

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Our Board currently consists of eight Directors, comprised of five executive Directors and three independent non-executive Directors. The table below includes some information about our Directors.

Name	Age	Present Position	Responsibility	Year of joining the Group	Respective dates of appointment to Present Position and as Director
JIN Dongtao ⁽¹⁾ (金東濤)	44	Chairman of the Group and executive Director	Setting strategic vision, direction and goals	1998	June 1998 and 12 March 2012
JIN Dongkun ⁽¹⁾ (金東昆)	40	Vice chairman of the Group and executive Director	Overseeing external affairs and relationships	1998	January 2011 and 12 March 2012
CHEN Xiaoyan ⁽¹⁾ (陳笑妍)	35	President of the Group and executive Director	Overseeing purchasing, internal audit, internal control and training	1999	January 2011 and 12 March 2012
CHU Chuanfu (初川富)	43	Chief executive officer of the Group and executive Director	Overseeing operations	1999	January 2011 and 12 March 2012
WU Qiong (吳瓊)	40	Chief financial officer of the Group and executive Director	Overseeing financial management and financial control	2010	June 2010 and 12 March 2012
CHENG Sheung Hing (鄭雙慶)	65	Independent non-executive Director	Our Group's compliance, corporate governance, development and business strategies	2013	18 November 2013
CHIANG Su Hui Susie (江素惠)	66	Independent non-executive Director	Our Group's compliance, corporate governance, development and business strategies	2013	18 November 2013
CHEN Xiao (陳曉)	50	Independent non-executive Director	Our Group's compliance, corporate governance, development and business strategies	2013	18 November 2013

Note:

(1) Jin Dongtao is Jin Dongkun's brother, and Chen Xiaoyan's spouse.

Executive Directors

Mr. JIN Dongtao (金東濤), 44, was appointed as the Chairman of the Board and an executive Director of our Company on 12 March 2012. Mr. Jin is one of the co-founders of our Group and has been chairman of our Group since its inception in June 1998. He has substantial experience in the pharmaceutical retail and distribution sector and is responsible for setting the strategic vision, direction and goals of our Group.

Mr. Jin has over 20 years of experience in the pharmaceutical distribution industry and in marketing.

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Other experience:

- August 1991 – June 1995: business manager of Jiamusi City Morning Star Pharmaceutical Company (佳木斯市晨星製藥廠)
- July 1995 – May 1998: general manager of Jiamusi City Morning Star Pharmaceutical Store (佳木斯市晨星醫藥商店)
- 2010 – present: chairman of the Heilongjiang Alliance of Pharmaceutical Retailers (黑龍江藥店聯盟理事長)
- 2012 – present: vice chairman of the China Medical Pharmaceutical Material Association (中國醫藥物資協會)

Education:

- July 1991: graduated from Jiamusi United Workers University (佳木斯聯合職工大學)
- December 2010: obtained a Master's degree in Business Administration in a programme run by United Business Institutes

Mr. Jin received the National Enterprise Management Specialist Award by the China National Management Specialist Centre (中華人民共和國人事部全國人才流動中心) in 2006. He is qualified as a practising pharmacist in China. Mr. Jin has not held any directorships in any publicly listed company over the past three years.

Mr. JIN Dongkun (金東昆), 40, was appointed as the vice chairman and an executive Director of our Company on 12 March 2012. He is one of the co-founders of our Group and has served as business manager, general manager and vice president of our Group since June 1998. He is responsible for overseeing our Group's external affairs and relationships.

Mr. Jin Dongkun has over 15 years of experience in the pharmaceutical distribution industry and in marketing.

Other experience:

- August 1995 – June 1998: business manager of Jiamusi City Morning Star Pharmaceutical Store (佳木斯市晨星醫藥商店)
- 2010 – present: vice chairman of the Heilongjiang Alliance of Pharmaceutical Retailers (黑龍江省藥店聯盟副理事長)

Education:

- December 1994: graduated from Harbin Engineering University (哈爾濱工程大學) with a major in Electric Technology
- July 2013: obtained a Master's degree in Business Management in a programme run by the Scandinavian Art and Business Institute.

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He is qualified as a practising pharmacist in China. Mr. Jin Dongkun has not held any directorships in any publicly listed company over the past three years.

Mr. Jin Dongkun is Mr. Jin Dongtao's brother.

Ms. CHEN Xiaoyan (陳笑妍), 35, was appointed as the President in January 2011 and was appointed as an executive Director of our Company on 12 March 2012. She is responsible for overseeing purchasing, internal audit, internal control and training of our Group. Ms. Chen has experience in product procurement and financial management.

