UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer Pursuant to Rule 13a-16 or 15d-16 under the Securities Exchange Act of 1934

For the month of November 2023

Commission File Number: 001-41516

TH International Limited

2501 Central Plaza 227 Huangpi North Road Shanghai, People's Republic of China, 200003 +86-021-6136-6616 (Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F. Form 20-F 🗵 Form 40-F 🗆 Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

INDEX TO EXHIBITS

Exhibit Number	Exhibit Title
<u>99.1</u>	Press Release.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TH International Limited

/s/ Yongchen Lu Yongchen Lu Chief Executive Officer

Date: November 15, 2023



Tims China Announces Third Quarter 2023 Financial Results

Record- high Quarterly Revenue of RMB436.4 Million Represents 42.7% Year-over-Year Growth

Record-high Adjusted Store EBITDA Margin of 7.5%

SHANGHAI and NEW YORK, November 15th, 2023 (GLOBE NEWSWIRE) -- TH International Limited (Nasdaq: THCH), the exclusive operator of Tim Hortons coffee shops and Popeyes restaurants in China ("Tims China" or the "Company") today announced its unaudited financial results for the Third quarter 2023.

THIRD QUARTER 2023 HIGHLIGHTS

- Total revenues reached a quarterly record of RMB436.4 million (USD59.8 million), representing a 42.7% increase from the same quarter of 2022.
- Net new store openings totaled 63 (14 company owned and operated stores and 45 franchised stores for Tims, 4 company owned and operated stores for Popeyes), resulting in 763 system-wide stores at quarter-end.
- Loyalty club grew to 16.9 million members, representing 90.3% year-over-year growth.
- Adjusted store EBITDA¹ was RMB29.3 million (USD4.0 million), representing a 91.5% year-over-year growth compared to RMB15.3 million in the same quarter in 2022.
- **Adjusted store EBITDA margin**² was 7.5%, representing an increase of 2.2% from the same quarter in 2022.

COMPANY MANAGEMENT STATEMENT

Mr. Yongchen Lu, CEO & Director of Tims China, commented, "In Q3 2023, we delivered 42.7% year-over-year top-line growth, and set quarterly records for three critical metrics: revenue, adjusted store EBITDA, and adjusted store EBITDA margin. We want to express our sincere gratitude to our 16.9 million registered loyalty club members, their continuous support and patronage inspire us to deliver an outstanding guest experience every time and improve every day. During the quarter, we continued to increase our presence in our existing cities, building density and delivering convenience for our guests. We also rapidly expanded our Tim Hortons franchised store network, driving capital efficient growth, and penetrated new cities such as Yibin, Handan, and Lanzhou, among others. Tims launched 21 new beverages and 11 new food products in Q3 2023, our buffalo milk latte, watermelon cold brew, and smile bagel-blueberry series were among the best-sellers. To further enhance customers' perception of Tim's unique "coffee plus warm food" brand image, we are also in the process of renovating our store designs so that our freshly handmade food preparation process can be visualized to our guests."

³ Fully burdened gross profit of company owned and operated stores, the most comparable GAAP measure to adjusted store EBITDA, was a loss of RMB22.3 million (USD3.1 million) for the three months ended September 30, 2023, compared to a loss of RMB19.6 million in the same quarter of 2022.

¹ Adjusted store EBITDA is calculated as fully burdened gross profit³ of company owned and operated stores excluding depreciation & amortization and store pre-opening expenses.

² Adjusted store EBITDA margin is calculated as adjusted store EBITDA as a percentage of revenues from company owned and operated stores.



Mr. Lu added, "Since the grand opening of our first Popeyes restaurant in Shanghai on August 19, we've successfully opened another 6 restaurants at premium locations in Shanghai as of today and are on track to have 10 restaurants open and operating by year-end. Our locally-relevant menu, appealing store design and environment, and efficient digital ordering process have proven popular with our customers, as evidenced by over RMB29,000 average daily sales per restaurant year-to-date."

Mr. Dong (Albert) Li, CFO of Tims China, commented, "As we scale our business, we have demonstrated meaningful expansion in store profitability and leverage in general and administrative expenses. Specifically, in the third quarter, adjusted store EBITDA margin increased by 2.2 percentage points and adjusted general and administrative expenses as a percentage of total revenues decreased by 1.3 percentage points year-over-year. Managing our cost structure effectively is very important to us, we continue to implement various optimization measures, targeting shorter payback periods and further improvements in store-level profitability."

Mr. Li continued, "Looking forward, one of our top near-term priorities is to drive capital-efficient growth via building density in our existing markets, entry into attractive new cities, and accelerating our use of sub-franchising. We are also squarely focused on profitability, as is demonstrated in our continuously improving margins."

THIRD QUARTER 2023 FINANCIAL RESULTS

Total revenues reached RMB436.4 million (USD59.8 million) for the three months ended September 30, 2023, representing an increase of 42.7% from RMB305.7 million in the same quarter of 2022. Total revenues comprise:

- *Revenues from Company owned and operated store sales* were RMB390.8 million (USD53.6 million) for the three months ended September 30, 2023, representing an increase of 34.8% from RMB290.0 million in the same quarter of 2022. The growth was primarily driven by an increase in the number of company owned and operated stores from 454 as of September 30, 2022 to 589 as of September 30, 2023.
- **Other revenues** were RMB45.6 million (USD6.3 million) for the three months ended September 30, 2023, representing an increase of 190.3% from RMB15.7 million in the same quarter of 2022. The growth was primarily attributable to the rapid expansion of our e-commerce business and an increase in franchise fees and revenues from other franchise support activities, which was attributable to an increase in the number of franchised stores from 32 as of September 30, 2022 to 174 as of September 30, 2023.



Company owned and operated store costs and expenses were RMB400.5 million (USD54.9 million) for the three months ended September 30, 2023, representing an increase of 33.6% from RMB299.9 million in the same quarter of 2022. Company owned and operated store costs and expenses comprise:

- Food and packaging costs were RMB137.5 million (USD18.9 million), representing an increase of 42.4% from RMB96.6 million, in line with our revenue growth and store network expansion. Food and packaging costs as a percentage of revenues from company owned and operated stores increased by 1.9 percentage points from 33.3% in the third quarter of 2022 to 35.2% in the same quarter of 2023 driven by promotional activities to attract more customers.
- **Rental and property management fee** was RMB77.4 million (USD10.6 million), representing an increase of 71.3% from RMB45.2 million, mainly due to the increase in the number of company owned and operated stores from 454 as of September 30, 2022 to 589 as of September 30, 2023 and also one-time rent concessions that we received during the third quarter of 2022. As a result, rental and property management fee as a percentage of revenues from company owned and operated stores increased by 4.2 percentage points from 15.6% in the third quarter of 2022 to 19.8% in the same quarter of 2023.
- *Payroll and employee benefits expenses* were RMB79.3 million (USD10.9 million), representing an increase of 20.1% from RMB66.0 million. Payroll and employee benefits as a percentage of revenues from company owned and operated stores decreased by 2.5 percentage points from 22.8% in the third quarter of 2022 to 20.3% in the same quarter of 2023, primarily due to the continuous refinement of staffing systems and procedures.
- **Delivery costs** were RMB34.2 million (USD4.7 million), representing an increase of 44.8% from RMB23.6 million, due to an increased proportion of home-delivery orders. Delivery costs as a percentage of revenues from company owned and operated stores increased by 0.6 percentage points to 8.7% in the third quarters of 2023 compared to that of the same quarter in 2022.
- **Other operating expenses** were RMB35.7 million (USD4.9 million), representing a decrease of 5.8% from RMB37.9 million, driven by cost optimization measures and deployment of systems to improve daily operation efficiency, for example, an automated stocktaking system. Other operating expenses as a percentage of revenues from company owned and operated stores decreased by 4.0 percentage points from 13.1% in the third quarter of 2022 to 9.1% in the same quarter of 2023.
- *Store depreciation and amortization expenses* was RMB36.5 million (USD5.0 million), representing an increase of 19.1% from RMB30.6 million, driven by an increase in the number of company owned and operated stores from 454 as of September 30, 2022 to 589 as of September 30, 2023. Store depreciation and amortization as a percentage of revenues from company owned and operated stores decreased by 1.3 percentage points from 10.6% in the third quarter of 2022 to 9.3% in the third quarter of 2023.



Costs for other revenues were RMB42.1 million (USD5.8 million) for the three months ended September 30, 2023, representing an increase of 345.6% from RMB9.5 million in the same quarter of 2022, which was primarily driven by an increase in the number of franchised stores from 32 as of September 30, 2022 to 174 as of September 30, 2023 and the incurrence of higher cost of product sales related to our e-commerce business during the third quarter of 2023. Costs for other revenues as a percentage of other revenues increased by 32.1 percentage points from 60.2% in the third quarter of 2022 to 92.3% in the same quarter of 2023 due to higher discounts and more promotional activities offered to consumers of our e-commerce business.

Marketing expenses were RMB34.4 million (USD4.7 million) for the three months ended September 30, 2023, representing an increase of 38.5% from RMB24.9 million in the same quarter of 2022, which was primarily attributable to the increase in the number of our system-wide stores from 486 as of September 30, 2022 to 763 as of September 30, 2023. Marketing expenses as a percentage of total revenues decreased by 0.2 percentage points from 8.1% in the third quarter of 2022 to 7.9% in the same quarter of 2023.

General and administrative expenses were RMB71.1 million (USD9.7 million) for the three months ended September 30, 2023, representing a decrease of 35.1% from RMB109.6 million in the same quarter of 2022, which was primarily due to: (i) a decrease in share-based compensation expenses; and (ii) a decrease in professional fees. Adjusted general and administrative expenses, which excludes share-based compensation expenses of RMB3.0 million (USD0.4 million) and professional fees related to warrant exchange and other financing programs of RMB4.6 million (USD0.6 million), were RMB63.4 million (USD8.7 million). Adjusted general and administrative expenses as a percentage of total revenues decreased by 1.3 percentage points from 15.8% in the third quarter of 2022 to 14.5% in the same quarter of 2023. For more information on the Company's non-GAAP financial measures, please see the section "Non-GAAP Financial Measures" and the table captioned "Reconciliation of Non-GAAP Measures to the Most Directly Comparable GAAP Measures" set forth at the end of this earnings release.

Franchise and royalty expenses were RMB15.5 million (USD2.1 million) for the three months ended September 30, 2023, representing an increase of 40.8% from RMB11.0 million in the same quarter of 2022, which was in line with our top-line growth and was primarily driven by the increase in the number of our system-wide stores from 486 as of September 30, 2022 to 763 as of September 30, 2023. Franchise and royalty expenses as a percentage of total revenues remained flat at 3.6% in the third quarters of 2022 and 2023.

