

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Upon the [REDACTED], our Board will consist of six Directors, comprising two executive Directors and four independent non-executive Directors. Our Board is responsible and has general powers for the management and conduct of our business, while our senior management is responsible for the day-to-day management of our business.

The following table sets out certain information about our Directors:

Name	Age	Position(s)	Roles and responsibilities	Date of joining our Group	Date of appointment as Director	Relationships with other Directors and senior management
Mr. Zhao Liang (趙亮)	43	Chairman, Executive Director, Chief Executive Officer, chairperson of the nomination committee, a member of the remuneration committee of the Board	Overall management, decision-making and strategy planning of our Group	June 2006	August 2020	Nil
Mr. Lei Wai Hoi (李偉海)	36	Executive Director, chief financial officer and a member of the compliance committee of the Board	Overseeing the overall financial management as well as corporate governance matters of our Group	March 2021	May 2021	Nil
Mr. Chiu G Kiu Bernard (趙之翹)	42	Independent non-executive Director, chairperson of the audit committee of the Board and a member of each of the nomination committee, remuneration committee and compliance committee of our Board	Supervising and providing independent judgment to our Board	●	●	Nil
Mr. Shen Shifu (申士富)	55	Independent non-executive Director, and a member of each of the audit committee, remuneration committee and nomination committee of our Board	Supervising and providing independent judgment to our Board	●	●	Nil
Mr. Liu Zezheng (劉澤政)	41	Independent non-executive Director, chairperson of each of the remuneration committee and compliance committee of the Board and a member of each of the audit committee and nomination committee of the Board	Supervising and providing independent judgment to our Board	●	●	Nil
Ms. Zhao Jingran (趙婧冉)	33	Independent non-executive Director and a member of each of the audit committee, nomination committee and remuneration committee of the Board	Supervising and providing independent judgement to our Board	●	●	Nil

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Executive Directors

Mr. Zhao Liang (趙亮), aged 43, is an executive Director, chairman of the Board and chief executive officer of our Company. He is primarily responsible for the overall management, decision-making and strategy planning of our Group.

Mr. Zhao is one of our founders and has approximately 20 years of experience in the graphite mining industry. Prior to founding our Group, Mr. Zhao was the deputy general manager of Jixi Yixiang Graphite Company Limited* (雞西市溢祥石墨有限公司) from June 2002 to May 2004. He founded and served as deputy general manager of Jixi Lishu Yixiang Graphite Factory* (雞西市梨樹區溢祥石墨廠) in February 2006 which was dissolved in July 2015. Mr. Zhao then founded our Group in June 2006 and has held directorship roles in our principal operating subsidiaries, namely Yixiang Graphite and Yixiang New Energy since April 2019 and April 2011, respectively. He also served as the general manager of Yixiang Graphite from June 2006 to May 2019 and since April 2021. He has been a Hegang City Deputy of the National People’s Congress (鶴崗市人大代表) since January 2017.

Mr. Zhao joined the Heilongjiang Province Graphite Industry Association* (黑龍江省石墨產業協會) in March 2019, and was an executive council member as at the Latest Practicable Date. As at the Latest Practicable Date, Mr. Zhao was also a vice chairman of each of the China Graphite Industry Development Alliance* (中國石墨產業發展聯盟), the Graphite and Graphite Materials Committee of China Non-Metallic Minerals Industry Association* (中國非金屬礦業協會石墨及石墨材料專業委員會) and the Hegang Graphite Industry Development Alliance* (鶴崗市石墨產業發展聯盟).

Mr. Zhao obtained a college degree in agricultural management and development from Northeast Agricultural University (東北農業大學) after completing online courses in December 2006.

