

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

OVERVIEW

Our Board currently consists of eight Directors, comprising five executive Directors and three independent non-executive Directors. All Directors are elected at the Shareholders’ meetings. Directors serve for a term of three years and shall be subject to re-election upon retirement. Independent non-executive Directors shall not hold office for more than six consecutive years.

The Supervisory Committee currently consists of three Supervisors, including the chairman of the Supervisory Committee. The Supervisors include two shareholder Supervisors and one employee Supervisor. The shareholder Supervisors and the employee Supervisors are elected at the Shareholders’ meetings and the staff representative assembly, respectively, for a term of three years and shall be subject to re-election upon retirement.

The following tables set forth information regarding our Directors, Supervisors and senior management. All of the Directors, Supervisors and senior management have met the qualification requirements under the relevant PRC laws and regulations and the Hong Kong Listing Rules for their respective positions.

Directors, Supervisors and Senior Management

The following table shows the key information of our Directors:

Name	Age	Date of joining the Company	Date of appointment for the current tenure as Director	Position for the current tenure	Responsibility	Relationship with other Directors, Supervisors and senior management
Mr. Li Li (李鋌)	56	April 1998	May 2017	Chairman of the Board and Executive Director	Participating in decision-making in respect of major issues such as business operation strategies; leading the Group’s innovative drugs and CDMO businesses; overseeing the affairs of the Board; overseeing the major financial or external affairs and the evaluation of senior management of our Company	Spouse of Ms. Li and brother-in-law of Mr. Shan
Ms. Li Tan (李坦)	55	April 1998	May 2017	Executive Director and deputy general manager	Participating in decision-making in respect of major issues such as business operation strategies; overseeing the business development activities and human resources management of our Company	Spouse of Mr. Li and sister of Mr. Shan

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Name	Age	Date of joining the Company	Date of appointment for the current tenure as Director	Position for the current tenure	Responsibility	Relationship with other Directors, Supervisors and senior management
Mr. Shan Yu (單宇)	59	April 1998	May 2017	Executive Director and general manager	Participating in decision-making in respect of major issues such as business operation strategies; overseeing the expansion of production capacity, external affairs, security and logistics	Brother of Ms. Li and brother-in-law of Mr. Li
Mr. Sun Xuan (孫暄)	44	February 2020	February 2020	Executive Director and vice chairman to the Board	Participating in decision-making in respect of business operation strategies; overseeing capital market strategies, financing activities, investors relationship and strategic investment; overseeing the management of investment and new product development	Not applicable
Mr. Bu Haihua (步海華)	44	December 2006	May 2017	Executive Director, secretary to the Board and deputy general manager	Participating in decision-making in respect of business operation strategies; overseeing the Board office, communication with securities regulatory authorities, information disclosure and compliance affairs	Not applicable
Dr. Lu Chuan (呂川)	50	December 2019	December 2019	Independent non-executive Director	Participating in decision-making in respect of major matters, such as operation strategies; expressing independent opinions on major matters involving the interests of minority shareholders	Not applicable

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Name	Age	Date of joining the Company	Date of appointment for the current tenure as Director	Position for the current tenure	Responsibility	Relationship with other Directors, Supervisors and senior management
Mr. Chen Junfa (陳俊發)	55	May 2017	May 2017	Independent non-executive Director	Participating in decision-making in respect of major matters, such as operation strategies; expressing independent opinions on major matters involving the interests of minority shareholders	Not applicable
Mr. Wang Zhaohui (王肇輝)	42	July 2017	July 2017	Independent non-executive Director	Participating in decision-making in respect of major matters, such as operation strategies; expressing independent opinions on major matters involving the interests of minority shareholders	Not applicable

The following table shows the key information of our Supervisors:

Name	Age	Date of joining the Group	Date of appointment for the current tenure as Supervisor	Position for the current tenure	Responsibility	Relationship with other Directors, Supervisors and senior management
Mr. Zheng Zehui (鄭澤輝)	50	May 2014	May 2017	Chairman of the Supervisory Committee	Overseeing the affairs of the Supervisory Committee and supervising operational and financial activities of our Company as well as the performance of Directors and senior management	Not applicable

