GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains explanations of certain terms used in this Document in connection with our Group and our business. The meaning of these terms may not necessarily correspond to standard industry meaning or the usage of these terms.

"AML"	anti-money laundering, a system used to monitor, identify and flag potentially suspicious transactions for regulatory review and reporting
"AI"	artificial intelligence
"AIGC"	the use of generative AI technologies such as algorithms, large models, and deep learning to automatically create, modify, or assist in the production of diverse forms of digital content
"arm's-length transaction"	a transaction conducted on normal commercial terms between independent parties
"bonded zone"	a customs-supervised area where goods may be stored, processed or re-exported without immediate payment of import duties
"buy-out basis"	a transaction model under which title ownership and inventory risks transfer to the purchaser upon completion of the sale
"cannibalization risk"	the risk that overlapping downstream resellers negatively affect each other's sales within the same or similar markets
"*Chinagoods*"	our key proprietary digital trade service platform primarily serving B2B participants as an online extension of our physical marketplaces
"EXW"	Ex Works, a shipping arrangement in which a seller makes a product available at a specific location
"FOB"	Free On Board or Freight On Board, specifying the point at which the risk and responsibility for the goods transfer from the seller to the buyer
"Generative AI"	a type of artificial intelligence that creates new, original content by identifying patterns in massive datasets
"Gross Floor Area"or "GFA"	the total, enclosed, covered floor space of a building, measured from the outside face of the exterior walls, including all floor levels
"Haicheng Market"	A retail physical marketplace in Liaoning, China, that we held in 2023 and 2024
"industry clustering"	the organized concentration of merchants offering similar or related product categories within designated market areas

"KYB"	Know-Your-Business, a due-diligence process for verifying the legitimacy, ownership and business scope of corporate customers
"KYC"	Know-Your-Customer, a compliance process for verifying customer identity to prevent fraud, money laundering and other illicit activities
"lettable area"	the total floor space in a commercial property available for lease to tenants, often used to determine rent and service charges
"LLM"	Large Language Model, a type of AI, based on deep learning and transformer architecture, trained on massive datasets to understand, summarize, generate, and predict human language and text
"Market Procurement Trade Model"	a PRC customs supervision regime applicable to eligible export transactions conducted through designated market clusters, providing simplified customs clearance and tax handling for qualifying shipments within prescribed value thresholds
"Negative List"	a PRC regulatory framework identifying industries where foreign investments is prohibited or restricted
"O2O"	an online-to-offline trade model integrating digital product display and trade matching with offline negotiation, inspection, fulfillment and settlement
"PBOC"	People's Bank of China, the central bank of the People's Republic of China, established on December 1, 1948
"recourse basis"	a financial arrangement where the borrower is personally liable if they default, allowing lenders to seize both the pledged collateral and additional personal assets to recover the outstanding balance
"State Administration of Foreign Exchange"	an administrative agency managing Chinese mainland's $3+ trillion foreign exchange reserves, regulates foreign exchange market activities, and monitors the balance of payments
"virtual account"	a sub-account opened under a licensed payment institution's master account to facilitate transaction settlement
"World Yiwu"	an AI-powered, large language model service platform launched by the Company
"Yiwu Pay"	payment solutions launched by our Group