
DEFINITIONS

In this [REDACTED], the following terms shall have the meanings set forth below unless the context otherwise requires.

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| “Accountants’ Report” | the accountants’ report set out in Appendix I to this [REDACTED] |
| | [REDACTED] |
| “Articles of Association” or “Articles” | the amended and restated articles of association of our Company adopted on [20 May] 2015 and which will become effective upon the [REDACTED], as amended from time to time |
| “associate(s)” | has the meaning ascribed thereto under the Listing Rules |
| “Board” | our board of Directors |
| “business day” | a day on which licenced 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 |
| “BVI” | British Virgin Islands |
| “Capitalisation Issue” | the issue of 599,990,000 Shares made upon capitalisation of certain sums standing to the credit of the share premium account of our Company as referred to in Appendix V headed “Statutory and General Information” to this [REDACTED] |
| “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 a 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 |
| “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) |

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| “Cheer Lik” | Cheer Lik Development Limited, a limited liability company incorporated in the BVI on 2 January 2014 and wholly owned by Mrs. Lai, a Controlling Shareholder |
| “close associate(s)” | has the meaning ascribed to it under the Listing Rules |
| “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 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time |
| “Company” or “our Company” | Zhongzhi Pharmaceutical Holdings Limited (中智藥業控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 12 September 2014 |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “Contractual Arrangements” | the series of contracts entered into on 31 August 2014 (and supplemented or amended on 31 August 2014) by, among others, Zhongzhi Pharmaceutical, Zhongzhi Herb Pieces and the Registered Shareholders, details of which are described in the “Contractual Arrangements” section in this [REDACTED] |
| “Controlling Shareholders” | has the meaning ascribed to it under the Listing Rules and, unless the context requires otherwise, refers to Mr. Lai, Mrs. Lai, Crystal Talent and Cheer Lik |
| “Crystal Talent” | Crystal Talent Investment Group Limited, a limited liability company incorporated in the BVI on 25 July 2014 and wholly owned by Mr. Lai, a Controlling Shareholder |
| “Director(s)” | the director(s) of our Company |
| “EIT” | enterprise income tax of the PRC |
| “EIT Law” | Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法) |
| “Foreign Investment Catalogue” | the Catalogue of Industries for Guiding Foreign Investment (2011 Version) (《外商投資產業指導目錄(2011年版)》) |

DEFINITIONS

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| “GFDA” | the Guangdong Food and Drug Administration of the PRC (中華人民共和國廣東省食品藥品監督管理局) and its predecessors [REDACTED] |
| “Grant Talent” | Grant Talent Development Limited, a limited liability company incorporated in Hong Kong on 1 August 2014 and an indirect wholly owned subsidiary of our Company [REDACTED] |
| “Group”, “our Group”, “we” or “us” | our Company and its subsidiaries or, where the context requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, the entities which carried on the business of the present Group at the relevant time |
| “Guangdong Jun Ke” | Guangdong Jun Ke Investment Limited* (廣東君科創業投資有限公司), a limited liability company established in the PRC on 8 April 2010 and a shareholder of Zhongzhi Herb Pieces. The shareholding structure of which is set out in the paragraph headed “History and Corporate Structure — Offshore reorganisation” |
| “Guosen Securities”, “Sole Sponsor”, “[REDACTED]”, “[REDACTED]”, “[REDACTED]” | Guosen Securities (HK) Capital Company Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO [REDACTED] [REDACTED] |
| “HK\$” or “Hong Kong Dollars” | Hong Kong dollars, the lawful currency of Hong Kong |
| “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 |

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“Honeson Pharmaceutical” Zhongshan Honeson Pharmaceutical Co., Ltd.* (中山市恒生藥業有限公司) (formerly known as Shiqi Herbal Tea Factory* (石岐涼茶廠) and Zhongshan Chinese Medicine Factory* (中山市中藥廠)), a limited liability company established in the PRC on 2 March 1986 and an indirect wholly owned subsidiary of our Company

“Hong Kong” or “HK” the Hong Kong Special Administrative Region of the PRC

[REDACTED]

[REDACTED]

“Hong Kong Share Register” [REDACTED], the Hong Kong branch share registrar of our Company

“[REDACTED] Underwriters” the underwriters of the [REDACTED] listed in the “Underwriting” section in this [REDACTED]

