

A. FURTHER INFORMATION ABOUT OUR COMPANY AND OUR SUBSIDIARIES

1. Incorporation

Our Company was incorporated in the Cayman Islands under the Cayman Islands Companies Law as an exempted company with limited liability on 5 February 2013. Our Company has established a place of business in Hong Kong at Unit 2605, 26/F Trendy Centre, 682 Castle Peak Road, Lai Chi Kok, Kowloon, Hong Kong and was registered in Hong Kong as a non-Hong Kong company under Part XI of the Companies Ordinance on 19 August 2013. Ms. Yung Mei Yee has been appointed as the authorised representative of our Company for the acceptance of service of process and notice on behalf of our Company in Hong Kong at 8th Floor, Gloucester Tower, The Landmark, 15 Queen's Road Central, Hong Kong.

As our Company was incorporated in the Cayman Islands, we operate subject to the Cayman Islands Companies Law and to our constitution comprising the Memorandum and Articles. A summary of certain provisions of our constitution and certain aspects of the Cayman Islands Companies Law is set out in Appendix III to this prospectus.

2. Changes in the Share Capital of our Company

Our Company was incorporated with an authorised share capital of US\$5,000,000 divided into 500,000,000 Shares of US\$0.01 each.

On 5 February 2013, one Share was allotted and issued to Walkers Nominees Limited as the initial subscriber. On 14 February 2013, the initial subscriber transferred that one Share to Pioneer Pharma (BVI) at a consideration of US\$0.01 and Pioneer Pharma (BVI) subscribed for an additional 99 shares at par value in cash.

On 13 June 2013, our Company allotted and issued an additional 100,100,000 Shares to Pioneer Pharma (BVI) at par value for cash consideration.

On 6 September 2013, our Company allotted and issued an additional 399,899,900 Shares to Pioneer Pharma (BVI) at par value in cash and following which, the issued share capital of our Company was US\$5,000,000 divided into 500,000,000 Shares of US\$0.01 each.

Pursuant to the written resolutions of our sole Shareholder passed on 16 October 2013, the authorised share capital of our Company was increased from US\$5,000,000 divided into 500,000,000 Shares of US\$0.01 each to US\$30,000,000 divided into 3,000,000,000 Shares of US\$0.01 each by the creation of an additional 2,500,000,000 Shares.

Immediately following the completion of the Global Offering and the Capitalisation Issue, the issued share capital of our Company will be US\$13,333,340 divided into 1,333,334,000 Shares, all fully paid or credited as fully paid and 1,666,666,000 Shares will remain unissued.

Save for the change in the share capital mentioned in the paragraph headed "Written resolutions of our sole Shareholder" below, there has been no alteration in the share capital of our Company since its incorporation.

3. Written resolutions of our sole Shareholder

Pursuant to the written resolutions passed by our sole Shareholder on 16 October 2013, the following resolutions, among other resolutions, were passed:

- (a) subject to and with effect from Listing, the Company conditionally approved and adopted the Memorandum and Articles, the relevant provisions of which are summarised in Appendix III to this prospectus;
- (b) the authorised share capital of our Company was increased from US\$5,000,000 divided into 500,000,000 Shares of US\$0.01 each to US\$30,000,000 divided into 3,000,000,000 Shares of US\$0.01 each by the creation of an additional 2,500,000,000 Shares;
- (c) conditional upon (1) the Listing Committee granting approval of the listing of, and permission to deal in, our Shares in issue and to be issued pursuant to the Global Offering and the Capitalisation Issue as mentioned in this prospectus; and (2) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional or being waived and none of the Underwriting Agreements having been terminated in accordance with their respective terms or otherwise:
 - (i) the Company approved the Global Offering and our Directors are authorised to allot and issue the Offer Shares pursuant to the Global Offering, in accordance with the terms and conditions as stated in this prospectus and the relevant Application Forms; and
 - (ii) our Directors are authorised to do as they see fit and execute all documents in connection with the Global Offering with such amendments or modifications as our Directors may consider necessary or appropriate;
- (d) subject to the share premium account of our Company having sufficient balance, or otherwise being credited as a result of the issue of Offer Shares pursuant to the Global Offering, our Directors were authorised to allot and issue a total of 500,000,000 Shares credited as fully paid at par value to Pioneer Pharma (BVI) by way of capitalisation of the sum of US\$5,000,000 standing to the credit of the share premium account of our Company, and the Shares to be allotted and issued pursuant to this resolution shall rank *pari passu* in all respects with the existing issued Shares;
- (e) a general unconditional mandate was given to our Directors to exercise all the powers of our Company to allot, issue and deal with (including the power to make an offer or agreement, or grant securities that would or might require Shares to be allotted and issued), otherwise than by way of rights issue, scrip dividend schemes or similar arrangements in accordance with the Articles, or pursuant to the issue of Shares upon the exercise of any subscription rights attached to any warrants of our Company or any other option scheme or similar arrangement for the time being adopted, Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal value of the issued share capital of our Company immediately following completion of the Global Offering and the Capitalisation Issue referred to in sub-paragraph (d) above;

