

GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains explanations of certain technical terms used in this document in connection with our Company and our business. Such terminology and meanings may not correspond to standard industry meanings or usages of those terms.

“BMS”	Billing Management System
“CAGR”	compound annual growth rate
“CPI”	Consumer Price Index
“Dine-in stores”	refers to our store format where the store provides RTE meals with seating areas for on-site dining, as well as RTE and RTC products for pick-up and delivery
“ERP”	enterprise resource planning, representing an integrated software system that manages and automates core business processes across functions such as finance, supply chain, manufacturing, procurement and human resources
“first-tier cities”	For the purposes of this document only, Shanghai, Beijing, Shenzhen, Guangzhou, Suzhou, Hangzhou, Nanjing, Ningbo, Dongguan, Changsha, Wuhan, Qingdao, Tianjin, Hefei, Chengdu, Zhengzhou, Xi’an, Chongqing and Wuxi
“franchised stores”	stores operated by third parties under our brand names through contractual arrangements between third parties (referred to in this document as “franchisees”) and us in compliance with applicable laws and regulations in a relevant market, and the associated model is referred to as “franchise model” in this document
“GMP”	good manufacturing practice, representing a system of processes, procedures and documentation that ensures products are consistently produced and controlled according to quality standards and regulatory requirements
“GMV”	gross merchandise value, representing the sales value of product(s) in consumer orders before discounts are applied
“HACCP”	Hazard Analysis and Critical Control Points, a systematic approach to food safety that identifies, evaluates, and controls potential hazards throughout the food production process
“IP”	characters, songs, drama series or other artistic works and their underlying intellectual property rights (including elements for re-creation)
“ISO14001”	an international standard that specifies requirements for an effective environment management system

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“ISO45001”	an international standard that specifies requirements for an effective occupational health and safety management system
“ISO50001”	an international standard that specifies requirements for an effective energy management system
“ISO9001”, “ISO22000” and “FSSC22000”	international standards that specify requirements for quality management and food safety management
“MES”	Manufacturing Execution System
“OMS”	Order Management System
“Pick-up stores”	refers to our store format where the store provides RTE and RTC products for pick-up and delivery
“QSR”	quick service restaurant
“R&D”	research and development
“Repurchase rate”	refers to the percentage of number of members who made two or more repurchases during the current period divided by number of members who made at least one purchase during that same current period, multiply by 100%
“RTC”	ready-to-cook, refers to our product offerings under the brand Yuen Kee Dumplings that are freshly hand-wrapped, but require cooking before ready for consumption
“RTC pick-up stores”	refers to our store format where the store provides RTC products for pick-up and delivery
“RTE”	ready-to-eat, refers to our product offerings under the brand Yuen Kee Dumplings that are freshly hand-wrapped and freshly cooked, ready to be consumed without any additional cooking or processing
“second-tier cities”	for the purposes of this document only, Kunming, Xiamen, Shaoxing, Foshan, Wenzhou, Zhuhai, Jiaxing, Zhongshan, Changzhou, Jinhua, Taizhou, Nantong, Jinan, Quanzhou, Fuzhou, Dalian, Shenyang, Yantai, Huizhou, Nanchang, Taiyuan, Weifang, Guiyang, Harbin, Xuzhou, Shijiazhuang, Nanning, Changchun, Baoding and Lanzhou
“SKU”	acronym for minimum stock keeping unit, a unique identifier for each distinct product and service that can be purchased. For the purpose of this document only, we count the same dish, regardless of its size offered, as one SKU
“SRM”	Supplier Relationship Management System

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“SSOP”	sanitation standard operating procedure, representing documented step-by-step instructions that outline the cleaning and sanitizing processes required to maintain hygienic conditions in food production or processing environments
“Southeast Asia”	for the purposes of this document only, Singapore, Thailand, Philippines, Malaysia, Indonesia and Vietnam
“third-tier and below cities”	for the purposes of this document only, all the cities in Chinese Mainland excluding first-tier cities and second-tier cities
“TMS”	Transportation Management System
“WMS”	Warehouse Management System