

THIS INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Information Pack must be read in conjunction with the section headed "Warning" on the cover of this Information Pack.

DEFINITIONS

In this document, the following terms have the following meanings unless the context otherwise requires. Certain technical terms are explained in the section headed "Glossary" in this document.

- "Accord Pharma" Shenzhen Accord Pharmaceutical Co., Ltd. (深圳一致藥業股份有限公司), a joint stock limited company incorporated in the PRC whose A shares and B shares are listed on the Shenzhen Stock Exchange, is a subsidiary of the Company;
- "Anhui Yian" Anhui Yian Pharmacy Group Co., Ltd. (安徽億安醫藥集團有限公司), a limited liability company incorporated in the PRC, is a Connected Person of the Company;
- "Articles of Association" or "Articles" the articles of association of the Company approved at the extraordinary general meeting of the shareholders of the Company held on 8 October 2008 and as amended from time to time;
- "Associates" has the meaning ascribed to it under the Hong Kong Listing Rules;
- "AstraZeneca" AstraZeneca PLC, an Anglo-Swedish pharmaceutical company, is an Independent Third Party;
- "Bayer" Bayer AG, a chemical and pharmaceutical company incorporated in Germany, is an Independent Third Party;
- "Beijing Deheyongdao" Beijing Dehoe Investment Consult Co., Ltd. (北京德和永道投資諮詢有限公司), a limited liability company incorporated in the PRC, is an Independent Third Party;
- "Beijing Zidesen" Beijing Zidesen Investment Consulting Ltd. (北京智德盛投資顧問有限公司), a limited liability company incorporated in the PRC, is an Independent Third Party;
- "Board" or "Board of Directors" the Board of Directors of our Company;
- "Boehringer Ingelheim" Boehringer Ingelheim GmbH, a pharmaceutical company incorporated in Germany, is an Independent Third Party;
- "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;
- "CAGR" compound annual growth rate;
- "CAPC" The China Association of Pharmaceutical Commerce is a national industry and trade organization that advises the relevant PRC Government agencies in charge of the pharmaceutical industry. It seeks to assist the advancement of pharmaceutical production, research and development, and distribution;

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| “Chain Management System” or “CMS” | an information system managing the work flow and documentation of procurement, inventory and sales developed in-house by our Company; |
| “Changchun Puhua” | ChangChun Puhua Pharmaceutical Co., Ltd. (長春普華製藥股份有限公司), a joint stock limited company established in the PRC, is an Independent Third Party; |
| “Chemical Reagent Company” | China National Pharmaceutical Group Chemical Reagent Co., Ltd. (國藥集團化學試劑有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company; |
| “China Pharmacy Magazine” | A national business magazine focused on news and management issues in the pharmaceutical industry; |
| “CICC” | China International Capital Corporation Hong Kong Securities Limited; |
| “CIETAC” | China International Economic and Trade Arbitration Commission; |
| “CNPGC” or “Parent Company” | China National Pharmaceutical Group Corporation (中國醫藥集團總公司), an enterprise owned by the whole people established in the PRC, is the Controlling Shareholder of the Company; |
| “CNPGC Group” | CNPGC and its subsidiaries, including our Company; |
| “Companies Ordinance” | the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time; |
| “the Company” | Sinopharm Group Co. Ltd., (國藥控股股份有限公司), a joint stock limited liability company incorporated in the PRC, and its predecessor; |
| “Company Law” or “PRC Company Law” | Company Law of the People’s Republic of China (中華人民共和國公司法), as amended at the Eighteenth Session of the Standing Committee of the Tenth NPC on 27 October 2005, effective from 1 January 2006 (2005 Amendment), as amended, supplemented or otherwise modified from time to time; |
| “Connected Person” | has the meaning ascribed to it under the Hong Kong Listing Rules; |
| “consideration ratio” | has the meaning ascribed to it under the Hong Kong Listing Rules; |
| “Controlling Shareholder” | has the meaning ascribed thereto under the Hong Kong Listing Rules and unless the context requires otherwise, refers to CNPGC; |