Mr. Zhao was a director, legal representative or manager of the following companies incorporated in the PRC when they were dissolved, or within 12 months before they were dissolved, details of which are set out below:

Name of Company	Nature of business prior to dissolution	Date of dissolution	Means of dissolution ^{Note}
1. Jixi Lishu Yixiang Graphite Factory* (雞西市梨樹區溢祥石墨廠)	Graphite flakes processing and trading	July 8, 2015	Dissolved by deregistration
2. Shanghai Zihua International Trade Company Limited* (上海滋華國際貿易有限公司)	Dormant	June 13, 2018	Dissolved by deregistration
3. Beijing Yixiang Mobaojia International Trade Company Limited* (北京市溢 祥墨寶佳國際貿易有限公司)	Dormant	July 25, 2019	Dissolved by deregistration
4. Jixi Yixiang Graphite Company Limited* (雞西市溢祥石墨 有限公司)	Dormant	April 16, 2020 (License revoked on August 13, 2008)	Dissolved by revocation of license followed by deregistration
5. Heilongjiang Yixiang Graphene Technology Company Limited* (黑龍江溢祥稀碳科技有限公司)	Dormant	June 24, 2020	Dissolved by deregistration

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Note: According to Article 180 of the Company Law of the PRC, a company shall be dissolved for the following reasons: (i) expiry of the term of operation stipulated in the articles of association of the company or occurrence of an event which triggers the dissolution as provided in the articles of association of the company; (ii) a resolution on dissolution has been passed by the board of shareholders or a shareholders’ general meeting; (iii) where the dissolution is required by a merger or division; (iv) the business license is revoked or the company is ordered to be closed down; (v) a dissolution of the company is ordered by a people’s court in accordance with the provisions of Article 182.

To the best knowledge, information and belief of Mr. Zhao, he confirmed that (i) the above companies were solvent immediately prior to dissolution; (ii) there was no wrongful act on his part leading to the dissolution of the above companies; (iii) he is not aware of any actual or potential claim that has been or will be made against him as a result of the dissolution of the above companies; and (iv) the deregistration of the above companies has not resulted in any liability or obligation imposed against him. Based on the above, the [REDACTED] considers that the above incident would not affect the suitability of Mr. Zhao to be our executive Director under Rules 3.08 and 3.09 of the Listing Rules or acting as the director of our subsidiaries or the suitability of [REDACTED] of our Company under Rule 8.04 of the Listing Rules.

Mr. Lei Wai Hoi (李偉海), aged 36, is an executive Director and the chief financial officer of our Group. Mr. Lei joined our Group in March 2021 and is responsible for overseeing the overall financial management as well as corporate governance matters of our Group. Mr. Lei has over 11 years of experience in the accounting and compliance profession.

Mr. Lei was employed by PricewaterhouseCoopers from October 2009 to July 2017 with his last position as a manager.

Prior to joining our Group, Mr. Lei served as the financial controller and company secretary of WT Group Holdings Limited (“**WT Group**”), a company listed on the Main Board (Stock Code: 8422) from July 2017 to March 2021 and the director of Healthy Luck Holdings Limited, a directly wholly-owned subsidiary of WT Group incorporated in the BVI from May 2019 to March 2021. Mr. Lei also served as a director of Million Sea Development Limited, an indirectly wholly-owned subsidiary of WT Group incorporated in Hong Kong, from May 2019 to March 2021, where he was responsible for its daily operation.

Mr. Lei obtained a bachelor’s degree in business administration (majoring in accounting) from the Hong Kong Baptist University in November 2009. Mr. Lei was admitted as a member of the Hong Kong Institute of Certified Public Accountants in January 2013.

Independent non-executive Directors

Mr. Chiu G Kiu Bernard (趙之翹), aged 42, is an independent non-executive Director. He is primarily responsible for supervising and providing independent judgment to our Board.