- (f) a general unconditional mandate was given to our Directors to exercise all powers of our Company to repurchase Shares on the Hong Kong Stock Exchange, or on any other stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Hong Kong Stock Exchange for this purpose, with a total nominal value of not exceeding 10% of the aggregate nominal value of our Company's share capital in issue immediately following the completion of the Global Offering and Capitalisation Issue; and
- (g) the extension of the general mandate to allot, issue and deal with the Shares as mentioned in paragraph (e) above by the addition to the aggregate nominal value of the share capital of our Company which may be allotted and issued or agreed (conditionally or unconditionally) to be allotted or issued by our Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of our Company repurchased by our Company pursuant to the mandate referred to in paragraph (f) above, provided that such extended amount shall not exceed 10% of the aggregate of the total nominal value of the share capital of our Company in issue immediately following the completion of the Global Offering and the Capitalisation Issue.

Each of the general mandates referred to in paragraphs (e), (f) and (g) above will remain in effect until whichever is the earliest of:

- (1) the conclusion of our next general meeting, unless renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions;
- (2) the expiration of the period within which our next annual general meeting is required by any applicable laws or the Articles to be held; or
- (3) the passing of an ordinary resolution by our Shareholders in general meeting varying or revoking the authority given to our Directors.

4. Corporate Reorganisation

The companies comprising our Group underwent the Reorganisation in preparation for the Listing. Please see the section headed "History and Reorganisation — Reorganisation" of this prospectus for further details of the Reorganisation.

5. Changes in the Share Capital of our Subsidiaries

The following alterations in the share capital of our subsidiaries have taken place within the two years preceding the date of this prospectus:

(1) PRC Subsidiaries

Xiantao Pioneer

On 13 June 2013, an equity transfer agreement was entered into between Pioneer Pharma as the transferor and Xiantao Medical as the transferee, pursuant to which Pioneer Pharma transferred all its equity holding in Xiantao Pioneer representing 100% equity interest in Xiantao Pioneer to Xiantao

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Medical at a consideration of RMB50,210,000, which was based on the net asset value of Xiantao Pioneer as of 31 May 2013 as determined by Hainan Bai Xin Assets Appraisal Firm (海南柏信資產評估事務所), an independent valuer.

Naqu Pioneer

Pursuant to a shareholder's resolution passed on 8 November 2012, Naqu Pioneer increased its registered capital from RMB2.8 million to RMB8 million and the additional capital of RMB5.2 million was contributed by Xiantao Pioneer in cash.

On 14 June 2013, an equity transfer agreement was entered into between Pioneer Pharma as the transferor and Xiantao Pioneer as the transferee, pursuant to which Pioneer Pharma transferred all its equity holding in Naqu Pioneer representing 35% equity interest in Naqu Pioneer to Xiantao Pioneer at a consideration of RMB19,690,000, which was based on the net asset value of Naqu Pioneer as of 31 May 2013 as determined by Hai Nan Bai Xin Assets Appraisal Firm (海南柏信資產評估事務所), an independent valuer.