Ms. Chen has over 15 years of experience with our Group. She initially joined as procurement manager in 1999 and was promoted to deputy general manager in 2003. She then worked as general manager of the Group from 2007 to 2012.

Education:

- July 1999: graduated from Jiamusi City University (佳木斯市職工大學) with a major in Pharmacy

She is a qualified pharmacist in China. Ms. Chen has not held any directorships in any publicly listed company over the past three years.

Ms. Chen is Mr. Jin Dongtao's spouse.

Mr. CHU Chuanfu (初川富), 43, was appointed as the Chief Executive Officer in January 2011 and was appointed as an executive Director of our Company on 12 March 2012. He is responsible for the operations of our Group. He has experience in the expansion and management of chain stores and the promotion of pharmaceutical products.

Mr. Chu has over 14 years of experience with our Group. He previously worked as assistant to the general manager of the Group from 1999 to 2001 and deputy chief general manager of the Group from 2001 to 2011.

Other experience:

- 2008 – present: vice president of the Municipal Association for Private Enterprises (市民營企業協會) in Jiamusi
- 2010 – present: honorable chairman of the Municipal Pharmaceutical Association (市藥學會) in Jiamusi

Education:

- July 1993: graduated from Harbin University of Civil Engineering and Architecture (哈爾濱建築工程學院) (now School of Architecture of Harbin Institute of Technology) with a major in coal chemical engineering

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He is qualified as a nutritionist in China. Mr. Chu has not held any directorships in any publicly listed company over the past three years.

Ms. WU Qiong (吳瓊), 40, was appointed as an executive Director of our Company on 12 March 2012. She joined our Group as the chief financial officer in June 2010 and is responsible for financial management and financial control. She has extensive experience in financial management, with particular expertise in financial control and management, internal control and internal audit.

Other experience:

- July 1996 – March 2003: quality manager and head of quality management of Beijing Dong Sheng Electric Welding Machine Works (北京市東升電焊機廠)
- March 2003 – July 2005: project manager of Beijing Zheng Da CPA (北京正大會計師事務所)
- August 2005 – June 2006: project manager of Beijing Zhonglian CPA (北京中聯會計師事務所)
- July 2006 – December 2007: senior project manager of Zhong He Zheng Xin CPA (中和正信會計師事務所)
- January 2008 – June 2010: deputy general manager of Shanghai Rong Sen Corporate Management Consulting Co., Ltd (上海榕森企業管理諮詢有限公司)

Education:

- July 1996: graduated from Northern Jiaotong University (北方交通大學), now Beijing Jiaotong University (北京交通大學), with a major in Electrical Traction and Transmission Control (電力牽引與傳動控制)
- September 2000 – December 2002: attended a Master's degree programme in Corporate and Financial Management (企業管理專業財務管理方向) run by the Business School at the University of International Business and Economics, Beijing

Ms. Wu is a China certified public accountant and mechanical and electrical engineer. She has obtained securities practice qualification certificates from the Securities Association of China. Ms. Wu has not held any directorships in any publicly listed company over the past three years.

Independent non-executive Directors

Mr. CHENG Sheung Hing (鄭雙慶), 65, was appointed as an independent non-executive Director of the Company on 18 November 2013. Mr. Cheng is a senior economist of PBOC with many years of experience in foreign exchange management and management of pharmaceutical companies and listed companies.

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Other experience:

- 1982 – 1985: in charge of the foreign affairs and organisation department of Beijing Pharmaceutical Co., Ltd. (北京市醫藥總公司) and stores for new drugs and specific drugs
- 1986 – 1995: deputy administrative officer of Non-trade Department and Inspection Department of the State Administration of Foreign Exchange (國家外匯管理局)

Directorships:

- 1995 – 2002: assistant to the general manager and assistant to board chairman of Wing On Travel (Holdings) Limited (永安旅遊 (控股) 有限公司), a company listed on the main board of the Stock Exchange (stock code: 01189)
- 2003 – 2005: assistant to board chairman of XPRESS Group Limited (特速集團), a company listed on the main board of the Stock Exchange (stock code: 00185)
- 2005 – present: independent director of China Outdoor Media Group Limited (中國戶外媒體集團), a company listed on the main board of the Stock Exchange (stock code: 00254)

Save as disclosed above, Mr. Cheng has not held any directorships in any publicly listed company over the past three years.