Mr. Chiu has over 18 years of experience in the accounting and finance field. He began his career as auditor of KPMG in August 2003 and was later promoted to deputy manager of the audit department in March 2007 before finally leaving KPMG in May 2008. He then served as senior associate in the assurance department of BDO McCabe Lo Limited from September 2008 to July 2009. From October 2009 to September 2010, he worked as finance manager for NT Pharma (HK) Limited and then he joined Pfizer Corporation Hong Kong Limited as senior accountant in November 2010 and worked there

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until July 2012. From July 2012 to September 2016, he served as accounting manager of CGN New Energy Holdings Co., Ltd and later joined ORG International Holdings Limited where he served as senior finance manager until September 2017. From September 2017 to February 2018, he worked as the financial controller of China Life Science Service Limited. Since February 2018, he has been working as deputy chief financial officer of Carry Wealth Holdings Limited (stock code: 643), a company listed on the Main Board, principally engaged in the manufacture and trade of garment products.

Mr. Chiu has been serving as a director of Carry Wealth Limited (近旺有限公司), Hillwealth International Limited (領溢國際有限公司), Mass Wealth Investments Limited (尚豪投資有限公司), Win Sonic Investments Limited (永聲投資有限公司) and Dragon Insight Investments Limited (穎揚投資有限公司) since January 1, 2018. Mr. Chiu has also been serving as the group finance director of Cosmo Supply Limited since May 2022.

Mr. Chiu graduated in October 2003 with a bachelor of commerce degree in accounting and finance from The University of New South Wales. He is also a member of CPA Australia and a member of the Hong Kong Institute of Certified Public Accountants.

Mr. Shen Shifu (申士富), aged 55, is an independent non-executive Director. He is primarily responsible for supervising and providing independent judgment to our Board.

Mr. Shen has over 18 years of experience in the mineral and mining industries.

He joined Qingdao Changcheng Jiaozhou Building Materials Group Company Limited* (青島膠州長城建材集團公司) in August 2002 and worked as senior engineer until July 2005. Since August 2004 and until the Latest Practicable Date, he has been working as a chief expert of the Mineral Processing Research and Design Institute of BGRIMM Technology Group Co., Ltd. (“**BGRIMM Group**”) (北京礦冶科技集團有限公司選礦研究設計所). He has been serving as an independent non-executive director of Zhaojin Mining Industry Company Limited (Stock code: 1818), a company listed on the Main Board since February 2016. Mr. Shen has been serving as an independent non-executive director of Huaiji Dengyun Auto-Parts Holding Co. Ltd., a company listed on the Shenzhen Stock Exchange (SZSE: 2715), since March 2021.

Mr. Shen was an academic foregoer of China Inorganic Chemical Industry Society (中國無機化工學會) from October 2008 to October 2012, and has been an expert committee member of China Non-metallic Mineral Industry Association Professional Committee of Graphite (中國非金屬礦工業協會石墨專業委員會) and a professor committee member of China Nonferrous Metals Society Technical Experts Working Committee (中國有色金屬學會技術專家工作委員會) since August 2014 and October 2018, respectively.

Mr. Shen has undertaken over 40 enterprise commissions (including the beneficiation of various kinds of minerals, the comprehensive utilization of tailings, and the harmless disposal of hazardous waste and comprehensive utilization of mineral material).

Mr. Shen graduated from Shandong Institute of Building Materials* (山東建築材料工業學院) (currently known as University of Jinan (濟南大學)) with a bachelor of Silicate Engineering in July 1988, and later obtained a doctorate degree in Mineral Processing Engineering from the Northeastern University (東北大學) in September 2004. He was awarded the title of qualified senior engineer during

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his employment at Qingdao LuBi Cement Production Co., Ltd. in November 2000, and by the Professional Skills and Occupational Assessment Committee of BGRIMM Group (北京礦冶科技集團有限公司專業技術職務評審委員會) in December 2019.

Mr. Liu Zezheng (劉澤政), aged 41, is an independent non-executive Director. He is primarily responsible for supervising and providing independent judgment to our Board.

