
DEFINITIONS

In this prospectus, unless the context otherwise requires, the following terms shall have the meanings set out below.

“Acting in Concert Agreement”	the acting in concert agreement entered into among the Concert Group on 1 January 2002
“Acting in Concert Confirmation”	the acting in concert confirmation executed by the Concert Group on 11 March 2013
“Ample On”	Ample On Investment Limited, a company incorporated in the BVI on 8 September 2006, which is wholly-owned by Mr. WANG Zi Han
“Ample Wise”	Ample Wise Holdings Limited, a company incorporated in the BVI on 10 November 2010, which is wholly-owned by Mr. WANG Zi Han
“Application Form(s)”	WHITE Application Form(s), YELLOW Application Form(s) and GREEN Application Form(s), or where the context so requires, any of them, relating to the Hong Kong Public Offering
“Articles of Association” or “Articles”	the articles of association of our Company approved by the written resolutions of our Shareholders on 2 December 2013 and effective from the Listing Date, as amended or supplemented from time to time
“Assets Builder”	Assets Builder Consultants Limited, a company incorporated in the BVI on 23 November 2010, the entire issued share capital of which is held by Mr. AN. Only 18.8324% interest is beneficially owned by him. The remaining interests are held by Mr. AN as a trustee for 17 employees or ex-employees of GZ Consun
“Associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of our Company
“BOCI”, “Sole Sponsor”, “Sole Global Coordinator”, “Sole Bookrunner”, “Sole Lead Manager” or “Stabilisation Manager”	BOCI Asia Limited, a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO
“Brilliant Reach”	Brilliant Reach Group Limited (智達集團有限公司), a company incorporated in the BVI on 8 June 2010, which is wholly-owned by our Company
“Business Day”	a day on which banks in Hong Kong are generally open for business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong

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“BVI”	British Virgin Islands
“CAGR”	compound annual growth rate
“Cannopus”	Cannopus Investments Limited (香港嘉納博斯投資有限公司) (formerly known as Asian Champion Holdings Limited), a company incorporated in Hong Kong on 6 August 1997 and controlled by Mr. YOUNG since its incorporation
“Capitalisation Issue”	the issue of Shares to be made upon capitalisation of certain sum standing to the credit of the share premium account of our Company referred to in the section headed “APPENDIX V – STATUTORY AND GENERAL INFORMATION – Resolutions in writing of the Shareholders passed on 2 December 2013” to this prospectus
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Clearing Participant”	a person admitted to participate in CCASS as a direct clearing participant or general clearing participant
“CCASS Custodian Participant”	a person admitted to participate in CCASS as a custodian participant
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a CCASS Clearing Participant, a CCASS Custodian Participant or a CCASS Investor Participant
“Central Success”	Central Success Developments Limited (中成發展有限公司), a company incorporated in the BVI on 3 August 2012, which is wholly-owned by Mr. AN
“Century International”	Century International Develop Limited (世紀國際拓展有限公司), a company incorporated in Hong Kong on 27 March 2012, which is wholly-owned by Brilliant Reach
“CFDA”	the China Food and Drug Administration of the PRC (中華人民共和國國家食品藥品監督管理總局), and its predecessor(s)
“Companies Law” or “Cayman Companies Law”	the Companies Law (as revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time

