
GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains explanations of certain technical terms used in this document. As such, these terms and their meanings may not correspond to standard industry meanings or usage of these terms.

“AGVs”	Automated Guided Vehicles. Unmanned, computer-controlled vehicles equipped with guidance systems (e.g., lasers, vision, or other navigation technologies) used for transporting materials, goods, or equipment within a controlled environment, such as a factory, warehouse, or distribution center. AGVs are usually deployed to automate in-house logistics and material handling processes, enhancing both operational efficiency and safety.
“AI+ technologies”	AI+ technologies refer to the integration and application of artificial intelligence (AI) with various industry-specific technologies, systems, or processes, to enhance automation, and intelligence across different sectors.
“AMS”	Automatic Management System. A technologically driven system designed to automate and streamline specific operational processes within the supply chain and distribution network. An AMS typically enhances efficiency, accuracy, and control over tasks such as inventory management, order fulfillment, and logistics coordination through automated decision-making and execution based on pre-defined parameters and real-time data.
“Artificial Intelligence (AI)”	The simulation of human intelligence by computer systems, enabling machines to perform tasks such as learning, reasoning, perception and decision-making.
“BMS”	Billing and Settlement Management System. An automated system that manages the entire process of fee calculation, invoice generation, payment and receipt, reconciliation and settlement arising from logistics services, ensuring efficient, accurate and transparent cash flow management.
“CDC”	Central distribution center, the main warehouse located near factories.
“CSP”	City Service Platform. A comprehensive local service platform operated by Annto, providing one-stop last-mile solutions including delivery, installation, integrated delivery & installation services, and maintenance for end consumers in the home appliances, home furnishings, and EV charging station sectors.

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“ERP”	Enterprise Resource Planning. A type of software system that organizations use to manage day-to-day business activities and automate core processes. ERP systems integrate various functions such as human resources, supply chain management, procurement, services, and project management into a single, unified platform.
“EV”	Electric vehicle, a type of vehicle that is propelled by one or more electric motors, using electrical energy stored in rechargeable batteries or another energy storage device.
“FDC”	Front distribution center, situated near end customers or retail points, hold high-turnover or time-sensitive inventory to enable rapid order fulfillment and last-mile delivery.
“FMCG”	Fast-moving consumer goods. The sector encompasses food, beverages, alcoholic drinks, and beauty and personal care products. It is characterized by a wide variety of products, rapid iteration, diversified sales channels and fragmented order structures, and stringent last-mile delivery requirements.
“FTL”	Full truckload. A freight shipping mode where a truck carries a dedicated consignment from a single shipper, occupying the entire or a significant portion of the truck’s capacity, directly to a consignee. This service is typically utilized for larger shipments that warrant the exclusive use of a vehicle.
“Internet of Things (IoT)”	Devices, sensors and systems connected via the internet to collect, exchange and analyze data automatically, enabling intelligent monitoring and control across physical and digital environments.
“JIS (Just-in-Sequence)”	An advanced logistics methodology, often an extension of JIT, where components and materials are delivered to the point of use both at the precise time required and in the exact sequence needed for the manufacturing or assembly process. This method is particularly critical in complex production environments with high product customization, aiming to eliminate on-site sorting and further streamline operations.
“JIT (Just-in-Time)”	A production and inventory management strategy focused on receiving materials, components, and products only as they are needed in the production process or to meet customer demand. The primary objectives are to minimize inventory holding costs, reduce waste, and improve operational efficiency by closely aligning supply with actual requirements.

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“Lean manufacturing”	A management system, also referred to as lean production, that maximizes value by eliminating waste through standard work, flow, and continuous improvement. In supply-chain logistics, it employs pull-based planning and just-in-time (JIT) deliveries to reduce work-in-process and inventories and to synchronize plant, warehousing, and transportation flows, thereby lowering end-to-end cost and lead times.
“Lighthouse factory”	The “Lighthouse Factory” initiative, launched by the World Economic Forum and McKinsey in 2018, recognizes global leaders in digital manufacturing and Industry 4.0 for setting the highest standards in intelligent and digitalized production.
“LTL”	Less-than-truckload. A freight shipping mode involving the transportation of goods from multiple shippers consolidated into a single truck. LTL shipments typically involve smaller freight volumes that do not individually require the capacity of an entire truck, allowing for cost-sharing among various shippers.
“NEV ”	New energy vehicles, including EV, hydrogen and other new type of fuel cell vehicles.
“OMS”	Order Management System. A software system that manages and automates the entire lifecycle of an order. This includes order entry, inventory management, fulfillment coordination, and often customer communication, providing visibility into order status through to delivery.
“OTP”	Order Transport Platform. An intelligent central hub integrating order management and transportation dispatch, which digitally consolidates core functions such as order processing, transport scheduling, and end-to-end tracking, enabling efficient collaboration and full visibility of goods throughout the entire supply chain from order placement to final delivery.
“PDA”	Personal Digital Assistant. A handheld mobile device that functions as a personal information manager and often provides computing and data collection capabilities. They are frequently used for tasks like barcode scanning, data entry, order management, and communication, facilitating mobile workforce operations and real-time data capture in logistics, retail, and field services.
“RDC”	Regional distribution center, which serves as the primary hub in distribution. It receives bulk goods from CDC and manages large-scale inventory storage and redistribution.

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“RFID”	Radio Frequency Identification. A technology that uses radio waves to automatically identify and track tags attached to objects. This technology enables non-contact, automated data capture for applications such as inventory management, asset tracking, and access control.
“Townships”	A township (鄉鎮) in China refers to geographical areas including smaller towns and the central points of rural populations, which are administratively situated below the county (縣) level.
“VMI”	Vendor-managed inventory, a collaborative supply chain strategy where the supplier, or a designated logistics partner, takes on the responsibility of managing and replenishing the manufacturer’s inventory, typically at or near the point of consumption.
“VMI warehouse”	A warehouse operated by Annto as a collaborative pre-production hub for customers. It monitors in real-time the types, quantities, and consumption rates of raw materials in customers’ warehouses, performing replenishment aligned with customers’ production schedules and demand forecasts. This ensures synchronized availability of multiple categories of raw materials and prevents production interruptions caused by shortages of individual materials.