

DEFINITIONS

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

“affiliate”	any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“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
“Articles of Association”, “Articles”	the articles of association of our Company adopted upon incorporation, as amended from time to time
“associates”	has the meaning ascribed thereto under the Listing Rules
“BIS”	the Bureau of Industry and Security of the United States Department of Commerce
“Board of Directors” or “Board”	the board of directors of our Company
“Business Day”	any day (other than Saturday and Sunday) in Hong Kong on which banks in Hong Kong are open generally for normal banking business
“CAGR”	compound annual growth rate
“Capitalization Issue”	the issue of 1,199,000,000 Shares to be made upon capitalization of an amount of HK\$119,900,000 standing to the credit of the share premium account of our Company as described under “Written resolutions of our Company’s shareholders passed on February 28, 2011” in Appendix VII 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 or a CCASS Custodian Participant or a CCASS Investor Participant
“CNPC”	China National Petroleum Corporation, an independent third party, and its subsidiaries
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and amended from time to time) of the Cayman Islands
“Companies Ordinance”	the Companies Ordinance of Hong Kong (Chapter 32 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time

DEFINITIONS

<p>“Company”, “our Company”, “Group”, “our Group”, “we” or “us”</p>	<p>Hilong Holding Limited, a company incorporated in the Cayman Islands on October 15, 2008 with limited liability, or where the context refers to any time prior to its incorporation, those businesses and operations which were assumed by it, including, where the context requires, any of the businesses and operations that is or was carried on by our predecessors (including Huashi Hailong and Hailong International) or any member of our Group</p>
<p>“connected person”</p>	<p>has the meaning ascribed to it under the Listing Rules</p>
<p>“Controlling Shareholders”</p>	<p>has the meaning ascribed to it under the Listing Rules and, in the context of this prospectus, means the controlling shareholders of our Company, being Mr. Zhang, Hilong Group Limited and Standard Chartered Trust (Cayman) Limited. See “Relationship with Our Controlling Shareholders”</p>
<p>“Director(s)”</p>	<p>the director(s) of our Company</p>
<p>“EIA”</p>	<p>U.S. Energy Information Administration</p>
<p>“First Shanghai”</p>	<p>First Shanghai Securities Limited, a co-manager of the Global Offering</p>
<p>“GDP”</p>	<p>gross domestic product</p>
<p>“Global Offering”</p>	<p>the Public Offer and the International Offering</p>
<p>“Green Application Form(s)”</p>	<p>the application form(s) to be completed by the White Form eIPO Service Provider designated by our Company</p>
<p>“Hailong International”</p>	<p>Hailong International (L) Ltd., a company limited by shares incorporated in Malaysia on May 23, 2003 and an entity controlled by Mr. Zhang</p>
<p>“HIBOR”</p>	<p>Hong Kong Interbank Offer Rate</p>
<p>“Hilong Group”</p>	<p>Hilong Group of Companies Ltd. (海隆石油工業集團有限公司) (formerly known as Shanghai Hilong Petroleum Equipment Co., Ltd. (上海海隆石油裝備有限公司), a wholly foreign owned enterprise with limited liability incorporated in the PRC on January 14, 2005 and a subsidiary of the Company</p>
<p>“HKFRSs”</p>	<p>Hong Kong Financial Reporting Standards</p>
<p>“HKSCC”</p>	<p>Hong Kong Securities Clearing Company Limited</p>
<p>“HKSCC Nominees”</p>	<p>HKSCC Nominees Limited, a wholly owned subsidiary of HKSCC</p>
<p>“Hong Kong” or “HK”</p>	<p>the Hong Kong Special Administrative Region of the PRC</p>
<p>“Hong Kong dollars”, “HK dollars” or “HK\$”</p>	<p>Hong Kong dollars, the lawful currency of Hong Kong</p>
<p>“Hong Kong Share Registrar”</p>	<p>Computershare Hong Kong Investor Services Limited</p>

