
GLOSSARY OF TECHNICAL TERMS

This glossary contains definitions of certain technical terms used in this document in connection with us and our business. These may not correspond to standard industry definitions, and may not be comparable to similarly terms adopted by other companies.

“active loyalty program members”	members of our loyalty program who placed an order on our online channels at least once in the past year
“active users”	customers who placed an order on our online channels at least once in the past year
“BRCGS”	Brand Reputation through Compliance Global Standards, a global brand and consumer protection scheme
“CAGR”	compound annual growth rate
“cash investment payback period”	the amount of time it takes for the cumulative store operating profit on a cash basis to cover the costs to open a store
“CDP”	customer data platform
“COVID-19”	coronavirus disease 2019, a disease caused by a novel virus designated as severe acute respiratory syndrome coronavirus
“EBITDA”	earnings before interest, taxes, depreciation and amortization
“ERP system”	enterprise resource planning system, an integrated management system
“GDP”	gross domestic production
“GFA”	gross floor area
“HAACP”	Hazard Analysis Critical Control Points, a food safety risk management system which focuses on identifying and controlling food safety hazards
“initial breakeven period”	the first month for the revenue of a newly opened store to at least equal its operating expenses on a cash basis
“IT” or “I.T.”	information technology

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“ monthly active users ” or “ MAUs ”	the monthly average number of users that placed an order on our online channels during a given period
“ new growth markets ”	with respect to the markets in which we operate, Shenzhen, Guangzhou, Hangzhou, Tianjin, Nanjing, Suzhou, Wuxi, Ningbo, Foshan, Dongguan, Zhuhai and Zhongshan
“ New Tier 1 Cities ”	for the purpose of this document, Chengdu, Chongqing, Hangzhou, Wuhan, Xi’an, Suzhou, Tianjin, Nanjing, Zhengzhou, Changsha, Dongguan, Shenyang, Qingdao, Ningbo and Foshan
“ restaurant chain ”	a catering business model that involves opening a series of restaurants under the same brand
“ SKU ”	stock-keeping unit, a scannable bar code, most often seen printed on product labels in a retail store; the label allows vendors to automatically track the movement of inventory
“ SSSG ”	same-store sales growth, which is the percentage difference in sales generated by same stores across two consecutive periods, where same stores are those stores that have been open for at least 18 months as of the end of latter period, provided that for a given same store in a given period, only the sales it generates after it qualifies as a same store are included in the calculation of SSSG and such sales are compared against the sales generated by the store in the comparable days of the prior period
“ Tier 1 Cities ”	for the purpose of this document, Beijing, Shanghai, Guangzhou and Shenzhen
“ Tier 2 Cities ”	for the purpose of this document, Hefei, Kunming, Fuzhou, Wuxi, Xiamen, Jinan, Dalian, Harbin, Wenzhou, Shijiazhuang, Quanzhou, Nanning, Changchun, Nanchang, Guiyang, Jinhua, Changzhou, Huizhou, Jiaxing, Nantong, Xuzhou, Taiyuan, Zhuhai, Zhongshan, Lanzhou, Taizhou, Shaoxing, Yantai, Weifang and Linyi