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.

"5G"	the fifth generation of cellular network technology, designed to deliver significantly faster data speeds, lower latency, and greater network capacity compared to previous generations such as 4G
"AI"	artificial intelligence, the ability of a digital computer or computer-controlled robot to perform tasks commonly associated with intelligent beings
"AOI"	automated optical inspection
"APS"	advanced planning and scheduling system, a manufacturing planning system used to optimize production scheduling and resource allocation under complex constraints
"BaaS"	business best practice as a service, our proprietary solution framework and service delivery model under which industrial know-how, operational processes and best practices are digitized, modularized and embedded into its industrial operating system, and are made available to customers on a service basis. "BaaS" is a branding and product term used by our Company and does not represent a standardized industry definition
"BaaS Industrial Brain"	the intelligent core of COSMOPlat, boasting industrial data processing, industrial large model training and inference, and industrial agent development capabilities
"BaaS Industrial Operating System"	the digital foundation of the COSMOPlat Industrial Internet Platform, mainly supporting industrial device connection and management, along with containerized resource management capabilities
"carbon accounting"	the calculation of carbon emissions in accordance with recognized standards or methodologies, ensuring consistency, accuracy and comparability of emission data
"COSMO-iMOM integrated digital twin manufacturing platform"	an all-in-one software suite that empowers manufacturing enterprises to simulate, execute, and optimize their operations by fusing AI and digital twin technology with Manufacturing Operations Management to create a real-time virtual mirror of the factory, enabling managers to predict outcomes and make confident, data-driven decisions
"COSMOMind Industrial Large Model"	an AI-powered foundational model developed for industrial applications built from large industrial datasets and expert knowledge to deliver deep cognitive capabilities, scenario-driven insights, and intelligent decision-making tailored to specific industrial sectors
"COSMOPlat/ COSMOPlat Industrial Internet Platform"	a proprietary AI-powered industrial internet platform that serves as a foundational technology and capability of us for industrial intelligent transformation

GLOSSARY OF TECHNICAL TERMS

"COSMO-Sphere"	a software product which mainly integrates the capabilities of COSMOBase, COSMOTide, COSMOMind, allowing customers to freely assemble its capability modules according to their own needs, and helping enterprises of all sizes achieve digital transformation
"COSMOTide Industrial Big Data"	a full-process data governance system within the COSMOPlat Industrial Internet Platform responsible for data cleansing, storage, and analysis of industrial data acquired from customer operations, enabling systematic aggregation and intelligent processing of large-scale, heterogeneous industrial datasets to support advanced analytics and AI applications
"Data intelligence solutions"	data and AI-driven solutions, including industrial digital transformation solutions and industrial green manufacturing solutions
"DevOps"	a set of automated processes, tools and practices that enable software teams to build, test and deliver applications continuously and reliably
"digital twin"	a virtual model of a physical asset, process or system (such as factories or equipment) that uses data to simulate the real-time behavior of, and stay synchronised with, such physical asset, process or system, enabling monitoring, simulation, testing and predictive analysis to optimize their operations
"DIP"	a classic through-hole packaging technology for electronic components (such as integrated circuits, resistors and capacitors), in which the pins of the component are arranged in two parallel rows and inserted into the corresponding holes of the printed circuit board for soldering and fixation, widely used in industrial control, electronic equipment and embedded systems
"EAM"	enterprise asset management system, a comprehensive system that integrates processes, data, and digital tools to manage an organization's physical assets throughout their entire lifecycle including planning, acquisition, operation, maintenance, and disposal with the aim of maximizing asset reliability, optimizing performance, reducing downtime, and improving overall operational efficiency
"EDSP"	COSMOPlat Ecological Delivery Service Platform, a full-process digital delivery service platform that integrates sales management (from customer to lead, business opportunity, and contract), project management (from project initiation to delivery), commercial product research and development, and operation management, all centered on the user to ensure project success and customer satisfaction
"EMS"	energy management system, an integrated system of software and hardware used to monitor, control and dispatch energy flows among connected energy resources, enabling the optimization of energy generation, storage and consumption
"COSMO-iEMS"	an advanced, AI-driven management platform developed by us, which delivers scenario-based solutions for energy efficiency, carbon reduction, and operational excellence
"ERP"	enterprise resource planning system