Pioneer Ruici

On 14 June 2013, an equity transfer agreement was entered into between Pioneer Pharma as the transferor and Xiantao Pioneer as the transferee, pursuant to which Pioneer Pharma transferred all its equity holding in Pioneer Ruici representing 70% equity interest in Pioneer Ruici to Xiantao Pioneer at a consideration of RMB300,000, which was determined by reference to the net asset value of Pioneer Ruici as at 31 May 2013 as determined by Hai Nan Bai Xin Assets Appraisal Firm (海南柏信資產評估事務所), an independent valuer.

Xiantao Medical

Xiantao Medical was established in Xiantao city, Hubei, the PRC on 22 March 2013 with a registered share capital of US\$1 million and was wholly owned by Pioneer HK. The registered capital was fully paid up in June 2013.

Shanghai Saierling

Shanghai Saierling was established in Shanghai on 15 August 2013 with a registered capital of RMB1 million and owned by Xiantao Pioneer as to 60% and as to 10% by each of Mr. Li Jinfeng, Ms. Shen Jie, Ms. Ma Haiyan and Ms. Zhang Xiaoyan.

(2) Overseas Subsidiaries

Pioneer Singapore

On 31 May 2013, Pioneer HK acquired the entire issued share capital of Pioneer Singapore from Pioneer Pharma for a consideration of US\$7,743,600, which was determined based on a valuation report of Pioneer Singapore prepared by Hai Nan Bai Xin Assets Appraisal Firm (海南柏信資產評估事務所), an independent valuer, and is equivalent to the net asset value of Pioneer Singapore as of 30 April 2013.

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Pioneer Medident

On 27 August 2012, Pioneer Medident was incorporated in Singapore as a private company limited by shares. Upon incorporation, Pioneer Singapore was allotted and issued six ordinary shares in Pioneer Medident for a consideration of S\$6 and Asian Strategic Alliance Partners was allotted and issued four ordinary shares in Pioneer Medident for S\$4.

On 26 February 2013, Pioneer Singapore and Asian Strategic Alliance Partners were allotted and issued 199,994 and 79,996 ordinary shares of Pioneer Medident for a consideration of S\$199,994 and S\$79,996 respectively.

Pioneer Medical (HK)

On 27 June 2012, Pioneer Medical (HK) was incorporated in Hong Kong with an authorised share capital of HK\$1 million divided into 1,000,000 shares of HK\$1 each. Upon incorporation, Pioneer Singapore, Asian Strategic Alliance Partners and Grand Hill Technology were allotted and issued 600,000, 200,000 and 200,000 shares of Pioneer Medical (HK), respectively at par value in cash.

Pioneer HK

On 19 February 2013, Pioneer HK was incorporated as a limited liability company in Hong Kong with an authorised share capital of US\$5 million divided into 5,000,000 shares of US\$1 each. Upon incorporation, one share of Pioneer HK was allotted and issued to our Company and Pioneer HK has since then been a wholly owned subsidiary of our Company.

On 13 June 2013, Pioneer HK allotted and issued an additional 1,001,000 shares to our Company for a consideration of US\$1,001,000. On 30 August 2013, Pioneer HK allotted and issued an additional 3,998,999 shares to our Company at par value in cash and as a result, the issued share capital of Pioneer HK increased to US\$5 million.

Save as described above, there has been no other alteration in the share capital of our subsidiaries within the two years preceding the date of this prospectus.

6. Corporate Information of our Subsidiaries

Particulars of our subsidiaries are set forth in the accountants' report set out in Appendix I to this prospectus.

7. Repurchases of our Own Securities

This section includes information relating to the repurchase of the Shares required by the Hong Kong Stock Exchange to be included in this prospectus concerning such repurchase.