“[REDACTED] Underwriting Agreement” the conditional [REDACTED] underwriting agreement dated [28 May] 2015 relating to the [REDACTED] and entered into by, among others, the Sole Sponsor, the Global Coordinator, the [REDACTED] Underwriters, our Company, Crystal Talent, Cheer Lik and the executive Directors, as further described under the “Underwriting” section in this [REDACTED]

“Independent Third Party(ies)” an individual(s) or company(ies) who or which is/are not connected (within the meaning of the Listing Rules) with any Directors, chief executive or substantial shareholder(s) (within the meaning of the Listing Rules) of our Company, its subsidiaries or any of their respective associate(s)

DEFINITIONS

[REDACTED]

[REDACTED]

“[REDACTED] Underwriters” the underwriters of the [REDACTED] Shares, whose names are set out in the “Underwriting” section in this [REDACTED]

“[REDACTED] Underwriting Agreement” the conditional [REDACTED] underwriting agreement relating to the [REDACTED], expected to be entered into, among others, the Global Coordinator, the [REDACTED] Underwriters, our Company, Crystal Talent, Cheer Lik, and the executive Directors as further described under the “Underwriting” section in this [REDACTED]

“Ipsos” Ipsos Hong Kong Limited, a market research firm and an Independent Third Party

“Ipsos Report” the industry report commissioned by our Company and issued by Ipsos Hong Kong Limited

“Latest Practicable Date” [REDACTED], being the latest practicable date prior to the printing of this [REDACTED] for ascertaining certain information contained herein

[REDACTED]

“Listing Committee” the listing sub-committee of the board of directors of the Stock Exchange

[REDACTED]

“Listing Rules” the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)

DEFINITIONS

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| “Main Board” | the stock market (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 |
| “Memorandum” or “Memorandum of Association” | the amended and restated memorandum of association of our Company adopted on [20 May] 2015 |
| “modern decoction pieces” | a modern form of decoction pieces produced, distributed and sold by our Group, where ultra-fine pulverised traditional decoction pieces are granulated by using our patented techniques and can be readily used for oral consumption |
| “Mr. Cao” | Mr. Cao Xiao Jun (曹曉俊), an executive Director and a Shareholder through his interest in Advance Keypath Global Investments Limited |
| “Mr. Lai” | Mr. Lai Zhi Tian (賴智填), a Controlling Shareholder and an executive Director of our Group |
| “Mr. Luo” | Mr. Luo Tian Quan (羅天泉), a Shareholder through his interest in Aces Chess Global Limited |
| “Mr. Wen” | Mr. Wen Ke Huan (溫科煥), a holder of 53% equity interest in Guangdong Jun Ke |
| “Mrs. Lai” | Ms. Jiang Li Xia (江麗霞), the spouse of Mr. Lai, a Controlling Shareholder and an executive Director |
| “Ms. Mou” | Ms. Mou Li (牟莉), an executive Director and a Shareholder through her interest in Advance Keypath Global Investments Limited |
| “Ms. Zhang” | Ms. Zhang Shao Jun (張少君), a holder of 47% equity interest in Guangdong Jun Ke |
| “Non-competition Deed” | the Deed of Non-competition dated [REDACTED] given by the Controlling Shareholders in favour of our Company (for itself and as trustee for its subsidiaries), details of which are set out in the “Relationship with the Controlling Shareholders” section in this [REDACTED]. |

DEFINITIONS

[REDACTED]

[REDACTED]

“PRC” or “China” People’s Republic of China which, for the purposes of this [REDACTED] only, exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan

“PRC Legal Advisors” King & Wood Mallesons, a qualified PRC law firm acting as the PRC legal advisors to our Company for the application for the Listing

[REDACTED]

[REDACTED]

“Registered Shareholders” the shareholders of Zhongzhi Herb Pieces, being Mr. Lai, Zhongshan Yu Xin, Guangdong Jun Ke and Mr. Luo, all of whom are parties to the Contractual Arrangements

“Regulation S” Regulation S under the U.S. Securities Act

“Reorganisation” the corporate reorganisation of our Group in preparation for the [REDACTED] as described in Appendix V headed “Statutory and General Information” to this [REDACTED]

