

DEFINITIONS AND ACRONYMS

In this document, unless the context otherwise requires, the following terms shall have the meanings set out below. Certain other terms are explained in the section headed “Glossary of Technical Terms” in this document.

DEFINITIONS

“Accountants’ Report”	the accountants’ report for the years ended December 31, 2020, 2021 and 2022 prepared by KPMG, the text of which is set out in Appendix I to this document;
“Arrow”	Arrow (China) Electronics Trading Co., Ltd (艾睿(中國)電子貿易有限公司), a company incorporated in the PRC with limited liability on May 16, 2005, one of our distributor partners;
“Articles of Association” or “Articles”	the articles of association of our Company adopted on May 15, 2023 which shall become effective as of the date on which the H Shares are [REDACTED] on the Stock Exchange, as amended from time to time, a summary of which is set out in “Summary of Articles of Association” in Appendix V to this document;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Audit Committee”	the audit committee of our Board;
“Backward Electronic”	Suzhou Backward Electronic Co., Ltd. (蘇州貝克瓦特電子有限公司), a company established in the PRC with limited liability on January 13, 2009 and a member of our Single Largest Group of Shareholders, which is owned as to 53.50% by Mr. Li Zhen, 39.50% by Mr. Zhang Guangping and 7.00% by Mr. Li Yi;
“Backward Partnership”	Suzhou Backward Investment Partnership (Limited Partnership) (蘇州貝克瓦特投資合夥企業(有限合夥)), a general partnership established in the PRC on May 12, 2015 and a member of our Single Largest Group of Shareholders, which is owned as to approximately 41.63% by Backward Electronic, 24.98% by Mr. Li Zhen, 16.65% by Mr. Li Yi, 5.58% by Mr. Xiao Bin (肖斌), 5.58% by Mr. Wei Yong (韋勇) and 5.58% by Mr. Shi Chao (石超);
“Board” or “Board of Directors”	the board of Directors;

DEFINITIONS AND ACRONYMS

“business day”

a day on which banks in Hong Kong are generally open for normal banking business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong;

[REDACTED]

DEFINITIONS AND ACRONYMS

“China” or “PRC”	The People’s Republic of China, but for the purpose of this document and for geographical reference only and except where the context requires otherwise, references in this document to “China” and the “PRC” do not apply to Hong Kong, the Macau Special Administrative Region and Taiwan Region;
“close associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time;
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
“Company”	BaTeLab Co., Ltd. (蘇州貝克微電子股份有限公司) (formerly known as BaTeLab Co., Ltd. (蘇州貝克微電子有限公司)), a limited liability company established in the PRC on November 12, 2010 which was converted into a joint stock company with limited liability on November 15, 2021;
“Company Law” or “PRC Company Law”	the Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time;
“Concert Party Agreement”	the acting in concert agreement dated March 31, 2022 and executed by Mr. Li Zhen, Mr. Zhang Guangping and Mr. Li Yi, details of which are set out in “History, Development and Corporate Structure”;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules;
“Deed of Indemnity”	the deed of indemnity dated [●], 2023 executed by our Single Largest Group of Shareholders in favour of our Company, as further described in “Statutory and General Information – D. Other Information – 1. Tax and indemnities” in Appendix VI to this document;
“Director(s)”	the director(s) of our Company;

DEFINITIONS AND ACRONYMS

“EIT Law” the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》), as enacted by the NPC on March 16, 2007 and effective on January 1, 2008, as amended, supplemented or otherwise modified from time to time;

“Extreme Conditions” any extreme conditions caused by a super typhoon as announced by the government of Hong Kong;

“Frost & Sullivan” Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., a global market research and consulting company, which is an Independent Third Party;

“Frost & Sullivan Report” an independent market research report commissioned by us and prepared by Frost & Sullivan for the purpose of this document;

[REDACTED]

“H Share(s)” ordinary shares of our Company which an application has been made for [REDACTED] and permission to [REDACTED] on the Stock Exchange with a nominal value of RMB1.00 each;

[REDACTED]

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong;

“HKSCC Nominees” HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC;

“Hong Kong” or “HK” the Hong Kong Special Administrative Region of the PRC;

DEFINITIONS AND ACRONYMS

[REDACTED]

[REDACTED]

“Independent Third Party(ies)” individuals or company(ies), who or which, to the best of our Directors’ knowledge, information and belief, having made all reasonable enquiries, is not a connected person of our Company within the meaning of the Listing Rules;

DEFINITIONS AND ACRONYMS

[REDACTED]

DEFINITIONS AND ACRONYMS

[REDACTED]

“Latest Practicable Date” June 16, 2023, being the latest practicable date for the purpose of ascertaining certain information contained in this document prior to its publication;

[REDACTED]

“Listing Committee” the listing committee of the Stock Exchange;

