”	maintenance, repair and operations
“ODM”	original design manufacturer, a company that designs and manufactures products that will eventually be sold under third-party brands
“OEM”	original equipment manufacturer, a company that manufactures products that are eventually sold under third-party brands
“PMP”	procurement management platform
“Punch-out”	a standardized B2B procurement integration solution that connects enterprise internal procurement platforms with suppliers’ live e-catalogs
“Puyuan”	our digitally-enabled operating framework
“PWS”	picking workstation system
“RPA”	robotic process automation, a form of business process automation that is based on software robots or artificial intelligence agents
“R&D”	research and development
“SaaS”	software as a service, a cloud computing service model in which a provider delivers application software to clients while managing the required physical and software resources
“SCS”	supplier collaboration system
“SKU(s)”	stock keeping unit(s), a unique identifier for each distinct product
“SRM”	supplier relationship management
“TMS”	transportation management system
“transaction value retention rate of key accounts”	the percentage of GMV generated from key accounts in the previous year that is retained from the same key accounts in the current year. GMV is calculated at the group level on a consolidated basis
“WCS”	warehouse control system
“WMS”	warehouse management system