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“Company” or “our Company”	Consun Pharmaceutical Group Limited (康臣藥業集團有限公司) (formerly known as Consun Holdings Limited 康臣控股有限公司), a company incorporated under the laws of the Cayman Islands with limited liability on 13 December 2010
“Concerted Group”	collectively refers to Mr. YOUNG, Mr. AN and Ms. LI
“Connected Person(s)”	has the meaning ascribed to it under the Listing Rules
“Consun (Inner Mongolia)”	Consun Pharmaceutical (Inner Mongolia) Company Limited (康臣藥業(內蒙古)有限責任公司), a company established in the PRC on 29 December 2005, which is wholly-owned by GZ Consun
“Consun Medicine”	Guangzhou Consun Medicine Company Limited (廣州康臣醫藥有限公司), a company established in the PRC on 1 December 2003, which is wholly-owned by GZ Consun
“Consun Research”	Guangzhou Consun Pharmaceutical Research Company Limited (廣州康臣藥物研究有限公司), a company established in the PRC on 28 September 2005, which is wholly-owned by GZ Consun
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and unless the context requires otherwise, collectively refers to Central Success, Mr. AN, Guido, Mr. YOUNG, Double Grace and Ms. LI
“Director(s)”	the director(s) of our Company
“Double Grace”	Double Grace International Limited, a company incorporated in the BVI on 1 July 2010, which is wholly-owned by Ms. LI
“Faithful Gain”	Faithful Gain Investments Limited (信生投資有限公司), a company incorporated in Hong Kong on 18 March 2008, which is wholly-owned by Profitable China
“First Kind”	First Kind International Limited, a company incorporated in the BVI on 6 July 2007, which is wholly-owned by Hony Capital
“GDP”	gross domestic product (all references to GDP growth rates are, unless expressly specified otherwise, to real as opposed to nominal rates of GDP growth)
“Global Offering”	the Hong Kong Public Offering and the International Offering
“Grand Reach”	Grand Reach Company Limited (宏致有限公司), a company incorporated in Hong Kong on 22 April 2008, which is wholly-owned by Immense Value

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“GREEN Application Form(s)”	the application form(s) to be completed by the White Form eIPO Service Provider designated by our Company
“Group”, “our Group”, “we”, “our” or “us”	our Company and its subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of its present subsidiaries, the businesses operated by such subsidiaries or their predecessors (as the case may be)
“Guidoz”	Guidoz Limited, a company incorporated in the BVI on 13 September 2010, which is wholly-owned by Mr. YOUNG
“GZ Consun”	Guangzhou Consun Pharmaceutical Company Limited (廣州康臣藥業有限公司), a company established in the PRC on 29 December 1997, which is owned as to 75.0% by Century International and 25.0% by Grand Reach
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRSs”	Hong Kong Financial Reporting Standards issued by HKICPA
“HKICPA”	Hong Kong Institute of Certified Public Accountants
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Offer Shares”	the 25,000,000 Shares being initially offered by our Company for subscription at the Offer Price pursuant to the Hong Kong Public Offering (subject to reallocation as described in the section headed “STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING” in this prospectus)
“Hong Kong Public Offering”	the offer for subscription of the Hong Kong Offer Shares to the public in Hong Kong at the Offer Price, subject to and in accordance with, the terms and conditions set out in this prospectus and the Application Forms
“Hong Kong Share Registrar”	Computershare Hong Kong Investor Services Limited
“Hong Kong Underwriters”	the underwriters of the Hong Kong Public Offering whose names are set out in the section headed “UNDERWRITING – HONG KONG UNDERWRITERS” in this prospectus

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“Hong Kong Underwriting Agreement”	the underwriting agreement dated 6 December 2013 relating to the Hong Kong Public Offering entered into by, among other parties, our Company, the Sole Global Coordinator and the Hong Kong Underwriters
“Hony Capital”	Hony Capital Fund III, L.P., an exempted limited partnership incorporated under the laws of Cayman Islands on 19 September 2006, the sole shareholder of First Kind
“Immense Value”	Immense Value Holdings Limited, a company incorporated in the BVI on 28 February 2008, which is wholly-owned by our Company
“Independent Third Party(ies)”	party or parties that is or are not connected with us, any Directors, chief executives, Controlling Shareholders, Substantial Shareholders, their respective subsidiaries or any of their respective associates
“International Offer Shares”	the 225,000,000 Shares being offered by our Company for subscription under the International Offering, together, where relevant, with any Shares which may be sold by First Kind pursuant to the exercise of the Over-allotment Option, subject to reallocation as described in the section headed “STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING” in this prospectus
“International Offering”	the offer of the International Offer Shares at the Offer Price outside the United States in reliance on Regulation S, as further described in the section headed “STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING” in this prospectus
“International Underwriter”	the underwriter who is expected to enter into the International Underwriting Agreement to underwrite the International Offering
“International Underwriting Agreement”	the international underwriting agreement relating to the International Offering to be entered into by, among other parties, our Company, First Kind, the Sole Global Coordinator and the International Underwriter on or about the Price Determination Date
“Issuing Mandate”	the general unconditional mandate granted to our Directors by our Shareholders in relation to the issue of our new Shares, further information is set out in the paragraphs headed “APPENDIX V – STATUTORY AND GENERAL INFORMATION – Resolutions in writing of the Shareholders passed on 2 December 2013” to this prospectus