Education:

- 1982: graduated from the School of Trade and Economy of Beijing Economics College (now Capital University of Economics and Business) with a major in Trading Economics

Ms. CHIANG Su Hui Susie (江素惠), 66, was appointed as an independent non-executive Director of the Company on 18 November 2013. Ms. Chiang has over 22 years of experience in governmental affairs, treasury and cross-straits relations.

Other experience:

- December 1991 – March 1994: the representative of Government Information Office of the Executive Yuan of Taiwan (台灣行政院新聞局駐港代表)
- March 1994 – December 2004: in charge of the Taiwanese Kwang-hwa Information and Culture Centre (台灣光華新聞文化中心)
- April 2002: established the C S Forum (香江論壇) and the C S Corp. Consultancy Limited (香江顧問有限公司) in Hong Kong with the goal of promoting cross-straits economic and trade communications

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Current positions:

- member of the Hong Kong-Taiwan Cultural Co-operation Committee of the Hong Kong Special Administrative Region (香港特區政府港台文化合作委員會)
- chairwoman of the C S Culture Foundation (香江文化交流基金會)
- chairwoman of the C S Corp. Consultancy Limited (香江顧問有限公司)
- chairwoman of the C S Finance & Investment Company Limited (香江金融財務集團有限公司)
- honorary chairwoman of the Taiwan Business Association (Hong Kong) Limited (香港台灣工商協會)
- consultant to the International Affairs Committee of Taichung City Government (台中市政府國際事務委員會)
- visiting professor at the Taiwan Research Academy of Beijing Union University (北京聯合大學台灣研究院)

Education:

- July 1969: graduated from the Taiwan National Chung Hsing University (台灣國立中興大學) with a major in laws

Ms. Chiang has not held any directorships in any publicly listed company over the past three years.

Dr. CHEN Xiao (陳曉), 50, was appointed as an independent non-executive Director of the Company on 18 November 2013. Dr. Chen is a professor in the Department of Accounting at the School of Economics and Management of Tsinghua University (清華大學). For the past 16 years, he has been teaching and conducting academic research in the fields of accounting and taxation at Tsinghua University. Dr. Chen has extensive experience in accounting and has published a number of articles in both domestic and international academic accounting journals on topics such as financial accounting, corporate governance and taxation.

Other experience:

- May 2000 – May 2013: department chair of the Department of Accounting at the School of Economics and Management of Tsinghua University (清華大學)

Current position:

- board member on the Accounting Society of China and International Tax Society of China

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Directorships:

- 2006 – 2012: independent director of Hanwang Technology Co. Ltd. (漢王科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002362)
- 2003 – 2009: independent director of Invengo Information Technology Co. Ltd. (遠望谷信息技術股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002161)
- 2006 – 2009: independent director of Chenzhou Mining Group Co. Ltd. (辰州礦業有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002155)
- 2003 – 2009: independent director of Norinco International Co. Ltd. (北方國際合作股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000065)
- 2002 – 2005: independent director of Henan Huanghe Whirlwind Co. Ltd. (河南黃河旋風股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600172)
- 2007 – present: independent director and chairman of the audit committee of Noah Education Holdings Ltd., a company listed on the New York Stock Exchange (stock code: NED)
- June 2011 – present: independent director and chairman of the audit committee of China First Chemical Holdings Ltd (一化控股(中國)有限公司), a company listed on the main board of the Stock Exchange (stock code: 02121)
- 2012 – present: independent director of Changyou.com Ltd., a company listed on NASDAQ, (stock code: CYOU)

Save as disclosed above, Dr. Chen has not held any directorships in any publicly listed company over the past three years.

Education:

- 1983: graduated from Wuhan Institute of Technology (武漢工程大學) with a major in chemical engineering
- 1989: obtained a Master's degree in management from University of Science and Technology of China (中國科學技術大學)
- 1996: obtained a Doctorate degree in Economics from Tulane University in the United States

Non-competition

Each of the Directors has confirmed that he or she and his/her respective associate(s) is not engaged in, or interested in any business which, directly or indirectly, competes or may compete with the business of our Group.

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SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. Our senior management team is comprised of the executive Directors listed above as well as the following individuals:

Name	Age	Present Position	Year of joining the Group	Date of appointment to Present Position
ZHAO Zehua (趙澤華)	45	General manager of finance of the Group	2005	October 2011
YANG Jiacheng (楊家誠) . . .	42	General manager of brand operations of the Group	2013	January 2013
GE Junming (葛俊明)	45	Company Secretary of the Group and the Company	1998	June 1998 and 12 March 2013

Mr. ZHAO Zehua (趙澤華), 45, was appointed as the general manager of finance of our Group in October 2011. He joined our Group in January 2005 as financial controller and was promoted to his current position in October 2011. He is responsible for financial control and management. He has over 25 years of experience in financial management, with particular expertise in financial accounting, treasury and internal control.