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Name	Age	Date of joining the Group	Date of appointment for the current tenure as Supervisor	Position for the current tenure	Responsibility	Relationship with other Directors, Supervisors and senior management
Ms. Tang Haijun (唐海均)	41	February 2001	May 2017	Supervisor	Supervising the operational and financial activities of our Company as well as the performance of Directors and senior management	Not applicable
Ms. Su Jilan (蘇紀蘭)	40	February 2004	May 2017	Employee supervisor	Supervising the operational and financial activities of our Company as well as the performance of Directors and senior management on behalf of employees	Not applicable

The following table shows the key information of our senior management:

Name	Age	Date of joining the Company	Date of appointment for the current tenure	Position for the current tenure	Responsibility	Relationship with other Directors, Supervisors and senior management
Mr. Shan Yu (單宇)	59	April 1998	May 2017	Executive Director and general manager	Participating in decision-marking in respect of major issues such as business operation strategies; overseeing the expansion of production capacity, external affairs, security and logistics	Brother of Ms. Li and brother-in-law of Mr. Li
Ms. Li Tan (李坦)	55	April 1998	May 2017	Executive Director and deputy general manager	Participating in decision-marking in respect of major issues such as business operation strategies; overseeing the business development activities and human resources management of our Company	Spouse of Mr. Li and sister of Mr. Shan

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Name	Age	Date of joining the Company	Date of appointment for the current tenure	Position for the current tenure	Responsibility	Relationship with other Directors, Supervisors and senior management
Mr. Bu Haihua (步海華)	44	December 2006	May 2017	Executive Director, secretary to the Board and deputy general manager	Participating in decision-marking in respect of business operation strategies; overseeing the Board office, communication with securities regulatory authorities, information disclosure and compliance affairs	Not applicable
Mr. Zhang Bin (張斌)	43	April 2016	May 2017	Financial controller	Participating in decision-marking in respect of business operation strategies; overseeing the business strategy and financial activities of our Company	Not applicable

DIRECTORS

Executive Directors

Mr. Li Li (李鋈), aged 56, spouse of Ms. Li and brother-in-law of Mr. Shan, is the chairman of the Board, an executive Director and the founder of our Company. Mr. Li has over 25 years of experience in the pharmaceutical industry. He is primarily responsible for the major decision-making and strategic planning of our Group and oversees the financial and external affairs of our Group. As the chairman of our Strategy Development Committee, Mr. Li spearheads our Group’s business strategies. Mr. Li led the innovative drugs sector since 2012. Mr. Li approved our strategies in the CDMO sector and has participated in the management of the CDMO business since our acquisition of Cytovance in 2015.

Mr. Li founded the Company and was appointed as the chairman of the Board in April 1998. Mr. Li has also been serving as a director of Topknow since May 2000; a director of Feilaishi since June 2008; a director of Leren Technology since August 2007; a director of Hepalink Europe AB since February 2010; a director of Shenzhen Techdow since November 2010; a director of Hepalink (Hong Kong) since June 2014; a director of Shenzhen Hightide Biopharmaceutical Co., Ltd. since November 2011; a director of Techdow Pharmaceutical (Hong Kong) Co., Ltd. since May 2013; a director of Hepalink USA since April 2014; a director of Shanghai Hightide Biopharmaceutical Co., Ltd. since March 2014; a director of Shenzhen Dekang Investment Development Co., Ltd. since March 2015; a director of Shenzhen Fanpu Biotechnology Co., Ltd. since April 2015; a director of Shenzhen Junshengkang Biotechnology Co., Ltd. since July 2015; a director of Cytovance since October 2015; a director of OncoVent since July 2016; a director of Shenzhen Ruidi Biomedical Co., Ltd. since July 2018; and a director of HighTide since October 2018.

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Mr. Li graduated from Chengdu University of Science and Technology (which later became Sichuan University) in China with a bachelor of science degree in chemistry in July 1987 and obtained the qualification of senior manager from the Vocational Skills Identification Center in February 2005.

