
GLOSSARY

This glossary contains certain technical terms used in this document in connection with us and our business. Such terms and their meaning may not correspond to standard industry definitions or usage.

“distributor-operated stores”	our retail stores that are controlled and operated by our distributors
“edible bird’s nests” or “EBN”	nests created by swiftlets with their saliva. EBN is highly valued in Chinese culture and has been a renowned delicacy in Chinese cuisine for over 400 years. It is known for its nutritional profile, which includes, among others, sialic acid, amino acid, collagen, glycoprotein, antioxidants, calcium, potassium, iron, magnesium and hormones. Traditional Chinese medicine attributes various health benefits to EBN, such as promoting overall wellness, boosting the immune system, enhancing focus and concentration, increasing energy and metabolism and regulating circulation. Modern scientific studies conducted by authoritative sources have further validated the health benefits of EBN products
“EBN+ products”	products based on EBN as a core ingredient or component (with an EBN feed rate of 1% or above) with other ingredients and/or nutrients
“ISO 9001”	the international standard that specifies requirements for a quality management system and helps organizations ensure they meet customer and other stakeholder needs within statutory and regulatory requirements related to a product or service
“new tier-1 cities”	Hangzhou, Chengdu, Suzhou, Nanjing, Chongqing, Wuhan, Tianjin, Changsha, Xi’an, Qingdao, Zhengzhou, Ningbo, Foshan, Dongguan and Hefei, according to the F&S Report
“our stores”	offline retail stores in our sales network, including self-operated and distributor-operated stores
“pure EBN products”	include dried EBN and products made from EBN and water, with or without crystal sugar or sugar substitutes
“self-operated stores”	our retail stores that are controlled and operated by us
“SKU”	short for stock keeping unit, a unique identifier for each distinct product that can be purchased
“swiftlet”	a small bird of the swift family which is found in Southeast Asia. Its opaque and whitish bird nest is made exclusively of solidified saliva and is the main ingredient of bird’s nest soup, a delicacy of Chinese cuisine

GLOSSARY

“swiftlet farming”	the practice of responsibly cultivating and harvesting the nests of swiftlets by constructing purpose-built houses that mimic the birds’ natural nesting conditions, allowing for the sustainable production of valuable nests while minimizing disruption to the swiftlets’ natural habitats
“tier-1 cities”	Beijing, Shanghai, Guangzhou and Shenzhen
“+EBN products”	include certain food and skincare products that contain EBN or EBN extracts as an enhancement for elevated nutrition or other benefits. +EBN food products are products that use EBN (with an EBN feed rate of less than 1%) and other food ingredients as raw materials, such as EBN porridge. +EBN skincare products are products that contain EBN or EBN extracts, such as EBN facial masks and EBN essence