Other experience:

- August 1989 – May 2001: head of finance at Hebei Chengde Tianyuan Pharmaceutical Co., Ltd. (河北省承德天原藥業有限公司)
- June 2001 – December 2004: Manager of finance and deputy general manager of Hebei Chengde Tianyuan Pharmaceutical Co., Ltd (河北省承德天原藥業有限公司)
- January 2003 – December 2004: Manager of finance and deputy general manager of Chengde Pharmaceutical Group Liuhe Pharmaceutical Co., Ltd (承德藥業集團六合有限責任公司)

Education:

- July 1992: graduated from Hebei Radio and Television University (河北廣播電視大學) with a major in Finance and Accounting

Mr. Zhao is a qualified accountant in China. He has not held any directorships in any publicly listed company over the past three years.

Mr. YANG Jiacheng (楊家誠), 42, was appointed as the general manager of brand operations of our Group in January 2013. He joined our Group in January 2013 and is responsible for overseeing our brand operations. He is a qualified senior lecturer (associate professor) in China.

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Other experience:

- August 2006 – December 2011: marketing director and general manager of company strategy and public strategy; special assistant to the chief executive officer at American Oriental Bioengineering Inc. (美國東方生物技術有限公司)
- December 2011 – December 2012: chief operating officer of Renji Shanghai Hospital Group

Current positions:

- standing director of the Chinese Medical Association Health Industry Committee (中國醫師協會健康產業委員會)
- chartered (特約) researcher at the China International Medical Exchange Foundation (中華國際醫學交流基金會)

Education:

- 1998 – obtained a Master's degree in Political Economics Studies from Northeast Normal University (東北師範大學)
- 2010 – graduated from a doctoral programme in management from Beijing Normal University (北京師範大學)

Mr. Yang has not held any directorships in any publicly listed company over the past three years.

Mr. GE Junming (葛俊明), 45, was appointed as our company secretary on 18 November 2013 and is currently one of our joint company secretaries. He joined our Group in 1998. Mr. Ge has worked in various other capacities in our Group, including as an accountant, head of the planning department, chief secretary to the Chairman, head of the legal department, general secretary and director in various members in our Group.

Other experience:

- August 1988 – May 1994: a materials accountant, costs accountant and head accountant of Jiamusi CNC Machine Tools Factory (佳木斯數控機床廠)
- June 1994 – August 1995: head accountant of Jiamusi Import and Export Wood Products Company (佳木斯進出口木製品公司)
- September 1995 – August 1996: chief of finance at Jiamusi Forging Equipment Factory (佳木斯鍛壓設備廠)
- September 1996 – April 1998: financial inspector at Jiamusi Marketing Limited Company of the Sanzu Group (三株集團佳木斯營銷有限公司)

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Education:

- July 1988: obtained a Secondary Professional Degree (中等專業) in Financial Accounting from Heilongjiang School of Machinery Manufacturing (黑龍江機械製造學校)
- July 1993: graduated from the School of Economics at Peking University (北京大學經濟學院) with a major in Financial Accounting, by way of distance learning

He is also a qualified senior accountant, senior planner, pharmacist and nutritionist in China.

Mr. GE received the National Enterprise Management Specialist Award by the China National Management Specialist Centre (中華人民共和國人事部全國人才流動中心) in 2005. Mr. Ge has not held any directorships in any listed company over the past three years.

Joint company secretaries

Mr. GE Junming (葛俊明), one of our joint company secretaries, is also a member of our senior management. Please see “– *Senior Management*” for further details.

Ms. YUNG Mei Yee (翁美儀) was appointed as our joint company secretary on 18 November 2013. Ms. Yung is a senior manager of KCS Hong Kong Limited and is responsible for provision of corporate secretarial and compliance services to listed company clients. She has over 20 years of experience in the company secretarial field. She worked for various sizable and reputable companies listed on the Main Board of the Stock Exchange. She is a fellow member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators.

Ms. Yung has extensive knowledge and experience in dealing with corporate governance, regulatory and compliance affairs of listed companies such as corporate acquisitions and disposals, restructurings and issue of equities. She also specialises in handling and coordinating very substantial acquisition, major transaction and connected transaction exercises. Ms. Yung has not held any directorship in any listed company over the past three years.