(i) *Relevant Legal and Regulatory Requirements in Hong Kong*

The Listing Rules permit companies with a primary listing on the Hong Kong Stock Exchange to repurchase their own securities on the Hong Kong Stock Exchange subject to certain restrictions, and the key restrictions are summarised below:

(a) *Shareholders' Approval*

All the proposed repurchases of Shares (which must be fully paid up) must be approved in advance by an ordinary resolution of the shareholders in general meeting, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to a resolution passed by the sole Shareholder of our Company on 16 October 2013, a general unconditional mandate (the “**Repurchase Mandate**”) was given to our Directors authorising any repurchase by our Company of Shares on the Hong Kong Stock Exchange or on any other stock exchange on which our Company’s securities may be listed and which is recognised by the SFC and the Hong Kong Stock Exchange for this purpose, of not more than 10% of the aggregate nominal value of our Company’s share capital in issue immediately following the completion of the Global Offering and the Capitalisation Issue.

(b) *Source of Funds*

Repurchases by our Company must be funded out of funds legally available for such purpose in accordance with the Articles and the applicable laws and regulations of the Cayman Islands. A listed company may not repurchase its own securities on the Hong Kong Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Hong Kong Stock Exchange.

(c) *Trading Restrictions*

The total number of Shares which our Company may repurchase on the Hong Kong Stock Exchange is shares representing up to a maximum of 10% of the aggregate nominal value of our Company’s share capital in issue immediately following completion of the Global Offering and the Capitalisation Issue. The Shares proposed to be repurchased must be fully paid-up. Our Company may not issue or announce a proposed issue of Shares for a period of 30 days immediately following a repurchase of Shares, other than an issue of securities pursuant to an exercise of share options or similar instruments requiring our Company to issue securities which were outstanding prior to such repurchase, without the prior approval of the Hong Kong Stock Exchange. Our Company is also prohibited from repurchasing Shares on the Hong Kong Stock Exchange if the repurchase would result in the number of listed Shares which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Hong Kong Stock Exchange. Our Company is required to procure that the broker appointed by us to effect a repurchase of Shares discloses to the Hong Kong Stock Exchange such information with respect to the repurchase as the Hong Kong Stock Exchange may require. Also, our Company shall not purchase Shares on the Hong Kong Stock Exchange if the purchase price is higher by 5% or more than the average closing market price for the five preceding trading days on which the Shares were traded on the Hong Kong Stock Exchange.

(d) *Status of Repurchased Shares*

All repurchased Shares (whether effected on the Hong Kong Stock Exchange or otherwise) will be automatically cancelled and the certificates for those Shares must be cancelled and destroyed.

(e) Suspension of Repurchase

Pursuant to the Listing Rules, our Company may not make any repurchase of Shares at any time after inside information has come to its knowledge until the information is made publicly available. In particular, during the period of one month immediately preceding the earlier of: (aa) the date of the board meeting (as such date is first notified to the Hong Kong Stock Exchange in accordance with the Listing Rules) for the approval of our Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (bb) the deadline for our Company to announce our results for any year or half-year under the Listing Rules, and in each case ending on the date of the results announcement, our Company may not repurchase our Shares on the Hong Kong Stock Exchange, unless the circumstances are exceptional. In addition, the Hong Kong Stock Exchange may prohibit a repurchase of the Shares on the Hong Kong Stock Exchange if our Company has breached the Listing Rules.

(f) Reporting Requirements

In the event that our Directors exercise the power to repurchase Shares under the Repurchase Mandate, under the Listing Rules, repurchases of securities on the Hong Kong Stock Exchange or otherwise must be reported to the Hong Kong Stock Exchange in the prescribed form no later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the Hong Kong Stock Exchange on the following business day. In addition, our Company is required to disclose in our annual report details regarding repurchases of securities made during the year, including but not limited to, in respect of each month, the number of securities repurchased and the aggregate prices paid.

(g) Connected Persons

Our Company is prohibited from knowingly repurchasing Shares on the Hong Kong Stock Exchange from a connected person and a connected person shall not knowingly sell his securities to our Company on the Hong Kong Stock Exchange.