Ms. Li Tan (李坦), aged 55, spouse of Mr. Li and sister of Mr. Shan, is our executive Director, co-founder and deputy general manager. Ms. Li has over 25 years of experience in the pharmaceutical industry. She is primarily responsible for the major decision-making of our Group and oversees the business development activities and management of human resources of our Group. As a member of our Strategy Development Committee, Ms. Li also actively participates in the formulation and implementation of our Group’s business strategies, including our strategies in the innovative drugs and the CDMO sectors.

Ms. Li co-founded the Company and was appointed as our Director and deputy general manager in April 1998. Ms. Li has also been serving as a director of Topknow since August 2007; the managing partner of Jintiantu since August 2007; a director of Hepalink (Hong Kong) since June 2014; a director of Shenzhen Techdow since November 2010; a director of Hepalink USA, since October 2013; a director of SPL since August 2015; and a director of Kymab Group Limited since November 2016.

Ms. Li graduated from Chengdu University of Science and Technology (which later became Sichuan University) in China with a bachelor of science degree in chemistry in July 1987 and obtained the qualification of senior manager from the Vocational Skills Identification Center in February 2005.

Mr. Shan Yu (單宇), aged 59, brother of Ms. Li and brother-in-law of Mr. Li, is our executive Director, co-founder and general manager. Mr. Shan has over 25 years of experience in the pharmaceutical industry. He is primarily responsible for the major decision-making of our Group and oversees the production capacity, security, logistics and external affairs of our Group. Mr. Shan also actively participates in the implementation of our Group’s business strategies, including our strategies in the innovative drugs and CDMO sectors.

Mr. Shan co-founded the Company and was appointed as our Director and general manager in April 1998. Mr. Shan has also been serving as a director of Shenzhen Topknow Industrial Development Co., Ltd. since October 2000; a managing partner of Shuidi Shichuan since August 2007; a director of Chengdu Sunrace Co., Ltd. since November 2009; a director of Shenzhen Beidi Aoke Technology Development Co., Ltd. since December 2009; a director of Shandong Ruisheng since July 2010; a director of Shenzhen Pingshan New District Hepalink Pharmaceutical Co., Ltd. since July 2013; and a director of Hepalink USA since April 2014.

Mr. Shan graduated from Peking University in China with a bachelor of science degree in applied physics in July 1982 and obtained the qualification of senior manager from the Vocational Skills Identification Center in February 2005.

Mr. Sun Xuan (孫暄), aged 44, is our Executive Director and vice chairman to the Board. Mr. Sun joined the Company and was appointed as our Director in February 2020. He is primarily responsible for the major decision-making of our Group and oversees our capital market strategies, financing activities, investors relationship, strategic investments and the management of our investments and new product development. Mr. Sun has over 15 years of experience in the pharmaceutical and healthcare investment industry. He served as an equity research analyst in Morgan

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Stanley & Co. Inc. in New York, from 2005 to 2006. Prior to Morgan Stanley, he worked at Bristol-Myers Squibb. From 2006 to August 2017, Mr. Sun worked in the investment banking division of UBS AG in New York and Hong Kong, including as a managing director from February 2016 to August 2017 and Head of Asia Healthcare Group from October 2015 to August 2017. From December 2017 to January 2020, Mr. Sun was a managing director of Yunfeng Capital Co., Ltd. responsible for healthcare investments.

Mr. Sun graduated from Vanderbilt University in the United States with a bachelor of science degree in chemistry in May 1998, obtained a master of arts degree majoring in pharmacology from Columbia University in the City of New York, United States in October 1999, and graduated with distinction from New York University Stern School of Business in the United States with a master of business administration degree in May 2005.

Mr. Bu Haihua (步海華), aged 44, is our executive Director, secretary to the Board and deputy general manager. Mr. Bu has over 10 years of experience in the pharmaceutical industry. He is primarily responsible for the major decision-making of our Group and oversees the Board office and the management of regulatory and compliance affairs of our Group. Mr. Bu has been responsible for formulating and implementing an annual operations plan for our innovative drugs business since 2012. He also actively participates in the implementation of our Group’s business strategies, including our strategies in the innovative drugs and the CDMO sectors.