As a result of the foregoing, **operating loss** was RMB159.7 million (USD21.9 million) for the three months ended September 30, 2023, compared to RMB150.5 million in the same quarter of 2022.

Adjusted Corporate EBITDA was a loss of RMB70.2 million (USD9.6 million) for the three months ended September 30, 2023, compared to a loss of RMB47.6 million in the same quarter of 2022. Adjusted Corporate EBITDA margin was negative 16.1% in the third quarter of 2023, compared to negative 15.6% in the same quarter of 2022.

Net loss was RMB159.7 million (USD21.9 million) for the three months ended September 30, 2023, compared to RMB195.0 million for the same quarter of 2022. **Adjusted net loss** was RMB107.9 million (USD14.8 million) for the three months ended September 30, 2023, compared to RMB87.5 million for the same quarter of 2022. Adjusted net loss margin was negative 24.7% in the third quarter of 2023, representing an improvement of 3.9 percentage points from negative 28.6% in the same quarter of 2022.



Basic and diluted net loss per ordinary share was RMB1.01 (USD0.14) in the third quarter of 2023, compared to RMB1.56 in the same quarter of 2022. Adjusted basic and diluted net loss per ordinary share was RMB0.69 (USD0.09) in the third quarter of 2023, compared to RMB0.70 in the same quarter of 2022.

Liquidity

As of September 30, 2023, the Company's total cash and cash equivalents and short-term investments were RMB461.8 million (USD63.3 million), compared to RMB611.5 million as of December 31, 2022. The change was primarily attributable to the settlements with investors who entered into an Equity Support Agreement dated March 8, 2022, as amended (the "ESA") with us, and cash disbursements as a result of the rapid expansion of our business and store network nationwide, offset by an increase in bank borrowings.

KEY OPERATING DATA

	For the three months ended or as of							
	Dec 31,	Mar 31,	Jun 30,	Sep 30,	Dec 31,	Mar 31,	Jun 30,	Sep 30,
	2021	2022	2022	2022	2022	2023	2023	2023
Total stores	390	424	440	486	617	648	700	763
Company owned and operated stores	373	403	419	454	547	551	571	589
Franchised stores	17	21	21	32	70	97	129	174
Same-store sales growth for system-wide stores	8.2%	4.4%	-6.1%	8.1%	-8.0%	7.5%	19.9%	0.1%
Same-store sales growth for company owned and								
operated stores	8.8%	5.5%	-5.3%	7.5%	-7.1%	8.0%	20.4%	-0.4%
Registered loyalty club members (in thousands)	5,969	6,907	7,532	8,862	11,250	12,386	14,721	16,898
Adjusted store EBITDA (Renminbi in thousands)	8,780	(25,011)	(43,787)	15,325	12,796	6,002	18,244	29,310
Adjusted store EBITDA margin	4.1%	-11.9%	-26.6%	5.3%	4.7%	1.9%	5.0%	7.5%

KEY DEFINITIONS

- Same-store sales growth. The percentage change in the sales of stores that have been operating for 12 months or longer during a certain period compared to the same period from the prior year. The same-store sales growth for any period of more than a month equals to the arithmetic average of the same-store sales growth of each month covered in the period. If a store was closed for seven days or more during any given month, its sales during that month and the same month in the comparison period are excluded for purposes of measuring same-store sales growth.
- Net new store openings. The gross number of new stores opened during the period minus the number of stores permanently closed during the period.
- Adjusted store EBITDA. Calculated as fully-burdened gross profit of company owned and operated stores excluding depreciation and amortization, and store pre-opening expenses.
- · Adjusted store EBITDA margin. Calculated as adjusted store EBITDA as a percentage of revenues from company owned and operated stores.



- Adjusted general and administrative expenses. Calculated as general and administrative expenses excluding share-based compensation expenses, expenses related to the issuance of certain ordinary shares to CF Principal Investments LLC in November 2022 (the "Commitment Shares"), offering costs related to the ESA (the "ESA Offering Costs"), expenses related to 200,000 of our ordinary shares that may be purchased from our controlling shareholder by a holder of our convertible notes at its option pursuant to the terms of an Option Agreement dated September 28, 2022 (the "Option Shares"), and professional fees related to warrant exchange and other financing programs.
- Adjusted corporate EBITDA. Calculated as operating loss excluding store pre-opening expenses, and certain non-cash expenses consisting of depreciation and amortization, share-based compensation expenses, expenses related to the Commitment Shares, the ESA Offering Costs, expenses related to the Option Shares, professional fees related to warrant exchange and other financing programs, impairment losses of longlived assets and loss on disposal of property and equipment.
- · Adjusted corporate EBITDA margin. Calculated as adjusted corporate EBITDA as a percentage of total revenues.
- Adjusted net loss. Calculated as net loss excluding store pre-opening expenses, share-based compensation expenses, expenses related to the Commitment Shares, the ESA Offering Costs, expenses related to the Option Shares, professional fees related to warrant exchange and other financing programs, impairment losses of long-lived assets, loss on disposal of property and equipment, changes in fair value of convertible notes, changes in fair value of warrant liabilities; and changes in fair value of ESA derivative liabilities.
- · Adjusted net loss margin. Calculated as adjusted net loss as a percentage of total revenues.
- Adjusted basic and diluted net loss per ordinary share. Calculated as adjusted net loss attributable to the Company's ordinary shareholders divided by weighted-average number of basic and diluted ordinary share.

USE OF NON-GAAP FINANCIAL MEASURES

The Company uses non-GAAP financial measures, namely adjusted store EBITDA, adjusted store EBITDA margin, adjusted general and administrative expenses, adjusted corporate EBITDA, adjusted corporate EBITDA margin, adjusted net loss, adjusted net loss margin, and adjusted basic and diluted net loss per ordinary share in evaluating its operating results and for financial and operational decision-making purposes. The Company defines (i) adjusted store EBITDA as fully-burdened gross profit of company owned and operated stores excluding depreciation and amortization, and store pre-opening expenses; (ii) adjusted store EBITDA margin as adjusted store EBITDA as a percentage of revenues from company owned and operated stores; (iii) adjusted general and administrative expenses as general and administrative expenses excluding share-based compensation expenses, expenses related to the Commitment Shares, the ESA Offering Costs, and expenses related to the Option Shares; (iv) adjusted corporate EBITDA as operating loss excluding store pre-opening expenses, and certain non-cash expenses consisting of depreciation and amortization, share-based compensation expenses, expenses related to the Commitment Shares, the ESA Offering Costs, expenses related to the Option Shares, impairment losses of long-lived assets and loss on disposal of property and equipment; (v) adjusted corporate EBITDA margin as adjusted corporate EBITDA as a percentage of total revenues; (vi) adjusted net loss as net loss excluding store pre-opening expenses, share-based compensation expenses, expenses related to the Commitment Shares, the ESA Offering Costs, expenses related to the Option Shares, impairment losses of long-lived assets, loss on disposal of property and equipment, changes in fair value of convertible notes, changes in fair value of warrant liabilities; and changes in fair value of ESA derivative liabilities; (vii) adjusted net loss margin as adjusted net loss as a percentage of total revenues; (viii) adjusted basic and diluted net loss per ordinary share as adjusted net loss attributable to the Company's ordinary shareholders divided by weighted-average number of basic and diluted ordinary share. The Company believes adjusted store EBITDA, adjusted store EBITDA margin, adjusted general and administrative expenses, adjusted corporate EBITDA, adjusted corporate EBITDA margin, adjusted net loss, adjusted net loss margin, and adjusted basic and diluted net loss per ordinary share enhance investors' overall understanding of its financial performance and allow for greater visibility with respect to key metrics used by its management in its financial and operational decision-making.



These non-GAAP financial measures are not defined under U.S. GAAP and are not presented in accordance with U.S. GAAP. As these non-GAAP financial measures have limitations as analytical tools and may not be calculated in the same manner by all companies, they may not be comparable to other similarly titled measures used by other companies. The Company compensates for these limitations by reconciling the non-GAAP financial measures to the nearest U.S. GAAP performance measures, which should be considered when evaluating the Company's performance. For reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the section of the accompanying tables titled, "Reconciliation of GAAP and Non-GAAP Results." The Company encourages investors and others to review its financial information in its entirety and not rely on any single financial measure.

EXCHANGE RATE INFORMATION

This press release contains translations of certain RMB amounts into U.S. dollars ("USD") at specified rates solely for the convenience of the reader. Unless otherwise stated, all translations from RMB to USD were made at the rate of RMB7.2960 to USD1.00, the exchange rate in effect on September 29, 2023 set forth in the H.10 statistical release of the Federal Reserve Board. The Company makes no representation that the RMB or USD amounts referred could be converted into USD or RMB, as the case may be, at any particular rate or at all.

PRE-RECORDED PRESENTATION

The Company will host a pre-recorded presentation that will be available beginning at Wednesday, November 15th, 2023, at 8:00 am Eastern Time (or Wednesday, November 15th, 2023, at 9:00 pm Beijing Time) from the Investor Relations website at https://ir.timschina.com under "Events and Presentations".



FORWARD-LOOKING STATEMENTS

Certain statements in this press release may be considered forward-looking statements within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995, such as the Company's ability to further grow its business and store network, optimize its cost structure, improve its operational efficiency and achieve profitable growth. Forward-looking statements are statements that are not historical facts and generally relate to future events or the Company's future financial or other performance metrics. In some cases, you can identify forward-looking statements by terminology such as "believe," "may," "will," "potentially," "estimate," "continue," "anticipate," "intend," "could," "would," "project," "target," "plan," "expect," or the negatives of these terms or variations of them or similar terminology. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from those expressed or implied by such forward looking statements. New risks and uncertainties may emerge from time to time, and it is not possible to predict all risks and uncertainties. These forward-looking statements are based upon estimates and assumptions that, while considered reasonable by the Company and its management, as the case may be, are inherently uncertain and subject to material change. Factors that may cause actual results to differ materially from current expectations include various factors beyond management's control, including, but not limited to, general economic conditions and other risks, uncertainties and factors set forth in the sections entitled "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" in the Company's Annual Report on Form 20-F, and other filings it makes with the Securities and Exchange Commission. Nothing in this communication should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. You should not place undue reliance on forward-looking statements in this communication, which speak only as of the date they are made and are qualified in their entirety by reference to the cautionary statements herein. Except as required by law, the Company expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based.

ABOUT TH INTERNATIONAL LIMITED

TH International Limited (Nasdaq: THCH) ("Tims China") is the parent company of the exclusive master franchisees of Tim Hortons coffee shops in mainland China, Hong Kong and Macau and Popeyes restaurants in mainland China and Macau. Tims China was founded by Cartesian Capital Group and Tim Hortons Restaurants International, a subsidiary of Restaurant Brands International (TSX: QSR) (NYSE: QSR).