GLOSSARY OF TECHNICAL TERMS

"ESD"	electrostatic discharge, a sudden and momentary flow of electric current between two objects with different electrical potentials, typically caused when they come close together or when the insulating material between them breaks down
"Green manufacturing solutions"	solutions that leverage advanced hardware, software, and AI-driven platforms to optimize energy systems, reduce operational costs, and support customers in meeting their environmental and sustainability goals. According to Frost & Sullivan, the naming of green manufacturing solutions is appropriately reflect the nature of the business. In China, green manufacturing is a formally defined term under the national standard GB/T 28612–2023 (Green Manufacturing -Terminology), which sets out the authoritative definition of green manufacturing with a focus on low consumption, low emissions, high efficiency, and the integration of green development concepts throughout the product life cycle. Our green manufacturing solution business segment was in line with this industry-recognized definition
"IATF16949"	international technical specification of automotive industry quality management system, which was prepared by International Automotive Task Force and International Organization for Standardization
"industrial internet platform(s)"	a key digital infrastructure for industrial upgrading, which connects industrial production equipment, systems and enterprises through digital technologies, collects and analyzes industrial data, and empowers the optimization of manufacturing processes and industrial chain collaboration, helping traditional manufacturing achieve digital transformation and further development
"Intelligent manufacturing solutions"	a suite of integrated hardware and software offerings that optimize manufacturing processes for industrial customers
"IoT"	Internet of Things, the integration of intelligent hardware devices, such as controllers, sensors, and modules, into industrial products and equipment, enabling them to connect, communicate and interact over digital networks
"KA customers"	major customers with relatively large business scale and stable, ongoing commercial relationships with the company
"Kubernetes"	an open-source container-orchestration system designed to automate the deployment, scaling, and management of containerized applications
"Lighthouse Factory"	a manufacturing facility recognized by the World Economic Forum for adopting advanced intelligent manufacturing technologies
"LLM" or "Large Language Model(s)"	AI systems that have been trained based on very large amounts of data to recognize and generate language that seems similar to human language
"machine vision inspection"	an automated technology that uses industrial cameras, controlled lighting, and computer vision software to evaluate products
"MCP"	model context protocol, a standardized, open protocol that allows AI applications and large language models to access external tools, databases, services, and structured templates through a unified, documented interface

GLOSSARY OF TECHNICAL TERMS

"MES"	manufacturing execution system, a computerized system used in manufacturing to monitor, control and document production processes, tracking the transformation of raw materials into finished goods in real time
"Microgrids"	small-scale power grids that operate independently to generate electricity
"Modbus"	open, widely-used industrial communication protocol
"MOM"	manufacturing operations management system, a set of systems used to manage and coordinate end-to-end manufacturing operations, covering production activities from planning through execution
"OEM(s)"	companies that produces parts, components, or products that are used in another company's final goods
"OPC-UA"	open platform communications unified architecture, a platform-independent, vendor-neutral industrial data exchange standard
"PLM"	product lifecycle management system, a digital platform that manages a product's information, processes, and data throughout its entire lifecycle
"Productization"	the process of transforming a technology, capability, or internal solution into a standardized, market-ready product that can be packaged, delivered, and scaled for commercial use
"QMS"	quality management system, a structured framework of policies, processes, and procedures used to plan, control, and improve the quality of products or services, ensuring they consistently meet internal requirements, customer expectations, and applicable regulatory or industry standards
"SaaS"	software as a service, a cloud-based software delivery model where applications are hosted by a service provider and made available to users over the internet
"SIM"	simulation software tools used to model and analyze manufacturing systems and processes in a virtual environment, allowing testing and refinement of equipment, workflows and logistics before actual production
"SMT"	surface mount technology, a assembly technique where electronic components are soldered directly onto the surface of a circuit board
"SPC"	statistical process control, a data-quality control method that uses statistical data to monitor process performance and prevent defects before they occur
"WMS"	a digital warehouse platform that empowers manufacturing enterprises with end-to-end inventory visibility by replacing manual processes with data-driven automation, transforming complex logistics into an efficient, error-free operation that accelerates inventory turnover