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DEFINITIONS

- “Core Business” the core business carried on by our Company, namely, the distribution of Western medicines in the PRC;
- “CSRC” China Securities Regulatory Commission (中國證券監督管理委員會), a regulatory body responsible for the supervision and regulation of the PRC national securities markets;
- “Deed of Indemnity” the deed of indemnity dated 31 August 2009 entered into between Sinopharm Investment and the Company, as referred to in the section headed “Connected Transactions” in this document;
- “Director(s)” the Director(s) of the Company, including all executive, non-executive and independent non-executive Directors;
- “Domestic Shares” ordinary shares in the capital of our Company, with a nominal value of RMB1.00 each, which are subscribed for and fully paid up in Renminbi by PRC nationals and/or PRC incorporated entities;
- “EIT Law” Enterprise Income Tax Law of the People’s Republic of China (中華人民共和國企業所得稅法), as amended on 16 March 2007 and effective from 1 January 2008;
- “Eli Lilly” Eli Lilly and Company, a pharmaceutical company incorporated in the U.S., is an Independent Third Party;
- “Excluded Companies” Industry Company and certain of its Associates, Hubei Yibao, Tianjin Company, Trading Company, South Trade, Guangdong Dong Fang, Traditional & Herbal Medicine Company and certain of its subsidiaries and Xinjiang Company;
- “Fluka” Fluka Chemical Corporation, a chemical company incorporated in Switzerland, is an Independent Third Party;
- “Fosun Company” Fosun International Limited (復星國際有限公司), a limited liability company incorporated in Hong Kong, is a Connected Person of the Company;
- “Fosun Distribution Companies” certain companies which are principally engaged in the distribution of medicines in the PRC; and the non-executive Director, Guo Guangchang is a substantial shareholder of these companies, the non-executive Director, Fan Banghan is a director of each of these companies and the non-executive Director, Wang Qunbin is a director of one of these companies;
- “Fosun Grand Medicine” Shanghai Fosun Grand Medicine Chain Operating Co., Ltd. (上海復星大藥房連鎖經營有限公司), a limited liability company incorporated in the PRC, is a Connected Person of the Company;

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DEFINITIONS

- “Fosun Group” Fosun Pharma and its subsidiaries;
- “Fosun High Technology” Shanghai Fosun High Technology (Group) Co., Ltd. (上海復星高科技(集團)有限公司), a limited liability company incorporated in the PRC, is a Connected Person of the Company;
- “Fosun Holdings” Fosun Holdings Limited (復星控股有限公司), a limited liability company incorporated in Hong Kong, is a Connected Person of the Company;
- “Fosun International Holdings” Fosun International Holdings Limited (復星國際控股有限公司), a limited liability company incorporated in the British Virgin Islands, is a Connected Person of the Company;
- “Fosun Investment” Shanghai Fosun Industrial Investment Co., Ltd. (上海復星產業投資有限公司), a limited liability company incorporated in the PRC, is a Connected Person of the Company;
- “Fosun Pharma” Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (上海復星醫藥(集團)股份有限公司), a joint stock limited company established in the PRC whose A shares are listed on the Shanghai Stock Exchange, is a Connected Person of the Company;
- “Fosun Production Companies” certain companies which are principally engaged in the production of medicines in the PRC; and the non-executive Director, Guo Guangchang, is a substantial shareholder of certain of these companies and the non-executive Director, Wang Qunbin, is a director of one of these companies;
- “Fosun Retail Companies” certain companies which are principally engaged in the operation of retail drug stores in the PRC; and the non-executive Director, Guo Guangchang, is a substantial shareholder of certain of these companies and a director of one of these companies, and the non-executive Director, Fan Banghan, is a director of certain of these companies;
- “GDP” gross domestic product (all references to GDP growth rates are to real as opposed to nominal growth rates of GDP);
- “GlaxoSmithKline” GlaxoSmithKline PLC, a pharmaceutical, biological, and healthcare company incorporated in the United Kingdom, is an Independent Third Party;
- “Guangdong Accord” Guangdong Accord Drugstore Co., Ltd. (廣東一致藥店有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;