Mr. Bu joined the Company in December 2006 and was appointed as secretary to the Board in December 2007, deputy general manager in June 2010 and our Director in November 2014. Mr. Bu has also been serving as a director of Chengdu Sunrace Co., Ltd. since October 2010; a director of Hepalink (Hong Kong) since November 2010; a director of Hepalink USA since April 2014; a director of SPL since August 2015; a director of OncoVent since July 2016; a director of Shenzhen Ruidi Biomedical Co., Ltd. since July 2018 and a director of HighTide since October 2018.

Mr. Bu graduated from Shanghai University of Finance and Economics in China with a bachelor’s degree in economics in July 1997 and graduated from Shanghai Jiaotong University in China with a master’s degree in business administration in January 2005. Mr. Bu became a non-practicing member of the Chinese Institute of Certified Public Accountants in December 2009 and obtained board secretary certificate granted by Shenzhen Stock Exchange in November 2008.

Independent non-executive Directors

Dr. Lu Chuan (呂川), aged 50, is our independent non-executive Director. Dr. Lu joined the Company and was appointed as an independent Director in December 2019. Dr. Lu has been serving as a vice president of Huan Yue Interactive Holdings Limited since October 2019.

Dr. Lu served as an assistant engineer of Nanjing Jinling Shipyard Company Limited from August 1991 to August 1994. From July 1997 to August 2005, Dr. Lu worked at Shenzhen Nonferrous Metals Finance Co., Ltd. as a research fellow of the investment bank department. From August 2005 to November 2018, Dr. Lu worked as a managing director assistant and deputy general manager of Yinjian International Industrial Co., Ltd. Dr. Lu served as a director of Shenzhen Zhongqingbao Interactive Network Co., Ltd. (A share stock code on the Shenzhen Stock Exchange: 300052) from April 2008 to April 2012, a non-executive director of China Geothermal Industry Development Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 8128) from

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September 2008 to March 2009, a non-executive director of E-Commodities Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1733) from June 2010 to July 2016, and director of Ningxia West King Liquor Co., Ltd. from October 2011 to February 2014.

Dr. Lu graduated from Wuhan University of Technology in China with a bachelor’s degree in naval mechanical engineering in July 1991, graduated from Huazhong University of Science and Technology in China with a master’s degree in business management in May 1997 and a doctorate in management in December 2006.

Mr. Chen Junfa (陳俊發), aged 55, is our independent non-executive Director. Mr. Chen joined the Company and was appointed as an independent Director in May 2017. Mr. Chen has also been serving as an independent non-executive director and an audit committee member of Lomon Billions Group Co., Ltd. (A share stock code on the Shenzhen Stock Exchange: 002601) since April 2014; an independent non-executive director and an audit committee member of Shenzhen Mason Technology Co., Ltd. (A share stock code on the Shenzhen Stock Exchange: 002654) since July 2014; the deputy general manager of Shenzhen Pengxin Asset, Land and Real Estate Appraisal Co., Ltd. since April 2016; and an independent non-executive director of O-film Light Group Co., Ltd. (A share stock code on the Shenzhen Stock Exchange: 002456) since November 2017.

Mr. Chen previously served as an independent non-executive director and audit committee member of Shenzhen Yitao Intelligent Control Co., Ltd. (A share stock code on the Shenzhen Stock Exchange: 300131) from May 2011 to November 2017; and an independent non-executive director of Zibo Qixiang Tengda Chemical Co., Ltd. (A share stock code on the Shenzhen Stock Exchange: 002408) from March 2014 to April 2017.

Mr. Chen served as a project manager of Shenzhen Zhonghua Accounting Firm from July 1993 to December 1997. He served as director, chairman of the board and general manager of Shenzhen Zhongqinxin Asset Appraisal Co., Ltd. from October 2000 to June 2008 and served as the general manager of Shenzhen Jinkai Zhongqinxin Asset Appraisal Co., Ltd. from June 2008 to December 2009. Mr. Chen served as the deputy general manager of Shenzhen Dezhengxin International Asset Appraisal Co., Ltd. from January 2010 to March 2016.

Mr. Chen obtained his bachelor’s degree in engineering from Beijing University of Science and Technology in China in July 1988 and graduated from Nankai University in China with a master’s degree in economics majoring in political economics in July 1993. Mr. Chen became a non-practicing member of the Chinese Institute of Certified Public Accountants in October 1994 and first obtained the People’s Republic of China Certificate of Certified Public Valuer in August 1997.