Mr. Liu has over 14 years of experience in the legal industry. From February 2008 to November 2011, Mr. Liu served as a lawyer at Beijing Guangsheng & Partners Law Offices* (北京市廣盛律師事務所). He then joined Beijing Qunke Law Offices* (北京群科律師事務所) and served as a lawyer until December 2018. Since January 2019, he has been serving as a lawyer of Beijing Qingshan Law Offices* (北京市青山律師事務所). Mr. Liu obtained the practicing certificate for lawyers issued by the Beijing Municipal Bureau of Justice* (北京市司法局) in July 2008.

Mr. Liu graduated from Inner Mongolia University (內蒙古大學), majoring in law in July 2004.

Ms. Zhao Jingran (趙婧冉), aged 33, is an independent non-executive Director. She is primarily responsible for supervising and providing independent judgement to our Board.

Ms. Zhao has taken up various roles at The Hong Kong Polytechnic University since 2015. In particular, she has been serving as an assistant professor since July 2015 and a visiting lecturer at the Institute of Advanced Executive Education since July 2021. Ms. Zhao taught management accounting and has been teaching business analytics in accounting and finance and contemporary issues in accounting research since 2019. A number of Ms. Zhao’s academic papers have been published. Ms. Zhao was awarded the 2020 JIAR Best Paper Award and has been awarded the Faculty Award for Outstanding Achievement (Teaching) in 2019/2020.

Ms. Zhao obtained her bachelor’s degree in business administration from Georgia College & State University in May 2010. She also obtained a Ph.D. degree in accounting from Emory University in June 2015.

Other disclosure pursuant to Rule 13.51(2) of the Listing Rules

Save as disclosed above and in “Appendix VI — Statutory and General Information — C. Further Information about our Directors and Substantial Shareholders” and to the best of the knowledge, information and belief of our Directors, having made all reasonable enquiries, each of our Directors confirms that (i) he/she did not hold any other positions or short positions in the Shares, underlying Shares, debentures of our Company and/or any associated corporation (with the meaning of Part XV of the SFO) as at the Latest Practicable Date; (ii) he/she had no other relationship with any Directors, senior management and/or substantial or Controlling Shareholders of our Company as at the Latest Practicable Date; (iii) he/she did not hold any directorships in any public companies the securities of which are listed on any securities market in Hong Kong and/or overseas in the three years immediately preceding the date of this document; and (iv) there are no other matters concerning our Directors’ appointments that need to be brought to the attention of our Shareholders and the Stock Exchange or shall be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

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Save as disclosed in this document, none of our Directors has any interests in a business apart from our Group’s business which competes or is likely to compete, directly or indirectly, with our Group’s business and would require disclosure under Rule 8.10 of the Listing Rules.

SENIOR MANAGEMENT

In addition to our Directors, our Group has the following senior management members to be responsible for the day-to-day management and operation of our business. The following table sets out certain information relating to members of our senior management team:

Name	Age	Position	Roles and responsibilities	Date of Joining our Group	Relationships with other Directors and senior management
Mr. Lei Wai Hoi (李偉海)	36	Chief financial officer	overseeing the overall financial management and corporate governance matters of our Group	March 2021	Nil
Mr. Wang Guilu (王貴路)	54	General manager	overall management of the sales and marketing activities of our Group	June 2006	Nil
Mr. Gai Wenping (蓋文平)	55	Executive deputy general manager	overall management of human resources and procurement affairs of our Group	June 2006	Nil
Mr. Ren Yu (任羽)	47	Deputy general manager	overall management of the production of our Group	June 2006	Nil
Mr. Wu Enming (吳恩明)	52	Deputy general manager	overall management of the production of our Group	May 2007	Nil
Ms. Xu Xia (徐霞)	49	Finance director	overall management of the financial and internal control matters in our Group	January 2021	Nil

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Mr. Lei Wai Hoi (李偉海) is the chief financial officer of our Company. See “— Executive Directors” in this section.

Mr. Wang Guilu (王貴路), aged 54, is a general manager and sales manager of our Company. Mr. Wang is responsible for the overall management of the sales and marketing activities of our Group.