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“Kangji”	Guangzhou Kangji Investment Consultancy Co, Ltd (廣州康基投資諮詢有限公司), a company established in the PRC on 13 October 2008, which is wholly-owned by various employees or ex-employees of GZ Consun
“Kangli”	Guangzhou Kangli Investment Consultancy Co, Ltd (廣州康麗投資諮詢有限公司), a company established in the PRC on 27 September 2008, which is wholly-owned by various employees or ex-employees of GZ Consun
“Kangsheng”	Guangzhou Kangsheng Investment Consultancy Co, Ltd (廣州康勝投資諮詢有限公司), a company established in the PRC on 7 October 2008, which is wholly-owned by various employees or ex-employees of GZ Consun
“Kangyuan”	Inner Mongolia Kangyuan Pharmaceutical Company Limited (內蒙古康源藥業有限公司), a company established in the PRC on 13 June 2000, which is wholly-owned by Consun (Inner Mongolia)
“Latest Practicable Date”	2 December 2013, being the latest practicable date for the purpose of ascertaining certain information contained in this prospectus prior to its publication
“Listing”	the listing of our Shares on the Main Board
“Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange
“Listing Date”	the date, expected to be on or about 19 December 2013, on which dealings in our Shares first commence on the Main Board
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
“Loyal Team”	Loyal Team Management Limited, a company incorporated in the BVI on 1 July 2010, the entire issued share capital of which is held by Mr. TANG Ning as a trustee for 15 employees or ex-employees of GZ Consun
“M&A Rules”	the Rules on the Acquisition of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) promulgated in August 2006, effective from September 2006 and amended in June 2009
“Macau”	the Macau Special Administrative Region of the PRC

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“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange. For the avoidance of doubt, the Main Board excludes the Growth Enterprise Market
“Medicine Manufacturing Permit”	the permit (藥品生產許可證) issued by the CFDA at provincial level which any enterprise engage in the manufacture of pharmaceutical products in the PRC is required to obtain
“Medicine Operation Certificate”	the certificate (藥品經營許可證) issued by the CFDA at provincial or designated municipal or county level which any enterprise engage in the distribution or sale of pharmaceutical products in the PRC, whether on a wholesale or retail basis, is required to obtain
“Memorandum of Association” or “Memorandum”	the memorandum of association of our Company approved by the written resolutions of our Shareholders on 2 December 2013 and effective from the Listing Date, as amended or supplemented from time to time
“Military Reasonable Medical Treatment Medicines Catalogue”	the Military Reasonable Medical Treatment Medicines Catalogue (軍隊合理醫療藥品目錄), issued by the Medical Department of General Logistics Department of PRC People’s Liberation Army in 2009, as amended and supplemented from time to time
“Ministry of Commerce” or “MOFCOM”	the Ministry of Commerce of the PRC (中華人民共和國商務部)
“Ministry of Science and Technology”	the Ministry of Science and Technology of the PRC (中華人民共和國科學技術部)
“Mr. AN”	Mr. AN Yubao (安郁寶) (formerly known as Mr. AN Yushi (安郁室)), an executive Director, a Controlling Shareholder and the sole shareholder of Central Success
“Mr. YOUNG”	Mr. YOUNG Wai Po, Peter (楊惠波) (formerly known as Mr. YOUNG Wai Po (楊惠波)), one of the co-founders of our Group, a non-executive Director, a Controlling Shareholder and the sole shareholder of Guidoz
“Ms. LI”	Ms. LI Qian (黎倩), an executive Director, a Controlling Shareholder and the sole shareholder of Double Grace
“National List of Essential Medicines”	the National Essential Medicines List (國家基本藥物目錄), issued by the Ministry of Health of the PRC (中華人民共和國衛生部), as amended and supplemented from time to time