Mr. Wang Zhaohui (王肇輝), aged 42, is our independent non-executive Director. Mr. Wang joined the Company and was appointed as an independent Director in July 2017. Mr. Wang has also been serving as the founding partner of Ruchuan Capital Investment Fund since April 2016. From June 2001 to August 2009, Mr. Wang served as a senior journalist of Chinese College Students magazine. Mr. Wang served as the public relations manager of Innovation (Beijing) Software Development Co., Ltd. from September 2009 to January 2011, served as the public relations manager at Beijing Innovation Ark Technology Co., Ltd. from February 2011 to August 2015, and worked at Sinovation Ventures (Beijing) Enterprise Management Co., Ltd. as the director and deputy general manager from September 2015 to April 2016.

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Mr. Wang graduated from the China University of Geosciences in China with a bachelor’s degree in engineering in July 2001.

SUPERVISORS

Mr. Zheng Zehui (鄭澤輝), aged 50, is the chairman of our Supervisory Committee. Mr. Zheng has also been serving as the general manager of URIT Medical Electronic Co., Ltd. since October 2006. Mr. Zheng graduated from Wuhan University in China with a bachelor’s degree in biochemistry in July 1992 and graduated from China Europe International Business School in China with a master’s degree in business administration in October 2011.

Ms. Tang Haijun (唐海均), aged 41, is a Supervisor and the manager of the GXP document control department of our Company. Ms. Tang joined the Company in February 2001 and was appointed as our Supervisor in December 2007.

Ms. Tang graduated from Sun Yat-sen University in China with a bachelor’s degree in administrative management in July 2014.

Ms. Su Jilan (蘇紀蘭), aged 40, is an employee Supervisor and the deputy manager of the quality inspection department of our Company. Ms. Su joined the Company in February 2004 and was appointed as our employee Supervisor in December 2007.

Ms. Su graduated from Xi’an Jiaotong University in China with a bachelor of science degree in pharmacy in July 2001. Ms. Su obtained the qualification of assistant engineer from the Department of Human Resources of Shaanxi Province in August 2002.

SENIOR MANAGEMENT

Mr. Shan Yu (單宇), aged 59, is our executive Director and general manager. For the biography of Mr. Shan, please refer to “—Directors— Executive Directors” of this section.

Ms. Li Tan (李坦), aged 55, is our executive Director, co-founder and deputy general manager. For the biography of Ms. Li, please refer to “—Directors— Executive Directors” of this section.

Mr. Bu Haihua (步海華), aged 44, is our executive Director, secretary to the Board and deputy general manager. For the biography of Mr. Bu, please refer to “—Directors— Executive Directors” of this section.

Mr. Zhang Bin (張斌), aged 43, is our financial controller. Mr. Zhang has over 3 years of experience in the pharmaceutical industry. He joined our Company in April 2016 and has been appointed as our financial controller in April 2016. His primary responsibilities include overseeing the financial activities of our Group and participating in the implementation of our Group’s business strategies, particularly in the innovative drugs and CDMO sectors. Mr. Zhang has been serving as a director of SPL since February 2018; a director of Hepalink USA since February 2018; and a director of Cytovance since February 2018.

From June 2005 to August 2015, Mr. Zhang served in various positions in KPMG’s offices in China and the United States, including manager and senior manager. Mr. Zhang served as an inspection expert of the Public Company Accounting Oversight Board of the United States from August 2015 to February 2016.

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Mr. Zhang graduated from Henan University in China with a bachelor’s degree in law in July 2003 and graduated from Patten University in the United States with a master’s degree in business administration in April 2015. Mr. Zhang became a non-practicing member of the Chinese Institute of Certified Public Accountants in November 2013 and a non-practicing member of American Institute of Certified Public Accountants in July 2015.

Save as disclosed above, none of our Directors, Supervisors and members of senior management is related to other Directors, Supervisors and members of the senior management.

Save as disclosed above, none of our Directors, Supervisors and members of senior management held any directorship in any public companies, the shares of which are listed in Hong Kong or overseas stock markets, during the three years prior to the date of this document.