(ii) Reasons for Repurchases

Our Directors believe that it is in the best interests of our Company and the Shareholders to have a general authority from our Shareholders to enable our Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of our Company's net assets and/or our earnings per Share and will only be made where our Directors believe that such repurchases will benefit our Company and the Shareholders.

Our Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of our Company or the gearing levels which in the opinion of our Directors are from time to time appropriate for our Company.

(iii) General

The exercise in full of the Repurchase Mandate, on the basis of 1,333,334,000 Shares in issue immediately following completion of the Global Offering and the Capitalisation Issue, would result in up to 133,333,400 Shares being repurchased by our Company during the period prior to the next annual general meeting of our Company.

None of our Directors or, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention, in the event that the Repurchase Mandate is exercised, to sell any Shares to our Company or its subsidiaries.

Our Directors have undertaken to the Hong Kong Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

If, as a result of any repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company is increased, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

No connected persons of our Company have notified us that they have a present intention to sell their Shares to our Company, or have undertaken not to do so, if the Repurchase Mandate is exercised.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

The following contracts (not being contracts entered into in the ordinary course of business) are or may be material and have been entered into by us within the two years preceding the date of this prospectus:

- (i) a unit purchase agreement dated 13 September 2012 entered into between NovaBay as seller and Pioneer Singapore as purchaser in relation to the purchase of 2,000,000 units, each unit consists of (I) one share of NovaBay's common stock and (II) a warrant to purchase, at an exercise price of US\$1.50, one share of NovaBay's common stock, for an aggregate purchase price of US\$2,500,000;
- (ii) a convertible loan agreement dated 21 January 2013 entered into between Pioneer Singapore as lender and QualiMed as borrower in relation to a loan of EUR700,000 which is convertible into equity interest of Q3;
- (iii) a binding letter of intent dated 7 January 2013 entered into among Pioneer Singapore, Eric Mangiardi, Angelika Baldewein, Günter Deißner, Gerd Schober, Martina Schmitt, Manfred Gülcher, Thomas Nissl, Clemens Meyer Kobbe-Kobbe and Mitctech SA, pursuant to which Pioneer Singapore has agreed to acquire equity interest in Q3 for an aggregate consideration of EUR1.8 million and to provide three convertible loans with a potential total value of EUR3.2 million;
- (iv) a business and assets transfer agreement dated 31 March 2013 and its supplemental agreement dated 25 June 2013 entered into between Pioneer Pharma as transferor and Naqu Pioneer as transferee, pursuant to which Pioneer Pharma transferred all its operations, assets and liabilities in relation to the business of marketing, promoting and sale of pharmaceutical products and medical devices to Naqu Pioneer for a consideration of RMB210,000;
- (v) a warrant amendment agreement dated 9 May 2013 entered into between NovaBay and Pioneer Singapore, pursuant to which the expiration date of the warrants is changed

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from 31 August 2013 to 29 November 2013 and in consideration, Pioneer Singapore agrees to exercise all warrants on or before 29 November 2013 for the full aggregate exercise price of US\$3 million;