The company's philosophy is rooted in world-class execution and data-driven decision making and centered on true local relevance, continuous innovation, genuine community, and absolute convenience. For more information, please visit <u>www.timhortons.com.cn</u>.

INVESTOR AND MEDIA CONTACTS

Investor Relations Tims China Investor Relations: IR@timschina.com

Public Relations Tims China Public Relations: Patty.Yu@timschina.com



TH INTERNATIONAL LIMITED AND SUBSIDIARIES UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS (Amounts in thousands of RMB and US\$, except for number of shares)

	As of				
	December 31, 2022	September 3 Unaudi			
	RMB	RMB	US\$		
ASSETS					
Current assets:					
Cash	239,077	461,755	63,289		
Short term investment	372,376	-	-		
Accounts receivable, net	5,617	33,871	4,642		
Inventories	71,468	74,285	10,182		
Prepaid expenses and other current assets	108,275	133,845	18,345		
Total current assets	796,813	703,756	96,458		
Non-current assets:					
Property and equipment, net	720,036	771,253	105,709		
Intangible assets, net	96,018	136,817	18,752		
Operating lease right-of-use assets	946,873	913,952	125,267		
Other non-current assets	82,270	81,440	11,163		
Total non-current assets	1,845,197	1,903,462	260,891		
Total assets	2,642,010	2,607,218	357,349		
	2,042,010	2,007,210	337,349		
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities:					
Short-term bank borrowings	407,807	658,956	90,317		
Accounts payable	105,673	207,117	28,388		
Contract liabilities	22,122	27,228	3,732		
Amount due to related parties	22,485	36,335	4,980		
Derivative financial liabilities	269,251	-	-		
Lease liability-current	180,468	202,129	27,704		
Other current liabilities	310,456	358,434	49,128		
Total current liabilities	1,318,262	1,490,199	204,249		
Non-current liabilities:					
Long-term bank borrowings	8,800	6,048	829		
Convertible notes, at fair value	354,080	407,095	55,797		
Contract liabilities - non-current	3,311	4,709	645		
Amount due to related parties	-	62,464	8,561		
Derivative financial liabilities - non-current	19,083	-	-		
Lease liability-non-current	820,249	769,818	105,512		
Other non-current liabilities	7,921	9,155	1,256		
Total non-current liabilities	1,213,444	1,259,289	172,600		
Total liabilities	2,531,706	2,749,488	376,849		
	2,551,700	2,743,400	570,045		
Shareholders' equity:					
Ordinary Shares (US\$0.00000939586994067732 par value, 500,000,000 shares authorized,					
166,067,882 and 149,181,538 shares issued as of September 30, 2023 and December 31,					
2022, respectively and 157,527,072 and 140,938,555 shares outstanding as of September 30,	0	10	1		
2023 and December 31, 2022, respectively)	9	10	1		
Additional paid-in capital	1,472,015	1,799,680	246,667		
Accumulated losses	(1,380,173)	(1,944,341)	(266,494)		
Accumulated other comprehensive income	16,999	(1,472)	(202)		
Treasury shares (8,540,810 and 8,242,983 ordinary shares as of September 30, 2023 and					
December 31, 2022, respectively)	-	-	-		
Total equity attributable to shareholders of the Company	108,850	(146,123)	(20,028)		
Non-controlling interests	1,454	3,853	528		
Total shareholders' equity	110,304	(142,270)	(19,500)		
Commitments and Contingencies	-	-	-		
Total liabilities and shareholders' equity	2,642,010	2,607,218	357,349		
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TH INTERNATIONAL LIMITED AND SUBSIDIARIES UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME/(LOSS) (Amounts in thousands of RMB and US\$, except for per share data)