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- “Guangdong Dong Fang” Guangdong Dong Fang Uptodate & Special Medicines Co. (廣東東方新特藥公司), an enterprise owned by the whole people established in the PRC, is a Connected Person of the Company;
- “Guangzhou Pharma” Guangzhou Pharmaceuticals Corporation (廣州醫藥有限公司), a limited liability company incorporated in the PRC, is an Independent Third Party;
- “Guorui Pharmaceutical” China National Pharmaceutical Group Guorui Medicine Co., Ltd. (國藥集團國瑞藥業有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Guotou Anhui” Guotou Anhui Pharmaceutical Co., Ltd. (國投藥業安徽有限公司), a limited liability company incorporated in the PRC, is an Independent Third Party;
- “H Shares” overseas-listed foreign invested shares of par value RMB1.00 each in the ordinary share capital of the Company;
- “Hainan Jiyuan” Hainan Jiyuan Pharmaceutical Co., Ltd. (海南濟源藥業有限公司), a limited liability company established in the PRC, is a Connected Person of the Company;
- “Harbin Pharma” Harbin Pharmaceutical Group Holding Co., Ltd. (哈藥集團有限公司), a limited liability company incorporated in the PRC, is an Independent Third Party;
- “Hebei Aijia” Hebei Aijia Pharmaceutical Co., Ltd. (河北醫藥愛家藥業有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Hebei Medicines” Hebei Medicines Co., Ltd. (河北醫藥有限責任公司), a limited liability company incorporated in the PRC, is a Connected Person of the Company;
- “HK\$” or “HK dollars” or “Hong Kong dollars” Hong Kong dollars, the lawful currency of Hong Kong;
- “HKFRS” Hong Kong Financial Reporting Standards;
- “HKIAC” Hong Kong International Arbitration Centre;
- “Hong Kong” or “HK” the Hong Kong Special Administrative Region of the PRC;
- “Hong Kong Stock Exchange” The Stock Exchange of Hong Kong Limited;
- “Hubei Century Longteng” Hubei Century Longteng Trade and Development Co., Ltd. (湖北世紀龍騰經貿發展有限公司), a limited liability company incorporated in the PRC, is an Independent Third Party;

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- "Hubei Yibao" Hubei Yibao International Pharmaceutical Co., Ltd. (湖北怡保國際醫藥有限公司), a limited liability company established in the PRC, is a Connected Person of the Company;
- "IMS" IMS Health Incorporated, a global provider of market intelligence to the pharmaceutical and healthcare industries, which is an Independent Third Party;
- "Independent Third Party(ies)" a person or persons or a company or companies that is or are not Connected Person(s);
- "Industry Company" China National Pharmaceutical Industry Corporation Limited (中國醫藥工業有限公司), a limited liability company established in the PRC, is a Connected Person of the Company;
- "Jiangsu Hengrui" Jiangsu Hengrui Medicine Co., Ltd. (江蘇恒瑞醫藥股份有限公司), a joint stock limited company established in the PRC, is an Independent Third Party;
- "Lancaster" part of the Alfa Aesar, a Johnson Matthey Company, producing research chemicals catalogs that lead the market in technical content and unique products, is an Independent Third Party;
- "Latest Practicable Date" 31 August 2009, being the latest practicable date before the printing of this document for ascertaining certain information in this document;
- "Logistics Company" China National Pharmaceutical Logistics Corp., Ltd. (國藥物流有限責任公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- "Macau" the Macau Special Administrative Region of the PRC;
- "Mandatory Provisions" the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (到境外上市公司章程必備條款), as amended, supplemented or otherwise modified from time to time, for inclusion in the articles of association of companies incorporated in the PRC to be listed overseas (including Hong Kong), which were promulgated by the former PRC Securities Commission of the State Council and the former State Commission for Restructuring the Economic Systems of the PRC on 27 August 1994;
- "Master Agreements" (i) the Master Chemical Reagent and Laboratory Supplies Sales Agreement with the Controlling Shareholder; (ii) the Master Chemical Reagent and Laboratory Supplies Sales Agreement with Fosun Pharma; (iii) the Master Pharmaceutical Products, Healthcare Products and Medical Supplies Sales Agreement with Hainan Jiyuan; (iv) the Master Pharmaceutical Products, Healthcare Products and Medical Supplies Sales Agreement with Shenyang Pharmaceutical; (v) the Master Pharmaceutical

