

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 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 and Dongguan
“ 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 aggregate sales of stores that have been open for no less than 18 months during the period indicated, provided that, if a store was or is closed on the first or last day of the period indicated, then such store’s sales are excluded from the calculation of SSSG
“ Tier 1 Cities ”	for the purpose of this document, Beijing, Shanghai, Guangzhou and Shenzhen
“ 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
“ 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