Constant operated stores Constant operated stores from transactions with a related party of KNR01712.75.75.79 (KNR015.785.24.07 (the three months ended Sprements 78.2023 and 2022, respectively, and KNR55.105.24.07 Sprements 78.2023 and 2022, respectively, and KNR55.105.24.07 Sprements 78.2023 and 2022, respectively, and KNR55.105.24.07 Sprements 2022 (Spregetively) 96,610 137.545 18.853 22.5071 372.265 51.023 Rental and property management fee 65,317 77.388 10.0697 106,492 224.106 30.716 Porture operating sequences (facidading service for from transactions with a related party of KNI15.10.00 and KNI15.10.000 for the three months ended Sequences 23.506 4.803 64.663 93,115 1.2764 Store operating and amortization 30.618 55,672 4.899 65.115 103.051 1.4241 Store operating and amortization 30.618 55,675 4.899 65.115 103.050 1.4241 Company owned and dynatistrative constant expanses 29,651 4.212 5.772 25,446 193.545 1.4241 Company owned and dynatistrative expanses 24,545 42,112 5.772 25,445 93.0566 1.352 Co		<u>For</u> the three n	onths ended Sep	otember 30,	For the nine n	onths ended Sep	tember 30,
Iteremis: 2000 300,739 55,763 605,588 1.063,071 165,016 Other revenues 357,19 45,644 52,513 45,045 52,503 1.063,071 165,565 Tool revenues 365,719 45,644 52,514 45,985 1.184,587 162,561 Casts and exprese, net: Company owned and ipperied sources Company owned and ipperied sources 162,251 180,652 225,071 372,265 51,023 and R0115,020,7256 for the rime numbe enable Squerebry 30, 202, and and 202, respectively) 86,665 137,545 18,862 225,071 372,265 51,023 Net and 202, respectively) 86,665 137,545 18,862 225,071 372,265 51,023 Net and 202, respectively) 86,675 77,388 1.063,377 86,0193 11,110 301,742 Via and 202, respectively, and MRM510,000 of the the memonits ended 54,093 84,663 93,125 12,714 10,813 134,212 12,714 11,110 11,224 Marking acqueres withe MRM510,0000 of the the memonits endede 94,025							
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Other sevenues 15,710 45,644 6,251 42,095 120,711 16,545 Itaal revenues 305,719 436,442 53,044 709,563 1,104,567 165,367 Const and operated stores 506,719 436,442 53,044 709,563 1,104,567 165,367 Good and accharging (including, cost of Company owned and operated stores 506,605 137,545 18,852 225,071 372,265 51,023 Rould and property management lee 45,174 772,030 10,007 160,009 224,106 30,716 Period and property management lee 45,174 277,303 10,007 160,009 224,106 30,716 Period and property management lee 45,174 277,303 10,007 160,009 224,106 30,717 35,066 440,82 31,909 86,159 11,110 112,226 225,507 326,607 44,017 4,718 163,400 144,414 152,266 440,527 4,649 54,114 4,121 52,772 26,645 39,506 13,542 13,542		290.009	390,798	53,563	665,588	1.063.876	145.816
Total recences 385,719 436,402 59,014 795,303 1,104,507 162,301 Constand operated doperated sores Food and operated sores from manacentoss with a related party of protein doars from manacentos with a related party of protein doars from manacentos with a related party of and RABL5,2579 and RAB			,				
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Company owned and operated stores Pool and packing linchaling core (Company owned and operated stores from transactions with a related party of MIXBU,DL5,739 and MIXLS,932,430 for the time monits ended Segmember 30, 2023 and 2022, respectively, and RIMES,915,924,94 and complexer times and segmember 30, 2023 and 2022, respectively, and RIMES,915,917,918 (10,607) (16,089) (224,106) (30,716) Parroll and empiryove bunclin Company owned and eperated store costs and expenses 299,856 400,525 54,087 409,926 54,087 409,926 54,087 409,926 54,087 409,926 54,087 409,926 54,087 409,926 54,087 409,926 54,087 409,926 54,087 409,926 54,087 409,926 54,087 409,926 54,087 409,906 51,111,149 152,266 10,21 Company owned and eperated store costs and expense 299,856 400,525 54,087 409,906 51,111,149 152,266 10,218 42,112 57,72 26,44 9 88,866 13,542 Costs of other envension 42,455 44,513 44,07 4,716 55,715 78,866 10,718 Correl and administrative expense 10,95,67 71,07 9,740 22,308 275,140 548 400,22 402,21 42,112 51,5 2,127 25,301 42,810 548 400,22 40,21 42,112 51,5 2,127 25,301 42,810 548 400,22 40 42,12 40 41,21 40 41,41	Costs and expenses not						
Food and packaging (including cost of Company owned and operated const from transactions, with a related pary of RMB2,025,573 and RMB15,933,428 for the time months ended SystemPars 30, 2023 and 2022, respectively, and RMB5,05,249 372,545 18,852 225,071 372,265 51,023 Rental and property management fee 45,174 77,388 10,607 16,089 224,106 30,1742 Delivery costs 23,590 34,161 4,682 51,089 85,115 11,810 Other operating express (including service fee from transactions with a related pary of RMB15,000 and RMB16,000 for the three months ended Systember 30, 2022 and 2022, respectively, and 2024, respectively, and RMB16,0000 for the three months ended Systember 30, 2022 and 2022, respectively, and RMB16,015,000 and RMB16,0000 for the three months ended Systember 30, 2023 and 2022, respectively, and RMB10,15,856 4400,525 54,649 98,0605 1,11149 132,256 Company owned and anotization 30,019 36,471 4,939 84,613 9,31,25 1,27,64 Company owned and anotization 30,619 11,121 5,712 26,445 98,8065 1,31,74 Company owned and anotization 30,513 44,514	1 · · ·						
upcated stores: from transactions with a related party of MRD2012.57.379 and 2022; respectively. and RMD25.519.52.49 and 2022, respectively) 96.605 137.545 18.852 225.071 372.265 51.022 mad 2022, respectively) 96.605 137.545 18.852 225.071 372.265 51.022 mad 2022, respectively) 96.605 137.545 18.852 225.071 372.265 51.022 Brenzia and propey management free 45.174 77.388 10.667 160.899 221.533 13.142 Driver ycoss 23.530 34.161 4.682 50.912 137.516 10.862 225.047 103.901 14.244 Company owned and operated store costs and expenses 299.856 400.525 54.897 099.605 1.11.149 152.264 Costs of uber revenses 299.856 400.525 54.897 099.605 1.01.149 152.64 Costs of uber revenses 299.856 400.525 54.897 099.605 1.01.149 152.42 Costs of uber revenses 299.656 7.101 9.710 22.065 27.140							
RNR50_125,570 and RNR15,903,428 for the three months ended September 30, 2023 and 2022, respectively, and RNR55,62,49 and RNR50_527.596 for the rine months ended September 30, 2023 and 2022, respectively, and RNR57,824 Delivery costs 63,592 Other operating expenses (including service for in transactions with a related party of RNR51,000 for the three months ended September 30, 2023 and 2022, respectively, and RNR50,000 for the three months ended September 30, 2023 and 2022, respectively, and RNR50,000 and RNR51,0000 for the three months ended September 30, 2023 and 2022, respectively, and 2024, resp							
and RM52527/506 for the nine months ended September 30, 2023 and 2022, respectively) Periveyr orass Older operating expenses (including service fee from transactions with a relard party of RM510,000 and RM510,000 for the three months ended September 30, 2023 and 2022, respectively, and RM8450,000 and RM81 40,000 for the rine months ended September 30, 2023 and 2022, respectively, and RM8450,000 and expenses (including franchise and royalty company owned and operated store costs and expenses 29,98,55 406,525 54,897 809,605 11,111,49 152,296 Company owned and operated store costs and expenses 29,8,55 406,525 54,897 809,606 11,111,49 152,296 Costs of other revenues 20,98,55 406,525 54,897 809,606 11,111,49 152,296 Costs of other revenues 20,98,55 406,525 54,897 809,606 13,542 Company owned and operated store costs and expenses 20,98,56 406,525 54,897 809,606 11,111,49 152,296 Costs of other revenues 20,98,56 406,525 54,897 809,606 13,542 Company owned and operated store costs and expenses 10,56,715 70,600 10,701 Franchise and royalty septemses from transactions with a related party of RM11,495,990 and RM510,156,888 for the three months ended September 30, 2023 and 2022, respectively, and RM134,008,353 and RM814,195,990 and RM510,156,888 for the three months ended September 30, 2023 and 2022, respectively 11,021 15,516 C1,127 25,316 21,277 25,341 14,281 305 11,904 22,5305 22,545 11,021 11,524 11,021 11,531 11,132 11,544 12,353 12,904 12,752 22,301 22,301 22,305 22,304 22,305 22,545 22,307 24,210 24,883 12,900 24,883 14,900 24,883 14,900 24,883 14,900 24,883 14,900 24,883 14,900 24,883 14,900 24,883 24,551 54,859 14,912 24,948 23,545 24,940 24,948 23,545 24,940 24,948 23,545 24,940 24,948 24,950 24,848 24,950 24,848 24,950 24,848 24,950 24,848 24,950 24,848 24,950 24,848 24,950 24,848 24,950 24,848 24,950 24,848 24,950 24,848 24,950 24,848 24,950 24,848 24,950 24,848 24,950 24	RMB20,125,579 and RMB15,993,428 for the three months ended						
and 2022, respectively) 96,605 137,545 18,852 225,071 372,2265 51,023 Rental and property management (% 15,174 77,388 10,607 160,809 224,106 307,16 Payroll and employce benchs 65,929 79,262 10,064 224,105 31,533 31,744 Brivery cors (7,388 10,607 160,807 160,807 160,807 160,809 11,810 Other operating expenses (including service from transactions with a related payrol RMB150,000 and RMB150,000 for the three months ended September 30, 2023 and 2022, respectively, and RMB450,000 and and montization 30,618 30,6473 4,999 65,115 10,908 11,42,41 Company owned and operated store costs and expenses 29,856 400,525 54,897 809,605 1,111,11,149 152,296 Costs of other revenues 9,451 42,112 5,772 45,6445 98,005 13,542 Consta of other revenues 9,451 42,112 5,772 45,6445 98,005 13,542 Consta of other revenues 19,567 71,071 9,740 22,3085 72,5140 37,711 Franchise and royally expenses (including franchise and royally expenses from transactions with a related party of RMB14,195,590 and 2022, respectively, and RMB22,810,871 of the aim conducts ended Sequence 70, 2023 and 2022, respectively of RMB38,069,355 and RMB22,810,871 of the aim conducts ended Sequence 70, 2023 and 2022, respectively and RMB10,158,680 for the three months ended Sequence 70, 2023 and 2022, respectively and RMB28,689,355 and RMB22,810,871 of the aim conducts ended Sequence 70, 2023 and 2022, respectively of the operating costs and expenses 1,377 9,571 1,357 5,345 119,940 2,720 Data cost and expenses, net 45,194 35,6691 6,1701 1,1153,461 1,553,669 2,127 2,5301 42,810 3,5868 Other operating costs and expenses, 14,494 2,448 3,564,971 4,153 4,1	September 30, 2023 and 2022, respectively, and RMB55, 196, 249						
Ronal and property management fce 45,174 77,388 10,607 106,089 224,106 30,712 Delivery creats 23,590 34,161 4,682 51,699 86,159 11,810 Other operating expenses (including service fce from transactions with a relaced party of RMB150,000 and RMB150,000 for the time months endel September 30, 2023 and 2022, respectively.) 37,877 35,696 4,933 84,663 93,125 12,764 Store depreciation and amortization 30,618 36,473 4,999 809,665 1,111,149 152,296 Costs of other revenues 24,851 34,407 4,716 56,715 78,660 10,701 Fronchise and september 30, 2023 and 2022, respectively. 24,851 34,407 4,716 56,715 78,660 10,701 Fronchise and royalty expenses (including tranchise and royalty expenses (including	and RMB26,527,596 for the nine months ended September 30, 2023						
Payroll and employee benchs 65.892 79.262 10.864 202,159 231,593 31,742 Other operating expenses (including service fee from transactions with a related party of RMB 150,000 for the three months ended September 30, 2023 and 2022, respectively, and RMB 40,000 for the nine months ended September 30, 2023 and 2022, respectively, and 30.618 36.473 4.499 84,163 93,125 12,764 Source deprectation and amortization 30.618 36.473 4.999 86,115 101.901 14.244 Company owned and operated store costs and expense 299.856 400.525 54.897 809.605 1.111.149 152.296 Costs of other revenues 9.451 42,112 5.772 26.445 398.806 13.542 Remeland administrative expenses 9.451 42,112 5.772 26.445 34.007 4.716 56.715 78.660 10.781 Anterkeine respenses 9.451 42,112 5.771 9.740 223.085 275,140 37,711 Bornheis and respenses 1.475 11.923 1.664 8.035 13.790 1.802 Anternistizative y of RMI33.	and 2022, respectively)	•		18,852	225,071	372,265	
Delivery constance 23,590 34,161 4,662 51,699 86,159 11,B10 Other operating spectrole 70,022 and 2022, respectively, and RMB-85,000 and RMB 40,000 for the nine months ended Systembor 30, 2023 and 2022, respectively, and 35,696 4,893 84,663 93,125 12,764 Sopre dynamication and amorization 30,618 26,473 4,999 86,115 101,901 14,241 Company owned and operated store costs and expenses 299,856 400,525 54,897 909,605 1,111,149 152,296 Costs of unber revenues 9,451 34,407 4,716 56,715 70,606 10,711 Reaching responses 24,651 34,407 4,716 56,715 70,606 10,711 Consta of unber revenues 10,567 71,071 9,740 223,005 275,140 3,711 Franchse and rypair expenses (including franchise and rypairs) 10,221 15,516 2,127 25,301 42,810 5,660 Other income 14,441 2,448 336 13,770 1,9971 1,367 5,945 1	Rental and property management fee	45,174		10,607		224,106	30,716