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| | Products, Healthcare Products and Medical Supplies Procurement Agreement with Shenyang Pharmaceutical; (vi) the Master Pharmaceutical Products, Healthcare Products and Medical Supplies Procurement Agreement with Zhejiang Intmedic; (vii) the Master Pharmaceutical Products, Healthcare Products and Medical Supplies Sales Agreement with the Controlling Shareholder; (viii) the Master Pharmaceutical Products, Healthcare Products and Medical Supplies Sales Agreement with Fosun Pharma; (ix) the Master Pharmaceutical Products, Healthcare Products and Medical Supplies Sales Agreement with Zhejiang Intmedic; (x) the Master Pharmaceutical Products, Healthcare Products and Medical Supplies Procurement Agreement with Fosun Pharma; (xi) the Master Pharmaceutical Products, Healthcare Products and Medical Supplies Procurement Agreement with Qianxitang Pharmaceutical; and (xii) the Master Pharmaceutical Products, Healthcare Products and Medical Supplies Procurement Agreement with the Controlling Shareholder; |
| “Master Chemical Reagent and Laboratory Supplies Sales Agreement with the Controlling Shareholder” | the master chemical reagent and laboratory supplies sales agreement dated 31 August 2009 entered into between the Company and the Controlling Shareholder, as referred to in the section headed “Connected Transactions” in this document; |
| “Master Chemical Reagent and Laboratory Supplies Sales Agreement with Fosun Pharma” .. | the master chemical reagent and laboratory supplies sales agreement dated [●] 2009 entered into between the Company and Fosun Pharma, as referred to in the section headed “Connected Transactions” in this document; |
| “Master Pharmaceutical Products, Healthcare Products and Medical Supplies Procurement Agreement with the Controlling Shareholder” | the master pharmaceutical products, healthcare products and medical supplies procurement agreement dated 31 August 2009 entered into between the Company and the Controlling Shareholder, as referred to in the section headed “Connected Transactions” in this document; |
| “Master Pharmaceutical Products, Healthcare Products and Medical Supplies Procurement Agreement with Fosun Pharma” | the master pharmaceutical products, healthcare products and medical supplies procurement agreement dated [●] 2009 entered into between the Company and Fosun Pharma, as referred to in the section headed “Connected Transactions” in this document; |
| “Master Pharmaceutical Products, Healthcare Products and Medical Supplies Procurement Agreement with Qianxitang Pharmaceutical” | the master pharmaceutical products, healthcare products and medical supplies procurement agreement dated 31 August 2009 entered into between the Company and Qianxitang Pharmaceutical, as referred to in the section headed “Connected Transactions” in this document; |
| “Master Pharmaceutical Products, Healthcare Products and Medical Supplies Procurement Agreement with Shenyang Pharmaceutical” .. | the master pharmaceutical products, healthcare products and medical supplies procurement agreement dated 31 August 2009 entered into between the Company and Shenyang Pharmaceutical, as referred to in the section headed “Connected Transactions” in this document; |

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| “Master Pharmaceutical Products, Healthcare Products and Medical Supplies Procurement Agreement with Zhejiang Intmedic” | the master pharmaceutical products, healthcare products and medical supplies procurement agreement dated 31 August 2009 entered into between the Company and Zhejiang Intmedic, as referred to in the section headed “Connected Transactions” in this document; |
| “Master Pharmaceutical Products, Healthcare Products and Medical Supplies Sales Agreement with Hainan Jiyuan” | the master pharmaceutical products, healthcare products and medical supplies sales agreement dated 31 August 2009 entered into between the Company and Hainan Jiyuan, as referred to in the section headed “Connected Transactions” in this document; |
| “Master Pharmaceutical Products, Healthcare Products and Medical Supplies Sales Agreement with Shenyang Pharmaceutical” | the master pharmaceutical products, healthcare products and medical supplies sales agreement dated 31 August 2009 entered into between the Company and Shenyang Pharmaceutical, as referred to in the section headed “Connected Transactions” in this document; |
| “Master Pharmaceutical Products, Healthcare Products and Medical Supplies Sales Agreement with the Controlling Shareholder” | the master pharmaceutical products, healthcare products and medical supplies sales agreement dated 31 August 2009 entered into between the Company and the Controlling Shareholder, as referred to in the section headed “Connected Transactions” in this document; |
| “Master Pharmaceutical Products, Healthcare Products and Medical Supplies Sales Agreement with Fosun Pharma” | the master pharmaceutical products, healthcare products and medical supplies sales agreement dated [●] 2009 entered into between the Company and Fosun Pharma, as referred to in the section headed “Connected Transactions” in this document; |
| “Master Pharmaceutical Products, Healthcare Products and Medical Supplies Sales Agreement with Zhejiang Intmedic” | the master pharmaceutical products, healthcare products and medical supplies sales agreement dated 31 August 2009 entered into between the Company and Zhejiang Intmedic, as referred to in the section headed “Connected Transactions” in this document; |
| “Medical Insurance Catalog” | the State Basic Medical Insurance Catalog (國家基本醫療保險藥品目錄) issued by the Ministry of Labor and Social Security of the PRC on 25 May 2000 and updated on 13 September 2004; |
| “Merck” | Merck & Co., Inc., a pharmaceutical company incorporated in the U.S., is an Independent Third Party; |
| “Ministry of Commerce” | the Ministry of Commerce of the People’s Republic of China (中華人民共和國商務部); |
| “Ministry of Environmental Protection” | Ministry of Environmental Protection Administration of the People’s Republic of China (中華人民共和國環境保護部); |
| “Ministry of Health” | the Ministry of Health of the People’s Republic of China (中華人民共和國衛生部); |

