This glossary contains definitions of certain technical terms used in this prospectus in connection with our business. These terms and their given meanings may not correspond to industry standard definitions or usage of these terms.

"active ingredient," "active pharmaceutical ingredient" or "API"

the ingredient in a medicine that is biologically active

"AIM Atropine Eye Drops"

refers to AIM Atropine 0.01% Eye Drops and AIM Atropine 0.125% Eye Drops procured from Aseptic Innovative Medicine Co. Ltd., an anticholinergic agent as a sterile topical preservative-free ophthalmic solution that is commonly used in the treatment of myopia, mydriasis and cycloplegia

"analgesics"

drugs used to achieve analgesia, relief from pain

"anti-rheumatics"

drugs that manage rheumatoid arthritis

"branded healthcare"

refers to our business or products, comprising consumer healthcare products and proprietary Chinese medicines

"branded medicines"

refers to a segment of our Group's business that comprises products that are proprietary medicines whose active ingredients are chemical compounds with a certain composition and specific dosage form and dosage, prepared for immediate medicinal use, available and prepared for dispensing to the public, and with a uniform name, packaging, container, and labeling approved for marketing by the regulatory authority

"CCMG products"

concentrated Chinese medicine granule, traditional Chinese herbal medicines processed through modern extraction and concentration technologies to arrive at a granular form for easy dispensary and administration

"consumer healthcare"

refers to a category of our Group's products, comprising branded medicines and health and wellness products

"cost, insurance and freight"

refers to the arrangement whereby the seller is responsible for arranging the carriage of goods by sea to a port of destination, and providing the buyer with the documents necessary to obtain the goods from the carrier, and the risk delivered. The risk of loss of or damage to the goods passes when the goods are on board the vessel

"cycloplegia"

paralysis of the ciliary muscle of the eye

"DHA"

docosahexaenoic acid, a primary structural component of brain tissue with a crucial role in helping brain cells better communicate with each other

"ex-works" refers to the arrangement whereby title and risks to the products pass to the overseas customer at the premise of the seller and the overseas customer will be responsible for all costs (including freight transport and insurance) and risks to the products collected from the seller's premises "free on board" refers to the arrangement whereby the seller is responsible for clearing the products for export and delivering the products to the shipping port, and therefrom the overseas customer will be responsible for all costs (including freight transport and insurance) and risks to the products "functional supplement" a type of health and wellness products that is specially processed or formulated and intended for particular nutritional uses, dietary management and health functions "gastrointestinal" of or relating to the stomach and the intestines "generic drug" a drug that contains the same active ingredients as an original formulation and is comparable in dosage form, strength, quality, performance and intended use "genomic-based diagnostic test" a category of diagnostic test that incorporates genome sequencing technologies to examine a person's whole genome in order to diagnose inherited diseases or inform the targeting of therapies "GMP" Good Manufacturing Practice, a set of detailed guidelines on practices governing the production of pharmaceutical products designed to protect consumers by minimizing production errors and the possibility of contamination "GSDP" Good Storage and Distribution Practices, the sets of detailed guidelines governing the storage and distribution of pharmaceutical products formulated by the WHO "GSP" Good Supply Practice, a set of good supply practice standards for pharmaceutical products issued by the NMPA "health and wellness products" refers to a segment of our Group's business that comprises products that are supplements, medical consumables and other non-pharmaceutical products for the general health and wellness of consumers "ISO 9001" a standard under the International Organization for Standardization used for certification or registration and contractual purposes by organizations seeking recognition of their quality management, which specifies the requirement for quality management systems for any organization that needs to demonstrate its ability to consistently provide products that meet its requisite standards

"modern trade chain stores" refers to a series of self-service stores (where products are more commonly displayed on open shelves) that share a brand, standardized business practices and central management involving a more planned and organized approach to distribution and logistics management "mydriasis" the excessive or prolonged dilation of the pupil of the eye "myopia" a vision condition in which people can see close objects clearly, but objects farther away appear blurred "over-the-counter" or "OTC" a term used to describe medicines that can be sold directly to a consumer without a prescription from a healthcare professional, as compared to prescription drugs, which are sold only to consumers possessing a valid prescription "PIC/S" the Pharmaceutical Inspection Convention and the Pharmaceutical Inspection Co-operation Scheme, which seeks to promote constructive co-operation in the field of GMP between the participating authorities in different geographic markets "PIC/S GMP" Good Manufacturing Practice in accordance with the PIC/S GMP Guide issued by PIC/S "proprietary Chinese medicines" refers to a segment of our Group's business that comprises proprietary products (i) composed solely of (a) any Chinese herbal medicines specified in the Chinese Medicine Ordinance; or (b) any materials of herbal, animal or mineral origin customarily or widely used by the Chinese; or (c) any medicines and materials referred to in (a) and (b) respectively, as active ingredients; (ii) formulated in a finished dosage form; and (iii) known or claimed to be used for the diagnosis, treatment, prevention or alleviation of any disease or any symptom of a disease in human beings, or for the regulation of the functional states of the human body "proprietary medicines" medicines that are mixtures of pharmaceutical ingredients with a certain composition and specific dosage form and dosage, carrying proprietary names which are mostly registered or recognized by brand names, trade marks or trade names "registered pharmacy" a pharmacy with a valid license of "authorized seller of poisons" in Hong Kong, which is authorized to carry on a business of retail sale of poisons if the actual sale of poisons is conducted on premises registered in respect of the seller under section 13 of the Pharmacy and Poisons Ordinance (Chapter 138 of the Laws of Hong Kong) by a registered pharmacist or in his presence and under his supervision

"RSV" respiratory syncytial virus, a common respiratory virus that

usually causes mild, cold-like symptoms

"TCM" or "traditional Chinese medicines for the prevention and treatment of diseases medicines" under the application of Chinese medicinal theories,

including medicines with herbal, animal or mineral

materials

"Western medicines" pharmaceutical products and medicines as stipulated in the

Pharmacy and Poisons Ordinance (Chapter 138 of the Laws

of Hong Kong)