GLOSSARY OF INDUSTRY TERMS

This glossary of industry terms contains definitions of certain terms used in this document in connection with our Company and our business. These terms and their definitions may not correspond to standard industry definitions, and may not be directly comparable to similarly titled terms adopted by other companies operating in the same industries as our Company.

"AI"	artificial intelligence, the use of machine to aid or replace human in doing certain tasks by simulating the sight, hearing, senses and thinking of human
"associate chief doctor"	the second highest professional rank for doctors (副主任醫師) in China; an associate doctor may supervise attending and resident doctors, direct research work of a specific field, and typically handle complex medical cases
"attending doctor"	the third highest professional rank for doctors (主治醫師) in China; an attending doctor may supervise resident doctors and typically undertake medical treatment, teaching, research and disease prevention work
"average spending per paying user"	average spending per paying user is calculated by using GMV recognized for a year/period divided by the number of paying users for the same year/period on the Jianke Platform
"CAGR"	compound annual growth rate
"CDM" or "chronic disease management"	the establishment of an integrated system of intervention and management for chronic disease throughout different stages of the continuum of chronic disease care, ultimately strengthening disease control, preventing disease deterioration, and controlling the overall medical cost
"chief doctor"	the highest professional rank for doctors (主任醫師) in China; a chief doctor is generally in charge of a specific clinical department
"chronic diseases"	non-communicable chronic diseases that last one year or more and require ongoing medical attention or limit activities of daily living or both

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"Class I hospitals"	Class I hospitals include community health centers and township health centers that directly provide prevention, medical care and rehabilitation services to residents
"Class III hospitals"	top-level hospitals that provide high-level specialized medical services to several regions and performing advanced teaching and research tasks, which are designated as Class III hospitals by the NHC hospital classification system
"conversion rate"	is calculated by dividing the number of paying users by active users on the Jianke Platform. Conversion rate of online retail pharmacy services is calculated based on the number of paying users and active users on the Jianke Online Retail Pharmacy APP
"COVID-19"	coronavirus disease 2019, a disease caused by a novel virus designated as severe acute respiratory syndrome coronavirus
"customer lifetime value"	a projection of the net profit contributed to the whole future relationship with a customer
"e-prescription"	electronic prescription, the digital version of a paper prescription
"GMV"	gross merchandise volume, the total value of all orders placed, regardless of whether the services or products are performed or delivered or whether the products are returned
"H2H"	Hospital-to-Home
"MAUs"	the number of active users who access our services on the Jianke Platform at least once during a calendar month
"OTC drugs"	drugs which may, upon receiving the NMPA approval, be sold over the counter in China at dispensers, pharmacies or retail outlets without requiring a prescription by a medical practitioner
"registered physician(s)"	external physician(s) registered on our H2H service platform who practice(s) offline at third party medical institutions

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"registered users"	patient users registered on the Jianke Platform
"repeat purchase rate"	is calculated by dividing the amount spent by users who place two or more orders on the Jianke Platform for a year/period by the total GMV for the same year/period
"retention rate"	is calculated by dividing the number of new active users we engage each month on the Jianke Platform by the number of users who remain active on the Jianke Platform over the following 12 months
"SKU"	stock keeping unit
"tiered medical treatment system"	China's tiered medical treatment system classifies patients according to their disease severity and treatment difficulty, so that different levels of medical institutions can undertake the diagnosis and treatment of their own treatment capabilities to gradually realize the specialization of medical institutions at all levels, and effectively balance various medical service resources, divert the general outpatient, rehabilitation and nursing care undertaken by the original large and medium-sized medical institutions to the primary medical institutions