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- “Nanjing Medical” Nanjing Medical Co., Ltd. (南京醫藥股份有限公司), a joint stock limited company established in the PRC, is an Independent Third Party;
- “National Medicines” China National Medicines Co., Ltd. (國藥集團藥業股份有限公司), a joint stock limited company established in the PRC whose A shares are listed on the Shanghai Stock Exchange, is a subsidiary of the Company;
- “National Program” National Medical Insurance Program;
- “New Rural Insurance Scheme” New Rural Cooperative Medical Insurance Scheme;
- “Non-Competition Agreement” the non-competition agreement dated 31 August 2009 entered into between CNPGC and the Company, as referred to in the section headed “Relationship with the Controlling Shareholder and Directors” in this document;
- “North China Pharma” North China Pharmaceutical Group Corp. (華北製藥集團有限責任公司), a limited liability company incorporated in the PRC, is an Independent Third Party;
- “Novo Nordisk” Novo Nordisk A/S, a healthcare company incorporated in Denmark, is an Independent Third Party;
- “NPC” the PRC National People’s Congress;
- “NSSF” National Council for Social Security Fund of the People’s Republic of China (中華人民共和國全國社會保障基金理事會), serving as a strategic reserve fund accumulated by the central government to support future social security expenditures;
- “our Company”, “we” and “us” Sinopharm Group Co. Ltd., (國藥控股股份有限公司), a joint stock limited liability company incorporated in the PRC, and except where the context otherwise requires, all of its subsidiaries from time to time;
- “Parent Group” CNPGC and its Associates, other than our Company;
- “PBOC” the People’s Bank of China (中國人民銀行), the central bank of the PRC;
- “PBOC Rate” the exchange rate for foreign exchange transactions set daily by the PBOC based on the previous day’s PRC inter-bank foreign exchange rates and with reference to prevailing exchange rates on the world financial markets;
- “Pfizer” Pfizer Inc., a pharmaceutical company incorporated in the United States, is an Independent Third Party;
- “PRC” or “China” or the “People’s Republic of China” the People’s Republic of China. Except where the context otherwise requires, references in this document to the PRC or China do not apply to Hong Kong, Macau or Taiwan;