DEFINITIONS

“Huashi Hailong”	Beijing Huashi Hailong Petroleum Machinery Equipment Co., Ltd. (北京華實海隆石油機械設備有限公司), an entity controlled by Mr. Zhang
“independent third party/parties”	person(s) or company/companies and their respective ultimate beneficial owner(s), which, to the best of our Directors’ knowledge, information and belief, having made all reasonable enquiries, are independent of the Company and its connected person(s) (as defined in the Listing Rules)
“International Offer Shares”	the 360,000,000 new Shares initially being offered by us for subscription at the Offer Price under the International Offering, subject to adjustment as described in the section headed “Structure of the Global Offering”
“International Offering”	the conditional placing by the International Underwriters of the International Offer Shares with institutional and professional investors and other investors expected to have a sizeable demand for the Shares, as further described in the section headed “Structure of the Global Offering”
“International Underwriters”	the several underwriters of the International Offering who are 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 and to be entered into between us, the Selling Shareholder, Mr. Zhang, the International Underwriters and the Joint Bookrunners on or around March 16, 2011
“Joint Bookrunners” or “Joint Lead Managers”	Morgan Stanley and Standard Chartered
“Latest Practicable Date”	March 2, 2011, being the latest practicable date for the purpose of ascertaining certain information contained in this prospectus prior to its publication
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	the date on which dealings in the Shares first commence on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Memorandum or Memorandum of Associations”	the memorandum of association of the Company adopted upon incorporation, as amended from time to time
“MOF”	the Ministry of Finance of the PRC
“MOFCOM”	the Ministry of Commerce of the PRC

DEFINITIONS

“Morgan Stanley”	..... Morgan Stanley Asia Limited, the Sole Global Coordinator, the Sole Sponsor, a Joint Bookrunner and a Joint Lead Manager of the Global Offering
“Mr. Zhang”	..... Mr. Zhang Jun (張軍), our chairman of the Board of Directors and chief executive officer and a Controlling Shareholder of our Group
“NDRC”	..... the National Development and Reform Commission of the PRC
“OECD”	..... Organization for Economic Co-operation and Development
“OPEC”	..... Organization of Petroleum Exporting Countries
“Offer Price”	..... the final Hong Kong dollar price per Share (exclusive of brokerage, SFC transaction levy, and Stock Exchange trading fee) of not more than HK\$3.70 and expected to be not less than HK\$2.50, such price to be agreed upon between us and the Joint Bookrunners (on behalf of the Underwriters) on or before the Price Determination Date
“Offer Shares”	..... the Public Offer Shares and the International Offer Shares
“Over-allotment Option”	..... the option expected to be granted by the Selling Shareholder to the International Underwriters exercisable by the Sole Global Coordinator on behalf of the International Underwriters, after consultation with the Joint Bookrunners under the International Underwriting Agreement pursuant to which the Selling Shareholder may be required to sell up to an aggregate of 60,000,000 additional Shares, representing in aggregate approximately 15% of the number of Offer Shares initially available under the Global Offering, at the Offer Price
“PRC” or “China”	..... the People’s Republic of China and, except where the context requires and only for the purpose of this prospectus, references in this prospectus to the PRC or China do not include Taiwan, Hong Kong or Macau
“Pre-IPO Share Option Scheme”	..... a share option scheme adopted by us, effective on January 1, 2011, under which we have granted options to subscribe for the Shares to certain employees, executives or officers of our Company or any other persons who, in the sole opinion of the Board, will contribute or have contributed to our Company and/or any of our subsidiaries, details of which are described in Appendix VII—“Statutory and General Information—E. Pre-IPO Share Option Scheme” to this prospectus
“Price Determination Date”	..... the date, expected to be on or around March 16, 2011 but no later than March 22, 2011 on which the Offer Price is fixed for the purposes of the Global Offering
“Property Valuer”	..... Jones Lang LaSalle Sallmanns Limited
“Public Offer”	..... the offer of Public Offer Shares for subscription by the public in Hong Kong for cash at the Offer Price, on and subject to the terms and conditions described in this prospectus and the Application Forms
“Public Offer Shares”	..... the 40,000,000 new Shares (subject to adjustment) being offered by us for subscription pursuant to the Public Offer

