

GLOSSARY OF TECHNICAL TERMS

In this document, unless the context otherwise requires, explanations and definitions of certain terms used in this document in connection with our Company and our business shall have the meanings set out below. The terms and their meanings may not always correspond to standard industry meaning or usage of these terms.

“AI”	artificial intelligence
“AI agent”	a system or program that is capable of perceiving its environment, making autonomous decisions, and performing tasks to achieve specific goals
“API”	application programming interface, a standardized set of protocols, definitions and tools that enables different software applications to communicate with each other
“API gateway”	a management service that handles the routing, monitoring, and security of API calls between different software systems
“ARR” or “annual recurring revenue”	the annualized revenue run-rate of effective subscriptions of our cloud-based services at a point in time. We calculate ARR by taking the monthly recurring revenue, as of the last day of a particular month and multiplying it by 12. Monthly recurring revenue is defined as the total contract value of effective subscriptions of our cloud-based services, divided by the number of months within the duration of such subscriptions. Effective date of such subscriptions is provided in the relevant subscription agreements
“big data”	large and diverse data sets used to uncover hidden patterns, unknown correlations, market trends, customer preferences and other useful information assets under new processing model for greater decision-making power, insight and processing optimization capabilities
“Copilot”	AI-powered assistance embedded within enterprise software applications that supports users in executing tasks, making decisions, and interacting with data through natural language interfaces
“CRM”	customer relationship management
“digital and intelligent transformation”	the use of cloud computing, big data, AI and other digital technologies to enable enterprises to conduct data-driven and intelligent operations
“dollar retention rate”	the quotient from dividing the ARR from customers in a given period by the ARR from the same group of customers in the preceding period
“ERP”	enterprise resource planning

GLOSSARY OF TECHNICAL TERMS

“information technology application innovation”	a trend among Chinese enterprises to build IT infrastructure using domestically developed software, hardware and technologies
“HR”	human resources
“industry vertical”	a distinct sector of the economy or market in which specialized products and services are tailored to the needs of enterprises operating within that sector
“ISV(s)”	independent software vendor(s)
“IT”	information technology
“iuap”	the integrated technology infrastructure of Yonyou BIP, comprising a cloud technology platform, an application platform, a development platform, an integration platform, a data platform, an intelligence platform, and YonGPT
“large enterprise(s)”	enterprise(s) with annual revenue in excess of RMB2 billion
“LLM”	large language model
“medium-sized companie(s)”	enterprise(s) with annual revenue between RMB50 million and RMB2 billion
“MES”	manufacturing execution system
“MSE(s)” or “micro and small enterprise(s)”	enterprise(s) with annual revenue of less than RMB50 million
“natural language processing”	the technology which enables machines to read, understand and derive meanings from human languages
“Open API”	a specification for a machine-readable interface definition language for describing, producing, consuming and visualizing web services
“optical character recognition”	the technology that enables the automatic detection and conversion of printed or handwritten text in images, scanned documents, or other visual inputs into machine-readable and editable digital text
“PLM”	product lifecycle management
“RAG” or “retrieval-augmented generation”	an AI framework that enhances large language models by retrieving relevant external information, such as documents, databases, or knowledge bases, before generating a response, thereby improving factual accuracy, contextual relevance, and up-to-date knowledge in the model’s output
“service bus”	a middleware architecture that facilitates communication between different applications within a system by routing messages, transforming data formats, and enabling loosely coupled integration

GLOSSARY OF TECHNICAL TERMS

“siloeo application”	a software application that operates independently without effective integration with other systems, leading to fragmented data and disconnected business processes
“SOE(s)”	state-owned enterprise(s)
“SRM”	supplier relationship management
“WMS”	warehouse management system