Other operating expenses (including service for from transactions with a related party of RMB150,000 and RMB150,000 for the three months ended September 30, 2023 and 2022, respectively, and RMB150,000 and AdmR150,0000 for the three months ended September 30, 2023 and 2022, respectively) 37,877 35,696 4,893 84,663 93,125 12,764 Sore depreciation and amoritzation 30,618 36,473 4,999 85,115 101,300 14,244 Company owned and operated store costs and expenses 299,856 400,525 54,897 809,605 1,111,149 152,296 Costs of other revenues 9,451 42,112 5,772 26,445 398,806 13,542 Marketing expenses (including franchise and royalty expenses (including franchise and royalty expenses) (founding franchise and royalty expenses (including franchise and royalty expenses (including franchise and royalty expenses) (founding franchise and royalty expenses (founding franchise and royalty expenses (founding franchise and royalty expenses) (founding franchise and royalty expenses (founding franchise and royalty expenses (founding franchise and royalty expenses) (founding franchise and royalty expenses (founding franchise and royalty expenses) (founding franchise and royalty expenses (founding franchise and royalty expenses (founding franchise and royalty expenses) (founding franchise and royalty expenses (founding franchise and royalty expenses (founding franchise and royalty expenses) (founding franchise and royalty expenses (founding franchise and royalty expenses (founding franchise and royalty expenses) (founding fran		•					
with a related party of RMB150,000 and RMB150,000 for the three months ended september 30, 2023 and 2022, respectively, and 2002, respectively, and 2003, respectively, and 2004, respectively, and RMB124,153,500, and RMB124,510,2002, respectively. Constructively, and RMB124,010,2002, respectively. Constructively, and RMB124,010,2002, respectively. Constructively, and RMB124,010,2002, respectively. Constructively, and RMB124,010,2004,2000,200,200,200,200,200,200,200,	5	23,590	34,161	4,682	51,699	86,159	11,810
months ended September 30, 2023 and 2022, respectively, and 37,877 35,696 4,893 84,663 93,125 12,744 Stare depreciation and amoritzation 30,618 36,673 4,893 84,663 93,125 12,744 Company owned and operated store costs and expenses 298,856 400,525 54,897 809,506 11,111.49 152,296 Costs of other revenues 9,451 42,112 5,772 26,445 98,806 13,542 Gareal and administrative expenses 109,567 71,071 9,740 223,085 275,140 37,711 Franchise and royally expenses (functuling repression functively, and RM38,69,355 and RM2,210,871 represeively 11,021 15,516 2,127 25,301 42,810 5,860 Other operating costs and expenses 1,377 19,971 1,367 5,945 19,904 2,782 Inpartition the meanonths ended September 30, 2023 and 2022, respectively, and RM38,69,355 and RM2,69,355 and RM2,781 19,904 2,782 2,866 Other income 1,404 2,444							
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September 30, 2022 and 2022, respectively) 37,877 35,696 4903 84,663 93,125 12,744 Company owned and operated store costs and expenses 299,856 400,525 54,997 80,115 103,001 114,241 Consts of other revenues 9,451 42,112 5,772 26,445 98,065 13,542 Costs of other revenues 9,451 42,112 5,772 26,445 98,065 13,542 Costs of other revenues 9,451 42,112 5,772 26,445 98,806 13,542 Costs of other revenues 9,451 42,112 5,772 26,445 98,806 13,542 Costs of other revenues 24,851 34,407 4,716 55,715 78,660 10,771 Pranchise and royalty expenses for turn related pary of RMB14,195,900 and RMB2,210,0371 and RMB2,211							
Store depreciation and amorization 30.618 36,473 4.999 85,115 103.301 14.241 Company owned and operated store costs and expenses 299,856 400,525 54,897 809,665 1,111,149 152,296 Costs of other revenues 9,451 42,112 5,772 26,445 98,806 13,542 Marketing expenses 109,567 71,071 9,740 223,005 275,140 37,711 Franchise and royalty expenses (Including franchise and royalty expenses from transactions with a related party of RMB14,195,990 3023 30223 30223 30223 30222, respectively, and RMB38,693,355 and RMB22,810,871 for the nine months endde Spetneher 30, 2023 30223 30224 31,634 8835 13,780 1,889 Impairment losses of long-lived assets 1,475 11,923 1,634 8835 13,780 1,889 Interest income 642 7,474 1,024 976 1,1054,06 1,653,609 226,642 Operating los (150,475) (159,689) (21,887) (449,922) (469,022) (64,285		27 077		4 000	04.000	02 125	10 704
Company owned and operated store costs and expenses 299,856 400,525 54,897 809,605 1,11,149 152,296 Costs of other revenues 9,451 42,112 5,772 26,445 98,806 13,542 Costs of other revenues 24,851 34,407 4,716 55,715 78,660 10,781 Concreal and administrative expenses 100,557 71,071 9,740 223,085 275,140 37,711 Pranchise and royalty expenses for increated party of RMB14,195,990 and RMB2,281,080,353<							
Coses of other revenues 9,451 42,112 5,772 26,445 98,806 13,542 Marketing expenses 24,851 34,407 4,716 56,715 78,660 10,781 General and administrative expenses 109,567 71,071 9,740 223,085 275,140 37,711 Pranchise and royality expenses (including franchise and royality expenses (including franchise and september 30, 2023 and 2022, respectively, and RMB36,693,9355 and RMB22,810,871 for the nine months ended September 30, 2023 and 2022, respectively and RMB36,693,9355 and RMB22,810,871 for the nine months ended september 30, 2023 and 2022, respectively and RMB36,693,9355 and RMB22,810,871 for the nine months ended september 30, 2023 and 2022, respectively and RMB36,693,9355 and RMB22,810,871 for the nine months ended september 30, 2023 and 2022, respectively and RMB26,810,871 for the nine months ended september 30, 2023 and 2022, respectively and RMB36,693,935 for the nine months ended september 30, 2023 and 2022, respectively and RMB36,693,935 for the nine months ended september 30, 2023 and 2022, respectively and respectively and respenses for the nine months ended september 30, 2023 and 2022, respectively and respenses for the nine month sended september 30, 2023 and 2022, respectively and respenses for the nine month sended september 30, 2023 and 2022, respectively and respenses for the nine month sended september 30, 2023 and 2024, respectitely and respenses for the nine month se	*						
Marketing expenses 24.851 34.407 4.716 55.715 78,660 10.781 General and administrative expenses 109,567 71,071 9,740 223,085 275,140 37,711 Franchise and royalty expenses ((including franchise and royalty expenses from transactions with a related party of RMB14,195,990 377 9,740 223,085 275,140 377,711 and RMB10,156,888 for the true months ended September 30, 2023 and 2022, respectively, and RMB38,689,355 and RMB22,810,871 for the nine months ended September 30, 2023 and 2022, respectively and expenses 1,377 9,971 1,657 5,945 19,904 2,728 Loss on disposal of property and equipment 1,475 11,923 1,634 8,835 13,780 1,880 Interest income 1,404 2,448 336 1,999 8,432 1,155 Total costs and expenses, net 1160,475) (159,689) (21,887) (449,822) (468,902) (64,285) Interest income 642 7,474 1,024 976 11,044 1,514 Interest income 642 7,474 1,024 976 11,046 166 Changes in fair value of Deferred Conti	Company owned and operated store costs and expenses	299,856	400,525	54,897	809,605	1,111,149	152,296
General and administrative expenses 109,567 71,071 9,740 223,085 275,140 37,711 Franchise and royalty expenses (fincluding franchise and royalty expenses from transactions with a related party of RMB14,195,590 arr 37,711 and ABB10,156,688 for the three months ended September 30, 2023 and RMB22,810,871 for the months ended September 30, 2023 and 2022, respectively, and RMB36,083,53 and RMB22,810,871 for the months ended September 30, 2023 and 2022, respectively. 11,021 15,516 2,127 2,5,301 42,810 5,868 Other operating costs and expenses 1,377 9,971 1,367 5,945 19,904 2,728 Loss on disposal of property and equipment 1,475 11,021 1,536 8,835 13,760 1,889 Total costs and expenses, net 456,194 596,091 81,701 1,159,405 1,653,609 226,646 Operating loss (150,475) (159,689) (21,887) (449,822) (64,285 Interest income 642 7,474 1,024 976 11,044 1,516 Changes in fair value of Deferred Contingent consideration - 6,331 866 - 6,331 866	Costs of other revenues	9,451	42,112	5,772	26,445	98,806	13,542
Franchise and royatly expenses (lincluding franchise and royatly expenses from transactions with a related party of RMB14,195.900 and RMB10,156,888 for the three months ended September 30, 2023 and 2022, respectively, and RMB30,693,355 and RMB22,810,871 for the nine months ended September 30, 2023 and 2022, respectively, and RMB30,693,355 and RMB22,810,871 for the nine months ended September 30, 2023 and 2022, respectively. 11,021 15,516 2,127 25,301 42,810 5,866 Oher operating costs and expenses 1,377 9,971 1,367 5,945 19,904 2,728 Loss on disposal of property and equipment 1,475 11,923 1,634 8,835 13,780 1,889 Impairment losses of long-lived assets - 13,014 1,784 5,442 1,155 Total costs and expenses, net 456,194 596,091 81,701 1,159,405 1,653,609 226,646 Operating loss (150,475) (159,689) (21,887) (449,822) (46,90,22) (64,285) Interest income 642 7,474 1,024 976 11,044 1,514 Interest value of Deferred Contingent consideration - 6,331 866 - 6,331 866 Changes in fair value of warant liabilities (9,950)	Marketing expenses	24,851	34,407	4,716	56,715	78,660	10,781
expenses from transactions with a related party of RMB14,195,900 and RNB10,156,888 for the three months ended September 30, 2023 and 2022, respectively, and RMB36,69,355 and RMB22,810,871 for the nine months ended September 30, 2023 and 2022. respectively 11,021 15,516 2,127 25,301 42,810 5,868 Other operating costs and expenses 1,377 9,971 1,367 5,945 19,904 2,722 Loss on disposal of property and equipment 1,475 11,923 1,634 8,835 13,700 1,889 Impairment losses of long-lived assets - 13,014 1,784 5,4473 21,792 2,967 Other income 1,404 2,448 336 1,999 8,432 1,156 Total costs and expenses, net 456,194 596,091 81,701 1,159,405 1,653,609 226,646 Operating loss (150,475) (159,689) (21,887) (449,822) (469,022) (64,285 Interest income 642 7,474 1,024 976 11,044 1,514 Interest income income transaction (loss/gain (367) 1,159 159	General and administrative expenses	109,567	71,071	9,740	223,085	275,140	37,711
and RNB10,156,888 for the three months ended September 30, 2023 and 2022, respectively, and RNB36,689,355 and RNB22,810,671 for the nine months ended September 30, 2023 respectively 11,021 15,516 2,127 25,301 42,810 5,868 Other operating costs and expenses 1,377 9,971 1,367 5,945 19,904 2,728 Loss on disposal of property and equipment 1,475 11,923 1,634 8,835 13,780 1,889 Impairment losses of long-lived assets - 13,014 1,784 5,473 21,792 2,987 Other income 1,404 2,448 336 1,999 8,432 1,156 Total costs and expenses, net 456,194 596,091 81,701 1,159,405 1,633,609 226,646 Operating loss (150,475) (159,689) (21,887) (449,822) (469,022) (64,285 Interest income 642 7,474 1,024 976 11,044 1,514 Interest income 642 7,474 1,024 976 11,043 1,886 Foreign currency transaction (loss)/gain	Franchise and royalty expenses ((including franchise and royalty						
and 2022, respectively, and RMB38,689,355 and RMB22,810,871 for the nine months ended September 30, 2023 and 2022, respectively 11,021 15,516 2,127 25,301 42,810 5,868 Other operating costs and expenses 1,377 9,971 1,367 5,945 19,904 2,728 Loss on disposal of property and equipment 1,475 11,923 1,634 8,835 13,780 1,889 Impairment losses of long-lived asets - 1,3014 1,764 5,473 21,792 2,987 Other income 1,404 2,448 336 1,999 8,432 1,156 Total costs and expenses, net 456,194 596,091 81,701 1,159,405 1,653,6069 226,646 Operating loss (150,475) (159,689) (21,887) (449,822) (469,022) (64,285 Interest income 642 7,474 1,024 976 11,044 1,514 Interest sequences (422 7,474 1,024 976 11,044 1,514 Interest income 642 7,474 1,024 976 11,044 1,514 Interest sequences (4,267) (10,280) (1,373) (614) (86 Changes in fair value of Deferred Contingent consideration - 6,331 868 - 6,331 868 Changes in fair value of convertible notes 19,452 (10,046) (1,377) (1,627) (31,372) (4,300 Changes in fair value of Convertible notes (9,932) (315) (43) (69,932) 19,594 2,686 Changes in fair value of FSA derivative liabilities (69,932) (315) (43) (69,932) 19,594 2,686 Changes in fair value of SA derivative liabilities (69,932) (159,660) (21,883) (521,870) (561,768) (76,997 Income tax expenses	expenses from transactions with a related party of RMB14,195,990						
for the line months ended September 30, 2023 and 2022, respectively 11,021 15,516 2,127 25,301 42,810 5,868 Other operating costs and expenses 1,377 9,971 1,367 5,945 19,904 2,728 Loss on disposal of property and equipment 1,475 11,923 1,634 8,835 13,780 1,889 Inpairment losses of long-lived assets - 13,014 1,784 8,835 13,780 2,987 Other income 1,404 2,448 336 1,999 8,432 1,156 Total costs and expenses, net 456,194 596,091 81,701 1,159,405 1,653,600 226,646 Operating loss (150,475) (159,689) (21,887) (449,822) (469,022) (64,285 Interest income 642 7,474 1,024 976 11,044 1,514 Interest expenses (4,262) (4,574) (627) (10,200) (13,763) (1,806 Changes in fair value of convertible notes 19,452 (10,046) (1,377) (1,627) (3,1372) (4,300 Ch							
respectively 11,021 15,516 2,127 25,301 42,810 5,868 Other operating costs and expenses 1,377 9,971 1,367 5,945 19,904 2,728 Impairment losses of long-lived assets - 13,014 1,784 5,873 21,792 2,987 Other income 1,404 2,448 336 1,999 8,432 1,156 Total costs and expenses, net 456,194 596,091 81,701 1,159,405 1,653,609 226,646 Operating loss (150,475) (159,689) (21,887) (449,822) (469,022) (64,285 Interest income 642 7,474 1,024 976 11,044 1,514 Interest income (42,62) (4,574) (667) (10,280) (13,763) (1,886 Foreign currency transaction (loss)/gain (367) 1,159 159 (1,135) (614) (66 Changes in fair value of Deferred Contingent consideration - 6,331 868 - 6,331 868 Changes in fair value of Deferred Contingent consideration - 9,950	* · ·						