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“National Medical Insurance Medicines Catalogue”	the State Basic Medical Insurance and Work Injury Insurance Medicines Catalogue (國家基本醫療保險和工傷保險藥品目錄), issued by the Ministry of Human Resources and Social Security of the PRC (中華人民共和國人力資源和社會保障部) in 2009, as amended and supplemented from time to time
“NDRC”	the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)
“New Medicine Certificate”	the certificate issued by the CFDA with respect to any New Medicine at the date when the application for the certificate was made
“NPC” or “National People’s Congress”	PRC National People’s Congress (中華人民共和國人民代表大會) and its Standing Committee
“Offer Price”	the final offer price per Offer Share (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%) of not more than HK\$4.36 and expected to be not less than HK\$3.63, such price to be agreed upon by ourselves and the Sole Bookrunner (on behalf of the Underwriters) on or before the Price Determination Date
“Offer Shares”	the Hong Kong Offer Shares and the International Offer Shares
“Over-allotment Option”	the option to be granted by First Kind to the International Underwriter exercisable by the Sole Global Coordinator, pursuant to which First Kind may be required to sell up to an aggregate of 37,500,000 Shares (representing 15.0% of our Shares initially being offered under the Global Offering) to cover over-allocations in the International Offering, details of which are described in the section headed “STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING – OVER-ALLOTMENT OPTION” in this prospectus
“PRC” or “State”	People’s Republic of China, but for the purpose of this prospectus and for geographical reference only and except where the context requires otherwise, references in this prospectus to the “PRC” do not apply to Hong Kong, Macau and Taiwan
“PRC EIT Law”	PRC Enterprise Income Tax Law (中華人民共和國企業所得稅法), as enacted by the NPC on 16 March 2007 and effective on 1 January 2008, as amended, supplemented or otherwise modified from time to time

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“PRC Labour Contract Law”	PRC Labour Contract Law (中華人民共和國勞動合同法), as enacted by the Standing Committee of the NPC on 29 June 2007 and effective on 1 January 2008, as amended, supplemented or otherwise modified from time to time
“PRC Legal Advisers”	Jingtian & Gongcheng, a qualified PRC law firm acting as the PRC legal advisers to our Company for the application for the Listing
“Price Determination Date”	the date, expected to be on or about 13 December 2013, on which the Offer Price is to be fixed by agreement between ourselves and the Sole Bookrunner (on behalf of the Underwriters)
“Profitable China”	Profitable China Limited, a company incorporated in the BVI on 28 January 2008, which is wholly-owned by Ample On
“Qian’an”	Guangzhou Qian’an Investment Co., Ltd. (廣州乾安投資有限公司), a company established in the PRC on 8 February 2001, which is wholly-owned by Ms. LI. It changed its company name to 廣州乾安貿易有限公司 (Guangzhou Qian’an Trading Co., Ltd.) on 20 April 2009
“Regulation S”	Regulation S under the U.S. Securities Act
“Renminbi” or “RMB”	the lawful currency of the PRC
“Reorganisation”	the corporate reorganisation of our Group in preparation for the Listing, particulars of which are set out under the section headed “HISTORY, REORGANISATION AND CORPORATE STRUCTURE – REORGANISATION” in this prospectus
“Repurchase Mandate”	the general unconditional mandate granted to our Directors by our Shareholders in relation to the repurchase of our Shares, further information of which is set out in the paragraphs headed “APPENDIX V – STATUTORY AND GENERAL INFORMATION – Resolutions in writing of the Shareholders passed on 2 December 2013” to this prospectus
“SAFE”	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
“SAIC”	the State Administration for Industry and Commerce of the PRC (中華人民共和國國家工商行政管理總局)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time