Mr. Wang has over 16 years of working experience. Mr. Wang joined Yixiang Graphite in June 2006 with his latest position as deputy general manager and sales manager. He has been working in Yixiang New Energy since April 2014 with his latest position as general manager and sales manager.

Mr. Wang graduated from Hulan Normal College (呼蘭師範專科學校) in July 1988, majoring in history. He obtained the qualification of First Grade Middle School Teacher (中學一級教師) in September 2002 issued by the Personnel Department of Heilongjiang Province. Mr. Wang completed a training course for chief executive officers at Tsinghua University Education Training Management Office (清華大學教育培訓管理處) in October 2012.

Mr. Gai Wenping (蓋文平), aged 55, is an executive deputy general manager of our Company. He is responsible for the overall management of human resources and procurement affairs of our Group.

Mr. Gai joined our Group in June 2006 as sales manager of Yixiang Graphite and served as such until December 2012. He rejoined Yixiang Graphite as production factory director in March 2013 and was promoted to the position of deputy general manager in February 2016.

Mr. Gai graduated from Jixi Coal Mine Mechanics Manufacturing and Technical Institute* (雞西煤礦機械製造技工學校) in riveting in September 1987.

Mr. Gai graduated from Jixi Coal Mine Mechanics Manufacturing and Technical Institute* (雞西煤礦機械製造技工學校) in senior riveting in September 2002.

Mr. Gai obtained the professional qualification certificate for level 4/intermediate level skills (四級/中級技能職業資格證書) the professional qualification certificate for level 3/advanced level skills (三級/高級技能職業資格證書) from the Ministry of Human Resources and Social Security of the PRC (中國人力資源和社會保障部) in June 2002 and March 2003, respectively.

Mr. Ren Yu (任羽), aged 47, is a deputy general manager of our Company. He is responsible for the overall management of the production of our Group.

Mr. Ren has extensive experience in accounting and financial management. He joined the procurement department of Yixiang Graphite in June 2006 and was transferred to the position of finance manager in the finance department of Yixiang Graphite. From April 2014 to December 2020, he worked in the finance department of Yixiang New Energy as finance director prior to the promotion effective in January 2021 to his current position.

Mr. Ren obtained a diploma in architecture from the labor department of Jixi city in July 1995 and later graduated from the CPC Central Party School in Heilongjiang Province with a bachelor's degree in finance and accounting in July 2007.

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Mr. Wu Enming (吳恩明), aged 52, is a deputy general manager of our Company. He is responsible for the overall management of the production of our Group.

From May 2007 to April 2011, he joined Yixiang Graphite and served as equipment officer. Since May 2011, he has been working as factory director of Yixiang New Energy, where his responsibilities included production management, technical transformation and the development of new products.

Mr. Wu graduated with a bachelor’s degree in mechanical maintenance from Jixi City Labor Bureau Technical School* (雞西市勞動局技工學校) in July 1993. In July 2006, he completed advanced level of fitter training at Jixi Mining Advanced Technical School* (雞西礦業高級技工學校).

Ms. Xu Xia (徐霞), aged 49, is the finance director of our Company. She is responsible for the overall management of the financial and internal control matters in our Group.

Prior to 2005, Ms. Xu served as financial supervisor in various companies.

Ms. Xu later served as a financial manager at the financial department of Shenzhen Xinsanli Automatic Equipment Co., Ltd.* (深圳市三力自動化設備有限公司) from November 2005 to December 2014. Ms. Xu then served as a financial manager of Huizhou Chuangyingyuan Electronic Technology Co., Ltd.* (惠州市創盈源電子科技有限公司) from September 2015 to December 2020 before joining our Group in January 2021.

Ms. Xu graduated from Xiangtan University (湘潭大學) in June 1994 majoring in administrative management. She obtained the qualification as an intermediate accountant in May 2001 conferred by the MOF and obtained the certificate of accounting professional in June 2005 from the Shenzhen Finance Bureau (深圳市財政局).