Other operating costs and expenses 1,377 9,971 1,367 5,945 19,904 2,728 Loss on disposal of property and equipment 1,475 11,923 1,634 8,835 13,780 1,889 Other income 1,404 2,448 336 1,999 8,432 1,156 Total costs and expenses, net 456,194 596,091 81,701 1,159,405 1,653,609 226,646 Operating loss (150,475) (159,689) (21,887) (449,822) (469,022) (64,285 Interest income 642 7,474 1,024 976 11,044 1,514 Interest expenses (4,262) (4,574) (627) (10,280) (13,763) (1,886 Changes in fair value of convertible notes 19,452 (10,046) (1,377) (1,627) (31,372) (4,300 Changes in fair value of variant liabilities 9,950 - - 9,950 - - 9,950 - - 9,950 - - 9,950 - - 9,950 - - 9,950 - - 9,950 <td< td=""><td>▲</td><td>44.004</td><td></td><td></td><td>25 204</td><td>12.010</td><td>- 0.00</td></td<>	▲	44.004			25 204	12.010	- 0.00
Loss on disposal of property and equipment 1,475 11,923 1,634 8,835 13,780 1,889 Impairment losses of long-lived assets - 13,014 1,784 5,473 21,792 2,987 Other income 1,404 2,448 336 1,999 8,432 1,155 Total costs and expenses, net 456,194 596,091 81,701 1,159,405 1,633,609 226,646 Operating loss (150,475) (159,689) (21,887) (449,822) (469,022) (64,285 Interest income 642 7,474 1,024 976 11,044 1,514 Interest income (loss)/gain (367) 1,159 159 (1,135) (614) (86 Changes in fair value of Deferred Contingent consideration - 6,331 868 - 6,331 868 Changes in fair value of ESA derivative liabilities 9,950 - - 9,950 - - 9,950 - - 9,950 - - 9,950 - - 9,950 - - 9,950 - - 9,950 -<							-
Impairment losses of long-lived assets - 13,014 1,784 5,473 21,792 2,987 Other income 1,404 2,448 336 1,999 8,432 1,156 Total costs and expenses, net 456,194 596,091 81,701 1,159,405 1,653,609 226,646 Operating loss (150,475) (159,689) (21,887) (449,822) (469,022) (64,285) Interest income 642 7,474 1,024 976 11,044 1,514 Interest expenses (4,262) (4,574) (627) (10,280) (13,763) (1.886 Changes in fair value of Deferred Contingent consideration - 6,331 868 - 6,331 868 Changes in fair value of convertible notes 19,452 (10,046) (1,377) (1,627) (31,372) (4,300 Changes in fair value of ESA derivative liabilities 9,950 - - 9,950 83,966 (11,508 Loss before income taxes (194,992) (159,660) (21,883) (521,870) (561,768) (76,997 Income tax expenses -							
Other income 1,404 2,448 336 1,999 8,432 1,156 Total costs and expenses, net 456,194 596,091 81,701 1,159,405 1,533,609 226,646 Operating loss (150,475) (159,689) (21,887) (449,822) (469,022) (64,285) Interest income 642 7,474 1,024 976 11,044 1,514 Interest expenses (4,262) (4,574) (627) (10,280) (13,763) (1.886) Changes in fair value of Deferred Contingent consideration 6,331 868 6,331 868 Changes in fair value of Deterred Contingent consideration 6,6331 868 6,331 868 Changes in fair value of perfered contingent consideration 6,6331 868 6,331 868 Changes in fair value of convertible notes 19,452 (10,046) (1,377) (1,527) (31,372) (4,306) Changes in fair value of convertible notes (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) <		1,4/5		-	-	-	-
Total costs and expenses, net 456,194 596,091 81,701 1,159,405 1,653,609 226,666 Operating loss (150,475) (159,689) (21,887) (449,822) (469,022) (64,285 Interest income 642 7,474 1,024 976 11,044 1,514 Interest expenses (4,262) (4,4774) (627) (10,280) (13,763) (1,886 Changes in fair value of Deferred Contingent consideration - 6,331 868 - 6,331 868 Changes in fair value of warrant liabilities 9,950 - - 9,950 (11,50,460) (11,50,475) (561,768) (76,997) Changes in fair value of warrant liabilities (9,932) (315) (43) (69,932) 19,594 2,686 Changes in fair value of warrant liabilities (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Income tax expenses - - - - - - - - - - -		-					
Operating loss (150,475) (159,689) (21,887) (449,822) (469,022) (64,285) Interest income 642 7,474 1,024 976 11,044 1,514 Interest expenses (4,262) (4,574) (627) (10,280) (13,763) (1,886) Foreign currency transaction (loss)/gain (367) 1,159 159 (1,135) (614) (86 Changes in fair value of Deferred Contingent consideration - 6,331 868 - 6,331 868 Changes in fair value of convertible notes 19,452 (10,046) (1,377) (1,627) (31,372) (4,300) Changes in fair value of warrant liabilities 9,950 - - 9,950 (83,966) (11,508) Changes in fair value of ESA derivative liabilities (69,932) (315) (43) (521,870) (561,768) (76,997) Income tax expenses - - - - - - - - - - - - - - <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td>,</td></t<>							,
Interest income 642 7,474 1,024 976 11,044 1,514 Interest expenses (4,262) (4,574) (627) (10,280) (13,763) (1,866) Foreign currency transaction (loss)/gain (367) 1,159 159 (1,135) (614) (86 Changes in fair value of Deferred Contingent consideration - 6,331 868 - 6,331 868 Changes in fair value of convertible notes 19,452 (10,046) (1,377) (1,627) (31,372) (4,300) Changes in fair value of exarant liabilities 9,950 - - 9,950 (83,966) (11,508) Changes in fair value of ESA derivative liabilities (194,992) (159,660) (21,883) (521,870) (561,768) (76,997 Loss before income taxe (194,992) (159,660) (21,883) (521,870) (561,768) (77,326 Less: Net Loss attributable to non-controlling interests (611) 943 129 (3,092) 2,399 329 Net Loss attributable to sper Ordinary Share (1,156) (1.01) (0.14) (4.17) (3.75) (0.51		430,134	550,051	01,701	1,133,403	1,055,005	220,040
Interest expenses (4,262) (4,574) (627) (10,280) (13,763) (1,886) Foreign currency transaction (loss)/gain (367) 1,159 159 (1,135) (614) (86) Changes in fair value of Deferred Contingent consideration - 6,331 868 - 6,331 868 Changes in fair value of convertible notes 19,452 (10,046) (1,377) (1,627) (31,372) (4,300) Changes in fair value of exarant liabilities 9,950 - - 9,950 (83,966) (11,508) Changes in fair value of ESA derivative liabilities (69,932) (315) (43) (69,932) 19,594 2,686 Changes in fair value of ESA derivative liabilities (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Income tax expenses -<	Operating loss	(150,475)	(159,689)	(21,887)	(449,822)	(469,022)	(64,285)
Interest expenses (4,262) (4,574) (627) (10,280) (13,763) (1,886) Foreign currency transaction (loss)/gain (367) 1,159 159 (1,135) (614) (86) Changes in fair value of Deferred Contingent consideration - 6,331 868 - 6,331 868 Changes in fair value of convertible notes 19,452 (10,046) (1,377) (1,627) (31,372) (4,300) Changes in fair value of exarant liabilities 9,950 - - 9,950 (83,966) (11,508) Changes in fair value of ESA derivative liabilities (69,932) (315) (43) (69,932) 19,594 2,686 Changes in fair value of ESA derivative liabilities (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Income tax expenses -<	Interact income	647	7 474	1 074	976	11 044	1 514
Foreign currency transaction (loss)/gain (367) 1,159 159 (1,135) (614) (86 Changes in fair value of Deferred Contingent consideration - 6,331 868 - 6,331 868 Changes in fair value of Convertible notes 19,452 (10,046) (1,377) (1,627) (31,372) (4,300) Changes in fair value of warrant liabilities 9,950 - - 9,950 (83,966) (11,508) Changes in fair value of ESA derivative liabilities (69,932) (315) (43) (69,932) 19,594 2,666 Changes in fair value of ESA derivative liabilities (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Income tax expenses -							
Changes in fair value of Deferred Contingent consideration - 6,331 868 - 6,331 868 Changes in fair value of convertible notes 19,452 (10,046) (1,377) (1,627) (31,372) (4,300) Changes in fair value of warrant liabilities 9,950 - - 9,950 (69,932) (15,08) Changes in fair value of ESA derivative liabilities (69,932) (315) (43) (69,932) 19,594 2,686 Loss before income taxes (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Income tax expenses -					. ,		
Changes in fair value of convertible notes 19,452 (10,046) (1,377) (1,627) (31,372) (4,300) Changes in fair value of warrant liabilities 9,950 - 9,950 (83,966) (11,508) Changes in fair value of ESA derivative liabilities (69,932) (315) (43) (69,932) 19,594 2,686 Loss before income taxes (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Income tax expenses - - - - - - - Net loss attributable to non-controlling interests (611) 943 129 (3,092) 2,399 329 Net Loss attributable to shareholders of the Company (194,381) (160,603) (22,012) (518,778) (564,167) (77,326) Basic and diluted loss per Ordinary Share (11,56) (1.01) (0.14) (4.17) (3,75) (0.51 Net loss (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Net loss attributable to shareholders of the Company (194,992) (159,660) (21,883) (521,870) (561,76		(307)			(1,155)		
Changes in fair value of warrant liabilities 9,950 - - 9,950 (11,508 Changes in fair value of ESA derivative liabilities (69,932) (315) (43) (69,932) 19,594 2,686 Loss before income taxes (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Income tax expenses - - - - - - - Net loss (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Less: Net Loss attributable to non-controlling interests (611) 943 129 (3,092) 2,399 329 Net Loss attributable to shareholders of the Company (194,381) (160,603) (22,012) (518,778) (564,167) (77,326) Basic and diluted loss per Ordinary Share (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Other comprehensive income -		19.452			(1,627)		
Changes in fair value of ESA derivative liabilities (69,932) (315) (43) (69,932) 19,594 2,686 Loss before income taxes (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Income tax expenses -			-	-	• • •		• •
Income tax expenses -	Changes in fair value of ESA derivative liabilities		(315)	(43)			2,686
Income tax expenses -					-		
Net loss (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Less: Net Loss attributable to non-controlling interests (611) 943 129 (3,092) 2,399 329 Net Loss attributable to shareholders of the Company (194,381) (160,603) (22,012) (518,778) (564,167) (77,326) Basic and diluted loss per Ordinary Share (1.56) (1.01) (0.14) (4.17) (3.75) (0.51) Net loss (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Other comprehensive income - - (4,965) (681) - (2,134) (292) Fair value changes of short-term inverstment - (4,965) (681) - (2,134) (292) Fair value changes of convertible notes due to instrument-specific - (4,965) (681) - (2,134) (292)		(194,992)	(159,660)	(21,883)	(521,870)	(561,768)	(76,997)
Less: Net Loss attributable to non-controlling interests (611) 943 129 (3,092) 2,399 329 Net Loss attributable to shareholders of the Company (194,381) (160,603) (22,012) (518,778) (564,167) (77,326) Basic and diluted loss per Ordinary Share (1.56) (1.01) (0.14) (4.17) (3.75) (0.51) Net loss (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Other comprehensive income - (4,965) (681) - (2,134) (292) Fair value changes of short-term inverstment - (4,965) (681) - (2,134) (292)		- (10.4.002)	- (150.000)	-	-	- (501 500)	-
Net Loss attributable to shareholders of the Company (194,381) (160,603) (22,012) (518,778) (564,167) (77,326) Basic and diluted loss per Ordinary Share (1.56) (1.01) (0.14) (4.17) (3.75) (0.51) Net loss (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Other comprehensive income - (4,965) (681) - (2,134) (292) Fair value changes of short-term inverstment - (4,965) (681) - (2,134) (292)	INET IOSS	(194,992)	(159,660)	(21,883)	(521,870)	(561,768)	(76,997)
Net Loss attributable to shareholders of the Company (194,381) (160,603) (22,012) (518,778) (564,167) (77,326) Basic and diluted loss per Ordinary Share (1.56) (1.01) (0.14) (4.17) (3.75) (0.51) Net loss (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Other comprehensive income - (4,965) (681) - (2,134) (292) Fair value changes of short-term inverstment - (4,965) (681) - (2,134) (292)	Less: Net Loss attributable to non-controlling interests	(611)	943	129	(3.092)	2,399	379
Basic and diluted loss per Ordinary Share (1.56) (1.01) (0.14) (4.17) (3.75) (0.51) Net loss (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Other comprehensive income - (4,965) (681) - (2,134) (292) Fair value changes of short-term inverstment - (4,965) (681) - (2,134) (292)	Net Loss attributable to shareholders of the Company						
Net loss (194,992) (159,660) (21,883) (521,870) (561,768) (76,997) Other comprehensive income	Basic and diluted loss per Ordinary Share						(0.51)
Other comprehensive income Fair value changes of short-term inverstment - (4,965) (681) - (2,134) (292) Fair value changes of convertible notes due to instrument-specific							
Fair value changes of short-term inverstment-(4,965)(681)-(2,134)(292)Fair value changes of convertible notes due to instrument-specific-(4,965)-(2,134)(292)	Net loss	(194,992)	(159,660)	(21,883)	(521,870)	(561,768)	(76,997)
Fair value changes of short-term inverstment-(4,965)(681)-(2,134)(292)Fair value changes of convertible notes due to instrument-specific-(4,965)-(2,134)(292)	Other comprehensive income						
Fair value changes of convertible notes due to instrument-specific		-	(4,965)	(681)	-	(2,134)	(292)
	Fair value changes of convertible notes due to instrument-specific		(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	()		())	()
	credit risk, net of nil income taxes	(3,262)	(2,182)	(299)	(2,026)	(9,848)	(1,350)