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“Share(s)”	ordinary share(s) of nominal value of HK\$0.1 each in the capital of our Company
“Share Option Scheme”	the share option scheme conditionally adopted by our Company on 2 December 2013, the principal terms of which are set out under the section headed “APPENDIX V – STATUTORY AND GENERAL INFORMATION – Share Option Scheme” to this prospectus
“Shareholder(s)”	holder(s) of our Share(s)
“SIPO”	the State Intellectual Property Office of the PRC (中華人民共和國國家知識產權局)
“SMERI”	CFDA South Medicine Economic Research Institute (CFDA南方醫藥經濟研究所), a direct reporting unit (直屬單位) of CFDA, and its affiliates, including Guangzhou PICO Medicine Information Co., Ltd.
“SMERI Report”	the industry report on the PRC pharmaceutical markets issued by SMERI in December 2013
“sq.m.”	square metres
“State Secret”	information, material, technologies or other matters deemed confidential under the Law of Protection State Secrets (保守國家秘密法) of the PRC, the leakage of which would cause damage to national security and interests
“Stock Borrowing Agreement”	the stock borrowing agreement to be entered into on or about the Price Determination Date between the Stabilisation Manager and Central Success
“Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“sub-distributors”	sub-distributors of our kidney medicines and medical contrast medium, which source our pharmaceutical products from our third party distributors
“subsidiary(ies)”	has the meaning ascribed to it in section 2 of the Companies Ordinance
“Substantial Shareholder”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers, as amended from time to time
“Track Record Period”	the three financial years ended 31 December 2012 and the six months ended 30 June 2013

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“Underwriters”	the Hong Kong Underwriters and the International Underwriter
“Underwriting Agreements”	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
“U.S.” or “United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“U.S. persons”	U.S. persons as defined in U.S. Securities Act
“U.S. Securities Act”	the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
“Wealthy Hero”	Wealthy Hero Limited, a company incorporated in the BVI on 16 June 2011, the entire issued share capital of which is held by Mr. ZHOU Shangwen. Only 9.4654% interest is beneficially owned by him. The remaining interests are held by Mr. ZHOU Shangwen as a trustee for 13 employees or ex-employees of GZ Consun
“WFOE”	Wholly foreign owned enterprise incorporated and registered under the laws of the PRC
“ White Form eIPO ”	the application for Hong Kong Offer Shares to be issued in the applicant’s own name by submitting applications online through the designated website of White Form eIPO Service Provider at www.eipo.com.hk
“ White Form eIPO Service Provider”	Computershare Hong Kong Investor Services Limited
“Zijing”	Shenzhen Zijing Industrial Development Co., Ltd. (深圳紫京實業發展有限公司), a company established in the PRC on 7 February 2001, which is owned as to 99.87% by Beijing Hony Investment Management Center Limited Partnership (北京弘毅投資管理中心(有限合夥)) and as to 0.13% by Mr. CAO Yonggang (曹永剛), an Independent Third Party. It changed its company name to Shenzhen Hengdayinghai Industrial Development Co., Ltd. (深圳市恒大盈海實業發展有限公司) on 6 March 2003 and further changed to Shenzhen Hengdayinghai Investment Co., Ltd. (深圳市恒大盈海投資有限公司) on 26 November 2003
“%”	per cent.

All dates and times refer to Hong Kong dates and time.