JOINT COMPANY SECRETARIES

Mr. Bu Haihua (步海華), our joint company secretary, is also our executive Director, secretary to the Board, deputy general manager and a member of our senior management. For the biography of Mr. Bu, please refer to “—Directors—Executive Directors” of this section.

Ms. Chan Sze Ting (陳詩婷) is one of the joint company secretaries of the Company. Ms. Chan currently serves as a senior manager of corporate services of Tricor Services Limited, a global professional services provider specializing in integrated business, corporate and investor services. Ms. Chan has over 14 years of experience in the corporate secretarial field. She has been providing professional corporate services to multiple Hong Kong listed companies. Ms. Chan is currently the company secretary of Sinopec Shanghai Petrochemical Company Limited (a company listed on the Main Board of the Stock Exchange, stock code: 338 and listed on the Shanghai Stock Exchange, stock code: 600688), the company secretary of Sunfonda Group Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1771) and Modern Media Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 72).

Ms. Chan is a Chartered Secretary, a Chartered Governance Professional and an Associate of both The Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute in the United Kingdom. Ms. Chan holds a bachelor of laws degree from the University of London.

BOARD COMMITTEES

The Board delegates certain responsibilities to various dedicated committees. In accordance with relevant PRC laws, regulations, the Articles and the Hong Kong Listing Rules, namely the Strategy Development Committee, the Audit Committee, the Remuneration and Evaluation Committee and the Nomination Committee.

Strategy Development Committee

The Strategy Development Committee consists of three Directors, namely Mr. Li Li, Ms. Li Tan, and Dr. Lu Chuan. Mr. Li Li currently serves as the chairman of the committee. The primary duties of the Strategy Development Committee are to study and advise on the long term strategy and major investments and financing plans of the Group.

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Audit Committee

Upon [REDACTED], the Audit Committee will consist of three Directors, namely Mr. Chen Junfa, Mr. Wang Zhaohui and Dr. Lu Chuan. Mr. Chen Junfa serves as the chairman of the committee. The primary duties of the Audit Committee are to review and supervise the financial reporting process, risk management and internal control system of the Group.

Remuneration and Evaluation Committee

The Remuneration and Evaluation Committee consists of three Directors, namely Mr. Wang Zhaohui, Mr. Chen Junfa, and Mr. Li Li. Mr. Wang Zhaohui currently serves as the chairman of the committee. The primary duties of the Remuneration and Evaluation Committee are to review and make recommendations to the Board regarding the terms of remuneration packages, bonuses and other compensation payable to our Directors and senior management.

Nomination Committee

The Nomination Committee consists of three Directors, namely Mr. Li Li, Mr. Chen Junfa, and Dr. Lu Chuan. Dr. Lu Chuan currently serves as the chairman of the committee. The primary duties of the Remuneration and Nomination Committee are to make recommendation to the Board regarding the appointment of Directors and senior management.

CORPORATE GOVERNANCE

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of our Shareholders. To accomplish this, the Company intends to comply with Corporate Governance Code set out in Appendix 14 to the Listing Rules and the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules after the [REDACTED].

BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy (the “**Board Diversity Policy**”) in order to enhance the effectiveness of our Board and to maintain high standard of corporate governance. The Board Diversity Policy sets out the criteria in selecting candidates to our Board, including but not limited to gender, age, cultural and educational background and professional experience. The ultimate decision will be based on merit and contribution that the selected candidates will bring to our Board.

Our Directors have a balanced mixed of knowledge and skills, including but not limited to overall management and strategic development, finance and accounting and risk management, as well as professional experiences in the pharmaceutical industry. The Board of Directors is of the view that our Board satisfies the Board Diversity Policy.

The Nomination Committee is responsible for reviewing the diversity of the Board. After [REDACTED], the Nomination Committee will monitor and evaluate the implementation of the Board Diversity Policy from time to time to ensure its continued effectiveness.

REMUNERATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The Directors, Supervisors and senior management receive their remuneration in the form of salary and allowances, employer’s contribution to pension schemes, annual bonuses and independent directors’ fee.