- (vi) an investment agreement relating to Q3 dated 17 April 2013 entered into among Pioneer Singapore, Pioneer Pharma, Q3, QualiMed, AMG, Deißner-Schober Gesellschaft bürgerlichen Rechts, Nißl-Gülcher Gesellschaft bürgerlichen Rechts, eVentions LLC, Deißner & Schober Haus- und Grundstücksverwaltung GbR and the remaining shareholders of QualiMed and AMG, pursuant to which Pioneer Singapore agreed to acquire equity interest in Q3 for an aggregate consideration of EUR1.8 million and to provide three convertible loans with a potential total value of EUR3.2 million;
- (vii) a shareholders agreement dated 17 April 2013 entered into between Q3 and the shareholders of Q3, including Pioneer Singapore, regulating the future conduct of the business of Q3 and the relationship of Q3's shareholders;
- (viii) an agreement for the sale and purchase of shares in the capital of Q3 dated 17 April 2013 entered into between Pioneer Singapore as purchaser and Angelika Baldewein as seller in relation to the purchase of 12,856 ordinary shares of common stock of Q3 for an aggregate consideration of EUR500,000;
- (ix) an agreement for the sale and purchase of shares in the capital of Q3 dated 17 April 2013 entered into between Pioneer Singapore as purchaser and Gerhard Schober as seller in relation to the purchase of 12,856 ordinary shares of common stock of Q3 for an aggregate consideration of EUR500,000;
- (x) an agreement for the sale and purchase of shares in the capital of Q3 dated 17 April 2013 entered into between Pioneer Singapore as purchaser and Günter Deißner as seller in relation to the purchase of 12,856 ordinary shares of common stock of Q3 for an aggregate consideration of EUR500,000;
- (xi) a deed of assignment and amendment dated 17 April 2013 in relation to the convertible loan agreement dated 21 January 2013 entered into among QualiMed, Q3 and Pioneer Singapore, in relation to the assignment of the rights of QualiMed under the convertible loan agreement dated 21 January 2013 to Q3;
- (xii) a sale and purchase agreement in relation to Pioneer Singapore dated 31 May 2013 entered into between Pioneer Pharma as seller and Pioneer HK as purchaser in relation to the transfer of the entire issued share capital of Pioneer Singapore for a consideration of US\$7,743,600;
- (xiii) an equity transfer agreement dated 13 June 2013 entered into between Pioneer Pharma as transferor and Xiantao Medical as transferee in relation to the transfer of 100% equity interest in Xiantao Pioneer for a consideration of RMB50,210,000;
- (xiv) an equity transfer agreement dated 14 June 2013 entered into between Pioneer Pharma as transferor and Xiantao Pioneer as transferee in relation to the transfer of 35% equity interest in Naqu Pioneer for a consideration of RMB19,690,000;

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- (xv) an equity transfer agreement dated 14 June 2013 entered into between Pioneer Pharma as transferor and Xiantao Pioneer as transferee in relation to the transfer of 70% equity interest in Pioneer Ruici for a consideration of RMB300,000;
- (xvi) a deed of indemnity dated 16 October 2013 given by our Controlling Shareholders in favour of our Company (for itself and as trustee for each of our subsidiaries) in respect of, amongst others, taxation and property matters referred to in “— D. Other Information — 1. Tax indemnity” below;
- (xvii) a deed of non-competition dated 16 October 2013 given by our Controlling Shareholders in favour of our Company (for itself and as trustee for each of our subsidiaries) referred to in the section headed “Relationship with Controlling Shareholders — Deed of Non-competition” of this prospectus;
- (xviii) a deed of call option dated 16 October 2013 given by Pioneer Pharma and Mr. Li in favour of the Company (for itself and as trustee for each of our subsidiaries) in respect of options to purchase all the securities in Covex beneficially owned by Pioneer Pharma and Mr. Li from time to time; and
- (xix) the Hong Kong Underwriting Agreement.

2. Properties

Owned Properties

As of the Latest Practicable Date, our Group had the following owned properties with the details set out below.

<u>Address and description of location</u>	<u>Use</u>	<u>Area in square metres</u>	<u>(RMB) Carrying value as at 30 June 2013</u>	<u>Restrictions on Use</u>	<u>Owner</u>
Land located at east edge of Xiantao City Avenue, Hubei province, the PRC	Industrial use	17,179.4	2,478,666.7	None	Xiantao Pioneer
Building located at No. 42, Xianyuan Avenue, Longhuashan Office, Xiantao city, Hubei province, the PRC	Industrial use	Gross floor area of 3,269.2	328,750.1	None	Xiantao Pioneer

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Leased Properties

As of the Latest Practicable Date, our Group leased the following properties with the details set out below.