Save as disclosed above, none of our senior management members holds any position as director in any other listed companies in the last three years immediately preceding the date of this document.

COMPANY SECRETARY

Ms. Mak Po Man Cherie (麥寶文) has been the company secretary of our Company since May 31, 2021. Ms. Mak Po Man Cherie is the vice president of SWCS Corporate Services Group (Hong Kong) Limited. She has worked for various professional firms and listed companies in Hong Kong, with over 15 years of experience in the fields of auditing, accounting, corporate finance, compliance and company secretarial. Ms. Mak has been the vice president of SWCS Corporate Services Group (Hong Kong) Limited since October 2019 and was the assistant vice president from August 2018 to September 2019. Ms. Mak obtained a master of corporate governance degree from the Hong Kong Polytechnic University in 2017. She has been admitted as an associate member of The Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators in the United Kingdom) in 2017, a member of the Hong Kong Institute of Certified Public Accountants in 2003, and a fellow member of the Association of Chartered Certified Accountants in 2006.

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BOARD COMMITTEES

We have established the following committees within our Board of Directors, namely, an audit committee, a remuneration committee, a nomination committee and a compliance committee. The committees operate in accordance with the terms of reference adopted by our Board.

Audit committee

We have established an audit committee with written terms of reference in compliance with Rules 3.21 and 3.22 of the Listing Rules and the Paragraph C.3 of the Corporate Governance Code as set forth in Appendix 14 to the Listing Rules. The audit committee consists of four members, namely, Mr. Chiu G Kiu Bernard, Mr. Shen Shifu, Mr. Liu Zezheng and Ms. Zhao Jingran. Mr. Chiu G Kiu Bernard, the independent non-executive Director with appropriate accounting and financial management expertise, is the chairperson of the committee. The primary duties of the audit committee are to make recommendations to our Board on the appointment, re-appointment and removal of external auditors; review the financial statements; provide material advice in respect of our financial reporting process; oversee our internal control and risk management systems and audit process; and provide advice and comment to our Board on matters related to corporate governance.

Remuneration committee

We have established a remuneration committee with written terms of reference in compliance with Rules 3.25 and 3.26 of the Listing Rules and the Paragraph B.1 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. The remuneration committee consists of five members, four independent non-executive Directors and one executive Director namely, Mr. Liu Zezheng, Mr. Zhao Liang, Mr. Shen Shifu, Mr. Chiu G Kiu Bernard and Ms. Zhao Jingran. Mr. Liu Zezheng is the chairperson of the committee. The primary duties of the remuneration committee are to make recommendations to the Board regarding our policy and structure for the remuneration of our Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policies, and to make recommendations to the Board on the remuneration packages of our Directors and senior management and on the employee benefit arrangement.

Nomination committee

We have established a nomination committee with written terms of reference in compliance with the Paragraph A.5 of the Corporate Governance Code as set forth in Appendix 14 to the Listing Rules. The nomination committee consists of five members, four independent non-executive Directors and one executive Director namely, Mr. Zhao, Mr. Chiu G Kiu Bernard, Mr. Shen Shifu, Mr. Liu Zezheng and Ms. Zhao Jingran. Mr. Zhao is the chairperson of the committee. The primary duties of the nomination committee are to make recommendations to review the structure, size and composition (including the skills, knowledge and experience) of our Board; and review and make recommendations to the Board on appointment of Directors and the management of the Board succession.

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Compliance Committee

We have established a compliance committee with written terms of reference. The compliance committee consists of three members, two independent non-executive Directors and one executive Director namely, Mr. Liu Zezheng, Mr. Chiu G Kiu Bernard and Mr. Lei Wai Hoi. Mr. Liu is the chairperson of the committee. The primary duties of the compliance committee are to ensure compliance with regulatory matters as well as the adequacy and effectiveness of regulatory compliance procedures and system.