Current Positions:

- joint company secretary of L’Occitane International S.A., a company listed on the main board of the Stock Exchange (stock code: 00973)
- joint company secretary of China Galaxy Securities Co. Ltd., a company listed on the main board of the Stock Exchange (stock code: 06881)
- joint company secretary of Forgame Holdings Limited, a company listed on the main board of the Stock Exchange (stock code: 00484)

Education:

- November 1993 – obtained a Bachelor’s degree of arts in accountancy from the City Polytechnic of Hong Kong
- November 2000 – obtained a Master degree of arts in language and law from the City University of Hong Kong
- August 2010 – obtained a Bachelor’s degree of laws from the University of London

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BOARD COMMITTEES

Audit Committee

We have established a Board audit committee on 18 November 2013, in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix 14 to the Listing Rules. The primary duties of the audit committee are to review and supervise our financial reporting process and internal controls of the Group, and to develop and review the policies and procedures on corporate governance and make recommendations to the Board.

The audit committee currently consists of three independent non-executive Directors. The members of the audit committee are currently Mr. Cheng Sheung Hing, Ms. Chiang Su Hui Susie, and Mr. Chen Xiao. The audit committee is currently chaired by Mr. Chen Xiao, an independent non-executive Director.

Remuneration Committee

We have established a Board remuneration committee on 18 November 2013 in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code set out in Appendix 14 to the Listing Rules. The primary duties of the remuneration committee are to make recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy with regard to such remuneration.

The remuneration committee currently consists of one executive Director and two independent non-executive Directors. The members of the remuneration committee are currently Ms. Chen Xiaoyan, Mr. Cheng Sheung Hing and Ms. Chiang Su Hui Susie. The remuneration committee is currently chaired by Mr. Cheng Sheung Hing, an independent non-executive Director.

Nomination Committee

We have established a Board nomination committee on 18 November 2013 as recommended by the Corporate Governance Code set out in Appendix 14 to the Listing Rules. The primary duties of the nomination committee are to review the structure, size and composition of the Board, assess the independence of the independent non-executive Directors, and to make recommendations to the Board on the appointment and removal of Directors.

The nomination committee currently consists of one executive Director and two independent non-executive Directors. The members of the nomination committee are currently Mr. Jin, Mr. Cheng Sheung Hing and Ms. Chiang Su Hui Susie. The nomination committee is currently chaired by Mr. Jin.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

The aggregate amount of remuneration (including fees, salaries, discretionary bonuses, contributions to retirement schemes, housing, and other benefits and other allowances) incurred for the Directors in 2010, 2011, 2012 and the six months ended 30 June 2013 were approximately RMB441,000, RMB774,000, RMB1,050,000 and RMB616,000, respectively.

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The remuneration (including fees, salaries, discretionary bonuses, contributions to retirement schemes, housing, and other benefits and other allowances) incurred for the five highest paid individuals, including Directors in 2010, 2011, 2012 and the six months ended 30 June 2013 was approximately RMB441,000, RMB774,000, RMB1,050,000 and RMB616,000, respectively. Approximately RMB19,000, RMB22,000, RMB26,000 and RMB16,000 was incurred as contribution to the pension schemes of such individuals in 2010, 2011, 2012 and the six months ended 30 June 2013. None of the Directors had waived any remuneration during the above period.

Under the arrangements currently in force, the Company estimates that the aggregate remuneration, excluding discretionary bonus of the Directors payable for 2013 will be approximately RMB1.7 million.

We have not paid any remuneration to the five highest paid individuals or any Director as an inducement to join or upon joining us or as a compensation for loss of any office with regard to 2010, 2011, 2012 and the six months ended 30 June 2013.

Except as disclosed above, no other payments have been made or are payable, with regard to 2010, 2011, 2012 and the six months ended 30 June 2013, by any of member of the Group to any of the Directors.

COMPLIANCE ADVISOR OF THE COMPANY

We have appointed Guotai Junan Capital Limited as our compliance advisor (the “**Compliance Advisor**”) pursuant to Rule 3A.19 of the Listing Rules. The Compliance Advisor will provide us with guidance and advice as to compliance with the requirements under the Listing Rules and applicable Hong Kong laws. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Advisor will advise our Company, among others, in the following circumstances:

- (i) before the publication of any regulatory announcement, circular, or financial report;
- (ii) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- (iii) where we propose to use the proceeds of the Listing in a manner different from that detailed in this prospectus or where the business activities, development or results of our Group deviate from any forecast, estimate or other information in this prospectus; and
- (iv) where the Stock Exchange makes an inquiry to the 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.

The term of appointment of the Compliance Advisor shall commence on the Listing Date and is expected to 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 Listing Date.