<u>Address and description of location</u>	<u>Use</u>	<u>Gross floor area (square metres)</u>	<u>Annual rent</u>	<u>Lease expiry date</u>
Logistics centre located at Lhasa South Road of Naqu County in the Naqu area, Tibet, the PRC	Storage	528	RMB95,040	8 October 2016
Rooms 2102-2202 and 2103-2203, Block C, World Trade Centre, No. 2 World Trade East Road, Haikou city, Hainan province, the PRC	Office premises	1,289.08	RMB180,000	30 June 2016
Building located at No.1000, Wangqiao Road, Pudong New District, Shanghai, the PRC	Head office	2,296.1	RMB600,000	30 June 2016
Lhasa Office located at Room 301, Unit 2, Si Fa Xiao Qu No. 2, Ci Song Tang Middle Road, Lhasa, Tibet, the PRC	Office premises	137.68	RMB24,000	31 May 2016
Unit No. 05 on 26th Floor 682 Castle Peak Road, Kowloon, Hong Kong	Office premises	78.5	HK\$153,600	31 July 2014
Blk 998 Toa Payoh North #03-10 Singapore 318993	Office premises	approximately 46.5	S\$18,000	30 September 2014

C. FURTHER INFORMATION ABOUT OUR DIRECTORS

1. Directors' Interests and Short Positions in the Share Capital and Debentures of Our Company and its Associated Corporations

Immediately following the completion of the Global Offering and the Capitalisation Issue (but without taking account of any Shares which may be sold by the Option Grantor upon the exercise of the Over-allotment Option), the interest or short position of our Directors in the Shares, underlying Shares and debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, once the Shares are listed, will be as follows:

(i) Interest in Shares of our Company

<u>Name of Director</u>	<u>Nature of interest</u>	<u>Number and class of Shares</u>	<u>Approximate percentage of shareholding immediately after completion of the Global Offering and the Capitalisation Issue</u>
Mr. Li ⁽¹⁾	Interest in a controlled corporation	1,000,000,000 ordinary shares	75.0%

(1) Mr. Li is deemed to be interested in such Shares held by Pioneer Pharma (BVI), a company which is 48.5% owned by him and 48.5% owned by his spouse, Mrs. Li.

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(ii) *Interests in Associated Corporations*

<u>Name of Director</u>	<u>Name of associated corporation</u>	<u>Number of issued share capital interest</u>	<u>Approximate percentage of shareholding</u>
Mr. Li ⁽¹⁾	Pioneer Pharma (BVI)	9,700,000	97%
Mr. Zhu Mengjun ⁽²⁾	Q3	1,176	0.43%
Mr. Zhang Wenbin	Q3	9,923	3.98%

(1) Of the 9,700,000 Shares in Pioneer Pharma (BVI), Mr. Li beneficially owns 4,850,000 Shares and he is deemed to be interested in the remaining 4,850,000 Shares in Pioneer Pharma (BVI) in Pioneer Pharma (BVI) held by his spouse, Mrs. Li.

(2) Mr. Zhu Mengjun's shareholding in Q3 is held by Mr. Yuen on his behalf.

2. **Particulars of Directors' Service Agreements**

Each of our executive Directors has entered into a service agreement with our Company on 16 October 2013 for a term of three years commencing from the Listing Date, which may be terminated by not less than one month's notice in writing served by either party on the other.

Each of our non-executive and independent non-executive Directors was appointed to our Board pursuant to the respective letters of appointment dated 16 October 2013, for an initial term of three years commencing from the Listing Date, and the term of appointment will be automatically renewed for an additional one year after the expiry of the initial term.

Save as disclosed above, none of our Directors has entered or has proposed to enter into any service agreements with our Company or any member of our Group (other than agreements expiring or terminable by the employer within one year without payment of compensation other than statutory compensation).

3. **Disclaimers**

Save as disclosed in this prospectus:

- (a) none of our Directors or chief executive of our Company has any interest or short positions in the Shares, underlying Shares or debentures of our Company or any of its associated corporation (within the meaning of the SFO) which will have to be notified to our Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, once the Shares are listed;
- (b) none of our Directors has any direct or indirect interest in the promotion of, or in any assets which have within the two years immediately preceding the date of this prospectus been acquired or disposed of by or leased to, any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group; and
- (c) none of our Directors is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group.