Foreign currency translation adjustment, net of nil income taxes	(14,088)	239	33	(24,628)	(6,490)	(889)
Total comprehensive loss	(212,342)	(166,568)	(22,830)	(548,524)	(580,240)	(79,528)
Less: Comprehensive loss attributable to non- controlling interests	(611)	943	129	(3,092)	2,399	329
Comprehensive loss attributable to shareholders of the Company	(211,731)	(167,511)	(22,959)	(545,432)	(582,639)	(79,857)



TH INTERNATIONAL LIMITED AND SUBSIDIARIES UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Amounts in thousands of RMB and US\$)

	For the three m	onths ended Sep	otember 30,	For the nine months ended September 30,				
	2022	202 3	3	2022	2023	6		
	RMB	RMB	US\$	RMB	RMB	US\$		
Net cash used in operating activities	(35,884)	(30,446)	(4,173)	(190,826)	(115,565)	(15,840)		
Net cash provided by/(used in) investing activities	(431,081)	63,781	8,742	(611,435)	127,938	17,535		
Net cash provided by financing activities	563,473	171,822	23,550	790,079	200,435	27,472		
Effect of foreign currency exchange rate changes on								
cash	806	1,006	138	3,793	9,870	1,354		
Net increase/(decrease) in cash	97,314	206,163	28,257	(8,389)	222,678	30,521		
Cash at beginning of the period	285,134	255,592	35,032	390,837	239,077	32,768		
Cash at end of the period	382,448	461,755	63,289	382,448	461,755	63,289		



TH INTERNATIONAL LIMITED AND SUBSIDIARIES RECONCILIATION OF NON-GAAP MEASURES TO THE MOST DIRECTLY COMPARABLE GAAP MEASURES (Unaudited, amounts in thousands of RMB and US\$, except for number of shares and per share data)

A. Adjusted store EBITDA and adjusted store EBITDA margin

	For the three months ended September 30, 2023				For the nine months ended September 30, 2023			
	Tims	Popeyes	Total		Tims	Popeyes	Total	
	RMB	RMB	RMB	US\$	RMB	RMB	RMB	US\$
Revenues - company owned and operated stores	388,321	2,477	390,798	53,563	1,061,399	2,477	1,063,876	145,816
Food and packaging costs - company owned and operated stores	(136, 299)	(1,246)	(137,545)	(18,852)	(371,019)	(1,246)	(372,265)	(51,023)
Rental expenses - company owned and operated stores	(75,126)	(2,262)	(77,388)	(10,607)	(221,844)	(2,262)	(224,106)	(30,716)
Payroll and employee benefits - company owned and operated								
stores	(77,346)	(1,916)	(79,262)	(10, 864)	(229,677)	(1,916)	(231,593)	(31,742)
Delivery costs - company owned and operated stores	(34,161)	-	(34,161)	(4,682)	(86,159)	-	(86,159)	(11,810)
Other operating expenses - company owned and operated stores	(34,805)	(891)	(35,696)	(4,893)	(92,234)	(891)	(93,125)	(12,764)
Store depreciation and amortization	(36,354)	(119)	(36,473)	(4,999)	(103,782)	(119)	(103,901)	(14,241)
Franchise and royalty expenses - company owned and operated								
stores	(12,485)	(77)	(12, 562)	(1,722)	(33,962)	(77)	(34,039)	(4,665)
Fully-burdened gross loss - company owned and operated								
stores	(18,255)	(4,034)	(22,289)	(3,056)	(77,278)	(4,034)	(81,312)	(11,145)
Store depreciation and amortization	36,354	119	36,473	4,999	103,782	119	103,901	14,241
Store pre-opening expenses	10,910	4,216	15,126	2,073	26,751	4,216	30,967	4,244
Adjusted Store EBITDA	29,009	301	29,310	4,016	53,255	301	53,556	7,340
Adjusted Store EBITDA Margin	7.5%	12.2%	7.5%	7.5%	5.0%	12.2%	5.0%	5.0%

	For the three months ended September 30, 2022				For the nine months ended September 30, 2022			
	Tims	Popeyes	Total		Tims	Popeyes	Total	
	RMB	RMB	RMB	US\$	RMB	RMB	RMB	US\$
Revenues - company owned and operated stores	290,009	-	290,009	40,769	665,588		665,588	93,567
Food and packaging costs - company owned and operated stores	(96,605)	-	(96,605)	(13,581)	(225,071)	-	(225,071)	(31,640)
Rental expenses - company owned and operated stores	(45,174)	-	(45,174)	(6,350)	(160, 899)	-	(160, 899)	(22,619)
Payroll and employee benefits - company owned and operated stores	(65,992)	-	(65,992)	(9,277)	(202, 158)	-	(202, 158)	(28,419)
Delivery costs - company owned and operated stores	(23,590)	-	(23,590)	(3,316)	(51, 699)	-	(51,699)	(7,268)
Other operating expenses - company owned and operated stores	(37,877)	-	(37,877)	(5,325)	(84,663)	-	(84,663)	(11,902)
Store depreciation and amortization	(30,618)	-	(30,618)	(4,304)	(85,115)	-	(85,115)	(11,965)
Franchise and royalty expenses - company owned and operated								
stores	(9,722)	-	(9,722)	(1,367)	(21,230)	-	(21,230)	(2,984)
Fully-burdened gross loss - company owned and operated stores	(19,569)	-	(19,569)	(2,751)	(165,247)	-	(165,247)	(23,230)
Store depreciation and amortization	30,618	-	30,618	4,304	85,115	-	85,115	11,965
Store pre-opening expenses	4,277		4,277	601	26,660		26,660	3,748
Adjusted Store EBITDA	15,326	-	15,326	2,154	(53,472)	-	(53,472)	(7,517)
Adjusted Store EBITDA Margin	5.3%		5.3%	5.3%	-8.0%		-8.0%	-8.0%

B. Adjusted general and administrative expenses

	For the three months ended September 30, 2023				For the nine months ended September 30, 2023			
	Tims	Tims Popeyes Total			Tims	Popeyes	Tota	l
	RMB	RMB	RMB	US\$	RMB	RMB	RMB	US\$
General and administrative expenses	(65,829)	(5,242)	(71,071)	(9,740)	(263,597)	(11,543)	(275,140)	(37,711)
Adjusted for:								
Share-based compensation expenses	3,009	-	3,009	412	61,727	-	61,727	8,460
Professional fees related to warrant exchange and other financing								
programs	4,622	-	4,622	633	27,841	-	27,841	3,816
Adjusted General and administrative expenses	(58,198)	(5,242)	(63,440)	(8,695)	(174,029)	(11,543)	(185,572)	(25,435)
Adjusted General and administrative expenses as a % of total revenue	13.4%	211.4%	14.5%	14.5%	14.7%	465.4%	15.7%	15.7%

