

GLOSSARY OF TECHNICAL TERMS

This glossary contains definitions of certain technical terms used in this Document in connection with our Company. Such terms and their meanings may not correspond to standard industry definitions or usage.

“ADR”	average daily rate, which means room revenue divided by rooms in use
“CAGR”	compound annual growth rate
“CNSRS”	China Tourism Hotel Association
“economy hotels”	economy hotels mainly offer a limited hotel amenities and basic accommodations with limited or no complimentary or value-added services
“first-tier cities and second-tier cities”	Beijing, Shanghai, Guangzhou, Shenzhen, Chengdu, Chongqing, Hangzhou, Xi’an, Wuhan, Suzhou, Zhengzhou, Nanjing, Tianjin, Changsha, Dongguan, Ningbo, Foshan, Hefei, Qingdao, Kunming, Shenyang, Jinan, Wuxi, Xiamen, Fuzhou, Wenzhou, Jinhua, Harbin, Dalian, Guiyang, Nanning, Quanzhou, Shijiazhuang, Changchun, Nanchang, Huizhou, Changzhou, Jiaxing, Xuzhou, Nantong, Taiyuan, Baoding, Zhuhai, Zhongshan, Lanzhou, Linyi, Weifang, Yantai and Shaoxing
“GFA”	gross floor area
“hotel chains”	an enterprise that manages a number of hotels located in different areas
“hotel chain penetration rate”	number of rooms of hotel chains divided by the total number of hotel rooms and multiplied by 100%
“independent hotel”	the hotel which is not franchised or manachised nor affiliated with a member organization
“midscale hotels”	hotels with similar positioning and quality of three-star hotels according to CNSRS
“OCC”	occupancy rate, which refers to the number of rooms in use divided by the number of available rooms for a given period
“OTA platform”	online travel agency platform
“per hotel cost”	cost of building a hotel
“per room cost”	cost of building a single room
“RevPar”	revenue per available room, which is calculated by room revenue during a period divided by the number of rooms available of such hotel during the same period
“room nights”	a unit for calculating the room occupancy rate of a hotel in a certain period of time, the number of rooms reserved or occupied multiplied by the number of room nights per room booked or occupied
“third-tier and lower cities”	cities other than the above-mentioned first-tier and second-tier cities
“upper midscale hotels”	hotels with similar positioning and quality of four-star hotels according to the CNSRS
“upscale and above hotels” or “upper scale and above hotels”	hotels with similar positioning and quality of five-star and above hotels according to the CNSRS