D. OTHER INFORMATION

1. Tax Indemnity

The Controlling Shareholders have entered into a deed of indemnity with and in favour of our Company (for itself and as trustee for our subsidiaries) (being the contract referred to in “— B. Further Information about Our Business — 1. Summary of Material Contracts” above) to provide indemnities in respect of, among other matters, taxation resulting from income, profits or gains earned, accrued or received as well as any claim to which our Company or any member of our Group may be subject on or before the Listing Date which might be payable by any member of our Group, and Hong Kong estate duty which might be payable by any member of our Group, by reason of any transfer of property (within the meaning of Section 35 of the Estate Duty Ordinance, Chapter 111 of the Laws of Hong Kong, as amended by the Revenue (Abolition of Estate Duty) Ordinance) to any member of our Group on or before the Listing Date.

2. Litigation

Our Directors confirm that, as of the Latest Practicable Date, save as disclosed in the section headed “Business — Legal Matters and Proceedings” of this prospectus, no litigation, arbitration, proceedings or claims of material importance are pending, in process or threatened against any member of our Group.

3. Preliminary Expenses

Our estimated preliminary expenses are approximately US\$6,700 and are payable by our Company.

4. Promoters

We do not have any promoter.

5. Experts

The qualifications of the experts who have given an opinion or advice in this prospectus as follows:

<u>Name</u>	<u>Qualification</u>
UBS Securities Hong Kong Limited	A licenced corporation registered for Type 1 (dealing in securities), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) of the regulated activities under the SFO
Deloitte Touche Tohmatsu	Certified public accountants
Walkers	Cayman Islands legal advisers
Jingtian & Gongcheng	PRC legal advisers
Frost & Sullivan	Industry consultant

Each of the above experts has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report, letter or opinions (as the case may be) and the references to its name included herein in the form and context in which they are respectively included.

APPENDIX IV — STATUTORY AND GENERAL INFORMATION

6. Particulars of the Option Grantor

<u>Name</u>	<u>Description</u>	<u>Registered office</u>	<u>Number of Option Shares</u>
Pioneer Pharma (BVI)	Corporation	Intertrust Corporate Services (BVI) Limited 171 Main Street, Road Town Tortola VG1110 British Virgin Islands	50,000,000 ⁽¹⁾

(1) Assuming that the Over-allotment Option is exercised in full.

7. Binding Effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies Ordinance insofar as applicable.

8. Bilingual Prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided by Section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

E. MISCELLANEOUS

(a) Save as disclosed in this prospectus:

- (i) within the two years immediately preceding the date of this prospectus, no share or debenture of our Company or any of its subsidiaries has been issued, or agreed to be issued, as fully or partly paid either in cash or otherwise than in cash;
- (ii) no share or loan capital of our Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
- (iii) no founders or management or deferred shares of our Company or any of its subsidiaries have been issued or agreed to be issued;
- (iv) within the two years immediately preceding the date of this prospectus, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of our Company or any of its subsidiaries; and
- (v) within the two years preceding the date of this prospectus, no commission has been paid or is payable, except for the commission payable to the Underwriters, for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions for any shares in or debentures of our Company.

(b) None of the persons listed in “— D. Other Information — 5. Experts” above has any direct or indirect interest in the promotion of, or in any assets which have within the two years immediately preceding the date of this prospectus been acquired or disposed of by or leased to, any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group.

APPENDIX IV — STATUTORY AND GENERAL INFORMATION

- (c) Save in connection with Underwriting Agreements, none of the persons listed in “— D. Other Information — 5. Experts” above has any shareholding in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

- (d) The register of members of our Company will be maintained in the Cayman Islands by Intertrust Corporate Services (Cayman) Limited and a branch register of members of our Company will be maintained in Hong Kong by Computershare Hong Kong Investors Services Limited. Unless our Directors otherwise agree, all transfers and other documents of title of Shares must be lodged for registration with and registered by our Hong Kong Share Registrar and may not be lodged in the Cayman Islands.