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- “PRC GAAP” the PRC Accounting Standards for Business Enterprises, and the Application Guidance for Accounting Standard for Business Enterprises and Interpretation of Accounting Standards for Business Enterprises and other relevant regulations;
- “PRC National Bureau of Statistics” or “Bureau of Statistics” National Bureau of Statistics of the People’s Republic of China (中華人民共和國國家統計局);
- “Promoters” China National Pharmaceutical Group Cooperation and Sinopharm Industrial Investment Co., Ltd., being the initial promoters of the Company;
- “Province” or “province” each being a province or, where the context requires, a provincial level autonomous region or municipality under the direct supervision of the central government of the PRC;
- “PwC” PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, our reporting accountant;
- “Qianxitang Pharmaceutical” Henan Qianxitang Pharmaceutical Co., Ltd. (河南仟禧堂藥業有限公司), a limited liability company incorporated in the PRC, is a Connected Person of the Company;
- “Qishen Company” Shanghai Qishen Investment Co., Ltd. (上海齊紳投資管理有限公司), a limited liability company incorporated in the PRC, is a Connected Person of the Company;
- “Qualified Domestic Institutional Investors” has the meaning ascribed to it under the Trial Measures of the Administration of Overseas Securities by Qualified Domestic Institutional Investors (合格境內機構投資者境外證券投資管理試行辦法) promulgated by CSRC, effective from 5 July 2007;
- “Qualified Foreign Institutional Investors” has the meaning ascribed to it under the Measures of the Administration of Securities Investment within the Borders of China by Qualified Foreign Institutional Investors (合格境外機構投資者境內證券投資管理辦法) (jointly promulgated by CSRC, PBOC and SAFE, effective from 1 September 2006);
- “Qualified Foreign Strategic Investors” has the meaning ascribed to it under the Measures of the Administration of Strategic Investment in Listed Companies by Foreign Investors (外國投資者對上市公司戰略投資管理辦法) (jointly promulgated by Ministry of Commerce, CSRC, SAT, State Administration of Industry and Commerce and SAFE, effective from 31 January 2006);
- “Restructuring” the restructuring of shareholding in the Company, the particulars of which are described in the sections headed

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| | “History, Restructuring and Corporate Structure — Restructuring” and “Statutory and General Information — The Restructuring” in this document; |
| “revenue ratio” | has the meaning ascribed to it under the Hong Kong Listing Rules; |
| “RMB” or “Renminbi” | Renminbi Yuan, the lawful currency of the PRC; |
| “Roche” | F. Hoffmann – La Roche, Ltd., a pharmaceutical company incorporated in Switzerland, is an Independent Third Party; |
| “SAFE” | State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局); |
| “SASAC” | State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會); |
| “SAT” | State Administration of Taxation of the People’s Republic of China (中華人民共和國國家稅務總局); |
| “SAWS” | State Administration of Work Safety of the People’s Republic of China (中華人民共和國國家安全生產監督管理總局); |
| “Servier” | Servier Laboratories, a pharmaceutical company incorporated in France, is an Independent Third Party; |
| “SFC” | the Securities and Futures Commission of Hong Kong; |
| “SFDA” | State Food and Drug Administration (中華人民共和國國家食品藥品監督管理局), the PRC governmental authority responsible for regulation of food and drugs; |
| “SFO” or “Securities and Futures Ordinance” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time; |
| “Shanghai Company” | China National Pharmaceutical Group Shanghai Corporation (中國醫藥集團上海公司), an enterprise owned by the whole people established in the PRC, is a subsidiary of the Company; |
| “Shanghai Friendship-Fortune” | Shanghai Friendship-Fortune Holding Co., Ltd. (上海友誼復星(控股)有限公司), a limited liability company incorporated in the PRC, is an Independent Third Party; |
| “Shanghai Guoda Chain Store” | Shanghai Guoda Pharmacy Chain Store Co., Ltd. (上海國大藥房連鎖有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company; |
| “Shanghai Ourchem” | Shanghai Ourchem Chemical Reagent Co., Ltd. (上海沃愷化學試劑有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company; |