CODE PROVISION A.2.1 OF THE CORPORATE GOVERNANCE CODE

Our Directors recognize the importance of good corporate governance in management and internal procedures to promote and ensure accountability.

Mr. Zhao is our executive Director, chairman of the Board and the Chief Executive Officer of our Company. With extensive experience in the graphite mining industry, Mr. Zhao is responsible for the overall management, decision-making and strategy planning of our Group and is instrumental to our Group’s growth and business expansion since the establishment of our Group. Since Mr. Zhao is the key reason for our Group’s establishment, considering that (a) the day-to-day responsibilities of the chief executive officer have been assumed by Mr. Zhao, who is also the chairperson of our Company; and (b) Mr. Zhao is the chairperson of our Group and has extensive experience in our business operation and management in general, there is no separation of the roles of the chairperson and the chief executive officer of our Company, and so our Board considers that vesting the roles of chairman and the Chief Executive Officer in the same person, Mr. Zhao, would not create any potential harm to the interest of our Group and it is, on the contrary, beneficial to the management of our Group. In addition, the operation of the senior management and our Board, which are comprised of experienced individuals, effectively checks and balances the power and authority of Mr. Zhao. Our Board currently comprises two executive Directors (including Mr. Zhao) and four independent non-executive Directors and therefore has a fairly strong independence element in its composition.

The Board works efficiently and performs its responsibilities with all key and appropriate issues discussed in a timely manner. In addition, as all major decisions are made in consultation with members of the Board and relevant Board committees, and there are four independent non-executive Directors on the Board offering independent perspective, the Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board. Nevertheless, the Board shall review the structure and composition of the Board from time to time in light of prevailing circumstances, to maintain a high standard of corporate governance practices of our Company.

Save as disclosed above, we will comply with the requirements under all code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. Our Directors will review our corporate governance policies and compliance with the Corporate Governance Code each financial year and comply with the “comply” or “explain” principle in our corporate governance report which will be included in our annual reports upon the [REDACTED].

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BOARD DIVERSITY POLICY

In order to enhance the effectiveness of our Board and to maintain the high standard of corporate governance, we have adopted the board diversity policy which sets out the objective and approach to achieve and maintain diversity of our Board. Pursuant to the board diversity policy, we seek to achieve Board diversity through the consideration of a number of factors when selecting the candidates to our Board, including but not limited to gender, skills, age, professional experience, knowledge, cultural, education background, ethnicity and length of service. The ultimate decision of appointment will be based on merit and the contribution which the selected candidates will bring to our Board.

Our Directors have a balanced mix of knowledge and skills, including overall management and strategic development, accounting and financial management, sales and marketing, graphite mining, mineral processing and law. They obtained degrees in various majors including economic, engineering, arts, finance and accounting and law. We have four independent non-executive Directors with different industry backgrounds, representing four-sixths of the Board. Taking into account our existing business model and specific needs as well as the different background of our Directors, the composition of our Board satisfies our board diversity policy.

Our nomination committee is responsible for ensuring the diversity of our Board members and compliance with relevant codes governing board diversity under the Corporate Governance Code as set forth in Appendix 14 of the Listing Rules. We will continue to apply the principle of appointments based on merits with reference to our Board diversity policy as a whole and are committed to provide career development opportunities for female staff. Under our Board diversity policy, our Company intends to promote gender diversity when recruiting staff at mid to senior level so that our Company will have a pipeline of female members at senior management level and also potential successors to the Board. Under our Board diversity policy, we also plan to offer all-rounded trainings to female employees whom we consider to have suitable experience, relevant skills and knowledge of our operation and business, including but not limited to, business operation, management, accounting and finance, legal and compliance and research and development. Our Directors are of the view that such strategy will offer opportunities for our Board to identify capable female employees to be nominated as members of the Board in the future with the aim to providing our Board with a pipeline of female candidates to achieve gender diversity in our Board in the long run. Moreover, our nomination committee is delegated by our Board to take opportunity to increase the proportion of female members over time when selecting and making recommendation on suitable candidates for Board appointments so as to achieve an appropriate balance of gender diversity with reference to stakeholders' expectation and international and local recommended best practices. Our nomination committee will aim to recommend at least one female Director candidate to the Board for its consideration at least once per year.

