
GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains terms used in this document as they relate to our business. As such, these terms and their meanings may not always correspond to standard industry meaning or usage of these terms.

“AI”	artificial intelligence, simulation of human intelligence processes by machines, especially computer systems
“app”	abbreviation for application, which is a computer software designed for a particular purpose that can be downloaded onto a mobile phone or other mobile device
“big data”	large and diverse data sets able 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
“CAGR”	compound annual growth rate
“CFR”	cost and freight, a term in an international trade contract that requires the seller to deliver the goods to a foreign port. The seller assumes responsibility for shipping the goods, along with the documents that the buyer needs to take possession of the goods
“CIF”	cost, insurance and freight, a term in an international trade contract that states the seller is responsible for paying the cost, insurance and freight of shipping the goods to the buyer’s port of destination
“Cloud Platform”	a comprehensive and integrated suite of cloud-based services and technologies designed to manage the entire data lifecycle of an organization. This includes ingestion, storage, processing, analysis, governance, and security of data
“cold chain”	a supply chain that maintains a constant temperature, typically for perishable food and temperature-sensitive pharmaceuticals
“cost-plus pricing”	a pricing strategy by which the selling price of a product is determined by adding a specific fixed percentage (a “markup”) to the product’s unit cost
“customer repurchase rate”	the proportion of customers who had a purchasing history in the preceding period and made purchases again during the given period, calculated as the number of such returning customers divided by the total number of customers who placed orders in the given period
“customs clearance”	the process of ensuring that goods meet all legal and regulatory requirements before they cross international borders. It involves verifying that shipments comply with the laws of the importing or exporting country
“data-enabled decision-making”	a management approach in which business decisions are informed and optimized through systematic analysis and application of accumulated operational, transaction, and demand-related data, enabling more precise forecasting and improved resource allocation

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“demand-led sales”	an operating approach for the sale of cold chain agricultural products, under which we procure products on our own account with reference to market demand, customer order requirements, historical transaction data, inventory status and supplier availability, rather than solely based on confirmed customer orders
“digital twin”	a digital model of an intended or actual real-world physical product, system, or process (a physical twin) that serves as a digital counterpart of it for purposes such as simulation, integration, testing, monitoring, and maintenance
“digitalization”	the way many domains of social life are restructured around digital communication and media infrastructures
“enterprise resource planning systems” or “ERP System”	the integrated management of main business processes, often in real time and mediated by software and technology
“FOB”	free on board, an international trade term indicating that the seller fulfills delivery when goods pass the ship’s rail at the port of shipment, with the buyer assuming responsibility thereafter
“Internet of Things” or “IoT”	the network of physical devices with information-sensing capabilities such as two-dimensional code reading, radio frequency identification, infrared sensors, global positioning systems and laser scanners to realize intelligent identification, positioning, tracking, monitoring and management
“kg”	kilogramme(s)
“Middle East”	a geopolitical region whose scope primarily comprises most of Western Asia as well as the Northeast African region where Egypt is situated
“modeling”	a data-driven approach that leverages historical and real-time data to anticipate future outcomes, enabling businesses to optimize their operations and improve decision-making
“multi-layer intermediary trading”	a procurement and distribution model involving multiple levels of intermediaries between the original supplier and the end customer, where goods and ownership transfer through several successive intermediary layers before reaching the final destination
“North America”	a continent in the Northern and Western hemispheres. North America is bordered to the north by the Arctic Ocean, to the east by the Atlantic Ocean, to the southeast by South America and the Caribbean Sea, and to the south and west by the Pacific Ocean. The region includes Middle America comprising the Caribbean, Central America, and Northern America
“R&D”	research and development
“shelf-life”	the length of time that a commodity may be stored without becoming unfit for use, consumption, or sale
“small and medium-sized agricultural product wholesalers”	customers with annual revenue contributions to our Group of less than RMB50.0 million

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“South America”	a continent located primarily in the Western Hemisphere, south of North America, comprises 12 sovereign states including Brazil, Argentina, Colombia, Peru, and several territories
“Southeast Asia”	the geographical southeastern region of Asia, consisting of the regions that are situated south of China, east of the Indian subcontinent, and northwest of mainland Australia
“spot sales”	transactions in which goods are sold and delivered immediately or within a very short timeframe based on current market prices and available inventory
“supply chain”	a complex logistics system that consists of facilities that convert raw materials into finished products and distribute them to end consumers or customers
“ton” or “tons”	metric ton(s); unless otherwise specified, one metric ton equals 1,000 kilograms