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DEFINITIONS

- “Shanghai Pharma” Shanghai Pharmaceutical Co., Ltd. (上海市醫藥股份有限公司), a joint stock limited company incorporated in the PRC whose A shares are listed on the Shanghai Stock Exchange and which is an Independent Third Party;
- “Shares” shares of the Company of nominal value RMB1.00 each, comprising both Domestic Shares and H Shares;
- “Shareholder(s)” holder(s) of our Shares;
- “Shenyang Pharmaceutical” Shenyang Pharmaceutical Co., Ltd. (瀋陽醫藥股份有限公司), a joint stock limited company incorporated in the PRC, is a Connected Person of the Company;
- “Shenyang Tianyitang” Shenyang Guoda Tianyitang Pharmacy Chain Store Co., Ltd. (瀋陽國大天益堂藥房連鎖有限公司), previously known as Shenyang Tianyitang Pharmacy Chain Store Co., Ltd. (瀋陽天益堂藥房連鎖有限公司), is a subsidiary of the Company;
- “Shenzhen Accord Pharma” Shenzhen Accord Pharmacy Chain Store Co., Ltd. (深圳市一致醫藥連鎖有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Shenzhen Kingworld” Shenzhen Kingworld Medicine Co., Ltd. (深圳市金活醫藥有限公司), a limited liability company incorporated in the PRC, is an Independent Third Party;
- “Shenzhen Main Luck” Shenzhen Main Luck Pharmaceuticals Inc. (深圳萬樂藥業有限公司), a limited liability company incorporated in the PRC, is a PRC sino-foreign joint venture whose approximately 35.2% equity interest is held by Accord Pharma;
- “Shenzhen TCM” Sinopharm Holding Shenzhen TCM Co., Ltd. (國藥控股深圳中藥有限公司), a limited liability company incorporated in the PRC, which is a Connected Person of the Company;
- “Sichuan Antibiotic Institute” Sichuan Antibiotic Industrial Institute of Antibiotic Co., Ltd., (四川抗菌素工業研究所有限公司), a limited liability company incorporated in the PRC, is a Connected Person of the Company;
- “Sigma” Sigma-Aldrich Corporation is a leading biochemical and organic chemical company incorporated in the United States, is an Independent Third Party;
- “Sinopharm Anhui” Sinopharm Holding Anhui Co., Ltd. (國藥控股安徽有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;

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DEFINITIONS

- “Sinopharm Beijing” Sinopharm Holding Beijing Co., Ltd. (國藥控股北京有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Sinopharm Beijing Huahong” Sinopharm Holding Beijing Huahong Co, Ltd. (國藥控股北京華鴻有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Sinopharm Guangzhou” Sinopharm Holding Guangzhou Co., Ltd. (國藥控股廣州有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Sinopharm Guoda” Sinopharm Holding Guoda Drug Store Co., Ltd. (國藥控股國大藥房有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Sinopharm Henan” Sinopharm Holding Henan Co., Ltd. (國藥控股河南股份有限公司), previously known as Sinopharm Holding (Zhengzhou) Jiurui Co., Ltd. (國藥控股(鄭州)九瑞股份有限公司) and Zhengzhou Jiurui Medicine Co., Ltd. (鄭州九瑞藥業股份有限公司) respectively, a joint stock limited company established in the PRC, is a subsidiary of the Company;
- “Sinopharm Hubei” Sinopharm Holding Hubei Co., Ltd. (國藥控股湖北有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Sinopharm Hubei Xinlong” Sinopharm Holding Hubei Xinlong Co., Ltd. (國藥控股湖北新龍有限公司), a limited liability company incorporated in the PRC, is an Independent Third Party;
- “Sinopharm Hunan” Sinopharm Holding Hunan Co., Ltd. (國藥控股湖南有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Sinopharm Investment” Sinopharm Industrial Investment Co., Ltd. (國藥產業投資有限公司), a limited liability company incorporated in the PRC, is a Connected Person of the Company;
- “Sinopharm Jiangsu” Sinopharm Holding Jiangsu Co., Ltd. (國藥控股江蘇有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Sinopharm Liuzhou” Sinopharm Holding Liuzhou Co., Ltd. (國藥控股柳州有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Sinopharm Logistics” Sinopharm Logistics Co., Ltd. (國藥集團醫藥物流有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;

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DEFINITIONS

- “Sinopharm Shanxi” Sinopharm Holding Shanxi Co., Ltd. (國藥控股山西有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Sinopharm Shenyang” Sinopharm Holding Shenyang Co., Ltd. (國藥控股瀋陽有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Sinopharm Suzhou” Sinopharm Holding Suzhou Co., Ltd. (國藥控股蘇州有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Sinopharm Tianjin” Sinopharm Holding Tianjin Co., Ltd. (國藥控股天津有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Sinopharm Tianyuan” Beijing Sinopharm Tianyuan Real Estate & Property Management Co., Ltd. (北京國藥天元物業管理有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Sinopharm Waigaoqiao” Shanghai Sinopharm Waigaoqiao Co., Ltd. (上海國藥外高橋醫藥有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “Sinopharm Zhejiang” Sinopharm Holding Zhejiang Co., Ltd. (國藥控股浙江有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “SIPO” the State Intellectual Property Office of the People’s Republic of China (中華人民共和國國家知識產權局);
- “Southwest Pharmaceutical” China National Pharmaceutical Group Southwest Medicine Co., Ltd. (國藥集團西南醫藥有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company;
- “South Trade” Guangdong Southern Pharmaceutical Foreign Trade Co., Ltd. (廣東南方醫藥對外貿易有限公司), a limited liability company established in the PRC, is a Connected Person of the Company;
- “Special Regulations” the Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (國務院關於股份有限公司境外募集股份及上市的特別規定), promulgated by the State Council on 4 August 1994, as amended, supplemented or otherwise modified from time to time;
- “sq.m” square meter;
- “State”, “state”, “PRC Government” the government of the PRC including all political subdivisions or “government” (including provincial, municipal and other regional or local