[REDACTED]

“Listing Rules” the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented or otherwise modified from time to time;

“Main Board” the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM (formerly known as the Growth Enterprise Market) of the Stock Exchange;

DEFINITIONS AND ACRONYMS

“Mr. Li Yi”	Mr. Li Yi (李一), our executive Director, deputy general manager, head of the financial department, joint company secretary and one of our co-founders and a member of our Single Largest Group of Shareholders;
“Mr. Li Zhen”	Mr. Li Zhen (李真), our executive Director, chairman of our Board and one of our co-founders and a member of our Single Largest Group of Shareholders;
“Mr. Zhang Guangping”	Mr. Zhang Guangping (張廣平), our executive Director, general manager and one of our co-founders and a member of our Single Largest Group of Shareholders;
“Nomination Committee”	the nomination committee of our Board;

[REDACTED]

“PRC government”	the central government of the PRC and all governmental subdivisions (including provincial, municipal and other regional or local government entities) and organizations of such government or, as the context requires, any of them;
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DEFINITIONS AND ACRONYMS

“PRC Legal Advisors”	King & Wood Mallesons, our legal advisors as to PRC laws in connection with the [REDACTED];
“Pre-[REDACTED] Investment(s)”	the pre-[REDACTED] investment(s) in our Company, details of which are set out in “History, Development and Corporate Structure—Pre-[REDACTED] Investments” in this document;
“Pre-[REDACTED] Investor(s)”	the investor(s) of the Pre-[REDACTED] Investments;
	[REDACTED]
“Regulation S”	Regulation S under the U.S. Securities Act;
“Remuneration and Evaluation Committee”	the remuneration and evaluation committee of our Board;
“Rule 144A”	Rule 144A under the U.S. Securities Act;
“Share(s)”	ordinary share(s) with par value RMB1.00 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of our Share(s);
“Single Largest Group of Shareholder(s)”	refers to Mr. Li Zhen, Mr. Zhang Guangping, Mr. Li Yi, Backward Electronic and Backward Partnership;
	[REDACTED]
“State Council”	the State Council of the PRC (中華人民共和國國務院);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited;
“Strategy Committee”	the strategy committee of our Board;

DEFINITIONS AND ACRONYMS

“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules;
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Supervisor(s)”	the supervisor(s) of our Company;
“Track Record Period”	the three years ended December 31, 2020, 2021 and 2022;

[REDACTED]

“Unlisted Domestic Share(s)”	ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, which are offered by a domestic company but not listed or quoted for trading on any domestic trading venues
“U.S.” or “United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction;
“U.S. Securities Act”	United States Securities Act of 1933, as amended, supplemented or otherwise modified from time to time;
“we,” “us” or “our”	the Company;

[REDACTED]

ACRONYMS

“AFRC”	the Accounting and Financial Reporting Council established by section 6(1) of the Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong), formerly known as the Financial Reporting Council;
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DEFINITIONS AND ACRONYMS

“CAGR”	compounded annual growth rate, which is calculated by dividing the amount at the end of the period by the amount of the beginning of that period, raising the result to an exponent of one divided by the number of years in the period, and subtracting one from the subsequent result;
	[REDACTED]
“CNIPA”	National Intellectual Property Administration of the PRC (國家知識產權局);
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會);
“HKFRS”	Hong Kong Financial Reporting Standards;
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited;
“IASB”	International Accounting Standards Board;
“IDMC”	independent data monitoring committee;
“MOF”	the Ministry of Finance of the PRC (中華人民共和國財政部);
“MOFCOM” or “Ministry of Commerce”	the Ministry of Commerce of the PRC (中華人民共和國商務部);
“MOST”	the Ministry of Science and Technology of the PRC (中華人民共和國科學技術部)
“NASDAQ”	the Nasdaq Global Select Market in the United States;
“PBOC”	the People’s Bank of China (中國人民銀行), the central bank of the PRC;
“PCT”	the Patent Cooperation Treaty;
“QIB”	a qualified institutional buyer within the meaning of Rule 144A;

DEFINITIONS AND ACRONYMS

“Renminbi” or “RMB”	the lawful currency of the PRC;
“R&D”	research and development;
“SAFE”	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局);
“SAMR”	the State Administration for Market Regulation (國家市場監督管理總局);
“Securities and Futures Commission” or “SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time;
“STA”	the State Taxation Administration of the PRC (中華人民共和國國家稅務總局); and
“VAT”	value-added tax.

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities 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. English translations of company names and other terms from the Chinese language are provided for identification purposes only.

Certain amounts and percentage figures included in this document were subjected to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be arithmetic aggregation of the figures preceding them.

For the purpose of this document, references to “provinces” of China include provinces, municipalities under direct administration of the central government and provincial-level autonomous regions.