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For the three years ended December 31, 2017, 2018 and 2019, the total remuneration paid to our Directors amounted to RMB6.3 million, RMB11.2 million and RMB6.7 million, respectively.

For the three years ended December 31, 2017, 2018 and 2019, the total remuneration paid to our Supervisors amounted to RMB0.7 million, RMB0.8 million and RMB0.9 million, respectively.

Under the arrangements currently in force as of the date of this document, our Directors and Supervisors will be entitled to receive remuneration for their service which, for the year ending December 31, 2020, is expected to be approximately RMB9.0 million and RMB1.0 million, respectively. The remuneration of Directors and Supervisors consists of annual bonuses and pension schemes contribution, which are determined based on the evaluation of each Directors’ and Supervisors’ performance in 2020. The actual remuneration of Directors and Supervisors in 2020 may be different from the expected remuneration.

For the three years ended December 31, 2017, 2018 and 2019, the total remuneration and benefits in kind paid to the five highest paid individuals (excluding Directors) by our Group amounted to RMB22.0 million, RMB16.8 million and RMB21.0 million, respectively. See “Appendix I—Accountants’ Report—Notes to Financial Information—9. Directors’ and Supervisors’ Remuneration” and “—10. Five Highest Paid Employees” for further details.

For the three years ended December 31, 2017, 2018 and 2019, no payment was made by our Group to any of the Directors or the five highest paid individuals as an inducement to join us or as compensation for loss of office. Our Supervisors (excluding employee Supervisor) do not receive any remuneration from the Company. Save as disclosed above, none of the Directors or Supervisors waived their remuneration during the relevant period.

The remuneration of Directors, Supervisors and senior management is determined with reference to factors including the salaries paid by comparable companies, time commitment and responsibilities of the Directors, Supervisors and senior management, employment conditions of other positions in our Company and the desirability of performance-based remuneration.

As of the Latest Practicable Date, save as otherwise disclosed, none of the Directors, Supervisors or senior management is interested in any Shares within the meaning of Part XV of the SFO. Save as disclosed herein, to the best knowledge, information and belief of the Directors after having made all reasonable enquiries, there was no additional matter with respect to the appointment of the Directors or Supervisors that needs to be brought to the attention of the Shareholders and there was no additional information relating to the Directors that is required to be disclosed pursuant to Rules 13.51(2)(b) to (v) of the Hong Kong Listing Rules as of the Latest Practicable Date.

SHARE INCENTIVE SCHEME

In order to motivate, attract and retain our employees, our Company adopted the Share Incentive Scheme II and Share Incentive Scheme III in November 2016 and December 2018, respectively. For details, please see “Appendix VI—Statutory and General Information—C. Share Incentive Schemes II and III”.

COMPLIANCE ADVISOR

The Company has appointed Somerley Capital Limited as the compliance advisor upon **[REDACTED]** in compliance with Rules 3A.19 and 19A.05 of the Hong Kong Listing Rules. Our Compliance

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Adviser will provide us with guidance and advice as to compliance with the Listing Rules and applicable Hong Kong laws. Pursuant to Rule 3A.23 of the Listing Rules, our Compliance Adviser will advise our Company in certain circumstances including:

- before the publication of any regulatory announcement, circular, or financial report;
- where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- where we propose to use the [REDACTED] of the [REDACTED] in a manner different from that detailed in this document or where the business activities, development or results of our Group deviate from any forecast, estimate or other information in this document; and
- where the Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

Meanwhile, pursuant to Rule 19A.06(3) of the Listing Rules, the compliance advisor shall inform us on a timely basis of any amendment or supplement to the Hong Kong Listing Rules issued by the Hong Kong Stock Exchange from time to time and any new or amended law, regulation or code in Hong Kong applicable to the Company. The compliance advisor shall also provide advice to us on the continuing requirements under the Listing Rules and applicable laws and regulations.

The term of appointment of the compliance advisor shall commence on the [REDACTED] and end on the date of distribution of the annual report of the financial results of the Group for the first full financial year commencing after the [REDACTED] or on the date of the termination of the contract, whichever is earlier.

COMPETITION

Each of our Directors confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, directly or indirectly, with our business, and requires disclosure under Rule 8.10 of the Listing Rules.