DEFINITIONS

“Public Offer Underwriters”	the several underwriters of the Public Offer listed in the section titled “Underwriting—Public Offer Underwriters”
“Public Offer Underwriting Agreement”	the underwriting agreement dated March 10, 2011 relating to the Public Offer entered into by us, the Selling Shareholder, Mr. Zhang, the Public Offer Underwriters and the Joint Bookrunners
“QIBs”	qualified institutional buyers within the meaning of Rule 144A
“Regulation S”	Regulation S under the U.S. Securities Act
“Reorganization”	the reorganization of the business comprising our Group, as described in the section headed “History and Reorganization” in the prospectus
“RMB” or “Renminbi”	Renminbi Yuan, the lawful currency of the PRC
“Rule 144A”	Rule 144A under the U.S. Securities Act
“SAFE”	the State Administration of Foreign Exchange of the PRC
“SAIC”	the State Administration for Industry and Commerce of the PRC
“SAT”	the State Administration of Taxation of the PRC
“Securities and Futures Commission” or “SFC”	the Securities and Futures Commission of Hong Kong
“Selling Shareholder”	Hilong Group Limited, one of our Controlling Shareholders
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares issued by our Company, with a nominal value of HK\$0.10 each and for which application have been made for the granting of listing, and permission to deal in, on the Stock Exchange
“Sinopec”	Sinopec Group Company, an independent third party, and its subsidiaries
“Sole Global Coordinator”	Morgan Stanley Asia Limited
“Sole Sponsor”	Morgan Stanley Asia Limited
“Stabilizing Manager”	Morgan Stanley Asia Limited
“Standard Chartered”	Standard Chartered Securities (Hong Kong) Limited, a Joint Bookrunner and a Joint Lead Manager of the Global Offering
“Stock Borrowing Agreement”	the stock borrowing agreement expected to be entered into on or about the Price Determination Date between the Stabilizing Manager (or its affiliates acting on its behalf) and the Selling Shareholder, pursuant to which the Selling Shareholder will agree to lend up to

DEFINITIONS

60,000,000 Shares to the Stabilizing Manager on terms set forth therein

- “Stock Exchange” The Stock Exchange of Hong Kong Limited
- “subsidiary” or “subsidiaries” has the meaning ascribed to it in section 2 of the Companies Ordinance
- “substantial shareholder” a person who is entitled to exercise, or control the exercise of, 10% or more of the voting power at any of our general meetings
- “Track Record Period” the period comprising the three years ended December 31, 2009 and the nine months ended September 30, 2010
- “UMW” UMW Holding Berhad, a public company listed on the Bursa Malaysia Securities Berhad which, through UMW China Venture (L) Ltd., one of its subsidiaries, holds a minority equity interest in our Company
- “Underwriters” the Public Offer Underwriters and the International Underwriters
- “Underwriting Agreements” the Public Offer Underwriting Agreement and the International Underwriting Agreement
- “United States” or “U.S.” The United States of America, including the District of Columbia, its territories and possessions
- “US\$” or “U.S. dollars” United States dollars, the lawful currency of the United States
- “U.S. Economic Sanctions Laws” includes all U.S. sanctions administered by OFAC and BIS, including but not limited to U.S. regulations codified in Chapter V of Title 31, U.S. Code of Federal Regulations, all U.S. Executive orders, proclamations, and regulations issued under the authority of the Trading with the Enemy Act, the International Emergency Economic Powers Act, the International Security and Development Cooperation Act, the Antiterrorism and Effective Death Penalty Act, the Cuban Liberty and Democratic Solidarity (Libertad) Act and the United Nations Participation Act, the aforementioned statutes themselves and all orders, licenses or rules issued under the authority of any of the foregoing
- “U.S. Securities Act” the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
- “White Form eIPO” the application for Public Offer Shares to be issued in the applicant’s own name, submitted online through the designated website of the White Form eIPO Service Provider, www.eipo.com.hk
- “White Form eIPO Service Provider” Computershare Hong Kong Investor Services Limited
- “%” per cent

The English language names of certain entities referred to in this prospectus are provided for your convenience only. Some of these entities do not have registered English language names.