“Repurchase Mandate” the general unconditional mandate to repurchase Shares given to our Directors by our Shareholders, further details of which are contained in Appendix V headed “Statutory and General Information” to this [REDACTED]

“RMB” or “Renminbi” Renminbi, the lawful currency of the PRC

DEFINITIONS

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| “SAT” | State Administration of Taxation (中華人民共和國國家稅務總局) of the PRC |
| “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 |
| “Share(s)” | ordinary share(s) with nominal value of HK\$0.01 each in the share capital of our Company |
| “Share Option Scheme” | the share option scheme conditionally adopted by our Company on [20 May] 2015, a summary of the principal terms and conditions of which is set forth in Appendix V headed “Statutory and General Information” to this [REDACTED] |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiary(ies)” | has/have the meaning ascribed thereto under the Listing Rules |
| “substantial shareholder(s)” | has/have the meaning ascribed thereto under the Listing Rules |
| “Track Record Period” | the three years ended 31 December 2014 |
| “traditional decoction pieces” | the traditional form of decoction pieces processed and distributed by our Group or used by our Group for production of Chinese patent machines and modern decoction pieces |
| “Underwriters” | collectively, the [REDACTED] Underwriters and the [REDACTED] Underwriters, whose names are set out in the “Underwriting” section in this [REDACTED] |
| “Underwriting Agreements” | the [REDACTED] Underwriting Agreement and [REDACTED] Underwriting Agreement |
| “United States” or “U.S.” | the United States of America, its territories, its possessions and all areas subject to its jurisdiction |
| “U.S. Securities Act” | the United Securities Act of 1933, as amended, supplemented or otherwise modified from time to time |
| “US\$” or “US Dollars” | United States dollars, the lawful currency of the United States of America |

DEFINITIONS

[REDACTED]

[REDACTED]

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| “Zeus Hong Kong” | Zeus Medicine Hong Kong Limited, a company incorporated with limited liability in Hong Kong on 14 April 2011 and an indirect wholly owned subsidiary of our Company |
| “Zhongshan Yu Xin” | Zhongshan Yu Xin Investment Limited* (中山市禹鑫股權投資有限公司), a limited liability company established in the PRC on 17 September 2012 and a shareholder of Zhongzhi Herb Pieces. The shareholding structure of which is set out in the “History and Corporate Structure” section in this [REDACTED] |
| “Zhongzhi Chain Pharmacies” | Zhongshan Zhongzhi Chain Pharmacies Company Limited* (中山市中智大藥房連鎖有限公司), a limited liability company established in the PRC on 27 July 2001 and an indirect wholly owned subsidiary of our Company |
| “Zhongzhi Food” | Zhongshan Zhongzhi Food Technology Company Limited* (中山市中智食品科技有限公司), a limited liability company established in the PRC on 10 December 2014 and an indirect wholly owned subsidiary of the Company |
| “Zhongzhi Herb Pieces” | Zhongshan Zhongzhi Chinese Medicine Herb in Pieces Co., Ltd.* (中山市中智中藥飲片有限公司), a limited liability company established in the PRC on 10 June 2001, the equity interest of which was owned as to 87.56%, 10%, 2% and 0.44% by Mr. Lai, Zhongshan Yu Xin, Guangdong Jun Ke and Mr. Luo respectively, a consolidated affiliate of our Company |
| “Zhongzhi Pharmaceutical” | Zhongshan Zhongzhi Pharmaceutical Group Co., Ltd.* (中山市中智藥業集團有限公司) (formerly known as Zhongshan Pharmaceutical Management Company* (中山市醫藥經營公司) and Zhongshan Zhongzhi Pharmaceutical Company Limited (中山市中智醫藥有限公司)), a limited liability company established in the PRC on 5 March 1993 and an indirect wholly owned subsidiary of our Company |
| “sq.m.” | square metre(s) |
| “%” | per cent. |

DEFINITIONS

The English names of the PRC entities, laws or regulations or government authorities mentioned in this [REDACTED] and marked with “” are translation or transliteration from their Chinese names and are for identification purposes only. If there is any inconsistency, the Chinese names shall prevail.*

Unless otherwise expressly stated or the context otherwise requires, all data in this [REDACTED] is as at the Latest Practicable Date.