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DEFINITIONS

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| | government entities) and their instrumentalities thereof or, where the context requires, any of them; |
| “State Council” | State Council of the People’s Republic of China (中華人民共和國國務院); |
| “Supervisors” | the members of the Supervisory Committee of the Company; |
| “subsidiary” | has the meaning ascribed to it in the Hong Kong Listing Rules; |
| “Substantial Shareholder” | has the meaning ascribed to it in the Hong Kong Listing Rules; |
| “Suzhou Zhijun Wanqing” | Suzhou Zhijun Wanqing Pharmaceutical Co., Ltd. (蘇州致君萬慶藥業有限公司), previously known as Suzhou Wanqing Pharmaceutical Co., Ltd. (蘇州萬慶藥業有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company; |
| “Tianjin Company” | China National Pharmaceutical Industrial Tianjin Co., Ltd. (中國醫藥工業公司天津聯營公司), an enterprise owned by the whole people (全民所有制企業) established in the PRC, is a Connected Person of the Company; |
| “Track Record Period” | the period comprising the three years ended 31 December 2008 and the five months ended 31 May 2009; |
| “Trademark License Agreement” | the trademark license agreement dated 31 August 2009 entered into between the Company and CNPGC, as referred to in the section headed “Connected Transactions” in this document; |
| “Trademark Office” | Trademark Office of the State Administration for Industry and Commerce of the People’s Republic of China; |
| “Trading Company” | China National Pharmaceutical Foreign Trade Corporation (中國醫藥對外貿易公司), an enterprise owned by the whole people (全民所有制企業) established in the PRC, is a Connected Person of the Company; |
| “Traditional & Herbal Medicine Company” | China National Group Corp. of Traditional & Herbal Medicine (中國藥材集團公司), an enterprise owned by the whole people established in the PRC, which is a Connected Person of the Company; |
| “United States” or “U.S.” | the United States of America, its territories and possessions, any State of the United States, and the District of Columbia; |
| “Urban Resident Program” | Urban Resident Basic Medical Insurance Program (城鎮居民基本醫療保險), which is part of the national health insurance program; |
| “Urban Worker Program” | Urban Worker Basic Medical Insurance Program (城鎮職工基本醫療保險), which is part of the national health insurance program; |

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DEFINITIONS

- "US\$" or "U.S. dollars" United States dollars, the lawful currency of the United States;
- "VAT" value-added tax;
- "WTO" the World Trade Organization;
- "Xinjiang Company" China National Pharmaceutical Group Xinjiang Medicines Co., Ltd. (國藥集團新疆藥業有限公司), a limited liability company established in the PRC, is a Connected Person of the Company;
- "Xinjiang Group" Xinjiang Company and its subsidiaries;
- "Xinjiang SASAC" State-owned Assets Supervision and Administration Commission of Xinjiang Uygur Autonomous Region (新疆維吾爾自治區國有資產監督管理委員會);
- "Zhejiang Intmedic" Zhejiang Intmedic Co., Ltd. (浙江英特藥業有限責任公司), a limited liability company established in the PRC, is a Connected Person of the Company; and
- "Zhijun Pharmaceutical" Shenzhen Zhijun Pharmaceutical Co., Ltd. (深圳致君製藥有限公司), a limited liability company incorporated in the PRC, is a subsidiary of the Company.

For ease of reference, the names of the PRC established companies or entities, laws or regulations have been included in the document in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.