	For the three months ended September 30, 2022				For the ni	For the nine months ended September 30, 2022			
	Tims	Popeyes	Total		Tims	Popeyes	Total		
	RMB	RMB	RMB	US\$	RMB	RMB	RMB	US\$	
General and administrative expenses	(109,567)	-	(109,567)	(15,403)	(223,085)	-	(223,085)	(31,361)	
Adjusted for:									
Share-based compensation expenses	33,276	-	33,276	4,678	33,276	-	33,276	4,678	
Commission fee for Cantor shares	21,521	-	21,521	3,025	21,521	-	21,521	3,025	
Option granted by controlling shareholder to CB holder	1,778	-	1,778	250	1,778	-	1,778	250	
Offering costs for ESA transactions	4,622	-	4,622	650	4,622	-	4,622	650	
Adjusted General and administrative expenses	(48,370)	-	(48,370)	(6,800)	(161,888)	-	(161,888)	(22,758)	
Adjusted General and administrative expenses as a % of total revenue	15.8%		15.8%	15.8%	22.8%		22.8%	22.8%	



C. Adjusted corporate EBITDA and adjusted corporate EBITDA margin

	For the three months ended September 30, 2023				For the nine months ended September 30, 2023			
	Tims	Popeyes	Total		Tims	Popeyes	Total	
	RMB	RMB	RMB	US\$	RMB	RMB	RMB	US\$
Operating loss	(147,708)	(11,981)	(159,689)	(21,887)	(449,583)	(19,439)	(469,022)	(64,285)
Adjusted for:								
Store pre-opening expenses	10,910	4,216	15,126	2,073	26,751	4,216	30,967	4,244
Depreciation and amortization	41,162	631	41,793	5,728	77,403	1,096	78,499	10,759
Share-based compensation expenses	3,009	-	3,009	412	61,727	-	61,727	8,460
Professional fees related to warrant exchange and other financing								
programs	4,622	-	4,622	633	27,841	-	27,841	3,816
Impairment losses of long-lived assets	13,014	-	13,014	1,784	21,792	-	21,792	2,987
Loss on disposal of property and equipment	11,923	-	11,923	1,634	13,780	-	13,780	1,889
Adjusted Corporate EBITDA	(63,068)	(7,134)	(70,202)	(9,623)	(220,289)	(14,127)	(234,416)	(32,130)
Adjusted Corporate EBITDA Margin	-14.5%	-287.7%	-16.1%	-16.1%	-18.6%	569.6%	-19.8%	-19.8%

	For the three months ended September 30, 2022				For the nine months ended September 30, 2022			
	Tims Popeyes		Total		Tims	Popeyes	Total	
	RMB	RMB	RMB	US\$	RMB	RMB	RMB	US\$
Operating loss	(150,475)	-	(150,475)	(21,153)	(449,822)		(449,822)	(63,235)
Adjusted for:								
Store pre-opening expenses	4,277	-	4,277	601	26,660	-	26,660	3,748
Depreciation and amortization	35,943	-	35,943	5,053	95,233	-	95,233	13,388
Share-based compensation expenses	33,276	-	33,276	4,678	33,276	-	33,276	4,678
Commission fee for Cantor shares	21,521	-	21,521	3,025	21,521	-	21,521	3,025
Option granted by controlling shareholder to CB holder	1,778	-	1,778	250	1,778	-	1,778	250
Offering costs for ESA transactions	4,622	-	4,622	650	4,622	-	4,622	650
Impairment losses of long-lived assets	-	-	-	-	5,473	-	5,473	769
Loss on disposal of property and equipment	1,475	-	1,475	207	8,835	-	8,835	1,242
Adjusted Corporate EBITDA	(47,583)	-	(47,583)	(6,689)	(252,424)		(252,424)	(35,485)
Adjusted Corporate EBITDA Margin	-15.6%		-15.6%	-15.6%	-35.6%		-35.6%	-35.6%

D. Adjusted net loss and adjusted net loss margin

	For the three months ended September 30, 2023				For the nine months ended September 30, 2023				
	Tims Popeyes		Total		Tims	Popeyes	Total		
	RMB	RMB	RMB	US\$	RMB	RMB	RMB	US\$	
Net loss	(147,619)	(12,041)	(159,660)	(21,883)	(542,329)	(19,439)	(561,768)	(76,997)	
Adjusted for:									
Store pre-opening expenses	10,910	4,216	15,126	2,073	26,751	4,216	30,967	4,244	
Share-based compensation expenses	3,009	-	3,009	412	61,727	-	61,727	8,460	
Professional fees related to warrant exchange and other financing									
programs	4,622	-	4,622	633	27,841	-	27,841	3,816	
Impairment losses of long-lived assets	13,014	-	13,014	1,784	21,792	-	21,792	2,987	
Loss on disposal of property and equipment	11,923	-	11,923	1,634	13,780	-	13,780	1,889	
Changes in fair value of Deferred Contingent consideration	(6,331)	-	(6,331)	(868)	(6,331)	-	(6,331)	(868)	
Changes in fair value of convertible notes	10,046	-	10,046	1,377	31,372	-	31,372	4,300	
Changes in fair value of warrant liabilities	-	-	-	-	83,966	-	83,966	11,508	
Changes in fair value of ESA derivative liabilities	315	-	315	43	(19,594)	-	(19,594)	(2,686)	
Adjusted Net loss	(100,111)	(7,825)	(107,936)	(14,795)	(301,025)	(15,223)	(316,248)	(43,347)	
Adjusted Net loss Margin	-23.1%	-315.5%	-24.7%	-24.7%	-25.4%	-613.8%	-26.7%	-26.7%	

	For the three months ended September 30, 2022				For the nine months ended September 30, 2022			
	Tims	Popeyes	Total		Tims	Popeyes	Total	
	RMB	RMB	RMB	US\$	RMB	RMB	RMB	US\$
Net loss	(194,992)		(194,992)	(27,412)	(521,870)	-	(521,870)	(73,363)
Adjusted for:								
Store pre-opening expenses	4,277	-	4,277	601	26,660	-	26,660	3,748
Share-based compensation expenses	33,276	-	33,276	4,678	33,276	-	33,276	4,678
Commission fee for Cantor shares	21,521	-	21,521	3,025	21,521	-	21,521	3,025
Option granted by controlling shareholder to CB holder	1,778	-	1,778	250	1,778	-	1,778	250
Offering costs for ESA transactions	4,622	-	4,622	650	4,622	-	4,622	650
Impairment losses of long-lived assets	-	-	-	-	5,473	-	5,473	769
Loss on disposal of property and equipment	1,475	-	1,475	207	8,835	-	8,835	1,242
Changes in fair value of convertible notes	(19,452)	-	(19,452)	(2,735)	1,627	-	1,627	229
Changes in fair value of warrant liabilities	(9,950)	-	(9,950)	(1,399)	(9,950)	-	(9,950)	(1,399)
Changes in fair value of ESA derivative liabilities	69,932	-	69,932	9,831	69,932	-	69,932	9,831
Adjusted Net loss	(87,513)	-	(87,513)	(12,304)	(358,096)	-	(358,096)	(50,340)
Adjusted Net loss Margin	-28.6%		-28.6%	-28.6%	-50.5%		-50.5%	-50.5%



E. Adjusted basic and diluted net loss per Ordinary Share

	For the three months ended September 30, 2023				For the nine months ended September 30, 2023				
	Tims	Tims Popeyes		Total		Popeyes	Tota	al	
	RMB	RMB	RMB	US\$	RMB	RMB	RMB	US\$	
Net Loss attributable to shareholders of the Company	(148,562)	(12,041)	(160,603)	(22,012)	(544,728)	(19,439)	(564,167)	(77,326)	
Adjusted for:									
Store pre-opening expenses	10,910	4,216	15,126	2,073	26,751	4,216	30,967	4,244	
Share-based compensation expenses	3,009	-	3,009	412	61,727	-	61,727	8,460	
Professional fees related to warrant exchange and									
other financing programs	4,622	-	4,622	633	27,841	-	27,841	3,816	
Impairment losses of long-lived assets	13,014	-	13,014	1,784	21,792	-	21,792	2,987	
Loss on disposal of property and equipment	11,923	-	11,923	1,634	13,780	-	13,780	1,889	
Changes in fair value of Deferred Contingent									
consideration	(6,331)	-	(6,331)	(868)	(6,331)	-	(6,331)	(868)	
Changes in fair value of convertible notes	10,046	-	10,046	1,377	31,372	-	31,372	4,300	
Changes in fair value of warrant liabilities	-	-	-	-	83,966	-	83,966	11,508	
Changes in fair value of ESA derivative liabilities	315	-	315	43	(19,594)	-	(19,594)	(2,686)	
Adjusted Net loss attributable to shareholders of									
the Company	(101,054)	(7,825)	(108,879)	(14,924)	(303,424)	(15,223)	(318,647)	(43,676)	
Weighted average shares outstanding used in									
calculating basic and diluted loss per share	158,746,919	158,746,919	158,746,919	158,746,919	150,283,284	150,283,284	150,283,284	150,283,284	
Adjusted basic and diluted net loss per Ordinary									
Share	(0.64)	(0.05)	(0.69)	(0.09)	(2.02)	(0.10)	(2.12)	(0.29)	

	For the three months ended September 30, 2022				For the nine months ended September 30, 2022			
	Tims	Popeyes	Total		Tims	Popeyes	Total	
	RMB	RMB	RMB	US\$	RMB	RMB	RMB	US\$
Net Loss attributable to shareholders of the Company	(194,381)	-	(194,381)	(27,326)	(518,778)	-	(518,778)	(72,929)
Adjusted for:								
Store pre-opening expenses	4,277	-	4,277	601	26,660	-	26,660	3,748
Share-based compensation expenses	33,276	-	33,276	4,678	33,276	-	33,276	4,678
Commission fee for Cantor shares	21,521	-	21,521	3,025	21,521	-	21,521	3,025
Option granted by controlling shareholder to CB								
holder	1,778	-	1,778	250	1,778	-	1,778	250
Offering costs for ESA transactions	4,622	-	4,622	650	4,622	-	4,622	650
Impairment losses of long-lived assets	-	-	-	-	5,473	-	5,473	769
Loss on disposal of property and equipment	1,475	-	1,475	207	8,835	-	8,835	1,242
Changes in fair value of convertible notes	(19,452)	-	(19,452)	(2,735)	1,627	-	1,627	229
Changes in fair value of warrant liabilities	(9,950)	-	(9,950)	(1,399)	(9,950)	-	(9,950)	(1,399)
Changes in fair value of ESA derivative liabilities	69,932	-	69,932	9,831	69,932	-	69,932	9,831
Adjusted Net loss attributable to shareholders of								
the Company	(86,902)	-	(86,902)	(12,218)	(355,004)	-	(355,004)	(49,906)
Weighted average shares outstanding used in								
calculating basic and diluted loss per share	124,680,291	124,680,291	124,680,291	124,680,291	124,361,667	124,361,667	124,361,667	124,361,667
Adjusted basic and diluted net loss per Ordinary								
Share	(0.70)	-	(0.70)	(0.10)	(2.85)	-	(2.85)	(0.40)