Our nomination committee will review the board diversity policy and our diversity profile (including gender balance) from time to time to ensure its continued effectiveness. We will also disclose in our corporate governance report about the implementation of the board diversity policy on an annual basis.

We are also committed to adopting similar approach to promote diversity, including but not limited to gender diversity, at all other levels of our Company from the Board downwards to enhance the effectiveness of our corporate governance as a whole.

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COMPLIANCE ADVISOR

In accordance with Rule 3A.19 of the Listing Rules, our Company has appointed Lego Corporate Finance Limited as our compliance advisor commencing from the [REDACTED], who will have access to all relevant records and information relating to our Company that it may reasonably require to properly perform its duties. Pursuant to Rule 3A.23 of the Listing Rules, our Company must consult with and, if necessary, seek advice from the compliance advisor on a timely basis in the following circumstances:

- before the publication of any regulatory announcement, circular or financial report;
- where a transaction, which might be notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- where we propose to use proceeds of the [REDACTED] in a manner different from that detailed in this document;
- where our business activities, developments or results deviate from any forecast, estimate or other information in this document; and
- where the Stock Exchange makes an inquiry of our Company under Rule 13.10 regarding unusual movements in the [REDACTED] or [REDACTED] of our Shares.

The term of the appointment will commence on the [REDACTED] and end on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [REDACTED], and such appointment may be subject to mutual agreement.

REMUNERATION AND COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

Our Directors and senior management receive compensation from our Group in the form of wages, salaries, bonuses, contributions to pension schemes, allowances and benefits in kind.

The aggregate remuneration (including salaries, bonuses, contributions to pension schemes, other social security costs and other employee benefits) received by our Directors were approximately RMB0.7 million, RMB0.7 million and RMB1.5 million for the years ended December 31, 2021, respectively.

The aggregate amount of salaries, bonuses, contribution to pension schemes, other social security costs and other employee benefits paid to our Company’s five highest (not including one of which is our executive Director) paid individuals were approximately RMB2.5 million, RMB2.5 million and RMB2.2 million for the three years ended December 31, 2019, 2020 and 2021, respectively.

Pursuant to the arrangements currently in force, the aggregate amount of remuneration (excluding discretionary bonus) payable to and the benefits in kind receivable by our Directors for the year ending December 31, 2022 is estimated to be approximately RMB2.4 million.

DIRECTORS AND SENIOR MANAGEMENT

The independent non-executive Directors receive fees from our Company. All Directors receive reimbursements from our Company for expenses which are necessary and reasonably incurred for providing services to our Company or executing matters in relation to the operations of our Company and are paid out of the funds of our Company by way of fees for their services as directors, such sums (if any) as our Directors may from time to time determine (not exceeding in aggregate an annual sum excluding other amounts payable (e.g. expenses as remuneration for employment) or such larger amount as our Company may by ordinary resolution determine). Save as disclosed above, our Directors are not entitled to receive any other special benefits from our Company. The compensation of our Directors is determined by the Board which, following the [REDACTED], will receive recommendation from the Remuneration Committee which will take into account applicable laws, regulations and rules.

No remuneration was paid by our Group to our Directors or the five highest paid individuals as an inducement to join or upon joining us or as a compensation for loss of office during the Track Record Period. Further, none of our Directors had waived any remuneration during the same period.

Save as disclosed above, no other payments have been made or are payable during the Track Record Period by our Group to our Directors or senior management.

SHARE OPTION SCHEME

We have conditionally adopted the Share Option Scheme on [●]. For details of the Share Option Scheme, please see “Statutory and General Information — D. Other information — 1. Share Option Scheme” in Appendix VI to this document.